

Legacy Farmland Fund
FARMLAND CONTRIBUTION FUND



Agenda

- Importance and Relevance to your Business
- 721 Exchange
- Farmland Contribution Fund
- Flexible Divestiture
- Value to Contributors
- Contribution & Admittance Process
- Preserving the Legacy
- Management Fees and Role
- Partnerships

Disclaimer

This material does not constitute an offer to sell, or a solicitation of an offer to purchase interests in Legacy Farmland Fund LLP (the "Fund"). No commitment or obligation of any kind or character is intended to result from this material. Any interests are exclusively offered pursuant to the Confidential Private Placement Memorandum of the Fund. The purchase of an interest in the Fund involves significant risks. Your professional advisor(s) and you should carefully read the Confidential Private Placement Memorandum, including all risks factors stated therein.

This material may contain forward-looking statements that involve risks and uncertainties. The Fund's actual results may differ significantly from the historical results and data contained in this material and the Fund may not reach projected returns. We expressly disclaim any intention to update any forward-looking statement after the distribution of this material.

This material may contain brief, selected information pertaining to a contribution to the Fund. This material does not purport to be all-inclusive, nor does it purport to contain all the information which a potential investor may require in order to consider an investment in the Fund. The Fund and its partners, officers, employees, contractors, and agents make no representations or guarantees as to the accuracy of the information in this material and disclaim all liability with respect to any errors, inaccuracies, or misstatements contained herein. You and your professional advisor(s) should make your own inquiries to verify the information contained herein.

This material contains confidential and proprietary information and is intended solely for the use of the individual or entity to whom it is addressed. The Fund and its partners, officers, employees, contractors, and agents do not provide tax, legal, or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal, or accounting advice. You should consult your own tax, legal, and accounting advisors before engaging in any transaction or investment in the Fund.

Helping You Serve Your Clients



DIFFERENTIATING ESTATE PLANNING TOOL

- Ability to offer an innovative and powerful solution to maximize estate assets
- Greater means of preserving the family legacy

IMPROVED CONTROL AND FLEXIBILITY OF A FARMLAND ASSET

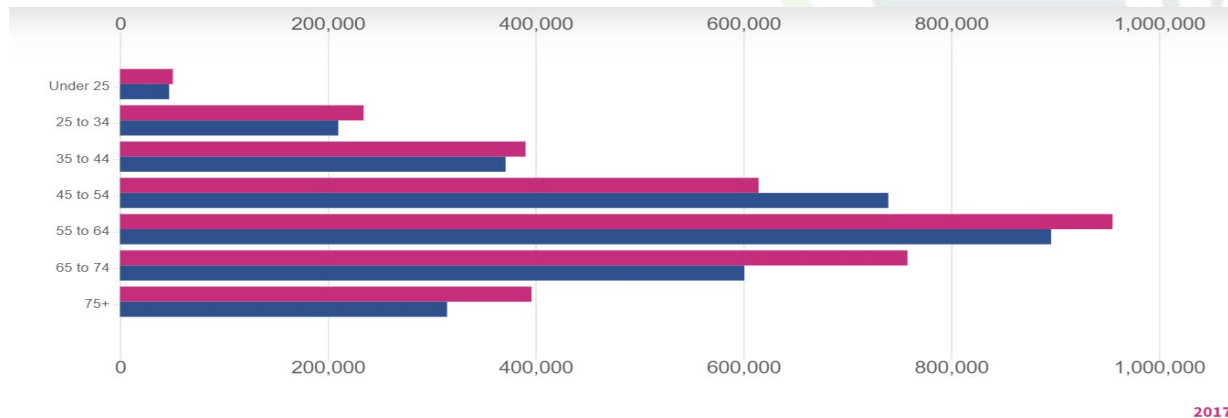
- Fund Units provide for individual liquidity, transferability and gifting
- Control over tax deferral and capital gain events

Client Base Demographics

The vast majority of today's 3.4 million U.S. producers is over the age of 55

The U.S. may soon be experiencing an increase in the number of landowner transactions due to the aging population of producers.

The demographics of today's agriculture producer environment necessitates improvements in addition to new, progressive options for landowners to divest of farmland.



721 Exchange



A 721 Exchange allows that no gain or loss shall be recognized to a partnership or to any of its partners in the case of a contribution of property to the partnership in exchange for an interest in the partnership

- Can be used as an alternative to 1031 exchange that allows for the ability to defer capital gains
- Ideal divestiture option for appreciated physical assets
- Contributions are generally tax deferred which means the value of the contribution is often greater than if the asset was sold and the after-tax proceeds were reinvested

Legacy Farmland Contribution Fund

A strategic, tax-advantaged divestiture option that maximizes the after-tax present value of a divestment.



01

- Operates by receiving tax-deferred contributions of farmland assets and accommodating personal property at fair market value

02

- The hard asset is converted into Fund Units and the Fund manages the diversified portfolio of pooled farmland assets throughout the United States

03

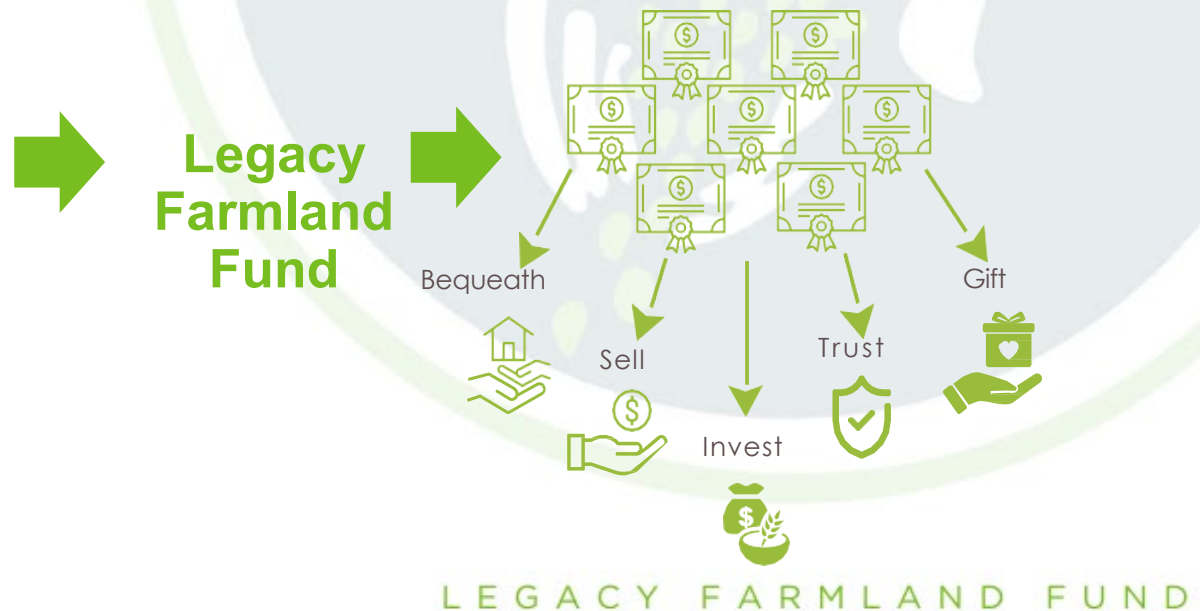
- The landowner to the Fund retains Fund Units that are now insulated and amplified through the diversity of the Fund assets

04

- The landowner enjoys passive returns with flexible liquidity and transfer rights for estate planning purposes

Flexible Divestiture

- Farmland is a "hard" asset - difficult to divide or receive monetary value without selling or borrowing against it.
- When a farm is contributed into Legacy Farmland Fund, the hard asset is converted into flexible Fund Units.
- With individual Fund Units in hand, asset owners have increased flexibility to accomplish their goals.



Contribution Benefits

Estate Planning

Unit ownership won't trigger capital gains & leaves the estate intact, with the flexibility to gift, bequest, or liquidate in flexible increments.

Liquidity

Unit holders have access to liquidity after the 1-year contribution period has expired; access that doesn't require the sale of the asset.

Retain Control

Contributors can retain control over tenant decisions to continue farming the land, and/or repurchase the farm in the future.

Revenue Diversity

Retaining unit ownership in a broad portfolio of farmland results in the ability to take advantage of future revenue sources derived from the entire portfolio - like wind, solar, wetlands, easements, mineral rights, etc.

Investment Security

Unit holders immediately diversify their holdings, insulating against indirect factors & expenses that are often outside of an individual landowner's control.

Management

Professional farm managers maximize returns with proper lease structures and oversight, discounts, capital improvements & progressive partnerships.

Preserving the Legacy

- **Prohibition on Selling**
 - The Fund cannot sell the land without Contributor's permission
 - Protects Contributor from unfavorable tax consequences
 - Confirms alignment and mission for long term Fund stewardship
- **First Right of Lease**
 - Contributor can designate a tenant to be the first right of lease
- **First Right of Repurchase**
 - Contributor can designate an individual to receive the first right to repurchase the land from the Fund at a point in the future
- **Special usage rights**
 - Family may continue to have access to the land for recreational activities
- **Continued Family Ties to the Farm**
 - Held in entity named after family
 - Annual Fund Financial reporting and farm summary report



Contribution & Admittance Process

- **Structured as a Reg. D. private offering similar to most private equity funds, but instead of a cash asset, clients contribute appreciable property**
- Contribution value based on a 3rd party appraiser's validation of market comparable sales
 - Income Analysis
 - Comparable Analysis
 - Capital Improvement Potential
 - Alternative Revenue Sources
- Purchase price established
- Determination of number of Units received in exchange for the contribution

① Asset Review

Discussion & review conducted with Contributor to determine contribution viability

② Application

Farm and ownership information submitted, and defining ownership and existing arrangements are identified

③ Proposal

The Legacy team then underwrites and prepares a proposal with values and terms

④ Offer

If agreeable, upon signing, due diligence commences. A formal valuation and final contribution agreement is prepared and executed.

⑤ Closing

The closing is scheduled and completed. The new asset and owners are admitted to the fund within 30-45 days of quarter end.

Management Fees and Role

Legacy's commitment to Fund owners and future Contributors is to maintain returns in line with broader farmland total returns.

- **Contribution Fees & Costs:** At the time of contribution, fees and costs similar to a traditional sale are deducted from the agreed-upon Fair Market Value.
- **Portfolio Management:** The Fund maintains a 50bps (0.50%) fee on Net Asset Value for portfolio management services.
- **Incentive Distributions:** The Fund participates in the growth of distribution income over time, which maintains alignment between Fund management and Fund unit holders.

The Fund Provides:

- Best in class farm tenants & lease structure
- Tenant management and oversight
- Strong partnerships with producers
- Increased net revenue, investment quality & diversity
- Greater insulation
- Maximum secondary income sources
- Portfolio management
- Liquidity to investors
- Growth in distributions

Comparison of Traditional Sale and Contribution Sale

Traditional Sale

Traditional Sale of Property with 50% FMV Tax Basis

Gross Sale Proceeds	\$1,750,000
Total Seller Expenses	(\$74,000)
Capital Gain Tax Payment Due	(\$209,000)
Net Proceeds from Sale	\$1,467,000
Discount to Contribution Value	87.80%

Contribution Sale

Contribution Sale Financials

Total Property Value	\$1,750,000
Total Estimated Contribution Expenses	(\$74,000)
Estimated Net Contribution Amount	\$1,676,000

Fund Units Issued
Net Contribution Amount \$1,676,000
NAV/Unit at Contribution \$1,000
Legacy Farmland Fund Units Issued: 1,676

Ideal Participants

Non Active Landowner

Landowner currently experiencing passive income through a landlord-tenant relationship can maximize the investment by increasing oversight and diversity.

Trust Officer/Manager

Farmland that is controlled by a professional trustee may benefit by achieving diversity and third-party oversight in line with the investment mandate.

Active Farmer

A producer looking to grow acres in their operation can utilize Legacy as a tool to acquire neighboring land via contribution and provide special use rights to the producer.

Estate Planners

Estate Planning Professionals and Farmland Advisors can benefit by providing a tool to their clients that can maximize their plans' impact on current and future generations.

Retiring Farmer

A retiring farmer looking to convert to a passive investment or to position for estate planning for multiple heirs can benefit by having the flexibility of unit ownership.

Foundations/Endowments

Charitable professionals can utilize the Legacy Farmland Fund to allow more efficient and flexible giving through Fund units as opposed to whole real property asset gifting.

Partners in Progress

Legacy Farmland Fund is backed by a team of agricultural professionals – deeply rooted on the farm.



Thank You



**13575 Lynam Drive
Omaha, NE 68138**

402.502.9252

Legacyfarmlandfund.com

