IROQUOIS VALLEY FARMLAND REIT, PBC

PRIVATE PLACEMENT MEMORANDUM
Offering of Equity Shares
Offering Date: March 23, 2018

IROQUOIS VALLEY FARMS
ORGANIC FARMLAND REIT

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TOTAL OFFERING AMOUNT: $20,032,000
Number of Shares: 32,000
Price per Share: $626
Minimum Subscription: $31,300 / 50 Shares
Maximum Subscription: $2,405,000 / 4,000 Shares

THIS PRIVATE PLACEMENT MEMORANDUM IS DATED AS OF MARCH 23, 2018.

INVESTMENT IN SMALL BUSINESSES INVOLVES A HIGH DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. SEE THE RISK FACTORS SECTION FOR RISKS THAT MANAGEMENT BELIEVES PRESENT THE MOST SUBSTANTIAL RISKS TO AN INVESTOR IN THIS OFFERING.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THOSE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE U.S. SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR SELLING LITERATURE. THESE SECURITIES ARE OFFERED UNDER AN EXEMPTION FROM REGISTRATION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION.

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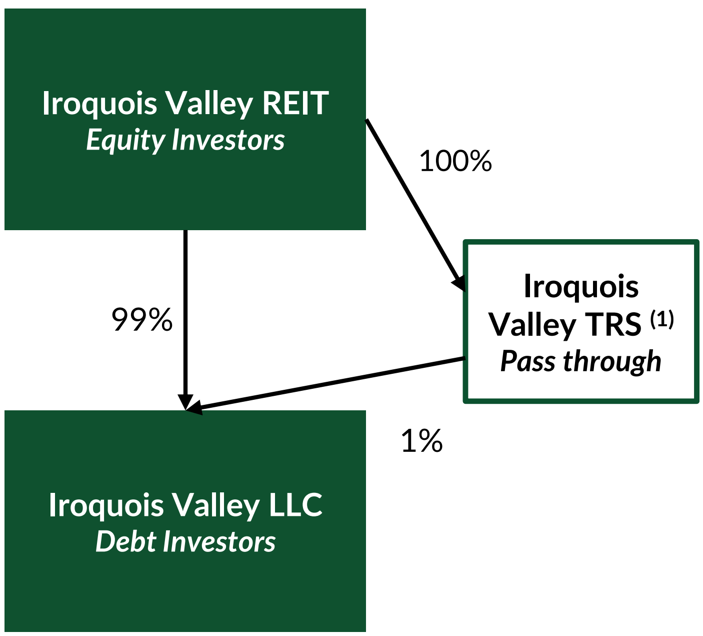
Corporate Structure

THE COMPANY AND ITS SUBSIDIARIES

Iroquois Valley Farmland REIT, PBC is a Delaware public benefit corporation ("Iroquois Valley REIT"). The corporate structure is comprised of three legal entities, Iroquois Valley REIT and two subsidiaries i) Iroquois Valley Farms, LLC, an Illinois limited liability company ("Iroquois Valley LLC"), and (ii) Iroquois Valley Farmland TRS, Inc., a Delaware corporation ("Iroquois Valley TRS).

Collectively, these three entities are referred to as "Iroquois Valley Farms" or the "Company."

"Iroquois Valley Farms" or "The Company"



(1) *TRS stands for "Taxable REIT Subsidiary." The Iroquois Valley TRS was incorporated to maintain Iroquois Valley LLC's partnership tax status.*

As highlighted in this Private Placement Memorandum ("Memorandum"), equity investors purchase shares directly in Iroquois Valley REIT. Iroquois Valley REIT owns 99% of Iroquois Valley LLC, the operating entity that owns the assets. The other 1% of Iroquois Valley LLC is owned by Iroquois Valley TRS, a taxable REIT subsidiary that was incorporated to maintain Iroquois Valley LLC's partnership tax status and to provide the Company with the ability to provide additional services or management that the Company would not otherwise be permitted to provide as a REIT pursuant to the Code. As of this Offering there was no activity within Iroquois Valley TRS. Iroquois Valley REIT owns 100% of Iroquois Valley TRS, therefore Iroquois Valley REIT owns 100% of Iroquois Valley LLC and the assets.

PRIOR OPERATIONS

Readers should be advised that prior to December 31, 2016, the operations of Iroquois Valley Farms (as a collective whole) were conducted solely through Iroquois Valley LLC. Iroquois Valley LLC had a 10 year operating history functioning as a single entity.

CONVERSION TO REAL ESTATE INVESTMENT TRUST ("REIT")

In an effort to simplify tax reporting and provide opportunities to effectively raise growth capital, Iroquois Valley LLC implemented a conversion from a limited liability company owned by multiple equity owners to the three-entity operating structure shown above effective December 31, 2016. The most notable element of this conversion is the Company's resulting change in tax status, from a limited liability company taxed as a partnership, to a real estate investment trust ("REIT") pursuant to provisions of the Internal Revenue Code of 1986, as amended ("Code"). Pursuant to this conversion process, the members of Iroquois Valley LLC contributed 99% of their membership interests to Iroquois Valley REIT and 1% of their membership interests to Iroquois Valley TRS, the result of which Iroquois Valley REIT now owns (i) 100% of Iroquois Valley TRS and (ii) 99% of Iroquois Valley LLC (with Iroquois Valley TRS owning the remaining 1% of Iroquois Valley LLC). This structure is depicted in the picture above.

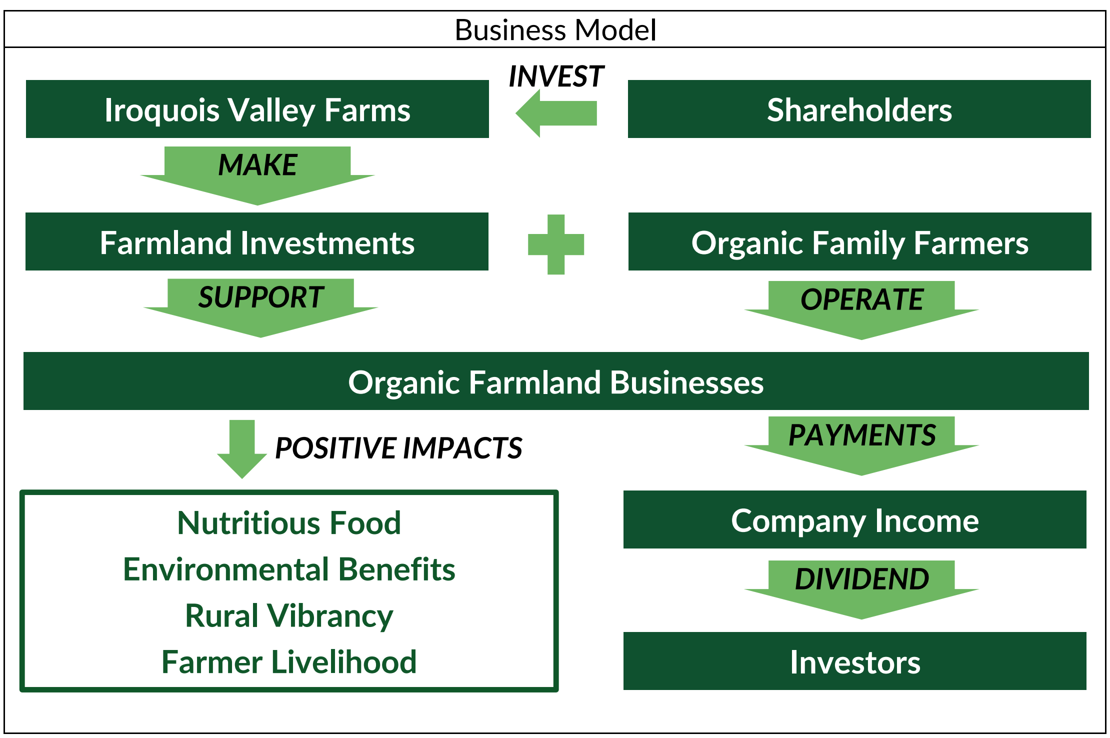
It should be noted that by incorporating the three-entity structure described above, Iroquois Valley Farms (as a whole) works together with common management personnel to maximize the impact on and growth of organic farmland. Therefore, throughout this Memorandum, references to "Iroquois Valley Farms" and "Company" are intended to encompass the activities and operations of all three entities, collectively, despite the fact that Iroquois Valley REIT and Iroquois Valley TRS were recently formed in 2016. In certain instances the terms "Iroquois Valley Farms" and the "Company" may relate activities and operations solely of Iroquois Valley LLC, when such historical operations and activities were consistent with the collective operation of all three entities as currently structured. Where the context so requires within this Memorandum that a reference apply solely and specifically to one of the three entities (instead of the collective whole), this Memorandum identifies that particular entity directly.

Capital Structure and Business Model

Iroquois Valley Farms is one of the first private enterprises in North America that offers investors direct exposure to a diversified portfolio of certified organic farmland. By raising funds through a combination of equity and debt capital, the Company is able to offer qualified organic farmers access to land in the form of leases and mortgage loans. As a result, equity investors in this Offering will gain direct exposure to the growing organic market, while enabling a wide variety of positive impacts on the environment, the food supply and the farmers and their communities.

This model is illustrated below and broadly functions as follows:

- The Company raises money through a combination of direct equity investments and self-issued promissory notes. Additionally, the Company borrows from traditional lenders to help fund investments.
- The funds raised by the Company are used to invest in farmland and to finance the Company's operations.
- Farmers run their own businesses and pay the Company to use the land in the form of lease and mortgage payments depending on their status as a tenant or borrower.
- The Company's annual revenue is the sum of all rent and interest payments through the portfolio.
- Shareholder return is a reflection of top line revenue minus the operating costs of the Company. Given the REIT structure, the Code requires that 90% of all taxable earnings be distributed to shareholders.
- As a Certified B-Corporation and a Public Benefit Corporation, the goal of the Company is to have positive social and environmental impacts alongside financial returns.



Investment Highlights

THE INVESTMENT OPPORTUNITY OF ORGANIC FARMS

A Real Asset

Farmland is classified as a "real asset" due to its physical nature and finite supply. The intrinsic value of farmland lies in its ability to yield a healthy crop year after year. With annual returns that are largely based on global demand for food and current market prices, farmland has historically offered investors cash returns coupled with a steady increase in the value of the land. As is the case with other real assets, farmland's performance as an investment is uncorrelated to swings in the public equities market, making it a great diversification in a balanced portfolio.

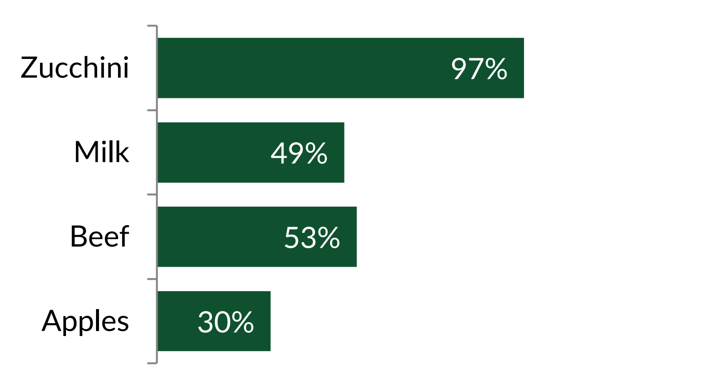
Organic: Farmland That Can Appreciate Over Time

Whereas other real estate assets depreciate with use, certified organic farmland is one real asset that has the ability to become more productive and valuable over time. The holistic approach of organic farmers focuses on repairing the relationship between agriculture and nature, increasing the long-term fertility of an acre of land, and preparing the land to produce a wide variety of crops. These environmentally sustainable management techniques all prioritize the continuous health of the soil, the component of the land that facilitates production. Organic farming therefore improves the value of the asset itself, building up healthy soils to produce food in the face of population growth and climate unpredictability.

Price Premium

Organic food products enjoy a price premium at market, ranging from a few percentage points to multiples of 2X and higher. Iroquois Valley Farms' rental revenue is directly linked to this premium. Many of the Company's leases combine both base and variable rent components, the latter of which is dependent on a farm's top line revenue in any given year. The chart below illustrates some prices premiums that directly impact the farms in the Company's portfolio.

Organic Retail Price Premium

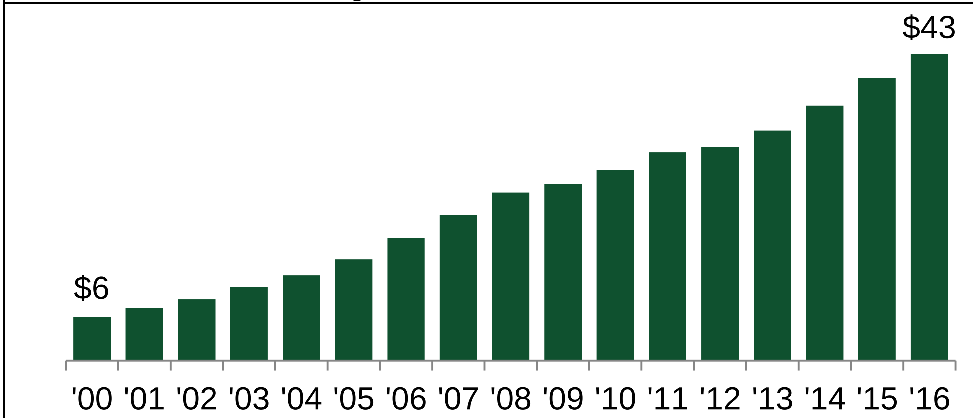


Average of eight retail locations. Source: Consumer Reports, March 2015.

High Growth Niche Category

Domestic demand for organic food products continues to grow and strengthen. Research from the Organic Trade Association shows that over the last 16 years, organic food sales have gone from $6 billion annually to $43 billion, for a 14% annual average growth rate. High-quality, healthy and ethically raised foods have become a focus of enlightened consumers nationwide, headlined by millennials.

U.S. Organic Food Sales ($ in billions)



Source: Organic Trade Association.

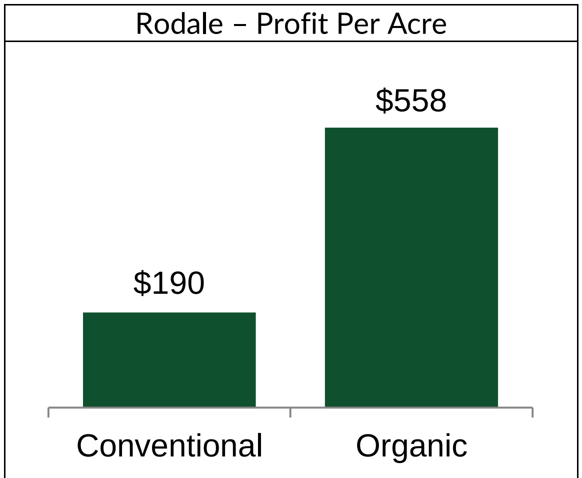
Interestingly enough, while demand for organics has grown to 5% of all food sold, the amount of domestic farmland that is certified organic has not kept pace. Certified organic farmland remains around 1% of all American agricultural land. This shortfall is an opportunity for Iroquois Valley Farms as well as its investors and farm partners.

The Company believes that in addition to demanding certified organic, consumers will continue to require transparency and quality throughout the supply chain. The Company's individual relationships with independent farmers adds nuance to the value of the Company's portfolio of organic farms. Equity investments in Iroquois Valley Farms secure land for farmers on the cutting edge of the organic industry, leaders in their field and entrepreneurs in their own right.

More Profitable Farming Model

Growing evidence shows that organic farms are more profitable than conventional farms of similar size, scope and crop variety. Organic farms have lower input costs, comparable crop yields, and enjoy a significant price premium at market.

The Rodale Institute, a non-profit research and education pioneer in organic and regenerative farming, has collected data from a 30-year side-by-side trial using both conventional and organic methods. The results show important and encouraging data about the long-term productivity and profitability of organic farms. Please find more detail on the profitability of organic farming in the Organic Market section of the "Company Overview."



Source: Rodale Institute, Farming System Trial – 30 Year Report.

Iroquois Valley Farms recognizes the financial costs and administrative challenges associated with transitioning a piece of farmland to organic, and understands that organic management practices use increased amounts of labor as a replacement for the synthetic chemicals used on conventional farms. With these challenges in mind, Iroquois Valley Farms designs its lease and mortgage agreements around the organic transition process and the farms' future revenue streams as a certified organic operation.

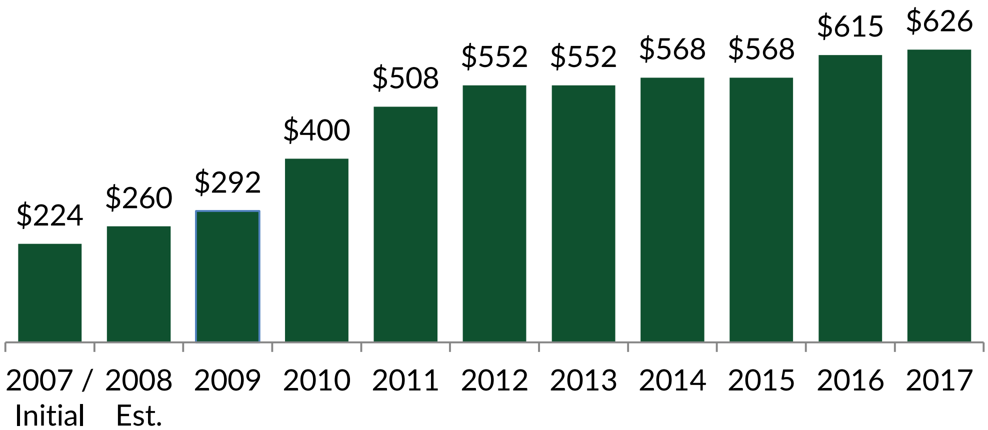
In addition to increased profitability after organic certification, organic farming methods build the quality and health of a farm's soil over time. This key step in the long-term productivity of the land also improves the farm's resilience to issues like drought and flood, which should improve the value of the asset in the medium and long term. Iroquois Valley Farms believes strongly that environmentally sustainable farming practices produce a financial upside directly after organic transition, and a significant increase in the value of the underlying asset over time.

THE VALUE CREATED BY IROQUOIS VALLEY FARMS

A Track Record of Financial Success

The Company has seen consistent growth in the value of its investment portfolio since inception. Original investors in 2007 purchased equity in Iroquois Valley Farms at the equivalent of $224 per share. As of the end of 2017 that same investment was priced at $626 per share, representing a 2.8x multiple of capital invested and 11% internal rate of return over the ten-year period.

Share Price ($ per Share)



Note: 2011 – 2016 reflects Board approved share price. 2007, 2009 and 2010 reflects implied share price based on appraised equity value. 2008 reflects Iroquois Valley REIT estimate as no update valuation was performed during the year. Values prior to 2016 adjusted for REIT conversion and associated (4-for-1 split). Valuations as of December 31 of year listed.

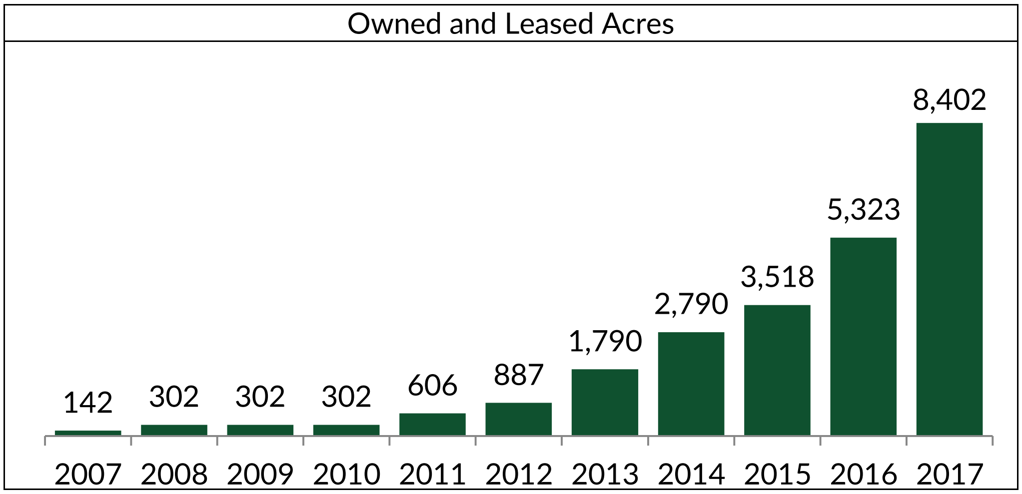
Historically, the majority of the total returns of the portfolio have been realized as capital appreciation tied to farmland prices, represented by the share price. Going forward, the Company expects returns to reflect a greater balance of growth (increasing share price) and income (a cash dividend). This "growth and income" model is in line with the traditional behavior of farmland investments. Iroquois Valley Farms can provide no assurances that the Shares purchased in the Offering will receive similar returns or that the Company as a collective whole will continue to increase its revenue and acres.

Track Record of Building Relationships with Talented Operators

The Company has developed a strong track record of creating symbiotic relationships with family farmers, an integral aspect of the value and stability Iroquois Valley Farms offers investors.

Each new piece of land the Company considers is the result of an individual farmer approaching the Company with a specific need. Iroquois Valley Farms reacts to these needs, and by doing so, establishes a relationship that considers the mutual benefits, risks and long-term well-being of all parties (farmer, Company and shareholder) from the outset.

Using this farmer-first model, the Company has provided secure land access on nearly 9,000 acres of farmland representing over $43 million in transaction value (inclusive of land subsequently sold to tenant farmers and including 2018 transactions). Over 4,100 acres of its farmland is USDA Certified Organic ("Organic") and the remainder is being managed organically or in transition to certified Organic.

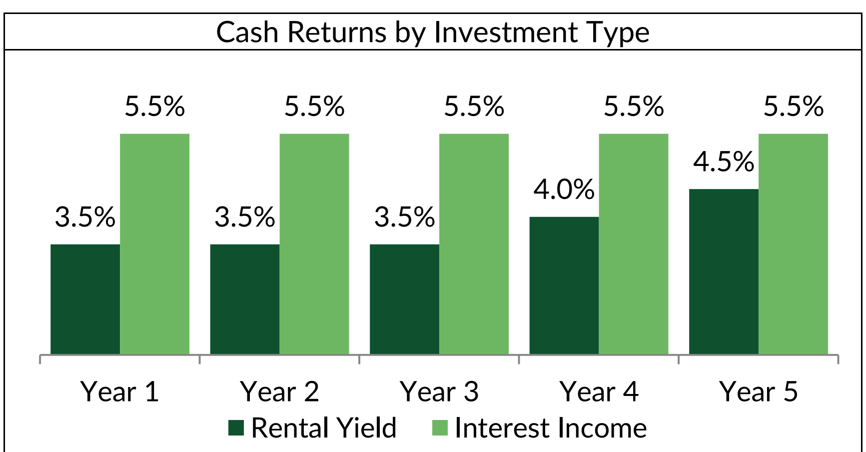


Farmer Well Being

The Company prioritizes the economic success and personal health of the farmer in each deal it considers. The lease arrangements are structured specifically with the farmer's business in mind. Iroquois Valley Farms only works with farmers when both the farmer and the Company agree the economics of the transaction are feasible for the farmer's operation. Furthermore, the Company focuses on long-term leases and flexible financing terms to facilitate the farmers' long-term business plan and commitment to building soil health.

Addition of Mortgages

In 2016, the Company expanded its scope to include mortgage financing. Mortgage financing has an array of benefits, including a higher and more immediate impact on the Company's revenue. Whereas lease agreements generally do not benefit from variable rents until after the three-year organic transition is complete, the structure of these mortgages is intended to allow the Company to make an immediate cash return on investment. Moreover, mortgages are also intended to provide the Company with a lower risk of capital loss. The Company usually requires at least 25% equity from the borrower. With a 75% loan-to-value ratio, there would have to be significant declines in the value of the land for the Company to be at risk of capital loss.



Rental Yield reflects current base rate for years 1 to 3. Rental yield in years 4 and 5 include illustrative cash returns assuming variable rent payments in addition to the base rate.

In addition to providing an attractive cash yield, the mortgage business allows the Company to work with a wider variety of farmers, developing new relationships that would not be possible through an Iroquois Valley Farms lease. The Company believes adding mortgages offers significant opportunities to further implement its business plan in new and existing regions.

Efficient Operating Structure

Effective December 31, 2016, the equity investors in Iroquois Valley LLC implemented a conversion from a limited liability company to a REIT, as described above.

The Company believes this structure optimizes the long-term growth potential and plans of the business. The Company further believes the financial reporting associated with REITs is better aligned with how the Company operates, creating a more transparent and practical financial reporting process. See "Corporate Structure" for more details.

Indefinite Scalability

With a strong record of financial stability and success, increasing interest from independent farmers across geographies, and an attractive corporate structure, Iroquois Valley Farms has demonstrated an ability to achieve indefinite scale.

The financial track record has driven investment demand from a variety of capital sources, including individuals, trusts, non-profits, family offices, and more.

The Company's mortgages and leases offer favorable terms, an understanding of the organic transition, and long-term land security. As a result, the Company has created a pipeline of potential opportunities with experienced operators, hold strong credit characteristics, have favorable opportunities to market production, and provide for stable, long-term relationships.

The Company has deployed this capital in an efficient, cost-effective and profitable manner. The Company does not acquire a farm without a farmer tenant lined up and a pre-arranged lease agreement that is financially viable for both the Company and the farmer. On mortgage financing, the Company takes a conservative approach to lending: reviewing both the cash flow of the operation and loan-to-value ratio of the underlying assets. The Company's mortgages are intended to enhance the overall business cash flow for the borrower, which frees up capital for each operator's future growth.

ACTIVE RISK MANAGEMENT STRATEGY

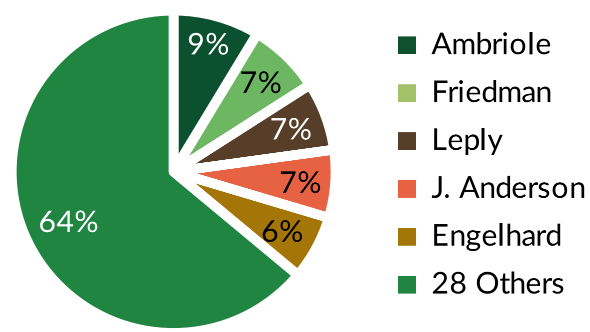
Risk is inherent in farming, and as result, in a farmland investment. Drought, flood, pest infestation, weed pressure, market dynamics, and changing consumer preferences are just some of the challenges associated with maintaining a profitable organic farm.

As a farmland finance company, Iroquois Valley Farms takes an operational approach to risk management. Diversity across a variety of categories is key in mitigating these risks. Here are some highlights of the practices in place that create the Company's diverse portfolio of farms.

Tenants and Borrowers

The Company reviews a constant stream of inquiries from farmers across the country looking to gain access to farmland. As a result, current and pending partnerships represent a variety of demographics, personalities, experience levels, management techniques and areas of expertise. Iroquois Valley Farms actively manages asset exposure to any given farmer. The Company currently works with 33 farmers with the largest exposure to any given farmer representing less than 9% of the investment assets.

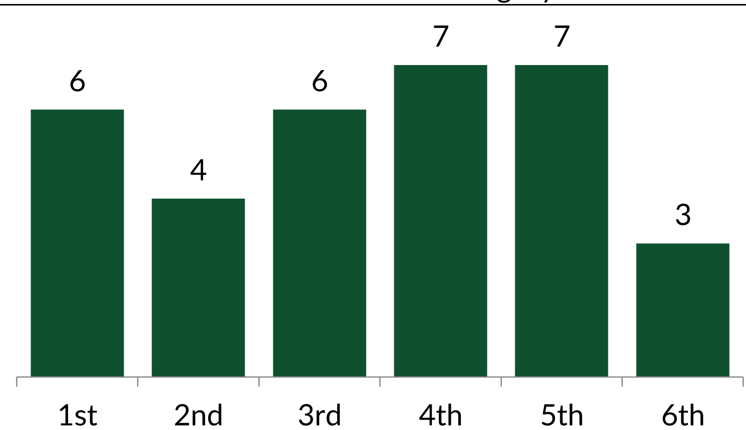
Asset Value Exposure by Farmer



Based on book value as of Offering Date.

To further mitigate risk, Iroquois Valley Farms works with experienced operators. The "bread and butter" farmer comes from a multigenerational farm family. The average generational legacy of Iroquois Valley Farms' farmers is more than three generations. This means that oftentimes the families have been operating in the same area for 60 to 80 years. When the Company does work with first or second generation farmers, it often seeks additional protections in its investments and makes sure the farmer has a support system similar to that of the multigenerational families.

Farmer Generational Legacy

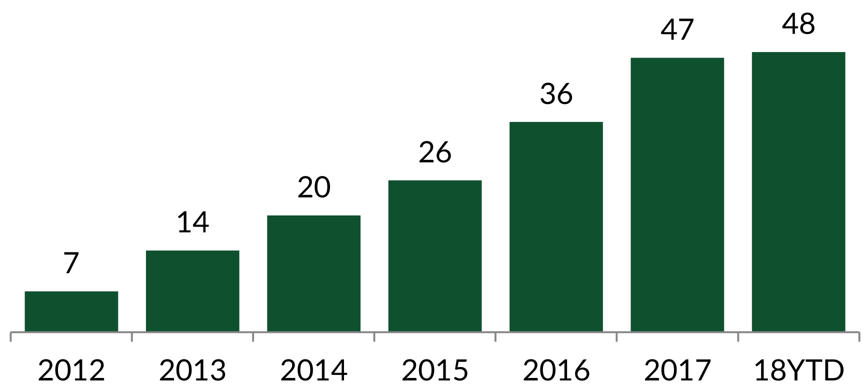


Includes Company estimates. Data as of Offering Date.

Farms

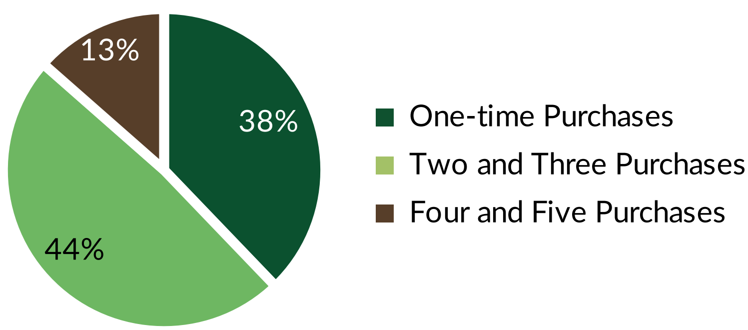
The Company executes a strategy that procures specific pieces of land for farmers through a series of incremental acquisitions. These farms are most frequently additive to the farmer's existing operation. The resulting portfolio includes 48 individual farmland investments with unique natural and geographic characteristics. The Company prefers to grow one purchase at a time, even diversifying within specific farmer relationships through subsequent, small-scale acquisitions. As of the date of the Offering, approximately 50% of the Company's purchases represent investments for farmers that Iroquois Valley Farms has worked with multiple times.

Farmland Investments



As of yearend except 18YTD reflects 2018 year-to-date as of the Offering Date.

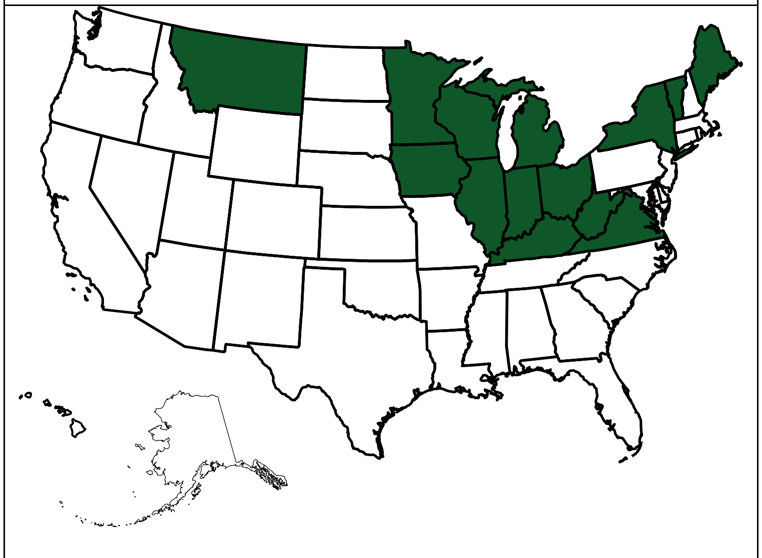
Repeat Purchases



Geography

In addition to pursuing land within a specific farmer's target area, the Company also focuses on expanding into new regions of the United States. The resulting portfolio is geographically diverse, offering investors some protection against the challenges that can befall a single agricultural area in any given year, including weather, pests, disease and regional market price dynamics. As more capital is raised and new relationships develop, the Company will continue diversify the geographic footprint of the portfolio.

States with Farmland Investments



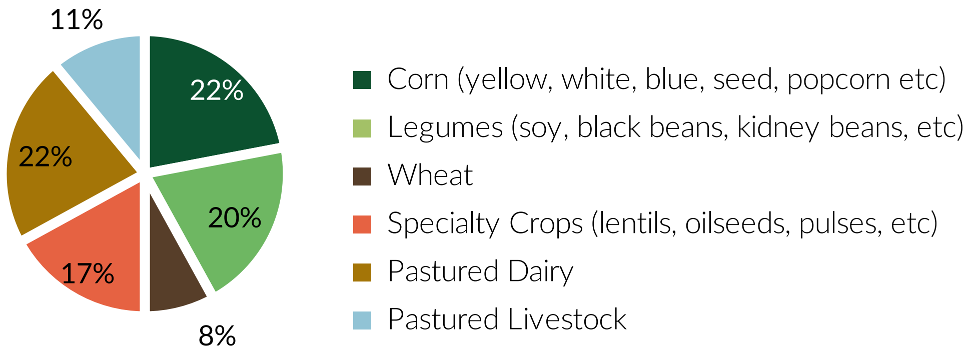
Operation Type

The management team performs extensive diligence on potential operators to confirm they are an operations and risk management fit. After this process, the Company has a "hands off" approach to farm operations, encouraging farmers to manage their businesses as they see fit. As a result, Iroquois Valley Farms is able to celebrate new partnerships that add variety to the management practices being used throughout the farm portfolio. Although USDA organic standards are uniform, the on-farm techniques that can achieve and surpass these standards are varied. By investing in farmers that use a variety of methods, the Company mitigates the risk of any one management practice underperforming in any given year, while empowering farmers to create the most sustainable and successful farms possible.

Production Mix

The Company seeks relationships that will add to the growing list of crops grown throughout the portfolio. The initial Company farms produced organic row crops like corn, soybeans and wheat. As the opportunities with farmers in new regions have expanded, the crop selection has increased to include dairy, pastured meats, heirloom grains, legumes and cereals. Furthermore, the opportunities within each main production category have expanded over the past several years. Farmers are now planting specialty corn and bean varieties. The expansion of crop production options is attributable to the growing demand for more organic food. Management expects this trend to continue. Moving forward, the company will continue to look for the right opportunities to add more variety to the organic production mix.

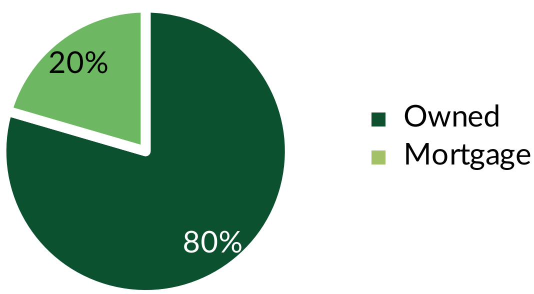
Production Mix



Based on acres for 2018 production.

Asset Class
In 2016, the Company added mortgage financing to the portfolio, motivated in part by the opportunity to diversify its asset base and in turn, its revenue stream. The Company's Board of Directors has approved up to 30% of the total portfolio to be invested via mortgage loans. Mortgage loans provide higher immediate cash returns and reduce overall asset class risk. Iroquois Valley Farms generally issues loans at 75% loan-to-value or less, which is favorable compared to purchases in which the Company has 100% asset risk.

Investment Mix



Based on book value as of Offering Date.

BROADLY HELD, DEMOCRATIC INVESTOR BASE

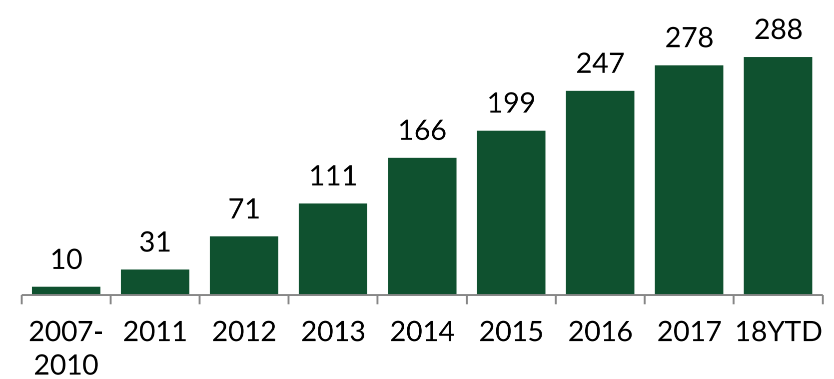
Since its founding in 2007, the Company has raised equity capital through hundreds of relatively small, direct investments. This deliberate, incremental growth has a variety of advantages for both new and existing shareholders, as described below.

It's important to note the fundamental necessity of this capital structure in attracting new farmer relationships. The Company believes that long-term land access, secured by patient, broadly held ownership, is the key to a mutually beneficial partnership with an independent farm family.

Decentralized Ownership

The Company's $26 million in equity capital has been funded by 288 investors with an average of approximately $100,000 each. The result is a broad base of predominately individual investors who own only a small portion of the Company's outstanding shares. The lack of any dominant shareholder means all the Company's equity investors have the opportunity to be influential in the strategy, growth and stability of the organization long-term – no single shareholder can force certain corporate actions. More on the Company's governance, including the shareholder-elected Board, can be found in Members of "Iroquois Valley REIT'S Board of Directors."

Number of Shareholders

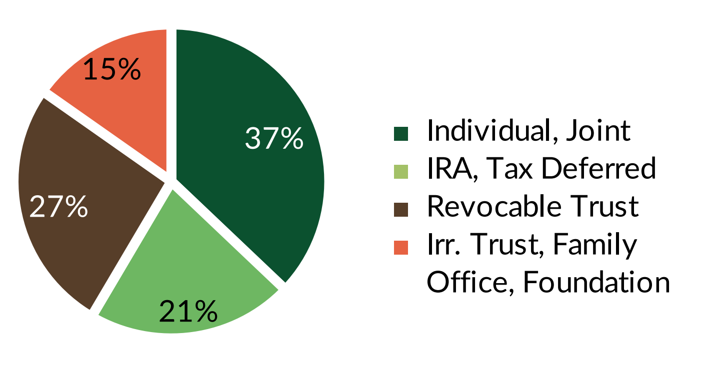


Data prior to 2017 reflects Membership Interest holders. As of yearend except 18YTD which reflects 2018 year-to-date as of the Offering Date.

Committed Shareholders

The Company requires a seven-year hold-period (before redemption rights accrue) for equity capital, a provision specifically designed to offer farmers the land security they are seeking from an outside financial partner. Embedded in this lock up is the Company's shareholders' willingness to share risk with the farmers on the ground. By committing their capital for the long-term, shareholders ensure farmers have sufficient time to build successful operations based on soil health. Moreover, the hold period allows the Company sufficient time to raise new investor capital to provide liquidity for the investors seeking an exit after the lock-up.

Sources of Investment Capital



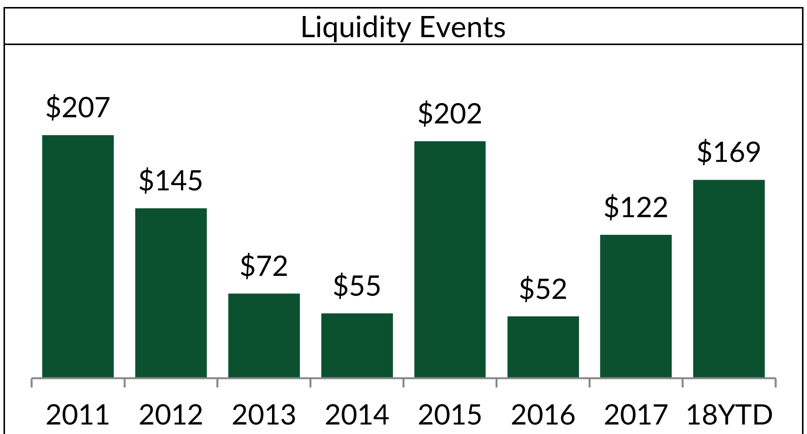
Based on share count as of Offering Date.

The foundation of the Company's investor base is the "family investor." These capital providers make up 85% of the Company's total equity capital and include accounts held by individuals, jointly held accounts, IRAs and Revocable Trusts. The management team likes to highlight that these investors are "Families Supporting Family Farmers." It should be further noted that both IRAs and Revocable Trust are long-term holding vehicles. IRAs are meant to be held until retirement and Revocable Trusts are frequently part of estate transfer planning. These types of investment vehicles fit well with the long-term commitment needed by the farmers.

Investor Liquidity

Iroquois Valley REIT's broad base of equity capital means that shareholders liquidating their shares in the Company do not have an overwhelming impact on the Company's financial position. This helps to ensure that the Company will not be forced to sell underlying farmland assets in order to return capital to investors, thereby keeping farmers on the land.

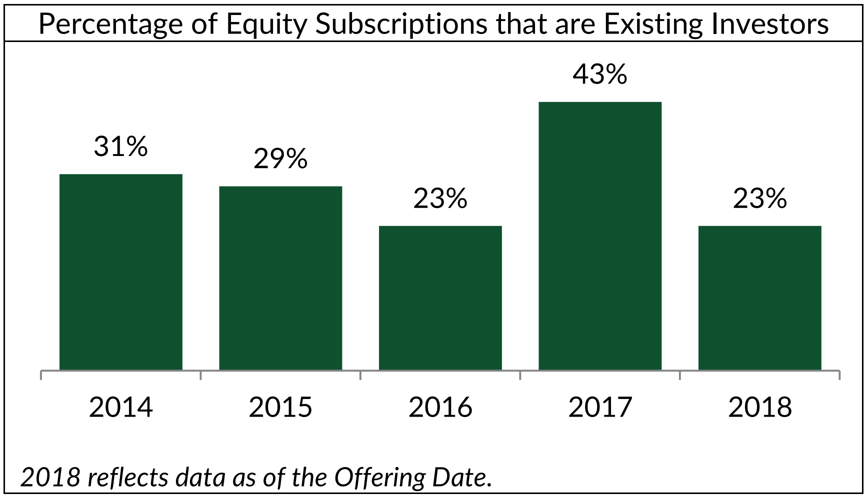
Iroquois Valley Farms established a redemption program in 2015 to facilitate investor liquidity. To fund the redemptions, the Company has allocated a portion of the proceeds of this Offering for the specific purpose of redeeming shares. Going forward, the Company will look to use proceeds from future offerings and available cash to fund redemptions. Iroquois Valley Farms is also continually looking at alternative options for further enhancing investor liquidity.



18YTD reflects 2018 year-to-date as of the Offering Date.

Incremental, Repetitive Commitments Aligned for the Long-term

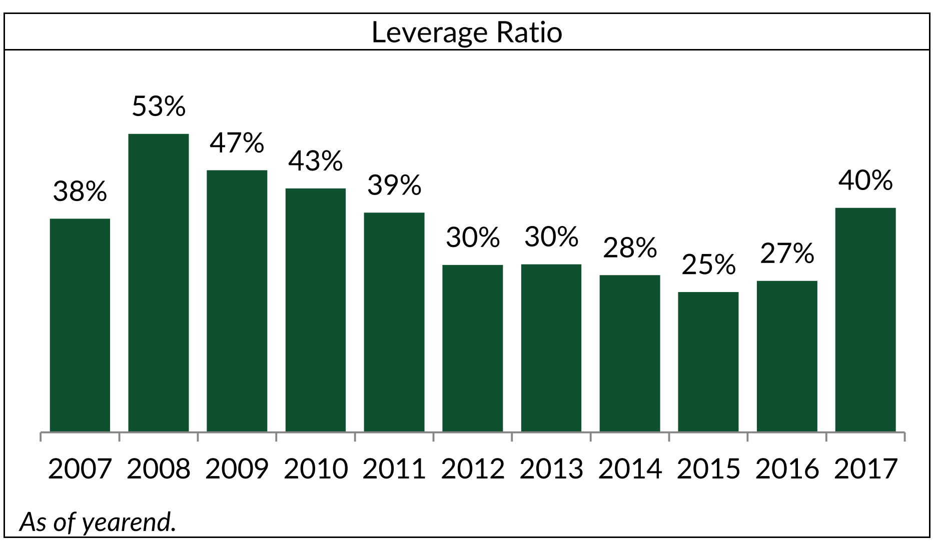
The Company's requirement for long-term commitment of capital, coupled with a modest minimum investment, gives investors the opportunity to "average-in" with multiple investments over time, growing their ownership as the Company expands the portfolio of farms. This offers new investors the opportunity to build a relationship with the Company before committing capital that may represent an undue financial risk, and ensures the Company a steady stream of re-investment capital moving forward. Since 2014, 31% of equity investments (78 of 252) have been existing shareholders adding to their position.



CONSERVATIVE CAPITAL STRUCTURE

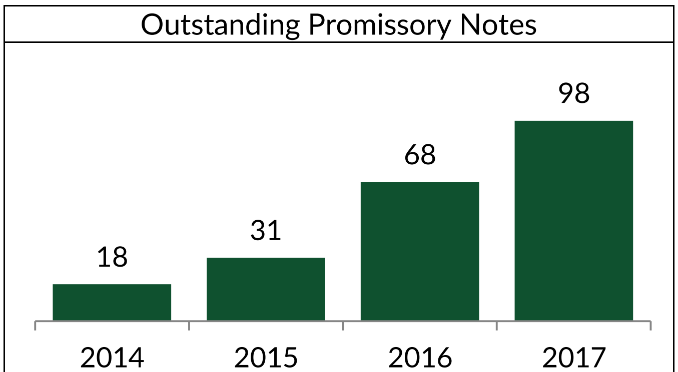
In addition to investment and investor diversification, the Company actively manages and assesses its overall capital structure to enhance investment returns. It's important to note that Iroquois Valley Farms is an operating company, not an investment fund. This capital structure reflects management's strategy to remain an ongoing concern that benefits all parties: the Company, investors and independent organic farmers.

<u>Low Leverage</u>
As of the end of 2017, the Company was conservatively leveraged at 40%. This level was slightly above recent historical averages, but still well below the aggressive leverage often used by other REITs. The sources of debt came from a combination of self-issued promissory notes, multiple lines of credit, and traditional mortgages on Company-owned farmland. Moving forward, the Company intends to continue to grow primarily through equity capital, as it provides investors direct exposure to organic farmland, offers the potential to enjoy the upside of the organic market, and shares risk with the farmers on the land. The target leverage level for the end of 2018 is around 30% or less.



Low Borrowing Costs

The Company's major source of debt is multiple series of self-issued promissory notes. These promissory notes are offered directly by Iroquois Valley LLC to accredited investors. The Company's track record of financial success combined with a history of creating measurable social and environmental impact has created significant demand for these promissory notes and allowed the Company to raise a portion of its capital at relatively low costs. This reality further mitigates the equity investors' risk and is intended to directly contribute to the Company's financial success. In the more traditional markets, the Company is also able to obtain attractive borrowing rates. The average cost of capital for self-issued promissory notes is 2.6% and the cost of capital for mortgage loans is currently 3.6%.



Reflects individual promissory notes as of yearend.

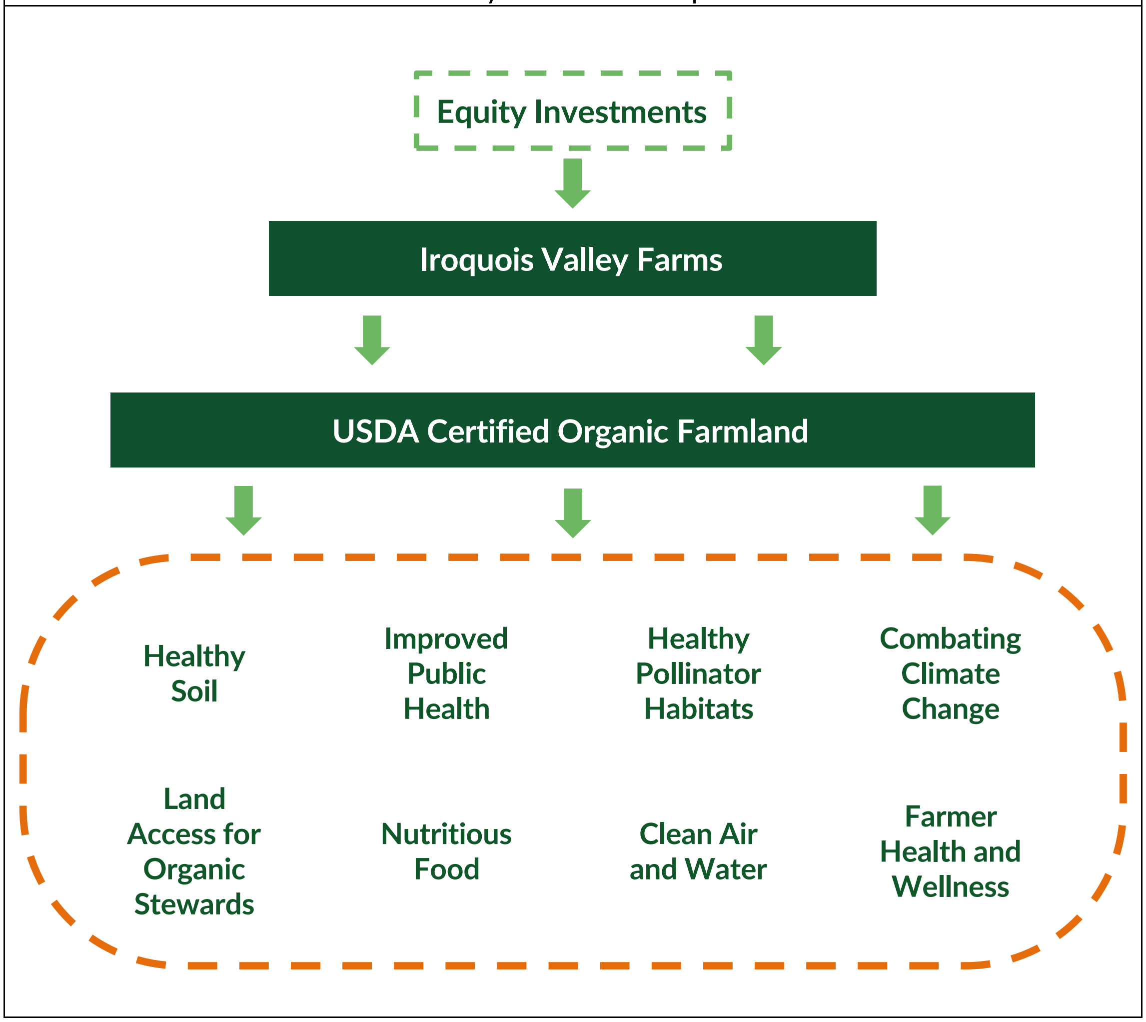
Lines of Credit to Bridge Purchases

The Company's strong balance sheet allows for the use of bridge loans and lines of credit to fund purchases ahead of internally raised capital. In the event that a quality opportunity has been identified, the Company is able to utilize these temporary borrowings to fund the investment. This allows the Company to be responsible to the farmer and the right investment opportunities regardless of where Iroquois Valley Farms is in its fundraising cycle.

AN ARRAY OF POSITIVE IMPACTS

Organic farming offers a wide range of positive impacts on the food supply, the natural environment, and the agricultural communities where farmers live and work. By purchasing equity in Iroquois Valley Farms, investors expand the amount of organic acreage in the portfolio, and directly facilitate the expansion and longevity of these impacts.

An Array Of Positive Impacts



<u>Transferring the Land to Organic Stewards</u>

It's universally agreed that we are at a pivotal moment for the transfer and stewardship of American farmland. The average age of the American farmer is approaching 60, and as Baby-Boomers transition out of their farming careers, it's estimated that up to half of the farmland in the U.S. will change hands in the next two decades. Complicating this reality is the issue of finance. The National Young Farmers Coalition cites access to land and access to capital as some of the greatest barriers for young organic farmers trying to establish their own operations.

An equity investment in Iroquois Valley Farms provides a direct solution to the challenges faced by the next generation of farmers as they attempt to take over from older, conventional operators. The Company believes that this next generation is not merely a replacement tenant, but an opportunity for agricultural innovation and environmental stewardship, factors that will result in long-term productivity and sustainable profits.

The Company directly addresses the challenges faced by these farmers through its leases and mortgages. In contrast to traditional lease arrangements that usually last 1-3 years and offer no long-term security to the farmer, Iroquois Valley Farms' financing products acknowledge the patience necessary to transition a farm to organic and maximize profit.

The Company's lease financing is intended to offer indefinite land security, including a path to ownership, and is structured to share in the bounty of especially profitable crop yields. Mortgage financing allows the Company to address the needs of farmers whose existing financing options are limited by conventional, rather than organic models. Additionally, mortgage financing allows the Company to impact farmland in states affected by corporate farm ownership restrictions. These designs have led to an overwhelming interest from the farming community to work with Iroquois Valley Farms.

Growing Healthy Soil

The Company believes that chemical-dependent, conventional farming practices have taken their toll on the long-term health and productivity of American farmland. Conventionally managed farms are increasingly susceptible to wind and water-related erosion, unable to retain satisfactory amounts of moisture in drought, and consistently reliant on synthetic chemical inputs to realize any decent measure of fertility.

By contrast, the USDA defines organic as "integrating cultural, biological and mechanical practices that foster cycles of resources, promote ecological balance and conserve biological diversity." Organic is a management system that is designed to build and maintain healthy soil, the most important long-term asset on a farm. By replacing petroleum-derived fertilizers with animal manure, cover crops and crop rotation, organic farmers manage soil health with long-term productivity and environmental sustainability in mind.

Buying shares in Iroquois Valley Farms directly improves the soil health in the growing portfolio of farms. Healthy soil is key to the fertility of an acre of farmland, the nutritional content of food, the health of the farm ecosystem, and the ability of the farm to perform in the face of severe climate events like drought and flood. All of these environmental advantages also make a direct impact on the productivity, and therefore profitability, of a farm.

Improving Public Health

There is a direct connection between healthy soil, healthy food and healthy people. The biodiversity in organic soil provides the necessary environment for microorganisms, bacteria and fungi that ultimately facilitate the production of nutrient rich food. The medical community has begun to highlight the imperative role of healthy food in both daily nourishment and long-term preventative care.

Persistent challenges in modern human health, including allergies, lack of immunity, and the rise of preventable disease, are increasingly being linked to the food we eat and the methods for producing it. The food produced from regenerative farming practices and certified organic management offer a stark contrast to the glut of unhealthy products created in chemical dependent environments on large-scale conventional farms.

Iroquois Valley Farms has had a commitment to human health since day one, best represented by the goals and motivation of the Company's Co-Founder and Board Chair, Dr. Stephen Rivard. Dr. Rivard sees nutritious food as the best form of preventative medicine against epidemics like heart disease, diabetes, and obesity, and is increasingly encouraged by the direct connections being made between healthy soil and a healthy planet.

Providing Economic Opportunities for Rural Communities

Independently owned organic farms offer farmers, their families and their communities a path towards long-term economic prosperity. Whereas large-scale conventional operations rely heavily on sprays and automation, organic farms are required to use more manual labor to deal with weeds, pests and crop disease. As a result, organic farms are providing work opportunities to their rural communities and keep a larger percent of the money local, a stark contrast to the significant funds conventional farmers spend on chemical inputs imported from communities which are typically far away.

An Organic Trade Association study by researchers at Penn State University entitled "Organic Hotspots" shows that organic farms create jobs, boost economic growth, increase household income and reduce the poverty rate. By offering land access to small and medium-sized farmers from the "next generation," the Company has a direct impact on the human health and economic vitality in farming communities across the country.

Clean Air, Clean Water, Healthy Pollinator Habitats

Organic agriculture prohibits the use of synthetic pesticides and herbicides. These chemicals directly threaten the health of farm workers during application, pollute water sources during runoff, and create an uninhabitable environment for necessary, beneficial species like pollinators. The species of bees (including bumblebees) that are responsible for pollinating 75% of the fruit, nuts and vegetables consumed in the United States are now listed as endangered as a result of the widespread use of conventional farm pesticides.

An investment in Iroquois Valley Farms provides an alternative. Organic management creates a path to cleaner air and water, and a safety net for pollinators and other important species key to natural biodiversity. Iroquois Valley Farms' environmental impacts are not limited to doing no harm; in fact, many of the Company's farmers actively put land into conservation in buffer zones, perennial pasture and pollinator-specific habitats. Additionally, other lands operated by the Company's tenant and borrower farmers are protected as wetlands or riparian filter strips. In effect, Iroquois Valley Farms' commitment to organic practices protects the environment in the areas of soil health, pollinator preservation and water contamination.

Farmer Welfare

The physical and mental challenges of any farming operation should not be overlooked. Exposure to chemicals, safety hazards and financial failure pose specific problems for some conventional farmers dependent on synthetic inputs, mechanization and commodity prices. Organic management practices provide operators some respite from these challenges, and offer them a significantly more healthy way to pursue the careers they love.

Combating Climate Change

While industrialized, conventional agriculture is a known contributor to climate change, organic farmers are showing that this sector also has the ability to rectify the climate damage caused by conventional agriculture.

Iroquois Valley Farms' tenants and borrowers use climate smart practices like cover cropping, crop rotation and rotational pasture grazing. In addition to producing less negative impacts on the natural environment, these practices may hold some of the keys to reversing the effects from rising levels of CO2 in the earth's atmosphere.

Research groups, including leaders like the Rodale Institute, have published studies indicating that the amount of carbon dioxide emissions that stay in the atmosphere could be significantly reduced through organic soil. In addition to holding more nutrients for food production, organic soil also contains molecules that are better suited for storing carbon for long periods of time. One Rodale Institute paper maintained that 100% of the earth's annual emissions could be sequestered if all the earth's agriculture changed its management practices to widely available and inexpensive techniques that are regenerative and sustainable.

An investment in Iroquois Valley Farms means directly supporting real-time climate change solutions, an exciting opportunity for investors looking to couple financial returns with significant environmental change.

Carbon Sequestration

REGENERATIVE ORGANIC FARMING COULD SEQUESTER MORE THAN 100% OF CURRENT ANNUAL $C0_2$ EMISSIONS VIA A SWITCH TO WIDELY AVAILABLE AND INEXPENSIVE ORGANIC MANAGEMENT PRACTICES

Source: Rodale Institute, Regenerative Organic Agriculture and Climate Change: A Down-to-Earth Solution to Global Warming.

CERTIFICATION AND RECOGNITION OF THE COMPANY'S IMPACTS

The company's commitment to impact has been reflected by a series of certifications and recognitions.

"Best in the World" B Corporation

In order to demonstrate the Company's commitment to impact, Iroquois Valley LLC obtained B Corporation Certification in 2012. This certification is managed by the independent non-profit B Labs and awarded for meeting rigorous standards of social and environmental performance, accountability and transparency.

Iroquois Valley LLC governance and operational achievements measured so well in the B Labs assessment that the Company was further recognized as "B Corps Best for Community" in 2014. A 2015 Company Re-Assessment verified greater governance, operational, and positive, real-world outcome achievements, earning the Company "B Corps Best for the World" in both 2016 and 2017.

Recognition of Impact

ImpactAssets 50 – Selected 2012-2018

Non-profit wealth management company ImpactAssets has listed Iroquois Valley Farms on its list of 50 experienced impact investment firms for six consecutive years, a testament to the company's stability, growth and track record.

IA50 Badges

Public Benefit Corporation

At the time of the REIT conversion, Iroquois Valley Farms elected to incorporate into a Public Benefit Corporation, with publicly stated corporate goals of achieving social and environmental change. The specific public benefit purpose of Iroquois Valley REIT is enabling healthy food production, soil restoration and water quality improvement through the establishment of secure and sustainable farmland access tenures.

EXPERIENCED MANAGEMENT TEAM AND BOARD OF DIRECTORS

The Company treats the production of healthy foods on living soils as an ongoing business, not as a fund or specialized trading operation. As an operating company, Iroquois Valley Farms is able to utilize the extensive corporate experience of the staff. The four executive officers (CEO, COO CFO and SVP) of Iroquois Valley LLC, the operating entity of the Company, have over 100 years of combined corporate and investment management experience (see "Management of the Company"). This experience is appropriately applied to managing risk factors and strategic planning for a growing industry that has few models to follow. The management team actively manages the business for geographic, tenant, production and overall capital diversification. The management team reports to a diverse nine member Board of Directors of Iroquois Valley REIT with business, finance, farming, advocacy and health care expertise.

Executive Management Team

Name	Position	Background	Experience
David E. Miller	CEO	Corporate Finance and Real Estate	41 years
Arnold Lau	COO	Trading & LLC Management	31 years
Kevin Egolf	CFO	Private Equity	13 years
Teresa Opheim	SVP	Agricultural & Environmental Non-Profit	34 years

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORS OF ANY STATE NOR HAS ANY OF THE FOREGOING PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CONFIDENTIAL INFORMATION

THIS MEMORANDUM IS SUBMITTED IN CONNECTION WITH THE OFFERING OF THE SECURITIES IN IROQUOIS VALLEY REIT. THE INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND IS BEING SUBMITTED TO PROSPECTIVE INVESTORS WITH THE UNDERSTANDING THAT, WITHOUT EXPRESS PRIOR WRITTEN AUTHORIZATION OF IROQUOIS VALLEY REIT, SUCH PERSONS WILL NOT RELEASE THIS MEMORANDUM OR DISCUSS THE INFORMATION CONTAINED HEREIN OR MAKE REPRODUCTIONS OR USE IT FOR ANY PURPOSE OTHER THAN TO EVALUATE A POTENTIAL INVESTMENT IN IROQUOIS VALLEY REIT.

ADDITIONAL INFORMATION

IROQUOIS VALLEY REIT SHALL MAKE AVAILABLE TO EACH PROSPECTIVE INVESTOR OR IT'S REPRESENTATIVE, PRIOR TO THE SALE OF SECURITIES TO IT, THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM IROQUOIS VALLEY REIT CONCERNING ANY ASPECT OF THE OFFERING.

WHILE OFFERING LITERATURE AND ADVERTISING REGARDING THE OFFERING DESCRIBED HEREIN SHALL BE EMPLOYED IN SELLING THE SECURITIES OFFERED HEREBY, PROSPECTIVE INVESTORS ARE URGED NOT TO RELY ON THESE MATERIALS. RATHER, PROSPECTIVE INVESTORS SHOULD RELY ON THE INFORMATION CONTAINED IN THIS MEMORANDUM AND IN ATTACHMENTS OR APPENDICIES TO THIS MEMORANDUM AND TO THE EXTENT AUTHORIZED IN WRITING BY IROQUOIS VALLEY REIT TO ANALYZE THE SUITABILITY OF THE SECURITIES OFFERED HEREBY FOR SUCH PROSPECTIVE INVESTOR. PROSPECTIVE INVESTORS ARE URGED TO ONLY RELY ON WRITTEN INFORMATION AND REPRESENTATIONS RECEIVED DIRECTLY FROM IROQUOIS VALLEY REIT AND ITS AUTHORIZED AGENTS, IF ANY, REGARDING THE OFFERING MADE HEREBY. ANY INFORMATION OR REPRESENTATIONS REGARDING THE OFFERING NOT PROVIDED DIRECTLY FROM IROQUOIS VALLEY REIT OR ITS AUTHOIZED AGENTS IN WRITING MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY IROQUOIS VALLEY REIT.

SPECULATIVE INVESTMENT

BECAUSE THE INVESTMENT IS SPECULATIVE, INVOLVES A HIGH DEGREE OF RISK, AND HAS SIGNIFICANT TRANSFER RESTRICTIONS, IT IS SUITABLE ONLY FOR "ACCREDITED INVESTORS" AS DEFINED BY RULE 501(a) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES

ACT"). WHO CAN DEMONSTRATE THAT THEY (A) HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS AS WILL ENABLE THEM TO EVALUATE THE MERITS AND RISKS OF A PROPOSED INVESTMENT IN THESE SECURITIES AND (B) ARE ABLE TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES TO ANY FIRM OR INDIVIDUAL UNLESS AND UNTIL IROQUOIS VALLEY REIT HAS COMMUNICATED IN WRITING TO SUCH INVESTOR ITS BELIEF THAT THE INVESTOR POSSESSES THESE QUALIFICATIONS AS EVIDENCED BY IROQUOIS VALLEY REIT'S ACCEPTANCE IN WRITING OF SUCH INVESTOR'S SUBSCRIPTION AGREEMENT. MOREOVER, THE SECURITIES OFFERED HEREBY ARE BEING OFFERED IN RELIANCE ON AN EXEMPTION FROM THE SECURITIES ACT'S REGISTRATION REQUIREMENTS THAT LIMITS SALES OF THE SECURITIES SOLELY TO ACCREDITED INVESTORS AS DEFINED BY THE SECURITIES ACT. ACCORDINGLY, IROQUOIS VALLEY REIT WILL ONLY ACCEPT AS HOLDERS PROSPECTIVE INVESTORS WHO ARE DEMONSTRABLY ACCREDITED INVESTORS PURSUANT TO RULE 506(c) OF THE SECURITIES ACT.

FACTORS AFFECTING INVESTMENT DECISION

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM IROQUOIS VALLEY REIT OR ANY PROFESSIONAL ASSOCIATED WITH THE OFFERING, AS LEGAL, TAX OR INVESTMENT ADVICE. EACH INVESTOR SHOULD CONSULT WITH AND RELY ON HIS, HER OR ITS OWN PERSONAL LEGAL COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO LEGAL, TAX AND ECONOMIC IMPLICATIONS OF THE INVESTMENT DESCRIBED HEREIN AND ITS SUITABILITY FOR THE INVESTOR. ALL PROSPECTIVE INVESTORS MUST CONSULT THEIR OWN INDEPENDENT TAX, LEGAL, ACCOUNTING AND FINANCIAL ADVISORS REGARDING THE POTENTIAL FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF INVESTING IN IROQUOIS VALLEY REIT IN THE CONTEXT OF THEIR OWN PARTICULAR CIRCUMSTANCES.

SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN FACTORS, AMONG OTHERS, THAT SHOULD BE CONSIDERED IN CONNECTION WITH A PURCHASE OF THE SECURITIES.

FOR ALL INVESTORS

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANYONE IN ANY STATE OR IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED. IROQUOIS VALLEY REIT RESERVES THE RIGHT TO WITHDRAW OR MODIFY THE OFFERING AND, IN ITS SOLE DISCRETION, TO ACCEPT OR REJECT ANY SUBSCRIPTIONS UNDER THIS MEMORANDUM.

THE SECURITIES ARE NOT REGISTERED UNDER THE SECURITIES ACT, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE TRANSFERRED OR SOLD EXCEPT IN

COMPLIANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE BYLAWS, AND AS PERMITTED UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THE OFFERING IS BEING MADE IN RELIANCE ON THE AVAILABILITY OF AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT BY VIRTUE OF IROQUOIS VALLEY REIT'S INTENDED COMPLIANCE WITH THE PROVISIONS OF SECTION 4(a)(2) THEREOF AND RULE 506(c) OF REGULATION D PROMULGATED THEREUNDER.

THE SECURITIES ARE ALSO SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE TERMS AND CONDITIONS OF THE BYLAWS.

CERTAIN OF THE ECONOMIC AND FINANCIAL MARKET INFORMATION CONTAINED IN THIS MEMORANDUM (INCLUDING CERTAIN FORWARD-LOOKING STATEMENTS AND INFORMATION) HAS BEEN OBTAINED FROM PUBLIC SOURCES AND / OR PREPARED BY OTHER PARTIES. WHILE SUCH SOURCES ARE BELIEVED TO BE RELIABLE, NONE OF IROQUOIS VALLEY REIT, THE BOARD, THE MANAGERS AND/OR ANY OF THEIR AFFILIATES, NOR ANY OTHER PERSON OR ENTITY, ASSUMES ANY RESPONSIBILITY FOR THE ACCURACY OF SUCH INFORMATION.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Throughout this Memorandum, the Company makes forward-looking statements. Forward-looking statements include the words "may," "will," "estimate," "continue," "believe," "expect," "likely," "should" or "anticipate" and other similar words. These forward-looking statements generally relate to the Company's business plan and objectives for future operations and are based upon the Company's reasonable estimates of future results or trends. Although the Company believes that its business plans and objectives reflected in or suggested by such forward-looking statements are reasonable, such plans or objectives may not be achieved. These forward-looking statements include the estimated effects of the 2017 Tax Act (defined below) and the Company's current interpretations, assumptions and expectations relating to the 2017 Tax Act, and are subject to change, possibly materially, as the Company continues to analyze the 2017 Tax Act to determine the full effects of the 2017 Tax Act on its operations. Actual results may differ substantially from projected results due, but not limited to, unforeseen developments, including developments relating to the following:

- The availability and adequacy of cash flow to meet the Company's financial requirements, including payment dividends and satisfaction of any future indebtedness;
- Economic, demographic, business, regulatory, tax changes and other conditions affecting farmland prices;
- Future competition from other companies with a similar agriculture focus;
- The loss of business due to casualty or other external factors beyond the Company's control, including, without limitation, lawsuits against the Company;
- Changes in the methodology for assessing organic farmland values; and
- Other factors discussed under "Risk Factors" or elsewhere in this Memorandum.

Prospective investors should read this Memorandum completely and with the understanding that actual results may be materially different from what the Company expects. The forward-looking statements specified in this Memorandum have been compiled as of the date of this Memorandum and should be evaluated with consideration of any changes occurring after the date of this Memorandum.

Risk Factors

INVESTMENT IN IROQUOIS VALLEY REIT IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. IN DETERMINING WHETHER TO PURCHASE SHARES, EACH POTENTIAL INVESTOR SHOULD BE AWARE THAT THERE IS A SUBSTANTIAL RISK THAT THEY MAY LOSE SOME OR ALL OF THEIR INVESTMENT AND THAT EACH INVESTOR SHOULD BE FINANCIALLY CAPABLE OF BEARING THE RISK OF A TOTAL LOSS OF AN INVESTMENT IN IROQUOIS VALLEY REIT FOR AN INDEFINITE PERIOD OF TIME. INVESTORS SHOULD SEEK PROFESSIONAL ADVICE REGARDING AN INVESTMENT IN IROQUOIS VALLEY REIT.

AN INVESTMENT IN IROQUOIS VALLEY REIT OFFERS NO ASSURANCE OF ANY ECONOMIC OR TAX BENEFIT AND INVOLVES VARIOUS ELEMENTS OF RISK, ALL OF WHICH SHOULD BE CONSIDERED BEFORE MAKING A DECISION TO INVEST. THE RISK FACTORS DESCRIBED BELOW SHOULD NOT BE CONSIDERED AN EXHAUSTIVE LISTING OF SUCH RISK FACTORS. INVESTORS SHOULD CONSIDER CAREFULLY ALL OF THE INFORMATION INCLUDED IN THIS MEMORANDUM, INCLUDING THE RISK FACTORS SET FORTH BELOW, BEFORE DECIDING TO PURCHASE ANY SHARES IN THIS OFFERING. ANY OF THE FOLLOWING RISKS COULD MATERIALLY ADVERSELY AFFECT THE COMPANY'S BUSINESS, FINANCIAL CONDITION, OR OPERATING RESULTS.

As a result of these factors, as well as all other risks inherent in any investment or set forth elsewhere in this Memorandum, there can be no assurance that Iroquois Valley REIT will be able to successfully carry out its business plan. The Company's returns, if any, may be unpredictable and, accordingly, Iroquois Valley REIT is not suitable as the primary investment vehicle for an investor. An investor should only invest in the Shares as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment in the Shares. Investors should not construe the past performance of The Company as providing any assurances regarding the future performance of Iroquois Valley Farms.

RISKS RELATED TO FEDERAL INCOME TAXES

Complex Tax Matters. TAX MATTERS RELATING TO THE COMPANY AND AN INVESTMENT IN THE SHARES ARE COMPLEX. IN VIEW OF THE COMPLEXITIES OF THE TAX LAWS, EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN TAX ADVISOR WITH RESPECT TO THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF AN INVESTMENT IN IROQUOIS VALLEY REIT.

Tax Changes. On December 22, 2017, the President of the United States signed into law the "Tax Cuts and Jobs Act" ("2017 Tax Act") that significantly reforms the Code. The 2017 Tax Act, among other things, includes changes to U.S. federal tax rates, imposes significant additional limitations on the deductibility of interest, and modifies the ability to expense certain capital expenditures. This Memorandum does not purport to disclose all effects of the 2017 Tax Act which could have material positive or negative impacts on the Company, and/or any shareholders or the Company's current or future tax position. The impact of this tax reform on prospective investors pursuant to this Offering is uncertain and could be adverse. This Memorandum does not discuss any such tax legislation or the manner in which it might affect investors in Shares. The Company urges prospective investors to consult with their legal and tax advisors with respect to the 2017 Tax Act and the potential tax consequences of investing in Shares. There can be no assurance that the present income tax treatment of prospective investors will not be adversely affected by future legislative, judicial, or administrative action. Offerees should be aware that legislation having an adverse impact on the tax aspects of an investment in the Company could be enacted at any time, with or without retroactive effect.

REIT Maintenance; Income Tax Implications. Iroquois Valley REIT elected to be taxed as a REIT for U.S. federal income tax purposes beginning with its taxable year ended December 31, 2017. To maintain qualification as a REIT, Iroquois Valley REIT must meet various requirements set forth in the Code concerning, among other things, the ownership of its outstanding stock, the nature of its assets, the sources of its income and the amount of its distributions. The REIT qualification requirements are extremely complex, and interpretations of the U.S. federal income tax laws governing qualification as a REIT are limited.

Iroquois Valley REIT believes that its current organization and method of operation will enable it to continue to qualify as a REIT. However, at any time, new laws, interpretations or court decisions may change the U.S. federal tax laws relating to, or the U.S. federal income tax consequences of, qualification as a REIT. It is possible that future economic, market, legal, tax or other considerations may cause Iroquois Valley REIT's Board of Directors to determine that it is not in its best interest to qualify as a REIT and to revoke its REIT election, which it may do without shareholder approval.

If Iroquois Valley REIT fails to qualify as a REIT for any taxable year, it will be subject to U.S. federal income tax on its taxable income at regular corporate rates. In addition, Iroquois Valley REIT generally would be disqualified from treatment as a REIT for the four (4) taxable years following the year in which it lost its REIT status. Losing its REIT status would reduce Iroquois Valley REIT's net earnings available for investment or distribution because of the additional tax liability. In addition, distributions would no longer qualify for the dividends paid deduction, and Iroquois Valley REIT would no longer be required to make distributions. If this occurs, Iroquois Valley REIT might be required to borrow funds or liquidate some investments in order to pay the applicable tax. As a result of all these factors, Iroquois Valley REIT's failure to qualify as a REIT could impair its ability to expand its business and raise capital, and would substantially reduce Iroquois Valley REIT's ability to make distributions to its shareholders.

Distribution Requirements Imposed. To obtain the favorable tax treatment accorded to REITs, Iroquois Valley REIT normally is required each year to distribute to its shareholders at least 90% of its taxable income, determined without regard to the deduction for dividends paid and by excluding net capital gains. Iroquois Valley REIT will be subject to U.S. federal income tax on its undistributed taxable income and net capital gain and to a 4% nondeductible excise tax on any amount by which distributions Iroquois Valley REIT pays with respect to any calendar year are less than the sum of (a) 85% of its ordinary income, (b) 95% of its capital gain net income and (c) 100% of its undistributed income from prior years. These requirements could cause distribution of amounts that otherwise would be spent on acquisitions of properties and it is possible that the Company might be required to borrow funds, use proceeds from the issuance of securities, pay taxable dividends of its stock or debt securities or sell assets in order to distribute enough of its taxable income to maintain its qualification as a REIT and to avoid the payment of U.S. federal income and excise taxes.

Property Sales by Iroquois Valley TRS. It is possible that one or more sales of Iroquois Valley REIT's properties may be deemed a "prohibited transaction" under provisions of the Code. If Iroquois Valley REIT is deemed to have engaged in a "prohibited transaction" (i.e., it sells a property held by it primarily for sale in the ordinary course of Iroquois Valley REIT's trade or business), all income that Iroquois Valley REIT derives from such sale would be subject to a 100% tax. The Code sets forth a safe harbor for REITs that wish to sell property without risking the imposition of the 100% tax. A principal requirement of the safe harbor is that the REIT must hold the applicable property for not less than two years prior to its sale for the production of rental income. It is entirely possible that a future sale of one or more of Iroquois Valley Farms' properties will not fall within the prohibited transaction safe harbor. If Iroquois Valley Farms acquires a property that it anticipates will not fall within the safe harbor from the 100% penalty tax upon disposition, Iroquois Valley REIT may acquire such property through Iroquois Valley TRS in order to avoid the possibility that the sale of such property will be a prohibited transaction and subject to the 100% penalty tax. If Iroquois Valley REIT or Iroquois Valley LLC already owns such a property, it may contribute the property to Iroquois Valley TRS.

Though a sale of such property by Iroquois Valley TRS likely would mitigate the risk of incurring a 100% penalty tax, Iroquois Valley TRS itself would be subject to regular corporate income tax at the U.S. federal level, and potentially at the state and local levels, on the gain recognized on the sale of the property as well as any income earned while the property is operated by the Company. Such tax would diminish the amount of proceeds from the sale of such property ultimately distributable to Iroquois Valley REIT's shareholders. Iroquois Valley REIT's ability to use Iroquois Valley TRS in the foregoing manner is subject to limitation. Among other things, the value of Iroquois Valley REIT's securities in Iroquois Valley TRS may not exceed 20% of the value of Iroquois Valley REIT's assets and dividends from Iroquois Valley TRS, when aggregated with all other non-real estate income with respect to any one year, generally may not exceed 25% of Iroquois Valley REIT's gross income with respect to such year. No assurances can be provided that

Iroquois Valley REIT would be able to successfully avoid the 100% penalty tax through the use of Iroquois Valley TRS.

In addition, if Iroquois Valley REIT acquires any asset from a C corporation (i.e., a corporation generally subject to full corporate-level tax) in a merger or other transaction in which Iroquois Valley REIT acquires a basis in the asset determined by reference either to the C corporation's basis in the asset or to another asset, Iroquois Valley REIT will pay tax, at the highest U.S. federal corporate income tax rate, on any built-in gain recognized on a taxable disposition of the asset during the five (5) year period after its acquisition.

Federal and State Income Taxes. Even if Iroquois Valley REIT qualifies as a REIT, it may be subject to U.S. federal income taxes or state taxes. As discussed above, net income from a "prohibited transaction" will be subject to a 100% penalty tax and built-in gain recognized on the taxable disposition of assets acquired from C corporations in certain non-taxable transactions will be subject to tax at the highest applicable U.S. federal corporate income tax rate. To the extent Iroquois Valley REIT satisfies the distribution requirements applicable to REITs, but distribute less than 100% of its taxable income, it will be subject to U.S. federal income tax at regular corporate rates on its undistributed income. Iroquois Valley REIT may not be able to make sufficient distributions to avoid excise taxes applicable to REITs. Iroquois Valley REIT may also decide to retain capital gains it earns from the sale or other disposition of its properties and pay income tax directly on such income. In that event, Iroquois Valley REIT's shareholders would be treated as if they earned that income and paid the tax on it directly. However, Iroquois Valley REIT's shareholders that are tax-exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability. Iroquois Valley REIT may also be subject to state and local taxes on its income or property. Any U.S. federal or state taxes Iroquois Valley REIT pays will reduce its cash available for distribution to its shareholders.

Iroquois Valley LLC's Revenue. In order for Iroquois Valley REIT to qualify as a REIT, at least 75% of its gross income each year must consist of real estate-related income, including rents from real property and interest on obligations secured by mortgages on, or interests in, real property. Income from operation of Iroquois Valley LLC's farmland (all farmland is owned by Iroquois Valley LLC) is expected to be treated as rents from real property. If such leases were re-characterized as management contracts for U.S. federal income tax purposes, or otherwise as an arrangement other than a lease, Iroquois Valley REIT could fail to continue qualifying as a REIT. With limited exceptions, interest is only qualifying income for purposes of the 75% test if it is interest on an obligation which is adequately secured by a mortgage on, or interest in, real property. If interest received by the REIT were deemed to not qualify, Iroquois Valley REIT could fail to qualify as a REIT.

Termination of REIT Qualification. Iroquois Valley REIT's Bylaws provide that its Board of Directors may revoke or otherwise terminate its REIT election, without the approval of its shareholders, if the Board of Directors determines that it is no longer in Iroquois Valley REIT's best interest to continue to qualify as a REIT. If Iroquois Valley REIT ceases to qualify as a REIT, it would become subject to U.S. federal income tax on its taxable income at regular corporate rates and would no longer be required to distribute most of its taxable income to its shareholders, which may have adverse consequences on the total return to its shareholders.

REIT Prohibits Other Opportunities. To maintain Iroquois Valley REIT's qualification as a REIT for U.S. federal income tax purposes, Iroquois Valley REIT must continually satisfy tests concerning, among other things, the sources of its income, the nature and diversification of its assets, the amounts it distributes to its shareholders and the ownership of shares of its stock. Iroquois Valley REIT may be required to make distributions to its shareholders at disadvantageous times or when it does not have funds readily available for distribution, or it may be required to forego or liquidate otherwise attractive investments in order to comply with the REIT tests. Thus, compliance with the REIT requirements may hinder Iroquois Valley REIT's ability to operate.

Code Imposed Restrictions on Transfer. Certain provisions of the Code and the stock ownership limits in Iroquois Valley REIT's Bylaws may inhibit market activity in Iroquois Valley REIT's capital stock and restrict its business combination opportunities. In order to maintain Iroquois Valley REIT's qualification as a REIT, five or fewer individuals, as defined in the Code, may not own, beneficially or constructively, more than 50% in value of Iroquois Valley REIT's issued and outstanding stock at any time during the last half of a taxable year. Attribution rules in the Code determine if any individual or entity beneficially or constructively owns Iroquois Valley REIT's capital stock under this requirement. Additionally, at least 100 persons must beneficially own Iroquois Valley REIT's capital stock during at least 335 days of a taxable year. To help insure that it meets these tests, Iroquois Valley REIT's Bylaws restrict the acquisition and ownership of shares of Iroquois Valley REIT's stock. Iroquois Valley REIT's Bylaws, with certain exceptions, authorizes Iroquois Valley REIT's Board of Directors to take such actions as are necessary and desirable to preserve Iroquois Valley REIT's qualification as a REIT. Unless exempted by the Board of Directors, Iroquois Valley REIT's Bylaws prohibit any person from beneficially or constructively owning more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of Iroquois Valley REIT's capital stock. Iroquois Valley REIT's Board of Directors may not grant an exemption from these restrictions to any proposed transferee whose ownership in excess of such ownership limit would result in Iroquois Valley REIT's failing to qualify as a REIT.

Higher Dividend Rates. The maximum U.S. federal income tax rate applicable to qualified dividend income paid to U.S. shareholders that are individuals, trusts and estates currently is 20%. Dividends paid by REITs generally are not eligible for such maximum tax rate. Although the favorable tax rates applicable to qualified dividend income do not adversely affect the taxation of REITs or dividends paid by REITs, such favorable tax rates could cause investors who are individuals, trusts and estates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including Iroquois Valley REIT's common stock.

Changes to US Income Tax Laws. New federal income tax laws, interpretations of laws, or court decisions, any of which may take effect retroactively, could impact tax consequences of investing in Shares. There can be no assurance that the present income tax treatment of prospective investors will not be adversely affected by future legislative, judicial, or administrative action. Furthermore, REIT rules are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department, which may result in revisions to regulations and interpretations in addition to statutory changes that impact the taxation of REITs and investors in Shares. As discussed above, the 2017 Tax Act was signed into law on December 22, 2017, and this Memorandum does not purport to disclose all effects of the 2017 Tax Act which could have material positive or negative impacts on the Company and/or any shareholders or the Company's current or future tax position. The impact of this tax reform on prospective investors pursuant to this Offering is uncertain and could be adverse.

Legislative; Regulatory Action. In recent years, numerous legislative, judicial and administrative changes have been made in the provisions of the U.S. federal income tax laws applicable to investments similar to an investment in Iroquois Valley REIT's common stock. Additional changes to the tax laws are likely to continue to occur, and Iroquois Valley Farms cannot ensure that any such changes will not adversely affect the taxation of a shareholder. Any such changes could have an adverse effect on an investment in Iroquois Valley REIT's stock or on the market value or the resale potential of Iroquois Valley REIT's assets. Investors are urged to consult with a tax advisor with respect to the impact of recent legislation on an investment in Iroquois Valley REIT's stock and the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in Shares.

RISKS RELATED TO REIT OPERATIONAL STRUCTURE

Previous Reorganization. Iroquois Valley REIT was organized on September 26, 2016. Iroquois Valley REIT was organized as part of a plan of reorganization of Iroquois Valley LLC, which is now a subsidiary of Iroquois Valley REIT. Although management of Iroquois Valley REIT believes this reorganization was a tax-free transaction, there is no assurance that the IRS will not take a position adverse to Iroquois Valley Farms. In the event the reorganization is determined not to be tax-free, the parties to the reorganization (including Iroquois Valley REIT) would have to pay tax on any gain realized as a result of the reorganization, which would require Iroquois Valley LLC to make distributions to Iroquois Valley REIT to cover such taxes which may create a shortfall of cash and cause liquidation of some assets. To protect against this risk Iroquois Valley LLC received an opinion from legal counsel stating the reorganization should be tax-free. Iroquois Valley Farms has not received any notifications from the IRS or other governing entities about the aforementioned reorganization.

Public Benefit Corporation. Iroquois Valley REIT was organized as a Public Benefit Corporation pursuant to the General Corporation Law of Delaware. The nature of Iroquois Valley REIT's business and the purposes to be conducted or promoted by it shall be to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware. Iroquois Valley REIT is a public benefit corporation and is intended to produce a public benefit or public benefits and to operate in a responsible and sustainable manner. Iroquois Valley REIT will be managed in a manner that balances its shareholders' pecuniary interests, the best interests of those materially affected by Iroquois Valley REIT's conduct, and the public benefit or public benefits described in its Certificate of Incorporation. The specific public benefit purpose of Iroquois Valley REIT is enabling healthy food production, soil restoration and water quality improvement through the establishment of secure and sustainable farmland access tenures. As a result of its status as a public benefit corporation, Iroquois Valley REIT may not maximize financial gain, and consequently, could reduce the value of Shares offered hereby.

Effect of Iroquois Valley LLC on REIT Status. Iroquois Valley REIT elected to be treated as a REIT for Federal income tax purposes with the taxable year ending December 31, 2017. As a 99% owner of Iroquois Valley LLC, all matters related to the operations of Iroquois Valley LLC, including taxation of its income, will flow through to Iroquois Valley REIT and will affect the ability of Iroquois Valley REIT to maintain its qualification as a REIT under the Code. The REIT qualification requirements are extremely complex and interpretations of the U.S. federal income tax laws governing qualification as a REIT are limited. Management believes the current organization and method of operation of Iroquois Valley Farms as a whole will continue to enable Iroquois Valley

REIT to qualify as a REIT. However, at any time, new laws, interpretations and decisions may change the U.S. federal tax laws relating to, or the U.S. federal income tax consequences of, qualification as a REIT.

Limited Operating REIT History. Iroquois Valley REIT has a limited operating history as a REIT. There can be no assurance that the past experience of the management team of Iroquois Valley REIT will be sufficient to successfully operate Iroquois Valley REIT as a REIT. Iroquois Valley REIT is required to develop and implement controls and procedures in order to qualify and maintain the qualification of Iroquois Valley REIT as a REIT, which could place a significant strain on its management systems, infrastructure and other resources. Failure to successfully maintain Iroquois Valley REIT's qualification as a REIT could materially adversely impact its business, results of operations and financial condition. Iroquois Valley Farms has been working with advisers experienced in REIT matters to reduce risk of noncompliance.

Compliance with REIT Requirements. Complying with the REIT requirements for Iroquois Valley REIT may cause the Company to forego otherwise attractive opportunities to sell properties earlier than anticipated. To maintain the qualification of a REIT for U.S. income tax purposes, Iroquois Valley REIT must continually satisfy tests concerning, among other things, the sources of income, the nature and diversification of properties, the amounts distributed to Iroquois Valley REIT and its shareholders, and the ownership of the shares of Iroquois Valley REIT stock. Iroquois Valley REIT may be required to make distributions to its shareholders or take other actions at disadvantageous times or when it does not have funds readily available, thus requiring Iroquois Valley LLC to make a distribution to Iroquois Valley REIT. This may require liquidation of otherwise attractive investments with these REIT tests. Thus compliance with the REIT requirements may hinder Iroquois Valley REIT's ability to make payments to the shareholders as required under the Code.

RISKS RELATED TO IROQUOIS VALLEY LLC'S OPERATIONS

The day-to-day operations of Iroquois Valley REIT are operated through its subsidiary, Iroquois Valley LLC. As such, risks at Iroquois Valley LLC's level are relevant to an investment in Iroquois Valley REIT and the operations of the Company as a collective whole.

Farming Operations. Iroquois Valley Farms' operations are primarily focused on leasing and financing farmland. Farming operations carry a variety of risks that Iroquois Valley Farms cannot mitigate. There is a risk that the farmland owned or financed by the Company will not yield any crops due to inclement weather, drought, flooding, pest infestation, hail, diseases, tenant vacancy or abandonment and other natural or human caused disasters. Due to the nature of crops as a commodity, there is a risk that crop prices could fall to levels that will not sustain an ongoing operation and may result in tenant lease payment default or payment delays. Similarly, farming has historically been a marginally profitable business and, therefore, projected profits or variable rent payments may not materialize. Any of these risks may adversely affect Iroquois Valley REIT's Shares.

Transition to Organic. Some of Iroquois Valley Farms' recent farmland investments and potential farmland investments are in a transition to organic status. Many of them have been farmed conventionally for many generations and considerable effort may be required to transition such farms in order for them to become certified organic. During the transition period, usually three years, the crops can only be sold as conventional crops, thus not attaining the typical organic pricing premium. Among the factors which may affect the transition process are: conventional crop prices, weather, adequate labor, drainage complications, soil compaction, soil degradation, excessive chemical applications and other compounding factors. Any of those factors may cause delays in transitioning farmland to certified organic. Such delayed transitions may result in the lack of organic certification, lower crop yields, and other issues that may lead to lower returns for the Company as a whole.

Organic Farming Operations. In addition to the risks associated with transitioning land into certified organic, there is a possibility that organic certification requirements could change, which may result in the de-certification of the farmland owned and financed by the Company and reversion to conventional crop pricing, which is currently significantly lower than organic pricing. There is no assurance that the premium prices for organic crops will continue. Likewise, there is no way for the Company to know or predict whether any of these changes will occur. If organic certification requirements change such that Iroquois Valley Farms' farmland is no longer organic, returns to Iroquois Valley Farms may be lower due to the change to conventional crop pricing, because the tenants would be competing generally against other traditional, conventional farms and farming operations. The production of organic crops also carries natural risks of farming, including the ability to control weeds or pests. If any of the tenants or farmers that work farmland owned or financed by the Company are inexperienced or do not attend to weed or pest control, the crop yield may suffer significantly. Organic and specialty crops often need temporary storage pending market sales and delivery, and the longer such crops are stored, the more problems that can occur including mold, pest infestation, and contamination. Likewise, organic and specialty crops cannot be mixed with conventional crops for storage. Thus, the lack of storage facilities may result in the crops being transported long distances to be stored elsewhere and subjecting the crops to additional spoilage risks and even theft.

Reliance on Independent Operators. Iroquois Valley Farms' operations rely on the tenant operators that work the land owned by Iroquois Valley Farms and the borrowers that own the farms financed by the Company. If those individuals are unable or unwilling to properly implement the Company's model with respect to transitioning the farm into organic, it may result in the transition period taking longer than expected resulting in lower returns for that particular farm and lower returns to the Company. Additionally, the tenant operators may unintentionally cause the organic certification to be lost or suspended, thus resulting in the need to re-certify the property, which would result in lower prices achieved for uncertified crops, and thus lowering the potential rentals received by Iroquois Valley Farms. Likewise, under the terms of the lease arrangements between Iroquois Valley LLC and the tenant operators, crop insurance must be obtained and paid for by the tenant operators. Typically, organic production is considered a higher risk than conventional crops resulting in higher premiums, reserves, and qualifying periods. In some cases, it may not be economic for a tenant operator to insure a specialty crop, which may result in that particular farm not being able to produce a crop that would result in the most valuable yield for Iroquois Valley Farms.

Purchase Contracts and Options. As part of working with farmers focused on long-term land tenancy, the Company has and may continue to use advanced contractual purchase agreements or purchase option rights, with the intention of having the farmer buy the property from Iroquois Valley Farms in the future. There is no guarantee that the farmer will be able to purchase the land when contractually required or at any point during an option period. Additionally, in certain circumstances, purchase prices may be pre-agreed upon and therefore may not reflect fair market value at the time of the sale.

Corporate Farming Laws. The farming industry is subject to significant regulations both at the federal level and state level. Among the many regulatory burdens are anti-corporate farming laws in many states that affect what types of companies can own farmland in a particular state. To the extent a state has or adopts such a law that would prohibit Iroquois Valley Farms from acquiring farmland in that state, Iroquois Valley Farms may be restricted in the number of opportunities it has to expand its business beyond its existing markets.

Real Estate. Due to the nature of real estate generally, there is a risk that the farmland and farm structures held by Iroquois Valley Farms or secured via mortgage loans may lose their value. There is no assurance that such farmland and farm structures will hold their value over time and the ultimate resale price of the farms may be lower than the original purchase price paid by Iroquois Valley Farms, which would result in lower returns or loss of investment realized by Iroquois Valley REIT's shareholders. Further, real estate may be difficult to sell quickly.

Easements. Iroquois Valley Farms is obtaining a conservation easement on a property in New York State and the Company may pursue the establishment of a conservation easement on other properties. Even though Iroquois Valley Farms would likely be compensated for a portion of the development value that is contributed, the easement restricts the usage of the property and may affect its resale value. There is no guarantee that Iroquois Valley Farms will be able to resell the property at its new cost basis after the easement is established.

Managing Growth. Iroquois Valley Farms intends to expand its operations by acquiring and financing more farmland. This anticipated growth could place a strain on the Company's management team, as well as Iroquois Valley Farms' operational and financial resources. Effective management of the anticipated growth may require expanding the Company's management and financial controls, hiring additional personnel, and developing additional expertise. There can be no assurances that these or other measures implemented will improve the Company's ability to manage such growth or can be implemented in a timely and cost-effective manner. The failure to effectively manage growth could have a material adverse effect on Iroquois Valley Farms' overall collective operations.

Expanding Company Focus. In 2016, the Company launched its mortgage business and has since completed thirteen mortgage loans. Mortgage loan assets are becoming an increasingly larger percentage of the Company's overall asset portfolio. Due to the large potential market size of this new investment product, there are risks this new investment product could interfere or alter the direction and management of the Company as a whole. There also could arise a need to separate into two separate entities, one managing the legacy buy-and-lease model and one managing the mortgage loan business. Under this scenario the existing management team may not be able to provide services to both Companies and new executives would need to be hired. Additionally, there could be significant costs incurred by the Company associated with such a split.

Risks Associated with Unspecified Land. Because the Company has not identified any specific land in which it intends to invest, potential investors in Iroquois Valley Farms will be unable to evaluate transaction terms, location, or suitability concerning any of the land before Iroquois Valley Farms invests. Accordingly, potential investors will be relying entirely on the ability of Iroquois Valley Farms' management team to identify investments, propose transactions, and approve such investments. Even if the investments are successful, they may not produce a realized return to the Company for a period of several years.

Difficulty of Locating Suitable Farmland. Identification of attractive farmland opportunities is difficult and involves a high degree of uncertainty. Furthermore, the availability of farmland generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. As discussed above, competition for such opportunities is expected to be substantial. While the Company actively maintains a farm/farmer opportunity pipeline, there can be no assurance that Iroquois Valley Farms will be able to locate and complete a sufficient number of suitable opportunities to enable it to invest all of its funds in opportunities that satisfy its investment objectives.

Need for Follow-On Capital Improvements. The Company has invested, and intends to continue to invest in drainage improvements, soil amendments, and farming structures in order to increase, expand or update the production and operating capacity of the properties it owns. In some cases, Iroquois Valley Farms has made contractual obligations under its leases to fund such improvements. However, there can be no assurances that Iroquois Valley Farms will be able to generate sufficient funds from its operations to finance any such investment or that other sources of funding will be available. Additionally, Iroquois Valley Farms can make no assurances that any future expansion will not negatively affect earnings or that the follow-on capital improvements described herein will increase, expand or update the production and operating capacity of the Company's properties in an accretive manner.

Geographic Expansion. The Company intends to continue its geographic expansion into new markets. Specifically the Company has a stated goal to expand into the West Coast. Any expansion into new geographies creates potential risks. The management team may not be able to properly evaluate the farmer or the opportunity due to geographic nuances in the market or farmland. The Company's management team may have less experience with the regional or local production models. While diversification itself is a risk mitigator, the Company's entry into new markets brings expansion related risks inherent when any company begins operating in a new geographic location.

Dependence on Key Personnel. The Board of Director's ability to successfully manage the Company's affairs will depend to a substantial extent upon the experience of the managers and officers whose continued services are not guaranteed. The loss of the services of any individual members of the Company's management team or any officer could have a material adverse effect on the operations of Iroquois Valley Farms. Further, Iroquois Valley Farms may not be able to successfully recruit additional personnel and any additional or replacement personnel that are recruited may not have the requisite skills, knowledge or experience necessary or desirable to enhance the incumbent management. None of the Iroquois Valley Farms companies maintain key man life insurance on any manager or officer.

No Exclusive Duty and Potential Conflicts of Interests. The managers and officers are only required to devote such time as they, in their sole discretion, deem necessary or appropriate to carry out Iroquois Valley Farms' operations and are under no obligation to devote their full time efforts to the business of the Company. As such, the managers and officers, directly and indirectly, are, or may be in the future, involved in other companies, and there may exist conflicts of interest in the allocation of resources by the managers and officers between Iroquois Valley Farms and other related or unrelated activities. The managers' and officers' existing and potential outside business interests, may also potentially conflict with those of the Company.

Competition. The Company expects to encounter competition from other entities having business objectives similar to those of Iroquois Valley Farms. Competition may arise from entities operating both inside of the United States and in foreign countries. As discussed in detail below, current US demand for organic food may lead to increased supply which is being sourced internationally and may not represent the highest standard of production, and the effect of global trade of "organic" products may cause the Company to experience the effects of downward price pressures. Additionally, many competitors, including venture capital partnerships and corporations, other investment companies, large industrial and financial institutions, small business investment companies, and wealthy individuals, are well-established and have extensive experience. Many of these competitors possess greater financial, technical, human and other resources than Iroquois Valley Farms and its affiliates, and there can be no assurance that Iroquois Valley Farms will have the ability to compete successfully. Further, the Company's financial resources may be limited in comparison to those of its competitors.

Lack of Historical Financials. Iroquois Valley REIT was formed on September 23, 2016 and had no financial activity until the reorganization effective December 31, 2016. As such, the financial information prior to 2017 contained in this Offering is that of Iroquois Valley LLC. Iroquois Valley REIT is presenting the financial results of Iroquois Valley LLC which it believes approximate the financials of Iroquois Valley REIT had the current corporate form been in existence during the period presented. While the financial data presented on is based on both discussions with accountants and Iroquois Valley REIT's knowledge of financial reporting, there could be material deviations in the figures presented and those reported by the accountants in a future audit report.

No Updated Information Requested of the Auditor. Iroquois Valley Farms' auditor has not performed any procedures relating to this Memorandum. Further, the results in the financial statements should not be relied upon by an investor as indicative of results of the Company's collective operations in the future.

Financial Projections. The financial projections included in this Memorandum are based upon assumptions that Iroquois Valley Farms believes to be reasonable. Such assumptions may, however, be incomplete or inaccurate, and unanticipated events and circumstances may occur. For these reasons, actual results achieved during the period covered may be materially and adversely different from those presented in this Memorandum. Even if the assumptions underlying Iroquois Valley Farms' plans prove to be correct, there can be no assurances that Iroquois Valley Farms shall not incur substantial operating losses or losses in property value in attaining its goals. Iroquois Valley Farms' plans are based on the premise that existing consumer demand for organic produce, organic crops, or specialty crops will continue. However, there can be no assurances that Iroquois Valley Farms' objectives will be realized if any of the assumptions underlying its plans prove to be incorrect.

RISKS RELATED TO THE MARKETPLACE

Sources of Capital. The Company depends on external sources of capital that are outside of its control and may not be available to it on commercially reasonable terms or at all, which could limit its ability to, among other things, acquire additional properties, meet its capital and operating needs or make the cash distributions to its shareholders necessary to maintain Iroquois Valley REIT's qualification as a REIT.

Dividend Impact on Stock Price. Iroquois Valley REIT intends to continue to pay regular dividends to its shareholders. All distributions will be made at the discretion of Iroquois Valley REIT's Board of Directors and will be based upon, among other factors, the Company's historical and projected results of operations, financial condition, cash flows and liquidity, maintenance of Iroquois Valley REIT's REIT qualification and other tax considerations, capital expenditure and other expense obligations, debt covenants, contractual prohibitions or other limitations and applicable law and such other matters as Iroquois Valley REIT's Board of Directors may deem relevant from time to time. If sufficient cash is not available for distribution from its operations, Iroquois Valley REIT's may have to fund distributions from working capital, borrow to provide funds for such distributions, or reduce the amount of such distributions. To the extent Iroquois Valley Farms borrows to fund Iroquois Valley REIT's distributions, its future interest costs would increase, thereby reducing Iroquois Valley REIT's earnings and cash available for distribution from what they otherwise would have been. If cash available for distribution generated by Iroquois Valley Farms' assets is less than its current estimate, or if such cash available for distribution decreases in future periods from expected levels, Iroquois Valley REIT's inability to make the expected distributions could result in a decrease in the market price of the Shares.

Interest Rate Risk. One of the factors that investors may consider in deciding whether to buy or sell Shares is its distribution yield, which is its distribution rate as a percentage of its share price, relative to market interest rates. If market interest rates increase, prospective investors may desire a higher distribution yield on Iroquois Valley REIT's common stock or may seek securities paying higher dividends or interest. This may limit the investor interested in the Offering and may push existing investors to redeem Shares through the redemption program. Such activities would limit the Company's capital for future growth and ability to execute on the business plan.

RISKS RELATED TO SHARE OWNERSHIP

Sources of Capital. There is no public market for Iroquois Valley REIT's common stock and Iroquois Valley REIT has no plans to list its common stock on a securities exchange or to include the common stock for quotation on any national securities market. Furthermore, Iroquois Valley REIT's Bylaws restrict any sale or other transfer of the Shares by the holder thereof unless such holder provides evidence, to the satisfaction of Iroquois Valley REIT, that such sale or other transfer of the common stock is made in compliance with all federal and state securities laws. Any sale or transfer of the common stock made in violation of any federal or state securities laws will be void *ab initio*.

Market Restrictions on Transfer; Lack of Liquidity. In the event that all conditions to a transfer have been satisfied, a shareholder may nevertheless be unable to dispose of his, her or its common stock since no public market exists or is likely to exist for the common stock. A shareholder may be required to sell the common stock at a substantial discount from the price initially paid for it because of the transfer restrictions and lack of liquidity. Consequently, shareholders may be unable to liquidate an investment in Iroquois Valley REIT's common stock even though such shareholder's personal financial circumstances would dictate such a liquidation. Furthermore, the common stock probably will not be readily acceptable as collateral for loans.

Code; Bylaw Restrictions on Transfer. Iroquois Valley REIT's Bylaws contain certain ownership limits with respect to its stock, including, among other restrictions, limits which prohibit the beneficial or constructive ownership by any person of more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of Iroquois Valley REIT's stock, excluding any shares that are not treated as outstanding for U.S. federal income tax purposes. Iroquois Valley REIT's Board of Directors, in its sole and absolute discretion, may exempt a person, prospectively or retroactively, from this ownership limit if certain conditions are satisfied. This ownership limit as well as other restrictions on ownership and transfer of the stock in Iroquois Valley REIT's Bylaws may (i) discourage a tender offer or other transactions or a change in management or of control that might involve a premium price for Iroquois Valley REIT's common stock or that Iroquois Valley REIT's shareholders otherwise believe to be in their best interests, and (ii) result in the transfer of shares acquired in excess of the restrictions to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of certain of the benefits of owning the additional shares.

Changes to Capital Stock. Iroquois Valley REIT's Board of Directors, without shareholder approval, has the power under Iroquois Valley REIT's Bylaws to amend the bylaws to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that Iroquois Valley REIT is authorized to issue. In addition, under Iroquois Valley REIT's Bylaws, the Board of Directors, without shareholder approval, has the power to authorize Iroquois Valley REIT to issue authorized but unissued shares of common stock or preferred stock and to classify or reclassify any unissued shares of Iroquois Valley REIT's common stock or preferred stock into one or more classes or series of stock and set the preference, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications or terms or conditions of redemption for such newly classified or reclassified shares. As a result, Iroquois Valley REIT may issue series or classes of common stock or preferred stock with preferences, dividends, powers and rights, voting or otherwise, that are senior to, or otherwise conflict with, the rights of holders of Iroquois Valley REIT's common stock. Although Iroquois Valley REIT's Board of Directors has no such intention at the present time, it could establish a class or series of preferred stock that could, depending on the terms of such series, delay, defer or prevent a transaction or a change of control that might involve a premium price for Iroquois Valley REIT's common stock or that shareholders may otherwise believe to be in their best interests.

Limited Removal of Management. The Company's Board Directors are voted in by shareholders, generally for three-year terms. While this democratic process facilitates obtaining Directors satisfactory to the majority of shareholders, Iroquois Valley REIT's Bylaws contains provisions that make removal of its Board of Directors difficult. It may be difficult for shareholders to effect changes to Iroquois Valley REIT's senior management and may prevent a change in control of Iroquois Valley REIT that is in the best interests of its shareholders outside of the normal Director renewal and establishment process. Iroquois Valley REIT's Bylaws provide that a director may only be removed for cause upon the affirmative vote of holders of 66% of all the votes entitled to be cast generally in the election of directors. Vacancies may be filled only by a majority of the remaining directors in office. These requirements make it more difficult to change Iroquois Valley

REIT's senior management by removing and replacing directors and may prevent a change in control that is in the best interests of its shareholders.

No Active Trading Market. The market price and trading volume, if any exists, of Iroquois Valley REIT's common stock are subject to fluctuation due to general market conditions, the risks discussed in this Memorandum and other matters, including the following (i) operating results that vary from expectations of securities analysts and investors, (ii) investor interest in the Company's property portfolio; (iii) the reputation and performance of REITs; (iv) the attractiveness of REITs as compared to other investment vehicles; (v) the results of Iroquois Valley Farms' financial condition and operations; and (vi) the perception of Iroquois Valley Farms' growth and earnings potential. Iroquois Valley REIT also expects to have a smaller equity market capitalization compared to other REITs and its common stock may trade in lower volumes than others. As a result, the stock market price of Iroquois Valley REIT's common stock may be susceptible to fluctuation to a greater extent than companies with larger market capitalization. Accordingly, a shareholder's ability to sell Iroquois Valley REIT's common stock may be limited.

Commissions. As of the date of this Memorandum, Iroquois Valley Farms has not guaranteed and is not currently contracted with any third party advisors which would result in payment or other remuneration in connection with the sale of the Shares; however, the Company did contract with a third-party advisor during calendar year 2017, and as a result of such contract and related to that engagement, there is a possibility that remuneration in connection with a sale of the Shares may be required to be paid to the third-party contractor. Iroquois Valley Farms reserves the right in the future and without notice to engage either a placement agent or broker-dealer (or both) to assist it in selling the Shares offered hereby and, in the event Iroquois Valley Farms does engage such placement agent or broker-dealer (or both), the resulting professional fees would reduce the proceeds to Iroquois Valley Farms from this Offering by the amount of the total of such fees and commissions. No commission or other remuneration will be paid to any person affiliated with the Company in connection with the sale of the Shares.

No Minimum Offering Amount. Iroquois Valley REIT has set no minimum offering amount that must be raised before it will utilize the proceeds of the Offering in its business operations. Thus, although the maximum offering amount under this Offering is $20 million, the proceeds of the Offering may be used by Iroquois Valley Farms even if less than that amount is sold. To the extent that all Shares offered hereunder are not sold, the Company's risks will be spread over a fewer number of investors. Accordingly, the funds contributed by initial investors in the Offering are subject to even higher risk of loss if Iroquois Valley Farms is unable to raise additional funds to acquire additional farmland or to otherwise implement its business plan and objectives.

Reduced Distributions. Although Iroquois Valley REIT intends to pay distributions on the Shares, there is no guaranty that it will be able to make a distribution. In determining whether to authorize a distribution or make such distribution and the amount, Iroquois Valley REIT's Board of Directors will consider all relevant factors, including the amount of cash available for distribution, capital expenditure and reserve requirements and general operational requirements. Iroquois Valley REIT cannot assure that it will consistently be able to generate sufficient available cash flow to fund distributions on the Shares nor can it assure that sufficient cash will be available to make distributions. Iroquois Valley REIT cannot predict the amount of distributions that may be received and Iroquois Valley REIT may be unable to pay, maintain or increase distributions over time. Iroquois Valley Farms' inability to acquire additional properties or make real estate-related investments or operate profitably may have a negative effect on Iroquois Valley REIT's ability to generate sufficient cash flow from operations to pay distributions on the Shares.

Board Established Offering Price. Iroquois Valley REIT and the Board of Directors established the offering price of the Shares on the basis outlined herein (see "Offering Price Factors"). This price, while based on the management's best estimate of the market value of the assets and that of Iroquois Valley REIT, may not bear any relationship to what the assets or Shares would sell for in an open market or in the event of a liquidation. Because the offering price is not based upon any public market valuation, the price may be higher than the proceeds that an investor would receive upon liquidation or a resale of his or her Shares if they were to be listed on an exchange or actively traded by broker-dealers.

Best Efforts Offering. The Shares are being offered on a "best efforts" basis and no individual, firm or corporation has agreed to purchase any Shares in the Offering. If Iroquois Valley Farms is unable to raise significant additional proceeds, it may be thinly capitalized and may not be able to diversify its portfolio in terms of the numbers of investments it owns and the areas in which its investments or the properties underlying its investments are located. Failure to build a diversified portfolio increases the likelihood that any single investment's poor performance would materially affect the Company's overall investment performance. Iroquois Valley Farms' inability to raise substantial funds would also increase its fixed operating expenses as a percentage of gross income. Each of these factors could have an adverse effect on Iroquois Valley Farms' financial condition and ability to make distributions to Iroquois Valley REIT's shareholders.

Dilution. Iroquois Valley REIT's Board of Directors is authorized, without shareholder approval, to cause us to issue additional shares of Iroquois Valley REIT common stock or to raise capital through the issuance of additional preferred stock (including equity or debt securities convertible into preferred stock), options, warrants and other rights, on such terms and for such consideration as its Board of Directors in its sole discretion may determine. Any such issuance could result in dilution of the equity of existing shareholders. Holders of preferred stock are normally entitled to receive a preference payment upon liquidation, dissolution, or winding up before any payment is made to the common shareholders, likely reducing the amount common shareholders would otherwise receive upon such an occurrence. In addition, under certain circumstances, the issuance of additional preferred stock may delay, prevent, render more difficult or tend to discourage a merger, tender offer, or proxy contest, the assumption of control by a holder of a large block of Iroquois Valley REIT's securities, or the removal of incumbent management. There are no preferred shares outstanding as of the date of the Offering and there is no intentions to issue preferred shares at this time. Shareholders have no contractual rights to buy additional shares of stock or other securities if Iroquois Valley REIT issues new shares of stock or other securities. Investors purchasing the Shares in this Offering who do not participate in any future stock issuances will experience dilution in the percentage of the issued and outstanding Shares owned. In addition, depending on the terms and pricing of any additional offerings and the value of the Company's investments, shareholders also may experience dilution in the book value and fair market value of, and shareholder distributions paid on, Shares, if any.

Lack of Control Over Iroquois Valley Farms' Policies. The management and investment policies of Iroquois Valley Farms, including its distributions and operating policies, are determined by the management team of each particular entity in the three-entity operating structure. Shareholders have voting rights or rights to object or approve any matters brought to a vote of the shareholders by Iroquois Valley REIT's Board of Directors. As a result, no shareholder is able to control the day-to-day operations of Iroquois Valley REIT or Iroquois Valley Farms (as a whole). Accordingly, no person should purchase Shares unless it is willing to entrust all aspects of the management of Iroquois Valley Farms to the collective management team. The management team's broad discretion in setting policies and shareholders' inability to exert control over those policies increase the uncertainty and risks a shareholder faces.

Regulatory Registrations. Iroquois Valley REIT is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or with the Financial Industry Regulatory Authority ("FINRA"), and is consequently not subject to the record-keeping and specific business practice provisions of the Exchange Act and the rules of FINRA. In addition, Iroquois Valley REIT is not registered as an investment adviser under the Investment Advisers Act, and consequently is not subject to the record-keeping, disclosure and other fiduciary obligations specified in the Investment Advisers Act.

Absence of Registration under Securities Laws. The Shares being offered hereby have not been registered under the Securities Act, or any applicable state securities or "blue sky" laws. The Shares are being offered and sold pursuant to exemptions from the registration requirements of such laws. Therefore, no regulatory authority has reviewed this Memorandum or the terms of this Offering. Further, investors do not necessarily have any of the protections afforded by applicable federal and state securities laws that may apply in registered offerings.

Compliance with Registration Exemptions. A failure by Iroquois Valley REIT to comply with certain of the registration exemptions being claimed by it under the Securities Act or state securities laws for this Offering could result in the investors being entitled to rescind their purchase of Shares. If a significant number of investors were successfully to seek rescission, Iroquois Valley Farms as a whole would face severe financial demands that could adversely affect it and, thus, the non-rescinding investors.

New Regulatory Environment. The Offering described herein is being made in reliance on Rule 506(c) of Regulation D promulgated by the SEC in 2013 pursuant to the Jump Start Our Business Act. Because Rule 506(c) is new and has had limited administrative or judicial review, there are few legal precedents to guide state or federal regulators' interpretations of the rules which increase Iroquois Valley REIT's risk of non-compliance when operating under the Rule 506(c) exemption.

Description of Securities

Summary Of Offering Terms	
This summary of terms of the offering (the "**Offering**") of shares of common stock, par value $0.01 per share, of Iroquois Valley REIT (the "**Shares**") is intended solely for convenient reference and is qualified in its entirety by reference to the remainder of this Memorandum, the Subscription Agreement appended hereto as Appendix I, Iroquois Valley REIT's Bylaws (the "**Bylaws**") appended hereto as Appendix II, and Iroquois Valley REIT's Certificate of Incorporation ("**Certificate of Incorporation**") appended hereto as Appendix III. All of the foregoing must be read together in their entirety by prospective investors for a complete understanding of Iroquois Valley REIT, the Company and the Offering of the Shares. Any capitalized terms used but not defined in this Memorandum shall have the meaning given to such terms in the aforementioned documents.	
Iroquois Valley REIT	Iroquois Valley Farmland REIT, PBC, is a Delaware public benefit corporation, organized on September 26, 2016.
Purpose	The nature of Iroquois Valley REIT's business and the purposes to be conducted or promoted by it shall be to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware. Iroquois Valley REIT, the parent of Iroquois Valley Farms, is a public benefit corporation and is intended to produce a public benefit or public benefits and to operate in a responsible and sustainable manner. Iroquois Valley REIT will be managed in a manner that balances its shareholders' pecuniary interests, the best interests of those materially affected by Iroquois Valley REIT's conduct, and the public benefit or public benefits described in its Certificate of Incorporation. The specific public benefit purpose of Iroquois Valley REIT is enabling healthy food production, soil restoration and water quality improvement through the establishment of secure and sustainable farmland access tenures. As a result of its status as a public benefit corporation, Iroquois Valley REIT may not maximize financial gain, and consequently, could reduce the value of Shares offered hereby.
Use of Proceeds	The Company anticipates using the offering proceeds for new farmland investments, including the acquisition of farmland and mortgage financings secured by farmland. The Company has a growing pipeline of over $20 million farmland investment opportunities (based on active and preliminary opportunities).
Type of Security	Iroquois Valley REIT is offering up to 32,000 Shares.
Minimum Purchase	$31,300, which represents 50 shares at a price of $626 per Share. At Iroquois Valley Farms' discretion, it may accept a subscription for less than the minimum amount and may reject any subscription in whole or in part for any reason. Investors must purchase whole Shares; no fractional Shares will be issued in this Offering.
Ranking	Iroquois Valley REIT has only one class of stock (common stock). No other class of stock is senior to common stock with respect to the payment of dividends, and rights upon liquidation, dissolution or winding up.

Dividends	Shareholders are entitled to receive dividends, when and as authorized by Iroquois Valley REIT's Board of Directors and declared by Iroquois Valley REIT out of legally available funds.
Hold Period	Iroquois Valley REIT has a shareholder redemption policy issued by the Board of Directors that allows for investors, after a seven-year hold period to put Shares back to Iroquois Valley REIT at the then assessed fair value.
Voting Rights	Shareholders will be able to vote on matters pertaining to Iroquois Valley REIT that are brought to the shareholders for a vote by Iroquois Valley REIT's Board of Directors. Please refer to the Bylaws for shareholder voting rights.
Transfer Restrictions	None of the Shares may be sold or otherwise transferred unless the holder thereof delivers evidence, to the satisfaction of Iroquois Valley REIT that such sale or other transfer of the Shares is made in compliance with all federal and state securities laws. Any sale or transfer of the Shares made in violation of any federal or state securities laws shall be void *ab initio*. In addition, the Shares are subject to the restrictions on ownership and transfer set forth in the Bylaws. In order to ensure that Iroquois Valley REIT remains qualified as a REIT for U.S. federal income tax purposes, among other purposes, the Bylaws provide that unless an exemption is granted prospectively or retroactively by Iroquois Valley REIT's Board of Directors, no person (as defined to include entities) may own more than 9.8% in value of the aggregate of Iroquois Valley REIT's outstanding shares of capital stock or more than 9.8%, in value or in number of shares, whichever is more restrictive, of the aggregate of its outstanding shares of common stock. The Shares will also be subject to all of the other restrictions on ownership and transfer contained in the Bylaws.
Investor Suitability	The Shares will be sold only to "Accredited Investors" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.
Closings	The initial closing shall be deemed to occur on the date upon which Iroquois Valley REIT receives the first subscription for and purchase by a prospective investor of Shares offered under this Offering and such prospective investor's subscription for Securities is accepted by the Company pursuant to the terms of the Subscription Agreement. Unless terminated earlier by Iroquois Valley REIT in its sole discretion, the Offering will remain open until December 31, 2018 (the "Final Closing Date"); provided, however, that Iroquois Valley REIT may extend the Final Closing Date on one or more occasions with approval of its Board of Directors

Manner of Subscribing	Prospective investors may subscribe for Shares by completing, executing and delivering a Subscription Agreement, a copy of which is included herewith as Appendix I. The execution and delivery of the Subscription Agreement by a prospective investor constitutes a binding offer to purchase the Securities set forth therein and an agreement to hold such offer open until it is either accepted or rejected by Iroquois Valley REIT. Pursuant to securities exemptions applicable to the Offering, namely SEC Rule 506(c) and related state laws, Iroquois Valley REIT must verify the accredited status of each investor. Each prospective investor will be required to submit extensive financial information so that Iroquois Valley REIT can satisfy its verification obligation as part of the subscription documents.
Risk Factors	An investment in the Shares carry certain risks, including without limitation business risks associated with investments in farmland, investments in organic and specialty crops, investments in farmstead houses and structures, investments generally, illiquidity of investment, lack of collateral, risk of loss of principal, reliance on key personnel, limited transferability, tax risks, conflicts of interest, and lack of management control (see "Risk Factors").

Company Overview

BUSINESS PROGRESSION

Founding and Early History
Iroquois Valley LLC began as an active response to the chemical-dependent farming, unhealthy eating and irresponsible lending that was apparent to co-founders David Miller and Dr. Stephen Rivard in the time leading up to the 2008 financial crisis. The founders were longtime friends from the Chicago area with family roots in conventional agriculture. Both founders were motivated to change problems in farming, food and finance that they had witnessed and been affected by.

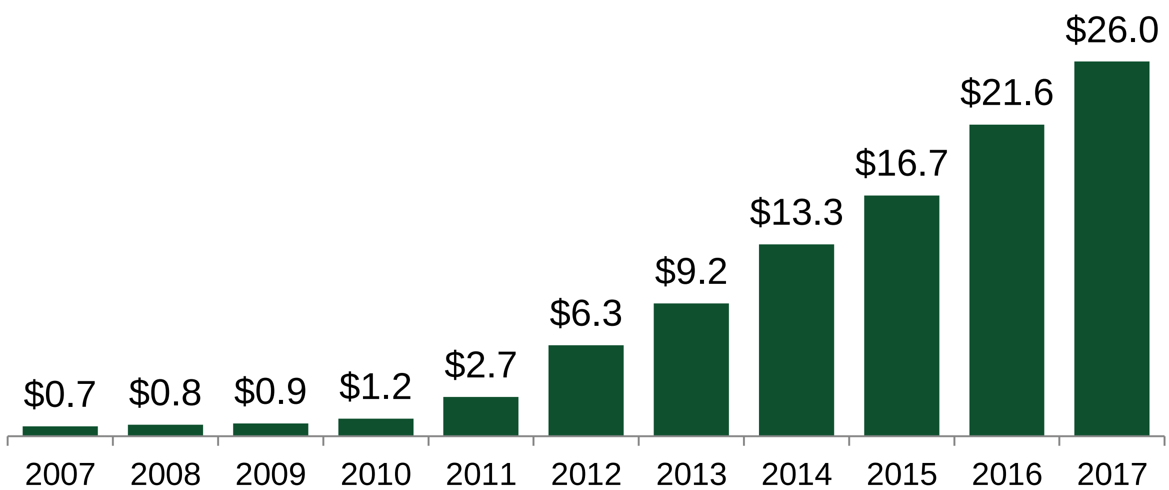
The Company began in 2007 with one farm acquisition (Hoekstra) in Iroquois County, Illinois. In 2008, the same ten investors purchased a second farm (Martin) in Iroquois County. These two farms have since been renamed Iroquois Valley East and West, respectively. Both properties were transitioned from conventional operations to certified organic farms during the USDA mandated three-year transition period.

Scaling a Popular Model
After establishing a model for raising capital, purchasing land, and partnering with farmers that would transition the farms to organic, Iroquois Valley LLC started expanding with the support of new investors and new farmers in different counties and states. By December 2013, the Company was owned by 100 investors, all motivated to financially support independent farmers and facilitate the expansion of organic agriculture. Most notably, the emerging base of investment support was willing to align their capital with the long-term needs of the farmers, a key to the model's success.

Capital Aligned With the Farmers
The "buy and hold," generational approach to farmland investment is a distinguishing characteristic of Iroquois Valley Farms. With a corporate structure that requires investors to sell or redeem shares rather than force asset liquidation (as is usually the case in a traditional fund) Iroquois Valley Farms is able to make open-ended lease commitments to farmers. From the farmers' perspective, this compares quite favorably to other landlord relationships that only define what will happen in the immediate future and have no provisions for exiting investors that could force a land sale. The Company's model has the added benefit of offering the type of land security that incentivizes farmers to manage the asset to its future value for eaters, farmers and investors alike.

Iroquois Valley REIT has approximately 300 equity investors and Iroquois Valley LLC has approximately 100 promissory note issuances, both directly supporting farmers through long-term capital commitments, resulting in the expansion of organic acreage in farm communities across 14 states.

Equity Value



Note: 2017 and 2016 data reflects reported values as per financial statements under operating company GAAP standards. 2015 and 2014 reflects Company adjustments to financial statement values to covert investment company GAAP standards to those of operating company. 2013 and earlier reflects as reported data.

INVESTMENT SUMMARY

The Company has a portfolio of 48 organic farmland investments. This portfolio covers 34 counties across 14 different states. The biggest investment class of the portfolio is owned farmland with 36 farms acquired since 2007. Most recently the Company started growing a new segment of its investment portfolio: mortgage loan financing. Iroquois Valley Farms has completed 13 mortgage loan investments since February 2016 when it completed its first mortgage loan. One mortgage loan has already been paid off for a total of 12 in the current portfolio. The tables below provide the details of the Company's current investments.

Mortgage Loan Summary					
Farm	Issue Year	Issue Amount	Status	State	County
Mint Creek	2016	$1,250,000	Organic	IL	Ford
HoneyMade	2016	175,000	NOFA Pledge	NY	Columbia
Fair Acres	2016	1,500,000	Transitional	IA	Marion
Yker Acres	2016	375,000	Transitional	MN	Carlton
Beyercrest	2017	1,400,000	Organic	MN	Winona
Minnawanna	2017	256,000	Organic	MN	Olmstead
Engelhard Family	2017	1,000,000	Organic	MI	Tuscola
Boone County	2017	540,000	Organic	IA	Boone
Diamond L	2017	75,000	Transitional	OH	Huron
Main Street Project	2017	300,000	Transitional	MN	Dakota
Vermont Natural Beef	2017	787,500	Organic	VT	Rutland
Sunset Ridge	2018	1,050,000	Organic	WI	Vernon

Farmland Summary Table					
Farm	Purchase Year	Acres	Status	State	County
Iroquois Valley East	2007	81	Organic	IL	Iroquois
Iroquois Valley West	2008	160	Organic	IL	Iroquois
Denker	2011	225	Organic	IL	Livingston
Pleasant Ridge	2011	76	Organic	IL	Livingston
Old Oak	2012	121	Organic	IN	Huntington
Rock Creek	2012	80	Organic	IL	Will
Hedge Creek	2012	80	Organic	IL	Will
Red Oak	2013	115	Organic	IN	Boone
MooJack	2013	130	Organic	IN	Montgomery
Shiawassee	2013	238	Organic	MI	Shiawassee
Mary Ellen's	2013	115	Organic	IL	Iroquois
One Bottom	2013	40	Organic	IL	Iroquois
Taconic Ridge	2013	134	Organic	NY	Washington
Sparta Woods	2013	166	Organic	IN	Noble
Union Fair	2013	180	Organic	ME	Knox
Healing Ground	2014	110	Transitional	KY	Rockcastle
Two Roads	2014	240	Organic	IL	Shelby
Mystic River	2014	175	Organic	WV	Monroe
Brindle	2014	65	Transitional	IN	Allen
Lakeville	2014	259	Transitional	IN	St. Joseph
Mackinaw	2014	114	Transitional	IL	Ford
South Grove	2015	77	Transitional	IL	Dekalb
Earlville	2015	175	Organic	NY	Madison
Saginaw Bay	2015	230	Organic	MI	Tuscola
Jubilee	2015	53	Transitional	IN	Elkhart
Yoder	2015	79	Transitional	IN	Allen
Tower Road	2015	80	Transitional	IL	Dekalb
Bahasaba	2016	320	Organic	MT	Hill
Lake Wawasee	2016	99	Transitional	IN	Noble
Tippecanoe	2016	116	Transitional	IN	Kosciusko
Susquehanna	2016	280	Organic	NY	Chenago
Creambrook	2017	215	Transitional	VA	Augusta
Flat Rock	2017	416	Transitional	OH	Huron
Battle Creek	2017	160	Transitional	IL	Dekalb
Cottonwood	2017	960	Transitional	MT	Hill
South Fork	2017	270	Transitional	IL	Livingston

GROWTH OPPORTUNITIES

The Company's track record of building trust and sharing risk with farmers has created a consistent stream of inquiries from independent operators looking for the right source of capital to finance long-term access to land. As a result, the Company is able to select the most advantageous opportunities. The result is leases and mortgages that offer attractive risk profiles, good business opportunities and additional diversification to the portfolio of organic farms.

Investment Strategy

The Company does not look for particular farmland to purchase. Instead, the Company's land acquisition strategy is reactive to the geographic and operational needs of existing organic farmers. The Company has become well known in the organic farming community through word-of-mouth, event sponsorship, community networking and the Company's newsletter and website. The continued interest amongst farmers about Iroquois Valley Farms is a testament to the Company's existing relationships with operators and its track record of honesty and mutual financial success.

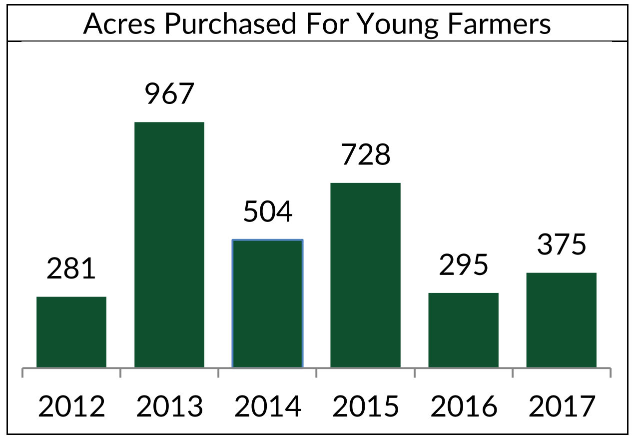
Taking Over for Existing Landlords

The Company initially worked with mid-size family farmers in the Midwest. In some instances, these farmers were already leasing land that was acquired by Iroquois Valley Farms and the Company was merely replacing the previous owner while keeping the farm family on land they had been tending for generations. Most frequently, the Company is purchasing farmland that was previously farmed conventionally and leasing it to an organic farmer who will bring the property through an organic transition and obtain USDA Organic certification.

Targeting the "Next Generation"

The Company is committed to working with farmers who provide great partnership opportunities but have the most significant needs for access to land. This group is headlined by millennials, the next generation of farm stewards who will be responsible for repairing the agricultural system, producing nutritious food for the growing population, and farming successfully in the face of severe and changing climate.

The Company created the Young Farmer Land Access Program with these next generation farmers in mind. The Program highlights the Company's commitment to partnering with young operators. Although millennial farmers are under 40, many are from multi-generation farm families, have extensive on-farm experience, and are looking to expand an already successful organic operation. These opportunities present attractive risk profiles to the Company and offer investors direct exposure to the next generation of stewards on the land. Since 2012, Iroquois Valley Farms impacted young farmers by purchasing and leasing to them over $20 million of farmland, representing land access on 3,150 acres.



<u>Expansion Through Mortgages</u>
In 2016, Iroquois Valley LLC began to offer intermediate farm mortgages for three primary reasons:

(1) diversify and enhance overall credit risk of the portfolio;
(2) increase income; and
(3) develop and scale new markets.

From a diversification standpoint, mortgages enable the company to expand its geographic footprint to states that prohibit corporate ownership of farmland, including Iowa, Wisconsin, Minnesota and more. Using mortgages to work with farmers in new geographies results in the Company diversifying risk across categories, including crop variety, operator experience and credit profile.

From a financial standpoint, mortgages offer the Company a significant and consistent revenue stream in the years directly after acquiring new land. Whereas the Company's lease agreements combine a base lease with a variable component that kicks in during higher revenue years, the mortgage agreements offer the Company a higher fixed return for an immediate, albeit shorter, term. While leasing is essentially 100% financing, the mortgages normally required a 25% equity position provided by the borrower. The farms mortgaged through financings are more likely to be stabilized operations that are the foundation of the family business.

The Company is excited by the addition of mortgages to the overall portfolio, but anticipates mortgages will remain a minority portion of the Company's total assets. The Board has outlined a strategy that allows mortgages to comprise a maximum of 30% of the total assets.

<u>A Growing Pipeline of New Opportunities</u>
The Company anticipates using these Offering proceeds for new farmland investments, including the acquisition of farmland and mortgage financings secured by farmland. Below is the pipeline of active investment opportunities (committed and evaluating) under review.

In addition to the six potential transactions below, which total over $5 million, the Company has a growing set of opportunities in development. This includes capital specifically allocated for regional expansion, supporting existing farmer relationships and supporting investments in the development or preliminary stage of the pipeline. The Company is believes it could spend $50 million on organic farmland investments over the next two years with sufficient capital support.

Pipeline of Active Opportunities (Committed and Evaluating)				
Farm Location	Type of Operation	Investment Type	Acres	Amount
Mason, KY	Organic Dairy	Mortgage (New Purchase)	80	$555K
Garrard County, KY	Pastured poultry	Purchase & Lease	40	$200k
Hill County, MT	Specialty grains, legumes, oilseeds, & broadleaf production	Purchase & Lease	960	$960k
Fayette County, IL	Grass-fed dairy	Mortgage (Refinance)	177	$1.4mm
Daviess, IN	Organic and Specialty grain production	Purchase & Lease	238	$1.9mm
Park County, WY	Grass-fed beef	Purchase & Lease	160	$675k
			Total:	~$5,500,000

Competition

While Iroquois Valley Farms believes there are no direct competitors—investment entities focused on supporting organic family farmers – the Company competes with a variety of REITs and funds focused on agricultural investments. Two public REITs, Gladstone Land Corporation (LAND) and Farmland Partners Inc. (FPI), are notably focused on agricultural investments. In the last annual report issued as of this Offering (the 2016 report), LAND noted 4 farms purchased in 2016 were organic and makes no other mention of organic across the 58 farm portfolio. In a recent interim report, LAND reported 2017 results which included a net loss of $34,000 and total assets of approximately $462 million. FPI makes no mention of organic in its annual report. Recent results for FPI report 2017 net income of $9.2 million ($0.03 per share) on a $948 million asset base.

Iroquois Valley Farms believes it is distinguished from the public farmland REITs due to its focus on organic operations and strong earnings. In addition to the public companies, the management team knows of several private investment entities focused on agriculture. There are limited details to share on private companies that are not required to publically state information. There may also be private individuals or entities for which the Company has no knowledge of their existence.

DELINQUENCY AND RENTAL LOSS

Experienced Operators from the Outset

Iroquois Valley Farms was purposefully established with multi-generational farm families. All of the initial tenants in the first six-years of operation were at least third generation on the farm. During those early years, credit loss was not an option and a conservative approach was taken. In fact, until 2015 there was a 100% farmer retention rate.

As the business developed and became profitable, the Company started working with first and second generation farm families. At the same time, geographic and operational diversification increased to mitigate the increased credit risk. Today, the Company has a very diverse mix of farmer experience throughout the portfolio. Management focuses a sizeable amount of time mitigating the difficult economics of an organic transition, especially for newer farmers, where the highest risk delinquency lies. The Company anticipates further support for transitioning and next generation farmers, while also recapitalizing (through refinancing) the more established operations actively growing their existing businesses.

<u>Historical Vacancies</u>

Given that the Company's core tenants and borrowers are multigenerational farm families with established businesses, Iroquois Valley Farms has only had two vacancies in its eleven-year history. One vacancy was caused by factors completely unrelated to farm operations (after a near-death injury a previous tenant decided that he was no longer capable of handling the physical rigors of farming). Both of those farms have been subsequently re-leased. It is the policy of the Company to keep all farms leased on long-term, renewable contracts. If a tenant is unable to pay, declaring a default and re-leasing the land to another tenant is the last resort. Instead, the Company will generally try to improve the land or structures to support the tenant. Examples of improvements include drainage, storage, soil amendments, etc.

Historical Vacancies				
Farm	State	Tenant Generation	Vacancy Year	Resolution
Union Fair	ME	2nd	2015	Re-leased
Rock Creek / Hedge Creek	IL	3rd	2015	Re-leased

<u>Reserves and Past Due Receivables</u>

As of the date of the offering, the Company had two tenants for which the Company has put into a high collection risk category. The Company has established an accounts receivable reserve of $33,000 to account for future uncollectable receivables. With both of these situations, Iroquois Valley Farms is working with the tenants to find resolutions that do not force the farmer to vacate. Management believes the economic situations of both of these farmers are improving and collection of past due amounts is feasible, though not guaranteed.

As of the date of the Offering, Iroquois Valley Farms has $229,662 rent receivables (gross) over 60 days past due. It is very common for the Company to have past due receivables up to 90-120 days following year-end due to the sale timing of the farmer production. This is evidenced by year-end net accounts receivable of approximately $585,000 compared to Iroquois Valley Farms' current net receivable balance of approximately $198,000 (inclusive of mortgage interest receivable and net of reserves). In the three months since the close of 2017, Iroquois Valley Farms has collected 66% of the accounts receivable. Nearly all the collections to accounts receivable reflect rent collections from the past three months, with a small amount being related to mortgage interest.

Past Due Receivables		
60-89 Days	90-121 Days	120+ Days
$2,639	$186,281	$40,801

Bad Debt Experience

Due to the strength of the Company's farmer review process, Iroquois Valley Farms had limited bad debt experience prior to 2016. At the end of 2016, the Company's management reserved $62,000 to cover potential losses on accrued rental income that was deemed to be at risk in the upcoming year. During 2017, Iroquois Valley Farms was able to collect more than half the amount that was considered doubtful. As a result, management adjusted the Company's reserve methodology to reflect this and other year's experiences. The Company believes the current reserve of $33,000, which reflects approximately half of the outstanding rent considered at risk, is therefore sufficient.

THE ORGANIC MARKET

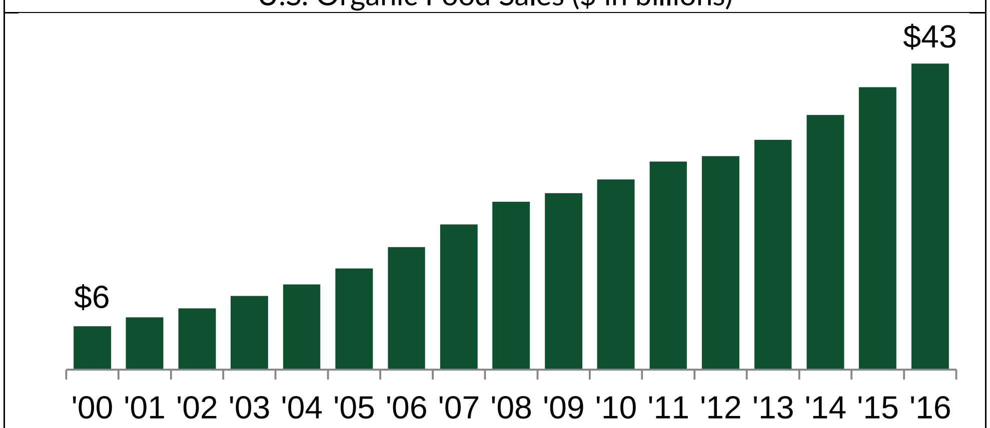
The growing demand for organic food and the price premium for certified organic products are fundamental to the Company's business model. As more food consumers realize the multi-faceted benefits of consuming nutritious, sustainably produced food, the outlook improves for the Company, its farmer-partners and its shareholders.

Organic Demand Continues to Grow

Research indicates that the organic market in the United States has approached the $50 billion mark, with $43 billion attributed to the consumption of organic food. This has been driven largely by millennials, a group increasingly concerned with the quality, source and nutrition of the food they eat and feed their children.

American interest in organic food is mirrored in the international market, where sales have approached $100 billion dollars and the compound annual growth rate is expected to be above 15% over the next five years, though such growth is not guaranteed.

U.S. Organic Food Sales ($ in billions)

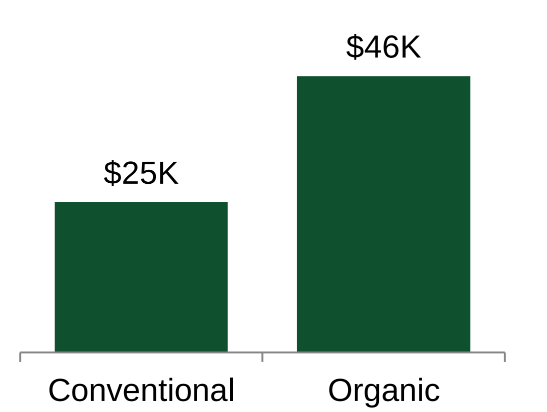


Source: Organic Trade Association.

Profitability of Organic Farming Operations

Organic farmers earn 22-35% more than non-organic farmers. A global study released in 2015 by the Proceedings of the National Science Academy indicated that the organic break-even premium --the price premium needed by organic production to make the same profit as conventional farmers -- is only 5-7%, but that most organic production has a 30% price premium. This gives organic farmers a significant edge in profitability versus conventional farmers. This data had previously been collaborated by the USDA. The National Agricultural Statistics Service ("NASS") released a 2010 organic survey on 2008 farm data that concluded organic farms have profits averaging $46,000. This figure is nearly twice as much as farm profits from the 2007 Census of Agriculture, which showed that across all farms, the average profit was $25,000.

USDA – Average Farm Profit



Source: USDA 2010 Organic Agriculture Survey and 2007 Census of Agriculture.

These findings are further independently supported by the 30-year Rodale Farm Systems Trial, as previously mentioned in "Investment Highlights." The Rodale research further determined that organic farm yields match those of conventional farms, organic farms outperform conventional farms in years of drought, organic farming systems build rather than deplete soil organic matter, organic farming uses 45% less energy, and conventional systems produce 40% more greenhouse gases.

Organic farms, in addition to being more profitable and better for the environment, are also better for each farm's respective local economy. Based on a report from the Organic Trade Association, the organic food industry created over 500,000 jobs in 2010. Furthermore, the use of organically produced ingredients generates 21% more jobs than would have been created if the food industry had relied solely on conventional farms for its ingredients. One of the major reasons for the improvement in job creation with organics versus conventional foods is the additional labor needed to farm organically. . Much of this additional labor on an organic farm replaces the use of pesticides, fuel and other synthetic inputs. Payment made to additional farmhands instead of chemicals leads to more money entering the local economy and not transferred to non-resident chemical manufacturers.

Farm Entrepreneurs

American demand for organic food has led to increased supply, much of which is being sourced internationally and may not represent the highest standard of production, as illustrated by significant imports of "counterfeit organic" grain from Eastern Europe in 2017. The global trade of "organic" products can cause domestic producers to experience the effects of downward price pressures. As such, Iroquois Valley Farms seeks partnerships with business-savvy farmers looking to capture as much value as possible in the marketplace.

In addition to selling into wholesale markets, the Company's revenue has been buoyed by farmers marketing direct-to-consumer, creating added-value products, contract producing for companies with price guarantees (such as Organic Valley), and selling into local grocery stores that command price premiums.

Although the Company's farmers are not immune to the market dynamics of the national organic market, the business sense and entrepreneurial spirit represented throughout the portfolio offer investors additional opportunities to benefit from current consumer trends.

TRIPLE BOTTOM LINE IMPACT INVESTING

The Company focuses on regenerative and organic agriculture that positively impacts the health and sustainability of food systems, farming communities and the environment. Additionally, the Company supports family farms and helps them successfully transition into the next generation of sustainable farmers. The following is a breakdown of the Company's ongoing activities specifically targeting social, environmental and financial returns.

Vision Statement
Iroquois Valley Farms has adopted corporate ownership as the most generationally focused, indefinitely scalable and democratically governed structure suitable to its vision of permanently impacting sustainable agriculture. Embodied in this vision are the following seven guiding principles.

I. Enable the next generation of young farmers to positively impact world health.
II. Farm with healthy, humane and organic practices without GMOs, toxic pesticides, herbicides, fungicides, synthetic fertilizers or other harmful chemicals.
III. Keep the farmers on the land by indefinitely renewing their leases and preferentially selling to the farm tenant. Members trade "stock" not land.
IV. Grow a broad-based capital membership, reaching thousands of like-minded investors concerned about the health of people, the planet and financial stability.
V. Transition traditional investment capital from conventional trading and extractive practices to renewable and regenerative uses.
VI. Maintain a fairly valued, democratically governed enterprise enabling both Members and farmers to enjoy a stable and profitable return on their farming investment.
VII. Protect farmland.

Annual Impact Report
The Company releases an annual "Impact Report" to accurately articulate the Company's mission and to measure the results of the goals outlined in the Vision Statement above.

Public Benefit Corporation
During the transition to a REIT structure, the company also elected to declare itself a public benefit corporation, a legal designation under Delaware law that signifies Iroquois Valley REIT as operating with recognition and consideration for other stakeholders. This status emphasizes Iroquois Valley Farms commitment to the triple-bottom-line.

Certified B Corporation

Iroquois Valley Farms was first certified as a B Corporation by the non-profit industry group B Labs in August 2012. The certification reflected the Company meeting rigorous standards of social and environmental performance, accountability and transparency. Since being certified, the Company has been recognized with subsequent awards for outstanding scores during B Labs' annual assessment, including "Best in the Community" in 2014 and "Best in the World" in 2016.

Director of Impact

Iroquois Valley Farms' Director of Impact measures and reports on the social and environmental impacts of the Company's triple bottom line goals. The creation and funding of this position is a further representation of the Company's commitment to creating impact and making it last.

Offering Price Factors

As of December 31, 2017 the equity value per Share of Iroquois Valley REIT's common stock under Generally Accepted Account Principles ("GAAP") is $527 without dilution and on a fully diluted basis. This reflects the book value of the assets, the cost basis less depreciation. Iroquois Valley Farms and its Board do not believe this accurately represents the fair market value of the Company. In determining a fair price for the Offering, the Board assessed a value based on its best-estimate for the market value of Iroquois Valley Farms.

The starting point for the Board approved pricing level is independent assessments on owned farmland. These independent assessments generally focus on comparable sales. While the Company and Board believe that organic farmland is undervalued when only using a comparable analysis it provides a good independent reference point. From this starting valuation, the Board added an incremental value of 5% for farms that have gone through the organic transition process and received certification. Given studies show income is higher on certified organic farms, the organic premium is a method to capture the value premium of organic farmland created by its higher income potential. This value is infrequently captured in standard third party valuations that solely use conventional metrics and comparable sales. Inclusion of an organic premium in the price calculation was initiated for Iroquois Valley LLC December 31, 2012 valuation and has been consistently applied. In previous years the Company used a fixed value per acre ($350 per acre in 2016). This price represented on average a 5% premium. The Company's Board of Directors decided to move away from a fixed premium per acre given the relative value differences across the owned farmland portfolio. The Board believes a percentage based premium is a better way to assess a premium across the growing portfolio. The premium represents the Board's best and most reasonable estimate of the value differential between conventional and certified organic farmland. On select farms that have consistently achieved strong variable revenue (above that of the base rent), Iroquois Valley Farms also looked at a capitalization rate analysis. The capitalization rate was based on comparable metrics from publicly traded farmland companies and publicly available information. On two farms, the Board used the valuation implied by the net-revenue capitalization rate in lieu of appraised value (with premium).

After compiling a market asset value, the Board also added a ten-percent operating company premium. The premium is based on, among many things, the diversification value that a corporate portfolio brings, the Company's track record of selecting farm tenants, the business relationships that have been developed with generations of farmers, farmer associations and farmer cooperatives, the growth potential of the Company (including the new mortgage business), Iroquois Valley Farms' history of innovation in conservation finance and the impact investing space, Iroquois Valley Farms' unique scalability as a decentralized entity in the high growth organic market and the future earnings potential and economic efficiencies of the new REIT structure. Given that the Company is in growth mode many standard REIT valuation metrics are not applicable or available. In order to provide a fair valuation for existing investors, the Board felt that a modest ten-percent premium was appropriate (see "Risk Factors—Determination of Offering Price").

The table below outlines various steps and figures associated with the Board approved valuation of $626 per Iroquois Valley REIT Share (fully diluted).

		2017 Valuation	
	2016 Market Valuation	Book / Cost Basis	Market Asset Value
Investments in Farmland	$27,407,050	$33,968,364	$36,248,233
Investments in Farmland Mortgages	3,598,641	7,688,090	7,688,090
Cash	560,948	458,373	458,373
Accounts Receivable	343,588	585,138	585,138
Other	97,361	106,566	106,566
Total Assets	$32,007,588	$42,806,531	$45,086,400
Total Liabilities	$8,316,428	$16,781,924	$16,781,924
Equity Value	$23,691,160	$26,024,607	$28,304,476
Shares Outstanding (1)	42,042.966	49,375.303	49,375.303
Equity Value per Share	$563	$527	$573
Equity Value per Share (diluted)	$562	$527	$571
Operating Company Premium (2)	$2,369,116		$2,830,448
Adjusted Equity Value (3)	$26,060,277		$31,134,924
Adj. Equity Value per Share	$620		$631
Adj. Equity Value per Share (diluted)	$615		$626

Note: Diluted share count reflects the effects of option dilution on the value per share calculation.
(1) As of December 31, 2017.
(2) Reflects a 10% premium applied to the equity value.
(3) Equals Equity Value plus Operating Company Premium.

In the last 12 months Iroquois Valley Farms issued the equivalent of 9,406 new Shares (in a previous private offering covering 26 states (California, Colorado, Connecticut, Florida, Georgia, Hawaii, Illinois, Kentucky, Massachusetts, Maryland, Maine, Michigan, Minnesota, Missouri, Montana, North Carolina, New Jersey, New Mexico, New York, Pennsylvania, South Carolina, Texas, Virginia, Vermont, Washington and Wyoming).

The following table sets forth certain information regarding the ownership of Iroquois Valley REIT's Shares as of the Offering Date, assuming the sale of all of the Shares pursuant to the Offering to persons who are not currently shareholders of Iroquois Valley REIT (excluding any possible redemption(s)).

Owner	Shares	Percentage Ownership Before Offering	After Offering
Existing Members	51,051	100%	61%
New Investors	32,000	0%	39%
Total	83,051	100%	100%

When factoring in the effects of option dilution, without consideration for any buybacks from option proceeds Iroquois Valley REIT may receive, the total Shares outstanding would be as follows (excluding any possible redemptions).

	Shares	Options	Total	Percent of Total Interests	Options
Before Offering	51,051	2,813	53,864	95%	5%
Fully Subscribed Offering	83,051	2,813	85,864	97%	3%

Use of Proceeds

The following table sets forth the use of the proceeds from this Offering:

	If Minimum Sold		If Maximum Sold	
($ in thousands)	$	%	$	%
Total Proceeds	NA	NA	$20,032,000	100%
Less: Offering Expenses				
Commissions & Finders Fees (1)	--	--	0	0%
Legal & Accounting	--	--	20,000	0%
Filing Fees	--	--	20,000	0%
Copying & Advertising	--	--	4,000	0%
Net Proceeds From Offering	NA	NA	$19,988,000	100%
Use of Net Proceeds				
Farmland Investments (2)	--	--	$18,988,000	95%
Repay Debt	--	--	--	--
Working Capital	--	--	--	--
Dividend	--	--	--	--
Repurchase Interests (3)	--	--	1,000,000	5%
Total Use of Net Proceeds	NA	NA	$19,988,000	100%

(1) The Company reserves the right in the future and without notice to engage either a placement agent or broker-dealer (or both) to assist it in selling the Shares offered hereby and, in the event the Company does engage such placement agent or broker-dealer (or both), the resulting professional fees would reduce the proceeds to the Company from this Offering by the amount of the total of such fees and commissions

(2) The Company may choose to use net proceeds from the Offering to reduce outstanding debt, provide for working capital purposes, issue a distribution, or repurchase/redeem outstanding Shares.

(3) Consistent with the Share repurchase program approved by the Board, the Company has allocated $1 million for the redemption of Shares

The proceeds to Iroquois Valley Farms are estimated to be approximately $20 million should the Offering be completely subscribed exclusive of any offering expenses, including, without limitation, legal fees, printing fees, filing fees or accounting fees. Cumulatively, these experiences are estimated to be less than one percent of the total offering. Because no agent or broker-dealer is selling the Shares on behalf of the Company, the Company intends to use the proceeds that would otherwise be dedicated to paying such fees and commissions to acquire additional farmland and/or provide additional secured farmland mortgages. The Company's intention is to use Offering proceeds less any redemption(s) made through the redemption program for farmland investments. However, the Company may reduce outstanding debt, provide cash for working capital purposes, or pay a dividend to shareholders. In case of delay in the uses of funds, the Company intends to invest the net proceeds of the Offering in short-term, investment-grade interest-bearing securities or maintain deposits with its lender or bank.

In line with the Company's plans to make farmland investments, the Company maintains a pipeline of prospective investments. Iroquois Valley Farms currently has $5.5 million of investments committed or in the formal evaluating stage (active leads) and another $5 million that are in the preliminary leads status. Active investments are outlined in more detail in "A Growing Pipeline of New Opportunities" above.

The farms in which Iroquois Valley Farms has the opportunity to invest vary considerably in several ways: Operation Type (e.g. grains, dairy, vegetables, and livestock); Location; Size; Dollar Value; Form of Investment (purchase and lease, new purchase financing, refinancing). Each of these investment opportunities are identified by the farmer. Iroquois Valley Farms is solely being reactive to the needs of the farmer. The source of the opportunity may reflect a personal connection a farmer has with a seller, a property listed with a broker, or a farm coming up for sale at auction. Ultimately, the farmer's need or opportunity drives the Company's relationship.

In addition to specific opportunities previously outlined, the Company is in preliminary or early stage discussions with farmers equating to another $10-plus millions of potential investments. When combined with the active leads, the total pipeline could utilize the total proceeds of the current Offering if the entire pipeline was brought to closing.

The amounts actually expended by the Company may vary significantly from the planned use of the proceeds set forth above, depending on numerous factors, including changes in the economic climate for the Company's proposed business operations, the amount of funds raised and the success or lack of success of the Company's business and marketing plan. Any reallocation of the net proceeds of the Offering will be made at the discretion of Iroquois Valley REIT's Board.

Iroquois Valley Farms had positive cash flow from operations during 2017 and does not require additional capital to maintain operations. This Offering will be used for growth capital as outlined in this section and is not expected to be necessary to meet the Company's operating cash requirements for the next twelve months. In furtherance of its business plan to make additional farmland investments, the Company may raise additional funds, including additional debt securities, in addition to this Offering. Such offerings, if any, may be made within the next twelve months.

Capitalization

The table below sets forth the pro forma capitalization of the Company as a whole assuming a successful completion of the Offering. The table also provides a pro forma adjustment for debt issued by Iroquois Valley LLC based on current and future offerings.

($ in thousands)	Actual as of 12/31/2017	Debt Offering (1)	Pro Forma for Offering	
			Minimum	Maximum (2)
Total Debt	$16,474	$5,000	NA	$21,474
Members Equity	$23,691		NA	$42,679
Total Capitalization	$40,165		NA	$64,153
Debt / Equity	70%			50%
Debt / Capitalization	41%			33%

(1) Assumes $5 million of debt securities to be offered by Iroquois Valley LLC.

(2) Assumes full offering of 32,000 Shares with $1,000,000 of proceeds used to redeem approximately 1,597 outstanding Shares from existing Shareholders.

Plan of Distribution

The Company has never paid third parties to market its securities. In 2017, the Company engaged a third-party to facilitate connections between the Company and potential investors. That limited-scope engagement is no longer in effect except for some tail provisions related to connections made.

Historically, fee-only and fee-based financial advisors have provided a significant portion of the funds raised. Iroquois Valley Farms intends to continue to focus on these types of financial advisors. No commission or other remuneration will be paid to the Board or any Officer in connection with the sale of the Shares. However, the Company does reserve the right in the future and without notice to engage either a placement agent or broker-dealer (or both) to assist it in selling the Shares offered hereby and, in the event the Company does engage such placement agent or broker-dealer (or both), the resulting professional fees would reduce the proceeds to the Company from this Offering by the amount of the total of such fees and commissions.

The key contact for Offering related questions and subscription inquiries is Alex Mackay, Director of Business Development and Investor Relations.

Offering Contact Information
Alex Mackay Director of Business Development invest@iroquoisvalleyfarms.com 503-765-5272

There is no public trading market in which the Shares can be sold. While the Company will look to develop secondary and internal market options, no investor can be guaranteed the ability to sell or trade a Share. Transfers of Shares will be subject to the transfer restrictions in the Bylaws. Sales or other transfers may also only be made only in compliance with applicable federal and state securities laws. See “Risk Factors—Code Imposed Restrictions on Transfer”; “Risk Factors—Market Restrictions on Transfer”; and “Risk Factors— No Active Trading Market.

Distribution, Transfers and Redemptions

In 2016, the first distribution to Members of Iroquois Valley LLC was made at an amount of $1 per membership interest owned (or $4 per Share adjusted for the REIT reorganization). This distribution was a voluntary payment based on strong 2015 results. Under the rules of a REIT, Iroquois Valley REIT is required to distribute to shareholders in the form of a dividend, at least 90% of its earnings. In accordance with those requirements, the Company made a dividend payment of $5.50 per Share in 2017. This payment reflected a 0.9% annual dividend yield based on the 2017 Share price. The Company's long-term target dividend yield is 2-4%. This number is based on the expected revenue from leases and mortgages as well the future cost structure of the business. Ultimately, due to REIT dividend requirements, future payments will largely be determined by the earnings of the Company as a whole. It is the intention of the Company to minimize "double taxation," paying taxes at Iroquois Valley REIT and also having shareholder pay taxes on dividends received. To minimize this event, Iroquois Valley REIT will look to dividend all positive earnings, as the Company is subject to taxes on earnings not distributed to shareholders. The Company will look to make dividend payments annually or semi-annually in timing with the receipt of the majority of the Company's rental income.

Iroquois Valley REIT's Board of Directors has approved the right for shareholders to redeem up to 200 Shares per year at fair market value after a seven year holding period up to a maximum of five-percent of the existing equity base in any given year. To fund the redemption purchases, the Company has allocated a portion of the proceeds of this Offering for the specific purpose of redeeming Shares. Going forward the Company will look to use proceeds from future offerings and available cash to fund redemptions. Iroquois Valley Farms is also consistently looking at alternative options for further enhancing investor liquidity.

Prior to the redemption policy, it had been the practice of the Company to maintain a list of potential investors that were interested in purchasing additional Shares. The Company had been able to accommodate those wishing to sell Shares by informally connecting these parties. Should Iroquois Valley REIT not have an ongoing offering, it would look to continue facilitating private investor-to-investor sales of Shares. However, there can be no assurances that these opportunities will continue to exist or that any similar secondary market will be established. See "Risk Factors—Code Imposed Restrictions on Transfer"; "Risk Factors—Market Restrictions on Transfer"; and "Risk Factors— No Active Trading Market."

The table below summarizes the annual external sales (investor-to-investor) and redemptions since 2010. Share counts have been adjusted for the reorganization.

	External Sales		Redemptions	
Year	Shares	$	Shares	$
2010	0	$0	0	$0
2011	518	207,000	0	0
2012	299	144,750	0	0
2013	131	72,036	0	0
2014	0	0	100	55,200
2015	0	0	355	201,722
2016	0	0	92	52,450
2017	0	0	198	121,804
2018 (1)	0	0	276	169,450

(1) Reflects 2018 year-to-date as of this offering.

Officers and Key Personnel of the Company

The tables below outline the officers and key employees of the various legal entities that collectively create the Company. Following the tables, biographies are provided for all the individuals listed and lists titles associated with the employee position at Iroquois Valley LLC.

Iroquois Valley Farmland REIT, PBC	
Name	Position
David E. Miller	President and Chief Executive Officer
Kevin Egolf	Treasurer
Arnold Lau	Secretary

Iroquois Valley Farmland TRS, Inc.	
Name	Position
David E. Miller	President
Kevin Egolf	Treasurer
Arnold Lau	Secretary

Iroquois Valley Farms, LLC	
Name	Position
David E. Miller	Co-founder and Chief Executive Officer
Arnold Lau	Chief Operating Officer
Kevin Egolf	Chief Financial Officer
Teresa Opheim	Senior Vice-President, Farmer Relations
Claire Mesesan	Communications Director
Alex Mackay	Director of Business Development and Investor Relations
Sally Dodge and Dale Guldbrandsen	Northeast Community Development Managers

David E. Miller, Co-founder and Chief Executive Officer

After a 30-year career in corporate finance and real estate, Mr. Miller returned to his native Illinois landscape in 2005 by purchasing a 10 acre farm from a family estate of his relatives. Keeping the farm in the family, he re-connected with local relatives and friends farming organically. In 2007, he co-founded Iroquois Valley LLC to enable a new generation of farmers and investors to support healthy food production. Mr. Miller is currently CEO and President of Iroquois Valley REIT.

Prior to developing sustainable farmland ventures, Mr. Miller held executive positions at Bank of America, Santa Fe Southern Pacific and First Chicago Corporation, including the management and oversight of real estate and capital equipment leasing portfolios. In 2008 he formed Working Farms Capital, an entity seeding new ventures in sustainable agriculture while providing transitional farm management services.

Mr. Miller is a 1975 graduate of Loyola University of Chicago, and a 1978 graduate of Columbia University's Graduate School of Business. Mr. Miller views education as the primary key to changing the health and economics of current food production systems. In that capacity, Mr. Miller is a founding member and Co-Chair of the advisory board for Loyola University's Institute of Environmental Sustainability and is a recipient of the Institute's first Damen Award, recognizing his services related to positive environmental change. Mr. Miller resides in Winnetka, Illinois with his wife and family. He continues to restore his small organic farm in Iroquois County, a family heritage since 1875, now being transitioned to permaculture and experimental specialty grains production.

<u>Arnold Lau, Chief Operating Officer</u>
As Iroquois Valley Farms' COO, Mr. Lau has overall responsibility for working with the tenants of Iroquois Valley Farms on all matters related to those farms including leases and rents, ongoing status and condition of the farmland and infrastructure, capital investment in the farms; legal, regulatory, and organic or other sustainable practice certifications, etc. Mr. Lau works extensively with Iroquois Valley LLC's CEO, CFO, and other members of staff to work with farmers new to the Company and help them with their land access needs, and he participates in all matters of Iroquois Valley REIT's policies, programs, and strategies.

Mr. Lau has a BA from Lawrence University and a MBA from Northwestern University. He was previously a member of the Chicago Board Options Exchange from 1983 until 1999, and a member of the Chicago Board of Trade from 1985 until 2007. He has been an investor in Iroquois Valley Farms LLC, or its precursors, since 2009, a member of the Board of Managers since 2012, Corporate Secretary since 2015, and a shareholder of Iroquois Valley REIT since 2017. He is a life member of the Sierra Club and the Nature Conservancy.

<u>Kevin Egolf, Chief Financial Officer</u>
Mr. Egolf is an impact investing professional focusing his efforts on socially responsible farmland investing. His passion for sustainable agriculture and extensive finance background naturally led him into the growing impact investing field and towards agriculture. As the Chief Financial Officer of Iroquois Valley Farms, Mr. Egolf focuses his efforts on raising money and managing the money spent. He manages and leads the Company's private offerings as well as keeps the books and records associated with the investors and corporate financials. Additionally, given his East Coast location is often the Company representative for East Coast activity.

Prior to his work with Iroquois Valley Farms, Mr. Egolf spent several years in investment banking and private equity developing extensive experience in corporate valuation, transaction management and fundraising. He started his career at Bank of America, in the Consumer and Retail Investment Banking division. After Bank of America, Mr. Egolf spent four years with Castle Harlan, a middle market private equity firm in New York. During his tenure, Kevin raised $700 million of debt financing and $300 million in co-equity investments across multiple investments as well as completed the first restaurant IPO in over four years at the time.

Mr. Egolf is a graduate of Wesleyan University with a Bachelor of Arts in both Economics and Computer Science. At Wesleyan University, he was Academic All-American, All-New England, 4-time varsity letter recipient and senior captain in the sport of wrestling. He continues to promote and teach the sport of wrestling as the wrestling coach of Nathan Bishop Middle School. Mr. Egolf lives in Providence, Rhode Island with his wife, Amy, and daughter, Aurora.

John Steven Bianucci, Director of Impact
Mr. Bianucci's focus is maximizing Iroquois Valley Farms social & environmental impact and communicating its powerful story of leadership in creating a strong and healthy agriculture for all. Previously, he has been instrumental in re-branding, marketing, sales and product development at a leading media software company and as an entrepreneur has co-founded, published and edited three publications. Computer User magazine was the country's first regional computer publication, publishing monthly for 24 years. John Steven graduated from Harvard College. He and his wife, Marina, reside in Wilmette, Illinois.

Claire Mesesan, Communications Director
Ms. Mesesan's primary role is to tell the company's story across audiences. She views food as an essential and powerful connector that impacts the environment, economy, health, and culture. The stories she tells focus on the ways organic farmers are regenerating the food system and why supporting organic agriculture matters.

Ms. Mesesan graduated from Loyola University Chicago with degrees in Philosophy and French. Her academic emphasis was on the intersections between sociopolitical philosophy and environmental/agricultural ethics; effectively, she studied the ways different societies value food and its production. After graduation, she spent a year in Madison, WI working as an AmeriCorps Farm-to-School educator and is passionate about creating a more sustainable, equitable, and empowering food system. Ms. Mesesan currently resides in Chicago and enjoys living by Lake Michigan, making art, and gardening.

Teresa Opheim, Senior Vice President, Farmer Relations
Ms. Opheim is Senior Vice-President, Farmer Relations, for Iroquois Valley Farms, where she helps the Company keep a strong focus on the farmer. She is a member of the Board of Directors of Iroquois Valley REIT and the Board of Managers of Iroquois Valley LLC. She also is the Project Director of Iroquois Valley Farms' Conservation Innovation Grant, a federally funded program that encourages conservation finance solutions to increasing conservation on agricultural lands.

Ms. Opheim served as the Executive Director of Practical Farmers of Iowa from 2006 to 2016. She served as Executive Director of the Midwest Sustainable Agriculture Working Group and has worked for the Iowa Environmental Council, the Environmental Law Institute and the U.S. Environmental Protection Agency. She is the editor of The Future of Family Farms: Practical Farmers' Legacy Letter Project (University of Iowa 2016). Ms. Opheim has journalism and law degrees from the University of Iowa. Teresa and her family reside in Minneapolis.

Alex Mackay, Director of Business Development and Investor Relations
Mr. Mackay's focus is raising new capital and keeping existing investors informed and happy. A longtime enthusiast for delicious, sustainable food, Mr. Mackay was drawn to the Company for its ability to make significant impact through a scalable, for-profit model. Prior to working in finance, Mr. Mackay had a wide variety of hands-on experiences in food at the farm, wholesale and retail levels.

Mr. Mackay received his BA in History from Columbia University and his MBA from Babson College. Originally from Hanover, NH, Mr. Mackay now lives with his wife and one-year old son in Portland, OR where he grocery shops at the farmers' market, backcountry skis in the Cascades and goes on long forest walks his dog.

Sally Dodge and Dale Guldbrandsen, Northeast Community Development Managers
Sally Dodge and Dale Guldbrandsen have served as Northeast Community Development Managers for Iroquois Valley Farms since 2013.

Ms. Dodge was a pioneer in the locally grown foods movement beginning in the 1970s and 80s, when she managed a large beefalo operation in Vermont, and later created the Taste of Vermont, an annual event linking farmers and chefs. Ms. Dodge is president and co-owner of The Mountain Goat, a chain of retail outdoor outfitting stores in Massachusetts and Vermont. She is president of Cleeland Corporation, a family farm real estate company that leases farmland to organic farmers. She helped found High Meadow Business Solutions, a retail point of sale system provider; and is the owner of The Vermont Lamb Company. Sally served on the board of the Vermont Land Trust for 18 years, is a member of the board of advisors of Soil4Climate and the Cleveland H. Dodge Foundation, and a member of the Board of Managers of Iroquois Valley Farms. Joining Iroquois Valley Farms has enabled Ms. Dodge to contribute many years of experience in the promotion of organic farming, farm economics, conservation, business management, and healthy food.

In his youth, Mr. Guldbrandsen worked on his grandfather's Illinois farms, and also on farms near his hometown of Plymouth, Michigan. He held senior management positions in two Fortune 500 companies for 30 years, and later provided performance improvement services in many economic sectors, including manufacturing, health care, and education. He was cofounder of New England Preventive Medicine, cofounder of the Vermont Coalition for Health, and board chair of Vermont Natural Resources Council. Mr. Guldbrandsen also taught undergraduate and graduate courses at Southern Vermont College and the University of Minnesota Duluth. He has now circled back to the food and farming revolution as his main passion in joining Iroquois Valley Farms.

The duo enjoys working with farmers, investors, and many agricultural and conservation organizations to promote the mission of Iroquois Valley Farms. They both believe that supporting regenerative, organic agriculture is the best work they can do to mitigate climate change, and save the planet for their grandchildren. They live in Vermont, are avid outdoor enthusiasts, and enjoy sourcing their food from local farms, and cooking from scratch.

Consultants / Contractors
Mr. Bianucci, Ms. Dodge and Mr. Guldbrandsen are contracted as independent consultants. The Company uses other consultants and contractors that are not key personnel for various projects and assignments on as as-needed basis.

Members of Iroquois Valley REIT's Board of Directors

Iroquois Valley REIT has a nine member Board of Directors. The Board is independently elected by the shareholders of Iroquois Valley REIT and each director generally serves for three year terms. For consistency purposes each elected Board Director for Iroquois Valley REIT has been assigned as a Board Director for Iroquois Valley TRS and a Board Manager for Iroquois Valley LLC as outlined in the table below.

	Iroquois Valley Farms Entity Board Position		
Name	REIT	TRS	LLC
Stephen P. Rivard, M.D.	Director (Chair)	Director (Chair)	Manager (Chair)
Andy Ambriole	Director	Director	Manager
Joanie Buckley	Director	Director	Manager
Sally Dodge	Director	Director	Manager
Arnold Lau	Director	Director	Manager
Malaika Maphalala	Director	Director	Manager
David E. Miller	Director	Director	Manager
Teresa Opheim	Director	Director	Manager
Coleen Reedy	Director	Director	Manager

Stephen P. Rivard, M.D., Chairperson
Dr. Rivard earned his undergraduate and medical degrees from Loyola University of Chicago. He began a practice in the newest medical specialty at the time, emergency medicine. After twenty-six years, and having raised two children, he changed careers and founded Illinois Vein Specialists in Illinois in 2008, another growing medical specialty business. He also began diversifying his investments to focus on health and organic farmland. His interest in organic farming goes beyond profit. It also includes the mission of creating a more socially conscious and sustainable future for his children. Dr. Rivard is now outreaching with other physicians and health care professions to bring attention to the varied health illnesses associated with the current food production system. Specifically, he is concerned about the growth of diabetes, food allergies and various cancer incidences that may be associated with food choices and agricultural production systems.

Andy Ambriole
Mr. Ambriole, his wife Catie, and two daughters farm approximately 1,000 acres of certified organic land or land in transition to organic certification. Crops grown include corn, popcorn, soybeans, and wheat. Andy is an active user of cover crops (ryegrass, cereal rye, buckwheat, oats, oil seed radishes and clovers). He also has a custom cover crop seeding business and sells Blue River seed and cover crop seed. He also works on his parents' 1,500 acre conventional farm and worm casting business. Along with the typical grain crops, he also grows organic greenhouse tomatoes, and raises Nubian dairy goats.

Mr. Ambriole is a 2007 graduate of Huntington North High School. He was awarded Indiana FFA State Star Farmer in 2008 and Huntington County Conservation Farmer in 2010. Currently, he serves as a Supervisor for the Huntington County Soil & Water Conservation District.

Joanie Buckley
Ms. Buckley is a senior executive with diverse strategic planning and management experience. She presently serves as a Division Director of Internal Services for her Tribe, the Oneida Nation in Wisconsin. As Division Director, Ms. Buckley provides the leadership and strategic direction to seven departments, forming integrated systems for the Nation in Technology, Media, Agriculture, and the grants department. In the agricultural practice, Ms. Buckley oversees the 80-acre organic farm (Tsyunhehkwa) as well as the Cannery, Pantry, and Aquaponics system. She has written and managed several grants funded by the USDA (Farm-to-School, Local Food Productions, Value-Added Products), the EDA (conceptual development of a Food Center for entrepreneurs) and was a founder for the Food Sovereignty Summit (a national forum for agricultural learning).

Ms. Buckley has a broad experience in creating and implementing business plans, market development for business expansion, and assessing business performance -- both domestically and internationally. Her domestic career includes various industries (global architecture, banking, manufacturing, and technology distribution). Her international concentration is in Latin America, where she previously worked for a Chilean airline, and on an architectural judicial project funded by the World Bank. She promotes business with a profound dedication to quality, ethics, and best practices.

Ms. Buckley holds a BA in Spanish from University of Missouri-St. Louis, a Certification in Latin American Studies, a Masters in International Business Administration from Saint Louis University, and is presently working on her doctorate degree with a research stream in the effect of bank ownership. Ms. Buckley speaks fluent Spanish.

Sally Dodge
Ms. Dodge is a long-time farmer, creative entrepreneur, successful business owner, and energetic environmental activist. In addition to her role as Board Manager, she has been Northeast Community Development Manager for Iroquois Valley Farms since 2013. She manages her family's 350 acre farm in Pownal, Vermont, leasing it to several organic operators, including a 250 member CSA, an organic dairy farm, and an organic beef operation. She co-owns a flock of Katahdin sheep, and with her partners, manages them by the Alan Savory Holistic Management system. She is a former beefalo farmer, raised and marketed grass-fed beef before its importance to consumers became widely embraced. She has been instrumental in promoting and strengthening the link between local family farmers, restaurants, and direct farm sales through farmers' markets and CSAs. She is one of the pioneers of the locally-grown food movement, and created *Taste Vermont*, a bi-annual event in the '90s which promoted public awareness of specialty farmers in Vermont, and their importance to the Vermont brand.

Ms. Dodge served for 18 years as a trustee of the Vermont Land Trust, where she took part in helping the organization move toward supporting diversified farms and farm acquisition programs. She is a member of the board of directors of the Cleveland H. Dodge Foundation, and serves as their liaison to the Wildlife Conservation Society.

She was educated at Miss Porter' School, studied modern European government, economics, and culture during a seminal year at Franklin College Switzerland, before attending Bennington College and Wesleyan University.

She is an owner of The Mountain Goat, an outdoor outfitting store in Manchester, Vermont. She lives in Manchester with her husband, Dale Guldbrandsen, who partners with her in their Iroquois Valley Farms position. They have five children and five grandchildren.

Arnold Lau

In addition to serving as Iroquois Valley REIT's Chief Operating Officer, Mr. Lau is a private investor and independent securities trader. Born and raised in Honolulu, Hawaii, he earned his BA from Lawrence University, and an MBA from Northwestern University. He was previously a member of the Chicago Board Options Exchange from 1983 until 1999, and a member of the Chicago Board of Trade from 1985 until 2007. He is a life member of the Sierra Club and the Nature Conservancy. Mr. Lau has been an investor in Iroquois Valley LLC or its precursors (Two Roads Farm LLC, Shelby County, Illinois) since 2009, a member of the Board of Managers since 2012, and Corporate Secretary since 2015. He is one of the nine original directors of Iroquois Valley REIT.

Malaika Maphalala

Ms. Maphalala is a Private Wealth Advisor and Partner at Natural Investments LLC, a national SEC registered Investment Advisory firm that has specialized in exclusively socially and environmentally responsible investments for over 30 years. A lifelong advocate for social change, Ms. Maphalala is driven by a passion for finding innovative approaches to bringing people and resources together to address social and environmental complexities. In her role as Wealth Advisor, Ms. Maphalala provides portfolio management and financial planning for high-net-worth individuals, families, and institutions across the country that want to use their wealth as a tool to transform society and economic systems using humane, restorative, and ecological principles as the guide. She specializes in Regenerative Investing, which is investment that directly supports the regenerative capacity of communities and ecosystems. Her areas of special interest and expertise encompass investments in sustainable agriculture, community development, clean and renewable energy, cooperative businesses, and microfinance.

Ms. Maphalala received her BA from the Johnston Center for Integrative Studies at the University of Redlands and she holds a Certified Private Wealth Advisor® designation from the Investments and Wealth Institute in conjunction with the University of Chicago Booth School of Business. She currently lives full time on the island of Hawaii, her home for almost 25 years, where she and her family tend and enjoy their beloved, rural, solar-powered, organic farm and homestead.

David E. Miller

After a 30-year career in corporate finance and real estate, Mr. Miller returned to his native Illinois landscape in 2005 by purchasing a 10 acre farm from a family estate of his relatives. Keeping the farm in the family, he re-connected with local relatives and friends farming organically. In 2007, he co-founded Iroquois Valley Farms LLC to enable a new generation of farmers and investors to support healthy food production. Mr. Miller is currently CEO and President of Iroquois Valley REIT.

Prior to developing sustainable farmland ventures, Mr. Miller held executive positions at Bank of America, Santa Fe Southern Pacific and First Chicago Corporation, including the management and oversight of real estate and capital equipment leasing portfolios. In 2008 he formed Working Farms Capital, an entity seeding new ventures in sustainable agriculture while providing transitional farm management services.

Mr. Miller is a 1975 graduate of Loyola University of Chicago, and a 1978 graduate of Columbia University's Graduate School of Business. Mr. Miller views education as the primary key to changing the health and economics of current food production systems. In that capacity, Mr. Miller is a founding member and Co-Chair of the advisory board for Loyola University's Institute of Environmental Sustainability and is a recipient of the Institute's first Damen Award, recognizing his services related to positive environmental change. Mr. Miller resides in Winnetka, Illinois with his wife and family. He continues to restore his small organic farm in Iroquois County, a family heritage since 1875, now being transitioned to native prairie and permaculture production.

Mr. Miller is a co-founder of Iroquois Valley Farms LLC, and has served as its Chief Executive Officer continuously since the company's founding in 2007.

Teresa Opheim

Ms. Opheim is Senior Vice-President, Farmer Relations, for Iroquois Valley Farms, where she helps the Company keep a strong focus on the farmer. She is a member of the Board of Directors of Iroquois Valley REIT and the Board of Managers of Iroquois Valley LLC. She also is the Project Director of Iroquois Valley Farms' Conservation Innovation Grant, a federally funded program that encourages conservation finance solutions to increasing conservation on agricultural lands.

Ms. Opheim served as the Executive Director of Practical Farmers of Iowa from 2006 to 2016. She served as Executive Director of the Midwest Sustainable Agriculture Working Group and has worked for the Iowa Environmental Council, the Environmental Law Institute and the U.S. Environmental Protection Agency. She is the editor of The Future of Family Farms: Practical Farmers' Legacy Letter Project (University of Iowa 2016). Ms. Opheim has journalism and law degrees from the University of Iowa. Teresa and her family reside in Minneapolis.

Coleen Reedy

Ms. Reedy brings to Iroquois Valley Farms the broad business experience she gained through her management, executive and board level involvement with Reedy Industries, Inc. In her role as chief financial officer of Reedy Industries, Inc. for over 25 years, Ms. Reedy had responsibility for the management of the IT, Human Resources, Legal, Risk Management, Financial and Accounting functions of this privately held, third generation business. Ms. Reedy is committed to environmental causes including such organizations as the Nature Conservancy and Illinois PIRG; and is a regular donor to organizations whose mission is environmental health and sustainability. She currently serves on the board of "Feed the Dream", a not-for-profit organization which provides nutrition resources, education, and training to women and young children in rural villages of Guatemala.

Principal Interest Holders

No shareholders have an ownership position in Iroquois Valley REIT of five-percent or greater. The largest shareholder owns less than 4% of the Company.

The table below highlights Iroquois Valley REIT ownership by the Directors and Officers as of the Offering Date.

Shareholder	Shares	Percentage (2)
Directors	3,660	7.2%
Officers / Executives	1,260	2.5%
Directors and Officers (1)	3,821	7.5%

(1) Does not sum due to certain Shareholders being both a Director and Officer.
(2) Calculated based on outstanding Shares and excludes the impact of dilution from options.

Management Relationships, Transactions and Remuneration

Iroquois Valley LLC and Iroquois Valley TRS do not pay any management fees to any person or entity for their operations, however, Iroquois Valley Farms does compensate its management team and other employees, typically through salaries, equity grants in Iroquois Valley REIT, or options to acquire Iroquois Valley REIT common stock. Over the past few years, as cash salaries of the Company's employees have increased the use of stock grants and options by the Company has decreased.

The compensation issued to the four executive Officers for 2017. The figures include salary and bonus payments but exclude non-cash benefits. No grants or options were issued in 2017 is reflected below.

Manager	Cash
David E. Miller, President and CEO	$99,200
Kevin Egolf, CFO	$83,500
Arnold Lau, COO	$63,200
Teresa Opheim, SVP (1)	NA

(1) Mrs. Opheim is a new employee as of March 2018. She was working as a contractor prior to becoming an employee Her current annual salary is $75,000 without benefits.

Options historically represented an important incentive structure for Iroquois Valley Farms' management team and had been issued to certain officers and employees over the last five years. The options fully vest after three years and are exercisable at their fair market value (i.e. the price per unit offered) at the time of award under the terms and conditions of the Option Agreements between Iroquois Valley REIT and each option grantee. Historical membership interest options have automatically converted to share options reflecting the 4-for-1 split as part of the reorganization.

Salary, wage compensation and staff contractor fees represent the biggest cash expense of Iroquois Valley Farms. Iroquois Valley Farms paid approximately $517,000 in such expenses in 2017. Iroquois Valley Farms will likely continue to provide cash bonuses in addition to salary payments to officers and other full and part time staff as performance incentives.

Litigation

There is no past, pending, or threatened litigation or administrative action against the Company. None of the Company's officers, members of the Board of Directors or other key personnel have any past, pending or threatened litigation or administrative action which has had or may have a material effect upon the Company's business, financial condition, or operations.

Federal Tax Aspects

Iroquois Valley REIT has been organized and operates in such a manner as to qualify for taxation as a REIT under the Code, and Iroquois Valley REIT intends to continue to operate in such a manner. However, no assurances can be given that it will operate in a manner so as to qualify or remain qualified as a REIT. The laws governing the federal income tax treatment of a REIT and its shareholders are highly technical and complex. While Iroquois Valley REIT intends to operate so that it will qualify as a REIT, given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations, and the possibility of future changes in the Company's circumstances, no assurance can be given by us that Iroquois Valley REIT will so qualify for any particular year. Furthermore, the Company has not sought and will not seek an advance ruling from the IRS regarding any matter discussed in this Memorandum. The Company continues to examine the impact that the 2017 Tax Act may have on the Company's business and the potential impacts of the 2017 Tax Act are still being evaluated by the Company. This Memorandum does not purport to disclose all effects of the 2017 Tax Act which could have material positive or negative impacts on the Company and/or its future tax position.

Iroquois Valley REIT's qualification and taxation as a REIT depends on its ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of share ownership, and various qualification requirements imposed upon REITs by the Code related to Iroquois Valley REIT's income and assets. Its ability to qualify as a REIT also requires that certain asset tests be satisfied, some of which depend upon the fair market values of assets directly or indirectly owned by Iroquois Valley REIT. Such values may not be susceptible to a precise determination.

While the Company intends to operate in a manner that will allow Iroquois Valley REIT to qualify as a REIT, no assurance can be given that the actual results of Iroquois Valley REIT's operations for any taxable year satisfy such requirements for qualification and taxation as a REIT. If Iroquois Valley REIT qualifies as a REIT, it generally will not be subject to federal income tax on the taxable income that it distributes to its shareholders. The benefit of that tax treatment is that it avoids the "double taxation," or taxation at both the corporate and shareholder levels, that generally results from owning stock in a corporation. Any net operating losses, foreign tax credits and other tax attributes generally will not pass through to its shareholders.

Furthermore, even if Iroquois Valley REIT qualifies as a REIT, it may be subject to federal tax in the following circumstances:

- Iroquois Valley REIT will pay federal income tax on any taxable income, including undistributed net capital gain, which it does not distribute to shareholders during, or within a specified time period after, the calendar year in which the income is earned.

- Iroquois Valley REIT may be subject to the "alternative minimum tax" on any items of tax preference including any deductions of net operating losses.

- If Iroquois Valley REIT fails to satisfy one or both of the 75% gross income test or the 95% gross income test (described below) and nonetheless continues to qualify as a REIT because Iroquois Valley REIT meets other requirements, it will pay a 100% tax on the gross income attributable to the greater of the amount by which Iroquois Valley REIT fails the

75% gross income test or the 95% gross income test, in either case, multiplied by a fraction intended to reflect Iroquois Valley REIT's profitability.

- If Iroquois Valley REIT fails to distribute during a calendar year at least the sum of (i) 85% of its ordinary income for the year, (ii) 95% of its capital gain net income for the year, and (iii) any undistributed taxable income required to be distributed from earlier periods, Iroquois Valley REIT will pay a 4% nondeductible excise tax on the excess of the required distribution over the amount it actually distributed.

- Iroquois Valley REIT may elect to retain and pay income tax on its net long-term capital gain. In that case, a shareholder would be taxed on its proportionate share of the undistributed long-term capital gain (to the extent that Iroquois Valley REIT made a timely designation of such gain to the shareholders) and would receive a credit or refund for its proportionate share of the tax it paid. In addition, to the extent Iroquois Valley REIT elects to retain and pay income tax on its long-term capital gain, such retained amounts will be treated as having been distributed for purposes of the 4% excise tax described above.

- Iroquois Valley REIT will be subject to a 100% excise tax on transactions with Iroquois Valley TRS that are not conducted on an arm's-length basis.

- In the event Iroquois Valley REIT fails to satisfy any of the asset tests (other than a *de minimis* failure of the 5% asset test, the 10% vote test or 10% value test) as long as the failure was due to reasonable cause and not to willful neglect, Iroquois Valley REIT can file a description of each asset that caused such failure with the IRS, and it can dispose of the assets causing the failure or otherwise comply with the asset tests within six months after the last day of the quarter in which it identifies such failure, Iroquois Valley REIT will pay a tax equal to the greater of $50,000 or the highest federal income tax rate then applicable to U.S. corporations (which, following enactment of the 2017 Tax Act, will be a flat 21% tax rate – down from the pre-2017 Tax Act variable rate of up to 35%) on the net income from the non-qualifying assets during the period in which it failed to satisfy the asset tests.

- In the event Iroquois Valley REIT fails to satisfy one or more requirements for REIT qualification (other than the gross income tests and the asset tests) and such failure is due to reasonable cause and not to willful neglect, it will be required to pay a penalty of $50,000 for each such failure.

- If Iroquois Valley REIT acquires any asset from a C corporation (or a corporation that generally is subject to full corporate-level tax) in a merger or other transaction in which it acquires a basis in the asset that is determined by reference to the C corporation's basis in the asset, Iroquois Valley REIT will pay tax at the highest regular corporate rate applicable if it recognizes gain on the sale or disposition of the asset during the 5-year period after it acquires the asset unless the C corporation elects to recognize the built-in gain on the day before the property is transferred to it. The amount of gain on which it will pay tax is the lesser of: (i) the amount of gain that it recognizes at the time of the sale or disposition, and (ii) the amount of gain that it would have recognized if it had sold the asset at the time it acquired it.

- Iroquois Valley REIT may be required to pay monetary penalties to the IRS in certain circumstances, including if it fails to meet record-keeping requirements intended to monitor its compliance with rules relating to the composition of a REIT's shareholders.

- The earnings of Iroquois Valley TRS (a subchapter C corporation) will be subject to federal corporate income tax. In addition, notwithstanding Iroquois Valley REIT's qualification as a REIT, it may also have to pay certain state and local income taxes because not all states and localities treat REITs in the same manner that they are treated for federal income tax purposes.

Requirements for Qualification. A REIT is a corporation, trust, or association that meets each of the following requirements: (i) it is managed by one or more trustees or directors, (ii) its beneficial ownership is evidenced by transferable shares, or by transferable certificates of beneficial interest, (iii) it would be taxable as a domestic corporation, but for the REIT provisions of the federal income tax laws, (iv) it is neither a financial institution nor an insurance company subject to special provisions of the federal income tax laws, (v) at least 100 persons are beneficial owners of its shares or ownership certificates, (vi) not more than 50% in value of its outstanding shares or ownership certificates is owned, directly or indirectly, by five or fewer individuals, which the Code defines to include certain entities, during the last half of any taxable year, (vii) it elects to be a REIT, or has made such election for a previous taxable year, and satisfies all relevant filing and other administrative requirements established by the IRS that must be met to elect and maintain REIT status, (viii) it meets certain other qualification tests, described below, regarding the nature of its income and assets and the amount of its distributions to shareholders, and (ix) it uses a calendar year for federal income tax purposes and complies with the recordkeeping requirements of the federal income tax laws.

Record Keeping Requirements. Iroquois Valley REIT is required to maintain records disclosing the actual ownership of stock in order to monitor its compliance with the share ownership requirements. To do so, Iroquois Valley REIT will request required written statements each year from the record holders of certain minimum percentages of the shares in which such record holders must disclose the actual owners of the shares. Shareholders who fail or refuse to comply with the demand must submit a statement with their tax returns disclosing the actual ownership of Iroquois Valley REIT Shares and certain other information. The restrictions in the bylaws, however, may not ensure that Iroquois Valley REIT will, in all cases, be able to satisfy such share ownership requirements. If Iroquois Valley REIT fails to satisfy these share ownership requirements, Iroquois Valley REIT will not qualify as a REIT.

Disregarded Entities and Partnerships. An unincorporated domestic entity, such as a partnership or limited liability company that has a single owner generally is not treated as an entity separate from its owner for federal income tax purposes. An unincorporated domestic entity with two or more owners is generally treated as a partnership for federal income tax purposes. Iroquois Valley REIT will be treated as a partner with Iroquois Valley TRS in a partnership that collectively owns Iroquois Valley LLC, and thus Iroquois Valley REIT and Iroquois Valley TRS will each be treated as owning its proportionate share of the assets of the partnership and as earning its allocable share of the gross income of Iroquois Valley LLC for purposes of the applicable REIT qualification tests.

Taxable REIT Subsidiaries (TRS). A REIT may own up to 100% of the shares of one or more Taxable REIT Subsidiaries ("TRS"). A TRS is a fully taxable corporation that may earn income that would not be qualifying income if earned directly by the parent REIT. Iroquois Valley REIT will not be treated as holding the assets of Iroquois Valley TRS or as receiving any income that Iroquois Valley TRS earns. Rather, the stock issued by Iroquois Valley TRS to Iroquois Valley REIT will be an asset in Iroquois Valley REIT's hands, and it will treat the distributions paid to it from Iroquois Valley TRS, if any, as income. Because Iroquois Valley REIT will not include the assets and income of Iroquois Valley TRS in determining its compliance with the REIT requirements, the Company may use such entities to undertake indirectly activities that the REIT rules might otherwise preclude Iroquois Valley REIT from doing directly or through Iroquois Valley LLC. Iroquois Valley TRS will pay income tax at regular corporate rates on any income that it earns. In addition, the TRS rules will limit the deductibility of interest paid or accrued by Iroquois Valley TRS to Iroquois Valley REIT to assure that the TRS is subject to an appropriate level of corporate taxation. REIT rules will also impose a 100% excise tax on transactions between Iroquois Valley TRS and Iroquois Valley REIT that are not conducted on an arm's-length basis.

Gross Income Tests.
Iroquois Valley REIT must satisfy two gross income tests annually to maintain its qualification as a REIT.

- First, at least 75% of its gross income for each taxable year must consist of defined types of income that it derives, directly or indirectly, from investments relating to real property or mortgages on real property or qualified temporary investment income. Qualifying income for purposes of that 75% gross income test generally includes: (i) rents from real property, (ii) interest on debt secured by mortgages on real property, or on interests in real property, (iii) dividends or other distributions on, and gain from the sale of, shares in other REITs, (iv) gain from the sale of real estate-related assets, (v) income and gain derived from foreclosure property, and (vi) income derived from the temporary investment of new capital that is attributable to the issuance of stock or a public offering of debt with a maturity date of at least five years and that Iroquois Valley REIT receives during the one-year period beginning on the date on which it received such new capital.

- Second, in general, at least 95% of Iroquois Valley REIT's gross income for each taxable year must consist of income that is qualifying income for purposes of the 75% gross income test, other types of interest and dividends, gain from the sale or disposition of shares or securities, or any combination of these. Gross income from the sale of property that Iroquois Valley REIT holds primarily for sale to customers in the ordinary course of business will be excluded from both the numerator and the denominator in both gross income tests.

Leases; Sale Leaseback. In order for the rent paid under the Company's leases to constitute "rents from real property," the leases must be respected as true leases for federal income tax purposes and not treated as service contracts, joint ventures or some other type of arrangement. The determination of whether the Company's leases are true leases depends on an analysis of all the surrounding facts and circumstances. The intent is to structure any leases Iroquois Valley REIT or Iroquois Valley LLC enters into so that the leases will qualify as true leases for federal income tax purposes. If said leases are characterized as service contracts or partnership agreements (rather than as true leases) part or all of the payments that are received may not be considered rent or may not otherwise satisfy the various requirements for qualification as "rents from real property." In that case, Iroquois Valley REIT likely would not be able to satisfy either the 75% or 95% gross income test and, as a result, would lose its REIT status. In addition, the Company anticipates entering into sale-leaseback transactions. It is possible that the IRS could take the position that specific sale leaseback transactions that Iroquois Valley REIT treats as true leases are financing arrangements or loans (rather than true leases for federal income tax purposes). Re-characterization of a sale-leaseback transaction as a financing arrangement or loan could jeopardize Iroquois Valley REIT's REIT status.

Prohibited Transactions. REITs incur 100% tax on the net income (including foreign currency gain) derived from any sale or other disposition of property, other than foreclosure property, that the REIT holds primarily for sale to customers in the ordinary course of a trade or business, unless it qualifies for a safe harbor exception. The Company believes that none of its assets will be held primarily for sale to customers and that a sale of any of its assets will not be in the ordinary course of the Company's business. Whether a REIT holds an asset "primarily for sale to customers in the ordinary course of a trade or business" depends, however, on the facts and circumstances in effect from time to time, including those related to each particular asset. A safe harbor to the characterization of the sale of property by a REIT as a prohibited transaction and the 100% prohibited transaction tax is available generally if the REIT has held the property for not less than two years and certain other requirements are met. The Company will attempt to comply with the terms of the safe-harbor provisions in the federal income tax laws prescribing when an asset sale will not be characterized as a prohibited transaction. The Company cannot assure you, however, that it can comply with the safe-harbor provisions or that it will avoid owning property that may be characterized as property that is held "primarily for sale to customers in the ordinary course of a trade or business." (The 100% tax will not apply to gains from the sale of property that is held through Iroquois Valley TRS or other taxable corporation, although such income will be taxed to the corporation at regular corporate income tax rates.)

Failure to Satisfy Gross Income Tests. If Iroquois Valley REIT fails to satisfy one or both of the gross income tests for any taxable year, it nevertheless may qualify as a REIT for that year if it qualifies for relief under certain provisions of the federal income tax laws. Those relief provisions are available if Iroquois Valley REIT's failure to meet those tests is due to reasonable cause and not to willful neglect, and following such failure for any taxable year, Iroquois Valley REIT files a schedule of the sources of its income in accordance with regulations prescribed by the Secretary of the U.S. Treasury. The Company cannot predict, however, whether in all circumstances Iroquois Valley REIT would qualify for the relief provisions. In addition, even if the relief provisions apply, Iroquois Valley REIT would incur a 100% tax on the gross income attributable to the greater of the amount by which it fails the 75% gross income test or the 95% gross income test multiplied, in either case, by a fraction intended to reflect its profitability.

Asset Tests. Iroquois Valley REIT must also must satisfy the following asset tests at the end of each quarter of each taxable year. First, at least 75% of the value of Iroquois Valley REIT's total assets must consist of (i) cash or cash items, (ii) government securities, (iii) "real estate assets" including leaseholds and options to acquire real property and leaseholds, (iv) stock in other REITs, (v) investments in stock or debt instruments during the one-year period following its receipt of new capital that it raises through equity offering or public offerings of debt with at least a five-year term, and (vi) debt instruments issued by publically offered REITS. Second, of the investments <u>not</u> included in the 75% asset class, the value of Iroquois Valley REIT's interest in any one issuer's securities may not exceed 5% of the value of its total assets, or the 5% asset test. Third, of the investments <u>not</u> included in the 75% asset class, Iroquois Valley REIT may not own more than 10% of the voting power of any one issuer's outstanding securities or 10% of the value of any one issuer's outstanding securities, or the 10% vote test or 10% value test, respectively.

Fourth, no more than 20% of the value of Iroquois Valley REIT's total assets may consist of the securities of Iroquois Valley TRS or any other TRSs. Fifth, no more than 25% of the value of Iroquois Valley REIT's total assets may consist of "non-qualified publicly offered REIT debt instruments." To the extent rent attributable to personal property leased with real property is treated as rents from real property (because the rent attributable to personal property does not exceed 15% of total rent), the personal property will be treated as a real estate asset for purposes of the 75% asset test. Similarly, debt obligation secured by a mortgage on both real and personal property will be treated as a real estate asset for purposes of the 75% asset test, and interest thereon will be treated as interest on an obligation secured by real property, if the fair market value of the personal property does not exceed 15% of the fair market value of all property securing the debt. Thus, there would be no apportionment for purposes of the asset tests or the gross income tests if the fair market value of personal property securing the loan does not exceed 15% of the fair market value of all property securing the loan. For purposes of the 5% asset test, the 10% vote test and the 10% value test, the term "securities" does not include shares in another REIT, equity or debt securities of a qualified REIT subsidiary or TRS, mortgage loans that constitute real estate-related assets, or equity interests in a partnership.

No independent appraisals will be obtained to support the Company's conclusions as to the value of its total assets or the value of any particular security or securities. Moreover, values of some assets may not be susceptible to a precise determination, and values are subject to change in the future. Furthermore, the proper classification of an instrument as debt or equity for federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT asset requirements. Accordingly, there can be no assurance that the IRS will not contend that Iroquois Valley REIT's interests in Iroquois Valley LLC or Iroquois Valley TRS, or in the securities of other issuers, will not cause a violation of the REIT asset tests.

The Company will monitor the status of Iroquois Valley REIT's assets for purposes of the various asset tests in order to comply at all times with such tests. However, there is no assurance that Iroquois Valley REIT will not inadvertently fail to comply with such tests. If Iroquois Valley REIT fails to satisfy the asset tests at the end of a calendar quarter, it will not lose its REIT qualification if it satisfied the asset tests at the end of the preceding calendar quarter and the discrepancy between the value of its assets and the asset test requirements arose from changes in the market values of its assets and was not wholly or partly caused by the acquisition of one or more non-qualifying assets.

Distribution Requirements. Each year, Iroquois Valley REIT must distribute dividends (other than capital gain dividends and deemed distributions of retained capital gain) to shareholders in an aggregate amount at least equal to the sum of (A) 90% of its "REIT taxable income," (computed without regard to the dividends paid deduction and its net capital gain or loss), and (B) 90% of its after-tax net income, if any, from foreclosure property, minus, (A) the sum of certain items of non-cash income. Iroquois Valley REIT may elect to retain out net long-term capital gain and pay tax on such gain. In the event it so elects, Iroquois Valley REIT could elect to have shareholders include such long-term capital gain in their taxable income (without receipt of the related cash) and receive a "credit" for their share of the corporate tax paid. Shareholders would be allowed to increase the adjusted tax basis of their stock by the difference between (i) the amounts designated by Iroquois Valley REIT to be included in their long-term capital gain and (ii) the tax deemed paid with respect to those shares. Furthermore, if Iroquois Valley REIT fails to distribute during a calendar year, or by the end of January following the calendar year in the case of distributions with declaration and record dates falling in the last three months of the calendar year, at least the sum of: (i) 85% of its REIT ordinary income for such year, (ii) 95% of its REIT capital gain income for such year, and, (iii) undistributed taxable income from prior periods, Iroquois Valley REIT will incur a 4% nondeductible excise tax on the excess of such required distribution over the amounts it actually distributes.

Iroquois Valley REIT intends to make timely distributions sufficient to satisfy the annual distribution requirements and to avoid corporate income tax and the 4% nondeductible excise tax. In the event Iroquois Valley REIT has a net operating loss carryforward from a prior tax year, it may use such carryforward to reduce its distribution requirement. The use of such carryforward will not impact the character of the distributions actually made, which are generally taxable to the shareholders to the extent Iroquois Valley REIT has current or accumulated earnings and profits.

It is possible that Iroquois Valley REIT may not have sufficient cash to meet its distribution requirements discussed above. This could result because of competing demands for funds, or because of timing differences between the actual receipt of income and actual payment of deductible expenses and the inclusion of that income and deduction of such expenses in arriving at its REIT taxable income. As such, Iroquois Valley REIT may have less cash than is necessary to distribute taxable income sufficient to avoid corporate income tax and the excise tax imposed on certain undistributed income or even to meet the 90% distribution requirement. In such a situation, the Company may need to borrow funds, raise funds through the issuance of additional shares of common stock or, if possible, pay taxable dividends of Iroquois Valley REIT's common stock or debt securities.

Tax Returns. Iroquois Valley REIT is required to file an annual federal income tax return, which, like other corporate returns, is subject to examination by the IRS. Because the tax law requires making of many judgments regarding the proper treatment of a transaction or an item of income or deduction, it is possible that the IRS will challenge positions taken in computing Iroquois Valley REIT's taxable income and its distributions. Should the IRS successfully challenge the Company's characterization of a transaction or determination of REIT taxable income, Iroquois Valley REIT could be found to have failed to satisfy a requirement for qualification as a REIT. Under certain circumstances, Iroquois Valley REIT may be able to correct a failure to meet the distribution requirement for a year by paying "deficiency dividends" to shareholders in a later year. Iroquois Valley REIT may include such deficiency dividends in its deduction for dividends paid for the earlier year. Although it may be able to avoid income tax on amounts distributed as deficiency dividends, it will be required to pay interest to the IRS based upon the amount of any deduction taken for deficiency dividends.

Failure to Qualify. If Iroquois Valley REIT fails to satisfy one or more requirements for REIT qualification (other than the gross income tests and the asset tests) Iroquois Valley REIT could avoid disqualification if failure is due to reasonable cause and not to willful neglect and Iroquois Valley REIT pays a penalty of $50,000 for each such failure. As described above, there are relief provisions for a failure of the gross income tests and asset tests.

If Iroquois Valley REIT fails to qualify as a REIT in any taxable year (and no relief provision applies) Iroquois Valley REIT would be subject to federal income tax and any applicable alternative minimum tax on its taxable income at regular corporate rates. In calculating its taxable income in a year in which it failed to qualify as a REIT, Iroquois Valley REIT would not be able to deduct amounts paid out to shareholders. In fact, Iroquois Valley REIT would not be required to distribute any amounts to shareholders in that year. In such event, to the extent of its current and accumulated earnings and profits, distributions to shareholders generally would be taxable as ordinary income. Unless Iroquois Valley REIT qualified for relief under specific statutory provisions, it also would be disqualified from taxation as a REIT for the four taxable years following the year during which it ceased to qualify as a REIT. The Company cannot predict whether in all circumstances Iroquois Valley REIT will qualify for such statutory relief.

Taxation of U.S. Holders. For any taxable year for which Iroquois Valley REIT qualifies for taxation as a REIT, amounts distributed to, and gains realized by, taxable U.S. shareholders with respect to the Shares generally will be taxed as described below.

As long as Iroquois Valley REIT qualifies as a REIT, a taxable U.S. shareholder must generally take into account as ordinary income distributions made out of Iroquois Valley REIT's current or accumulated earnings and profits that it does not designate as capital gain dividends or retained long-term capital gain.

A U.S. shareholder will not qualify for the dividends received deduction generally available to corporations. In addition, dividends paid to a U.S. shareholder generally will not qualify for the 15% tax rate for "qualified dividend income." As a result, ordinary REIT dividends will be taxed at the higher tax rate applicable to ordinary income. However, the 15% tax rate for qualified dividend income will apply to ordinary REIT dividends (i) attributable to dividends received by Iroquois Valley REIT from non-REIT corporations, such as a TRS, and (ii) to the extent attributable to income upon which Iroquois Valley REIT has paid corporate income tax (e.g., to the extent that Iroquois Valley REIT distributes less than 100% of its taxable income).

A U.S. shareholder generally will take into account as long-term capital gain any distributions that designated as capital gain dividends without regard to the period for which the U.S. shareholder has held the Shares. Iroquois Valley REIT generally will designate its capital gain dividends as either 15% or 25% rate distributions. A corporate U.S. shareholder, however, may be required to treat up to 20% of certain capital gain dividends as ordinary income.

Iroquois Valley REIT may elect to retain and pay income tax on the net long-term capital gain that it receives in a taxable year. In that case, to the extent that it designates such amount in a timely notice to such shareholder, a U.S. shareholder would be taxed on its proportionate share of its undistributed long-term capital gain. The U.S. shareholder would receive a credit for its proportionate share of the tax Iroquois Valley REIT paid. The U.S. shareholder would increase the basis in its stock by the amount of its proportionate share of Iroquois Valley REIT's undistributed long-term capital gain, minus its share of the tax Iroquois Valley REIT paid. A U.S. shareholder will not incur tax on a distribution in excess of Iroquois Valley REIT's current and accumulated earnings and profits if the distribution does not exceed the adjusted basis of the U.S. shareholder's stock. Instead, the distribution will reduce the adjusted basis of such stock.

A U.S. shareholder will recognize a distribution in excess of both Iroquois Valley REIT's current and accumulated earnings and profits and the U.S. shareholder's adjusted basis in his or her stock as long-term capital gain, or short-term capital gain if the shares of stock have been held for one year or less, assuming the shares of stock are a capital asset in the hands of the U.S. shareholder. In addition, if Iroquois Valley REIT declares a distribution in October, November, or December of any year that is payable to a U.S. shareholder of record on a specified date in any such month, such distribution shall be treated as both paid by Iroquois Valley REIT and received by the U.S.

shareholder on December 31st of such year, provided that the distribution is actually paid during January of the following calendar year.

Iroquois Valley REIT will be treated as having sufficient earnings and profits to treat as a dividend any distribution by us up to the amount required to be distributed in order to avoid imposition of the 4% excise tax discussed above. Moreover, any "deficiency distribution" will be treated as an ordinary or capital gain distribution, as the case may be, regardless of Iroquois Valley REIT's earnings and profits. As a result, shareholders may be required to treat as taxable some distributions that would otherwise result in a tax-free return of capital. U.S. Shareholders may not include in their individual income tax returns any of Iroquois Valley REIT's net operating losses or capital losses. Instead, these losses are generally carried over by Iroquois Valley REIT for potential offset against its future income. Taxable distributions from Iroquois Valley REIT and gain from the disposition of its stock will not be treated as passive activity income and, therefore, U.S. shareholders generally will not be able to apply any "passive activity losses," such as losses from certain types of limited partnerships in which the U.S. shareholder is a limited partner, against such income. In addition, taxable distributions from Iroquois Valley REIT and gain from the disposition of its stock generally will be treated as investment income for purposes of the investment interest limitations. Iroquois Valley REIT will notify U.S. shareholders after the close of the taxable year as to the portions of the distributions attributable to that year that constitute ordinary income, return of capital and capital gain.

Sale, Exchange, Redemption, Repurchase of the Shares. A U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized on the sale, exchange, redemption, repurchase by Iroquois Valley REIT or other disposition of a Shares (except to the extent the amount realized is attributable to accrued interest not previously included in income, which will be taxable as ordinary interest income) and the Holder's adjusted tax basis in such Shares. A Holder's adjusted tax basis in the Shares generally will be the initial purchase price for such Shares. Any gain or loss recognized on a taxable disposition of the Shares will be capital gain or loss. If, at the time of the sale, exchange, redemption, repurchase or other taxable disposition of the Shares, a U.S. holder is treated as holding the Shares for more than one year, such capital gain or loss will be a long-term capital gain or loss. Otherwise, such capital gain or loss will be a short-term capital gain or loss. In the case of certain non-corporate U.S. Holders (including individuals), long-term capital gains are generally eligible for reduced rates of U.S. federal income taxation. A U.S. Holder's ability to deduct capital losses may be limited.

Taxation of U.S. Shareholders on a Repurchase of Stock. A repurchase of Iroquois Valley REIT common stock will be treated under Section 302 of the Code as a distribution that is taxable as dividend income (to the extent of Iroquois Valley REIT's current or accumulated earnings and profits), unless the repurchase satisfies certain tests set forth in Section 302(b) of the Code enabling the repurchase to be treated as sale of Iroquois Valley REIT common stock. The repurchase will satisfy such tests if it (i) is "substantially disproportionate" with respect to the holder's interest in his, her or its Iroquois Valley REIT stock, (ii) results in a "complete termination" of the holder's interest in all Iroquois Valley REIT classes of stock, or (iii) is "not essentially equivalent to a dividend" with respect to the holder, all within the meaning of Section 302(b) of the Code. In determining whether any of these tests have been met, stock considered to be owned by the holder by reason of certain constructive ownership rules set forth in the Code, as well as stock actually owned, generally must be taken into account. Because the determination as to whether any of the three alternative tests of Section 302(b) of the Code described above will be satisfied with respect to any particular holder of Iroquois Valley REIT's common stock depends upon the facts and circumstances at the time that the determination must be made, prospective investors are advised to consult their own tax advisors to determine such tax treatment. If a repurchase of Iroquois Valley REIT common stock does not meet any of the three tests described above, the repurchase proceeds will be treated as a distribution. Shareholders should consult with their tax advisors regarding the taxation of any particular repurchase of Iroquois Valley REIT Shares.

Medicare Tax on Unearned Income. The Health Care and Reconciliation Act of 2010 requires certain U.S. holders that are individuals, estates or trusts to pay an additional 3.8% tax on "net investment income," which includes, among other things, interest on and gains from the sale or other disposition of Shares, effective for taxable years beginning after December 31, 2012. U.S. Holders should consult their tax advisors regarding this legislation.

Information Reporting and Backup Withholding. Information reporting requirements generally will apply to interest on the Shares and the proceeds of a sale of Shares paid to a U.S. Holder unless the U.S. Holder is an exempt recipient (such as a corporation). Backup withholding will apply to those payments if the U.S. Holder fails to provide its correct taxpayer identification number, or certification of exempt status, or if the U.S. Holder is notified by the IRS that it has failed to report in full payments of interest and dividend income. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is furnished timely to the IRS.

Treatment of Tax-Exempt Shareholders. Tax-exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from federal income taxation. However, they are subject to taxation on their unrelated business taxable income, or UBTI. Although many investments in real estate generate UBTI, the IRS has issued a ruling that dividend distributions from a REIT to an exempt employee pension trust do not constitute UBTI so long as the exempt employee pension trust does not otherwise use the shares of the REIT in an unrelated trade or business of the pension trust. Based on that ruling, amounts that Iroquois Valley REIT distributes to tax-exempt shareholders generally should not constitute UBTI. However, if a tax-exempt shareholder were to finance (or be deemed to finance) its acquisition of stock with debt, a portion of the income that it receives from us would constitute UBTI pursuant to the "debt-financed property" rules. Moreover, social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under special provisions of the federal income tax laws are subject to different UBTI rules, which generally will require them to characterize distributions that they receive from us as UBTI. Finally, in certain circumstances, a qualified employee pension or profit sharing trust that owns more than 10% of Iroquois Valley REIT's capital stock must treat a percentage of the dividends that it receives as UBTI. Such percentage is equal to the gross income Iroquois Valley REIT derives from an unrelated trade or business, determined as if Iroquois Valley REIT was a pension trust, divided by Iroquois Valley REIT's total gross income for the year in which it pays the dividends. That rule applies to a pension trust holding more than 10% of Iroquois Valley REIT's capital stock only if: (i) the percentage of Iroquois Valley REIT dividends that the tax-exempt trust must treat as UBTI is at least 5%, (ii) Iroquois Valley REIT qualifies as a REIT by reason of the modification of the rule requiring that no more than 50% of Iroquois Valley REIT's stock be owned by five or fewer individuals that allows the beneficiaries of the pension trust to be treated as holding its capital stock in proportion to their actuarial interests in the pension trust; and, (iii) either (A) one pension trust owns more than 25% of the value of Iroquois Valley REIT's capital stock, or (B) a group of pension trusts individually holding more than 10% of the value of Iroquois Valley REIT's capital stock collectively owns more than 50% of the value of Iroquois Valley REIT's capital stock.

Legislative or Other Actions Affecting REITs. The rules dealing with U.S. federal income taxation are constantly under review. No assurance can be given as to whether, when or in what form, the U.S. federal income tax laws applicable to us and shareholders may be changed. Changes to the federal tax laws and interpretations of federal tax laws could adversely affect an investment in Shares.

State and Local Taxes. Iroquois Valley REIT and shareholders may be subject to taxation by various states and localities, including those in which Iroquois Valley REIT shareholder transacts business, owns property or resides. The state and local tax treatment may differ from the federal income tax treatment described above. Consequently, each shareholder should consult with his, her or its tax advisors regarding the effect of state and local tax laws upon an investment in Shares.

Taxation of Non-U.S. Shareholders. The term "non-U.S. shareholder" means a holder of Iroquois Valley REIT stock that is not a U.S. shareholder, a partnership (or entity treated as a partnership for federal income tax purposes) or a tax-exempt shareholder. The rules governing federal income taxation of nonresident alien individuals, foreign corporations, foreign partnerships, and other foreign shareholders are complex. Iroquois Valley REIT urges non-U.S. shareholders to consult their own tax advisors to determine the impact of federal, state, and local income tax laws on the purchase, ownership and sale of Shares, including any reporting requirements. Generally, distributions to a non-U.S. shareholder that is not attributable to gain from the sale or exchange of a "U.S. real property interest," that Iroquois Valley REIT does not designate as a capital gain dividend or retained capital gain and that Iroquois Valley REIT pay out of its current or accumulated earnings and profits will be subject to a withholding tax equal to 30% of the gross amount of the distribution unless an applicable tax treaty reduces or eliminates the tax. Non-U.S. shareholders are encouraged to consult with their tax advisers regarding the possible implications of IRS rules on an investment in Shares.

Miscellaneous Factors

<u>Management and Resources of the Company</u>
The Directors and Officers of Iroquois Valley Farms will devote such time as they, in their sole discretion, deem necessary or appropriate to carry out Iroquois Valley Farms' operations. The Directors and Officers, directly and indirectly, are involved in other companies and are under no obligation to devote their full time efforts to the business of the Company. Accordingly, there may exist conflicts of interest in the allocation of resources by the Directors and the Officers between the Company and other related or unrelated activities of the Directors and Officers and their respective affiliated entities.

<u>Potential Conflicts of Interest</u>
Working Farms Management (dba Working Farms Capital), an entity wholly owned by David E. Miller, has historically provided transitional organic farm management and seed capital to new ventures, including Iroquois Valley LLC when originally established, as well as Two Roads Farm and Pleasant Ridge Farm, both of which are now owned by the Company.

Trellis Capital L3C, an entity wholly owned by Kevin Egolf, was created to fund, promote, support and manage sustainable, responsible, regenerative, impact investments. Currently Trellis Capital L3C is the manager of Local Farms Fund – NY Foodshed LLC. This venture is focused on early stage farmers and small farms in the New York City Foodshed, which is defined by Local Farms Fund as the states connected to the New York Metropolitan Area (New York, New Jersey, Connecticut and Pennsylvania). Local Farms Fund seeks smaller investors looking for a more localized investment option with community investment level returns. While this venture and other future vehicles have different models, conflicts of interest may exist between these entities and the Company.

Both Mr. Egolf, CFO, and Ms. Ophiem, Senior Vice-President, Farmer Relations, are creditors to Iroquois Valley LLC. There may be conflicts of interests between their credit positions and respective roles for the Company. Mr. Egolf is also a borrower of Iroquois Valley LLC via an executive loan.

Troy Throneberg is both an investor in Iroquois Valley REIT and the lessee of Two Roads Farm.

Former member of the Company's Board of Directors, Harold Wilken, is both an investor in Iroquois Valley REIT and the lessee of two of the Company's farms (Iroquois Valley East and Iroquois Valley West).

Andy Ambriole, as well as being an investor in Iroquois Valley REIT, is both a Director of Iroquois Valley REIT and the lessee of five of the Company's farms (Old Oak, Sparta Woods, Brindle, Yoder and Lake Wawasee) (see "Business and Farmland – Farmland Summary Table"). As such, there could be a future conflict of interest between Mr. Ambriole's role as a Director and as the tenant of these farms.

Historical Financial Statements

The financial information presented below reflects the results of Iroquois Valley LLC for figures reporting on and prior to 2016. 2017 reflects the results for Iroquois Valley REIT. As majority subsidiary of Iroquois Valley REIT, the financial results of Iroquois Valley LLC approximate the financial results of the Company as a whole had the current organizational structure been in place throughout the period presented.

It should also be noted that for 2016, Iroquois Valley LLC changed accounting treatment. Prior to 2016, Iroquois Valley LLC reported as an "investment company" whereby assets were marked to market each year and unrealized income or loss was reported through the income statement. Due to the REIT conversion (see "Operating Structure") and to better represent the business as an ongoing corporate entity, the Company converted to "operating company" reporting. Under these reporting standards assets are depreciated and the depreciation expense is reported on the income statement. This creates difficulty in year-over-year comparisons when looking at historical financial statements. As such the Company is only reporting on results for 2014 and 2015 through the Key Comparability Metrics (see below). Management has adjusted the audited figures reported in 2014 and 2015 to match the accounting method currently in place. Full financial reports for fiscal years prior to 2016 are available upon request. This reporting does not comply with GAAP standards.

KEY COMPARABILITY METRICS

	Year Ending December 31,			
	2014	2015	2016	2017 (4)
Total Assets	$18,978,439	$23,232,099	$29,869,295	$42,806,531
Total Equity	13,343,437	16,718,659	21,552,867	26,024,607
Revenue	671,525	981,426	1,142,089	1,598,834
Operating Income	121,521	197,081	205,784	608,826
Net Income	(22,822)	10,464	(4,252)	217,173
Cash Earnings (1)	117,931	190,142	184,581	399,448
New Investments (2)	6,382,012	4,844,870	7,289,343	13,303,113
Capital Raised (3)	7,466,704	4,816,048	6,677,098	9,553,779
Farms (Owned)	21	27	32	36
Owned Acres	2,790	3,581	4,413	6,434
Mortgage Loan Investments	0	0	5	11
Mortgage Acres	0	0	910	1,968

Note: 2014 and 2015 reflect company adjustments made to the audited financials to create a comparison with the 2016 and 2017 financials.

(1) Net income plus non-cash operating costs (depreciation, amortization and option expense).

(2) Investments made in farmland or farmland mortgages.

(3) Capital raised through private offerings (debt and equity).

(4) As of offering date, reflects unaudited figures.

The financial results presented below are taken from two financial statements. As of the offering date, the financials presented under the year ending December 31, 2017 were not audited. Based on the current status of the financial audit management does not believe there will be any material changes to the figured reported herein. The financial statement notes are an integral part of the financial statement and can be viewed in Appendix IV and V, which contain the full reports.

BALANCE SHEET

	Year Ending December 31,	
	Audited	Unaudited
ASSETS	2016	2017
Cash and cash equivalents	$560,948	$458,373
Accounts receivable	343,588	585,138
Prepaids and other assets	97,361	106,566
Loan Assets, net	3,598,641	7,688,090
Fixed Assets, net	25,268,757	33,968,364
	$29,869,295	$42,806,531
LIABILITIES AND EQUITY		
Mortgages Payable (incl. LoC)	$3,168,640	$6,569,268
Accounts payable and Accrued expenses	152,788	307,656
Note payable, subordinated	4,995,000	9,905,000
	8,316,428	16,781,924
EQUITY	21,552,867	26,024,607
	$29,869,295	$42,806,531

INCOME STATEMENT

	Year Ending December 31,	
	Audited 2016	Unaudited 2017
Rental income	$974,967	$1,098,583
Mortgage Income	77,065	366,782
Lease reimbursements	90,057	124,996
Other (1)	--	8,473
	1,142,089	1,598,834
G&A expenses (incl. Prof. Fees)	587,961	651,914
Real estate taxes	110,681	140,260
Insurance and other	13,266	15,559
Restructuring Expense	35,564	--
Option-based compensation expense	76,791	39,268
Depreciation and Amortization	112,042	143,007
	936,305	990,008
Operating Income	205,784	608,826
Interest expense	210,036	391,653
NET INCOME (LOSS)	($4,252)	$217,173

(1) For 2016, other revenue was included in rental income.

Financial Projections

	Unaudited	Projection	Projection	Projection
		Year Ending December 31,		
	2017	2018	2019	2020
Rental income	$1,098,583	$1,612,307	$2,081,807	$2,278,807
Lease reimbursements	124,996	194,847	270,899	302,810
Mortgage Income	366,782	599,683	988,883	1,186,050
Other income	8,473	10,167	12,200	13,420
	1,598,834	2,417,004	3,353,790	3,781,087
G&A expenses (incl. Prof. Fees)	651,914	1,025,697	1,435,976	1,723,171
Real estate taxes	140,260	205,548	281,600	313,511
Insurance and other	15,559	16,337	16,828	17,332
Option-based comp. exp.	39,268	8,922	0	0
Depreciation and Amortization	143,007	168,036	216,968	237,500
	990,008	1,424,541	1,951,371	2,291,514
Operating Income	608,826	992,464	1,402,418	1,489,573
Interest expense	391,653	555,779	618,195	551,994
NET INCOME (LOSS)	$217,173	$436,685	$784,223	$937,579
Cash Earnings	$399,448	$613,643	$1,001,191	$1,175,079

Management has prepared the above projections assuming full subscription of this Offering as well as other offerings underway and planned subsequent offerings.

While management believes its projections have a reasonable basis, there can be no assurance the projections will be met, and actual results may be materially different based on a number of variables, many of which are not within the Company's control. Significant assumptions used in the projections are discussed below.

Revenue reflects rental and mortgage income growth from new investments made during 2018 and 2019, approximately $20 million per year. The amount of capital needed to fund $40 million over the next two years would require a subsequent offering to the Offering contemplated herein. Given the historical track record of raising money every year since 2011 management believes it is fair to assume follow-on offerings in its projections. In both 2018 and 2019, the projections assume Iroquois Valley Farms will have approximately $13 million in land purchases and $7 million in mortgages. The rates and terms on these investments are consistent with historical practices. The results further assume no new offering is launched in 2020 and the Company makes no investments during the year. While the Company thinks it will likely continue to raise capital in 2020 and beyond, it has not forecasted those events into the projections above. This is specifically an attempt to show a final year projection that is closer to "run-rate" data (assuming no future investments).

General and administrative expense reflects the budgeted figure for 2018. This summary number is based on a detailed budget reviewed and approved by the Board of Directors and is calculated from a detailed review of Iroquois Valley Farms' G&A cost line items. For 2018 and 2019, the projection is based on a 35% and 10% growth above the prior years' results, respectively. These growth rates are slightly below each year's respective total revenue growth and represent the Company's ability to leverage fixed costs with in the G&A accounts.

Insurance is projected to increase 5% in 2018 and 3% in 2019 and 2020. These increases are consistent with historical trends.

Option expense for 2018 reflects the known expense yet to run through the P&L for options issued in 2016. The Company, at this time, is planning to discontinue this compensation strategy, replacing options with additional cash compensation and performance bonuses. Therefore, there is no option expense forecasted for 2019 and 2020.

Depreciation and Amortization is projected on a percent of revenue basis. Management looked at historical D&A as percent of revenue and used that to forecast D&A for the projection period.

The interest expense projection for 2018 and 2019 are also based on a detailed budget, which reflects quarterly cash flows and debt balances to calculate interest expense and income for the year. 2020 reflects a full-year of interest on the debt balances as of the end of 2019. The total interest expense declines in 2020 due to the fact that no temporary borrowings are undertaken to fund acquisitions. In both 2018 and 2019, letters of credit are used for a portion of the year to fund investments ahead capital fundraising.

Projections exclude the modest impact of taxes paid through Iroquois Valley TRS and certain state level taxes that Iroquois Valley REIT may incur.

Finally, potential investors should note that the impact of the 2017 Tax Act may differ from the estimates set forth in the pro-forma financial information above, possibly materially, due to, among other things, changes in interpretations and assumptions made, additional guidance that may be issued and actions taken by the Company as a result of the 2017 Tax Act.

Investor Suitability Standards

The offer and sale of the Shares are being made in reliance on an exemption from the registration requirements of the Securities Act, specifically, SEC Regulation D, Rule 506(c). Accordingly, distribution of this Memorandum has been strictly limited to persons who Iroquois Valley REIT reasonably believes (i) are "Accredited Investors" (as defined by Rule 501(a) promulgated pursuant to the Securities Act and summarized below) and (ii) will be able to satisfy the requirements and make the representations set forth below pursuant to the Subscription Agreement, in the form included herewith as Appendix I. Additionally, Rule 506(c) prohibits Iroquois Valley REIT from selling any Shares to any potential purchaser that is not a verified Accredited Investor. Therefore, Iroquois Valley REIT reserves the right, in its sole discretion, to declare any prospective investor ineligible to purchase the Shares based on any information that may become known or available to Iroquois Valley REIT concerning the suitability of such prospective investor, for any reason, or for no reason.

Prospective investors should not construe the contents of this Memorandum as legal or tax advice. Each prospective investor should consult his, her or its own independent counsel, accountant or business advisor as to legal, tax and related matters concerning his, her or its investment.

Each investor will be required to certify that it is an Accredited Investor and be accredited as such. Iroquois Valley REIT has engaged a third-party verification provider to assist with the SEC's verification requirements pursuant to Rule 506(c) and each prospective investor will have the option of using Iroquois Valley REIT's selected verification provider or utilizing the services of certain enumerated professional advisors retained by the prospective investor, each as further outlined in the Subscription Agreement.

- Accredited Investor (as defined by Rule 501(a) promulgated pursuant to the Securities Act)
- Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase, exceeds $1,000,000. For purposes of calculating net worth: (i) the person's primary residence shall not be included as an asset: (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;
- Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;
- Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity;
- Any broker or dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934 (the "Exchange Act"); any insurance company as defined in Section 2(13) of

the Exchange Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company (SBIC) licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors;

- Any private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940;
- Any organization described in Section 501(c)(3)(d) of the Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;
- Any director or executive Officer, or general partner of the issuer of the securities being sold, or any director, executive Officer, or general partner of a general partner of that issuer;
- Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 506(b)(2)(ii) of Regulation D adopted under the Act;
- Any entity in which all of the equity owners are Accredited Investors;
- Any employee benefit plan established under the United States Employee Retirement Income Security Act of 1974 in which the investment decision is made by a plan fiduciary which is either a bank, savings and loan association, insurance company or registered investment advisor; or the plan has total assets in excess of $5,000,000; or if the plan is self-directed, the investment decisions are made solely by persons that are Accredited Investors; and
- Any plan established and maintained by a state of the United States, its political subdivisions, or any agency or instrumentality of a state of the United States or its political subdivisions, for the benefit of its employees that has total assets in excess of $5,000,000.

Appendix

The appendix items listed below are included in the Memorandum and provided under separate cover. The documents can be obtained from Iroquois Valley REIT by contacting Alex Mackay Egolf, Director of Business Development and Offering Contact at amackay@iroquoisvalleyfarms.com or invest@iroquoisvalleyfarms.com.

I. Subscription Agreement
II. Bylaws of Iroquois Valley Farmland REIT, PBC
III. Certificate of Incorporation of Iroquois Valley Farmland REIT, PBC
IV. Iroquois Valley Farms LLC Financial Statements and Independent Auditors Report – December 31, 2016
V. Iroquois Valley REIT Financial Statements – December 31, 2017 (unaudited) to be replaced by Iroquois Valley Farmland REIT PBC's Financial Statements and Independent Auditors Report – December 31, 2017 upon completion of the audit by the Company's independent outside accounting firm.