RISK FACTORS

The purchase of Units involves a substantial degree of risk. In evaluating an investment in the Company, a prospective investor should carefully consider the Risk Factors described below, among other risk factors. The following discussion is not intended to be an all-inclusive description of all risks attendant to an investment in the Units, but merely represents our attempt to point out certain known risk factors.

GENERAL RISKS

The Company’s operations are subject to unpredictable economic, market, social and political conditions which are outside the Company’s control and which may negatively affect its results of operation.

Like all commercial entities, the Company is subject to being affected, to some degree, by any volatility in economic, market, social and political conditions, both domestic and international, and by governmental regulation. Conditions such as inflation, recession, unemployment, changes in interest rates, short-term money supply, terrorism and various other factors beyond the Company's control may adversely affect the Company's ability to provide returns to investors.

The Company’s Properties may be susceptible to economic slowdowns or recessions nationally and/or regionally which could have a negative impact on the value of our Properties.

Our Properties may be susceptible to economic slowdowns or recessions, either nationally or regionally, which could lead to losses in our investments and decreases in revenues, net income and the value of our assets. Further, an oversupply of farmland property could have a negative impact on the value of a Property and our ability to sell it for a profit, or at all, which could adversely impact a Member’s return on investment in that you could receive less cash than you invested.

Investors may experience dilution with respect to their investment in the Units.

Net book value per Unit of the Company is determined generally by dividing the net worth of the Company (book value of assets minus total liabilities) by the number of total Units outstanding. The current net book value is negligible because the Company has not yet closed on the Property. Investors in this Offering may experience immediate dilution by reason of the payment of expenses associated with this Offering. Additionally, the net book
value per Unit could also decline if the Company experiences losses in the future.

_The Company can make no assurance that it will have cash available to make distributions to investors, nor can there be any assurance that distributions will increase in the future._

No assurance can be made regarding the timing of any future distribution, or whether any distributions will be made. Except with respect to certain tax distributions, our Manager will have authority to authorize distributions, in its sole discretion.

_These offering materials and our statement of risk have not been independently reviewed by an underwriter or broker-dealer._

This statement of risks inherent in investing in the Units / Property and the accompanying offering materials were prepared entirely by the Company without the assistance of an underwriter or a securities broker-dealer. Accordingly, there has been no independent review of the terms of this offer, the value of the Units, the Property or the viability of the Company on either a present or going forward basis.

_The Company’s activities will be subject to regulation under environmental, land use, securities and tax laws, rules and regulations that may be changed without notice and a failure to comply with such laws, rules and regulations could negatively impact our results of operation._

The Company's activities will be subject to regulation under applicable laws, including, without limitation, environmental, land use and tax laws and regulations. Any change in applicable laws or regulations, or any failure to adhere to such laws, may have a material adverse effect on our prospects of the Company. In addition, the Company's operations could be affected by legislative changes and by the policies of various regulatory agencies. The Company is vulnerable to such future legislation, regulation and governmental policy which could adversely affect the real estate industry, farming industry, and investments as a whole.

_The Company may be subject to litigation which could require us to expend funds in our defense which could reduce cash available for distribution to investors._
Litigation risks associated with torts, commercial litigation, employment, environmental or consumer litigation, if settled or resolved against us, could negatively impact our results of operations or financial condition.

**Our operations and the value of the Property could be negatively impacted by our dependence on a concentrated geographic area.**

The Company's activities will be limited to acquiring and holding the Property as an investment and are therefore concentrated in a specific geographic location. A stagnant or depressed economy in the area in which the Property is located could adversely affect the value of the Property and the Company's ability to provide a return to investors.

**The Company's projections are speculative in nature and may not be reliable.**

Given the speculative nature of an investment in the Company and the risks attendant to investment in real estate generally, we cannot provide any reliable projections with respect to proceeds from an anticipated sale of the Property or resulting returns to investors.

**An investment in the Units will not be freely transferrable.**

No securities of the Company are listed on any securities exchange or are otherwise publicly traded. Any subsequent transfer of the Units will be subject to transfer restrictions under applicable federal and state securities laws. In addition, the Units sold in this offering will be subject to additional restrictions set forth in the Company's Operating Agreement (housed in the AcreTrader Portal).

**If the U.S. Federal Reserve or other central banks embark on a substantial tightening of monetary policy in the future that causes real interest rates to rise, then it may cause land prices to decline if the rise in real interest rates is not accompanied by rises in the general levels of inflation, and the Company would also experience higher costs of financing. A stronger U.S. dollar could also negatively impact exports, which could negatively impact the Company's financial results.**

A substantial tightening of monetary policy by the U.S. Federal Reserve or other central banks would increase credit costs (through the resulting increase in interest rates) and decrease credit availability. This could hurt farm operators because higher real interest rates make it more difficult for farm operators to qualify for loans and increases their borrowing costs. Higher interest rates also tend to decrease U.S. and world economic growth, thus
decreasing the demand for agricultural crops. Moreover, a stronger U.S. dollar could affect the level of agricultural exports from the United States, potentially causing demand for exports to decline, which could negatively impact the Company's financial results. All of these consequences could reduce farm income. If increases in real interest rates (which are defined as nominal interest rates minus the inflation rate) or changes in the value of the U.S. dollar are not accompanied by higher levels of farm income and rents, this could lead to declines in agricultural land values and a reduction in the Company's profitability, either of which would have a material adverse effect on its operations, the value of its properties, and consequently amounts it is able to distribute to Members. Furthermore, increases in interest rates would also increase the Company's costs of borrowing money, which would negatively impact its financial condition, and consequently, the amounts it is able to distribute to Members.

**Risks Related to Our Status as a Start Up**

*We have a limited operating history on which you may judge our performance or our prospects.*

The Company has limited operating history on which to judge its performance. Our prospects must be considered in light of the risks, expenses and difficulties frequently encountered by start-ups and with investments in real estate. You should consider our prospects in light of the risks, uncertainties and other difficulties encountered by companies that are in an early stage of their development. We may fail to execute our business plan and business strategies effectively and cannot guarantee the achievement of these and other goals and failing to do so could negatively affect our results of operations and your investment.

*Our offering price(s) have not been independently established.*

Our Affiliates establish the offering prices on our Properties based upon market information available to us on similar properties in the same geographical regions as our Properties, but we are not real property appraisers and accordingly the offering price for any Property may not be indicative of the proceeds you would receive upon a liquidation of the Company, and may be less than what you would expect to receive.

*We may be unable to pay distributions.*

We may be unable to pay, maintain or increase distributions paid to Members over time. Because there are many factors that can affect the Company's profitability and cash flow and therefore the availability annual
cash distributions to our Members, we may not always be in a position to pay distributions to you and any distributions we make may not increase over time.

**Changes to the operating results of our Affiliates could negatively impact our results of operations.**

Adverse changes to results of operations and financial results achieved by our Affiliates may impair the Company's operating performance and a return on your investment. Acretrader, Inc., our Affiliate, has funded its operations to date with proceeds from private investor financing. There can be no guarantee that Acretrader, Inc. will be able to raise additional funds on a timely basis, on favorable terms or at all to fund its operations and it could be required to terminate or scale back its operations. Our Manager, AcreTrader Management, LLC is a subsidiary of Acretrader, Inc. Our ability to pay distributions is dependent upon the results of operations of our Manager and Acretrader, Inc. Any adverse impact on the results of operations of either of them could hinder our Manager's ability to successfully manage our operations.

**The Company may not attain the financial results set forth in the financial forecast included in the Offering located on the AcreTrader Portal with respect to the Property.**

Any financial forecast included in the Offering located on the AcreTrader Portal with respect to the Property, to the best of the Manager's knowledge and belief, its expected financial position, results of operations, and cash flows for the forecast period, reflecting expected conditions and the Manager's expected course of action as expressed in the assumptions to the forecast. The financial forecast has been prepared by the Company and has not been examined, compiled or subjected to any agreed upon procedures by an independent certified public accountant. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, as they are dependent in large part upon factors over which the Company has no control. Certain statements contained in these offering materials are forward-looking statements that involve a number of risks and uncertainties. There are numerous factors that could cause actual results to differ materially from those which have been forecast.

**Risks Related To Our Investment Platform**

**Failure of the AcreTrader Portal could damage our reputation and business.**
Our offerings relating to each Property are conducted through the Portal designed, owned and operated by the Company's Affiliate, AcreTrader, Inc. The Portal consists of proprietary technology that our Affiliate has designed and hosts. Because the Portal is new and has a limited operating history, it may not perform as we anticipate, and we cannot guarantee its consistent operation to enable Members to access their accounts and/or information regarding each offering on a timely basis.

**Technology disruptions could interrupt our business.**

Our business is primarily conducted through the use of computers and the internet which gives rise to cybersecurity risks, including espionage, system disruption, theft, security breaches, and/or inadvertent releases of the Company's or its Members' confidential information and our intellectual property. Any security breaches could release private information belonging to our customers. While financial information of current and potential Members is protected using 256-bit encryption and is typically not stored on the AcreTrader Portal, and we have planned redundancies in the event of a server failure where our site is hosted, possible breaches could result in delays or disruptions of our services, sensitive or confidential information being obtained or interference with our systems. The occurrence of any of these things could result in a disruption of our business, our reputation being injured resulting in a loss of current or potential new Members' trust in us, potential liability exposure which could result in a material adverse impact on our results of operations or our financial condition.

**Development of internet commerce may affect the operation of our business and results of operations.**

As internet commerce continues to develop, local, state and federal governments may adopt new rules and regulations affecting our cost and ability to conduct offerings for Properties online through the AcreTrader Portal. This could negatively affect our business because our activities could be limited by any new regulatory changes. It is possible that the cost to comply with any new rules and regulations could be significant and would increase our operating expenses which would reduce any excess cash available for distributions to our Members.

**General Risks Related To Investment In Real Estate**

**Economic and regulatory changes that impact the real estate market generally may decrease the value of Members’ investments.**
Among the factors that could impact the Property and the value of an investment in the Company are:

- downturns in national, regional and local economic conditions;
- changes in the supply of or the demand for similar or competing properties in the surrounding areas;
- changes in interest rates and the availability of permanent financing, which may render the sale of a property or loan difficult or unattractive;
- changes in banking, tax, real estate, environmental and zoning laws;
- periods of high interest rates and tight money supply;
- the relative illiquidity of real estate investments;
- acts of nature or other uninsured losses; and
- adverse changes in the federal, state or local laws and regulations applicable to us, including those affecting zoning, fuel and energy consumption, water and environmental resources.

Any of the above factors, or a combination thereof, could result in a decrease in the value of the Property, which would have an adverse effect on the Company’s ability to sell the Property or pay distributions to its Members and on the value of Members’ investments.

Costs imposed pursuant to governmental laws and regulations may reduce the Company’s cash available for distributions.

Real property and the development and use of real property are subject to federal, state and local laws and regulations relating to protection of the environment and human health. The Company could be subject to liability in the form of fines, penalties or damages for noncompliance with these laws and regulations. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, the remediation of contamination associated with the release or disposal of solid and hazardous materials, the presence of toxic building materials, and other health and safety-related concerns. The presence of hazardous substances, or the failure to properly manage or remediate these substances, would reduce the value of the Property and likely hinder the Company’s ability to sell the Property. Any material expenditures, fines, penalties, or damages the Company must pay will reduce the Company’s ability to make distributions and may reduce the value of Members’ investments.

We may have limited time to conduct due diligence on the Property.

We may have limited time to perform due diligence on the Property and we may also rely on third parties to conduct diligence on our behalf which could
result in our failure to identify risks or liabilities associated with each Property. Such failures could negatively impact the market value of the Property and, ultimately may result in our inability to sell the Property for a profit which could reduce or eliminate our ability to pay distributions following a liquidation event.

**Accounting changes could negatively affect our results of operations.**

New accounting pronouncements may negatively impact our financial condition and results of operations. Changes implemented by the Financial Accounting Standards Board (“FASB”) and the Securities and Exchange Commission from time to time could have a material adverse impact on our results of operations and result in our being required to restate our results of operations for prior periods.

The costs of defending against claims of environmental liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury or other damage claims could have a materially adverse effect on the value of an investment in the Company.

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous real property owner or operator may be liable for the cost of removing or remediating hazardous or toxic substances on, under or in such property. These costs could be substantial. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Environmental laws also may impose liens on property or restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures or prevent us from entering into leases with prospective tenants that may be impacted by such laws. Environmental laws provide for sanctions for noncompliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for the release of and exposure to hazardous substances. Third parties may seek recovery from real property owners or operators for personal injury or property damage associated with exposure to released hazardous substances and governments may seek recovery for natural resource damages. The costs of defending against claims of environmental liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury, property damage, or natural resource damage claims could reduce Members' investments and amounts available for distribution to Members.
The Property will be subject to property taxes that may increase in the future, which could adversely affect Members' investments.

The Property will be subject to property taxes that may increase as property tax rates change and as the Property is assessed or reassessed by taxing authorities. As the owner of the Property, the Company is responsible for payment of the taxes to the government. Consequently, any tax increases may adversely affect Members' investments. While the Company intends to retain some funds held for future property tax payments, it can provide no assurance that the level of working capital retained by the Company will be sufficient to satisfy any increases in property taxes due in addition to other debts.

Risks Associated With the Property and With Regard to Farmland Property

Since the Company's business consists of acquiring and managing real property, including farmland, the Company is subject to the risks related to the ownership and management of said properties, which can adversely impact its business and financial condition. By its nature, the search for potentially profitable investments is highly speculative and is subject to great risks that even a combination of experience, market and business information, or careful study, cannot always overcome.

Farmland investment is dependent on the profitability of the Company's tenants' farming business and a sustained economic downturn could have a material adverse effect on the amount of rental income the Company can collect and distribute to Members.

The Company depends on our tenants to operate the Property owned by the Company in a manner that generates revenues sufficient to allow them to meet their obligations to the Company, including their obligations to pay rent and taxes, maintain certain insurance coverage and maintain the land. The ability of the Company's tenants to fulfill their payment responsibilities under the Company's leases depends, in part, upon the overall profitability of their farming operations, which could be unfavorably impacted by, among other things, hostile weather conditions, pests, and negative or uncertain political, economic, commodity, business or regulatory conditions. In addition, many farms are dependent on a limited number of key individuals whose injury or death may affect the successful operation of the farm. The Company can provide no assurances that, if a tenant defaults on its obligations to us under a lease, we will be able to lease or re-lease that farm on economically favorable terms in a timely manner, or at all. In addition, the Company may experience delays in enforcing our rights as landlord and may incur
substantial costs in protecting our investment. As a result, any downturn in the profitability of the farming operations of the Company’s tenants or a downturn in the farming industry as a whole could have a material adverse effect on our financial condition, results of operations, cash flow and ability to make distributions to Members.

**We may retain third party managers who may not be effective.**

We may retain third party property managers who will be supervised by our Manager to oversee the day-to-day operations on the Property. Our success will depend on the performance of such property managers and their failure to successfully perform their management duties could adversely impact the Property's results of operations and could reduce cash available for distributions to Members.

**The Company's Property is subject to negative weather conditions, seasonal variability which may affect the Company's tenants' ability to pay rent and have an adverse effect on the Company's results of operations, financial condition, and ability to make distributions to Members.**

Farmlands are susceptible to negative weather conditions, including windstorms, freeze, tornadoes, floods, drought and extreme temperature swings, which are common but difficult to predict. Seasonal factors, including supply and demand, may also have an effect on the value of the Property.

**Future climate changes could materially adversely impact the Company's operations and the value of its farm(s), and consequently the amounts it is able to distribute to Members.**

In addition to the general risks to the Company’s operations posed by adverse weather conditions, the Company's operations and the value of its farms may be subject to risks associated with long-term effects of climate change. Some climatologists have predicted that the impacts of climate change could include increases in average temperatures, more extreme temperatures, changes in rainfall patterns, severe droughts and increases in volatile weather over time. Such effects of climate change could make the Company's farms less suitable for farming or other alternative uses, which could materially adversely impact the Company's ability to generate revenues, its operations, the value of its farms, and consequently, the amounts it is able to distribute to Members.
The Company may incur unexpected repair expenses to its physical assets which could reduce cash available for distribution.

While the tenant farming the Company's land is responsible for maintaining his or her farming equipment, the Company may also own physical assets such as barns, fencing, storage sheds, wells and irrigation equipment that could require routine maintenance or unexpected costly repairs from time to time. In the event that the Company does not have cash available to pay for these repairs, it may be required to borrow money from an Affiliate or a third party lender. The cost of making these repairs could reduce cash available for distribution in the calendar year the repairs are made and future distributions would likely be reduced by any debt service the Company must make to its lender(s).

Agricultural technology enhancements, including genetic engineering, could adversely impact the Company's anticipated returns, which in turn could have a materially adverse effect on its results of operations and financial condition.

Future advances in seed technology, genetic engineering, irrigation improvements and other agricultural technology enhancements may lead to higher crop production on existing farmland, which could put downward pressure on the demand for our tenants’ crops. As a result, the Company could experience a reduction in its anticipated returns, which are in part based on certain assumptions regarding increased global demand for crops and declining availability of farmland, which in turn could have a materially adverse effect on the Company’s operations and financial condition.

The Company may not be able to collect balances due on leases from any tenants in financial distress or bankruptcy, which could adversely affect the Company’s financial condition, results of operations and cash flow.

The Company's tenants, particularly those that may depend on debt and leverage, could be susceptible to defaults under their leases or bankruptcy in the event that their cash flows are insufficient to satisfy their financial obligations. The Company may be forced to enter into alternative arrangements or pursue litigation in order to collect payments from tenants who are unable make their lease payments as they come due. The Company can provide no assurances that it will be able to collect the full amount due under a particular lease if it is forced to pursue alternative payment arrangements or litigation with any of its tenants. If a bankrupt tenant rejects
a lease with the Company, any claim the Company might have for breach of the lease, excluding a claim against collateral securing the lease, would be treated as a general unsecured claim. In the event of a tenant's default under its lease or its rejection of the lease in bankruptcy proceedings, the Company may be unable to locate a replacement tenant in a timely manner or on comparable or better terms. As a result, the Company's financial condition, results of operations and ability to make distributions to Members could be adversely affected.

**Illiquidity of farmland investments could significantly impede the Company's ability to respond to adverse changes in the performance of the Company's properties and harm the Company's financial condition.**

The investments made by the Company may be difficult to sell in a timely manner. As a result, the Company's ability to sell the Property in response to changing economic, financial and investment conditions may be limited. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition of the underlying property. The Company may be unable to realize its investment objectives by sale at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. Weakness in or lack of an established market for a Property, changes in the financial condition, changes in national or international economic conditions and changes in laws, regulations or fiscal policies of jurisdictions in which the Property is located, in each case may limit the Company's ability to dispose of a Property.

**Market prices for crops and/or livestock that the Company's tenants may produce on the Property may display periods of volatility, which may affect the Company's tenants' ability to pay rent and thereby have an adverse effect on the Company's results of operations and its ability to make distributions to Members.**

The value of a crop and livestock is affected by many factors that can differ on an annual basis. The unpredictability of weather extremes creates a significant risk of price volatility, which may either increase or decrease the value of the crops and/or livestock that the Company's tenants produce each year. Other material factors adding to the volatility of crop and/or livestock prices are changes in government regulations and policy, fluctuations in foreign trade and export markets, and eruptions of military conflicts or civil unrest. Although rental payments under the majority of the Company's leases typically are not based on the quality or profitability of the Company's tenants' harvests and production, any of these factors could adversely affect the tenants' ability to meet their obligations to the Company and the Company's ability to lease or re-lease Properties on favorable terms, or at all,
which could have a material adverse effect on the value of Company investments, results of operations and its ability to make distributions to Members.

**Acquiring farmland and farms related to farming during periods when such farms are experiencing substantial inflows of capital and intense competition may result in inflated purchase prices and increase the likelihood that the Company's farms will not appreciate in value and may, instead, decrease in value.**

The allocation of substantial amounts of capital for investment in farmland and farming related farms and significant competition for income-producing real estate may inflate the purchase prices for such assets. If the Company acquires farms in such an inflated environment, then it is possible that the value of its assets may not appreciate and may, instead, decrease in value, perhaps significantly, below the amount the Company paid for such assets. In addition to macroeconomic and local economic factors, technical factors, such as a decrease in the amount of capital allocated to the purchase of farmland and farming related farms and the number of investors participating in the sector, could cause the value of the Company's assets to decline.

**We may not be aware of the environmental liabilities of a Property.**

We may not be aware of all of the environmental liabilities associated with a Property prior to its acquisition. If the Property is found to contain hazardous or toxic substances, the value of an investment could decrease below the amount paid for such investment. The presence of hazardous chemicals on a Property could result in the Company being liable for clean up or remediation costs, personal injuries or property damages to third parties, even if we are not responsible for the presence of such hazardous substances. The costs associated with remediation could be significant which would negatively impact our financial condition and results of operations.

While the Company inquires as to known environmental liabilities on the Property during its due diligence process, some hazards may not be immediately evident. The existing condition of the land surrounding our Property could also negatively affect the value of our Property and/or result in the Company expending funds to bring the Property into compliance. Further, future laws, rules, regulations, local ordinances or a stricter interpretation of existing laws may require the Company to make unplanned expenditures to remain in compliance.

**We may not have adequate insurance coverage or the correct insurance**
policies in place to insure the Company's risk of loss on a Property which could negatively impact cash available for distributions to Members.

Potential losses we incur may not be covered by the Company's or its tenants' insurance programs, or the Company may view it as not economically prudent or feasible to purchase insurance for certain types of losses. The Company will obtain commercial general liability and other coverages as needed for each Property in the discretion of the Manager. We believe that the coverage limits will be adequate to cover the relative risk of loss on the Property taking into account the cost of such coverage and standard industry practices. There are certain types of losses, for example from wars, riots, punitive damages, or acts of God that may not be insurable at all or coverage may be too expensive to obtain. If we experience a loss that is uninsured or exceeds our policy limits, the Company could incur a loss in our results of operations and on the eventual sale of the Property. Further if any such losses are insured, then the Company may be required to pay a significant deductible on any claim for recovery of such loss prior to its insurer being obligated to reimburse it for the losses, or the amount of the loss may exceed the Company's coverage for the loss, which could have a material adverse effect on the Company's cash flow.

Changes in government fiscal and monetary policies could affect the valuation of farmland and the profitability of farming operations, which could materially and adversely affect the value of Company investments and its distributions to Members.

Government programs directly and indirectly affect the income potential of farm operators. These include marketing programs, finance rates, export policies, renewable fuel, insurance policies and subsidy programs. Negative changes to or the elimination of programs, subsidies and policies could harm crop and/or livestock prices and the profitability of farming, which could materially and adversely impact the value of the Company's farm investments and its ability to lease such Property on favorable terms, or at all, which would have a material adverse effect on the Company's operations and ability to make distributions to Members. In addition, government programs for conservation, alternative or renewable energy sources and the tax treatment of those items could materially and adversely impact the value of the Company's farm investments.

**Risks Related To Our Corporate Structure**

Investors will have limited participation in management.
An investor’s subscription is subject to the risks of the Company's investments and activities, and investors, as Members, are permitted to take part in decisions concerning the Company and its policies and operations only to a limited extent consistent with their voting rights as provided in the Company's Operating Agreement. The overall management and control over actions by and on behalf of the Company are vested in our Manager which may amend or revise these policies without a vote of our Members.

We will pay fees to our Affiliates for services rendered to the Company which may reduce excess cash available for distributions to Members.

Pursuant to our Operating Agreement, our Manager and/or our Affiliates may be paid fees as follows: (i) a reimbursement fee in connection with the acquisition of the Property in an amount not to exceed two (2%) of the purchase price of the Property to reimburse the Manager and/or its Affiliates for the costs associated with underwriting the Property, including but not limited to, survey costs, title insurance, attorney and professional fees, and closing costs; (ii) a fee upon disposition of the Property not to exceed five percent (5%) of the gross sale price of the Property (which will be split between buyer's agent (if any) and the Company's Affiliated brokerage); (iii) an annual asset management fee calculated in an amount equal to 75/100ths (0.75) of a percentage point times the greater of (x) the purchase price for the Property, or (y) the value of the Property contained in any appraisal of the Property as compensation to the Manager for the management, administrative and financial services it provides to or for the benefit of the Company. Payment of these fees to the Manager and/or its Affiliates will reduce the amount of cash available for improvements, investments and/or the payment of distributions to Members. The seller of a Property may pay our Affiliate, AT Real Estate, LLC, a real estate fee of up to two and a half percent (2.5%) of the gross sale price of the Property upon closing, however, none of that fee will be sourced from investors.

Our Operating Agreement limits the liability of our Manager and its Affiliates.

Our Operating Agreement provides that we will agree to limit the liability of our Manager and its Affiliates and will indemnify and defend such parties against certain liabilities. These provisions may work against Members because they restrict the ability of a Member to bring claims for actions or failures to act that might constitute breaches of duty which could harm the Company's results of operation and thereby reduce Member returns.
**Risks Related to Conflicts Of Interest**

**The interests of our Manager may conflict with those of the Members.**

Our Manager has substantial authority in determining all actions of the Company. The Manager may invest in the Company. Thus, the interests of the Manager may not coincide with the interests of the Company and its Members.

**Our Manager may manage more than one entity including the Company and, therefore may not be solely focused on the Company’s operations.**

Our Manager may manage more than one Property and therefore may not always be able to focus solely on the operations of the Company’s Property. To the extent our Manager takes actions that are more favorable to entities other than us, these actions could have a negative impact on our financial performance and the value of the Property. Officers in our Manager are also officers in AcreTrader, Inc. and AT Real Estate, LLC. All of the agreements among these parties are not the result of arm's length negotiations, including those agreements relating to compensation and fees paid by the Company to the Manager and/or its Affiliates, so there can be no assurances that the Company is paying fees consistent with prevailing market rates or terms.

**Our Manager may borrow funds from our Affiliates.**

Our Manager has the ability to borrow funds on behalf of the Company from either third-party lenders or one of our Affiliates to fund the Company's operations and/or fund improvements to the Property. In the event a loan is entered into between the Company and one of our Affiliates, interest will be paid to such Affiliate and the applicable interest rate may not be equal to market rates for a similar loan with a disinterested third party.

**Risks Related to Sponsored Offerings**

From time to time, we encounter offerings from unrelated third parties that we believe are of a quality and type that might be of interest to potential investors on our website (the “Platform”). In such cases, if our review of the third party sponsor (“Sponsor”) and the due diligence materials for their offering meet certain AcreTrader criteria, we may agree to host such offering on our Platform (each such offering is a “Sponsored Offering”) for a platform listing fee that will be paid by the Sponsor.
Risks Related to Sponsored Offerings

We have relied upon the Sponsor's due diligence efforts.

While we have conducted a thorough review of each Sponsor and each Sponsored Offering, we have relied upon the Sponsor’s due diligence efforts to some extent. Neither AcreTrader, nor any of its officers, directors, agents or employees makes any warranty, express or implied, of any kind relating to the adequacy, accuracy or completeness of any information contained in a Sponsored Offering.

We may not be the farm manager on a Sponsored Offering.

In most cases our affiliate, Acretrader Management, LLC, will not be the farm manager on a Sponsored Offering and we may not have any influence or control over the decisions the Sponsor, or the farm manager retained by the Sponsor, may make with respect to farming operations or financial decisions relating to the Property. The interests of the Sponsor and/or its farm manager may not coincide with the interests of the Company and its Members.

Federal Income Tax Risks

The Company has not obtained any rulings from the Internal Revenue Service regarding its tax status or any other issue that may impact our results of operation.

The Company has not requested, and does not intend to request or receive, private letter rulings from the Service concerning any tax issue relating to an investment in the Company. In the absence of such rulings, the Service could challenge the Company's Federal income tax treatment of any tax matter contained on the Company's information returns. Such challenges could lead to the adjustment of tax items of both the Company and of the Members.

The Company's status as a partnership may not be recognized.

We intend that the Company will be classified as a partnership for Federal income tax purposes, rather than an association or a publicly traded partnership that would be taxable as a corporation. For Federal income tax purposes, a partnership is generally not a taxable entity. Instead, a
partnership is generally a conduit through which all items of partnership income, gain, loss, deduction and credit are passed through to its Members and are taken into account by the members on their individual income tax returns. In addition, cash distributions from a partnership to its members generally are not taxable to the members, except to the extent the amount of the distribution exceeds such member's adjusted tax basis in his, her or its interest in the partnership.

**Our Taxable Income allocated to Members may exceed cash distributions made to Members.**

Each Member will be taxed on such Member's distributive share of the taxable income of the Company, regardless of the actual cash distributions received from the Company. Each Member, therefore, may be subject to income tax liability in excess of cash actually distributed to the Member by the Company, in which event each such Member would be required to pay such tax liability from other funds.

In the event the Members' capital accounts are negative at any time, items of Company income (including gross income) will be specially allocated to eliminate such Members' negative capital account balances as quickly as possible. Members should be aware that such special allocations may result in the allocation of taxable income to the Members at a time when the Company does not have sufficient cash to distribute to the Members to cover any income tax liability resulting from such special allocations. In addition, to the extent that the Company does not have sufficient taxable income or gain necessary to eliminate any negative capital account balance existing upon liquidation of the Company, the Members may be required to recognize taxable income in an amount equal to the final negative balance in the Member's capital account.

**The Company's allocation of income and loss may not be respected by regulatory authorities which may cause its Members' in experience upward or downward adjustments in items of income, gains, losses and/or deductions for any given tax year.**

The Operating Agreement provides for allocations of income or loss from Company operations and other Company activities. Whether such allocations will be respected for Federal income tax purposes is determined, in large part, by section 704(b) of the Code and the Treasury Regulations promulgated thereunder. Generally, an allocation will be respected if the allocation either has substantial economic effect or is in accordance with a Member's interest in the Company. The Company believes that the Operating Agreement's allocations of income and loss have substantial
economic effect and otherwise comply with section 704(b) of the Code and the Treasury Regulations promulgated thereunder. However, if such allocations are not respected, the Members' respective Units of income, gains, losses, deductions and credits from the Company could be subject to upward or downward adjustment in one or more taxable years, if such audit adjustments are sustained in subsequent administrative and/or judicial proceedings.

An audit of the Company's information return may result in an audit of a Member's own tax return.

If the Company's information return on Form 1065 is audited by the Service, such audit may result in adjustments or proposed adjustments. Any adjustment of the partnership information return of the Company would normally result in adjustments or proposed adjustments of a Member's own return. Any audit of a Member's return could result in adjustments of non-partnership as well as partnership income and losses. Additionally, an audit of the Company could trigger an audit of your individual tax return which could require you to spend money to defend such an audit.

You may be unable to sell your Unit(s) in the Company as there may be no market for it/them and in the event of a sale of your Units, the taxes you owe may exceed the cash you receive in connection with the sale.

In the event you are able to sell your Unit(s) in the Company, the cash you receive may not be sufficient to pay any tax liabilities you owe in connection with such sale, and to the extent of such excess, the payment of such taxes will be out-of-pocket expenses to you. If you have held the Unit(s) for less than a year at the time of sale, any gain you receive will be taxed as ordinary income. If you have held the Unit(s) for more than a year at the time of sale, you will be taxed at the long-term capital gains rate in place at the time of such sale.

Sale of the Property by the Company could create tax liabilities for a Member that exceed the cash he or she receives as a result of the sale.

Upon a sale or other disposition of the Property, there is a risk that a Member's tax liabilities allocated to him or her as a result of the disposition could exceed the cash received by such Member from the Company as a result of the disposition and, to the extent of such excess, the payment of such taxes would be an out-of-pocket expense for the Member.

Investment in the Company may be impacted by future legislation which could adversely impact the benefits of such an investment.
The Federal income tax laws are subject to change at any time, including retroactive changes, which may adversely affect the benefits of an investment in the Company. Certain provisions of the Code may be further amended or interpreted in a manner adverse to the Company, in which event the benefits derived from this investment may be adversely affected. There can be no assurance that changes to the tax law or interpretations thereof will not occur that may adversely affect the Federal income tax consequences of a Member's investment in the Company.

STATE INCOME TAX RISKS

NEITHER THE MANAGER NOR THE COMPANY HAS MADE ANY INVESTIGATION OR INQUIRY AS TO THE STATE OR LOCAL INCOME TAX RISKS OR CONSEQUENCES WITH RESPECT TO AN INVESTMENT IN, OR OWNERSHIP OF, THE UNITS. THE STATE AND LOCAL INCOME TAX CONSEQUENCES TO A PROSPECTIVE INVESTOR MAY VARY DEPENDING ON THE RESIDENCY AND DOMICILE OF SUCH INVESTOR. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE STATE AND LOCAL TAX CONSEQUENCES TO THE INVESTOR OF AN INVESTMENT IN THE COMPANY UNITS.

The foregoing is a summary of certain tax risks relating to an investment in the Company. This summary should not be interpreted as a representation that the matters referred to herein are the only tax risks involved in this investment, or that the magnitude of each risk is necessarily equal. Neither the Company, the Manager nor anyone on their behalf, is providing any advice or counsel to any prospective investor regarding the tax-related risks of an investment in the Company. Prospective investors are strongly urged to consult their own tax advisors as to all tax consequences of an investment in the Company.

END OF RISKS DISCLOSURE STATEMENT