



PUBLIC BENEFIT REPORT

2020



The Little Farm By The Sea
Grays Harbor County - Washington



Iroquois Valley is a regenerative finance company providing land security and financial products to organic farmers and ranchers by raising capital from mission-aligned investors.

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This report breaks down our impact by the categories identified in the B Lab Impact Assessment, which we use as our third party verification.

B Lab, the certifying agency for B Corps, paused recertifications and Best for the World honors in 2020 because of the COVID-19 pandemic. Iroquois Valley completes its next B Lab Assessment in 2021, which will result in a new score.

B Lab Score: 135.2



WELCOME

In 2020, we faced global pandemic, we weathered economic uncertainty, and we reckoned with social injustices. We were proud to see our farmers step up in incredible ways to feed their immediate communities and customers beyond their usual reach.

In many ways, the pandemic demonstrated the resilience of regional food systems. The farmers in our network responded to empty grocery store shelves by launching and scaling direct to consumer products. They offered food as mutual aid. They milled specialty grains into flour to meet the demands of a home baking renaissance. They shipped frozen pasture-raised meats across the country as consumers were affected by meat shortages and as large processing plants reduced capacity. These shifts were not easy – many farmers in our network experienced loss of markets that were integral to their business models. In response to these wildly changing circumstances, we extended more flexible terms and refinanced existing loans to farmers who needed them in order to stay afloat.

Measuring and evaluating our company's public benefit took on new meaning in a year like 2020. We made progress in much needed areas, launched new projects, and strengthened our goals to reflect our expanding work.

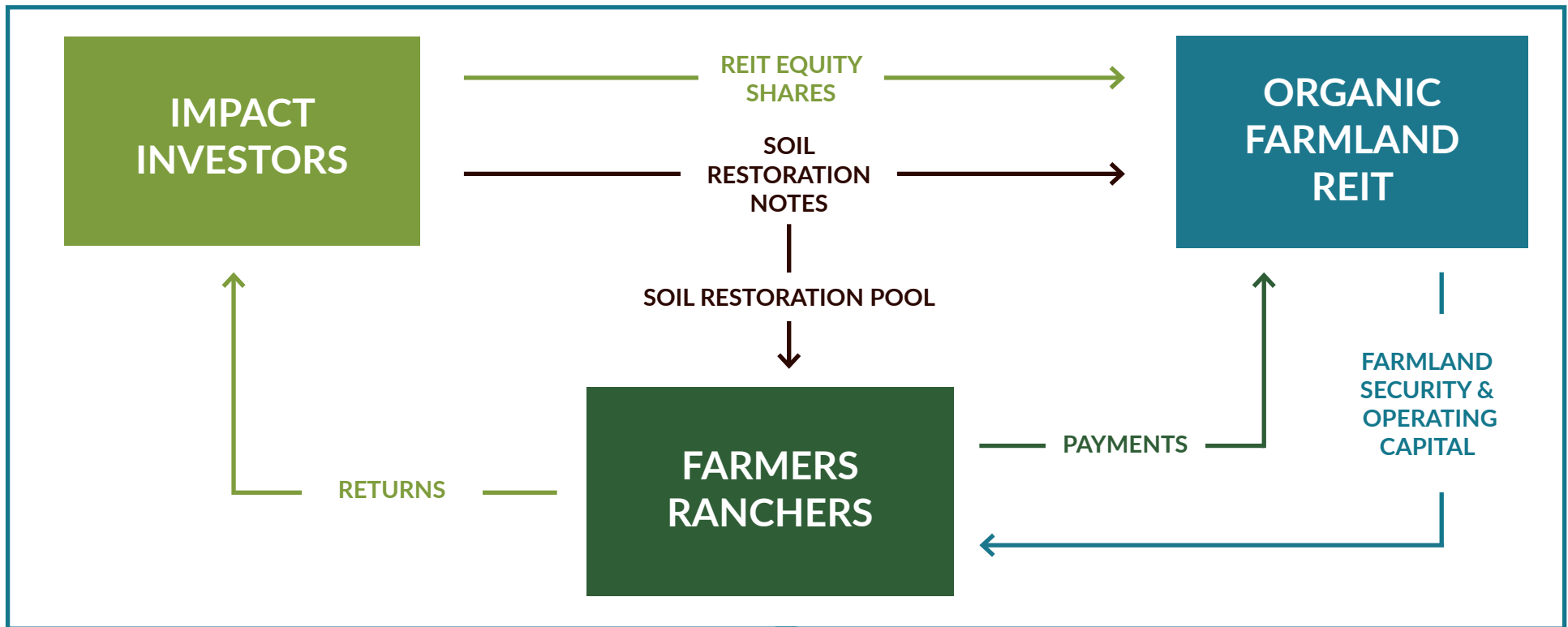
We are committed to creating public benefit by enabling healthy food production, restoring soil, and improving water quality through the establishment of secure and sustainable farmland tenure.

Thank you to all who make our work possible, especially our farmers and our investors.

OUR MODEL

PRODUCT TIMELINE

2007	2016	2020
We began with long-term leases designed to get young organic farmers on the land, recognizing they often did not have the cash for a down payment or the capacity to take on debt.	We expanded our product line to offer mortgage loans and refinancing to support farmers access and maintain land ownership on farmer-friendly terms.	We launched our operating line of credit product in response to farmers in our network sharing their need for long-term, mission-aligned operating capital.



HEALTHY FOOD
PRODUCTION

LAND SECURITY
& LAND
STEWARDSHIP

SOIL RESTORATION

WATER QUALITY
IMPROVEMENT

CLIMATE CHANGE
RESILIENCE

ENVIRONMENT WHERE WE WORK

85 Farms

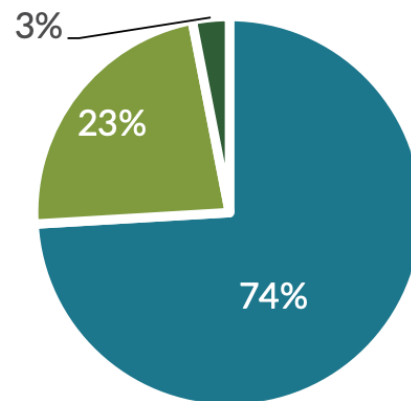
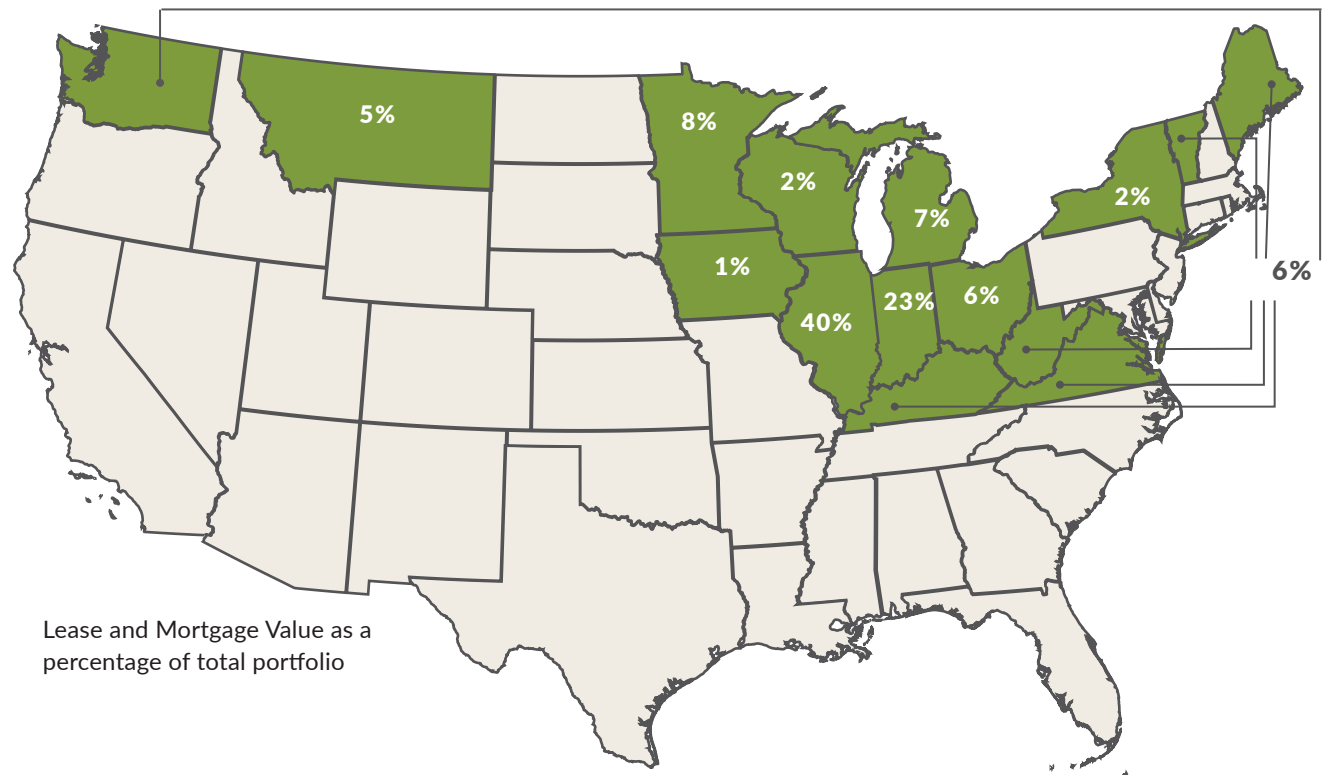
13,723 Acres

51 Farmer Relationships

15 States

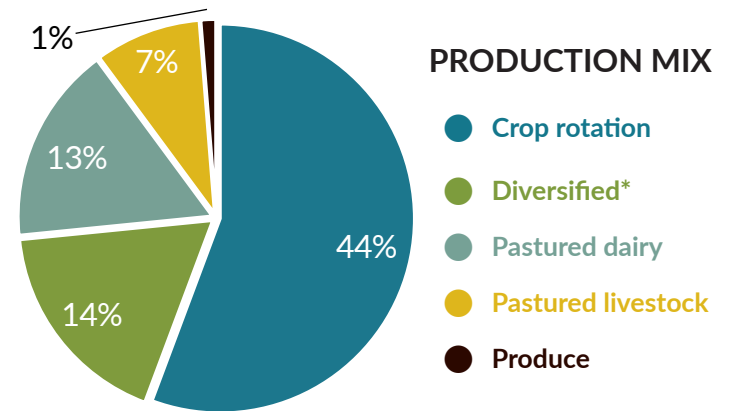
\$60,465,233

CURRENT MARKET VALUE



PORTFOLIO BREAKDOWN

- Owned farmland
- Mortgage financing
- Lines of credit



PRODUCTION MIX

- Crop rotation
- Diversified*
- Pastured dairy
- Pastured livestock
- Produce

*Diversified describes operations with more than one enterprise. For example, diversified operations may include livestock, dairy, field crops, cut flowers, honey, and more.

Janie's Farm
Iroquois County - Illinois

ENVIRONMENT WHERE WE WORK

Vilicus Farms - Hill County, MT

Received SRP funds to integrate livestock into their organic crop rotation. Livestock graze green manure cover crops, replacing tillage. Using cattle to incorporate green manure instead of tillage tools reduces fuel costs and equipment maintenance, while increasing income. The SRP funds directly offset the cost of electric fencing and energy needed to set up paddocks for the cattle to graze rotationally as well as equipment to haul water to the paddocks.



Singing Pastures Farm - Lincoln County, ME

Received SRP funds to plant up to 500 trees in an agroforestry project to support biodiversity, become a feed/shade source for their pigs, increase wildlife, improve the water & mineral cycle, and drawdown carbon. The project is a collaboration with researchers at the Yale School of Forestry.



Mint Creek Farm - Ford County, IL

Received SRP funds to increase the amount of pastured poultry on the farm by 1,000 birds. More poultry means that more insects are eaten and more manure is spread, resulting in nutrient-rich pastures with fewer parasites for the other animals in the rotation while also increasing income.



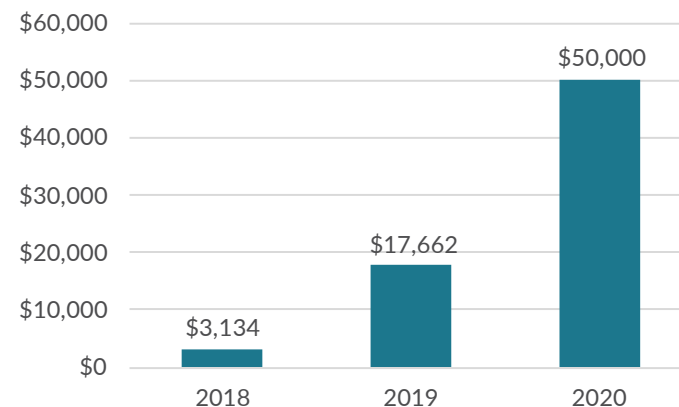
SOIL HEALTH & CONSERVATION

Iroquois Valley surveyed farmers in the portfolio about the practices they use to improve soil health on the land they manage. We found that:

- 100% planting cover crops
- 80% reducing tillage + practicing no till
- 85% measuring soil organic matter

Additionally, Iroquois Valley continued its work at Rock Creek Farms, a field research site for agroforestry, wetlands restoration, and other conservation efforts.

SOIL RESTORATION POOL (SRP) PAYOUTS



Building soil health is ongoing work for organic farmers, and the Soil Restoration Notes are specifically designed to support farmers in their soil health and conservation projects. Funding these kinds of projects often improves farm cash flow.

CUSTOMERS OUR FARMERS



Featherstone Farm
Fillmore County - Minnesota

INVESTMENTS IN YOUNG FARMERS

\$13,307,698

We define young as millennial or younger. In 2020, we increased our investment in young farmers, particularly those operating on smaller acreage.

\$5,465,759

93% of
funds
invested

79% of
funds
invested

2019

2020

● Funds to young farmers

● Total funds invested

FARMER DEMOGRAPHICS

WOMEN FARMERS

Women involved in farm decision-making

71%

REPEAT INVESTMENTS

Repeat investments within our leased and mortgage portfolio

54%

BIPOC FARMERS

Black, Indigenous, & people of color involved in farm operations and decision-making

8%

GENERATIONAL SUPPORT

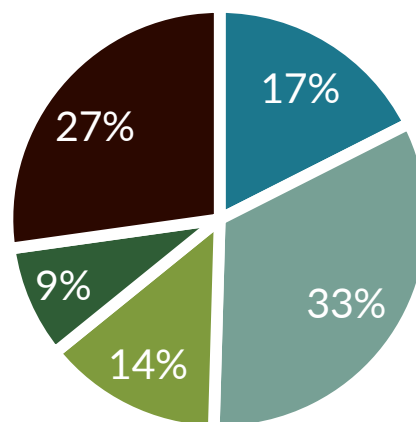
Farmers working with the next generation to directly support farmland transfer

40%

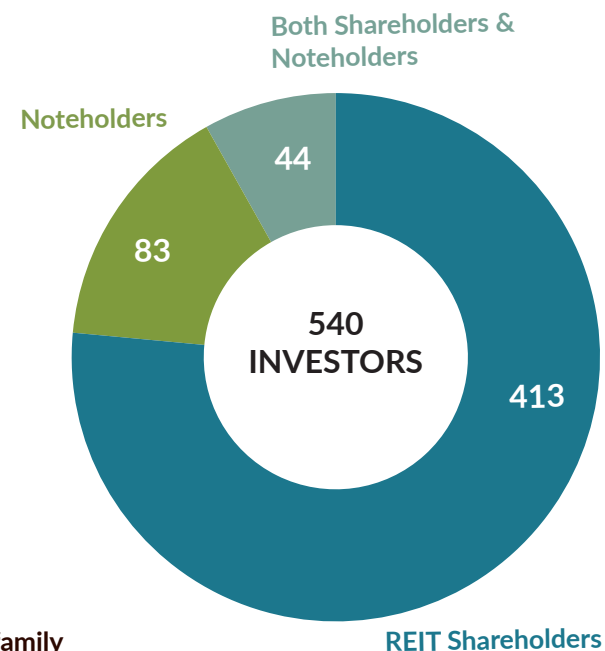
COMMUNITY OUR INVESTORS

Iroquois Valley enjoys support from a broad base of mission-aligned investors. Since offering its REIT equity shares to both non-accredited and accredited investors in 2019, Iroquois Valley's non-accredited investors now represent 24% of the our shareholder base. We are thrilled that this product has received such a warm welcome in the market – its success demonstrates that there is strong demand from retail investors for impact investments in the real asset class.

INVESTOR ACCOUNT TYPE



- Individual
- Revocable Trust
- IRA Tax Deferred
- Joint
- Entity - includes foundations, family offices, LLCs, nonprofits



“Rodale Institute has always been committed to socially responsible investing. We are thrilled to have the opportunity to invest with Iroquois Valley, whose mission to put more organic farmers on more organic acres couldn’t be more in line with ours. We are taking the opportunity to make a difference in the world with our investments—because the future is organic.”

Maya Rodale, Co-Chair of Rodale Institute’s Board of Directors on their 2020 investment in Iroquois Valley’s REIT equity shares

WORKERS OUR TEAM



Salvatierra Farm
Rice County - Minnesota

Iroquois Valley more than doubled its staff in 2020, growing from seven full-time employees to 15 total, two of whom are part-time. Growing our team enabled us to develop projects and programs, including our operating lines of credit, farmer relationship management, and field operations at Rock Creek Farms.

We have always offered remote and flexible employment options, which helped us adapt as the pandemic necessitated a move to fully remote operations. For those who use our corporate office, we implemented health and safety practices to limit in-person interactions and ensure employee protection.

BENEFITS

Full-time employees and part-time employees (working 30+ hours / week) are eligible for comprehensive healthcare coverage through an employer-sponsored plan or an equivalent stipend. The employer-sponsored plan includes:

- Medical, dental, and vision coverage
- Health savings account for qualified expenses

Other benefits include:

- Socially responsible 401k & financial planning
- 2 weeks paid time off + federally recognized holidays
- Paid leave for parents
- 100% of employees are paid a living wage for their location



GOVERNANCE OUR BOARD

Board members are elected democratically by shareholders. The Board is involved in all material decisions regarding strategy, mission, and vision. Investments over \$2 million are approved by the board, while smaller farm investments are approved by a board-appointed Investment Committee. The Investment Committee includes five members: our CEO, CFO, COO, and two farmers, one of whom is a board member.

The board is made up of people with backgrounds in farming and farmer advocacy, healthcare, law, financial advising, finance, and responsible investing. The nine person board currently includes six men and three women. Among them, two are people of color.

BOARD ACCOMPLISHMENTS

- The Board held five meetings in 2020.
- We held an entirely online annual meeting in 2020, including full online voting, helping our shareholders and other stakeholders remain fully engaged despite the COVID-19 pandemic.
- Approved a formal dividend reinvestment plan (“DRIP”) whereby investors may elect to have their cash distributions automatically reinvested into the Company in exchange for additional common shares at the then current offering price. As of May 2020, more than one-third of our outstanding shares have been enrolled in our DRIP, allowing those distribution dollars to be reinvested back into the Company and our farmers.
- Approved a long-term, dynamic diversity, equity, and inclusion (DEI) roadmap developed by staff focused on organizational learning, partner engagement, and relationship-building.

GOALS

Sharing Our Roots
Dakota County - Minnesota

CATEGORY	2020 GOALS	HOW WE DID	2021 GOALS
Environment Where We Work	Refine farmer soil survey process. Begin tracking soil organic matter measurements across farms.	We surveyed 40 out of 51 of the farms in the portfolio on their soil health practices. This is an increase from the 15 farms surveyed when this program launched as a pilot in 2019. Methods for tracking soil organic matter (SOM) vary by farm, so we are still working to identify consistent methods for measuring SOM across the portfolio.	Deploy more funding for farmer-led soil health and conservation projects.
	Co-develop wetlands restoration and agroforestry project at Rock Creek North with wide variety of partners.	Planted a Conservation Reserve Program (CRP) Windbreak/Shelterbelt (380) composed of 30 native woody perennial species- 8,000 total plants- in collaboration with Savanna Institute and FSA, NRCS. The planting reduces soil erosion and wind speeds, improves hydrology, and provides critical wildlife habitat. Planned two native fruit tree trials: American persimmon and pawpaw in respective, 80-tree blocks; and one native nut trial: 75 northern pecan trees. Native fruit and nut species are selected to highlight their important ecology, rich ethnobotanical history, and near eradication in Illinois due to environmental pressures from the time of European colonization to present.	Scale fruit and nut trials into orchards of measurable commercial and conservation importance.
Customers Our Farmers	Diversify our farmer base.	Investments in operations with Black, Indigenous, and People of Color (BIPOC) involved and as decision-makers grew from 3% to 8%. Our primary strategy for BIPOC farmer outreach is relationship-building with organizations led by and for BIPOC farmers and ranchers. We did not have the opportunity to attend many conferences or get into the field in 2020 and plan to increase outreach as pandemic conditions allow.	Expand our relationship management program to better serve current and prospective customers.
Community Our Investors	Grow the investment portfolio to attract more traditional capital, enabling scale and profitability for all investors.	Launched the Dividend Reinvestment Plan to improve the company's cash flow and allow investors to increase their equity position. In its first year, 135 investors enrolled, representing 33% of total equity investors.	Enable a capital structure that supports our organic farmers' land security and long-term financial viability.
	Build a risk-sharing investment model.	Partnered with Food Finance Institute to offer financial & business technical assistance to beginning farmers, improving investment readiness.	
Workers Our Team	Hold diversity and inclusion training for staff.	Identified two trainings to take place Q1 2021: – Recognizing & Interrupting Unconscious Bias - Jones Consulting – Uprooting Racism in the Food System - Soul Fire Farm	Formalize employee evaluation, review, and goal-setting process.
	Offer employer match for employee retirement plan.	Partnered with Green Retirement as a custodian for our socially responsible 401k and expanded benefits to include complimentary comprehensive financial planning. We will continue to work toward an employer match.	
Governance Our Board	Continue to build capacity and efficiency by identifying and prioritizing strategic goals.	Established board committees as a tool to increase engagement, deepen the bench, and address priorities.	Focus on succession planning.



**FOR MORE
INFORMATION**

**VISIT OUR WEBSITE:
IROQUOISVALLEY.COM**

**REACH OUT:
INFO@IROQUOISVALLEYFARMS.COM**

Creambrook Farm
Augusta County - Virginia

This report is not an offer to sell or a solicitation of an offer to buy any securities. In particular, Iroquois Valley Farmland REIT, PBC is offering its common stock for sale pursuant to Tier 2 of Regulation A+, and as such intends to be exempted from state qualification pursuant to federal law. Offerings are only made through our Offering Circular, available to view [here](#).

In addition, some of the statements herein may constitute forward-looking statements. Such forward-looking statements describe anticipated or hoped for outcomes, but are subject to various risks and uncertainties, including those described in the Offering Circular.