

## VALUATION – DECEMBER 31, 2024

On February 21, 2025, the Board of Directors approved a valuation of \$116.42/share as the new price of the common stock of Iroquois Valley Farmland REIT, PBC, based on the Company's Net Asset Value (NAV) as of December 31, 2024. The methodology used to calculate NAV per share is in accordance with the revised valuation policy that was adopted by our board of directors on January 22, 2025, discussed further below. The amount reflects a 5.8% increase from \$110/share, the price based on the December 31, 2023, NAV, and a -0.5% decrease from \$117/share, the price based on the June 30, 2024, NAV.

All shares offered after February 25, 2025, will be offered at \$116.42/share. Beginning that same date, we shall also use this \$116.42/share price for our Dividend Reinvestment Program (the "DRIP") and to determine the repurchase price of shares under our Stock Redemption Program. The investment value of all shareholders will be adjusted to equal the number of shares owned multiplied by \$116.42.

Under the revised valuation policy, the key components of the **Net Asset Value (NAV) calculation** include:

1. **Fair Value of Assets.** The largest component of the NAV calculation is the appraised farmland value of \$126,811,848, an organic premium of \$6,104,649 was added and we made \$3,890,197 of farmland acquisitions which closed after June 30, 2024.
  - For comparison purposes on June 30, 2024, the appraised value was \$121,254,618 with an organic premium of \$4,287,477.
  - Our appraisal process hasn't changed and is based on third-party appraisals and desk top valuations.
  - The organic premium is now applied on a farm-by-farm basis rather than a fixed 5%. The premiums on certified organic farms range between 1% and 9% depending on the tenure of organic certification.
2. **Fair Value of Liabilities.** Notes and mortgages payable are valued using current market interest rates.
  - The fair value of notes and mortgages payable totaled (\$31,928,898) relative to a book value of (\$35,532,764), resulting in a \$3,603,866 increase in NAV.
  - As of June 30, 2024, liabilities were not fair valued under the previous policy.
3. **Elimination of the Operating Company Premium.** The prior valuation policy included a 10% operating company premium to all farms, which amounted to \$10,830,564 as of June 30, 2024.
  - With the policy revision, this premium has been eliminated, meaning no operating company premium was applied in the December 31, 2024, NAV calculation.

The components of the Net Asset Value calculation as of December 31, 2024, and June 30, 2024, are detailed in the following tables. These tables reflect the valuation policy at the time that they were calculated, so are not reflected on a side-by-side basis.

**Components of Net Asset Value as of December 31, 2024**

Investments in Farmland (1)	\$136,806,694
Investments in Farmland Mortgages (2)	\$26,617,780
Cash	\$395,637
Receivables and accrued	\$2,575,184
Other	<u>\$487,683</u>
<b>Total Assets</b>	<u><b>\$166,882,978</b></u>
Accounts Payable and Accrued Expenses	\$1,750,159
Lines of Credit	\$9,951,860
Notes Payable, Unsecured (3)	\$25,388,893
Mortgages Payable (4)	<u>\$6,540,006</u>
<b>Total Liabilities</b>	<u><b>\$43,630,917</b></u>
Equity Value	<u><u><b>\$123,252,061</b></u></u>
Shares Outstanding	1,056,762.59
Fully Diluted Shares Outstanding (5)	1,058,718.15
<b>NAV Per Share (Diluted)</b>	<b>\$116.42</b>

**Notes:**

(1) Includes an appraised value of \$126,811,848, \$6,104,649 of organic premium, and \$3,890,197 of new acquisitions after June 30, 2024.

(2) Book basis net of allowances for loan losses and reflects market value. Includes Lines of Credit.

(3) Fair value of notes payable using a 7.02% market interest rate and existing terms on outstanding notes payable. Outstanding interest rates on notes payable range from 1% to 4%.

(4) Fair value of mortgages payable based on a current 6.7% variable rate relative to existing variable rates ranging from 6.75% to 6.85%.

(5) Diluted share count reflects the effects of option dilution on the value per share calculation.

**Components of Net Asset Value as of June 30, 2024**

Investments in Farmland (1)	\$125,542,095
Investments in Farmland Mortgages (2)	\$23,769,356
Other	<u>\$2,908,551</u>
<b>Total Assets</b>	<u>\$152,220,002</u>
<b>Total Liabilities</b>	<u>\$43,914,366</u>
Equity Value	<u>\$108,305,636</u>
Operating Company Premium (3)	\$10,830,564
Adjusted Equity Value (4)	\$119,136,199
Shares Outstanding	1,016,764.17
Fully Diluted Shares Outstanding (5)	1,021,813.84
<b>NAV Per Share (Diluted)</b>	<b>\$117.00</b>

**Notes:**

- (1) Includes an appraised value of \$121,254,618 and an organic premium of \$4,287,477.
- (2) Book basis net of allowances for loan losses and reflects market value. Includes Lines of Credit.
- (3) Reflects a 10% premium applied to the equity value.
- (4) Equals Equity Value plus Operating Company Premium.
- (5) Diluted share count reflects the effects of option dilution on the value per share calculation.

**Important Note Regarding this Determination of Share Price**

Please note that our Board of Directors has determined the share price on the basis of our Valuation Policy dated January 22, 2025. This price, while based on management’s best estimate of the market value of our assets, and consistent with our recent valuation practices, may not bear any relationship to what our assets or shares would sell for in an open market or in the event of a liquidation. There is generally no public market for our shares. Because the share price is not based upon any public market valuation, the price may be different than the proceeds that you would receive upon liquidation or a resale of your shares if they were to be listed on an exchange or actively traded by broker-dealers.

We update our share price twice per year, typically in the fall and the spring. It is our belief that this will allow current stockholders to maintain a more precise valuation of their holdings and will allow us to ensure that our offering, stock redemptions, and dividend reinvestment terms are all more accurate and up to date.