
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE

ACT OF 1934

For the fiscal year ended September 30, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE

ACT OF 1934

For the transition period from

from

to

Commission File Number: 0-261

Alico, Inc.

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of
incorporation or organization)

10070 Daniels Interstate Court Suite 100 Fort Myers, FL
(Address of principal executive offices)

59-0906081

(I.R.S. Employer
Identification No.)

33913
(Zip Code)

Registrant's telephone number, including area code: 239-226-2000

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of class:

COMMON CAPITAL STOCK, \$1.00 Par value,

Non-cumulative

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

None

Name of each exchange on which registered:

NASDAQ

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that such registrant was required to file such reports), and (2) has been subject to such filings requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 or Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes No

The aggregate market value of the voting and nonvoting common equity held by non-affiliates based on the closing price, as quoted on the NASDAQ Global Market as of March 31, 2015 (the last business day of Alico's most recently completed second fiscal quarter) was \$175,470,054. Solely for the purposes of this calculation, the registrant has elected to treat all executives, officers and greater than 10% stockholders as affiliates of the registrant. There were 8,294,612 shares of common stock outstanding at December 4, 2015.

Documents Incorporated by Reference:

Portions of the Proxy Statement of Registrant for the 2016 Annual Meeting of Shareholders (to be filed with the Commission under Regulation 14A within 120 days after the end of the Registrant's fiscal year), are incorporated by reference in Part III of this report.

ALICO, INC.
FORM 10-K
For the fiscal year ended September 30, 2015

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Cautionary Statement

This Annual Report on Form 10-K contains certain “forward-looking statements,” as such term is defined in Section 21E of the Securities Exchange Act of 1934 (the “Exchange Act”). They are based on management’s current expectations and assumptions regarding our business and performance, the economy and other future conditions and forecasts of future events, circumstances and results. These forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often include words such as “may,” “will,” “could,” “should,” “would,” “believes,” “expects,” “anticipates,” “estimates,” “projects,” “intends,” “plans” and other words and terms of similar substance in connection with discussions of future operating or financial performance. Such forward-looking statements include, but are not limited to, statements regarding future actions, business plans and prospects, prospective products, trends, future performance or results of current and anticipated products, sales efforts, expenses, interest rates, the outcome of contingencies, such as legal proceedings, plans relating to dividends, government regulations, the adequacy of our liquidity to meet our needs for the foreseeable future and our expectations regarding market conditions.

As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Our actual results may vary materially from those expressed or implied in our forward-looking statements. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements.

We undertake no obligation to update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission (“SEC”). We provide in Item 1A, “Risk Factors,” a cautionary discussion of certain risks and uncertainties related to our businesses. These are factors that we believe, individually or in the aggregate, could cause our actual results to differ materially from expected and historical results. We note these factors for investors as permitted by Section 21E of the Exchange Act. In addition, the operation and results of our business are subject to risks and uncertainties identified elsewhere in this Annual Report on Form 10-K as well as general risks and uncertainties such as those relating to general economic conditions. You should understand that it is not possible to predict or identify all such risks. Consequently, you should not consider such discussion to be a complete discussion of all potential risks or uncertainties.

Part 1

Item 1. Business.

Alico, Inc. ("Alico"), together with its subsidiaries (collectively, the "Company", "we", "us" or "our") was incorporated under the laws of the state of Florida in 1960. Our business and operations are described below. For detailed financial information with respect to our business and our operations, see Management's Discussion and Analysis of Financial Condition and Results of Operations which is included in Item 7 in this Annual Report on Form 10-K, and the accompanying Consolidated and Combined Financial Statements and the related Notes therein, which are included in Item 8. In addition, general information concerning our Company can be found on our website, the internet address of which is www.alicoinc.com. All of our filings with the SEC including, but not limited to, the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments thereto, are available free of charge on our website as soon as reasonably practicable after such material is electronically filed or furnished with the SEC. In addition, you may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. To obtain information on the operation of the Public Reference room, you may call the SEC at 1-800-SEC-0330. Our recent press releases and information regarding corporate governance, including the charters of our audit, compensation, executive and nominating governance committees, as well as our code of business conduct and ethics are also available to be viewed or downloaded electronically at <http://www.alicoinc.com>. The information on our website is not part of this report or any other report we file with or furnish to the SEC.

Overview

Alico is an agribusiness and natural resources management company, backed by a legacy of achievement and innovation in citrus, cattle and resource conservation. The Company owns approximately 121,000 acres of land in twelve Florida counties (Alachua, Charlotte, Collier, DeSoto, Glades, Hardee, Hendry, Highlands, Lee, Martin, Osceola and Polk) including approximately 90,000 acres of mineral rights. Our principal lines of business are citrus groves, cattle ranching and conservation, and related support operations.

During the fiscal year ended September 30, 2015, the Company acquired three Florida citrus properties for total consideration of approximately \$363,000,000. These acquisitions make Alico one of the largest citrus producers in the United States, with total 2014-2015 production of approximately 10,500,000 boxes.

Our mission is to create value for our customers and stockholders by managing existing lands to their optimal current income and total returns, opportunistically acquiring new agricultural assets and producing high quality agricultural products while exercising responsible environmental stewardship.

We manage our land based upon its primary usage and review its performance based upon two primary classifications - Citrus Groves and Ranch and Conservation. In addition, we operate an Agricultural Supply Chain Management business that is not tied directly to our land holdings and Other Operations that include a citrus nursery, a leased mine and we lease oil extraction rights to third parties. We present our financial results and the related discussion based upon our five business segments (Citrus Groves, Improved Farmland, Ranch and Conservation, Agricultural Supply Chain Management and Other Operations).

Recent Developments

Orange-Co Acquisition

On December 2, 2014, we completed the acquisition of certain citrus and related assets of Orange-Co, LP ("Orange-Co") pursuant to an Asset Purchase Agreement, which we refer to as the "Orange-Co Purchase Agreement", dated as of December 1, 2014. The acquisition included 51% of the ownership interests in Citree Holdings 1, LLC. The Company acquired Orange-Co to transform our citrus business and meaningfully enhance the Company's position in the citrus industry. The assets we purchased include approximately 21,000 acres of citrus groves in DeSoto and Charlotte Counties, Florida, which includes one of the largest contiguous citrus grove properties in the state of Florida. Further discussion of the Orange-Co acquisition is contained in the Notes to the accompanying Consolidated and Combined Financial Statements included in Item 8.

Sugarcane Disposition

On November 21, 2014, we sold approximately 36,000 acres of land used for sugarcane production and land leasing in in Hendry County, Florida to Global Ag Properties USA LLC ("Global") for approximately \$97,900,000 in cash. We previously leased approximately 30,600 of these acres to United States Sugar Corporation (the "USSC Lease"). The USSC Lease was assigned

to Global in conjunction with the land sale. Net proceeds from the sugarcane land sale of approximately \$97,126,000 were deposited with a Qualified Intermediary in anticipation of the Orange-Co asset acquisition in a tax deferred like-kind exchange pursuant to Internal Revenue Code Section 1031. As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business. Further discussion of the sugarcane land sale is contained in the Notes to the accompanying Consolidated and Combined Financial Statements included in Item 8.

Common Control Acquisition between the Company and 734 Citrus Holdings, LLC

Effective February 28, 2015, the Company completed the merger (the "Merger") with 734 Citrus Holdings, LLC ("Silver Nip Citrus") pursuant to an Agreement and Plan of Merger with 734 Sub, LLC, a wholly-owned subsidiary of the Company, Silver Nip Citrus and, solely with respect to certain sections thereof, the equity holders of Silver Nip Citrus. At the time of the Merger, the ownership of Silver Nip Citrus was held by (i) 734 Agriculture, 74.89%, (ii) Mr. Clay Wilson, Chief Executive Officer of the Company, 5% and (iii) an entity controlled by Mr. Clay Wilson, 20.11%. Silver Nip Citrus entities include 734 Harvest, LLC, 734 Co-op Groves, LLC, 734 LMC Groves, LLC and 734 BLP Groves, LLC. Further discussion of the Merger is contained in the Notes to the accompanying Consolidated and Combined Financial Statements included in Item 8.

Water Storage Contract Approval

On December 11, 2014, the South Florida Water Management District ("SFWMD") entered into a Dispersed Water Management Program Northern Everglades Payment for Environmental Services Contract (the "Contract") with the Company. The Contract term is eleven years and allows up to one year for implementation (design, permitting, construction and construction completion certification) and ten years of operation whereby the Company will provide water retention services. Payment for these services includes an amount not to exceed \$4,000,000 of reimbursement for implementation. In addition it provides for an annual fixed payment of \$12,000,000 for operations and maintenance costs as long as the project is in compliance with the Contract and subject to annual SFWMD Governing Board (the "Board") approval of funding. The Contract specifies that the Board has to approve the payments annually and there can be no assurance that it will approve the annual fixed payments.

During the 2015 legislative session, the Governor of Florida vetoed the legislatively approved budget for dispersed water management projects. Although SFWMD did not receive the state funds for the project payments for the next fiscal year (October 2015 through September 2016), it has options available to continue with the project.

As discussed above, the Contract between the Company and SFWMD provides that funding of the Contract is subject to the SFWMD receiving funds for the project from the Florida Legislature and the SFWMD Governing Board budget appropriation.

The SFWMD budget process allows for amending the budget at any Governing Board meeting, which could allow for some funding in fiscal year 2016. However, if no funds are provided and accommodation is not reached to delay work on the project until funds are available, the SFWMD would be within its rights under the Contract to terminate.

Debt Refinancing

We entered into a First Amended and Restated Credit Agreement with Metropolitan Life Insurance Company and New England Life Insurance Company ("Metlife Agreement") under which they provided fixed rate and variable rate term loans in the initial aggregate principal amount of \$182,500,000 and revolving credit commitments of \$25,000,000.

The Metlife Agreement amends and restates existing credit facilities, dated as of September 8, 2010 (as amended from time to time, the "Prior Credit Agreement") between the Company and Rabo AgriFinance, Inc. Under the Prior Credit Agreement, we had a variable rate term loan in the initial principal amount of \$40,000,000, of which \$33,500,000 was outstanding at the date of refinancing and \$60,000,000 in undrawn revolving credit commitments.

Rabo AgriFinance, Inc. Credit Agreement

We entered into a Credit Agreement with Rabo AgriFinance, Inc. under which they have provided a \$70,000,000 revolving working capital line of credit for the Company.

Other Transactions

In September 2014, Silver Nip Citrus purchased a 1,500 acre citrus grove in Charlotte County, Florida for a purchase price of approximately \$17,130,000. The assets purchased included land and fruit inventory as well as irrigation and other

equipment. The purchase price was funded from Silver Nip Citrus' cash and additional financing of \$11,000,000 (see Note 5, "Debt" to the accompanying Consolidated and Combined Financial Statements) in fixed rate term loans.

On July 1, 2014, Silver Nip Citrus sold a 2,800 acre parcel of land in Polk County, Florida for \$5,623,000. This parcel was surplus to the operations and was classified as held for sale. This sale was part of a like-kind exchange transaction intended to qualify for tax-deferral treatment in accordance with Internal Revenue Code Section 1031 and the proceeds were used to purchase the 1,500 acre citrus grove in Charlotte County, Florida.

The Land We Manage

We regularly review our land holdings to determine the best use of each parcel based upon our management expertise. Our total return profile is a combination of operating income potential and long-term appreciation. Land holdings not meeting our total return criteria are considered surplus to our operations and will be sold or exchanged for land considered to be more compatible with our business objectives and total return profile.

Our land holdings and the operating activities in which we engage are categorized in the following table:

	<u>Gross Acreage</u>	<u>Operating Activities</u>
Citrus Groves		
Citrus Groves	46,781	Citrus Cultivation
Improved Farmland		
Leasable	1,825	Leasing
Ranch and Conservation	70,962	Cattle Grazing; Sod and Native Plant Sales; Leasing; Conservation
Other Land	1,870	Mining; Citrus Nursery
Total	<u>121,438</u>	

Citrus Groves

We own and manage Citrus Groves in DeSoto, Polk, Collier, Hendry, Charlotte, Highlands, Osceola, Martin, and Hardee Counties and engage in the cultivation of citrus trees to produce citrus for delivery to the fresh and processed citrus markets. Citrus Groves total approximately 46,800 gross acres or 38.5% of our land holdings.

Our citrus acreage is detailed in the following table:

	<u>Net Plantable</u>			<u>Total Plantable</u>	<u>Support</u>	<u>Gross</u>
	<u>Producing</u>	<u>Developing</u>	<u>Fallow</u>			
DeSoto County	15,038	912	702	16,652	4,525	21,177
Polk County	4,445	233	—	4,678	2,130	6,808
Collier County	4,468	—	—	4,468	2,823	7,291
Hendry County	3,490	70	—	3,560	1,608	5,168
Charlotte County	1,730	—	138	1,868	635	2,503
Highlands County	1,054	—	—	1,054	169	1,223
Osceola County	921	—	—	921	442	1,363
Martin County	551	—	—	551	123	674
Hardee County	417	—	—	417	157	574
Total	<u>32,114</u>	<u>1,215</u>	<u>840</u>	<u>34,169</u>	<u>12,612</u>	<u>46,781</u>

Of the approximately 46,800 gross acres of citrus groves we own and manage, approximately 12,600 acres are classified as support acreage. Support acreage includes acres used for roads, barns, water detention, water retention and drainage ditches integral to the cultivation of citrus trees but which are not capable of directly producing fruit. None of our citrus grove acreage is classified as available for sale. The approximately 34,200 remaining acres are classified as net plantable acres. Net plantable acres are those that are capable of directly producing fruit. These include acres that are currently producing, acres that are developing (acres that are planted in trees too young to commercially produce fruit) and acres that are fallow.

Our Citrus Groves business segment cultivates citrus trees to produce citrus for delivery to the processed and fresh citrus markets. Our sales to the processed market are approximately 92% of our citrus sales annually. We produce Early and Mid-Season varieties, primarily Hamlin oranges, as well as a Valencia variety for the processed market. We deliver our fruit to the processors in boxes which contain 90 pounds of oranges. Because the processors convert the majority of the citrus crop into orange juice, they generally do not buy their citrus on a per box basis but rather on a pound solids basis, which is the measure of the soluble solids (sugars and acids) contained in one box of citrus fruit. We produced approximately 62,200,000, 26,600,000 and 24,700,000 pound solids for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively, on boxes delivered to processing plants of approximately 10,014,000, 4,146,000 and 3,867,000, respectively.

The average pound solids per box was 6.21, 6.44 and 6.40 for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively.

We generally use multi-year contracts with citrus processors that include pricing structures based on a minimum (“floor”) price with a price increase (“rise”) based on market conditions. Therefore, if pricing in the market is favorable relative to our floor price, we benefit from the incremental difference between the floor and the final market price.

The majority of our citrus produced for the processed citrus market in fiscal year 2015-2016 will be under minimum price contracts with a floor prices ranging from \$1.60 to \$2.00 per pound solids. We believe that other markets are available for our citrus products; however, new arrangements may be less favorable than our current contracts.

Our sales to the fresh market constitute approximately 4% of our citrus sales annually. We produce numerous varieties to the fresh fruit market including grapefruit, navel and other fresh varieties. Generally, our fresh fruit is sold to packing houses by the box and the packing houses are responsible for the harvest and haul of these boxes. We produced approximately 466,000, 213,000 and 251,000 fresh fruit boxes for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively. The majority of our citrus to be produced for the fresh citrus market in fiscal year 2015-2016 is under fixed price contracts.

Revenues from our Citrus Groves operations were 91.2%, 60.0% and 43.0% of our total operating revenues for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively.

Ranch and Conservation

We own and manage Ranch and Conservation land in Collier and Hendry Counties and engage in cattle production, sod and native plant sales, land leasing for recreational and grazing purposes and conservation activities. Of our land holdings, Ranch and Conservation totals approximately 70,962 gross acres or 58.4% of our total acreage.

Our Ranch and Conservation acreage is detailed in the following table as of September 30, 2015:

	Acreage
Hendry County	66,940
Collier County	4,022
Total	70,962

We frequently lease the same acreage for more than one purpose. The portion of our Ranch and Conservation acreage that is leased for each purpose is detailed in the table below:

	Grazing	Recreational
Hendry County	1,082	51,893
Collier County	4,000	3,493

Our cattle operation is engaged in the production of beef cattle and is located in Hendry and Collier Counties. The breeding herd consisted of approximately 8,600 cows and bulls and we plan to increase the size of our herd in the near future to the extent practicable. We primarily sell our calves to feed yards and yearling grazing operations in the United States. We also sell cattle through local livestock auction markets and to contract cattle buyers in the United States. These buyers provide ready markets for our cattle. We believe that the loss of any one or a few of these buyers would not have a material effect on our cattle operations. Revenues from our Ranch and Conservation operations were 3.5%, 7.8% and 6.6% of total operating revenues for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively.

In the fourth quarter of fiscal year 2013, we granted an easement to the United States Department of Agriculture ("USDA"), through its administering agency, The Natural Resources Conservation Service, on approximately 11,600 acres of our Ranch and Conservation land located in Hendry County, resulting in a gain of approximately \$20,300,000, which is recognized in other income, net in the accompanying Consolidated and Combined Statements of Operations and Comprehensive Income.

Our Other Segments

In addition to owning and managing approximately 121,000 gross acres of land in Central and Southwest Florida, the Company also engages in complimentary lines of business. Our Agricultural Supply Chain Management line of business includes activities related to value-added services provided to Alico and other Florida growers including agricultural contracting for harvesting, hauling and marketing and the purchase and resale of fruit. Our Other Operations lines of business also includes activities related to rock and sand mining, oil exploration, a citrus nursery and other small lines of business.

Business Segments

Our operations include five business segments: Citrus Groves, Improved Farmland, Ranch and Conservation, Agricultural Supply Chain Management and Other Operations.

- Citrus Groves include activities related to planting, owning, cultivating and/or managing citrus groves in order to produce fruit for sale to fresh and processed citrus markets.
- Agricultural Supply Chain Management includes activities related to the purchase and resale of fruit, as well as, value-added services which include contracting for the harvesting, marketing and hauling of citrus.
- Improved Farmland includes activities related to owning and/or leasing improved farmland. Improved Farmland is acreage that has been converted, or is permitted to be converted, from native pasture and which may have various improvements including irrigation, drainage and roads. As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business.
- Ranch and Conservation includes activities related to cattle grazing, sod, native plant and animal sales, leasing, management and/or conservation of unimproved native pasture land.
- Other Operations include activities related to a citrus nursery, rock mining royalties, oil exploration and other insignificant lines of business.

Financial information and further discussion of our business segments are contained in the notes to the accompanying Consolidated and Combined Financial Statements.

Our Strategy

Our core business strategy is to maximize stockholder value through continuously improving the return on our invested capital, either by holding and managing our existing land through skilled agricultural production, leasing, or other opportunistic means of monetization, disposing of under productive land or business units and/or acquiring new land or operations with appreciation potential.

Our objectives are to produce the highest quality agricultural products, create innovative land uses, opportunistically acquire and convert undervalued assets, sell-under productive land not meeting our total return profile, generate recurring and sustainable profit with the appropriate balance of risk and reward, and exceed the expectations of stockholders, customers, clients and partners.

Our strategy is based on best management practices of our agricultural operations, environmental and conservation stewardship of our land and natural resources. We manage our land in a sustainable manner and evaluate the effect of changing land uses while considering new opportunities. Our commitment to environmental stewardship is fundamental to the Company's core beliefs.

Competition

We are engaged in a variety of agricultural and nonagricultural activities, all of which are in highly competitive markets. Citrus is grown domestically in several states including Florida, California, Arizona and Texas, as well as foreign countries, most notably Brazil. Competition is impacted by several factors including quality, production, demand, brand recognition, market prices, weather, disease, export/import restrictions and foreign currency exchange rates. Beef cattle are produced throughout the United States and domestic beef sales also compete with imported beef. Forest and rock products are produced in many parts of the United States.

Environmental Regulations

Our operations are subject to various federal, state and local laws regulating the discharge of materials into the environment. Management believes we are in compliance with all such rules including permitting and reporting requirements. Historically, compliance with environmental regulations has not had a material impact on our financial position, results of operations or cash flows.

Management monitors environmental legislation and requirements and makes every effort to remain in compliance with such regulations. In addition, we require lessees of our property to comply with environmental regulations as a condition of leasing.

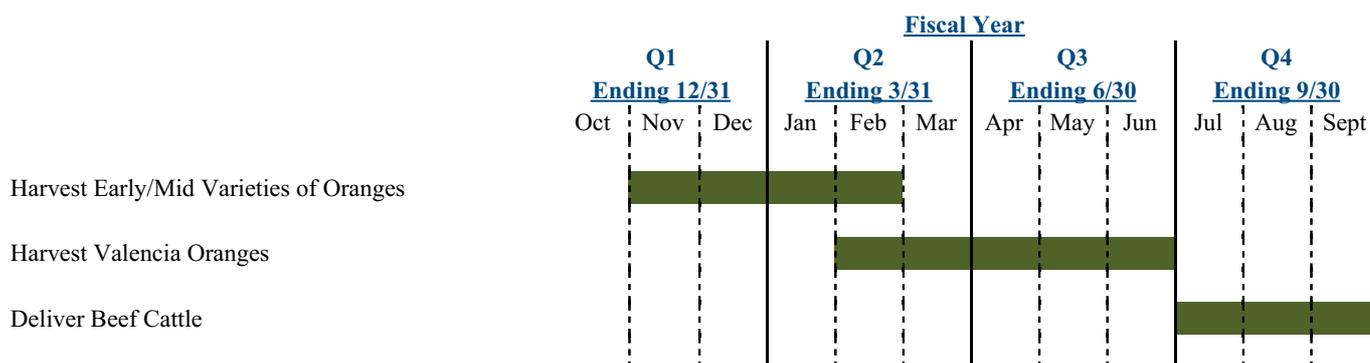
Employees

As of September 30, 2015, we had 346 full-time employees. Our employees work in the following divisions:

Citrus Groves	245
Agricultural Supply Chain Management	41
Other Operations	27
Ranch and Conservation	3
Corporate, General, Administrative and Other	30
Total employees	346

Seasonal Nature of Business

Revenues from our agricultural business operations are seasonal in nature. The following table illustrates the seasonality of our agri-business revenues:



Capital resources and raw materials

Management believes that the Company will be able to meet its working capital requirements for at least the next 12 months, and over the long term, through internally generated funds, cash flows from operations, our existing lines of credit and access to capital markets. The Company has commitments that provide for lines of revolving credit that are available for our general and corporate use. Raw materials needed to cultivate the various crops grown by the Company consist primarily of fertilizers, herbicides and fuel and are readily available from local suppliers.

Available Information

We provide electronic copies of our SEC filings free of charge upon request. Any information posted on or linked from our website is not incorporated by reference in this Annual Report on Form 10-K. The SEC also maintains a website at <http://www.sec.gov>, which contains annual, quarterly and current reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

Item 1A. Risk Factors.

Our business and results of operations are subject to numerous risks and uncertainties, many of which are beyond our control. The following is a description of the known factors that we believe may materially affect our business, financial condition, results of operations or cash flows. They should be considered carefully, in addition to the information set forth elsewhere in this Annual Report on Form 10-K, including Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 8, Financial Statements and Supplementary Data, including the related Notes to the Consolidated and Combined Financial Statements in making any investment decisions with respect to our securities. Additional risks or uncertainties that are not currently known to us that we currently deem to be immaterial or that could apply to any company could also materially adversely affect our business, financial condition, results of operations or cash flows.

Risks related to our Business

Our citrus groves are subject to damage and loss from disease including but not limited to citrus greening and citrus canker which could negatively impact our business, financial condition, results of operations and cash flows.

Our citrus groves are subject to damage and loss from diseases such as citrus greening and citrus canker. Each of these diseases is widespread in Florida and exists in our citrus groves and in the areas where our citrus groves are located. The success of our citrus business is directly related to the viability and health of our citrus groves.

Citrus greening is one of the most serious citrus plant diseases in the world. Once a tree is infected, its productivity generally decreases. While the disease poses no threat to humans or animals, it has devastated citrus crops throughout the United States and abroad. Named for its green, misshapen fruit, citrus greening disease has now killed millions of citrus plants in the southeastern United States and has spread across the entire country. Infected trees produce fruits that are green, misshapen and bitter, unsuitable for sale as fresh fruit or for juice. Infected trees can die within a few years. At the present time, there is no known cure for citrus greening once trees are infected. Primarily as a result of citrus greening, according to a forecast by the U.S. Department of Agriculture, Florida is expected to have its smallest orange harvest in 52 years in the upcoming 2015-2016 harvest season.

Citrus canker is a disease affecting citrus species and is caused by a bacterium and is spread by contact with infected trees or by windblown transmission. There is no known cure for citrus canker at the present time although some management practices including the use of copper-based bactericides can mitigate its spread and lessen its effect on infected trees; however, there is no assurance that available technologies to control such disease will be effective.

Both of these diseases pose a significant threat to the Florida citrus industry and to our citrus groves. While we use best management practices to attempt to control diseases and their spread, there can be no assurance that our mitigation efforts will be successful. These diseases can significantly increase our costs which could materially adversely affect our business, financial condition, results of operations and cash flows. Our citrus groves produce a significant majority of our annual operating revenues and a significant reduction in available citrus from our citrus groves could decrease our operating revenues and materially adversely affect our business, financial condition, results of operations and cash flows.

Our agricultural products are subject to supply and demand pricing which is not predictable.

Agricultural operations traditionally provide almost all of our operating revenues with citrus being the largest portion and are subject to supply and demand pricing. While according to Nielsen data consumer demand for orange juice has decreased significantly to its lowest level in almost a decade, we have been able to offset the impact of such decline with higher prices based on a lower supply of available oranges. However, there can be no assurance that we will be able to continue to do so if demand continues to decline. Although our processed citrus is subject to minimum pricing we are unable to predict with certainty the final price we will receive for our products. In some instances the harvest and growth cycle will dictate when such products must be marketed which may or may not be advantageous in obtaining the best price. Excessive supplies tend to cause severe price competition and lower prices for the commodity affected. Limited supply of certain agricultural commodities due to world and domestic market conditions can cause commodity prices to rise in certain situations. We attempt to mitigate these risks by using contracts with citrus processors that include pricing structures based on a minimum (“floor”) price and with a price increase (“rise”) if market prices exceed the floor price. As a result, our profitability may be subject to significant variability.

Our citrus groves are geographically concentrated and the effects of adverse weather conditions could adversely affect our results of operations and financial position.

Our citrus operations are concentrated in central and south Florida with our groves located in parcels in DeSoto, Polk, Collier, Hendry, Charlotte, Highlands, Osceola, Martin and Hardee Counties. Because our groves are located in close proximity to each other, the impact of adverse weather conditions may be material to our results of operations. Florida is particularly susceptible to the occurrence of hurricanes. Depending on where any particular hurricane makes landfall, our properties could experience significant, if not catastrophic damage. Hurricanes have the potential to destroy crops, affect cattle breeding and impact citrus production through the loss of fruit and destruction of trees and/or plants either as a result of high winds or through the spread of windblown disease. Such damage could materially affect our citrus and cattle operations and could result in a loss of operating revenues from those products for a multi-year period. We seek to minimize hurricane risk by the purchase of insurance contracts, but the majority of our crops remain uninsured. In addition to hurricanes, the occurrence of other natural disasters and climate conditions in Florida, such as tornadoes, floods, freezes, unusually heavy or prolonged rain, droughts and heat waves, could have a material adverse effect on our operations and our ability to realize income from our crops or cattle.

A significant and increasing portion of our revenues are derived from our citrus business and any adverse event affecting such business could disproportionately harm our business.

Our revenues from our citrus business were approximately 91.2%, 60.0% and 42.9%, of our operating revenues in fiscal years 2015, 2014 and 2013, respectively. As a result of our recently announced acquisitions of three Florida citrus properties and the disposition of our sugarcane lands, the percentage of our operating revenues derived from our citrus business has increased significantly. These acquisitions resulted in our citrus division being one of the largest citrus producers in the United States and since we will not be as diversified as we have been previously, we will be more vulnerable to adverse events or market conditions affecting our citrus business which could have a significant impact on our overall business results.

We maintain a significant amount of indebtedness which could adversely affect our financial condition, results of operations or cash flows and may limit our operational and financing flexibility and negatively impact our business.

In fiscal year 2015, we initially obtained \$182,500,000 in aggregate principal amount of term loans and \$25,000,000 in revolving credit commitments from Metropolitan Life Insurance Company and New England Life Insurance Company as well as \$70,000,000 in aggregate principal amount of revolving credit commitments from Rabo AgriFinance, Inc. which we used in part to finance our recent Orange-Co acquisition. Our new loan agreements, and other debt instruments we may enter into in the future, may have negative consequences to us and could limit our business because we will use a substantial portion of our cash flows from operations to pay debt service costs which will reduce the funds available to us for corporate and general expenses and it may make us more vulnerable to economic downturns and adverse developments in our business. Our loan agreements require us to comply with various restrictive covenants and some contain financial covenants that require us to comply with specified financial ratios and tests. Our failure to meet these covenants could result in default under these loan agreements and would result in a cross-default under other loan agreements. In the event of a default and our inability to obtain a waiver of the default, all amounts outstanding under loan agreements could be declared immediately due and payable. Our new loan agreements also contain various covenants that limit our ability to engage in specified types of transactions. We expect that we will depend primarily upon our citrus operations to provide funds to pay our corporate and general expenses and to pay any amounts that may become due under any credit facilities and any other indebtedness we may incur and there are factors beyond our control that could negatively affect our citrus business revenue stream. Our ability to make these payments depends on our future performance, which will be affected by various financial, business, macroeconomic and other factors, many of which we cannot control.

If we are unable to successfully develop and execute our strategic growth initiatives, or if they do not adequately address the challenges or opportunities we face, our business, financial condition and prospects may be adversely affected.

Our success is dependent in part on our ability to identify, develop and execute appropriate strategic growth initiatives that will enable us to achieve sustainable growth in the long term. The implementation of our strategic initiatives is subject to both the risks affecting our business generally and the inherent risks associated with implementing new strategies. These strategic initiatives may not be successful in generating revenues or improving operating profit and, if they are, it may take longer than anticipated. As a result and depending on evolving conditions and opportunities, we may need to adjust our strategic initiatives and such changes could be substantial, including modifying or terminating one or more of such initiatives. Termination of such initiatives may require us to write down or write off the value of our investments in them. Transition and changes in our strategic initiatives may also create uncertainty in our employees, customers and partners that could adversely affect our business and revenues. In addition, we may incur higher than expected or unanticipated costs in implementing our strategic initiatives, attempting to attract revenue opportunities or changing our strategies. There is no assurance that the implementation of any strategic growth initiative will be successful, and we may not realize anticipated benefits at levels we project or at all, which would adversely affect our business, financial condition and prospects.

Our agricultural operations are subject to water use regulations restricting our access to water.

Our operations are dependent upon the availability of adequate surface and underground water. The availability of water is regulated by the state of Florida through water management districts which have jurisdiction over various geographic regions in which our lands are located. Currently, we have permits in place for the next 15 to 20 years for the use of underground and surface water which are adequate for our agricultural needs.

Surface water in Hendry County, where much of our agricultural land is located, comes from Lake Okeechobee via the Caloosahatchee River and a system of canals used to irrigate such land. The Army Corps of Engineers controls the level of Lake Okeechobee and ultimately determines the availability of surface water even though the use of water has been permitted by the state of Florida through the water management district. The Army Corps of Engineers decided in 2010 to lower the permissible level of Lake Okeechobee in response to concerns about the ability of the levee surrounding the lake to restrain rising waters which could result from hurricanes. Changes in availability of surface water use may result during times of drought, because of lower lake levels and could materially adversely affect our agricultural operations, financial position, results of operations and cash flows.

Our recent acquisitions of three Florida citrus properties and the acquisition of additional agricultural assets and other businesses could pose risks.

We seek to opportunistically acquire new agricultural assets from time to time that we believe would complement our business. In fiscal year 2015, we acquired three Florida citrus properties, including Orange-Co and Silver Nip Citrus, that results in our citrus division being one of the largest citrus producers in the United States. While we expect that our acquisitions will successfully complement our business, we may fail to realize all of the anticipated benefits of these acquisitions which could reduce our anticipated results. We cannot assure you that we will be able to successfully identify suitable acquisition opportunities, negotiate appropriate acquisition terms, obtain any financing that may be needed to consummate such acquisitions or complete proposed acquisitions. Acquisitions by us could result in accounting changes, potentially dilutive issuances of equity securities, increased debt and contingent liabilities, reduce the amount of cash available for dividends, debt service payments, integration issues and diversion of management's attention, any of which could adversely affect our business, results of operations and financial condition. We may be unable to successfully realize the financial, operational, and other benefits we anticipate from our acquisitions and our failure to do so could adversely affect our business, results of operation and financial condition.

Dispositions of our assets may adversely affect our future results of operations.

We also routinely evaluate the benefits of disposing of certain of our assets which could include the exit from lines of business. For example, in November of 2014 we sold significant sugarcane assets and we are no longer involved in the sugarcane business. While such dispositions increase the amount of cash available to us, it could also result in a potential loss of significant operating revenues and income streams that we might not be able to replace, makes our business less diversified and could ultimately have a negative impact on our results of operations and cash flows.

If a transaction intended to qualify as a Section 1031 Exchange is later determined to be taxable, we may face adverse consequences, and if the laws applicable to such transactions are amended or repealed, we may not be able to dispose of properties on a tax deferred basis.

From time to time we dispose of properties in transactions that are intended to qualify as Section 1031 Exchanges. It is possible that the qualification of a transaction as a Section 1031 Exchange could be successfully challenged and determined to be currently taxable and we could also be required to pay interest and penalties. As a result, we may be required to borrow funds in order to pay additional property taxes, and the payment of such taxes could cause us to have less cash available. Moreover, it is possible that legislation could be enacted that could modify or repeal the laws with respect to Section 1031 Exchanges, which could make it more difficult or not possible for us to dispose of properties on a tax deferred basis.

We may undertake one or more significant corporate transactions that may not achieve their intended results, may adversely affect our financial condition and our results of operations or result in unforeseeable risks to our business.

We continuously evaluate the acquisition or disposition of operating businesses and assets and may in the future undertake one or more significant transactions. Any such acquisitive transaction could be material to our business and could take any number of forms, including mergers, joint ventures and the purchase of equity interests. The consideration for such acquisitive transactions may include, among other things, cash, common stock or equity interests in us or our subsidiaries, or a contribution of property or equipment to obtain equity interests, and in conjunction with a transaction we might incur additional indebtedness. We also routinely evaluate the benefits of disposing of certain of our assets. Such dispositions could take the form of asset sales, mergers or sales of equity interests.

These transactions may present significant risks such as insufficient assets to offset liabilities assumed, potential loss of significant operating revenues and income streams, increased or unexpected expenses, inadequate return of capital, regulatory or compliance issues, the triggering of certain financial covenants in our debt instruments (including accelerated repayment) and unidentified issues not discovered in due diligence. In addition, such transactions could distract management from current operations. As a result of the risks inherent in such transactions, we cannot guarantee that any such transaction will ultimately result in the realization of its anticipated benefits or that it will not have a material adverse impact on our business, financial condition or results of operations. If we were to complete such an acquisition, disposition, investment or other strategic transaction, we may require additional debt or equity financing that could result in a significant increase in our amount of debt and our debt service obligations or the number of outstanding shares of our common stock, thereby diluting holders of our common stock outstanding prior to such acquisition.

We are subject to the risk of product contamination and product liability claims.

The sale of agricultural products for human consumption involves the risk of injury to consumers. Such injuries may result from tampering by unauthorized third parties, product contamination or spoilage, including the presence of foreign objects, substances, chemicals, other agents, or residues introduced during the growing, storage, handling or transportation phases. While we are subject to governmental inspection and regulations and believe our facilities comply in all material respects with all applicable laws and regulations, we cannot be sure that our agricultural products will not cause a health-related illness in the future or that we will not be subject to claims or lawsuits relating to such matters. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against others. We maintain product liability insurance, however, we cannot be sure that we will not incur claims or liabilities for which we are not insured or that exceed the amount of our insurance coverage.

Changes in immigration laws could impact our ability to harvest our crops.

We engage third parties to provide personnel for our harvesting operations. The availability and number of such workers is subject to decrease if there are changes in the U.S. immigration laws. The scarcity of available personnel to harvest our agricultural products could cause harvesting costs to increase or could lead to the loss of product that is not timely harvested which could have a material adverse effect to our citrus grove business, financial condition, results of operations and cash flows.

Changes in demand for our agricultural products can affect demand and pricing of such products.

The general public's demand for particular food crops we grow and sell could reduce prices for some of our products. To the extent that consumer preferences evolve away from products we produce and we are unable to modify our products or develop products that satisfy new customer preferences, there could be a decrease in prices for our products. Even if market prices are unfavorable, produce items which are ready to be or have been harvested must be brought to market. Additionally, we have

significant investments in our citrus groves and cannot easily shift to alternative crops for this land. A decrease in the selling price received for our products due to the factors described above could have a material adverse effect on our business.

Our citrus grove business is seasonal.

Our citrus groves produce the majority of our annual operating revenues and the citrus grove business is seasonal because it is tied to the growing and picking seasons. Historically, the second and third quarters of our fiscal year generally produce the majority of our annual revenues, and our working capital requirements are typically greater in the first and fourth quarters of our fiscal year coinciding with our planting cycles. Because of the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year or in future quarters. If our operating revenues in the second and third quarters are lower than expected, it would have a disproportionately large adverse impact on our annual operating results.

We face significant competition in our agricultural operations.

We face significant competition in our agricultural operations both from domestic and foreign producers and do not have any branded products. Foreign growers generally have an equal or lower cost of production, less environmental regulation and in some instances, greater resources and market flexibility than us. Because foreign growers have greater flexibility as to when they enter the U.S. market, we cannot always predict the impact these competitors will have on our business and results of operations. The competition we face from foreign suppliers of orange juice is mitigated by a governmentally imposed tariff on orange imports. A change in the government's reduction in the orange juice tariff could adversely impact our results of operations.

Climate change, or legal, regulatory, or market measures to address climate change, may negatively affect our business and operations.

There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns, and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on the productivity of our citrus groves, it could have an adverse impact on our business and results of operations. The increasing concern over climate change also may result in more regional, federal, and/or global legal and regulatory requirements to reduce or mitigate the effects of greenhouse gases. In the event that such regulation is enacted, we may experience significant increases in our costs of operations. In particular, increasing regulation of fuel emissions could substantially increase the distribution and supply chain costs associated with our products. As a result, climate change could negatively affect our business and operations.

We benefit from reduced real estate taxes due to the agricultural classification of a majority of our land. Changes in the classification or valuation methods employed by county property appraisers could cause significant changes in our real estate tax liabilities.

In the fiscal years ended September 30, 2015, 2014 and 2013, we paid approximately \$4,054,000, \$2,291,000 and \$2,196,000 in real estate taxes, respectively. These taxes were based upon the agricultural use ("Green Belt") values determined by the county property appraiser in which counties we own land, of \$123,617,000, \$74,105,000 and \$69,687,000 for each of the fiscal years ended September 30, 2015, 2014 and 2013, respectively, which differs significantly from the fair values determined by the county property appraisers of \$652,891,000, \$518,112,000 and \$516,919,000. Changes in state law or county policy regarding the granting of agricultural classification or calculation of Green Belt values or average millage rates could significantly impact our results of operations, cash flows and financial position.

We manage our properties in an attempt to capture their highest and best use and customarily do not sell property until it no longer meets our total return profile.

The goal for our land management program is to manage and selectively improve our lands for their most profitable use. We continually evaluate our properties focusing on location, soil capabilities, subsurface composition, topography, transportation and availability of markets for our crops, the climatic characteristics of each of the tracts, long-term capital appreciation and operating income potential. While we are primarily engaged in agricultural activities, when land does not meet our total return profile, we may determine that the property is surplus to our activities and place the property for sale or exchange.

Liability for the use of pesticides, herbicides and other potentially hazardous substances could increase our costs.

Our agricultural business involves the use of herbicides, fertilizers and pesticides, some of which may be considered hazardous or toxic substances. We may be deemed liable and have to pay for the costs or damages associated with the improper application, accidental release or the use or misuse of such substances. Our insurance may not be adequate to cover such costs or damages, or may not continue to be available at a price or under terms that are satisfactory to us. In such cases, if we are required to pay significant costs or damages, it could materially adversely affect our business, results of operations and financial condition.

Compliance with applicable environmental laws may substantially increase our costs of doing business which could reduce our profits.

We are subject to various laws and regulations relating to the operation of our properties, which are administered by numerous federal, state and local governmental agencies. We face a potential for environmental liability by virtue of our ownership of real property. If hazardous substances (including herbicides and pesticides used by us or by any persons leasing our lands) are discovered emanating from any of our lands and the release of such substances presents a threat of harm to the public health or the environment, we may be held strictly liable for the cost of remediation of these hazardous substances. In addition, environmental laws that apply to a given site can vary greatly according to the site's location, its present and former uses, and other factors such as the presence of wetlands or endangered species on the site. Management monitors environmental legislation and requirements and makes every effort to remain in compliance with such regulations. Furthermore, we require lessees of our properties to comply with environmental regulations as a condition of leasing. We also purchase insurance for environmental liability when it is available; however, these insurance contracts may not be adequate to cover such costs or damages or may not continue to be available at prices and terms that would be satisfactory. It is possible that in some cases the cost of compliance with these environmental laws could exceed the value of a particular tract of land, make it unsuitable for use in what would otherwise be its highest and best use, and/or be significant enough that it would materially adversely affect us.

Our business may be adversely affected if we lose key employees.

We depend to a large extent on the services of certain key management personnel. These individuals have extensive experience and expertise in our business lines and segments in which they work. The loss of any of these individuals could have a material adverse effect on our businesses. We do not maintain key-man life insurance with respect to any of our employees. Our success will be dependent on our ability to continue to employ and retain skilled personnel in our business lines and segments.

Risks Related to our Common Stock

Our largest stockholder has effective control over the election of our Board of Directors and other matters.

734 Investors, LLC ("734 Investors") and its two controlling persons, Remy Trafelet and George Brokaw, together beneficially own approximately 57.7% of our outstanding common stock as of December 1, 2015. Accordingly, by virtue of its ownership percentage, 734 Investors is able to elect all of our directors and officers, and has the ability to exert significant influence over our business and may make decisions with which other stockholders may disagree, including, among other things, changes in our business plan, delaying, discouraging or preventing a change of control of our Company or a potential merger, consolidation, tender offer, takeover or other business combination. Additionally, potential conflicts of interest could exist when we enter into related party transactions with 734 Investors such as the Silver Nip Citrus merger we entered into on February 28, 2015. The terms of the merger were negotiated and considered by a special committee comprised entirely of independent and disinterested members of our Board of Directors.

We are a "Controlled Company" under the NASDAQ Listing Rules and therefore are exempt from certain corporate governance requirements, which could reduce the influence of independent directors.

We are a "Controlled Company" under NASDAQ listing rules, because more than 50% of the voting power of our outstanding common stock is controlled by 734 Investors. As a consequence, we are exempt from certain NASDAQ requirements including the requirement that:

- Our Board of Directors be composed of a majority of independent directors;
- The compensation of our officers be determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and

- Nominations to the Board of Directors be made by a majority of the independent directors or a nominations committee composed solely of independent directors.

However, NASDAQ does require that our independent directors have regularly scheduled meetings at which only independent directors are present. In addition, Internal Revenue Code Section 162(m) requires that a compensation committee of outside directors (within the meaning of Section 162(m)) approve stock option grants to executive officers in order for us to be able to claim deductions for the compensation expense attributable to such stock options. Notwithstanding the foregoing exemptions, we do have a majority of independent directors on our Board of Directors and we do have an Audit Committee, a Compensation Committee and a Nominating and Governance Committee composed primarily of independent directors.

Although we currently comply with certain of the NASDAQ listing rules that do not apply to controlled companies, our compliance is voluntary, and there can be no assurance that we will continue to comply with these standards in the future. If in the future our Board of Directors elects to rely on the exemptions permitted by the NASDAQ listing standards and reduce the number or proportion of independent directors on our Board and its committees, the influence of independent directors would be reduced.

Sales of substantial amounts of our outstanding common stock by our largest stockholder could adversely affect the market price of our common stock.

Our largest stockholder, 734 Investors, beneficially owns approximately 57.7% of our outstanding common stock as of December 1, 2015. Our common stock is thinly traded and our common stock prices can fluctuate significantly. As such, sales of substantial amounts of our common stock into the public market by 734 Investors or perceptions that significant sales could occur, could adversely affect the market price of our common stock.

Our common stock has low trading volume.

Although our common stock trades on the NASDAQ Global Market, it is thinly traded and our average daily trading volume is low compared to the number of shares of common stock we have outstanding. The low trading volume of our common stock can cause our stock price to fluctuate significantly as well as make it difficult for you to sell your common shares quickly. As a result of our stock being thinly traded and/or our low stock price, institutional investors might not be interested in owning our common stock.

We may not be able to continue to pay or maintain our cash dividends on our common stock and the failure to do so may negatively affect our share price.

We have historically paid regular quarterly dividends to the holders of our common stock which dividends were reduced beginning in the third fiscal quarter of 2014 in order to retain cash which increases our flexibility to reinvest in our business and pursue growth opportunities consistent with our mission. Our ability to pay cash dividends depends on, among other things, our cash flows from operations, our cash requirements, our financial condition, the degree to which we are/or become leveraged, contractual restrictions binding on us, provisions of applicable law and other factors that our Board of Directors may deem relevant. There can be no assurance that we will generate sufficient cash from continuing operations in the future, or have sufficient cash surplus or net profits to pay dividends on our common stock. Our dividend policy is based upon our directors' current assessment of our business and the environment in which we operate and that assessment could change based on business developments (which could, for example, increase our need for capital expenditures) or new growth opportunities. Our Board of Directors may, in its discretion, decrease the level of cash dividends or entirely discontinue the payment of cash dividends. The reduction or elimination of cash dividends may negatively affect the market price of our common stock.

There can be no assurance that we will continue to repurchase shares of our common stock.

In September 2015, our Board of Directors authorized the repurchase of up to 50,000 additional shares of the Company's common stock from stockholders beginning September 17, 2015 and continuing through December 31, 2016. Our share repurchase program does not obligate us to repurchase any specific number of shares and may be suspended from time to time or terminated at any time prior to its expiration. There can be no assurance that we will repurchase shares in the future in any particular amounts or at all. A reduction in, or elimination of, share repurchases could have a negative effect on our share price.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

As of September 30, 2015, we owned approximately 121,000 acres of land located in twelve counties in Florida. Acreage in each county and the primary classification with respect to the present use of these properties is shown in the following table:

	Total	Hendry	Polk	Collier	DeSoto	Glades	Lee	Alachua	Charlotte	Hardee	Highlands	Martin	Osceola
Citrus Groves													
Citrus Groves	46,781	5,168	6,808	7,291	21,177	—	—	—	2,503	574	1,223	674	1,363
Total Citrus Groves	46,781	5,168	6,808	7,291	21,177	—	—	—	2,503	574	1,223	674	1,363
Improved Farmland:													
Irrigated	1,825	1,825	—	—	—	—	—	—	—	—	—	—	—
Ranch Land and Conservation													
Conservation	70,962	66,940	—	4,022	—	—	—	—	—	—	—	—	—
Commercial	2	—	—	—	—	—	2	—	—	—	—	—	—
Mining	526	—	—	—	—	526	—	—	—	—	—	—	—
Other	1,342	957	—	—	—	—	—	385	—	—	—	—	—
Total	121,438	74,890	6,808	11,313	21,177	526	2	385	2,503	574	1,223	674	1,363

Approximately 60,776 acres of the properties listed are encumbered by credit agreements totaling approximately \$205,881,000 as of September 30, 2015. For a more detailed description of the credit agreements and collateral please see Note 5, “Debt” in the accompanying Notes to the Consolidated and Combined Financial Statements.

We currently collect mining royalties on approximately 526 acres of land located in Glades County, Florida. These royalties do not represent a significant portion of our operating revenues or gross profits. We are seeking permits to develop an additional mine on approximately 850 acres in Hendry County to be used as a sand mine. Approximately 2,800 acres in Collier County may be suitable for a rock mine. We are not currently pursuing permits for the Collier County mine. The Hendry County parcel is currently classified as ranch land, while the Collier County parcel is classified as citrus.

Item 3. Legal Proceedings.

On March 11, 2015, a putative stockholder class action lawsuit captioned Shiva Y. Stein v. Alico, Inc., et al., No. 15-CA-000645 (the “Stein lawsuit”), was filed in the Circuit Court of the Twentieth Judicial District in and for Lee County, Florida, against Alico, Inc. (“Alico”), its current and certain former directors, 734 Citrus Holdings, LLC d/b/a Silver Nip Citrus (“Silver Nip”), 734 Investors, LLC (“734 Investors”), 734 Agriculture, LLC (“734 Agriculture”) and 734 Sub, LLC (“734 Sub”) in connection with the acquisition of Silver Nip by Alico (the “Acquisition”). The complaint alleges that Alico’s directors at the time of the Acquisition, 734 Investors and 734 Agriculture breached fiduciary duties to Alico stockholders in connection with the Acquisition and that Silver Nip and 734 Sub aided and abetted such breaches. The lawsuit seeks, among other things, monetary and equitable relief, costs, fees (including attorneys’ fees) and expenses.

On May 6, 2015, a putative stockholder class action and derivative lawsuit captioned Ruth S. Dimon Trust v. George R. Brokaw, et al., No. 15-CA-001162 (the “Dimon lawsuit”), was filed in the Circuit Court of the Twentieth Judicial District in and for Lee County, Florida, against Alico, its current directors, Silver Nip, 734 Investors and 734 Agriculture in connection with the Acquisition of Silver Nip by Alico. The complaint alleges claims for breach of fiduciary duty, gross mismanagement, waste of corporate assets and tortious interference with contract against Alico’s directors, unjust enrichment against three of the directors and aiding and abetting breach of fiduciary duty against Silver Nip, 734 investors and 734 Agriculture. The lawsuit seeks, among other things, rescission of the Acquisition, an injunction prohibiting certain payments to Silver Nip stockholders, unspecified damages, disgorgement of profits, costs, fees (including attorneys’ fees) and expenses.

On July 17, 2015, the plaintiffs in the Stein and Dimon lawsuits filed a stipulation and proposed order consolidating their cases for all purposes under the caption, In re Alico, Inc. Shareholder Litigation, Master File No. 15-CA-000645 (the “Consolidated

Action”) and seeking the appointment of a lead plaintiff and lead and liaison counsel. The court entered that proposed order on July 21, 2015.

On October 16, 2015, the lead plaintiff in the Consolidated Action reported to the court that the parties reached an agreement in principle to settle the Consolidated Action and other claims related to the Acquisition, and that they are in the process of formally documenting their agreements. That process is ongoing and the settlement remains subject to final documentation and court approval following notice to the relevant Alico shareholders. Once the parties have completed the settlement documentation, they will contact the court to schedule a hearing at which they will request the court to preliminarily approve the settlement and to set a final settlement hearing date.

From time to time, we may be involved in litigation relating to claims arising out of our operations in the normal course of business. There are no current legal proceedings to which we are a party to or of which any of our property is subject to that we believe will have a material adverse effect on our business financial position or results of operations.

Item 4. Mine Safety Disclosure.

Not Applicable

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Common Stock Prices

Our common stock is traded on the NASDAQ Global Market under the symbol ALCO. The high and low sales prices of our common stock in each quarter in the fiscal years 2015 and 2014 are presented below:

Quarter Ended:	2015 Price		2014 Price	
	High	Low	High	Low
December 31	\$ 51.83	\$ 34.67	\$ 39.15	\$ 38.10
March 31	\$ 58.10	\$ 43.80	\$ 38.48	\$ 37.61
June 30	\$ 52.74	\$ 44.52	\$ 37.68	\$ 37.15
September 30	\$ 48.94	\$ 37.16	\$ 38.30	\$ 37.94

Holdings

On October 31, 2015, our stock transfer records indicate there were approximately 262 holders of record of our common stock. The number of registered holders includes banks and brokers who act as nominee, each of whom may represent more than one stockholder.

Dividend Policy

The declaration and amount of any actual cash dividend are in the sole discretion of our Board of Directors and are subject to numerous factors that ordinarily affect dividend policy, including the results of our operations and financial position, as well as general economic and business conditions.

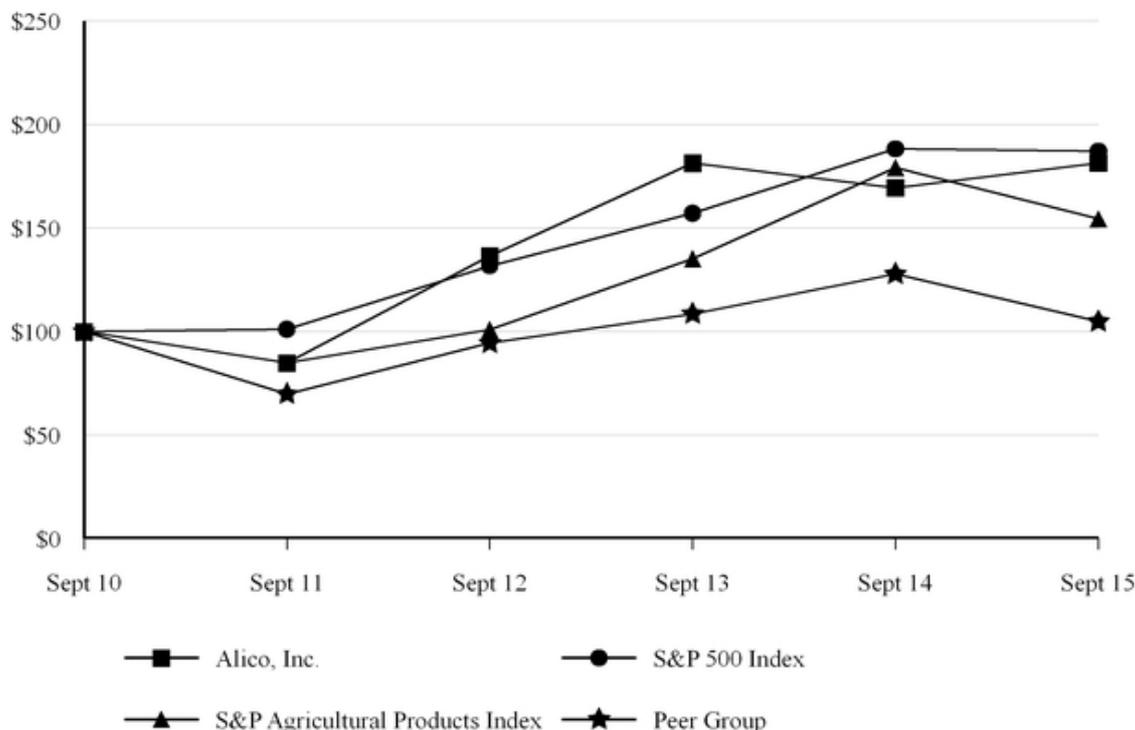
The following table presents cash dividends per share of our common stock declared in fiscal years 2015, 2014, and 2013 and paid in fiscal years 2016, 2015 and 2014:

Declaration Date	Record Date	Payment Date	Per Common Share
July 18, 2013	September 30, 2013	October 15, 2013	\$ 0.08
September 25, 2013	December 31, 2013	January 14, 2014	\$ 0.12
December 18, 2013	March 31, 2014	April 14, 2014	\$ 0.12
April 10, 2014	June 30, 2014	July 14, 2014	\$ 0.06
July 10, 2014	September 30, 2014	October 15, 2014	\$ 0.06
October 2, 2014	December 31, 2014	January 15, 2015	\$ 0.06
February 25, 2015	March 31, 2015	April 15, 2015	\$ 0.06
June 4, 2015	June 30, 2015	July 15, 2015	\$ 0.06
September 10, 2015	September 30, 2015	October 15, 2015	\$ 0.06

Stock Performance Graph

The graph below represents our common stock performance, comparing the value of \$100 invested on September 30, 2010 in our common stock, the S&P 500 Index, the S&P Agricultural Products Index and a Company-constructed peer group, which includes Forestar Group, Inc., Limoneira Company, The St. Joe Company, Tejon Ranch Co. and Texas Pacific Land Trust.

Comparison of Cumulative Five Year Total Return



(Includes reinvestment of dividends)

INDEXED RETURNS

Company Name / Index	Base Period Sept 10	Years Ending				
		Sept 11	Sept 12	Sept 13	Sept 14	Sept 15
Alico, Inc.	100	84.84	136.48	181.34	169.41	181.42
S&P 500 Index	100	101.15	131.69	157.17	188.18	187.02
S&P Agricultural Products Index	100	84.89	100.92	135.18	179.13	154.04
Peer Group	100	69.88	94.50	108.59	127.80	104.88

Equity Compensation Arrangements

Effective January 27, 2015, the Company's Board of Directors adopted the 2015 Stock Incentive Plan (the "2015 Plan") which provides for up to 1,250,000 shares of the Company's common stock to be available for issuance to provide a long-term incentive plan for officers, employees, directors and/or consultants to directly link incentives to stockholders' value. The 2015 Plan was approved by stockholders in February 2015. The adoption of the 2015 Plan supersedes the 2013 Incentive Equity Plan (the "2013 Plan"), which had been in place since April 2013. The 2013 Plan provided for the issuance of up to 350,000 shares of the Company's common stock to Directors and Officers through March 2018.

The following table illustrates the common shares remaining available for future issuance under the 2015 Plan:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity plans
Plan Category:			
Equity compensation plans approved by security holders	-	-	1,237,500
Total	-	-	1,237,500

Recent Sale of Unregistered Securities

None.

Issuer Repurchases of Equity Securities

In fiscal year 2015, our Board of Directors authorized the repurchase of up to 170,000 shares of the Company's common stock beginning March 26, 2015 and continuing through December 31, 2016 (the "2015 Authorizations"). The stock repurchases under the 2015 Authorizations are made through open market transactions at times and in such amounts as our broker determined subject to the provisions of SEC Rule 10b-18.

We adopted Rule 10b5-1 share repurchase plan under the Securities Exchange Act of 1934 (the "Plan") in connection with share repurchase authorizations. The Plan allows us to repurchase our shares of common stock at times when it otherwise might be prevented from doing so under insider trading laws or because of self-imposed trading blackout periods. Because repurchases under the Plan are subject to certain pricing parameters, there is no guarantee as to the exact number of common shares that will be repurchased under the Plan or that there will be any repurchases pursuant to the Plan. Subject to applicable regulations, we may elect to amend or cancel the Plan at our discretion.

Through September 30, 2015, we had purchased 91,554 common shares and had available to purchase an additional 78,446 common shares in accordance with the fiscal year 2015 Authorizations.

The following table describes our purchases of our common stock during the fourth quarter of 2015 for the 2015 Authorizations.

Date:	Total Number of Shares Purchased	Average Price Paid Per Share	Total Shares Purchased As Part of Publicly Announced Plan or Program	Maximum Number of Shares that May Yet Be Purchased Under the Plan or Program
July 2015	—	—	—	—
August 2015	24,128	\$ 41.57	24,128	125,872
September 2015	47,426	\$ 41.76	47,426	78,446

We do not anticipate that any purchases under our Board of Directors' authorizations will be made from any officer, director or control person.

We purchased zero, 9,907, 10,093 and 71,554 shares of common stock in the open market during the first, second, third and fourth quarters of fiscal year 2015, respectively, at a weighted average price of \$43.83 per common share.

Item 6. Selected Financial Data.

The following tables present selected historical consolidated and combined financial information as of and for each of the fiscal years in the five-year period ended September 30, 2015. The Consolidated and Combined Financial Statements as of and for the fiscal years ended September 30, 2015 and 2014 include combined financial statement balances with Silver Nip Citrus, as result of our common control acquisition in February 2015.

The selected historical financial data presented below should be reviewed in conjunction with our Consolidated and Combined Financial Statements and the accompanying Notes thereto, included elsewhere in this Annual Report on Form 10-K.

(in thousands, except per share amounts)

	September 30,				
	2015	2014	2013	2012	2011
Selected Statement of Operations Information:					
Operating revenues	\$ 153,119	\$ 103,983	\$ 101,661	\$ 127,187	\$ 98,592
Income from operations	\$ 19,059	\$ 9,914	\$ 11,935	\$ 23,742	\$ 15,237
Net income attributable to common stockholders	\$ 15,764	\$ 9,033	\$ 19,646	\$ 18,489	\$ 7,097
Basic earnings per common share	\$ 1.96	\$ 1.23	\$ 2.69	\$ 2.51	\$ 0.96
Diluted earnings per common share	\$ 1.96	\$ 1.23	\$ 2.67	\$ 2.51	\$ 0.96
Cash dividends declared per common share	\$ 0.24	\$ 0.24	\$ 0.36	\$ 0.20	\$ 0.12
Selected Balance Sheet Information:					
Cash and cash equivalents	\$ 7,360	\$ 31,020	\$ 24,583	\$ 13,328	\$ 1,336
Property and equipment, net	\$ 381,667	\$ 126,833	\$ 131,071	\$ 122,834	\$ 128,780
Total assets	\$ 460,580	\$ 257,580	\$ 198,840	\$ 185,083	\$ 180,035
Current portion of long-term debt	\$ 4,511	\$ 3,196	\$ 2,000	\$ 3,267	\$ 3,279
Long-term debt, net of current portion	\$ 201,370	\$ 61,604	\$ 34,000	\$ 36,633	\$ 53,879
Total Alico, Inc. equity	\$ 172,792	\$ 161,851	\$ 142,736	\$ 127,846	\$ 110,662
Noncontrolling interest	\$ 4,807	\$ —	\$ —	\$ —	\$ —

During the fiscal year ended September 30, 2011, we utilized cash to reduce our outstanding debt by \$18,510,000 resulting in a reduction in total assets and long-term obligations.

During the fiscal year ended September 30, 2012, we utilized cash from operating and investing activities to reduce our outstanding debt by approximately \$17,258,000, resulting in a reduction in long-term debt obligations. Net income includes a gain on sale of real estate of approximately \$9,113,000 on the sale of land and impairment charges of \$1,918,000 on assets held for sale.

During the fiscal year ended September 30, 2013, net income includes the gain on sale of assets of approximately \$20,300,000 related to the closing of the Conservation Easement in fiscal 2013.

During the fiscal year ended September 30, 2014, net income includes the gain on sale of assets of approximately \$4,820,000 related to the Polk County land sale and property and equipment sold to USSC and gain on settlement of contingent consideration of \$6,000,000.

During the fiscal year ended September 30, 2015, net income includes the gain on sale of assets of approximately \$16,517,000 related to the sale of real estate, approximately \$8,373,000 of interest expense, \$1,051,000 loss on extinguishment of debt related to the refinancing of our debt obligations, \$1,145,000 gain on bargain purchase related to acquisition of citrus business and impairment charges of approximately \$541,000 on assets held for sale.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the accompanying Consolidated and Combined Financial Statements and related Notes thereto.

Cautionary Statement Regarding Forward-Looking Information

We provide forward-looking information in this Annual Report on Form 10-K, particularly in this Management's Discussion and Analysis and Results of Operations, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any statements in this Annual Report on Form 10-K that are not historical facts are forward-looking statements. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on our current expectations, estimates and projections about our business based, in part, on assumptions made by our management. Factors which may cause future outcomes to differ materially from those foreseen in forward-looking statements include, but are not limited to: changes in laws, regulation and rules; weather conditions that affect production, transportation, storage, demand, import and export of fresh product and their by-products, increased pressure from disease, insects and other pests; disruption of water supplies or changes in water allocations; pricing and supply of raw materials and products; market responses to industry volume pressures; pricing and supply of energy; changes in interest rates; availability of financing for land development activities and other growth opportunities; onetime events; acquisitions and divestitures including our ability to achieve the anticipated results of the Orange-Co acquisition and Silver Nip Citrus merger; seasonality; labor disruptions; inability to pay debt obligations; inability to engage in certain transactions due to restrictive covenants in debt instruments; government restrictions on land use; changes in agricultural land values; changes in dividends; and market and pricing risks due to concentrated ownership of stock. These assumptions are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those Risks Factors included in Part I, Item 1A and elsewhere in this Annual Report on Form 10-K.

Introduction

Alico, Inc. ("Alico"), together with its subsidiaries (collectively, the "Company", "we", "us" or "our"), is a holding company with assets and related operations in agriculture, land management and natural resources. During the fiscal year ended September 30, 2015, the Company acquired three Florida citrus properties for total consideration of approximately \$363,000,000. These acquisitions make Alico one of the largest citrus producers in the United States, with total 2014-2015 production of approximately 10,500,000 boxes. We are a Florida agribusiness and land management company, backed by a legacy of achievement and innovation in citrus, cattle and resource conservation. We own approximately 121,000 acres of land in twelve Florida counties which includes approximately 90,000 acres of mineral rights. Our principal lines of business are citrus groves, cattle ranching and conservation, and related support operations. Our mission is to create value for our customers and stockholders by managing existing lands to their optimal current income and total returns, opportunistically acquiring new agricultural assets and producing high quality agricultural products while exercising responsible environmental stewardship.

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help provide an understanding of our results of operations, financial condition and changes in financial condition for the periods presented. This MD&A is organized as follows:

- **Business Overview.** This section provides a general description of our business, as well as other matters that we believe are important in understanding our results of operations and financial condition.
- **Consolidated and Combined Results of Operations.** This section provides an analysis of our results of operations for the three fiscal years ended September 30, 2015. Our discussion is presented on a consolidated and combined basis and includes discussion on future trends by segment.
- **Liquidity and Capital Resources.** This section provides an analysis of our cash flows for the three fiscal years ended September 30, 2015 and our outstanding debt, commitments and cash resources as of September 30, 2015.
- **Critical Accounting Policies.** This section identifies those accounting policies that we consider important to our results of operations and financial condition, require significant judgment and involve significant management estimates. Our significant accounting policies, including those considered to be critical accounting policies, are summarized in Note 2, "Summary of Significant Accounting Policies," to the accompanying Consolidated and Combined Financial Statements.

Business Overview

Business Description

We generate operating revenues primarily from the sale of our citrus products. We operate as five business segments and substantially all of our operating revenues are generated in the United States. During the fiscal year ended September 30, 2015, we generated operating revenues of \$153,119,000, income from operations of \$19,059,000, net income of \$15,733,000 and cash provided by operations of \$33,866,000.

Business Segments

We operate five business segments related to our various land holdings, as follows:

- Citrus Groves include activities related to planting, owning, cultivating and/or managing citrus groves in order to produce fruit for sale to fresh and processed citrus markets.
- Agricultural Supply Chain Management includes activities related to the purchase and resale of fruit, as well as, to value-added services which include contracting for the harvesting, marketing and hauling of citrus.
- Improved Farmland includes activities related to owning and/or leasing improved farmland. Improved farmland is acreage that has been converted, or is permitted to be converted, from native pasture and which may have various improvements including irrigation, drainage and roads. As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business.
- Ranch and Conservation includes activities related to cattle grazing, sod, native plant and animal sales, leasing, management and/or conservation of unimproved native pasture land.
- Other Operations include activities related to a citrus nursery, rock mining royalties, oil exploration and other insignificant lines of business.

Fiscal Year Highlights and Recent Developments

Orange-Co Acquisition

On December 2, 2014, the Company completed the acquisition of certain citrus and related assets of Orange-Co, LP ("Orange-Co") pursuant to an Asset Purchase Agreement, which we refer to as the Orange-Co Purchase Agreement, dated as of December 1, 2014 and 51% of the ownership interests of Citree Holdings 1, LLC ("Citree"). The assets the Company purchased include approximately 21,000 acres of citrus groves in DeSoto and Charlotte Counties, Florida, which comprise one of the largest contiguous citrus grove properties in the state of Florida. Total assets acquired were approximately \$277,792,000, net of \$2,060,000 in cash acquired and \$4,838,000 in fair value attributable to the noncontrolling interest in Citree, including: (1) \$147,500,000 in initial cash consideration funded from the proceeds of the sugarcane disposition and new term debt; (2) up to \$7,500,000 in additional cash consideration to be released from escrow in equal parts, subject to certain limitations, on December 1, 2015 and June 1, 2016; (3) the refinancing of Orange-Co's outstanding debt including approximately \$92,290,000 in term loan debt and a working capital facility of approximately \$27,857,000; and (4) the assumption of certain other liabilities totaling \$4,705,000. On December 1, 2014, Alico deposited an irrevocable standby letter of credit issued by Rabo Agrifinance, Inc. ("Rabo") in the aggregate amount of \$7,500,000 into an escrow account to fund the additional cash consideration (see Note 3, "Acquisitions and Dispositions" to the accompanying Consolidated and Combined Financial Statements).

Sugarcane Land Disposition

On November 21, 2014, the Company completed the sale of approximately 36,000 acres of land used for sugarcane production and land leasing in Hendry County, Florida to Global Ag Properties, LLC ("Global") for \$97,913,921 in cash. We had previously leased approximately 30,600 of these acres to United States Sugar Corporation (the "USSC Lease") on May 19, 2014. The USSC Lease was assigned to Global in conjunction with the land sale.

Net cash proceeds from the sugarcane land sale of \$97,126,000 were deposited with a Qualified Intermediary in anticipation of the Orange-Co asset acquisition in a tax deferred like-kind exchange pursuant to Internal Revenue Code Section 1031 (see Note 3 “Acquisitions and Dispositions” to the accompanying Consolidated and Combined Financial Statements).

The sales price is subject to post-closing adjustments over a ten (10) year period. The Company realized a gain of \$42,753,000 on the sale. Initially, \$29,140,000 of the gain was deferred due to the Company’s continuing involvement in the property pursuant to a post-closing agreement and the potential price adjustments. The deferral represents the Company’s estimate of the maximum exposure to loss as a result of the continuing involvement. The deferred gain balance as of September 30, 2015 was \$29,122,000. A net gain of \$13,613,000 was recognized in the first quarter of fiscal year 2015.

In May 2015, the Company made a payment of \$1,347,000 to Global pursuant to the sales contract. The USSC Lease is tied to the market price of sugar, and this payment is required annually, in advance, to supplement the rent paid by USSC in the event that the sugar prices are below certain thresholds. Approximately \$843,000 of this payment is included in prepaid expenses and other current assets in the Consolidated and Combined Balance Sheet as of September 30, 2015 and the Company has recognized \$607,000 in interest expense and \$17,300 of the deferred gain for the fiscal year ended September 30, 2015.

As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business.

Our sugarcane land was classified as “assets held for sale” in our Consolidated and Combined Balance Sheet as of September 30, 2014. The sugarcane operation has not been classified as a discontinued operation due to the Company’s continuing involvement pursuant to the post-closing agreement described above.

Common Control Acquisition between the Company and 734 Citrus Holdings, LLC

Effective February 28, 2015, the Company completed the merger (the “Merger”) with 734 Citrus Holdings, LLC (“Silver Nip Citrus”) pursuant to an Agreement and Plan of Merger (the “Merger Agreement”) with 734 Sub, LLC, a wholly owned subsidiary of the Company (“Merger Sub”), Silver Nip Citrus and, solely with respect to certain sections thereof, the equity holders of Silver Nip Citrus. The ownership of Silver Nip Citrus was held by 734 Agriculture, 74.89%, Mr. Clay Wilson, Chief Executive Officer of the Company, 5% and an entity controlled by Mr. Clay Wilson owned, 20.11%.

On November 19, 2013, 734 Agriculture and its affiliates, including 734 Investors, acquired approximately 51% of the Company’s common stock. 734 Agriculture is the sole managing member of 734 Investors. By virtue of their ownership percentage, 734 Agriculture is able to elect all of the Directors and, consequently, control Alico.

734 Agriculture has control over both Silver Nip Citrus and the Company and therefore the Merger was treated as a common control acquisition.

At closing of the Merger, Merger Sub merged with and into Silver Nip Citrus, with Silver Nip Citrus and its affiliates surviving the Merger as wholly-owned subsidiaries of the Company. Pursuant to the Merger Agreement, at closing, the Company issued 923,257 shares of the Company’s common stock, par value \$1.00 per share, to the holders of membership interests in Silver Nip Citrus. Silver Nip Citrus’ outstanding net indebtedness at the closing of the Merger was approximately \$40,278,000 and other liabilities totaled \$6,952,000. The Company acquired assets with a book value of \$65,739,000 and total net assets of \$18,470,000. The common shares issued were recorded at the carrying amount of the net assets transferred. In September 2015, the former holders of membership interests in Silver Nip Citrus received an additional 115,782 shares of the Company’s common stock pursuant to the Merger Agreement. The additional consideration was based on the value of the proceeds received by the Company from the sale of citrus fruit harvested on Silver Nip Citrus’ citrus groves following the conclusion of the 2014-2015 citrus harvest season.

Water Storage Contract Approval

In December 2012, the South Florida Water Management District (“SFWMD”) issued a solicitation request for projects to be considered for the Northern Everglades Payment for Environmental Services Program. In March 2013, the Company submitted its response proposing a dispersed water management project on a portion of its ranch land.

On December 11, 2014, the SFWMD approved a contract with the Company. The contract term is eleven years and allows up to one year for implementation (design, permitting, construction and construction completion certification) and ten years of operation whereby the Company will provide water retention services. Payment for these services includes an amount not to exceed \$4,000,000 of reimbursement for implementation. In addition, it provides for an annual fixed payment of \$12,000,000 for operations

and maintenance costs as long as the project is in compliance with the contract and subject to annual SFWMD Governing Board (the "Board") approval of funding. The contract specifies that the Board has to approve the payments annually, and there can be no assurance that it will approve the annual fixed payments.

During the 2015 legislative session, the Governor of Florida vetoed the legislatively approved budget for dispersed water management projects. Although SFWMD did not receive the state funds for the project payments for the next fiscal year (October 2015 through September 2016), SFWMD has amended the Contract with the Company to extend the duration for funding beyond the 2016 legislative session. This provided the District with options to continue with the project.

As discussed above, the Dispersed Water Management Program Northern Everglades Payment for Environmental Services Contract between the Company and SFWMD provides that funding of the contract is subject to the SFWMD receiving funds for the project from the Florida Legislature and the SFWMD Governing Board budget appropriation.

The SFWMD budget process allows for amending the budget at any Governing Board meeting, which could allow for some funding in fiscal year 2016. However, if no funds are provided in 2016 and accommodation is not reached to delay work on the project until funds are available, the District would be within its rights under the contract to terminate.

Consolidated and Combined Results of Operations

The following discussion provides an analysis of our results of operations and should be read in conjunction with the accompanying Consolidated and Combined Statements of Operations and Comprehensive Income.

The table below provides a summary of our results of operations for the years ended September 30, 2015, 2014 and 2013:

	Fiscal Year Ended				Fiscal Year Ended			
	September 30,		Change		September 30,		Change	
	2015	2014	\$	%	2014	2013	\$	%
Operating revenues:								
Citrus Groves	\$ 139,700	\$ 62,372	\$ 77,328	124.0 %	\$ 62,372	\$ 43,689	\$ 18,683	42.8 %
Agricultural Supply Chain Management	6,439	12,376	(5,937)	(48.0)%	12,376	28,412	(16,036)	(56.4)%
Improved Farmland	901	20,429	(19,528)	(95.6)%	20,429	21,917	(1,488)	(6.8)%
Ranch and Conservation	5,394	8,172	(2,778)	(34.0)%	8,172	6,755	1,417	21.0 %
Other Operations	685	634	51	8.0 %	634	888	(254)	(28.6)%
Total operating revenues	153,119	103,983	49,136	47.3 %	103,983	101,661	2,322	2.3 %
Gross profit (loss):								
Citrus Groves	35,619	19,801	15,818	79.9 %	19,801	12,156	7,645	62.9 %
Agricultural Supply Chain Management	246	59	187	316.9 %	59	463	(404)	(87.3)%
Improved Farmland	(188)	(927)	739	(79.7)%	(927)	5,715	(6,642)	(116.2)%
Ranch and Conservation	586	2,049	(1,463)	(71.4)%	2,049	2,957	(908)	(30.7)%
Other Operations	(310)	260	(570)	(219.2)%	260	383	(123)	(32.1)%
Total gross profit	35,953	21,242	14,711	69.3 %	21,242	21,674	(432)	(2.0)%
General and administrative expenses	16,894	11,328	5,566	49.1 %	11,328	9,739	1,589	16.3 %
Income from operations	19,059	9,914	9,145	92.2 %	9,914	11,935	(2,021)	(16.9)%
Other income, net	7,579	9,008	(1,429)	(15.9)%	9,008	19,740	(10,732)	(54.4)%
Income before income tax provision	26,638	18,922	7,716	40.8 %	18,922	31,675	(12,753)	(40.3)%
Provision for income taxes	(10,905)	(9,889)	(1,016)	10.3 %	(9,889)	(12,029)	2,140	(17.8)%
Net income	15,733	9,033	6,700	74.2 %	9,033	19,646	(10,613)	(54.0)%
Net loss attributable to noncontrolling interests	31	—	31	NM	—	—	—	NM
Net income attributable to Alico, Inc. common stockholders	\$ 15,764	\$ 9,033	\$ 6,731	74.5 %	\$ 9,033	\$ 19,646	\$(10,613)	(54.0)%

N/M - Not meaningful

The following table presents our operating revenues, by segment, as a percentage of total operating revenues for the fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands)

	Fiscal Year Ended		
	September 30,		
	2015	2014	2013
Operating revenues:			
Citrus Groves	91.2%	60.0%	43.0%
Agricultural Supply Chain Management	4.2%	11.9%	27.9%
Improved Farmland	0.6%	19.6%	21.6%
Ranch and Conservation	3.5%	7.9%	6.6%
Other Operations	0.5%	0.6%	0.9%
Total operating revenues	100.0%	100.0%	100.0%

The following discussion provides an analysis of our business segments:

Citrus Groves

The table below presents key operating measures for the fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands, except per box and per pound solids data)

	Fiscal Year Ended				Fiscal Year Ended			
	September 30,		Change		September 30,		Change	
	2015	2014	Unit	%	2014	2013	Unit	%
Revenue From:								
Early and Mid-Season	\$ 51,926	\$ 25,273	\$ 26,653	105.5 %	\$ 25,273	\$ 17,923	\$ 7,350	41.0 %
Valencias	76,624	34,095	42,529	124.7 %	34,095	23,216	10,879	46.9 %
Fresh Fruit	6,116	2,343	3,773	161.0 %	2,343	2,451	(108)	(4.4)%
Other	5,034	661	4,373	661.6 %	661	99	562	567.7 %
Total	\$ 139,700	\$ 62,372	\$ 77,328	124.0 %	\$ 62,372	\$ 43,689	\$ 18,683	42.8 %
Boxes Harvested:								
Early and Mid-Season	4,445	2,003	2,442	121.9 %	2,003	1,900	103	5.4 %
Valencias	5,569	2,143	3,426	159.9 %	2,143	1,967	176	8.9 %
Total Processed	10,014	4,146	5,868	141.5 %	4,146	3,867	279	7.2 %
Fresh Fruit	466	213	253	118.8 %	213	251	(38)	(15.1)%
Total	10,480	4,359	6,121	140.4 %	4,359	4,118	241	5.9 %
Pound Solids Produced:								
Early and Mid-Season	26,139	12,321	13,818	112.1 %	12,321	11,612	709	6.1 %
Valencias	36,083	14,237	21,846	153.4 %	14,237	13,134	1,103	8.4 %
Total	62,222	26,558	35,664	134.3 %	26,558	24,746	1,812	7.3 %
Pound Solids per Box:								
Early and Mid-Season	5.88	6.15	(0.27)	(4.4)%	6.15	6.11	\$ 0.04	0.7 %
Valencias	6.48	6.64	(0.16)	(2.4)%	6.64	6.68	\$ (0.04)	(0.6)%
Price per Pound Solids:								
Early and Mid-Season	\$ 1.99	\$ 2.05	\$ (0.06)	(2.9)%	\$ 2.05	\$ 1.54	\$ 0.51	33.1 %
Valencias	\$ 2.12	\$ 2.39	\$ (0.27)	(11.3)%	\$ 2.39	\$ 1.77	\$ 0.62	35.0 %
Price per Box:								
Fresh Fruit	\$ 13.12	\$ 11.00	\$ 2.12	19.3 %	\$ 11.00	\$ 9.76	\$ 1.24	12.7 %
Operating Expenses:								
Cost of Sales	\$ 73,521	\$ 30,106	\$ 43,415	144.2 %	\$ 30,106	\$ 19,803	\$ 10,303	52.0 %
Harvesting and Hauling	26,124	12,463	13,661	109.6 %	12,463	11,473	990	8.6 %
Other	4,436	2	4,434	NM	2	257	(255)	(99.2)%
Total	\$ 104,081	\$ 42,571	\$ 61,510	144.5 %	\$ 42,571	\$ 31,533	\$ 11,038	35.0 %

NM - Not Meaningful

Our citrus groves produce the majority of our annual operating revenues and the citrus grove business is seasonal because it is tied to the growing and picking seasons. Historically, the second and third quarters of our fiscal year produce the majority of our annual revenues, and our working capital requirements are typically greater in the first and fourth quarters of our fiscal year coinciding with our planting cycles.

We sell our Early and Mid-Season and Valencia oranges to processors that convert the majority of the citrus crop into orange juice. They generally buy their citrus on a pound solids basis, which is the measure of the soluble solids (sugars and acids) contained in one box of fruit. Fresh Fruit is generally sold to packing houses that purchase their citrus on a per box basis. Our operating expenses consist primarily of cost of sales and harvesting and hauling costs. Cost of sales represents the cost of maintaining our citrus groves for the preceding calendar year and does not vary in relation to production. Harvesting and hauling costs represent the costs of bringing citrus product to processors and varies based upon the number of boxes produced.

The increase in citrus grove revenues and gross profit for the fiscal year ended September 30, 2015, as compared to fiscal year ended September 30, 2014, was primarily due to the acquisition of Orange-Co in December 2014. Orange-Co related revenues and gross profit were approximately \$72,600,000 and \$17,900,000 for the fiscal year ended September 30, 2015. Orange-Co revenues represented 52.0% of total citrus grove revenues for the fiscal year ended September 30, 2015.

Orange-Co related boxes harvested and pound solids produced were approximately 5,300,000 and 33,300,000 for the fiscal year ended September 30, 2015, which represented 50.6% and 53.6% of our total boxes harvested and pound solids produced for the fiscal years ended September 30, 2015. We included the financial results of Orange-Co in the accompanying Consolidated and Combined Financial Statements from the date of acquisition.

The increases in boxes harvested and pound solids produced in fiscal year 2015, as compared to fiscal year 2014, were a result of the Orange-Co acquisition as well as Silver Nip Citrus' acquisition of the TRB grove and the acquisition of Crossing Grove (see Note 3, "Acquisitions and Dispositions" to the accompanying Consolidated and Combined Financial Statements). Excluding these acquisitions, total boxes harvested declined by 4.0%, as compared to fiscal year 2014. Pound solids per box also declined by 4.4% and 2.4% for the Early and Mid-Season and Valencia oranges, respectively. These declines were believed to be mainly driven by growing season fluctuations in production which may have been attributable to various factors, including changes in weather impacting bloom, horticultural practices and the effects of diseases and pests, including Citrus Greening. The industry and the Company both experienced higher than normal premature fruit drop in certain areas of our groves and smaller sized fruit. Our 2014/2015 crop, including all acquisitions, significantly outpaced the statewide performance on a boxes harvested basis with an increase of approximately 5% over fiscal year 2014.

The USDA, in its November 10, 2015 Citrus Crop Forecast for the 2015/2016 harvest season, indicated that the Florida orange crop will decrease from 96,800,000 boxes for the 2014/2015 crop year to 74,000,000 boxes for the 2015/2016 crop year, a decrease of 23.6%. The 2014-2015 Florida orange crop declined by approximately 8,000,000 boxes or approximately 8% compared to the 2013/2014 crop.

We estimate our 2016 processed boxes to be relatively flat compared to our fiscal year 2015 processed boxes, on a per acre basis. For fiscal year 2016, we expect that the forecasted 23.6% decrease in the size of the statewide crop could cause the price per pound solids for fiscal year 2016 to remain at or above the price for fiscal year 2015. We expect that our operating expenses for fiscal year 2016 will remain in-line with fiscal year 2015 on a per acre basis.

The increase in Citrus Groves gross profit for fiscal year 2014, as compared to fiscal year 2013 related primarily to increased prices and revenue, offset by an increase of 2.2% in growing costs for the 2013/2014 harvesting season crop to \$20,233,000 from \$19,803,000. Per box harvest and hauling costs remained consistent with fiscal year 2013.

Pro-Forma Results for Citrus Groves

The unaudited pro forma financial information below for the fiscal years ended September 30, 2015 and 2014 gives effect to the acquisition of Orange-Co as if the acquisition had occurred on October 1, 2013. The pro forma financial information is not necessarily indicative of the results of operations if the acquisitions had been effective as of this date.

(in thousands, except pound solids per box)

	Fiscal Year Ended September 30,		Change	% Change
	2015	2014 (unaudited)		
Citrus Boxes Harvested:				
Early and Mid-Season	4,445	4,631	(186)	(4.0)%
Valencias	5,569	5,031	538	10.7 %
Fresh Fruit	466	308	158	51.3 %
	<u>10,480</u>	<u>9,970</u>	<u>510</u>	<u>5.1 %</u>
Pound Solids Produced:				
Early and Mid-Season	26,139	28,508	(2,369)	(8.3)%
Valencias	36,083	33,754	2,329	6.9 %
	<u>62,222</u>	<u>62,262</u>	<u>(40)</u>	<u>(0.1)%</u>
Pound Solids Per Box:				
Early and Mid-Season	5.88	6.16	(0.28)	(4.5)%
Valencias	6.48	6.71	(0.23)	(3.4)%
Combined	6.21	6.44	(0.23)	(3.6)%

Citrus box and pound solids production fluctuates each growing season, and these fluctuations may be attributable to various factors, including changes in weather, horticultural practices and the effects of diseases and pests, including Citrus Greening.

Agricultural Supply Chain Management

The table below presents key operating measures for the fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands, except per box and per pound solids data)

	Fiscal Year Ended September 30,				Fiscal Year Ended September 30,			
	2015	2014	Change		2014	2013	Change	
			Unit	%			Unit	%
Purchase and Resale of Fruit:								
Revenue	\$ 5,172	\$ 10,096	\$ (4,924)	(48.8)%	\$ 10,096	\$ 22,858	\$(12,762)	(55.8)%
Boxes Sold	442	836	(394)	(47.1)%	836	2,377	(1,541)	(64.8)%
Pound Solids Sold	2,663	5,195	(2,532)	(48.7)%	5,195	14,839	(9,644)	(65.0)%
Pound Solids per Box	6.02	6.21	(0.19)	(3.1)%	6.21	6.24	(0.03)	(0.5)%
Price per Pound Solids	\$ 1.94	\$ 1.94	\$ —	— %	\$ 1.94	\$ 1.54	\$ 0.40	26.0 %
Value Added Services:								
Revenue	\$ 1,238	\$ 1,891	\$ (653)	(34.5)%	\$ 1,891	\$ 3,592	\$(1,701)	(47.4)%
Value Added Boxes	537	652	(115)	(17.6)%	652	2,761	(2,109)	(76.4)%
Other Revenue	\$ 29	\$ 389	\$ (360)	(92.5)%	\$ 389	\$ 1,962	\$(1,573)	(80.2)%

For fiscal year 2015 compared to fiscal year 2014, the declines in Purchase and Resale of Fruit revenues, boxes sold and pound solids sold, as well as the declines in Value Added Services revenues and boxes, are all primarily driven by management's decision to reduce the number of external boxes handled by Alico Fruit Company to focus on our expanded internal citrus operations

in fiscal years 2015 and 2014, respectively. This decision was made in the second quarter of fiscal year 2014. The decline in Alico Fruit Company gross profit relates primarily to the changes in revenues outlined above.

For fiscal year 2016, we would expect revenues and gross profit for Agricultural Supply Chain Management to remain relatively consistent with fiscal year 2015.

For fiscal year 2014 versus fiscal year 2013, the declines in Purchase and Resale of Fruit revenue, boxes sold and pound solids sold, as well as the declines in Value Added Services revenue and boxes, are all being primarily driven by a management decision to reduce the number of external boxes handled by Alico Fruit Company in fiscal year 2014 and to a lesser extent declines in Florida citrus production. The decline in Alico Fruit Company gross profit relates primarily to the changes in revenue outlined above.

Improved Farmland

The table below presents key operating measures for the fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands, except per net standard ton and per acre data)

	Fiscal Year Ended				Fiscal Year Ended				
	September 30,		Change		September 30,		Change		
	2015	2014	Unit	%	2014	2013	\$	%	
Revenue From:									
Sale of Sugarcane	\$ —	\$ 17,428	\$ (17,428)	(100.0)%	\$ 17,428	\$ 20,125	\$(2,697)	(13.4)%	
Molasses Bonus	—	817	(817)	(100.0)%	817	800	17	2.1 %	
USSC Lease	503	1,389	(886)	(63.8)%	1,389	—	1,389	NM	
Other Leases	398	795	(397)	(49.9)%	795	992	(197)	(19.9)%	
Total	\$ 901	\$ 20,429	\$ (19,528)	(95.6)%	\$ 20,429	\$ 21,917	\$(1,488)	(6.8)%	
Net Standard Tons Sold	—	590	\$ (590)	(100.0)%	590	546	\$ 44	8.1 %	
Price Per Net Standard Ton:									
Sale of Sugarcane	\$ —	\$ 29.54	\$ (29.54)	(100.0)%	\$ 29.54	\$ 36.86	\$ (7.32)	(19.9)%	
Molasses	\$ —	\$ 1.38	\$ (1.38)	(100.0)%	\$ 1.38	\$ 1.47	\$ (0.09)	(6.1)%	
Net Standard Tons/Acre	—	35.20	(35.20)	(100.0)%	35.20	41.14	(5.94)	(14.4)%	
Operating Expenses:									
Cost of Sales	\$ —	\$ 14,368	\$ (14,368)	(100.0)%	\$ 14,368	\$ 11,580	\$ 2,788	24.1 %	
Harvesting and Hauling	—	3,759	(3,759)	(100.0)%	3,759	4,298	(539)	(12.5)%	
Land Leasing Expenses	614	3,229	(2,615)	(81.0)%	3,229	324	2,905	NM	
Guarantee Payment to Global	475	—	475	NM	—	—	—	—	
Total	\$ 1,089	\$ 21,356	\$ (20,267)	(94.9)%	\$ 21,356	\$ 16,202	\$ 5,154	31.8 %	

NM - Not Meaningful

On May 19, 2014, the Company entered into a triple net agricultural lease with its sole sugarcane customer, USSC, on 19,181 acres of land planted or plantable to sugar in Hendry County, Florida. As a result of the lease, the Company was no longer directly engaged in sugarcane farming. The annual base rent under the USSC Lease was approximately \$3,548,000.

On November 21, 2014, the Company completed the sale of approximately 36,000 acres of land used for sugarcane production and land leasing to Global for \$97,913,921 in cash. The USSC Lease was assigned to Global in conjunction with the land sale.

The sales price is subject to post-closing adjustments over a ten (10)-year period. The Company realized a gain of \$42,753,000 on the sale. Initially, \$29,140,000 of the gain was deferred due to the Company's continuing involvement in the property pursuant to a post-closing agreement and the potential price adjustments. The deferral represents the Company's estimate of the

maximum exposure to loss as a result of the continuing involvement. The USSC Lease is tied to the market price of sugar, and a guarantee payment is required annually, in advance, to supplement the rent paid by USSC in the event that the sugar prices are below certain thresholds. In fiscal year 2015, the sugar prices did not rise above the threshold and the Company paid approximately \$475,000 to Global.

As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 1, 2014, the Improved Farmland segment is no longer material to our business.

For fiscal year 2014, the amount of acres used to produce sugarcane increased to 16,728 from 13,272 in fiscal year 2013. The increase in net standard tons sold is related to the increased acreage in production for fiscal year 2014 versus fiscal year 2013. The increase in production for fiscal year 2014 versus fiscal year 2013 is more than offset by the 19.9% decrease in price per net standard ton that has resulted from changes in market conditions. Our Operating Expenses consist primarily of Cost of Sales and Harvesting and Hauling. Cost of Sales represents the cost of maintaining our sugarcane land for the preceding calendar year and does not vary in relation to production. Harvesting and Hauling represents the cost of bringing sugarcane product to our processor and varies based upon the number of net standard tons produced.

The decrease in gross profit for fiscal year 2014 versus fiscal year 2013 is related primarily to the 19.9% decrease in price per standard ton discussed above, partially offset by a 1.6% decrease in growing costs per acre and a 19.1% decrease in harvest and hauling costs per net standard ton versus fiscal year 2013 which relates primarily to the elimination of long-haul charges related to the transportation of sugarcane via truck.

Additionally, the gross profit of the Improved Farmland segment was negatively impacted by a charge of approximately \$2,300,000 in May 2014 recorded as an operating expense related to the reimbursement to the Company, at less than book value, for certain of our costs to develop and plant sugarcane, cultivate and care take sugarcane and purchase certain rolling stock used in our sugarcane operation. The charge relates to the triple net agricultural lease entered into with USSC.

Ranch and Conservation

The table below presents key operating measures for the fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands, except per pound data)

	Fiscal Year Ended				Fiscal Year Ended			
	September 30,		Change		September 30,		Change	
	2015	2014	Unit	%	2014	2013	Unit	%
Revenue From:								
Sale of Calves	\$ 3,805	\$ 5,735	\$ (1,930)	(33.7)%	\$ 5,735	\$ 4,797	\$ 938	19.6 %
Sale of Culls	511	1,118	(607)	(54.3)%	1,118	560	558	99.6 %
Land Leasing	851	981	(130)	(13.3)%	981	983	(2)	(0.2)%
Other	227	338	(111)	(32.8)%	338	415	(77)	(18.6)%
Total	\$ 5,394	\$ 8,172	\$ (2,778)	(34.0)%	\$ 8,172	\$ 6,755	\$ 1,417	21.0 %
Pounds Sold:								
Calves	1,550	2,964	(1,414)	(47.7)%	2,964	3,229	(265)	(8.2)%
Culls	446	1,181	(735)	(62.2)%	1,181	680	501	73.7 %
Price Per Pound:								
Calves	\$ 2.45	\$ 1.93	\$ 0.52	26.9 %	\$ 1.93	\$ 1.49	\$ 0.44	29.5 %
Culls	\$ 1.15	\$ 0.95	\$ 0.20	21.1 %	\$ 0.95	\$ 0.82	\$ 0.13	15.9 %
Operating Expenses:								
Cost of Calves Sold	\$ 2,248	\$ 3,569	\$ (1,321)	(37.0)%	\$ 3,569	\$ 3,274	\$ 295	9.0 %
Cost of Culls Sold	220	456	(236)	(51.8)%	456	280	176	62.9 %
Land Leasing Expenses	214	274	(60)	(21.9)%	274	239	35	14.6 %
Other	2,126	1,824	302	16.6 %	1,824	5	1,819	NM
Total	\$ 4,808	\$ 6,123	\$ (1,315)	(21.5)%	\$ 6,123	\$ 3,798	\$ 2,325	61.2 %

NM - Not Meaningful

Ranch

The decrease in revenues from the sale of calves in fiscal year 2015, as compared to fiscal year 2014, is primarily due to the decrease in pounds sold, partially offset by an increase in price per pound. The decrease in revenues from the sale of culls in fiscal year 2015, as compared to fiscal year 2014, results from a decrease in pounds sold, partially offset by an increase in price per pound. The decrease in gross profit for fiscal year 2015, as compared to fiscal year 2014, relates primarily to the decrease in pounds sold of beef, as the price per pound sold for calves and culls is consistent between fiscal year 2015 and 2014. The decrease in pounds sold during fiscal year 2015 relates primarily to the timing of calf sales and expansion of the breeding herd. Approximately 1,000 calves are expected to be sold in fiscal year 2016 and approximately 1,000 calves from fiscal 2015 will be retained to expand the breeding herd.

The increase in revenues from the sale of calves in fiscal year 2014, as compared to fiscal year 2013, results primarily from the increase in price per pound, partially offset by a slight decrease in pounds sold. The increase in cull revenues for fiscal year 2014, as compared to fiscal year 2013, results from an increase in pounds sold and an increase in price per pound. The increase in gross profit for fiscal year 2014 as compared to fiscal year 2013, relates primarily to the increased price per pound of beef.

For fiscal year 2016, we expect to have a breeding herd of approximately 9,300 cows which includes retaining an additional 1,400 calves to further expand the breeding herd. We expect that the price per pound of beef sold will be greater than fiscal year 2014 but less than fiscal year 2015. We expect operating expenses for fiscal year 2016 to remain relatively consistent.

Conservation

In December 2012, SFWMD issued a solicitation request for projects to be considered for the Northern Everglades Payment for Environmental Services Program. In March 2013, the Company submitted its response proposing a dispersed water management project on a portion of its ranch land.

On December 11, 2014, the SFWMD approved a contract with the Company. The contract term is eleven years and allows up to one year for implementation (design, permitting, construction and construction completion certification) and ten years of operation whereby the Company will provide water retention services. Payment for these services includes an amount not to exceed \$4,000,000 of reimbursement for implementation. In addition, it provides for an annual fixed payment of \$12,000,000 for operations and maintenance costs as long as the project is in compliance with the contract and subject to annual Board approval of funding. The contract specifies that the Board has to approve the payments annually, and there can be no assurance that it will approve the annual fixed payments. Operating expenses were approximately \$2,112,000 and \$1,793,000 for fiscal years 2015 and 2014, respectively.

Other Operations

Other Operations, consisting primarily of leasing revenues, was \$685,000, \$634,00 and \$888,000 for fiscal years 2015, 2014 and 2013, respectively and gross profit (loss) of (\$310,000), \$260,000 and \$383,000 for fiscal years 2015, 2014 and 2013, respectively.

General and Administrative

The increase of \$5,566,000 in general and administrative expenses for the fiscal 2015, as compared to fiscal year 2014, relates primarily to professional and legal costs associated with the acquisitions, dispositions and mergers, as described in the accompanying Consolidated and Combined Financial Statements, which totaled approximately \$6,485,000 and \$2,639,000 for the fiscal years 2015 and 2014, respectively. The costs included approximately \$4,402,000 in transaction and other real estate closing costs, approximately \$1,000,000 related to a consulting and non-competition agreement with the former CEO and approximately \$893,000 related to other consulting costs for the fiscal year 2015. Excluding the transaction-related costs noted, the overall general and administrative increase relates to the significantly expanded size of the Company from fiscal year 2014 to fiscal year 2015.

General and administrative expenses for fiscal year 2014 included the general and administrative costs of Silver Nip Citrus totaling approximately \$887,000 due to the fact we retrospectively recast our financial statements to combine the operating results of the Company and Silver Nip Citrus from the date common control began, November 19, 2013. In addition, general and administrative expenses for fiscal years 2014 and 2013 included approximately \$2,639,000 and \$1,816,000, respectively, of professional and legal costs associated with the change in control transaction.

Other Income, net

Other income, net decreased by approximately \$1,429,000 in fiscal year 2015, as compared to fiscal year 2014, due to approximately \$11,700,000 in increased gains on sale of real estate, offset by approximately \$6,448,000 in increased interest expense primarily due to the refinanced term loan debt from the Orange-Co acquisition and a \$6,000,000 gain on settlement of contingent consideration arrangement in fiscal year 2014.

Other income, net decreased by approximately \$10,732,000 in fiscal year 2014, as compared to fiscal year 2013, due primarily to the gain recognized on the Conservation Easement of approximately \$20,300,000 in fiscal year 2013.

Provision for Income Taxes

For the fiscal years ended September 30, 2015, 2014 and 2013, the provision for income taxes was approximately \$10,905,000, \$9,889,000 and \$12,029,000, respectively, and the related effective income tax rates were 40.9%, 52.2% and 37.9%, respectively.

During fiscal year 2015, the Company revised effective tax rates to reflect the impact of claiming certain deductions on amended federal and state income tax returns filed for the fiscal years ended September 30, 2011 through September 30, 2013. Other changes to the effective tax rates relate primarily to the nondeductible nature of political contributions and lobbying expenses. In addition, there were limitations on certain deductions related to the vesting of the long-term incentive grants for fiscal year 2014, and non-deductible transaction costs related to the Silver Nip Citrus merger for fiscal year 2015.

The Internal Revenue Service ("IRS") is currently auditing the Company's tax returns for the fiscal years ended September 30, 2013, 2012 and 2011.

Non-GAAP Financial Measures

The Company utilizes Adjusted EBITDA among other measures, to evaluate the performance of its business. Due to significant depreciable assets associated with the nature of our operations and, to a lesser extent, interest costs associated with our capital structure, management believes that Adjusted EBITDA, Adjusted Earnings per Diluted Common Share, Adjusted Free Cash Flow and Adjusted Free Cash Flow per Diluted Common Share are important measures to evaluate our results of operations between periods on a more comparable basis and to help investors analyze underlying trends in our business, evaluate the performance of our business both on an absolute basis and relative to our peers and the broader market, provides useful information to both management and investors by excluding certain items that may not be indicative of our core operating results and operational strength of our business and helps investors evaluate our ability to service our debt. Tax impacts are computed based on the effective rate for each of the fiscal years ended September 30, 2015. Such measurements are not prepared in accordance with Generally Accepted Accounting Principles in the United States ("U.S. GAAP") and should not be construed as an alternative to reported results determined in accordance with U.S. GAAP. The non-U.S. GAAP information provided is unique to the Company and may not be consistent with methodologies used by other companies. Adjusted Free Cash Flow is defined as cash provided by (used in) operations less capital expenditures adjusted for non-recurring transactions. The Company uses Adjusted Free Cash Flow and Adjusted Free Cash Flow per Diluted Common Share to evaluate its business and this measure is considered an important indicator of the Company's liquidity, including its ability to reduce net debt, make strategic investments and pay dividends to common stockholders. An analysis of Adjusted Free Cash Flow and Adjusted Free Cash Flow per Common Share is provided below. Net income attributable to common stockholders is reconciled to Adjusted EBITDA and Adjusted Earnings per Diluted Common Share, as follows:

Adjusted EBITDA*(in thousands)*

	Fiscal Year Ended September 30,		
	2015	2014	2013
Net income attributable to common stockholders	\$ 15,764	\$ 9,033	\$ 19,646
Interest expense	8,373	1,925	1,257
Provision for income taxes	10,905	9,889	12,029
Depreciation and amortization	14,637	8,946	9,675
EBITDA	49,679	29,793	42,607
Asset impairment	541	—	—
Transaction costs	5,592	2,639	1,816
Acquired citrus inventory fair value adjustments	8,051	—	—
Loss on extinguishment of debt	1,051	—	—
Gain on bargain purchase	(1,145)	—	—
Gain on settlement of contingent consideration	—	(6,000)	—
Write-off of certain inventory and plant cane costs	—	2,309	—
Payments on consulting agreements	893	—	—
Gains on sale of real estate	(16,517)	(4,821)	(20,299)
Adjusted EBITDA	\$ 48,145	\$ 23,920	\$ 24,124

Adjusted Earnings per Common Share*(in thousands)*

	Fiscal Year Ended September 30,		
	2015	2014	2013
Net income attributable to common stockholders	\$ 15,764	\$ 9,033	\$ 19,646
Loss on extinguishment of debt	1,051	—	—
Asset impairment	541	—	—
Transaction costs	5,592	2,639	1,816
Gain on settlement of contingent consideration	—	(6,000)	—
Acquired citrus inventory fair value adjustments	8,051	—	—
Gain on bargain purchase	(1,145)	—	—
Payments on consulting agreements	893	—	—
Write-off of certain inventory and plant cane costs	—	2,309	—
Gains on sale of real estate	(16,517)	(4,821)	(20,299)
Tax impact	628	3,066	7,024
Adjusted net income	\$ 14,858	\$ 6,226	\$ 8,187
Diluted common shares	8,061	7,354	7,357
Adjusted Earnings per Diluted Common Share	\$ 1.84	\$ 0.85	\$ 1.11

Free Cash Flow

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Cash provided by operating activities	\$ 33,866	\$ 27,991	\$ 13,426
Adjustments for non-recurring items:			
Transaction costs	5,592	2,639	1,816
Payment on consulting agreements	893	—	—
Transaction related tax savings	(10,277)	—	—
Capital expenditures	(11,948)	(13,243)	(18,924)
Adjusted Free Cash Flow	\$ 18,126	\$ 17,387	\$ (3,682)
Diluted common shares	8,061	7,354	7,357
Adjusted Free Cash Flow per Diluted Common Share	\$ 2.25	\$ 2.36	\$ (0.50)

Liquidity and Capital Resources

A comparative balance sheet summary is presented in the following table:

(in thousands)

	September 30,			Change
	2015	2014		
Cash and cash equivalents	\$ 7,360	\$ 31,020	\$ (23,660)	
Total current assets	\$ 70,680	\$ 125,712	\$ (55,032)	
Total current liabilities	\$ 23,633	\$ 20,670	\$ 2,963	
Working capital	\$ 47,047	\$ 105,042	\$ (57,995)	
Total assets	\$ 460,580	\$ 257,580	\$ 203,000	
Debt obligations	\$ 205,881	\$ 64,800	\$ 141,081	
Current ratio	2.99 to 1	6.08 to 1		

Our business has historically generated positive net cash flows from operations. Sources of cash primarily include cash flows from operations, amounts available under our credit facilities and access to capital markets. Our access to additional borrowings under our revolving lines of credit is subject to the satisfaction of customary borrowing conditions. As a public company, we may have access to other sources of capital. However, our access to, and the availability of, financing on acceptable terms in the future will be affected by many factors, including (i) our financial condition, prospects and credit rating, (ii) the liquidity of the overall capital markets and (iii) the state of the economy. There can be no assurance that we will continue to have access to the capital markets on acceptable terms or at all.

The principal uses of cash that affect our liquidity position include the following: operating expenses including employee costs, the cost of maintaining our citrus groves, harvesting and hauling of our citrus products, capital expenditures, income tax payments, acquisitions, dividends, and debt service costs including interest and principal payments on our term loans and other credit facilities. In addition to the acquisitions and dispositions disclosed elsewhere, we have evaluated and expect to continue to evaluate possible acquisitions and dispositions of certain businesses. Such transactions may be material and may involve cash, the issuance of other securities or the assumption of indebtedness.

We believe that a combination of our cash-on-hand, cash generated from operations and availability under our lines of credit will provide us with sufficient liquidity to service the principal and interest payments on our indebtedness, satisfy our working capital requirements and capital expenditures for at least the next 12 months and over the long term. We have a \$70,000,000 working capital line of credit of which \$52,500,000 is available for our general use as of September 30, 2015 and a \$25,000,000 revolving line of credit all of which is available for our general use as of September 30, 2015 (see Note 5 "Debt" to the accompanying Consolidated and Combined Financial Statements). If the Company pursues significant growth opportunities in the future, it could have a material adverse impact on our cash balances, and we may need to finance such activities by drawing down monies under our lines of credit or obtaining additional debt or equity financing. There can be no assurance that additional financing will be

available to us when needed or, if available, that it can be obtained on commercially reasonable terms. Any liability to obtain additional financing could impact our ability to pursue different growth opportunities.

Our level of debt could have important consequences on our business, including, but not limited to, increasing our vulnerability to general adverse economic and industry conditions, limiting the availability of our cash flow to fund future investments, capital expenditures, working capital, business activities and other general corporate requirements and limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate.

Cash Management Impacts

Cash and cash equivalents decreased by \$23,660,000 for the fiscal year ended September 30, 2015, as compared to the fiscal year ended September 30, 2014; increased \$6,437,000 for the fiscal year ended September 30, 2014 as compared to the fiscal year ended September 30, 2013; and increased \$11,255,000 for the fiscal year ended September 30, 2013 as compared to the fiscal year ended September 30, 2012. The components of these changes are discussed below.

Consolidated and Combined Statements of Cash Flows

The following table details the items contributing to the Consolidated and Combined Statement of Cash Flows for fiscal years 2015, 2014 and 2013:

<i>(in thousands)</i>	Fiscal Year Ended September 30,			% Change	
	2015	2014	2013	2015 vs 2014	2014 vs 2013
Net cash flows provided by operating activities	\$ 33,866	\$ 27,991	\$ 13,426	21.0 %	108.5 %
Net cash flows provided by (used in) investing activities	(188,399)	(8,808)	6,671	2,039.0 %	(232.0)%
Net cash flows provided by (used in) financing activities	130,873	(12,746)	(8,842)	(1,126.8)%	(44.2)%
Net increase (decrease) in cash and cash equivalents	<u>\$ (23,660)</u>	<u>\$ 6,437</u>	<u>\$ 11,255</u>	(467.6)%	(42.8)%

Cash Flows from Operating Activities

The increase in net cash provided by operating activities for fiscal year 2015, as compared to fiscal year 2014, was primarily due to (i) \$6,700,000 increase in net income, and (ii) approximately \$7,193,000 increase in non-cash expenses, including approximately a \$7,040,000 increase in deferred income taxes. The increase in non-cash expenses is net of an approximately \$12,768,000 increase in gain on sale of assets which was substantially due to the recognition of approximately \$13,700,000 of gain associated with the Sugarcane land sale in fiscal year 2015 as discussed in Fiscal Year Highlights and Recent Developments.

The increase in net cash provided by operating activities for fiscal year 2014, as compared to fiscal year 2013, was primarily due to (i) approximately \$8,638,000 increase in changes in operating assets and liabilities due to the elimination of sugarcane inventory, increase in income tax payable and increases in other liabilities and (ii) approximately a \$16,500,000 decrease in the net gain on the sale of property and equipment related to a non-recurring sale of the Conservation easement in fiscal year 2013 offset by the closing of the Polk County sale in fiscal year 2014. The increase in net cash provided by operating activities was offset by (i) approximately \$10,600,000 decrease in net income (ii) approximately \$6,000,000 gain on settlement of contingent consideration arrangement in fiscal year 2014 and (iii) approximately \$3,751,000 decrease in deferred income taxes.

Due to the seasonal nature of our business, working capital requirements are typically greater in the first and fourth quarters of our fiscal year. Cash flows from operating activities typically improve in our second and third fiscal quarters as we harvest our citrus crops.

Cash Flows from Investing Activities

The increase in net cash used in investing activities for fiscal year 2015, as compared to fiscal year 2014, was primarily due to (i) the acquisition of Orange-Co for approximately \$265,600,000 in December 2014 (see Note 3 "Acquisitions and Dispositions" to the accompanying Consolidated and Combined Financial Statements) and (ii) Silver Nip Citrus' acquisition of a 1,500 citrus grove in Charlotte County, Florida for approximately \$17,130,000. The increase in net cash flows used by investing activities was offset by proceeds from the sale of our sugarcane land of approximately \$97,200,000 from a tax deferred like-kind exchange pursuant to Internal Revenue Code Section 1031 and \$8,163,000 of proceeds from other dispositions.

The increase in net cash used in investing activities for fiscal year 2014, as compared to fiscal year 2013, was primarily due to (i) the acquisition of a Citrus business for approximately \$16,517,000, (ii) approximately \$9,902,000 decrease in proceeds for sale of assets related to the Conservation Easement land sale in 2013, offset by the Polk County land sale and property and equipment sold to USSC in fiscal year 2014. The increase in net cash flows used by investing activities was offset by (i) approximately \$5,681,000 decrease in capital expenditures due to a decrease in the number of cows and bulls purchased to augment our breeding herd, a decrease in purchases of rolling stock, equipment and other assets as well as improvement to farmland related to the completion of the sugarcane expansion in fiscal year 2013, partially offset by capital expenditures related to the building of our citrus tree nursery in fiscal year 2014, and (ii) approximately \$2,635,000 increase in return on investment in Magnolia primarily due to the reinstatement of cash distributions by Magnolia after its conversion of a large portion of its tax certificate portfolio to tax deeds and (iii) approximately \$2,700,000 cash acquired in the common control transaction.

Cash Flows from Financing Activities

The increase in net cash provided by financing activities for fiscal year 2015, as compared to fiscal year 2014, was primarily due to (i) net proceeds from the Company's restructured long-term debt on December 3, 2014, in connection with the Orange-Co acquisition (see Note 5 "Debt" to the accompanying Consolidated and Combined Financial Statements). The restructured credit facilities included \$125,000,000 in fixed interest rate term loans and \$57,500,000 in variable interest rate term loans. The proceeds of the new credit facilities were partially offset by the repayment of an existing \$34,000,000 variable interest rate term loan. The increase in net cash provided by financing activities was also partially offset by approximately \$17,800,000 of principal payments on term loans outstanding in fiscal year 2015.

The increase in net cash used in financing activities for fiscal year 2014, as compared to fiscal year 2013, was primarily due to (i) approximately \$1,600,000 increase in net payments on revolving line of credit and (ii) approximately \$1,950,000 increase in purchase of treasury stock for fiscal year 2014 and (iii) approximately \$1,300,000 increase in dividends paid. The increase in net cash used in financing activities was offset by approximately \$1,410,000 decrease in principal payments on notes payable in fiscal year 2014.

Contractual Obligations and Off Balance Sheet Arrangements

We have various contractual obligations which are recorded as liabilities in our Consolidated and Combined Balance Sheets. The following table presents our significant contractual obligations and commercial commitments on an undiscounted basis as of September 30, 2015 and the future periods in which such obligations are expected to be settled in cash.

(in thousands)

	Payments Due by Period				
	Total	<1 Year	1-3 Years	3-5 Years	5+ Years
Long-Term Debt	\$ 205,881	\$ 4,511	\$ 19,043	\$ 21,863	\$ 160,464
Interest on Long-Term Debt	72,805	7,494	14,180	12,614	38,517
Retirement Benefits	13,334	367	712	380	11,875
Consulting/Non-Compete Agreement	700	600	100	—	—
Operating Leases	1,637	667	964	6	—
Capital Leases	865	277	588	—	—
Tree Purchase Commitments	300	300	—	—	—
Total	\$ 295,522	\$ 14,216	\$ 35,587	\$ 34,863	\$ 210,856

Purchase Commitments

Alico, through its wholly owned subsidiary Alico Fruit Company, enters into contracts for the purchase of citrus fruit during the normal course of its business. The remaining obligations under these purchase agreements were approximately \$4,048,000 as of September 30, 2015 for delivery in fiscal year 2016. All of these obligations are covered by sales agreements. Alico's management currently believes that all committed purchase volume will be sold at cost or higher.

CRITICAL ACCOUNTING POLICIES

Our Consolidated and Combined Financial Statements are prepared in accordance with U.S. GAAP, which requires management to make estimates, judgments and assumptions that affect the amounts reported in those financial statements and accompanying notes. Management considers an accounting policy to be critical if it is important to our financial condition and results of operations and if it requires significant judgment and estimates on the part of management in its application. We consider policies relating to the following matters to be critical accounting policies:

Revenue Recognition

Revenues from agricultural crops are recognized at the time the crop is harvested and delivered to the customer. The Company recognizes revenues from cattle sales at the time the cattle are delivered. Management reviews the reasonableness of the revenue accruals quarterly based on buyers' and processors' advances to growers, cash and futures markets and experience in the industry. Adjustments are made throughout the fiscal year to these estimates as more current relevant information regarding the specific markets become available. Differences between the estimates and the final realization of revenues can be significant and can be either positive or negative. During the periods presented in this Annual Report on Form 10-K, no material adjustments were made to the reported revenues from our crops.

Alico Fruit Company ("AFC") operations primarily consist of providing supply chain management services to Alico, as well as to other citrus growers in the state of Florida. AFC also purchases and resells citrus fruit; in these transactions, AFC (i) acts as a principal; (ii) takes title to the products; and (iii) has the risks and rewards of ownership, including the risk of loss for collection, delivery or returns. Therefore, AFC recognizes revenues based on the gross amounts due from customers for its marketing activities. Supply chain management service revenues are recognized when the services are performed.

Inventory

We capitalize the cost of growing crops into inventory until the time of harvest. Once a given crop is harvested, the related inventoried costs are recognized as cost of sales to provide an appropriate matching of costs incurred with the related revenues recognized. We record inventory at the lower of cost or net realizable value. Management regularly assesses estimated inventory valuations based on current and forecasted usage of the related commodity, observable prices, estimated completion costs and other relevant factors that may affect the net realizable value.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and amortization. Major improvements are capitalized while maintenance and repairs are expensed in the period the cost is incurred. Costs related to the development of citrus groves, through planting of trees, are capitalized. Such costs include land clearing, excavation and construction of ditches, dikes, roads and reservoirs among other costs. After the planting, caretaking costs or pre-productive maintenance costs are capitalized for four years. After four years, a grove is considered to have reached maturity and the accumulated costs are depreciated over 25 years, except for land clearing and excavation, which are considered costs of land and not depreciated.

The breeding herd consists of purchased animals and replacement breeding animals raised on our ranch. Purchased animals are stated at the cost of acquisition. The cost of animals raised on the ranch is based on the accumulated cost of developing such animals for productive use. Breeding animals are depreciated over 6-7 years.

Income Taxes

In preparing our Consolidated and Combined Financial Statements, significant judgment is required to estimate our income taxes. Our estimates are based on our interpretations of federal and state laws. Deferred income taxes are recognized for the income tax effect of temporary differences between financial statement carrying amounts and the income tax basis of assets and liabilities. We regularly review our deferred tax assets to determine whether future taxable income will be sufficient to realize the benefits of these assets. A valuation allowance is provided for deferred income tax assets for which it is deemed, more likely than not, that future taxable income will not be sufficient to realize the related income tax benefits from these assets. The amount of the net deferred income tax asset that is considered realizable could be adjusted if estimates of future taxable income are adjusted. We apply a "more likely than not" threshold to the recognition and non-recognition of tax positions. A change in judgment related

to prior years' tax positions is recognized in the quarter of such change. Adjustments to temporary differences, permanent differences or uncertain tax positions could materially impact our financial position, cash flows and results of operations.

Business Combinations

The Company accounts for its business acquisitions under the acquisition method of accounting as indicated under the Financial Accounting Standards Board - Accounting Standards Codification™ ("FASB ASC") No. 805, "Business Combinations", which requires the acquiring entity in a business combination to recognize the fair value of all assets acquired, liabilities assumed and any noncontrolling interest in the acquiree and establishes the acquisition date as the fair value measurement point. Accordingly, the Company recognizes assets acquired and liabilities assumed in business combinations, including contingent assets and liabilities and noncontrolling interest in the acquiree, based on fair value estimates as of the date of acquisition. In accordance with FASB ASC No. 805, the Company recognizes and measures goodwill, if any, as of the acquisition date, as the excess of the fair value of the consideration paid over the fair value of the identified net assets acquired.

When we acquire a business from an entity under common control, whereby the companies are ultimately controlled by the same party or parties both before and after the transaction, it is treated similar to the pooling of interests method of accounting, whereby the assets and liabilities are recorded at the transferring entity's historical cost instead of reflecting the fair market value of assets and liabilities.

Impairment of Long-Lived Assets

We evaluate property, cattle, equipment and other long-lived assets for impairment when events or changes in circumstances (triggering events) indicate that the carrying value of assets contained in our financial statements may not be recoverable. Depending on the asset under review, we use varying methods to determine fair value, such as discounting expected future cash flows, determining resale values by market or applying a capitalization rate to net operating income using prevailing rates for a given market. Unfavorable changes in economic conditions and net operating income for a specific property will change our estimates. If an impairment loss is recognized, the adjusted carrying amount of the asset becomes its cost basis. For a depreciable long-lived asset, the new cost basis will be depreciated or amortized over the remaining useful life of that asset. As of September 30, 2015, long-lived assets included property and equipment and intangible assets.

Fair Value Measurements

The carrying amounts in the balance sheets for operating accounts receivable, mortgages and notes receivable, accounts payable and accrued expenses approximate fair value because of the immediate or short term maturity of these items. When stated interest rates are below market, we discount mortgage notes receivable to reflect their estimated fair value. We carry our investments at fair value. The carrying amounts reported for our long-term debt approximates fair value as our borrowings with commercial lenders are at interest rates that vary with market conditions and fixed rates that approximate market rates for comparable loans.

Fair value is defined as the price that would be received upon the sale of an asset or paid to transfer a liability (i.e., exit price) in an orderly transaction between market participants at the measurement date. Assets and liabilities measured at fair value are categorized into one of three different levels depending on the assumptions (i.e., inputs) used in the valuation. Assets and liabilities are classified in their entirety based on the lowest level of input significant to the fair value measurement. The fair value hierarchy is defined as follows:

Level 1- Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2- Valuations are based on quoted prices for similar assets or liabilities in active markets, or quoted prices in markets that are not active for which significant inputs are observable, either directly or indirectly.

Level 3- Valuations are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management's best estimate of what market participants would use in valuing the asset or liability at the measurement date.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Market Risk - Market risk represents the potential loss resulting from adverse changes in the value of financial instruments, either derivative or non-derivative, caused by fluctuations in interest rates, foreign exchange rates, commodity prices, and equity security prices. The Company handles market risks in accordance with its established policies; however, Alico does not enter into derivatives or other financial instruments for trading or speculative purposes. The Company does consider, on occasion, the need to enter into financial instruments to manage and reduce the impact of changes in interest rates; however, the Company entered into no such instruments during the three-year period ended September 30, 2015. The Company held various financial instruments as of September 30, 2015 and 2014, consisting of financial assets and liabilities reported in the Company's Consolidated and Combined Balance Sheets and off-balance sheet exposures resulting from letters of credit issued for the benefit of Alico.

Interest Rate Risk - The Company is subject to interest rate risk from the utilization of financial instruments, such as term debt and other borrowings. The fair market value of long-term, fixed interest rate debt is subject to interest rate risk. The Company's primary long-term obligations are fixed rate debt and are subject to fair value risk. A one percentage-point increase in prevailing interest rates would increase interest expense on our variable rate debt obligations by \$600,531 before income taxes for the fiscal year ended September 30, 2015.

Foreign-Exchange Rate Risk - The Company currently has no exposure to foreign-exchange rate risk because all of its financial transactions are denominated in U.S. dollars.

Commodity Price Risk - The Company has no financial instruments subject to commodity price risk.

Equity Security Price Risk - None of the Company's financial instruments have potential exposure to equity security price risk.

Item 8. Financial Statements and Supplementary Data.

Index to Consolidated and Combined Financial Statements

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All schedules are omitted for the reason that they are not applicable or the required information is included in the financial statements or notes.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
Alico, Inc.

We have audited the accompanying consolidated and combined balance sheets of Alico, Inc. and Subsidiaries as of September 30, 2015 and 2014, and the related consolidated and combined statements of operations and comprehensive income, changes in equity, and cash flows for each of the three fiscal years in the period ended September 30, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated and combined financial statements referred to above present fairly, in all material respects, the financial position of Alico, Inc. and Subsidiaries as of September 30, 2015 and 2014, and the results of their operations and their cash flows for each of the three fiscal years in the period ended September 30, 2015, in conformity with U.S. generally accepted accounting principles.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Alico, Inc. and Subsidiaries' internal control over financial reporting as of September 30, 2015, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013, and our report dated December 10, 2015 expressed an unqualified opinion on the effectiveness of Alico, Inc. and Subsidiaries' internal control over financial reporting.

/s/ RSM US LLP
Orlando, Florida
December 10, 2015

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
Alico, Inc.

We have audited Alico, Inc. and Subsidiaries' internal control over financial reporting as of September 30, 2015, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Alico, Inc. and Subsidiaries' management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Alico, Inc. and Subsidiaries maintained, in all material respects, effective internal control over financial reporting as of September 30, 2015, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated and combined balance sheets of Alico, Inc. and Subsidiaries as of September 30, 2015 and 2014, and the related consolidated and combined statements of operations and comprehensive income, changes in equity, and cash flows for each of the three fiscal years in the period ended September 30, 2015, and our report dated December 10, 2015 expressed an unqualified opinion.

/s/ RSM US LLP
Orlando, Florida
December 10, 2015

ALICO, INC.
CONSOLIDATED AND COMBINED BALANCE SHEETS
(dollars in thousands, except share and per share amounts)

	September 30,	
	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,360	\$ 31,020
Accounts receivable, net	4,252	8,441
Inventories	55,142	25,469
Income tax receivable	2,088	—
Assets held for sale	—	59,513
Prepaid expenses and other current assets	1,838	1,269
Total current assets	70,680	125,712
Property and equipment, net	381,667	126,833
Goodwill	2,246	—
Deferred financing costs, net of accumulated amortization	2,985	1,143
Other non current assets	3,002	3,892
Total assets	\$ 460,580	\$ 257,580
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 4,022	\$ 2,053
Accrued liabilities	13,682	4,227
Long-term debt, current portion	4,511	3,196
Income taxes payable	—	4,572
Deferred tax liability, current portion	151	3,135
Obligations under capital leases, current portion	277	259
Other current liabilities	990	3,228
Total current liabilities	23,633	20,670
Long-term debt	201,370	58,444
Lines of credit	—	3,160
Deferred tax liability	24,134	8,760
Deferred gain on sale	29,122	—
Deferred retirement obligations	4,134	3,856
Obligations under capital leases	588	839
Total liabilities	282,981	95,729
Commitments and contingencies (Note 18)		
Equity:		
Preferred stock, no par value, 1,000,000 shares authorized; none issued	—	—
Common stock, \$1.00 par value, 15,000,000 shares authorized; 8,416,145 and 7,377,106 shares issued and 8,325,580 and 7,361,340 shares outstanding at September 30, 2015 and September 30, 2014, respectively	8,416	7,377
Additional paid in capital	21,289	3,742
Members' equity	—	16,414
Treasury stock, at cost, 90,565 and 15,766 shares held at September 30, 2015 and September 30, 2014, respectively	(3,962)	(650)
Retained earnings	147,049	134,968
Total Alico Inc. equity	172,792	161,851
Noncontrolling interest	4,807	—
Total equity	177,599	161,851
Total liabilities and equity	\$ 460,580	\$ 257,580

See accompanying notes to consolidated and combined financial statements.

ALICO, INC.
CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(in thousands, except per share amounts)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Operating revenues:			
Citrus Groves	\$ 139,700	\$ 62,372	\$ 43,689
Agricultural Supply Chain Management	6,439	12,376	28,412
Improved Farmland	901	20,429	21,917
Ranch and Conservation	5,394	8,172	6,755
Other Operations	685	634	888
Total operating revenues	<u>153,119</u>	<u>103,983</u>	<u>101,661</u>
Operating expenses:			
Citrus Groves	104,081	42,571	31,533
Agricultural Supply Chain Management	6,193	12,317	27,949
Improved Farmland	1,089	21,356	16,202
Ranch and Conservation	4,808	6,123	3,798
Other Operations	995	374	505
Total operating expenses	<u>117,166</u>	<u>82,741</u>	<u>79,987</u>
Gross profit	35,953	21,242	21,674
General and administrative expenses	16,894	11,328	9,739
Income from operations	19,059	9,914	11,935
Other income (expense):			
Investment and interest income, net	59	131	704
Interest expense	(8,373)	(1,925)	(1,257)
Gain on sale of real estate	16,517	4,821	20,299
Gain on settlement of contingent consideration arrangement	—	6,000	—
Loss on extinguishment of debt	(1,051)	—	—
Gain on bargain purchase	1,145	—	—
Impairment on asset held for sale	(541)	—	—
Other expense, net	(177)	(19)	(6)
Total other income, net	<u>7,579</u>	<u>9,008</u>	<u>19,740</u>
Income before income taxes	26,638	18,922	31,675
Provision for income taxes	10,905	9,889	12,029
Net income	15,733	9,033	19,646
Net loss attributable to noncontrolling interests	31	—	—
Net income attributable to Alico, Inc. common stockholders	\$ 15,764	\$ 9,033	\$ 19,646
Comprehensive income (loss) attributable to noncontrolling interests	—	—	—
Comprehensive income attributable to Alico, Inc. common stockholders	<u>\$ 15,764</u>	<u>\$ 9,033</u>	<u>\$ 19,646</u>
Per share information attributable to Alico, Inc. common stockholders:			
Earnings per common share:			
Basic	\$ 1.96	\$ 1.23	\$ 2.69
Diluted	\$ 1.96	\$ 1.23	\$ 2.67
Weighted-average number of common shares outstanding:			
Basic	8,056	7,336	7,313
Diluted	8,061	7,354	7,357
Cash dividends declared per common share	\$ 0.24	\$ 0.24	\$ 0.36

See accompanying notes to consolidated and combined financial statements.

ALICO, INC. AND SUBSIDIARIES
CONSOLIDATED AND COMBINED STATEMENTS OF CHANGES IN EQUITY
(in thousands)

	Common Stock		Additional Paid In Capital	Treasury Stock	Retained Earnings	Members' Equity	Total Alico, Inc. Equity	Noncontrolling Interest	Total Equity
	Shares	Amount							
Balance at September 30, 2012	7,377	\$ 7,377	\$ 9,053	\$ (543)	\$ 111,659	\$ —	\$ 127,546	\$ —	\$ 127,546
Net income	—	—	—	—	19,646	—	19,646	—	19,646
Dividends	—	—	—	—	(2,626)	—	(2,626)	—	(2,626)
Treasury stock purchases	—	—	—	(2,894)	—	—	(2,894)	—	(2,894)
Stock-based compensation:									
Directors	—	—	392	591	—	—	983	—	983
Executives	—	—	51	30	—	—	81	—	81
Balance at September 30, 2013	7,377	7,377	9,496	(2,816)	128,679	—	142,736	—	142,736
Net income	—	—	—	—	8,050	983	9,033	—	9,033
Dividends	—	—	—	—	(1,761)	(605)	(2,366)	—	(2,366)
Treasury stock purchases	—	—	—	(4,844)	—	—	(4,844)	—	(4,844)
Members' equity as of common control November 19, 2013	—	—	—	—	—	15,631	15,631	—	15,631
Stock-based compensation:									
Directors	—	—	(26)	1,087	—	—	1,061	—	1,061
Executives	—	—	(5,728)	5,923	—	—	195	—	195
Members' equity	—	—	—	—	—	405	405	—	405
Balance at September 30, 2014	7,377	7,377	3,742	(650)	134,968	16,414	161,851	—	161,851
Net income (loss)	—	—	—	—	14,017	1,747	15,764	(31)	15,733
Dividends	—	—	—	—	(1,936)	—	(1,936)	—	(1,936)
Treasury stock purchases	—	—	—	(4,013)	—	—	(4,013)	—	(4,013)
Acquisition of citrus businesses	1,039	1,039	17,431	—	—	(18,470)	—	4,838	4,838
Stock-based compensation:									
Directors	—	—	61	701	—	—	762	—	762
Executives	—	—	55	—	—	—	55	—	55
Members' equity	—	—	—	—	—	309	309	—	309
Balance at September 30, 2015	8,416	\$ 8,416	\$ 21,289	\$ (3,962)	\$ 147,049	\$ —	\$ 172,792	\$ 4,807	\$ 177,599

See accompanying notes to consolidated and combined financial statements.

ALICO, INC. AND SUBSIDIARIES
CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS
(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Cash flows from operating activities:			
Net income	\$ 15,733	\$ 9,033	\$ 19,646
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	14,637	8,946	9,675
Gain on sale of assets	(17,139)	(4,371)	(20,894)
Gain on settlement of contingent consideration arrangement	—	(6,000)	—
Deferred income taxes	12,351	5,311	9,062
Gain on bargain purchase	(1,145)	—	—
Stock-based compensation	1,126	1,661	923
Loss on extinguishment of debt	1,051	—	—
Asset impairment	541	—	—
Other non-cash gains and losses	1,183	(135)	(78)
Changes in operating assets and liabilities:			
Accounts receivable	5,468	(3,276)	(1,195)
Inventories	9,708	13,666	(2,113)
Income tax receivable	(2,088)	—	—
Other assets	(30)	621	—
Accounts payable and accrued expenses	2,029	(7,935)	(3,727)
Income tax payable	(4,572)	3,401	2,014
Other liabilities	(4,987)	7,069	113
Net cash provided by operating activities	33,866	27,991	13,426
Cash flows from investing activities:			
Acquisition of citrus businesses, net of cash acquired	(282,717)	(16,517)	—
Purchases of property and equipment	(11,948)	(13,243)	(18,924)
Proceeds from disposals of property and equipment	105,363	14,479	24,381
Return on investment in Magnolia Fund	675	3,814	1,179
Cash received in common control acquisition	—	2,669	—
Other	228	(10)	35
Net cash (used in) provided by investing activities	(188,399)	(8,808)	6,671
Cash flows from financing activities:			
Proceeds from term loans	195,500	—	—
Repayments on revolving line of credit	(84,333)	(1,600)	(5,661)
Borrowings on revolving line of credit	81,173	—	5,661
Repayment of term loan	(34,000)	—	—
Principal payments on term loans	(17,759)	—	—
Treasury stock purchases	(4,013)	(4,844)	(2,894)
Financing costs	(3,583)	—	—
Dividends paid	(1,879)	(3,386)	(2,048)
Capital lease payments	(233)	(426)	—
Principal payments on notes payable	—	(2,490)	(3,900)
Net cash provided by (used in) financing activities	130,873	(12,746)	(8,842)

Net (decrease) increase in cash and cash equivalents	(23,660)	6,437	11,255
Cash and cash equivalents at beginning of year	31,020	24,583	13,328
Cash and cash equivalents at end of year	\$ 7,360	\$ 31,020	\$ 24,583
Supplemental disclosure of cash flow information:			
Cash paid for interest, net of amount capitalized	\$ 6,273	\$ 1,697	\$ 1,048
Cash paid for income taxes	\$ 5,213	\$ 1,177	\$ 952
Supplemental disclosure of non-cash investing and financing activities:			
Escrow deposit in other assets applied to capital expenditures	\$ 250	\$ —	\$ —
Property and equipment purchased with capital leases	\$ 37	\$ 1,400	\$ —
Equipment purchased with long-term debt	\$ —	\$ 108	\$ —

See accompanying notes to consolidated and combined financial statements.

ALICO, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS
September 30, 2015, 2014 and 2013

Note 1. Description of Business and Basis of Presentation

Alico, Inc. ("Alico"), together with its subsidiaries (collectively, the "Company", "we", "us" or "our"), is a Florida agribusiness and land management company. We own approximately 121,000 acres of land throughout Florida inclusive of approximately 90,000 acres of mineral rights. We manage our land based upon its primary usage and review its performance based upon two primary classifications - Citrus Groves and Ranch and Conservation. Our principal lines of business are citrus groves and related support operations. In addition, we operate an Agricultural Supply Chain Management business that is not tied directly to our land holdings and Other Operations that include a citrus nursery, a leasing mine and oil extraction rights to third parties. We present our financial results based upon our five business segments (Citrus Groves, Improved Farmland, Ranch and Conservation, Agricultural Supply Chain Management and Other Operations). As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and the Improved Farmland segment is no longer material to our business.

Common Control Acquisition between the Company and 734 Citrus Holdings, LLC

Effective February 28, 2015, the Company completed the merger ("Merger") with 734 Citrus Holdings, LLC ("Silver Nip Citrus") pursuant to an Agreement and Plan of Merger (the "Merger Agreement") with 734 Sub, LLC, a wholly owned subsidiary of the Company ("Merger Sub"), Silver Nip Citrus and, solely with respect to certain sections thereof, the equity holders of Silver Nip Citrus. The ownership of Silver Nip Citrus was held by 734 Agriculture, 74.89%, Mr. Clay Wilson, Chief Executive Officer of the Company, 5% and an entity controlled by Mr. Clay Wilson owned 20.11%. Silver Nip Citrus entities include 734 Harvest, LLC, 734 Co-op Groves, LLC, 734 LMC Groves, LLC and 734 BLP Groves, LLC.

On November 19, 2013, 734 Agriculture and its affiliates, including 734 Investors, acquired approximately 51% of the Company's common stock. 734 Agriculture is the sole managing member of 734 Investors. By virtue of their ownership percentage, 734 Agriculture is able to elect all of the Directors and, consequently, control Alico.

734 Agriculture had control over both Silver Nip Citrus and the Company, and therefore the Merger was treated as a common control acquisition.

At closing of the Merger, Merger Sub merged with and into Silver Nip Citrus, with Silver Nip Citrus and its affiliates surviving the Merger as wholly owned subsidiaries of the Company. Pursuant to the Merger Agreement, at closing, the Company issued 923,257 shares of the Company's common stock, par value \$1.00 per share, to the holders of membership interests in Silver Nip Citrus. Silver Nip Citrus' outstanding net indebtedness at the closing of the Merger was approximately \$40,278,000 and other liabilities totaled \$6,952,000. The Company acquired assets with a book value of \$65,739,000 and total net assets of \$18,470,000. The shares of common stock issued were recorded at the carrying amount of the net assets transferred. The closing price of the Company's common stock on February 27, 2015 was \$45.67.

In September 2015, the former holders of membership interests (the "Members") in Silver Nip Citrus received an additional 115,782 shares of the Company's common stock pursuant to the Merger Agreement. The additional purchase consideration was based on the value of the proceeds received to date by the Company from the sale of citrus fruit harvested on Silver Nip Citrus's citrus groves following the conclusion of the 2014-2015 citrus harvest season. The Members will receive additional Company common shares based on any additional proceeds received by the Company subsequent to September 2015 related to the 2014-2015 harvest season.

Basis of Presentation

The Company has prepared the accompanying financial statements on a consolidated and combined basis. These accompanying Consolidated and Combined Financial Statements, which are referred to herein as the "Financial Statements", have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). In the opinion of management, the accompanying Financial Statements reflect all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the Company's results as of and for the fiscal years ended September 30, 2015, 2014 and 2013. All intercompany transactions and account balances between the consolidated and combined businesses have been eliminated.

Combined Financial Statements

As the Company and Silver Nip Citrus were under common control at the time of the Merger, we are required under U.S. GAAP to account for this common control acquisition in a manner similar to the pooling of interests method of accounting. Under this method of accounting, our Consolidated and Combined Balance Sheets as of September 30, 2015 and 2014 reflect Silver Nip Citrus' historical carryover basis in the assets and liabilities instead of reflecting the fair market value of the assets and liabilities. We have also retrospectively recast our financial statements to combine the operating results of the Company and Silver Nip Citrus from the date common control began, November 19, 2013.

Silver Nip Citrus' fiscal year end is June 30. The Company's financial condition as of September 30, 2015 and 2014 includes the financial condition of Silver Nip Citrus as of June 30, 2015 and 2014, and the Company's results of operations for the fiscal year ended September 30, 2015 include the Silver Nip Citrus' results of operations for the fiscal year ended June 30, 2015. The Company's results of operations for the fiscal year ended September 30, 2014 includes Silver Nip Citrus' results of operations from November 19, 2013 (the initial date of common control) through June 30, 2014.

Principles of Consolidation

The Financial Statements include the accounts of Alico, Inc. and the accounts of all the subsidiaries in which a controlling interest is held by the Company. The Financial Statements represent the Consolidated and Combined Balance Sheets, Statements of Operations and Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows of Alico, Inc. and its subsidiaries. Under U.S. GAAP, consolidation is generally required for investments of more than 50% of the outstanding voting stock of an investee, except when control is not held by the majority owner. The Company's subsidiaries include: Alico Land Development, Inc., Alico-Agri, Ltd., Alico Plant World, LLC, Alico Fruit Company, LLC (formerly "Bowen Brothers Fruit Company, LLC"), Alico Citrus Nursery, LLC, Alico Chemical Sales, LLC, 734 Citrus Holdings LLC and Citree Holdings I, LLC. The Company considers the criteria established under the Financial Accounting Standards Board - Accounting Standards Codification™ ("FASB ASC") 810, "Consolidations" in its consolidation process. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities as of the date of the accompanying Financial Statements, the disclosure of contingent assets and liabilities in the Financial Statements and the accompanying Notes, and the reported amounts of revenues and expenses and cash flows during the periods presented. Actual results could differ from those estimates based upon future events. The Company evaluates estimates on an ongoing basis. The estimates are based on current and expected economic conditions, historical experience, the experience and judgment of the Company's management and various other specific assumptions that the Company believes to be reasonable. The Company evaluates its assumptions and estimates on an ongoing basis and may employ outside experts to assist in the Company's evaluations.

For the fiscal year ended September 30, 2014, the Company recognized a \$6,000,000 gain on settlement of contingent consideration arrangement, recorded in other income, net, in the accompanying Consolidated and Combined Statement of Operations and Comprehensive Income for the fiscal year ended September 30, 2014. The contingent consideration arrangement relates to a Silver Nip Citrus asset purchase agreement. In fiscal year 2014, the Company estimated that no portion of the liability was expected to be earned or paid out in the future, resulting in the gain on settlement in fiscal year 2014.

Noncontrolling Interest in Consolidated Affiliate

The Financial Statements include all assets and liabilities of the less-than-100%-owned affiliate the Company controls, Citree Holdings I, LLC ("Citree"). Accordingly, the Company has recorded a noncontrolling interest in the equity of such entity. Citree had a net loss of approximately \$64,000 for the year ended September 30, 2015, of which 51% is attributable to Alico.

Reclassifications

Certain prior year amounts have been reclassified in the accompanying Financial Statements for consistent presentation to the current period. These reclassifications had no impact on working capital, net income, equity or cash flows as previously reported.

The Company manages its land based upon its primary usage and reviews its performance based upon two primary classifications – Citrus Groves and Ranch and Conservation. In addition, it operates an Agricultural Supply Chain Management

business that is not tied directly to its land holdings and Other Operations that include leasing mines and oil extraction rights to third parties. The Company presents its financial results and the related discussions based upon these five segments (Citrus Groves, Improved Farmland, Ranch and Conservation, Agricultural Supply Chain Management and Other Operations). In the fourth quarter of fiscal year 2013, the Company changed its internal operations to align with the way it manages its business operations. As a result, the Company has realigned its financial reporting segments to match its internal operations.

References to U.S. GAAP in this Annual Report on Form 10-K are to the Financial Accounting Standards Board ("FASB"), Accounting Standards CodificationTM, (the "Codification" or "ASC").

Note 2. Summary of Significant Accounting Policies

Business Combinations

The Company accounts for its business acquisitions under the acquisition method of accounting as indicated in FASB ASC No. 805, "Business Combinations", which requires the acquiring entity in a business combination to recognize the fair value of all assets acquired, liabilities assumed and any noncontrolling interest in the acquiree, and establishes the acquisition date as the fair value measurement point. Accordingly, the Company recognizes assets acquired and liabilities assumed in business combinations, including contingent assets and liabilities and noncontrolling interest in the acquiree, based on fair value estimates as of the date of acquisition. In accordance with FASB ASC No. 805, the Company recognizes and measures goodwill, if any, as of the acquisition date, as the excess of the fair value of the consideration paid over the fair value of the identified net assets acquired.

When we acquire a business from an entity under common control, whereby the companies are ultimately controlled by the same party or parties both before and after the transaction, it is treated similar to the pooling of interests method of accounting. The assets and liabilities are recorded at the transferring entity's historical cost instead of reflecting the fair value of assets and liabilities.

Revenue Recognition

Revenues from agricultural crops are recognized at the time the crop is harvested and delivered to the customer. Receivables from crops sold are recorded for the estimated proceeds to be received from the customer on a quarterly basis, management reviews the reasonableness of the revenues accrued based on buyers' and processors' advances to growers, cash and futures markets and experience in the industry. Adjustments are made throughout the year to these estimates as more current relevant information regarding the specific markets becomes available. Differences between the estimates and the final realization of revenues can be significant and can be either an increase or decrease to reported revenues. During the periods presented in this report, no material adjustments were made to the reported revenues of the Company's crops.

Alico recognizes revenues from cattle sales at the time the cattle are delivered.

Alico Fruit Company, LLC ("AFC") operations primarily consist of providing supply chain management services to Alico, as well as to other citrus growers and processors in the state of Florida. AFC also purchases and resells citrus fruit; in these transactions, AFC (i) acts as a principal; (ii) takes title to the products; and (iii) has the risks and rewards of ownership, including the risk of loss for collection, delivery or returns. Therefore, AFC recognizes revenues based on the gross amounts due from customers for its marketing activities. Supply chain management services revenues are recognized when the services are performed.

Cash and Cash Equivalents

The Company considers cash in banks and highly liquid instruments with an original maturity of three months or less to be cash and cash equivalents. At various times throughout the fiscal year, and as of September 30, 2015, some accounts held at financial institutions were in excess of the federally insured limit of \$250,000. The Company has not experienced any losses on these accounts and believes credit risk to be minimal.

Accounts receivable

Accounts receivable from customers are generated from revenues based on the sale of citrus, cattle, leasing and other transactions. The Company grants credit in the course of its operations to third party customers. The Company performs periodic credit evaluations of its customers' financial condition and generally does not require collateral. The Company provides an allowance for doubtful accounts equal to the estimated uncollectible amounts based on the aging of accounts receivable. The

estimate, evaluated monthly by the Company, is based on historical collection experience, current macroeconomic climate and market conditions and a review of the current status each customer's account. Changes in the financial viability of significant customers and worsening of economic conditions may require changes to its estimate of the recoverability of the receivables. Such changes in estimates are recorded in the period in which these changes become known. The allowance for doubtful accounts is charged to general and administrative expenses in the Consolidated and Combined Statements of Operations and Comprehensive Income. As of September 30, 2015 and 2014, allowances for doubtful accounts were approximately \$8,300 and \$26,000, respectively.

The following table presents accounts receivable, net for fiscal years ended September 30, 2015, and 2014:

	September 30,	
	2015	2014
(in thousands)		
Accounts receivable	\$ 4,260	\$ 8,467
Allowance for doubtful accounts	(8)	(26)
Accounts receivable, net	\$ 4,252	\$ 8,441

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short term and immediate nature of these financial instruments. The carrying amounts of our debt approximate fair value due to the transactions are with commercial lenders at interest rates that vary with market conditions and fixed rates that approximate market rates for obligations with similar terms and maturities (see Note 12, "Fair Value Measurements").

Concentrations

Revenues and accounts receivable from the Company's major customers as of September 30, 2015 and 2014 and for the fiscal years ended September 30, 2015, 2014 and 2013, are as follows:

	Accounts Receivable		Revenue			% of Total Revenue		
	2015	2014	2015	2014	2013	2015	2014	2013
(in thousands)								
USSC	\$ —	\$ 2,962	\$ —	\$ 19,633	\$ 21,056	—%	18.9%	20.7%
Florida Orange Marketers, Inc.	\$ —	\$ —	\$ —	\$ 23,826	\$ 15,689	—%	22.9%	15.4%
Citrosuco North America, Inc.	\$ —	\$ —	\$ 3,870	\$ 804	\$ 11,092	2.5%	0.8%	10.9%
Louis Dreyfus	\$ —	\$ —	\$ 22,460	\$ 24,135	\$ 26,246	14.7%	23.2%	25.8%
Cutrale Citrus Juice	\$ —	\$ —	\$ 23,556	\$ 3,984	\$ 6,300	15.4%	3.8%	6.2%
Minute Maid	\$ —	\$ —	\$ 57,484	\$ —	\$ —	37.5%	—%	—%
Tropicana	\$ 1,019	\$ 4,042	\$ 21,925	\$ 16,433	\$ —	14.3%	15.8%	—%

The citrus industry is subject to various factors over which growers have limited or no control, including weather conditions, disease, pestilence, water supply and market price fluctuations. Market prices are highly sensitive to aggregate domestic and foreign crop sizes, as well as factors including, but not limited to, weather and competition from foreign countries.

Real Estate

In recognizing revenues from land sales, the Company applies specific revenue recognition criteria, in accordance with U.S. GAAP, to determine when land sales revenues can be recorded. For example, in order to fully recognize a gain resulting from a real estate transaction, the sale must be consummated with a sufficient down payment of at least 20% to 25% of the sales price depending upon the type and timeframe for development of the property sold and any receivable from the sale cannot be subject to future subordination. In addition, the seller cannot retain any material continuing involvement in the property sold. When these

criteria are not met, the Company recognizes a gain proportionate to collections utilizing either the installment method or deposit method as appropriate.

Inventories

The costs of growing crops, including but not limited to labor, fertilization, fuel, crop nutrition and irrigation, are capitalized into inventory throughout the respective crop year. Such costs are expensed when the crops are harvested and are recorded in citrus groves management and improved farmland management operating expenses in the Consolidated and Combined Statements of Operations and Comprehensive Income. Inventories are stated at the lower of cost or net realizable value. The cost for unharvested citrus crops is based on accumulated production costs incurred during the period from January 1 through the balance sheet date. The cost of the beef cattle inventory is based on the accumulated cost of developing such animals for sale from July 1 through the balance sheet date (see Note 6, "Inventories").

Property and Equipment

Property and equipment which includes amounts under capitalized leases, are stated at cost, net of accumulated depreciation and amortization. Major improvements are capitalized while expenditures for maintenance and repairs are expensed when incurred. Costs related to the development of citrus groves through planting of trees are capitalized. Such costs include land clearing, excavation and construction of ditches, dikes, roads, and reservoirs, among other costs. After the planting, caretaking costs or pre-productive maintenance costs are capitalized for four years. After four years, a grove is considered to have reached maturity and the accumulated costs are depreciated over 25 years, except for land clearing and excavation, which are considered costs of land and not depreciated.

The breeding herd consists of purchased animals and animals raised on the Company's ranches. Purchased animals are stated at the cost of acquisition. The cost of animals raised on the ranch is based on the accumulated cost of developing such animals for productive use.

Real estate costs incurred for the acquisition, development and construction of real estate projects are capitalized.

Depreciation is provided on a straight-line basis over the estimated useful lives of the depreciable assets, with the exception of leasehold improvements and assets acquired through capital leases, which are depreciated over their estimated useful lives if the lease transfers ownership or contains a bargain purchase option, otherwise the term of the lease.

The estimated useful lives for property and equipment are primarily as follows:

Citrus trees	25 years
Equipment and other facilities	3-20 years
Buildings and improvements	40 years
Breeding herd	6-7 years

Changes in circumstances, such as technological advances or changes to our business model or capital strategy could result in the actual useful lives differing from the original estimates. In those cases where we determine that the useful life of property and equipment should be shortened, we would depreciate the asset over its revised estimated remaining useful life, thereby increasing depreciation expense (see Note 7, "Property and Equipment, Net").

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company records impairment losses on long-lived assets used in operations, other than goodwill, when events and circumstances indicate that the assets might be impaired and the estimated cash flows (undiscounted and without interest charges) to be generated by those assets over the remaining lives of the assets are less than the carrying amounts of those assets. The net carrying values of assets not recoverable are reduced to their fair values. Our cash flow estimates are based on historical results adjusted to reflect our best estimates of future market conditions and operating conditions. As of September 30, 2015 and 2014, long-lived assets were comprised of property and equipment. The Company recorded an impairment loss of approximately \$541,000 on property classified as assets held for sale as of September 30, 2015 (see Note 7, "Property and Equipment, Net").

Other Non-Current Assets

Other non-current assets primarily include investments owned in agricultural cooperatives, cash surrender value on life insurance and equity investment in affiliate (Magnolia). Investments in stock related to agricultural cooperatives are carried at cost. The Company utilized a cooperative to harvest its sugarcane. The cooperatives require members to acquire stock ownership as a condition for the use of its services. Due to the Company's cessation from its sugarcane operations, the Company expects the return of the stock value in fiscal year 2016.

Income Taxes

The Company complies with the asset and liability method of accounting for deferred income taxes. The provision for income taxes includes income taxes currently payable and those deferred as a result of temporary differences between the financial statements and the income tax basis of assets and liabilities. Deferred income tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in income tax rates on deferred tax assets and liabilities is recognized in income or loss in the period that includes the enactment date. A valuation allowance is provided to reduce deferred tax assets to the amount of future tax benefit when it is more likely than not that some portion of the deferred tax assets will not be realized. Projected future taxable income and ongoing tax planning strategies are considered and evaluated when assessing the need for a valuation allowance. Any increase or decrease in a valuation allowance could have a material adverse or beneficial impact on the Company's income tax provision and net income or loss in the period the determination is made. As of September 30, 2015 and 2014, the Company did not record a valuation allowance on deferred tax assets. The Company recognizes interest and/or penalties related to income tax matters in income tax expense.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which a change in judgment occurs. The Company records interest related to unrecognized tax benefits in income tax expense.

Earnings per Share

Basic earnings per share for our common stock is calculated by dividing net income attributable to Alico common stockholders by the weighted average number of shares of common stock outstanding for the period. Diluted earnings per common share is similarly calculated, except that the calculation includes the dilutive effect of the assumed issuance of shares of common stock issuable under equity-based compensation plans in accordance with the treasury stock method, or any other type of securities convertible into common stock, except where the inclusion of such common shares would have an anti-dilutive effect.

The following table presents a reconciliation of basic to diluted weighted average common shares outstanding for fiscal years ended September 30, 2015, 2014 and 2013:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Weighted Average Common Shares Outstanding - Basic	8,056	7,336	7,313
Unvested Restricted Stock Awards	5	18	44
Weighted Average Common Shares Outstanding - Diluted	8,061	7,354	7,357

There were no employee stock options granted for the fiscal years ended September 30, 2015, 2014 and 2013, respectively. Non-vested restricted shares of common stock entitle the holder to receive non-forfeitable dividends upon issuance and are included in the calculation of diluted earnings per common share. For the fiscal years ended September 30, 2015, 2014 and 2013, there were no anti-dilutive equity awards or convertible securities that were excluded from the calculation of diluted earnings per common share.

Stock-Based Compensation

Stock-based compensation is measured based on the fair value of the equity award at the grant date and is typically expensed on a straight-line basis over the vesting period. Upon the vesting of restricted stock, the Company issues common stock from shares held in treasury. The Company measures the cost of employee services on the grant date fair value of the equity award.

The cost is recognized over the period during which the employee is required to provide services in exchange for the equity award (usually the vesting period).

Effective January 27, 2015, the Company's Board of Directors adopted the 2015 Stock Incentive Plan (the "2015 Plan") which provides for up to an additional 1,250,000 common shares available for issuance to provide a long-term incentive plan for officers, employees, directors and/or consultants to directly link incentives to stockholder value. The 2015 Plan was approved by the Company's stockholders in February 2015.

The adoption of the 2015 Plan supersedes the 2013 Incentive Equity Plan ("2013 Plan"), which had been in place since April 2013. In fiscal year 2015, the Company awarded 12,500 restricted shares of the Company's common stock ("Restricted Stock") to two senior executives under the 2015 Plan at a weighted average fair value of \$49.49 per common share, vesting over a five year period.

The 2013 Plan was approved by the Company's stockholders in February 2013. Under the terms of the 2013 Plan, 350,000 shares of the Company's common stock were to be awarded to recipients in the form of restricted stock units or stock options. Common shares issued pursuant to awards under the 2013 Plan, if any, were outstanding shares of common stock which have been repurchased by the Company.

The Company's incentive equity plans provide for grants to executives in various forms including restricted shares of the Company's common stock. Awards are discretionary and are determined by the Compensation Committee of the Board of Directors. Awards vest based upon service conditions. Non-vested restricted shares generally vest over requisite service periods of one to six years from the date of grant.

Total stock-based compensation expense for the three years ended September 30, 2015 in other operations and general and administrative expense was as follows:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Stock compensation expense:			
Executives	\$ 55	\$ 195	\$ 81
Board of Directors	762	1,061	842
Members	309	405	—
Total stock compensation expense	\$ 1,126	\$ 1,661	\$ 923

Stock-based compensation expense is recognized in operating expenses and general and administrative expenses in the Consolidated and Combined Statements of Operations and Comprehensive Income.

All shares of restricted common stock awarded under the Long-Term Incentive Program, awarded by the Company in May 2011, vested automatically upon the acquisition of a controlling interest in the Company by 734 Investors, LLC in November 2013. As a result, the Company issued 152,403 shares of treasury stock in January 2014, before withholdings for income taxes. The Company recognized \$195,000 of stock-based compensation related to the acceleration of vesting of the restricted stock during fiscal year 2014. In December 2013, the Company determined that it would repurchase half of the gross shares awarded to Named Executive Officers other than the CEO, totaling 58,610 common shares immediately upon their issuance for the purpose of retaining treasury shares for future issuance.

There were no employee stock options granted in fiscal years 2015, 2014 or 2013, respectively.

Equity Method Investments and Variable Interest Entities

The Company evaluates the method of accounting for investments in which it does not hold an equity interest of at least 50% based on the amount of control it exercises over the operations of the investee, exposure to losses in excess of its investment, the ability to significantly influence the investee and whether the Company is the primary beneficiary of the investee. Investments not qualifying for consolidation are accounted for under the equity method whereby the ongoing investment in the entity, consisting of its initial investment adjusted for distributions, gains and losses of the entity are classified as a single line in the balance sheet and as a non-operating item in the income statement.

In May 2010, the Company invested \$12,150,000 to obtain a 39% limited partner equity interest in Magnolia TC 2, LLC (“Magnolia”), a Florida limited liability company whose primary business activity is acquiring tax certificates issued by various counties in the state of Florida on properties which have property tax delinquencies. Revenues are recognized by Magnolia when the interest obligation under the tax certificates it holds becomes a fixed amount. In order to redeem a tax certificate in Florida, a minimum of 5% of the face amount of the certificate (delinquent taxes) must be paid to the certificate holder regardless of the amount of time the certificate has been outstanding. Expenses include an acquisition fee of 1%, interest expense, a monthly management fee and other administrative costs. The investment in Magnolia is accounted for in accordance with the equity method of accounting, whereby the Company records its 39% interest in the reported income or loss of the fund each quarter and is included in other non-current assets in the Consolidated and Combined Balance Sheets. Based on the September 30, 2015 unaudited internal financial statements of Magnolia, the Company recognized net investment income of approximately \$57,000 for the fiscal year ended September 30, 2015. The Company recognized net investment income of approximately \$163,000 and \$658,000 for the fiscal years ended September 30, 2014 and 2013, respectively. Net investment income is included in Interest and investment, net in the Consolidated and Combined Statements of Operations and Comprehensive Income. Magnolia made certain distributions during the fiscal years ended September 30, 2015, 2014 and 2013; the Company’s share of those distributions was approximately \$675,000, \$3,814,000 and \$1,179,000, respectively.

Recent Accounting Pronouncements Include:

Title and reference	Prescribed Effective Date	Commentary
ASU No. 2105-16, “Business Combinations” (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments.	Fiscal years beginning after December 15, 2015, including interim periods within those fiscal years.	In September 2015, the FASB issued ASU No. 2015-16, “Business Combinations” (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments (“ASU 2015-16”). ASU 2105-16 requires that (i) an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined, (ii) the acquirer record, in the same period’s financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date, and (iii) an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current-period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. The amendments in this Update apply to all entities that have reported provisional amounts for items in a business combination for which the accounting is incomplete by the end of the reporting period in which the combination occurs and during the measurement period have an adjustment to provisional amounts recognized. The amendments in this guidance are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments in this guidance are not expected to have a significant impact on our Financial Statements upon adoption.

ASU No. 2015-15, “Interest—Imputation of Interest” (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements.	Effective upon issuance	In August 2015, the FASB issued ASU No. 2015-15, “Interest—Imputation of Interest” (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements (“ASU 2015-15”). In ASU 2015-15, the SEC adds guidance to Subtopic 835-30 pursuant to the SEC Staff Announcement at the June 18, 2015 Emerging Issues Task Force meeting about the presentation and subsequent measurement of debt issuance costs associated with line-of-credit arrangements. In April 2015, the FASB issued ASU 2015-03, “Interest—Imputation of Interest” (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs, which requires entities to present debt issuance costs related to a recognized debt liability as a direct deduction from the carrying amount of that debt liability. According to the SEC, the guidance in ASU 2015-03 does not address presentation or subsequent measurement of debt issuance costs related to line-of-credit arrangements. Given the absence of authoritative guidance within ASU 2015-03 for debt issuance costs related to line-of-credit arrangements, the SEC staff would not object to an entity deferring and presenting debt issuance costs as an asset and subsequently amortizing the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. The guidance in ASU 2015-03 is effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The guidance in ASU 2015-15 is effective upon issuance. The guidance in ASU 2015-15 and ASU 2015-03 are not expected to have a significant impact on our Financial Statements upon adoption.
ASU No. 2015-14, “Revenue from Contracts with Customers” (Topic 606): Deferral of the Effective Date.	Effective upon issuance	In August 2015, the FASB issued ASU No. 2015-14, “Revenue from Contracts with Customers” (Topic 606): Deferral of the Effective Date (“ASU 2015-14”). ASU 2015-14 effectively defers the effective date of ASU No. 2014-09, “Revenue from Contracts with Customers (Topic 606), by one year for all entities. In May 2014, the FASB issued ASU 2014-09 with an effective date for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period for public business entities, certain not-for-profit entities, and certain employee benefit plans. The effective date for all other entities was for annual reporting periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. ASU 2015-14 is effective upon issuance. ASU 2015-14 is not expected to have a significant impact on our Financial Statements.
Accounting Standard Update (“ASU”) No. 2015-11, “Inventory” (Topic 330): Simplifying the Measurement of Inventory.	Fiscal years beginning after December 15, 2016 and for interim periods therein.	In July 2015, the FASB issued ASU No. 2015-11, “Inventory” (Topic 330): Simplifying the Measurement of Inventory (“ASU 2015-11”). ASU 2015-11 simplifies the measurement of inventory by requiring certain inventory to be subsequently measured at the lower of cost and net realizable value. The amendments in this guidance are effective for fiscal years beginning after December 15, 2016 and for interim periods therein and are not expected to have a significant impact on our Financial Statements upon adoption.

ASU No. 2015-03, "Interest - Imputation of Interest" (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs.	Fiscal years beginning after December 15, 2015, and interim periods within those fiscal years	In April 2015, the FASB issued ASU No. 2015-03, "Interest - Imputation of Interest" (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs ("ASU 2015-03"). ASU 2015-03 changes the presentation of debt issuance costs from an asset to a direct deduction from the related liability. This guidance, which is effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years, may be early adopted for financial statements that have not been previously issued and its provisions are to be retrospectively applied as a change in accounting principle. Upon adoption, this guidance is expected to decrease Other Assets, which includes our deferred financing costs on our debt obligations, and comparably decrease Long-term debt on our Balance Sheets. This guidance is not expected to have any impact on our results of operations or cash flows.
ASU No. 2015-04, "Compensation - Retirement Benefits" (Topic 715): Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets.	Interim and fiscal periods beginning after December 15, 2015.	In April 2015, the FASB issued ASU No. 2015-04, "Compensation - Retirement Benefits" (Topic 715). ASU 2015-04 will allow employers with fiscal year ends that do not coincide with a calendar month end to make an accounting policy election to measure defined benefit plan assets and obligations as of the end of the month closest to their fiscal year ends (i.e., on an alternative measurement date). An employer that makes this election must consistently apply the practical expedient from year to year and to all of its defined benefit plans. ASU 2015-04 will be effective for interim and fiscal periods beginning after December 15, 2015; prospective application is required and early adoption is permitted. The Company's fiscal year end is September 30 and the Company has a defined retirement plan. This guidance is not expected to have any impact on our financial position, results of operations or cash flows.
ASU No. 2015-02, "Consolidation" (Topic 810): Amendments to the Consolidation Process.	Annual periods, and interim periods within those annual periods, beginning after December 15, 2015.	In February 2015, the FASB issued ASU No. 2015-02, "Consolidation" (Topic 810): Amendments to the Consolidation Process ("ASU 2015-02") . ASU 2015-02 amends the consolidation analysis for limited partnerships and other variable interest entities ("VIEs"). This guidance, which is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015, is not expected to have a significant impact on our Financial Statements upon adoption.
ASU No. 2015-01, Income Statement - "Extraordinary and Unusual Items" (Subtopic 225-20): Simplifying the Income Statement Presentation by Eliminating the Concept of Extraordinary Items.	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015.	In January 2015, the FASB issued ASU No. 2015-01, Income Statement - "Extraordinary and Unusual Items" (Subtopic 225-20): Simplifying the Income Statement Presentation by Eliminating the Concept of Extraordinary Items ("ASU 2015-01"). ASU 2015-01 eliminates from GAAP the concept of extraordinary items. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. The guidance may be applied prospectively or retrospectively and early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. This guidance is not expected to have a material impact on our financial statements upon adoption.

ASU No. 2014-15, "Presentation of Financial Statements - Going Concern" (Subtopic 205-40): Disclosure of Uncertainty about an Entity's Ability to Continue as a Going Concern.	Fiscal years, and interim periods within those years, beginning on or after December 15, 2016, with early adoption permitted.	In August 2014, the FASB issued ASU No. 2014-15, "Presentation of Financial Statements - Going Concern" (Subtopic 205-40): Disclosure of Uncertainty about an Entity's Ability to Continue as a Going Concern ("ASU 2014-15"). ASU 2014-15 provides guidance that establishes management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and setting rules for how this information should be disclosed in the financial statements. This guidance is effective for fiscal years, and interim periods within those years, beginning on or after December 15, 2016, with early adoption permitted. We will adopt this guidance on January 1, 2017 and do not expect it to have a material impact on our Financial Statements upon adoption.
ASU No. 2014-12, "Compensation - Stock Compensation"(Topic 718):Accounting for Share-based Payments.	Annual and interim periods within the annual period beginning after December 15, 2015.	In June 2014, the FASB issued ASU No. 2014-12, "Compensation - Stock Compensation"(Topic 718):Accounting for Share-based Payments ("ASU 2014-12"). ASU 2014-12 provides guidance that impacts the accounting for share-based performance awards. This guidance requires that a performance target that affects vesting that could be achieved after the requisite service period be treated as a performance condition. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. This guidance is effective for annual and interim periods within the annual period beginning after December 15, 2015. We do not currently have share-based payment awards that fall within the scope of this guidance and therefore do not anticipate an impact on our Financial Statements upon adoption.

Note 3. Acquisitions and Dispositions

Acquisition of Orange-Co

On December 2, 2014, the Company completed the acquisition of certain citrus and related assets of Orange-Co, LP ("Orange-Co") pursuant to an Asset Purchase Agreement, which we refer to as the Orange-Co Purchase Agreement, dated as of December 1, 2014 and 51% of the ownership interests of Citree. The assets the Company purchased include approximately 20,263 acres of citrus groves in DeSoto and Charlotte Counties, Florida, which comprise one of the largest contiguous citrus grove properties in the state of Florida. Total assets acquired were approximately \$277,792,000, net of \$2,060,000 in cash acquired and approximately \$4,838,000 in fair value attributable to noncontrolling interest in Citree, including: (i) \$147,500,000 in initial cash consideration funded from the proceeds of the sugarcane disposition and new term loan debt; (ii) up to \$7,500,000 in additional cash consideration to be released from escrow in equal parts, subject to certain limitations, on December 1, 2015 and June 1, 2016; (iii) the refinancing of Orange-Co's outstanding debt including approximately \$92,290,000 in term loan debt and a working capital facility of approximately \$27,857,000 and (iv) the assumption of certain other liabilities totaling \$4,705,000. On December 1, 2014, Alico deposited an irrevocable standby letter of credit issued by Rabo Agrifinance, Inc. in the aggregate amount of \$7,500,000 into an escrow account to fund the additional cash consideration. The standby letter of credit will expire on December 1, 2015, and at this time the Company will deposit a new standby letter of credit for \$3,750,000 to fund the remaining cash consideration.

The Company acquired Orange-Co to transform our citrus business and meaningfully enhance the Company's position in the citrus industry. The Company has included the financial results of Orange-Co in the Financial Statements from the date of acquisition. These results include approximately \$72,600,000 in revenue and \$17,900,000 in gross profit.

This acquisition was accounted for under the acquisition method of accounting. Accordingly, the Company recognized amounts for identifiable assets acquired and liabilities assumed at their estimated acquisition date fair values, while transaction and integration costs associated with the acquisition were expensed as incurred. The excess of the purchase price over the fair value of assets acquired, net of liabilities assumed, and noncontrolling interests is recognized as goodwill. All goodwill recognized will be deductible for income tax purposes.

On the acquisition date, the initial accounting for the business combination was not complete and the total assets acquired and liabilities assumed were based on preliminary information and were subject to adjustment as new information was obtained. As a result of refinements to the preliminary purchase price allocation, an adjustment to the fair value of total assets acquired resulted in an increase of approximately \$1,000,000 during the fiscal year ended September 30, 2015.

For the fiscal year ended September 30, 2015, the Company incurred approximately \$3,078,000 in professional and legal costs in connection with the Orange-Co acquisition. These costs are included in general and administrative expenses in the Consolidated and Combined Statements of Operations and Comprehensive Income.

The following table summarizes the final allocation of the acquisition cost to the assets acquired and liabilities assumed at the date of acquisition, based on their estimated fair values:

Asset acquisition

(in thousands)

	<u>Amount</u>
Assets:	
Accounts receivable	\$ 888
Other current assets	845
Inventories	35,562
Property and equipment	
Citrus Trees	164,123
Land	63,395
Equipment and other facilities	13,431
Goodwill	2,246
Other assets	2,140
Total assets, net of cash acquired	<u>\$ 282,630</u>
Liabilities:	
Accounts payable and accrued liabilities	\$ 4,205
Debt	500
Contingent consideration	7,500
Total liabilities assumed	<u>\$ 12,205</u>
Assets acquired less liabilities assumed	<u>\$ 270,425</u>
Less: fair value attributable to noncontrolling interest	<u>(4,838)</u>
Total purchase consideration	<u>\$ 265,587</u>
Cash proceeds from sugarcane disposition	\$ 97,126
Working capital line of credit	27,857
Term loans	140,604
Total purchase consideration	<u>\$ 265,587</u>

The unaudited pro-forma information below for the fiscal years ended September 30, 2015 and 2014 gives effect to this acquisition as if the acquisitions had occurred on October 1, 2013. The pro-forma financial information is not necessarily indicative of the results of operations if the acquisition had been effective as of this date.

(in thousands except per share amounts)

	Fiscal Year Ended September 30,	
	2015	2014
	(unaudited)	
Revenues	\$ 153,648	\$ 175,400
Income from operations	\$ 19,044	\$ 35,981
Net income attributable to Alico Inc. common stockholders	\$ 15,305	\$ 22,444
Basic earnings per common share	\$ 1.90	\$ 3.06
Diluted earnings per common share	\$ 1.90	\$ 3.05

Acquisition of Citrus Grove - Crossing Grove

On August 8, 2014, the Company and Premiere Agricultural Properties, LLC entered into a Purchase and Sale Agreement pursuant to which the Company purchased all of the assets on a 1,241 acre citrus grove (867 net tree acres) in DeSoto County, Florida for a purchase price of approximately \$16,517,000 (the "Crossing Grove Transaction"). The transaction was closed on September 23, 2014. The purchase price was funded from the Company's cash and \$5,300,000 in funds from a 2014 like-kind exchange transaction in Polk County pursuant to Internal Revenue Code Section 1031. We acquired the citrus acres to increase the size of our citrus groves which we believe strengthens our market position.

The assets acquired in the acquisition were recorded in the quarter ended September 30, 2014. The results of operations have been included in our Consolidated and Combined Statements of Operations and Comprehensive Income since September 23, 2014, the date of closing. Pro-forma operating results, as if the Company had completed the acquisition at the beginning of the periods presented, are not significant to the Company's Consolidated and Combined Statements of Operations and Comprehensive Income and are not presented.

Assets acquired in the acquisition are as follows:

(in thousands)

	<u>Amount</u>
Inventories	\$ 1,148
Property and Equipment:	
Citrus Trees	9,633
Land	3,902
Equipment and other facilities	1,834
Total cash paid	<u>\$ 16,517</u>

Acquisition of Citrus Grove - TRB

In September 2014, Silver Nip Citrus and TRB Groves, LLC ("TRB") entered into a Purchase and Sale Agreement pursuant to which Silver Nip Citrus purchased all of TRB's assets on a 1,500 acre citrus grove in Charlotte County, Florida for a purchase price of approximately \$17,130,000. The assets purchased included land and fruit inventory as well as irrigation and other equipment. The purchase price was funded from Silver Nip Citrus' cash and additional financing of \$11,000,000 (see Note 5, "Debt") in fixed rate term loans. The citrus grove acres were purchased to increase the size of the Silver Nip Citrus' citrus groves to strengthen their market position.

This acquisition was accounted for under the acquisition method of accounting. Accordingly, Silver Nip Citrus recognized amounts for identifiable assets acquired and liabilities assumed at their estimated acquisition date fair values, while transaction costs associated with the acquisition were expensed as incurred. The excess of the fair value over the purchase price of assets acquired, net of liabilities assumed, is recognized as a gain on bargain purchase of \$1,145,300 and is included in Other income (expense), net in the Consolidated and Combined Statements of Operations and Comprehensive Income for the fiscal year ended September 30, 2015.

For the fiscal year ended June 30, 2015, Silver Nip Citrus incurred approximately \$525,000 in professional and legal costs in connection with the TRB acquisition. These costs are included in general and administrative expenses in the Consolidated and Combined Statements of Operations and Comprehensive Income for the fiscal year ended September 30, 2015.

The following table summarizes the consideration paid for the acquired net assets and the acquisition accounting for the fair values of the assets acquired and liabilities assumed in the accompanying Consolidated and Combined Balance Sheets as of the acquisition date.

The results of operations have been included in our consolidated financial statements since September 4, 2014, the date of the closing. Pro-forma operating results, as if Silver Nip Citrus had completed the TRB acquisition at the beginning of the periods presented, are not significant to our Financial Statements and are not presented.

Assets acquired and liabilities assumed in the TRB acquisition are as follows:

(in thousands)

	<u>Amount</u>
Assets:	
Prepaid expenses	\$ 90
Inventories	2,155
Property and equipment:	
Citrus trees	10,009
Land and land improvements	5,007
Equipment and other facilities	1,038
Total assets	<u>\$ 18,299</u>
Liabilities:	<u>\$ 41</u>
Assets acquired less liabilities assumed	<u>\$ 18,258</u>

Sugarcane Land

On November 21, 2014, the Company completed the sale of approximately 36,000 acres of land used for sugarcane production and land leasing in Hendry County, Florida to Global Ag Properties, LLC ("Global") for approximately \$97,900,000 in cash. We had previously leased approximately 30,600 of these acres to United States Sugar Corporation (the "USSC Lease"). The USSC Lease was assigned to Global in conjunction with the land sale.

Net cash proceeds from the sugarcane land sale of approximately \$97,126,000 were deposited with a Qualified Intermediary in anticipation of the Orange-Co asset acquisition in a tax deferred like-kind exchange pursuant to Internal Revenue Code Section 1031.

The sales price is subject to post-closing adjustments over a ten (10)-year period. The Company realized a gain of \$42,753,000 on the sale. Initially, \$29,140,000 of the gain was deferred due to the Company's continuing involvement in the property pursuant to a post-closing agreement and the potential price adjustments. The deferral represents the Company's estimate of the maximum exposure to loss as a result of the continuing involvement. A net gain of approximately \$13,613,000 was recognized on the sale and is recognized in Other income (expense) in the Consolidated and Combined Statements of Operations and Comprehensive Income for the fiscal year ended September 30, 2015.

On May 1, 2015, the Company made a payment of \$1,347,000 to Global pursuant to the sales contract. USSC's rent is tied to the market price of sugar, and this payment is required annually in advance, to supplement the rent paid by USSC in the event that the sugar prices are below certain thresholds. Approximately \$843,000 of this payment is included in prepaid expenses and other current assets in the Consolidated and Combined Balance Sheet as of September 30, 2015 and the Company has recognized \$607,000 in interest expense and \$17,300 of the deferred gain for the fiscal year ended September 30, 2015.

As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane operations and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business, however, the sugarcane operation has not been classified as a discontinued operation due to the post-closing adjustments, amongst other involvement, as described above.

Note 4. Common Control Acquisition

The Company completed the Merger with Silver Nip Citrus on February 28, 2015 (see Note 1, “Description of Business and Basis of Presentation”). Silver Nip Citrus owns approximately 7,400 acres of land, consisting primarily of citrus groves, in six Florida counties (Polk, Hardee, Osceola, Martin, Highlands and Collier). Substantially all of its revenues derive from citrus operations. As the Company and Silver Nip Citrus were under common control at the time of the Merger, we have combined the results of operations of the Company and Silver Nip Citrus from the date common control began, November 19, 2013.

The Company’s financial condition as of September 30, 2015 and 2014 includes the financial condition of Silver Nip Citrus as of June 30, 2015 and 2014, and the Company’s results of operations for the fiscal year ended September 30, 2015 includes the Silver Nip Citrus results of operations for the fiscal year ended June 30, 2015. The Company’s results of operations for the fiscal year ended September 30, 2014 includes Silver Nip Citrus’ results of operations from November 19, 2013 (the initial date of common control) through June 30, 2014.

Separate results for the Company and Silver Nip Citrus for the fiscal years ended September 30, 2015 and 2014 were as follows:

(in thousands except per share amounts)

	Fiscal Year Ended September 30, 2015			Fiscal Year Ended September 30, 2014		
	Alico	Silver Nip Citrus	Total	Alico	Silver Nip Citrus	Total
Operating revenue	\$ 131,722	\$ 21,397	\$ 153,119	\$ 88,680	\$ 15,303	\$ 103,983
Gross profit	\$ 31,212	\$ 4,741	\$ 35,953	\$ 18,297	\$ 2,945	\$ 21,242
Income from operations	\$ 15,653	\$ 3,406	\$ 19,059	\$ 7,856	\$ 2,058	\$ 9,914
Net income	\$ 10,438	\$ 5,295	\$ 15,733	\$ 8,050	\$ 983	\$ 9,033
Earnings per common share:						
Basic	\$ 1.30	\$ 0.66	\$ 1.96	\$ 1.10	\$ 0.13	\$ 1.23
Diluted	\$ 1.30	\$ 0.66	\$ 1.96	\$ 1.09	\$ 0.13	\$ 1.23

Note 5. Debt*(in thousands)*

	September 30,	
	2015	2014
Long-term debt, net of current portion:		
Metropolitan Life Insurance Company and New England Life Insurance Company fixed rate term loans in the original principal amount of \$125,000,000: the loans bear interest at the rate of 4.15% per annum as of September 30, 2015. The loans are collateralized by real estate and mature in November 2029.	\$ 111,563	\$ —
Metropolitan Life Insurance Company and New England Life Insurance Company variable rate term loans in the original principal amounts of \$57,500,000: the variable interest rate was approximately 1.80% per annum as of September 30, 2015. The loans are collateralized by real estate and mature in November 2029.	55,344	—
Metropolitan Life Insurance Company term loan: the loan bears interest at the rate of 5.30% per annum as of September 30, 2015. A final advance of \$2,500,000 is scheduled for March 1, 2016 subject to certain performance conditions. The interest rate is subject to adjustment on the date of the final advance. The loan is collateralized by real estate and matures in February 2029.	2,500	—
Rabo Agrifinance, Inc. variable rate term loan. The loan was refinanced on December 3, 2014.	—	34,000
Prudential Mortgage Capital Company, LLC fixed rate term loans: the loans bear interest at the rate of 5.35% per annum as of June 30, 2015. The loans are collateralized by real estate and mature in June 2033.	25,640	27,550
Prudential Mortgage Capital Company, LLC fixed rate term loan: the loan bears interest at the rate of 3.85% per annum as of June 30, 2015. The loan is collateralized by real estate and matures in September 2021.	5,390	—
Prudential Mortgage Capital Company, LLC fixed rate term loan: the loan bears interest at the rate of 3.45% per annum as of June 30, 2015. The loan is collateralized by real estate and matures in September 2039.	5,390	—
Note payable to a financing company collateralized by equipment and maturing in December 2016.	54	90
	<u>205,881</u>	<u>61,640</u>
Less current portion	4,511	3,196
Long-term debt	<u>\$ 201,370</u>	<u>\$ 58,444</u>

(in thousands)

	September 30,	
	2015	2014
Lines of Credit:		
Metropolitan Life Insurance Company and New England Life Insurance Company revolving line of credit: this \$25,000,000 line bears interest at a variable rate which was 1.80% per annum as of September 30, 2015. The line is collateralized by real estate and matures in November 2019.	\$ —	\$ —
Rabo Agrifinance, Inc. working capital line of credit: this \$70,000,000 line bears interest at a variable rate which was 1.95% per annum as of September 30, 2015. The line is collateralized by personal property and matures in November 2016. Availability under the line was \$52,500,000 of September 30, 2015.	—	—
Rabo Agrifinance, Inc. revolving line of credit which was a \$60,000,000 line. The loan was refinanced on December 3, 2014.	—	—
Prudential Mortgage Capital Company, LLC revolving line of credit which was a \$6,000,000 line that was paid in full and closed on April 28, 2015.	—	3,160
Lines of Credit	<u>\$ —</u>	<u>\$ 3,160</u>

Future maturities of debt as of September 30, 2015 are as follows:

(in thousands)

Due within one year	\$	4,511
Due between one and two years		8,243
Due between two and three years		10,800
Due between three and four years		10,900
Due between four and five years		10,963
Due beyond five years		160,464
Total future maturities	\$	<u>205,881</u>

Debt Refinancing

The Company refinanced its outstanding debt obligations on December 3, 2014 in connection with the Orange-Co acquisition (see Note 3 "Acquisitions and Dispositions"). The new credit facilities initially included \$125,000,000 in fixed interest rate term loans, \$57,500,000 in variable interest rate term loans and a \$25,000,000 revolving line of credit ("RLOC") with Metropolitan Life Insurance Company and New England Life Insurance Company (collectively "Met") and a \$70,000,000 working capital line of credit ("WCLC") with Rabo Agrifinance, Inc. ("Rabo").

The new term loans and RLOC are secured by approximately 39,300 gross acres of citrus groves and 14,000 gross acres of farmland. The WCLC is secured by the Company's current assets and certain other personal property owned by the Company.

The new term loans are subject to quarterly principal payments of \$2,281,250 and mature November 1, 2029. The fixed rate term loans bear interest at 4.15% per annum, and the variable rate term loans bear interest at a rate equal to 90 day LIBOR plus 150 basis points (the "LIBOR spread"). The LIBOR spread is subject to adjustment by the lender on May 1, 2017 and every two years thereafter until maturity. Interest on the term loans is payable quarterly.

The interest rate on the variable rate term loan was 1.80% per annum as of September 30, 2015. The loans are collateralized by certain real estate of the Company.

The Company may prepay up to \$8,750,000 of the fixed rate term loan principal annually without penalty, and any such prepayments shall be applied to reduce subsequent mandatory principal payments. The maximum annual prepayment has been made for the current fiscal year. The variable rate term loans may be prepaid without penalty.

The RLOC bears interest at a floating rate equal to 90 day LIBOR plus 150 basis points payable quarterly. The LIBOR spread is subject to adjustment by the lender on May 1, 2017 and every two years thereafter. Outstanding principal, if any, is due at maturity on November 1, 2019. The RLOC is subject to an annual commitment fee of 25 basis points on the unused portion of the line of credit. The RLOC is available for funding general corporate needs. The variable interest rate was 1.80% per annum as of September 30, 2015. The RLOC was available as of December 3, 2014 but has remained undrawn as of September 30, 2015.

The WCLC is a revolving credit facility and is available for funding working capital and general corporate requirements. The interest rate on the WCLC is based on the one month LIBOR plus a spread. The spread is adjusted quarterly based on our debt service coverage ratio for the preceding quarter and can vary from 175 to 250 basis points. The rate is currently at LIBOR plus 175 basis points. The variable interest rate was 1.95% per annum as of September 30, 2015. The WCLC facility matures November 1, 2016. Availability under the line of credit was \$52,501,500 as of September 30, 2015.

The WCLC is subject to a quarterly commitment fee on the daily unused availability under the line computed as the commitment amount less the aggregate of the outstanding loans and outstanding letters of credit. The commitment fee is adjusted quarterly based on our debt service coverage ratio for the preceding quarter and can vary from a minimum of 20 basis points to a maximum of 30 basis points.

The WCLC agreement provides for Rabo to issue up to \$20,000,000 in letters of credit on the Company's behalf. As of September 30, 2015, there was \$17,498,500 in outstanding letters of credit which correspondingly reduced our availability under the line of credit. There was no outstanding balance on the WCLC as of September 30, 2015.

The Company capitalized approximately \$2,834,000 of debt financing costs related to the refinancing. These costs will be amortized to interest expense over the applicable terms of the loans. The unamortized balance of deferred financing costs related to the financing was approximately \$2,543,000 which includes approximately \$318,000 of fees related to the old RLOC (see below) at September 30, 2015.

The Company recognized a loss on extinguishment of debt of approximately \$1,051,000 for the fiscal year ended September 30, 2015, related to the refinancing. The loss on extinguishment of debt is included in Other income (expense) in the Consolidated and Combined Statement of Operations and Comprehensive Income for the fiscal year ended September 30, 2015.

The new credit facilities noted above are subject to various covenants including the following financial covenants: (i) minimum debt service coverage ratio of 1.10 to 1.00, (ii) tangible net worth of at least \$160,000,000 increased annually by 10% of consolidated net income for the preceding year, (iii) minimum current ratio of 1.50 to 1.00, (iv) debt to total assets ratio not greater than .625 to 1.00, and, solely in the case of the WCLC, (v) a limit on capital expenditures of \$30,000,000 per fiscal year. As of September 30, 2015, the Company was in compliance with all of the financial covenants.

The credit facilities also include a Met Life term loan secured by real estate owned by Citree Holdings 1, LLC. This is a \$5,000,000 credit facility that initially bore interest at 5.49%. An initial advance of \$500,000 was made at closing on March 4, 2014. The loan agreement was amended to provide for an interim advance of \$2,000,000 on September 17, 2015, and the interest rate was adjusted to 5.30% at the time of the interim advance. The amendment extended the date of the final \$2,500,000 advance from December 1, 2015 to March 1, 2016. The interest rate is subject to further adjustment at the time of the final advance. The loan matures in February 2029. The unamortized balance of deferred financing costs related to this loan was approximately \$57,000 at September 30, 2015.

Debt Prior to Refinancing

Prior to the December 3, 2014 refinancing, the Company had a \$33,500,000 term loan and a \$60,000,000 revolving line of credit ("Old RLOC") with Rabo.

The variable rate term loan required quarterly payments of interest at a floating rate of one month LIBOR plus 225 basis points and quarterly principal payments of \$500,000. The variable interest rate on this loan was 2.40% per annum as of September 30, 2014. The loan was secured by real estate and had a maturity date of October 2020. The term loan was refinanced in connection with the Orange-Co acquisition on December 3, 2014.

The Old RLOC had a variable interest rate based on one month LIBOR plus a spread. The spread was determined based upon our debt service coverage ratio for the preceding fiscal year and could vary from 195 to 295 basis points. The interest rate was LIBOR plus 195 basis points at the date of refinancing and as of September 30, 2014. Interest on the Old RLOC was payable quarterly. The Old RLOC was subject to a commitment fee of 20 basis points on the annual average unused availability. The Old RLOC had no outstanding balance at the date of refinancing or as of September 30, 2014.

The Company incurred debt financing costs of approximately \$1,202,000 related to the Rabo variable rate term loan and Old RLOC. The debt financing costs were capitalized as deferred financing costs in fiscal year 2010, and were being amortized to interest expense over the term of the loan. The unamortized balance of deferred financing costs at the time of refinancing was approximately \$697,000, of which approximately \$379,000 was written-off and expensed as a loss on extinguishment of debt and approximately \$318,000 will be amortized over the applicable terms of the new loans.

As of September 30, 2014, the Company was in compliance with the financial debt covenants and terms of the Rabo loan agreement.

Silver Nip Citrus Debt

Silver Nip Citrus has various loans payable to Prudential Mortgage Capital Company, LLC ("Prudential") as described below.

There are two fixed rate term loans with total outstanding balances of \$25,640,000 and \$27,550,000 as of June 30, 2015 and 2014, respectively. Principal of \$290,000 is payable quarterly. Interest accrues at 5.35% per annum and is also payable quarterly. The Company may prepay up to \$5,000,000 of principal without penalty. On February 15, 2015, Silver Nip Citrus made a prepayment of \$750,000. The loans are collateralized by real estate in Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida.

Silver Nip Citrus entered into two fixed rate term loans with Prudential to finance the acquisition of a 1,500 acre citrus grove on September 4, 2014 (see Note 3 “Acquisitions and Dispositions”). Each loan had an outstanding principal balance of \$5,390,000 as of June 30, 2015. Principal of \$55,000 per loan is payable quarterly together with accrued interest. One loan bears interest at 3.85% while the other bears interest at 3.45%. The note with an interest rate of 3.85% is subject to adjustment on September 1, 2019 and every year thereafter until maturity. Both loans are collateralized by real estate in Charlotte County, Florida.

Silver Nip Citrus had a \$6,000,000 revolving line of credit with Prudential. This line of credit was paid in full and terminated on April 28, 2015. A loss on extinguishment of debt of approximately was \$87,500 recognized when the loan was retired. The outstanding balance was \$3,159,620 as of June 30, 2014.

The unamortized balance of deferred financing costs related to the Silver Nip Citrus debt was approximately \$385,000 at September 30, 2015.

The Silver Nip Citrus facilities are subject to a financial debt covenant requiring a current ratio of at least 2.00 to 1.00 measured at the end of each fiscal year. Silver Nip Citrus was in compliance with this covenant as of June 30, 2015 and 2014, respectively.

The Silver Nip Citrus facilities are personally guaranteed by George Brokaw, Remy Trafelet and Clayton Wilson.

Modification of Credit Agreements

Rabo agreed, subject to certain conditions, that the Company may loan Silver Nip Citrus up to \$7,000,000 on a revolving basis. These advances would be funded from either cash on hand or draws on the Company’s WCLC, for cash management purposes.

Silver Nip Citrus has provided a \$7,000,000 limited guaranty and security agreement granting Rabo a security interest in crops, accounts receivable, inventory and certain other assets.

This modification required the amendment of various Prudential and Rabo loan documents and mortgages.

Interest costs expensed and capitalized were as follows:

<i>(in thousands)</i>	Fiscal Year Ended September 30,		
	2015	2014	2013
Interest expense	\$ 8,373	\$ 1,925	\$ 1,257
Interest capitalized	345	204	79
Total	\$ 8,718	\$ 2,129	\$ 1,336

Note 6. Inventories

Inventories consist of the following at September 30, 2015 and 2014:

<i>(in thousands)</i>	September 30,	
	2015	2014
Unharvested fruit crop on the trees	\$ 49,337	\$ 23,502
Beef cattle	1,612	1,022
Citrus tree nursery	2,854	489
Other	1,339	456
Total Inventories	\$ 55,142	\$ 25,469

The Company records its inventory at the lower of cost or net realizable value. For the years ended September 30, 2015, 2014 and 2013, the Company did not record any adjustments to reduce inventory to net realizable value.

Note 7. Property and Equipment, Net

Property and equipment, net consists of the following at September 30, 2015 and 2014:

(in thousands)

	September 30,	
	2015	2014
Citrus trees	\$ 247,179	\$ 69,952
Equipment and other facilities	56,498	55,799
Buildings and improvements	21,259	16,282
Breeding herd	11,924	11,558
Total depreciable properties	336,860	153,591
Less accumulated depreciation and depletion	(69,621)	(66,321)
Net depreciable properties	267,239	87,270
Land and land improvements	114,428	39,563
Net property and equipment	\$ 381,667	\$ 126,833

Land Sale

Certain Silver Nip Citrus land with a cost of approximately \$2,832,000 was classified as held for sale as of June 30, 2014. The land was sold during fiscal year 2015, resulting in a gain on sale of assets of approximately \$2,927,000 with net cash proceeds of approximately \$5,759,000.

Asset Impairment

The Company recorded an impairment loss of approximately \$541,000 during fiscal year 2015 on property classified as assets held for sale as of September 30, 2014. The Company entered into a sales contract on February 17, 2015, which triggered the impairment of the property based on the negotiated sales price. The property was sold on April 3, 2015 and the Company received approximately \$1,509,000 in net cash proceeds.

Sugarcane Lease

On May 19, 2014, the Company entered into a triple net agricultural lease (the "Lease") with its sole sugarcane customer, USSC, for 19,181 acres of land planted or plantable to sugar in Hendry County, Florida. As a result of the Lease, the Company is no longer directly engaged in sugarcane farming. The lease was assigned to Global in connection with the Sugarcane land sale (see Note 3, "Acquisitions and Dispositions").

The lease provided for a one-time reimbursement to the Company, at book value, for certain of our costs to develop and plant sugarcane (Property and Equipment), cultivate and care take sugarcane (Inventory) and for the purchase of certain rolling stock (Property and Equipment) used in our sugarcane operation. We had a combined book value of approximately \$11,100,000 in planting and caretaking costs and approximately \$2,200,000 net book value for the rolling stock. After negotiation with USSC, we agreed to a one time reimbursement of approximately \$8,800,000 in plant cane and caretaking costs and a sales price of approximately \$2,200,000 for the rolling stock. Therefore, the Company recorded a one-time charge of approximately \$2,300,000 in the fiscal year ended September 30, 2014 as an operating expense in the Improved Farmland segment. In addition, we also received the annual base rent payment of approximately \$3,548,000 for a total payment of approximately \$14,600,000 from USSC on July 1, 2014.

Polk County property sale

On July 1, 2014, the Company sold a 2,800 acre parcel of land in Polk County, Florida for \$5,623,000. This parcel was surplus to our operations and was classified as held for sale. This sale was part of a like-kind exchange transaction that qualified for tax-deferral treatment in accordance with Internal Revenue Code Section 1031.

Sale of Easement

In fiscal year 2013, the Company closed a warranty easement deed with the United States Department of Agriculture ("USDA"), through its administering agency, The Natural Resources Conservation Service, granting a conservation easement on approximately 11,600 acres located in Hendry County, FL (the "Property") for approximately \$20,678,000. The easement agreement states the Property will be enrolled in perpetuity in the Wetlands Reserve Program designed to restore, protect and enhance the values of the wetlands and for the conservation of natural resources. The Company will retain title to the Property and the right

to various recreational uses including hunting, fishing and leasing of such rights. Additionally, the Company reserves the right to subsurface resources including oil, gas, minerals and geothermal resources underlying the easement area and the right to water uses and water rights identified as reserved to us. As a result of the transaction, the Company recorded a gain of approximately \$20,300,000 in its Statement of Operations and Comprehensive Income for the fiscal year ended September 30, 2013.

Note 8. Assets held for sale

There were no assets held for sale at September 30, 2015. At September 30, 2014 the assets held for sale were comprised of the following:

(in thousands)

	September 30,
	2014
Citrus, land and land improvements	\$ 5,532
Sugarcane, land and land improvements	53,981
Assets held for sale	\$ 59,513

Purchase and Sale Agreement

On November 21, 2014, the Company completed the sale of approximately 36,000 acres of land used for sugarcane production and land leasing in Hendry County, Florida to Global for approximately \$97,900,000 in cash. We had previously leased these acres to USSC. The USSC Lease was assigned to Global in conjunction with the land sale.

As a result of the disposition of our sugarcane land, we are no longer involved in sugarcane and, as of November 21, 2014, the Improved Farmland segment was no longer material to our business.

Our sugarcane land has been classified as assets held for sale as of September 30, 2014, however the sugarcane operation has not been classified as a discontinued operation due to the Company's continuing involvement and continuing cash outflows in the operation pursuant to a Post-Closing Agreement in association with the Global land sale.

Note 9. Other Assets

Other Assets consist of the following at September 30, 2015 and 2014:

(in thousands)

	September 30, 2015		September 30, 2014	
	Current	Non-Current	Current	Non-Current
Investments in agricultural cooperatives	\$ —	\$ 846	\$ —	\$ 1,106
Cash surrender value	—	722	—	695
Certificate of deposit	—	—	263	—
Equity investment in affiliate	—	817	—	1,435
Escrow deposit for capital expenditures	—	—	—	250
Guaranteed payments on sugarcane sale	843	—	—	—
Prepaid insurance	643	—	521	—
Other	352	617	485	406
Total other assets	\$ 1,838	\$ 3,002	\$ 1,269	\$ 3,892

Note 10. Accrued Liabilities

Accrued Liabilities consist of the following at September 30, 2015 and 2014:

(in thousands)

	September 30,	
	2015	2014
Ad valorem taxes	2,640	1,850
Accrued interest	1,155	397
Accrued employee wages and benefits	427	520
Inventory received but not invoiced	581	197
Accrued dividends	501	442
Current portion of pension obligations	342	342
Additional purchase price consideration	7,500	—
Other accrued liabilities	536	479
Total accrued liabilities	\$ 13,682	\$ 4,227

Note 11. Other Current Liabilities

Other current liabilities consist of the following at September 30, 2015 and 2014:

(in thousands)

	September 30,	
	2015	2014
Deposits - Farm land leases	\$ 397	\$ 2,641
Deposits - Recreation land leases	541	572
Other	52	15
Total other current liabilities	\$ 990	\$ 3,228

Note 12. Fair Value Measurements

The Company complies with the provisions of ASC 820 "Fair Value Measurements" for its financial and non-financial assets and liabilities. ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. The majority of the carrying amounts of the Company's assets and liabilities including cash and cash equivalents, accounts receivable, accounts payable and accrued expenses as of September 30, 2015 and 2014, approximate their fair value because of the immediate or short term maturity of these financial instruments. In the event that stated interest rates are below market, the Company discounts mortgage and notes receivable to reflect their estimated fair value. The carrying amounts reported for long-term debt approximates fair value as the Company's borrowings with commercial lenders are at interest rates that vary with market conditions and fixed rates that approximate market rates for similar obligations. The majority of our non-financial instruments, which include inventories and property and equipment, are not required to be carried at fair value on a recurring basis.

ASC 820 clarifies that fair value is an exit price representing the amount that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

- Level 1- Observable inputs such as quoted prices in active markets;
- Level 2- Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3- Unobservable inputs in which there is little or no market data, such as internally-developed valuation models which require the reporting entity to develop its own assumptions.

There were no gains or losses included in earnings attributable to changes in unrealized gains or losses relating to our assets as of September 30, 2015 and 2014.

We use third-party service providers to assist in the evaluation of investments. For investment valuations, current market interest rates, quality estimates by rating agencies and valuation estimates by active market participants were used to determine values. Deferred retirement benefits were valued based on actuarial data, contracted payment schedules and an estimated discount rate of 4.2% and 4.7% as of September 30, 2015 and 2014, respectively.

Note 13. Treasury Stock

In fiscal year 2015, the Board of Directors authorized the repurchase of up to 170,000 shares of the Company's common stock beginning March 25, 2015 and continuing through December 31, 2016. The stock repurchases were made through open market transactions at times and in such amounts as the Company's broker determined subject to the provisions of SEC Rule 10b-18.

Effective November 1, 2008, the Company's Board of Directors authorized the repurchase of up to 350,000 shares of the Company's common stock through November 2013 for the purpose of funding awards under its 2008 Incentive Equity Plan. In September 2013, the Board of Directors authorized the repurchase of up to 105,000 shares of the Company's common stock beginning in November 2013 and continuing through April 2018. The stock repurchases began in November 2008 and were made on a quarterly basis through open market transactions at times and in such amounts as the Company's broker determined subject to the provisions of SEC Rule 10b-18. The following table illustrates the Company's treasury stock purchases for the fiscal years ended September 30, 2015, 2014 and 2013:

<i>(in thousands, except share amounts)</i>	Total Number of Shares Purchased	Average Price Paid Per Share	Total Shares Purchased as Part of Publicly Announced Plan or Program	Total Dollar Value of Shares Purchased
Fiscal Year Ended September 30,:				
2015	91,554	\$ 43.83	467,549	\$ 4,013
2014	118,792	\$ 40.78	375,995	\$ 4,844
2013	75,887	\$ 38.14	257,203	\$ 2,894

The following table outlines the Company's treasury stock transactions during the past three fiscal years:

<i>(in thousands, except share amounts)</i>	Shares	Cost
Balance at September 30, 2012	23,235	\$ 543
Purchased	75,887	2,894
Issued to Directors	(25,584)	(621)
Balance at September 30, 2013	73,538	2,816
Purchased	118,792	4,844
Issued to Employees and Directors	(176,564)	(7,010)
Balance at September 30, 2014	15,766	650
Purchased	91,554	4,013
Issued to Employees and Directors	(16,755)	(701)
Balance at September 30, 2015	90,565	\$ 3,962

Note 14. Income Taxes

The provision for income tax for the years ended September 30, 2015, 2014 and 2013 consists of the following:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Current:			
Federal income tax	\$ (1,348)	\$ 4,035	\$ 2,508
State income tax	(98)	543	459
Total current	(1,446)	4,578	2,967
Deferred:			
Federal income tax	10,432	4,666	7,921
State income tax	1,919	645	1,141
Total deferred	12,351	5,311	9,062
Total provision for income taxes	\$ 10,905	\$ 9,889	\$ 12,029

Income tax provision (benefit) attributable to income from continuing operations differed from the amount computed by applying the statutory federal income tax rate of 35% to pre-tax income as a result of the following:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Tax at the statutory federal rate	\$ 9,335	\$ 6,623	\$ 11,086
Increase (decrease) resulting from:			
State income taxes, net of federal benefit	1,279	183	1,067
Federal impacts from IRS exam and tax return amendments	—	—	19
Permanent and other reconciling items, net	280	3,083	(143)
Other	11	—	—
Total provision for income taxes	\$ 10,905	\$ 9,889	\$ 12,029

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities as of September 30, 2015 and 2014 are presented below:

(in thousands)

	September 30,	
	2015	2014
Deferred tax assets:		
Deferred retirement benefits	\$ 1,595	\$ 1,619
Inventories	230	95
Prepaid lease	—	833
Alico-Agri, Ltd. outside basis differences	467	3,196
Goodwill	39,081	—
Deferred gain recognition	11,234	—
Capital loss carry forward	12,804	10,492
Net operating loss	7,141	2,345
Other	200	284
Total deferred tax assets	72,752	18,864
Deferred tax liabilities:		
Revenue recognized from citrus and sugarcane	223	99
Property and equipment	93,849	26,901
Straight-line rent	—	43
Accrual-to-cash method	2,410	3,135
Prepaid insurance	256	166
Investment in Magnolia	299	415
Total deferred tax liabilities	97,037	30,759
Net deferred income tax liability	\$ (24,285)	\$ (11,895)

Deferred taxes are included in the accompanying consolidated balance sheets are as follows:

(in thousands)

	<u>September 30,</u>	
	<u>2015</u>	<u>2014</u>
Deferred tax liabilities, current	\$ 151	\$ 3,135
Deferred tax liabilities, non-current	24,134	8,760
Total deferred tax liabilities	<u>\$ 24,285</u>	<u>\$ 11,895</u>

The Company applies a “more likely than not” threshold to the recognition and non-recognition of tax positions. A change in judgment related to prior years’ tax positions is recognized in the quarter of such change. The Company had no reserve for uncertain tax positions as of September 30, 2015 and 2014, respectively. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense and in the liability for uncertain tax positions.

Note 15. Segment Information

Segments

Operating segments are defined in ASC Topic 280 as components of public entities that engage in business activities from which they may earn revenues and incur expenses for which separate financial information is available and which is evaluated regularly by the Company’s chief operating decision makers (“CODMs”) in deciding how to assess performance and allocate resources. The Company’s CODMs assess performance and allocate resources based on five operating segments: Citrus Groves, Improved Farmland, Ranch and Conservation, Agricultural Supply Chain Management and Other Operations.

The Company manages its land based upon its primary usage and reviews its performance based upon two primary classifications - Citrus Groves and Ranch and Conservation. In addition, it operates an Agricultural Supply Chain Management business that is not tied directly to its land holdings and Other Operations that include a citrus nursery, leasing mines and oil extraction rights to third parties.

Total revenues represent sales to unaffiliated customers, as reported in the Consolidated and Combined Statements of Operations and Comprehensive Income. Intersegment sales and transfers are accounted by the Company as if the sales or transfers were to third parties at current market prices. Goods and services produced by these segments are sold to wholesalers and processors in the United States who prepare the products for consumption. The Company evaluates the segments’ performance based on direct margins (gross profit) from operations before general and administrative expenses, interest expense, other income (expense) and income taxes, not including nonrecurring gains and losses. All intercompany transactions between the segments have been eliminated.

Information by business segment is as follows:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Revenues:			
Citrus Groves	\$ 139,700	\$ 62,372	\$ 43,689
Agricultural Supply Chain Management	6,439	12,376	28,412
Improved Farmland	901	20,429	21,917
Ranch and Conservation	5,394	8,172	6,755
Other Operations	685	634	888
Total revenues	<u>153,119</u>	<u>103,983</u>	<u>101,661</u>
Operating expenses:			
Citrus Groves	104,081	42,571	31,533
Agricultural Supply Chain Management	6,193	12,317	27,949
Improved Farmland	1,089	21,356	16,202
Ranch and Conservation	4,808	6,123	3,798
Other Operations	995	374	505
Total operating expenses	<u>117,166</u>	<u>82,741</u>	<u>79,987</u>
Gross profit:			
Citrus Groves	35,619	19,801	12,156
Agricultural Supply Chain Management	246	59	463
Improved Farmland	(188)	(927)	5,715
Ranch and Conservation	586	2,049	2,957
Other Operations	(310)	260	383
Total gross profit	<u>\$ 35,953</u>	<u>\$ 21,242</u>	<u>\$ 21,674</u>
Capital expenditures:			
Citrus Groves	\$ 9,027	\$ 7,597	\$ 3,942
Agricultural Supply Chain Management	809	215	81
Improved Farmland	—	3,696	9,468
Ranch and Conservation	1,461	1,413	3,475
Other Operations	163	37	27
Other capital expenditures	488	285	1,931
Total capital expenditures	<u>\$ 11,948</u>	<u>\$ 13,243</u>	<u>\$ 18,924</u>
Depreciation, depletion and amortization:			
Citrus Groves	\$ 12,245	\$ 3,198	\$ 2,114
Agricultural Supply Chain Management	384	164	169
Improved Farmland	—	3,320	5,131
Ranch and Conservation	1,092	1,330	1,250
Other Operations	646	743	347
Other depreciation, depletion and amortization	270	191	664
Total depreciation, depletion and amortization	<u>\$ 14,637</u>	<u>\$ 8,946</u>	<u>\$ 9,675</u>

(in thousands)

	September 30,	
	2015	2014
Assets:		
Citrus Groves	\$ 389,963	\$ 121,398
Agricultural Supply Chain Management	2,858	2,498
Improved Farmland	420	57,726
Ranch and Conservation	13,779	13,920
Other Operations	31,048	26,356
Other Corporate Assets	22,512	35,682
Total Assets	<u>\$ 460,580</u>	<u>\$ 257,580</u>

Inter-segment revenues were \$10,593,000, \$9,621,000 and \$10,981,000 for the fiscal years ended September 30, 2015, 2014 and 2013 respectively.

Note 16. Employee Benefits Plans

Management Security Plan

The management security plan ("MSP") is a nonqualified, noncontributory defined supplemental deferred retirement benefit plan for a select group of management personnel. The MSP plan provides a fixed supplemental retirement benefit for 180 months certain. The MSP is frozen; no new participants are being added and no benefit increases are being granted. The MSP benefit expense and the projected management security plan benefit obligation are determined using assumptions as of the end of the year. The weighted-average discount rate used to compute the obligation was 4.2% and 4.7% in fiscal years 2015 and 2014, respectively.

Actuarial gains or losses are recognized when incurred, therefore; the end of year benefit obligation is the same as the accrued benefit costs recognized in the Consolidated and Combined Balance Sheets.

The amount of MSP benefit expense charged to costs and expenses was as follows:

(in thousands)

	Fiscal Year Ended September 30,		
	2015	2014	2013
Service cost	\$ 195	\$ 195	\$ 221
Interest cost	197	(23)	368
Recognized actuarial loss adjustment	231	—	—
Total	<u>\$ 623</u>	<u>\$ 172</u>	<u>\$ 589</u>

The following provides a roll-forward of the MSP benefit obligation.

(in thousands)

	September 30,	
	2015	2014
Change in projected benefit obligation:		
Benefit obligation at beginning of year	\$ 4,198	\$ 4,371
Service cost	195	195
Interest cost	197	(23)
Benefits paid	(345)	(345)
Recognized actuarial loss adjustment	231	—
Benefit obligation at end of year	<u>\$ 4,476</u>	<u>\$ 4,198</u>
Funded status at end of year	<u>\$ (4,476)</u>	<u>\$ (4,198)</u>

The MSP is unfunded and benefits are paid as they become due. The estimated future benefit payments under the plan for each of the five succeeding years are approximately \$367,000, \$348,000, \$365,000, \$170,000 and \$210,000 and for the five-year period thereafter an aggregate of \$1,308,000.

The Company has established a “Rabbi Trust” to provide for the funding of accrued benefits under the MSP. According to the terms of the Rabbi Trust, funding is voluntary until a change of control of the Company as defined in the Management Security Plan Trust Agreement occurs. Upon a change of control, funding is triggered. As of September 30, 2015, the Rabbi Trust had no assets, and no change of control had occurred.

Profit Sharing and 401(k)

The Company maintains a 401(k) employee savings plan for eligible employees, which provides for a 4% matching contribution on employee payroll deferrals. The Company’s matching funds vest to the employee immediately, pursuant to a safe harbor election effective in October 2012. The Company’s contribution to the plan was approximately \$360,000, \$192,000 and \$157,000 for the fiscal years 2015, 2014 and 2013, respectively.

The Profit Sharing Plan (“Plan”) is fully funded by contributions from the Company. Contributions to the Plan are discretionary and determined annually by the Company’s Board of Directors. Contributions to employee accounts are based on the participant’s compensation. The Company’s contribution to the Profit Sharing Plan was \$165,000, \$165,000 and \$210,000 for the fiscal years ended September 30, 2015, 2014 and 2013, respectively.

Note 17. Related Party Transactions

Change in Control Transaction

On November 19, 2013, 734 Agriculture and its affiliates, including 734 Investors, completed the previously announced purchase from Alico Holding, LLC, a company wholly owned by Atlantic Blue Group, Inc. (“Atlanticblue”), of 3,725,457 shares of our common stock (the “Share Purchase”).

The common stock acquired by 734 Agriculture and its affiliates, including 734 Investors, represents approximately 51% of the Company’s outstanding voting securities. On November 15, 2013, 734 Investors amended and restated its LLC operating agreement (the “LLC Agreement”) to admit new members and to designate 734 Agriculture as the managing member, with authority to administer the affairs of 734 Investors, including the voting and disposition of shares of common stock, subject to certain restrictions set forth therein.

As a result, upon the consummation of the Share Purchase, 734 Agriculture and its affiliates, including 734 Investors, acquired the voting power to control the election of the Company’s Directors and any other matter requiring the affirmative vote or consent of the Company’s stockholders’.

Appointment of Directors; Resignation of Directors

With the Closing of the Share Purchase, the previously announced election of the following individuals to the Board of Directors became effective: Mr. George R. Brokaw, Member of 734 Agriculture; Remy W. Trafelet, Manager of 734 Agriculture; W. Andrew Krusen, Jr., Chairman and CEO of Dominion Financial Group; Benjamin D. Fishman, Managing Principal of Arlon Group; Henry R. Slack, former Chairman of the Board of Terra Industries, Inc. and Senior Partner of Quarterwatch, LLC; Clayton G. Wilson, former CEO of 734 Citrus Holdings, LLC d/b/a Silver Nip Citrus and Chairman of the Board of Latt Maxcy Corporation; and R. Greg Eisner, Head of Strategy of Dubin & Company, LLC.

Ramon A. Rodriguez remained on the Board of Directors. In addition, Adam D. Compton, who previously resigned subject to and effective upon the Closing of the Share Purchase, was re-elected to the Board of Directors on November 22, 2013.

Upon the Closing of the Share Purchase, the following individuals ceased to be Directors of the Company pursuant to their previously disclosed resignations: JD Alexander, Dykes Everett, Thomas H. McAuley, Charles L. Palmer, John D. Rood, and Gordon Walker, PhD. Mr. Robert J. Viguier, Jr. resigned from the Board on November 21, 2013.

Appointment of Mr. Wilson as the Company’s Chief Executive Officer

Upon the Closing of the Share Purchase, Mr. Alexander ceased to be the Company’s CEO pursuant to his previously disclosed resignation. On November 22, 2013, the Board appointed Mr. Wilson to serve as the CEO, effective immediately.

734 Investors and 734 Agriculture

On November 19, 2013, 734 Agriculture and its affiliates, including 734 Investors, acquired all of the approximately 51% of Alico's common stock then owned by Atlanticblue. 734 Investors now beneficially owns, directly or indirectly, approximately 51% of the outstanding shares of the Company's common stock and possesses the voting power to control the election of the Company's Directors and any other matter requiring the affirmative vote or consent of the Company's stockholders. 734 Agriculture is the sole managing member of 734 Investors. By virtue of their ownership percentage, 734 Investors and 734 Agriculture are able to elect all of the Directors and, consequently, control Alico. Messrs. Brokaw and Trafelet are the two controlling persons of 734 Agriculture.

Silver Nip Merger Agreement

Effective February 28, 2015, the Company completed the merger ("Merger") with 734 Citrus Holdings, LLC ("Silver Nip Citrus") pursuant to an Agreement and Plan of Merger (the "Merger Agreement") with 734 Sub, LLC, a wholly owned subsidiary of the Company ("Merger Sub"), Silver Nip Citrus and, solely with respect to certain sections thereof, the equity holders of Silver Nip Citrus. The ownership of Silver Nip Citrus was held by 734 Agriculture, 74.89%, Mr. Clay Wilson, Chief Executive Officer of the Company, 5% and an entity controlled by Mr. Clay Wilson owned, 20.11%.

734 Agriculture has control over both Silver Nip Citrus and the Company and therefore the Merger was treated as a common control acquisition.

At closing of the Merger, Merger Sub merged with and into Silver Nip Citrus, with Silver Nip Citrus and its affiliates surviving the Merger as wholly owned subsidiaries of the Company. Pursuant to the Merger Agreement, at closing, the Company issued 923,257 shares of the Company's common stock, par value \$1.00 per share, to the holders of membership interests in Silver Nip Citrus. Silver Nip Citrus' outstanding net indebtedness at the closing of the Merger was approximately \$40,278,000 and other liabilities totaled approximately \$6,952,000. The Company acquired assets at with a book value of approximately \$65,739,000 and total net assets of approximately \$18,470,000. The shares issued were recorded at the carrying amount of the net assets transferred. The closing price of the Company's common stock on February 27, 2015 was \$45.67.

In September 2015, the former holders of membership interests in Silver Nip Citrus (the "Members") received an additional 115,782 shares of the Company's common stock pursuant to the Merger Agreement. The additional consideration was based on the value of the proceeds received by the Company from the sale of citrus fruit harvested on Silver Nip Citrus's citrus groves following the conclusion of the 2014-2015 citrus harvest season. The Members will receive additional Company shares of common stock based on any additional proceeds received by the Company subsequent to September 2015 related to the 2014-2015 harvest season.

Atlanticblue

Prior to the Share Purchase transaction on November 19, 2013, Atlanticblue owned approximately 51% of Alico's common stock. By virtue of its ownership percentage, Atlanticblue was able to elect all of the Directors and, consequently, control Alico. JD Alexander resigned March 31, 2012 as the President and Chief Executive Officer of Atlanticblue and did not stand for re-election as a Director at the June 2012 Atlanticblue shareholders meeting. In February 2010, JD Alexander was appointed Alico's President and Chief Executive Officer, and he served on Alico's Board of Directors. Robert J. Viguet, Jr., a former Alico Director, did not stand for re-election as a Director of Atlanticblue at its June 2012 stockholders meeting. Dykes Everett was elected to the Alico Board of Directors at Alico's February 2013 shareholders meeting; he was nominated by Atlanticblue.

AFC marketed citrus fruit for TRI-County Grove, LLC at the customary terms and rates the Company extends to third parties. During the fiscal year ended September 30, 2013, AFC marketed 201,802 boxes of fruit, for approximately \$1,907,000. AFC no longer provides marketing and/or purchases citrus fruit from TRI-County Grove, LLC, a wholly owned subsidiary of Atlanticblue.

JD Alexander

On November 6, 2013, JD Alexander tendered his resignation as Chief Executive Officer and as an employee of the Company, subject to and effective immediately after the Closing of the Share Purchase transaction on November 19, 2013. Mr. Alexander's resignation includes a waiver of any rights to any payments under his Change-in-Control Agreement with the Company. On November 6, 2013, the Company and Mr. Alexander also entered into a Consulting and Non-Competition Agreement under which (i) Mr. Alexander will provide consulting services to the Company during the two-year period after the Closing, (ii) Mr. Alexander agreed to be bound by certain non-competition covenants relating to the Company's citrus operations and non-solicitation and non-interference covenants for a period of two years after the Closing, and (iii) the Company will pay Mr. Alexander for such

services and covenants \$2,000,000 in twenty-four monthly installments. Mr. Alexander also agreed, in a separate side letter with the Company, not to sell or transfer the shares that were awarded pursuant to his Restricted Stock Award Agreement (other than to a family trust) for a period of two years after the Closing. Mr. Alexander also executed a general release in favor of the Company.

Ken Smith

On March 20, 2015, Ken Smith tendered his resignation as Chief Operating Officer and as an employee of the Company. Mr. Smith's resignation includes a waiver of any rights to any payments under his Change-in-Control Agreement with the Company. On March 20, 2015, the Company and Mr. Smith also entered into a Consulting and Non-Competition Agreement under which (i) Mr. Smith will provide consulting services to the Company during the three-year period after the resignation date, (ii) Mr. Smith agreed to be bound by certain non-competition covenants relating to the Company's citrus operations and non-solicitation and non-interference covenants for a period of two years after the resignation date, and (iii) the Company will pay Mr. Smith up to \$1,225,000 for such services and covenants. The Company's business operations previously managed by Mr. Smith will now be managed by Clay Wilson, Chief Executive Officer of Alico. The Company does not expect to appoint an interim or ongoing Chief Operating Officer.

W. Mark Humphrey

On June 1, 2015, W. Mark Humphrey tendered his resignation as Senior Vice President and Chief Financial Officer and as an employee of the Company. On June 1, 2015, the Company and Mr. Humphrey entered into a Separation and Consulting Agreement under which (i) Mr. Humphrey will provide consulting services to the Company for a one-year period after his resignation, and (ii) Mr. Humphrey will be entitled to the following benefits: (a) \$100,000 in cash in a lump sum and (b) a consulting fee of \$350,000 during the period commencing on his resignation date and ending on the first anniversary of his resignation date. On June 1, 2015, the Company appointed John E. Kiernan to serve as Senior Vice President and Chief Financial Officer. Effective September 1, 2015, Mr. Humphrey was appointed to serve as Senior Vice President and Chief Accounting Officer.

Shared Services Agreement

The Company has a shared services agreement with Trafelet Brokaw & Co., LLC ("TBCO") whereby the Company will reimburse TBCO for use of office space and various administrative and support services. The annual cost of the office and services is approximately \$400,000. The agreement will expire in June 2016.

Other

Mr. Charles Palmer, who served as a member of the Board until his resignation became effective on November 19, 2013, leases approximately 2,300 acres from the Company for recreational purposes. He pays approximately \$33,000 annually at the customary terms and rates the Company extends to third parties.

Note 18. Commitments and Contingencies

Operating Leases

The Company has obligations under various non-cancelable long-term operating leases for equipment. In addition, the Company has various obligations under other equipment leases of less than one year.

Total rent expense was approximately \$649,000, \$2,015,000, and \$1,182,000 for the years ended September 30, 2015, 2014 and 2013, respectively.

The future minimum annual rental payments under non-cancelable operating leases are as follows:

(in thousands)

2016	\$	667
2017		659
2018		306
2019		4
Total	\$	<u>1,636</u>

Change in Control Agreements

The Company entered into Change in Control Agreements (“CIC Agreements”) with its executive officers and 22 other key employees (“CIC Recipients”) in the fiscal year 2014. The CIC Agreements provided for cash payments to CIC Recipients in the event of a change in control as defined in the CIC Agreements followed by the termination of a CIC Recipient within 18 months of the change in control. As of September 30, 2015, all CIC Agreements have expired.

Letters of Credit

The Company has outstanding standby letters of credit in the total amount of \$17,498,500 and \$254,000 for the fiscal years ended September 30, 2015 and 2014, respectively, to secure its various contractual obligations.

Legal Proceedings

On March 11, 2015, a putative stockholder class action lawsuit captioned Shiva Y. Stein v. Alico, Inc., et al., No. 15-CA-000645 (the “Stein lawsuit”), was filed in the Circuit Court of the Twentieth Judicial District in and for Lee County, Florida, against Alico, Inc. (“Alico”), its current and certain former directors, 734 Citrus Holdings, LLC d/b/a Silver Nip Citrus (“Silver Nip”), 734 Investors, LLC (“734 Investors”), 734 Agriculture, LLC (“734 Agriculture”) and 734 Sub, LLC (“734 Sub”) in connection with the acquisition of Silver Nip by Alico (the “Acquisition”). The complaint alleges that Alico’s directors at the time of the Acquisition, 734 Investors and 734 Agriculture breached fiduciary duties to Alico stockholders in connection with the Acquisition and that Silver Nip and 734 Sub aided and abetted such breaches. The lawsuit seeks, among other things, monetary and equitable relief, costs, fees (including attorneys’ fees) and expenses.

On May 6, 2015, a putative stockholder class action and derivative lawsuit captioned Ruth S. Dimon Trust v. George R. Brokaw, et al., No. 15-CA-001162 (the “Dimon lawsuit”), was filed in the Circuit Court of the Twentieth Judicial District in and for Lee County, Florida, against Alico, its current directors, Silver Nip, 734 Investors and 734 Agriculture in connection with the Acquisition of Silver Nip by Alico. The complaint alleges claims for breach of fiduciary duty, gross mismanagement, waste of corporate assets and tortious interference with contract against Alico’s directors, unjust enrichment against three of the directors and aiding and abetting breach of fiduciary duty against Silver Nip, 734 investors and 734 Agriculture. The lawsuit seeks, among other things, rescission of the Acquisition, an injunction prohibiting certain payments to Silver Nip stockholders, unspecified damages, disgorgement of profits, costs, fees (including attorneys’ fees) and expenses.

On July 17, 2015, the plaintiffs in the Stein and Dimon lawsuits filed a stipulation and proposed order consolidating their cases for all purposes under the caption, In re Alico, Inc. Shareholder Litigation, Master File No. 15-CA-000645 (the “Consolidated Action”) and seeking the appointment of a lead plaintiff and lead and liaison counsel. The court entered that proposed order on July 21, 2015.

On October 16, 2015, the lead plaintiff in the Consolidated Action reported to the court that the parties reached an agreement in principle to settle the Consolidated Action and other claims related to the Acquisition and that they are in the process of formally documenting their agreements. That process is ongoing and the settlement remains subject to final documentation and court approval following notice to the relevant Alico shareholders. Once the parties have completed the settlement documents, they will contact the court to schedule a hearing at which they will request the court to preliminarily approve the settlement and to set a final settlement hearing date.

From time to time, we may be involved in litigation relating to claims arising out of our operations in the normal course of business. There are no current legal proceedings to which we are a party to or of which any of our property is subject to that we believe will have a material adverse effect on our business financial position or results of operations.

Note 19. Selected Quarterly Financial Data (unaudited)

Summarized quarterly financial data for the fiscal years ended September 30, 2015 and 2014 are computed independently each quarter, therefore, the sum of the quarter amounts may not equal the total amount for the respective year due to rounding as follows:

(in thousands, except per share amounts)

	Fiscal Quarter Ended							
	December 31,		March 31,		June 30,		September 30,	
	2014	2013	2015	2014	2015	2014	2015	2014
Total operating revenue	\$ 16,178	\$ 14,989	\$ 55,122	\$ 40,642	\$ 68,809	\$ 33,875	\$ 13,010	\$ 14,477
Total operating expenses	13,082	12,418	45,043	30,669	48,994	29,282	10,047	10,372
Gross profit	3,096	2,571	10,079	9,973	19,815	4,593	2,963	4,105
General and administrative	5,913	3,561	3,381	1,834	3,638	2,339	3,962	3,594
Other (expense) income, net	14,311	(261)	(2,954)	(450)	(2,183)	(432)	(1,595)	10,151
Income (loss) before income taxes	11,494	(1,251)	3,744	7,689	13,994	1,822	(2,594)	10,662
Income tax expense (benefit)	3,763	(547)	950	2,992	6,227	791	(35)	6,653
Net income (loss)	\$ 7,731	\$ (704)	\$ 2,794	\$ 4,697	\$ 7,767	\$ 1,031	\$ (2,559)	\$ 4,009
Net loss attributable to noncontrolling interests	—	—	—	—	—	—	31	—
Net income attributable to Alico Inc. common stockholders	\$ 7,731	\$ (704)	\$ 2,794	\$ 4,697	\$ 7,767	\$ 1,031	\$ (2,528)	\$ 4,009
Earnings per share:								
Basic	\$ 1.05	\$ (0.10)	\$ 0.34	\$ 0.64	\$ 0.94	\$ 0.14	\$ (0.30)	\$ 0.55
Diluted	\$ 1.05	\$ (0.10)	\$ 0.34	\$ 0.64	\$ 0.94	\$ 0.14	\$ (0.30)	\$ 0.55

The operating results noted above, with the exception of the quarter ended December 31, 2013 includes the operating results of Silver Nip Citrus, as a result of the common control acquisition in February 2015.

Note 20. Subsequent Events

On December 1, 2015, we paid \$3,750,000 of additional consideration on the Orange-Co acquisition as contemplated by the Orange-Co Purchase Agreement. Our \$7,500,000 irrevocable letter of credit securing the payment of the additional consideration expired and was replaced with a new letter of credit in the amount of \$3,750,000 securing the final payment due on June 1, 2016 subject to certain limitations.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

(a) *Evaluation of Disclosure Controls and Procedures.*

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the our disclosure controls and procedures as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective.

(b) *Changes in Internal Control over Financial Reporting.*

During the fourth quarter ended September 30, 2015, there were no changes in our internal controls over financial reporting that have materially affected or are reasonably likely to materially affect, our internal control over financial reporting.

(c) *Management Report on Internal Control Over Financial Reporting*

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company’s internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company’s internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Management assessed the effectiveness of the Company’s internal control over financial reporting as of September 30, 2015. In making this assessment, management used the criteria described in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

Based on our assessment and those criteria, management concluded that our internal control over financial reporting was effective as of September 30, 2015. Management reviewed the results of their assessment with our Audit Committee. The effectiveness of our internal control over financial reporting as of September 30, 2015 has been audited by RSM US LLP, an independent registered public accounting firm, as stated in their attestation report which is included herein.

Item 9B. Other Information.

None.

PART III

Certain information required by Part III is omitted from this Annual Report on Form 10-K because we will file a definitive Proxy Statement for the 2016 Annual Meeting of Stockholders pursuant to Regulation 14A of the Securities Exchange Act of 1934, (the "Proxy Statement"), not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K, and the applicable information included in the Proxy Statement is incorporated herein by reference.

Item 10. Directors, Executive Officers and Corporate Governance.

Information concerning our directors and nominees and other information as required by this item are hereby incorporated by reference from our Proxy Statement to be filed with the SEC pursuant to Regulation 14A.

Code of Ethics

We have adopted a Code of Business Conduct and Ethics that is intended to serve as a code of ethics for purposes of Item 406 of Regulation S-K. Our Code of Business Conduct and Ethics is posted on our website *www.alicoinc.com* (at the Investor homepage under "Corporate Governance") and we intend to disclose on our website any amendments to, or waiver from, such code.

Item 11. Executive Compensation.

The information required by Item 11 regarding executive compensation is included under the headings "Compensation Discussion and Analysis," "Compensation Committee Report" and "Compensation Committee Interlocks and Insider Participation" in our Proxy Statement to be filed with the SEC pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information concerning the ownership of certain beneficial owners and management and related stockholder matters is hereby incorporated by reference to our Proxy Statement to be filed with the SEC pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information concerning relationships and related transactions is hereby incorporated by reference to our Proxy Statement to be filed with the SEC pursuant to Regulation 14A.

Item 14. Principal Accountant Fees and Services.

Information concerning principal accounting fees and services is hereby incorporated by reference to our Proxy Statement to be filed with the SEC pursuant to Regulation 14A.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Documents filed as part of this report

(1) Financial Statements:

Our Consolidated and Combined Financial Statements are included in Part II, Item 8 of this Annual Report on Form 10-K.

(2) Financial Statement Schedules:

Financial statement schedules are omitted as the required information is either inapplicable or the information is presented in our Consolidated and Combined Financial Statements or notes thereto.

(3) Exhibits

The exhibits listed in the Exhibit Index in (b) below are filed or incorporated by reference as part of this Annual Report on Form 10-K.

(b) Exhibit Index.

Exhibit
Number

Exhibit Index

- 2.1 *** Asset Purchase Agreement, dated as of December 1, 2014, by and among Alico, Inc., Orange-Co, LP, and, solely with respect to certain sections thereof, Orange-Co, LLC and Tamiami Citrus, LLC. (Incorporated by reference to Exhibit 2.1 of Alico's filing on Form 8-K dated December 5, 2014)
- 2.2 *** Agreement and Plan of Merger, dated as of December 2, 2014, by and among Alico, Inc., 734 Sub, LLC, 734 Citrus Holdings, LLC, and, solely with respect to certain sections thereof, 734 Agriculture, LLC, Rio Verde Ventures, LLC and Clayton G. Wilson. (Incorporated by reference to Exhibit 2.2 of Alico's filing on Form 8-K dated December 5, 2014)
- 3.1 Restated Certificate of Incorporation, Dated February 17, 1972 (incorporated by reference to Alico's Registration Statement on Form S-1 dated February 24, 1972, Registration No. 2-43156)
- 3.2 Certificate of Amendment to Certificate of Incorporation, Dated January 14, 1974 (incorporated by reference to Alico's Registration Statement on Form S-8, dated December 21, 2005, Registration No. 333-130575)
- 3.3 Amendment to Articles of Incorporation, Dated January 14, 1987 (incorporated by reference to Alico's Registration Statement on Form S-8, dated December 21, 2005, Registration No. 333-130575)
- 3.4 Amendment to Articles of Incorporation, Dated December 27, 1988 (incorporated by reference to Alico's Registration Statement on Form S-8, dated December 21, 2005, Registration No. 333-130575)
- 3.5 Bylaws of Alico, Inc., amended and restated (incorporated by reference to Alico's filing on Form 10-K, dated December 14, 2010)
- 3.6 By-Laws of Alico, Inc., amended and restated (incorporated by reference to Alico's filing on Form 8-K dated October 4, 2007)
- 3.7 By-Laws of Alico, Inc. amended and restated (incorporated by reference to Alico's filing on Form 8-K dated November 21, 2008)
- 3.8 By-Laws of Alico, Inc. amended and restated (incorporated by reference to Alico's filing on Form 8-K dated October 5, 2010)
- 3.9 By-Laws of Alico, Inc. , amended and restated (Incorporated by reference to Exhibit 3.1 of the Company's current report on Form 8-K, filed with the Commission on January 25, 2013)
- 10.0 Material Contracts
- 10.1 Credit agreement with Rabobank Agri-Finance (incorporated by reference to Alico's filing on Form 8-K dated September 8, 2010)
- 10.2 * Change in Control Agreement dated March 27, 2013 between Alico, Inc. and JD Alexander (Incorporated by reference to Exhibit 10.1 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.3 * Change in Control Agreement dated March 27, 2013 between Alico, Inc. and Kenneth Smith, Ph.D. (Incorporated by reference to Exhibit 10.2 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.4 * Change in Control Agreement dated March 27, 2013 between Alico, Inc. and W. Mark Humphrey (Incorporated by reference to Exhibit 10.3 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.5 * Change in Control Agreement dated March 27, 2013 between Alico, Inc. and Steven C. Lewis (Incorporated by reference to Exhibit 10.4 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.6 * Form of Indemnification Agreement (Incorporated by reference to Exhibit 10.5 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.7 * Management Security Plan(s) Trust Agreement (Incorporated by reference to Exhibit 10.6 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.8 Fourth Amendment to Credit Agreement with Rabo Agrifinance, Inc. dated April 1, 2013 (Incorporated by reference to Exhibit 10.7 of the Company's quarterly report on Form 10-Q filed with the Commission on May 6, 2013)
- 10.9 Agricultural Lease Agreement dated May 19, 2014 between Alico, Inc. and United States Sugar Corporation. (Incorporated by reference to Exhibit 10.1 of the Company's quarterly report on Form 10-Q filed with the Commission on August 11, 2014)
- 10.10 Purchase and Sale Agreement dated August 7, 2014 between Alico, Inc. and Terra Land Company
- 10.11 Fifth Amendment to Credit Agreement with Rabo Agrifinance, Inc. dated April 28, 2014
- 10.12 Sixth Amendment to Credit Agreement with Rabo Agrifinance, Inc. dated July 1, 2014

- 10.13 *** First Amended and Restated Credit Agreement, dated as of December 1, 2014, by and among Alico, Inc., Alico Land Development, Inc., Alico-Agri, Ltd., Alico Plant World, L.L.C., Alico Fruit Company, LLC, Metropolitan Life Insurance Company, and New England Life Insurance Company. (Incorporated by reference to Exhibit 10.1 of Alico's filing on Form 8-K dated December 5, 2014)
- 10.14 *** Credit Agreement dated as of December 1, 2014, by and between Alico, Inc., Alico-Agri, Ltd., Alico Plant World, L.L.C., Alico Fruit Company, LLC, Alico Land Development, Inc., and Alico Citrus Nursery, LLC, as Borrowers and Rabo Agrifinance, Inc., as Lender. (Incorporated by reference to Exhibit 10.2 of Alico's filing on Form 8-K dated December 5, 2014)
- 10.15 Shared Services Agreement by and between Alico, Inc. and Trafelet Brokaw Capital Management, L.P. dated June 1, 2015
- 10.16 Loan Agreement, dated December 31, 2012, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC (the "Prudential Loan Agreement")
- 10.17 Promissory Note A, dated December 31, 2012, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.18 Promissory Note B, dated December 31, 2012, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.19 Promissory Note C, dated December 31, 2012, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.20 First Amendment to Loan Agreement, dated March 26, 2013 (Prudential Loan Agreement)
- 10.21 Promissory Note D, dated March 26, 2013, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.22 Loan Agreement, dated September 4, 2014, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC ("Loan E and F")
- 10.23 Promissory Note E, dated September 4, 2014, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.24 Promissory Note F, dated September 4, 2014, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.25 First Amendment to Loan Agreement, dated April 23, 2015 (Loan E and F)
- 10.26 Second Amendment to the Loan Agreement, dated September 4, 2014 (Prudential Loan Agreement)
- 10.27 Third Amendment to the Loan Agreement, dated April 23, 2015 (Prudential Loan Agreement)
- 10.28 Cancellation and Termination of Note D, dated April 23, 2015, by and among 734 Citrus Holdings, LLC, 734 LMC Groves, LLC, 734 Co-Op Groves, LLC, 734 BLP Groves, LLC, 734 Harvest LLC and Prudential Mortgage Capital Company, LLC
- 10.29 First Amendment to Credit Agreement and Consent with Rabo Agrifinance, Inc. dated February 26, 2015
- 10.36 Second Amendment to Credit Agreement with Rabo Agrifinance, Inc. dated July 16, 2015
- 10.31 Amendment to First Amended and Restated Credit Agreement with Metropolitan Life Insurance Company and New England Life Insurance Company, dated February 1, 2015
- 10.32 Second Amendment to First Amended and Restated Credit Agreement with Metropolitan Life Insurance Company and New England Life Insurance Company dated August 12, 2015
- 14.1 Code of Ethics (incorporated by reference to Alico's filing on Form 8-K dated February 24, 2009)
- 14.2 Whistleblower Policy (incorporated by reference to Alico's filing on Form 8-K dated February 24, 2009)
- 21.0 Subsidiaries of the Registrant — Alico Land Development Company, Inc. [(formerly Saddlebag Lake Resorts, Inc. (a Florida corporation incorporated in 1971)]; Alico-Agri, Ltd (a Florida limited partnership formed in 2003), Alico Plant World, LLC (a Florida limited liability company organized in 2004), Bowen Brothers Fruit, LLC (a Florida limited liability company organized in 2005) incorporated by reference to Alico's filing on Form 10-K dated November 28, 2006
- 23.0 Consent of Independent Registered Public Accounting Firm
- 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 Rule 13a-14(a) certification

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 Rule 13a-14(a) certification
32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350
32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350
101
101.INS ** XBRL Instance Document
101.SCH ** XBRL Taxonomy Extension Schema Document
101.CAL ** XBRL Taxonomy Calculation Linkbase Document
101.DEF ** XBRL Taxonomy Definition Linkbase Document
101.LAB XBRL Taxonomy Label Linkbase Document
101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

* Denotes a management contract or compensatory plan, contract or arrangement.

** In accordance with Rule 406T of Regulation S-T, these XBRL (eXtensible Business Reporting Language) documents are furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933 or Section 18 of the Securities Exchange Act of 1934 and otherwise are not subject to liability under these sections.

*** Certain schedules and exhibits have been omitted from this filing pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish supplemental copies of any such schedules or exhibits to the SEC upon request.

EXECUTION VERSION

SHARED SERVICES AGREEMENT BY AND BETWEEN
ALICO, INC. AND
TRAFELET BROKAW CAPITAL MANAGEMENT, L.P.

June 1, 2015

THIS SHARED SERVICES AGREEMENT (this "Agreement ") is made and entered into as of this 1st day of June, 2015 by and between ALICO , INC., a corporation organized under the laws of the State of Florida (on behalf of itself and its affiliates and subsidiaries, hereinafter jointly referred to as "Purchaser "), and TRAFELET BROKAW CAPITAL MANAGEMENT , L.P., a limited liability partnership organized under the laws of the State of Delaware ("Supplier").

RECITALS

WHEREAS, Purchaser requires certain functions and administrative services in New York City, including in connection with Purchaser 's office of the Chairman, Chief Financial Officer and certain Board and other meetings;

WHEREAS, Purchaser has requested that Supplier provide such Services (as hereinafter defined) on an at-cost basis

WHEREAS , the intent and purpose of this Agreement is that Purchaser shall at all times obtain the Services at a cost equal to or less than Purchaser would be able to obtain equivalent services on an arms-length basis from a third party; and

WHEREAS, because Supplier is controlled by affiliates of Purchaser, the transactions contemplated herein have been approved by the Audit Committee of the Board of Directors of Purchaser (the "Audit Committee").

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants hereinafter set forth, the parties agree as follows:

ARTICLE I SERVICES PROVIDED

1. Description of Services. Subject to all the terms and conditions hereof, during the term of this Agreement , Supplier shall provide or cause to be provided to Purchaser and its subsidiaries the following functional categories of services:

- (a) Shared Office Services. Supplier shall provide Purchaser with, and Purchaser shall purchase from Supplier, a license to use and occupy a portion of Supplier's office space located at 410 Park Avenue, 17th Floor (or such other space as is mutually agreed by the parties hereto, the "Shared Office") (the "Shared Office Services".);
- (b) Administrative Support. Supplier shall provide Purchaser with, and Purchaser shall purchase from Supplier, such other services as are attendant to the Shared Office Services, including reception, secretarial services and related facilities services, as requested by Purchaser.

The above described services and products are referred to hereinafter, collectively, as the "Services."

2. Warranty Disclaimer. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH HEREIN, SUPPLIER MAKES NO EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES IMPLIED BY LAW OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, REGARDING THIS AGREEMENT, THE PERFORMANCE OF THE SERVICES CONTEMPLATED BY THIS AGREEMENT OR ANY TANGIBLE PROPERTY DELIVERED BY SUPPLIER PURSUANT TO THIS AGREEMENT.

3. Limitation of Liability. Subject to Section 1.2, neither party shall be liable to the other or to any other person or entity for (a) any damages of any kind or nature (including compensatory damages) arising out of any act or omission of a party or any person or entity acting on behalf of a party attributable to or arising in connection with the Services, whether negligent or otherwise, except for such damages attributable to a party's fraud, bad faith, gross negligence or willful misconduct or (b) any indirect, punitive, exemplary, remote, speculative or similar damages in excess of compensatory damages of the other arising in connection with the transactions contemplated hereby (other than any such liability with respect to a third-party claim).

4. Information. The Purchaser shall make available to Supplier any and all information which Supplier shall reasonably deem necessary in order to perform the Services hereunder.

ARTICLE II COMPENSATION

1. Fees.

(a) General Shared Service Fees. In consideration of the Services, during the Initial Term of this Agreement, Purchaser will pay Supplier an amount equal to Supplier's actual costs of providing the Services as a base shared services fee. Such base shared services fee shall include internal allocations, as determined by Supplier in consultation with Purchaser, and a prorated portion of any rent, utilities, telecommunications, phone, information technology infrastructure and support, leasehold improvements, property taxes, office supplies and similar payments actually paid by Supplier in respect of the Shared Office determined by multiplying the amounts paid by Supplier by the percentage of the Shared Office used by Purchaser. For example, if Supplier in consultation with Purchaser allocates 30% of all head-count in any specific department to Purchaser in any year, and the total cost to Supplier for such department is \$100,000 in such year, then the Purchaser will be invoiced \$30,000 for the related services in such year. All such expenses and payments shall be fully supported with reasonable documentation and copies of all such documentation shall be provided to Purchaser upon Purchaser's reasonable request to the extent required to support such expenses and payments.

(b) On or before December 1 of each year of the Term of this Agreement, Supplier and Purchaser shall jointly agree on an estimate of Supplier's fees for each functional category of Service set forth in Section 1.1(b) to be provided pursuant to this Agreement for Purchaser's next fiscal year; provided, that to the extent such fees cannot be determined as to such unknown fees, Supplier shall set out the basis on which they shall be charged. It is understood and agreed that all fees charged to Purchaser for any particular month shall be no greater than Supplier's actual costs of providing such Services during such month, as determined pursuant to Section 2.1(a). Attached as Annex A is an estimate of such costs, on a monthly basis, during the period beginning on June 1 and ending on December 31, 2015.

2. Invoice and Payment Procedures. Purchaser shall pay Supplier all fees described herein for Services hereunder by means of wire transfer of immediately available funds transfer from Purchaser's account to Supplier's designated account. Supplier shall provide Purchaser with a written invoice of charges for such fees and out-of-pocket and pre-paid expenses (unless such expenses are already included in the relevant fees) on a monthly basis. Purchaser shall pay each such invoice within thirty (30) days of receipt. In the event of any dispute between Supplier and Purchaser over the amounts due for Services rendered such disputed amounts shall, upon resolution of the dispute, be credited to or debited from

Purchaser's account against future payments for Services or paid in cash after termination of this Agreement.

3. Purchaser Audit Rights. As reasonably requested by Purchaser (not to exceed once per year) and at Purchaser's sole expense, Purchaser or its independent auditor may reasonably audit Supplier's charges or performance under this Agreement. Purchaser will coordinate any such audits with Supplier and comply with Supplier's reasonable policies and procedures regarding access to and use of confidential information

4. Certification to Audit Committee. Once each year during the Term of this Agreement, Purchaser's management shall certify to the Audit Committee that the Services are being provided by Supplier at cost. Supplier shall reasonably cooperate with and provide information, upon Purchaser's reasonable request, to assist Purchaser's management in making such certification .

ARTICLE III TERM AND TERMINATION

1. Term. This Agreement shall take effect retroactive from January 1, 2015 and will continue in force for an initial period of one (1) year from June 1, 2015 ("Initial Term"), subject to earlier termination as provided in Section 3.2 hereof and thereafter , this Agreement will be automatically renewed for additional periods of one (1) year each ("Additional Term(s)").

2. Termination . This Agreement or an entire functional category of Services may be terminated in accordance with the following provisions (Purchaser will have no right to terminate any Services within a specific functional category of Services):

(a) Either party hereto may terminate this Agreement at any time upon the occurrence of an event of bankruptcy with respect to the other party;

(b) Either party may terminate this Agreement , or a particular functional category of Services by giving notice in writing to the other party in the event the other party is in material breach of this Agreement and has failed to cure such breach within ninety (90) calendar days of receipt of written notice thereof from the other party; provided , that, to the extent such material breach relates to a specific Service or specific Services, this Agreement may only be terminated with respect to such Service or Services;

(c) This Agreement, any Service or functional category of Services may be terminated by the mutual written consent of the parties, which mutual consent may terminate this Agreement in its entirety or terminate this Agreement in part by terminating a specific functional category of Services; or

(d) Purchaser may terminate any or all of the functional categories of Services, described in Section 1.1(b), and only such services, on written notice to Supplier. The Section 1.1(b) Services that are the subject of such notice shall be terminated as of the last day of the calendar month in which notice is given; provided, that if notice is given after the fifteenth (15th) day of a calendar month, the Service shall terminate on the last day of the calendar month following the month in which notice is given. In the event such termination would result in a breach by Supplier of a third party obligation, the parties agree to use commercially reasonable efforts to resolve or prevent the breach in a manner which will allow the Purchaser to proceed with termination of the Service.

3. Rights and Obligations on Termination. In the event of termination of this Agreement or a particular functional category of Services for any reason, the parties will have the following rights and obligations:

(a) Termination will not release either party from the obligation to make payment of all amounts then or thereafter due and owing for Services already provided; and

(b) The obligations hereunder which by their terms or clear intent extend beyond termination of this Agreement shall survive termination of this Agreement.

ARTICLE IV RELATIONSHIP

4.1 General. Nothing contained in this Agreement shall be construed to give either party the power to direct or control the day-to-day activities of the other party, nor to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of the other party. In fulfilling its obligations under this Agreement, Supplier will be acting as an independent contractor.

ARTICLE V MISCELLANEOUS

5.1 Notices. All notices and other communications to be given to any party hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered by hand, courier or overnight delivery service or five (5) days after being mailed by certified or registered mail, return receipt requested, with appropriate postage prepaid, or when received in the form of a facsimile or email transmission and shall be directed to the address set forth below (or at such other address or facsimile number as such party shall designate by like notice):

As to Supplier: Trafelet Brokaw Capital Management, L.P.
410 Park Avenue, 17th Floor New York, NY 10022
Attention:
Remy Trafelet
Fax No: 212-201-7801

As to Purchaser Alico, Inc.

10070 Daniels Interstate Court, Suite 100 Fort Myers, FL 33913

Attention:

Clayton G. Wilson

Fax No: 239-226 -2004

5.2 Entire Agreement; Amendments; Assignment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be modified, amended, rescinded, canceled or waived, in whole or in part, except by a written instrument duly executed by the parties hereto. Neither party shall voluntarily or involuntarily assign its rights or obligations under this Agreement without the prior written approval of the other party. Any such prohibited assignment will be null and void.

5.3 Counterparts. This Agreement may be executed simultaneously in two (2) or more counterparts, and each such counterpart will be deemed an original hereof, but all such counterparts together will constitute one and the same instrument.

5.4 Waiver. No failure or delay by either party to take any action or assert any right or remedy hereunder or to enforce strict compliance with any provision hereof will be deemed to be a waiver of or estopped with respect to, such right, remedy or noncompliance in the event of the continuation or repetition of the circumstances giving rise to such right, remedy or noncompliance. No waiver will be effective unless given in a duly executed written instrument.

5.5 Severability. In the event that any of the terms or provisions of this Agreement are in conflict with any rule of law or statutory provision or otherwise unenforceable under the laws or regulations of any government or subdivision thereof having jurisdiction over this agreement, such terms or provisions will be deemed stricken from this Agreement to the extent necessary to avoid such conflict, but such invalidity or unenforceability will not invalidate any of the other terms or provisions of this agreement and the remainder of such terms or provisions and the remainder of this Agreement will continue in full force and effect, unless the invalidity or unenforceability of any such provisions hereof does substantial violence to, or where the invalid or unenforceable provisions comprise an integral part of, or are otherwise inseparable from, the remainder of this Agreement.

5.6 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns, and nothing in this Agreement express or implied shall give or be construed to give to any Person, other than the Parties and their permitted successors and assigns, any legal or equitable rights hereunder, whether as third-party beneficiaries or otherwise.

5.7 Governing Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of New York, United States of America, without regard to its principles of conflicts of law (except to the extent that the internal affairs doctrine or other requirements of statute or case law requires the application of the laws of the country or jurisdiction of organization of any entity).

IN W ITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their authorized representatives effective as of the date first above written.

ALICO INC.

TRAFELET BROKAW CAPITAL MANAGEMENT, L.P.

By: /s/ Clayton G. Wilson

By: /s/ Andrew Loggia

Its: Chief Executive Officer

Its: Chief Financial Officer

2015 OFFICE COSTS FOR TRAFELET BROKAW BASED ON SQUARE FOOTAGE USAGE		
Office Costs	Monthly Cost	Total Annual Cost
Rent and Electricity	35,806	429,672
Amortized Improvements	5,137	61,640
Commercial Rent Tax	1,396	16,757
Technology and Support	4,500	54,000
Supplies and Miscellaneous	2,790	33,480
Letter of Credit	1,250	15,000
Total Monthly Office Cost	50,879	610,549
Square feet of office	6,072	6,072
Cost per Sq foot	8.38	100.55
ALICO ALLOCATION FOR SHARED SERVICES		
Square Footage Allocation	2,429	
Total Monthly Office Cost	20,352	
<u>Staff Support</u>		
50% Ad min cost (100K/yr)	8,333	
Receptionist	0	
Analyst	4,167	
Total Per Month Alico	32,852	
Total For Quarter Alico	98,555	

Loan Numbers:

717610613

717610637

717610638

LOAN AGREEMENT

THIS LOAN AGREEMENT(the "Agreement") is made and entered into as of the 31st day of December, 2012 (the "Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 590 Madison Avenue, 26th Floor, New York, New York 10022 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower, on even date herewith, has executed (a) Promissory Note A to Lender in the amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) in lawful money of the United States of America ("Note A" and the loan evidenced thereby known as Loan 717610613 being referred to as "Loan A"); (b) Promissory Note B to in the amount of Fourteen Million Five Hundred Thousand and No/I 00 Dollars (\$14,500,000.00) in lawful money of the United States of America ("Note B" and the loan evidenced thereby known as Loan 717610637 being referred to as "Loan B") and (c) Promissory Note C to Lender in the amount of Five Million and No/I 00 Dollars (\$5,000,000.00) in lawful money of the United States of America ("Note C" and the loan evidenced thereby known as Loan 717610638 being referred to as "Loan C" and with such Note A, Note Band Note C being collectively referred to as the "Note" and Loan A, Loan B and Loan C being collectively referred to as the "Loan");

WHEREAS, on even date herewith, the Borrower has executed that certain Mortgage and Security Agreement (the "Security Instrument") in seven counterparts encumbering the Premises, as defined herein, and other collateral described therein, in favor of Lender, to secure the Note and a counterpart of said Security Instrument is to be recorded on or about the date hereof in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida;

WHEREAS, on even date herewith, the Borrower has executed that certain Assignment of Leases and Rents (the "Assignment of Leases and Rents") in seven counterparts assigning to

Lender certain leases and rents described therein to secure the Note and which Assignment of Leases and Rents is to be recorded on or about the date hereof in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida; and

WHEREAS, the parties desire to set forth certain agreements as to the Loan.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this Loan Agreement, the Borrower and the Lender agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. For the purpose of this Agreement, the following terms shall have the respective meanings specified in this **Section 1.1** which apply to both the singular and plural forms of such terms:

"Account" shall mean account as defined in the UCC.

"Affiliate" shall mean any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with any Person. A Person shall be deemed to control a corporation if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" shall mean this agreement as originally executed by the parties hereto and all permitted amendments, supplements and modifications hereof, including all exhibits and schedules.

"Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Lender for payments under the Note is located.

"Collateral" shall mean the Premises and all other property encumbered by the Security Instrument and other Loan Documents and the products and proceeds thereof.

"Costs" shall mean all costs, expenses, losses and damages sustained or incurred by the Lender because of or as a result of any default or any one or more Events of Default of the Borrower under this Agreement, the Loan Documents or any of them, or in realizing upon, protecting, perfecting, defending or enforcing, or any combination thereof, the rights and remedies of the Lender under this Agreement, the Loan Documents, or any of them, including, without limitation, all attorney's fees and costs, including paralegal fees in all legal proceedings, including administrative, trial, appellate, probate, bankruptcy or any other legal or administrative proceeding, regardless of whether suit is brought, all environmental consultants and engineers fees and costs and all appraisers fees and costs.

"Crops" shall mean all growing crops and future crops now growing or hereafter grown on the Premises or any part thereof whether Fructus Naturales or Fructus Industriales ("Emblems") including, but not by way of limitation, all citrus crops, row crops and vegetables, whether mature or immature and whether now owned or now planted and now growing on the Premises or any part thereof or hereafter acquired or planted and grown on the Premises or any part thereof and all by-products thereof.

"Debt" shall mean debt as determined and calculated under GAAP.

"Default Rate" shall mean the interest rate specified in the Note A as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note B as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note C as the Default Rate as to monetary sums due thereunder and as to other sums due under the other Loan Documents, the higher of the Default Rate under Note A, Note Band Note C ..

"Due Date" shall mean the date any payment of principal or interest is due and payable on the Note.

"Effective Date" the date of this Agreement first set forth above.

"Equipment" shall mean equipment as defined in the Security Instrument.

"Event of Default" shall mean an event of default specified in this Agreement or any other Loan Document.

"Farm Products" shall mean farm products as defined in the UCC whether now owned or hereafter acquired including but not by way of limitation, Crops.

"Financing Statements" shall mean any financing statement or statements recorded and/or filed for the purpose of perfecting the Security Interest in the Collateral or any portion thereof, under the UCC or any other state law.

"Fiscal Year" shall mean the fiscal year of the Borrower ending on June 30 in each calendar year. Subsequent changes of the Fiscal Year shall not change the term, "Fiscal Year" as used herein, unless the Lender shall consent in writing to such changes.

"Fixtures" shall mean Goods determined to be fixtures under the laws of Florida as to Goods located on Real Property located in Florida.

"GAAP" shall mean generally accepted accounting principles consistently applied to the particular item.

"Goods" shall mean goods under the UCC other than Equipment not within the definition of Equipment in the Security Instrument.

"Intercreditor Agreement" shall mean any Intercreditor Agreement or Intercreditor Agreements between Lender and the LOC Lender now or hereafter entered into.

"Interest Rate" shall mean the interest rate specified in the Note applicable when referring to said term.

"Inventory" means inventory as defined in the UCC.

"Loan" shall have the meaning ascribed thereto in the Recitals herein.

"Loan Application" shall mean Borrower's Loan Application to Lender for Loan 717610613, Loan 717610637 and Loan 717610638 dated December 7, 2012.

"Loan Commitment" shall mean the Lender's commitment to make the Loan to the Borrower pursuant to the Loan Application and the Borrower's acceptance thereof on terms and conditions set forth in the letter from the Lender to the Borrower as to such commitment and acceptance.

"Loan Documents" shall have the meaning ascribed thereto in **Section 2.4** herein.

"LOC" shall mean a short term loan or loans to Borrower from any LOC Lender for working capital purposes.

"LOC Lender" the lender or lenders which provide the LOC. "Note" shall mean the Note described in the Recitals herein.

"Obligations" with respect to Borrower, shall mean, individually and collectively, all payment and performance duties, obligations and liabilities of the Borrower to the Lender, however and whenever incurred, acquired or evidenced, whether primary or secondary, direct or indirect, absolute or contingent, sole or joint and several, due or to become due, including, without limitation, all Costs and all such duties, obligations and liabilities of the Borrower to the Lender, under and pursuant to the Loan Documents and all renewals, replacements, modifications, extensions, increases and amendments of any thereof.

"Permitted Liens" shall mean: (i) liens imposed by law for taxes, assessments or charges or levies of any governmental authority not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (ii) statutory liens of suppliers carriers, warehousemen, mechanics, materialmen and similar Liens arising by operation of law in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (iii) pledges, liens and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations; (iv) deposits or liens to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(v) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Borrower; (vi) extensions, renewals or replacements of any lien referred to in paragraphs (i) through (v) above, provided that the principal amount of the obligation secured thereby is not increased and that any such extension, renewal or replacement is limited to the property originally encumbered thereby; (vii) statutory liens on deposit accounts maintained with, or other property in the custody of, a depository bank pursuant to its general business terms and in the ordinary course of business, provided that such Liens do not secure any Debt; (viii) liens that are contractual rights of set-off relating to purchase orders and other agreements entered into with customers of Borrower in the ordinary course of business; and (ix) liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by the Borrower in the ordinary course of business or liens arising by operation of law under Article 2 of the UCC in favor of a reclaiming seller of goods or buyer of goods.

"Person" shall mean any individual, joint venture, partnership, firm, corporation, trust, unincorporated organization or other organizational entity, or a governmental body or any department or agency thereof, and shall include both the singular and the plural.

"Place of Business" shall mean those places of business in which the Borrower undertakes its business and shall include the Principal Place of Business.

"Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which place all of Borrower's records are kept and which is currently located at 590 Madison Avenue, 26th Floor, New York, New York 10022.

"Proceeds" shall mean proceeds as defined in the UCC.

"Real Property" shall mean those parcels of land described in **Exhibit "A"** attached hereto located in Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida, and all leasehold interests therein, all improvements and Fixtures located thereon or attached thereto and all easements, tenements, hereditaments, appurtenances, profits, rents, insurance and condemnation proceeds paid in connection therewith, and all Accounts, Chattel Paper and General Intangibles pertaining to, connected with or arising out of the foregoing.

"Security Instrument" Shall mean that certain Security Instrument as defined in the Recitals.

"Security Interest" shall mean the security interest granted in the Collateral to the Lender pursuant to the Security Instrument and other Loan Documents.

"Subsidiary" or "Subsidiaries" means, as to any particular parent corporation or parent organization, any other corporation or organization more than fifty percent (50%) of the outstanding Voting Stock of which is at the time directly or indirectly owned by such parent corporation or organization or by any one or more other entities which themselves are subsidiaries of such parent corporation or organization. Unless otherwise expressly noted herein,

the term "Subsidiary" means a Subsidiary of the Borrower or of any of its direct or indirect Subsidiaries.

"Tropicana Supply Agreement Condition Precedent" shall have the meaning set forth in Section 2.2 of this Agreement.

"Voting Stock" of any Person means capital stock or other equity interests of any class or classes (however designated) having ordinary power for the election of directors or other similar governing body of such Person, other than stock or equity interests having such power only by reason of the happening of a contingency.

"UCC" shall mean the Uniform Commercial Code as adopted in the State of Florida.

Section 1.2 Other Definitional Provisions. All of the terms defined in this Agreement shall have such defined meanings when used in other Loan Documents unless the context shall otherwise require. Capitalized terms used herein, but not herein defined, shall have the meanings ascribed thereto in the other Loan Documents. All terms defined or used in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa. The words "hereby", "hereto", "hereof", "herein", "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of the this Agreement. The use of the words "to", "until", "on", and words of similar import in this Agreement, in indicating expiration, shall be interpreted to include the date mentioned. The neuter genders are used herein and whenever used if the context so indicates, shall include the masculine, feminine and neuter as well. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the heirs, devisees, personal representatives, successors and assigns of such party unless the context shall expressly provide otherwise.

ARTICLE II THE LOAN

Section 2.1 Loan. The Loan consists of Loan A, Loan B and Loan C has defined in the Recitals to this Agreement and is being made under the provisions of Note A, Note B, Note C, this Agreement and the other Loan Documents.

Section 2.2 Tropicana Supply Agreement Condition Precedent. Borrower shall not be entitled to the disbursement of any sums under Note C by Lender, and shall have obligations with respect thereto, unless the Tropicana Supply Agreement Condition Precedent, as defined in this Section, occurs on or before the date that is ninety days (90) after the date of Note C and if the Tropicana Supply Agreement Condition Precedent should not so occur then at the end of the ninetieth (90) day after the date of Note C, said Note C shall be deemed cancelled with Lender and Lender shall no longer have any obligation to disburse or fund any amount under Note C. As used herein and in Note C, the "Tropicana Supply Agreement Condition Precedent" shall mean that (i) an Orange Purchase Agreement to be entered into between Borrower, as supplier and Tropicana Products, Inc., as purchaser ("Tropicana"), as to the citrus Crops now and hereafter growing on certain portions of the Premises referenced as the "Tropicana Supply Agreement" in the Letter of Intent dated September 10, 2012 by 734 Citrus, LLC and various parties inclusive of

the Latt Maxcy Corporation (the "Letter of Intent"), all on terms and provisions and for a term not materially different from the last draft of such Tropicana Supply Agreement presented to Lender by Borrower prior to the Effective Date unless any such materially different terms and provisions are consented to by Lender in writing and (ii) said Tropicana Supply Agreement is collaterally assigned by Borrower to Lender on terms acceptable to Lender as additional security for the Loan with the consent of Tropicana unless such consent is not required under the provisions of the Tropicana Supply Agreement. If the Tropicana Supply Agreement Condition Precedent is satisfied, then Borrower shall have thirty (30) days in which to notify Lender that Borrower elects to accept disbursement of the full face amount of this Note C and shall do so within thirty (30) days after giving notice of said election or Note C shall be deemed cancelled with Lender to no longer have any obligation to disburse or fund Note C and with Borrower to have no payment or other obligations with respect thereto.

Section 2.3 Loan Proceeds Use. The proceeds of the Loan are being used to acquire the assets of described in the Letter of Intent described in Section 2.2 above.

Section 2.4 Security Instrument. The Loan is secured by the Security Instrument, the Assignment of Leases and Rents and other loan documents by Borrower to Lender or between Borrower and Lender pertaining to the Loan (collectively, the "Loan Documents").

Section 2.5 Partial Release and Substitution of Collateral.

Borrower shall, from time to time, be entitled to make a written request (the "Partial Release and Substitution of Collateral Request") to Lender for a partial release of real estate Collateral and substitution of Collateral for that to be released on the following terms and conditions, which if met, Lender shall approve and Borrower and Lender shall, proceed, with reasonable diligence, to implement, such terms and conditions being as follows:

(a) the Partial Release and Substitution Request shall provide (i) a legal description of the real estate Collateral to be released, (ii) a legal description of the real estate Collateral to be substituted; (iii) a detailed description of any other Collateral to be substituted; (iv) any information Borrower has with respect to the fair market value of the Collateral to be released and substituted; and (v) the business reason for the partial release and substitution which must be a sound business reason.

(b) the amount of real estate Collateral proposed to be substituted for the partial release Collateral shall not exceed thirty five percent (35%) of the total gross acres of real estate Collateral at the time of the Partial Release and Substitution of Collateral Request.

(c) the Collateral to be substituted must be Florida agricultural property acceptable to Lender with a market value equivalent to the real estate Collateral being released.

(d) the partial release and substitution of Collateral must not materially impact Borrower's repayment capacity nor Borrower's operations (including, but not by way of limitation practical, legal and cost efficient access to the remaining Collateral and the availability of utility services, drainage, and irrigation to the Collateral over the Collateral

remaining after the partial release and substitution of Collateral over such remaining Collateral or easement rights appurtenant thereto sufficient to adequately service such remaining Collateral in a cost efficient manner).

(e) Borrower will provide Lender the following documentation which needs to be satisfactory to Lender (i) a title commitment for a loan title insurance policy in the amount of the then principal balance of the Note agreeing to insure as a first priority lien on the new real estate Collateral together with copies of all documents referenced therein subject only to such exceptions and matters as Lender shall approve and (ii) all due diligence items and documentation pertaining to the new real estate Collateral typically required by Lender in real estate mortgage loan transactions such as real estate tax information, appraisals, environmental questionnaires, irrigation and drainage reports, plats, personal property inventory, zoning evidence, liability and other insurance, tree and crop insurance, permits, contracts, UCC searches and other documentation.

(f) to accommodate the Borrower in identifying acceptable substitute real estate collateral, proceeds from said sale of the partially released real estate Collateral may be deposited into a Pledge Account as substitute collateral. The Pledge Account shall be in cash, cash equivalents and marketable financial securities that are listed for sale on a public securities exchange at readily identifiable prices including without limitation, stocks, bonds, mutual funds, and treasuries acceptable to Lender. Use of the Pledge Account as substitute Collateral shall not exceed twelve (12) months and the value of the pledged Collateral in the Pledge Account shall not exceed fifty percent (50%) of the value of the total Collateral. Borrower shall provide a perfected first lien security interest in the Pledge Account and there shall be a Pledge Agreement, Account Control Agreement and other related documents all satisfactory to Lender together with the financial intermediary.

(g) the Loan Documents shall be modified to provide Lender with a first mortgage lien and security interest on the new real estate Collateral to secure the Loan.

(h) Borrower shall at the time of presenting the Partial Release and Substitution Request to Lender, pay Lender a non-refundable servicing fee not to exceed Five Thousand and Noll 00 Dollars (\$5,000) for evaluating and processing the request. Borrower shall also pay the legal fees of Lender's outside counsel in connection with the foregoing and all expenses of the transaction including but not by way of limitation any documentary stamp taxes, intangibles taxes, title insurance premiums, title insurance company search charges, and recording and filing fees incident thereto.

Section 2.6 Prepayments. Prepayments of the Loan, other than Exempt Prepayments (as defined in the Note), shall be subject to the Prepayment Premium set forth in the applicable Note. Any prepayments of principal ("Optional Prepayments") under the Loan, other than scheduled principal payments pursuant to the applicable Note, shall be applied either to (i) Loan A and Loan B, pro rata, or (ii) Loan C, at the option of and as specified by the Borrower; provided however, that the first \$5,000,000.00 in Optional Prepayments made by the Borrower after the first anniversary of the date hereof shall be applied to Note A.

ARTICLE III REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender (which representations and warranties shall survive the execution and delivery of the Loan Documents) that:

Section 3 .1 Authority. Each of the entities included in the definition of "Borrower" (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite power and authority to own its properties and assets and to carry on its business as now conducted and proposed to be conducted, (iii) is duly qualified to do business and is in good standing in every jurisdiction in which its properties or assets are owned or the nature of its activities conducted makes such qualification necessary, and (iv) has the power and authority to execute and deliver, and to perform its obligations under the Loan Documents.

Section 3 .2 Authorization of Loan for the Borrower The execution, delivery and performance of the Loan Documents by each of the entities constituting Borrower (a) have been duly authorized by all requisite action and (b) will not (i) violate (x) any provision of law, any governmental rule or regulation, any order, writ, judgment, decree, determination or award of any court, arbitrator or other agency of government, (y) the Articles of Organization and operating agreement or other governance documents of Borrower or (z) any provision of any indenture, agreement or other instrument to which Borrower is a party or by which Borrower or its properties or assets are bound, (ii) be in conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or (iii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of Borrower other than as permitted by the terms hereof.

Section 3.3 Binding Effect. This Agreement, the Note, the Security Instrument and the other Loan Documents when delivered hereunder will be legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms, except (a) as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforceability of creditors rights, and (b) as enforceability may be limited or qualified by general principles of equity, whether raised in a proceeding at law or equity.

Section 3.4 Agreements.

(1) Borrower is not a party to any agreement, indenture, lease or instrument or subject to any charter or other limited liability company governance document restriction, or any judgment, order, writ, injunction, decree, rule or regulation materially and adversely affecting its business, properties, assets, operations or condition (financial or otherwise). There are no unrealized losses with respect to any such agreement, indenture, lease or instrument.

(2) Borrower is not a party to, or otherwise subject to any provision contained in, any instrument evidencing indebtedness of Borrower, any agreement relating thereto or any other contract or agreement which restricts or otherwise limits the incurring of the indebtedness

to be evidenced by the Note.

(3) Borrower is not in default in the performance, observance or fulfillment of any of the material obligations, covenants or conditions contained in any material agreement or instrument to which it is a party.

(4) Borrower enjoys lawful, peaceful and undisturbed possession in all material respects to all licenses, trade names, trade marks, services marks and patents used or whose use is contemplated in the operation of its business.

Section 3.5 Litigation, etc. There are no undisclosed actions, proceedings or investigations pending or, to the knowledge of the Borrower, threatened, against the Borrower, , (or any basis therefor known to the Borrower) which, either in any case or in the aggregate, might result in any material adverse change in the financial condition, business, prospects, affairs or operations of the Borrower or its properties or assets, or in any material impairment of the right or ability of the Borrower to carry on its operations as now conducted or proposed to be conducted, or in any material liability on the part of the Borrower and none which questions the validity of this Agreement, the Note or any of the other Loan Documents or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

Section 3.6 Violation of Judicial or Governmental Orders, Laws, Ordinances or Regulations. The Borrower knows of no violation and has no notice of a violation of any court order or of any law, regulation, ordinance, rule, order, code, or requirement of any governmental authority having jurisdiction over the Borrower that may detrimentally affect the business and operations of the Borrower.

Section 3.7 No Outstanding Debt. Borrower has no outstanding Debt, except for the Loan [and the LOC], any liabilities disclosed to Lender in writing before the Effective Date and other obligations in the nature of trade payables incurred by Borrower (or its predecessor) in their ordinary course of business.

Section 3.8 Priority of Liens and Security Interest. The Security Interest and liens granted to the Lender in the Collateral shall be and are a perfected first priority Security Interest in the Collateral except for liens expressly permitted or provided in this Loan Agreement, and there are not and will be no other security interests or other liens other than the Permitted Liens upon the Collateral during the term of the Loan without the prior written consent of the Lender.

Section 3.9 Solvency. After giving effect to the funding of the Loan, the application of the proceeds thereof as contemplated by this Agreement and the Loan Documents, and the payment of all estimated Lender, legal, accounting and other fees related thereto, Borrower is solvent.

Section 3.10 Executive Offices and Location of Records. The Borrower's Principal Place of Business is located at 590 Madison Avenue, 26th Floor, New York, New York 10022 and all of its books and records are and shall be maintained there.

Section 3 .11 Regulatory Compliance. The Borrower has in the past complied with and is presently complying in all material respects with all laws applicable to the Borrower's business.

Section 3.12 Intentionally Omitted.

Section 3.13 Fair Labor Standards Act. The Borrower has complied with, and will continue to comply with, the provisions of the Fair Labor Standards Act of 1938, 29 U.S.C. Section 200, et seq., as amended from time to time (the "FLSA"), including specifically, but without limitation, 29 U.S.C. Section 215(a). This representation and warranty, and each reconfirmation hereof, shall constitute written assurance from the Borrower, given as of the date hereof and as of the date of each reconfirmation, that the Borrower has complied with the requirements of the FLSA, in general, and 29 U.S.C. Section 215(a)(1) thereof, in particular.

Section 3 .14 Intentionally Omitted.

Section 3.15 Usury. The Borrower believes that the amounts to be received by the Lender which are or which may be deemed to be interest under any of the Loan Documents or otherwise in connection with the transactions described herein constitute lawful interest and are not usurious or illegal under the laws of the State of Florida, and no aspect of the transaction contemplated by this Agreement is intended to be usurious.

Section 3 .16 Borrower Setoffs. The Borrower does not, as of the date hereof, have any defenses, counterclaims, or setoffs with respect to any sums to be advanced under this Loan Agreement.

Section 3.17 Disclosure and No Representation. Warranty or Document Untrue. No representation or warranty made by the Borrower contained herein, the Loan Documents, or in any certificate or other document furnished or to be furnished by the Borrower pursuant hereto, or which will be made by the Borrower from time to time in connection with the Loan Documents (a) contains or will contain any misrepresentation or untrue statement of fact, or (b) omits or will omit to state any material fact necessary to make the statements therein not misleading, unless otherwise disclosed in writing to the Lender. There is no fact known to the Borrower which adversely affects, or which might in the future adversely affect, the business, assets, properties or condition, financial or otherwise, of the Borrower, or the Collateral, except as set forth or reflected in the Loan Documents or otherwise disclosed in writing to the Lender.

Section 3.18 Continuation. The Borrower's warranties and representations contained in this Agreement are and shall remain correct and complete until the Loan is paid in full. All representations, warranties, covenants and agreements made to or with the Lender by or on behalf of, or at the request of the Borrower in connection with this Agreement may be relied upon by the Lender.

Section 3 .19 Real Property. There is legal access and adequate practical access to all of the Real Property. Each of the entities within the definition of "Borrower" holding title to any

part of the Real Property is now and will continue to be in compliance with all of the terms of all agreements binding upon the Real Property which it now owns.

Section 3 .20 Survival. All of the representations and warranties set forth in this Article shall survive until all Obligations are satisfied in full.

ARTICLE IV FINANCIAL COVENANTS OF THE BORROWER

The Borrower covenants, for so long as any of the principal amount of or interest on the Note is outstanding and unpaid or any duty or obligation of the Borrower hereunder or under any other Obligation remains unpaid or unperformed, as follows:

Section 4.1 Financial Records. The Borrower at all times will keep proper and adequate records and books of account in accordance with GAAP consistently applied in which the full, true and correct entries will be made of its transactions and which will properly and correctly reflect all items of income and expense in connection with the operation of the Borrower's business regardless of whether such income or expense is realized by the Borrower.

Section 4.2 Delivery of Financial Statements of the Borrower. The Borrower will deliver to the Lender copies of each of the following:

(1) Within one hundred twenty (120) days after the end of each Fiscal Year, audited financial statements of Borrower and its Subsidiaries on both a consolidated basis (with appropriate subsidiary eliminations), which are prepared in accordance with GAAP (consisting of an income statement, balance sheet, statement of retained earnings and cash flow, a schedule of all related debt and all contingent liabilities and including all normal and reasonable financial notes). They shall be prepared and certified by a certified public accountant reasonably acceptable to the Lender, all in reasonable detail. Such audited financial statements shall be further certified by the chief financial officer of the Borrower as being true, correct, and accurate, as completely and accurately reflecting the financial transactions during the period covered thereby of Borrower and its consolidated Subsidiaries, and as completely and accurately reflecting the financial condition of Borrower and its consolidated Subsidiaries as of the beginning and end of said period covered.

(2) As soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of compliance with financial covenants from the chief financial officer of the Borrower ("Certificate of Compliance") addressed to Lender and certifying the compliance of Borrower with the financial covenants provided in this Article.

(3) Annually, within ninety (90) days after the completion of each Crop Season (a Crop Season shall, as to a particular Crop, be the Crop season used by the industry in the area of the Premises as to which the Crop pertains), Borrower shall furnish to Lender operating information on the Collateral as follows:

(i) Reports/documents (internal inventory reports etc.) that describe and value all inventory security, including each citrus crop variety's acreage both on a gross acreage and grove planted acreage basis; and

(ii) Citrus Crop production and operations detailed information, including yields by variety, costs and pricing by grove/farm and variety.

(4) With reasonable promptness, such other data and information as from time to time may be reasonably required by the Lender.

Section 4.3 Delivery of Reports. All of the reports, statements, and items required under Section 4.2 shall be in form and substance satisfactory to Lender. All of the reports, statements, and items required under Section 4.2 must, unless another time period is specified above, be received each year this Agreement is in force by the date which is one hundred twenty (120) days after the end of the Borrower's Fiscal Year, as the case may be subject to filing deadline extensions. If any one report, statement, or item is not received within thirty (30) days of this due date, Lender may declare an Event of Default under this Agreement and the Loan Documents.

Section 4.4 Inspection of Records. Borrower shall allow Lender or its authorized representatives at all reasonable times to examine and make copies of all such books and records and all supporting data therefor at Lender's principal place of business or at such other place where such books, records, and data may be located. Borrower shall assist Lender or such representative in effecting such examination. Within three (3) years after Lender's receipt of any such report, statement, or item, Lender may, upon at least five (5) Business Days prior written notice to Borrower, inspect and make copies of the books, records, and income tax returns with respect to the Collateral of Borrower, for the purpose of verifying any such reports, statements, or items.

Section 4.5 Article IV Terms:

The following definitions shall apply to the financial covenants in this Article as to Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations):

(1) "Consolidated Current Ratio" shall mean the ratio of (i) Consolidated Current Assets to (ii) Consolidated Current Liabilities;

(2) "Consolidated Current Assets" shall mean current assets as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis; and

(3) "Consolidated Current Liabilities" shall mean current liabilities as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis including all funded debt under lines of credit to Borrower and its Subsidiaries.

Section 4.6 Required Consolidated Current Ratio. The Consolidated Current Ratio measured at the end of each Fiscal Year based on audited consolidated financial statements of Borrower shall be at least 2.00 to 1.00.

Section 4.7 LOC. Any LOC Lender shall, if required by Lender, enter into an Intercreditor Agreement with Lender providing for the respective rights of the LOC Lender(s) and Lender as to their respective collateral, all in form and substance satisfactory to Lender. Upon the written request of Lender, Borrower shall provide Lender with copies of all LOC Lender loan documents which shall include the recording information of all such documents which are recorded. A default under any LOC shall be a default hereunder.

ARTICLE V OTHER AFFIRMATIVE COVENANTS OF THE BORROWER

Section 5.1 Inspection. The Borrower will permit the Lender or Lender's designated representative to (i) visit any Place of Business, (ii) inspect the Collateral, including such crop inspections as the Lender deems advisable (iii) inspect and make extracts from the Borrower's books and records, and (iv) discuss the affairs, finances and accounts of the Borrower with the officers of the Borrower, all at such reasonable times and as often as may reasonably be requested.

Section 5.2 Maintenance of Legal Existence and Compliance with Laws. Borrower shall at all times preserve and maintain in full force and effect its legal existence, powers, rights, licenses, permits and franchises in the jurisdiction of its organization; continue to conduct and operate its businesses substantially as conducted and operated as of the Effective Date; operate in full compliance with all applicable laws, statutes, regulations, certificates of authority and orders in respect of the conduct of its businesses; and qualify and remain qualified as foreign organizations in each jurisdiction in which such qualification is necessary or appropriate in view of its businesses and operations.

Section 5.3 First Lien. Borrower shall provide Lender a first lien and security interest on the Real Property.

Section 5.4 Second Lien. Borrower shall provide Lender a lien and security interest on all Crops and Farm Products and all Accounts, Chattel Paper and General Intangibles arising out of the same which shall be second only to the first lien of any LOC Lender.

Section 5.5 Intercreditor Agreement. At Lender's option, any LOC Lender, if other than Lender, shall enter into an Intercreditor Agreement or Intercreditor Agreements with Lender in form and content satisfactory to Lender.

Section 5.6 Leases of the Real Property. Any tenants of the Real Property shall subordinate their leasehold interests therein and furnish Lender a Tenant Estoppel Certificate, all in form and content satisfactory to Lender. Borrower shall cause any lender holding a security

interest or lien on any such leasehold interests to subordinate the same to the lien and security interests of the Loan Documents.

Section 5.7 Defaults/Notices. The Borrower shall immediately notify the Lender in writing upon the happening, occurrence or existence of any Event of Default, or any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Lender with such written notice, a detailed statement by a responsible officer of the Borrower of all relevant facts and the action being taken or proposed to be taken by the Borrower with respect thereto. Borrower shall cause any and all holders of its debt to agree, in writing, unto Lender, to provide Lender notice of any default under the documents evidencing such debt.

Section 5.8 Maintenance of Properties. The Borrower shall maintain or cause to be maintained in good repair, working order and condition the Collateral and all other properties used or useful in the businesses of Borrower (ordinary wear and tear excepted) and from time to time will make or cause to be made all appropriate repairs, renewals, improvements and replacements thereof so that the businesses carried on in connection therewith may be properly and advantageously conducted at all times. The Borrower will not do or permit any act or thing which might impair the value or commit or permit any waste of its properties or any part thereof, or permit any unlawful occupation, business or trade to be conducted on or from any of its properties.

Section 5.9 Notice of Suit, Proceedings, Adverse Change. The Borrower shall promptly give the Lender notice in writing (a) of all threatened or actual actions or suits (at law or in equity) and of all threatened or actual investigations or proceedings by or before any court, arbitrator or any governmental department, commission, board, bureau, agency or other instrumentality, state, federal or foreign, affecting Borrower or the rights or other properties of Borrower or (i) which involves potential liability of Borrower in an amount in excess of \$500,000.00, or (ii) which the shareholders of Borrower believe in good faith is likely to materially and adversely affect the financial condition of Borrower or to impair the right or ability of Borrower to carry on their businesses as now conducted or to pay the Obligations or perform its duties under the Loan Documents; (b) of any material adverse change in the condition (financial or otherwise) of Borrower; and (c) of any seizure or levy upon any part of the properties of Borrower under any process or by a receiver.

Section 5.10 Debts and Taxes and Liabilities. The Borrower shall pay and discharge (i) all of their indebtedness and obligations in accordance with their terms and before they shall become in default, (ii) all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits or against its properties prior to the date on which penalties attach thereto, and (iii) all lawful claims which, if unpaid, might become a lien or charge upon any of its properties; provided, however, that the Borrower shall not be required to pay any such indebtedness, obligation, tax, assessment, charge, levy or claim which is being contested in good faith by appropriate and lawful proceedings diligently pursued and for which adequate reserves have been set aside on its books. The Borrower shall also set aside and/or pay as and when due all monies required to be set aside and/or paid by any federal, state or local statute or agency in regard to F.I.C.A., withholding, sales or excise or other similar taxes.

Section 5.11 Notification of Change of Name or Business Location. The Borrower shall notify the Lender of each change in the name of the Borrower and of each change of the location of any Place of Business and the office where the records of the Borrower are kept, and, in such case, shall execute such documents as the Lender may reasonably request to reflect said change of name or change of location, as the case may be; provided, however, the records of the Borrower may not be removed from the Place of Business designated from time to time by Borrower, without the prior written consent of the Lender.

Section 5.12 Compliance With Laws. The Borrower will comply with all laws, regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Borrower.

Section 5.13 Further Assurances. The Borrower will, at the cost of the Borrower, and without expense to the Lender, promptly upon the request of the Lender: (a) correct any defect, error or omission which may be discovered in the contents of any Loan Documents or in the execution or acknowledgment thereof; (b) execute, acknowledge, deliver and record or file such other and further instruments (including, without limitation, mortgages, deeds or trusts, security agreements, financing statements and specific assignments of rents or leases) and do such further acts, in either case as may be necessary, desirable or proper in the Lender's opinion to carry out more effectively the purposes of the Loan Documents; to protect and preserve the lien and security interest on the Collateral to subject thereto any property intended by the terms thereof to be covered thereby, including, without limitation, any renewals, additions, substitutions or replacements thereto; or protect the security interest of the Lender and the Collateral against the rights or interest of third parties. The Borrower hereby appoint the Lender as their attorney-in-fact, coupled with an interest, to take the above actions and to perform such obligations on behalf of the Borrower, at Borrower's sole expense, if Borrower fails to comply with their obligations under this paragraph.

Section 5.14 After Acquired Property. Without the necessity of any further act of the Borrower or the Lender, the lien of and the security interest created in the Collateral automatically extends to and includes:

(1) Any and all renewals, replacements, substitutions, accessions, proceeds, products or additions of or to the Collateral and

(2) Any and all monies and other property that from time to time may either by delivery to the Lender or by any instrument be subjected to such lien and security interest by the Borrower or by anyone on behalf of the Borrower, or with the consent of the Borrower, or which otherwise may come into possession or otherwise be subject to the control of the Lender pursuant to the Loan Documents.

Section 5.15 Indemnity. The Borrower shall indemnify, defend and hold harmless the Lender from and against and reimburse the Lender for, all claims, demands, liabilities, losses, damages, judgments, penalties, costs and expenses, including, without limitation, attorney's fees and disbursements, which may be imposed upon, asserted against or incurred or paid by the Lender by reason of, on account of or in connection with any claim or damage occurring in, upon

or in the vicinity of the Collateral through any cause whatsoever, or asserted against the Lender on account of any act performed or omitted to be performed under the Loan Documents or on account of any transaction arising out of or in any way connected with the Collateral or the Loan Documents, except as a result of the willful misconduct or gross negligence of the Lender.

Section 5 .16 Insurance. During the term of this Agreement, the Borrower shall maintain the insurance coverage required by the Loan Documents.

ARTICLE VI NEGATIVE COVENANTS

The Borrower covenants, for so long as any of the principal amount of or interest accrued on the Note is outstanding and unpaid or any Obligations remain unpaid or unperformed, that none of Borrower or its Subsidiaries will undertake the following actions without the prior written consent of the Lender:

Section 6.1 Merger, Consolidation, Dissolution, etc. Neither the Borrower nor any of its Subsidiaries will consolidate with or merge into any other corporation, partnership, limited liability company or other entity or permit another corporation or partnership, limited liability company or other entity to merge into them, or dissolve or take or omit to take any action which would result in their dissolution, or acquire all or substantially all the properties or assets of any other Person, or enter into any arrangement, directly or indirectly, with any Person whereby any of Borrower or its Subsidiaries shall sell or transfer any property, real or personal, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property which any Borrower or any of its Subsidiaries intend to use for substantially the same purpose or purposes as the property being sold or transferred (other than with respect to another entity comprising Borrower) without the prior written consent of the Lender.

Section 6.2 Changes in Business. Neither Borrower nor any of its Subsidiaries will make any material change in the nature or scope of their respective business operations from that existing on the date of this Loan Agreement including but not limited to major asset acquisitions or dispositions, acquisition or disposition of businesses or their components, mergers, consolidations, reorganizations and/or restructurings.

Section 6.3 Other Agreements. Neither Borrower nor any of its Subsidiaries will enter into any arrangements, contractual or otherwise, which would materially and adversely affect its duties or the rights of the Lender under the Loan Documents, or which is inconsistent with or limits or abrogates the Loan Documents.

Section 6.4 Due-on-Sale or Encumbrance.

The Due-on-Sale or Encumbrance provision of the Security Instrument (Section 5.01 thereof) is incorporated herein. The term "Minimum Ownership and Control Requirement" used therein shall mean that at all time any of the Obligations are outstanding, Remy W. Trafelet (in the event

of his death, his estate and those taking by way of devise or inheritance due to his death) and 734 Agriculture, LLC, collectively shall hold directly or indirectly no less than fifty one percent (51 %) of the ownership interests in Borrower and Remy W. Trafelet (in the event of his death, his estate and those taking by way of devise or inheritance due to his death) shall maintain directly or indirectly management control of each of the entities within the definition of "Borrower".

Section 6.5 Loans to Borrower/Liens on Collateral. Other than the LOC permitted herein, the Borrower will not borrow from anyone on the security of or create, incur or suffer to exist any lien on any of the Collateral or permit any Financing Statement (other than the Lender's and any LOC Lender's security interest and Financing Statement) to be on file with respect thereto, without the Lender's written consent.

Section 6.6 Other Liens. Other than liens and security interests permitted to secure LOC, the Borrower will not create, assume, or suffer to exist any lien upon any other of its property or assets, whether now owned or hereafter acquired, except:

(1) Liens for taxes not yet due or which are being actively contested in good faith by appropriate proceedings;

(2) Purchase money security interest in property not a part of the Collateral;

and

(3) Permitted Liens.

Section 6.7 Change in Management/Ownership. Without Lender's prior written consent, until the Loan is paid in full, there shall be no substantial change in the executive management or ownership of each of the entities within the definition of "Borrower" except as allowed herein.

ARTICLE VII EVENTS OF DEFAULT

The following each and all are Events of Default hereunder:

Section 7.1 Monetary Default. If the Borrower shall default in any payment of the principal of or interest on the Note, other monetary Obligations under the Loan Documents, within five (5) days following the date the same shall become due and payable, whether at maturity, by acceleration by the Lender as permitted herein or otherwise.

Section 7.2 Non-Monetary Default. If the Borrower shall default in the performance or compliance with any of the material terms, conditions, covenants or agreements contained in this Loan Agreement without curing the same within thirty (30) days after written notice thereof shall have been given to Borrower; provided however, that if such default cannot be cured within said period, Borrower shall have such additional time for cure as Lender may, in its reasonable discretion, approve in writing after receipt by Lender within said period of a written request from Borrower or if the Borrower shall default under any other non-monetary Obligations without

curing the same within any cure period provided in the Loan Documents containing such Obligations.

Section 7.3 Default in Other Obligations. If Borrower shall default in the performance of the LOC.

Section 7.4 Misrepresentation. If any representation or warranty made in writing by or on behalf of the Borrower, in this Agreement or in any other Loan Document, shall prove to have been false or incorrect in any material respect on the date as of which made or reaffirmed.

Section 7.5 Dissolution. If any order, judgment, or decree is entered in any proceedings against Borrower decreeing the dissolution of Borrower or any of its Subsidiaries and such order, judgment, or decree remains unstayed and in effect for more than thirty (30) days.

Section 7.6 Bankruptcy, Failure to Pay Debts, etc. If Borrower or any of its Subsidiaries shall admit in writing their inability, or be generally unable, to pay their respective debts as they become due or shall make an assignment for the benefit of creditors, file a petition in Bankruptcy, petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for Borrower or any of its Subsidiaries or a substantial part of their assets, or shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, or if there shall have been filed any such petition or application, or any such proceeding shall have been commenced against Borrower or any of its Subsidiaries, in which an order for relief is entered or which remains undismissed for a period of thirty (30) days or more, or if Borrower or any of its Subsidiaries by any act or omission shall indicate consent to, approval of or acquiescence in any such petition, application, or proceeding or order for relief for the appointment of a custodian, receiver or any trustee for Borrower or any of its Subsidiaries or any substantial part of any of their properties, or shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more.

Section 7.7 Fraudulent Conveyance. If Borrower or its Subsidiaries, shall have concealed, removed, or permitted to be concealed or removed, any part of their respective properties, with intent to hinder, delay or defraud its creditors, or made or suffered a transfer of any of its properties which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or shall have made any transfer of its properties to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid, or shall have suffered or permitted, while insolvent, any creditor to obtain a lien upon any of their respective properties through legal proceedings or distraint which is not vacated within thirty (30) days from the date thereof.

Section 7.8 Final Judgment. If a final judgment for the payment of money in excess of \$500,000.00 shall be rendered against Borrower or any of its Subsidiaries, and the same shall remain undischarged or shall not be bonded off to the satisfaction of the Lender for a period of thirty (30) consecutive days during which the execution shall not be effectively stayed.

Section 7.9 Impairment of Security. If any security document, mortgage, agreement, guaranty or other instrument given to the Lender to evidence or secure the payment and performance of the Obligations hereunder shall be revoked by the Borrower or shall cease to be in full force and effect, or the protection or security afforded the Lender in any portion of the Collateral secured thereby is in any material respect impaired for any reason; or the Borrower shall default in any material respect in the performance or observance of any term, covenant, condition or agreement on its part to be performed or observed under any security document and such default shall not have been cured or waived in any applicable grace period contained therein; or any representation or warranty of the Borrower made in any security document shall be false in any material respect on the date as of which made; or for any reason (except for acts or omissions of the Lender) the Lender shall fail to have a valid, perfected and enforceable first priority security interest, lien or mortgage encumbering the Collateral or if the Borrower shall contest in any manner that any security document constitutes its valid and enforceable agreement or the Borrower shall assert in any manner that it has no further obligation or liability under such agreement.

ARTICLE VIII RIGHTS UPON DEFAULT

Upon the occurrence and during the continuance of any Event of Default, the Lender shall have and may exercise any or all of the rights set forth herein (provided, however, the Lender shall be under no duty or obligation to do so):

Section 8.1 Acceleration. To declare the indebtedness evidenced by the Note, to the extent the proceeds thereof shall have been disbursed and remain outstanding, and all other Obligations to be forthwith due and payable, whereupon the Note, to the extent the proceeds thereof shall have been disbursed and remain outstanding, and all other Obligations shall become forthwith due and payable, both as to principal and interest, without presentment, demand, protest or any other notice or grace period of any kind, all of which are hereby expressly waived, anything contained herein or in the Note or in such other Obligations to the contrary notwithstanding, and, upon such acceleration, the disbursed and unpaid principal balance and accrued interest upon each of Note A, Note Band Note C shall from and after such date of acceleration bear interest at the Default Rate.

Section 8.2 Other Rights. To exercise such other rights as may be permitted under any of the Loan Documents or applicable law.

Section 8.3 Uniform Commercial Code/Applicable Law. To exercise from time to time any and all rights and remedies of a secured creditor under the UCC and any and all rights and remedies available to it under any other applicable law.

Section 8.4 Cure of Defaults. Cure any default or Event of Default without releasing the Borrower from any obligation hereunder or under the Loan Documents.

Section 8.5 Receiver. Cause the appointment of a receiver, as a matter of strict right, without regard to the solvency of the Borrower, for the purpose of preserving the Collateral and

to protect all rights accruing to the Lender by virtue of this Agreement and any other Loan Documents and expressly to maintain Collateral and the Crops and Farm Products operations on the Real Property, with all costs and expenses incurred in connection with such receivership to be charged against the Borrower and to be secured by the security interest granted pursuant to the Loan Documents. Borrower hereby consents to the appointment of such receiver or receivers, waive any and all defenses to such appointment and agree not to oppose any application therefor by the Lender. The receiver shall be appointed to take charge of, manage, preserve, protect and operate any business, make any needed repairs, pay all costs associated with the operations of such businesses and after payment of all expenses of the receivership, including reasonable attorney's fees and court costs, in any, to apply all the net proceeds derived therefrom in the reduction of the Obligations or in such other manner as the court shall direct. All expenses, fees and compensation incurred pursuant to any such receivership shall also be secured by the Security Interest granted by the Loan Documents.

ARTICLEIX MISCELLANEOUS

Section 9.1 Cumulative Remedies. The remedies provided in this Agreement and in the Loan Documents are cumulative and not exclusive of any remedies provided by law or in equity. Upon an Event of Default, the Lender may elect to exercise any one or more of such remedies and such election shall not waive or cause the Lender to have elected not to subsequently exercise any other such remedies available to it under the Agreement or any Loan Document.

Section 9.2 Amendments, etc. No amendment, modification, termination or waiver of any provision of this Agreement, the Note or the other Loan Documents, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in specific instance and for the specific purpose for which given.

Section 9.3 Notices. Any notice, demand, consent, approval, direction, agreement, or other communication (any "Notice") required or permitted hereunder or under the other Loan Documents shall be in writing and shall be addressed as follows to the person entitled to receive the same:

If to Borrower:

734 Citrus Holdings, LLC
734 LMC Groves, LLC
734 Co-op Groves, LLC
734 BLP Groves, LLC
734 Harvest, LLC
590 Madison Avenue, 26th Floor
New York, New York 10022
Attn: Mr. Remy W. Trafelet

With copy to:

Shumaker, Loop & Kendrick, LLP Bank of America Plaza
101 East Kennedy Blvd., Suite 2800
Tampa, Florida 33602
Attn: Timothy M. Hughes

If to Lender:

Prudential Mortgage Capital Company, LLC
801 Warrenville Road, Suite 150
Lisle, Illinois 60532-1357
Attn: Investment Manager
Reference Loan Numbers: 717610613, 717610637
and 717610638

With copy to:

Prudential Mortgage Capital Company, LLC
201 S. Orange Avenue, Suite 795
Attn: Investment Director
Reference Loan Numbers: 717610613, 717610637
and 717610638

With copy to:

Prudential Asset Resources, Inc.
2100 Ross Avenue, Suite 2500
Dallas, Texas 75201
Attn: Legal Department
Reference Loan Numbers: 717610613, 717610637
and 717610638

Any notice shall be sent (a) by depositing it with the United States postal service, or any official successor thereto, certified or registered mail, return receipt requested, with adequate postage prepaid; (b) by depositing it with a reputable overnight courier service from whom a receipt is available; or (c) by personal delivery, provided a signed receipt is obtained. Each notice shall be effective three (3) Business Days after being so deposited in the case of (a) above, one (1) Business Day after being so deposited in the case of (b) above or upon delivery in the case of item (c) above, but the time period in which a response to any notice must be given or any action taken with respect thereto shall commence to run from the date of receipt of the notice by the addressee thereof, as evidenced by the return receipt. Rejection or other refusal by

the addressee to accept or receipt the delivery, or the inability to deliver because of a changed address of which no notice was given, shall be deemed to be the receipt of the notice sent. Any party shall have the right from time to time to change the address or individual's attention to which notices to it shall be sent and to specify up to two (2) additional addresses to which copies of the notices to it shall be sent by giving the other party hereto at least ten (10) days' prior notice thereof.

Section 9.4 Intentionally deleted.

Section 9.5 Applicable Law. This Agreement, and each of the Loan Documents and transactions contemplated herein (unless specifically stipulated to the contrary in such document) shall be governed by and interpreted in accordance with the laws of the State of Florida.

Section 9.6 Time of the Essence. Time is of the essence of this Agreement, the Note and the other Loan Documents.

Section 9.7 Headings. The headings in this Agreement are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

Section 9.8 Severability. In case any one or more of the provisions contained in this Agreement, the Note or the other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, the same shall not affect any other provision of this Agreement, the Note or the other Loan Documents, but this Agreement, the Note and the other Loan Documents shall be construed as if such invalid or illegal or unenforceable provision had never been contained therein; provided, however, in the event said matter would be in the reasonable opinion of the Lender adversely affect the rights of the Lender under any or all of the Loan Documents, the same shall be an Event of Default.

Section 9.9 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 9.10 Conflict. In the event any conflict arises between the terms of this Agreement and the terms of any other Loan Document, the terms of this Agreement shall govern in all instances of such conflict.

Section 9.11 Term. The term of this Agreement shall be for such period of time until the Loan, the Note, and all renewals, replacements, modifications, extensions, increases and amendments of any of the foregoing have been repaid in full.

Section 9.12 Expenses. The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to pay and save Lender harmless against liability for the payment of documentary stamp taxes, intangible tax, all out-of-pocket expenses arising in connection with this transaction and all taxes, together in each case with interest and penalties, if any, which may be payable in respect of the execution, delivery and performance of this Agreement or the execution, delivery, acquisition and performance of the Note (including any renewal, extension, substitution or replacement thereof) issued under or pursuant to this Agreement (excepting only any tax on or measured by net income of Lender determined substantially in the same manner, other than the rate of tax, as net income is presently determined under the Federal Internal Revenue Code), all printing costs and the reasonable fees and expenses of any special counsel to

Lender in connection with this Agreement and any subsequent modification thereof or consent thereunder. The obligations of Borrower under this Section shall survive payment of the Note.

Section 9.13 Joint and Several Liability. Each entity within the definition of "Borrower" shall be jointly and severally liable hereunder, each covenant, representation, undertaking and provision of this Agreement shall apply to each of such entities separately and collectively.

Section 9.14 Successors and Assigns. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not; provided, however, this clause shall not by itself authorize, any delegation of duties by the Borrower or any other assignment which may be prohibited by the terms and conditions of this Agreement.

Section 9.15 Further Assurances. The Borrower shall, from time to time, execute such additional documents as may reasonably be requested by the Lender or the counsel, to carry out and fulfill the intent and purpose of this Agreement and the Loan Documents.

Section 9.16 No Third Party Beneficiaries. The parties intend that this Agreement is solely for their benefit and no Person not a party hereto shall have any rights or privileges under this Agreement whatsoever either as the third party beneficiary or otherwise.

Section 9.17 WAIVER OF JURY TRIAL. THE BORROWER HEREBY AGREES TO WAIVE ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OR ANY LOAN DOCUMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THE BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO THE LENDER TO ENTER INTO A BUSINESS RELATIONSHIP WITH THE BORROWER. THE BORROWER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH WAIVER IS KNOWINGLY AND VOLUNTARILY GIVEN FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED, EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, REPLACEMENTS, REAFFIRMATIONS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, OR ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS

AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

Section 9.18 No Waiver. No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder, or under the Note or the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or thereunder.

Section 9.19 Entire Agreement. Except as otherwise expressly provided, this Agreement and the other Loan Documents embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

IN WITNESS WHEREOF, each of the parties hereto has caused this Loan Agreement to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware
limited liability company

By: /s/ Charles E. Allison
(Signed Name)

Its: Charles E. Allison, Vice President

STATE OF NEW YORK

S.S.

COUNTY OF NEW YORK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Remy W. Trafelet, the manager of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by New York, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 22nd day of December, 2012.

/s/ Gino Palacios

Signature of Notary Public)

Gino D. Palacios

(Printed Name of Notary Public)

My commission expires: 07/11/14

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manger of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manger of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Charles E. Allison, the manger of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or () produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Diane M. Barnett

(Signature of Notary Public)

Diane M. Barnett

(Printed Name of Notary Public)

My commission expires: 03/06/16

[NOTARY SEAL]

PROMISSORY NOTE A

U.S. \$14,500,000.00 December 31, 2012

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00)**, with interest thereon, from the date hereof until the Maturity Date payable as provided herein at the rate of five and thirty-five hundredths (5.35%) percent per annum. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

The principal and interest of this Promissory Note A ("Promissory Note" and the loan evidenced thereby are referred to herein as "Loan A") are to be paid in installments as follows:

- (i) quarterly interest payments of accrued interest on the principal balance remaining outstanding, from time to time, shall
be paid by Borrower to Holder

Reference Loan No: 717-610-613

beginning on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and

(ii) quarterly principal reduction payments shall be made by Borrower to Holder in the amount of One Hundred Forty Five Thousand and No/100 Dollars (U.S. \$145,000.00) each, commencing on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and

(iii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of June, 2033 (the "Maturity Date").

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

For the purposes of calculating interest under this Promissory Note, a year of 360 days consisting of twelve (12) thirty (30) day months shall be employed regardless of the actual time elapsed.

All payments under this Promissory Note shall be made, without offset or deduction, (a) in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M.

Reference Loan No: 717-610-613

local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter

Reference Loan No: 717 -610-613

defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the third Business Day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. Interest at the Default Rate is in addition to and not in lieu of any Prepayment Premium due after acceleration of the indebtedness due hereunder by Holder after an Event of Default. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

As used herein, "Note Rate" is defined as the contract rate of interest stated above in the first paragraph of this Promissory Note. "Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus Five Percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

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Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. This Promissory Note and interest hereon are secured by a Mortgage and Security Agreement of even date herewith by Borrower to Holder (the "Instrument") executed in seven counterparts, one of each counterpart to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida, which Instrument encumbers property located in said counties and, unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. The payment of this Promissory Note is secured by, among other things, the aforementioned Instrument together with the Loan Commitment, any and all mortgages, deeds of trust, security agreements, financing statements assignments of leases and rents, loan agreements, guarantees, letters of credit and any other documents and instruments, now or hereafter executed by Borrower, or any other party, to evidence, secure or guarantee the payment of this Promissory Note and any and all renewals, extensions, amendments and replacements hereof. All of the foregoing instruments as well as this Promissory Note and the Other Notes, defined below, are collectively referred to herein as the "Loan Document(s)". Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder on even date herewith ("Note B" and the loan evidenced thereby is referred to as "Loan B") and Promissory Note C in the face amount of up to Five Million and No/100 Dollars (\$5,000,000.00) from Borrower to Holder on even date herewith ("Note C" and the loan evidenced thereby is referred to as "Loan C") are collectively herein referred to as the "Other Notes" and Loan A, Loan B and Loan C constitute an aggregate loan from Holder to Borrower on even date herewith in the total face amount of up to Thirty Four Million and No/100 Dollars (\$34,000,000.00), which is hereafter referred to as the "Loan" and is evidenced by this Promissory Note, Note B and Note C. The terms of the Loan Document(s) are incorporated

Reference Loan No: 717-610-613

herein by this reference. A default in this Promissory Note, after expiration of all applicable grace and notice periods herein, is a default in the Other Notes and in the other Loan Documents and a default in the Other Notes and/or in the other Loan Documents, after expiration of all applicable grace and notice periods therein, is a default herein.

This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument, and after the expiration of applicable grace and notice periods therein. In the event of such acceleration, all of the then remaining principal and interest, together with any Prepayment Premium due under the terms of this Promissory Note shall become at once due and payable without further notice, demand or presentment for payment. Borrower agrees that any Prepayment Premium due upon any such acceleration by Holder is in addition to the remedy of acceleration and is not in lieu thereof and is in addition to both the collection of interest at the Note Rate or Default Rate, as applicable, and collection of Late Charges hereunder.

The privilege granted to Borrower to make unscheduled principal reduction payments of the indebtedness evidenced by this Promissory Note and the terms under which this Promissory Note may be prepaid by Borrower and the applicable Prepayment Premium (as defined in the Prepayment Rider) that will - be due upon any such unscheduled prepayment(s) of this indebtedness are set forth in the Prepayment Rider attached hereto and incorporated herein by this reference. Terms defined in this Promissory Note shall also be applicable to the use of such terms in the Prepayment Rider.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, the Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other

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instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credited against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the

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loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to correct such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida, as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at Law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

Reference Loan No: 717-610-613

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OF AC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/i t become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OF AC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C.

Reference Loan No: 717-610-613

Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31. C.F.R Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OF AC Violation, including the requirements of the Anti-Terrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if Borrower timely comply(ies) with all requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OF AC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

(a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and

(b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to Borrower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state circuit court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless

Reference Loan No: 717-610-613

of whether such counties are contiguous or in any United States District Court for the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be heard and determined in any of such state circuit court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of a n inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

Reference Loan No: 717-610-613

IN WITNESS WHEREOF, this Promissory Note has been executed by as of the date
first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

PREPAYMENT RIDER

Subject to payment of the Prepayment Premium referred to below and all accrued interest and other sums due under this Promissory Note, Borrower shall have the right to prepay all or any part of the outstanding principal balance of this Promissory Note, on any date (the "Prepayment Date"), upon giving not less than thirty (30) days prior written notice to Holder of Borrower's intention to prepay. Any partial prepayment must be in a minimum amount of Two Hundred Fifty Thousand and No/100 (\$250,000.00). No partial prepayment shall result in any adjustment of the amount of the scheduled payments thereafter becoming due.

Except for any prepayments of principal (i) commencing one (1) calendar year after the date of this Promissory Note in an amount not exceeding Five Million and Noll 00 Dollars (\$5,000,000.00) in the aggregate for the period commencing one (1) calendar year after the date of this Promissory Note and (ii) made with the proceeds received in connection with any condemnation action if applicable law does not allow such proceeds to be subject to prepayment premiums (collectively the "Exempt Prepayments"), if all or any portion of the outstanding principal balance of this Promissory Note is prepaid for any reason whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note, the Instrument or any Loan Document, Borrower shall pay Holder a prepayment premium (the "Prepayment Premium") equal to the greater of (i) or (ii) below:

(i) one half of one percent (0.50%) of the principal amount of this Promissory

Note being prepaid; or,

Reference Loan No: 717-610-613

(ii) an amount equal to the Present Value of Loan A (as hereinafter defined) less the amount of principal of this Promissory Note being prepaid including accrued interest, if any, calculated as of the Prepayment Date.

Holder will notify Borrower of the amount and basis of the determination of the Prepayment Premium. On or before the Prepayment Date, Borrower shall pay to Holder the Prepayment Premium together with the amount of the principal being prepaid and all accrued interest and other sums due under this Promissory Note and under Loan A.

Except as to Exempt Prepayments, Holder shall not be obligated to accept any prepayment of the principal balance of this Promissory Note unless such prepayment is accompanied by any Prepayment Premium, all accrued interest and all other sums due under Loan A.

For the purposes of determining the Prepayment Premium, the following terms shall have the following meanings:

The "Treasury Rate" is the semi-annual yield on the Treasury Constant Maturity Series with maturity equal to the remaining weighted average life of Loan A, for the week prior to the Prepayment Date, as reported in Federal Reserve Statistical Release H.15 - Selected Interest Rates, conclusively determined by Holder on the Prepayment Date. The rate will be determined by linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, Holder shall select a comparable publication to determine the Treasury Rate.

The "Discount Rate" is the rate which, when compounded quarterly, is equivalent to the Treasury Rate, when compounded semi-annually.

Reference Loan No: 717-610-613

The "Present Value of Loan A" shall be determined by discounting all scheduled payments of principal and interest (at the Note Rate even if interest is then accruing at the Default Rate) remaining through the Maturity Date attributed to the amount being prepaid under this Promissory Note, at the Discount Rate. If prepayment occurs on a date other than a regularly scheduled payment date, the actual number of days remaining from the Prepayment Date to the next regularly scheduled payment date will be used to discount within this period.

Borrower agrees that Holder shall not be obligated to reinvest the amount prepaid in any Treasury obligations as a condition precedent to receiving the Prepayment Premium.

A default by Borrower in any payment of any amount(s) due under this Promissory Note or a default or breach of any of Borrower's duties and obligations under the Instrument or any of the other Loan Documents as to which Holder accelerates all indebtedness due under this Promissory Note, shall conclusively be deemed an effort by the Borrower to effect a voluntary prepayment of the Promissory Note. The Prepayment Premium for such voluntary prepayment (excluding Exempt Prepayments) shall become effective, due and payable as of the day prior to the date of acceleration of this Promissory Note (the "Effective Date"). The related Prepayment Premium, whether paid from the proceeds of a foreclosure sale or otherwise, shall be calculated, due, and payable as of the Effective Date.

It is the express intention of the parties that any application of the Default Rate before, upon and/or after acceleration of the indebtedness due under this Promissory Note by Holder as permitted in this Promissory Note is in addition to, and not in lieu of any Prepayment Premium provided for herein whether any Event of Default upon which acceleration is based is intentional or unintentional. In addition to voluntary prepayments, the above Prepayment Premium shall also be due upon involuntary and voluntary defaults upon acceleration of the indebtedness due hereby by Holder and is not in lieu of the right to accelerate and shall be in

Reference Loan No: 717-610-613

addition to the collection of interest at the Default Rate under the Promissory Note and in addition to the collection of Late Charges under the Promissory Note.

No unscheduled prepayment of amounts due under this Promissory Note, whether made pursuant to the provisions of this Rider, or otherwise, shall result in the adjustment or reduction of any scheduled payment of principal and interest as set forth in this Promissory Note.

[SIGNATURE AND NOTARY BLOCKSON SUBSEQUENT PAGES]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$119,000.00 calculated on the \$34,000,000.00 total of the face amount of this Promissory Note and those of
Note B and Note C have been
paid on the counterpart of the Instrument being recorded in the Public Records of
Osceola County, Florida on or about the date hereof

STATE OF NEW YORK

S.S.

COUNTY OF NEW YORK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Remy W. Trafelet, the manager of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by New York, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 22nd day of December, 2012.

/s/ Gino Palacios

Signature of Notary Public)

Gino D. Palacios

(Printed Name of Notary Public)

My commission expires: 07/11/14

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manger of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manger of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

PROMISSORY NOTE B

U.S. \$14,500,000.00 December 31st, 2012

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **Fourteen Million Five Hundred Thousand and NO/100 Dollars (\$14,500,000.00)**, with interest thereon, from the date hereof until the Maturity Date payable as provided herein at the rate of five and thirty-five hundredths (5.35%) percent per annum. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

The principal and interest of this Promissory Note B (" Promissory Note" and the loan evidenced thereby are referred to herein as "Loan B") are to be paid in installments as follows:

- (i) quarterly interest payments of accrued interest on the principal balance remaining outstanding, from time to time, shall be paid by Borrower to Holder

Reference Loan No: 717-610-637

beginning on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and

(ii) quarterly principal reduction payments shall be made by Borrower to Holder in the amount of One Hundred Forty Five Thousand and NO/100 Dollars (U.S. \$145,000.00) each, commencing on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and

(iii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of June, 2033 (the "Maturity Date").

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

For the purposes of calculating interest under this Promissory Note, a year of 360 days consisting of twelve (12) thirty (30) day months shall be employed regardless of the actual time elapsed.

All payments under this Promissory Note shall be made, without offset or deduction, (a) in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M.

Reference Loan No: 717 -610-637

local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter

Reference Loan No: 717-610-637

defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the third Business Day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. Interest at the Default Rate is in addition to and not in lieu of any Prepayment Premium due after acceleration of the indebtedness due hereunder by Holder after an Event of Default. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

As used herein, "Note Rate" is defined as the contract rate of interest stated above in the first paragraph of this Promissory Note. "Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus Five Percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

Reference Loan No: 717-610-637

Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. This Promissory Note and interest hereon are secured by a Mortgage and Security Agreement of even date herewith by Borrower to Holder (the "Instrument") executed in seven counterparts, one of each counterpart to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida, which Instrument encumbers property located in said counties and, unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. The payment of this Promissory Note is secured by, among other things, the aforementioned Instrument together with the Loan Commitment, any and all mortgages, deeds of trust, security agreements, financing statements assignments of leases and rents, loan agreements, guarantees, letters of credit and any other documents and instruments, now or hereafter executed by Borrower, or any other party, to evidence, secure or guarantee the payment of this Promissory Note and any and all renewals, extensions, amendments and replacements hereof. All of the foregoing instruments as well as this Promissory Note and the Other Notes, defined below, are collectively referred to herein as the "Loan Document(s)". Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder on even date herewith ("Note A" and the loan evidenced thereby is referred to as "Loan A") and Promissory Note C in the face amount of up to Five Million and No/100 Dollars (\$5,000,000.00) from Borrower to Holder on even date herewith ("Note C" and the loan evidenced thereby is referred to as "Loan C") are collectively herein referred to as the "Other Notes" and Loan A, Loan Band Loan C constitute an aggregate loan from Holder to Borrower on even date herewith in the total face amount of up to Thirty Four Million and NO/100 Dollars (\$34,000,000.00), which is hereafter referred to as the "Loan" and is evidenced by this Promissory Note, Note A and Note C. The terms of the Loan Document(s) are incorporated

Reference Loan No: 717-610-637

herein by this reference. A default in this Promissory Note, after expiration of all applicable grace and notice periods herein, is a default in the Other Notes and in the other Loan Documents and a default in the Other Notes and/or in the other Loan Documents, after expiration of all applicable grace and notice periods therein, is a default herein.

This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument and after the expiration of applicable grace and notice periods therein. In the event of such acceleration, all of the then remaining principal and interest, together with any Prepayment Premium due under the terms of this Promissory Note shall become at once due and payable without further notice, demand or presentment for payment. Borrower agrees that any Prepayment Premium due upon any such acceleration by Holder is in addition to the remedy of acceleration and is not in lieu thereof and is in addition to both the collection of interest at the Note Rate or Default Rate, as applicable, and collection of Late Charges hereunder.

The privilege granted to Borrower to make unscheduled principal reduction payments of the indebtedness evidenced by this Promissory Note and the terms under which this Promissory Note may be prepaid by Borrower and the applicable Prepayment Premium (as defined in the Prepayment Rider) that will be due upon any such unscheduled prepayment(s) of this indebtedness are set forth in the Prepayment Rider attached hereto and incorporated herein by this reference. Terms defined in this Promissory Note shall also be applicable to the use of such terms in the Prepayment Rider.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, said Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other

Reference Loan No: 717-610-637

instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credited against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the

Reference Loan No: 717-610-637

loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to correct such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida, as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

Reference Loan No: 717-610-637

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OFAC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/it become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OFAC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C.

Reference Loan No: 717-610-637

Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OF AC Violation, including the requirements of the Anti-Terrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if Borrower timely comply(ies) with all requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OF AC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

- (a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and
- (b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to Borrower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state circuit court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless

Reference Loan No: 717-610-637

of whether such counties are contiguous or in any United States District Court for the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be heard and determined in any of such state circuit court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

Reference Loan No: 717-610-637

IN WITNESS WHEREOF, this Promissory Note has been executed by as of the date
first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

PREPAYMENT RIDER

Subject to payment of the Prepayment Premium referred to below and all accrued interest and other sums due under this Promissory Note, Borrower shall have the right to prepay all or any part of the outstanding principal balance of this Promissory Note, on any date (the "Prepayment Date"), upon giving not less than thirty (30) days prior written notice to Holder of Borrower's intention to prepay. Any partial prepayment must be in a minimum amount of Two Hundred Fifty Thousand and No/100 (\$250,000.00). No partial prepayment shall result in any adjustment of the amount of the scheduled payments thereafter becoming due.

Except for any prepayments of principal made with the proceeds received in connection with any condemnation action if applicable law does not allow such proceeds to be subject to prepayment premiums (collectively the "Exempt Prepayments"), if all or any portion of the outstanding principal balance of this Promissory Note is prepaid for any reason whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note, the Instrument or any Loan Document, Borrower shall pay Holder a prepayment premium (the "Prepayment Premium") equal to the greater of (i) or (ii) below:

(i) one half of one percent (0.50%) of the principal amount of this Promissory

Note being prepaid; or,

(ii) an amount equal to the Present Value of Loan B (as hereinafter defined) less the amount of principal of this Promissory Note being prepaid including accrued interest, if any, calculated as of the Prepayment Date.

Reference Loan No: 717-610-637

Holder will notify Borrower of the amount and basis of the determination of the Prepayment Premium. On or before the Prepayment Date, Borrower shall pay to Holder the Prepayment Premium together with the amount of the principal being prepaid and all accrued interest and other sums due under this Promissory Note and under Loan B.

Holder shall not be obligated to accept any prepayment of the principal balance of this Promissory Note unless such prepayment is accompanied by any Prepayment Premium, all accrued interest and all other sums due under Loan B.

For the purposes of determining the Prepayment Premium, the following terms shall have the following meanings:

The "Treasury Rate" is the semi-annual yield on the Treasury Constant Maturity Series with maturity equal to the remaining weighted average life of Loan B, for the week prior to the Prepayment Date, as reported in Federal Reserve Statistical Release H.15 - Selected Interest Rates, conclusively determined by Holder on the Prepayment Date. The rate will be determined by linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, Holder shall select a comparable publication to determine the Treasury Rate.

The "Discount Rate" is the rate which, when compounded quarterly, is equivalent to the Treasury Rate, when compounded semi-annually.

The "Present Value of Loan B" shall be determined by discounting all scheduled payments of principal and interest (at the Note Rate even if interest is then accruing at the Default Rate) remaining through the Maturity Date attributed to the amount being prepaid under this Promissory Note, at the Discount Rate. If prepayment occurs on a date other than a regularly scheduled payment date, the actual number of days remaining

Reference Loan No: 717-610-637

from the Prepayment Date to the next regularly scheduled payment date will be used to discount within this period.

Borrower agrees that Holder shall not be obligated to reinvest the amount prepaid in any Treasury obligations as a condition precedent to receiving the Prepayment Premium.

A default by Borrower in any payment of any amount(s) due under this Promissory Note or a default or breach of any of Borrower's duties and obligations under the Instrument or any of the other Loan Documents as to which Holder accelerates all indebtedness due under this Promissory Note, shall conclusively be deemed an effort by the Borrower to effect a voluntary prepayment of the Promissory Note. The Prepayment Premium for such voluntary prepayment (excluding Exempt Prepayments) shall become effective, due and payable as of the day prior to the date of acceleration of this Promissory Note (the "Effective Date"). The related Prepayment Premium, whether paid from the proceeds of a foreclosure sale or otherwise, shall be calculated, due, and payable as of the Effective Date.

It is the express intention of the parties that any application of the Default Rate before, upon and/or after acceleration of the indebtedness due under this Promissory Note by Holder as permitted in this Promissory Note is in addition to, and not in lieu of any Prepayment Premium provided for herein whether any Event of Default upon which acceleration is based is intentional or unintentional. In addition to voluntary prepayments, the above Prepayment Premium shall also be due upon involuntary and voluntary defaults upon acceleration of the indebtedness due hereby by Holder and is not in lieu of the right to accelerate and shall be in addition to the collection of interest at the Default Rate under the Promissory Note and in addition to the collection of Late Charges under the Promissory Note.

No unscheduled prepayment of amounts due under this Promissory Note, whether made pursuant to the provisions of this Rider, or otherwise, shall result in the adjustment or reduction of any scheduled payment of principal and interest as set forth in this Promissory Note.

Reference Loan No: 717-610-637

[SIGNATURE AND NOTARY BLOCKS ON SUBSEQUENT PAGES]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$119,000.00 calculated on the \$34,000,000.00 total of the face amount of this Promissory Note and those of
Note A and Note C have been
paid on the counterpart of the Instrument being recorded in the Public Records of
Osceola County, Florida on or about the date hereof

STATE OF NEW YORK

S.S.

COUNTY OF NEW YORK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Remy W. Trafelet, the manager of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by New York, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 22nd day of December, 2012.

/s/ Gino Palacios

Signature of Notary Public)

Gino D. Palacios

(Printed Name of Notary Public)

My commission expires: 07/11/14

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manger of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Kimberly D. McGreal

Signature of Notary Public)

Kimberly D. McGreal

(Printed Name of Notary Public)

My commission expires: 12/29/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manger of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

PROMISSORY NOTE C

U.S. \$5,000,000.00

December 31, 2012

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **Five Million and No/100 Dollars (\$5,000,000.00)**, with interest thereon, from the date said sum is disbursed by Holder (the "Funding Date") pursuant to the provisions of the Loan Agreement between Borrower and Holder of even date herewith (the "Loan Agreement") until the Maturity Date payable as provided herein at the Note Rate, as hereinafter defined. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

Pursuant to the provisions of the Loan Agreement, Borrower shall not be entitled to the disbursement of any sums under this Promissory Note by Holder unless the Tropicana Supply Agreement Condition Precedent, as defined in the Loan Agreement occurs on or before the date that is ninety days (90) after the date of this Promissory Note and if the Tropicana Supply Agreement Condition Precedent should not so occur then at the end of the ninetieth day after the

date of this Promissory Note, this Promissory Note shall be deemed cancelled with Holder to no longer have any obligation to disburse or fund this Promissory Note and with Borrower to have no payment or other obligations with respect thereto. If the Tropicana Supply Agreement Condition Precedent is satisfied, then Borrower shall have thirty (30) days in which to notify Lender that Borrower elects to accept disbursement of the full face amount of this Promissory Note and shall do so within thirty (30) days after giving notice of said election or this Promissory Note shall be deemed cancelled with Holder to no longer have any obligation to disburse or fund this Promissory Note and with Borrower to have no payment or other obligations with respect thereto.

The "Note Rate" is the contract rate of interest payable under this Promissory Note which shall be determined on the Funding Date (the "Initial Interest Rate Determination Date") and shall be adjusted quarterly on the first (1st) day of each June, September, December and March occurring after the Funding Date (each a "Interest Rate Change Date") by adding a margin of two hundred seventy-five basis points (2.75%) (said percentage, as changed in the manner provided herein, is referred to as the "Margin") to the Index, as defined herein. The Margin shall change as provided herein every three (3) years commencing June 1, 2016 and on each third (3rd) year anniversary date thereof (each a "Margin Change Date"), at which time Holder may change the Margin at its discretion. If the Borrower chooses not to accept the proposed change in Margin to take effect on any Margin Change Date then this Promissory Note shall mature and become due and payable by Borrower, in full, on the Margin Change Date when the proposed Margin would otherwise have taken effect. The index (the "Index") is the Three Month London Interbank Offered Rate ("**Three Month Libor**") as the Three Month London Interbank Offered Rate is reported on the tenth day of the month preceding each Initial Interest Rate Determination Date and Interest Rate Change Date by the Wall Street Journal in its daily listing of money rates and rounding the resulting rate to the next higher one-hundredth (e.g., a 2.903 Three Month Libor Rate plus the Margin of 275 basis points $[2.903 + 2.75 = 5.653]$ to be rounded up to an effective adjusted Note Rate of 5.66%). If a Three Month Libor Rate is not

reported on the tenth day of the month preceding the Initial Interest Rate Determination Date or quarterly Interest Rate Change Date, the Three Month Libor Rate reported on the first Business Day preceding the tenth day of the month will be used. If this Index is no longer available, Holder will seek a new Index, which is based upon comparable information.

Borrower may apply to Holder to convert the interest rate on this Promissory Note to any fixed interest rate offered by Holder. The interest rate conversion, the interest rate and the terms and conditions for the conversion shall be determined by Holder in its sole and absolute business discretion, as accepted by Borrower. The interest rate conversion is subject to a service fee which will be determined by Holder at the time of the conversion. Borrower is responsible for payment of all legal and title costs incurred relative to the conversion.

The principal and interest of this Promissory Note C ("Promissory Note" and the loan evidenced hereby are referred to herein as "Loan C") are to be paid in installments as follows:

- (i) quarterly interest payments of accrued interest on the principal balance remaining outstanding, from time to time, shall be paid by Borrower to Holder beginning on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and
 - (ii) constant quarterly principal reduction payments shall be made by Borrower to Holder in the amount of Fifty Thousand and No/100 Dollars (U.S. \$50,000.00) each, commencing on the first (1st) day of June, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter; and
 - (iii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of June, 2023 (the "Maturity Date").
-

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

For the purposes of calculating interest under this Promissory Note, a year of 360 days consisting of twelve (12) thirty (30) day months shall be employed regardless of the actual time elapsed.

All payments under this Promissory Note shall be made, without offset or deduction,
(a) in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded

to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the second business day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. Interest at the Default Rate is in addition to and not in lieu of any Prepayment Premium due after acceleration of the indebtedness due hereunder by Holder after an Event of Default. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such

judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

"Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus Five Percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. This Promissory Note and interest hereon are secured by a Mortgage and Security Agreement of even date herewith by Borrower to Holder (the "Instrument") executed in seven counterparts, one of each counterpart to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida, which Instrument encumbers property located in said counties and, unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. The payment of this Promissory Note is secured by, among other things, the aforementioned Instrument together with the Loan Commitment, any and all mortgages, deeds of trust, security agreements, financing statements assignments of leases and rents, loan agreements, guarantees,

letters of credit and any other documents and instruments, now or hereafter executed by Borrower, or any other party, to evidence, secure or guarantee the payment of this Promissory Note and any and all renewals, extensions, amendments and replacements hereof All of the foregoing instruments as well as this Promissory Note and the Other Notes, defined below, are collectively referred to herein as the "Loan Document(s)". Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder on even date herewith ("Note A" and the loan evidenced thereby is referred to as "Loan A") and Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder on even date herewith ("Note B" and the loan evidenced thereby is referred to as "Loan B" are collectively herein referred to as the "Other Notes" and Loan A, Loan B and Loan C constitute an aggregate loan from Holder to Borrower on even date herewith in the total face amount of up to Thirty Four Million and No/100 Dollars (\$34,000,000.00), which is hereafter referred to as the "Loan" and is evidenced by this Promissory Note, Note A and Note B. The terms of the Loan Document(s) are incorporated herein by this reference. A default in this Promissory Note, after expiration of all applicable grace and notice periods herein, is a default in the Other Notes and in the other Loan Documents and a default in the Other Notes and/or in the other Loan Documents, after expiration of all applicable grace and notice periods therein, is a default herein.

This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument, and after the expiration of applicable grace and notice periods therein. In the event of such acceleration, all of the then remaining principal and interest, together with any Prepayment Premium due under the terms of this Promissory Note shall become at once due and payable without further notice, demand or presentment for payment. Borrower agrees that any Prepayment Premium due upon any such acceleration by Holder is in addition to the remedy of acceleration and is not in lieu thereof and is in addition to both the collection of interest at the Default Rate and collection of Late Charges hereunder.

The privilege granted to Borrower to make unscheduled principal reduction payments of the indebtedness evidenced by this Promissory Note and the terms under which this Promissory Note may be prepaid by Borrower and the applicable Prepayment Premium (as defined in the Prepayment Rider) that will be due upon any such unscheduled prepayment(s) of this indebtedness are set forth in the Prepayment Rider attached hereto and incorporated herein by this reference. Terms defined in this Promissory Note shall also be applicable to the use of such terms in the Prepayment Rider.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, the said Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result

thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credited against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to collect such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida, as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable

hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OFAC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/it become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OFAC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31. C.F.R Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including the requirements of the AntiTerrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if Borrower timely comply(ies) with all requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OFAC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

- (a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and
- (b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to Borrower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state circuit court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless of whether such counties are contiguous or in any United States District Court for the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be heard and determined in any of such state circuit court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

IN WITNESS WHEREOF, this Promissory Note has been executed by as of the date first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

PREPAYMENT RIDER

Subject to payment of the Prepayment Premium referred to below and all accrued interest and other sums due under this Promissory Note, Borrower shall have the right to prepay all or any part of the outstanding principal balance of this Promissory Note, on any date (the "Prepayment Date"), upon giving not less than thirty (30) days prior written notice to Holder of Borrower's intention to prepay. Any partial prepayment must be in a minimum amount of Two Hundred Fifty Thousand and No/100 (\$250,000.00). There shall be no Prepayment Premium as to such prepayments made after the Prepayment Period, as defined below. No partial prepayment shall result in any adjustment of the amount of the scheduled payments thereafter becoming due.

Except for any prepayments of principal made with the proceeds received in connection with any condemnation action if applicable law does not allow such proceeds to be subject to prepayment premiums (collectively the "Exempt Prepayments"), if all or any portion of the outstanding principal balance of this Promissory Note is prepaid for any reason whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note, the Instrument or any Loan Document, during the period (the "Prepayment Period") which is three (3) calendar years after the Funding Date, Borrower shall pay Holder a prepayment premium (the "Prepayment Premium") equal to the greater of (i) or (ii) below:

- (i) one half of one percent (0.50%) of the principal amount of this Promissory Note being prepaid; or,
 - (ii) an amount equal to the Present Value of Loan C (as hereinafter defined) less the amount of principal of this Promissory Note being prepaid including accrued interest, if any, calculated as of the Prepayment Date.
-

Holder will notify Borrower of the amount and basis of the determination of the Prepayment Premium. On or before the Prepayment Date, Borrower shall pay to Holder the Prepayment Premium together with the amount of the principal being prepaid and all accrued interest and other sums due under this Promissory Note and under Loan C.

Holder shall not be obligated to accept any prepayment of the principal balance of this Promissory Note unless such prepayment is accompanied by any Prepayment Premium, all accrued interest and all other sums due under Loan C.

For the purposes of determining the Prepayment Premium, the following terms shall have the following meanings:

The "Treasury Rate" is the semi-annual yield on the Treasury Constant Maturity Series with maturity equal to the remaining weighted average life of Loan C, for the week prior to the Prepayment Date, as reported in Federal Reserve Statistical Release

H.15 - Selected Interest Rates, conclusively determined by Holder on the Prepayment Date. The rate will be determined by linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, Holder shall select a comparable publication to determine the Treasury Rate.

The "Discount Rate" is the rate which, when compounded quarterly, is equivalent to the Treasury Rate, when compounded semi-annually.

The "Present Value of Loan C" shall be determined by discounting all scheduled payments of principal and interest (at the Note Rate even if interest is then accruing at the Default Rate) remaining through the Maturity Date attributed to the amount being prepaid under this Promissory Note, at the Discount Rate. If prepayment occurs on a date other than a regularly scheduled payment date, the actual number of days remaining

from the Prepayment Date to the next regularly scheduled payment date will be used to discount within this period.

Borrower agrees that Holder shall not be obligated to reinvest the amount prepaid in any Treasury obligations as a condition precedent to receiving the Prepayment Premium.

A default by Borrower in any payment of any amount(s) due under this Promissory Note or a default or breach of any of Borrower's duties and obligations under the Instrument or any of the other Loan Documents as to which Holder accelerates all indebtedness due under this Promissory Note during the Prepayment Period, shall conclusively be deemed an effort by the Borrower to effect a voluntary prepayment of the Promissory Note. The Prepayment Premium for such voluntary prepayment (excluding Exempt Prepayments), shall become effective, due and payable as of the day prior to the date of acceleration of this Promissory Note (the "Effective Date"). The related Prepayment Premium, whether paid from the proceeds of a foreclosure sale or otherwise, shall be calculated, due, and payable as of the Effective Date.

It is the express intention of the parties that any application of the Default Rate before, upon and/or after acceleration of the indebtedness due under this Promissory Note by Holder as permitted in this Promissory Note is in addition to, and not in lieu of any Prepayment Premium provided for herein (excluding Exempt Prepayments) whether any Event of Default upon which acceleration is based is intentional or unintentional. In addition to voluntary prepayments during the Prepayment Period, the above Prepayment Premium shall also be due upon involuntary and voluntary defaults upon acceleration of the indebtedness due hereby by Holder during the Prepayment Period and is not in lieu of the right to accelerate and shall be in addition to the collection of interest at the Default Rate under the Promissory Note and in addition to the collection of Late Charges under the Promissory Note.

No unscheduled prepayment of amounts due under this Promissory Note, whether made

pursuant to the provisions of this Rider, or otherwise, shall result in the adjustment or reduction of any scheduled payment of principal and interest as set forth in this Promissory Note.

[SIGNATURE AND NOTARY BLOCKS ON SUBSEQUENT PAGES]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Remy W. Trafelet
(Signed Name)

As: Remy W. Trafelet, Manager

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$119,000.00 calculated on the \$34,000,000.00 total of the face
amount of this Promissory Note and those of Note A and Note B have been
paid on the counterpart of the Instrument being recorded in the Public Records of
Osceola County, Florida on or about the date hereof

STATE OF NEW YORK

S.S.

COUNTY OF NEW YORK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Remy W. Trafelet, the manager of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by New York, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 22nd day of December, 2012.

/s/ Gino Palacios

Signature of Notary Public)

Gino D. Palacios

(Printed Name of Notary Public)

My commission expires: 07/11/14

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manger of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF HILLSBOROUGH

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manger of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person () personally known to me or (x) produced a driver's license issued by Florida, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of December, 2012.

/s/ Shannon Kalmbach

Signature of Notary Public)

Shannon Kalmbach

(Printed Name of Notary Public)

My commission expires: 12/05/16

[NOTARY SEAL]

Loan Numbers:

717610613
717610637
717610638
717610647

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (the "First Amendment") is made and entered into as of the 26th day of March, 2013 (the "First Amendment Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said five limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 181 Highway 630 East, Frostproof, Florida 33843 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower executed in favor of Lender that certain Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note A", and the loan evidenced thereby is known as Loan 717610613 and is referred to as "Loan A"), that certain Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note B", and the loan evidenced thereby is known as Loan 717610637 and is referred to as "Loan B") and that certain Promissory Note C in the face amount of up to Five Million and No/100 Dollars (\$5,000,000.00) dated December 31, 2012 ("Note C", and the loan evidenced thereby is known as Loan 717610638 and is referred to as "Loan C", and Note A, Note B and Note C are collectively herein referred to as "Notes A, B and C" with Loan A, Loan B and Loan C constituting an aggregate loan from Lender to Borrower on December 31, 2012 in the total face amount of up to Thirty Four Million and No/100 Dollars (\$34,000,000.00) herein referred to as "Loans A B and C").

WHEREAS, in connection with the execution and delivery of Notes A, B and C, Borrower and Lender executed that certain Loan Agreement dated December 31, 2012 (the "Original Loan Agreement");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Mortgage and Security Agreement dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2431, in the Public Records of

Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000089, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1833, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1500, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1255, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 689, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0130, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A, B and C (the "Original Security Instrument");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Assignment of Leases and Rents dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2510, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000090, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1912, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1579, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1334, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 768, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0209, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A, B and C (the "Original Assignment of Leases and Rents");

WHEREAS, in connection with the execution and delivery of Notes A, B and C, the Original Security Instrument, the Original Assignment of Leases and Rents, and the Original Loan Agreement, Borrower executed in favor of Lender and/or Borrower and Lender entered into certain other loan documents (said loan documents are collectively referred to as the "Loans A, B and C Loan Documents");

WHEREAS, on even date herewith, Borrower has executed in favor of Lender a Future Advance Promissory Note D in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) evidencing a loan known as Loan 717610647 (referred to herein as "Note D", and the loan evidenced thereby being referred to as "Loan D"), which is a revolving loan future advance under Section 1.03 of the Original Security Instrument; Borrower and Lender have executed a Modification of Mortgage and Security Agreement and Modification of Other Loan Documents between Borrower and Lender (the "2013 Modification"), in seven counterparts, one of which is to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk counties, Florida; and Borrower has executed in favor of Lender and/or Borrower and Lender have entered into certain other loan documents pertaining thereto (Note D, the 2013 Modification, this First Amendment and such other loan documents related to the foregoing are herein collectively referred to as the "Loan D Loan Documents"); and

WHEREAS, the parties desire to modify and amend the Original Loan Agreement to reflect the changes the parties have agreed upon as a result of the addition of Loan D as provided herein.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this First Amendment, the Borrower and the Lender agree that the Original Loan Agreement is hereby modified and amended as follows:

1. Modification of Definitions. Article I of the Original Loan Agreement is hereby amended as of, from and after the First Amendment Effective Date, by adding the defined terms in this First Amendment as defined terms therein and by amending and restating any of the following defined terms to the extent such terms are already defined in the Original Loan Agreement as follows:

(a) "Agreement" shall mean this Loan Agreement as modified by the First Amendment and all other subsequent permitted amendments, supplements, and modifications thereof, including all exhibits and schedules.

(b) "Default Rate" shall mean the interest rate specified in the Note A as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note B as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note C as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note D as the Default Rate as to monetary sums due thereunder and as to other sums due under the other Loan Documents, the higher of the Default Rate under Note A, Note B, Note C and Note D.

(c) "First Amendment" shall mean that certain First Amendment to Loan Agreement between Borrower and Lender dated as of the First Amendment Effective Date.

(d) "First Amendment Effective Date" shall mean March ____, 2013.

(e) "Loan" shall mean Loan A, Loan B and Loan C, all as defined in the Recitals, and Loan D, as defined in the recitals to the First Amendment, collectively.

(f) "Loan Application" shall mean Borrower's Loan Application to Lender as to Loan 717610613, Loan 717610637 and Loan 717610638 dated December 7, 2012 as to Loans A, B and C, and Borrower's Loan Application to Lender for Loan 717610647 dated January 25, 2013 as to Loan D.

(g) "Loan Commitment" shall mean, as to Loan A, Loan B and Loan C, the Lender's commitment to make the Loan to the Borrower pursuant to the Loan Application as to Loan A, Loan B and Loan C and the Borrower's acceptance thereof on terms and conditions set forth in the letter from the Lender to the Borrower as to such commitment and acceptance and as to Loan D, the Lender's commitment to make the Loan to the Borrower pursuant to the Loan Application as to Loan D and the Borrower's acceptance thereof on terms and conditions set forth in the letter from the Lender to the Borrower as to such commitment and acceptance.

(h) "Note" shall mean Note A, Note B and Note C, all as defined in the Recitals, and Note D, as defined in the recitals to the First Amendment, collectively, in each case as amended, restated and renewed from time to time.

(i) "Security Instrument" shall mean the Security Instrument, as defined in the Recitals, as modified by the First Amendment, and all other subsequent permitted amendments, supplements, and modifications thereof.

2. Modification of Section 2.1. Section 2.1 of the Original Loan Agreement is hereby modified as of, from and after the First Amendment Effective Date to read as follows: "Section 2.1 Loan. The Loan consists of Loan A, Loan B and Loan C, as defined in the recitals to this Agreement, and Loan D, as defined in the recitals to the First Amendment, respectively consisting of Loan A, Loan B, Loan C and Loan D, and is being made under the provisions of Note A, Note B, Note C, Note D, this Agreement and the other Loan Documents."

3. Modification of Section 2.3. Section 2.3 of the Original Loan Agreement is modified as of, from and after the First Amendment Effective Date to read as follows: "Section 2.3 Loan Proceeds Use. The proceeds of Loans A, B and C are being used to acquire the assets described in the Letter of Intent described in Section 2.2 above and the proceeds of Loan D are being used as a working capital line of credit which is revolving. The outstanding principal balance of such revolving Loan D may, from time to time, increase and decrease and may be repaid and re borrowed as provided in Note D, but shall never, at any one time, exceed the sum of Six Million and No/100 Dollars (\$6,000,000.00). Note D contains an annual Unused Fee calculated and payable by Borrower to Lender as provided therein. Borrower's right to re-borrow under Note D expires upon the earlier of an Event of Default under any of the Loan Documents and the Maturity Date, unless there is a renewal of Note D, with Lender having no obligation to renew the same."

4. Modification of Section 3.10. Section 2.3 of the Original Loan Agreement is modified as of, from and after the First Amendment Effective Date to read as follows: "Section 3.10 Executive Offices and Location of Records. The Borrower's Principal Place of Business is located at 181 Highway 630 East, Frostproof, Florida 33843 and all of its books and records are and shall be maintained there."

5. Modification of Section 4.2 (4). Section 4.2 (4) of the Original Loan Agreement is modified as of, from and after the First Amendment Effective Date to read as follows: "(4) Within thirty (30) days after the end of each quarter of each Fiscal Year, Borrower prepared financial statements of Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations). Further, with reasonable promptness, such other data and information as from time to time may be reasonably requested by Lender."

6. Modification of Sections 4.7 and 6.5. Sections 4.7 and 6.5 of the Original Loan Agreement are modified as of, from and after the First Amendment Effective Date to add the following to the end thereof: "Notwithstanding the foregoing or any provision in this Agreement, there shall be no LOC permitted while Note D and Loan D are not paid in full without any obligation of Lender to make further advances thereunder."

7. Modification of Section 8.1. Section 8.1 of the Original Loan Agreement is modified as of, from and after the First Amendment Effective Date to delete "and Note C" and replace said words with "Note C, and Note D".
 8. Modification of Section 9.3. Section 9.3 of the Original Loan Agreement is modified to delete "Reference Loan Numbers: 717610613, 717610637 and 717610638" from the Lender notice and the two related "With copy to" blocks and replace it with "Reference Loan Numbers: 717610613, 717610637, 717610638 and 717610647".
 9. Article III Representations and Warranties. Borrower hereby remakes the representations of Borrower in the Original Loan Agreement as of the First Amendment Effective Date.
 10. No Novation. This is not a novation or new obligation to pay money and the Loans A, B and C Loan Documents, and all their terms, covenants, conditions, agreements and stipulations shall remain in full force and effect, except as herein modified and supplemented.
 11. No Impairment. Nothing herein contained invalidates or impairs or shall invalidate any or impair security now held by Lender for said debt, nor impair nor release any covenants, conditions, agreements, or stipulations in said Loans A, B and C Loan Documents, and the same, except as herein modified shall continue in full force and effect and Borrower, and each of them, jointly and severally further covenant and agree to perform, comply with and abide by each and every of the covenants, agreements, conditions and stipulations of the said Loans A, B and C Loan Documents as modified herein.
 12. Release of Defenses, Counterclaims and Offsets. Borrower and each of them hereby agree and confirm that, as of the date hereof, neither (i) Loans A, B and C and Loan D, (ii) the Loans A, B and C Loan Documents and the Loan D Loan Documents, (iii) the servicing of Loans A, B and C and Loan D nor (iv) this transaction, is subject to any defenses, set-offs or counterclaims whatsoever, and, any existing, are hereby waived.
 13. Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of Florida (without reference to conflicts or choice of law principles).
 14. Successors and Assigns Joint and Several Liability. The provisions of this First Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, and legal representatives.
 15. Attorney's Fees. The prevailing party in any litigation brought to enforce the provisions of this First Amendment shall be entitled to recover from the other party its reasonable costs and expenses, including attorneys' fees, whether at trial or on appeal, in mediation, bankruptcy, insolvency proceedings or other proceedings.
 16. Counterparts. This First Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this First Amendment by signing any such counterpart.
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17. JURY TRIAL WAIVER. BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN EVIDENCED BY NOTE D, THE ORIGINAL LOAN AGREEMENT, THIS FIRST AMENDMENT, THE OTHER LOAN DOCUMENTS, OR ANY ACTS OR OMISSIONS OF LENDER IN CONNECTION THEREWITH.

IN WITNESS WHEREOF, each of the parties hereto has caused this First Amendment to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the First Amendment Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Florida
limited liability company

By: /s/ Robert E. Lassites III
(Signed Name)

Its: Robert E. Lassites III, Vice President

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Robert E. Lassites III, the Vice President of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 22nd day of March, 2013.

/s/ Diane M. Barnett

Signature of Notary Public)

Diane M. Barnett

(Printed Name of Notary Public)

My commission expires: 03/08/16

FUTURE ADVANCE PROMISSORY NOTED (Adjustable Rate)

U.S. \$6,000,000.00 March 26, 2013

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **SIX MILLION AND NO/100 DOLLARS (\$6,000,000.00)**, or whatever lesser sum may be outstanding, including any advances which may hereafter be made hereunder from time to time prior to maturity, together with interest thereon, from date of disbursement until the Maturity Date, at the initial interest rate of three and three hundredths (3.03%) percent per annum, which initial interest rate is subject to adjustment as provided below (as used herein, the term "Note Rate" means said contract rate of interest as so adjusted from time to time in the manner provided herein). This Future Advance Promissory Note D ("Promissory Note"), is a future advance under Section 1.03 of the Original Instrument, as hereinafter defined, and is a revolving line of credit loan (the "Loan D"). The outstanding principal balance of such revolving loan may, from time to time, increase and decrease and may be repaid and re-borrowed as provided in this Promissory Note, but shall never, at any one time, exceed the sum of Six Million and No/100 Dollars (\$6,000,000.00). Borrower's right to re-borrow expires the earlier of an Event of Default under any of the Loan Documents and the Maturity Date, unless there is a renewal of this Promissory Note, with Holder having no obligation to renew the same. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

The principal and interest of this Promissory Note are to be paid as follows:

(i) semi-annual payments of accrued interest only on the principal balance remaining outstanding, from time to time, beginning on the first (1st) day of June, 2013 and continuing on the first (1st) day of each December and June thereafter [subject to interest rate adjustments resulting from change(s) in the interest rate for this Promissory Note, as described below]; and

(ii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of July, 2018 (the "Maturity Date").

The Note Rate shall be adjusted quarterly commencing June 1, 2013 and continuing on the first (1st) day of each September, December, March and June thereafter (each, a "Interest Rate Change Date"), by adding a margin of two hundred seventy-five basis points (2.75%) (said percentage, as changed in the manner provided herein, is referred to as the "Margin") to the Index, as defined herein. The index (the "**Index**") is the Three Month London Interbank Offered Rate ("**Three Month Libor Rate**") as the Three Month London Interbank Offered Rate is reported on the tenth (10th) day of the month preceding each Interest Rate Change Date by The Wall Street Journal in its daily listing of money rates and rounding the resulting rate to the next higher one-hundredth (e.g., a 3.05 Three Month Libor Rate plus the Margin of 275 basis points $[3.05 + 2.75 = 3.013]$ to be rounded up to an effective adjusted Note Rate of 3.02%). If a Three Month Libor Rate is not reported on the tenth (10th) day of the month preceding the Initial Interest Rate Determination Date or quarterly Interest Rate Change Date, the Three Month Libor Rate reported on the first (1st) Business Day preceding the tenth (10th) day of the month will be used. If this Index is no longer available, Holder will seek a new Index, which is based upon comparable information.

For the term of this Promissory Note, there will be an Unused Fee payable on each annual anniversary of the date of this Promissory Note within twenty (20) days of the invoicing thereof by the Holder to Borrower. The Unused Fee shall be calculated by Holder on each such annual anniversary date of this Promissory Note by multiplying ten hundredths percent (0.10%)

by the difference between (i) \$6,000,000.00 and (ii) the average daily unpaid principal balance of the Loan (calculated by adding the unpaid daily principal balance of the Loan for each day during the preceding annual period and dividing the sum thereof by the number of days in said preceding annual period). By way of example assuming that on an annual anniversary date of this Promissory Note, there are 365 days in the prior annual period and on 182 of those days the unpaid principal balance of the Loan is \$4,000,000.00 and on 183 of those days the unpaid principal balance of the Loan is \$3,500,000.00. The average daily unpaid principal balance of the Loan for said prior annual period would be \$3,749,315.07 (182 days times \$4,000,000.00 plus 183 days times \$3,500,000.00 divided by 365 days) and the difference between \$6,000,000.00 and the said \$3,749,315.07 average daily unpaid principal balance would be \$2,250,684.93 with the Unused Fee for said period being \$2,250.68 (\$2,250,684.93 times 0.10%).

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

Interest under this Promissory Note shall be computed on the basis of a 360-day year for the actual number of days in the applicable period.

Post closing advances and paydowns under this Promissory Note shall be in accordance with the following requirements: (i) all advances and paydowns shall be completed via wire transfer with Borrower to provide Holder written wire transfer instructions before any such advance and with Holder to provide Borrower written wire transfer instructions before any such paydown; (ii) there shall be no more than two (2) advances in any calendar month commencing from the date of this instrument except that Borrower may request up to four (4) additional advances per each calendar year commencing with the date of this Promissory Note; (iii) the minimum advance and principal paydown amount shall be \$250,000.00; (iv) advances

after the date of Promissory Note shall be for operating needs of the Borrower; (v) advances after the date of this Promissory Note shall require a written request by Borrower to Holder to be received by Holder at least two (2) Business Days before the date of the requested advance; (vi) there shall be an unlimited number of principal paydowns provided Borrower furnishes Holder written notice thereof received by Holder at least two (2) Business Days before the date of the subject principal paydown and (vii) there be no default under the Loan Documents at the time of each advance which has not been cured by Borrower; and upon the occurrence of an Event of Default, Holder may terminate Borrower's right to future advances under this Promissory Note by written notice to Borrower.

All payments under this Promissory Note shall be made, without offset or deduction, (a) in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the third (3rd) Business Day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

As used herein, the term "Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus five percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all

renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. That certain Mortgage and Security Agreement dated December 31, 2012 by Borrower to Holder (the "Original Instrument") executed in seven counterparts, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2431, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000089, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1833, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1500, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1255, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 689, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0130, in the Public Records of Polk County, Florida, encumbering property located in said counties secures Notes A, Band C, as defined below, and on even date herewith, is being modified to also secure this Promissory Note on a pari passu basis with Notes A, B and C as to Collateral under the Original Mortgage, as so modified, such modification being by a Modification of Mortgage and Security Agreement and Modification of Other Loan Documents between Borrower and Holder (the "2013 Modification"), executed in multiple counterparts, one of which is to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk Counties, Florida (said Original Instrument as modified by said 2013 Modification, is herein referred to as the "Instrument"). Unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument, and after the expiration of applicable grace and notice periods

therein. In the event of such acceleration, all of the then remaining principal and interest, shall become at once due and payable without further notice, demand or presentment for payment.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, the said Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credited against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that

permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to correct such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida, as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OFAC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/it become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OFAC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including the requirements of the Anti-Terrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if Borrower timely comply(ies) with all

requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OFAC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

(a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and

(b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to Borrower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless of whether such counties are contiguous or in any United States District Court for the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be heard and determined in any of such state court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

IN WITNESS WHEREOF, this Promissory Note has been executed as of the date first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$119,000 calculated on
the \$34,000,000.00 total of the Other Loans were paid on the counterpart of the Original Instrument recorded January 3, 2012,
in Official Records Book 4375, Page 689, Public Records of Osceola County Florida and Florida documentary stamp tax
in the amount of \$21,000.00 calculated
on the \$6,000,000.00 face amount of this Promissory
Note is being paid on the counterpart of the
2013 Modification, being recorded in the Public Records of Osceola County, Florida around the date of this Promissory Note.

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manger of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manger of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manger of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 21st day of March, 2013.

/s/ Katherine Lake

Signature of Notary Public)

Katherine Lake

(Printed Name of Notary Public)

My commission expires: 11/30/13

[NOTARY SEAL]

Loan Numbers:

717610897

717610898

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made and entered into as of the 4th day of September, 2014 (the "Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 181 Highway 630 East, Frostproof, Florida 33843 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower, on even date herewith, has executed (a) Promissory Note E to Lender in the amount of Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) in lawful money of the United States of America ("Note E" and the loan evidenced thereby known as Loan 717610897 being referred to as "Loan E") and (b) Promissory Note F to Lender in the amount of Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) in lawful money of the United States of America ("Note F" and the loan evidenced thereby known as Loan 717610898 being referred to as "Loan F" and Note E and Note F are collectively referred to as the "Note" and Loan E and Loan F are collectively referred to as the "Loan");

WHEREAS, on even date herewith, the Borrower has executed that certain Mortgage and Security Agreement (the "Security Instrument") encumbering the Premises, as defined herein, and other collateral described therein, in favor of Lender, to secure the Note to be recorded on or about the date hereof in the Public Records of Charlotte County, Florida;

WHEREAS, on even date herewith, the Borrower has executed that certain Assignment of Leases and Rents (the "Assignment of Leases and Rents") in seven counterparts assigning to Lender certain leases and rents described therein to secure the Note and which Assignment of Leases and Rents is to be recorded on or about the date hereof in the in the Public Records of Charlotte County, Florida; and

WHEREAS, the parties desire to set forth certain agreements as to the Loan.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this Loan Agreement, the Borrower and the Lender agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. For the purpose of this Agreement, the following terms shall have the respective meanings specified in this Section 1.1 which apply to both the singular and plural forms of such terms:

"Account" shall mean account as defined in the UCC.

"Affiliate" shall mean any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with any Person. A Person shall be deemed to control a corporation if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, whether through the ownership of voting securities, by contract or otherwise,

"Agreement" shall mean this agreement as originally executed by the parties hereto and all permitted amendments, supplements and modifications hereof, including all exhibits and schedules.

"Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Lender for payments under the Note is located.

"Collateral" shall mean the Premises and all other property encumbered by the Security Instrument and other Loan Documents and the products and proceeds thereof.

"Costs" shall mean all costs, expenses, losses and damages sustained or incurred by the Lender because of or as a result of any default or any one or more Events of Default of the Borrower under this Agreement, the Loan Documents or any of them, or in realizing upon, protecting, perfecting, defending or enforcing, or any combination thereof, the rights and remedies of the Lender under this Agreement, the Loan Documents, or any of them, including, without limitation, all attorney's fees and costs, including paralegal fees in all legal proceedings, including administrative, trial, appellate, probate, bankruptcy or any other legal or administrative proceeding, regardless of whether suit is brought, all environmental consultants and engineers fees and costs and all appraisers fees and costs.

"Crops" shall mean all growing crops and future crops now growing or hereafter grown on the Premises or any part thereof whether Fructus Naturales or Fructus Industriales ("Emblements") including, but not by way of limitation, all citrus crops, row crops and vegetables, whether mature or immature and whether now owned or now planted and now

growing on the Premises or any part thereof or hereafter acquired or planted and grown on the Premises or any part thereof and all by-products thereof

"Debt" shall mean debt as determined and calculated under GAAP.

"Default Rate" shall mean the interest rate specified in the Note E as the Default Rate as to monetary sums due thereunder, the interest rate specified in Note F as the Default Rate as to monetary sums due thereunder and as to other sums due under the other Loan Documents, the higher of the Default Rate under Note E and Note F.

"Due Date" shall mean the date any payment of principal or interest is due and payable on the Note.

"Effective Date" the date of this Agreement first set forth above. "Equipment" shall mean equipment as defined in the Security Instrument.

"Event of Default" shall mean an event of default specified in this Agreement or any other Loan Document.

"Farm Products" shall mean farm products as defined in the UCC whether now owned or hereafter acquired including but not by way of limitation, Crops.

"Financing Statements" shall mean any financing statement or statements recorded and/or filed for the purpose of perfecting the Security Interest in the Collateral or any portion thereof, under the UCC or any other state law.

"Fiscal Year" shall mean the fiscal year of the Borrower ending on June 30 in each calendar year. Subsequent changes of the Fiscal Year shall not change the term, "Fiscal Year" as used herein, unless the Lender shall consent in writing to such changes.

"Fixtures" shall mean Goods determined to be fixtures under the laws of Florida as to Goods located on Real Property located in Florida.

"GAAP" shall mean generally accepted accounting principles consistently applied to the particular item.

"Goods" shall mean goods under the UCC other than Equipment not within the definition of Equipment in the Security Instrument.

"Intercreditor Agreement" shall mean any Intercreditor Agreement or Intercreditor Agreements between Lender and the LOC Lender now or hereafter entered into.

"Interest Rate" shall mean the interest rate specified in the Note applicable when referring to said term.

"Inventory" means inventory as defined in the UCC.

"Loan" shall have the meaning ascribed thereto in the Recitals herein.

"Loan Application" shall mean Borrower's Loan Application to Lender for Loan 717610897 and Loan 717610898.

"Loan Commitment" shall mean the Lender's commitment to make the Loan to the Borrower pursuant to the Loan Application and the Borrower's acceptance thereof on terms and conditions set forth in the letter from the Lender to the Borrower as to such commitment and acceptance.

"Loan Documents" shall have the meaning ascribed thereto in **Section 2.3** herein.

"LOC" shall mean a short term loan or loans to Borrower from any LOC Lender for working capital purposes.

"LOC Lender" the lender or lenders which provide the LOC. "Note" shall mean the Note described in the Recitals herein.

"Obligations" with respect to Borrower, shall mean, individually and collectively, all payment and performance duties, obligations and liabilities of the Borrower to the Lender, however and whenever incurred, acquired or evidenced, whether primary or secondary, direct or indirect, absolute or contingent, sole or joint and several, due or to become due, including, without limitation, all Costs and all such duties, obligations and liabilities of the Borrower to the Lender, under and pursuant to the Loan Documents and all renewals, replacements, modifications, extensions, increases and amendments of any thereof.

"Permitted Liens" shall mean: (i) liens imposed by law for taxes, assessments or charges or levies of any governmental authority not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (ii) statutory liens of suppliers carriers, warehousemen, mechanics, materialmen and similar Liens arising by operation of law in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (iii) pledges, liens and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations; (iv) deposits or liens to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business; (v) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the

affected property or materially interfere with the ordinary conduct of business of the Borrower; (vi) extensions, renewals or replacements of any lien referred to in paragraphs (i) through (v) above, provided that the principal amount of the obligation secured thereby is not increased and that any such extension, renewal or replacement is limited to the property originally encumbered thereby; (vii) statutory liens on deposit accounts maintained with, or other property in the custody of, a depository bank pursuant to its general business terms and in the ordinary course of business, provided that such Liens do not secure any Debt; (viii) liens that are contractual rights of set-off relating to purchase orders and other agreements entered into with customers of Borrower in the ordinary course of business; and (ix) liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by the Borrower in the ordinary course of business or liens arising by operation of law under Article 2 of the UCC in favor of a reclaiming seller of goods or buyer of goods.

"Person" shall mean any individual, joint venture, partnership, firm, corporation, trust, unincorporated organization or other organizational entity, or a governmental body or any department or agency thereof, and shall include both the singular and the plural.

"Place of Business" shall mean those places of business in which the Borrower undertakes its business and shall include the Principal Place of Business.

"Premises" shall have the meaning ascribed thereto in the Security Instrument.

"Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which place all of Borrower's records are kept and which is currently located at 181 Highway 630 East, Frostproof, Florida 33843.

"Proceeds" shall mean proceeds as defined in the UCC.

"Real Property" shall mean those parcels of land described in **Exhibit "A"** attached hereto located in Charlotte County, Florida, and all leasehold interests therein, all improvements and Fixtures located thereon or attached thereto and all easements, tenements, hereditaments, appurtenances, profits, rents, insurance and condemnation proceeds paid in connection therewith, and all Accounts, Chattel Paper and General Intangibles pertaining to, connected with or arising out of the foregoing.

"Security Instrument" Shall mean that certain Security Instrument as defined in the Recitals.

"Security Interest" shall mean the security interest granted in the Collateral to the Lender pursuant to the Security Instrument and other Loan Documents.

"Subsidiary" or "Subsidiaries" means, as to any particular parent corporation or parent organization, any other corporation or organization more than fifty percent (50%) of the outstanding Voting Stock of which is at the time directly or indirectly owned by such parent corporation or organization or by any one or more other entities which themselves are subsidiaries of such parent corporation or organization. Unless otherwise expressly noted herein,

the term "Subsidiary" means a Subsidiary of the Borrower or of any of its direct or indirect Subsidiaries.

"Voting Stock" of any Person means capital stock or other equity interests of any class or classes (however designated) having ordinary power for the election of directors or other similar governing body of such Person, other than stock or equity interests having such power only by reason of the happening of a contingency.

"UCC" shall mean the Uniform Commercial Code as adopted in the State of Florida.

Section 1.2 Other Definitional Provisions. All of the terms defined in this Agreement shall have such defined meanings when used in other Loan Documents unless the context shall otherwise require. Capitalized terms used herein, but not herein defined, shall have the meanings ascribed thereto in the other Loan Documents. All terms defined or used in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa. The words "hereby", "hereto", "hereof", "herein", "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of the this Agreement. The use of the words "to", "until", "on", and words of similar import in this Agreement, in indicating expiration, shall be interpreted to include the date mentioned. The neuter genders are used herein and whenever used if the context so indicates, shall include the masculine, feminine and neuter as well. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the heirs, devisees, personal representatives, successors and assigns of such party unless the context shall expressly provide otherwise.

ARTICLE II THE LOAN

Section 2.1 Loan. The Loan consists of Loan E and Loan F as defined in the Recitals to this Agreement and is being made under the provisions of Note E and Note F, this Agreement and the other Loan Documents.

Section 2.2 Loan Proceeds Use. The proceeds of the Loan are being used to acquire the TRB Groves in Charlotte County, Florida and Borrower will use all the funds in the 1031 trust account from the sale of the Chancey Bay released collateral from Loans 717610613, 717610637 and 717610647 to so acquire the TRB Groves.

Section 2.3 Security Instrument. The Loan is secured by the Security Instrument, the Assignment of Leases and Rents and other loan documents by Borrower to Lender or between Borrower and Lender pertaining to the Loan (collectively, the "Loan Documents").

Section 2.4 Partial Release and Substitution of Collateral.

Borrower shall, from time to time, be entitled to make a written request (the "Partial Release and Substitution of Collateral Request") to Lender for a partial release of real estate Collateral and substitution of Collateral for that to be released on the following terms and conditions, which if met, Lender shall approve and Borrower and Lender shall, proceed, with reasonable diligence, to implement, such terms and conditions being as follows:

(a) the Partial Release and Substitution Request shall provide (i) a legal description of the real estate Collateral to be released, (ii) a legal description of the real estate Collateral to be substituted; (iii) a detailed description of any other Collateral to be substituted; (iv) any information Borrower has with respect to the fair market value of the Collateral to be released and substituted; and (v) the business reason for the partial release and substitution which must be a sound business reason.

(b) the amount of real estate Collateral proposed to be substituted for the partial release Collateral shall not exceed thirty five percent (35%) of the total gross acres of real estate Collateral at the time of the Partial Release and Substitution of Collateral Request.

(c) the Collateral to be substituted must be Florida agricultural property acceptable to Lender with a market value equivalent to the real estate Collateral being released.

(d) the partial release and substitution of Collateral must not materially impact Borrower's repayment capacity nor Borrower's operations (including, but not by way of limitation practical, legal and cost efficient access to the remaining Collateral and the availability of utility services, drainage, and irrigation to the Collateral over the Collateral remaining after the partial release and substitution of Collateral over such remaining Collateral or easement rights appurtenant thereto sufficient to adequately service such remaining Collateral in a cost efficient manner).

(e) Borrower will provide Lender the following documentation which needs to be satisfactory to Lender (i) a title commitment for a loan title insurance policy in the amount of the then principal balance of the Note agreeing to insure as a first priority lien on the new real estate Collateral together with copies of all documents referenced therein subject only to such exceptions and matters as Lender shall approve and (ii) all due diligence items and documentation pertaining to the new real estate Collateral typically required by Lender in real estate mortgage loan transactions such as real estate tax information, appraisals, environmental questionnaires, irrigation and drainage reports, plats, personal property inventory, zoning evidence, liability and other insurance, tree and crop insurance, permits, contracts, UCC searches and other documentation.

(f) to accommodate the Borrower in identifying acceptable substitute real estate collateral, proceeds from said sale of the partially released real estate Collateral may be deposited into a Pledge Account as substitute collateral. The Pledge Account shall be in cash, cash equivalents and marketable financial securities that are listed for sale on a public securities exchange at readily identifiable prices including without limitation, stocks, bonds, mutual funds, and treasuries acceptable to Lender. Use of the Pledge Account as substitute Collateral shall not exceed twelve (12) months and the value of the pledged Collateral in the Pledge Account shall

not exceed fifty percent (50%) of the value of the total Collateral. Borrower shall provide a perfected first lien security interest in the Pledge Account and there shall be a Pledge Agreement, Account Control Agreement and other related documents all satisfactory to Lender together with the financial intermediary.

(g) the Loan Documents shall be modified to provide Lender with a first mortgage lien and security interest on the new real estate Collateral to secure the Loan.

(h) Borrower shall at the time of presenting the Partial Release and Substitution Request to Lender, pay Lender a non-refundable servicing fee not to exceed Five Thousand and No/100 Dollars (\$5,000) for evaluating and processing the request. Borrower shall also pay the legal fees of Lender's outside counsel in connection with the foregoing and all expenses of the transaction including but not by way of limitation any documentary stamp taxes, intangibles taxes, title insurance premiums, title insurance company search charges, and recording and filing fees incident thereto.

Section 2.5 Prepayments. Prepayments of the Loan, shall be subject to the Prepayment Premium provisions set forth in the applicable Note.

Section 2.6 Cross-Default/Cross Collateralization on a Pari Passu Basis. Capitalized terms used in this Section not defined in this Agreement shall have the meanings ascribed thereto in the Security Instrument. A default under (i) any of Note A, Note B, Note D, Note E, or Note F, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said notes and (ii) a default under any of the Loan A, B and D Existing Loan Documents, as modified by the 2014 Modification or the Second Amendment to Loan Agreement, or under any of the Loan Documents, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said documents. The lien and security interests of the 2013 Original Security Instrument, as modified by the 2014 Modification, the 2013 Assignment of Leases and Rents, as modified by the 2014 Modification, or under the other security documents pertaining to the Loan A, B and D Existing Loan Documents, as modified by the 2014 Modification and by the Second Amendment to Loan Agreement and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note E, Note F and the other Loan Documents on a pari passu basis. The lien and security interests of the Security Instrument, the Assignment of Leases and Rents, the other Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note A, Note B, Note D and the other Loan A, B and D Existing Loan Documents as modified by the 2014 Modification and by the Second Amendment to Loan Agreement on a pari passu basis. "A pari passu basis", as used herein, shall mean that such liens and security interests shall be apportioned among Loan A, Loan B, Loan D, Loan E and Loan F by using a percentage for each of Loan A, Loan B, Loan D, Loan E and Loan F calculated by dividing (x) the sum owing under the subject loan by (y) the total of all sums owing under all of said loans together, as such sums change from time to time. No present and/or future holder of such loans shall be entitled to make any future advances or modifications to any of such loans except with the advance written consent of all the holders of all of said loans at the time thereof. Each holder of such loans shall, at the request of the other, from time to time, execute record and file such

documents reasonably necessary to carry out the foregoing provisions and/or to perfect such lien and security interests on the foregoing basis.

ARTICLE III REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender (which representations and warranties shall survive the execution and delivery of the Loan Documents) that:

Section 3.1 Authority. Each of the entities included in the definition of "Borrower" (i) is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite power and authority to own its properties and assets and to carry on its business as now conducted and proposed to be conducted, (iii) is duly qualified to do business and is in good standing in every jurisdiction in which its properties or assets are owned or the nature of its activities conducted makes such qualification necessary, and (iv) has the power and authority to execute and deliver, and to perform its obligations under the Loan Documents.

Section 3.2 Authorization of Loan for the Borrower The execution, delivery and performance of the Loan Documents by each of the entities constituting Borrower (a) have been duly authorized by all requisite action and (b) will not (i) violate (x) any provision of law, any governmental rule or regulation, any order, writ, judgment, decree, determination or award of any court, arbitrator or other agency of government, (y) the Articles of Organization and operating agreement or other governance documents of Borrower or (z) any provision of any indenture, agreement or other instrument to which Borrower is a party or by which Borrower or its properties or assets are bound, (ii) be in conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or (iii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of Borrower other than as permitted by the terms hereof.

Section 3.3 Binding Effect. This Agreement, the Note, the Security Instrument and the other Loan Documents when delivered hereunder will be legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms, except (a) as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforceability of creditors rights, and (b) as enforceability may be limited or qualified by general principles of equity, whether raised in a proceeding at law or equity.

Section 3.4 Agreements.

(1) Borrower is not a party to any agreement, indenture, lease or instrument or subject to any charter or other limited liability company governance document restriction, or any judgment, order, writ, injunction, decree, rule or regulation materially and adversely affecting its business, properties, assets, operations or condition (financial or otherwise). There are no unrealized losses with respect to any such agreement, indenture, lease or instrument.

(2) Borrower is not a party to, or otherwise subject to any provision contained in, any instrument evidencing indebtedness of Borrower, any agreement relating thereto or

any other contract or agreement which restricts or otherwise limits the incurring of the indebtedness to be evidenced by the Note.

(3) Borrower is not in default in the performance, observance or fulfillment of any of the material obligations, covenants or conditions contained in any material agreement or instrument to which it is a party.

(4) Borrower enjoys lawful, peaceful and undisturbed possession in all material respects to all licenses, trade names, trade marks, services marks and patents used or whose use is contemplated in the operation of its business.

Section 3.5 Litigation, etc. There are no undisclosed actions, proceedings or investigations pending or, to the knowledge of the Borrower, threatened, against the Borrower, (or any basis therefor known to the Borrower) which, either in any case or in the aggregate, might result in any material adverse change in the financial condition, business, prospects, affairs or operations of the B01Tower or its properties or assets, or in any material impairment of the right or ability of the Borrower to carry on its operations as now conducted or proposed to be conducted, or in any material liability on the part of the B01Tower and none which questions the validity of this Agreement, the Note or any of the other Loan Documents or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

Section 3.6 Violation of Judicial or Governmental Orders, Laws, Ordinances or Regulations. The Borrower knows of no violation and has no notice of a violation of any court order or of any law, regulation, ordinance, rule, order, code, or requirement of any governmental authority having jurisdiction over the Borrower that may detrimentally affect the business and operations of the Borrower,

Section 3.7 No Outstanding Debt. Borrower has no outstanding Debt, except for the Loan, any liabilities disclosed to Lender in writing before the Effective Date and other obligations in the nature of trade payables incurred by Borrower (or its predecessor) in their ordinary course of business.

Section 3.8 Priority of Liens and Security Interest. The Security Interest and liens granted to the Lender in the Collateral shall be and are a perfected first priority Security Interest in the Collateral except for liens expressly permitted or provided in this Loan Agreement, and there are not and will be no other security interests or other liens other than the Permitted Liens upon the Collateral during the term of the Loan without the prior written consent of the Lender.

Section 3.9 Solvency. After giving effect to the funding of the Loan, the application of the proceeds thereof as contemplated by this Agreement and the Loan Documents, and the payment of all estimated Lender, legal, accounting and other fees related thereto, Borrower is solvent.

Section 3.10 Executive Offices and Location of Records. The Borrower's Principal Place of Business is located at 181 Highway 630 East, Frostproof, Florida 33843 and all of its books and records are and shall be maintained there.

Section 3.11 Regulatory Compliance. The Borrower has in the past complied with and is presently complying in all material respects with all laws applicable to the Borrower's business.

Section 3.12 Intentionally Omitted.

Section 3.13 Fair Labor Standards Act. The Borrower has complied with, and will continue to comply with, the provisions of the Fair Labor Standards Act of 1938, 29 U.S.C. Section 200, et seq., as amended from time to time (the "FLSA"), including specifically, but without limitation, 29 U.S.C. Section 215(a). This representation and warranty, and each reconfirmation hereof, shall constitute written assurance from the Borrower, given as of the date hereof and as of the date of each reconfirmation, that the Borrower has complied with the requirements of the FLSA, in general, and 29 U.S.C. Section 215(a)(1) thereat: in particular.

Section 3.14 Intentionally Omitted.

Section 3.15 Usury. The Borrower believes that the amounts to be received by the Lender which are or which may be deemed to be interest under any of the Loan Documents or otherwise in connection with the transactions described herein constitute lawful interest and are not usurious or illegal under the laws of the State of Florida, and no aspect of the transaction contemplated by this Agreement is intended to be usurious.

Section 3.16 Borrower Setoffs. The Borrower does not, as of the date hereof, have any defenses, counterclaims, or setoffs with respect to any sums to be advanced under this Loan Agreement.

Section 3.17 Disclosure and No Representation. Warranty or Document Untrue. No representation or warranty made by the Borrower contained herein, the Loan Documents, or in any certificate or other document furnished or to be furnished by the Borrower pursuant hereto, or which will be made by the Borrower from time to time in connection with the Loan Documents (a) contains or will contain any misrepresentation or untrue statement of fact, or (b) omits or will omit to state any material fact necessary to make the statements therein not misleading, unless otherwise disclosed in writing to the Lender. There is no fact known to the Borrower which adversely affects, or which might in the future adversely affect, the business, assets, properties or condition, financial or otherwise, of the Borrower, or the Collateral, except as set forth or reflected in the Loan Documents or otherwise disclosed in writing to the Lender.

Section 3.18 Continuation. The Borrower's warranties and representations contained in this Agreement are and shall remain correct and complete until the Loan is paid in full. All representations, warranties, covenants and agreements made to or with the Lender by or on behalf of, or at the request of the Borrower in connection with this Agreement may be relied upon by the Lender.

Section 3.19 Real Property. There is legal access and adequate practical access to all of the Real Property. Each of the entities within the definition of "Borrower" holding title to any part of the Real Property is now and will continue to be in compliance with all of the terms of all agreements binding upon the Real Property which it now owns.

Section 3.20 Survival. All of the representations and warranties set forth in this Article shall survive until all Obligations are satisfied in full.

ARTICLE IV FINANCIAL COVENANTS OF THE BORROWER

The Borrower covenants, for so long as any of the principal amount of or interest on the Note is outstanding and unpaid or any duty or obligation of the Borrower hereunder or under any other Obligation remains unpaid or unperformed, as follows:

Section 4.1 Financial Records. The Borrower at all times will keep proper and adequate records and books of account in accordance with GAAP consistently applied in which the full, true and correct entries will be made of its transactions and which will properly and correctly reflect all items of income and expense in connection with the operation of the Borrower's business regardless of whether such income or expense is realized by the Borrower.

Section 4.2 Delivery of Financial Statements of the Borrower. The Borrower will deliver to the Lender copies of each of the following:

(1) Within one hundred twenty (120) days after the end of each Fiscal Year, audited financial statements of B01Tower and its Subsidiaries on both a consolidated basis (with appropriate subsidiary eliminations), which are prepared in accordance with GAAP (consisting of an income statement, balance sheet, statement of retained earnings and cash flow, a schedule of all related debt and all contingent liabilities and including all normal and reasonable financial notes). They shall be prepared and certified by a certified public accountant reasonably acceptable to the Lender, all in reasonable detail. Such audited financial statements shall be further certified by the chief financial officer of the Borrower as being true, correct, and accurate, as completely and accurately reflecting the financial transactions during the period covered thereby of Borrower and its consolidated Subsidiaries, and as completely and accurately reflecting the financial condition of Borrower and its consolidated Subsidiaries as of the beginning and end of said period covered.

(2) As soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of compliance with financial covenants from

the chief financial officer of the Borrower ("Certificate of Compliance") addressed to Lender and certifying the compliance of Borrower with the financial covenants provided in this Article.

(3) Annually, within ninety (90) days after the completion of each Crop Season (a Crop Season shall, as to a particular Crop, be the Crop season used by the industry in the area of the Premises as to which the Crop pertains), Borrower shall furnish to Lender operating information on the Collateral as follows:

(i) Reports/documents (internal inventory reports etc.) that describe and value all inventory security, including each citrus crop variety's acreage both on a gross acreage and grove planted acreage basis; and

(ii) Citrus Crop production and operations detailed information, including yields by variety, costs and pricing by grove/farm and variety.

(4) Within thirty (30) days after the end of each quarter of each Fiscal Year, Borrower prepared financial statements of Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations). Further, with reasonable promptness, such other data and information as from time to time may be reasonably requested by Lender.

Section 4.3 Delivery of Reports. All of the reports, statements, and items required under Section 4.2 shall be in form and substance satisfactory to Lender. All of the reports, statements, and items required under Section 4.2 must, unless another time period is specified above, be received each year this Agreement is in force by the date which is one hundred twenty (120) days after the end of the Borrower's Fiscal Year, as the case may be subject to filing deadline extensions. If any one report, statement, or item is not received within thirty (30) days of this due date, Lender may declare an Event of Default under this Agreement and the Loan Documents.

Section 4.4 Inspection of Records. Borrower shall allow Lender or its authorized representatives at all reasonable times to examine and make copies of all such books and records and all supporting data therefor at Lender's principal place of business or at such other place where such books, records, and data may be located. Borrower shall assist Lender or such representative in effecting such examination. Within three (3) years after Lender's receipt of any such report, statement, or item, Lender may, upon at least five (5) Business Days prior written notice to Borrower, inspect and make copies of the books, records, and income tax returns with respect to the Collateral of Borrower, for the purpose of verifying any such reports, statements, or items.

Section 4.5 Article IV Terms:

The following definitions shall apply to the financial covenants in this Article as to Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations):

(1) "Consolidated Current Ratio" shall mean the ratio of (i) Consolidated Current Assets to (ii) Consolidated Current Liabilities;

(2) "Consolidated Current Assets" shall mean current assets as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis; and

(3) "Consolidated Current Liabilities" shall mean current liabilities as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis including all funded debt under lines of credit to Borrower and its Subsidiaries.

Section 4.6 Required Consolidated Current Ratio. The Consolidated Current Ratio measured at the end of each Fiscal Year based on audited consolidated financial statements of Borrower shall be at least 2.00 to 1.00.

Section 4.7 LOC. Any LOC Lender shall, if required by Lender, enter into an Intercreditor Agreement with Lender providing for the respective rights of the LOC Lender(s) and Lender as to their respective collateral, all in form and substance satisfactory to Lender. Upon the written request of Lender, Borrower shall provide Lender with copies of all LOC Lender loan documents which shall include the recording information of all such documents which are recorded. A default under any LOC shall be a default hereunder. Notwithstanding the foregoing or any provision in this Agreement, there shall be no LOC permitted while Note D and Loan D, as defined in the Security Instrument, are not paid in full without any obligation of Lender to make further advances thereunder.

ARTICLE V OTHER AFFIRMATIVE COVENANTS OF THE BORROWER

Section 5.1 Inspection. The Borrower will permit the Lender or Lender's designated representative to (i) visit any Place of Business, (ii) inspect the Collateral, including such crop inspections as the Lender deems advisable (iii) inspect and make extracts from the Borrower's books and records, and (iv) discuss the affairs, finances and accounts of the Borrower with the officers of the Borrower, all at such reasonable times and as often as may reasonably be requested.

Section 5.2 Maintenance of Legal Existence and Compliance with Laws. Borrower shall at all times preserve and maintain in full force and effect its legal existence, powers, rights, licenses, permits and franchises in the jurisdiction of its organization; continue to conduct and operate its businesses substantially as conducted and operated as of the Effective Date; operate in full compliance with all applicable laws, statutes, regulations, certificates of authority and orders in respect of the conduct of its businesses; and qualify and remain qualified as foreign organizations in each jurisdiction in which such qualification is necessary or appropriate in view of its businesses and operations.

Section 5.3 First Lien. Borrower shall provide Lender a first lien and security interest on the Real Property.

Section 5.4 Second Lien. Borrower shall provide Lender a lien and security interest on all Crops and Farm Products and all Accounts, Chattel Paper and General Intangibles arising out of the same which shall be second only to the first lien of any LOC Lender.

Section 5.5 Intercreditor Agreement. At Lender's option, any LOC Lender, if other than Lender, shall enter into an Intercreditor Agreement or Intercreditor Agreements with Lender in form and content satisfactory to Lender.

Section 5.6 Leases of the Real Property. Any tenants of the Real Property shall subordinate their leasehold interests therein and furnish Lender a Tenant Estoppel Certificate, all in form and content satisfactory to Lender. Borrower shall cause any lender holding a security interest or lien on any such leasehold interests to subordinate the same to the lien and security interests of the Loan Documents.

Section 5.7 Defaults/Notices. The Borrower shall immediately notify the Lender in writing upon the happening, occurrence or existence of any Event of Default, or any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Lender with such written notice, a detailed statement by a responsible officer of the Borrower of all relevant facts and the action being taken or proposed to be taken by the Borrower with respect thereto. Borrower shall cause any and all holders of its debt to agree, in writing, unto Lender, to provide Lender notice of any default under the documents evidencing such debt.

Section 5.8 Maintenance of Properties. The Borrower shall maintain or cause to be maintained in good repair, working order and condition the Collateral and all other properties used or useful in the businesses of Borrower (ordinary wear and tear excepted) and from time to time will make or cause to be made all appropriate repairs, renewals, improvements and replacements thereof so that the businesses carried on in connection therewith may be properly and advantageously conducted at all times. The Borrower will not do or permit any act or thing which might impair the value or commit or permit any waste of its properties or any part thereof, or permit any unlawful occupation, business or trade to be conducted on or from any of its properties.

Section 5.9 Notice of Suit, Proceedings, Adverse Change. The Borrower shall promptly give the Lender notice in writing (a) of all threatened or actual actions or suits (at law or in equity) and of all threatened or actual investigations or proceedings by or before any court, arbitrator or any governmental department, commission, board, bureau, agency or other instrumentality, state, federal or foreign, affecting Borrower or the rights or other properties of Borrower or (i) which involves potential liability of Borrower in an amount in excess of \$500,000.00, or (ii) which the shareholders of Borrower believe in good faith is likely to materially and adversely affect the financial condition of Borrower or to impair the right or ability of Borrower to carry on their businesses as now conducted or to pay the Obligations or

perform its duties under the Loan Documents; (b) of any material adverse change in the condition (financial or otherwise) of Borrower; and (c) of any seizure or levy upon any part of the properties of Borrower under any process or by a receiver.

Section 5.10 Debts and Taxes and Liabilities. The Borrower shall pay and discharge (i) all of their indebtedness and obligations in accordance with their terms and before they shall become in default, (ii) all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits or against its properties prior to the date on which penalties attach thereto, and (iii) all lawful claims which, if unpaid, might become a lien or charge upon any of its properties; provided, however, that the Borrower shall not be required to pay any such indebtedness, obligation, tax, assessment, charge, levy or claim which is being contested in good faith by appropriate and lawful proceedings diligently pursued and for which adequate reserves have been set aside on its books. The Borrower shall also set aside and/or pay as and when due all monies required to be set aside and/or paid by any federal, state or local statute or agency in regard to F.I.C.A., withholding, sales or excise or other similar taxes.

Section 5.11 Notification of Change of Name or Business Location. The Borrower shall notify the Lender of each change in the name of the Borrower and of each change of the location of any Place of Business and the office where the records of the Borrower are kept, and, in such case, shall execute such documents as the Lender may reasonably request to reflect said change of name or change of location, as the case may be; provided, however, the records of the

Section 5.12 Compliance With Laws. The Borrower will comply with all laws, regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Borrower.

Section 5.13 Further Assurances. The Borrower will, at the cost of the Borrower, and without expense to the Lender, promptly upon the request of the Lender: (a) correct any defect, error or omission which may be discovered in the contents of any Loan Documents or in the execution or acknowledgment thereof; (b) execute, acknowledge, deliver and record or file such other and further instruments (including, without limitation, mortgages, deeds or trusts, security agreements, financing statements and specific assignments of rents or leases) and do such further acts, in either case as may be necessary, desirable or proper in the Lender's opinion to carry out more effectively the purposes of the Loan Documents; to protect and preserve the lien and security interest on the Collateral to subject thereto any property intended by the terms thereof to be covered thereby, including, without limitation, any renewals, additions, substitutions or replacements thereto; or protect the security interest of the Lender and the Collateral against the rights or interest of third parties. The Borrower hereby appoint the Lender as their attorney-in-fact, coupled with an interest, to take the above actions and to perform such obligations on behalf of the Borrower, at Borrower's sole expense, if Borrower fails to comply with their obligations under this paragraph.

Section 5.14 After Acquired Property. Without the necessity of any further act of the Borrower or the Lender, the lien of and the security interest created in the Collateral automatically extends to and includes:

(1) Any and all renewals, replacements, substitutions, accessions, proceeds, products or additions of or to the Collateral and

(2) Any and all monies and other property that from time to time may either by delivery to the Lender or by any instrument be subjected to such lien and security interest by the Borrower or by anyone on behalf of the Borrower, or with the consent of the Borrower, or which otherwise may come into possession or otherwise be subject to the control of the Lender pursuant to the Loan Documents.

Section 5.15 Indemnity. The Borrower shall indemnify, defend and hold harmless the Lender from and against and reimburse the Lender for, all claims, demands, liabilities, losses, damages, judgments, penalties, costs and expenses, including, without limitation, attorney's fees and disbursements, which may be imposed upon, asserted against or incurred or paid by the Lender by reason of, on account of or in connection with any claim or damage occurring in, upon or in the vicinity of the Collateral through any cause whatsoever, or asserted against the Lender on account of any act performed or omitted to be performed under the Loan Documents or on account of any transaction arising out of or in any way connected with the Collateral or the Loan Documents, except as a result of the willful misconduct or gross negligence of the Lender.

Section 5.16 Insurance. During the term of this Agreement, the Borrower shall maintain the insurance coverage required by the Loan Documents.

ARTICLE VI NEGATIVE COVENANTS

The Borrower covenants, for so long as any of the principal amount of or interest accrued on the Note is outstanding and unpaid or any Obligations remain unpaid or unperformed, that none of Borrower or its Subsidiaries will undertake the following actions without the prior written consent of the Lender:

Section 6.1 Merger, Consolidation, Dissolution, etc. Neither the Borrower nor any of its Subsidiaries will consolidate with or merge into any other corporation, partnership, limited liability company or other entity or permit another corporation or partnership, limited liability company or other entity to merge into them, or dissolve or take or omit to take any action which would result in their dissolution, or acquire all or substantially all the properties or assets of any other Person, or enter into any arrangement, directly or indirectly, with any Person whereby any of Borrower or its Subsidiaries shall sell or transfer any property, real or personal, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property which any Borrower or any of its Subsidiaries intend to use for substantially the same purpose or

purposes as the property being sold or transferred (other than with respect to another entity comprising Borrower) without the prior written consent of the Lender.

Section 6.2 Changes in Business. Neither Borrower nor any of its Subsidiaries will make any material change in the nature or scope of their respective business operations from that existing on the date of this Loan Agreement including but not limited to major asset acquisitions or dispositions, acquisition or disposition of businesses or their components, mergers, consolidations, reorganizations and/or restructurings.

Section 6.3 Other Agreements. Neither Borrower nor any of its Subsidiaries will enter into any arrangements, contractual or otherwise, which would materially and adversely affect its duties or the rights of the Lender under the Loan Documents, or which is inconsistent with or limits or abrogates the Loan Documents.

Section 6.4 Due-on-Sale or Encumbrance.

The Due-on-Sale or Encumbrance provision of the Security Instrument (Section 5.01 thereof) is incorporated herein. The term "Minimum Ownership and Control Requirement" used therein shall mean that at all time any of the Obligations are outstanding, Remy W. Trafelet (in the event of his death, his estate and those taking by way of devise or inheritance due to his death) and 734 Agriculture, LLC, collectively shall hold directly or indirectly no less than fifty one percent (51 %) of the ownership interests in Borrower and Remy W. Trafelet (in the event of his death, his estate and those taking by way of devise or inheritance due to his death) shall maintain directly or indirectly management control of each of the entities within the definition of "Borrower".

Section 6.5 Loans to Borrower/Liens on Collateral. Other than the LOC permitted herein, the Borrower will not borrow from anyone on the security of or create, incur or suffer to exist any lien on any of the Collateral or permit any Financing Statement (other than the Lender's and any LOC Lender's security interest and Financing Statement) to be on file with respect thereto, without the Lender's written consent. Notwithstanding the foregoing or any provision in this Agreement, there shall be no LOC permitted while Note D and Loan D, as defined in the Security Instrument, are not paid in full without any obligation of Lender to make further advances thereunder.

Section 6.6 Other Liens. Other than liens and security interests permitted to secure LOC, the Borrower will not create, assume, or suffer to exist any lien upon any other of its property or assets, whether now owned or hereafter acquired, except:

(1) Liens for taxes not yet due or which are being actively contested in good faith by appropriate proceedings;

(2) Purchase money security interest in property not a part of the Collateral;

and

(3) Permitted Liens.

Section 6.7 Change in Management/Ownership. Without Lender's prior written consent, until the Loan is paid in full, there shall be no substantial change in the executive management or ownership

of each of the entities within the definition of "Borrower" except as allowed herein.

ARTICLE VII EVENTS OF DEFAULT

The following each and all are Events of Default hereunder:

Section 7.1 Monetary Default. If the Borrower shall default in any payment of the principal of or interest on the Note, other monetary Obligations under the Loan Documents, within five (5) days following the date the same shall become due and payable, whether at maturity, by acceleration by the Lender as pennitted herein or otherwise.

Section 7.2 Non-Monetary Default. If the Borrower shall default in the performance or compliance with any of the material terms, conditions, covenants or agreements contained in this Loan Agreement without curing the same within thirty (30) days after written notice thereof shall have been given to Borrower; provided however, that if such default cannot be cured within said period, Borrower shall have such additional time for cure as Lender may, in its reasonable discretion, approve in writing after receipt by Lender within said peIiod of a written request from BoIrnwer or if the Borrower shall default under any other non-monetary Obligations without curing the same within any cure period provided in the Loan Documents containing such Obligations.

Section 7.3 Default in Other Obligations. If Borrower shall default in the performance of the LOC.

Section 7.4 Misrepresentation. If any representation or warranty made in writing by or on behalf of the Borrower, in this Agreement or in any other Loan Document, shall prove to have been false or inc01Tect in any material respect on the date as of which made or reaffirmed.

Section 7.5 Dissolution. If any order, judgment, or decree is entered in any proceedings against Borrower decreeing the dissolution of Borrower or any of its Subsidiaries and such order, judgment, or decree remains unstayed and in effect for more than thirty (30) days.

Section 7.6 Bankruptcy, Failure to Pay Debts, etc. If Borrower or any of its Subsidiaries shall admit in writing their inability, or be generally unable, to pay their respective debts as they become due or shall make an assignment for the benefit of creditors, file a petition in Bankruptcy, petition or apply to any tribunal for the appointment of a custodian, receiver or trustee for Borrower or any of its Subsidiaries or a substantial pali of their assets, or shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, or if there shall have been filed any such petition or application, or any such proceeding

shall have been commenced against Borrower or any of its Subsidiaries, in which an order for relief is entered or which remains undismissed for a period of thirty (30) days or more, or if Borrower or any of its Subsidiaries by any act or omission shall indicate consent to, approval of or acquiescence in any such petition, application, or proceeding or order for relief for the appointment of a custodian, receiver or any trustee for Borrower or any of its Subsidiaries or any substantial part of any of their properties, or shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more.

Section 7.7 Fraudulent Conveyance. If Borrower or its Subsidiaries shall have concealed, removed, or permitted to be concealed or removed, any part of their respective properties, with intent to hinder, delay or defraud its creditors, or made or suffered a transfer of any of its properties which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or shall have made any transfer of its properties to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid, or shall have suffered or permitted, while insolvent, any creditor to obtain a lien upon any of their respective properties through legal proceedings or distraint which is not vacated within thirty (30) days from the date thereof.

Section 7.8 Final Judgment. If a final judgment for the payment of money in excess of \$500,000.00 shall be rendered against Borrower or any of its Subsidiaries, and the same shall remain undischarged or shall not be bonded off to the satisfaction of the Lender for a period of thirty (30) consecutive days during which the execution shall not be effectively stayed.

Section 7.9 Impairment of Security. If any security document, mortgage, agreement, guaranty or other instrument given to the Lender to evidence or secure the payment and performance of the Obligations hereunder shall be revoked by the Borrower or shall cease to be in full force and effect, or the protection or security afforded the Lender in any portion of the Collateral secured thereby is in any material respect impaired for any reason; or the Borrower shall default in any material respect in the performance or observance of any term, covenant, condition or agreement on its part to be performed or observed under any security document and such default shall not have been cured or waived in any applicable grace period contained therein; or any representation or warranty of the Borrower made in any security document shall be false in any material respect on the date as of which made; or for any reason (except for acts or omissions of the Lender) the Lender shall fail to have a valid, perfected and enforceable first priority security interest, lien or mortgage encumbering the Collateral or if the Borrower shall contest in any manner that any security document constitutes its valid and enforceable agreement or the Borrower shall assert in any manner that it has no further obligation or liability under such agreement.

ARTICLE VIII

RIGHTS UPON DEFAULT

Upon the occurrence and during the continuance of any Event of Default, the Lender shall have and may exercise any or all of the rights set forth herein (provided, however, the Lender shall be under no duty or obligation to do so):

Section 8.1 Acceleration. To declare the indebtedness evidenced by the Note, to the extent the proceeds thereof shall have been disbursed and remain outstanding, and all other Obligations to be forthwith due and payable, whereupon the Note, to the extent the proceeds thereof shall have been disbursed and remain outstanding, and all other Obligations shall become forthwith due and payable, both as to principal and interest, without presentment, demand, protest or any other notice or grace period of any kind, all of which are hereby expressly waived, anything contained herein or in the Note or in such other Obligations to the contrary notwithstanding, and, upon such acceleration, the disbursed and unpaid principal balance and accrued interest upon each of Note A, Note B and Note C shall from and after such date of acceleration bear interest at the Default Rate.

Section 8.2 Other Rights. To exercise such other rights as may be permitted under any of the Loan Documents or applicable law.

Section 8.3 Uniform Commercial Code/Applicable Law. To exercise from time to time any and all rights and remedies of a secured creditor under the UCC and any and all rights and remedies available to it under any other applicable law.

Section 8.4 Cure of Defaults. Cure any default or Event of Default without releasing the Borrower from any obligation hereunder or under the Loan Documents.

Section 8.5 Receiver. Cause the appointment of a receiver, as a matter of strict right, without regard to the solvency of the Borrower, for the purpose of preserving the Collateral and to protect all rights accruing to the Lender by virtue of this Agreement and any other Loan Documents and expressly to maintain Collateral and the Crops and Family Products operations on the Real Property, with all costs and expenses incurred in connection with such receivership to be charged against the Borrower and to be secured by the security interest granted pursuant to the Loan Documents. Borrower hereby consents to the appointment of such receiver or receivers, waive any and all defenses to such appointment and agree not to oppose any application therefor by the Lender. The receiver shall be appointed to take charge of, manage, preserve, protect and operate any business, make any needed repairs, pay all costs associated with the operations of such businesses and after payment of all expenses of the receivership, including reasonable attorney's fees and court costs, in any, to apply all the net proceeds derived therefrom in the reduction of the Obligations or in such other manner as the court shall direct. All expenses, fees and compensation incurred pursuant to any such receivership shall also be secured by the Security Interest granted by the Loan Documents.

ARTICLE IX MISCELLANEOUS

Section 9.1 Cumulative Remedies. The remedies provided in this Agreement and in the Loan Documents are cumulative and not exclusive of any remedies provided by law or in equity. Upon an Event of Default, the Lender may elect to exercise any one or more of such remedies and such election shall not waive or cause the Lender to have elected not to

subsequently exercise any other such remedies available to it under the Agreement or any Loan Document.

Section 9.2 Amendments, etc. No amendment, modification, termination or waiver of any provision of this Agreement, the Note or the other Loan Documents, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in specific instance and for the specific purpose for which given.

Section 9.3 Notices. Any notice, demand, consent, approval, direction, agreement, or other communication (any "Notice") required or permitted hereunder or under the other Loan Documents shall be in writing and shall be addressed as follows to the person entitled to receive the same:

If to Borrower:

734 Citrus Holdings, LLC 734 LMC Groves, LLC
734 Co-op Groves, LLC
734 BLP Groves, LLC
734 Harvest, LLC
590 Madison Avenue, 26th Floor
New York, New York 10022
Attn: Mr. Remy W. Trafelet

With copy to:

Clayton G. Wilson
181 Highway 630 East
Frostproof, Florida 33843

With copy to:

David A. Miller Peterson & Myers, P.A.
P.O. Box 24628
225 East Lemon Street, Suite 300 Lakeland, Florida 33802-4628

If to Lender:

Prudential Mortgage Capital Company, LLC
801 Warrenton Road, Suite 150

Lisle, Illinois 60532-1357 Attn: Investment Manager
Reference Loan Numbers: 717610897 and 717610898

With copy to:

Prudential Mortgage Capital Company, LLC
201 S. Orange Avenue, Suite 795
Attn: Investment Director
Reference Loan Numbers: 717610897 and 717610898

With copy to:

Prudential Asset Resources, Inc.
2100 Ross Avenue, Suite 2500
Dallas, Texas 75201 Attn: Legal Department
Reference Loan Numbers: 717610897 and 717610898

Any notice shall be sent (a) by depositing it with the United States postal service, or any official successor thereto, certified or registered mail, return receipt requested, with adequate postage prepaid; (b) by depositing it with a reputable overnight courier service from whom a receipt is available; or (c) by personal delivery, provided a signed receipt is obtained. Each notice shall be effective three (3) Business Days after being so deposited in the case of (a) above, one (1) Business Day after being so deposited in the case of (b) above or upon delivery in the case of item (c) above, but the time period in which a response to any notice must be given or any action taken with respect thereto shall commence to run from the date of receipt of the notice by the addressee thereof, as evidenced by the return receipt. Rejection or other refusal by the addressee to accept or receipt the delivery, or the inability to deliver because of a changed address of which no notice was given, shall be deemed to be the receipt of the notice sent. Any party shall have the right from time to time to change the address or individual's attention to which notices to it shall be sent and to specify up to two (2) additional addresses to which copies of the notices to it shall be sent by giving the other party hereto at least ten (10) days' prior notice thereof.

Section 9.4 Intentionally deleted.

Section 9.5 Applicable Law. This Agreement, and each of the Loan Documents and transactions contemplated herein (unless specifically stipulated to the contrary in such document) shall be governed by and interpreted in accordance with the laws of the State of Florida.

Section 9.6 Time of the Essence. Time is of the essence of this Agreement, the Note and the other Loan Documents.

Section 9.7 Headings. The headings in this Agreement are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

Section 9.8 Severability. In case any one or more of the provisions contained in this Agreement, the Note or the other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, the same shall not affect any other provision of this Agreement, the Note or the other Loan Documents, but this Agreement, the Note and the other Loan Documents shall be construed as if such invalid or illegal or unenforceable provision had never been contained therein; provided, however, in the event said matter would be in the reasonable opinion of the Lender adversely affect the rights of the Lender under any or all of the Loan Documents, the same shall be an Event of Default.

Section 9.9 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

Section 9.10 Conflict. In the event any conflict arises between the terms of this Agreement and the terms of any other Loan Document, the terms of this Agreement shall govern in all instances of such conflict.

Section 9.11 Term. The terms of this Agreement shall be for such period of time until the Loan, the Note, and all renewals, replacements, modifications, extensions, increases and amendments of any of the foregoing have been repaid in full.

Section 9.12 Expenses. The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to pay and save Lender harmless against liability for the payment of documentary stamp taxes, intangible tax, all out-of-pocket expenses arising in connection with this transaction and all taxes, together in each case with interest and penalties, if any, which may be payable in respect of the execution, delivery and performance of this Agreement or the execution, delivery, acquisition and performance of the Note (including any renewal, extension, substitution or replacement thereof) issued under or pursuant to this Agreement (excepting only any tax on or measured by net income of Lender determined substantially in the same manner, other than the rate of tax, as net income is presently determined under the Federal Internal Revenue Code), all printing costs and the reasonable fees and expenses of any special counsel to Lender in connection with this Agreement and any subsequent modification thereof or consent thereunder. The obligations of Borrower under this Section shall survive payment of the Note.

Section 9.13 Joint and Several Liability. Each entity within the definition of "Borrower" shall be jointly and severally liable hereunder, each covenant, representation, undertaking and provision of this Agreement shall apply to each of such entities separately and collectively.

Section 9.14 Successors and Assigns. All covenants and agreements in this Agreement contained by or on behalf of either of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not; provided, however, this clause shall not by itself authorize, any delegation of duties by the Borrower or any other assignment which may be prohibited by the terms and conditions of this Agreement.

Section 9.15 Further Assurances. The Borrower shall, from time to time, execute such additional documents as may reasonably be requested by the Lender or the counsel, to carry out and fulfill the intent and purpose of this Agreement and the Loan Documents.

Section 9.16 No Third Party Beneficiaries. The parties intend that this Agreement is solely for their benefit and no Person not a party hereto shall have any rights or privileges under this Agreement whatsoever either as the third party beneficiary or otherwise.

Section 9.17 WAIVER OF JURY TRIAL. THE BORROWER HEREBY AGREES TO WAIVE ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OR ANY LOAN DOCUMENT. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THE BORROWER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO THE LENDER TO ENTER INTO A BUSINESS RELATIONSHIP WITH THE BORROWER. THE BORROWER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH WAIVER IS KNOWINGLY AND VOLUNTARILY GIVEN FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED, EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, REPLACEMENTS, REAFFIRMATIONS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, OR ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT WITHOUT A JURY.

Section 9.18 No Waiver. No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder, or under the Note or the other Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or thereunder.

Section 9.19 Entire Agreement. Except as otherwise expressly provided, this Agreement and the other Loan Documents embody the entire agreement and understanding

between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

IN WITNESS WHEREOF, each of the parties hereto has caused this Loan Agreement to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Florida
limited liability company

By: /s/ Robert E. Lassites III
(Signed Name)

Its: Robert E. Lassites III, Vice President

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Robert E. Lassites III, the Vice President of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ Diane M. Barnett

Signature of Notary Public)

Diane M. Barnett

(Printed Name of Notary Public)

My commission expires: 03/08/16

EXHIBIT "A"
LEGAL DESCRIPTION

ALL OF SECTION 10; THE NORTH THREE-QUARTERS (N 3/4) OF SECTION 11, AND THE NORTH ONE-HALF (N 1/2) OF SECTION 12, LYING WEST OF STATE ROAD 31, ALL IN TOWNSHIP 40 SOUTH, RANGE 25 EAST, CHARLOTTE COUNTY, FLORIDA.

TOGETHER WITH A DRAINAGE AND MAINTENANCE EASEMENT GRANTED IN GRANT OF DRAINAGE RECORDED DECEMBER 27, 2000 IN OFFICIAL RECORDS BOOK 1849, PAGE 865, PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA AS AMENDED BY FIRST AMENDMENT TO GRANT OF DRAINAGE EASEMENT RECORDED AUGUST 22, 2014 IN OFFICIAL RECORDS BOOK 3895, Page 418, PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

EXHIBIT "A"
LEGAL DESCRIPTION

ALL OF SECTION 10; THE NORTH THREE-QUARTERS (N 3/4) OF SECTION 11, AND THE NORTH ONE-HALF (N 1/2) OF SECTION 12, LYING WEST OF STATE ROAD 31, ALL IN TOWNSHIP 40 SOUTH, RANGE 25 EAST, CHARLOTTE COUNTY, FLORIDA.

TOGETHER WITH A DRAINAGE AND MAINTENANCE EASEMENT GRANTED IN GRANT OF DRAINAGE RECORDED DECEMBER 27, 2000 IN OFFICIAL RECORDS BOOK 1849, PAGE 865, PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA AS AMENDED BY FIRST AMENDMENT TO GRANT OF DRAINAGE EASEMENT RECORDED AUGUST 22, 2014 IN OFFICIAL RECORDS BOOK 3895, Page 418, PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA.

PROMISSORY NOTE E

U.S. \$5,500,000.00

September 4th, 2014

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00)**, with interest thereon, from the date hereof until the Maturity Date payable as provided herein at the rate of three and eighty-five hundredths (3.85%) percent per annum. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

The principal and interest of this Promissory Note E (" Promissory Note" and the loan evidenced thereby are referred to herein as "Loan E") are to be paid in installments as follows:

- (i) quarterly interest payments of accrued interest on the principal balance remaining outstanding, from time to time, shall be paid by Borrower to Holder beginning on the first (1st) day of December, 2014 and continuing on the first (1st) day of each March, June, September and December thereafter; and
 - (ii) quarterly principal reduction payments shall be made by Borrower to Holder in the amount of Fifty Five Thousand and No/100 Dollars (U.S. \$55,000.00) each, commencing on the first (1st) day of March, 2015 and continuing on the first (1st) day of each June, September, December and June thereafter; and
-

(iii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of September, 2021 (the "Maturity Date").

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

For the purposes of calculating interest under this Promissory Note, a year of 360 day consisting of twelve (12) thirty (30) day months shall be employed regardless of the actual time elapsed.

All payments under this Promissory Note shall be made, without offset or deduction,

in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for

days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the third Business Day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. Interest at the Default Rate is in addition to and not in lieu of

any Prepayment Premium due after acceleration of the indebtedness due hereunder by Holder after an Event of Default. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

As used herein, "Note Rate" is defined as the contract rate of interest stated above in the first paragraph of this Promissory Note. "Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus Five Percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. This Promissory Note and interest hereon are secured by a Mortgage and Security Agreement of even date herewith by Borrower to Holder (the "Instrument") to be recorded in the Public Records of Charlotte County, which Instrument encumbers property located in said county and, unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. The payment of this Promissory Note is secured by, among other things, the Collateral as defined in aforementioned

Instrument. A default by Borrower under the Instrument is a default herein and Borrower shall observe and perform all of the terms and conditions in the Loan Documents as defined in the Instrument. Said Loan Documents are incorporated into this Promissory Note as if fully set forth herein. A default under Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder dated December 31, 2012 evidencing Loan 717610613 ("Note A", the loan evidenced thereby is referred to as "Loan A" and the loan documents pertaining thereto are referred to as the "Loan A Loan Documents"), Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder dated December 31, 2012 evidencing Loan 717610637 ("Note B", the loan evidenced thereby is referred to as "Loan B" and the loan documents pertaining thereto are referred to as the "Loan B Loan Documents"), Future Advance Promissory Note D (Adjustable Rate) in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) from Borrower to Holder dated March 26, 2013 evidencing Loan 717610647 ("Note D", the loan evidenced thereby is referred to as "Loan D", and the loan documents pertaining thereto are referred to as the "Loan D Loan Documents") and/or under Promissory Note F in the face amount of Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) from Borrower to Holder dated of even date herewith evidencing Loan 717610898 ("Note F", the loan evidenced thereby is referred to as "Loan F" and the loan documents pertaining thereto are referred to as the "Loan F Loan Documents", said Note A, Note B, Note D and Note F are collectively referred to as the "Other Notes", Loan A, Loan B, Loan D, and Loan F are collectively referred to as the "Other Loans" and the Loan A Loan Documents, Loan B Loan Documents, Loan D Loan Documents and Loan F Loan Documents, are collectively referred to as the "Other Loan Documents"). A default in this Promissory Note, after expiration of all applicable grace and notice periods herein, is a default in the Other Notes and in the other Loan Documents and a default in the Other Notes and/or in the Other Loan Documents, after expiration of all applicable grace and notice periods therein, is a default herein. The Collateral for the Other Loans also secures the obligations of Borrower under this Promissory Note and under the Loan Documents and the Collateral for this Promissory Note also secures the obligations of Borrower under the Other Notes and under the Other Loan Documents.

This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument and after the expiration of applicable grace and notice periods therein. In the event of such acceleration, all of the then remaining principal and interest, together with any Prepayment Premium due under the terms of this Promissory Note shall become at once due and payable without further notice, demand or presentment for payment. Borrower agrees that any Prepayment Premium due upon any such acceleration by Holder is in addition to the remedy of acceleration and is not in lieu thereof and is in addition to both the collection of interest at the Note Rate or Default Rate, as applicable, and collection of Late Charges hereunder.

The privilege granted to Borrower to make unscheduled principal reduction payments of the indebtedness evidenced by this Promissory Note and the terms under which this Promissory Note may be prepaid by Borrower and the applicable Prepayment Premium (as defined in the Prepayment Rider) that will be due upon any such unscheduled prepayment(s) of this indebtedness are set forth in the Prepayment Rider attached hereto and incorporated herein by this reference. Terms defined in this Promissory Note shall also be applicable to the use of such terms in the Prepayment Rider.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, said Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph

shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credited against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to correct such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida; as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall

constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OFAC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/it become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OFAC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513, 104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d, and 18 U.S.C. Section 2339b); the International Security and Development Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31 C.F.R. Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including the requirements of the AntiTerrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if Borrower timely comply(ies) with all requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OFAC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

- (a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and
- (b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to Borrower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state circuit court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless of whether such counties are contiguous or in any United States District Court for the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be heard and determined in any of such state circuit court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

IN WITNESS WHEREOF, this Promissory Note has been executed by as of the date first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

PREPAYMENT RIDER

Subject to payment of the Prepayment Premium referred to below, if any, and all accrued interest and other sums due under this Promissory Note, Borrower shall have the right to prepay all or any part of the outstanding principal balance of this Promissory Note, on any date (the "Prepayment Date"), upon giving not less than thirty (30) days prior written notice to Holder of Borrower's intention to prepay. Any partial prepayment must be in a minimum amount of Two Hundred Fifty Thousand and No/100 (\$250,000.00). No partial prepayment shall result in any adjustment of the amount of the scheduled payments thereafter becoming due.

If all or any portion of the outstanding principal balance of this Promissory Note is prepaid for any reason whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note, the Instrument or any Loan Document, Borrower shall pay Holder a prepayment premium (the "Prepayment Premium") equal to the greater of (i) or (ii) below:

- (i) one half of one percent (0.50%) of the principal amount of this Promissory Note being prepaid; or,
- (ii) an amount equal to the Present Value of Loan E (as hereinafter defined) less the amount of principal of this Promissory Note being prepaid including accrued interest, if any, calculated as of the Prepayment Date.

Holder will notify Borrower of the amount and basis of the determination of the Prepayment Premium. On or before the Prepayment Date, Borrower shall pay to Holder the Prepayment Premium together with the amount of the principal being prepaid and all accrued interest and other sums due under this Promissory Note and under Loan E.

Holder shall not be obligated to accept any prepayment of the principal balance of this Promissory Note unless such prepayment is accompanied by any Prepayment Premium, all accrued interest and all other sums due under Loan E.

For the purposes of determining the Prepayment Premium, the following terms shall have the following meanings:

The "Treasury Rate" is the semi-annual yield on the Treasury Constant Maturity Series with maturity equal to the remaining weighted average life of Loan E, for the week prior to the Prepayment Date, as reported in Federal Reserve Statistical Release

H.15 - Selected Interest Rates, conclusively determined by Holder on the Prepayment Date. The rate will be determined by linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, Holder shall select a comparable publication to determine the Treasury Rate.

The "Discount Rate" is the rate which, when compounded quarterly, is equivalent to the Treasury Rate, when compounded semi-annually.

The "Present Value of Loan E" shall be determined by discounting all scheduled payments of principal and interest (at the Note Rate even if interest is then accruing at the Default Rate) remaining through the Maturity Date attributed to the amount being prepaid under this Promissory Note, at the Discount Rate. If prepayment occurs on a date other than a regularly scheduled payment date, the actual number of days remaining from the Prepayment Date to the next regularly scheduled payment date will be used to discount within this period.

Borrower agrees that Holder shall not be obligated to reinvest the amount prepaid in any Treasury obligations as a condition precedent to receiving the Prepayment Premium.

A default by Borrower in any payment of any amount(s) due under this Promissory Note or a default or breach of any of Borrower's duties and obligations under the Instrument or any of

the other Loan Documents as to which Holder accelerates all indebtedness due under this Promissory Note, shall conclusively be deemed an effort by the Borrower to effect a voluntary prepayment of the Promissory Note. The Prepayment Premium for such voluntary prepayment shall become effective, due and payable as of the day prior to the date of acceleration of this Promissory Note (the "Effective Date"). The related Prepayment Premium, whether paid from the proceeds of a foreclosure sale or otherwise, shall be calculated, due, and payable as of the Effective Date.

It is the express intention of the parties that any application of the Default Rate before, upon and/or after acceleration of the indebtedness due under this Promissory Note by Holder as permitted in this Promissory Note is in addition to, and not in lieu of any Prepayment Premium provided for herein whether any Event of Default upon which acceleration is based is intentional or unintentional. In addition to voluntary prepayments, the above Prepayment Premium shall also be due upon involuntary and voluntary defaults upon acceleration of the indebtedness due hereby by Holder and is not in lieu of the right to accelerate and shall be in addition to the collection of interest at the Default Rate under the Promissory Note and in addition to the collection of Late Charges under the Promissory Note.

No unscheduled prepayment of amounts due under this Promissory Note, whether made pursuant to the provisions of this Rider, or otherwise, shall result in the adjustment or reduction of any scheduled payment of principal and interest as set forth in this Promissory Note.

[SIGNATURE AND NOTARY BLOCKS ON SUBSEQUENT PAGES)

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$19,250.00 calculated on the \$5,500,000.00 total of the face
amount of this Promissory paid on the Instrument being recorded in the Public Records of
Charlotte County, Florida on or about the date hereof.

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

PROMISSORY NOTE F

(Adjustable Rate)

U.S. \$5,500,000.00

September 4th, 2014

FOR VALUE RECEIVED, the undersigned, **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said four limited liability companies both separately and collectively), jointly and severally, promise to pay to the order of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, its successors and assigns ("Holder") the principal sum of **Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00)**, with interest thereon, from the date hereof until the Maturity Date payable as provided herein at the initial interest rate of three and forty-five hundredths (3.45%) percent per annum, which initial interest rate is subject to adjustment as provided below. Capitalized terms used herein without definition shall have the meanings ascribed to them in the Instrument, as defined herein.

The principal and interest of this Promissory Note F (" Promissory Note" and the loan evidenced thereby are referred to herein as "Loan F") are to be paid in installments as follows:

- (i) quarterly interest payments of accrued interest on the principal balance remaining outstanding, from time to time, shall be paid by Borrower to Holder beginning on the first (1st) day of December, 2014 and continuing on the first (1st) day of each March, June, September and December thereafter; and
-

(ii) quarterly principal reduction payments shall be made by B01Tower to Holder in the amount of Fifty Five Thousand and No/100 Dollars (U.S. \$55,000.00) each, commencing on the first (1st) day of March, 2015 and continuing on the first (1st) day of each June, September, December and March thereafter; and

(iii) the entire then remaining outstanding balance of all principal and accrued interest thereon shall be due and payable, in full, on the first (1st) day of September, 2039 (the "Maturity Date").

On September 1, 2019 (the "First Change Date"), Holder shall have the right to adjust the Note Rate to the interest rate per annum equal to Holder's Adjusted Contract Rate (as defined below). Prior to the First Change Date, Holder shall give the Borrower written notice of the Adjusted Contract Rate to be applicable to this Promissory Note for the five (5) year period commencing on the First Change Date (the "Adjustment Notice"). Borrower shall be deemed to have accepted the Adjusted Contract Rate as the New Note Rate if Borrower does not pay all of the then outstanding balance of principal and interest due under this Promissory Note on the First Change Date. In the event the Borrower accepts the Adjusted Contract Rate as the New Note Rate by not paying this Promissory Note in full on the First Change Date after having received an Adjustment Notice from Holder, then the regularly scheduled quarterly installment payment of interest and regularly scheduled quarterly installment of principal, shall be due and payable on the First Change Date and the New Note Rate will be as set forth in the Adjustment Notice for the five (5) year period commencing on the First Change Date.

On September 1, 2024, September 1, 2029 and September 1, 2034 (the "Subsequent Change Dates"), Holder shall again have the right to adjust the Note Rate to the rate per annum equal to Holder's Adjusted Contract Rate. The Adjustment Notice procedure and the Borrower's acceptance of the Adjusted Contract Rate as the new Note Rate if Borrower does not pay all of the outstanding balance of principal and interest due under this Promissory Note on the Subsequent Change Dates shall be the same as set forth above for the First Change Date.

The term "Adjusted Contract Rate" means the interest rate, as determined by Holder in its sole discretion, at which Holder would be willing to make a loan on the First Change Date or on any Subsequent Change Date in the amount of the then remaining unpaid principal balance of this Promissory Note to a comparable borrower with a net worth and financial position equal to that of Borrower on the First Change Date or any Subsequent Change Date and secured by similar collateral of comparable value, age, condition, marketability and utility to the remaining collateral securing this Promissory Note.

Holder shall not be required to provide Borrower with a new Adjusted Contract Rate on the First Change Date or on any Subsequent Change Date if (i) the Borrower is in default under any term or provisions of this Promissory Note, the Instrument securing this Promissory Note or any other Loan Document or (ii) Borrower has not delivered to Holder any and all financial information related to the Borrower and/or the real and personal property pledged as collateral for this Promissory Note or to the operation thereof, as Holder may reasonably request, in order for Holder to perform a review of the then remaining indebtedness to determine the Adjusted Contract Rate. The parties agree that a default by Borrower in any of the matters set forth in items (i) through (ii) of this paragraph shall constitute a material default under this Promissory Note and, in the event of such default, Holder may, at its sole and absolute discretion, declare a default under this Promissory Note whereupon this Promissory Note shall become immediately due and payable in full.

Unless otherwise provided by law, all payments made by Borrower will be applied first to any costs and expenses incurred by Holder in enforcing or collecting this Promissory Note, including reasonable attorney fees, and then to any advances and expenditures made by Holder to protect its interests under this Promissory Note, the Instrument or any other document given to secure Borrower's payment of this indebtedness. Any remaining amounts will then be applied to interest due with the balance, if any, to be applied on account of principal.

For the purposes of calculating interest under this Promissory Note, a year of 360 day consisting of twelve (12) thirty (30) day months shall be employed regardless of the actual time elapsed.

All payments under this Promissory Note shall be made, without offset or deduction,

(a) in lawful money of the United States of America at the office of Holder or at such other place (and in the manner) Holder may specify by written notice to Borrower, (b) in immediately available federal funds by federal wire transfer, and (c) if received by Holder prior to 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall be credited on that day, or, if received by Holder on or after 2 P.M. local time in the place so designated by Holder for payments under this Promissory Note, shall, at Holder's option, be credited on the next Business Day. If any payment due date falls on a day which is not a Business Day, then the payment due date shall be deemed to have fallen on the next succeeding Business Day. The term "Business Day" shall mean each Monday through Friday except for days in which commercial banks are not authorized to open or are required by law to close in the State in which the place designated by Holder for payments under this Promissory Note is located.

Both principal and interest shall be payable in lawful money of the United States of America by federal wire transfer unless directed by Holder in writing to be otherwise forwarded to Prudential Asset Resources, Inc. Mortgage Loan Servicing, 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201 or such other place as the Holder hereof may, from time to time, designate in writing.

In the event that any payment of principal and/or interest due under this Promissory Note should not be fully made by the fifth (5th) day following the due date thereof, then:

(A). A late charge of \$0.05 for each (\$1.00) Dollar of such payment shall automatically become due to the Holder of this Promissory Note and be secured by the Instrument. This charge shall be in addition to all other rights and remedies available to the Holder of this Promissory Note upon the occurrence of a default under the Promissory Note or any other Loan Document (as hereinafter defined); and

(B). The Holder of this Promissory Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Promissory Note then outstanding, from the Note Rate to the Default Rate (as hereinafter defined) and, upon said notice and unless Borrower shall pay to Holder the amount of such overdue payment together with the late charge assessed thereon within three (3) Business Days of Borrower's receipt of said notice (which receipt shall be conclusively presumed to have occurred on the third Business Day following the date such notice was placed in the mail with the United States Postal Service or on the date of actual delivery if delivered personally or by private carrier/messenger service), such increase to the Default Rate shall remain in force and effect for so long as such default shall continue or the Holder otherwise agrees. Interest at the Default Rate is in addition to and not in lieu of any Prepayment Premium due after acceleration of the indebtedness due hereunder by Holder after an Event of Default. The Default Rate shall also apply to any judgment obtained with respect to the Obligations and/or any Loan Document from the date such judgment becomes due and owing under a final and non-appealable order until the amount of such judgment is paid in full.

As used herein, "Note Rate" is defined as the contract rate of interest stated above in the first paragraph of this Promissory Note. "Default Rate" is defined as the lesser of (i) the maximum rate allowed by applicable law or (ii) the per annum rate equal to the Note Rate plus Five Percent (5%).

The Borrower severally waives presentment for payment, demand, notice of demand and of dishonor and nonpayment of this Promissory Note, notice of intention to accelerate and notice of acceleration of the maturity of this Promissory Note, protest and notice of protest, diligence in collecting and the bringing of suit against any other party and said Borrower agrees to all renewals, extensions, modifications, partial payments, releases or substitutions of security, in whole or in part, with or without notice, before or after maturity, all without in any way affecting the liability of Borrower under this Promissory Note.

Should this Promissory Note be signed by more than one person and/or firm and/or corporation, all of the obligations herein contained shall be considered joint and several obligations of each signer hereof.

This Promissory Note evidences Borrower's unconditional obligation to repay the indebtedness described herein. This Promissory Note and interest hereon are secured by a Mortgage and Security Agreement of even date herewith by Borrower to Holder (the "Instrument") to be recorded in the Public Records of Charlotte County, which Instrument encumbers property located in said county and, unless otherwise stated herein, this Promissory Note is to be construed according to the laws of the State of Florida. The payment of this Promissory Note is secured by, among other things, the Collateral as defined in aforementioned Instrument. A default by Borrower under the Instrument is a default herein and Borrower shall observe and perform all of the terms and conditions in the Loan Documents as defined in the Instrument. Said Loan Documents are incorporated into this Promissory Note as if fully set forth herein. A default under Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder dated December 31, 2012 evidencing Loan 717610613 ("Note A", the loan evidenced thereby is referred to as "Loan A" and the loan documents pertaining thereto are referred to as the "Loan A Loan Documents"), Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) from Borrower to Holder dated December 31, 2012 evidencing Loan 717610637 ("Note B", the loan evidenced thereby is referred to as "Loan B and the loan documents pertaining thereto are referred to as the "Loan B Loan Documents"), Future Advance Promissory Note D (Adjustable Rate) in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) from Borrower to Holder dated March 26, 2013 evidencing Loan 717610647 ("Note D", the loan evidenced thereby is referred to as "Loan D", and the loan documents pertaining thereto are referred to as the "Loan D Loan Documents") and/or under Promissory Note F in the face amount of Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) from Borrower to Holder dated of even date herewith evidencing Loan 717610897 ("Note E", the loan evidenced thereby is referred to as "Loan E and the loan documents pertaining thereto are referred to as the "Loan E Loan Documents", said Note A, Note

B, Note D and Note E are collectively referred to as the "Other Notes", Loan A, Loan B, Loan D, and Loan F are collectively referred to as the "Other Loans" and the Loan A Loan Documents, Loan B Loan Documents, Loan D Loan Documents and Loan E Loan Documents, are collectively referred to as the "Other Loan Documents"). A default in this Promissory Note, after expiration of all applicable grace and notice periods herein, is a default in the Other Notes and in the other Loan Documents and a default in the Other Notes and/or in the Other Loan Documents, after expiration of all applicable grace and notice periods therein, is a default herein. The Collateral for the Other Loans also secures the obligations of Borrower under this Promissory Note and under the Loan Documents and the Collateral for this Promissory Note also secures the obligations of Borrower under the Other Notes and under the Other Loan Documents.

This Promissory Note may be declared due (accelerated) at the option of the Holder hereof prior to its expressed maturity date for an Event of Default, as defined in the Instrument and after the expiration of applicable grace and notice periods therein. In the event of such acceleration, all of the then remaining principal and interest, together with any Prepayment Premium due under the terms of this Promissory Note shall become at once due and payable without further notice, demand or presentment for payment. Borrower agrees that any Prepayment Premium due upon any such acceleration by Holder is in addition to the remedy of acceleration and is not in lieu thereof and is in addition to both the collection of interest at the Note Rate or Default Rate, as applicable, and collection of Late Charges hereunder.

The privilege granted to Borrower to make unscheduled principal reduction payments of the indebtedness evidenced by this Promissory Note and the terms under which this Promissory Note may be prepaid by Borrower and the applicable Prepayment Premium (as defined in the Prepayment Rider) that will be due upon any such unscheduled prepayment(s) of this indebtedness are set forth in the Prepayment Rider attached hereto and incorporated herein by this reference. Terms defined in this Promissory Note shall also be applicable to the use of such terms in the Prepayment Rider.

It is the intent of the Holder of this Promissory Note and the Borrower in the execution of this Promissory Note, the Loan Documents and all other instruments now or hereafter securing this Promissory Note to contract in strict compliance with all applicable laws and, in particular, with applicable usury law. In furtherance thereof, said Holder and the Borrower stipulate and agree that none of the terms and provisions contained in this Promissory Note, or in any other instrument executed in connection herewith, shall ever be construed to create a contract to pay interest at a rate in excess of the maximum interest rate permitted to be charged by applicable law for the use, forbearance or detention of money or to pay any other amount not permitted by law. Neither the Borrower nor any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Promissory Note shall ever be required to pay interest on this Promissory Note at a rate in excess of the maximum interest that may be lawfully charged or to make any other payment(s) not permitted under applicable law. The provisions of this paragraph shall control over all other provisions of this Promissory Note and any other instruments now or hereafter executed in connection herewith which may be in apparent conflict herewith. The Holder of this Promissory Note expressly disavows any intention to charge any amount not permitted by law or to collect excessive, unearned interest or finance charges under this Promissory Note, or in the event the maturity of this Promissory Note is accelerated. If the maturity of this Promissory Note shall be accelerated, for any reason, or if the principal of this Promissory Note is paid prior to the end of the term of this Promissory Note and, as a result thereof, the interest or any other charge received for the actual period of existence of the loan evidenced by this Promissory Note exceeds the applicable maximum lawful rate for such interest or other charge, the Holder of this Promissory Note shall, at its option, either refund to the Borrower the amount of such excess or credit the amount of such excess against the principal balance of this Promissory Note then outstanding and thereby shall render inapplicable any and all penalties of any kind provided by applicable law as a result of such excess interest or other charge. In the event that any Holder of this Promissory Note shall collect monies which are deemed to constitute interest which would increase the effective interest rate on this Promissory Note to a rate in excess of that permitted to be charged by applicable law, all such sums deemed to constitute interest in excess of the lawful rate shall, upon such determination, at the option of the Holder of this Promissory Note be either immediately returned to the Borrower or credit

against the principal balance of this Promissory Note then outstanding, in which event any and all penalties of any kind under applicable law as a result of such excess interest shall be inapplicable. By execution of this Promissory Note the Borrower acknowledge(s) that Borrower believe(s) the loan evidenced by this Promissory Note to be non-usurious and agrees that if, at any time, the Borrower should have reason to believe that such loan is in fact usurious or any other charge exceeds that permitted by applicable law, Borrower will give the Holder of this Promissory Note notice of such condition and the Borrower agree(s) that said Holder shall have thirty (30) days in which to make appropriate refund or other adjustment in order to correct such condition, if in fact such exists. The term "applicable law" as used in this Promissory Note shall mean the laws of the State Florida; as such laws now exist or may be changed or amended or come into effect in the future.

Should the indebtedness represented by this Promissory Note or any part thereof be enforced or collected at law or in equity or through any bankruptcy, receivership, probate or other court proceedings or if this Promissory Note is placed in the hands of attorneys for collection after default, and expiration of all applicable grace and notice periods, the Borrower agrees to pay to the Holder of this Promissory Note, in addition to the principal and interest due and payable hereon and to the full extent permitted by law, all reasonable attorneys' fees and reasonable costs of collection. For purposes of this paragraph "costs of collection" shall be deemed to include (by way of example and not by limitation), among other reasonable costs, all reasonable costs incurred in securing and protecting any of the real property or personal property described in the Loan Documents and Holder's interest therein, together with all reasonable fees and expenses charged by the attorneys engaged by Holder for collection purposes.

Any forbearance, failure or delay by Holder in exercising any right, power or remedy provided herein or in the Loan Documents or provided by law shall not preclude a further or subsequent exercise thereof or constitute a waiver of default by Borrower and every such right, power or remedy of Holder shall continue in full force and effect unless such right, power and remedy and each such default or breach by Borrower is separately and specifically waived by Holder in writing.

If any clause, term or provision of this Promissory Note or any of the Loan Documents is held to be unenforceable by a court of competent jurisdiction, said clause, term, provision so held to be unenforceable shall be stricken and all the remaining portions of this Promissory Note and/or the Loan Documents shall remain in full force and effect.

Borrower and all persons or entities holding any legal or beneficial interest whatsoever in Borrower or any security for this Promissory Note are not included in, owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services or any kind to, or otherwise associated with any of the persons or entities referred to or described in Executive Order 13224 - Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended. It shall constitute an Event of Default hereunder and under the Instrument securing this instrument if the foregoing representation and warranty shall ever become false.

Neither Borrower, nor any persons holding any legal or beneficial interest whatsoever in any collateral given by Borrower to secure this Promissory Note shall, at any time during the term of the loan evidenced by this Promissory Note, be described in, covered by or specially designated pursuant to or be affiliated with any persons described in, covered by or specially designated pursuant to Executive Order 13224, as amended, or any similar list issued by the Office of Foreign Assets Control ("OFAC") or any other department or agency of the United States of America. Notwithstanding the foregoing, Borrower hereby confirm(s) that if he/she//they/it become(s) aware or receives any notice of any violation of the foregoing covenant and agreement (an "OFAC Violation") Borrower will immediately (i) give notice to Holder of such OFAC Violation, and (ii) comply with all Laws applicable to such OFAC Violation, including, without limitation, Executive Order 13224; the International Emergency Economic Powers Act 50 U.S.C. Sections 1701-06; the Iraqi Sanctions Act, Pub. L. 101-513,

104 Stat. 2047-55; the United Nations Participation Act, 22 U.S.C. Section 287c; the Antiterrorism and Effective Death Penalty Act, (enacting 8 U.S.C. Section 219, 18 U.S.C. Section 2332d and 18 U.S.C. Section 2339b); the International Security and Development

Cooperation Act, 22 U.S.C. Section 2349 aa-9; the Terrorism Sanctions Regulations, 31 C.F.R. Part 595; the Terrorism List Governments Sanctions Regulations, 31. C.F.R Part 596; and the Foreign Terrorist Organizations Sanctions Regulations, 31 C.F.R. Part 597 (collectively, the "Anti-Terrorism Regulations") and Borrower hereby authorize(s) and consent(s) to Holder's taking any and all reasonable steps Holder deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including the requirements of the AntiTerrorism Regulations. Notwithstanding anything to the contrary in this Section, Borrower shall not be deemed to be in violation of the covenants and agreements set forth in the first sentence of this Section if B01Tower timely comply(ies) with all requirements imposed by the foregoing sentence and all requirements of the Anti-Terrorism Regulations and all other applicable Laws relating to such OFAC Violation.

Borrower acknowledge(s), represent(s) and warrant(s) to Holder that:

- (a) the primary purpose for the within loan is business and investment (and not for personal, family or household purposes); and
- (b) none of the proceeds to be distributed under this Promissory Note will be used to acquire (or refinance the acquisition price of) real property or personal property which was or is to be used as a primary residence of Borrower or any other party to any of the Loan Documents.

Without limiting the right of Holder to bring any action or proceeding against the undersigned or its property arising out of or relating to the Obligations, as defined in the Instrument, (an "Action") in the courts of other jurisdictions to the extent necessary to satisfy jurisdiction and venue requirements as to B01Tower (the "Jurisdiction and Venue Exception"), Holder and Borrower hereby irrevocably submit to the jurisdiction of any state circuit court in Florida having jurisdiction over any cause of action set forth in the Action for any county in which any part of the Premises is located even if located in more than one county and regardless of whether such counties are contiguous or in any United States District Court for

the district including any said counties where the Premises are located. Further, subject to the Jurisdiction and Venue Exception, Holder and Borrower hereby irrevocably agree that any Action may be

heard and determined in any of such state circuit court or in any such federal district court as the sole and exclusive courts and venue for any such Action. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably waive, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any Action in such jurisdiction. Holder, subject to the Jurisdiction and Venue Exception, and Borrower hereby irrevocably agree that the summons and complaint or any other process in any Action in any jurisdiction may be served in any manner authorized by applicable law. Such service will be complete as provided under applicable law and the time to respond shall be governed by applicable law.

WAIVER OF JURY TRIAL. THE BORROWER, HOLDER AND ALL ENDORSERS, GUARANTORS AND SURETIES, TO THE FULL EXTENT PERMITTED BY LAW, DO HEREBY WAIVE AND COVENANT THAT EACH WILL NOT ASSERT, WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE, ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS PROMISSORY NOTE, THE SUBJECT MATTER HEREOF, THE OTHER NOTES, THE INSTRUMENT OR ANY LOAN DOCUMENT(S) OR OTHER INSTRUMENT RELATING HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR IN TORT OR OTHERWISE.

[SIGNATURE BLOCKS ON SUBSEQUENT PAGES]

IN WITNESS WHEREOF, this Promissory Note has been executed by as of the date first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

PREPAYMENT RIDER

Subject to payment of the Prepayment Premium referred to below and all accrued interest and other sums due under this Promissory Note, Borrower shall have the right to prepay all or any part of the outstanding principal balance of this Promissory Note, on any date (the "Prepayment Date"), upon giving not less than thirty (30) days prior written notice to Holder of Borrower's intention to prepay. Any partial prepayment must be in a minimum amount of Two Hundred Fifty Thousand and No/100 (\$250,000.00). No partial prepayment shall result in any adjustment of the amount of the scheduled payments thereafter becoming due.

If within five (5) years after the date of this Promissory Note (the "Prepayment Premium Period") all or any portion of the outstanding principal balance of this Promissory Note is prepaid for any reason whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note, the Instrument or any Loan Document, Borrower shall pay Holder a prepayment premium (the "Prepayment Premium") equal to the greater of (i) or (ii) below:

- (i) one half of one percent (0.50%) of the principal amount of this Promissory Note being prepaid; or,
- (ii) an amount equal to the Present Value of Loan F (as hereinafter defined) less the amount of principal of this Promissory Note being prepaid including accrued interest, if any, calculated as of the Prepayment Date.

Holder will notify Borrower of the amount and basis of the determination of the Prepayment Premium. On or before the Prepayment Date, Borrower shall pay to Holder the Prepayment Premium together with the amount of the principal being prepaid and all accrued interest and other sums due under this Promissory Note and under Loan F.

Holder shall not be obligated to accept any prepayment of the principal balance of this Promissory Note unless such prepayment is accompanied by any Prepayment Premium, all accrued interest and all other sums due under Loan F.

For the purposes of determining the Prepayment Premium, the following terms shall have the following meanings:

The "Treasury Rate" is the semi-annual yield on the Treasury Constant Maturity Series with maturity equal to the remaining weighted average life of Loan F, for the week prior to the Prepayment Date, as reported in Federal Reserve Statistical Release

H.15 - Selected Interest Rates, conclusively determined by Holder on the Prepayment Date. The rate will be determined by linear interpolation between the yields reported in Release H.15, if necessary. In the event Release H.15 is no longer published, Holder shall select a comparable publication to determine the Treasury Rate.

The "Discount Rate" is the rate which, when compounded quarterly, is equivalent to the Treasury Rate, when compounded semi-annually.

The "Present Value of Loan F" shall be determined by discounting all scheduled payments of principal and interest (at the Note Rate even if interest is then accruing at the Default Rate) remaining through the Maturity Date attributed to the amount being prepaid under this Promissory Note, at the Discount Rate. If prepayment occurs on a date other than a regularly scheduled payment date, the actual number of days remaining from the Prepayment Date to the next regularly scheduled payment date will be used to discount within this period.

Borrower agrees that Holder shall not be obligated to reinvest the amount prepaid in any Treasury obligations as a condition precedent to receiving the Prepayment Premium.

A default by Borrower in any payment of any amount(s) due under this Promissory Note or a default or breach of any of Borrower's duties and obligations under the Instrument or any of the other Loan Documents as to which Holder accelerates all indebtedness due under this Promissory Note, shall conclusively be deemed an effort by the Borrower to effect a voluntary prepayment of the Promissory Note. The Prepayment Premium for such voluntary prepayment shall become effective, due and payable as of the day prior to the date of acceleration of this Promissory Note (the "Effective Date"). The related Prepayment Premium, whether paid from the proceeds of a foreclosure sale or otherwise, shall be calculated, due, and payable as of the Effective Date.

Unscheduled prepayments (whether voluntary or involuntary or after acceleration by Holder upon a default by Borrower under this Promissory Note), made on this Promissory Note after the Prepayment Premium Period shall not be subject to the payment of the Prepayment Premium.

It is the express intention of the parties that any application of the Default Rate before, upon and/or after acceleration of the indebtedness due under this Promissory Note by Holder as permitted in this Promissory Note is in addition to, and not in lieu of any Prepayment Premium provided for herein whether any Event of Default upon which acceleration is based is intentional or unintentional. In addition to voluntary prepayments, the above Prepayment Premium shall also be due upon involuntary and voluntary defaults upon acceleration of the indebtedness due hereby by Holder during the Prepayment Premium Period and is not in lieu of the right to accelerate and shall be in addition to the collection of interest at the Default Rate under the Promissory Note and in addition to the collection of Late Charges under the Promissory Note.

No unscheduled prepayment of amounts due under this Promissory Note, whether made pursuant to the provisions of this Rider, or otherwise, shall result in the adjustment or reduction of any scheduled payment of principal and interest as set forth in this Promissory Note.

[SIGNATURE AND NOTARY BLOCKS ON SUBSEQUENT PAGES]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

Florida documentary stamp tax
in the amount of \$19,250.00 calculated on the \$5,500,000.00 total of the face
amount of this Promissory Note paid on the Instrument being recorded in the Public Records of
Charlotte County, Florida on or about the date hereof.

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

Loan Numbers:

717610897
717610898

FIRST AMENDMENT TO LOAN AGREEMENT
(Loan E and F)

THIS FIRST AMENDMENT TO LOAN AGREEMENT (Loan E and F) (the "Loan E and F First Amendment") is made and entered into as of the 23rd day of April, 2015 (the "Loan E and F First Amendment Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said five limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913, and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower executed in favor of Lender that certain Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note A"), and the loan evidenced thereby is known as Loan 717610613 and is referred to as "Loan A"), that certain Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note B"), and the loan evidenced thereby is known as Loan 717610637 and is referred to as "Loan B" and Note A and Note B are collectively herein referred to as "Notes A and B" with Loan A and Loan B herein referred to as "Loans A and B"), and a Promissory Note C in the face amount of Five Million Dollars (\$5,000,000.00) which was never disbursed, was heretofore canceled and is no longer in force and effect;

WHEREAS, in connection with the execution and delivery of Notes A and B, Borrower and Lender executed that certain Loan Agreement dated December 31, 2012 (the "2012 Original Loan Agreement");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Mortgage and Security Agreement dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2431, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument

Number 201325000089, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1833, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1500, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1255, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 689, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0130, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Security Instrument");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Assignment of Leases and Rents dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2510, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000090, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1912, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1579, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1334, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 768, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0209, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Assignment of Leases and Rents");

WHEREAS, in connection with the execution and delivery of Notes A and B, the 2012 Original Security Instrument, the 2012 Original Assignment of Leases and Rents, and the 2012 Original Loan Agreement, Borrower executed in favor of Lender and/or Borrower and Lender entered into certain guarantees and other loan documents pertaining to Loan A and B (said loan documents are collectively referred to as the "2012 Loan Documents");

WHEREAS, on March 26, 2013, Borrower executed in favor of Lender a Future Advance Promissory Note D in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) evidencing a loan known as Loan 717610647 (referred to herein as "Note D", and the revolving loan evidenced thereby being referred to as "Loan D"); Borrower and Lender executed a First Amendment to Loan Agreement (the "2013 First Amendment to Loan Agreement" with the 2012 Original Loan Agreement as amended thereby being referred to as the "2013 Loan Agreement"); Borrower and Lender executed a Modification of Mortgage and Security Agreement and Modification of Other Loan Documents dated March 26, 2013 (the "2013 Modification"), in seven counterparts, one of which was recorded on March 27, 2013 in Official Records Book 4901, Page 545, the Public Records of Collier County, Florida, recorded on March 27, 2013 as Instrument 201325001828, Public Records of Hardee County, Florida, on March 27, 2013 in Official Records Book 860, Page 400, Public Records of Hendry County, Florida, on March 27, 2013 in Official Records Book 2371, Page 1945 Public Records of Highlands County, Florida, on March 27, 2013 in Official Records Book 2639, Page 11743 Public Records of Martin

County, Florida, on March 27, 2013 in Official Records Book 4417, Page 2860 Public Records of Osceola County, Florida and on March 27, 2013 in Official Records Book 8917, Page 377 Public Records of Polk County, Florida; and Borrower executed in favor of Lender and/or Borrower and Lender entered into certain other guarantees of such loan documents and other loan documents of even date therewith (Note D, the First Amendment to Loan Agreement, the 2013 Modification, and such other loan documents related to the foregoing are herein collectively referred to as the "2013 Loan Documents" and the 2012 Original Security Instrument, as modified by the 2013 Modification, is referred to as the "2013 Original Security Instrument", the 2012 Original Assignment of Leases and Rents as modified by the 2013 Modification is referred to as the "2013 Assignment of Leases and Rents", and the 2012 Loan Documents as modified by the 2013 Loan Documents are referred to as the "2013 Loan A, B and D Existing Loan Documents");

WHEREAS, on September 4, 2014 Borrower executed in favor of Lender a Promissory Note E in the face amount of up to Five Million Five Hundred Thousand and Noll 00 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610897 (referred to herein as "Note E", and the loan evidenced thereby being referred to as "Loan E"); Borrower executed in favor of Lender a Promissory Note F in the face amount of up to Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610898 (referred to herein as "Note F", and the loan evidenced thereby being referred to as "Loan F"); Borrower executed in favor of Lender a Mortgage and Security Agreement dated September 4, 2014 and securing Loan E and Loan F and cross-collateralized with the 2013 Loan A, B and D Existing Loan Documents as modified by said instrument, which was recorded on September 5, 2014 in Official Records Book 3898, Page 1387, Public Records of Charlotte County, Florida (the "2014 Charlotte County Security Instrument"); Borrower executed in favor of Lender an Assignment of Leases and Rents securing Loan E and Loan F and cross-collateralized with the 2013 Loan A, B and D Existing Loan Documents as modified by the 2014 Loan A, B and D Modification (defined below), which instrument was recorded on September 5, 2014 in Official Records Book 3898, Page 1450, Public Records of Charlotte County, Florida (the "2014 Charlotte County Assignment of Leases and Rents"); Borrower and Lender entered into a Loan E and Loan F Loan Agreement (the "2014 Loan E and F Loan Agreement"), Borrower and Lender executed a 2014 Second Amendment to Loan Agreement dated September 4, 2014 (the "Second Amendment to Loan Agreement" with the 2013 Loan Agreement, as amended thereby, being referred to as the "2014 Loan A, B and D Loan Agreement") and certain guarantees of such loan documents and certain other loan documents of even date therewith by Borrower in favor of Lender and/or between Borrower and Lender pertaining to Loan E and Loan F (Note E, Note F, the 2014 Charlotte County Security Instrument, the 2014 Charlotte County Assignment of Leases and Rents, the 2014 Loan E and F Loan Agreement, any guarantees as to Loan E and Loan F, and said other loan documents (excluding the 2014 Second Amendment to Loan Agreement) are collectively referred to as the "2014 Loan E and F Existing Loan Documents");

WHEREAS, on September 4, 2014, Borrower and Lender entered into a 2014 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents (the "2014 Loan A, B and D Modification" and the 2013 Original Security Instrument as modified by the 2014 Loan A, B and D Modification, is referred to as the "2014 Loan A, B and D Original Security Instrument" and the 2013 Loan A, B and D Existing Loan Documents as modified by the 2014 Loan A, B and D Modification and by the 2014 Second Amendment to Loan Agreement are

referred to as the "2014 Loan A, B and D Existing Loan Documents"), in seven counterparts, one of which was recorded on September 5, 2014 in Official Records Book 5074, Page 1814, the Public Records of Collier County, Florida, recorded on September 5, 2014 as Instrument 201425005126, Public Records of Hardee County, Florida, on September 5, 2014 in Official Records Book 882, Page 562, Public Records of Hendry County, Florida, on September 5, 2014 in Official Records Book 2443, Page 802 Public Records of Highlands County, Florida, on September 5, 2014 in Official Records Book 2739, Page 278 Public Records of Martin County, Florida, on September 5, 2014 in Official Records Book 4662, Page 223 Public Records of Osceola County, Florida and on September 8, 2014 in Official Records Book 9333, Page 1419 Public Records of Polk County, modifying the Loan A, B and D Existing Loan Documents to cross-default and cross-collateralize the same with the 2014 Loan E and F Existing Loan Documents;

WHEREAS, 734 Sub, LLC, a Florida limited liability company has merged into 734 Citrus Holdings, LLC, a Florida limited liability company with the latter being the surviving entity and with the result that Alico, Inc., a Florida corporation ("Alico") is the sole member of said surviving entity (the "Silver Nip Merger");

WHEREAS, the Borrower desires to provide a \$7,000,000.00 Subsidiary Guaranty (the "Silver Nip Rabo Subsidiary Guaranty") of the obligations of Alico, Alico-Agri, Ltd., a Florida limited partnership, Alico Land Development Inc., a Florida corporation, Alico Plant World, L.L.C., a Florida limited liability company, Alico Fruit Company, LLC, a Florida limited liability company, and Alico Citrus Nursery, LLC, a Florida limited liability company (collectively, "Alico Rabo Borrower") under that certain Credit Agreement with Rabo Agrifinance, Inc., a Delaware corporation ("Rabo") dated December 1, 2014 as amended by the First Amendment to Credit Agreement and Consent, pursuant to which Rabo has agreed to make certain extensions of credit to the Alico Borrower in an aggregate principal amount of up to \$70,000,000.00 (the "Rabo Revolving Line-of-Credit Loan");

WHEREAS, the Borrower desires that Lender enter into an Intercreditor Agreement with Rabo on or about the date of this Loan E and F First Amendment (the "Rabo Intercreditor Agreement"), which provides for a subordination, subject to the terms, conditions and provisions therein, of Lender's lien and security interest in the crops and certain other collateral;

WHEREAS, the parties desire to modify and amend the 2014 Loan A, B and D Original Security Instrument by that certain 2015 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents of even date herewith between Borrower and Lender, in seven counterparts to be recorded in the Public Records of the Florida Counties of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk (the "2015 Loan A and B Modification") and to modify the 2014 Loan A, B and D Loan Agreement by a Third Amendment to Loan Agreement of even date herewith between Borrower and Lender (the "2015 Loan A and B Third Amendment" and the 2014 Loan A, B and D Loan Agreement, as modified by the 2015 Loan A and B Third Amendment, is referred to as the "Loan A and B Loan Agreement") to reflect the foregoing changes and the loan document changes required by Lender as a result thereof and in consideration of Lender's consent and agreement thereto;

WHEREAS, the parties desire to modify and amend the 2014 Charlotte County Security Instrument by a 2015 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents (Charlotte County) between Borrower and Lender of even date herewith (the "2015 Loan E and F Modification"); and

WHEREAS, the parties desire to modify and amend the 2014 Loan E and F Loan Agreement to reflect the above changes and the loan document changes required by Lender as a result thereof and in consideration of Lender's consent and agreement thereto, all as provided herein.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this Loan E and F First Amendment, the Borrower and the Lender agree that the 2014 Loan E and F Loan Agreement is hereby modified and amended as follows:

1. Definitions. The recitals above are incorporated herein and any capitalized terms used, but not defined herein, shall have the meaning ascribed thereto in the Loan Documents and Article I of the 2014 Loan E and F Loan Agreement is hereby amended as of, from and after the Loan E and F First Amendment Effective Date, by adding the defined terms in this Loan E and F First Amendment as defined terms therein and by amending and restating any of the following defined terms to the extent such terms are already defined in the 2014 Loan E and F Loan Agreement as follows:

(a) "Agreement" shall mean the 2014 Loan E and F Loan Agreement as modified by this Loan E and F First Amendment and all other subsequent permitted amendments, supplements, and modifications thereof, including all exhibits and schedules.

(b) "Assignment of Leases and Rents" shall mean the 2014 Charlotte County Assignment of Leases and Rents as modified by the 2015 Loan E and F Modification.

(c) "Loan" shall mean Loan E and Loan F.

(d) "Loan A & B Assignment of Leases and Rents" shall mean the 2013 Assignment of Leases and Rents as modified by the 2014 Loan A, B and D Modification and by the 2015 Loan A and B Modification as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located , and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

(e) "Loan A and B Loan Documents" shall mean shall mean the 2014 Loan A, B and D Existing Loan Documents as modified by the 2015 Loan A and B Modification and the 2015 Loan A and B Third Amendment, the guarantees of said loan documents, and the other documents by Borrower in favor of Lender or between Borrower and Lender of even date with the 2015 Loan A and B Third Amendment other than the 2015 Loan E and F Modification and the Loan E and F First Amendment.

(f) "Loan Documents" shall mean the 2014 Loan E and F Existing Loan Documents as modified by the 2015 Loan E and F Modification and this Loan E and F First Amendment, the guarantees of said loan documents, and the other documents by Borrower in favor of Lender or between Borrower and Lender of even date with this Loan E and F First Amendment other than the 2015 Loan A and B Modification and the 2015 Loan A and B Third Amendment.

(g) "Loan A and B Security Instrument" shall mean the 2014 Loan A, B and D Original Security Instrument as modified by the 2015 Loan A and B Modification together as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located, and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

(h) "Note" shall mean Note E and Note F.

(i) "Premises" shall have the meaning ascribed thereto in the Security Instrument.

(j) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which place all of Borrower's records are kept and which currently is located at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913.

(a) "Loan E and F First Amendment" shall mean this First Amendment to Loan Agreement (Loan E and F) between Borrower and Lender dated as of the Loan E and F First Amendment Effective Date.

(1) "Loan E and F First Amendment Effective Date" shall mean the date first set forth above in this Loan E and F First Amendment preceding the designation "Loan E and F First Amendment Effective Date".

(a) "Rabo Security Agreement" shall mean that certain Security Agreement between Borrower and Rabo of even date herewith.

(b) "Security Instrument" shall mean the 2014 Charlotte County Security Instrument as modified by the 2015 Loan E and F Modification.

2. Note D and Loan D Canceled/ Note C Previously Canceled On even date herewith, Borrower and Lender have entered into a Cancellation and Termination of Future Advance Promissory Note D which cancels and terminates Note D on a date which is the same as the Loan E and F First Amendment Effective Date with Borrower to have no further right to advances from Lender thereunder as the revolving credit facility evidenced by said Note D and Loan D, are canceled, terminated and of no further force and effect. Accordingly, any provisions of the Loan A and B Loan Agreement or any other Loan Document pertaining to Note D or Loan D or any such revolving credit facility thereunder are of no further force and effect. As that certain Promissory Note C from Borrower to Lender in the face amount of up to Five Million and No/100 Dollars (\$5,000,000.00) dated December 31, 2012 ("Note C", and the loan evidenced thereby is known as Loan 717610638 and is referred to as "Loan C") has

previously been canceled, any provisions of the Loan A and B Loan Agreement or any other Loan Document pertaining to Note C or Loan C are of no further force and effect.

3. Modification of Section 2.6 Cross-Default/Cross-Collateralization on a Pari Passu Basis. Section 2.6 of Article II of the 2014 Loan E and F Loan Agreement is hereby modified as of, from and after the Loan E and F First Amendment Effective Date to read as follows: "Section

2.7 Cross-Default/Cross Collateralization on a Pari Passu Basis. A default under (i) any of Note A, Note B, Note E, or Note F, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said notes and (ii) a default under any of the Loan Documents or under any of the Loan A and B Loan Documents, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said documents. The lien and security interests of the Security Instrument, the Assignment of Leases and Rents, the Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note A, Note B and the other Loan A and B Loan Documents on a pari passu basis. The lien and security interests of the Loan A and B Security Instrument, the Loan A and B Assignment of Leases and Rents, the other Loan A and B Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note E and Note F and the Loan E and F Loan Documents on a pari passu basis. "A pari passu basis", as used herein, shall mean that such liens and security interests shall be apportioned among Loan A, Loan B, Loan E and Loan F by using a percentage for each of Loan A, Loan B, Loan E and Loan F calculated by dividing (x) the sum owing under the subject loan by (y) the total of all sums owing under all of said loans together, as such sums change from time to time. No present and/or future holder of such loans shall be entitled to make any future advances or modifications to any of such loans except with the advance written consent of all the holders of all of said loans at the time thereof. Each holder of such loans shall, at the request of the other, from time to time, execute record and file such documents reasonably necessary to carry out the foregoing provisions and/or to perfect such lien and security interests on the foregoing basis."

4. Modification of Section 3.7 (No Outstanding Debt). Section 3.7 of the 2014 Loan E and F Loan Agreement is modified to read: "Borrower has no outstanding Debt for an amount owed by Borrower to another, except for the intercompany loan from Alico pursuant to Section 4.8, loans outstanding under the Loan A and B Loan Documents, the Loan, capital leases on equipment, and any liabilities disclosed to Lender in writing before the Loan E and F First Amendment Effective Date and other obligations in the nature of trade payables incurred by Borrower in its ordinary course of business."

5. Modification of Section 3.10 (Executive Office and Location of Records). Section 3.10 of the 2014 Loan E and F Loan Agreement is modified to read: "The Borrower's Principal Place of Business is located at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913 and all of its books and records are and shall be maintained there."

6. Modification of Article IV Financial Covenants of the Borrower. The contents of Article IV Financial Covenants of Borrower of the 2014 Loan E and F Loan Agreement are amended to read as follows: "The Borrower covenants, for so long as any of the principal amount of or interest on the Note is outstanding and unpaid or any duty or obligation of the Borrower hereunder or under any other Obligation remains unpaid or unperformed, as follows:

Section 4.1 Financial Records. The Borrower at all times will keep proper and adequate records and books of account in accordance with GAAP consistently applied in which the full, true and correct entries will be made of its transactions and which will properly and correctly reflect all items of income and expense in connection with the operation of the Borrower's business.

Section 4.2 Delivery of Financial Statements of the Borrower. The Borrower will deliver to the Lender copies of each of the following:

(1) Within one hundred twenty (120) days after the end of each Fiscal Year, audited financial statements of Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations), which are prepared in accordance with GAAP (consisting of an income statement, balance sheet, and a statement of retained earnings and cash flow). They shall be prepared and certified by a certified public accountant reasonably acceptable to the Lender, all in reasonable detail. Such audited financial statements shall be further certified by the chief financial officer of the Borrower or its managing member as being true, correct, and accurate, as completely and accurately reflecting the financial transactions during the period covered thereby of Borrower and its consolidated Subsidiaries, and as completely and accurately reflecting the financial condition of Borrower and its consolidated Subsidiaries as of the beginning and end of said period covered.

(2) As soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of compliance with financial covenants from the chief financial officer of the Borrower or its managing member ("Certificate of Compliance") addressed to Lender and certifying the compliance of Borrower with the financial covenants provided in this Article.

(3) Annually, within ninety (90) days after the completion of each Crop Season (a Crop Season shall, as to a particular Crop, be the Crop season used by the industry in the area of the Premises as to which the Crop pertains), Borrower shall furnish to Lender operating information on the Collateral as follows:

(i) Reports/documents (internal inventory reports etc.) that describe and value all inventory security, including each citrus crop variety's acreage both on a gross acreage and grove planted acreage basis; and

(ii) Citrus Crop production and operations detailed information, including yields by variety, costs and pricing by grove/farm and variety.

(iii) With reasonable promptness, such other data and information as from time to time may be reasonably required by the Lender.

Section 4.3 Delivery of Reports. All of the reports, statements, and items required under Section 4.2 shall be in form and substance satisfactory to Lender. All of the reports, statements, and items required under Section 4.2 must, unless another time period is specified

above, be received each year this Agreement is in force by the date which is one hundred twenty

(1) days after the end of the Borrower's Fiscal Year, as the case may be subject to filing deadline extensions. If any one report, statement, or item is not received within thirty (30) days of this due date, Lender may declare an Event of Default under this Agreement and the Loan Documents.

Section 4.4 Inspection of Records. Borrower shall allow Lender or its authorized representatives at all reasonable times, but no more than twice per Fiscal Year if no Event of Default then exists, to examine and make copies of all such books and records and all supporting data therefor at Lender's principal place of business or at such other place where such books, records, and data may be located. Borrower shall assist Lender or such representative in effecting such examination. Within three (3) years after Lender's receipt of any such report, statement, or item, Lender may, upon at least five (5) Business Days prior written notice to Borrower, inspect and make copies of the books, records, and income tax returns with respect to the Collateral of Borrower, for the purpose of verifying any such reports, statements, or items.

Section 4.5 Article IV Terms:

The following definitions shall apply to the financial covenants in this Article as to Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations):

(1) "Consolidated Current Ratio" shall mean the ratio of (i) Consolidated Current Assets to (ii) Consolidated Current Liabilities;

(2) "Consolidated Current Assets" shall mean current assets as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis; and

(3) "Consolidated Current Liabilities" shall mean current liabilities as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis including all funded debt under lines of credit to Borrower and its Subsidiaries.

Section 4.6 Required Consolidated Current Ratio. The Consolidated Current Ratio measured at the end of each Fiscal Year based on audited consolidated financial statements of Borrower shall be at least 1.50 to 1.00.

Section 4.7 LOC. While any portion of the Loan remains unpaid and outstanding there shall be no LOC other than the Rabo Revolving Line-of Credit-Loan subject to the Rabo Intercreditor Agreement. Other than the Silver Nip Rabo Subsidiary Guaranty, Borrower shall incur no obligation under the Rabo Revolving Line-of-Credit Loan without Lender's advance written consent. Without limiting the foregoing, Borrower will not execute any security instruments under the Rabo Revolving Line-of-Credit except (i) the Rabo Security Agreement and any documents executed in connection with or required by the Rabo Security Agreement and (ii) those documents that secure only the obligations under the Silver Nip Rabo Subsidiary Guaranty. Borrower will provide Lender a true and complete copy of each such security

instrument before the Loan E and F First Amendment Effective Date if executed before said date, and promptly after execution if executed after such date. A default under the Rabo Revolving Line-of-Credit Loan, the effect of which is to cause, with the giving of notice, if required, amounts outstanding under the Rabo Revolving Line-of-Credit to become due prior to their stated maturity, or any payment made by Borrower under the Silver Nip Rabo Subsidiary Guaranty shall be a default hereunder. Any modification of the Rabo Revolving Line-of-Credit that limits Alico's ability to extend credit to the Silver Nip Entities under the written agreement between Silver Nip and Alico pursuant to Section 4.8 hereof or any modification of the Silver Nip Rabo Subsidiary Guaranty without Lender's advance written consent shall be a default herein.

Section 4.8 Silver Nip Rabo Subsidiary Guaranty. At the time the Silver Nip Rabo Subsidiary Guaranty is delivered to Rabo, there shall be a written agreement between Borrower and Alico, giving Borrower the revolving right to borrow from Alico at any time and from time to time, so long as the Silver Nip Rabo Subsidiary Guaranty is in full force and effect, a sum up to an amount which would not result in the loan balance of such loan obligation outstanding at any one time exceeding \$7,000,000.00. A copy of such executed written agreement shall be delivered by Borrower to Lender before the Loan E and F First Amendment Effective Date. The failure to keep such agreement in full force and effect while such guaranty is in full force and effect shall be a default hereunder."

7. Modification of Section 5.3 (First Lien). Section 5.3 of the 2014 Loan E and F Loan Agreement is modified to read: "Borrower shall provide Lender a first lien and security interest in all the Collateral, as defined in the Security Instrument, subject only to Permitted Liens, and except such Collateral that is subordinated by Lender in the Rabo Intercreditor Agreement while such subordination is in force and effect as provided in said agreement."

8. Modification of Section 5.4 (Second Lien). Section 5.4 of the 2014 Loan E and F Loan Agreement is modified to read: "Borrower shall provide Lender a second lien and security interest in all the Collateral (as defined in the Security Instrument) which is subordinated by Lender in the Rabo Intercreditor Agreement while such subordination is in force and effect as provided in said agreement, subject only to Permitted Liens."

9. Silver Nip Merger. Lender has consented to the Silver Nip Merger and the same is not in violation of Section 6.1 of the 2014 Loan E and F Loan Agreement or any other provision of the Loan A and B Loan Agreement or of any provision in any other Loan Document.

10. Modification of Section 6.5 (Loans to Borrower/Liens on Collateral) Section 6.5 of the 2014 Loan E and F Loan Agreement is modified to read: "Borrower and none of the entities constituting Borrower shall incur any Debt for an amount owed by Borrower to another or extend any guarantees of Debt for an amount owed by Borrower to another other than intercompany loans from Alico pursuant to Section 4.8, the Silver Nip Rabo Subsidiary Guaranty, loans outstanding under the Loan A and B Loan Documents, the Loan, capital leases on equipment, or any liabilities disclosed to Lender in writing before the Third Amendment Effective Date and other obligations in the nature of trade payables incurred by Borrower in its ordinary course of business. Borrower and none of the entities constituting Borrower may create, incur or suffer to exist any lien on any of the Collateral or permit any Financing

Statement (other than any of Lender or any of Rabo as provided for in the Rabo Security Agreement and documents executed in connection with or required by the Rabo Security Agreement) to be on file with respect thereto, without the Lender's written consent."

11. Modification of Section 6.6 (Other Liens). Section 6.6 of the 2014 Loan E and F Loan Agreement is modified to delete "Other than liens and security interests permitted to secure LOC," and replace such text with "Other than the lien and security interest of Rabo permitted in Section 6.5 hereof."
 12. Modification of Section 9.3. Section 9.3 of the Loan E and F Loan Agreement is modified to: Change the address of Borrower to 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913.
 13. Article III Representations and Warranties. Borrower hereby remakes the representations of Borrower in the Loan E and F Loan Agreement as of the Loan E and F First Amendment Effective Date.
 14. No Novation. This is not a novation and the 2014 Loan E and F Existing Loan Documents, and all their terms, covenants, conditions, agreements and stipulations shall remain in full force and effect, except as modified by the 2015 Loan E and F Modification and herein.
 15. No Impairment. Nothing herein contained invalidates or impairs or shall invalidate any or impair security now held by Lender for said debt, nor impair nor release any covenants, conditions, agreements, or stipulations in said 2014 Loan E and F Existing Loan Documents, and the same, except as modified by the 2015 Loan E and F Modification and herein shall continue in full force and effect and Borrower, and each of them, jointly and severally further covenant and agree to perform, comply with and abide by each and every of the covenants, agreements, conditions and stipulations of the said 2014 Loan E and F Existing Loan Documents as modified by the 2015 Loan E and F Modification and herein.
 16. Release of Defenses, Counterclaims and Offsets. Borrower and each of them hereby agree and confirm that, as of the date hereof, neither (i) Loans A and B, Loan E and Loan F, (ii) the 2014 Loan A, B and D Existing Loan Documents and the 2014 Loan E and F Existing Loan Documents, (iii) the servicing of Loans A, B, E and F nor (iv) this transaction, is subject to any defenses, set-offs or counterclaims whatsoever, and, any existing, are hereby waived.
 17. Governing Law. This Loan E and F First Amendment shall be governed by and construed in accordance with the laws of the State of Florida (without reference to conflicts or choice of law principles).
 18. Successors and Assigns Joint and Several Liability. The provisions of this Loan E and F First Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, and legal representatives.
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19. Attorney's Fees. The prevailing party in any litigation brought to enforce the provisions of this Loan E and F First Amendment shall be entitled to recover from the other party its reasonable costs and expenses, including attorneys' fees, whether at trial or on appeal, in mediation, bankruptcy, insolvency proceedings or other proceedings.

20. Counterparts. This Loan E and F First Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Loan E and F First Amendment by signing any such counterpart.

21. JURY TRIAL WAIVER. BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THE 2014 LOAN E AND F LOAN AGREEMENT, ANY OTHER LOAN DOCUMENT, ANY OF THE 2014 LOAN A, B AND D LOAN DOCUMENTS, THIS LOAN E AND F FIRST AMENDMENT, THE 2015 LOAN A, B AND D MODIFICATION, THE 2015 LOAN E AND F MODIFICATION, OR ANY ACTS OR OMISSIONS OF LENDER IN CONNECTION THEREWITH.

IN WITNESS WHEREOF, each of the parties hereto has caused this Loan E and F First Amendment to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the Loan E and F First Amendment Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Chief Executive Officer of Alico, Inc., its Sole Member

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware
limited liability company

By: /s/ William M. Lewis
(Signed Name)

Its: Vice President

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as the Chief Executive Officer of ALICO INC., the sole member of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared William M. Lewis the Vice President of PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ Charles E. Hurst

(Signature of Notary Public)

Charles E. Hurst

(Printed Name of Notary Public)

My commission expires: 1-20-2019

[NOTARY SEAL]

Loan Numbers:

717610613
717610637
717610647

SECOND AMENDMENT TO LOAN AGREEMENT

THIS SECOND AMENDMENT TO LOAN AGREEMENT(the “Second Amendment”) is made and entered into as of the 4th day of September, 2014 (the “Second Amendment Effective Date”), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the “Borrower” (and unless otherwise provided the term “Borrower” shall apply to each of said five limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 181 Highway 630 East, Frostproof, Florida 33843 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the “Lender”).

WITNESSETH:

WHEREAS, Borrower executed in favor of Lender that certain Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 (“Note A”, and the loan evidenced thereby is known as Loan 717610613 and is referred to as “Loan A”), that certain Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 (“Note B”, and the loan evidenced thereby is known as Loan 717610637 and is referred to as “Loan B” and Note A and Note B are collectively herein referred to as “Notes A and B” with Loan A and Loan B herein referred to as “Loans A and B”), and a Promissory Note C in the face amount of Five Million Dollars (\$5,000,000.00) which was never disbursed, was heretofore cancelled and is no longer in force and effect;

WHEREAS, in connection with the execution and delivery of Notes A and B, Borrower and Lender executed that certain Loan Agreement dated December 31, 2012 (the “2012 Original Loan Agreement”);

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Mortgage and Security Agreement dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2431, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000089, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1833, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1500, in the Public Records of Highlands,

County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1255, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 689, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0130, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Security Instrument");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Assignment of Leases and Rents dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2510, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000090, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1912, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1579, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1334, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 768, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0209, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Assignment of Leases and Rents");

WHEREAS, in connection with the execution and delivery of Notes A and B, the 2012 Original Security Instrument, the 2012 Original Assignment of Leases and Rents, and the 2012 Original Loan Agreement, Borrower executed in favor of Lender and/or Borrower and Lender entered into certain other loan documents pertaining to Loan A and B (said loan documents are collectively referred to as the "2012 Loan Documents");

WHEREAS, on March 26, 2013, Borrower executed in favor of Lender a Future Advance Promissory Note D in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) evidencing a loan known as Loan 717610647 (referred to herein as "Note D", and the revolving loan evidenced thereby being referred to as "Loan D"); Borrower and Lender executed a First Amendment to Loan Agreement (the "First Amendment to Loan Agreement" with the 2012 Original Loan Agreement as amended thereby being referred to as the "2013 Loan Agreement"); Borrower and Lender executed a Modification of Mortgage and Security Agreement and Modification of Other Loan Documents dated March 26, 2013 (the "2013 Modification"), in seven counterparts, one of which was recorded on March 27, 2013 in Official Records Book 4901, Page 545, the Public Records of Collier County, Florida, recorded on March 27, 2013 as Instrument 201325001828, Public Records of Hardee County, Florida, on March 27, 2013 in Official Records Book 860, Page 400, Public Records of Hendry County, Florida, on March 27, 2013 in Official Records Book 2371, Page 1945 Public Records of Highlands County, Florida, on March 27, 2013 in Official Records Book 2639, Page 11743 Public Records of Martin County, Florida, on March 27, 2013 in Official Records Book 4417, Page 2860 Public Records of Osceola County, Florida and on March 27, 2013 in Official Records Book 8917, Page 377 Public Records of Polk County, Florida; and Borrower executed

in favor of Lender and/or Borrower and Lender entered into certain other loan documents of even date therewith (Note D, the First Amendment to Loan Agreement, the 2013 Modification, and such other loan documents related to the foregoing are herein collectively referred to as the "2013 Loan Documents" and the 2012 Original Security Instrument, as modified by the 2013 Modification, is referred to as the "2013 Original Security Instrument", the 2012 Original Assignment of Leases and Rents as modified by the 2013 Modification is referred to as the "2013 Assignment of Leases and Rents", and the 2012 Loan Documents as modified by the 2013 Loan Documents are referred to as the "Loan A, B and D Existing Loan Documents");

WHEREAS, on even date herewith, Borrower has executed in favor of Lender a Promissory Note E in the face amount of up to Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610897 (referred to herein as "Note E", and the loan evidenced thereby being referred to as "Loan E"); Borrower has executed in favor of Lender a Promissory Note F in the face amount of up to Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610898 (referred to herein as "Note F", and the loan evidenced thereby being referred to as "Loan F"); Borrower has executed in favor of Lender a Mortgage and Security Agreement securing Loan E and Loan F and cross-collateralized with the Loans A and B Loan Documents and with the Loan D Loan Documents, which instrument is to be recorded in the Public Records of Charlotte County, Florida (the "2014 Charlotte County Security Instrument"); Borrower has executed in favor of Lender an Assignment of Leases and Rents securing Loan E and Loan F and cross-collateralized with the Loans A and B Loan Documents and with the Loan D Loan Documents, which instrument is to be recorded in the Public Records of Charlotte County, Florida (the "2014 Charlotte County Assignment of Leases and Rents"); Borrower and Lender have entered into a Loan E and Loan F Loan Agreement (the "Loans E and F Loan Agreement"), and Borrower has executed in favor of Lender and/or Borrower and Lender have entered into certain other loan documents of even date therewith pertaining to Loan E and Loan F (Note E, Note F, this Second Amendment, the 2014 Charlotte County Security Instrument, the 2014 Charlotte County Assignment of Leases and Rents, the Loans E and F Loan Agreement, any guarantees as to Loan E and Loan F, and said other loan documents are collectively referred to as the "Loans E and F Loan Documents");

WHEREAS, on even date herewith, Borrower and Lender have entered into a 2014 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents between Borrower and Lender (the "2014 Modification"), in seven counterparts, one of which is to be recorded in the Public Records of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk counties, Florida modifying the Loan A, B and D Existing Loan Documents to cross-default and cross-collateralized the same with the Loans E and F Loan Documents; and

WHEREAS, the parties desire to modify and amend the 2013 Loan Agreement to reflect the changes the parties have agreed upon as a result of the addition of Loan E and Loan F, all as provided herein.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this Second Amendment, the Borrower and the Lender agree that the 2013 Loan Agreement is hereby modified and amended as follows:

1. Modification of Definitions. Article I of the 2013 Loan Agreement is hereby amended as of, from and after the Second Amendment Effective Date, by adding the defined terms in this Second Amendment as defined terms therein and by amending and restating any of the following defined terms to the extent such terms are already defined in the 2013 Loan Agreement as follows:

(a) “Agreement” shall mean the 2013 Loan Agreement as modified by the Second Amendment and all other subsequent permitted amendments, supplements, and modifications thereof, including all exhibits and schedules.

(b) “Assignment of Leases and Rents” shall mean the 2013 Assignment of Leases and Rents as modified by the 2014 Modification as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located, and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

(c) “Loan Documents” shall mean the 2013 Loan Documents as modified by the 2014 Modification and the 2013 Loan Agreement as modified herein.

(d) “Premises” shall have the meaning ascribed thereto in the Security Instrument.

(e) “Principal Place of Business” shall mean the principal place of business and the headquarters of the Borrower at which place all of Borrower’s records are kept and which currently is located at 181 Highway 630 East, Frostproof, Florida 35843.

(f) “Second Amendment” shall mean this Second Amendment to Loan Agreement between Borrower and Lender dated as of the Second Amendment Effective Date.

(g) “Second Amendment Effective Date” shall mean the date hereof.

(h) “Security Instrument” shall mean the 2013 Original Security Instrument as modified by the 2014 Modification together as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located, and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

2. Addition of Section 2.7 Cross-Default/Cross-Collateralization on a Pari Passu Basis. Article II of the 2013 Loan Agreement is hereby modified as of, from and after the Second Amendment Effective Date to add a new Section 2.7 to read as follows: “Section 2.7 Cross- Default/Cross Collateralization on a Pari Passu Basis. A default under (i) any of Note A, Note B, Note D, Note E, or Note F, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said notes and (ii) a default under any of the Loan Documents or under any of the Loans E and F Loan Documents, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said documents. The lien and security interests of the Security Instrument, the Assignment of Leases and Rents, the Loan Documents and the Collateral encumbered thereby, shall also secure the

obligations of Borrower under Note E, Note F and the other Loans E and F Loan Documents on a pari passu basis. The lien and security interests of the 2014 Charlotte County Security Instrument, the 2014 Charlotte County Assignment of Leases and Rents, the other Loans E and F Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note A, Note B, Note D and the Loan Documents on a pari passu basis. "A pari passu basis", as used herein, shall mean that such liens and security interests shall be apportioned among Loan A, Loan B, Loan D, Loan E and Loan F by using a percentage for each of Loan A, Loan B, Loan D, Loan E and Loan F calculated by dividing (x) the sum owing under the subject loan by (y) the total of all sums owing under all of said loans together, as such sums change from time to time. No present and/or future holder of such loans shall be entitled to make any future advances or modifications to any of such loans except with the advance written consent of all the holders of all of said loans at the time thereof. Each holder of such loans shall, at the request of the other, from time to time, execute record and file such documents reasonably necessary to carry out the foregoing provisions and/or to perfect such lien and security interests on the foregoing basis."

3. Modification of Section 9.3. Section 9.3 of the 2013 Loan Agreement is modified to delete "Reference Loan Numbers: 717610613, 717610637, 717610638 and 717610647" from the Lender notice and the two related "With copy to" blocks and replace it with "Reference Loan Numbers: 717610613, 717610637 and 717610647".

4. Article III Representations and Warranties. Borrower hereby remakes the representations of Borrower in the 2013 Loan Agreement as of the Second Amendment Effective Date.

5. No Novation. This is not a novation and the 2013 Loan Documents, and all their terms, covenants, conditions, agreements and stipulations shall remain in full force and effect, except as modified by the 2014 Modification and herein.

6. No Impairment. Nothing herein contained invalidates or impairs or shall invalidate any or impair security now held by Lender for said debt, nor impair nor release any covenants, conditions, agreements, or stipulations in said 2013 Loan Documents, and the same, except as modified by the 2014 Modification and herein shall continue in full force and effect and Borrower, and each of them, jointly and severally further covenant and agree to perform, comply with and abide by each and every of the covenants, agreements, conditions and stipulations of the said 2013 Loan Documents as modified by the 2014 Modification and herein.

7. Release of Defenses, Counterclaims and Offsets. Borrower and each of them hereby agree and confirm that, as of the date hereof, neither (i) Loans A and B, Loan D, Loan E and Loan F, (ii) the 2013 Loan Documents and the Loans E and F Loan Documents, (iii) the servicing of Loans A and B, Loan D, Loan E and Loan F nor (iv) this transaction, is subject to any defenses, set-offs or counterclaims whatsoever, and, any existing, are hereby waived.

8. Governing Law. This Second Amendment shall be governed by and construed in accordance with the laws of the State of Florida (without reference to conflicts or choice of law principles).

9. Successors and Assigns Joint and Several Liability. The provisions of this Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, and legal representatives.

10. Attorney's Fees. The prevailing party in any litigation brought to enforce the provisions of this Second Amendment shall be entitled to recover from the other party its reasonable costs and expenses, including attorneys' fees, whether at trial or on appeal, in mediation, bankruptcy, insolvency proceedings or other proceedings.

11. Counterparts. This Second Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Second Amendment by signing any such counterpart.

12. JURY TRIAL WAIVER. BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN EVIDENCED BY THE NOTE, THE EXISTING LOAN AGREEMENT, THIS SECOND AMENDMENT, THE OTHER LOAN DOCUMENTS, OR ANY ACTS OR OMISSIONS OF LENDER IN CONNECTION THEREWITH.

IN WITNESS WHEREOF, each of the parties hereto has caused this Second Amendment to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the Second Amendment Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Clayton G. Wilson, Chief Executive Officer

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Thomas B. Powers
(Signed Name)

Its: Thomas Brian Powers, Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Clayton G. Wilson, Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Jerry L. Brewer
(Signed Name)

Its: Jerry L. Brewer, Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Florida
limited liability company

By: /s/ Robert E. Lassites III
(Signed Name)

Its: Robert E. Lassites III, Vice President

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, as the Chief Executive Officer of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Thomas Brian Powers, the manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson, the manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF POLK

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Jerry L. Brewer, the manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ David A. Miller

Signature of Notary Public)

David A. Miller

(Printed Name of Notary Public)

My commission expires: 06/04/17

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Robert E. Lassites III, the Vice President of **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 28th day of August, 2014.

/s/ Diane M. Barnett

Signature of Notary Public)

Diane M. Barnett

(Printed Name of Notary Public)

My commission expires: 03/08/16

Loan Numbers:

717610613
717610637

THIRD AMENDMENT TO LOAN AGREEMENT

THIS THIRD AMENDMENT TO LOAN AGREEMENT (the "Third Amendment") is made and entered into as of the 23rd day of April, 2015 (the "Third Amendment Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said five limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower executed in favor of Lender that certain Promissory Note A in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note A"), and the loan evidenced thereby is known as Loan 717610613 and is referred to as "Loan A"), that certain Promissory Note B in the face amount of Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00) dated December 31, 2012 ("Note B"), and the loan evidenced thereby is known as Loan 717610637 and is referred to as "Loan B" and Note A and Note B are collectively herein referred to as "Notes A and B" with Loan A and Loan B herein referred to as "Loans A and B"), and a Promissory Note C in the face amount of Five Million Dollars (\$5,000,000.00) which was never disbursed, was heretofore canceled and is no longer in force and effect;

WHEREAS, in connection with the execution and delivery of Notes A and B, Borrower and Lender executed that certain Loan Agreement dated December 31, 2012 (the "2012 Original Loan Agreement");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Mortgage and Security Agreement dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2431, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000089, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1833, in the Public

Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1500, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1255, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 689, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0130, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Security Instrument");

WHEREAS, Borrower executed, in seven counterparts, in favor of Lender, that certain Assignment of Leases and Rents dated December 31, 2012, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4872, Page 2510, in the Public Records of Collier, County, Florida, one counterpart of which was recorded on January 3, 2013 as Instrument Number 201325000090, in the Public Records of Hardee, County, Florida, one counterpart of which was recorded on January 4, 2013 in Official Records Book 856, Page 1912, in the Public Records of Hendry County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2359, Page 1579, in the Public Records of Highlands, County, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 2622, Page 1334, in the Public Records of Martin, Florida, one counterpart of which was recorded on January 3, 2013 in Official Records Book 4375, Page 768, in the Public Records of Osceola County, Florida and one counterpart of which was recorded on January 3, 2013 in Official Records Book 08841, Page 0209, in the Public Records of Polk County, Florida, encumbering property located in said counties securing Notes A and B (the "2012 Original Assignment of Leases and Rents");

WHEREAS, in connection with the execution and delivery of Notes A and B, the 2012 Original Security Instrument, the 2012 Original Assignment of Leases and Rents, and the 2012 Original Loan Agreement, Borrower executed in favor of Lender and/or Borrower and Lender entered into certain guarantees and other loan documents pertaining to Loan A and B (said loan documents are collectively referred to as the "2012 Loan Documents");

WHEREAS, on March 26, 2013, Borrower executed in favor of Lender a Future Advance Promissory Note D in the face amount of up to Six Million and No/100 Dollars (\$6,000,000.00) evidencing a loan known as Loan 717610647 (referred to herein as "Note D", and the revolving loan evidenced thereby being referred to as "Loan D"); Borrower and Lender executed a First Amendment to Loan Agreement (the "2013 First Amendment to Loan Agreement" with the 2012 Original Loan Agreement as amended thereby being referred to as the "2013 Loan Agreement"); Borrower and Lender executed a Modification of Mortgage and Security Agreement and Modification of Other Loan Documents dated March 26, 2013 (the "2013 Modification"), in seven counterparts, one of which was recorded on March 27, 2013 in Official Records Book 4901, Page 545, the Public Records of Collier County, Florida, recorded on March 27, 2013 as Instrument 201325001828, Public Records of Hardee County, Florida, on March 27, 2013 in Official Records Book 860, Page 400, Public Records of Hendry County, Florida, on March 27, 2013 in Official Records Book 2371, Page 1945 Public Records of Highlands County, Florida, on March 27, 2013 in Official Records Book 2639, Page 11743 Public Records of Martin County, Florida, on March 27, 2013 in Official Records Book 4417, Page 2860 Public Records of Osceola County, Florida and on March 27, 2013 in Official Records Book 8917, Page 377 Public

Records of Polk County, Florida; and Borrower executed in favor of Lender and/or Borrower and Lender entered into certain other guarantees of such loan documents and other loan documents of even date therewith (Note D, the First Amendment to Loan Agreement, the 2013 Modification, and such other loan documents related to the foregoing are herein collectively referred to as the "2013 Loan Documents") and the 2012 Original Security Instrument, as modified by the 2013 Modification, is referred to as the "2013 Original Security Instrument", the 2012 Original Assignment of Leases and Rents as modified by the 2013 Modification is referred to as the "2013 Assignment of Leases and Rents", and the 2012 Loan Documents as modified by the 2013 Loan Documents are referred to as the "2013 Loan A, B and D Existing Loan Documents";

WHEREAS, on September 4, 2014 Borrower executed in favor of Lender a Promissory Note E in the face amount of up to Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610897 (referred to herein as "Note E", and the loan evidenced thereby being referred to as "Loan E"); Borrower executed in favor of Lender a Promissory Note F in the face amount of up to Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00) evidencing a loan known as Loan 717610898 (referred to herein as "Note F", and the loan evidenced thereby being referred to as "Loan F"); Borrower executed in favor of Lender a Mortgage and Security Agreement dated September 4, 2014 and securing Loan E and Loan F and cross-collateralized with the 2013 Loan A, B and D Existing Loan Documents as modified by said instrument, which was recorded on September 5, 2014 in Official Records Book 3898, Page 1387, Public Records of Charlotte County, Florida (the "2014 Charlotte County Security Instrument"); Borrower executed in favor of Lender an Assignment of Leases and Rents securing Loan E and Loan F and cross-collateralized with the 2013 Loan A, B and D Existing Loan Documents as modified by the 2014 Loan A, B and D Modification (defined below), which instrument was recorded on September 5, 2014 in Official Records Book 3898, Page 1450, Public Records of Charlotte County, Florida (the "2014 Charlotte County Assignment of Leases and Rents"); Borrower and Lender entered into a Loan E and Loan F Loan Agreement (the "Loan E and F Loan Agreement"), Borrower and Lender executed a 2014 Second Amendment to Loan Agreement dated September 4, 2014 (the "2014 Second Amendment to Loan Agreement" with the 2013 Loan Agreement, as amended thereby, being referred to as the "2014 Loan A, B and D Loan Agreement") and certain guarantees of such loan documents and certain other loan documents of even date therewith by Borrower in favor of Lender and/or between Borrower and Lender pertaining to Loan E and Loan F (Note E, Note F, the 2014 Charlotte County Security Instrument, the 2014 Charlotte County Assignment of Leases and Rents, the Loan E and F Loan Agreement, any guarantees as to Loan E and Loan F, and said other loan documents (excluding the 2014 Second Amendment to Loan Agreement) are collectively referred to as the "2014 Loan E and F Existing Loan Documents");

WHEREAS, on September 4, 2014, Borrower and Lender entered into a 2014 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents (the "2014 Loan A, B and D Modification" and the 2013 Original Security Instrument as modified by the 2014 Loan A, B and D Modification, is referred to as the "2014 Loan A, B and D Original Security Instrument" and the 2013 Loan A, B and D Existing Loan Documents as modified by the 2014 Loan A, B and D Modification and by the 2014 Second Amendment to Loan Agreement are referred to as the "2014 Loan A, B and D Existing Loan Documents"), in seven counterparts, one of which was recorded on September 5, 2014 in Official Records Book 5074, Page 1814, the

Public Records of Collier County, Florida, recorded on September 5, 2014 as Instrument 201425005126, Public Records of Hardee County, Florida, on September 5, 2014 in Official Records Book 882, Page 562, Public Records of Hendry County, Florida, on September 5, 2014 in Official Records Book 2443, Page 802 Public Records of Highlands County, Florida, on September 5, 2014 in Official Records Book 2739, Page 278 Public Records of Martin County, Florida, on September 5, 2014 in Official Records Book 4662, Page 223 Public Records of Osceola County, Florida and on September 8, 2014 in Official Records Book 9333, Page 1419 Public Records of Polk County, modifying the Loan A, B and D Existing Loan Documents to cross-default and cross-collateralized the same with the 2014 Loan E and F Existing Loan Documents;

WHEREAS, 734 Sub, LLC, a Florida limited liability company has merged into 734 Citrus Holdings, LLC, a Florida limited liability company with the latter being the surviving entity and with the result that Alico, Inc., a Florida corporation ("Alico") is the sole member of said surviving entity (the "Silver Nip Merger");

WHEREAS, the Borrower desires to provide a \$7,000,000.00 Subsidiary Guaranty (the "Silver Nip Rabo Subsidiary Guaranty") of the obligations of Alico, Alico-Agri, Ltd., a Florida limited partnership, Alico Land Development Inc., a Florida corporation, Alico Plant World, L.L.C., a Florida limited liability company, Alico Fruit Company, LLC, a Florida limited liability company, and Alico Citrus Nursery, LLC, a Florida limited liability company (collectively, "Alico Rabo Borrower") under that certain Credit Agreement with Rabo Agrifinance, Inc., a Delaware corporation ("Rabo") dated December 1, 2014 as amended by the First Amendment to Credit Agreement and Consent, pursuant to which Rabo has agreed to make certain extensions of credit to the Alico Borrower in an aggregate principal amount of up to \$70,000,000.00 (the "Rabo Revolving Line-of-Credit Loan");

WHEREAS, the Borrower desires that Lender enter into an Intercreditor Agreement with Rabo on or about the date of this Third Amendment (the "Rabo Intercreditor Agreement"), which provides for a subordination, subject to the terms, conditions and provisions therein, of Lender's lien and security interest in the crops and certain other collateral;

WHEREAS, the parties desire to modify and amend the 2014 Loan A, B and D Original Security Instrument by that certain 2015 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents of even date herewith between Borrower and Lender, in seven counterparts to be recorded in the Public Records of the Florida Counties of Collier, Hardee, Hendry, Highlands, Martin, Osceola and Polk (the "2015 Loan A and B Modification") to reflect the foregoing changes and the loan document changes required by Lender as a result thereof and in consideration of Lender's consent and agreement thereto;

WHEREAS, the parties desire to modify and amend the 2014 Charlotte County Security Instrument by a 2015 Modification of Mortgage and Security Agreement and Modification of Other Loan Documents (Charlotte County) between Borrower and Lender of even date herewith (the "2015 Loan E and F Modification") and the Loan E and F Loan Agreement by a First Amendment to Loan Agreement (Loan E and F) between Borrower and Lender of even date herewith (the "2015 First Amendment to Loan E and F Loan Agreement") to reflect the

foregoing changes and the loan document changes required by Lender as a result thereof and in consideration of Lender's consent and agreement thereto; and

WHEREAS, the parties desire to modify and amend the 2014 Loan A, B and D Loan Agreement to reflect the above changes and the loan document changes required by Lender as a result thereof and in consideration of Lender's consent and agreement thereto, all as provided herein.

IN CONSIDERATION OF the foregoing facts and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants and agreements contained in this Third Amendment, the Borrower and the Lender agree that the 2014 Loan A, B and D Loan Agreement is hereby modified and amended as follows:

1. Definitions. The recitals above are incorporated herein and any capitalized terms used, but not defined herein, shall have the meaning ascribed thereto in the Loan Documents and Article I of the 2014 Loan A, B and D Loan Agreement is hereby amended as of, from and after the Third Amendment Effective Date, by adding the defined terms in this Third Amendment as defined terms therein and by amending and restating any of the following defined terms to the extent such terms are already defined in the 2014 Loan A, B and D Loan Agreement as follows:

(a) "Agreement" shall mean the 2014 Loan A, B and D Loan Agreement as modified by this Third Amendment and all other subsequent permitted amendments, supplements, and modifications thereof, including all exhibits and schedules.

(b) "Assignment of Leases and Rents" shall mean the 2013 Assignment of Leases and Rents as modified by the 2014 Loan A, B and D Modification and by the 2015 Loan E and F Modification as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located, and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

(c) "Loan" shall mean Loan A and Loan B.

(d) "Loan Documents" shall mean the 2014 Loan A, B and D Existing Loan Documents as modified by the 2015 Loan A and B Modification and this Third Amendment, the guarantees of said loan documents, and the other documents by Borrower in favor of Lender or between Borrower and Lender of even date with this Third Amendment other than the 2015 Loan E and F Modification and the 2015 First Amendment to Loan E and F Loan Agreement.

(e) "Loan E and F Assignment of Leases and Rents" shall mean the 2014 Charlotte County Assignment of Leases and Rents as modified by the 2015 Loan E and F Modification.

(f) "Loan E and F Security Instrument" shall mean the 2014 Charlotte County Security Instrument as modified by the 2015 Loan E and F Modification.

(g) "Loan E and F Loan Documents" shall mean the 2014 Loan E and F Loan Documents, as modified by the 2015 Loan E and F Modification and by the 2015 First Amendment to Loan E and F Loan Agreement, the guarantees of said loan documents, and the other documents by Borrower in favor of Lender or between Borrower and Lender of even date with the 2015 First Amendment to Loan E and F Loan Agreement.

(h) "Note" shall mean Note A and Note B.

(i) "Premises" shall have the meaning ascribed thereto in the Security Instrument.

(j) "Principal Place of Business" shall mean the principal place of business and the headquarters of the Borrower at which place all of Borrower's records are kept and which currently is located at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913.

(k) "Third Amendment" shall mean this Third Amendment to Loan Agreement between Borrower and Lender dated as of the Third Amendment Effective Date.

(l) "Third Amendment Effective Date" shall mean the date first set forth above in this Third Amendment preceding the designation "Third Amendment Effective Date".

(a) "Rabo Security Agreement" shall mean that certain Security Agreement between Borrower and Rabo of even date herewith.

(b) "Security Instrument" shall mean the 2014 Loan A, B and D Original Security Instrument as modified by the 2015 Loan A and B Modification together as affected by any and all partial releases therefrom heretofore executed by Lender and recorded in the Public Records of the county in which the released parcels are located, and all other subsequent permitted amendments, supplements, modifications thereof and partial releases therefrom executed by Lender and recorded in the Public Records of the county in which the released parcel or parcels are located.

2. Note D and Loan D Canceled/ Note C Previously Canceled On even date herewith, Borrower and Lender have entered into a Cancellation and Termination of Future Advance Promissory Note D which cancels and terminates Note D on a date which is the same as the Third Amendment Effective Date with Borrower to have no further right to advances from Lender thereunder as the revolving credit facility evidenced by said Note D and Loan D, are cancelled, terminated and of no further force and effect. Accordingly, any provisions of the 2014 Loan A, B and D Loan Agreement or any other Loan Document pertaining to Note D or Loan D or any such revolving credit facility thereunder are of no further force and effect. As that certain Promissory Note C from Borrower to Lender in the face amount of up to Five Million and No/100 Dollars (\$5,000,000.00) dated December 31, 2012 ("Note C", and the loan evidenced thereby is known as Loan 717610638 and is referred to as "Loan C") has previously been canceled, any provisions of the 2014 Loan A, B and D Loan Agreement or any other Loan Document pertaining to Note C or Loan C are of no further force and effect.

3. Modification of Section 2.7 Cross-Default/Cross-Collateralization on a Pari Passu Basis, Section 2.7 of Article II of the 2014 Loan A, B and D Loan Agreement is hereby modified as of, from and after the Third Amendment Effective Date to read as follows: "Section 2.7 Cross-

Default/Cross Collateralization on a Pari Passu Basis. A default under (i) any of Note A, Note B, Note E, or Note F, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said notes and (ii) a default under any of the Loan Documents or under any of the Loan E and F Loan Documents, after the expiration of any applicable grace and notice periods, shall be a default under each and every one of said documents. The lien and security interests of the Security Instrument, the Assignment of Leases and Rents, the Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note E, Note F and the other Loan E and F Loan Documents on a pari passu basis. The lien and security interests of the Loan E and F Security Instrument, the Loan E and F Assignment of Leases and Rents, the other Loan E and F Loan Documents and the Collateral encumbered thereby, shall also secure the obligations of Borrower under Note A and Note B and the Loan A and B Loan Documents on a pari passu basis. "A pari passu basis", as used herein, shall mean that such liens and security interests shall be apportioned among Loan A, Loan B, Loan E and Loan F by using a percentage for each of Loan A, Loan B, Loan E and Loan F calculated by dividing (x) the sum owing under the subject loan by (y) the total of all sums owing under all of said loans together, as such sums change from time to time. No present and/or future holder of such loans shall be entitled to make any future advances or modifications to any of such loans except with the advance written consent of all the holders of all of said loans at the time thereof. Each holder of such loans shall, at the request of the other, from time to time, execute record and file such documents reasonably necessary to carry out the foregoing provisions and/or to perfect such lien and security interests on the foregoing basis."

4. Modification of Section 3.7 (No Outstanding Debt). Section 3.7 of the 2014 Loan A, B and D Loan Agreement is modified to read: "Borrower has no outstanding Debt for an amount owed by Borrower to another, except for the intercompany loan from Alico pursuant to Section 4.8, loans outstanding under the Loan E and F Loan Agreement, the Loan, capital leases on equipment, and any liabilities disclosed to Lender in writing before the Third Amendment Effective Date and other obligations in the nature of trade payables incurred by Borrower in its ordinary course of business."

5. Modification of Section 3.10 (Executive Office and Location of Records). Section 3.10 of the 2014 Loan A, B and D Loan Agreement is modified to read: "The Borrower's Principal Place of Business is located at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913 and all of its books and records are and shall be maintained there."

6. Modification of Article IV Financial Covenants of the Borrower. The contents of Article IV Financial Covenants of Borrower of the 2014 Loan A, B and D Loan Agreement are amended to read as follows: "The Borrower covenants, for so long as any of the principal amount of or interest on the Note is outstanding and unpaid or any duty or obligation of the Borrower hereunder or under any other Obligation remains unpaid or unperformed, as follows:

Section 4.1 Financial Records. The Borrower at all times will keep proper and adequate records and books of account in accordance with GAAP consistently applied in which the full, true and correct entries will be made of its transactions and which will properly and correctly reflect all items of income and expense in connection with the operation of the Borrower's business.

Section 4.2 Delivery of Financial Statements of the Borrower. The Borrower will deliver to the Lender copies of each of the following:

(1) Within one hundred twenty (120) days after the end of each Fiscal Year, audited financial statements of Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations), which are prepared in accordance with GAAP (consisting of an income statement, balance sheet, and a statement of retained earnings and cash flow). They shall be prepared and certified by a certified public accountant reasonably acceptable to the Lender, all in reasonable detail. Such audited financial statements shall be further certified by the chief financial officer of the Borrower or its managing member as being true, correct, and accurate, as completely and accurately reflecting the financial transactions during the period covered thereby of Borrower and its consolidated Subsidiaries, and as completely and accurately reflecting the financial condition of Borrower and its consolidated Subsidiaries as of the beginning and end of said period covered.

(2) As soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, a certificate of compliance with financial covenants from the chief financial officer of the Borrower or its managing member ("Certificate of Compliance") addressed to Lender and certifying the compliance of Borrower with the financial covenants provided in this Article.

(3) Annually, within ninety (90) days after the completion of each Crop Season (a Crop Season shall, as to a particular Crop, be the Crop season used by the industry in the area of the Premises as to which the Crop pertains), Borrower shall furnish to Lender operating information on the Collateral as follows:

(i) Reports/documents (internal inventory reports etc.) that describe and value all inventory security, including each citrus crop variety's acreage both on a gross acreage and grove planted acreage basis; and

(ii) Citrus Crop production and operations detailed information, including yields by variety, costs and pricing by grove/farm and variety.

(iii) With reasonable promptness, such other data and information as from time to time may be reasonably required by the Lender.

Section 4.3 Delivery of Reports. All of the reports, statements, and items required under Section 4.2 shall be in form and substance satisfactory to Lender. All of the reports, statements, and items required under Section 4.2 must, unless another time period is specified above, be received each year this Agreement is in force by the date which is one hundred twenty (1) days after the end of the Borrower's Fiscal Year, as the case may be subject to filing deadline extensions. If any one report, statement, or item is not received within thirty (30) days of this due date, Lender may declare an Event of Default under this Agreement and the Loan Documents.

Section 4.4 Inspection of Records. Borrower shall allow Lender or its authorized representatives at all reasonable times, but no more than twice per Fiscal Year if no Event of Default then exists, to examine and make copies of all such books and records and all supporting data therefor at Lender's principal place of business or at such other place where such books, records, and data may be located. Borrower shall assist Lender or such representative in effecting such examination. Within three (3) years after Lender's receipt of any such report, statement, or item, Lender may, upon at least five (5) Business Days prior written notice to Borrower, inspect and make copies of the books, records, and income tax returns with respect to the Collateral of Borrower, for the purpose of verifying any such reports, statements, or items.

Section 4.5 Article IV Terms:

The following definitions shall apply to the financial covenants in this Article as to Borrower and its Subsidiaries on a consolidated basis (with appropriate subsidiary eliminations):

(1) "Consolidated Current Ratio" shall mean the ratio of (i) Consolidated Current Assets to (ii) Consolidated Current Liabilities;

(2) "Consolidated Current Assets" shall mean current assets as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis; and

(3) "Consolidated Current Liabilities" shall mean current liabilities as defined under and computed in accordance with GAAP consistently applied based upon audited financial statements of Borrower and its Subsidiaries on a consolidated basis including all funded debt under lines of credit to Borrower and its Subsidiaries.

Section 4.6 Required Consolidated Current Ratio. The Consolidated Current Ratio measured at the end of each Fiscal Year based on audited consolidated financial statements of Borrower shall be at least 1.50 to 1.00.

Section 4.7 LOC. While any portion of the Loan remains unpaid and outstanding there shall be no LOC other than the Rabo Revolving Line-of Credit-Loan subject to the Rabo Intercreditor Agreement. Other than the Silver Nip Rabo Subsidiary Guaranty, Borrower shall incur no obligation under the Rabo Revolving Line-of-Credit Loan without Lender's advance written consent. Without limiting the foregoing, Borrower will not execute any security instruments under the Rabo Revolving Line-of-Credit except (i) the Rabo Security Agreement and any documents executed in connection with or required by the Rabo Security Agreement and (ii) those documents that secure only the obligations under the Silver Nip Rabo Subsidiary Guaranty. Borrower will provide Lender a true and complete copy of each such security instrument before the Third Amendment Effective Date if executed before said date, and promptly after execution if executed after such date. A default under the Rabo Revolving Line-of-Credit Loan, the effect of which is to cause, with the giving of notice, if required, amounts outstanding under the Rabo Revolving Line-of-Credit to become due prior to their stated maturity, or any payment made by Borrower under the Silver Nip Rabo Subsidiary Guaranty shall be a default hereunder. Any modification of the Rabo Revolving Line-of-Credit that limits

Alico's ability to extend credit to the Silver Nip Entities under the written agreement between Silver Nip and Alico pursuant to Section 4.8 hereof or any modification of the Silver Nip Rabo Subsidiary Guaranty without Lender's advance written consent shall be a default herein.

Section 4.8 Silver Nip Rabo Subsidiary Guaranty. At the time the Silver Nip Rabo Subsidiary Guaranty is delivered to Rabo, there shall be a written agreement between Borrower and Alico, giving Borrower the revolving right to borrow from Alico at any time and from time to time, so long as the Silver Nip Rabo Subsidiary Guaranty is in full force and effect, a sum up to an amount which would not result in the loan balance of such loan obligation outstanding at any one time exceeding \$7,000,000.00. A copy of such executed written agreement shall be delivered by Borrower to Lender before the Third Amendment Effective Date. The failure to keep such agreement in full force and effect while such guaranty is in full force and effect shall be a default hereunder."

7. Modification of Section 5.3 (First Lien). Section 5.3 of the 2014 Loan A, B and D Loan Agreement is modified to read: "Borrower shall provide Lender a first lien and security interest in all the Collateral as defined in the Security Instrument, subject only to Permitted Liens, and except such Collateral that is subordinated by Lender in the Rabo Intercreditor Agreement while such subordination is in force and effect as provided in said agreement."

8. Modification of Section 5.4 (Second Lien). Section 5.4 of the 2014 Loan A, B and D Loan Agreement is modified to read: "Borrower shall provide Lender a second lien and security interest in all the Collateral, as defined in the Security Instrument, which is subordinated by Lender in the Rabo Intercreditor Agreement while such subordination is in force and effect as provided in said agreement, subject only to Permitted Liens."

9. Silver Nip Merger. Lender has consented to the Silver Nip Merger and the same is not in violation of Section 6.1 of the 2014 Loan A, B and D Loan Agreement or any other provision of the 2014 Loan A, B and D Loan Agreement or of any provision in any other Loan Document.

10. Modification of Section 6.5 (Loans to Borrower/Liens on Collateral). Section 6.5 of the 2014 Loan A, B and D Loan Agreement is modified to read: "Borrower and none of the entities constituting Borrower shall incur any Debt for an amount owed by Borrower to another or extend any guarantees of such Debt for an amount owed by Borrower to another other than intercompany loans from Alico pursuant to Section 4.8, the Silver Nip Rabo Subsidiary Guaranty, loans outstanding under the Loan E and F Loan Agreement, the Loan, capital leases on equipment, or any liabilities disclosed to Lender in writing before the Third Amendment Effective Date and other obligations in the nature of trade payables incurred by Borrower in its ordinary course of business. Borrower and none of the entities constituting Borrower may create, incur or suffer to exist any lien on any of the Collateral or permit any Financing Statement (other than any of Lender or any of Rabo, but in the case of Rabo, as provided for in the Rabo Security Agreement and documents executed in connection with or required by the Rabo Security Agreement) to be on file with respect thereto, without the Lender's written consent."

11. Modification of Section 6.6 (Other Liens). Section 6.6 of the 2014 Loan A, B and D Loan Agreement is modified to delete "Other than liens and security interests permitted to

secure LOC," and replace such text with "Other than the lien and security interest of Rabo permitted in Section 6.5 hereof,".

12. Modification of Section 9.3. Section 9.3 of the 2014 Loan A, B and D Loan Agreement is modified to change the address of Borrower to 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913 and to delete "Reference Loan Numbers: 717610613, 717610637, 717610647" from the Lender notice and the two related "With copy to" blocks and replace them with "Reference Loan Numbers: 717610613 and 717610637".

13. Article III Representations and Warranties. Borrower hereby remakes the representations of Borrower in the 2014 Loan A, B and D Loan Agreement as of the Third Amendment Effective Date.

14. No Novation. This is not a novation and the 2014 Loan A, B and D Existing Loan Documents, and all their terms, covenants, conditions, agreements and stipulations shall remain in full force and effect, except as modified by the 2015 Loan A, B and D Modification and herein.

15. No Impairment. Nothing herein contained invalidates or impairs or shall invalidate any or impair security now held by Lender for said debt, nor impair nor release any covenants, conditions, agreements, or stipulations in said 2014 Loan A, B and D Existing Loan Documents, and the same, except as modified by the 2015 Loan A, B and D Modification and herein, shall continue in full force and effect and Borrower, and each of them, jointly and severally further covenant and agree to perform, comply with and abide by each and every of the covenants, agreements, conditions and stipulations of the said 2014 Loan A, B and D Existing Loan Documents as modified by the 2015 Loan A, B and D Modification and herein.

16. Release of Defenses, Counterclaims and Offsets. Borrower and each of them hereby agree and confirm that, as of the date hereof, neither (i) Loans A and B, Loan E and Loan F, (ii) the 2014 Loan A, B and D Existing Loan Documents and the 2014 Loan E and F Loan Documents, (iii) the servicing of Loans A, B, E and F nor (iv) this transaction, is subject to any defenses, set-offs or counterclaims whatsoever, and, any existing, are hereby waived.

17. Governing Law. This Third Amendment shall be governed by and construed in accordance with the laws of the State of Florida (without reference to conflicts or choice of law principles).

18. Successors and Assigns Joint and Several Liability. The provisions of this Third Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, and legal representatives.

19. Attorney's Fees. The prevailing party in any litigation brought to enforce the provisions of this Third Amendment shall be entitled to recover from the other party its reasonable costs and expenses, including attorneys' fees, whether at trial or on appeal, in mediation, bankruptcy, insolvency proceedings or other proceedings.

20. Counterparts. This Third Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Third Amendment by signing any such counterpart.

21. JURY TRIAL WAIVER. BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THE 2014 LOAN A, B AND D LOAN AGREEMENT, ANY OTHER LOAN DOCUMENT, ANY OF THE 2014 LOAN E AND F LOAN DOCUMENTS, THIS THIRD AMENDMENT, THE 2015 LOAN A, B AND D MODIFICATION, THE 2015 LOAN E AND F MODIFICATION, OR ANY ACTS OR OMISSIONS OF LENDER IN CONNECTION THEREWITH.

IN WITNESS WHEREOF, each of the parties hereto has caused this Third Amendment to be executed, sealed and delivered, as applicable, by their duly authorized officers as of the Third Amendment Effective Date first set forth above.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Chief Executive Officer of Alico, Inc., its Sole Member

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware
limited liability company

By: /s/ William M. Lewis
(Signed Name)

Its: Vice President

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as the Chief Executive Officer of ALICO INC., the sole member of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared William M. Lewis the Vice President of PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ Charles E. Hurst

(Signature of Notary Public)

Charles E. Hurst

(Printed Name of Notary Public)

My commission expires: 1-20-2019

[NOTARY SEAL]

Loan No.:

717610647

**CANCELLATION AND TERMINATION
OF FUTURE ADVANCE PROMISSORY NOTED**

THIS CANCELLATION AND TERMINATION OF FUTURE ADVANCE PROMISSORY NOTED (this "Agreement"), made and entered into effective the 23rd day of April, 2015 (the "Agreement Effective Date"), by and among **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, **734 LMC GROVES, LLC**, a Florida limited liability company, **734 CO-OP GROVES, LLC**, a Florida limited liability company, **734 BLP GROVES, LLC**, a Florida limited liability company, and **734 HARVEST, LLC**, a Florida limited liability company, being collectively referred to as the "Borrower" (and unless otherwise provided the term "Borrower" shall apply to each of said five limited liability companies both separately and collectively), jointly and severally, all having an office and place of business at 10070 Daniels Interstate Court, Suite 100, Fort Myers, Florida 33913 and **PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC**, a Delaware limited liability company, having an office and place of business at 801 Warrenville Road, Suite 150, Lisle, Illinois 60532-1357 (referred to herein as the "Lender").

WITNESSETH:

WHEREAS, Borrower executed in favor of Lender that certain Future Advance Promissory Note D in the face amount of up to Six Million and NO/100 Dollars (\$6,000,000.00) dated March 26, 2013 ("Note D", and the loan evidenced thereby is known as Loan 717610647 and is referred to as "Loan D");

WHEREAS, in connection with certain changes, the Borrower and Lender have agreed to cancel and terminate Note D and the revolving loan evidenced thereby and also set forth in that certain Loan Agreement between said parties dated December 31, 2012 as amended by said parties in that certain First Amendment to Loan Agreement dated March 26, 2013 and by that Second Amendment to Loan Agreement dated September 4, 2014 (collectively, the "Loan Agreement").

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and Lender agree as set forth below:

1. Recitals/Incorporation. The recitals above are incorporated herein and all capitalized terms herein shall have the meanings set forth herein, but if none is so set forth, they shall have the meanings set forth for same in the Loan Documents referenced in the Loan Agreement.

2. Cancellation and Termination. On or before the Agreement Effective Date Borrower agrees to and shall pay to Lender all sums due under Note D to bring the principal balance and outstanding accrued and unpaid interest to a zero balance on the Agreement Effective Date and simultaneously therewith Borrower and Lender agree that Note D is hereby canceled and terminated with Borrower having no further right to advances from Lender thereunder as the revolving

credit facility evidenced by Note D and as set forth in the Loan Agreement provisions as to Note D and Loan D, are canceled, terminated and of no further force and effect.

3. Release of Defenses, Counterclaims and Offsets. Borrower and each of them hereby agree and confirm that, as of the date hereof, neither (i) Note D, (ii) Loan D, (iii) the revolving credit facility evidenced by Note D and the Loan Agreement provisions concerning draws and advances thereunder and (iv) this transaction, is subject to any defenses, set-offs or counterclaims whatsoever, and, any existing, are hereby waived.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to conflicts or choice of law principles).

5. Successors and Assigns Joint and Several Liability. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, assigns, and legal representatives.

6. Attorney's Fees. The prevailing party in any litigation brought to enforce the provisions of this Agreement shall be entitled to recover from the other party its reasonable costs and expenses, including attorneys' fees, whether at trial or on appeal, in mediation, bankruptcy, insolvency proceedings or other proceedings.

7. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

8. JURY TRIAL WAIVER. BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO NOTED, LOAN D, THE LOAN AGREEMENT PERTAINING TO NOTED AND LOAN D, THIS AGREEMENT AND THIS TRANSACTION OR ANY ACTS OR OMISSIONS OF LENDER IN CONNECTION THEREWITH.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed and delivered, as applicable, by their duly authorized officers as of the Agreement Effective Date first set forth above.

"BORROWER"

734 CITRUS HOLDINGS, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

As: Chief Executive Officer of Alico, Inc., its Sole Member

"BORROWER"

734 LMC GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 CO-OP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 BLP GROVES, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"BORROWER"

734 HARVEST, LLC, a Florida limited liability company

By: /s/ Clayton G. Wilson
(Signed Name)

Its: Manager

"LENDER"

PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware
limited liability company

By: /s/ William M. Lewis
(Signed Name)

Its: Vice President

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as the Chief Executive Officer of ALICO INC., the sole member of **734 CITRUS HOLDINGS, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 LMC GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 CO-OP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 BLP GROVES, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF LEE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared Clayton G. Wilson as manager of **734 HARVEST, LLC**, a Florida limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ A. Denise Plair

Signature of Notary Public)

A. Denise Plair

(Printed Name of Notary Public)

My commission expires: 1-4-17

[NOTARY SEAL]

STATE OF FLORIDA

S.S.

COUNTY OF ORANGE

BEFORE ME, a Notary Public in and for said County and State on the date below, personally appeared William M. Lewis the Vice President of PRUDENTIAL MORTGAGE CAPITAL COMPANY, LLC, a Delaware limited liability company, and acknowledged that he executed the foregoing instrument on behalf of said limited liability company.

Said person (x) personally known to me or () produced a driver's license issued by _____, a State of the United States which is either current or has been issued within the past five (5) years and bears a serial or other identification number.

IN WITNESS WHEREOF, I have affixed my notarial seal this 23rd day of April, 2015.

/s/ Charles E. Hurst

(Signature of Notary Public)

Charles E. Hurst

(Printed Name of Notary Public)

My commission expires: 1-20-2019

[NOTARY SEAL]

FIRST AMENDMENT TO CREDIT AGREEMENT AND CONSENT

This **FIRST AMENDMENT TO CREDIT AGREEMENT AND CONSENT** (this "*Amendment*"), is dated as of February 26, 2015, by and among **ALICO, INC.**, a Florida corporation ("*Alico*"), **ALICO-AGRI, LTD.**, a Florida limited partnership ("*Alico-Agri*"), **ALICO PLANT WORLD, L.L.C.**, a Florida limited liability company ("*Plant World*"), **ALICO FRUIT COMPANY, LLC**, a Florida limited liability company ("*Fruit Company*"), **ALICO LAND DEVELOPMENT INC.**, a Florida corporation ("*Land Development*"), **ALICO CITRUS NURSERY, LLC**, a Florida limited liability company ("*Citrus Nursery*"), and together with Alico, Alico-Agri, Plant World, Fruit Company and Land Development, each a "*Borrower*" and collectively the "*Borrowers*"), and **RABO AGRIFINANCE, INC.**, a Delaware corporation ("*Lender*").

WITNESSETH

WHEREAS, Borrowers and Lender are parties to that certain Credit Agreement dated as of December 1, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"); and

WHEREAS, Borrowers have requested that Lender amend certain provisions of the Credit Agreement and consent to the Silver Nip Merger (as defined below) as more fully set forth herein; and

WHEREAS, Lender is willing to agree to the requested amendments and consent to the Silver Nip Merger, in each case on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that all capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement, and further agree as follows:

1. Amendments to Credit Agreement

(a) Section 1.1 of the Credit Agreement, *Defined Terms*, is hereby modified and amended by adding the defined terms set forth below thereto in appropriate alphabetical order, and deleting any existing definition for any of the following defined terms as may be currently set forth in such Section:

““*734 Citrus*” means 734 Citrus Holdings, LLC, a Florida limited liability company.

“*734 Sub*” means 734 Sub, LLC, a Florida limited liability company and wholly owned subsidiary of Alico.

“*Debt Service Coverage Ratio*” means, as of any date of determination for the four Fiscal Quarter period then ended, the ratio of (a)

Consolidated EBITDA for such period, to (b) Interest Expense of the Consolidated Group calculated without duplication for such period, plus the current portion of any long-term debt, excluding any amounts due upon the final maturity of such long-term debt, of the Consolidated Group calculated without duplication, as of the last day of

such period.

“**Intercreditor Agreement**” means, individually and collectively, as the context may require, the Met Life Intercreditor Agreement and the Prudential Intercreditor Agreement.

“**Met Life Intercreditor Agreement**” means that certain Intercreditor Agreement, dated as of even date herewith, by and among Metropolitan Life Insurance Company, a New York corporation, Rabo, and New England Life Insurance Company, a Massachusetts corporation, and acknowledged by Borrowers, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**Prudential Facility**” means, collectively, (a) the credit and term loan facility established for the Silver Nip Entities pursuant to that certain Loan Agreement, dated as of December 31, 2012 by and among Prudential Mortgage Capital Company, LLC, a Delaware limited liability company, and each of the Silver Nip Entities, together with the First Amendment to Loan Agreement dated March 26, 2013 and the Second Amendment to Loan Agreement dated September 4, 2014, and (b) the term loan facility established for the Silver Nip Entities pursuant to that certain Loan Agreement dated as of September 4, 2014 by and among Prudential Mortgage Capital Company, LLC, a Delaware limited liability company, and each of the Silver Nip Entities, in each case as the same may be further amended, restated, supplemented or otherwise modified from time to time to the extent permitted herein or in the Prudential Intercreditor Agreement.

“**Prudential Intercreditor Agreement**” means that certain Intercreditor Agreement by and among Prudential Mortgage Capital Company, LLC, a Delaware limited liability company, and Lender, and acknowledged by Borrowers and the Silver Nip Entities, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**Silver Nip Conditions**” means, collectively, each of the following, in each case in form and substance satisfactory to Lender: (i) a Guaranty Agreement, a joinder to the Security Agreement, Control Agreements, Assignments of Crop Insurance, and a collateral assignment of any Material Contract, including but not limited to, the Fruit Production Contracts, signed and delivered on behalf of each Silver Nip Entity; (ii) favorable written opinions addressed to Lender from counsel to each Silver Nip Entity; (iii) copies of such documents and certificates as Lender

may reasonably request relating to the organization, existence and good standing of each Silver Nip Entity, the authorization of the execution, delivery and performance of the Loan Documents to which it is a party, and the identity, authority and capacity of each Responsible Officer authorized to act on behalf of Silver Nip Entity in connection with the Loan Documents; (iv) the results, dated as of a recent date, of searches conducted in the UCC filing records in the governmental office in the jurisdiction in which each Silver Nip Entity is organized, which shall have revealed no Liens with respect to any of the Collateral of the Silver Nip Entities except Permitted Encumbrances or Liens as to which Lender shall have received (and is authorized to file) termination statements or documents (Form UCC-3 or such other termination

statements or documents as shall be required by applicable law) fully executed for filing; (v) evidence that all filings, registrations and recordings have been made in the appropriate governmental offices, and all other action has been taken, that Lender deems necessary or desirable in order to create, in favor of Lender, a perfected first-priority Lien on the Collateral of each Silver Nip Entity, subject to no other Liens except for Permitted Encumbrances; (vi) the Prudential Intercreditor Agreement duly executed by the parties thereto, together with evidence that the Silver Nip Entities have no rights to borrow additional loans under any Prudential Facility; and (vii) any “Know Your Customer” information requested by Lender pursuant to Section 9.13.

“**Silver Nip Entities**” means 734 Citrus, 734 Co-op Groves, LLC, 734 LMC Groves, LLC, 734 BLP Groves, LLC, and 734 Harvest, LLC.

“**Silver Nip Merger**” means the merger in accordance with the Silver Nip Merger Agreement of 734 Sub with and into 734 Citrus, with 734 Citrus surviving the merger as a wholly owned subsidiary of Alico.

“**Silver Nip Merger Agreement**” means that certain Agreement and Plan of Merger dated as of December 2, 2014, by and among Alico, 734 Citrus, 734 Sub, and the other parties thereto.

“**Sweep Depository**” has the meaning assigned to such term in the definition of “Sweep to Loan Arrangement”.

“**Sweep to Loan Arrangement**” means a cash management arrangement established by Borrowers with Lender or an Affiliate of Lender, as depository (in such capacity, the “Sweep Depository”), pursuant to which Lender is authorized (a) to make advances of Loans hereunder, the proceeds of which are deposited by Lender into a designated account of a Borrower maintained at the Sweep Depository, and (b) to accept as prepayments of the Loans hereunder proceeds of excess targeted balances held in such designated account at the Sweep Depository, which cash management arrangement is subject to such agreement(s) and on such terms acceptable to the Sweep Depository and Lender.”

(b) Section 1.1 of the Credit Agreement, **Defined Terms**, is hereby further modified and amended by deleting clause (i) of the defined term “**Permitted Encumbrances**” set forth therein in its entirety and inserting in lieu thereof the following:

“(i) (1) Liens securing the MetLife Facility as in existence on the date hereof or Liens securing any Refinancing Indebtedness thereof, provided, that in the case of a Lien securing (x) Refinancing Indebtedness, such Lien shall be limited to all or part of the same property that was secured by the original Lien (plus improvements on such property), and (y) the MetLife Facility or Refinancing Indebtedness thereof, such Lien shall be subject to the Met Life Intercreditor Agreement, and (2) Liens on certain fixed assets (and related general intangibles) of the Silver Nip Entities securing the Prudential Facility as in existence on the date of the Silver Nip Merger or Liens securing any Refinancing Indebtedness thereof, provided, that in the case of a Lien securing (x) Refinancing Indebtedness,

such Lien shall be limited to all or part of the same property that was secured by the original Lien (plus improvements on such property), and (y) the Prudential Facility or Refinancing Indebtedness thereof, commencing on March 30, 2015 or such later date as the Lender shall consent to in writing (with any such consent not to be unreasonably withheld) and at all times thereafter, such Lien shall be subject to the Prudential Intercreditor Agreement and the Silver Nip Conditions shall have been satisfied;”

(c) Section 2.9 of the Credit Agreement, **Fees**, is hereby modified and amended by deleting subsection (b) in its entirety and inserting in lieu thereof the following:

“(b) Letter of Credit Fees. Borrowers agree, jointly and severally, to pay to Lender for its own account (i) a Letter of Credit fee, in connection with each Letter of Credit issued hereunder, in an amount equal to the Applicable Margin then applicable for the “Letter of Credit Fee” multiplied by the amount of such Letter of Credit, with such fee being due and payable on the date of issuance of such Letter of Credit and on the date of each renewal or extension thereof, and (ii) Lender’s standard fees and other standard costs and charges with respect to the issuance, amendment, administration, renewal, extension, cancellation or conversion of any Letter of Credit or processing of drawings thereunder, with such fees being due and payable within 10 days after demand by Lender.”

(d) Section 2 of the Credit Agreement, **THE CREDIT**, is hereby modified and amended by adding immediately after Section 2.15 set forth therein the following Section 2.16:

“2.16 Sweep to Loan Arrangement. So long as a Sweep to Loan Arrangement is in effect, and subject to the terms and conditions thereof, Loans may be advanced and prepaid hereunder notwithstanding any notice, minimum amount, or funding and payment location requirements set forth in Sections 2.2, 2.3, 2.5 and 2.8 hereunder for any advance of Loans or for any prepayment of any Loans. The making of any such Loans shall otherwise be subject to the other terms and conditions of this Agreement. Lender shall have the right in its sole discretion to suspend or terminate the making and/or prepayment of Loans pursuant to such Sweep to Loan Arrangement with notice to the Sweep Depository and Alico, whether or not any Default or Event of Default exists. Lender shall not be liable to any Borrower or any other Person for any losses directly or indirectly resulting from events beyond Lender’s reasonable control, including any interruption of communications or data processing services or legal restriction or for any special, indirect, consequential or punitive damages in connection with any Sweep to Loan Arrangement.”

(e) Section 5.8 of the Credit Agreement, **Certain Obligations Respecting Subsidiaries**, is hereby modified and amended by adding immediately after subsection (c) set forth therein the following new paragraph:

“Additionally, and without limiting the generality of the foregoing, Borrowers shall take such action, and shall cause each of the Silver Nip Entities to take such action, as is necessary to cause to be delivered to Lender by March 30, 2015 or such later date as the Lender shall consent to in writing (with any such consent not to be unreasonably withheld), each of the requirements of the Silver Nip Conditions.”

(f) Section 6.1 of the Credit Agreement, **Indebtedness**, is hereby modified and amended by deleting subsection (b) in its entirety and inserting in lieu thereof the following:

“(b) (i) Indebtedness of the Borrowers pursuant to the MetLife Facility, and any Refinancing Indebtedness in respect of such Indebtedness, and
(ii) Indebtedness of the Silver Nip Entities pursuant to the Prudential Facility in an aggregate principal amount not to exceed \$42,820,000, and any Refinancing Indebtedness in respect of such Indebtedness;”

(g) Section 6.3 of the Credit Agreement, **Fundamental Changes; Lines of Business**, is hereby modified and amended by deleting clause (i) of subsection (a) thereof in its entirety and inserting in lieu thereof the following:

“(i) Any Subsidiary of a Borrower may merge into a Borrower or any other Domestic Subsidiary (including any Person that will be a Domestic Subsidiary upon the consummation of a Permitted Acquisition) of a Borrower; provided, (A) if Alico is party to any such transaction, Alico shall be the surviving entity, (B) no Obligor (other than a Silver Nip Entity) may merge with or into a Silver Nip Entity, and (C) if an Obligor (other than Alico or a Silver Nip Entity) is a party to such transaction, (x) the surviving entity shall be an Obligor or (y) the surviving entity shall be a Domestic Subsidiary and shall assume in writing satisfactory to Lender in its sole discretion all Obligations and Loan Documents of such Obligor (and deliver to Lender all information required by Section 9.13); and”

(h) Section 6.4 of the Credit Agreement, **Dispositions**, is hereby modified and amended by deleting subsection (c) in its entirety and inserting in lieu thereof the following:

“(c) Dispositions of property by (i) Borrowers and any of their Subsidiaries to any other Obligor (other than a Silver Nip Entity), (ii) any Subsidiary of Borrowers that is not an Obligor to any other Subsidiary of Borrowers that is not an Obligor; and (iii) any Silver Nip Entity to any other Silver Nip Entity;”

(i) Section 6.5 of the Credit Agreement, **Investments**, is hereby modified and amended by deleting subsections (c), (d) and (l) in their entirety and inserting in lieu thereof, respectively, the following:

“(c) extensions of credit by (x) any Obligor to any other Obligor (other than a Silver Nip Entity), (y) Alico to the Silver Nip Entities in an aggregate principal amount up to but not exceeding \$7,000,000 at any time outstanding provided the Silver Nip Conditions shall have been satisfied prior to the making of any such extension of credit pursuant to this clause (y), and (z) any Silver Nip Entity to any other Silver Nip Entity;

(d) equity contributions by (x) any Obligor to any other Obligor (other than Alico or a Silver Nip Entity), and (y) any Silver Nip Entity to any other Silver Nip Entity;

(l) any Guarantee of, or assumption of Indebtedness of, any other Person in either case to the extent the Person incurring such Guarantee or assuming such Indebtedness would have been permitted to incur the underlying Indebtedness under Section 6.1; provided in no event shall any Company other than a Silver Nip Entity provide any Guarantee for the benefit of, or assume any Indebtedness of, a Silver Nip Entity;”

(j) Section 7.3 of the Credit Agreement, *Consolidated Debt to Total Asset Ratio*, is hereby modified and amended by deleting such section in its entirety and inserting in lieu thereof the following:

“7.3 Consolidated Debt to Total Asset Ratio. Borrowers shall maintain a Consolidated Debt to Total Asset Ratio of not greater than 0.625 to 1.00 as of the last day of the Fiscal Quarter ended March 31, 2015, and as of the last day of each Fiscal Quarter thereafter.”

2. Consent to Silver Nip Merger. Notwithstanding the prohibitions of Sections 6.5 or 6.7 of the Credit Agreement, Lender hereby consents to the Silver Nip Merger (as defined after giving effect to this Amendment), provided, (a) the Silver Nip Merger is financed solely through the issuance by Alico of its common stock to the owners of 734 Citrus (and by the payment of cash in lieu of fractional shares to such owners) at such times as may be required by the Silver Nip Merger Agreement, and (b) upon the consummation of the Silver Nip Merger and after giving effect to this Amendment, no Default or Event of Default shall exist or be caused thereby. Additionally, notwithstanding anything in Section 5.8 to the contrary, Lender hereby consents and agrees that the Guaranty Agreement and Security Agreement (or joinder thereto) to be provided by the Silver Nip Entities thereunder may limit the aggregate principal amount of the Obligations guaranteed (or secured) thereunder to \$7,000,000.

3. No Other Amendments. Except as expressly set forth above, the execution, delivery and effectiveness of this Amendment shall not operate as an amendment, modification or waiver of any right, power or remedy of Lender under the Credit Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Credit Agreement or any of the other Loan Documents. Except for the amendments and consent set forth above, the text of the Credit Agreement and all other Loan Documents shall remain unchanged and in full force and effect and each Borrower hereby ratifies and confirms its obligations thereunder. This Amendment shall not constitute a modification of the Credit Agreement or any of the other Loan Documents or a course of dealing with Lender at variance with the Credit Agreement or the other Loan Documents such as to require further notice by Lender to require strict compliance with the terms of the Credit Agreement and the other Loan Documents in the future. Each Borrower acknowledges and expressly agrees that Lender reserves the right to, and does in fact, require strict compliance with all terms and provisions of the Credit Agreement and the other Loan Documents, as amended herein.

4. Representations and Warranties. In consideration of the execution and delivery of this Amendment by Lender, each Borrower hereby represents and warrants in favor of Lender as follows:

(a) The execution, delivery and performance by each Borrower of this Amendment (i) are all within such Borrower’s limited liability company powers, (ii) have been duly authorized, (iii) do not require any consent, authorization or approval of, registration or filing with, notice to, or any other action by, any Governmental Authority or any other Person, except for such as have been obtained or made and are in full force and effect, (iv) will not violate any

applicable law or regulation or the Organizational Documents of such Borrower, (v) will not violate or result in a default under any material agreement binding upon such Borrower, (vi) will not conflict with or result in a breach or contravention of, any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Borrower is a party or affecting such Borrower or its properties, and (vii) except for the Liens created pursuant to the Security Documents, will not result in the creation or imposition of any Lien on any asset of such Borrower or any of its properties;

(b) This Amendment has been duly executed and delivered by each Borrower, and constitutes legal, valid and binding obligations of each Borrower enforceable against each Borrower in accordance with its terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (ii) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(c) As of the date hereof and after giving effect to this Amendment, the representations and warranties made by or with respect to any Borrower under the Credit Agreement and the other Loan Documents, are true and correct in all material respects (unless any such representation or warranty is qualified as to materiality or as to Material Adverse Effect, in which case such representation and warranty shall be true and correct in all respects), except to the extent previously fulfilled with respect to specific prior dates;

(d) Immediately after giving effect hereto, no event has occurred and is continuing which constitutes a Default or an Event of Default or would constitute a Default or an Event of Default but for the requirement that notice be given or time elapse or both; and

(e) No Borrower has knowledge of any challenge to Lender's claims arising under the Loan Documents, or to the effectiveness of the Loan Documents.

5. Effectiveness. This Amendment shall become effective as of the date set forth above (the "***Amendment Effective Date***") upon Lender's receipt of each of the following, in each case in form and substance satisfactory to Lender:

(a) this Amendment duly executed by each Borrower and Lender;

(b) a certificate of a Responsible Officer of Alico, dated the Amendment Effective Date, certifying (i) that attached thereto are true and correct copies of the Silver Nip Merger Agreement (including all schedules and exhibits thereto) and the material agreements evidencing the Prudential Facility, and (ii) that after giving effect to this Amendment and the Silver Nip Merger, no Default or Event of Default exists; and

(c) all other certificates, reports, statements, instruments or other documents as Lender may reasonably request.

6. Costs and Expenses. Each Borrower agrees to pay on demand all costs and expenses of Lender in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the fees and out-of-pocket expenses of counsel for Lender with respect thereto).

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of a signature page hereto by facsimile transmission or by other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

8. Reference to and Effect on the Loan Documents. Upon the effectiveness of this Amendment, on and after the date hereof, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as amended hereby.

9. Governing Law. This Amendment shall be deemed to be made pursuant to the laws of the State of New York with respect to agreements made and to be performed wholly in the State of New York and shall be construed, interpreted, performed and enforced in accordance therewith.

10. Final Agreement. This Amendment represents the final agreement between Borrowers and Lender as to the subject matter hereof and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

11. Loan Document. This Amendment shall be deemed to be a Loan Document for all purposes under the Credit Agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused their respective duly authorized officers or representatives to execute and deliver this Amendment as of the day and year first above written.

BORROWER:

ALICO, INC., a Florida corporation

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

ALICO LAND DEVELOPMENT, INC.,

a Florida corporation

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

ALICO-AGRI, LTD., a Florida limited partnership

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

ALICO PLANT WORLD, L.L.C.,

a Florida limited liability company

By: Alico-Agri, Ltd., a Florida
limited partnership, its Sole Member

By: Alico, Inc., a Florida Corporation,
its General Partner

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

ALICO FRUIT COMPANY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

ALICO CITRUS NURSERY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ W. Mark Humphrey

Name: W. Mark Humphrey

Title: Senior Vice President, Chief Financial Officer and Assistant Secretary

LENDER:

RABO AGRIFINANCE, INC.

a Delaware corporation

By: /s/ Bryan L. Byrd

Name: Bryan L. Byrd

Title: Senior Vice
President

SECOND AMENDMENT TO CREDIT AGREEMENT

This **SECOND AMENDMENT TO CREDIT AGREEMENT** (this "**Amendment**"), is dated as of July 16, 2015, by and among **ALICO, INC.**, a Florida corporation ("**Alico**"), **ALICO-AGRI, LTD.**, a Florida limited partnership ("**Alico-Agri**"), **ALICO PLANT WORLD, L.L.C.**, a Florida limited liability company ("**Plant World**"), **ALICO FRUIT COMPANY, LLC**, a Florida limited liability company ("**Fruit Company**"), **ALICO LAND DEVELOPMENT INC.**, a Florida corporation ("**Land Development**"), **ALICO CITRUS NURSERY, LLC**, a Florida limited liability company ("**Citrus Nursery**"), and together with Alico, Alico-Agri, Plant World, Fruit Company and Land Development, each a "**Borrower**" and collectively the "**Borrowers**", the Guarantors party hereto and **RABO AGRIFINANCE, INC.**, a Delaware corporation ("**Lender**").

WITNESSETH

WHEREAS, Borrowers and Lender are parties to that certain Credit Agreement dated as of December 1, 2014 (as amended by that certain First Amendment to Credit Agreement and Consent dated as of February 26, 2015, and as may be further amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"); and

WHEREAS, Borrowers have requested that Lender amend certain provisions of the Credit Agreement as more fully set forth herein; and

WHEREAS, Lender is willing to agree to the requested amendments in each case on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that all capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement, and further agree as follows:

1. Amendments to Credit Agreement

(a) Section 1.1 of the Credit Agreement, **Defined Terms**, is hereby modified and amended by deleting the definitions of "**Consolidated Current Liabilities**" and "**Consolidated Total Liabilities**" in their entirety and inserting the following in lieu thereof:

"**Consolidated Current Liabilities**" means, as of the date of determination thereof, the aggregate of all liabilities which in accordance with GAAP would be so classified and appear as current liabilities on the consolidated balance sheet of the Consolidated Group; provided that, for the purposes hereof, Consolidated Current Liabilities shall not include any deferred gains realized in connection with the Sugarcane Sale.

"**Consolidated Total Liabilities**" means, as of the date of determination thereof, the aggregate of all liabilities which in accordance with GAAP would be so classified and appear as liabilities on the consolidated balance sheet of the Consolidated Group; provided that, for the purposes hereof, Consolidated Total Liabilities shall not include any deferred gains realized in connection with the Sugarcane Sale."

(b) Section 1.1 of the Credit Agreement, **Defined Terms**, is hereby further modified and amended by adding the following new defined term thereto in appropriate alphabetical order:

““*Sugarcane Sale*” means the sale by Borrowers of approximately 36,000 acres of real property to Global Ag Properties, LLC that closed on or about November 21, 2014.”

2. No Other Amendments. Except as expressly set forth above, the execution, delivery and effectiveness of this Amendment shall not operate as an amendment, modification or waiver of any right, power or remedy of Lender under the Credit Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Credit Agreement or any of the other Loan Documents. Except for the amendments set forth above, the text of the Credit Agreement and all other Loan Documents shall remain unchanged and in full force and effect and each Borrower hereby ratifies and confirms its obligations thereunder. This Amendment shall not constitute a modification of the Credit Agreement or any of the other Loan Documents or a course of dealing with Lender at variance with the Credit Agreement or the other Loan Documents such as to require further notice by Lender to require strict compliance with the terms of the Credit Agreement and the other Loan Documents in the future. Each Borrower acknowledges and expressly agrees that Lender reserves the right to, and does in fact, require strict compliance with all terms and provisions of the Credit Agreement and the other Loan Documents, as amended herein.

3. Representations and Warranties. In consideration of the execution and delivery of this Amendment by Lender, each Borrower and each Guarantor hereby represents and warrants in favor of Lender as follows:

(a) The execution, delivery and performance by each Borrower and each Guarantor of this Amendment (i) are all within such Borrower's or such Guarantor's powers (corporate or otherwise), (ii) have been duly authorized, (iii) do not require any consent, authorization or approval of, registration or filing with, notice to, or any other action by, any Governmental Authority or any other Person, except for such as have been obtained or made and are in full force and effect, (iv) will not violate any applicable law or regulation or the Organizational Documents of such Borrower or such Guarantor, (v) will not violate or result in a default under any material agreement binding upon such Borrower or such Guarantor, (vi) will not conflict with or result in a breach or contravention of, any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Borrower or such Guarantor is a party or affecting such Borrower or such Guarantor or its properties, and (vii) except for the Liens created pursuant to the Security Documents, will not result in the creation or imposition of any Lien on any asset of such Borrower or such Guarantor or any of its properties;

(b) This Amendment has been duly executed and delivered by each Borrower and each Guarantor, and constitutes legal, valid and binding obligations of each Borrower and each Guarantor enforceable against each Borrower and each Guarantor in accordance with its terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (ii) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(c) As of the date hereof and after giving effect to this Amendment, the representations and warranties made by or with respect to any Borrower or any Guarantor under the Credit Agreement and the other Loan Documents, are true and correct in all material respects (unless any such representation or warranty is qualified as to materiality or as to Material Adverse Effect,

in which case such representation and warranty shall be true and correct in all respects), except to the extent previously fulfilled with respect to specific prior dates;

(d) Immediately after giving effect hereto, no event has occurred and is continuing which constitutes a Default or an Event of Default or would constitute a Default or an Event of Default but for the requirement that notice be given or time elapse or both; and

(e) No Borrower or Guarantor has knowledge of any challenge to Lender's claims arising under the Loan Documents, or to the effectiveness of the Loan Documents.

4. Effectiveness. This Amendment shall become effective as of the date set forth above upon Lender's receipt of each of the following, in each case in form and substance satisfactory to Lender:

(a) this Amendment duly executed by each Borrower, each Guarantor and Lender; and

(b) all other certificates, reports, statements, instruments or other documents as Lender may reasonably request.

5. Affirmation of Guaranty Agreements. By executing this Amendment, each Guarantor hereby acknowledges, consents and agrees that all of its obligations and liability under each Guaranty Agreement to which such Guarantor is a party remain in full force and effect, and that the execution and delivery of this Amendment and any and all documents executed in connection therewith shall not alter, amend, reduce or modify its obligations and liability under such Guaranty Agreement.

6. Costs and Expenses. Each Borrower agrees to pay on demand all costs and expenses of Lender in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the fees and out-of-pocket expenses of counsel for Lender with respect thereto).

7. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of a signature page hereto by facsimile transmission or by other electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

8. Reference to and Effect on the Loan Documents. Upon the effectiveness of this Amendment, on and after the date hereof, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as amended hereby.

9. Governing Law. This Amendment shall be deemed to be made pursuant to the laws of the State of Florida with respect to agreements made and to be performed wholly in the State of Florida and shall be construed, interpreted, performed and enforced in accordance therewith.

10. Final Agreement. This Amendment represents the final agreement between Borrowers, Guarantors and Lender as to the subject matter hereof and may not be contradicted by evidence of prior,

contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

11. Loan Document. This Amendment shall be deemed to be a Loan Document for all purposes under the Credit Agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused their respective duly authorized officers or representatives to execute and deliver this Amendment as of the day and year first above written.

BORROWER:

ALICO, INC., a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO LAND DEVELOPMENT, INC.,
a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO-AGRI, LTD., a Florida limited partnership

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO PLANT WORLD, L.L.C.,
a Florida limited liability company

By: Alico-Agri, Ltd., a Florida
limited partnership, its Sole Member

By: Alico, Inc., a Florida Corporation,
its General Partner

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO FRUIT COMPANY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

The undersigned Guarantor hereby executes and joins in this Amendment for purpose of consenting to the provisions hereof.

ALICO CITRUS NURSERY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

GUARANTORS:

734 CITRUS HOLDINGS LLC

By: Alico, Inc., as its sole member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

734 HARVEST, LLC

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

734 CO-OP GROVES, LLC

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

734 LMC GROVES, LLC

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

734 BLP GROVES, LLC

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

GUARANTORS:

RABO AGRIFINANCE, INC.,
a Delaware corporation

By: /s/ Judy A. Cochran

Name: Judy A. Cochran

Title: Assistant Vice President

**AMENDMENT TO
FIRST AMENDED AND RESTATED CREDIT AGREEMENT**

THIS AMENDMENT TO FIRST AMENDED AND RESTATED CREDIT

AGREEMENT(the "Amendment") is made and entered into as of this 1st day of February 2015, by and among ALICO, INC., a Florida corporation ("Alico"), ALICO LAND DEVELOPMENT, INC., a Florida corporation ("ALDI"), ALICO-AGRI, LTD., a Florida limited partnership ("Alico-Agri"), ALICO PLANT WORLD, L.L.C., a Florida limited liability company ("Plant World") and ALICO FRUIT COMPANY, LLC, a Florida limited liability company ("Alico Fruit" and collectively with Alico, ALDI, Alico-Agri, and Plant World, "Borrower") and in favor of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Servicer" or "MetLife"), as lender ("Lender") and as servicer, pursuant to that certain Co-Lending Agreement of even date herewith between MetLife and New England Life Insurance Company, a Massachusetts corporation ("NEL"), as co-lender (and together with MetLife, "Co Lenders"). ALICO CITRUS NURSERY, LLC, a Florida limited liability company ("Citrus Nursery") hereby joins in this Amendment as a Guarantor of the Loan) (collectively, the "Parties").

WHEREAS, the Parties entered into that certain First Amended and Restated Credit Agreement dated as of December 1, 2014 (the "Agreement"); and

WHEREAS, the Parties wish to amend the Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

2. The second sentence of Section 7.11 of the Agreement is deleted and replaced with the following sentence:

"The RLOC Unused Commitment Fee shall be calculated on February 1st of each year, commencing February 1, 2015, for the preceding calendar year and shall be due and payable on the date that is fifteen (15) Business Days after February 1st of each year."

Except as specifically hereby amended, the Agreement shall remain in full force and effect. In the event of any conflict between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment shall govern.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as of the date set forth above.

SERVICER/LENDER:

METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation

By: /s/ Greg G. Gallaway

Name: Greg G. Gallaway

Title: Director

CO-LENDER:

**NEW ENGLAND LIFE INSURANCE
COMPANY**, a Massachusetts corporation

By: Metropolitan Life Insurance Company, a New York corporation, its Investment manager

By: /s/ Greg G. Gallaway

Name: Greg G. Gallaway

Title: Director

BORROWER:

ALICO, INC., a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO LAND DEVELOPMENT, INC.,
a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO-AGRI, LTD., a Florida limited partnership

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO PLANT WORLD, L.L.C.,
a Florida limited liability company

By: Alico-Agri, Ltd., a Florida
limited partnership, its Sole Member

By: Alico, Inc., a Florida Corporation,
its General Partner

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO FRUIT COMPANY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

The undersigned Guarantor hereby executes and joins in this Amendment for purpose of consenting to the provisions hereof.

ALICO CITRUS NURSERY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

**SECOND AMENDMENT TO
FIRST AMENDED AND RESTATED CREDIT AGREEMENT**

THIS SECOND AMENDMENT TO FIRST AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") is made as of the 12th day of August, 2015, by and among ALICO, INC., a Florida corporation ("Alico"), ALICO LAND DEVELOPMENT, INC., a Florida corporation ("ALDI"), ALICO-AGRI, LTD., a Florida limited partnership ("Alico Agri"), ALICO PLANT WORLD, L.L.C., a Florida limited liability company ("Plant World") and ALICO FRUIT COMPANY, LLC, a Florida limited liability company ("Alico Fruit") and collectively with Alico, ALDI, Alico-Agri, and Plant World, "Borrower") and in favor of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation ("Servicer" or "MetLife"), as lender ("Lender") and as servicer, pursuant to that Amended and Restated Co Lending Agreement of even date herewith (the "Restated Co-Lending Agreement"), between MetLife, New England Life Insurance Company, a Massachusetts corporation ("NEL"), as co lender, and RABO AGRIFINANCE , INC., a Delaware corporation ("Rabo"), as co-lender (and together with MetLife and NEL, "Co-Lenders").

WITNESSETH:

WHEREAS, the parties hereto other than Rabo are parties to the Amended and Restated Credit Agreement dated December 1, 2014, as amended by that certain Amendment to First Amended and Restated Credit Agreement dated effective February 1, 2015 (collectively, the "Restated Credit Agreement"); and

WHEREAS, the parties hereto wish to make certain modifications in the terms of the Restated Credit Agreement, as described herein; and

WHEREAS, Rabo desires to participate in the Loan made under the Restated Credit Agreement, and MetLife, NEL and Rabo have entered into the Restated Co-Lending Agreement to include Rabo as an additional Co-Lender.

NOW, THEREFORE, in consideration of the foregoing and the mutual and reciprocal promises and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the Co-Lenders and Borrower agree as follows:

1. Definitions. All capitalized terms not defined herein shall have the meaning attributed to such term in the Restated Credit Agreement.
 2. Additional Co-Lender. The Restated Credit Agreement is hereby amended to include Rabo as an additional Co-Lender (as defined in Section 9 of the Restated Credit Agreement). The parties agree that Rabo is entitled and subject to all rights, obligations and privileges as a Co-Lender in accordance with the Restated Credit Agreement, and, from and after the effective date of this Amendment, shall be included in the term "Co-Lender[s]" for all purposes. Pursuant to the Restated Co-Lending Agreement, MetLife shall serve as Servicer for the Co-Lenders, including Rabo.
 3. Assignment of Certain Notes. MetLife has assigned to Rabo the Libor Term Note B and the RLOC Note (the "Assigned Notes"), which are secured by, among other things, the Collateral Documents listed in Section 1.4 of the Restated Credit Agreement together with that certain Mortgage
-

Spreader Agreement dated as of July 29, 2015, and to be recorded among the Public Records of DeSoto County, Florida (collectively, the "Collateral Documents"). The parties agree that Rabo, as an assignee of the Assigned Notes, is a secured party under the Collateral Documents. All obligations of Borrower under the Assigned Notes and the Restated Credit Agreement with respect to the Assigned Notes run to and for the benefit of Rabo. Such obligations are fully enforceable by Rabo as if the Assigned Notes had been originally issued in its favor.

4. Tangible Net Worth Computation. Section 8.2 of the Restated Credit Agreement is hereby amended by changing "March 30, 2015," in the first line thereof to "March 31, 2015," and by also adding the following new sentence at the end of such Section:

"For purposes of computing Consolidated Tangible Net Worth, Consolidated Current Ratio, or any other amount or ratio required to be calculated under this Agreement and involving the assets and/or liabilities of Borrower, the terms Consolidated Debt, Consolidated Tangible Net Worth, Current Assets, Current Liabilities, Consolidated Tangible Assets, Consolidated Total Liabilities, and Consolidated Total Assets shall not be deemed to include any assets or liabilities required to be shown on the books of Alico as a result of the Terra Land Sale."

5. Flood Insurance. Section 7.5 of the Restated Credit Agreement is hereby amended by adding the following subsection (a)(4):

11(4) If any Improvements or structures (as determined by the Federal Emergency Management Agency ("FEMA")) are located in an area now or hereafter designated by the Director of FEMA as a special flood hazard area, Borrowers agree to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Improvements are located in a special flood area, for the lesser of (1) the full unpaid principal balance of the Loan, (2) the total replacement value of any structure located in the flood hazard area, or (3) the maximum amount available under the National Flood Insurance Program for the particular type of property, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the Loan.¹¹

6. Full Force and Effect. Except as expressly modified by this Amendment, the Restated Credit Agreement remains in full force and effect in accordance with its terms.

7. Counterparts. This Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the date and year first above written.

SERVICER/LENDER:

METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation

By: /s/ Greg G. Gallaway

Name: Greg G. Gallaway

Title: Director

CO-LENDER:

**NEW ENGLAND LIFE INSURANCE
COMPANY**, a Massachusetts corporation

By: Metropolitan Life Insurance Company, a New York corporation, its Investment manager

By: /s/ Greg G. Gallaway

Name: Greg G. Gallaway

Title: Director

CO-LENDER:

RABO AGRIFINANCE, INC.
a Delaware corporation

By: /s/ Judy A. Cochran

Name: Judy A. Cochran

Title: Assistant Vice
President

BORROWER:

ALICO, INC., a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO LAND DEVELOPMENT, INC.,
a Florida corporation

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO-AGRI, LTD., a Florida limited partnership

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO PLANT WORLD, L.L.C.,
a Florida limited liability company

By: Alico-Agri, Ltd., a Florida
limited partnership, its Sole Member

By: Alico, Inc., a Florida Corporation,
its General Partner

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

ALICO FRUIT COMPANY, LLC,
a Florida limited liability company

By: Alico, Inc., a Florida corporation
its Managing Member

By: /s/ Clayton G. Wilson

Name: Clayton G. Wilson

Title: Chief Executive Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement (No. 33-53761) on Form S-8 of Alico, Inc. of our reports dated December 10, 2015, relating to our audit of the consolidated and combined financial statements and internal control over financial reporting, which appear in this Annual Report on Form 10-K of Alico, Inc. for the year ended September 30, 2015.

/s/ RSM US LLP
Orlando, Florida
December 10, 2015

