



# Mid-South Farmland

Why SEF's portfolio is focused in the Mid-South region.

**Prepared By:**  
LandFund Partners

# MID-SOUTH FARMLAND ADVANTAGE

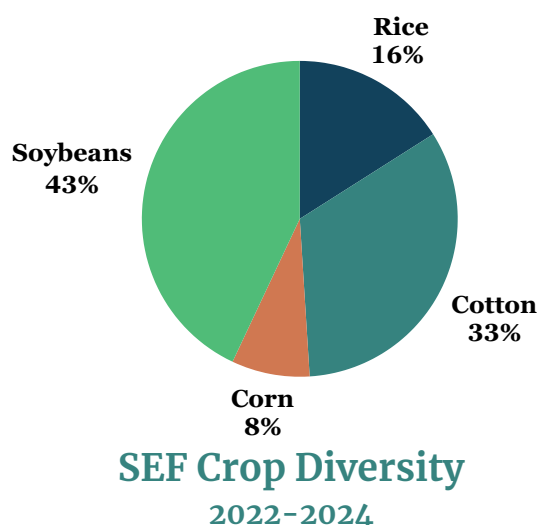
At LandFund Partners, our goal is to continue building one of the most valuable farmland investment portfolios in the U.S. by selectively acquiring and bolting on properties to our current footprint in the Mid-South region. **The Mid-South market contains over \$100bn of row crop farmland and presents what we view as the best investment opportunity in the asset class.**<sup>1</sup>

## Why the Mid-South region for the Soil Enrichment Fund?

The Mid-South combines natural resources, reliable water access, and historically consistent crop performance, making it an ideal fit for farmland acquisition. The region overlays the Mississippi River Alluvial Aquifer, providing long-term irrigation security and reducing production risk. Its fertile soils and favorable climate enable scalable adoption of regenerative practices while maintaining yield performance. Mid-South farmland provides crop flexibility, land value affordability compared to the Midwest, reliable groundwater access, and deep regional strength for our farm management team.

### 1. Crop Diversity

Approximately 70 percent of Mid-South arable land is allocated to soybeans, rice, corn, and cotton.<sup>2</sup> This crop diversity is made possible by the region's favorable soil profiles, climate conditions, and access to reliable water. It gives farmers greater annual planting flexibility, allowing them to respond to shifting market dynamics. By optimizing crop selection each season, we enhance income potential while mitigating risk across varying commodity cycles.



### Midwest Comparison

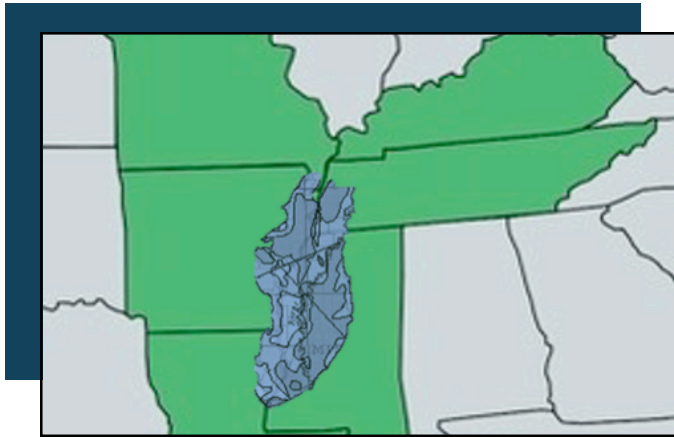
Rice production in the Mid-South, particularly in Arkansas, which represents 49.3 percent of total U.S. rice output, is primarily intended for human consumption, supporting stable and predictable demand.<sup>3</sup> In addition to rice, approximately 37 percent of U.S. cotton was grown in the Mid-South region, including Mississippi and Arkansas.<sup>4</sup> The Midwest, by contrast, is dominated by corn and soybeans, which cover about 75 percent of the region's arable land and are tied to more volatile markets like feed, fuel, and industrial uses.<sup>5</sup> Crop flexibility is also limited by the Midwest's shorter growing season, cooler climate, and soil suited to a narrower range of crops.

1. Based on CropScape data and management calculations. 2. Calculations based on USDA National Agriculture Statistics Service Census of Agriculture Based on the "Arkansas Rice | Commercial Row Crops | Production Practices" University of Arkansas System Division of Agriculture Extension 2024  
4. Based on Data from 2023-2024 Crop Season by Cotton Incorporated 5. Based on World Resource Institute and U.S. Climate Resilience Toolkit



## 2. Plentiful Ground Water

### The Mississippi River Alluvial Aquifer



Alluvial Aquifer (blue) across the Mid-South region (green)

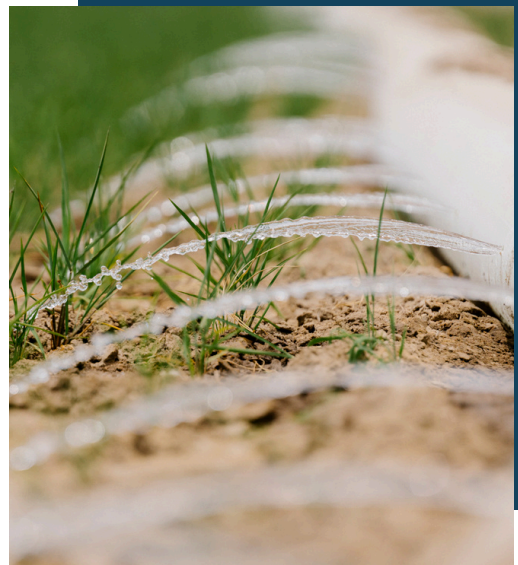
The Mississippi River Alluvial Aquifer spans the Mid-South and is the largest alluvial aquifer in North America, covering over 70,000 square miles. Supported by the Mississippi, White, and Arkansas Rivers, with deeper aquifers below, it offers a highly reliable water source. **It is estimated to have over 300 years of reliable ground water supply.**

This aquifer benefits from reliable recharge sources such as rainfall, river interaction, and groundwater inflow, making it more sustainable than aquifers reliant on slow infiltration. With managed withdrawals, it offers the Mid-South a long-term advantage in water sustainability and longevity than aquifer systems dependent on finite fossil water reserves.<sup>3</sup>

**Today, 93% of the Soil Enrichment Fund's farmland is irrigated, and 100% of LandFund's portfolio sits above the Mississippi River Alluvial Aquifer.**

### Midwest Comparison

Unlike the Mid-South, which benefits from consistent recharge through rainfall and river interaction, the Ogallala Aquifer, also known as the High Plains Aquifer, is largely composed of fossil water with extremely limited natural replenishment.<sup>1</sup> The Ogallala Aquifer recharges an average of just 0.5 inches per year in semi-arid areas.<sup>2</sup> This rate is further constrained by climate change, which reduces precipitation and increases evaporation. **According to the Nebraska Corn Board, the U.S. Geological Survey estimates that only 50 to 100 years of usable water remain in some areas.**<sup>3</sup> This presents a long-term risk to both agricultural viability and regional water security.



The Midwest faces the challenge of having limited ability to recharge the Ogallala Aquifer, which will greatly impact the regions agriculture in the future. The Mid-South Alluvial Aquifer holds the potential for permanent sustainability, largely due to its reliable recharge from the Mississippi River. With ongoing climate change, we believe it is positioned to become one of the few consistently replenished aquifers across the U.S.

1. Based on Earth Date "Draining the Ogallala." The University of Texas at Austin. 2. Based on Oklahoma State University Extension. Statewide Estimates of Potential Groundwater Recharge." 3. Based on U.S. Geological Survey (Quoted in Nebraska Corn Board in 2018)

### 3. Relative Value

#### Mid-South Farmland Convergence Thesis

LandFund Partners has invested in the Mid-South since 2013, when Midwest farmland traded at a 140% premium. Our thesis was and continues to be that **farmland values converge between the two regions over time**, given the hundreds of years of groundwater, great crop diversity and large efficient tracts of farmland in the Mid-South. To date this thesis has held true, with the gap between the two regions closing to a 100% price premium. We believe that the 46,000+ acre SEF portfolio will continue to converge with Midwest prices over the coming years, and potentially accelerate in value as groundwater and climate issues in other parts of the country persist.

	High-Quality Mid-South Acre <sup>1</sup>	High-Quality Midwest Acre <sup>1</sup>	Price Premium
2013	\$5,000	\$12,000	140%
2023	\$7,500	\$15,000	100%
2033	?	?	?

#### Midwest Comparison

The Midwest region faces rising environmental and regulatory pressures, including water limitations and weather volatility, which may reduce flexibility and increase long-term costs to producers. In contrast, the Mid-South region offers more reliable water access, stronger soil health, and a favorable regulatory climate, enabling more efficient operations.

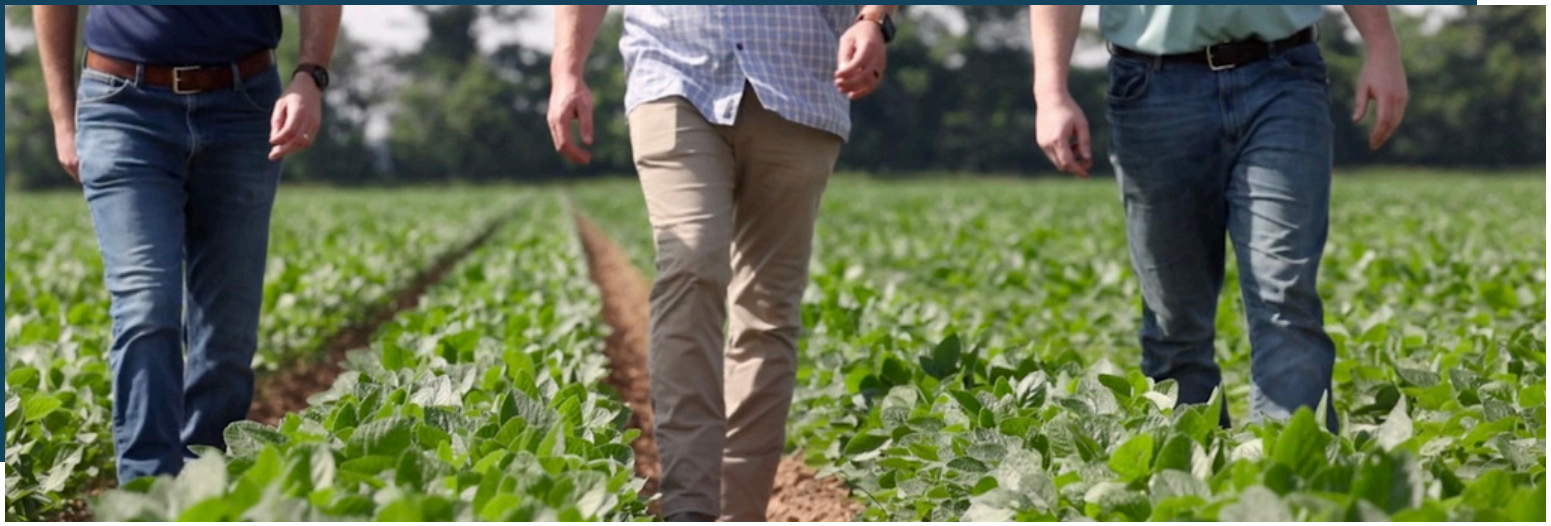
### 4. Regional Presence

Farmland investing demands local expertise and active oversight. Unlike many firms that outsource management, **LandFund Partners employs an in-house farm management team rooted in the region**, many of whom grew up on or around these farms. Our team conducts regular site visits and collaborates directly with operators on planting, regenerative practices, and off-market deal sourcing.



This boots-on-the-ground approach reflects our commitment to operational excellence and responsible land stewardship, leaving the land better than we found it for future generations.

1.Values based on market knowledge and Iowa State University Land Value Survey.



## Off-Market Deal Flow

**In 2024, 58% of LandFund Partners' acquisitions came through off-market deal flow, underscoring the strength of our regional presence and deep-rooted relationships.**

Our team is often the first to hear about off-market opportunities, and our strong footprint in the region consistently positions us at the top of the list for deals coming to market. This advantage is driven by our managers, whose long-standing commitment to the community continues to generate proprietary access and strategic opportunities others simply can't replicate.

## The Lasting Value of Mid-South Farmland

LandFund Partners' strategic focus on the Mid-South is based on our belief that a combination of crop diversity, resource reliability, local expertise, and relative land value creates a strong foundation for our farmland investment portfolio.

### 1. Crop Diveristy

Provides farmers more flexibility of which crop to plant annually, increasing the potential for profitability and reducing risk across changing market conditions.

### 2. Plentiful Ground Water

Over 300 years of steady and reliable water from the Mississippi River Alluvial Aquifer across the Mid-South region.

### 3. Relative Value

High quality Mid-South row crop farmland can be purchased for roughly half the price of high quality Midwest row crop farmland.

### 4. Regional Presence

Our in-house farm management team and fund principles have local relationships to support the portfolio in the region.

This combination of attributes positions LandFund Partners to continue building one of the most valuable farmland investment portfolios in the U.S.



# NOTES & DISCLOSURES

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Historical farmland value is no guarantee of future farmland value or future performance. The use of regenerative farming practices and their impact on soil health, while a core part of our mission, does not guarantee any specific financial or ecological outcome.

