

OVERVIEW

We believe: Sustainable farming mitigates the harmful effects of climate change on our planet while improving the health and wellness of our people through environmental protection, and the production of organic food.

Our strategy: Vital Farmland REIT, LLC buys conventionally farmed land and introduces sustainable farmland management practices to generate competitive financial returns and achieve positive environmental and social impacts.

OUTPUTS

Vital Farmland REIT, LLC owns 3,129 acres of farmland in Oregon's Willamette Valley. The portfolio delivers positive outputs in 3 primary areas:

Sustainable Management

Biodiversity & Habitat

Organic Food Production

The impact of our work in these 3 areas may be measured using the following IRIS metrics:

3,129 owned acres; 2,879 additional leased acres (015408/P13789)

414 protected acres managed to preserve or restore habitats and biodiversity (PI4716)

2,621 owned farmable acres (OI1674)

1,537 sustainably managed owned acres (OI6912)

267 owned acres Certified Organic by Oregon Tilth (PD2756)

47 crops harvested including barley, beans, cereals, fruits, nuts, oats, peas, pulses, tomatoes, vegetables, wheat, peppermint, wine, grass and clover seed, hay and silage (PD1620)

ECOSYSTEM SERVICES

Provisioning services: food, biological raw materials, freshwater, genetic resources

Regulating services: maintenance of air quality, regulation of climate, regulation of water timing and flows, erosion control, water purification and waste treatment, disease mitigation, maintenance of soil quality, pest mitigation, pollination, natural hazard mitigation

Supporting services: habitat, nutrient cycling, primary production, water cycling

Cultural services: ethical / spiritual values, educational / inspirational values (PD8494)

BIODIVERSITY Our property boundaries often encompass areas that are not suitable for farming, such as river channels, wetlands and forest slopes; these areas provide habitats that support biodiversity. We have mapped and characterized these habitats, some of which are now rare examples of once widespread vegetation types, or ecological systems, such as North Pacific Lowland Mixed Hardwood-Conifer Forest and Woodland, Willamette Valley Wet Meadow, and North Pacific Oak Woodland. Wild animals in these habitats often interact with organisms on our fields. In some cases, the farms directly benefit from species interactions, such as bumblebees pollinating our crops. (015929)

CONSERVATION The Willamette Valley is one of 105 EPA-designated Level III Ecoregions in the United States. It is one of the smallest and most extensively modified of all Level III areas. For this reason, remnants of native habitat are significant for biodiversity preservation as well as the multitude of ecosystem services reasons offered above. Following are the areas in which we focus our protection and restoration efforts:

Ecology & Habitat: significant biodiversity, critical habitat for endangered or vulnerable species, wildlife habitat

Public/Human Use: open space, working lands, scientific value

Ecosystem Services: land that provides basic ecosystem services in critical situations (e.g., watershed function, flood control), land providing other ecosystem services (regulating, supporting, provisioning and/or cultural values/services). Note: Winter rains in the Willamette Valley can cause local creeks to flood. Well managed farmland and natural areas allow water to infiltrate rather than runoff rapidly and mitigate flash flood potential. Other key ecosystem functions are improved when land is managed without synthetic fertilizers and when covered in perennial crops, such as pasture, that reduce erosion risk. (PD9009)

OUTCOMES

Sustainable management of our farmland mitigates the harmful effects of climate change and generates positive environmental outcomes (projections for owned acres, 2015-2025):

105,993 lbs pesticides avoided

3,492,935 lbs synthetic nitrogen avoided

7,720 tons avoided emissions & CO2 sequestration

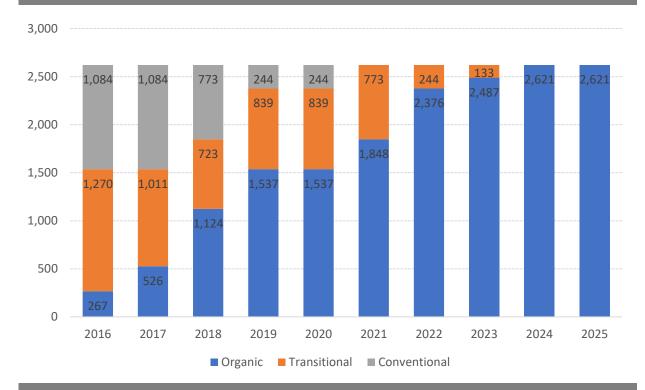
1.049,632 lbs carbon (C) stored in soil (above baseline)

104,963 lbs nitrogen (N) stored in soil (above baseline)



Note: Formulas for calculating metrics are available upon request from the Manager.

ORGANIC CONVERSION SCHEDULE



IMPACT UPDATE: Rapid Conversion

Vital Farmland REIT, LLC purchased approximately 2,400 acres of farmable land from Olsen Agricultural Enterprises in June 2015. Just 18 months later, organic transition is underway on approximately 1,300 acres. This expedient change in management results in a rapid decline in the use of synthetic pesticides and fertilizers, and rebuilds soil organic matter, removing CO2 from the air. In 2018, 3 years after taking ownership, over half of the land will be producing certified organic products.

