NCREIF FARMLAND INVESTMENTS
WEBINAR
Q1 2020 Results
5/12/20

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The NCREIF Farmland Index is a quarterly time series composite return measure of investment performance of a large pool of individual farmland properties acquired in the private market for investment purposes only.

All properties in the Farmland Index have been acquired, at least in part, on behalf of tax-exempt institutional investors - the great majority being pension funds. As such, all properties are held in a fiduciary environment.
1991 to Present: Property Count and Scale

2020Q1: 1,163 properties, $11.725 Billion Total Value
Properties primarily by type and region

- **Type**
  - **Annual Cropland**
    - Leased
    - Operated
  - **Permanent Cropland**
    - Lease Type
    - Crop Types

- **Regions**
  - Pacific NW
  - Mountain
  - Lake
  - Cornbelt
  - Northeast
  - Southeast
  - Delta
  - Southern Plains
  - Pacific W
  - Appalachian
  - Northern Plains
Index and Returns Construction

- Fully accounted, managed returns
- Reported on unlevered basis
- Management Fees by case
- Identical conventions for cap-ex, partial sales, etc.
- Quarterly geometric returns, as basis of index
- Income and Appreciation returns separately
- By property type, lease type, region, mgt. type
NCREIF Farmland Property Index

All Farmland

1st Quarter 2020

Total Market Value: $11,725,475,678.00

FILTER BY PROPERTY TYPE

| All | Permanent Cropland | Annual Cropland |

| 0.73% | 0.97% | 2.34% | -0.10% | 3.98% |

2Q2019 | 3Q2019 | 4Q2019 | 1Q2020 | 2020 ANNUAL TOTAL
Annual Cropland

1st Quarter 2020

Total Market Value: $7,305,892,626.00

FILTER BY PROPERTY TYPE

- All
- Permanent Cropland
- Annual Cropland

2020 ANNUAL TOTAL

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q2019</td>
<td>0.62%</td>
</tr>
<tr>
<td>3Q2019</td>
<td>0.91%</td>
</tr>
<tr>
<td>4Q2019</td>
<td>1.44%</td>
</tr>
<tr>
<td>1Q2020</td>
<td>0.66%</td>
</tr>
<tr>
<td>3.69%</td>
<td></td>
</tr>
</tbody>
</table>
Total returns – rolling annual to 2020:Q1

- Total Farmland
- Permanent Cropland
- Annual Cropland
Pacific West - All

1st Quarter 2020

Total Market Value: $4,549,363,357.00

FILTER BY PROPERTY TYPE

- All
- Permanent Cropland
- Annual Cropland

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q2019</td>
<td>0.61%</td>
</tr>
<tr>
<td>3Q2019</td>
<td>1.44%</td>
</tr>
<tr>
<td>4Q2019</td>
<td>3.53%</td>
</tr>
<tr>
<td>1Q2020</td>
<td>-1.24%</td>
</tr>
<tr>
<td>2020 Annual Total</td>
<td>4.34%</td>
</tr>
</tbody>
</table>
Mountain States - All

1st Quarter 2020

Total Market Value:
$1,046,066,668.00

FILTER BY PROPERTY TYPE

-0.55%  1.64%  1.63%  0.94%  3.69%
2Q2019  3Q2019  4Q2019  1Q2020  2020 ANNUAL TOTAL
Delta States – Annual (All)

1st Quarter 2020
Total Market Value: $2,357,545,055.00

FILTER BY PROPERTY TYPE
- All
- Permanent Cropland
- Annual Cropland

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q2019</td>
<td>0.65%</td>
</tr>
<tr>
<td>3Q2019</td>
<td>0.97%</td>
</tr>
<tr>
<td>4Q2019</td>
<td>0.99%</td>
</tr>
<tr>
<td>1Q2020</td>
<td>1.47%</td>
</tr>
<tr>
<td>2020 Annual Total</td>
<td>4.14%</td>
</tr>
</tbody>
</table>
Southeast – Annual Cropland

1st Quarter 2020

Total Market Value:
$522,546,540.00

FILTER BY PROPERTY TYPE

All  Permanent Cropland  Annual Cropland

1.26%  1.74%  1.17%  0.91%  5.18%
2Q2019  3Q2019  4Q2019  1Q2020  2020 ANNUAL TOTAL
Key issues to monitor in agriculture

- Recovery from Covid-19 and impact on commodity demand
  - Income and cap rate sensitivity magnified
  - Relative attractiveness of low stable returns
  - Disruptions in Food Distribution System as pinch points
- Trade becomes increasingly critical to long run income
- Ag sector financialization occurring at the margin, slow evolution, but positive developments, and accelerating with financial stress.
- Good time to consider balance sheet management
- Exceptionally good portfolio asset characteristics
Thanks - Bruce J. Sherrick
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