

Gladstone Land Announces Acquisition of Three Farms for \$19 Million and Refinancing of Credit Facility

MCLEAN, Va., Sept. 8, 2015 (GLOBE NEWSWIRE) -- Gladstone Land Corporation (NASDAQ:LAND) (the "Company") announced today that it has acquired three farms comprised of approximately 850 gross acres of irrigated farmland in Kern County, California, for \$19 million. Currently, the property is mostly planted in wine grapes; however, the Company will finance the new tenant-farmer's development of the property into an almond orchard at an expected total cost of approximately \$8 million. The Company entered into a lease agreement with an industry leader in almonds, tomatoes and frozen vegetables for a 15-year, triple-net lease that provides for a fixed return for the first four years, thereafter converting to a revenue-sharing rent structure that includes a rental floor. Subject to yield and crop prices, projected annual rents under this lease are expected to exceed 8% of the total costs invested. The Company funded this acquisition through a disbursement on the long-term note payable under its borrowing facility with Metropolitan Life Insurance Company ("MetLife").

The Company also announced the refinancing of its existing credit facility with MetLife. Among other changes from the prior facility, under the modified facility, the blended interest rate on all previously-disbursed amounts under the long-term note payable was reduced by 26 bps, and the fixed rate term of the note was extended by 44 months. In addition, the spread on the revolving line of credit under the facility was reduced by 25 bps.

"Today's announcement marks our most significant foray into permanent crops to date, specifically almonds," said Bill Reiman, Managing Director of the Company's western division. "We expect the entire property will be planted with almonds soon. This property is in a location of proven high-yield almond production and excellent groundwater resources.

This acquisition adds to our presence in southeastern Kern County, which, like most of our properties' regions, is an area of high-value agriculture. And we are partnering with one of the most successful almond growers in California."

"This acquisition represents further diversification of our company, as we are adding another permanent crop to our portfolio, and we are partnering with a farming family well known in the area," said David Gladstone, President and CEO of the Company. "Diversification is extremely valuable in the farming industry in order to protect our asset base and our income to pay distributions. For the first time, we are also entering into a revenue-sharing arrangement that will go into effect in four years. The minimum base rent during the revenue-sharing period is still sufficient so as to not impair our ability to meet future distributions, and we believe the revenue-sharing component will add to our future profits, allowing us to increase our distributions. In addition, we were able to refinance our agreement with our largest lender, MetLife, which should provide us with significant savings over the next several years that we hope to be able to pass to our shareholders."

About Gladstone Land Corporation:

Gladstone Land is a real estate investment trust that pays monthly distributions to its stockholders. The Company invests in farmland located in major agricultural markets in the United States that it leases to corporate and independent farmers and intends to report the current value of its farmland on a quarterly basis. As of June 30, 2015, the net asset value of the Company was \$13.42 per share. The Company currently owns 41 farms, comprised of 14,876 acres in 6 different states across the U.S., valued at approximately \$261 million. Its acreage is predominantly concentrated in locations where its tenants are able to grow row crops, such as berries and vegetables, which are planted and harvested annually or more frequently. The Company also owns land with permanent crops (those planted every 10 to 20-plus years), such as blueberries and almonds. The Company also may acquire property related to farming, such as storage facilities utilized for cooling produce, processing buildings, packaging facilities and distribution centers. The Company has paid 31 consecutive monthly cash distributions on its common stock since its initial public offering in January 2013. The current per-share distribution is \$0.04 per month, or \$0.48 per year.

Additional information can be found at www.GladstoneLand.com and www.GladstoneFarms.com.

Owners or brokers who have farmland for sale in the U.S. should contact:

Eastern U.S. – Bill Frisbie at (703) 287-5839 or bill.f@gladstoneland.com

Western U.S. – Bill Reiman at (805) 263-4778 or bill.r@gladstoneland.com

Midwest U.S. – Bill Hughes at (618) 606-2887 or bill.h@gladstoneland.com

For stockholder information on Gladstone Land, call (703) 287-5893. For Investor Relations inquiries related to any of the monthly dividend-paying Gladstone funds, please visit www.Gladstone.com.

All statements contained in this press release, other than historical facts, may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" and variations of the foregoing words and similar expressions are intended to identify forward-looking statements. Readers should not rely upon forward-looking statements because the matters they describe are subject to known and unknown risks and uncertainties that could cause the Company's business, financial condition, liquidity, results of operations, funds from operations or prospects to differ materially from those expressed in or implied by such statements. Such risks and uncertainties are disclosed under the caption "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed with the SEC on February 24, 2015. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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Source: Gladstone Land Corporation