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Farmland Partners Inc. (NYSE: FPI) is an internally managed, publicly traded real estate company that owns and seeks to acquire high-quality farmland throughout North America addressing the global demand for food, feed, fiber and fuel.





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Some of the statements contained in this presentation, including statements regarding our full year 2018 guidance, portfolio development approach, our pending acquisitions, and other investment opportunities, our future growth prospects and targeted returns, farmland investment characteristics and certain trends, constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “predicts,” or “potential” or the negative of these words or similar words, which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances, many of which are beyond our control, that may cause actual results to differ significantly from those expressed in any forward-looking statement. While forward-looking statements reflect our good faith beliefs, assumptions and expectations, they are not guarantees of future performance. Furthermore, we expressly disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in the underlying assumptions or factors, new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause our future results to differ significantly from any forward-looking statements, see the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018, and our other filings with the Securities and Exchange Commission.

This presentation contains statistics and other data that has been obtained from or compiled from information made available by third parties. We believe that the information obtained from or compiled by third parties is reliable, but we have not independently verified such information.



Farmland Partners Inc. Reports First Quarter 2019 Results

DENVER, May 8, 2019 /PRNewswire/ - Farmland Partners Inc. (NYSE: FPI) (the "Company") today reported financial results for the quarter ended March 31, 2019.

First Quarter 2019 Highlights

- Reported total operating revenues of \$10.9 million, a 2.8% decrease over the same period in 2018
- Reported operating income of \$4.5 million, a 6.2% decrease over the same period in 2018
- Reported a basic net loss to common stockholders of \$0.10 per share
- Reported AFFO per share of -\$0.03
- Completed farm dispositions totaling \$4.7 million
- Repurchased \$6.5 million in shares of common stock at a weighted average price of \$5.61 per share and \$0.3 million of Series B Participating Preferred Stock at a weighted average price of \$18.51 per share

"As the company's common stock continues to trade well below NAV based on private market asset values, we continued to execute on our strategy of selling assets at a gain over purchase price, using the proceeds to reduce our debt and buy back stock at a discount," said Paul A. Pittman, the Company's Chairman and CEO. "We intend to continue doing so as long as this significant shareholder value creation opportunity persists."

Financial Results

For the three months ended March 31, 2019, the Company recorded net income of \$0.01 million and basic net loss to common stockholders of \$0.10 per share, as compared to net income of \$0.5 million and basic net loss to common stockholders of \$0.08 per share for the same period during 2018.

For the three months ended March 31, 2019, the Company recorded Adjusted Funds from Operations ("AFFO") of -\$1.0 million and AFFO per fully diluted share of -\$0.03, as compared to AFFO of -\$0.03 million and AFFO per fully diluted share of \$0.00 for the same period during 2018.

See "Non-GAAP Financial Measures" for complete definitions of AFFO and Adjusted EBITDA and the financial tables accompanying this press release for reconciliations of net income to AFFO and Adjusted EBITDA.

Operating Results

For the three months ended March 31, 2019, the Company recorded total operating revenues of \$10.9 million, as compared to \$11.2 million for the same period during 2018.

For the three months ended March 31, 2019, the Company recorded total operating income of \$4.5 million and net operating income ("NOI") of \$9.0 million, as compared to total operating income of \$4.8 million and NOI of \$9.5 million for the same period in 2018.

See "Non-GAAP Financial Measures" for a complete definition of NOI and the financial table included in this press release for reconciliations of net income to NOI.

Acquisition and Disposition Activity

During the quarter, the Company completed \$4.7 million in farm dispositions. Subsequent to the quarter ended March 31, 2019, the Company has completed \$10.8 million in additional farm dispositions.

Capital Markets Activity and Balance Sheet

During the quarter, the Company repurchased 1.2 million shares of common stock at a weighted average price of \$5.61 per share for an aggregate purchase price of \$6.5 million. The Company also repurchased 16,800 shares of the Series B Participating Preferred stock at a weighted average price of \$18.51 per share for an aggregate purchase price of \$0.3 million. Subsequent to quarter end and as of the date of this press release, the Company has repurchased an additional 0.5 million shares of common stock at a weighted average price of \$6.58 per share for an aggregate purchase price of \$3.2 million.

As of March 31, 2019, the Company had 34,232,698 shares of common stock outstanding on a fully diluted basis. As of the date of this press release, the Company had 33,752,428 shares of common stock outstanding on fully diluted basis.

[Continued on Next Page]



Press Release

The Company had total debt outstanding of \$523.2 million at March 31, 2019, compared to total debt outstanding of \$525.3 million at December 31, 2018.

Dividend Declarations

The Company announced that its Board of Directors has declared a quarterly cash dividend of \$0.05 per share of common stock and per Class A Common OP unit. The dividends are payable on July 15, 2019, to stockholders and unit holders of record on July 1, 2019.

The Company also announced today that its Board of Directors has declared a quarterly cash dividend of \$0.3750 per share of Series B Participating Preferred Stock. The dividends are payable on July 1, 2019, to holders of Series B Participating Preferred Stock of record on June 15, 2019.

Conference Call Information

The Company has scheduled a conference call on May 9, 2019 at 11:00 a.m. (Eastern Time) to discuss its financial results for the quarter ended March 31, 2019. The conference call can be accessed live over the phone toll-free by dialing 1-(866) 262-6804, or for international callers by dialing 1-(412) 902-4107. Participants can reference the Farmland Partners Inc. First Quarter 2019 Earnings Call. The conference call will also be available via a live listen-only webcast and can be accessed through the Investor Relations section of the Company's website, www.farmlandpartners.com. A replay of the conference call will be available beginning May 9, 2019 at 1:00 p.m. (Eastern Time) until May 23, 2019 at 11:59 p.m. (Eastern Time), by dialing 1-(877) 344-7529 (U.S.) or 1-(412) 317-0088 (International); passcode: 10131360. A replay of the webcast will also be accessible on the Investor Relations website for a limited time following the event.

About Farmland Partners Inc.

Farmland Partners Inc. is an internally managed real estate company that owns and seeks to acquire high-quality North American farmland and makes loans to farmers secured by farm real estate. As of the date of this release, the Company owns approximately 162,000 acres in 17 states, including Alabama, Arkansas, California, Colorado, Florida, Georgia, Illinois, Kansas, Louisiana, Michigan, Mississippi, Nebraska, North Carolina, South Carolina, South Dakota, Texas and Virginia. We have approximately 26 crop types and over 100 tenants. The Company elected to be taxed as a real estate investment trust, or REIT, for U.S. federal income tax purposes, commencing with the taxable year ended December 31, 2014.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the federal securities laws, including, without limitation, statements with respect to our full year and fourth quarter 2018 outlook, proposed and pending acquisitions and dispositions, the potential impact of trade disputes and recent hurricanes on the Company's results, financing activities, crop yields and prices and anticipated rental rates. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" or similar expressions or their negatives, as well as statements in future tense. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, beliefs and expectations, such forward-looking statements are not predictions of future events or guarantees of future performance and our actual results could differ materially from those set forth in the forward-looking statements. Some factors that might cause such a difference include the following: general volatility of the capital markets and the market price of the Company's common stock or Series B participating preferred stock, changes in the Company's business strategy, availability, terms and deployment of capital, the Company's ability to refinance existing indebtedness at or prior to maturity on favorable terms, or at all, availability of qualified personnel, changes in the Company's industry, interest rates or the general economy, adverse developments related to crop yields or crop prices, the degree and nature of the Company's competition, the timing, price or amount of repurchases, if any, under the Company's share repurchase program, the ability to consummate acquisitions under contract and the other factors described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2018, and our other filings with the Securities and Exchange Commission. Any forward-looking information presented herein is made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.



(Unaudited)

Financial Highlights

(\$ in thousands, except share and per share metrics)

Capitalization	3/31/19	3/31/18
Common shares	31,836,187	32,868,785
Common OP units	2,396,511	4,581,979
Fully diluted shares ¹	34,232,698	37,450,764
Common equity market capitalization	\$219,089	\$312,714
Preferred equity – Series A	\$117,878	\$117,878
Preferred equity – Series B	\$145,696	146,487
Preferred equity	\$263,574	\$264,365
Total debt outstanding, net of cash	\$502,423	\$494,308
Total capitalization	\$985,086	\$1,071,387
Share price	\$6.40	\$8.35

Financial Highlights	1Q19	1Q18
Revenues	\$10,889	\$11,207
NOI ²	\$8,957	\$9,510
Adjusted EBITDAre ²	\$7,058	\$7,494
Fully diluted net income (loss) per share	\$(0.10)	\$(0.08)
Fully diluted AFFO per share ²	\$(0.03)	\$0.00

Balance Sheet Highlights	3/31/19	3/31/18
Net debt to gross assets	44.1%	42.8%
Net debt to total capitalization	51.0%	46.3%
Fixed debt	71.7%	75.7%
Floating debt	28.3%	24.3%
Net debt to Adjusted EBITDAre ³	12.6x	13.3x

- 1) As of May 8, 2019, the Company had 33,752,428 fully diluted shares outstanding.
- 2) For definitions and reconciliations of net operating income (NOI) and Adjusted EBITDAre and for the definition of AFFO, refer to page 17, "Definitions and Reconciliations". For the reconciliation of AFFO, refer to page 8.
- 3) Based on EBITDAre for the trailing 12-month period. Refer to page 20.



(Unaudited)

Balance Sheet

(\$ in thousands)	March 31, 2019	December 31, 2018
ASSETS		
Land, at cost	\$ 953,499	\$ 957,516
Grain facilities	12,184	12,184
Groundwater	11,473	11,473
Irrigation improvements	54,956	53,458
Drainage improvements	12,311	12,271
Permanent plantings	53,052	52,989
Other	8,831	8,196
Construction in progress	9,756	10,262
Real estate, at cost	1,116,062	1,118,349
Less accumulated depreciation	(20,232)	(18,202)
Total real estate, net	<u>1,095,830</u>	<u>1,100,147</u>
Deposits	-	-
Cash	19,150	16,891
Notes and interest receivable, net	11,844	11,877
Right of Use Asset	166	-
Deferred offering costs	218	218
Deferred financing fees, net	239	261
Accounts receivable, net	7,875	6,136
Inventory	63	341
Prepaid and other assets	2,467	3,638
TOTAL ASSETS	<u>\$ 1,137,852</u>	<u>\$ 1,139,509</u>
LIABILITIES AND EQUITY		
LIABILITIES		
Mortgage notes and bonds payable, net	\$ 521,573	\$ 523,641
Lease Liability	166	-
Dividends and distributions payable	1,712	1,681
Derivative Liability	1,080	865
Accrued interest	3,969	4,296
Accrued property taxes	2,134	1,666
Deferred revenue	12,363	238
Accrued expenses	3,199	3,581
Total liabilities	<u>\$ 546,195</u>	<u>\$ 535,968</u>
Series B Participating Preferred Stock, \$0.01 par value, 100,000,000 shares authorized; 5,996,787 shares issued and outstanding at March 31, 2019, and 6,013,587 December 31, 2018	145,696	143,758
Redeemable non-controlling interests in operating partnership, Series A preferred units	117,878	120,510
EQUITY		
Common stock, \$0.01 par value, 500,000,000 shares authorized; 31,836,187 shares issued and outstanding at March 31, 2019, and 30,594,592 shares issued and outstanding at December 31, 2018	310	300
Additional paid in capital	348,075	332,996
Retained earnings	1,733	4,852
Cumulative dividends	(44,286)	(42,695)
Other Comprehensive Income	(1,080)	(865)
Non-controlling interests in operating partnership	23,331	44,685
Total equity	<u>328,083</u>	<u>339,273</u>
TOTAL LIABILITIES, SERIES B PARTICIPATING PREFERRED STOCK, REDEEMABLE NON-CONTROLLING INTERESTS IN OPERATING PARTNERSHIP AND EQUITY	<u>\$ 1,137,852</u>	<u>\$ 1,139,509</u>



(Unaudited)

Income Statement

(\$ in thousands)

	For the Three Months Ended March 31,	
	2019	2018
OPERATING REVENUES:		
Rental income	\$9,672	\$9,941
Tenant reimbursements	467	768
Crop sales	450	79
Other revenue	300	419
Total operating revenues	<u>10,889</u>	<u>11,207</u>
OPERATING EXPENSES		
Depreciation, depletion, and amortization	2,115	2,130
Property operating expenses	1,932	1,697
Acquisition and due diligence costs	—	131
General and administrative expenses	1,374	1,964
Legal and accounting	723	463
Other operating expenses	222	1
Total operating expenses	<u>6,366</u>	<u>6,386</u>
OPERATING INCOME	<u>4,523</u>	<u>4,821</u>
OTHER (INCOME) EXPENSE:		
Other income	(24)	(81)
Loss (gain) on disposition of assets	(418)	8
Interest expense	4,956	4,391
Total other expense	<u>4,514</u>	<u>4,318</u>
Net income before income tax expense	<u>9</u>	<u>503</u>
Income tax expense	—	—
NET INCOME (LOSS)	<u>9</u>	<u>503</u>
Net income attributable to non-controlling interests in operating partnership	(1)	(62)
Net income attributable to the Company	<u>8</u>	<u>441</u>
Nonforfeitable distributions allocated to unvested restricted shares	(21)	(42)
Distributions on redeemable non-controlling interests in operating partnership, Series A preferred units and dividends on Series B Participating Preferred Stock	<u>(3,127)</u>	<u>(3,143)</u>
Net income available to common stockholders of Farmland Partners Inc.	<u><u>(3,140)</u></u>	<u><u>(2,744)</u></u>



(Unaudited)

FFO and AFFO Reconciliation

(in thousands except per share amounts)

	For the Three Months Ended March 31,	
	2019	2018
Net income (loss)	\$ 9	\$ 503
(Gain) loss on disposition of assets	(418)	8
Depreciation, depletion and amortization	2,115	2,130
FFO	<u>\$ 1,706</u>	<u>\$ 2,641</u>
Stock based compensation	396	331
Real estate related acquisition and due diligence costs	—	131
Dividends on Series B Participating Preferred Stock and distributions on Series A preferred units	(3,126)	(3,142)
AFFO	<u>\$ (1,024)</u>	<u>\$ (39)</u>
AFFO per diluted weighted average share data:		
Net income per share available to common stockholders	\$ (0.10)	\$ (0.08)
Income available to redeemable non-controlling interest and non-controlling interest in operating partnership	0.10	0.10
Depreciation, depletion and amortization	0.06	0.06
Stock based compensation	0.01	0.01
Real estate related acquisition and due diligence costs	—	—
(Gain) loss on disposition of assets	(0.01)	—
Dividends on Series B Participating Preferred Stock and distributions on Series A preferred units	(0.09)	(0.08)
AFFO per diluted weighted average share	<u>\$ (0.03)</u>	<u>\$ 0.00</u>
AFFO weighted average common shares ¹	34,362	38,004

1) As of May 8, 2019, the Company had 33,752,428 fully diluted shares outstanding.

Debt Summary

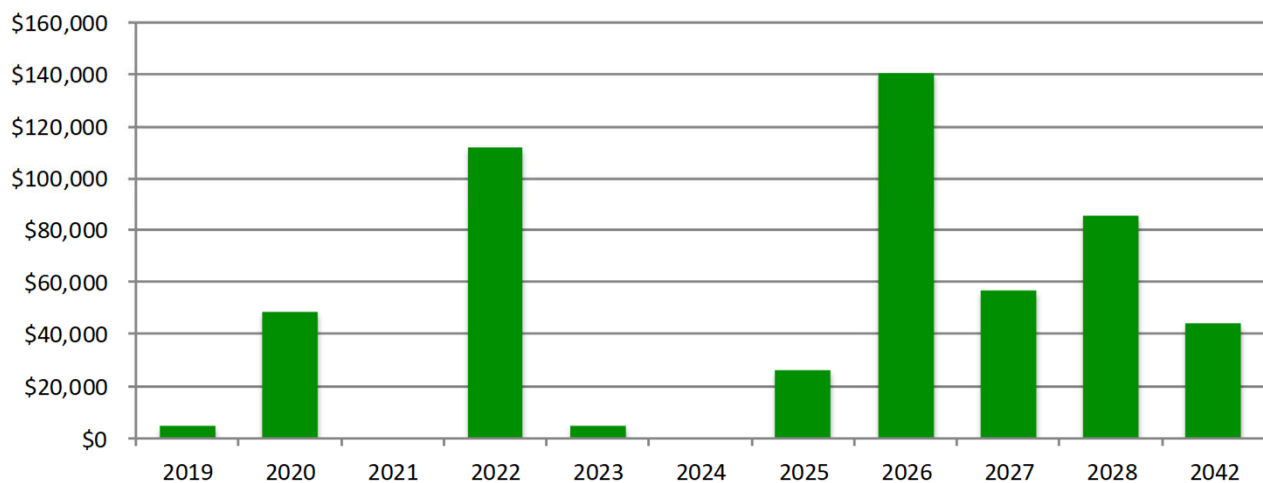
Debt Composition

Type	Total Outstanding Principal	% of Total	Weighted Average Term	Weighted Average Interest Rate	Weighted Average Interest Rate Duration (Years)
Fixed	\$375,017	71.7%	8.5	3.57%	2.5
Floating	\$148,176	28.3%	4.1	3.01%	0.2
Total	\$523,193	100.0%	7.2	3.41%	1.8

Debt Maturity Schedule

Year	Balance	% of Total	Weighted Average Interest Rate
2019	\$5,025	1%	3.20%
2020	\$48,300	9%	3.22%
2021	\$0	0%	0.00%
2022	\$112,000	21%	2.84%
2023	\$5,017	1%	4.44%
2024	\$0	0%	0.00%
2025	\$26,075	5%	3.69%
2026	\$140,627	27%	3.26%
2027	\$56,790	11%	3.31%
2028	\$85,351	16%	4.10%
2042	\$44,000	8%	4.12%
Total	\$523,193	100%	3.41%

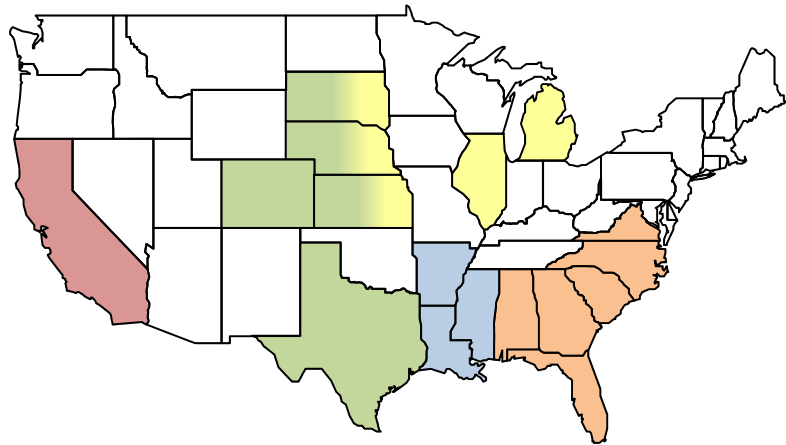
Debt Maturities by Year



Portfolio Overview

As of 12/31/2018

Region	% of Total Cost Basis
Corn Belt	33%
West Coast	27%
Southeast	22%
Delta + South	10%
High Plains	8%



Region	Actual % of 2018 Rental Revenue
Corn Belt	29%
West Coast	37%
Southeast	20%
Delta & South	8%
High Plains	6%

Region	% of Tillable Acres
Corn Belt	29%
West Coast	7%
Southeast	26%
Delta & South	18%
High Plains	20%

Crop Type	Actual % of 2018 Rental Revenues
Row Crops	57%
Specialty & Permanent Crops	42%
Livestock Facilities	1%

	Actual % of 2018 Rental Revenues
Fixed	76%
Variable	24%



(Unaudited)

Recent Acquisition Activity

(\$ in thousands)

LTM Acquisition Activity, at Cost

	Total Acres	Purchase Price
Corn Belt	632	\$5,871
Delta & South	0	0
High Plains	0	0
Southeast	126	454
West Coast	0	0
Total	758	\$6,325

2019 1Q Acquisition Activity, at Cost

No acquisitions closed

2018 4Q Acquisition Activity, at Cost

	Total Acres	Purchase Price
Southeast	126	\$454
Total	126	\$454

2018 3Q Acquisition Activity, at Cost

	Total Acres	Purchase Price
Corn Belt	632	\$5,871
Total	632	\$5,871

2018 2Q Acquisition Activity, at Cost

No acquisitions closed



(Unaudited)

Recent Disposition Activity

(\$ in thousands)

Disposition Activity

	Gross Sales Proceeds	Depreciation	Net Book Value	Gain	Unlevered IRR ¹	Levered IRR ¹
2Q18 Dispositions	\$2,000	\$87	\$1,823	\$214	9.5%	12.5%
3Q18 Dispositions	\$29,941	\$34	\$27,190	\$2,919	10.7%	18.7%
4Q18 Dispositions	\$0	\$0	\$0	\$0	0.0%	0.0%
1Q19 Dispositions	\$4,724	\$6	\$4,273	\$429	6.1%	10.1%
Total	\$36,665	\$127	\$33,286	\$3,562	10.0%	17.2%

1) Internal Rate of Return ("IRR") calculations are preliminary based on management's current estimates and are subject to change.

Gross Cap Rate Guidance

Region	% of Trailing 12-Month Revenues	Market Cap Rate Based on Gross Rental Income	Intra-Regional Variation (+ / -)
Corn Belt	28%	2.80%	0.40%
West Coast	36%	6.00%	1.00%
Southeast	21%	4.40%	0.50%
Delta + South	8%	3.30%	0.50%
High Plains	6%	4.00%	0.75%
Weighted Average		4.41%	

Key NAV Components

(\$ and shares in thousands)

Farmland Gross Asset Value	Trailing 12 Months Ended March 31, 2019
Total operating revenues¹	\$55,750
Crop sales ¹	(781)
Other revenue ¹	(1,196)

Selected Balance Sheet Information

As of 3/31/19

Other tangible assets	
Development properties	13,430
Construction in progress	9,756
Cash	19,150
Notes and interest receivable, net	11,844
Accounts receivable, net	7,875
Inventory	63
Prepaid and other assets	2,467
	64,585
Total liabilities	546,196
Preferred equity – Series A	117,878
Preferred equity – Series B	145,696
Mark-to-market adjustment for preferred equity ²	(19,022)
Net preferred equity	240,194
Fully Diluted Shares Outstanding at 3/31/2019	34,233
Fully Diluted Shares Outstanding at 5/8/2019	33,752

1) For the calculation of trailing 12-month total operating revenue, crops sales, and other revenue, refer to page 20.

2) Assumes market coupon for Company's Series A preferred equity is currently 6.00% versus the 3.00% coupon in place.



Farmland Value and Appreciation¹

Cropland Value per Acre

The following table lists average farmland value per acre, nationally and by state in which Farmland Partners owns land, according to the annual Land Values Summary which is produced by the USDA and National Agricultural Statistics Service. Cropland is defined as land which is used to grow field crops, vegetables or land harvested by hay. The Land Values Summary is based on the June Area Survey which covers roughly 7 million acres nationally.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
NATIONAL	\$2,170	\$2,090	\$2,150	\$2,300	\$2,520	\$2,730	\$2,950	\$3,020	\$3,010	\$3,080	\$3,140
ALABAMA	\$2,300	\$2,250	\$2,300	\$2,340	\$2,390	\$2,500	\$2,600	\$2,630	\$2,700	\$2,750	\$2,780
ARKANSAS	\$2,420	\$2,340	\$2,400	\$2,440	\$2,620	\$2,700	\$2,850	\$3,050	\$3,050	\$3,180	\$3,250
CALIFORNIA	\$6,440	\$6,580	\$6,660	\$6,670	\$6,880	\$6,900	\$7,300	\$7,700	\$7,900	\$8,700	\$9,000
COLORADO	\$1,150	\$1,100	\$1,080	\$1,100	\$1,170	\$1,280	\$1,350	\$1,440	\$1,420	\$1,430	\$1,420
FLORIDA	\$5,640	\$5,300	\$5,090	\$5,130	\$5,160	\$5,200	\$5,250	\$5,400	\$5,400	\$5,700	\$5,700
GEORGIA	\$4,300	\$4,030	\$3,770	\$3,610	\$3,260	\$3,300	\$3,300	\$3,270	\$3,400	\$3,550	\$3,500
ILLINOIS	\$4,550	\$4,450	\$4,720	\$5,390	\$6,210	\$7,100	\$7,520	\$7,500	\$7,400	\$7,300	\$7,450
KANSAS	\$1,020	\$1,010	\$1,060	\$1,240	\$1,510	\$1,750	\$2,050	\$2,030	\$1,880	\$1,850	\$1,800
LOUISIANA	\$2,050	\$1,970	\$2,050	\$2,200	\$2,400	\$2,550	\$2,670	\$2,800	\$2,900	\$3,000	\$3,100
MICHIGAN	\$3,900	\$3,670	\$3,490	\$3,600	\$3,890	\$4,300	\$4,700	\$4,900	\$4,800	\$4,800	\$4,780
MISSISSIPPI	\$2,080	\$2,020	\$2,080	\$2,200	\$2,250	\$2,270	\$2,340	\$2,420	\$2,470	\$2,500	\$2,540
NEBRASKA	\$1,330	\$1,320	\$1,470	\$1,840	\$2,420	\$2,800	\$3,120	\$3,050	\$2,950	\$2,900	\$2,850
NORTH CAROLINA	\$4,450	\$4,210	\$4,120	\$4,340	\$4,330	\$4,340	\$4,510	\$4,500	\$4,450	\$4,450	\$4,480
SOUTH CAROLINA	\$2,950	\$2,930	\$2,950	\$2,980	\$3,010	\$2,980	\$3,010	\$3,010	\$3,000	\$3,000	\$3,010
SOUTH DAKOTA	\$920	\$879	\$945	\$1,090	\$1,330	\$1,690	\$2,070	\$2,320	\$2,250	\$2,180	\$2,170
TEXAS	\$1,550	\$1,530	\$1,600	\$1,670	\$1,690	\$1,680	\$1,850	\$1,940	\$1,960	\$2,090	\$2,280
VIRGINIA	\$5,000	\$4,750	\$4,500	\$4,350	\$4,260	\$4,310	\$4,320	\$4,320	\$4,300	\$4,350	\$4,330

Farmland Appreciation Trends

The following table measures annual change in average farmland value per acre, nationally and by state in which Farmland Partners owns land, based on the results of the annual Land Values Summary, indexed to 100 in 2006.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	10-Yr CAGR
NATIONAL	-3.7%	2.9%	7.0%	9.6%	8.3%	8.1%	2.4%	-0.3%	2.3%	1.9%	3.76%	
ALABAMA	-2.2%	2.2%	1.7%	2.1%	4.6%	4.0%	1.2%	2.7%	1.9%	1.1%	1.91%	
ARKANSAS	-3.3%	2.6%	1.7%	7.4%	3.1%	5.6%	7.0%	0.0%	4.3%	2.2%	2.99%	
CALIFORNIA	2.2%	1.2%	0.2%	3.1%	0.3%	5.8%	5.5%	2.6%	10.1%	3.4%	3.40%	
COLORADO	-4.3%	-1.8%	1.9%	6.4%	9.4%	5.5%	6.7%	-1.4%	0.7%	-0.7%	2.13%	
FLORIDA	-6.0%	-4.0%	0.8%	0.6%	0.8%	1.0%	2.9%	0.0%	5.6%	0.0%	0.11%	
GEORGIA	-6.3%	-6.5%	-4.2%	-9.7%	1.2%	0.0%	-0.9%	4.0%	4.4%	-1.4%	-2.04%	
ILLINOIS	-2.2%	6.1%	14.2%	15.2%	14.3%	5.9%	-0.3%	-1.3%	-1.4%	2.1%	5.05%	
KANSAS	-1.0%	5.0%	17.0%	21.8%	15.9%	17.1%	-1.0%	-7.4%	-1.6%	-2.7%	5.84%	
LOUISIANA	-3.9%	4.1%	7.3%	9.1%	6.3%	4.7%	4.9%	3.6%	3.4%	3.3%	4.22%	
MICHIGAN	-5.9%	-4.9%	3.2%	8.1%	10.5%	9.3%	4.3%	-2.0%	0.0%	-0.4%	2.06%	
MISSISSIPPI	-2.9%	3.0%	5.8%	2.3%	0.9%	3.1%	3.4%	2.1%	1.2%	1.6%	2.02%	
NEBRASKA	-0.8%	11.4%	25.2%	31.5%	15.7%	11.4%	-2.2%	-3.3%	-1.7%	-1.7%	7.92%	
NORTH CAROLINA	-5.4%	-2.1%	5.3%	-0.2%	0.2%	3.9%	-0.2%	-1.1%	0.0%	0.7%	0.07%	
SOUTH CAROLINA	-0.7%	0.7%	1.0%	1.0%	-1.0%	1.0%	0.0%	-0.3%	0.0%	0.3%	0.20%	
SOUTH DAKOTA	-4.5%	7.5%	15.3%	22.0%	27.1%	22.5%	12.1%	-3.0%	-3.1%	-0.5%	8.96%	
TEXAS	-1.3%	4.6%	4.4%	1.2%	-0.6%	10.1%	4.9%	1.0%	6.6%	9.1%	3.93%	
VIRGINIA	-5.0%	-5.3%	-3.3%	-2.1%	1.2%	0.2%	0.0%	-0.5%	1.2%	-0.5%	-1.43%	

1) Source: USDA, National Agricultural Statistics Service



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Company Information

ABOUT US

Farmland Partners Inc. (NYSE: FPI) is a publicly traded real estate investment trust (REIT) that manages and seeks to acquire both high-quality farmland and land with excellent agricultural development potential located throughout North America. The company was founded by farmers, and its management team has hands-on farm operations experience. One of our primary goals is to align ourselves with top-quality operators in various parts of the United States in an effort to build a diverse portfolio of agricultural assets across the spectrum of crops. This diversification, combined with stable rental income generation and potential value appreciation, provides an attractive risk-adjusted return over time.

MANAGEMENT

Paul A. Pittman
Executive Chairman and Chief Executive Officer

Luca Fabbri
Chief Financial Officer and Treasurer

CONTACT

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Definitions and Reconciliations

Non-GAAP Financial Measures

The Company considers the following non-GAAP measures as useful to investors as key supplemental measures of its performance: FFO, AFFO, EBITDAre and Adjusted EBITDAre. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income or loss as a measure of the Company's operating performance. FFO, AFFO, EBITDAre and Adjusted EBITDAre, as calculated by the Company, may not be comparable to other companies that do not define such terms exactly as the Company.

FFO

The Company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income (loss) (calculated in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, plus real estate related depreciation, depletion and amortization (excluding amortization of deferred financing costs), and after adjustments for unconsolidated partnerships and joint ventures. Management presents FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the Company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from sales of depreciable operating properties, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. The Company also believes that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the Company's operating performance with that of other REITs. However, other equity REITs may not calculate FFO in accordance with the NAREIT definition as the Company does, and, accordingly, the Company's FFO may not be comparable to such other REITs' FFO.

AFFO

The Company calculates AFFO by adjusting FFO to exclude the income and expenses that the Company believes are not reflective of the sustainability of the Company's ongoing operating performance, including, but not limited to, real estate related acquisition and due diligence costs and stock-based compensation.

Changes in GAAP accounting and reporting rules that were put in effect after the establishment of NAREIT's definition of FFO in 1999 result in the inclusion of a number of items in FFO that do not correlate with the sustainability of the Company's operating performance. Therefore, in addition to FFO, the Company presents AFFO and AFFO per share, fully diluted, both of which are non-GAAP measures. Management considers AFFO a useful supplemental performance metric for investors as it is more indicative of the Company's operational performance than FFO. AFFO is not intended to represent cash flow or liquidity for the period, and is only intended to provide an additional measure of the Company's operating performance. Even AFFO, however, does not properly capture the timing of cash receipts, especially in connection with full-year rent payments under lease agreements entered into in connection with newly acquired farms. Management considers AFFO per share, fully diluted to be a supplemental metric to GAAP earnings per share. AFFO per share, fully diluted provides additional insight into how the Company's operating performance could be allocated to potential shares outstanding at a specific point in time. Management believes that AFFO is a widely recognized measure of the operations of REITs, and presenting AFFO will enable investors to assess the Company's performance in comparison to other REITs. However, other REITs may use different methodologies for calculating AFFO and AFFO per share, fully diluted and, accordingly, the Company's AFFO and AFFO per share, fully diluted may not always be comparable to AFFO and AFFO per share amounts calculated by other REITs. AFFO and AFFO per share, fully diluted should not be considered as an alternative to net income (loss) or earnings per share (determined in accordance with GAAP) as an indication of financial performance, or as an alternative to net income (loss) earnings per share (determined in accordance with GAAP) as a measure of the Company's liquidity, nor are they indicative of funds available to fund the Company's cash needs, including its ability to make distributions.

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Definitions and Reconciliations

EBITDAre and Adjusted EBITDAre

The Company calculates Earnings Before Interest Taxes Depreciation and Amortization for real estate ("EBITDAre") in accordance with the standards established by NAREIT in its September 2017 White Paper. NAREIT defines EBITDAre as net income (calculated in accordance with GAAP) excluding interest expense, income tax, depreciation and amortization, gains or losses on disposition of depreciated property (including gains or losses on change of control), impairment write-downs of depreciated property and of investments in unconsolidated affiliates caused by a decrease in value of depreciated property in the affiliate, and adjustments to reflect the entity's pro rata share of EBITDAre of unconsolidated affiliates. EBITDAre is a key financial measure used to evaluate the Company's operating performance but should not be construed as an alternative to operating income, cash flows from operating activities or net income, in each case as determined in accordance with GAAP. The Company believes that EBITDAre is a useful performance measure commonly reported and will be widely used by analysts and investors in the Company's industry. However, while EBITDAre is a performance measure widely used across the Company's industry, the Company does not believe that it correctly captures the Company's business operating performance because it includes non-cash expenses and recurring adjustments that are necessary to better understand the Company's business operating performance. Therefore, in addition to EBITDAre, management uses Adjusted EBITDAre, a non-GAAP measure.

The Company calculates Adjusted EBITDAre by adjusting EBITDAre for certain items such as stock-based compensation and real estate related acquisition and due diligence costs that the Company considers necessary to understand its operating performance. The Company believes that Adjusted EBITDAre provides useful supplemental information to investors regarding the Company's ongoing operating performance that, when considered with net income and EBITDAre, is beneficial to an investor's understanding of the Company's operating performance. However, EBITDAre and Adjusted EBITDAre have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

In prior periods, the Company has presented EBITDA and Adjusted EBITDA. In accordance with NAREIT's recommendation, beginning with the Company's reported results for the three months ended March 31, 2019, the Company is reporting EBITDAre and Adjusted EBITDAre in place of EBITDA and Adjusted EBITDA.

	For the Three Months Ended March 31,	
	2019	2018
<i>(in thousands)</i>		
Net income (loss)	\$ 9	\$ 503
Interest expense	4,956	4,391
Depreciation, depletion and amortization	2,115	2,130
(Gain) loss on disposal of assets	(418)	8
EBITDAre	<u>\$ 6,662</u>	<u>\$ 7,032</u>
Stock based compensation	396	331
Real estate related acquisition and due diligence costs	—	131
Adjusted EBITDAre	<u>\$ 7,058</u>	<u>\$ 7,494</u>

Definitions and Reconciliations

Net Operating Income

The Company calculates net operating income (NOI) as total operating revenues (rental income, tenant reimbursements and other revenue) less property operating expenses (direct property expenses and real estate taxes). Since NOI excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expenses, other non-property income and losses and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating farmland real estate, providing a perspective on operations not immediately apparent from net income. However, net operating income should not be viewed as an alternative measure of our financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, other non-property income and losses.

	For the Three Months Ended March 31,	
	2019	2018
<i>(in thousands except per share amounts)</i>		
Total operating revenues	\$ 10,889	\$ 11,207
Property operating expenses	1,932	1,697
Net operating income (NOI)	\$ 8,957	\$ 9,510

	For the Three Months Ended March 31,	
	2019	2018
<i>(in thousands except per share amounts)</i>		
NET INCOME	\$ 9	\$ 503
Depreciation, depletion, and amortization	2,115	2,130
Acquisition and due diligence costs	—	131
General and administrative costs	1,374	1,964
Legal and accounting	723	463
Other operating expenses	222	1
Other income	(24)	(81)
Loss (gain) on disposition of assets	(418)	8
Interest expense	4,956	4,391
Net Operating Income (NOI)	\$ 8,957	\$ 9,510



(Unaudited)

Definitions and Reconciliations

Trailing 12-Month Calculations

Below are the calculations of several operating metrics for the trailing 12-month period ended March 31, 2019.

	Trailing 12-Month Period	Quarter Ended March 31, 2019	Quarter Ended December 31, 2018	Quarter Ended September 30, 2018	Quarter Ended June 30, 2018
Total operating revenues	\$ 53,773	\$10,139	\$20,603	\$12,200	\$10,831
Crop sales	781	450	0	0	331
Other revenue	1,196	300	290	349	257
Depreciation and depletion	8,529	2,115	2,134	2,154	2,126
Property operating expenses	8,077	1,932	2,534	1,502	2,109
Acquisition and due diligence costs	40	0	6	34	0
General and administrative expenses	6,887	1,374	2,124	1,688	1,701
Legal and accounting	2,589	723	566	1,016	284
Other operating expenses	233	222	0	0	11
Total operating expenses	26,356	6,366	7,364	6,394	6,231
Operating income	\$ 29,395	4,523	13,529	6,155	5,188

	Trailing 12-Month Period	Quarter Ended March 31, 2019	Quarter Ended December 31, 2018	Quarter Ended September 30, 2018	Quarter Ended June 30, 2018
Net income (loss)	\$ 13,546	9	8,399	4,157	981
Interest expense	19,363	4,956	4,966	5,001	4,440
Depreciation and depletion	8,529	2,115	2,134	2,154	2,126
(Gain) loss on sale of assets	(3,307)	(418)	204	(2,950)	(143)
EBITDAre	38,131	6,662	15,703	8,362	7,404
Stock-based compensation	1,718	396	518	406	398
Real estate related acquisition and due diligence costs	40	0	6	34	0
Adjusted EBITDAre	\$ 39,889	7,058	16,227	8,802	7,802