# Financial Projections and Assumptions

## Capital Raise Requirement

| Description | Amount |
|---|---|
| Cost of Farmland | $1,368,630 |
| Farmland Improvements (1) | - |
| Interim Financing (2) | $27,373 |
| Structuring Fee (3) | $34,216 |
| Working Capital Reserve (4) | $19,781 |
| Total Cost of Farmland | $1,450,000 |
| Total Acres | 152.07 |
| Total Cost Per Acre | $9,535 |
| Minimum Investment | $14,500 |

(1) FarmVestor does not expect to incur any farmland improvements at the time of acquisition.
(2) FarmVestor has arranged interim financing to cover holding costs prior to investor funding.
(3) Equal to cost of farmland plus any farmland improvements times 2.50% to cover FarmVestor structuring fees.
(4) FarmVestor may determine to raise additional capital to fund a working capital reserve to cover potential farmland expenses.

## Estimated Average Annual Cash Flow

| Description | Amount |
|---|---|
| Cash Rent | $58,800 |
| Management Fee (1) | ($3,625) |
| Estimated Insurance (2) | ($500) |
| Estimated Taxes (3) | ($7,544) |
| Estimated Investment Costs (4) | ($3,625) |
| Estimated Average Annual Net Cash Flow | $43,506 |
| Estimated Annual Net Cash Yield | 3.00% |
| Estimated Internal Rate of Return (5) | 7.00% |

(1) FarmVestor may adjust annually to maintain as 0.25% of the total estimated land value.
(2) Estimated property (if necessary) and liability insurance only. Actual insurance costs may vary.
(3) Estimated based on current tax rates. Actual taxes may vary according to local tax jurisdiction.
(4) FarmVestor has estimated as 0.25% of the total estimated land value to cover annual accounting and tax preparation costs.
(5) Internal rate of return calculated as a sum of estimated net cash yield and FarmVestor estimated average compound annual growth rate of 4.00%, as compared to FarmVestor calculated USDA U.S. Cropland 20-year historical average compound annual growth rate of 6.17%.