UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File Number: 001-36735

Landmark Infrastructure Partners LP

(Exact name of registrant as specified in its charter)

Delaware	**61-1742322**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
400 Continental Blvd, Suite 500, P.O. Box 3429 El Segundo, CA 90245	**90245**
(Address of principal executive offices)	**(Zip Code)**

(310) 598-3173

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Units, Representing Limited Partner Interests	LMRK	NASDAQ Global Market
8.0% Series A Cumulative Redeemable Preferred Units, $25.00 par value	LMRKP	NASDAQ Global Market
7.9% Series B Cumulative Redeemable Preferred Units, $25.00 par value	LMRKO	NASDAQ Global Market
Series C Floating-to-Fixed Rate Cumulative Redeemable Perpetual Convertible Preferred Units, $25.00 par value	LMRKN	NASDAQ Global Market

Securities Registered Pursuant to Section 12(g) of the Act: None

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 the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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 equity held by non-affiliates of the registrant on June 28, 2019, the last business day of the registrant's most recently completed second fiscal quarter, based on the closing price on that date of $16.85, was approximately $427 million.

The registrant had 25,470,232 common units outstanding at February 24, 2020.

DOCUMENTS INCORPORATED BY REFERENCE

None

Table of Contents

		Page Number
	PART I	
Item 1.	Business and Properties	4
Item 1A.	Risk Factors	20
Item 1B.	Unresolved Staff Comments	48
Item 2.	Properties	48
Item 3.	Legal Proceedings	48
Item 4.	Mine Safety Disclosures	48
	PART II	
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	49
Item 6.	Selected Financial Data	51
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	55
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	73
Item 8.	Financial Statements and Supplementary Data	74
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosures	74
Item 9A.	Controls and Procedures	74
Item 9B.	Other Information	76
	PART III	
Item 10.	Directors, Executive Officers and Corporate Governance	77
Item 11.	Executive Compensation	81
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	82
Item 13.	Certain Relationships and Related Transactions, and Director Independence	83
Item 14.	Principal Accountant Fees and Services	85
	PART IV	
Item 15.	Exhibits, Financial Statement Schedules	86

Unless the context otherwise requires, references in this report to "our partnership," "we," "our," "us," or like terms refer to Landmark Infrastructure Partners LP. References to "our general partner" refer to Landmark Infrastructure Partners GP LLC.

Some of the information in this Annual Report on Form 10-K may contain forward-looking statements. Forward-looking statements give our current expectations, contain projections of results of operations or of financial condition, or forecasts of future events. Words such as “may,” “will,” “assume,” “forecast,” “position,” “predict,” “strategy,” “expect,” “intend,” “plan,” “estimate,” “anticipate,” “believe,” “project,” “budget,” “potential,” or “continue,” and similar expressions are used to identify forward-looking statements. They can be affected by and involve assumptions used or known or unknown risks or uncertainties. Consequently, no forward-looking statements can be guaranteed. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this Annual Report on Form 10-K. Actual results may vary materially. You are cautioned not to place undue reliance on any forward-looking statements. You should also understand that it is not possible to predict or identify all such factors and should not consider the following list to be a complete statement of all potential risks and uncertainties. The risk factors and other factors noted throughout this Annual Report on Form 10-K could cause our actual results to differ materially from the results contemplated by such forward-looking statements, including the following:

- the number of real property interests that we are able to acquire, and whether we are able to complete such acquisitions on favorable terms, which could be adversely affected by, among other things, general economic conditions, operating difficulties, and competition;
- the number of completed infrastructure developments;
- the return on infrastructure developments;
- the prices we pay for our acquisitions of real property;
- our management’s and our general partner’s conflicts of interest with our own;
- the rent increases we are able to negotiate with our tenants, and the possibility of further consolidation among a relatively small number of significant tenants in the wireless communication and outdoor advertising industries;
- changes in the price and availability of real property interests;
- changes in prevailing economic conditions;
- unanticipated cancellations of tenant leases;
- a decrease in our tenants’ demand for real property interest due to, among other things, technological advances or industry consolidation;
- inclement or hazardous weather conditions, including flooding, and the physical impacts of climate change, unanticipated ground, grade or water conditions, and other environmental hazards;
- inability to acquire or maintain necessary permits;
- changes in laws and regulations (or the interpretation thereof), including zoning regulations;
- difficulty collecting receivables and the potential for tenant bankruptcy;
- additional expenses associated with being a publicly traded partnership;
- our ability to borrow funds and access capital markets, and the effects of the fluctuating interest rate on our existing and future borrowings;
- restrictions in our revolving credit facility on our ability to issue additional debt or equity or pay distributions;
- mergers or consolidations among wireless carriers;
- performance of our joint ventures; and
- certain factors discussed elsewhere in this Annual Report on Form 10-K.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements.

PART I

ITEM 1. Business and Properties

Overview

We are a growth-oriented partnership formed by Landmark Dividend LLC (“Landmark” or “Sponsor”) to acquire, develop, own and manage a portfolio of real property interests and infrastructure assets that are leased to companies in the wireless communication, outdoor advertising and renewable power generation industries. The Partnership is a master limited partnership organized in the State of Delaware and has been publicly traded since its initial public offering on November 19, 2014 (the “IPO”). Our common units are listed on the NASDAQ Global Market under the symbol “LMRK”. The Partnership holds substantially all of its assets in a consolidated subsidiary, Landmark Infrastructure Inc., a Delaware corporation (“REIT Subsidiary”), which elected to be taxed as a real estate investment trust (“REIT”) under the Internal Revenue Code of 1986, as amended (the “Code”) commencing with its taxable year ending December 31, 2017. We intend to continue to own and operate substantially all of our assets through the REIT Subsidiary. Our legal structure substantially eliminates unrelated business taxable income allocated by the Partnership to tax-exempt investors, including individuals investing through tax-deferred accounts such as an individual retirement account, and we do not intend to generate state source income.

Our real property interests underlie our tenants’ infrastructure assets, which include freestanding cellular towers and rooftop wireless sites, data centers, billboards, wind turbines and solar arrays. These assets are essential to the operations and profitability of our tenants. We seek to acquire real property interests subject to triple net or effectively triple net lease arrangements containing contractual rent increase clauses, or “rent escalators,” which we believe provide us with stable, predictable and growing cash flow. In certain instances, we own the infrastructure and lease the infrastructure to our tenants.

Our real property interests generally consist of a diversified portfolio of long-term and perpetual easements, tenant lease assignments, fee simple properties and infrastructure assets located primarily in the United States. These real property interests and other infrastructure entitle us to receive rental payments from leases on our 2,025 tenant sites. Approximately 80% of our leased tenant sites are leased to large, publicly traded companies (or their affiliates) that have a national footprint and for our renewable power generation segment includes tenants with power purchase agreements with subsidiaries or affiliates of high credit rated utilities or high quality offtakers. These tenants, which we refer to as our “Tier 1” tenants, are comprised of AT&T Mobility, Sprint, T-Mobile and Verizon in the wireless carrier industry, American Tower, Crown Castle and SBA Communications in the cellular tower industry, Outfront Media, Clear Channel Outdoor and Lamar Advertising in the outdoor advertising industry and Southern California Edison and Duke Energy in the renewable power generation industry.

We believe the terms of our tenant lease arrangements provide us with stable, predictable and growing cash flow. Substantially all of our tenant lease arrangements are triple net or effectively triple net, meaning that our tenants or the underlying property owners are contractually responsible for property-level operating expenses, including maintenance capital expenditures, property taxes and insurance. For certain infrastructure assets, we incur ground rent obligations, maintenance expenditures, property taxes and insurance, some of which may be reimbursed by our tenants. Over 85% of our tenant leases have contractual rent escalators, and some of our tenant leases contain revenue-sharing provisions in addition to the base monthly or annual rental payments. In addition, we believe the physical infrastructure assets at our tenant sites are essential to the ongoing operations and profitability of our tenants. When combined with the challenges and costs of relocating these infrastructure assets and the key strategic locations of our real property interests, we expect continued high tenant retention and occupancy rates. As of December 31, 2019, we had a 95% occupancy rate, with 1,923 of our 2,025 total available tenant sites leased.

We benefit significantly from our relationship with Landmark, our Sponsor. Landmark, a private company formed in 2010, is one of the largest acquirers of real property interests underlying the operationally essential infrastructure assets in the wireless communication, outdoor advertising and renewable power generation industries. We believe Landmark’s asset acquisition and management platform will benefit us by providing us with acquisitions and development opportunities. Please read “Our Relationship with Landmark” and “Infrastructure Development”.

We conduct business through three reportable business segments: Wireless Communication, Outdoor Advertising and Renewable Power Generation. Our reportable segments are strategic business units that offer different products and services. They are commonly managed, as all of these businesses require similar marketing and business strategies. We evaluate our segments based on revenue because substantially all of our tenant lease arrangements are triple net or effectively triple net. We believe this measure provides investors with relevant and useful information because it is presented on an unlevered basis. See Notes to the Consolidated Financial Statements for additional information on our business segments.

Our Portfolio of Real Property Interests

Our portfolio of property interests consists primarily of (i) long-term and perpetual easements combined with lease assignment contracts (which we refer to as our "lease assignments)" (ii) lease assignments without easements (iii) properties we own in fee simple and (iv) infrastructure we own and lease to our tenants. In connection with each real property interest, we have also acquired the rights to receive payment under pre-existing ground leases from property owners, which we refer to as our "tenant leases." Under our easements, property owners have granted us the right to use and lease the space occupied by our tenants, and when we have not been granted easements, we have acquired economic rights under lease assignments that are substantially similar to the economic rights granted under our easements, including the right to re-lease the same space if the tenant lease expires or terminates.

The table below provides an overview of our portfolio of real property interests as of December 31, 2019.

Our Real Property Interests

		Available Tenant Sites(1)		Leased Tenant Sites					
Real Property Interest	**Number of Infrastructure Locations(1)**	**Number**	**Average Remaining Property Interest (Years)**	**Number**	**Average Remaining Lease Term (Years)(2)**	**Tenant Site Occupancy Rate(3)(4)**	**Average Monthly Effective Rent Per Tenant Site(4)(5)**	**Quarterly Rental Revenue (in thousands)(6)**	**Percentage of Quarterly Rental Revenue(6)**
Tenant Lease Assignment with Underlying Easement									
Wireless Communication	703	907	77.2 (7)	849	26.8			$ 5,188	33%
Outdoor Advertising	598	711	76.7 (7)	691	15.1			4,267	28%
Renewable Power Generation	18	47	47.9 (7)	47	30.5			348	2%
Subtotal	1,319	1,665	75.6 (7)	1,587	21.7			$ 9,803	63%
Tenant Lease Assignment only(8)									
Wireless Communication	116	166	50.3	146	15.9			$ 1,034	7%
Outdoor Advertising	33	36	62.1	34	13.0			230	1%
Renewable Power Generation	6	6	67.6	6	26.7			60	—%
Subtotal	155	208	52.8	186	15.7			$ 1,324	8%
Tenant Lease on Fee Simple									
Wireless Communication	22	31	99.0 (7)	29	23.9			$ 1,664	11%
Outdoor Advertising	83	104	99.0 (7)	104	4.7			1,118	7%
Renewable Power Generation	14	17	99.0 (7)	17	29.6			1,611	11%
Subtotal	119	152	99.0 (7)	150	11.1			$ 4,393	29%
Total	**1,593**	**2,025**	**71.6** (9)	**1,923**	**20.3**			**$ 15,520**	**100%**
Aggregate Portfolio									
Wireless Communication	841	1,104	67.5	1,024	25.1	93%	$ 1,975	$ 7,886	51%
Outdoor Advertising	714	851	77.8	829	13.7	97%	2,456	5,615	36%
Renewable Power Generation	38	70	36.2	70	29.5	100%	9,159	2,019	13%
Total	**1,593**	**2,025**	**71.6** (9)	**1,923**	**20.3**	**95%**	**$ 2,454**	**$ 15,520**	**100%**

(1) "Available Tenant Sites" means the number of individual sites that could be leased. For example, if we have an easement on a single rooftop, on which three different tenants can lease space from us, this would be counted as three "tenant sites," and all three tenant sites would be at a single infrastructure location with the same address.
(2) Assumes the exercise of all remaining renewal options of tenant leases. Assuming no exercise of renewal options, the average remaining lease terms for our wireless communication, outdoor advertising, renewable power generation and total portfolios as of December 31, 2019 were 3.2, 6.9, 17.2 and 5.1 years, respectively.
(3) Represents number of leased tenant sites divided by number of available tenant sites.
(4) Occupancy and average monthly effective rent per tenant site are shown only on an aggregate portfolio basis by industry.
(5) Represents total monthly revenue excluding the impact of amortization of above and below market lease intangibles divided by the number of leased tenant sites.
(6) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.
(7) Fee simple ownership and perpetual easements are shown as having a term of 99 years for purposes of calculating the average remaining term.
(8) Reflects "springing lease agreements" whereby the cancellation or nonrenewal of a tenant lease entitles us to enter into a new ground lease with the property owner (up to the full property interest term) and a replacement tenant lease. The remaining lease assignment term is, therefore, equal to or longer than the remaining lease term. Also represents properties for which the "springing lease" feature has been exercised and has been replaced by a lease for the remaining lease term.
(9) Excluding perpetual ownership rights, the average remaining property interest term on our tenant sites is approximately 62 years.

Our real property interests entitle us to receive rental payments from tenant leases in the wireless communication, outdoor advertising and renewable power generation industries. The table below summarizes our Tier 1 tenants which comprised approximately 80% of our tenants as of December 31, 2019.

Our Tier 1 Tenants by Industry

Wireless Communication				Outdoor Advertising		Renewable Power Generation	
Wireless Carriers		Tower Companies					
Tenant	% of Total Leased Tenant Sites	Tenant	% of Total Leased Tenant Sites	Tenant	% of Total Leased Tenant Sites	Offtaker	% of Total Leased Tenant Sites
T-Mobile	9%	Crown Castle	8%	Clear Channel Outdoor	14%	Southern California Edison	2%
AT&T Mobility	7%	American Tower	7%	Lamar Advertising	9%	Others	2%
Verizon	7%	SBA Communications	1%	Outfront Media	8%		
Sprint	6%						
Total	**29%**	**Total**	**16%**	**Total**	**31%**	**Total**	**4%**

Our real property interests underlie a diverse range of tenant structures. We evaluate assets based on a variety of attributes, including, but not limited to, the marketability of the underlying title, the stability of the rental cash flow stream and opportunity for rent increases, tenant quality, the desirability of the structure's geographic location, the importance of the structure to the ongoing operations and profitability of our tenants and the challenge and costs associated with tenants vacating sites. In certain instances, we lease a tenant site for our tenant's base station and equipment, but not the tenant's antenna array located on infrastructure owned by a third party. We refer to this type of arrangement as an "equipment only" lease. Within the wireless communication industry, our tenants' structure types include rooftop sites, wireless towers (including monopoles, self-supporting towers, stealth towers and guyed towers), other structures (including, for example, water towers and church steeples or commercial properties) and equipment only sites. In the outdoor advertising industry, our tenants' structure types include both static billboards and digital billboards. Our real property interests in the renewable power generation industry currently underlie wind turbines and solar arrays.

The table below presents an overview of the structures underlying our real property interests, as of December 31, 2019.

Our Real Property Interests by Structure Type

		Available Tenant Sites(1)		Leased Tenant Sites			
Structure Type	Number of Infrastructure Locations(1)	Number	Average Remaining Property Interest (Years)(2)	Number	Average Remaining Lease Term (Years)(3)	Quarterly Rental Revenue (in thousands) (4)	Percentage of Quarterly Rental Revenue(4)
Rooftops	290	413	58.4	361	12.0	$ 2,848	18%
Towers	415	455	75.5	444	33.0	2,395	16%
Billboards	714	851	77.8	829	13.7	5,615	36%
Other structures	107	127	74.7	123	34.8	2,111	14%
Equipment only(5)	32	112	60.7	99	11.8	541	3%
Wind turbines	16	47	31.9	47	34.1	377	2%
Solar	19	20	66.0	20	26.7	1,633	11%
Total	**1,593**	**2,025**	**71.6** (6)	**1,923**	**20.3**	**$ 15,520**	**100%**

(1) "Available Tenant Sites" means the number of individual sites that could be leased. For example, if we have an easement on a single rooftop, on which three different tenants can lease space from us, this would be counted as three "tenant sites," and all three tenant sites would be at a single infrastructure location with the same address.
(2) Fee simple ownership and perpetual easements are indicated as having a term of 99 years for purposes of calculating the average remaining term. Also includes "springing lease agreements" whereby the cancellation or nonrenewal of a tenant lease entitles us to enter into a new ground lease with the property owner (up to the full term) and a replacement tenant lease. The remaining lease assignment term is, therefore, in many cases, higher than the remaining tenant lease term.
(3) Assumes the exercise of all remaining renewal options. Assuming no exercise of renewal options, the average remaining lease terms for our wireless communication, outdoor advertising, renewable power generation and total portfolio as of December 31, 2019 were 3.2, 6.9, 17.2 and 5.1 years, respectively.
(4) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.
(5) In certain instances, we lease our tenant site for our tenant's base station and equipment, but the tenant's antenna array and related hardware are located on infrastructure owned by a third party. We refer to this type of arrangement as an "equipment only" lease. At 54 infrastructure locations, we have leased space for equipment together with other structures.
(6) Excluding perpetual ownership rights, the average remaining property interest term on our tenant sites is approximately 62 years.

We are geographically diversified with assets primarily located throughout the United States, and no single state accounted for more than 11% of our tenant sites as of December 31, 2019. Additionally, the majority of our wireless communication and outdoor advertising assets are located in major cities, significant intersections, and traffic arteries in the United States that benefit from high urban density, favorable demographic trends, strong traffic counts and strict zoning restrictions with legacy zoning rights (commonly referred to as “grandfather clauses.”) These attributes enhance the long-term value of our real property interests, as our wireless communication and outdoor advertising tenants are focused on placing their assets in dense areas with large populations and along high-traffic corridors. Additionally, local zoning regulations often restrict the construction of new cellular towers, rooftop wireless structures and outdoor advertising and billboard structures, creating barriers to entry and a supply shortage. We believe this leads to improved value of our assets and further increases the likelihood for continued high occupancy.

The table below summarizes our real property interests by state as of December 31, 2019.

Our Real Property Interests by State

	Wireless Communication		Outdoor Advertising		Renewable Power Generation		Total		
	Number of Available Tenant Sites	Quarterly Rental Revenue (in thousands) (1)	Number of Available Tenant Sites	Quarterly Rental Revenue (in thousands) (1)	Number of Available Tenant Sites	Quarterly Rental Revenue (in thousands) (1)	Number of Available Tenant Sites	Quarterly Rental Revenue (in thousands) (1)	Percentage of Quarterly Rental Revenue
United States									
Alabama	6	$ 19	8	$ 28	—	$ —	14	$ 47	0.3%
Alaska	2	6	—	—	—	—	2	6	—%
Arizona	35	160	20	101	—	—	55	261	1.7%
Arkansas	11	31	4	7	—	—	15	38	0.2%
California	149	920	25	1,192	41	1,545	215	3,657	23.5%
Colorado	30	186	6	62	—	—	36	248	1.6%
Connecticut	21	141	10	65	—	—	31	206	1.2%
District of Columbia	1	8	—	—	—	—	1	8	—%
Florida	53	405	71	319	1	3	125	727	4.7%
Georgia	13	60	80	307	—	—	93	367	2.4%
Hawaii	1	6	—	—	1	40	2	46	0.3%
Iowa	3	7	3	4	—	—	6	11	0.1%
Idaho	1	1	—	—	—	—	1	1	—%
Illinois	71	436	48	260	2	63	121	759	4.9%
Indiana	5	27	25	57	1	4	31	88	0.6%
Kansas	14	63	4	5	4	8	22	76	0.5%
Kentucky	5	20	3	11	—	—	8	31	0.2%
Louisiana	10	28	4	5	—	—	14	33	0.2%
Massachusetts	40	766	6	124	1	27	47	917	5.9%
Maryland	7	67	6	22	—	—	13	89	0.6%
Michigan	16	79	41	86	1	2	58	167	1.1%
Minnesota	11	75	25	130	—	—	36	205	1.3%
Missouri	20	89	45	186	—	—	65	275	1.8%
Mississippi	10	26	12	(10)	—	—	22	16	0.1%
Montana	2	6	—	—	—	—	2	6	—%
North Carolina	11	62	19	45	5	41	35	148	1.0%
North Dakota	5	9	1	2	—	—	6	11	0.1%
Nebraska	3	302	4	12	—	—	7	314	2.0%
New Hampshire	3	42	1	2	—	—	4	44	0.3%
New Jersey	103	811	5	25	4	212	112	1,048	6.8%
New Mexico	6	37	2	3	—	—	8	40	0.3%
Nevada	35	109	11	102	2	9	48	220	1.4%
New York	119	958	6	49	—	—	125	1,007	6.5%
Ohio	25	124	17	38	—	—	42	162	1.0%
Oklahoma	11	39	5	10	2	7	18	56	0.4%
Oregon	22	147	3	33	—	—	25	180	1.2%
Pennsylvania	31	135	14	55	1	3	46	193	1.2%
Rhode Island	3	21	1	4	—	—	4	25	0.2%
South Carolina	6	40	11	13	—	—	17	53	0.3%
South Dakota	8	14	—	—	—	—	8	14	0.1%
Tennessee	8	32	25	94	—	—	33	126	0.8%
Texas	81	387	59	212	2	47	142	646	4.1%
Utah	13	51	18	22	—	—	31	73	0.5%
Virginia	7	32	3	9	—	—	10	41	0.3%
Vermont	3	64	—	—	—	—	3	64	0.4%
Washington	15	92	4	11	—	—	19	103	0.7%
West Virginia	1	3	8	10	—	—	9	13	0.1%
Wisconsin	20	665	4	31	1	3	25	699	4.5%
Wyoming	1	4	2	2	1	5	4	11	0.1%
Total US	1,077	$ 7,812	669	$ 3,745	70	$ 2,019	1,816	$ 13,576	87.5%
International	27	74	182	1,870	—	—	209	1,944	12.5%
Total	1,104	$ 7,886	851	$ 5,615	70	$ 2,019	2,025	$ 15,520	100.0%

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.

Approximately 68% and 80% of our tenant sites are located in Top-50 and Top-100 ranked Basic Trading Areas ("BTA"), respectively, including New York, Los Angeles and Chicago. We believe our locations in major metropolitan population centers are highly desirable for our tenants in the wireless communication and outdoor advertising industries seeking to reach a large customer base.

The table below summarizes our real property interests by BTA rank as of December 31, 2019.

Our Real Property Interests Ranked by Basic Trading Area (1)

	Wireless Communication		Outdoor Advertising		Total(2)		
BTA Rank	Number of Tenant Sites	Quarterly Rental Revenue (in thousands) (3)	Number of Tenant Sites	Quarterly Rental Revenue (in thousands) (3)	Number of Tenant Sites	Quarterly Rental Revenue (in thousands) (3)	Percentage of Quarterly Rental Revenue
1 - 5	397	$ 2,843	85	$ 1,559	482	$ 4,402	38%
6 - 10	64	326	115	477	179	803	7%
11 - 20	142	1,442	88	614	230	2,056	18%
21 - 50	140	1,393	154	606	294	1,999	17%
51 - 100	112	849	96	283	208	1,132	10%
Subtotal (Top 100)	**855**	**6,853**	**538**	**3,539**	**1,393**	**10,392**	**90%**
101+	222	959	131	206	353	1,165	10%
Total	**1,077**	**$ 7,812**	**669**	**$ 3,745**	**1,746**	**$ 11,557**	**100%**

(1) Ranked by population.
(2) Excludes tenant sites in the renewable power generation industry and international locations. BTA rank is not a relevant metric for the renewable power generation industry.
(3) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.

Easements and Lease Assignments

In most locations, our tenant leases were acquired together with an easement granted by the property owner in favor of Landmark, granting us the rights to the tenant site occupied by the tenant under the lease. For our tenant sites that were not accompanied by an easement or purchased in fee, our lease assignments provide us with economic rights that are substantially similar to the economic rights granted under our easements, including the right to re-lease the same space if the tenant lease expires or terminates. In limited circumstances, we lease the sites from property owners and then sub-lease those spaces to our tenants.

The terms of our easements and lease assignments generally range from 15 years to 99 years with certain assets having perpetual easement terms. The average remaining term of our easements and lease assignments is approximately 72 years (assuming perpetual easements, which comprise approximately 35% of our total easements, have a term of 99 years). When we acquire an easement or lease assignment in connection with a property subject to a mortgage, we generally also enter into a non-disturbance agreement with the mortgage lender in order to protect us against potential foreclosure on the property owner at the infrastructure location, which foreclosure could, absent a non-disturbance agreement, extinguish our easement or lease assignment. In some instances where we obtain non-disturbance agreements, we still remain subordinated to some indebtedness. As of December 31, 2019, approximately 83% of our tenant sites were either subject to non-disturbance agreements or had been otherwise recorded in local real estate records in senior positions to any mortgages.

Our easements and lease assignments strengthen and protect our real property interests in any given infrastructure location by allowing us to control the use of the tenant site after the expiration of the primary lease term (plus extension options) and to prevent a property owner from interfering with the operations of our tenants.

Additionally, we believe that our easements and lease assignments have been and will continue to be acquired and structured in a manner that mitigates additional risks in many ways, including the following:

- We record our easements and lease assignments in local real property records, giving constructive notice of our real property interest to all successor property owners and other parties of interest (such as future lenders).
- We perform a title search prior to the acquisition of the easement or lease assignment and obtain title insurance on the easement or lease assignment except where doing so would not be economic or otherwise feasible, and all material exceptions to title are typically addressed prior to purchase.

- Our possessory use rights to the underlying property mitigate our liability exposure, and we are typically indemnified by the property owners or our tenants for environmental liability, if any, relating to the property. In addition, general liability insurance is typically provided by our tenants.
- Our easements and lease assignments, together with our non-disturbance agreements, generally protect our real property interest in case of a foreclosure against the property owner.
- The property owner is generally contractually responsible for their property-level operating expenses, including maintenance capital expenditures, taxes and insurance. For certain infrastructure assets, we incur ground rent obligations, maintenance expenditures, property taxes and insurance, some of which may be reimbursed by our tenants.

Finally, in the event that one of our tenant leases expires without renewal or is terminated, all of our easements and substantially all of our lease assignments allow us to enter into a new lease of the same space for the same use. For some of our easement or lease assignments, if we do not enter into a new lease during the tenant replacement period (typically three to five years), in the case of an easement, the easement terminates and control of the space reverts back to the property owner, or in the case of a lease assignment, we forfeit our right to re-lease the space.

In limited circumstances, we have granted a landowner the right to re-acquire our real property interest at a purchase price which we believe makes us economically whole for the loss of an asset.

Fee Simple Properties

Our portfolio of real property interests includes 119 properties owned in fee simple. These properties have associated tenant leases in the wireless communication, outdoor advertising and renewable power generation industries. Generally, these property leases are subject to triple net or effectively triple net lease arrangements, meaning that our tenants are contractually responsible for property-level operating expenses, including maintenance capital expenditures, taxes and insurance. For certain infrastructure assets, we incur maintenance expenditures, property taxes and insurance, some of which may be reimbursed by our tenants. For the year ended December 31, 2019, we received $14.9 million in rental revenue related to these properties, representing 25% of rental revenue.

Table of Contents

The table below provides an overview of the remaining term and quarterly rental revenue under our easements, lease assignments and fee simple properties as of December 31, 2019.

Our Real Property Interests by Remaining Term

Remaining Term of Real Property Interest(1)	Number of Infrastructure Locations	Leased Tenant Sites(2) Number	Leased Tenant Sites(2) Average Remaining Lease Term (years)(3)	Quarterly Rental Revenue (in thousands) (4)	Percentage of Quarterly Rental Revenue(4)
Wireless Communication					
Less than or equal to 20 years	29	39	17.4	$ 348	2%
20 to 29 years	54	61	15.7	413	3%
30 to 39 years	101	127	18.1	862	6%
40 to 49 years	90	130	17.4	962	6%
50 to 99 years	276	316	29.3	1,840	12%
Perpetual (5)	291	351	30.5	3,461	22%
Subtotal	**841**	**1,024**	**25.1**	**$ 7,886**	**51%**
Outdoor Advertising					
Less than or equal to 20 years	90	110	5.4	$ 567	4%
20 to 29 years	22	24	16.0	1,028	6%
30 to 39 years	43	44	19.2	305	2%
40 to 49 years	30	39	15.2	668	4%
50 to 99 years	270	293	16.1	1,237	8%
Perpetual (5)	259	319	13.3	1,810	12%
Subtotal	**714**	**829**	**13.7**	**$ 5,615**	**36%**
Renewable Power Generation					
Less than or equal to 20 years	7	5	42.9	$ 130	1%
20 to 29 years	4	7	23.3	44	—%
30 to 39 years	11	11	28.2	55	—%
40 to 49 years	2	31	34.6	291	2%
50 to 99 years	3	3	5.6	52	—%
Perpetual(5)	11	13	30.8	1,447	10%
Subtotal	**38**	**70**	**29.5**	**$ 2,019**	**13%**
Aggregate Portfolio					
Less than or equal to 20 years	126	154	9.6	$ 1,045	7%
20 to 29 years	80	92	16.6	1,485	9%
30 to 39 years	155	182	18.9	1,222	8%
40 to 49 years	122	200	17.3	1,921	12%
50 to 99 years	549	612	22.6	3,129	20%
Perpetual(5)	561	683	22.7	6,718	44%
Total	**1,593**	**1,923**	**20.3**	**$ 15,520**	**100%**

(1) Remaining term of real property interest is based on the assumption that the site is not vacant for a period longer than our tenant replacement period. This assumption is not used in calculating the remaining tenant lease terms and is inapplicable to the remaining term of real property interest of our fee simple properties.
(2) "Leased Tenant Sites" means the number of individual sites that are leased. For example, if we have an easement on a single rooftop, on which three different tenants lease space from us, this would be counted as three "tenant sites," and all three tenant sites would be at a single infrastructure location with the same address.
(3) Assumes the exercise of all remaining renewal options of tenant leases. Assuming no exercise of renewal options, the average remaining lease terms for our wireless communication, outdoor advertising, renewable power generation and total portfolios as of December 31, 2019 were 3.2, 6.9, 17.2 and 5.1 years, respectively.
(4) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables. Totals may not sum due to rounding.
(5) Includes both fee simple and perpetual easement interests.

Other Assets

While we generate substantially all of our revenue from our ownership and leasing of real property interests, we also generate a small amount of revenue from other assets including financing arrangements. Additionally, certain lease arrangements of real property interests meet the definition of a financial asset and are included in investments in receivables in our financial statements. Our other assets also include arrangements with T-Mobile whereby we purchased the right to retain a portion of a lease payment prior to passing the remainder to the property owner. These cash flow financing arrangements are accounted for as receivables in our financial statements.

Tenant Leases

The majority of our tenant leases were acquired from property owners, who assigned to us all of the property owner's rights, title and interest in and pursuant to (but generally excluding obligations under) a pre-existing lease between the property owner and a third-party tenant, such as a wireless carrier, cellular tower operator, billboard owner or renewable power producer. Generally, we do not assume all of the landlord's obligations under the tenant lease, such as the obligation to provide quiet enjoyment of the property or to pay property taxes. These leases previously provided the property owner with a stream of rental payments, typically paid monthly or annually, and were assigned to us in exchange for an up-front lump sum payment.

Generally, our leased tenant sites are subject to triple net or effectively triple net lease arrangements, meaning that our tenants or the underlying property owners are contractually responsible for property-level operating expenses, including maintenance capital expenditures, taxes and insurance. For certain infrastructure assets, we incur ground rent obligations, maintenance expenditures, property taxes and insurance, some of which may be reimbursed by our tenants. For this reason, we expect to have a slight increase in operating expenses relating to our infrastructure assets. For the years ended December 31, 2019, 2018 and 2017, our property operating and maintenance expenses were approximately 3%, 2%, and 1% of revenue, respectively.

We believe our triple net and effectively triple net lease arrangements support a stable, consistent and predictable cash flow profile due to the following characteristics attributable primarily to our non infrastructure assets:

- no equipment maintenance costs or obligations (tenant is responsible for all maintenance and Landmark's role is limited to billing, collections and managing the ground lease);
- no property-level maintenance capital expenditures; and
- no property tax or insurance obligations (tenant or property owner is responsible for these costs).

Our tenant leases are typically structured with five-year, ten-year or twenty-year initial terms and four additional, successive five-year renewal terms. The average remaining lease term of our tenant leases is 20 years including renewal terms, and the average remaining lease term of our tenant leases is 5 years excluding renewal terms. Our tenant leases produce an average of approximately $2,400 per month in GAAP rental payments, but can range from as low as $36 per month to as much as $0.25 million per month. In addition, most of our tenant leases include built-in rent escalators, which are typically structured as fixed amount increases, fixed percentage increases, or CPI-based increases and increase rent annually or on the renewal of the lease term. Furthermore, 407 of our tenant leases, primarily in the outdoor advertising industry, contain revenue sharing provisions. As of December 31, 2019, over 85% of our tenant leases contained contractual rent escalators, 76% of which were fixed-rate (with an average annual escalation rate of approximately 2.3%) and 8% of which were tied to CPI.

Though our tenant leases are typically structured as long-term leases with fixed rents and rent escalators, our wireless communication and outdoor advertising tenants generally may cancel their leases upon 30 to 180 days' notice. However, occupancy rates under our tenant leases have historically been very high. As of December 31, 2019, we had 1,923 tenant sites leased and 102 tenant sites available for lease. We believe the infrastructure improvements and operations of the tenant assets located on our real property interests are essential to the ongoing operations and profitability of our tenants. We believe that by focusing on high-quality real property interests we increase the likelihood that our tenants will renew their leases upon expiration. We believe that the importance of these assets, combined with the challenges and costs of relocating these infrastructure improvements, make it likely that we will continue to enjoy high tenant retention and occupancy rates. We believe the location of our available sites, the importance of these infrastructure assets, wireless network densification and difficulties in site acquisition provide additional collocation and releasing opportunities.

We monitor tenant credit quality on an ongoing basis by reviewing, where available, the publicly filed financial reports, press releases and other publicly available industry information regarding the parent entities of our tenants. In addition, we monitor payment history data for all of our tenants. We are otherwise generally not entitled to financial results or other credit-related data from our tenants.

The tables below summarize the remaining lease terms under our tenant leases as of December 31, 2019.

Our Tenant Sites by Remaining Tenant Lease Terms

(assuming full exercise of remaining renewal terms)

Remaining Lease Term	Number of Leased Tenant Sites	Quarterly Rental Revenue (in thousands)(1)	Percentage of Quarterly Rental Revenue(1)
Less than or equal to 5 years	517	$ 2,070	13%
5 to 9 years	261	2,307	15%
10 to 14 years	328	2,334	15%
15 years or more	817	8,809	57%
Total	**1,923**	**$ 15,520**	**100 %**

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.

Our Tenant Sites by Remaining Tenant Lease Terms

(assuming no exercise of remaining renewal terms)

Remaining Lease Term	Number of Leased Tenant Sites	Quarterly Rental Revenue (in thousands)(1)	Percentage of Quarterly Rental Revenue(1)
Less than 1 year	444	$ 2,261	14%
1 to 2 years	251	1,511	10%
2 to 5 years	823	4,893	32%
5 years or more	405	6,855	44%
Total	**1,923**	**$ 15,520**	**100 %**

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.

Our Tenants

Our tenants operate in the wireless communication, outdoor advertising and renewable power generation industries. They are generally large, publicly traded companies (or their affiliates) with a national footprint. Approximately 80% of our rental revenue for the three months ended December 31, 2019 was derived from our Tier 1 tenants. In the course of evaluating acquisition opportunities, we assess the desirability of an infrastructure location to our tenants and factors impacting demand of their customers.

Below is a summary of our tenants as of December 31, 2019.

Our Tenants By Industry

Tenant(1)	Number of Leased Tenant Sites	% of Total	Quarterly Rental Revenue (in thousands)(2)	% of Total
Wireless Communication (Carriers)				
T-Mobile	173	9%	$ 1,244	8%
AT&T Mobility	140	7%	1,045	7%
Sprint	117	6%	856	6%
Verizon	130	7%	894	6%
Others	126	7%	1,903	12%
Wireless Communication (Carriers) Subtotal	**686**	**36%**	**$ 5,942**	**39%**
Wireless Communication (Tower Companies)				
Crown Castle	163	8%	$ 807	5%
American Tower	136	7%	745	5%
SBA Communications	28	1%	207	1%
Others	11	1%	185	1%
Wireless Communication (Tower Companies) Subtotal	**338**	**17%**	**$ 1,944**	**12%**
Outdoor Advertising				
Clear Channel Outdoor	263	14%	$ 2,055	13%
Outfront Media (formerly CBS Outdoor)	163	8%	882	6%
Lamar Advertising	165	9%	517	3%
Others	238	12%	2,161	14%
Outdoor Advertising Subtotal	**829**	**43%**	**$ 5,615**	**36%**
Renewable Power Generation				
Southern California Edison	34	2%	$ 1,053	7%
Others	36	2%	966	6%
Renewable Power Generation Subtotal	**70**	**4%**	**$ 2,019**	**13%**
Total	**1,923**	**100%**	**$ 15,520**	**100%**

(1) Includes affiliates and subsidiaries.
(2) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2019. Excludes interest income on receivables.

Wireless Communication

Our wireless communication tenants consist primarily of wireless carriers (and their affiliates), such as AT&T Mobility, Sprint, T-Mobile and Verizon, and tower companies (and their affiliates) such as American Tower, Crown Castle and SBA Communications. These tenants generally lease from us space underlying their cellular towers, antennas, radios and other electronic communications equipment.

We have strong renewal rates among our wireless communication tenants. We believe that this trend will continue because the decommissioning and repositioning of a current site in an existing carrier's network is expensive and often requires the reconfiguration of several other sites within the carrier's network, which may impact the carrier's network quality and coverage. In addition, zoning restrictions may significantly delay, hinder or prevent entirely the construction of new sites. Construction, decommissioning and relocation of a current site may also require the carrier to obtain additional governmental permits, further increasing the cost of non-renewal of a lease with us. In addition, as thousands of new tenant sites are constructed each year, many of these sites will be co-located on towers and other structures located on our real property interests. We believe each of these attributes helps us achieve stable, consistent and predictable cash flow, which will lead to consistent distributions for our unitholders.

Rental rates associated with wireless communication assets are tied to various factors, including:

- infrastructure location;
- amount, type and function of the tenant's equipment on the infrastructure location;
- ground space necessary for the tenant's base station and other infrastructure required for the transmission and reception of signal;
- remaining capacity at the infrastructure location;

- shared back-up power availability;
- type of structure (e.g., stealth tower, rooftop, water tower); and
- location of the customer's antennas on the infrastructure location.

Outdoor Advertising

Our outdoor advertising tenants include companies (and their affiliates) that own and manage billboards, such as Clear Channel Outdoor, Lamar Advertising and Outfront Media. These tenants generally lease space from us underlying billboards, typically along highly trafficked freeways and intersections.

We have strong renewal rates among our outdoor advertising tenants. We believe that this trend will continue because billboards are the primary revenue generating assets of our outdoor advertising tenants. The outdoor advertising market is characterized by strict local regulations and zoning laws, which have made it extremely difficult to erect new billboards in many markets. Additionally, many existing sites are "non-conforming" with regard to current zoning standards but have been "grandfathered" in (and therefore not required to be removed) as they have been in place for long periods of time prior to the change in zoning standards. As such, there is typically a very high rate of lease renewal among our outdoor advertising tenants, and we believe that these renewals will continue to provide stable, growing revenue.

Rental rates associated with outdoor advertising assets are tied to various factors, including:

- infrastructure location;
- illumination for night-time visibility;
- display and face size;
- roadside position with respect to traffic flow;
- angle to the road for maximum visibility;
- street type (e.g., highway, interstate, cross-section);
- traffic count;
- viewer traffic metrics;
- type of display (e.g., static face, digital billboard, tri-vision); and
- height above ground level.

Renewable Power Generation

Our renewable power generation tenants currently lease space from us underlying wind turbines or solar arrays. Our renewable power generation tenants' counterparties consist primarily of subsidiaries or affiliates of credit rated utilities or high quality offtakers, such as Southern California Edison and Duke Energy.

We believe we will have strong renewal rates among our renewable power generation tenants. The renewable power generation industry is characterized by long development periods and projects of significant scale, typically requiring large capital commitments and several years of due diligence by the project operator to ensure suitability of the project location prior to commencement of project construction. In the case of wind turbines, a three-year wind study is typically completed by the developer to study the wind patterns at the proposed project location. Similarly, prior to the construction of a commercial solar project, the developer will typically complete a review of historical weather patterns to evaluate the amount of uninterrupted access to sunlight at the project location. Developers must also consider accessibility to transmission infrastructure and power connects when selecting a project site, significantly restricting the ability to relocate a renewable power project.

We intend to target renewable power projects that have been developed within the last five years, have the most current and efficient equipment with the longest useful life. When seeking real property interests in this industry, we will seek assets that have a power purchase agreement in place between the owner of the project and a utility or other high credit quality offtaker. The power purchase agreement defines the terms between the counterparties and sets the sales price of the power generated for an extended period of time, typically twenty years. We believe these attributes lead to a very high rate of lease renewal and will help us achieve stable cash flow from the renewable power generation industry.

Rental rates associated with renewable power generation assets are tied to various factors, including:

- Infrastructure location;
- Ground space necessary for the project;

- Interconnecting power grid infrastructure;
- Proximity and access to transmission lines;
- Value of underlying real estate;
- Project profit (typical rental rates represent a low percentage of the project estimated earnings);
- Location's geographical and meteorological characteristics which expect to yield the highest energy production; and
- Competition by multiple developers for the same property.

Our Relationship with Landmark

One of our principal strengths and greatest competitive advantages is our relationship with Landmark. Landmark is one of the largest and most active acquirers of real property interests underlying infrastructure assets in the wireless communication, outdoor advertising and renewable power generation industries. Landmark, headquartered in Los Angeles, California, has approximately 170 employees and has offices and acquisition and development team members who work across the United States and Australia. Landmark has stated that it intends to continue to identify additional acquisitions and development opportunities.

As of December 31, 2019, Landmark and affiliates owns our general partner, all of the incentive distribution rights and a 13.5% limited partner interest in us. Given its substantial cash investment and significant ownership in us, we believe Landmark will promote and support the successful execution of our business strategies. On January 30, 2019, the Partnership amended the Omnibus Agreement with Landmark to extend the general and administrative expense reimbursement to the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. While we believe Landmark is incentivized to support us, there are no restrictions on the ability of Landmark or its affiliates, including new private funds that Landmark may form, to compete with us, including for the acquisition of future real property interests. Please read "Risk Factors – Risks Related to Our Business – If we are unable to make accretive acquisitions of real property interests or pursue new development opportunities, our growth could be limited" and "Conflicts of Interest."

Drop-down Acquisitions

During the years ended December 31, 2018 and 2017, the Partnership completed one and four drop-down acquisitions of 127 and 155 tenant sites and related real property interests, respectively, and zero and two investment in receivables, respectively, from the Sponsor and affiliates in exchange for total consideration of $59.9 million and $118.3 million, respectively (the "Drop-down Acquisitions" or "Drop-down Assets"). There were no drop-down acquisitions during the year ended December 31, 2019.

Landmark's Acquisition Platform

Landmark's senior management team has an established track record and deep domain expertise across all aspects of the business including sourcing, underwriting, acquisition, financing and asset management.

The real property interests Landmark seeks to acquire generally range in value from $50,000 to $500,000. As a result, Landmark must assemble large pools of assets to achieve portfolio critical mass and diversification. To accomplish this, specialized teams within Landmark use custom information technology systems and processes developed over the past decade to manage workflow while providing management with the ability to monitor and direct activity. Through these proprietary processes, Landmark efficiently evaluates assets to ensure they meet Landmark's stringent underwriting criteria. Landmark believes that the small individual asset size, together with the expertise and discipline required to close high acquisition volumes, creates a significant barrier to entry for prospective competitors. We expect to benefit greatly from Landmark's acquisition platform, which we believe will continue to facilitate the acquisition of attractive assets for our business.

Asset Life Cycle through the Acquisition Platform

The Landmark process has been specifically designed to be as seamless and efficient for the owner (and, in doing so, more efficient for Landmark as well). Landmark has customized its processes and documentation for its specific business, emphasizing customer interaction and delivering a high-quality transaction experience. In addition, documentation is requested from the property owner in a concise, straightforward manner and expectations and timing are discussed with the owner, making the transaction process transparent to the property owner. In this way, the property owner is engaged, there are limited surprises and the closing process is more of a joint exercise between Landmark and the property owner, resulting in a better customer experience.

Landmark's high volume, small balance real property acquisition and asset management platform has four primary phases which include: (1) Lead Generation; (2) Origination; (3) Underwriting and Closing; and (4) Asset Management.

Lead Generation

Landmark developed a proprietary lead-generation system that expedites the identification of small balance real property interests in fragmented real property ownership industries. This system, used by its employees to identify asset prospects, facilitates the aggregation of directly-sourced field data. Once an infrastructure location prospect has been identified, Landmark's team leverages a variety of proven data and technology resources and strategies to obtain preliminary contact information for the property owner, referred to as a "lead". Leads are qualified by a dedicated team that validates data directly with the owner of the infrastructure location. Once the property owner's address and contact information is confirmed, an account is created and an appointment is arranged.

Origination

The origination process begins with a meeting between a Landmark acquisition professional and the property owner. Landmark's acquisition professionals engage in meetings with property owners to establish a relationship, discuss the owner's needs and objectives, and educate the owner on the value of Landmark's proposed transaction. During these meetings, acquisition professionals evaluate the appropriateness of Landmark's proposed transaction for the property owner and their interest level in selling their real property interest. Once Landmark obtains a copy of the lease from the property owner, relevant data is input into Landmark's proprietary asset evaluation system to generate an acquisition agreement. The acquisition agreement terms are negotiated with the property owner and, upon acceptance of the agreement, Landmark uploads the executed agreement and necessary documentation to its proprietary technology platform for further diligence by the dedicated underwriting and closing team.

Underwriting and Closing

After Landmark's proposal has been accepted by the property owner and an acquisition agreement has been executed, the transaction is moved to Landmark's dedicated underwriting and closing team. The account enters a comprehensive due diligence process to ensure consistent quality across Landmark's portfolio of asset acquisitions. Curative measures are taken to clear title on the real property interest (for example, an outstanding creditor's lien) simultaneous with the underwriting and due diligence process. Given its considerable experience, depth of resources, and proven processes, Landmark is able to perform a comprehensive and efficient underwriting of the risk and value assessment on its high-volume acquisition pipeline. We believe this is one of Landmark's greatest strengths and competitive advantages and is driven by (i) Landmark's extensive database of comparable transactions and leases, and (ii) its thorough understanding of applicable underwriting factors (such as which intersections or highways tend to have the most traffic, applicable zoning regulations and the availability of nearby wireless or advertising sites). In the underwriting stage, Landmark reviews various transaction materials and documents for compliance with Landmark's underwriting criteria, including, but not limited to, the following:

- current industry macro and micro risks;
- tenant counterparty risk;
- lease economics;
- lease terms;
- "seasoning," or whether the property has a proven track record of tenant lease payments, and the details of that track record;
- evaluation of real estate and infrastructure based in part on site visits and surveys;
- site demographics;
- competitive landscape analysis; and
- rent analysis based on Landmark's proprietary database of comparative rents in the target area.

Once a transaction is deemed to meet Landmark's due diligence and underwriting standards, it proceeds to Landmark's investment committee for approval of the acquisition. Pending approval, legal closing documents are prepared, executed and delivered. Due to its streamlined proprietary acquisition process, Landmark has the ability to quickly close acquisitions. We expect to continue to benefit from Landmark's high acquisition volumes and more efficient, scalable processes.

Asset Management

After funding, tenants are notified of the acquisition and notarized payment re-direction letters are sent advising the tenant to redirect rental payments to Landmark. All post-closing items are revisited, the lease data is re-verified and moved to Landmark's asset management, where compliance is monitored on an ongoing basis. The tenant management phase includes collections, tenant payment conversion, tenant relations, and tenant contact management. The asset management phase also includes the negotiation of lease renewals, modifications, cancellations, reductions, document and consent requests, landlord and tenant complaints and new leasing of available tenant sites.

Direct Third-Party Acquisitions

The Partnership completed direct third-party acquisitions of real property interests in the wireless communication, outdoor advertising and renewable power industries in domestic and international locations. During the years ended December 31, 2018 and 2017, the Partnership acquired 104 tenant sites and 63 tenant sites and one investment in receivables from third parties for total consideration of $75.8 million and $41.0 million, respectively. See Note 3, *Acquisitions*, to the Consolidated Financial Statements for additional information.

In December 2016, the Partnership formed a joint venture to acquire real property interests that are leased to companies in the outdoor advertising industry located in the United Kingdom ("U.K.") and other European countries. The Partnership consolidates the joint venture. Our venture partner provides acquisition opportunities and asset management services to the consolidated joint venture. As of December 31, 2019 and 2018, the consolidated joint venture had 168 and 34 tenant sites and one investment in receivable with total net book value of $92.8 million and $43.5 million. During the years ended December 31, 2019, 2018 and 2017, the consolidated joint venture generated rental revenue of $5.6 million, $3.4 million and $0.8 million, respectively.

Unconsolidated Joint Venture

On September 24, 2018, the Partnership completed the formation of an unconsolidated joint venture. The Partnership contributed 545 tenant site assets to the unconsolidated joint venture that secured the Partnership's $125.4 million Series 2018-1 secured notes, in exchange for a 50.01% membership interest in the unconsolidated JV and $65.5 million in cash. The Partnership does not control the unconsolidated joint venture and therefore, accounts for its investment in the unconsolidated joint venture using the equity method of accounting prospectively upon formation of the unconsolidated joint venture. For the year ended December 31, 2019, the joint venture generated rental revenue of $14.2 million and from September 24, 2018 through December 31, 2018, the joint venture generated rental revenue of $3.7 million. See Note 8, *Investment in Unconsolidated Joint Venture*, to the Consolidated Financial Statements for additional information.

Infrastructure Development

During 2017, the Partnership started developing an ecosystem of technologies that provides smart enabled infrastructure including smart poles and digital outdoor advertising kiosks across North America. Smart poles are self-contained, neutral-host poles designed for wireless carrier and other wireless operator collocation. The smart poles are designed for macro, mini macro and small cell deployments and will support Internet of Things (IoT), carrier densification needs, private LTE networks and other wireless solutions.

During the fourth quarter of fiscal year 2018, the Partnership entered into an agreement with Dallas Area Rapid Transit ("DART") to develop a smart media and communications platform which will include the deployment of content-rich kiosks and the Partnership's smart enabled infrastructure ecosystem solution on strategic high-traffic DART locations.

In 2019, the Partnership commenced conversion of certain outdoor advertising sites from static billboards to digital billboards in the U.K.

As of December 31, 2019 and 2018, the Partnership's $68.9 million and $29.6 million, respectively, of construction in progress balance primarily related to these development projects, respectively. During the years ended December 31, 2019 and 2018, the Partnership deployed nine and four infrastructure sites totaling $1.0 million and $1.5 million, respectively. As we deploy these infrastructure assets, we may incur additional operating expenses associated with ground lease payments and other operating expenses to maintain our infrastructure assets. Additionally, the Partnership may pursue further development opportunities in the future.

Regulation

Environmental Matters

Laws and regulations governing the discharge of materials into the environment or otherwise relating to the protection of the environment are applicable to our business and operations, and also to the businesses and operations of our lessees, property owners and other surface owners or operators. Federal, state and local government agencies issue regulations that often require difficult and costly compliance measures that carry substantial administrative, civil and criminal penalties and that may result in injunctive obligations for non-compliance. These laws and regulations often require permits before operations commence, restrict the types, quantities and concentrations of various substances that can be released into the environment, require remediation of released substances, and limit or prohibit construction or operations on certain lands (e.g. wetlands). We do not conduct any operations on our properties, but we or our tenants may maintain small quantities of materials that, if released, would be subject to certain environmental laws. Similarly, our property owners, lessees and other surface interest owners may have liability or responsibility under these laws which could have an indirect impact on our business. These laws include but are not limited to the federal Resource Conservation and Recovery Act ("RCRA"), and comparable state statutes and regulations promulgated thereunder (which impose requirements on the generation, transportation, treatment, storage, disposal and cleanup of hazardous and non-hazardous wastes) and the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), and analogous state laws which generally impose liability, without regard to fault or legality of the original conduct, on classes of persons who are considered to be responsible for the release of hazardous substances into the environment, including the current and former owners or operators of a site. It is not uncommon for neighboring property owners and other third-parties to file claims for personal injury and property damage allegedly caused by the hazardous substances

released into the environment. Therefore, governmental agencies or third parties may seek to hold us, our lessees, property owners and other surface interest owners responsible under CERCLA and comparable state statutes for all or part of the costs to cleanup sites at which hazardous substances have been released. Our agreements with our lessees, property owners and other surface owners generally include environmental representations, warranties, and indemnities to minimize the extent to which we may be financially responsible for liabilities arising under these laws.

Seasonality

We generally receive fixed rental payments under our tenant leases that are typically paid on a monthly basis, and we expect to experience some seasonal effect on our cash flow due to rents paid annually. Additionally, we have revenue sharing provisions under a portion of our tenant leases, which may result in some seasonal effect on our cash flow.

Competition

We face competition in the acquisition, development and leasing of our assets in each of our target industries. Some of the competitors are larger than us and include public entities with greater access to capital and scale of operations than us. In addition, Landmark and its affiliates will compete with us for acquisitions, development and the leasing of real property interests. Please read "Risk Factors – Risks Inherent in an Investment in Us – Landmark may compete with us, and Landmark, as owner of our general partner, will decide when, if and how we complete acquisitions."

In the acquisition of real property interests underlying our tenants' infrastructure, our principal competitors include our tenants and private independent acquirers focused on individual industries. In the wireless communication industry, the principal competitors include tower companies such as American Tower, Crown Castle International and SBA Communications and private independent acquirers such as Melody Wireless Infrastructure. In the outdoor advertising industry, the outdoor advertising tenants (such as Lamar) and smaller regional private investors would be our principal competitor. In the renewable power generation industry, the principal competitor is Hannon Armstrong Sustainable Infrastructure Capital, Inc. We believe the most significant factors affecting the competitive environment in the acquisition of real property interest underlying our tenant's infrastructure include the relationship with the property owner, price offered, structure and terms of the acquisition, time to closing and surety of closing.

In the leasing of real property interests in the wireless communication industry, our principal competitors include our tenants, private property owners, REITs (including the tower companies) and various governmental agencies. In the wireless communication industry, our principal competitors include wireless carriers that own their own tower networks, tower companies such as American Tower Corporation, Crown Castle and SBA Communications, private independent owners of portfolios of real property interest such as Melody Wireless Infrastructure, real estate owners, REITs, utilities, municipalities and other companies that provide structures upon which wireless communication equipment may be installed. In the outdoor advertising industry, the principal competitors include private real estate owners, REITs and municipalities. In the renewable power generation industry, the principal competitors include private real estate owners, REITs and municipalities. We believe the most significant factors affecting the competitive environment in the leasing of real property interest underlying our tenant's infrastructure include site location and capacity, quality of service, density within a geographic market and, to a lesser extent, price.

Employees

We are managed and operated by the board of directors and executive officers of Landmark Infrastructure Partners GP LLC, our general partner. Neither we nor our subsidiaries have any employees. Our general partner has the sole responsibility for providing the employees and other personnel necessary to conduct our operations. All of the employees that conduct our business are employed by affiliates of our general partner. As of December 31, 2019, our general partner and its affiliates have approximately 37 employees performing services for our operations. We believe that our general partner and its affiliates have a satisfactory relationship with those employees.

Available Information

Our website address is *www.landmarkmlp.com.* Information on our website is not part of this report. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act ") are available on our website, free of charge, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the United States ("U.S.") Securities and Exchange Commission ("SEC"). The SEC maintains a website that contains our reports, proxy and information statements, and our other SEC filings. The address of that site is www.sec.gov.

ITEM 1A. Risk Factors

You should carefully consider the risks described below with all of the other information included in this Annual Report on Form 10-K. Limited partner interests are inherently different from the capital stock of a corporation, although many of the business risks to which we are subject are similar to those that would be faced by a corporation engaged in a similar business. If any of the following risks actually occur, they may materially harm our business, results of operations and distributable cash flow, as well as adversely affect the value of an investment in our common units.

Risks Related to Our Business

We may not generate sufficient distributable cash flow to support the payment of the minimum quarterly distribution to our unitholders.

In order to support the payment of the minimum quarterly distribution of $0.2875 per unit per quarter, or $1.15 per unit on an annualized basis, we must generate distributable cash flow of approximately $7.3 million per quarter, or approximately $29.2 million per year, based on the number of common units outstanding as of December 31, 2019. We may not generate sufficient distributable cash flow each quarter to support the payment of the minimum quarterly distribution. The amount of cash we can distribute on our units principally depends upon the amount of cash we generate from our tenant leases, which may fluctuate from quarter to quarter based on, among other things:

- any cancellations under our tenant leases, which are typically cancelable with 30 to 180 days' prior written notice;
- our lease renewal rate and the turnover rate in our tenant base;
- our ability to identify and secure suitable tenants for sites that may become available for lease;
- the amount and timing of rental payments under our tenant leases, including leases where rent is not paid monthly (such as leases where rent is paid annually);
- our ability to maintain or increase rents on our tenant leases;
- damage to our real property interests and/or our tenants' assets caused by hurricanes, earthquakes, floods, fires, severe weather, explosions and other natural disasters and acts of terrorism; and
- prevailing economic and market conditions in the wireless communication, outdoor advertising and renewable power generation industries, as well as in the broader economy.

In addition, the actual amount of distributable cash flow we generate will also depend on other factors, some of which are beyond our control, including:

- the amount of our operating expenses and general and administrative expenses, including reimbursements to Landmark, some of which are not subject to any caps or other limits, in respect of those expenses;
- the level of capital expenditures we make;
- the cost of acquisitions, if any;
- our debt service requirements and other liabilities;
- changes in interest rates;
- fluctuations in our working capital needs;
- our ability to borrow funds and access capital markets;
- restrictions contained in our revolving credit facility and other debt service requirements;
- the amount of cash reserves established by our general partner;
- the viability of acquisitions and the returns on investment of various investment opportunities; and
- other business risks affecting our cash levels.

The amount of cash we will have available for distribution to unitholders depends primarily on our cash flow rather than on our profitability, which may prevent us from making distributions, even during periods in which we record net income.

The amount of cash we have available for distribution depends primarily on our cash flow and not solely on profitability, which will be affected by non-cash items. As a result, we may make cash distributions during periods when we record losses for financial accounting purposes and may not make cash distributions during periods when we record net earnings for financial accounting purposes.

Our growth strategy requires access to new capital; unfavorable capital markets could impair our ability to grow.

We continuously consider and enter into discussions regarding potential acquisitions or growth capital expenditures. Any limitations on our access to new capital will impair our ability to execute this strategy. If the cost of capital becomes too expensive, our ability to develop or acquire strategic and accretive assets will be limited. We may not be able to raise the necessary funds on satisfactory terms, if at all. The primary factors that influence our cost of equity include market conditions, including our then current unit price, fees we pay to underwriters and other offering costs, which include amounts we pay for legal and accounting services. Weak economic conditions and volatility and disruption in the financial markets could increase the cost of raising money in the debt and equity capital markets substantially while diminishing the availability of funds from those markets.

If we are unable to make accretive acquisitions of real property interests or deploy accretive development infrastructure, our growth could be limited.

We are experiencing increased competition for the types of real property interests we contemplate acquiring and developing. Weak economic conditions and competition for such acquisitions or developments could limit our ability to fully execute our growth strategy. Additionally, Landmark is not restricted from competing with us and has no obligation or duty to present us with acquisition opportunities. It may acquire and sell future real property interests to funds that it may sponsor in the future or other third parties. Please read “Conflicts of Interest.”

If we are unable to make accretive acquisitions from Landmark or third-parties, because, among other reasons, (i) Landmark does not offer other acquisition opportunities to us, (iii) we are unable to identify attractive third-party acquisition opportunities, (iv) we are unable to negotiate acceptable purchase contracts with Landmark or third parties, (v) we are unable to deploy accretive infrastructure developments, (vi) we are unable to obtain financing for these acquisitions on economically acceptable terms, (vii) we are outbid by competitors or (viii) we are unable to obtain necessary governmental or third-party consents, then our future growth and ability to increase distributions will be limited. Furthermore, even if we do make acquisitions and infrastructure developments that we believe will be accretive, these acquisitions and infrastructure developments may nevertheless result in a decrease in the cash generated from operations on a per unit basis. Any acquisition or infrastructure development involves potential risk, including, among other things:

- mistaken assumptions about revenue and costs, including potential growth;
- an inability to secure adequate tenant commitments to lease the acquired properties;
- an inability to integrate successfully the assets we acquire;
- the assumption of unknown liabilities for which we are not indemnified or for which our indemnity is inadequate;
- the diversion of management’s and employees’ attention from other business concerns; and
- unforeseen difficulties of operating in new geographic areas or industries.

We are dependent on Landmark for acquisitions and our ability to expand may be limited if Landmark’s business does not grow as expected.

A major component of our growth strategy is dependent on acquisitions from Landmark and its affiliates and third parties. We do not have any employees and will rely on Landmark to offer us acquisition opportunities and to provide acquisition services including identifying, underwriting and closing on acquisitions from third parties. If Landmark is unsuccessful in completing acquisitions for us, our growth will be limited.

Furthermore, our growth strategy depends on the growth of Landmark’s business. If Landmark focuses on other growth areas or does not or cannot make acquisitions of real property interests in our target industries, we may not be able to fully execute our growth strategy.

We have limited experience acquiring real property interests associated with assets in the renewable power generation industry and other fragmented industries and international real property interests.

Although we believe we will be able to effectively expand into new markets (in particular the renewable power generation industry), our experience in acquiring real property interests in the renewable power generation industry and other fragmented industries, as well as real property interests internationally, is limited. As a result, we may encounter unforeseen difficulties in our efforts to identify essential assets, assess and underwrite the risk levels associated with such assets, negotiate favorable terms with property owners, negotiate favorable terms with operators of these assets, and comply with applicable laws and regulations.

If we are unable to correctly predict rental rates, cancellation rates, demand, consolidation trends and growth trends in these industries, a material adverse impact on our results of operations and distributable cash flow could result. If we are unable to effectively expand internationally or into the renewable power generation industry and other fragmented industries, our growth rate may be adversely impacted.

Renewable power generation, including wind and solar power generation, is still in the early stages of its formation, and as such, widespread use of wind and solar generation assets may not develop. Weak growth in the renewable power generation industry could hamper our growth prospects.

Renewable power generation is only beginning to be implemented in the United States and, as such, renewable power sources such as wind turbines and solar arrays are not widespread. Part of our growth strategy is to continue to acquire real property interests in this industry, and a failure of the renewable power generation industry to grow quickly enough in the United States could negatively impact our future growth and negatively impact our future revenue.

We have limited experience developing real property interests associated with assets in the wireless communication and outdoor advertising industry.

Although we believe we will be able to effectively expand into new infrastructure developments, our experience in infrastructure developments within the wireless communication and outdoor advertising industries is limited. As a result, we may encounter unforeseen difficulties in our efforts to develop essential assets, assess and underwrite the risk levels associated with such assets, and comply with applicable laws and regulations.

If we are unable to correctly predict infrastructure development costs, rental rates, cancellation rates, demand, consolidation trends and growth trends in these industries, a material adverse impact on our results of operations and distributable cash flow could result. If we are unable to effectively deploy infrastructure developments, our growth rate may be adversely impacted.

Increases in interest rates could adversely impact the price of our common units, our ability to issue equity or incur debt for acquisitions or other purposes and our ability to make cash distributions at our intended levels.

Interest rates on future credit facilities and debt offerings could be higher than current levels, causing our financing costs to increase accordingly. As with other yield-oriented securities, our unit price will be impacted by our level of our cash distributions and our implied distribution yield. The distribution yield is often used by investors to compare and rank yield-oriented securities for investment decision-making purposes. As a result, changes in interest rates, either positive or negative, may affect the yield requirements of investors who invest in our units, and a rising interest rate environment could have an adverse impact on the price of our common units, our ability to issue equity or incur debt for acquisitions or other purposes and our ability to make cash distributions at our intended levels.

Our debt service payments will reduce our net income. Moreover, we may not be able to meet our debt service obligations and, to the extent that we cannot, we risk the loss of some or all of our assets to foreclosure or sale to satisfy our debt obligations.

We may not be able to access financing sources on favorable terms, or at all, which could adversely affect our ability to execute our business plan.

We intend to finance all or a portion of our acquisitions of real property interests through the issuance of debt, credit facility borrowings and a variety of other means. Our ability to access sources of financing will depend on various conditions in the markets for financing in this manner which are beyond our control, including lack of liquidity and greater credit spreads, prevailing interest rates and other factors. We cannot assure prospective investors that any sources of debt financing markets will become or remain an efficient and cost-effective source of long-term financing for our assets. If our current debt financing strategy is not viable, we will have to find alternative forms of financing for our acquisitions. This could require us to incur costlier financing which could result in a material adverse effect on our results of operations and distributable cash flow.

Our hedging strategy may be ineffective in reducing the impact of interest rate volatility on our cash flows, which could result in financial losses and adversely impact our distributable cash flow.

To achieve more predictable cash flow and to reduce our exposure to fluctuations in prevailing market interest rates, we intend to hedge interest rate risks related to a portion of our borrowings over time by means of interest rate swap agreements or other arrangements. To the extent that these derivative instruments are ineffective, fluctuations in market interest rates could result in financial losses and adversely impact our distributable cash flow.

If we are unable to borrow at favorable rates, we may not be able to acquire and develop new real property interests, which could reduce our income and our ability to make cash distributions to our unitholders.

If we are unable to borrow money at favorable rates, we may be unable to acquire and develop additional real property interests or refinance loans at maturity. Further, we will amend and restate the secured debt facilities as a new secured revolving credit facility and may enter into other credit arrangements that require us to pay interest on amounts we borrow at variable or “adjustable” rates. Increases in interest rates increase our interest costs. If interest rates are higher when we refinance our loans, our expenses will increase and we may not be able to pass on this added cost in the form of increased rents, thereby reducing our cash flow and the amount available for distribution to you. Further, during periods of rising interest rates, we may be forced to sell one or more of our real property interests in order to repay existing loans, which may not permit us to maximize the return on the particular real property interests being sold.

Landmark's level of indebtedness, the terms of its borrowings and any future credit ratings could adversely affect our ability to grow our business, our ability to make cash distributions to our unitholders, and our ability to obtain debt financing.

If Landmark becomes over-levered, it would increase the risk that Landmark may default on its obligations to us under our omnibus agreement, including its agreement to cap the amount of our reimbursement for general and administrative expenses. We rely on Landmark for certain general and administrative services in support of managing and controlling our business and operations. The terms of Landmark's indebtedness may limit its ability to borrow additional funds and may impact our operations in a similar manner. If Landmark were to default under its debt obligations, Landmark's creditors could attempt to assert claims against our assets during the litigation of their claims against Landmark. The defense of any such claims could be costly and could materially impact our financial condition, absent any adverse determination. If these claims were successful, our ability to meet our obligations to our creditors, make distributions, and finance our operations could be materially adversely affected.

The industries in which our tenants and their sub-lessees operate could experience further consolidation, which may put one or more of our tenants or our tenants' sub-lessees at risk of going out of business or significantly changing its operations.

Existing and potential tenants may enter into joint ventures, mergers, acquisitions or other cooperative agreements with other of our tenants. Such industry consolidation can potentially reduce the diversity of our tenant base and give tenants greater leverage over us, as their landlord, due to overlapping coverage, ability to increase co-location on nearby existing sites and through aggressive lease negotiations on multiple sites. Such actions have the potential to reduce our revenue in the future. Significant consolidation among our tenants in the wireless communication industry (or our tenants' sub-lessees) may result in the decommissioning of certain existing communications sites, because certain portions of these tenants' (or their sub-lessees') networks may be redundant. There has been consolidation in the wireless communication industry historically that has led to certain lease terminations. The past consolidation in the wireless industry has led to rationalization of wireless networks and reduced demand for tenant sites. In April 2018, T-Mobile and Sprint announced a proposed merger. The loss of any one of our large customers as a result of joint ventures, mergers, acquisitions or other cooperative agreements may result in (1) a material decrease in our revenue, (2) an impairment of the value of our real property interests, or (3) other adverse effects to our business. In addition, certain combined companies have undergone or are currently undergoing a modernization of their networks, and these and other tenants and/or sub-lessees could determine not to renew leases with us (or our tenants) as a result. Our future results may be negatively impacted if a significant number of these leases are terminated, and our ongoing contractual revenue would be reduced as a result.

In addition, certain of our real property interests are rooftop wireless communication sites. Unlike a cellular tower, which will often accommodate multiple tenants through co-location, rooftop wireless communication sites are often rented to only one tenant. A cancellation by a tenant of its lease on a rooftop wireless site will therefore have a much greater effect on that real property interest than a cancellation by one tenant (of several co-located tenants) of its lease on a cellular tower.

Our business depends significantly on the demand for wireless communication and related wireless infrastructure, and we may be adversely affected by any slowdown in such demand. Additionally, a reduction in wireless carrier network investment may materially and adversely affect our business (including reducing demand for new tenant additions or network services).

We derive a significant amount of our revenue from our real property interests associated with wireless communication and related wireless infrastructure. This infrastructure ultimately depends on the demand for wireless voice and data services by consumers. The willingness of consumers to utilize the existing wireless infrastructure, and the willingness of our tenants to renew or extend existing leases, is affected by numerous factors, including:

- a decrease in consumer demand for wireless services due to general economic conditions or other factors;
- the financial condition of wireless carriers and/or cellular tower operators;
- the ability and willingness of wireless carriers and/or cellular tower operators to maintain or increase capital expenditures on network infrastructure;
- the growth rate of the wireless communication industry or of a particular industry segment;
- mergers or consolidations among wireless carriers and/or cellular tower operators;
- increased use of network sharing, roaming or resale arrangements by wireless carriers;
- delays or changes in the deployment of next generation wireless technologies;
- zoning, environmental, health or other government regulations or changes in the application and enforcement thereof; and
- unforeseen technological changes.

A slowdown in demand for wireless communication or wireless infrastructure may negatively impact our growth or otherwise have a material adverse effect on our results of operations and distributable cash flow.

New technologies may significantly reduce demand for our wireless infrastructure or negatively impact our revenue.

Improvements in the efficiency of wireless networks could reduce the demand for our tenants' wireless infrastructure. For example, signal combining technologies that permit one antenna to service multiple frequencies and, thereby, multiple customers may reduce the need for our tenants' wireless infrastructure. In addition, other technologies, such as Wi-Fi, femtocells, other small cells, or satellite (such as low earth orbiting) and mesh transmission systems may, in the future, serve as substitutes for, or alternatives to, leasing that might otherwise be anticipated on wireless infrastructure had such technologies not existed. Any significant reduction in wireless infrastructure leasing demand resulting from the previously mentioned technologies or other technologies may negatively impact our revenue or otherwise have a material adverse effect on us.

Our business depends significantly on the demand for outdoor advertising, and we may be adversely affected by any slowdown in such demand. Additionally, a change in advertising strategies and/or zoning regulations may materially and adversely affect our business (including reducing demand for outdoor advertising space).

We derive a significant amount of our revenue from our real property interests associated with the outdoor advertising industry. The value of these real property interests ultimately depends on the demand for outdoor advertising space and the market rates for advertising. The willingness of advertisers to utilize and willingness of billboard owners to upgrade existing bulletin boards, and the willingness of our tenants to renew or extend existing leases, is affected by numerous factors, including:

- a decrease in advertisers' budgets due to general economic conditions or other factors;
- the financial condition of outdoor advertising companies and/or their customers;
- the ability and willingness of outdoor advertising companies to maintain or increase capital expenditures on upgrading bulletin billboards to digital billboards;
- mergers or consolidations among outdoor advertising companies;
- zoning, environmental, health or other government regulations or changes in the application and enforcement thereof; and
- unforeseen technological changes.

A slowdown in demand for outdoor advertising may negatively impact our growth or otherwise have a material adverse effect on our results of operations and distributable cash flow.

Due to the long-term expectations of revenue from tenant leases, our results are sensitive to the creditworthiness and financial strength of our tenants and their sub-lessees.

Due to the long-term nature of our tenant leases and their sub-leases, our performance is dependent on the continued financial strength of our tenants and their sub-lessees, many of whom operate with substantial leverage. Many tenants and potential tenants rely on capital raising activities to fund their operations and capital expenditures, and downturns in the economy or disruptions in the financial and credit markets may make it more difficult and more expensive to raise capital. If our tenants or sub-lessees (or potential tenants or sub-lessees) are unable to raise adequate capital to fund their business plans, they may reduce their spending, which could materially and adversely affect demand for our sites and equipment upgrades. If, as a result of a prolonged economic downturn or otherwise, one or more of our tenants experienced financial difficulties or filed for bankruptcy, it could result in uncollectible accounts receivable and an impairment of our deferred rent asset. In addition, it could result in the loss of significant customers and all or a portion of our anticipated lease revenue from certain tenants, all of which could have a material adverse effect on our business, results of operations and cash flows.

A tenant bankruptcy or insolvency could result in the termination of such tenant's lease, which could reduce revenue.

Upon the bankruptcy of a tenant, typically the tenant would have the right to assume or reject the tenant's lease at its option and we would not be permitted to terminate the tenant's lease solely on the basis of such bankruptcy. The tenant will have until 120 days after the filing of bankruptcy to make a decision on assumption or rejection, subject to further extension of such time period by the bankruptcy court. In addition, contractual restrictions on the assignment of an unexpired lease of a bankrupt tenant are typically not enforceable. If a bankrupt tenant rejects a tenant lease, applicable provisions of the Bankruptcy Code will limit our claim for damages to the greater of any unpaid rent due under the lease on the earlier of (i) the date of filing of the bankruptcy case, or (ii) the date on which the leased property was repossessed or surrendered, plus (a) the "rent reserved" by the rejected lease for one year, or (b) for 15% of the remainder of the lease, not to exceed three years from the commencement of the case or the surrender of the property plus unpaid rent accrued prior to such date. These limitations could substantially reduce the claim we would be entitled to assert against the bankrupt tenant in the event the lease is rejected. Furthermore, even this limited claim for rent may not be fully paid in a bankruptcy proceeding, as such claim would share pro rata in recovery with all other general unsecured claims. Such provisions would result in a loss of significant anticipated lease revenue to us and adversely affect our revenue.

The bankruptcy or insolvency of an underlying property owner could result in the termination of our easement, lease assignment, or other real property interest.

Upon the bankruptcy of an underlying property owner, typically the property owner would have the right to assume or reject, at its option, any executory contracts. If a judge in a bankruptcy proceeding were to find that our real property interests are executory contracts, the underlying property owner would have the right to assume or reject such contracts in accordance with the bankruptcy rules. If a bankruptcy court finds that our real property interests are executory contracts and the underlying property owner rejects our contract, our remedies and claims for damages may be limited under bankruptcy law. Such events could have a material adverse impact on our business, results of operations and distributable cash flows.

Substantially all of our tenant leases may be terminated upon 30 to 180 days' notice by our tenants, and unexpected lease cancellations could materially impact our cash flow from operations.

Most of our tenant leases permit our tenants to cancel the lease at any time with prior written notice. The termination provisions vary from lease to lease, but substantially all of our tenant leases require only 30 to 180 days' advance notification. Cancellations are determined by the tenants themselves in their sole discretion. For instance, both wireless infrastructure and billboard sites are independently assessed by tenants for their ability to provide coverage and/or visibility. This assessment is made prior to construction or installation of the asset and there is no guarantee such coverage will remain static in the future due to independent developments, technological developments, foliage growth or other physical changes in the landscape that are unforeseeable and out of our control. Such results could lead to site removal or relocation to a more suitable location, leading to a reduction in our revenue. Any cancellations will adversely affect our revenue and cash flow, and a significant number of cancellations could materially impact our ability to pay distributions to our unitholders.

Our tenants may be exposed to force majeure events and other unforeseen events for which tenant insurance may not provide adequate coverage. Additionally, local restrictions may prevent or inhibit re-building efforts, particularly with outdoor advertising.

The sites underlying our real property interests are subject to risks associated with natural disasters, such as ice and wind storms, fires, tornadoes, floods, hurricanes and earthquakes, as well as other unforeseen damage. Should such a disaster cause damage to one of our tenant's sites, certain of our tenant leases allow the tenant to either terminate the lease or withhold rent payments until the site is restored to its original condition. While our tenants generally maintain insurance coverage for natural disasters, they may not have adequate insurance to cover the associated costs of repair or reconstruction for a future major event. Further, in the event of any damage to our tenants' assets, federal, state and local regulations may restrict the ability to repair or rebuild damaged assets – especially billboards or other signs, which are subject to significant regulations. If our tenants are unwilling or unable to repair or rebuild due to damage, we may experience losses in revenue due to terminated tenant leases and/or lease payments that are withheld pursuant to the terms of the tenant lease while the site is repaired.

Our tenants may experience equipment failure, which could lead to the termination of our tenant leases.

Our tenants' assets are subject to a risk of equipment failure due to wear and tear, latent defect, design error or operator error, or early obsolescence. Additionally, substantially all of our tenant leases allow our tenants to terminate the lease upon 30 to 180 days' notice. If our tenants choose to terminate their leases with us following an equipment failure, it could have a material adverse effect on our assets, liabilities, results of operations and cash flows.

In the event infrastructure assets associated with certain of our real property interests are removed, replacement costs and governmental regulations may delay, restrict, prohibit, or substantially raise the cost of the installation of a similar infrastructure asset.

Upon the expiration or termination of a tenant's lease, most of our tenants have the right to remove their infrastructure assets associated with our real property interests, which are frequently subject to federal, state and local regulations, such as restrictive zoning. In the event that a tenant exercises its right or fulfills its obligation (as applicable) to remove its equipment, we would be unable to prevent such removal. There could be delays or significant costs associated with replacing the equipment and re-leasing that property, or replacement may be legally impossible. For example, if a legal nonconforming ("grandfathered") billboard is removed, zoning regulations do not allow a replacement billboard to be constructed. Such events could have a material adverse impact on our business, results of operations and distributable cash flows.

Our tenants, as well as their sub-lessees, are subject to governmental regulations, which may restrict their ability to operate.

Our tenants, as well as their sub-lessees, may be subject to numerous federal, state and local regulations. For example, the outdoor advertising industry is subject to numerous restrictions, which has made it increasingly difficult to develop new outdoor advertising structures and sites. Changes in laws and regulations affecting outdoor advertising at any level of government, or increases in the enforcement of regulations could lead to the removal or modification of outdoor adverting structures and sites.

If our tenants are unable to obtain acceptable arrangements or compensation in circumstances in which their advertising structures and sites are subject to removal or modification, it could have an adverse effect on our tenants', and in turn our own, business, results of operations and cash flow. In addition, governmental regulation of advertising displays could limit our tenants' installation of new advertising displays, restrict advertising displays to governmentally controlled sites or permit the installation of advertising displays in a manner that benefits our tenants' competitors disproportionately, any of which could have an adverse effect on our tenants', and in turn our own, business, results of operations and cash flow.

Our other tenants, including those in the cellular tower and renewable power generation industries, are also subject to significant governmental regulations, which may impede or hamper their business operations or ability to grow. As legal requirements frequently change and are subject to interpretation and discretion, we may be unable to predict the ultimate cost of compliance with these requirements or their effect on our operations. Any new law, rule or regulation could require additional expenditure to achieve or maintain compliance or could adversely impact our tenants' ability to generate and deliver energy.

Additionally, some of our tenants or their sub-lessees are required to maintain licenses, permits and governmental approvals for operation. Some of the licenses, permits and governmental approvals necessary to our tenants' operations may contain conditions and restrictions, or may have limited terms. If our tenants or their sub-lessees fail to satisfy the conditions or comply with the restrictions imposed by such licenses, permits and governmental approvals, or the restrictions imposed by any statutory or regulatory requirements, they may become subject to regulatory enforcement action and the operation of their assets could be adversely affected or be subject to fines, penalties or additional costs or revocation of regulatory approvals, permits or licenses. If this were to happen, the ability of these tenants or their sub-lessees to continue to operate under our tenant leases may be jeopardized, which could adversely affect our revenue and cash flow.

A substantial portion of our revenue is derived from a small number of customers, and the loss, consolidation or financial instability of any of our limited number of customers may materially decrease revenue or reduce demand for our wireless infrastructure and network services.

For the year ended December 31, 2019, approximately 51% of our combined revenue was derived from Clear Channel Outdoor, T-Mobile, AT&T Mobility, Verizon, Sprint, Crown Castle and American Towers (or their affiliates), which represented 13%, 8%, 7%, 6%, 6%, 6% and 5%, respectively, of our combined revenue. The loss of any one of our large customers as a result of consolidation, merger, bankruptcy, insolvency, network sharing, roaming, joint development, resale agreements by our customers or otherwise may result in (1) a material decrease in our revenue, (2) uncollectible account receivables, (3) an impairment of our deferred site rental receivables, wireless infrastructure assets, site rental contracts or customer relationships intangible assets, or (4) other adverse effects to our business. We cannot guarantee that contracts with our major customers will not be terminated or that these customers will renew their contracts with us. Additionally, our tenant leases with affiliates and subsidiaries of large, nationally-recognized companies may not provide for full recourse to the larger, more creditworthy parent entities affiliated with our lessees. In addition to our four largest customers in the U.S., we also derive a portion of our revenue and anticipated future growth from customers offering or contemplating offering emerging wireless services; such customers are smaller and have less financial resources than our Tier 1 tenants, have business models which may not be successful, or may require additional capital. Please read Note 18 to the Notes to the Consolidated Financial Statements included elsewhere in this annual report.

Our real property interests currently have significant concentration in a small number of top Basic Trading Areas ("BTAs").

Real property interests in the top 10 BTAs currently account for approximately 38% of our quarterly rental revenue. The New York BTA and the Los Angeles BTA are our top BTAs and accounted for 15% and 12% of our quarterly rental revenue for the three months ended December 31, 2019, respectively. No other single BTA accounted for more than 7% of our quarterly rental revenue for the three months ended December 31, 2019. We are susceptible to adverse developments in the economy, weather conditions, competition, consumer preferences, demographics, or other factors in these major metropolitan areas. Due to our susceptibility to such adverse developments, there can be no assurance that the current geographic concentration of our business will not have a material adverse effect on our results of operations and distributable cash flow.

If our tenant leases are not renewed with similar terms, rental rates or at all, our future revenue may be materially affected.

Approximately 23% of our tenant leases will be subject to extension over the next 12 months. Our tenants are under no obligation to extend their tenant leases. In addition, there is no assurance that current tenants will renew their current leases with similar terms or rental rates, or even at all. The extension, renewal, or replacement of existing leases depends on a number of factors beyond our control, including the level of existing and new competition in our markets, the macroeconomic factors affecting lease economics for our current and potential customers, the balance of supply and demand, on a short-term, seasonal and long-term basis, in our markets, the extent to which customers in our markets are willing to contract on a long-term basis, and the effects of federal, state or local regulations on the contracting practices of our customers.

Unsuccessful negotiations could potentially reduce revenue generated from the assets and could have a material adverse effect on our results of operations and distributable cash flow.

We may enter into additional credit agreements or mortgage, pledge, hypothecate or grant a security interest in all or substantially all of our assets without prior approval of our unitholders.

We may mortgage, pledge, hypothecate or grant a security interest in all or substantially all of our assets without prior approval of our unitholders. For example, our revolving credit facility is secured by substantially all of our assets. If we were to decide at any time to incur debt and secure our obligations or indebtedness by all or substantially all of our assets, and if we were unable to satisfy such obligations or repay such indebtedness, the lenders could seek to foreclose on our assets. The lenders could also sell all or substantially all of our assets under such foreclosure or other realization upon those encumbrances without prior approval of our unitholders, which would adversely affect the price of our common units. In addition, we may enter into additional credit agreement of other debt arrangements in the future that may be secured by all or substantially all of our assets.

Restrictions in our revolving credit facility could adversely affect our results of operations, distributable cash flow and the value of our units.

We will be dependent upon the earnings and cash flow generated by our operations in order to meet any debt service obligations and to allow us to make cash distributions to our unitholders. The operating and financial restrictions and covenants in our revolving credit facility and any future financing agreements could restrict our ability to finance our future operations or capital needs or to expand or pursue our business activities, which may, in turn, limit our ability to make cash distributions to our unitholders.

The provisions of our revolving credit facility may affect our ability to obtain future financing and pursue attractive business opportunities and our flexibility in planning for, and reacting to, changes in business conditions. In addition, a failure to comply with the provisions of our revolving credit facility could result in an event of default which would enable our lenders to declare the outstanding principal of that debt, together with accrued interest, to be immediately due and payable. If the payment of our debt is accelerated, defaults under our other debt instruments, if any, may be triggered, and our assets may be insufficient to repay such debt in full, and the holders of our units could experience a partial or total loss of their investment. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources" for additional information about our revolving credit facility.

Certain of our real property interests are subordinated to senior debt such as mortgages, which, if we fail to obtain a non-disturbance agreement, could foreclose on our real property interests if the underlying property owner defaults on the mortgage.

While we make an effort to obtain non-disturbance agreements on the real property interests we acquire, sometimes we are unable to do so. Under certain circumstances and in the absence of a non-disturbance agreement, if the underlying property owner fails to comply with or make payments under debt arrangements senior to us, an event of default may result, which would allow the creditors to foreclose on any of our real property interests associated with that site. Any such default or foreclosure could have a material adverse effect on our results of operations and distributable cash flow.

We expect to incur a significant amount of debt to finance our portfolio which may subject us to an increased risk of loss or adversely affect the return on our investments.

We expect to incur a significant amount of debt to finance our operations. We expect to finance our acquisitions through the issuance of debt, borrowing under credit facilities, and other arrangements. We anticipate that the leverage we employ will vary depending on our ability to sell our debt, obtain credit facilities, the loan-to-value and debt service coverage ratios of our assets, the yield on our assets, the targeted leveraged return we expect from our portfolio and our ability to meet ongoing covenants related to our asset mix and financial performance. Substantially all of our assets are currently pledged as collateral under our revolving credit facility. Our results of operations and distributable cash flow may be adversely affected to the extent that changes in market conditions cause the cost of our financing to increase. In addition to our revolving credit facility, we may enter into additional credit agreements or other debt arrangements in the future.

If we are unable to protect our rights to our real property interests, our business and operating results could be adversely affected.

Our real property interests consist primarily of rights under leases and long-term or perpetual easements. A loss of these interests at a particular site may interfere with our ability to generate revenue. For various reasons, we may not always have the ability to access, analyze and verify all information regarding zoning and other issues prior to completing an acquisition of real property interests, which can affect our rights to access and lease a site. Our inability to protect our rights to our real property interests may have a material adverse effect on our results of operations and distributable cash flow.

The value of our real property interests are affected by a number of factors, including changes in the general economic climate, local conditions (such as an oversupply of, or a reduction in demand for, our real property interest), competition based on rental rates, attractiveness and location of the properties, physical condition of the properties, financial condition of buyers and sellers of properties, and changes in operating costs. If our real property interests do not generate sufficient revenue to meet their operating expenses, including debt service, our cash flow and ability to pay distributions to unitholders will be adversely affected. Real estate values are also affected by such factors as government regulations, interest rate levels, the availability of financing, participation by other investors in the financial markets and potential liability under changing laws. Under eminent domain laws, governments can take real property without the owner's consent, sometimes for less compensation than the owner believes the property is worth. In addition, the breach of our easement or lease assignment by an underlying property owner or a tenant could interfere with our operations. Any of these factors could have an adverse impact on our business, financial condition, results of operations or distributable cash flow.

We may be subject to unanticipated liabilities as a result of our real property interests.

We own real property interests and are parties to contracts with unrelated parties such as tenants. We may be involved in disputes and other matters with property owners, tenants, their respective employees and agents, and other unrelated parties, such as tort claims related to hazardous conditions, foreclosure actions and access disputes. We cannot assure you that we will not become subject to material litigation or other liabilities. If these liabilities are not adequately covered by insurance, they could have a material adverse impact on our results of operations and distributable cash flow.

Our real property interests generally do not make us contractually responsible for the payment of real property taxes. If the responsible party fails to pay real property taxes, the resulting tax lien could put our real property interest in jeopardy.

Substantially all of our real property interests are subject to triple net or effectively triple net lease arrangements under which we are not responsible for paying real property taxes. If the property owner or tenant fails to pay real property taxes, any lien resulting from such unpaid taxes would be senior to our real property interest in the applicable site. Failure to pay such real property taxes could result in our real property interest being impaired or extinguished, or we may be forced to incur costs and pay the real property tax liability to avoid impairment of our assets.

Our tenant leases generally make our tenants contractually responsible for payment of taxes, maintenance, insurance and other similar expenditures associated with our tenants' infrastructure assets. If our tenants fail to pay these expenses as required, it could result in a material adverse impact on our results of operations and distributable cash flow.

As part of our triple net and effectively triple net lease arrangements, our tenant lease agreements typically make our tenants contractually responsible for payment of taxes, maintenance, insurance and other similar expenditures associated with our tenants' infrastructure assets. If our tenants fail to pay these expenses as required, it could result in a diminution in the value of the infrastructure asset associated with our real property interest and have a material adverse impact on our results of operations and distributable cash flow.

If radio frequency emissions from wireless handsets or equipment on wireless infrastructure are demonstrated to cause negative health effects, potential future claims could adversely affect our tenants' operations, costs or revenue.

The potential connection between radio frequency emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years, and numerous health-related lawsuits have been filed against wireless carriers and wireless device manufacturers. We cannot guarantee that claims relating to radio frequency emissions will not arise in the future or that the results of such studies will not be adverse to us or our tenants.

Public perception of possible health risks associated with wireless communication may slow or diminish the growth of wireless carriers, which may in turn impact our revenue. In particular, negative public perception of, and regulations regarding, these perceived health risks may slow or diminish the market acceptance of wireless communication services and increase opposition to the development and expansion of wireless antenna sites. If a scientific study or court decision resulted in a finding that radio frequency emissions posed health risks to consumers, it could negatively impact the market for wireless services, as well as our wireless carrier tenants, which could materially and adversely affect our business, results of operations and distributable cash flow.

If we fail to maintain an effective system of internal controls, we may not be able to report our financial results accurately or prevent fraud, which would likely have a negative impact on the market price of our common units.

We prepare our financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Effective internal controls are necessary for us to provide reliable financial reports, prevent fraud and to operate successfully as a publicly traded partnership. Our efforts to maintain our internal controls may not be successful, and we may be unable to maintain effective controls over our financial processes and reporting in the future or to comply with our obligations under Section 404 of the Sarbanes-Oxley Act of 2002, which we refer to as Section 404. For example, Section 404 requires us, among other things to annually review and report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal controls over financial reporting. Any failure to develop, implement or maintain effective internal controls or to improve our internal controls could harm our operating results or cause us to fail to meet our reporting obligations. Given the difficulties inherent in the design and operation of internal controls over financial reporting, we can provide no assurance as to our, or our independent registered public accounting firm’s, conclusions about the effectiveness of our internal controls, and we may incur significant costs in our efforts to comply with Section 404. Ineffective internal controls will subject us to regulatory scrutiny and a loss of confidence in our reported financial information, which could have an adverse effect on our business and would likely have a negative effect on the trading price of our common units.

We may incur asset impairment charges, which could result in a significant reduction to our earnings.

We review our assets annually to determine if any are impaired, or more frequently in the event of circumstances indicating potential impairment. These circumstances could include a decline in our actual or expected future cash flow or income, a significant adverse change in the business climate, a decline in market capitalization, or slower growth rates in our industry, among others. If we determine that an asset is impaired, we may be required to record a non-cash impairment charge which would reduce our earnings and negatively impact our results of operations.

Terrorist or cyber-attacks and threats, or escalation of military activity in response to these attacks, could have a material adverse effect.

Terrorist attacks and threats, cyber-attacks, or escalation of military activity in response to these attacks, may have significant effects on general economic conditions, fluctuations in consumer confidence and spending and market liquidity, each of which could materially and adversely affect our business. Strategic targets, such as communication-related assets and power generation assets, may be at greater risk of future terrorist or cyber-attacks than other targets in the United States. We do not maintain specialized insurance for possible liability or loss resulting from a cyber-attack on our assets that may shut down all or part of our business. It is possible that any of these occurrences, or a combination of them, could have a material adverse effect on our results of operations and distributable cash flow.

While our agreements with our lessees, property owners and other surface owners generally include environmental representations, warranties, and indemnities to minimize the extent to which we may be financially responsible for liabilities arising under environmental laws, unforeseen liabilities under these laws could have a material adverse effect on our results of operations and distributable cash flow.

Laws and regulations governing the discharge of materials into the environment or otherwise relating to the protection of the environment are applicable to our business and operations, and also to the businesses and operations of our lessees, property owners and other surface owners or operators. Federal, state and local government agencies issue regulations that often require difficult and costly compliance measures that carry substantial administrative, civil and criminal penalties and that may result in injunctive obligations for non-compliance. These laws and regulations often require permits before operations commence, restrict the types, quantities and concentrations of various substances that can be released into the environment, require remediation of released substances, and limit or prohibit construction or operations on certain lands (e.g. wetlands). We do not conduct any operations on our properties, but we or our tenants may maintain small quantities of materials that, if released, would be subject to certain environmental laws. Similarly, our property owners, lessees and other surface interest owners may have liability or responsibility under these laws which could have an indirect impact on our business. These laws include but are not limited to the federal RCRA, and comparable state statutes and regulations promulgated thereunder (which impose requirements on the generation, transportation, treatment, storage, disposal and cleanup of hazardous and non-hazardous wastes) and CERCLA, and analogous state laws (which generally impose liability, without regard to fault or legality of the original conduct, on classes of persons who are considered to be responsible for the release of hazardous substances into the environment, including the current and former owners or operators of a site. It is not uncommon for neighboring property owners and other third-parties to file claims for personal injury and property damage allegedly caused by the hazardous substances released into the environment. Therefore, governmental agencies or third parties may seek to hold us, our lessees, property owners and other surface interest owners responsible under CERCLA and comparable state statutes for all or part of the costs to cleanup sites at which hazardous substances have been released. Our agreements with our lessees, counterparties and other surface owners generally include environmental representations, warranties, and indemnities to minimize the extent to which we may be financially responsible for liabilities arising under these laws.

Risks Inherent in an Investment in Us

Our general partner and its affiliates, including Landmark, have conflicts of interest with us and limited fiduciary duties to us and our unitholders, and they may favor their own interests to our detriment and that of our unitholders. Additionally, we have no control over the business decisions and operations of Landmark, and Landmark is under no obligation to adopt a business strategy that favors us.

As of December 31, 2019, Landmark and affiliates own a 13.5% limited partner interest in us and own and control our general partner through a non-economic interest in us. Although our general partner has a duty to manage us in a manner that is in the best interests of our partnership and our unitholders, the directors and officers of our general partner also have a duty to manage our general partner in a manner that is in the best interests of its owner, Landmark. Conflicts of interest may arise between Landmark and its affiliates, including our general partner, on the one hand, and us and our unitholders, on the other hand. In resolving these conflicts, the general partner may favor its own interests and the interests of its affiliates, including Landmark, over the interests of our common unitholders. These conflicts include, among others, the following situations:

- neither our partnership agreement nor any other agreement requires Landmark to pursue a business strategy that favors us or utilizes our assets, which could involve decisions by Landmark to pursue and grow particular markets, or undertake acquisition opportunities for itself;
- Landmark may be constrained by the terms of its debt instruments from taking actions, or refraining from taking actions, that may be in our best interests;
- our partnership agreement replaces the fiduciary duties that would otherwise be owed by our general partner with contractual standards governing its duties, limiting our general partner’s liabilities and restricting the remedies available to our unitholders for actions that, without the limitations, might constitute breaches of fiduciary duty;
- except in limited circumstances, our general partner has the power and authority to conduct our business without unitholder approval;
- our general partner will determine the amount and timing of asset purchases and sales, borrowings, issuance of additional partnership securities and the creation, reduction or increase of cash reserves, each of which can affect our distributable cash flow;
- our general partner will determine the amount and timing of many of our cash expenditures and whether a cash expenditure is classified as an expansion capital expenditure, which would not reduce operating surplus, or a maintenance capital expenditure, which would reduce our operating surplus. This determination can affect the amount of available cash from operating surplus that is distributed to our unitholders and to our general partner and the amount of adjusted operating surplus generated in any given period;
- our general partner will determine which costs incurred by it are reimbursable by us;
- our general partner may cause us to borrow funds in order to permit the payment of cash distributions, even if the purpose or effect of the borrowing is to make incentive distributions;
- our partnership agreement permits us to classify up to $10.0 million as operating surplus, even if it is generated from asset sales, non-working capital borrowings or other sources that would otherwise constitute capital surplus. This cash may be used to fund distributions to our general partner in respect of the incentive distribution rights;
- our partnership agreement does not restrict our general partner from causing us to pay it or its affiliates for any services rendered to us or entering into additional contractual arrangements with any of these entities on our behalf;
- our general partner intends to limit its liability regarding our contractual and other obligations;
- our general partner may exercise its right to call and purchase all of the common units not owned by it and its affiliates if it and its affiliates own more than 80% of the common units;
- our general partner controls the enforcement of obligations owed to us by our general partner and its affiliates, including our commercial agreements with Landmark;
- our general partner decides whether to retain separate counsel, accountants or others to perform services for us; and
- our general partner may elect to cause us to issue common units to it in connection with a resetting of the target distribution levels related to our general partner’s incentive distribution rights without the approval of the conflicts committee of the board of directors of our general partner (which we refer to as our “conflicts committee”), or our unitholders. This election may result in lower distributions to our common unitholders in certain situations.

Under the terms of our partnership agreement, the doctrine of corporate opportunity, or any analogous doctrine, does not apply to our general partner or any of its affiliates, including Landmark, and their respective executive officers, directors and owners. Any such person or entity that becomes aware of a potential transaction, agreement, arrangement or other matter that may be an opportunity for us will not have any duty to communicate or offer such opportunity to us. Any such person or entity will not be liable to us or to any limited partner for breach of any fiduciary duty or other duty by reason of the fact that such person or entity pursues or acquires such opportunity for itself, directs such opportunity to another person or entity or does not communicate such opportunity or information to us. This may create actual and potential conflicts of interest between us and affiliates of our general partner and result in less than favorable treatment of us and our unitholders. Please read Item 13., "Certain Relationships and Related Transactions, and Director Independence – Agreements Governing the Transactions – Omnibus Agreement" and "Conflicts of Interest."

Our general partner intends to limit its liability regarding our obligations.

Our general partner intends to limit its liability under contractual arrangements so that the counterparties to such arrangements have recourse only against our assets, and not against our general partner or its assets. Our general partner may therefore cause us to incur indebtedness or other obligations that are nonrecourse to our general partner. Our partnership agreement permits our general partner to limit its liability, even if we could have obtained more favorable terms without the limitation on liability. In addition, we are obligated to reimburse or indemnify our general partner to the extent that it incurs obligations on our behalf. Any such reimbursement or indemnification payments would reduce the amount of cash otherwise available for distribution to our unitholders.

Our partnership agreement requires that we distribute all of our available cash, which could limit our ability to grow and make acquisitions.

Our partnership agreement requires that we distribute all of our available cash to our unitholders. As a result, we expect to rely primarily upon external financing sources, including commercial bank borrowings and the issuance of debt and equity securities, to fund our acquisitions and expansion capital expenditures. Therefore, to the extent we are unable to finance our growth externally, our cash distribution policy will significantly impair our ability to grow. In addition, because we will distribute all of our available cash, our growth may not be as fast as that of businesses that reinvest their available cash to expand ongoing operations. To the extent we issue additional units in connection with any acquisitions or expansion capital expenditures, the payment of distributions on those additional units may increase the risk that we will be unable to maintain or increase our per unit distribution level. There are no limitations in our partnership agreement on our ability to issue additional units, including units ranking senior to our common units as to distributions or in liquidation or that have special voting rights and other rights, and our unitholders will have no preemptive or other rights (solely as a result of their status as unitholders) to purchase any such additional units. The incurrence of additional commercial borrowings or other debt to finance our growth strategy would result in increased interest expense, which, in turn, may reduce the amount of cash that we have available to distribute to our unitholders.

Our partnership agreement replaces our general partner's fiduciary duties to holders of our common units with contractual standards governing its duties.

Delaware law provides that Delaware limited partnerships may, in their partnership agreements, expand, restrict or eliminate the fiduciary duties otherwise owed by the general partner to limited partners and the partnership, provided that partnership agreements may not eliminate the implied contractual covenant of good faith and fair dealing. This implied covenant is a judicial doctrine utilized by Delaware courts in connection with interpreting ambiguities in partnership agreements and other contracts and does not form the basis of any separate or independent fiduciary duty in addition to the express contractual duties set forth in our partnership agreement. Under the implied contractual covenant of good faith and fair dealing, a court will enforce the reasonable expectations of the parties where the language in the partnership agreement does not provide for a clear course of action.

As permitted by Delaware law, our partnership agreement contains provisions that eliminate the fiduciary standards to which our general partner would otherwise be held by state fiduciary duty law and replaces those duties with several different contractual standards. For example, our partnership agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner, free of any duties to us and our unitholders. This provision entitles our general partner to consider only the interests and factors that it desires and relieves it of any duty or obligation to give any consideration to any interest of, or factors affecting, us, our affiliates or our limited partners. By purchasing a common unit, a unitholder is treated as having consented to the provisions in our partnership agreement, including the provisions discussed above. Please read "Conflicts of Interest" and "Duties of the General Partner."

Our partnership agreement restricts the remedies available to holders of our common units for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty.

Our partnership agreement contains provisions that restrict the remedies available to unitholders for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty under state fiduciary duty law. For example, our partnership agreement:

- provides that whenever our general partner makes a determination or takes, or declines to take, any other action in its capacity as our general partner, our general partner is required to make such determination, or take or decline to take such other action, in good faith, meaning that it subjectively believed that the determination or the decision to take or decline to take such action was in the best interests of our partnership, and will not be subject to any other or different standard imposed by our partnership agreement, Delaware law, or any other law, rule or regulation, or at equity;
- provides that our general partner will not have any liability to us or our unitholders for decisions made in its capacity as a general partner so long as it acted in good faith;
- provides that our general partner and its officers and directors will not be liable for monetary damages to us or our limited partners resulting from any act or omission unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our general partner or its officers and directors, as the case may be, acted in bad faith or engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that the conduct was criminal; and
- provides that our general partner will not be in breach of its obligations under our partnership agreement or its fiduciary duties to us or our limited partners if a transaction with an affiliate or the resolution of a conflict of interest is approved in accordance with, or otherwise meets the standards set forth in, our partnership agreement.

In connection with a situation involving a transaction with an affiliate or a conflict of interest, our partnership agreement provides that any determination by our general partner must be made in good faith, and that our conflicts committee and the board of directors of our general partner are entitled to a presumption that they acted in good faith. In any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. Please read “Conflicts of Interest.”

Cost reimbursements, which are determined in our general partner’s sole discretion, and fees due to our general partner and its affiliates for services provided will be substantial and will reduce the amount of cash we have available for distribution to you.

Under our partnership agreement, we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our omnibus agreement, our general partner determines the amount of these expenses. Under the omnibus agreement, which was amended on January 30, 2019, we agreed to reimburse Landmark for expenses related to certain general and administrative services Landmark provides to us in support of our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. This cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. Some of the costs and expenses for which we are required to reimburse our general partner and its affiliates are not subject to any caps or other limits. Payments to our general partner and its affiliates will be substantial and will reduce the amount of cash we have available to distribute to unitholders.

Unitholders have very limited voting rights and, even if they are dissatisfied, they have limited ability to remove our general partner.

Unlike the holders of common stock in a corporation, unitholders have only limited voting rights on matters affecting our business and, therefore, limited ability to influence management’s decisions regarding our business. For example, unlike holders of stock in a public corporation, unitholders do not have “say-on-pay” advisory voting rights. Unitholders did not elect our general partner or the board of directors of our general partner and will have no right to elect our general partner or the board of directors of our general partner on an annual or other continuing basis. The board of directors of our general partner is chosen by the member of our general partner, which is a wholly owned subsidiary of Landmark. Furthermore, if the unitholders are dissatisfied with the performance of our general partner, they will have little ability to remove our general partner. As a result of these limitations, the price at which our common units will trade could be diminished because of the absence or reduction of a takeover premium in the trading price.

The vote of the holders of at least 66 $^{2}/_{3}$ % of all outstanding common units is required to remove our general partner. As of December 31, 2019, Landmark and its affiliates own 3,415,405 common units, which represents a 13.5% limited partner interest in us.

“Cause” is narrowly defined under our partnership agreement to mean that a court of competent jurisdiction has entered a final, non-appealable judgment finding the general partner liable for actual fraud or willful or wanton misconduct in its capacity as our general partner. Cause does not include most cases of charges of poor management of the business.

Furthermore, unitholders’ voting rights are further restricted by the partnership agreement provision providing that any units held by a person that owns 20% or more of any class of units then outstanding, other than our general partner, its affiliates, their transferees, and persons who acquired such units with the prior approval of the board of directors of our general partner, cannot vote on any matter.

Our partnership agreement also contains provisions limiting the ability of unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the unitholders' ability to influence the manner or direction of management.

Control of our general partner may be transferred to a third party without unitholder consent.

Our general partner may transfer its general partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of the unitholders. Furthermore, there is no restriction in our partnership agreement on the ability of Landmark to transfer its membership interest in our general partner to a third party. The new owner of our general partner would then be in a position to replace the board of directors and officers of our general partner with its own choices.

The incentive distribution rights of our general partner may be transferred to a third party without unitholder consent.

Our general partner may transfer its incentive distribution rights to a third party at any time without the consent of our unitholders. If our general partner transfers its incentive distribution rights to a third party, it will have less incentive to grow our partnership and increase distributions. A transfer of incentive distribution rights by our general partner could reduce the likelihood of Landmark selling or contributing additional assets to us, which in turn would impact our ability to grow our asset base.

We may issue additional units without unitholder approval, which would dilute unitholder interests.

At any time, we may issue an unlimited number of general partner interests or limited partner interests of any type without the approval of our unitholders, and our unitholders will have no preemptive or other rights (solely as a result of their status as unitholders) to purchase any such general partner interests or limited partner interests. Further, there are no limitations in our partnership agreement on our ability to issue equity securities that rank equal or senior to our common units as to distributions or in liquidation or that have special voting rights and other rights. The issuance by us of additional common units or other equity securities of equal or senior rank will have the following effects:

- our unitholders' proportionate ownership interest in us will decrease;
- the amount of cash we have available to distribute on each unit may decrease;
- the ratio of taxable income to distributions may increase;
- the relative voting strength of each previously outstanding unit may be diminished; and
- the market price of our common units may decline.

The issuance by us of additional general partner interests may have the following effects, among others, if such general partner interests are issued to a person who is not an affiliate of Landmark:

- management of our business may no longer reside solely with our current general partner; and
- affiliates of the newly admitted general partner may compete with us, and neither that general partner nor such affiliates will have any obligation to present business opportunities to us.

Landmark and its affiliates may sell units in the public or private markets, and such sales could have an adverse impact on the trading price of the common units.

As of December 31, 2019, Landmark and its affiliates hold 3,415,405 common units. We have agreed to provide Landmark and its affiliates with certain registration rights under applicable securities laws. The sale of these units in the public or private markets could have an adverse impact on the price of the common units or on any trading market that may develop.

Other than the requirement in our partnership agreement to distribute all of our available cash each quarter, we have no legal obligation to make quarterly cash distributions, and our general partner has considerable discretion to establish cash reserves that would reduce the amount of available cash we distribute to unitholders.

Generally, our available cash is comprised of cash on hand at the end of a quarter plus cash-on-hand resulting from any working capital borrowings made after the end of the quarter less cash reserves established by our general partner. Our partnership agreement permits our general partner to establish cash reserves for the proper conduct of our business (including reserves for our future capital expenditures and anticipated future debt service requirements), to comply with applicable law or agreements to which we are a party, or to provide funds for future distributions to unitholders. As a result, even when there is no change in the amount of distributable cash flow that we generate, our general partner has considerable discretion to establish cash reserves, which would result in a reduction the amount of available cash we distribute to unitholders. Accordingly, there is no guarantee that we will make quarterly cash distributions to our unitholders at our minimum quarterly distribution rate or at any other rate, and we have no legal obligation to do so, except to the extent we have available cash as defined in our partnership agreement.

Landmark may compete with us, and Landmark, as owner of our general partner, will decide when, if, and how we complete acquisitions.

Neither our partnership agreement nor our omnibus agreement prohibit Landmark or any other affiliates of our general partner from owning assets or engaging in businesses that compete directly or indirectly with us. Under the terms of our partnership agreement, the doctrine of corporate opportunity, or any analogous doctrine, does not apply to our general partner or any of its affiliates, including Landmark. Any such entity that becomes aware of a potential transaction, agreement, arrangement or other matter that may be an opportunity for us does not have any duty to communicate or offer such opportunity to us. Consequently, Landmark and other affiliates of our general partner may acquire additional assets in the future without any obligation to offer us the opportunity to purchase any of those assets. As a result, competition from Landmark and other affiliates of our general partner could materially and adversely impact our results of operations and distributable cash flow.

Our general partner has a limited call right that may require you to sell your common units at an undesirable time or price.

If at any time our general partner and its affiliates own more than 80% of our then-outstanding common units, our general partner will have the right, but not the obligation, which it may assign to any of its affiliates or to us, to acquire all, but not less than all, of the common units held by unaffiliated persons at a price not less than their then-current market price. As a result, you may be required to sell your common units at an undesirable time or price and may not receive any return on your investment. You may also incur a tax liability upon a sale of your units.

Your liability may not be limited if a court finds that unitholder action constitutes control of our business.

A general partner of a partnership generally has unlimited liability for the obligations of the partnership, except for those contractual obligations of the partnership that are expressly made without recourse to the general partner. Our partnership is organized under Delaware law, and we conduct business in a number of other states. The limitations on the liability of holders of limited partner interests for the obligations of a limited partnership have not been clearly established in some of the other states in which we do business. You could be liable for any and all of our obligations as if you were a general partner if a court or government agency were to determine that (i) we were conducting business in a state but had not complied with that particular state’s partnership statute; or (ii) your right to take certain actions under our partnership agreement constitute “control” of our business. For a discussion of the implications of the limitations of liability on a unitholder, please read “Our Partnership Agreement – Limited Liability.”

Unitholders may have to repay distributions that were wrongfully distributed to them.

Under certain circumstances, unitholders may have to repay amounts wrongfully distributed to them. Under Section 17-607 of the Delaware Revised Uniform Limited Partnership Act or “DRULPA,” we may not make a distribution to you if the distribution would cause our liabilities to exceed the fair value of our assets. Delaware law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. Transferees of common units are liable for the obligations of the transferor to make contributions to the partnership that are known to the transferee at the time of the transfer and for unknown obligations if the liabilities could be determined from our partnership agreement. Liabilities to partners on account of their partnership interest and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

Our general partner, or any transferee holding incentive distribution rights, may elect to cause us to issue common units to it in connection with a resetting of the target distribution levels related to its incentive distribution rights, without the approval of our conflicts committee or the holders of our common units. This could result in lower distributions to holders of our common units.

Our general partner has the right, at any time when there are no subordinated units outstanding and it has received distributions on its incentive distribution rights at the highest level to which it is entitled (50%) for each of the prior four consecutive fiscal quarters, to reset the initial target distribution levels at higher levels based on our distributions at the time of the exercise of the reset election. Following a reset election, the minimum quarterly distribution will be adjusted to equal the reset minimum quarterly distribution, and the target distribution levels will be reset to correspondingly higher levels based on percentage increases above the reset minimum quarterly distribution.

If our general partner elects to reset the target distribution levels, it will be entitled to receive a number of common units. The number of common units to be issued to our general partner will be equal to that number of common units that would have entitled their holder to an average aggregate quarterly cash distribution in the prior two quarters equal to the average of the distributions to our general partner on the incentive distribution rights in such two quarters. We anticipate that our general partner would exercise this reset right in order to facilitate acquisitions or internal growth projects that would not be sufficiently accretive to cash distributions per common unit without such conversion. It is possible, however, that our general partner could exercise this reset election at a time when it is experiencing, or expects to experience, declines in the cash distributions it receives related to its incentive distribution rights and may, therefore, desire to be issued common units rather than retain the right to receive distributions based on the initial target distribution levels. This risk could be elevated if the incentive distribution rights have been transferred to a third party. As a result, a reset election may cause our common unitholders to experience a reduction in the amount of cash distributions that they would have otherwise received had we not issued new common units in connection with resetting the target distribution levels. Additionally, our general partner has the right to transfer all or any portion of the incentive distribution rights at any time, and such transferee shall have the same rights as the general partner relative to resetting target distributions if our general partner concurs that the tests for resetting target distributions have been fulfilled. Please read Item 5., “Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities– Right to Reset Incentive Distribution Levels.”

NASDAQ does not require a publicly traded limited partnership like us to comply with certain of its corporate governance requirements.

Our common units are listed on the NASDAQ Global Market. NASDAQ listing rules do not require a listed limited partnership like us to have a majority of independent directors on our general partner’s board of directors or to establish a compensation committee or a nominating and corporate governance committee. We are, however, required to have an audit committee of at least three members, all of whom are required to meet the independence and experience standards established by NASDAQ and the Exchange Act. Please read Item 10., “Directors, Executive Officers and Corporate Governance – Management of Landmark Infrastructure Partners LP.”

Our partnership agreement includes exclusive forum, venue and jurisdiction provisions and a waiver of the right to a jury trial. By purchasing a common unit, a limited partner is irrevocably consenting to these provisions regarding claims, suits, actions or proceedings, submitting to the exclusive jurisdiction of Delaware courts and waiving a right to a jury trial. Our partnership agreement also provides that any unitholder bringing an unsuccessful action will be obligated to reimburse us for any costs we have incurred in connection with such unsuccessful action.

Our partnership agreement is governed by Delaware law. Our partnership agreement includes exclusive forum, venue and jurisdiction provisions designating Delaware courts as the exclusive venue for most claims, suits, actions and proceedings involving us or our officers, directors and employees. In addition, if any person brings any of the aforementioned claims, suits, actions or proceedings and such person does not obtain a judgment on the merits that substantially achieves, in substance and amount, the full remedy sought, then such person shall be obligated to reimburse us and our affiliates for all fees, costs and expenses of every kind and description, including but not limited to all reasonable attorneys’ fees and other litigation expenses, that the parties may incur in connection with such claim, suit, action or proceeding. Our partnership agreement also includes an irrevocable waiver of the right to trial by jury in all such claims, suits, actions and proceedings. By purchasing a common unit, a limited partner is irrevocably consenting to these limitations and provisions regarding claims, suits, actions or proceedings and submitting to the exclusive jurisdiction of Delaware courts. If a dispute were to arise between a limited partner and us or our officers, directors or employees, the limited partner may be required to pursue its legal remedies in Delaware which may be an inconvenient or distant location and which is considered to be a more corporate-friendly environment. These provisions may have the effect of discouraging lawsuits against us and our general partner’s directors and officers.

We will incur increased costs as a result of being a publicly traded partnership, including the cost of additional finance and accounting systems, procedures and controls in order to satisfy our public company reporting requirements.

We have limited history operating as a publicly traded partnership. As a publicly traded partnership, we will incur significant legal, accounting and other expenses. In addition, the Sarbanes-Oxley Act and related rules implemented by the SEC and NASDAQ have mandated changes in the corporate governance practices of publicly traded companies. We expect these rules and regulations to increase our legal and financial compliance costs and to make our activities more time-consuming and costly. For example, as a result of becoming a publicly traded partnership, we are required to have at least three independent directors, create an audit committee and adopt policies regarding internal controls and disclosure controls and procedures, including the preparation of reports on internal controls over financial reporting. In addition, we will incur additional costs associated with our publicly traded partnership reporting requirements. We also expect these new rules and regulations to make it more difficult and more expensive for our general partner to obtain director and officer liability insurance and possibly to result in our general partner having to accept reduced policy limits and coverage. As a result, it may be more difficult for our general partner to attract and retain qualified persons to serve on its board of directors or as executive officers.

Any failure to achieve and maintain an effective internal control environment could have a material adverse effect on our business and unit price. In addition, we may need to hire additional compliance, accounting and financial staff with appropriate public company experience and technical knowledge, and we may not be able to do so in a timely fashion. As a result, we may need to rely on outside consultants to provide these services for us until qualified personnel are hired. These obligations will increase our operating expenses and could divert our management's attention from our operations.

We will incur increased costs as a result of managing a REIT.

On July 31, 2017, we completed our previously announced reorganization (the "Reorganization") and transferred substantially all of our assets to the REIT Subsidiary, which we intend will qualify as a REIT, under the Code. In order to maintain its qualification as a REIT, the REIT Subsidiary must satisfy a number of requirements, including requirements regarding the ownership of its equity interests, the composition of its assets and the sources of its income. Satisfying these requirements involves monitoring various factual matters, applying highly technical and complex provisions of the Code and meeting ongoing reporting obligations, which will increase our operating expenses and could divert our management's attention from our operations.

We may be adversely affected by fluctuations in currency exchange rates.

We may pursue growth opportunities in international markets where the U.S. dollar is not the denominated currency. The ownership of investments located outside of the United States subjects us to risk from fluctuations in exchange rates between foreign currencies and the U.S. dollar. A significant change in the value of currencies in countries where we have a significant investment may have a materially adverse effect on our financial position, debt covenant ratios, results of operations and cash flow.

We may attempt to manage the impact of foreign currency exchange rate changes through the use of derivative contracts or other methods. However, no amount of hedging activity can fully insulate us from the risks associated with changes in foreign currency exchange rates, and the failure to hedge effectively against foreign currency exchange rate risk, if we choose to engage in such activities, could materially adversely affect our results of operations and financial condition.

Increased regulatory oversight, changes in the method pursuant to which the London Inter Bank Offering Rate ("LIBOR") rates are determined and potential phasing out of LIBOR after 2021 may adversely affect interest expense related to outstanding debt and swap agreements.

Regulators and law enforcement agencies in the U.K. and elsewhere are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association (the "BBA") in connection with the calculation of daily LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR. A number of BBA member banks have entered into settlements with their regulators and law enforcement agencies with respect to this alleged manipulation of LIBOR. On July 27, 2017, the Financial Conduct Authority (the "FCA") announced that it will no longer persuade or compel banks to submit LIBOR rates after 2021 (the "FCA Announcement"). Based on the FCA Announcement, it appears likely that LIBOR will be discontinued or modified by 2021. As a result, the Federal Reserve Board and the Federal Reserve Bank of New York organized the Alternative Reference Rates Committee (the "ARRC") which identified the Secured Overnight Financing Rate (the "SOFR") as its preferred alternative to USD-LIBOR in derivatives and other financial contracts. The Partnership is not able to predict when LIBOR will cease to be available or when there will be sufficient liquidity in the SOFR markets. Any changes adopted by FCA or other governing bodies in the method used for determining LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR. If that were to occur, our interest payments could change. In addition, uncertainty about the extent and manner of future changes may result in interest rates and/or payments that are higher or lower than if LIBOR were to remain available in its current form.

The Partnership has agreements that are indexed to LIBOR and is monitoring and evaluating the related risks, which include interest on loans and valuation of derivative instruments. These risks arise in connection with transitioning contracts to a new alternative rate, including any resulting value transfer that may occur. The value of loans or derivative instruments tied to LIBOR could also be impacted if LIBOR is limited or discontinued. For some instruments, the method of transitioning to an alternative rate may be challenging, as they may require negotiation with the respective counterparty.

If a contract is not transitioned to an alternative rate and LIBOR is discontinued, the impact on our contracts is likely to vary by contract. If LIBOR is discontinued or if the methods of calculating LIBOR change from their current form, interest rates on our current or future indebtedness may be adversely affected.

While we expect LIBOR to be available in substantially its current form until the end of 2021, it is possible that LIBOR will become unavailable prior to that point. This could result, for example, if sufficient banks decline to make submissions to the LIBOR administrator. In that case, the risks associated with the transition to an alternative reference rate will be accelerated and magnified. As such, the future of LIBOR and potential alternatives at this time remains uncertain.

The U.K.'s withdrawal from the European Union ("E.U.") may negatively impact the value of certain of our assets.

In March 2017 the U.K. initiated a two-year negotiation period preceding its withdrawal from the E.U. ("Brexit"). On January 29, 2020, the U.K. Parliament approved a withdrawal agreement submitted on January 22, 2020, and the U.K. officially withdrew from the E.U. on January 31, 2020. There is a transition period through December 2020, with an option to extend an additional one to two years, to allow for businesses and individuals to adjust to its changes, during which all E.U. regulations will continue to apply to the U.K. Trade negotiations are expected to begin in early March 2020, but the nature of the economic relationship between the E.U. and U.K. remains uncertain, and there is no guarantee that both parties will be able to reach an agreement before the transition period expires. The uncertainty surrounding Brexit has contributed to increased political and economic volatility in the global financial markets. Although the long-term impact on economic conditions is uncertain, Brexit may have an adverse effect on the rate of economic growth in the U.K. and Europe, which may negatively impact asset values in those regions. For example, as a result of Brexit, the U.K. may lose access to global trade deals negotiated by the E.U. on behalf of its members, which could impact the attractiveness of the U.K. as a global business and financial center and thereby impact the rate of economic growth in the U.K.

In addition, since the result of the Brexit referendum in mid-2016, the British pound has experienced periods of weakness, and there can be no assurance that such weakness will not be exacerbated upon Brexit's effectiveness. Continued weakness or a further decline in the value of the British pound may negatively impact the mark-to-market valuations of our British pound-denominated investments. Weakness or significant fluctuation in currency exchange rates may also adversely impact our financial results as a result of the conversion of investment principal and income from one currency into another.

Even after the ratification of the withdrawal agreement, U.K. regulated firms and other U.K. businesses could still be adversely affected by the terms ultimately agreed for a future trading relationship with the E.U. A tariff or non-tariff barrier, customs checks, the inability to provide cross-border services, changes in withholding tax, restrictions on movements of employees, restrictions on the transfer of personal data, etc., all have the potential to materially impair the profitability of a business, require it to adapt, or even relocate.

Unpredictability about the terms of the U.K.'s withdrawal and its future legal, political and economic relationships with Europe is likely to be an ongoing source of instability, produce significant currency fluctuations, and have other adverse effects on international markets, international trade agreements and/or other existing cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise). The withdrawal of the U.K. from the E.U. could therefore adversely affect our business, business opportunities, results of operations, financial conditions, cash flows and our tenants' businesses.

Risks Related to Preferred Units

The market price of our Preferred Units may be adversely affected by the future issuance and sale of additional Preferred Units, including pursuant to the sales agreement, or by our announcement that such issuances and sales may occur.

We cannot predict the size of future issuances or sales of our Preferred Units, including those made pursuant to the sales agreement with any of our sales agents or in connection with future acquisitions or capital raising activities, or the effect, if any, that such issuances or sales may have on the market price of our Preferred Units. In addition, the sales agents will not engage in any transactions that stabilize the price of our Preferred Units. The issuance and sale of substantial amounts of Preferred Units, including issuances and sales pursuant to the sales agreement, or announcement that such issuances and sales may occur, could adversely affect the market price of our Preferred Units.

The Preferred Units represent perpetual equity interests in us, and investors should not expect us to redeem the Preferred Units on the date the Preferred Units become redeemable by us or on any particular date afterwards.

The Series A and Series B Preferred Units represent perpetual equity interests in us, and they have no maturity or mandatory redemption date and are not redeemable at the option of investors under any circumstances. As a result, unlike our indebtedness, the Preferred Units will not give rise to a claim for payment of a principal amount at a particular date. Instead, the Series A and Series B Preferred Units may be redeemed by us at our option in the event of a Change of Control or at any time on or after April 4, 2021 for the Series A Preferred Units and on August 8, 2021 for the Series B Preferred Units, in whole or in part, out of funds legally available for such redemption, at a redemption price of $25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. Any decision we may make at any time to redeem the Series A and Series B Preferred Units will depend upon, among other things, our evaluation of our capital position and general market conditions at that time.

As a result, holders of the Series A and Series B Preferred Units may be required to bear the financial risks of an investment in the Series A and Series B Preferred Units for an indefinite period of time. The Series A Preferred Units rank in parity to the Series B Preferred Units and Series C Preferred Units with respect to distributions and distributions upon a liquidation event. In addition, the Preferred Units will rank junior to all our current and future indebtedness (including indebtedness outstanding under our revolving credit facility) and other liabilities. The Preferred Units will also rank junior to any other Senior Securities we may issue in the future with respect to assets available to satisfy claims against us.

The Preferred Units have not been rated.

We have not sought to obtain a rating for the Preferred Units, and the Preferred Units may never be rated. It is possible, however, that one or more rating agencies might independently determine to assign a rating to the Preferred Units or that we may elect to obtain a rating of the Preferred Units in the future. In addition, we may elect to issue other securities for which we may seek to obtain a rating. If any ratings are assigned to the Preferred Units in the future or if we issue other securities with a rating, such ratings, if they are lower than market expectations or are subsequently lowered or withdrawn, could adversely affect the market for or the market value of the Preferred Units. Ratings only reflect the views of the issuing rating agency or agencies and such ratings could at any time be revised downward or withdrawn entirely at the discretion of the issuing rating agency. A rating is not a recommendation to purchase, sell or hold any particular security, including the Preferred Units. Ratings do not reflect market prices or suitability of a security for a particular investor and any future rating of the Preferred Units may not reflect all risks related to us and our business, or the structure or market value of the Preferred Units.

We distribute all of our available cash to our common unitholders and are not required to accumulate cash for the purpose of meeting our future obligations to holders of the Preferred Units, which may limit the cash available to make distributions on the Preferred Units.

Our Partnership Agreement requires us to distribute all of our "available cash" each quarter to our common unitholders. "Available cash" is defined in our Partnership Agreement, and it generally means, for each fiscal quarter, all cash and cash equivalents on the date of determination of available cash for that quarter, less the amount of any cash reserves established by our general partner to:

- provide for the proper conduct of our business;
- comply with applicable law, the terms of any of our debt instruments or other agreements;
- provide funds to make payments on the Series A Preferred Units, the Series B Preferred Units or the Series C Preferred Units; or
- provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters.

As a result, we do not expect to accumulate significant amounts of cash. Depending on the timing and amount of our cash distributions, these distributions could significantly reduce the cash available to us in subsequent periods to make payments on the Preferred Units.

The Preferred Units are subordinated to our existing and future debt obligations, and your interests could be diluted by the issuance of additional units, including additional Preferred Units, and by other transactions.

The Preferred Units are subordinated to all of our existing and future indebtedness (including indebtedness outstanding under our revolving credit facility). As of December 31, 2019, our total debt was approximately $450 million, and we had the ability to borrow an additional $217.1 million (including a standby letter of credit arrangement of $2.4 million) under our revolving credit facility, subject to certain limitations. We may incur additional debt under our revolving credit facility or future debt agreements. The payment of principal and interest on our debt reduces cash available for distribution to us and on our units, including the Preferred Units.

The issuance of additional units on a parity with or senior to the Preferred Units would dilute the interests of the holders of the Preferred Units, and any issuance of Parity Securities or Senior Securities or additional indebtedness could affect our ability to pay distributions on, redeem or pay the liquidation preference on the Preferred Units. Only the Change of Control conversion right relating to the Preferred Units protects the holders of the Preferred Units in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all our assets or business, which might adversely affect the holders of the Preferred Units.

As a holder of Preferred Units you have extremely limited voting rights.

Your voting rights as a holder of Preferred Units is extremely limited. Our common units are the only class of our partnership interests carrying full voting rights. Holders of the Preferred Units generally have no voting rights.

The lack of a fixed redemption date for the Preferred Units will increase your reliance on the secondary market for liquidity purposes.

Because the Preferred Units have no stated maturity date, investors seeking liquidity will be limited to selling their Preferred Units in the secondary market absent redemption by us. We have listed the Preferred Units on NASDAQ, but an active trading market on the NASDAQ for the Series A, Series B and Series C Preferred Units may not develop or, even if it develops, may not last, in which case the trading price of the Preferred Units could be adversely affected and your ability to transfer your Preferred Units will be limited. If an active trading market does develop on the NASDAQ, the Preferred Units may trade at prices lower than the offering price. The trading price of the Preferred Units depends on many factors, including:

- prevailing interest rates;
- the market for similar securities;

- general economic and financial market conditions;
- our issuance of debt or other preferred equity securities; and
- our financial condition and results of operations.

Market interest rates may adversely affect the value of the Preferred Units.

One of the factors that will influence the price of the Preferred Units will be the distribution yield on the Preferred Units (as a percentage of the price of the Preferred Units) relative to market interest rates. An increase in market interest rates, which are currently at low levels relative to historical rates, may lead prospective purchasers of the Preferred Units to expect a higher distribution yield, and higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distribution. Accordingly, higher market interest rates could cause the market price of the Preferred Units to decrease.

Change of control conversion rights may make it more difficult for a party to acquire us or discourage a party from acquiring us.

The change of control conversion feature of the Preferred Units may have the effect of discouraging a third party from making an acquisition proposal for us or of delaying, deferring or preventing certain of our change of control transactions under circumstances that otherwise could provide the holders of our common units and Preferred Units with the opportunity to realize a premium over the then-current market price of such equity securities or that unitholders may otherwise believe is in their best interests.

Holders of Preferred Units may have liability to repay distributions.

Under certain circumstances, holders of the Preferred Units may have to repay amounts wrongfully returned or distributed to them. Under Section 17-607 of the Delaware Revised Uniform Limited Partnership Act, we may not make a distribution if the distribution would cause our liabilities to exceed the fair value of our assets. Liabilities to partners on account of their partnership interests and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

Delaware law provides that for a period of three years from the date of an impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. A purchaser of Preferred Units who becomes a limited partner is liable for the obligations of the transferring limited partner to make contributions to the Partnership that are known to such purchaser of units at the time it became a limited partner and for unknown obligations if the liabilities could be determined from our Partnership Agreement.

The Series C preferred units represent perpetual equity interests in us, and investors should not expect us to redeem the Series C preferred units on the date the Series C preferred units become redeemable by us or on any particular date afterwards.

The Series C Preferred Units represent perpetual equity interests in us, and they have no maturity or mandatory redemption date. As a result, unlike our indebtedness, the Series C Preferred Units will generally not give rise to a claim for payment of a principal amount at a particular date. Instead, the Series C Preferred Units may be redeemed by us at our option at any time on or after May 20, 2025, in whole or in part, out of funds legally available for such redemption, at a redemption price of $25.00 per Series C Preferred Unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared, or at the holder’s option. In addition, if holders of Series C Preferred Units choose not to exercise the special conversion right in connection with a fundamental change as described above, we will have the option to redeem our Series C Preferred Units, in whole but not in part, within 90 days after the last day of the related fundamental change conversion period for cash at a price of $25.00 per Series C Preferred Unit, plus accrued and unpaid distributions (whether or not earned or declared) to, but not including, the redemption date. Any decision we may make at any time to redeem the Series C Preferred Units will depend upon, among other things, our evaluation of our capital position and general market conditions at that time.

As a result, holders of the Series C Preferred Units may be required to bear the financial risks of an investment in the Series C Preferred Units for an indefinite period of time, unless they choose to convert their Series C Preferred Unit to common units. The Series C Preferred Units rank in parity to our existing Series A and Series B Preferred Units with respect to distributions and distributions upon a liquidation event. In addition, the Series C Preferred Units will rank junior to all our current and future indebtedness, and other liabilities. The Series C Preferred Units will also rank junior to any other Senior Securities we may issue in the future with respect to assets available to satisfy claims against us.

Until May 15, 2025, the distribution payable on the Series C Preferred Units will vary based on market interest rates.

Until May 15, 2025, the Series C Preferred Units will, subject to the LIBOR floor discussed in clause (i), have a floating distribution rate set each quarterly distribution period at a percentage of the $25.00 liquidation preference equal to the greater of (i) 7.00% per annum, and (ii) a floating rate of the then-current three-month LIBOR plus a spread of 4.698%. The per annum distribution rate that is determined on the relevant determination date will apply to the entire quarterly distribution period following such determination date even if LIBOR increases during that period. As a result, holders of Series C Preferred Units will be subject to risks associated with fluctuation in interest rates and the possibility that holders will receive distributions that are lower than expected. We have no control over a number of factors, including economic, financial and political events, that impact market fluctuations in interest rates, which have in the past and may in the future experience volatility.

Increased regulatory oversight, changes in the method pursuant to which the LIBOR rates are determined and potential phasing out of LIBOR after 2021 may adversely affect the value of the Series C Preferred Units.

Regulators and law enforcement agencies in the U.K. and elsewhere are conducting civil and criminal investigations into whether the banks that contribute to the BBA in connection with the calculation of daily LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR. A number of BBA member banks have entered into settlements with their regulators and law enforcement agencies with respect to this alleged manipulation of LIBOR. On July 27, 2017, the FCA announced that it will no longer persuade or compel banks to submit LIBOR rates after 2021 (the "FCA Announcement"). Based on the FCA Announcement, it appears likely that LIBOR will be discontinued or modified by 2021.

Under the terms of the Series C Preferred Units, the floating component of the distribution rate on the Series C Preferred Units for each distribution period during the Floating Rate Period is based on the three-month LIBOR. If the calculation agent is unable to determine the three-month LIBOR based on screen-based reporting of that base rate, and if the calculation agent is also unable to obtain suitable quotations for the three-month LIBOR from reference banks, then the calculation agent will determine the three-month LIBOR after consulting such sources as it deems comparable or reasonable. In addition, if the calculation agent determines that the three-month LIBOR has been discontinued, then the calculation agent will determine whether to calculate the relevant distribution rate using a substitute or successor base rate that it has determined in its sole discretion is most comparable to the three-month LIBOR, provided that if the calculation agent determines there is an industry-accepted successor base rate, the calculation agent will use that successor base rate. In such instances, the calculation agent in its sole discretion may determine what business day convention to use, the definition of business day, the distribution determination date to be used and any other relevant methodology for calculating such substitute or successor base rate, including any adjustment factor needed to make such substitute or successor base rate comparable to the three-month LIBOR, in a manner that is consistent with industry-accepted practices for such substitute or successor base rate, with respect to the calculation of distributions on the Series C Preferred Units during the Floating Rate Period. Any of the foregoing determinations or actions by the calculation agent could result in adverse consequences to the applicable distribution rate on the Series C Preferred Units during the Floating Rate Period, which could adversely affect the return on, value of and market for the Series C Preferred Units.

The increased conversion rate for the Series C Preferred Units triggered by a fundamental change could discourage a potential acquiror.

The increased conversion rate triggered by a fundamental change could discourage a potential acquirer, including potential acquirors that otherwise seek a transaction with us that would be attractive to holders.

A change in control with respect to the Partnership may not constitute a fundamental change for the purpose of the Series C Preferred Units.

The Series C Preferred Units contain no covenants or other provisions to afford protection in the event of a change in control with respect to the Partnership, except upon the occurrence of a fundamental change. However, the term "fundamental change" is limited and may not include every change-in-control event that might cause the market price of the Series C Preferred Units to decline. As a result, rights of holders under the Series C Preferred Units may not preserve the value of the Series C Preferred Units in the event of a change in control with respect to us. In addition, any change in control with respect to the Partnership may negatively affect the liquidity, value or volatility of our common units, negatively impacting the value of the Series C Preferred Units.

The adjustment of the conversion rate for the Series C Preferred Units in respect of conversions during a fundamental change conversion period may not adequately compensate holders of Series C Preferred Units.

If a fundamental change occurs, holders of Series C Preferred Units will have the right to convert some or all of their Series C Preferred Units during the fundamental change conversion period into the greater of:

- a number of common units in our Partnership Agreement; and
- a number of common units equal to the lesser of (a) the liquidation preference divided by the market value of our common units on the effective date of such fundamental change and (b) 11.13 (subject to adjustment).

The adjustment to the conversion rate described above may not wholly compensate holders of Series C Preferred Units for the lost option value of their Series C Preferred Units or the lost liquidation preference. Upon a conversion during a fundamental change conversion period, holders of Series C Preferred Units may receive value that is less than the liquidation preference of their Series C Preferred Units.

Our obligation to deliver the make-whole premium or to adjust the conversion rate in respect of conversions during a fundamental change conversion period could be considered a penalty, in which case the enforceability thereof would be subject to general principles of reasonableness, as applied to such payments.

Holders of Series C Preferred Units will have no rights with respect to the underlying common units until they convert their Series C Preferred Units, but holders of Series C Preferred Units may be adversely affected by certain changes made with respect to our common units.

Holders of Series C Preferred Units will have no rights with respect to our common units underlying their Series C Preferred Units, including voting rights, rights to respond to common unit tender offers, if any, and rights to receive distributions or other distributions on our common units, if any (in each case, other than through a conversion rate adjustment), prior to the conversion date with respect to a conversion of Series C Preferred Units, but an investment in our Series C Preferred Units may be negatively affected by these events. Upon conversion, holders of Series C Preferred Units will be entitled to exercise the rights of a holder of common units only as to matters for which the relevant record date occurs on or after the conversion date. For example, in the event that an amendment is proposed to our Partnership Agreement requiring unitholder approval and the record date for determining the unitholders of record entitled to vote on the amendment occurs prior to the conversion date, holders of Series C Preferred Units will not be entitled to vote on the amendment, although they will nevertheless be subject to any changes in the powers, preferences or special rights of our common units.

Future sales of our common units in the public market could lower the market price for our common units and adversely affect the trading price of the Series C Preferred Units.

In the future, we may sell additional common units to raise capital. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common units. The issuance and sale of substantial amounts of common units, or the perception that such issuances and sales may occur, could adversely affect the trading price of the Series C Preferred Units and the market price of our common units and impair our ability to raise capital through the sale of additional equity securities.

The conversion rate of the Series C Preferred Units may not be adjusted for all dilutive events.

The number of common units that holders of Series C Preferred Units are entitled to receive upon conversion of Series C Preferred Units is subject to adjustment for certain specified events, including, but not limited to, the issuance of certain unit distributions on our common units, the issuance of certain rights or warrants, subdivisions, combinations, distributions of equity securities, indebtedness, or assets, certain cash distributions and certain issuer tender or exchange offers. However, the conversion rate may not be adjusted for other events, such as offerings of our common units or securities convertible into common units (other than as set forth in our partnership) for cash or in connection with acquisitions, which may adversely affect the market price of our common units. Further, if any of these other events adversely affects the market price of our common units, we expect it to also adversely affect the market price of the Series C Preferred Units. In addition, the terms of our Series C Preferred Units do not restrict our ability to offer common units or securities convertible into common units in the future or to engage in other transactions that could dilute our common units. We have no obligation to consider the interests of the holders of our Series C Preferred Units in engaging in any such offering or transaction. If we issue additional common units, those issuances may materially and adversely affect the market price of our common units and, in turn, those issuances may adversely affect the trading price of the Series C Preferred Units.

Recent regulatory actions may adversely affect the trading price and liquidity of the Series C Preferred Units.

Holders of Series C Preferred Units may employ, or seek to employ, a convertible arbitrage strategy with respect to the Series C Preferred Units. Holders that employ a convertible arbitrage strategy with respect to convertible securities typically implement that strategy by selling short the security underlying the convertible security (i.e., our common units in the case of the Series C Preferred Units) and dynamically adjusting their short position while they hold the convertible security. Holders may also implement this strategy by entering into swaps on the underlying security in lieu of or in addition to short selling the underlying security. As a result, any specific rules regulating equity swaps or short selling of securities or other governmental action that interferes with the ability of market participants to effect short sales or equity swaps with respect to our common units could adversely affect the ability of holders of the Series C Preferred Units to conduct the convertible arbitrage strategy that we believe they may employ, or seek to employ, with respect to the Series C Preferred Units. This could, in turn, adversely affect the trading price and liquidity of the Series C Preferred Units.

The SEC and other regulatory and self-regulatory authorities have implemented various rules and taken certain actions, and may in the future adopt additional rules and take other actions, that may impact those engaging in short selling activity involving equity securities (including our common units). These rules and actions include Rule 201 of SEC Regulation SHO, the adoption by the Financial Industry Regulatory Authority, Inc. and the national securities exchanges of a "Limit Up-Limit Down" program, the imposition of market-wide circuit breakers that halt trading of securities for certain periods following specific market declines, and the implementation of certain regulatory reforms required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. Any governmental or regulatory action that restricts the ability of holders of the Series C Preferred Units to effect short sales of our common units or enter into swaps on our common units could adversely affect the trading price and the liquidity of the Series C Preferred Units.

In addition, if holders of Series C Preferred Units seeking to employ a convertible arbitrage strategy are unable to borrow or enter into swaps on our common units, in each case on commercially reasonable terms, the trading price and liquidity of the Series C Preferred Units may be adversely affected.

Holders of Series C Preferred Units may have liability to repay distributions.

Under certain circumstances, holders of the Series C Preferred Units may have to repay amounts wrongfully returned or distributed to them. Under Section 17-607 of the Delaware Revised Uniform Limited Partnership Act, we may not make a distribution if the distribution would cause our liabilities to exceed the fair value of our assets. Liabilities to partners on account of their partnership interests and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

Delaware law provides that for a period of three years from the date of an impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Delaware law will be liable to the limited partnership for the distribution amount. A purchaser of Series C Preferred Units who becomes a limited partner is liable for the obligations of the transferring limited partner to make contributions to the Partnership that are known to such purchaser of units at the time it became a limited partner and for unknown obligations if the liabilities could be determined from our Partnership Agreement.

Upon a conversion in connection with a fundamental change under the Series C Preferred Units, holders of Series C Preferred Units may receive consideration worth less than the $25.00 liquidation preference per Series C Preferred Unit, plus any accumulated and unpaid distributions thereon.

If a "fundamental change" under the Series C Preferred Units occurs and regardless of the price paid (or deemed paid) per common unit in such fundamental change, then holders of the Series C Preferred Units will have the right to convert their units at an adjusted conversion rate that is designed to increase the value of the common units deliverable upon conversion of each Series C Preferred Unit to the $25.00 liquidation preference per Series C Preferred Unit, plus any accumulated and unpaid distributions thereon. However, if the price paid (or deemed paid) in such fundamental change is less than a certain amount, holders will receive a number of common units worth less than the $25.00 liquidation preference per Series C Preferred Unit, plus any accumulated and unpaid distributions thereon. Holders of Series C Preferred Units will have no claim against us for the difference between the value of the consideration you receive upon a conversion in connection with a fundamental change and the $25.00 liquidation preference per Series C Preferred Unit, plus any accumulated and unpaid distributions thereon.

We may be unable to redeem the Series C Preferred Units upon its redemption at the option of the holder.

We are required to redeem a holder's Series C Preferred Units following the investor's exercise of its redemption right . If we do not have sufficient funds available to fulfill these obligations, we may be unable to satisfy the holder's put right.

The Series C Preferred Units may adversely affect the market price of our common units.

The market price of our common units is likely to be influenced by the Series C Preferred Units. For example, the market price of our common units could become more volatile and could be depressed by:

- investors' anticipation of the potential resale in the market of a substantial number of additional common units received upon conversion of the Series C Preferred Units;
- possible sales of our common units by investors who view the Series C Preferred Units as a more attractive means of equity participation in us than owning our common units; and
- hedging or arbitrage trading activity that may develop involving the Series C Preferred Units and our common units.

Tax Risks

Our tax treatment depends on our status as a partnership for federal income tax purposes. If the Internal Revenue Service ("IRS") were to treat us as a corporation for federal income tax purposes, which would subject us to entity-level taxation, or if we were otherwise subjected to a material amount of additional entity-level taxation, then our distributable cash flow to our unitholders would be substantially reduced.

The anticipated after-tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for federal income tax purposes. We have not requested a ruling from the IRS with respect to our treatment as a partnership for federal income tax purposes.

Despite the fact that we are a limited partnership under Delaware law, it is possible in certain circumstances for a partnership such as ours to be treated as a corporation for federal income tax purposes. A change in our business, a change in current law or our failure to satisfy the requirements under the Code could cause us to be treated as a corporation for federal income tax purposes or otherwise subject us to taxation as an entity.

If we were treated as a corporation for federal income tax purposes, we would pay federal income tax on our taxable income at the corporate tax rate, which is currently a flat rate of 21% (and a maximum of 35% for our tax years beginning prior to January 1, 2018), and would likely pay state and local income tax at varying rates. Distributions would generally be taxed again as corporate dividends (to the extent of our current and accumulated earnings and profits), and no income, gains, losses, deductions, or credits would flow through to our unitholders. Because a tax would be imposed upon us as a corporation, our distributable cash flow would be substantially reduced and we might need to raise funds to pay such corporate level tax. In addition, changes in current state law may subject us to additional entity-level taxation by individual states. Because of state budget deficits and other reasons, several states are evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise and other forms of taxation. Imposition of any such taxes may substantially reduce the cash available for distribution to our unitholders. Therefore, if we were treated as a corporation for federal income tax purposes or otherwise subjected to a material amount of entity-level taxation, there would be a material reduction in the anticipated cash flow and after-tax return to our unitholders, likely causing a substantial reduction in the value of our common units.

Our partnership agreement provides that, if a law is enacted or existing law is modified or interpreted in a manner that subjects us to taxation as a corporation or otherwise subjects us to entity-level taxation for federal, state or local income tax purposes, the minimum quarterly distribution amount and the target distribution levels may be adjusted to reflect the impact of that law on us.

The tax treatment of REITs, publicly traded partnerships or an investment in our common units could be subject to legislative, judicial or administrative changes and differing interpretations, possibly on a retroactive basis.

As described above, we completed the Reorganization in 2017 and transferred substantially all of our assets to the REIT Subsidiary. Dividends from the REIT Subsidiary will generally be publicly traded partnership qualifying income to us and taxable to our unitholders at ordinary income rates. In October 2016, we also formed Landmark Infrastructure REIT LLC, a Delaware limited liability company, that is now a subsidiary of the REIT Subsidiary. In the future, we may own and operate other assets in the REIT Subsidiary.

The present federal income tax treatment of REITs, publicly traded partnerships, including us, or an investment in our common units may be modified by administrative, legislative or judicial interpretation at any time. For example, members of Congress and the President have periodically considered substantive changes to the existing federal income tax laws that would affect the tax treatment of certain publicly traded partnerships, including the elimination of partnership tax treatment for publicly traded partnerships. Any modification to the federal income tax laws and interpretations thereof may or may not be retroactively applied and could make it more difficult or impossible for us to satisfy the requirements of the exception pursuant to which we are treated as a partnership for federal income tax purposes or for the REIT Subsidiary to qualify as a REIT. We are unable to predict whether any such changes will ultimately be enacted. However, it is possible that a change in law could affect us or the REIT Subsidiary, and any such changes could negatively impact the value of an investment in our common units.

U.S. tax legislation enacted in 2017 (the "TCJA") has significantly changed certain aspects of the U.S. federal income taxation of U.S. businesses and their owners, including publicly traded partnerships, REITs and their equity holders. Changes made by the TCJA that could affect us, the REIT Subsidiary, and our unitholders include:

- temporarily reducing individual U.S. federal income tax rates on ordinary income; the highest individual U.S. federal income tax rate has been reduced from 39.6% to 37% for taxable years beginning after December 31, 2017 and before January 1, 2026;
- permanently eliminating the progressive corporate tax rate structure, which previously imposed a maximum corporate tax rate of 35%, and replacing it with a flat corporate tax rate of 21%;
- temporarily precluding individuals, as well as certain estates and trusts, from claiming any miscellaneous itemized deductions for taxable years beginning after December 31, 2017 and before January 1, 2026;

- permitting a deduction for certain pass-through business income, including dividends from the REIT Subsidiary received by us that are not designated as capital gain dividends or qualified dividend income, which will allow individual unitholders to deduct up to 20% of such amounts for taxable years beginning after December 31, 2017 and before January 1, 2026;
- limiting a REIT's deduction for net operating losses arising in taxable years beginning after December 31, 2017 to 80% of its REIT taxable income (prior to the application of the dividends paid deduction);
- generally limiting the deduction for net business interest expense in excess of 30% of a business's "adjusted taxable income," except for taxpayers (including the REIT Subsidiary) that engage in certain real estate businesses and elect out of this rule (provided that such electing taxpayers must use an alternative depreciation system with longer depreciation periods); and
- eliminating the corporate alternative minimum tax.

The TCJA is highly complex and subject to interpretation. The presentation of our financial condition and results of operations are based upon our current interpretation of the provisions contained in the TCJA. The Treasury Department and the Internal Revenue Service continue to release regulations relating to and interpretive guidance of the TCJA. Any significant variance of our current interpretation of the TCJA from any future regulations or interpretive guidance could result in a change to the presentation of our financial condition and results of operations and could negatively affect our business.

Our unitholders' share of our income is taxable to them for federal income tax purposes even if they do not receive any cash distributions from us.

Because a unitholder is treated as a partner to whom we allocate taxable income that could be different in amount than the cash we distribute, a unitholder's allocable share of our taxable income is taxable to it, which may require the payment of federal income taxes and, in some cases, state and local income taxes, on its share of our taxable income even if it receives no cash distributions from us. Our unitholders may not receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax liability that results from that income.

If the IRS contests the federal income tax positions we take, the market for our common units may be adversely impacted and the cost of any IRS contest will reduce our distributable cash flow to our unitholders.

We have not requested a ruling from the IRS with respect to our treatment as a partnership for federal income tax purposes. We intend to furnish to each unitholder, within 90 days after the close of each calendar year, specific tax information, including a Schedule K-1, which describes his share of our income, gain, loss and deduction for our preceding taxable year. In preparing this information we will take various accounting and reporting positions. The IRS may adopt positions that differ from the positions we take, and the IRS's positions may ultimately be sustained. It may be necessary to resort to administrative or court proceedings to sustain some or all of the positions we take and such positions may not ultimately be sustained. A court may not agree with some or all of the positions we take. Any contest with the IRS, and the outcome of any IRS contest, may have a materially adverse impact on the market for our common units and the price at which they trade. In addition, our costs of any contest with the IRS will be borne indirectly by our unitholders because the costs will reduce our distributable cash flow.

If the IRS makes audit adjustments to our income tax returns for tax years beginning after December 31, 2017, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced.

Pursuant to the Bipartisan Budget Act of 2015, for tax years beginning after December 31, 2017, if the IRS makes audit adjustments to our income tax returns, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us. Generally, we expect to elect to have our unitholders take such audit adjustment into account in accordance with their interests in us during the tax year under audit, but there can be no assurance that such election will be effective in all circumstances. If we are unable to have our unitholders take such audit adjustments into account in accordance with their interests in us during the tax year under audit, our current unitholders may bear the tax liability resulting from such audit adjustment, even if such unitholders did not own units in us during the tax year under audit. If, as a result of any such audit adjustment, we are required to make payments of taxes, penalties and interest, our cash available for distribution to our unitholders might be substantially reduced. These rules are not applicable to us for tax years beginning on or prior to December 31, 2017.

Tax gain or loss on the disposition of our common units could be more or less than expected.

If our unitholders sell common units, they will recognize a gain or loss for federal income tax purposes equal to the difference between the amount realized and their tax basis in those common units. A unitholder's amount realized on his sale of common units will generally equal the amount of cash (or the fair market value of any property) he receives plus his allocable share of our nonrecourse liabilities. Because distributions in excess of their allocable share of our net taxable income decrease their tax basis in their common units, the amount, if any, of such prior excess distributions with respect to the common units a unitholder sells will, in effect, become taxable income to the unitholder if he sells such common units at a price greater than his tax basis in those common units, even if the price received is less than his original cost. Furthermore, a substantial portion of the amount realized on any sale of a unitholder's common units, whether or not representing gain, may be taxed as ordinary income due to potential recapture items, including depreciation recapture. In addition, because the amount realized includes a unitholder's share of our nonrecourse liabilities, a unitholder that sells common units may incur a tax liability in excess of the amount of cash received from the sale.

Tax-exempt entities and non-U.S. persons face unique tax issues from owning our common units that may result in adverse tax consequences to them.

Investment in common units by tax-exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs), and non-U.S. persons raises issues unique to them. For example, distributions to non-U.S. persons are reduced by withholding taxes at the highest applicable effective tax rate, and non-U.S. persons are required to file federal income tax returns and pay tax on their share of our taxable income.

We may be required to deduct and withhold amounts from distributions to foreign unitholders related to withholding tax obligations arising from the sale or disposition of our units by foreign unitholders.

Upon the sale, exchange or other disposition of a unit by a foreign unitholder, the transferee is generally required to withhold 10% of the amount realized on such sale, exchange or other disposition if any portion of the gain on such sale, exchange or other disposition would be treated as effectively connected with a U.S. trade or business. If the transferee fails to satisfy this withholding requirement, we will be required to deduct and withhold such amount (plus interest) from future distributions to the transferee. Because the "amount realized" would include a unitholder's share of our nonrecourse liabilities, 10% of the amount realized could exceed the total cash purchase price for such disposed units. Due to this fact, our inability to match transferors and transferees of units and other uncertainty surrounding the application of these withholding rules, the U.S. Department of the Treasury and the IRS have currently suspended these rules for transfers of certain publicly traded partnership interests, including transfers of our units, until regulations or other guidance has been finalized. It is unclear when such regulations or other guidance will be finalized.

We treat each purchaser of common units as having the same tax benefits without regard to the actual common units purchased. The IRS may challenge this treatment, which could adversely affect the value of the common units.

Because we cannot match transferors and transferees of common units and because of other reasons, we have adopted depreciation and amortization positions that may not conform to all aspects of existing Treasury regulations. A successful IRS challenge to those positions could adversely affect the amount of tax benefits available to you. It also could affect the timing of these tax benefits or the amount of gain from your sale of common units and could have a negative impact on the value of our common units or result in audit adjustments to your tax returns.

We prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first business day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge aspects of our proration method, and, if successful, we would be required to change the allocation of items of income, gain, loss and deduction among our unitholders.

We prorate our items of income, gain, loss and deduction between transferors and transferees of our units each month based upon the ownership of our units on the first business day of each month, instead of on the basis of the date a particular unit is transferred. The U.S. Department of Treasury and the IRS have issued Treasury regulations that permit publicly traded partnerships to use a monthly simplifying convention that is similar to ours, but they do not specifically authorize all aspects of the proration method we have adopted. If the IRS were to successfully challenge this method, we could be required to change the allocation of items of income, gain, loss and deduction among our unitholders.

A unitholder whose common units are loaned to a "short seller" to effect a short sale of common units may be considered as having disposed of those common units. If so, he would no longer be treated for federal income tax purposes as a partner with respect to those common units during the period of the loan and may recognize gain or loss from the disposition.

Because a unitholder whose common units are loaned to a "short seller" to effect a short sale of common units may be considered as having disposed of the loaned common units, he may no longer be treated for federal income tax purposes as a partner with respect to those common units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan to the short seller, any of our income, gain, loss or deduction with respect to those common units may not be reportable by the unitholder and any cash distributions received by the unitholder as to those common units could be fully taxable as ordinary income.

Treatment of distributions on our Preferred Units is uncertain.

The tax treatment of distributions on our Preferred Units is uncertain. We will treat the holders of Preferred Units as partners for tax purposes and will treat distributions paid to holders of Preferred Units as being made to such holders in their capacity as partners. If the Preferred Units are not partnership interests, they would likely constitute indebtedness for U.S. federal income tax purposes and distributions to the holders of Preferred Units would constitute ordinary interest income to holders of Preferred Units. If Preferred Units are treated as partnership interests, but distributions to holders of Preferred Units are not treated as being made to such holders in their capacity as partners, then these distributions would likely be treated as guaranteed payments for the use of capital. Guaranteed payments would generally be taxable to the recipient as ordinary income, and a recipient could recognize taxable income from the accrual of such a guaranteed payment even in the absence of a contemporaneous distribution. Holders of Preferred Units should consult their tax advisors with respect to the consequences of owning our Preferred Units.

U.S. Tax Risks Relating to Our REIT Subsidiary

Ownership limitations and transfer restrictions may restrict or prevent you from engaging in certain transfers of our common units, preferred units, or other partnership interests.

As described above, we completed the Reorganization in 2017 and transferred substantially all of our assets to the REIT Subsidiary. In connection with the Reorganization, we amended our partnership agreement to adopt ownership limitations that may restrict or prevent you from engaging in certain transfers of our common units, preferred units or other partnership interests. Pursuant to this amendment, subject to certain exceptions, no person or entity may actually or beneficially own, or be deemed to own by virtue of the applicable constructive ownership provisions of the Code, more than 9.8% of the interests in the Partnership's capital or profits, or in any class or series of outstanding partnership interests (determined based on the value or number of units of such class or series, whichever is more restrictive), including our common units and our preferred units. If you own or transfer partnership interests in a manner that would violate the ownership limit, or prevent the REIT Subsidiary from qualifying as a REIT under the Code, then those partnership interests instead will be transferred to a trust for the benefit of a charitable beneficiary and will be either redeemed by us or sold to a person whose ownership of the partnership interests will not violate the ownership limit. If this transfer to a trust fails to prevent such a violation or fails to permit the REIT Subsidiary's qualification as a REIT, then the initial intended transfer will be null and void from the outset. The intended transferee of those partnership interests will be deemed never to have owned the partnership interests. Anyone who acquires common units, preferred units, or other partnership interests in violation of the ownership limit or the other restrictions on transfer bears the risk of suffering a financial loss when the common units, preferred units, or other partnership interests are redeemed or sold if the market price of our common units, preferred units, or other partnership interests falls between the date of purchase and the date of redemption or sale.

Ownership limitations could have the effect of delaying, deferring or preventing a takeover or other transaction in which unitholders might receive a premium for their partnership interests over the then prevailing market price or which unitholders might believe to be otherwise in their best interest.

The ownership limitations may restrict the ability of future investors from consummating a purchase of the Partnership's outstanding partnership interests and thereby could have the effect of delaying, deferring or preventing a takeover or other transaction in which unitholders might receive a premium for their partnership interests over the then prevailing market price or which unitholders might believe to be otherwise in their best interest. Certain potential investors or buyers of Partnership equity may not be able to meet the ownership limitations and would therefore be unable to make an investment in the Partnership. This could have the effect of reducing the premium for which unitholders might otherwise receive in a takeover or other fundamental transaction of the Partnership.

Failure of the REIT Subsidiary to qualify, or maintain its qualification, as a REIT would have significant adverse consequences to us and the value of our common units, preferred units, and other partnership interests.

The REIT Subsidiary elected to be taxed as a REIT commencing with its taxable year ending December 31, 2017. We believe that the REIT Subsidiary has been organized in conformity with the requirements for qualification and taxation as a REIT, and that its operations have and will enable it to meet the requirements for qualification and taxation as a REIT. We have not requested and do not plan to request a ruling from the Internal Revenue Service, or an opinion of counsel, that the REIT Subsidiary qualifies as a REIT, and we cannot assure you that it does or will continue to so qualify. If the REIT Subsidiary fails to qualify as a REIT, the funds available for distribution to the Partnership will be substantially reduced because:

- the REIT Subsidiary would not be allowed a deduction for dividends paid to the Partnership in computing its taxable income and would be subject to U.S. federal income tax at regular corporate rates;
- the REIT Subsidiary could be subject to increased state, local and foreign taxes; and
- unless the REIT Subsidiary were entitled to relief under applicable statutory provisions, it could not elect to be taxed as a REIT for four taxable years following the year during which it was disqualified.

As substantially all of our operations are currently conducted by the REIT Subsidiary, any such corporate tax liability could be substantial and could significantly reduce cash available for, among other things, the REIT Subsidiary's operations and distributions to the Partnership. As a result of these factors, the REIT Subsidiary's failure to maintain its qualification as a REIT could impair our ability to expand our business, make distributions to our unitholders and raise capital, and could materially and adversely affect the value of our common units, preferred units, and other partnership interests.

Qualification as a REIT involves the application of highly technical and complex provisions of the Code for which there are only limited judicial and administrative interpretations.

The determination of various factual matters and circumstances not entirely within our control may affect our ability to maintain the REIT Subsidiary's qualification as a REIT. In order to maintain its qualification as a REIT, the REIT Subsidiary must satisfy a number of requirements, including requirements regarding the ownership of its equity interests and requirements regarding the composition of its assets and the sources of its income. If the REIT Subsidiary is not able to maintain compliance with the various REIT qualification requirements, the REIT Subsidiary, among other things, could lose its REIT status.

The REIT Subsidiary's disposition of its assets may jeopardize its qualification as a REIT, or create additional tax liability for the REIT Subsidiary.

To qualify as a REIT, among other things, the REIT Subsidiary must comply with requirements regarding its ownership, the composition of its assets and the sources of its income. If the REIT Subsidiary is compelled to dispose of its investments, for example to repay obligations to its lenders, including those under the Partnership's Second Amended and Restated Credit Agreement, it may be unable to comply with these requirements, jeopardizing its qualification as a REIT. In addition, the REIT Subsidiary may be subject to a 100% penalty tax on any gain resulting from its sale of assets that are treated as dealer property or inventory. The possibility of this tax may prevent the REIT Subsidiary from selling its assets when it would like to do so.

In addition, to qualify as a REIT, the REIT Subsidiary generally must distribute to its owners at least 90% of its net taxable income each year (excluding any net capital gains), and it will be subject to regular corporate income tax to the extent that it distributes less than 100% of its net taxable income each year (including any net capital gains). In addition, it will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions it pays in any calendar year are less than the sum of 85% of its ordinary income, 95% of its net capital gains, and 100% of its undistributed income from prior years. To maintain its REIT status and avoid the payment of federal income and excise taxes, the REIT Subsidiary may need to borrow funds to meet the REIT distribution requirements, even if the then-prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from differences in timing between the actual receipt of income and inclusion of income for federal income tax purposes. The REIT Subsidiary's access to third-party sources of capital depends on a number of factors, including the market's perception of its business and prospects, its current debt levels, and its current and potential future earnings. We cannot assure you that the REIT Subsidiary will have access to such capital on favorable terms at the desired times, or at all, which may cause it to curtail its investment activities and/or to dispose of assets at inopportune times, and could adversely affect its and our financial condition, results of operations, cash flow and the value of our common units, preferred units, and other partnership interests. In addition, the REIT Subsidiary may make use of "consent dividends" to meet the REIT distribution requirements, which would result in dividend income to the Partnership for federal income tax purposes, even though we would not receive a related cash distribution. Any such consent dividends could create phantom income (i.e., income without commensurate cash) for us and for our common unitholders.

Even if the REIT Subsidiary qualifies as a REIT, it may be subject to tax.

Even if the REIT Subsidiary maintains its qualification as a REIT for U.S. federal income tax purposes, the REIT Subsidiary may be subject to federal, state and local income, property and excise taxes on its income or property and, in certain cases, a 100% penalty tax, in the event it sells property as a dealer. Subsidiaries of the REIT Subsidiary that are "taxable REIT subsidiaries" will generally be required to pay federal corporate income tax on their earnings. In addition, because of our foreign operations, subsidiaries of the REIT Subsidiary are subject to foreign income and property taxes. Any taxes that the REIT Subsidiary and its subsidiaries must pay reduce the cash available for distribution to the Partnership and thus to our unitholders.

Dividends payable by REITs generally do not qualify for the reduced tax rates available for some dividends.

We anticipate that the majority of our income will consist of dividend income from the REIT Subsidiary, and this dividend income will be allocated among our unitholders. Whereas qualified dividend income allocated to unitholders that are individuals, trusts and estates generally is subject to tax at preferential rates, subject to limited exceptions, dividends payable by REITs, including the REIT Subsidiary, are not eligible for these reduced rates and are taxable at ordinary income tax rates but, under the TCJA, U.S. stockholders that are individuals, trusts and estates generally may deduct 20% of ordinary dividends from a REIT for taxable years beginning after December 31, 2017 and before January 1, 2026. The more favorable rates applicable to regular corporate qualified dividends could cause investors who are individuals, trusts and estates to perceive an investment in us to be relatively less attractive than investments in the stocks of corporations that pay qualified dividends, which could have adverse consequences to the value of our common units, preferred units, and other partnership interests.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

See Item 1., “Business and Properties.”

ITEM 3. Legal Proceedings

Although we may, from time to time, be involved in litigation and claims arising out of our operations in the normal course of business, we are not a party to any litigation or governmental or other proceeding that we believe will have a material adverse impact on our financial condition or results of operations. In addition, pursuant to the terms of the various agreements under which we acquired assets from Landmark and affiliates, Landmark and affiliates will indemnify us for certain losses resulting from any breach of their representations, warranties or covenants contained in the various agreements, subject to certain limitations and survival periods.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

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

Our common units are listed on the NASDAQ Global Market under the symbol "LMRK". Our common units represent limited partner interests in us that entitle the holders to the rights and privileges specified in our partnership agreement.

Cash Distributions

We intend to pay at least a quarterly distribution of $0.3675 per unit to the holders of our common units, or $1.47 per unit on an annualized basis, to the extent we have sufficient available cash after the establishment of cash reserves and the payment of costs and expenses, including any reimbursements of expenses to our general partner. However, there is no guarantee that we will pay the quarterly distribution on our units in any quarter. The amount of distributions paid under our cash distribution policy and the decision to pay any distribution will be determined by our general partner, taking into consideration the terms of our partnership agreement. Please read “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Revolving Credit Facility” for a discussion of the restrictions included in our revolving credit facility that may restrict our ability to pay distributions.

As of February 24, 2020, we had 119 unitholders of record of 25,470,232 common units outstanding. The number of unitholders of record does not include a substantially greater number of “street name” holders or beneficial holders of our common units, whose units are held of record by banks, brokers and other financial institutions.

Distributions of Available Cash

General

Our partnership agreement requires that, within 45 days after the end of each quarter, beginning with the quarter ending December 31, 2014, we distribute all of our available cash to unitholders of record on the applicable record date.

Definition of Available Cash

Available cash generally means, for any quarter, all cash and cash equivalents on hand at the end of that quarter:

- *less*, the amount of cash reserves established by our general partner to:
    - provide for the proper conduct of our business (including reserves for our future capital expenditures and anticipated future debt service requirements);
    - comply with applicable law, any of our or our subsidiaries’ debt instruments or other agreements; or
    - provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters (provided that our general partner may not establish cash reserves for distributions if the effect of the establishment of such reserves will prevent us from distributing the minimum quarterly distribution on all common units and any cumulative arrearages on such common units for the current quarter).
- *plus*, if our general partner so determines, all or any portion of the cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made subsequent to the end of such quarter.

The purpose and effect of the last bullet point above is to allow our general partner, if it so decides, to use cash from working capital borrowings made after the end of the quarter but on or before the date of determination of available cash for that quarter to pay distributions to unitholders. Under our partnership agreement, working capital borrowings are generally borrowings that are made under a credit facility, commercial paper facility or similar financing arrangement, and in all cases are used solely for working capital purposes or to pay distributions to partners and with the intent of the borrower to repay such borrowings within twelve months with funds other than from additional working capital borrowings.

Intent to Distribute the Minimum Quarterly Distribution

We intend to pay at least a minimum quarterly distribution to the holders of our common units of $0.2875 per unit, or $1.15 per unit on an annualized basis, to the extent we have sufficient available cash after the establishment of cash reserves and the payment of costs and expenses, including reimbursements of expenses to our general partner. However, there is no guarantee that we will pay the minimum quarterly distribution on our units in any quarter. The amount of distributions paid under our cash distribution policy and the decision to pay any distribution will be determined by our general partner, taking into consideration the terms of our partnership agreement.

General Partner Interest and Incentive Distribution Rights

Our general partner owns a non-economic general partner interest in us, which does not entitle it to receive cash distributions. However, our general partner may own other equity interests in us and may be entitled to receive distributions on any such interests.

Our general partner also holds incentive distribution rights that will entitle it to receive increasing percentages, up to a maximum of 50%, of the available cash we distribute from operating surplus (as defined below) in excess of $0.330625 per unit per quarter. The General Partner irrevocably waived its right to receive the incentive distribution and incentive allocations related to each quarterly distribution during the year ended December 31, 2019 and for the three months ended September 30, 2018 and December 31, 2018. The maximum distribution of 50% does not include any distributions that our general partner or its affiliates may receive on common units that they may own.

Percentage Allocations of Available Cash from Operating Surplus

The following table illustrates the percentage allocations of available cash from operating surplus between the unitholders and our general partner based on the specified target distribution levels. The amounts set forth under “Marginal percentage interest in distributions” are the percentage interests of our general partner and the unitholders in any available cash from operating surplus we distribute up to and including the corresponding amount in the column “Total quarterly distribution per unit target amount.” The percentage interests shown for our unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests set forth below for our general partner assume that our general partner has not transferred its incentive distribution rights and that there are no arrearages on common units.

	Total quarterly distribution per unit target amount	Marginal percentage interest in distributions	
		Unitholders	General Partner
Minimum Quarterly Distribution	$ 0.287500	100%	—%
First Target Distribution	above $0.287500 up to $0.330625	100%	—%
Second Target Distribution	above $0.330625 up to $0.359375	85%	15%
Third Target Distribution	above $0.359375 up to $0.431250	75%	25%
Thereafter	above $0.431250	50%	50%

Subordinated Units and Subordination Period

General

- Our partnership agreement provides that, during the subordination period, the common units have the right to receive distributions of available cash from operating surplus each quarter in an amount equal to $0.2875 per common unit, which amount is defined in our partnership agreement as the minimum quarterly distribution, plus any arrearages in the payment of the minimum quarterly distribution on the common units from prior quarters, before any distributions of available cash from operating surplus may be made on the subordinated units. These units are deemed “subordinated” because for a period of time, referred to as the subordination period, the subordinated units are not entitled to receive any distributions until the common units have received the minimum quarterly distribution plus any arrearages in the payment of the minimum quarterly distribution on the common units from prior quarters.

The requirements described above for the subordinated units to convert were satisfied upon the payment of our quarterly cash distribution on February 14, 2018. Therefore, effective February 15, 2018, all of our subordinated units which are owned by Landmark, were converted on a one-for-one basis into common units. The conversion of subordinated units did not impact the amount of cash distributions or total number of outstanding units.

Recent Sales of Unregistered Securities

In connection with the acquisition of certain tenant sites and real property interests from Landmark Divided Growth Fund-H LLC (“Fund H”), we issued 1,506,421 Common Units on January 18, 2018. In connection with the Fund G drop-down acquisition, we issued 221,729 Common Units to Fund G on April 28, 2017. The issuances were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. See Note 3 to the Consolidated Financial Statements for additional information.

Table of Contents

ITEM 6. Selected Financial Data

The following table includes selected financial data of Landmark Infrastructure Partners LP for the years and as of the dates indicated (in thousands, except per unit and tenant sites data). The following tables should be read in conjunction with Item 7., “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and our consolidated financial statements and accompanying notes in Item 15., “Exhibits, Financial Statement Schedules.”

	Year Ended December 31,				
	2019	2018	2017	2016	2015
Statements of Operations Data:					
Revenue					
Rental revenue	$ 59,340	$ 64,765	$ 52,625	$ 41,171	$ 33,597
Expenses					
Management fees to affiliate	—	—	—	196	480
Property operating	1,983	1,147	394	107	36
General and administrative	5,567	4,731	5,286	3,755	2,923
Acquisition-related	1,163	3,287	1,287	2,906	4,016
Amortization	14,235	16,152	13,537	11,191	8,651
Impairments	2,288	1,559	848	1,275	3,902
Total expenses	25,236	26,876	21,352	19,430	20,008
Total other income and expenses	(8,715)	78,159	(15,142)	(11,820)	(12,384)
Income before income tax expense (benefit)	25,389	116,048	16,131	9,921	1,205
Income tax expense (benefit)	3,783	227	(3,145)	—	—
Net income	$ 21,606	$ 115,821	$ 19,276	$ 9,921	$ 1,205
Less: Pre-acquisition net income from Drop-down Assets	—	—	—	48	469
Less: Net income attributable to noncontrolling interest	31	27	19	—	—
Net income attributable to limited partners	21,575	115,794	19,257	9,873	736
Less: Distributions declared to preferred unitholders	(11,883)	(10,630)	(6,673)	(2,660)	—
Less: General partner's incentive distribution rights	(788)	(784)	(488)	(110)	—
Less: Accretion of Series C preferred units	(641)	—	—	—	—
Net income attributable to common and subordinated unitholders	$ 8,263	$ 104,380	$ 12,096	$ 7,103	$ 736
Net income (loss) per common and subordinated unit:					
Common units – basic	$ 0.33	$ 4.25	$ 0.54	$ 0.46	$ 0.16
Common units – diluted	$ 0.33	$ 3.97	$ 0.53	$ 0.41	$ 0.07
Subordinated units – basic and diluted	$ —	$ (0.78)	$ 0.50	$ 0.23	$ (0.16)
Cash distributions declared per common and subordinated unit	$ 1.47	$ 1.47	$ 1.47	$ 1.35	$ 1.25
Balance Sheet Data (End of Period):					
Land and real property interests, before accumulated amortization	$ 754,086	$ 675,281	$ 718,381	$ 578,875	$ 466,052
Land and real property interests, after accumulated amortization	$ 704,071	$ 636,212	$ 680,564	$ 552,908	$ 449,671
Total assets	$ 855,605	$ 786,613	$ 767,999	$ 603,060	$ 485,619
Revolving credit facility	$ 232,907	$ 155,000	$ 304,000	$ 224,500	$ 233,000
Secured debt facilities	$ —	$ —	$ —	$ —	$ 74,136
Secured Notes, net	$ 217,098	$ 223,685	$ 187,249	$ 112,435	$ —
Total liabilities	$ 486,281	$ 401,628	$ 513,641	$ 358,730	$ 328,257
Equity	$ 321,658	$ 337,677	$ 254,358	$ 244,330	$ 157,362
Statement of Cash Flow Data:					
Cash flow provided by operating activities	$ 31,663	$ 31,256	$ 28,473	$ 21,465	$ 15,955
Cash flow used in investing activities	$ (52,906)	$ (37,533)	$ (140,128)	$ (156,468)	$ (134,211)
Cash flow provided by (used in) financing activities	$ 26,460	$ (13,652)	$ 133,981	$ 138,649	$ 119,929
Other Data:					
Total number of leased tenant sites (end of period)	2,025	1,920	2,239	1,956	1,844
EBITDA(1)	$ 57,794	$ 156,473	$ 48,067	$ 35,035	$ 20,814
Adjusted EBITDA(1)	$ 63,547	$ 65,305	$ 51,749	$ 40,074	$ 32,067
FFO attributable to common and subordinated unitholders (1)	$ 14,636	$ 23,914	$ 26,974	$ 19,353	$ 13,521
AFFO attributable to common and subordinated unitholders (1)	$ 33,085	$ 33,424	$ 28,825	$ 21,495	$ 14,558

(1) For a definition of the non-GAAP financial measure of EBITDA, Adjusted EBITDA, FFO and AFFO and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, please read “Selected Financial Data – Non-GAAP Financial Measures.”

Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

We define EBITDA as net income before interest, income taxes, depreciation and amortization, and we define Adjusted EBITDA as EBITDA before impairments, acquisition-related expenses, unrealized and realized gains and losses on derivatives, loss on extinguishment of debt, gains and losses on sale of real property interests, unit-based compensation, straight line rental adjustments, amortization of above- and below-market rents plus cash receipts applied toward the repayments of investments in receivable, the deemed capital contribution to fund our general and administrative expense reimbursement and adjustments for investments in unconsolidated joint ventures. During the third quarter of 2019, we changed our definition of EBITDA to exclude adjustments for investments in unconsolidated joint venture to adhere to the definition of EBITDA as described in item 10(e)(1)(ii)(A) of Regulation S-K. During the fourth quarter 2017, we changed our definition of Adjusted EBITDA by adding cash receipts applied toward the repayments of investments in receivables. We made this change to better reflect the quarterly amount of operating surplus as determined by our amended and restated partnership agreement. These changes did not have a material impact on our EBITDA or Adjusted EBITDA and prior period amounts have been recasted to conform to current presentation.

EBITDA and Adjusted EBITDA are non-GAAP supplemental financial measures that management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies, may use to assess:

- our operating performance as compared to other publicly traded limited partnerships, without regard to historical cost basis or, in the case of EBITDA and Adjusted EBITDA, financing methods;
- the ability of our business to generate sufficient cash to support our decision to make distributions to our unitholders;
- our ability to incur and service debt and fund capital expenditures; and
- the viability of acquisitions and the returns on investment of various investment opportunities.

We believe that the presentation of EBITDA and Adjusted EBITDA in this Annual Report on Form 10-K provides information useful to investors in assessing our financial condition and results of operations. The GAAP measures most directly comparable to EBITDA and Adjusted EBITDA are net income and net cash provided by operating activities. EBITDA and Adjusted EBITDA should not be considered as an alternative to GAAP net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Each of EBITDA and Adjusted EBITDA has important limitations as analytical tools because they exclude some, but not all, items that affect net income and net cash provided by operating activities, and these measures may vary from those of other companies. You should not consider EBITDA and Adjusted EBITDA in isolation or as a substitute for analysis of our results as reported under GAAP. As a result, because EBITDA and Adjusted EBITDA may be defined differently by other companies in our industry, EBITDA and Adjusted EBITDA as presented below may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

The following table sets forth a reconciliation of our historical EBITDA and Adjusted EBITDA for the periods presented to net cash provided by operating activities and net income (in thousands):

	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net cash provided by operating activities	$ 31,663	$ 31,256	$ 28,473	$ 21,465	$ 15,955
Unit-based compensation	(130)	(70)	(105)	(105)	(105)
Unrealized gain (loss) on derivatives	(7,327)	1,010	1,675	2,306	(446)
Loss on early extinguishment of debt	—	(157)	—	(1,703)	(1,872)
Amortization expense	(14,235)	(16,152)	(13,537)	(11,191)	(8,651)
Amortization of above- and below-market rents, net	890	1,226	1,226	1,338	1,467
Amortization of deferred loan costs and discount on secured notes	(3,097)	(3,809)	(2,237)	(1,703)	(1,902)
Receivables interest accretion	9	3	7	36	33
Impairments	(2,288)	(1,559)	(848)	(1,275)	(3,902)
Gain (loss) on sale of real property interests	17,985	99,884	(5)	374	237
Allowance for doubtful accounts and investments in receivables	(126)	(60)	(215)	(182)	—
Equity income from unconsolidated joint venture	398	59	—	—	—
Distributions of earnings from unconsolidated joint venture	(3,383)	—	—	—	—
Foreign currency transaction loss	(2,433)	(6)	—	—	—
Working capital changes	3,680	4,196	4,842	561	391
Net income	$ 21,606	$ 115,821	$ 19,276	$ 9,921	$ 1,205
Interest expense	18,170	24,273	18,399	13,923	10,958
Amortization expense	14,235	16,152	13,537	11,191	8,651
Income tax expense (benefit)	3,783	227	(3,145)	—	—
EBITDA[(1)]	$ 57,794	$ 156,473	$ 48,067	$ 35,035	$ 20,814
Impairments	2,288	1,559	848	1,275	3,902
Acquisition-related	1,163	3,287	1,287	2,906	4,016
Unrealized (gain) loss on derivatives	7,327	(1,010)	(1,675)	(2,306)	446
Realized loss on derivatives	—	—	—	99	140
Loss on early extinguishment of debt	—	157	—	1,703	1,872
(Gain) loss on sale of real property interests	(17,985)	(99,884)	5	(374)	(237)
Unit-based compensation	130	70	105	105	105
Straight line rent adjustments	600	235	(358)	(514)	(338)
Amortization of above- and below-market rents, net	(890)	(1,226)	(1,226)	(1,338)	(1,467)
Repayments of investments in receivables	564	1,108	1,180	905	704
Adjustments for investment in unconsolidated joint venture	6,169	1,697	—	—	—
Foreign currency transaction loss	2,433	6	—	—	—
Deemed capital contribution due to cap on general and administrative expense reimbursement	3,954	2,833	3,516	2,578	2,110
Adjusted EBITDA[(1)]	$ 63,547	$ 65,305	$ 51,749	$ 40,074	$ 32,067

(1) For a definition of the non-GAAP financial measure of EBITDA and Adjusted EBITDA, please read “Selected Financial Data – Non-GAAP Financial Measures.”

Funds from Operations (“FFO”) and Adjusted Funds from Operations (“AFFO”)

FFO, is a non-GAAP financial measure of operating performance of an equity REIT in order to recognize that income-producing real estate historically has not depreciated on the basis determined under GAAP. We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trust (“NAREIT”). FFO represents net income (loss) excluding real estate related depreciation and amortization expense, real estate related impairment charges, gains (or losses) on real estate transactions, adjustments for unconsolidated joint venture, and distributions to preferred unitholders and noncontrolling interests.

FFO is generally considered by industry analysts to be the most appropriate measure of performance of real estate companies. FFO does not necessarily represent cash provided by operating activities in accordance with GAAP and should not be considered an alternative to net earnings as an indication of the Partnership's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers FFO an appropriate measure of performance of an equity REIT because it primarily excludes the assumption that the value of the real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. The Partnership's computation of FFO may differ from the methodology for calculating FFO used by other equity REITs, and therefore, may not be comparable to such other REITs.

AFFO is a non-GAAP financial measure of operating performance used by many companies in the REIT industry. AFFO adjusts FFO for certain non-cash items that reduce or increase net income in accordance with GAAP. AFFO should not be considered an alternative to net earnings, as an indication of the Partnership's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers AFFO a useful supplemental measure of the Partnership's performance. The Partnership's computation of AFFO may differ from the methodology for calculating AFFO used by other equity REITs, and therefore, may not be comparable to such other REITs. We calculate AFFO by starting with FFO and adjusting for general and administrative expense reimbursement, acquisition-related expenses, unrealized gain (loss) on derivatives, straight line rent adjustments, unit-based compensation, amortization of deferred loan costs and discount on secured notes, deferred income tax expense, amortization of above and below market rents, loss on early extinguishment of debt, repayments of receivables, adjustments for investment in unconsolidated joint venture, adjustments for drop-down assets and foreign currency transaction loss. The GAAP measures most directly comparable to FFO and AFFO is net income.

The following table sets forth a reconciliation of FFO and AFFO for the periods presented (in thousands):

	Year Ended December 31,				
	2019	2018	2017	2016	2015
Net income	$ 21,606	$ 115,821	$ 19,276	$ 9,921	$ 1,205
Adjustments:					
Amortization expense	14,235	16,152	13,537	11,191	8,651
Impairments	2,288	1,559	848	1,275	3,902
(Gain) loss on sale of real property interests, net of income taxes	(14,937)	(99,884)	5	(374)	(237)
Adjustments for investment in unconsolidated joint venture	3,358	923	—	—	—
Distributions to preferred unitholders	(11,883)	(10,630)	(6,673)	(2,660)	—
Distributions to noncontrolling interests	(31)	(27)	(19)	—	—
FFO attributable to common and subordinated unitholders	$ 14,636	$ 23,914	$ 26,974	$ 19,353	$ 13,521
Adjustments:					
General and administrative expense reimbursement	3,954	2,833	3,516	2,578	2,110
Acquisition-related expenses	1,163	3,287	1,287	2,906	4,016
Unrealized (gain) loss on derivatives	7,327	(1,010)	(1,675)	(2,306)	446
Realized loss on derivatives	—	—	—	99	140
Straight line rent adjustments	600	235	(358)	(514)	(338)
Unit-based compensation	130	70	105	105	105
Amortization of deferred loan costs and discount on secured notes	3,097	3,809	2,237	3,738	6,000
Deferred income tax expense (benefit)	(32)	205	(3,215)	—	—
Amortization of above- and below-market rents, net	(890)	(1,226)	(1,226)	(1,338)	(1,467)
Loss on early extinguishment of debt	—	157	—	1,703	1,872
Repayments of receivables	564	1,108	1,180	905	704
Adjustments for investment in unconsolidated joint venture	103	36	—	—	—
Adjustments for drop-down assets	—	—	—	(5,734)	(12,551)
Foreign currency transaction loss	2,433	6	—	—	—
AFFO attributable to common and subordinated unitholders	$ 33,085	$ 33,424	$ 28,825	$ 21,495	$ 14,558
FFO per common and subordinated unit - diluted	$ 0.58	$ 0.96	$ 1.18	$ 1.13	$ 1.26
AFFO per common and subordinated unit - diluted	$ 1.31	$ 1.34	$ 1.26	$ 1.26	$ 1.36
Weighted average common and subordinated units outstanding - diluted	25,343	25,013	22,836	17,121	10,693

ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Unless the context otherwise requires, references in this report to "our partnership," "we," "our," "us," or like terms refer to Landmark Infrastructure Partners LP. The following is a discussion and analysis of our financial performance, financial condition and significant trends that may affect our future performance. You should read the following in conjunction with the historical consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. Among other things, those historical consolidated financial statements include more detailed information regarding the basis of presentation for the following information. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those expressed or implied in forward-looking statements for many reasons, including the risks described in “Risk Factors” and elsewhere in this Annual Report on Form 10-K.

Overview

We are a growth-oriented partnership formed by Landmark Divided LLC (“Landmark” or “Sponsor”) to acquire, develop, own and manage a portfolio of real property interests and infrastructure assets that are leased to companies in the wireless communication, outdoor advertising and renewable power generation industries. In addition, the Partnership owns certain interests in receivables associated with similar assets. We generate revenue and cash flow from existing tenant leases of our real property interests and infrastructure assets to wireless carriers, cellular tower owners, outdoor advertisers and renewable power producers.

The Partnership is a master limited partnership organized in the State of Delaware and has been publicly traded since its initial public offering on November 19, 2014. On July 31, 2017, the Partnership completed changes to its organizational structure by transferring substantially all of its assets to a consolidated subsidiary, Landmark Infrastructure Inc., a Delaware corporation, which elected to be taxed as a REIT commencing with its taxable year ending December 31, 2017. We intend to continue to own and operate substantially all of our assets through the REIT Subsidiary. These changes are designed to simplify tax reporting for unitholders and broaden the Partnership’s investor base by substantially eliminating unrelated business taxable income allocated by the Partnership to tax-exempt investors, including individuals investing through tax-deferred accounts such as an individual retirement account, and we do not intend to generate state source income.

How We Generate Rental Revenue

We primarily generate rental revenue and cash flow from existing leases of our tenant sites to wireless carriers, cellular tower owners, outdoor advertisers and renewable power producers. The amount of rental revenue generated by the assets in our portfolio depends principally on occupancy levels and the tenant lease rates and terms at our tenant sites.

We believe the terms of our tenant leases provide us with stable, predictable and growing cash flow. Substantially all of our tenant lease arrangements are triple net or effectively triple net, meaning that our tenants or the underlying property owners are generally contractually responsible for property-level operating expenses, including maintenance capital expenditures, property taxes and insurance. For certain infrastructure assets, we incur ground rent obligations, maintenance expenditures, property taxes and insurance, some of which may be reimbursed by our tenants. In addition, 85% of our tenant leases have contractual fixed-rate escalators or consumer price index (“CPI”) -based rent escalators, and some of our tenant leases contain revenue-sharing provisions in addition to the base monthly or annual rental payments. Occupancy rates under our tenant leases have historically been very high. We also believe we are well positioned to negotiate higher rents in advance of lease expirations as tenants request lease amendments to accommodate equipment upgrades or add tenants to increase co-location.

Future economic or regional downturns affecting our submarkets that impair our ability to renew or re-lease our real property interests and other adverse developments that affect the ability of our tenants to fulfill their lease obligations, such as tenant bankruptcies, could adversely affect our ability to maintain or increase rental rates at our sites. Adverse developments or trends in one or more of these factors could adversely affect our rental revenue and tenant recoveries in future periods.

Significant consolidation among our tenants in the wireless communication industry (or our tenants’ sub-lessees) may result in the decommissioning of certain existing communications sites, because certain portions of these tenants’ (or their sub-lessees’) networks may be redundant. The loss of any one of our large customers as a result of joint ventures, mergers, acquisitions or other cooperative agreements may result in a material decrease in our revenue. In April 2018, T-Mobile and Sprint announced a proposed merger. For the year ended December 31, 2019, T-Mobile and Sprint represented approximately 8% and 6%, respectively, of rental revenue.

How We Evaluate Our Operations

Our management uses a variety of financial and operating metrics to analyze our performance. These metrics are significant factors in assessing our operating results and profitability and include: (1) occupancy; (2) operating and maintenance expenses; (3) FFO and AFFO; and (4) Adjusted EBITDA.

Occupancy

The amount of revenue we generate primarily depends on our occupancy rate. As of December 31, 2019, we had a 95% occupancy rate with 1,923 of our 2,025 available tenant sites leased. We believe the infrastructure assets at our tenant sites are essential to the ongoing operations and profitability of our tenants and will be a critical component for the rollout of future technologies such as 5G, Internet of Things (IoT) and autonomous vehicles. Combined with the challenges and costs of relocating the infrastructure, we believe that we will continue to enjoy high tenant retention and occupancy rates.

There has been consolidation in the wireless communication industry historically that has led to certain lease terminations. We believe the impact of past consolidation is already reflected in our occupancy rates. Additional consolidation among our tenants in the wireless communication industry (or our tenants' sub-lessees) may result in lease terminations for certain existing communication sites. Any additional termination of leases in our portfolio would result in lower rental revenue, may lead to impairment of our real property interests, or other adverse effects to our business.

Operating and Maintenance Expenses

Substantially all of our tenant sites are subject to triple net or effectively triple net lease arrangements, which require the tenant or the underlying property owner to pay all utilities, property taxes, insurance and repair and maintenance costs. Our overall financial results could be impacted to the extent the owners of the fee interest in the real property or our tenants do not satisfy their obligations. Additionally, as we deploy smart enabled infrastructure solutions, including smart poles and digital outdoor advertising kiosks, and convert static billboards to digital billboards, we may incur additional operating expenses associated with ground lease payments and other operating expenses to maintain our infrastructure assets.

FFO and AFFO

FFO is a non-GAAP financial measure of operating performance of an equity REIT in order to recognize that income-producing real estate historically has not depreciated on the basis determined under GAAP. We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trust ("NAREIT"). FFO represents net income (loss) excluding real estate related depreciation and amortization expense, real estate related impairment charges, gains (or losses) on real estate transactions, adjustments for unconsolidated joint venture, and distributions to preferred unitholders and noncontrolling interests.

FFO is generally considered by industry analysts to be the most appropriate measure of performance of real estate companies. FFO does not necessarily represent cash provided by operating activities in accordance with GAAP and should not be considered an alternative to net earnings as an indication of the Partnership's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers FFO an appropriate measure of performance of an equity REIT because it primarily excludes the assumption that the value of the real estate assets diminishes predictably over time, and because industry analysts have accepted it as a performance measure. The Partnership's computation of FFO may differ from the methodology for calculating FFO used by other equity REITs, and therefore, may not be comparable to such other REITs.

AFFO is a non-GAAP financial measure of operating performance used by many companies in the REIT industry. AFFO adjusts FFO for certain non-cash items that reduce or increase net income in accordance with GAAP. AFFO should not be considered an alternative to net earnings, as an indication of the Partnership's performance or to cash flow as a measure of liquidity or ability to make distributions. Management considers AFFO a useful supplemental measure of the Partnership's performance. The Partnership's computation of AFFO may differ from the methodology for calculating AFFO used by other equity REITs, and therefore, may not be comparable to such other REITs. We calculate AFFO by starting with FFO and adjusting for general and administrative expense reimbursement, acquisition-related expenses, unrealized gain (loss) on derivatives, straight line rent adjustments, unit-based compensation, amortization of deferred loan costs and discount on secured notes, deferred income tax expense, amortization of above and below market rents, loss on extinguishment of debt, repayments of receivables, adjustments for investment in unconsolidated joint venture, adjustments for drop-down assets and foreign currency transaction gain (loss). The GAAP measures most directly comparable to FFO and AFFO is net income.

EBITDA and Adjusted EBITDA

We define EBITDA as net income before interest, income taxes, depreciation and amortization, and we define Adjusted EBITDA as EBITDA before impairments, acquisition-related expenses, unrealized and realized gains and losses on derivatives, loss on extinguishment of debt, gains and losses on sale of real property interests, unit-based compensation, straight line rental adjustments, amortization of above- and below-market rents plus cash receipts applied toward the repayments of investments in receivable, the deemed capital contribution to fund our general and administrative expense reimbursement and adjustments for investments in unconsolidated joint ventures. During the third quarter of 2019, we changed our definition of EBITDA to exclude adjustments for investments in unconsolidated joint venture to adhere to the definition of EBITDA as described in item 10(e)(1)(ii)(A) of Regulation S-K. During the fourth quarter 2017, we changed our definition of Adjusted EBITDA by adding cash receipts applied toward the repayments of investments in receivables. We made this change to better reflect the quarterly amount

of operating surplus as determined by our amended and restated partnership agreement. These changes did not have a material impact on our EBITDA or Adjusted EBITDA and prior period amounts have been recasted to conform to current presentation.

EBITDA and Adjusted EBITDA are non-GAAP supplemental financial measures that management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies, may use to assess:

- our operating performance as compared to other publicly traded limited partnerships, without regard to historical cost basis or, in the case of Adjusted EBITDA, financing methods;
- the ability of our business to generate sufficient cash to support our decision to make distributions to our unitholders;
- our ability to incur and service debt and fund capital expenditures; and
- the viability of acquisitions and the returns on investment of various investment opportunities.

We believe that the presentation of EBITDA and Adjusted EBITDA in this Annual Report on Form 10-K provides information useful to investors in assessing our financial condition and results of operations. The GAAP measures most directly comparable to EBITDA and Adjusted EBITDA are net income and net cash provided by operating activities. EBITDA and Adjusted EBITDA should not be considered as an alternative to GAAP net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. Each of EBITDA and Adjusted EBITDA has important limitations as analytical tools because they exclude some, but not all, items that affect net income and net cash provided by operating activities, and these measures may vary from those of other companies. You should not consider EBITDA and Adjusted EBITDA in isolation or as a substitute for analysis of our results as reported under GAAP. As a result, because EBITDA and Adjusted EBITDA may be defined differently by other companies in our industry, EBITDA and Adjusted EBITDA as presented below may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

For a further discussion of the non-GAAP financial measures of FFO, AFFO, EBITDA and Adjusted EBITDA flow, and a reconciliation of FFO, AFFO, EBITDA and Adjusted EBITDA to the most comparable financial measures calculated and presented in accordance with GAAP, please read “Selected Historical Financial Data – Non-GAAP Financial Measures.”

Factors Affecting the Comparability of Our Financial Results

Our future results of operations may not be comparable to our historical results of operations for the reasons described below:

Investment in Unconsolidated Joint Venture

On September 24, 2018, the Partnership completed the formation of an unconsolidated joint venture (the “JV”). The Partnership contributed 545 tenant site assets to the unconsolidated JV that secured the Partnership’s $125.4 million Series 2018-1 secured notes (the “2018 Securitization”), in exchange for a 50.01% membership interest in the unconsolidated JV and $65.5 million in cash (the “Transaction”). The Partnership used $59.7 million of the net proceeds to repay a portion of the borrowings under the revolving credit facility. The Partnership deconsolidated the 545 tenant sites and real property interests and recognized a gain on contribution of real property interests of $100 million. The Partnership does not control the unconsolidated JV and therefore, accounts for its investment in the unconsolidated JV using the equity method of accounting prospectively upon formation of the unconsolidated JV.

Acquisitions and Developments

We have in the past and intend to continue to pursue acquisitions of real property interests and developments of infrastructure. Our significant historical acquisition activity impacts the period to period comparability of our results of operations. During the years ended December 31, 2018 and 2017, the Partnership completed one and four drop-down acquisitions, respectively, from our Sponsor and affiliates (collectively the “Drop-down Acquisitions” or “Drop-down Assets”). The Drop-down Assets acquired by the Partnership included an aggregate of 127 tenant sites for the year ended December 31, 2018 and 155 tenant sites and two investments in receivables for the year ended December 31, 2017, in exchange for total consideration of $59.9 million and $118.3 million, respectively. The Drop-down Acquisitions are a transfer of net assets between entities under common control as the acquisitions do not meet the definition of a business in accordance with ASU No. 2017-01. The transfer of net assets is accounted for prospectively in the period in which the transfer occurs at the net carrying value. Any differences between the cash consideration and the net carrying value of the transfer of net assets have been allocated to the General Partner.

In connection with the Fund G drop-down acquisition, the Partnership entered into a contractual obligation to acquire two tenant sites and related real property interests. The Partnership acquired one of these tenant sites and related real property interests on March 31, 2017 for cash consideration of $7.5 million and the remaining additional tenant site for $3.8 million on April 28, 2017. Upon completion of the full $11.3 million acquisition, the Partnership issued 221,729 Common Units to Fund G on April 28, 2017.

Additionally, during the years ended December 31, 2019, 2018 and 2017, the Partnership acquired 146 tenant sites, 104 tenant sites and 63 tenant sites and one investment in receivables from third parties for a total consideration of $52.0 million, $75.8 million and $41.0 million, respectively. See Note 3, *Acquisitions*, to the Consolidated Financial Statements for additional information.

Sales

Our recent sales of real property interests and investments in receivables impacts the period to period comparability of our results of operations. During the year ended December 31, 2019, the Partnership completed sales of its real property interests and investments in receivables for total consideration of $46.7 million and recognized a gain on sale of $18.0 million.

Secured Notes

On June 6, 2018, the Partnership completed a securitization transaction (the "2018 Securitization") involving a segregated pool of wireless communication sites and related property interests owned by certain special purpose subsidiaries of the Partnership, through the issuance of the 2018-1 Secured Tenant Site Contract Revenue Notes, Class C, Class D and Class F (the "2018 Secured Notes"), in an aggregate principal amount of $125.4 million. The Class C, Class D and Class F 2018 Secured Notes bear interest at a fixed note rate per annum of 3.97%, 4.70% and 5.92%, respectively. On September 24, 2018, the Partnership completed the formation of an unconsolidated joint venture by contributing certain special purpose subsidiaries to the unconsolidated joint venture, including the 2018 Secured Notes. See Note 8, *Investment in Unconsolidated Joint Venture* and Consolidated Financial Statements for additional information.

On April 24, 2018, a special purpose subsidiary of the Partnership entered into a note purchase and private shelf agreement ("Note Purchase Agreement") pursuant to which such subsidiary agreed to sell approximately $43.7 million aggregate principal amount of its 4.38% senior secured notes in a private placement (the "4.38% Senior Secured Notes"). The 4.38% Senior Secured Notes are fully amortizing through June 30, 2036. Such subsidiary may from time to time issue and sell additional senior secured notes pursuant to the Note Purchase Agreement, in an aggregate principal amount, together with the initial principal amount of the 4.38% Senior Secured Notes, of up to $225 million. The 4.38% Senior Secured Notes are, and any such additional notes will be, secured by a segregated pool of renewable power generation sites and related property interests owned directly or indirectly by such subsidiary.

On November 30, 2017, the Partnership completed a securitization transaction (the "2017 Securitization") involving a segregated pool of certain outdoor advertising sites and related property interests owned by certain special purpose subsidiaries of the Partnership, through the issuance of the Series 2017-1 Secured Tenant Site Contract Revenue Notes, Class A and Class B (the "2017 Secured Notes"), in an aggregate principal amount of $80.0 million. The Class A and Class B 2017 Secured Notes bear interest at a fixed note rate per annum of 4.10% and 3.81%, respectively.

On June 16, 2016, the Partnership completed a securitization transaction (the "2016 Securitization") involving a segregated pool of wireless communication sites and related real property interests owned by certain special purpose subsidiaries of the Partnership, through the issuance of the Series 2016-1 Secured Tenant Site Contract Revenue Notes, Class A and Class B (the "2016 Secured Notes"), in an aggregate principal amount of $116.6 million. The 2016 Secured Notes were paid in full ($108 million) subsequent to the year ended December 31, 2019.

The secured notes described above are collectively referred to as the "Secured Notes." See Note 9, *Debt* to the Consolidated Financial Statements for additional information.

Revolving Credit Facility

On November 15, 2018, the Partnership completed its Third Amended and Restated Credit Facility and obtained commitments from a syndicate of banks with initial borrowing commitments of $450.0 million for five-years. Additionally, borrowings up to $75.0 million may be denominated in British pound sterling ("GBP"), Euro, Australian dollar and Canadian dollar. As of December 31, 2019, the outstanding indebtedness under the revolving credit facility denominated in GBP was £40.5 million. Loans under the revolving credit facility bear interest at a rate equal to the applicable LIBOR related to the currency for which borrowings are denominated, plus a spread ranging from 1.75% to 2.25% (determined based on leverage levels). During the three months ended December 31, 2019, the applicable spread was 2.25%. Additionally, under the revolving credit facility we will be subject to an annual commitment fee (determined based on leverage levels) associated with the available undrawn capacity subject to certain restrictions. As of December 31, 2019, the applicable annual commitment rate used was 0.175%.

Series C Preferred Units

On April 2, 2018, the Partnership completed a public offering of 2,000,000 Series C Floating-to-Fixed Rate Cumulative Perpetual Redeemable Convertible Preferred Units ("Series C Preferred Units"), representing limited partner interest in the Partnership, at a price of $25.00 per unit. We received net proceeds of approximately $47.5 million after deducting underwriters' discounts and offering expenses paid by us of $2.5 million. We used substantially all net proceeds to repay a portion of the borrowings under our revolving credit facility.

Holders of Series C Preferred Units, at their option, may, at any time and from time to time, convert some or all of their Series C Preferred Units based on an initial conversion rate of 1.3017 common units per Series C Preferred Unit. In the event of a fundamental change, holder of the Series C Preferred Units, at their option, may convert some or all of their Series C Preferred Units into the greater of (i) a number of common units plus a make-whole premium and (ii) a number of common units equal to the lessor of (a) the liquidation preference divided by the market value of our common units on the effective date of such fundamental change and (b) 11.13 (subject to adjustments). On May 15, 2025, May 15, 2028, and each subsequent five-year anniversary date thereafter (each such date, a "designated redemption date"), each holder of Series C Preferred Units shall have the right (a "redemption right") to require the Partnership to redeem any or all of the Series C Preferred Units held by such holder outstanding on such designated redemption date at a redemption price equal to the liquidation preference of $25.00, plus all accrued and unpaid distributions to, but not including, in each case out of funds legally available for such payment and to the extent not prohibited by law, the designated redemption date (the "put redemption price"). At our option we may pay the redemption in our common units or cash, subject to certain limitations.

At any time on or after May 20, 2025, the Partnership shall have the option to redeem the Series C Preferred Units, in whole or in part, at a redemption price of $25.00 per Series C Preferred Unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. See Note 12, *Equity* to the Consolidated Financial Statements for additional information.

Derivative Financial Instruments

Historically we have hedged a portion of the variable interest rates under our secured debt facilities through interest rate swap agreements. We have not applied hedge accounting to these derivative financial instruments which has resulted in the change in the fair value of the interest rate swap agreements to be reflected in income as either a realized or unrealized gain (loss) on derivatives, except for foreign currency changes on interest rate swaps denominated in a foreign currency. On November 15, 2018, a Partnership entered into an interest rate swap agreement with a notional amount in GBP. Foreign currency changes on mark-to-market adjustments on our interest rate swap agreement denominated in a foreign currency are reflect in the income statement as foreign currency transaction loss (gain).

General and Administrative Expenses

Under the Partnership's Fourth Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP dated April 2, 2018 (the "Amended Partnership Agreement"), we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our amended Omnibus Agreement with Landmark ("Omnibus Agreement"), which was amended on January 30, 2019, our general partner determines the amount of these expenses and such determinations must be made in good faith under the terms of the Partnership Agreement. Under the Omnibus Agreement, we agreed to reimburse Landmark for expenses related to certain general and administrative services that Landmark will provide to us in support of our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. This cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. The full amount of our general and administrative expenses incurred will be reflected on our income statements, and to the extent such general and administrative expenses exceed the cap amount, the amount of such excess will be reflected in our financial statements as a capital contribution from Landmark rather than as a reduction of our general and administrative expenses, except for expenses that would otherwise be allocated to us, which are not included in the amount of general and administrative expenses.

Factors That May Influence Future Results of Operations

Acquisitions and Developments

We intend to pursue acquisitions of real property interests from third parties, utilizing the expertise of our management and other Landmark employees to identify and assess potential acquisitions, for which we may pay Landmark mutually agreed reasonable fees. When acquiring real property interests, we will target infrastructure locations that are essential to the ongoing operations and profitability of our tenants, which we expect will result in continued high tenant occupancy and enhance our cash flow stability. We expect the vast majority of our acquisitions will include leases with our Tier 1 tenants or tenants whose sub-tenants are Tier 1 companies. Additionally, we will focus on infrastructure locations with characteristics that are difficult to replicate in their respective markets, and those with tenant assets that cannot be easily moved to nearby alternative sites or replaced by new construction. Although our initial portfolio is focused on wireless communication, outdoor advertising and renewable power generation assets in the United States, we intend to grow our initial portfolio of real property interests into other fragmented infrastructure asset classes and expect to continue to pursue acquisitions internationally.

During 2017, the Partnership started developing an ecosystem of technologies that provides smart enabled infrastructure including smart poles and digital outdoor advertising kiosks across North America. Smart poles are self-contained, neutral-host poles designed for wireless carrier and other wireless operator collocation. The smart poles are designed for macro, mini macro and small cell deployments and will support Internet of Things (IoT), carrier densification needs, private LTE networks and other wireless solutions.

During the fourth quarter of fiscal year 2018, the Partnership entered into an agreement with DART to develop a smart media and communications platform which will include the deployment of content-rich kiosks and the Partnership's smart enabled infrastructure ecosystem solution on strategic high-traffic DART locations.

During 2018, the Partnership entered into an agreement with an outdoor advertising company to convert static billboards to digital billboards. In 2019, the Partnership commenced conversion of certain outdoor advertising sites from static billboards to digital billboards in the U.K.

As of December 31, 2019 and 2018, the Partnership had $68.9 million and $29.6 million of construction in progress. During the years ended December 31, 2019 and 2018, the Partnership deployed nine and four infrastructure sites totaling $1.0 million and $1.5 million, respectively. As we deploy these infrastructure assets, we may incur additional operating expenses associated with ground lease payments and other operating expenses to maintain our infrastructure assets. Additionally, the Partnership may pursue further development opportunities in the future.

Investment in Unconsolidated Joint Venture

On September 24, 2018, the Partnership completed the formation of the unconsolidated JV. The Partnership contributed 545 tenant site assets to the unconsolidated JV that secured the Partnership's 2018 Securitization in exchange for a 50.01% membership interest in the unconsolidated JV and $65.5 million in cash. The Partnership does not control the unconsolidated JV and therefore, accounts for its investment in the unconsolidated JV using the equity method of accounting prospectively upon formation of the unconsolidated JV.

Mergers

Significant consolidation among our tenants in the wireless communication industry (or our tenants' sub-lessees) may result in the decommissioning of certain existing communications sites, because certain portions of these tenants' (or their sub-lessees') networks may be redundant. The loss of any one of our large customers as a result of joint ventures, mergers, acquisitions or other cooperative agreements may result in a material decrease in our revenue. In April 2018, T-Mobile and Sprint announced a proposed merger. For the year ended December 31, 2019, T-Mobile and Sprint represented approximately 8% and 6%, respectively, of rental revenue.

Revolving Credit Facility

On November 15, 2018, the Partnership completed its Third Amended and Restated Credit Facility and obtained commitments from a syndicate of banks with initial borrowing commitments of $450.0 million for five-years. Additionally, borrowings up to $75.0 million may be denominated in GBP, Euro, Australian dollar and Canadian dollar. As of November 1, 2019, the outstanding indebtedness under the revolving credit facility denominated in GBP was £40.5 million. Loans under the revolving credit facility bear interest at a rate equal to LIBOR, plus a spread ranging from 1.75% to 2.25% (determined based on leverage levels). During the three months ended December 31, 2019, the applicable spread was 2.25%. Additionally, under the revolving credit facility we will be subject to an annual commitment fee (determined based on leverage levels) associated with the available undrawn capacity subject to certain restrictions. As of December 31, 2019, the applicable annual commitment rate used was 0.175%.

Secured Notes

On January 15, 2020, certain subsidiaries of the Partnership entered into a master note purchase and participation agreement pursuant to which such subsidiaries issued and sold an initial $170 million aggregate principal amount of 3.90% series A senior secured notes in a private placement. The senior secured notes mature on January 14, 2027 and include an interest-only initial term of three years. The net proceeds were used to repay in full the 2016 Secured Notes by $108 million and the revolving credit facility by $59 million.

Changing Interest Rates and Foreign Currency Exchange Rates

Interest rates have been at or near historic lows in recent years. If interest rates rise, this may impact the availability and terms of debt financing, our interest expense associated with existing and future debt or our ability to make accretive acquisitions. Additionally, fluctuations in foreign currencies in which the Partnership operates may impact the availability and terms of debt financing, our interest expense associated with existing and future debt or our ability to make accretive acquisitions.

The U.K.'s Exit from the E.U.

In June 2016, the U.K. held a referendum in which voters approved Brexit. On January 29, 2020, the U.K. Parliament approved a withdrawal agreement submitted on January 22, 2020, and the U.K. officially withdrew from the E.U. on January 31, 2020. There is a transition period through December 2020, with an option to extend an additional one to two years, to allow for businesses and individuals to adjust to its changes, during which all E.U. regulations will continue to apply to the U.K. Trade negotiations are expected to begin in early March 2020, but the nature of the economic relationship between the E.U. and U.K. remains uncertain, and there is no guarantee that both parties will be able to reach an agreement before the transition period expires. It is unknown at this time what effects the ratification of the withdrawal agreement and the U.K./E.U. relationship will have on our future operations. We will continue to monitor the economic and political developments related to Brexit and the potential impact on our businesses in the U.K. and the rest of Europe, including, in particular, acquisition, development and leasing activity in the U.K., as well as any associated currency volatility impact on our results of operations. As of December 31, 2019, approximately 9.5% of the Partnership's total rental revenue and 13.4% of total assets related to the U.K.

LIBOR Phase Out

In July 2017, the FCA, which regulates LIBOR, announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. As a result, the Federal Reserve Board and the Federal Reserve Bank of New York organized the ARRC which identified the SOFR as its preferred alternative to USD-LIBOR in derivatives and other financial contracts. The Partnership is not able to predict when LIBOR will cease to be available or when there will be sufficient liquidity in the SOFR markets. Any changes adopted by FCA or other governing bodies in the method used for determining LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR. If that were to occur, our interest payments could change. In addition, uncertainty about the extent and manner of future changes may result in interest rates and/or payments that are higher or lower than if LIBOR were to remain available in its current form.

The Partnership has agreements that are indexed to LIBOR and is monitoring and evaluating the related risks, which include interest on loans and valuation of derivative instruments. These risks arise in connection with transitioning contracts to a new alternative rate, including any resulting value transfer that may occur. The value of loans or derivative instruments tied to LIBOR could also be impacted if LIBOR is limited or discontinued. For some instruments, the method of transitioning to an alternative rate may be challenging, as they may require negotiation with the respective counterparty.

If a contract is not transitioned to an alternative rate and LIBOR is discontinued, the impact on our contracts is likely to vary by contract. If LIBOR is discontinued or if the methods of calculating LIBOR change from their current form, interest rates on our current or future indebtedness may be adversely affected.

While we expect LIBOR to be available in substantially its current form until the end of 2021, it is possible that LIBOR will become unavailable prior to that point. This could result, for example, if sufficient banks decline to make submissions to the LIBOR administrator. In that case, the risks associated with the transition to an alternative reference rate will be accelerated and magnified. We will continue to monitor the potential impact of LIBOR changes on our business.

Critical Accounting Policies

The following discussion of critical accounting policies uses "we", "our" and the "Partnership" interchangeably. Our discussion and analysis of the historical financial condition and results of operations of the Partnership are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses in the reporting period. Actual amounts may differ from these estimates and assumptions. We have provided a summary of significant accounting policies in Note 2 to the consolidated financial statements of the Partnership, included elsewhere in Part IV, Item 15(a)(1). We have summarized below those accounting policies that require material subjective or complex judgments and that have the most significant impact on financial condition and results of operations. Management evaluates these estimates on an ongoing basis, based upon information currently available and on various assumptions that it believes are reasonable as of the date hereof. In addition, other companies in similar businesses may use different estimation policies and methodologies, which may impact the comparability of our results of operations and financial condition to those of other companies.

A critical accounting policy is one that is both important to the portrayal of an entity's financial condition and results of operations and requires judgment on the part of management. Generally, the judgment requires management to make estimates and assumptions about the effect of matters that are inherently uncertain. Estimates are prepared using management's best judgment, after considering past and current economic conditions and expectations for the future. Changes in estimates could affect our financial position and specific items in our results of operations that are used by the users of our financial statements in their evaluation of our performance. Of the accounting policies discussed in the notes to the consolidated financial statements of the Partnership, included in Part IV, Item 15(a)(1), the accounting policies presented below have been identified by us as critical accounting policies.

Purchase Accounting for Acquisitions

The Partnership applies the business combination method to all acquired investments of real property interests for transactions that meet the definition of a business combination and asset acquisitions. The purchase consideration of the real property interests is allocated to the acquired tangible asset, such as land, and the identified intangible assets and liabilities, consisting of the value of perpetual and limited life easements, above-market and below-market leases and in-place leases, based in each case on their fair values. The fair value of the assets acquired and liabilities assumed is typically determined by using the discounted cash flow valuation method. When determining the fair value of intangible assets acquired, the Partnership estimates the applicable discount rate and the timing and amount of future cash flows.

Factors considered in estimating the fair value of tangible and intangible assets acquired include information obtained about each asset as a result of Landmark's pre-acquisition due diligence and its marketing and leasing activities. In order to calculate the estimated in-place lease value, we employed the income approach in accordance with ASC 805 by multiplying the anticipated market absorption period by the market rent at the time of acquisition for each in-place lease agreement. Based on our experience in the industry, we have determined a range of lease execution timelines to be between one and twelve months. For the in-place lease valuation, we consider a lease-up period of four to eight months to be representative of the market.

We estimated the fair value of real property interests using the income approach. The discount rates used ranged from 6% to 20%. The value of tenant relationships has not been separated from in-place tenant lease value for the real estate acquired as such value and its consequence to amortization expense is materially consistent with the in-place lease value for these particular acquisitions. Should future acquisitions of real property interests result in allocating material amounts to the value of tenant relationships, an amount would be separately allocated and amortized over the estimated life of the relationship. The value of in-place leases and customer relationship is amortized to expense over the estimated period the tenant is expected to be leasing the site under the existing terms which typically range from 2 to 20 years. If a tenant lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be impaired.

The discount rate associated with each asset varies based on the location of an asset (including demographics and zoning restrictions), and other asset specific characteristics. Market rent for each asset is determined based on location of each asset, asset type, zoning restrictions, ground space necessary for the tenant's equipment, remaining site capacity, visibility (specifically for billboards), and nearby sites.

In allocating the purchase consideration of the identified intangible assets and liabilities of an acquired asset, above-market, below-market and in-place lease values are calculated based on the present value (using an interest rate that reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) management's estimate of fair market lease rates for the corresponding in-place leases measured over the estimated period the tenant is expected to be leasing the site under the above or below-market terms. The capitalized above-market and below-market lease values are amortized as a decrease or increase, respectively, to rental income over the estimated period the tenant is expected to be leasing the site. All tenant leases obtained by us through acquisition of real property interests are generally cancellable, upon 30 to 180 days' notice by the tenants, with no significant penalty. With respect to below-market leases, consideration is given to any below-market renewal periods. However, for wireless communication assets, we estimated the above- or below-market lease value over an analysis period of the earlier of the lease expiration or 10 years based on estimated useful life of the underlying equipment and assets. For outdoor advertising assets, we estimated the above- or below-market lease value over an analysis period of the earlier of the lease expiration or 20 years, based on a longer estimated useful life of 20 years for outdoor advertising assets.

Impairment of Long-Lived Assets and Development Projects

We assess the carrying values of our long-lived assets whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount to the future net cash flow, undiscounted and without interest, expected to be generated by the asset.

In evaluating our assets for recoverability, we consider current market conditions, as well as our intent with respect to holding or disposing of the asset. Our intent with regard to the underlying assets might change as market conditions change, as well as other factors. Fair value is determined through various valuation techniques, including the income approach using a market discount rate, terminal capitalization rate and rental rate assumptions, or on the sales comparison approach to similar assets. If our analysis indicates that the carrying value of the asset is not recoverable, we recognize an impairment charge for the amount by which the carrying value exceeds the current estimated fair value of the asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Assumptions and estimates used in the recoverability analyses for future cash flow, discount rates and capitalization rates are complex and subjective. Changes in economic and operating conditions or our intent with regard to our assets that occurs subsequent to our impairment analyses could impact these assumptions and result in future impairments of our assets.

Development projects and other similar contracts are also assessed to determine whether it continues to meet our investment return standards. Assessments are made separately for each project on a quarterly basis and are affected by the following factors relative to the market in which the asset is located, among others: estimated development and construction costs and projected profitability. When a decision is made to cease construction on certain projects due to market conditions and/or fluctuations in our development strategy, we write off the related capitalized costs, including pre-construction costs. Based on the results of our assessments, we recognized impairment charges related to certain construction in progress of $1.6 million during the year ended December 31, 2019 and included in impairment in our consolidated statements of operations.

Revenue Recognition

The Partnership recognizes rental income under operating leases, including rental abatements, lease incentives and contractual fixed increases, if any, from tenants under lease arrangements with minimum fixed and determinable increases on a straight-line basis over the non-cancellable term of the related leases when collectability is reasonably assured. The excess of rents recognized over amounts contractually due pursuant to the underlying leases are recorded as deferred rent assets. The excess of rent payments collected over amounts recognized contractually due pursuant to the underlying lease are recorded as prepaid rents.

Leases obtained by the Partnership through its acquisition and ownership of real property interests are generally cancelable upon 30-180 days' notice by the tenants with no significant penalty. The Partnership evaluates whether the lease arrangements economically compel the tenant to not cancel the lease in determining the term of the lease by considering various factors such as cancellation rights, availability of alternative sites, and historical cancellation rates. For cancellable leases where the tenant is not economically compelled to continue the lease, the term of the lease is considered to be the non-cancellable period with rental abatements and contractual fixed rate increases recorded in the period the amounts become due and payable. Leases obtained through development projects, are generally non-cancellable for the initial term.

- Wireless Communication – As a result of various factors, including the cancellation rights, ability to find alternative sites, credit risk, and historical cancellation and lease amendment rates, the lease term is generally considered to be the non-cancellable term of the lease of 30 to 180 days. For these leases, rental abatements and contractual fixed increases are recorded in the period the amounts become due and payable.
- Outdoor Advertising and Renewable Power Generation – The lease term is generally considered to be the non-cancellable term of the remaining portion of the existing term of the lease.

The capitalized above-market and below-market lease values are amortized as a decrease or increase, respectively, to rental income over the estimated period the tenant is expected to be leasing the site.

Our ability to accurately estimate the term of our tenant leases is critical to the amount of revenue we recognize.

Results of Operations of our Partnership

Segments

We conduct business through three reportable business segments: Wireless Communication, Outdoor Advertising, and Renewable Power Generation. Our reportable segments are strategic business units that offer different products and services. They are commonly managed, as all three businesses require similar marketing and business strategies. We evaluate our segments based on revenue because substantially all of our tenant lease arrangements are triple net or effectively triple net. We believe this measure provides investors relevant and useful information because it is presented on an unlevered basis.

Results of Operations

Our results of operations for all periods presented were affected by the formation of the unconsolidated JV, acquisitions and asset sales made during the years ended December 31, 2019 and 2018. As of December 31, 2019 and 2018, we had 2,025 and 1,920 available tenant sites, respectively.

Comparison of Year Ended December 31, 2019 to Year Ended December 31, 2018

The following table summarizes the combined statement of operations for years ended December 31, 2019 and 2018 (in thousands):

	Year Ended December 31,		
	2019	2018	Change
Revenue			
Rental revenue	$ 59,340	$ 64,765	$ (5,425)
Expenses			
Property operating	1,983	1,147	836
General and administrative	5,567	4,731	836
Acquisition-related	1,163	3,287	(2,124)
Amortization	14,235	16,152	(1,917)
Impairments	2,288	1,559	729
Total expenses	25,236	26,876	(1,640)
Other income and expenses			
Interest and other income	832	1,642	(810)
Interest expense	(18,170)	(24,273)	6,103
Loss on early extinguishment of debt	—	(157)	157
Unrealized gain (loss) on derivatives	(7,327)	1,010	(8,337)
Equity income from unconsolidated joint venture	398	59	339
Gain (loss) on sale of real property interests	17,985	99,884	(81,899)
Foreign currency transaction loss	(2,433)	(6)	(2,427)
Total other income and expenses	(8,715)	78,159	(86,874)
Income before income tax expense	25,389	116,048	(90,659)
Income tax expense	3,783	227	3,556
Net income (loss)	$ 21,606	$ 115,821	$ (94,215)

Rental Revenue

Rental revenue decreased $5.4 million primarily due to the formation of the unconsolidated JV and 2019 sales of real property interests. Rental revenue for the year ended December 31, 2018 includes $10.0 million of rental revenue generated from the assets contributed to the JV prior to the date of the transaction and $2.0 million of rental revenue generated from assets sold in 2019. The decrease in rental revenue during the year ended December 31, 2019 was partially offset by $2.0 million of rental revenue attributed to assets acquired in 2019 and $1.9 million of rental revenue due to the full year of rental revenue in 2019 for tenant sites acquired during 2018. On September 24, 2018, the Partnership completed the formation of the unconsolidated JV. The Partnership contributed 545 wireless communication assets to the JV along with the associated liabilities. The Partnership does not control the unconsolidated JV and therefore, accounts for its investment in the unconsolidated JV using the equity method of accounting prospectively upon formation of the unconsolidated JV. Revenue generated in 2019 from our wireless communication, outdoor advertising, and renewable power generation segments was $29.7 million, $21.1 million, $8.5 million, or 50%, 36% and 14% of total rental revenue, respectively, compared to $37.9 million, $18.8 million, $8.1 million, or 59%, 29% and 12% of total rental revenue, respectively, during 2018. The occupancy rates in our wireless communication, outdoor advertising and renewable power generation segments were 93%, 97% and 100%, respectively, as of December 31, 2019 compared to 94%, 98% and 100%, respectively, as of December 31, 2018. Additionally, our effective monthly rental rates per tenant site for wireless communication, outdoor advertising, and renewable power generation segments were $1,975, $2,456 and $9,159, respectively, during 2019 compared to $1,926, $2,486 and $9,148, respectively, during 2018.

Property Operating

Property operating expenses increased $0.8 million during 2019 compared to 2018 primarily due to an increase in property taxes as a result of an increase in fee simple properties that are not leased under a triple net lease structure and rent expense on assets subject to a ground lease payment. Substantially all of our tenant sites are subject to triple net or effectively triple net lease arrangements, which require the tenant or the underlying property owner to pay all utilities, property taxes, insurance and repair and maintenance costs. As we deploy smart enabled infrastructure solutions, including smart poles and digital outdoor advertising kiosks, and convert static billboards to digital billboards, we may incur additional operating expenses associated with ground lease payments and other operating expenses.

General and Administrative

General and administrative expenses increased $0.8 million during 2019 compared to 2018, primarily due an increase in accounting and legal related expenses. Under our Amended Partnership Agreement, we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our Omnibus Agreement, our general partner determines the amount of these expenses and such determinations must be made in good faith under the terms of the Amended Partnership Agreement. On January 30, 2019, we amended the Omnibus Agreement and agreed to reimburse Landmark for expenses related to certain general and administrative services that Landmark will provide to us in support of our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. Under the amended Omnibus Agreement, this cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. The full amount of general and administrative expenses incurred is reflected on our income statements and the amount in excess of the cap that is reimbursed is reflected on our financial statements as a capital contribution from Sponsor rather than as a reduction of our general and administrative expenses, except for expenses that would otherwise be allocated to us, which are not included in the amount of general and administrative expenses. For the years ended December 31, 2019 and 2018, Landmark reimbursed us $3.7 million and $2.8 million, respectively, for expenses related to certain general and administrative expenses that exceeded the cap. Included in the total general and expenses reimbursement from Sponsor is $0.3 million of management fees related to our unconsolidated joint venture that is not subject to the cap and is treated as a capital contribution from Sponsor. Additionally, indemnification of $0.4 million related to property taxes is included in capital contributions from Sponsor on the Consolidated Statements of Equity and Mezzanine Equity for 2019.

Acquisition-Related

Acquisition-related expenses are third party fees and expenses related to acquiring an asset and include survey, title, legal and other items as well as legal and financial advisor expenses associated with business acquisitions or unsuccessful asset acquisitions. Acquisition-related expenses decreased $2.1 million during 2019 compared to 2018 primarily as a result of a one-time acquisition fee related to our U.K. venture. In October 2018, we amended our management agreement for our U.K. venture resulting in approximately $2.6 million one-time fee recorded to acquisition costs during the fourth quarter of fiscal 2018.

Amortization

Amortization expense decreased $1.9 million during 2019 compared to 2018 as a result of having a greater number of average tenant sites during 2018 compared to 2019. Amortization of investments in real property rights with finite useful lives and in-place lease values to decreased as a result of contributing assets to the unconsolidated JV. Amortization expense for the year ended December 31, 2018 included $2.6 million of amortization expense generated from the JV assets during the year ended December 31, 2018.

Impairments

Impairments increased $0.7 million during 2019 compared to 2018, primarily due to impairment charges related to certain construction in progress contracts and eight lease terminations in our wireless communication and outdoor advertising segments for $2.3 million during the year ended December 31, 2019, compared to impairment charges related to 16 investments in receivables in our wireless communication segment and six lease termination in our wireless communication and outdoor advertising segments for $1.4 million during the year ended December 31, 2018. Landmark indemnified the Partnership for the $1.0 million impairment of investments in receivables and certain real property interests which is reflected as a deemed capital contribution.

Interest and Other Income

Interest and other income decreased $0.8 million during 2019 compared to 2018 primarily as a result of the sale of investments in receivables during the year ended December 31, 2019. Interest income on receivables is generated from our wireless communication, outdoor advertising, and renewable power generation segments. We expect interest and other income to decrease in future periods as a result of the sale of $8.3 million in investments in receivables during the year ended December 31, 2019.

Interest Expense

Interest expense decreased $6.1 million during 2019 compared to 2018, primarily due to lower average debt balance of approximately $421.7 million for the year ended December 31, 2019 compared to an average debt balance of approximately $442.6 million during the year ended December 31, 2018.

Loss on Early Extinguishment of Debt

In connection with the Third Amended and Restated Credit Facility on November 15, 2018, a portion of the unamortized balance of the deferred loan costs totaling $0.2 million was recorded as a loss on extinguishment of debt during the year ended December 31, 2018.

Unrealized Gain (Loss) on Derivatives

We mitigated exposure to fluctuations in interest rates on existing variable rate debt by entering into swap contracts that fixed the floating LIBOR rate. These interest rate swap agreements extend through and beyond the term of the Partnership's existing credit facility. The swap contracts were adjusted to fair value at each period end. The unrealized loss recorded for the year ended December 31, 2019 and unrealized gain for the year ended December 31, 2018, reflects the change in fair value of these contracts during those periods.

Equity Income from Unconsolidated Joint Venture

Equity income from unconsolidated joint venture increased $0.3 million during the year ended December 31, 2019 compared to 2018 due to the formation of the JV on September 24, 2018. The Partnership accounts for its 50.01% investment in the unconsolidated JV using the equity method of accounting. Under the equity method, the investment is initially recorded at fair value and subsequently adjusted for additional distributions and the Partnership's proportionate share of equity in the JV's income. The Partnership recognizes its proportionate share of the ongoing income or loss of the unconsolidated JV as equity income from unconsolidated JV on the consolidated statements of operations.

Gain (Loss) on Sale of Real Property Interests

During the year ended December 31, 2019, the Partnership recognized gain on sale of real property interests of $18.0 million related to the sale of real property interests to third parties during the year ended December 31, 2019. During the year ended December 31, 2018, we recognized a gain on contribution of real property interests of $100 million in connection with the formation of the unconsolidated JV in which 545 tenant sites were contributed to the JV by the Partnership.

Foreign Currency Transaction Loss

Foreign currency transaction loss increased $2.4 million during the year ended December 31, 2019 as a result of changes in exchange rates affecting £40.5 million of outstanding borrowings and a foreign currency interest rate swap agreement denominated in GBP. We expect additional fluctuations of foreign currency transactions in future periods as a result of future borrowing of foreign currency transactions under our revolving credit facility denominated in foreign currencies. The borrowings are a partial hedge against changes in the value of our U.K. based investments with any foreign currency translation gains and losses on our U.K. based investments included in comprehensive income (loss).

Income Tax Expense

Income tax expense increased $3.6 million during the year ended December 31, 2019 compared to the year ended December 31, 2018 primarily due to a gain on sale of assets in our taxable subsidiary of $11.7 million, resulting in a $3.0 million income tax expense related to the gain.

Comparison of Year Ended December 31, 2018 to Year Ended December 31, 2017

For discussion related to the year ended December 31, 2018 compared with the year ended December 31, 2017, refer to Item 7 of Part II, “Management's Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the Year Ended December 31, 2018 as filed with the U.S. Securities and Exchange Commission (the SEC) on February 20, 2019.

Liquidity and Capital Resources

Our short-term liquidity requirements will consist primarily of funds to pay for operating expenses, acquisitions and developments and other expenditures directly associated with our assets, including:

- interest expense on our revolving credit facility;
- interest expense and principal payments on our secured notes;
- general and administrative expenses;
- acquisitions of real property interests;
- capital expenditures for infrastructure developments;
- distributions to our common and preferred unitholders; and

- incentive distribution rights to our general partner.

We intend to satisfy our short-term liquidity requirements primarily through cash flow from operating activities and through borrowings available under our revolving credit facility. We may also satisfy our short-term liquidity requirements through the issuance of additional equity, asset dispositions, formation of joint ventures, amending our existing revolving credit facility to increase the available commitments or refinancing some of the outstanding borrowings under our existing credit facility through securitizations or other long-term debt arrangements. Access to capital markets impacts our cost of capital and ability to refinance indebtedness, as well as our ability to fund future acquisitions and development through the issuance of additional securities or secured debt. Credit ratings impact our ability to access capital and directly impact our cost of capital as well. The Partnership has a universal shelf registration statement on file with the SEC, effective January 30, 2020, under which we have the ability to issue and sell common and preferred units representing limited partner interests in us and debt securities up to an aggregate amount of $750.0 million. The current universal shelf registration replaces the Partnership’s existing universal shelf registration statement that was on file with the SEC, effective March 27, 2017, under which we had the ability to issue and sell common and preferred units representing limited partner interests in us and debt securities up to an aggregate amount of $750.0 million.

We intend to pay at least a quarterly distribution of $0.3675 per unit per quarter, which equates to approximately $9.3 million per quarter, or $37.2 million per year in the aggregate, based on the number of common units outstanding as of February 24, 2020. We do not have a legal obligation to pay this distribution or any other distribution except to the extent we have available cash as defined in our Partnership Agreement. We intend to pay a quarterly Series A and Series B Preferred Unit distribution of 8.0% and 7.9%, respectively, which equates to approximately $2.2 million per quarter, or approximately $8.8 million per year in the aggregate based on the number of Preferred Units outstanding as of February 24, 2020. We intend to pay a quarterly Series C Preferred Units distribution of a rate equal to the greater of (i) 7.00% per annum, and (ii) the sum of (a) three-month LIBOR as calculated on each applicable date of determination and (b) 4.698% per annum, based on the $25.00 liquidation preference per Series C Preferred Unit. As of December 31, 2019, there were 1,988,700 Series C Preferred Units outstanding. The Preferred Unit distributions are cumulative from the date of original issuance and will be payable quarterly in arrears.

The amount of future distributions to unitholders will depend on our results of operations, financial condition, capital requirements and will be determined by the General Partner’s Board of Directors on a quarterly basis. The Partnership expects to rely on external financing sources, including equity and debt issuances, to fund expansion capital expenditures and future acquisitions. However, the Partnership may use operating cash flows to fund expansion capital expenditures or acquisitions, which could result in subsequent borrowings under the revolving credit facility to pay distributions or fund other short-term working capital requirements.

The requirements under our Partnership Agreement for the conversion of all the subordinated units into common units were satisfied upon the payment of our quarterly cash distribution on February 14, 2018. Therefore, effective February 15, 2018, all of our subordinated units which are owned by Landmark, were converted on a one-for-one basis into common units. The conversion of subordinated units does not impact the amount of cash distributions or total number of outstanding units.

Table of Contents

The table below summarizes the quarterly distribution paid related to our financial results:

Quarter Ended	Declaration Date	Distribution Date	Distribution Per Unit	Total Distribution (in thousands)
Common and Subordinated Units and IDRs				
March 31, 2017	April 20, 2017	May 15, 2017	$ 0.3525	$ 8,133
June 30, 2017	July 19, 2017	August 14, 2017	0.3550	8,222
September 30, 2017	October 18, 2017	November 14, 2017	0.3575	8,303
December 31, 2017	January 24, 2018	February 14, 2018	0.3675	9,304
March 31, 2018	April 19, 2018	May 15, 2018	0.3675	9,384
June 30, 2018	July 19, 2018	August 14, 2018	0.3675	9,431
September 30, 2018 (1)	October 26, 2018	November 14, 2018	0.3675	9,285
December 31, 2018 (1)	January 25, 2019	February 14, 2019	0.3675	9,312
March 31, 2019 (1)	April 19, 2019	May 15, 2019	0.3675	9,312
June 30, 2019 (1)	July 19, 2019	August 14, 2019	0.3675	9,312
September 30, 2019 (1)	October 25, 2019	November 14, 2019	0.3675	9,317
December 31, 2019 (1)	January 24, 2020	February 14, 2020	0.3675	9,360
Series A Preferred Units				
March 31, 2017	March 16, 2017	April 17, 2017	$ 0.5000	$ 432
June 30, 2017	June 22, 2017	July 17, 2017	0.5000	555
September 30, 2017	September 21, 2017	October 16, 2017	0.5000	713
December 31, 2017	December 21, 2017	January 16, 2018	0.5000	784
March 31, 2018	March 23, 2018	April 16, 2018	0.5000	797
June 30, 2018	June 21, 2018	July 16, 2018	0.5000	797
September 30, 2018	September 20, 2018	October 15, 2018	0.5000	797
December 31, 2018	December 20, 2018	January 15, 2019	0.5000	797
March 31, 2019	March 21, 2019	April 15, 2019	0.5000	797
June 30, 2019	June 20, 2019	July 15, 2019	0.5000	828
September 30, 2019	September 20, 2019	October 15, 2019	0.5000	837
December 31, 2019	December 20, 2019	January 15, 2020	0.5000	861
Series B Preferred Units				
March 31, 2017	April 20, 2017	May 15, 2017	$ 0.4938	$ 934
June 30, 2017	July 19, 2017	August 15, 2017	0.4938	990
September 30, 2017	October 18, 2017	November 15, 2017	0.4938	1,203
December 31, 2017	January 22, 2018	February 15, 2018	0.4938	1,216
March 31, 2018	April 19, 2018	May 15, 2018	0.4938	1,216
June 30, 2018	July 19, 2018	August 15, 2018	0.4938	1,216
September 30, 2018	October 22, 2018	November 15, 2018	0.4938	1,216
December 31, 2018	January 22, 2019	February 15, 2019	0.4938	1,216
March 31, 2019	April 19, 2019	May 15, 2019	0.4938	1,216
June 30, 2019	July 19, 2019	August 15, 2019	0.4938	1,257
September 30, 2019	October 22, 2019	November 15, 2019	0.4938	1,257
December 31, 2019	January 23, 2020	February 18, 2020	0.4938	1,298
Series C Preferred Units				
June 30, 2018 (2)	April 19, 2018	May 15, 2018	$ 0.2090	$ 418
June 30, 2018	July 19, 2018	August 15, 2018	0.4400	880
September 30, 2018	October 22, 2018	November 15, 2018	0.4382	876
December 31, 2018	January 22, 2019	February 15, 2019	0.4571	914
March 31, 2019	April 19, 2019	May 15, 2019	0.4614	923
June 30, 2019	July 19, 2019	August 15, 2019	0.4510	902
September 30, 2019	October 22, 2019	November 15, 2019	0.4375	870
December 31, 2019	January 23, 2020	February 18, 2020	0.4375	870

(1) The General Partner irrevocably waived its right to receive the incentive distribution and incentive allocations related to the respective quarterly distribution.
(2) The first distribution declared by the Partnership for the Series C Preferred Units was prorated for the 43-day period following the closing of the issuance on April 2, 2018. The distribution was paid on May 15, 2018 to unitholders of record as of May 1, 2018.

As of December 31, 2019, we had $450.0 million of total outstanding indebtedness. As of February 24, 2020, the Partnership had $173.0 million of outstanding borrowings on our revolving credit facility, and we had $277 million of undrawn borrowing capacity (including standby letter of credit arrangements of $5.8 million), subject to compliance with certain covenants, under our revolving credit facility.

Our long-term liquidity needs consist primarily of funds necessary to pay for acquisitions, developments and scheduled debt maturities. We intend to satisfy our long-term liquidity needs through cash flow from operations, joint ventures, and through the issuance of additional equity and debt.

Cash Flows

The following table summarizes the historical cash flow of the Partnership for the years ended December 31, 2019 and 2018 (in thousands):

	Year Ended December 31,	
	2019	2018
Net cash provided by operating activities	$ 31,663	$ 31,256
Net cash used in investing activities	(52,906)	(37,533)
Net cash provided by (used in) financing activities	26,460	(13,652)

Comparison of year ended December 31, 2019 to year ended December 31, 2018

Net cash provided by operating activities. Net cash provided by operating activities increased $0.4 million to $31.7 million for the year ended December 31, 2019 compared to $31.3 million for the year ended December 31, 2018. The increase is primarily attributable to the timing of prepaid expenses, other assets and payments of accounts payable and accrued liabilities.

Net cash used in investing activities. Net cash used in investing activities was $52.9 million for the year ended December 31, 2019 compared to $37.5 million for the year ended December 31, 2018. The change in cash used in investing activities was primarily due to the proceeds received from the sale of real property interests in 2019 compared to proceeds received related to the formation of the unconsolidated joint venture on September 24, 2018.

Net cash provided by (used in) financing activities. Net cash provided by financing activities was $26.5 million for the year ended December 31, 2019 compared to net cash used in financing activities of $13.7 million for the year ended December 31, 2018. The change in net cash provided by (used in) financing activities was primarily attributable to the net increase of $53.3 million in proceeds from the net borrowings from the revolving credit facility and secured notes and the net decrease of $9.8 million used in deferred loan costs offset by net decrease of $43.4 million in proceeds from equity offerings during the year ended December 31, 2019 compared to the year ended December 31, 2018. Additionally, the difference between the cost and the sales price of the Drop-down Acquisition completed during the year ended December 31, 2018 is treated as a distribution to Landmark.

Revolving Credit Facility

Our revolving credit facility will mature on November 15, 2023 and is available for working capital, capital expenditures, permitted acquisitions and general corporate purposes, including distributions. On November 15, 2018, the Partnership completed its Third Amended and Restated Credit Facility and obtained commitments from a syndicate of banks with initial borrowing commitments of $450.0 million for five-years. Additionally, borrowings up to $75.0 million may be denominated in British pound sterling (“GBP”), Euro, Australian dollar and Canadian dollar. Substantially all of our assets, excluding equity in and assets of unrestricted subsidiaries, after-acquired real property (other than real property that is acquired from affiliate funds and is subject to a mortgage), and other customary exclusions, are pledge (or secured by mortgages), as collateral under our revolving credit facility.

Our revolving credit facility contains various covenants and restrictive provisions that limit our ability (as well as the ability of our restricted subsidiaries) to, among other things:

- incur or guarantee additional debt;
- make distributions on or redeem or repurchase equity;
- make certain investments and acquisitions;
- incur or permit to exist certain liens;
- enter into certain types of transactions with affiliates;
- merge or consolidate with another company;
- transfer, sell or otherwise dispose of assets or enter into certain sale-leaseback transactions; and
- enter into certain restrictive agreements or amend or terminate certain material agreements.

Our revolving credit facility also requires compliance with certain financial covenants as follows:

- a leverage ratio of not more than 8.0 to 1.0; and
- an interest coverage ratio of not less than 2.0 to 1.0.

In addition, our revolving credit facility contains events of default including, but not limited to (i) event of default resulting from our failure or the failure of our restricted subsidiaries to comply with covenants and financial ratios, (ii) the occurrence of a change of control (as defined in the credit agreement), (iii) the institution of insolvency or similar proceedings against us or our restricted subsidiaries, (iv) the occurrence of a default under any other material indebtedness (as defined in the credit agreement) we or our restricted subsidiaries may have and (v) any one or more collateral documents ceasing to create a valid and perfected lien on collateral (as defined in the credit agreement). Upon the occurrence and during the continuation of an event of default, subject to the terms and conditions of the credit agreement, the lenders may declare any outstanding principal of our revolving credit facility debt, together with accrued and unpaid interest, to be immediately due and payable and may exercise the other remedies set forth or referred to in the credit agreement and the other loan documents.

Loans under the revolving credit facility bear interest at a rate equal to LIBOR, plus a spread ranging from 1.75% to 2.25% (determined based on leverage levels). As of December 31, 2019, the applicable spread was 2.25%.

Additionally, under the revolving credit facility we will be subject to an annual commitment fee (determined based on leverage levels) associated with the available undrawn capacity subject to certain restrictions. As of December 31, 2019, the applicable annual commitment rate used was 0.175%.

As of December 31, 2019, the Partnership had $232.9 million of total outstanding indebtedness under the revolving credit facility with $217.1 million available under the revolving credit facility (including a standby letter of credit arrangement of $2.4 million), subject to compliance with certain covenants. The Partnership was in compliance with all covenants under its revolving credit facility as of December 31, 2019. As of February 24, 2020, the Partnership had $173.0 million of outstanding borrowings on our revolving credit facility, and we had $277 million of undrawn borrowing capacity (including standby letter of credit arrangements of $5.8 million), subject to compliance with certain covenants, under our revolving credit facility.

Secured Notes

On April 24, 2018, the Partnership entered into a note purchase and private shelf agreement pursuant to which the Partnership agreed to sell an initial $43.7 million aggregate principal amount of 4.38% Senior Secured Notes, in a private placement, and may from time to time issue and sell additional senior secured notes, in an aggregate principal amount when aggregated with the initial principal amount of up to $225 million. The 4.38% Senior Secured Notes are obligations of certain special purpose subsidiaries of the Partnership, including the issuer of the 4.38% Senior Secured Notes, LMRK PropCo SO LLC (the “4.38% Senior Secured Notes Issuer”), and are not obligations of the Partnership or any of its other subsidiaries (including the obligors with respect to the 4.38% Senior Secured Notes). The assets and credit of such obligors are not available to satisfy the debts and obligations of the Partnership or any of its other affiliates (other than the obligors with respect to the 4.38% Senior Secured Notes). In October 2019, we became aware of the fact that we were in technical default of certain covenants under the Note Purchase Agreement due to certain rental payments received by the Partnership in an incorrect bank account, which resulted in an Event of Default under the terms of the Note Purchase Agreement. The Event of Default under the terms of the Note Purchase Agreement in turn caused an Event of Default under our revolving credit facility. In November 2019, we amended the terms of the revolving credit agreement and obtained a waiver such that Event of Default under the Note Purchase Agreement does not in turn cause an Event of Default under our revolving line of credit. In December 2019, we obtained a waiver of the default from the holders of the 4.38% Senior Secured Notes.

On November 30, 2017, the Partnership completed the 2017 Securitization involving certain outdoor advertising sites and related property interests owned by certain special purpose subsidiaries of the Partnership, through the issuance of the 2017 Secured Notes, in an aggregate principal amount of $80.0 million. The 2017 Secured Notes are obligations of certain special purpose subsidiaries of the Partnership, including the issuer of the 2017 Secured Notes, LMRK Issuer Co. 2 LLC, and are not obligations of the Partnership or any of its other subsidiaries (including the obligors with respect to the 2016 Secured Notes). The assets and credit of such obligors are not available to satisfy the debts and obligations of the Partnership or any of its other affiliates (other than the obligors with respect to the 2017 Secured Notes).

On June 16, 2016, the Partnership completed the 2016 Securitization transaction involving certain wireless communication sites and related property interests owned by certain special purpose subsidiaries of the Partnership, through the issuance of the 2016 Secured Notes, in an aggregate principal amount of $116.6 million. The 2016 Secured Notes are obligations of certain special purpose subsidiaries of the Partnership, including the issuer of the 2016 Secured Notes, LMRK Issuer Co. LLC, and are not obligations of the Partnership or any of its other subsidiaries (including the obligors with respect to the 2017 Secured Notes). The assets and credit of such obligors are not available to satisfy the debts and obligations of the Partnership or any of its other affiliates (other than the obligors with respect to the 2016 Secured Notes). The 2016 Secured Notes were paid in full ($108 million) subsequent to the year ended December 31, 2019.

The secured notes described above were issued in separate classes as indicated in the table below. The Class B notes of the Series 2016-1 and Series 2017-1 are subordinated in right of payment to the Class A notes of such series. The Class F notes of the Series 2018-1 are subordinated in right of payment to the Class D notes and the Class D notes are subordinated in right of payment to the Class C notes of such series.

Series and Class	Initial Principal Balance (in thousands)(1)	Note Rate	Anticipated Repayment Date
4.38% senior secured notes	$ 43,702	4.38%	June 30, 2036
Series 2017-1 Class A	$ 62,000	4.10%	November 15, 2022
Series 2017-1 Class B	$ 18,000	3.81%	November 15, 2022
Series 2016-1 Class A	$ 91,500	3.52%	June 15, 2021
Series 2016-1 Class B	$ 25,100	7.02%	June 15, 2021

(1) Presented as of December 31, 2019. The 2016 Secured Notes were paid in full ($108 million) subsequent to the year ended December 31, 2019.

The Secured Notes are each secured by (1) mortgages and deeds of trust on substantially all of the tenant sites and their operating cash flows, (2) a security interest in substantially all of the personal property of the obligors (as defined in the applicable indenture), and (3) the rights of the obligors under a management agreement. Under the terms of the applicable indenture, the obligors will be permitted to issue additional notes under certain circumstances, including so long as the debt service coverage ratio ("DSCR") of the issuer is at least 2.0 to 1.0 for the 2017 Secured Notes and 2016 Secured Notes, respectively, and at least 1.1 to 1.0 for the 4.38% Senior Secured Notes.

Under the terms of the applicable indenture, amounts due under the Secured Notes, as applicable, will be paid solely from the cash flows generated from the operation of the Secured Tenant Site Assets, as applicable, which must be deposited into reserve accounts, and thereafter distributed solely pursuant to the terms of the applicable indenture. On a monthly basis, after payment of all required amounts under the applicable indenture, subject to the conditions described in Note 9, *Debt*, the excess cash flows generated from the operation of such assets are released to the Partnership. As of December 31, 2019, $5.6 million was held in such reserve accounts which are classified as Restricted Cash on the accompanying consolidated balance sheets.

Certain information with respect to the Secured Notes is set forth in Note 9, *Debt*. The DSCR is generally calculated as the ratio of annualized net cash flow (as defined in the applicable indenture) to the amount of interest, servicing fees and trustee fees required to be paid over the succeeding 12 months on the principal amount of the Secured Notes, as applicable, that will be outstanding on the payment date following such date of determination. As of December 31, 2019, the DSCR for the 2017 Secured Notes and 2016 Secured Notes is above 2.0, respectively, and above 1.1 for the 4.38% Senior Secured Notes.

Each indenture includes covenants customary for notes issued in rated securitizations. Among other things, the related obligors are prohibited from incurring other indebtedness for borrowed money or further encumbering their assets (as defined in the applicable agreement) and the organizational documents of the related obligors were amended to contain certain provisions consistent with rating agency securitization criteria for special purposes entities, including that the applicable issuer and guarantor maintain independent directors. As of December 31, 2019, the applicable obligors were in compliance with all financial covenants under the Secured Notes.

Commitments

Our contractual obligations as of December 31, 2019 were (in thousands):

	Payments by Period				
	Total	Less than 1 year	Between 1 - 3 years	Between 3 - 5 years	More than 5 years
Revolving credit facility (principal)(1)	$ 232,907	$ —	$ 232,907	$ —	$ —
Revolving credit facility (interest)(2)	37,783	9,763	28,020	—	—
Standby letters of credit(1)	2,400	—	2,400	—	—
Secured Notes (principal and interest)(1)	251,505	19,622	191,203	8,267	32,413
Ground lease obligations	19,453	737	1,502	1,550	15,664
Other obligations	6,930	990	1,980	1,980	1,980

(1) On January 15, 2020, certain subsidiaries of the Partnership entered into a master note purchase and participation agreement pursuant to which such subsidiaries issued and sold an initial $170 million aggregate principal amount of 3.90% series A senior secured notes in a private placement. The senior secured notes mature on January 14, 2027 and include an interest-only initial term of three years. The net proceeds were used to repay in full the 2016 Secured Notes by $108 million, which were scheduled to mature in 2021, and the revolving credit facility by $59 million. In connection with the issuance of the 3.90% series A senior secured notes, the Partnership obtained a standby letter of credit arrangement totaling $3.4 million.

(2) Interest payable is based on the interest rates in effect on December 31, 2019, including the effect of the interest rate swaps and unused commitment fees.

Shelf Registrations

On February 23, 2017, the Partnership filed a universal shelf registration statement on Form S-3 with the SEC. The shelf registration statement was declared effective by the SEC on March 27, 2017 and permits us to issue and sell, from time to time, common and preferred units representing limited partner interests in us, and debt securities up to an aggregate amount of $750.0 million. The February 23, 2017 shelf registration was subsequently replaced by the December 4, 2019 shelf registration described below, which became effective subsequent to the year ended December 31, 2019.

On December 4, 2019, the Partnership filed a universal shelf registration statement on Form S-3 with the SEC. The shelf registration statement was declared effective by the SEC on January 30, 2020 and permits us to issue and sell, from time to time, common and preferred units representing limited partner interests in us, and debt securities up to an aggregate amount of $750.0 million.

Preferred Equity Offerings

On April 2, 2018, the Partnership completed a public offering of 2,000,000 Series C Floating-to-Fixed Rate Cumulative Perpetual Redeemable Convertible Preferred Units (“Series C Preferred Units”), representing limited partner interest in the Partnership, at a price of $25.00 per unit. We received net proceeds of approximately $47.5 million after deducting underwriters’ discounts and offering expenses paid by us of $2.5 million. We used substantially all net proceeds to repay a portion of the borrowings under our revolving credit facility.

Distributions on the Series C Preferred Units will be the 15th day of February, May, August and November of each year. The prorated initial distribution on the Series C Preferred Units was paid on May 15, 2018 in an amount equal to $0.2090 per Series C Preferred Unit. Distributions for the Series C Preferred Units will accrue from, and including the date of original issuance, to, but excluding, May 15, 2025, at an annual rate equal to the greater of (i) 7.00% per annum and (ii) the sum of (a) the three-month LIBOR as calculated on each applicable date of determination and (b) 4.698% per annum, based on the $25.00 liquidation preference per Series C Preferred Unit. On and after May 15, 2025, distributions on the Series C Preferred Units will accrue at 9.00% per annum of the $25.000 liquidation preference per Series C Preferred Unit (equal to $2.25 per Series C Preferred Unit per annum). The Partnership shall have the option to redeem the Series C Preferred Units, in whole or in part, on or after May 20, 2025 at the liquidation preference of $25.00 per Series C Preferred Unit, plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared.

ATM Programs

On May 3, 2019, the Partnership established a Common Unit at-the-market offering program (the “2019 Common Unit ATM Program”) pursuant to which we may sell, from time to time, Common Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. On May 3, 2019, the Partnership established a Series A Preferred Unit at-the-market offering program (the “2019 Series A ATM Program”) pursuant to which we may sell, from time to time, Series A Preferred Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. On March 30, 2017, the Partnership established a Series B Preferred Unit at-the-market offering program (the “Series B ATM Program” and together with the 2019 Series A ATM Program and the 2019 Common Unit ATM Program the “ATM Programs”) pursuant to which we may sell, from time to time, Series B Preferred Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. We intend to use the net proceeds from any sales pursuant to the ATM Programs for general partnership purposes, which may include, among other things, the repayment of indebtedness and to potentially fund future acquisitions.

During the year ended December 31, 2019, the Partnership issued a total of 128,892 Series A Preferred Units and 81,778 Series B Preferred Units under the ATM Programs generating total proceeds of approximately $5.3 million before issuance costs. For the year ended December 31, 2018, the Partnership issued a total of 27,830 Common Units and 24,747 Series A Preferred Units under the ATM Programs generating total proceeds of approximately $1.1 million before issuance costs. For the year ended December 31, 2017, the Partnership issued a total of 240,426 Common Units, 704,445 Series A Preferred Units, and 623,015 Series B Preferred Units under our ATM Programs, generating total proceeds of approximately $37.5 million before issuance costs.

Off Balance Sheet Arrangements

In connection with the issuance of the 4.38% Senior Secured Notes, the Partnership has a standby letter of credit arrangement totaling $2.4 million. As of December 31, 2019, there were no amounts drawn on the standby letter of credit. Subsequent to the year ended December 31, 2019, the Partnership obtained a standby letter of credit arrangement totaling $3.4 million in connection with the issuance of the 3.90% Series A Senior Secured Notes.

The Partnership does not have any other off balance sheet arrangements.

Inflation

The majority of our tenant lease arrangements are triple net or effectively triple net and provide for fixed-rate escalators or rent escalators tied to increases in the consumer price index. We believe that inflationary increases may be at least partially offset by the contractual rent increases and our tenants' (or the underlying property owners') obligations to pay taxes and expenses under our triple net and effectively triple net lease arrangements. We do not believe that inflation has had a material impact on our historical financial position or results of operations.

Newly Issued Accounting Standards

For a discussion of newly issued accounting standards updates, see Note 2, *Basis of Presentation and Summary of Significant Accounting Policies,* within the Notes to the Consolidated Financial Statements in Item 15., "Exhibits, Financial Statement Schedules."

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Our future income, cash flow and fair values relevant to financial instruments are impacted by prevailing market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. In the future, we may continue to use derivative financial instruments to manage, or hedge, interest rate risks related to our borrowings. Our primary market risk exposure is interest rate risk with respect to our expected indebtedness and foreign currency risk with respect to our investments.

Interest Rate Risk

We are exposed to risks arising from rising interest rates. As of December 31, 2019, our revolving credit facility had an outstanding balance of $232.9 million. Borrowings under our revolving credit facility will have variable LIBOR-based rates and will fluctuate based on the underlying LIBOR rate. As of December 31, 2019, we have hedged $195 million of the LIBOR rate on our revolving credit facility through interest rate swap agreements. If LIBOR were to increase by 150 basis points, assuming no additional hedging activities, the increase in interest expense on our debt would decrease our future earnings and cash flows by approximately $0.6 million annually. If LIBOR were to decrease by approximately 150 basis points, the decrease in interest expense on our pro forma debt would be approximately $0.6 million annually. On November 15, 2018, the Partnership entered into an interest rate swap agreement with a notional amount of £38 million with a fixed rate at 1.49% on floating GBP LIBOR with an effective date of November 30, 2020. On November 15, 2018, the Partnership completed its Third Amended and Restated Credit Facility that allows for borrowings in GBP LIBOR, subject to certain limitations. The GBP LIBOR interest rate swap is a hedge on pound sterling borrowing. As of February 24, 2020, the outstanding indebtedness under the revolving credit facility denominated in GBP was £40.5 million, that bears interest at a rate equal to GBP LIBOR, plus a spread ranging from 1.75% to 2.25% (determined based on leverage levels).

The distributions on the Series C Preferred Units are based on a rate equal to the greater of (i) 7.00% per annum, and (ii) the sum of (a) three-month LIBOR as calculated on each applicable date of determination and (b) 4.698% per annum, based on the $25.00 liquidation preference per Series C Preferred Unit. As of December 31, 2019, there were 1,988,700 Series C Preferred Units outstanding.

Interest risk amounts represent our management's estimates and were determined by considering the effect of hypothetical interest rates on our financial instruments. These analyses do not consider the effect of any change in overall economic activity that could occur in that environment. Further, in the event of a change of that magnitude, we may take actions to further mitigate our exposure to the change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, these analyses assume no changes in our financial structure.

Rising interest rates could limit our ability to refinance our debt when it matures or cause us to pay higher interest rates upon refinancing. We intend to hedge interest rate risks related to a portion of our borrowings over time by means of interest rate swap agreements or other arrangements.

Foreign Currency Risk

As we expand in international markets we are exposed to market risk from changes in foreign currency exchange rates. Approximately 12%, 7% and 3% of rental revenue was denominated in foreign currencies for the years ended December 31, 2019, 2018 and 2017, respectively. In the future, we may utilize derivative instruments, or borrow in local currencies, to manage the risk of fluctuations in foreign currency rates.

In July 2017, the FCA, which regulates LIBOR announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. As a result, the Federal Reserve Board and the Federal Reserve Bank of New York organized the ARRC which identified the SOFR as its preferred alternative to USD-LIBOR in derivatives and other financial contracts. The Partnership is not able to predict when LIBOR will cease to be available or when there will be sufficient liquidity in the SOFR markets. Any changes adopted by FCA or other governing bodies in the method used for determining LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR. If that were to occur, our interest payments could change. In addition, uncertainty about the extent and manner of future changes may result in interest rates and/or payments that are higher or lower than if LIBOR were to remain available in its current form. We will continue to monitor the potential impact of LIBOR changes on our business.

ITEM 8. Financial Statements and Supplementary Data

See Index to Consolidated Financial Statements included in Part IV, Item 15(a)(1).

ITEM 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management to allow for timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report at the reasonable assurance level.

Internal Control over Financial Reporting

Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed under the supervision of our principal executive officer and principal financial officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or 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.

As of December 31, 2019, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in the *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment and those criteria, management determined that we maintained effective internal control over financial reporting as of December 31, 2019.

The effectiveness of our internal control over financial reporting as of December 31, 2019, has been audited by Ernst & Young LLP, an independent registered accounting firm, as stated in its report, which is included herein.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Landmark Infrastructure Partners GP LLC and Partners of
Landmark Infrastructure Partners LP

Opinion on Internal Control over Financial Reporting

We have audited Landmark Infrastructure Partners LP's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) (the COSO criteria). In our opinion, Landmark Infrastructure Partners LP (the "Partnership") maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Landmark Infrastructure Partners LP as of December 31, 2019 and 2018, and the related consolidated statements of operations, comprehensive income, equity and mezzanine equity, and cash flows for each of the three years in the period ended December 31, 2019, and the related notes and financial statement schedule listed in the Index at Item 15(a), and our report dated February 27, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

The Partnership's 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 Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Partnership's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. 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, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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.

/s/ Ernst & Young LLP

Los Angeles, California
February 27, 2020

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

Management of Landmark Infrastructure Partners LP

We are managed by the directors and executive officers of our general partner, Landmark Infrastructure Partners GP LLC. Our general partner is not elected by our unitholders and will not be subject to election or re-election by our unitholders in the future. Landmark indirectly owns all of the membership interests in our general partner. Our general partner has a board of directors, and our unitholders are not entitled to elect the directors or directly or indirectly to participate in our management or operations. Our general partner will be liable, as general partner, for all of our debts (to the extent not paid from our assets), except for indebtedness or other obligations that are made specifically nonrecourse to it. Whenever possible, we intend to incur indebtedness that is nonrecourse to our general partner.

Our general partner has eight directors, three of whom are independent as defined under the independence standards established by NASDAQ and the Exchange Act. NASDAQ does not require a listed publicly traded limited partnership, such as ours, to have a majority of independent directors on the board of directors of our general partner or to establish a compensation committee or a nominating and corporate governance committee. We are, however, required to have an audit committee of at least three members, and all its members are required to meet the independence and experience standards established by NASDAQ and the Exchange Act.

The executive officers of our general partner allocate their time between managing our business and affairs and the business and affairs of Landmark. The amount of time that our executive officers will devote to our business and the business of Landmark will vary in any given period based on a variety of factors. We expect that our general partner's executive officers will devote as much time as is necessary for the proper conduct of our business and affairs.

Neither we nor our subsidiaries have any employees. Our general partner has the sole responsibility for providing the personnel necessary to conduct our operations. All of the employees and other personnel that conduct our business are employed or contracted by our general partner and its affiliates, including Landmark, but we sometimes refer to these individuals in this Annual Report on Form 10-K as our employees because they provide services directly to us.

Committees of the Board of Directors

The board of directors of our general partner has established an audit committee and a conflicts committee, and may have such other committees as the board of directors shall determine from time to time. Each of the standing committees of the board of directors has the composition and responsibilities described below.

Audit Committee

We are required to have an audit committee of at least three members, and all its members are required to meet the independence and experience standards established by NASDAQ and Rule 10A-3 promulgated under the Exchange Act. Thomas Carey White III, Gerald A. Tywoniuk and Keith Benson serve as members of our audit committee. Ronald W. Readmond served on our audit committee during the year ended December 31, 2017 until his passing on December 25, 2017. On November 13, 2018, Mr. Benson was appointed by the board of directors of our general partner to fill the vacancy. Mr. White serves as the chair of our audit committee. The board of directors of our general partner has determined that Mr. White is an "audit committee financial expert" as defined in Item 407(d)(5) of SEC Regulation S-K. Our audit committee assists the board of directors in its oversight of the integrity of our financial statements and our compliance with legal and regulatory requirements and partnership policies and controls. Our audit committee has the sole authority to retain and terminate our independent registered public accounting firm, approve all auditing services and related fees and the terms thereof, and pre-approve any non-audit services to be rendered by our independent registered public accounting firm. Our audit committee is responsible for confirming the independence and objectivity of our independent registered public accounting firm. Our independent registered public accounting firm has unrestricted access to our audit committee.

Conflicts Committee

At least two independent members of the board of directors of our general partner will serve on a conflicts committee to review specific matters that the board believes may involve conflicts of interest and determines to submit to the conflicts committee for review. The conflicts committee will determine if the resolution of the conflict of interest is adverse to the interest of the partnership. The members of the conflicts committee may not be officers or employees of our general partner or directors, officers or employees of its affiliates, including Landmark, and must meet the independence standards established by NASDAQ and the Exchange Act to serve on an audit committee of a board of directors along with other requirements in our partnership agreement. Any matters approved by the conflicts committee will be conclusively deemed to be approved by us and all of our partners and not a breach by our general partner of any duties it may owe us or our unitholders.

Directors and Executive Officers of Landmark Infrastructure Partners GP LLC

Directors are appointed by the sole member of our general partner and hold office until their successors have been elected or qualified or until their earlier death, resignation, removal or disqualification. Executive officers are appointed by, and serve at the discretion of, the board of directors. The following table shows information for the directors and executive officers of Landmark Infrastructure Partners GP LLC.

Name	Age	Position with Landmark Infrastructure Partners GP LLC
Arthur P. Brazy, Jr.	60	Chief Executive Officer and Director
George P. Doyle	50	Chief Financial Officer and Treasurer
Daniel R. Parsons	55	Senior Vice President – Information Systems and Technology
Josef Bobek	45	General Counsel and Secretary
Matthew P. Carbone	53	Chairman of the Board of Directors
James F. Brown	55	Director
Edmond G. Leung	39	Director
Keith Benson	47	Director
Thomas Carey White III	54	Director
Gerald A. Tywoniuk	58	Director

Arthur P. Brazy, Jr. was appointed Chief Executive Officer and a Director of our general partner. Mr. Brazy has served as Chief Executive Officer of our sponsor, Landmark Dividend LLC, since October 2015. He has served as President of Landmark Dividend LLC since co-founding the company in February 2010 through October 2015, and as a member of the board of managers of Landmark Dividend Holdings LLC and its predecessor since February 2010. From December 2005 to March 2009, Mr. Brazy served as Chief Executive Officer of Church Mortgage Acceptance Co., LLC, a private company he co-founded focused on direct lending to churches. From January 2001 to December 2005, Mr. Brazy served as Chief Executive Officer of Lakefront Ventures LLC, a private investment firm specializing in commercial and mortgage finance, private equity, real estate and structured finance advisory services. Prior to this, Mr. Brazy founded and led numerous private investment partnerships including Atherton Capital and worked as an officer of Eastdil Secured, a real estate investment bank. Mr. Brazy holds a B.S. in Economics from the California Institute of Technology and an M.B.A. from Stanford University. In addition to his other skills and qualifications, we believe that Mr. Brazy’s extensive experience with private investment funds, his in-depth knowledge of the real property industry generally and in successfully operating several different companies makes him qualified to be Chief Executive Officer and a member of the Board of Directors of our general partner.

George P. Doyle was appointed Chief Financial Officer and Treasurer of our general partner. Mr. Doyle has served as Chief Financial Officer and Treasurer of our sponsor, Landmark Dividend LLC since August 2011. From June 2010 to October 2010, Mr. Doyle served as the Executive Vice President, Chief Financial Officer, Secretary and Treasurer of Clearview Hotel Trust, Inc., a REIT that invests primarily in the hospitality industry. Prior to joining Clearview Hotel Trust, Inc., Mr. Doyle served, from November 2009 to June 2010, as the Vice President of Finance for Steadfast Income Advisor, LLC, the external advisor for Steadfast Income REIT, Inc., a REIT that invests primarily in multi-family residential properties. Mr. Doyle was also the Chief Accounting Officer for Steadfast Income REIT, Inc. Previously, Mr. Doyle served in various capacities from November 2003 to June 2009, including from July 2004 to June 2009 as the Senior Vice President - Chief Accounting Officer, at HCP, Inc., an S&P 500 REIT traded on the NYSE that invests primarily in real estate serving the healthcare industry. From September 1995 to October 2003, Mr. Doyle served in various positions with the accounting firm KPMG LLP, including as a senior manager. Mr. Doyle holds a B.A. in Business Administration from Western Washington University and a Certificate of Accounting from Seattle University. We believe that Mr. Doyle’s extensive financial and accounting background and experience with several different real estate companies makes him qualified to be Chief Financial Officer and Treasurer of our general partner.

Daniel R. Parsons was appointed as Senior Vice President – Information Systems and Technology of our general partner. Mr. Parsons has served as Chief Operations Officer of our sponsor, Landmark Dividend LLC, since August 2015 and previously served as Chief Information Officer of our sponsor since May 2010. From January 1998 to May 2010, Mr. Parsons served as the Chief Information Officer of Budget Finance Company, a company specializing in residential and commercial mortgage loans. Previous to this, Mr. Parsons worked in the software development and technology management sectors for 12 years. Mr. Parsons received a B.S. in Business Administration and an M.B.A. from the University of Southern California. We believe that Mr. Parsons’ experience in the software development and technology management fields makes him qualified to be Senior Vice President – Information Systems and Technology of our general partner.

Josef Bobek was appointed General Counsel and Secretary of our general partner in 2016. Mr. Bobek has served as General Counsel and Secretary of our sponsor, Landmark Dividend LLC, since January of 2016, and previously served as Deputy General Counsel and Associate General Counsel of our sponsor since December of 2012. From August 2012 until December 2012, Mr. Bobek served as Senior Counsel to Sun West Mortgage Company, Inc., a company specializing in residential and multi-family mortgage loans. From April 2005 to August of 2012, Mr. Bobek, served in various positions, including as a partner, with the law firm of Glaser Weil Fink Howard Avchen & Shapiro LLP, a full-service law firm based in Los Angeles, California. Prior to joining Glaser Weil Fink Howard Avchen & Shapiro LLP, Mr. Bobek served as an associate attorney with the law firm of Jennings Strouss, a national firm based in Phoenix, Arizona, from May of 2001 to April of 2005. Mr. Bobek holds a B.S. in Accounting from the University of Southern California, and received a Juris Doctorate from the School of Law at Pepperdine University. We believe Mr. Bobek's extensive legal background and experience serving as a legal advisor (internally and externally) to real estate focused companies and investors makes him qualified to be General Counsel and Secretary of our general partner.

Matthew P. Carbone was appointed as Chairman of the Board of Directors of our general partner in connection with his affiliation with Landmark Dividend LLC, which controls our general partner. Mr. Carbone was elected as Chairman of the board of managers of Landmark Dividend Holdings LLC in December 2012. Mr. Carbone has been a Managing Director of American Infrastructure Funds ("AIM") since he co-founded AIM in July 2006. Mr. Carbone has been a Principal of AIMPERA Capital Partners since December 2019 and was the President of AIMPERA Capital Partners from May 2018 until November 2019. Mr. Carbone has served on the boards of a number of companies, including as a director of the general partner of Oxford Resource Partners, L.P. from August 2007 to December 2014, as a director of the general partner of American Midstream Partners, L.P. from November 2009 to May 2012, as Chairman of the board of managers of Nordic Cold Storage Holdings, LLC from July 2011 to December 2015, as a member of the board of managers of Petropoint Energy Partners, LP from March 2012 to November 2014, as a member of the board of managers of Granite Communities LLC from November 2012 to December 2016, as a director of the general partner of Tunnel Hill Partners, L.P. since July 2008, as a director of CitySwitch Tower Holdings, LLC since February 2018, as a director of Unison Energy LLC since June 2018, and as a member of the board of managers of Agile Cold Chain Services LLC since December 2019. He received a B.A. in Neuroscience from Amherst College and an M.B.A. from Harvard Business School. We believe that Mr. Carbone's extensive investing and corporate finance experience, as well as his depth knowledge of the real property industry generally and our sponsor, Landmark Dividend LLC, in particular, provide him with the necessary skills to be a member of the Board of Directors of our general partner.

James F. Brown was appointed a Director of our general partner in connection with his affiliation with Landmark Dividend LLC, which controls our general partner. Mr. Brown served as Managing Director of AVG Holdings, LP, a diversified private investment firm, from July 2009 to May 2017, and as a member of the board of managers of Landmark Dividend Holdings LLC since February 2010. From 2002 to June 2009, Mr. Brown was an independent investor involved in a number of real estate and technology companies. He serves or has served on the board of a number of private and public companies, including Bellicum Pharmaceuticals, Inc. (NASD:BLCM), Perk.com (TSX:PER), Pacific GeneTech Ltd., Promise Healthcare, and SmartLogic Ltd. From 1999 to 2002, Mr. Brown served as Executive Vice President, General Manager and General Counsel of OpenTV, Inc., a technology and media company which he helped to guide through its initial public offering. Prior to joining OpenTV, Inc., Mr. Brown was a Partner in the law firm of McDermott, Will & Emery in Menlo Park, and then previously a Partner with the law firm of Pillsbury Madison & Sutro in San Francisco, California. Mr. Brown received a B.S. in Accounting from Weber State University and a J.D. from Brigham Young University. Mr. Brown is a certified public accountant (inactive) and a member of the bar in California. We believe that Mr. Brown's diverse legal and financial background and his experience as a director and investor in diverse real estate and technology companies makes him qualified to be a member of the Board of Directors of our general partner.

Edmond G. Leung was appointed a Director of our general partner in connection with his affiliation with Landmark Dividend LLC, which controls our general partner. Mr. Leung was elected as a member of the board of managers of Landmark Dividend Holdings LLC in December 2012. Mr. Leung has been a Managing Director of AIM since December 2015, was a Principal of AIM from December 2013 until November 2015, a Vice President with AIM from January 2010 until November 2013 and an Associate from September 2007 to December 2009. Mr. Leung has been a Principal of AIMPERA Capital Partners since December 2019 and was a Vice President of AIMPERA Capital Partners from May 2018 until November 2019. Mr. Leung has served as a member of the board of managers of Nordic Cold Storage LLC from July 2011 to November 2016, as a member of the board of managers of Arrow Holdings, LLC from November 2016 to December 2019, as a member of the board of managers of Granite Communities from February 2017 to October 2017, as a member of the board of managers of American Education Properties, LLC since February 2017, as Chairman of the board of managers of CitySwitch Tower Holdings, LLC since February 2018, as a member of the board of managers of Flagship Communities, LLC since May 2018 and as a member of the board of managers of Agile Cold Chain Services LLC since December 2019. Mr. Leung received a B.A. in Economics and a B.S. in Business Administration from University of California, Berkeley. We believe that Mr. Leung's extensive investing and corporate finance experience, as well as his in depth knowledge of the real property industry generally and our sponsor, Landmark Dividend LLC, in particular, provide him with the necessary skills to be a member of the Board of Directors of our general partner.

Keith Benson was appointed a Director of our general partner in November 2018. Mr. Benson served as Co-General Counsel of USD Group LLC, a developer, builder, operator, and manager of energy-related midstream infrastructure, since March 2015. From January 2008 through February 2015, Mr. Benson was a partner with the international law firm of Latham & Watkins LLP in their Houston and San Francisco offices. Mr. Benson's practice focused on public company representation, corporate governance, capital markets and mergers & acquisitions, with a focus on midstream and upstream energy companies, master limited partnerships and real estate investment trusts. From July 2000 through December 2007, Mr. Benson was an associate with Latham & Watkins LLP and from October 1998 through June 2000 Mr. Benson was an associate with the law firm of Cahill, Gordon & Reindel LLP. Mr. Benson received a JD with high honors from Rutgers School of Law and a BA in political science from The College of New Jersey.

Thomas Carey White III was appointed a Director of our general partner. Mr. White has served as the Chief Executive Officer of Positive Arts LLC, a systems architecture firm specializing in building and operating infrastructure, since January 2011. Mr. White has also served as Chief Financial Officer and a member of the board of managers of Active Wellness LLC, a management company operating corporate fitness centers, since he co-founded Active Wellness in January 2014. Mr. White has also served as Chairman of the Feeding Your Kids Foundation, a nonprofit organization operating an international program teaching parents how to feed their children healthier food, since he co-founded the Foundation in May 2010. From November 2011 to February 2016, Mr. White served as the Chief Financial Officer of Itrim US LLC, a fitness and health company. Mr. White served as the Chief Financial Officer and Chief Technology Officer of Club One, a fitness company, from January 2004 to December 2010. Mr. White received a BA from Stanford University and an MBA from Harvard Business School. He is a certified public accountant (inactive) in the state of California. We believe that Mr. White's expertise in accounting and financial matters, along with his extensive management experience, qualifies him for service as a Director of our general partner.

Gerald A. Tywoniuk was appointed a Director of our general partner in January 2015. Mr. Tywoniuk serves on the Board of Managers of TF-CO Asset Management LLC, and provides consulting services. These consulting services currently include his roles as: CEO of Kemmerer Holdings, LLC and Kemmerer Operations, LLC; and as Trustee for the WMLP Liquidation Trust. Mr. Tywoniuk served as an independent director and audit committee chairperson at American Midstream GP, LLC, the general partner of American Midstream Partners, L.P., from 2011 to July 2019. He also served on the board of directors of Westmoreland Resources GP, LLC, the general partner of Westmoreland Resource Partners, LP from 2009 to June 2019, and served as Acting CEO of that entity from March 2019 until June 2019. Mr. Tywoniuk has 38 years of experience in accounting and finance and has previously served a number of public companies in senior executive and management roles, including: chief financial officer of MarkWest Energy Partners, L.P. and its predecessor from 1997 to 2002, including at the time of its 2002 initial public offering; chief financial officer of Pacific Energy Partners, L.P. from 2002 to 2006; and roles as CFO, Acting CEO and Plan Representative for Pacific Energy Resources Ltd. from 2008 – 2013. Mr. Tywoniuk received a Bachelor of Commerce from the University of Alberta and is a Chartered Professional Accountant in Canada. We believe that Mr. Tywoniuk's expertise in accounting and financial matters, along with his extensive management experience, qualifies him for service as a Director of our general partner.

Board Leadership Structure

Directors of the board of directors of our general partner are designated or elected by Landmark. Accordingly, unlike holders of common stock in a corporation, our unitholders will have only limited voting rights on matters affecting our business or governance, subject in all cases to any specific unitholder rights contained in our partnership agreement. The board of directors of our general partner has no policy with respect to the separation of the offices of chairman of the board of directors and chief executive officer. Instead, that relationship is defined and governed by the amended and restated limited liability company agreement of our general partner, which permits the same person to hold both offices.

Board Role in Risk Oversight

Our governance guidelines provide that the board of directors of our general partner is responsible for reviewing our process for assessing the major risks facing us and our options for mitigation. This responsibility will be largely satisfied by our audit committee, which is responsible for reviewing and discussing with management and our registered public accounting firm our major risk exposures and the policies management has implemented to monitor such risk exposures, including our financial risk exposure and risk management policies.

Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the directors and executive officers of our general partner and persons who own more than 10 percent of a registered class of our equity securities, to file reports of beneficial ownership on Form 3 and changes in beneficial ownership on Forms 4 or 5 with the SEC. Based on our review of the reporting forms and written representations provided to us from the persons required to file reports, we believe that each of the directors and executive officers of our general partner and persons who own more than 10 percent of a registered class of our equity securities has complied with the Section 16 reporting requirements for transactions in our securities during the fiscal year ended December 31, 2019.

Code of Business Conduct and Ethics

We adopted a code of business conduct and ethics that seeks to identify and mitigate conflicts of interest between our interests and the interests of our general partner and its employees, directors and officers. However, we cannot assure you that these policies or provisions will always be successful in eliminating or minimizing the influence of such conflicts, and if they are not successful, decisions could be made that might fail to reflect fully the interests of unitholders.

Principal Executive Offices and Internet Address

Our principal executive offices are located at 400 Continental Blvd., Suite 500, El Segundo, CA 90245, and our telephone number is (310) 598-3173. We post governance documents on our website at http://www.landmarkmlp.com. We expect to make our periodic reports and other information filed with or furnished to the SEC available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference into this Annual Report Form 10-K and does not constitute a part of this Annual Report Form 10-K.

ITEM 11. Executive Compensation

We do not employ any of the persons responsible for managing our business. Our general partner, under the direction of its board of directors is responsible for managing our operations and for obtaining the services of the employees that operate our business. Our general partner's executive officers are employed and compensated by Landmark and have responsibilities to both us and Landmark. Our general partner's executive officers currently devote less than a majority of their working time to matters relating to us and we currently expect our general partner's executive officers to continue for the foreseeable future to devote less than a majority of their working time to matters relating to us. We currently do not have a compensation committee, and we do not plan to have one. Pursuant to our omnibus agreement we reimburse Landmark for expenses related to certain general and administrative services Landmark provides to us in support of our business, including certain executive management services by certain officers of our general partner and compensation expense for all employees required to manage and operate our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. This cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeds $120 million and (ii) November 19, 2021. The full amount of general and administrative expenses incurred is reflected on our income statements, and to the extent such general and administrative expenses exceed the cap amount, the amount of such excess is reflected on our financial statements as a capital contribution from Landmark rather than as a reduction of our general and administrative expenses, except for expenses that would otherwise be allocated to us, which are not included in the amount of general and administrative expenses.

Except with respect to any equity incentive awards in us that may be granted under our 2014 Long-Term Incentive Plan, or "LTIP," our general partner's executive officers do not receive any separate amounts of compensation for their services to us and all compensation decisions for our general partner's executive officers are made by Landmark, without input from our general partner's board of directors or any committees thereof. Any awards granted to our general's partner's executive officers under our LTIP are determined and granted by our general partner's board of directors or one of its applicable committees. No equity incentive awards were granted to any of our executive officers in 2019.

Compensation of our Directors

In connection with the IPO, the board of directors of the General Partner adopted the Landmark Infrastructure Partners GP LLC Non-Employee Director Compensation Plan (the "Non-Employee Director Compensation Plan"). On January 25, 2018, the board of directors of the General Partner adopted the Amended and Restated Non-Employee Director Compensation Plan. The Amended and Restated Non-Employee Director Compensation Plan provides each director that is neither an officer of the General Partner nor an employee or an affiliate of the General Partner with annualized compensation consisting of $40,000 in cash, payable quarterly, an annual grant of Common Units valued at $40,000 and additional cash compensation for attending meetings of the board of directors of the General Partner or a committee thereof. Pursuant to the Amended and Restated Non-Employee Director Compensation Plan, the chairman of the audit committee of the board of directors shall be entitled to additional annualized cash compensation of $15,000 and the chairman of any other committee of the board of directors, as may be established at any time, shall be entitled to an amount in cash as determined by the board of directors. Such directors will also receive reimbursement for out-of-pocket expenses associated with attending board or committee meetings and director and officer liability insurance coverage. Officers, employees or paid consultants or advisors of us or our general partner or Landmark or its affiliates who also serve as directors will not receive additional compensation for their service as directors. All directors will be indemnified by us for actions associated with being a director to the fullest extent permitted under Delaware law.

The following table sets forth the total compensation paid to our non-employee directors as compensation for their year of service to us in 2019.

Director Compensation

Name	Fees Earned or Paid in Cash(1)	Unit Awards(2)	Total
Thomas Carey White III	$ 69,500	$ 40,000	$ 109,500
Gerald A. Tywoniuk	54,500	40,000	94,500
Keith Benson	54,500	40,000	94,500

(1) Amounts shown represent 2019 retainer and meeting fees.
(2) The amounts shown represent the grant date fair value of awards granted in 2019. In 2019, each of our independent directors who was serving on the Board as of December 31, 2018, received 3,271 common units grants for 2019 services. Additionally, Mr. Benson was appointed Director on November 2018 and received 818 common units in 2019 for 2018 services.

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

The following table sets forth the beneficial ownership of units of Landmark Infrastructure Partners LP as of December 31, 2019, held by beneficial owners of 5% or more of the units, by each director, director nominee and named executive officer of Landmark Infrastructure Partners GP LLC, our general partner, and by all directors, director nominees and executive officers of our general partner as a group. The percentage of units beneficially owned is based on a total of 25,353,140 common units outstanding as of December 31, 2019. Unless otherwise indicated in the footnotes to the table below, each of the beneficial owners listed has, to our knowledge, sole voting and investment power with respect to the units and the business address of each such beneficial owner is c/o Landmark Infrastructure Partners LP, 400 Continental Blvd., Suite 500, El Segundo, CA 90245.

Name of beneficial owner(1)	Common Units Number	Common Units Percent
Landmark Dividend Holdings LLC(2)	3,415,405	13.5%
Dennis S. Hersch(3)	1,600,478	6.3%
Directors/Named Executive Officers		
Arthur P. Brazy, Jr.	170,149	*
George P. Doyle	19,439	*
Matthew P. Carbone	23,604	*
James F. Brown	—	—
Edmond G. Leung	3,410	*
Keith Benson	4,089	—
Thomas Carey White III	14,435	*
Gerald A. Tywoniuk	11,265	*
All Directors and Executive Officers as a group (8 persons)	246,391	*%

(1) Unless otherwise indicated, the address for all beneficial owners in this table is 400 Continental Blvd., Suite 500, P.O. Box 3429, El Segundo, CA 90245.

(2) Includes (1) 3,537 common units held directly by Landmark Dividend LLC and (2) 55,097 common units held directly by Landmark Z-Unit Holdings LLC. Landmark Dividend LLC and Landmark Z-Unit Holdings LLC are indirectly owned and managed by Landmark Dividend Holdings LLC. Landmark Dividend Holdings LLC is managed by a board of managers. The board of managers of Landmark Dividend Holdings LLC is comprised of Matthew P. Carbone, Edmond G. Leung, Arthur P. Brazy, Jr., James F. Brown, Trevor J. Brock and David L. Hollon. AIM Landmark Holdings, LLC is the record holder of approximately 59% of the limited liability company interests of Landmark Dividend Holdings, LLC and is entitled to elect the majority of the members of the board of managers of Landmark Dividend Holdings LLC. AIM Landmark Holdings, LLC is controlled by AIM Universal Holdings, LLC. AIM Universal Holdings, LLC is managed by Robert B. Hellman and Matthew P. Carbone, and ultimate control of AIM Universal Holdings, LLC is governed by the Investment Committee of American Infrastructure Fund II, LP. Each of the foregoing persons and each member of the board of managers of Landmark Dividend Holdings LLC, disclaims beneficial ownership of such securities. Each of AIM Universal Holdings, LLC, AIM Landmark Holdings, LLC and Landmark Dividend Holdings, LLC may be deemed to indirectly beneficially own the securities held by Landmark Dividend LLC and Landmark Z-Unit Holdings LLC, but disclaim beneficial ownership except to the extent of their respective pecuniary interest therein. The principal business address of AIM Universal Holdings, LLC and AIM Landmark Holdings, LLC is 950 Tower Lane, Suite 800, Foster City, California 94404. The principal business address of Landmark Dividend LLC, Landmark Dividend Holdings LLC and Landmark Z-Unit Holdings LLC is 400 Continental Blvd., Suite 500, El Segundo, California 90245.

(3) Based solely on Schedule 13G/A filed with the SEC on February 13, 2020 by Dennis S. Hersch, individually, and in his capacity as trustee of each of The Linden East Trust and The Linden West Trust (the “Reporting Person”). As of December 31, 2019, the Reporting Person was the beneficial owner of 1,600,478 Common Units, which includes (a) 100,212 Common Units owned directly by Mr. Hersch, (b) 355,016 Common Units owned directly by The Linden East Trust, and (c) 1,145,250 Common Units owned directly by The Linden West Trust. The Reporting Person’s principal business address is 31 East 79th St., New York, NY 10075.

* The percentage of units beneficially owned by each director or each executive officer does not exceed 1% of the common units outstanding. The percentage of units beneficially owned by all directors and executive officers as a group does not exceed 1% of the common units outstanding.

Securities Authorized for Issuance Under Equity Compensation Plans

As of December 31, 2019, the following equity securities were authorized for issuance under our existing compensation plans:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#) (a)	Weighted Average Exercise Price of Outstanding, Options, Warrants and Rights ($) (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (#) (c)
Equity Compensation Plans Approved by Security Holders	—	$ —	748,855 (1)
Equity Compensation Plans not Approved by Security Holders	—	—	—
Total	—	$ —	748,855

(1) Amount shown represents Common Units available for issuance under the LTIP as of December 31, 2019.

Table of Contents

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

As of December 31, 2019, Landmark and affiliates own 3,415,405 common units, representing a 13.5% limited partner interest in us. In addition, our general partner owns a non-economic general partner interest in us.

Distributions and Payments to Our General Partner and Its Affiliates

The following table summarizes the distributions and payments made by us to our general partner and its affiliates in connection with our ongoing operation and liquidation. These distributions and payments were and will be determined by and among affiliated entities and, consequently, are not the result of arm's-length negotiations.

Operational stage

Distributions of available cash to our general partner and its affiliates	We will generally make cash distributions to the unitholders pro rata, including Landmark and affiliates, as holder of an aggregate of 3,415,405 common units as of December 31, 2019. In addition, if distributions exceed the minimum quarterly distribution and target distribution levels, the incentive distribution rights held by our general partner will entitle our general partner to increasing percentages of the distributions, up to 50% of the distributions above the highest target distribution level. Assuming we generate sufficient distributable cash flow to support the payment of the full minimum quarterly distribution on all of our outstanding units for four quarters, Landmark and affiliates would receive annual distributions of $3.9 million on its common units.
Payments to our general partner and its affiliates	Under our partnership agreement, we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our omnibus agreement, our general partner determines the amount of these expenses and such determinations must be made in good faith under the terms of our partnership agreement. Under the omnibus agreement, we agreed to reimburse Landmark for expenses related to certain general and administrative services Landmark will provide to us in support of our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. To the extent our general and administrative expenses exceed this cap Landmark will reimburse the partnership for the excess over the cap. This cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. The expenses of other employees will be allocated to us based on the amount of time actually spent by those employees on our business. These reimbursable expenses also include an allocable portion of the compensation and benefits of employees and executive officers of other affiliates of our general partner who provide services to us. We will also reimburse Landmark for any additional out-of-pocket costs and expenses incurred by Landmark and its affiliates in providing general and administrative services to us. Please read "– Agreements Governing the Transactions – Omnibus Agreement" below and Item 11., "Executive Compensation – Compensation of Our Directors." In connection with third party acquisitions, Landmark will be obligated to provide certain acquisition services to us. We will pay Landmark reasonable fees, as mutually agreed to by Landmark and us, for providing any such acquisition services we choose to utilize. These acquisition services fees will not be subject to the cap on general and administrative expenses. However, we are under no obligation to utilize Landmark for acquisition services, and may utilize the services of third parties in connection with acquisitions.
Withdrawal or removal of our general partner	If our general partner withdraws or is removed, its general partner interest and its incentive distribution rights will either be sold to the new general partner for cash or converted into common units, in each case for an amount equal to the fair market value of those interests.

Table of Contents

Liquidation stage

Liquidation	Upon our liquidation, the partners, including our general partner, will be entitled to receive liquidating distributions according to their respective capital account balances.

Our Agreements with Landmark

Omnibus Agreement

We entered into an omnibus agreement with Landmark and our general partner for the purposes of:

- reimbursement for all costs and expenses incurred by Landmark in providing us partnership, general and administrative services (which reimbursement is in addition to certain expenses of our general partner and its affiliates that are reimbursed under our partnership agreement);
- an indemnity by Landmark for certain liabilities associated with our assets; and

So long as Landmark controls our general partner, the omnibus agreement will remain in full force and effect. If Landmark ceases to control our general partner, either party may terminate the omnibus agreement, provided that the indemnification obligations will remain in full force and effect in accordance with their terms.

We will reimburse Landmark quarterly for the expenses incurred by Landmark and its affiliates in providing these services. Landmark has agreed that our obligation to reimburse Landmark for certain of these general and administrative services during any calendar quarter will be capped at 3% of our revenue during the current calendar quarter. The full amount of general and administrative expenses incurred will be reflected on our income statements, and to the extent such general and administrative expenses exceed the cap amount, the amount of such excess will be reimbursed by Landmark which will be reflected in our financial statements as a capital contribution from Landmark rather than as a reduction of our general and administrative expenses, except for expenses that would otherwise be allocated to us, which are not included in the amount of general and administrative expenses.

Acquisition Services

In connection with third party acquisitions, Landmark will be obligated to provide acquisition services to us, including asset identification, underwriting and due diligence, negotiation, documentation and closing, at the reasonable request of our general partner, but we are under no obligation to utilize such services. We will pay Landmark reasonable fees, as mutually agreed to by Landmark and us, for providing these services. These fees will not be subject to the cap on general and administrative expenses described above.

Indemnification

Tax Indemnification by Landmark. For a period up to 60 days past the expiration of any applicable statute of limitations, Landmark will indemnify us for any federal, state, local and foreign tax liability attributable to the operations or ownership of the assets contributed to us arising prior to the closing of the IPO or otherwise related to Landmark's contribution of those assets to us in connection with the IPO, including any such income tax liability of Landmark and its affiliates that may result from our formation transactions or that arises under Treasury Regulation Section 1.1502-6.

Indemnification by Us. We have agreed to indemnify Landmark for events and conditions associated with the ownership or operation of our assets that occur after the closing of the IPO (other than any environmental liabilities for which Landmark is specifically required to indemnify us as described above). There is no limit on the amount for which we will indemnify Landmark under the omnibus agreement.

License of Trademarks. Landmark granted us a nontransferable, nonexclusive, royalty-free worldwide right and license to use certain trademarks and trade names owned by Landmark.

Other Agreements with Landmark and Related Parties

Patent License Agreement

We entered into a Patent License Agreement ("License Agreement") with American Infrastructure Funds, LLC ("AIF"), an affiliate of the controlling member of Landmark. Under the License Agreement, AIF granted us a nonexclusive, perpetual license to practice certain patented methods related to the apparatus and method for combining easements under a master limited partnership. We have agreed to pay AIF a license fee of $50,000 for the second year of the License Agreement, and thereafter, an amount equal to the greater of (i) one-tenth of one percent (0.1%) of our gross revenue received during such contract year; or (ii) $100,000. For each of the years ended December 31, 2019, 2018 and 2017, we incurred $0.1 million of license fees related to the AIF patent license agreement, respectively.

Procedures for Review, Approval and Ratification of Related Person Transactions

The board of directors of our general partner adopted a related party transactions policy that provides that the board of directors of our general partner or its authorized committee will review on at least a quarterly basis all related person transactions that are required to be disclosed under SEC rules and, when appropriate, initially authorize or ratify all such transactions. In the event that the board of directors of our general partner or its authorized committee considers ratification of a related person transaction and determines not to so ratify, the code of business conduct and ethics will provide that our management will make all reasonable efforts to cancel or annul the transaction.

The related party transactions policy provides that, in determining whether or not to recommend the initial approval or ratification of a related person transaction, the board of directors of our general partner or its authorized committee should consider all of the relevant facts and circumstances available, including (if applicable) but not limited to: (1) whether there is an appropriate business justification for the transaction; (2) the benefits that accrue to us as a result of the transaction; (3) the terms available to unrelated third parties entering into similar transactions; (4) the impact of the transaction on a director's independence (in the event the related person is a director, an immediate family member of a director or an entity in which a director or an immediate family member of a director is a partner, shareholder, member or executive officer); (5) the availability of other sources for comparable products or services; (6) whether it is a single transaction or a series of ongoing, related transactions; and (7) whether entering into the transaction would be consistent with the code of business conduct and ethics.

ITEM 14. Principal Accountant Fees and Services

Audit Fees

Fees for professional services rendered by Ernst & Young LLP, our independent auditor, for the years ended December 31, 2019 and 2018 are presented in the following table (in thousands).

Category	2019	2018
Audit fees(1)	$ 1,140	$ 1,077
Audit-related fees(2)	—	55
Total	$ 1,140	$ 1,132

(1) Audit fees represent fees for professional services provided in connection with the audit of the Partnership's annual financial statements, reviews of the quarterly financial statements included in the Partnership's quarterly reports on Form 10-Q and other professional services in connection with the Partnership's registration statements, securities offerings and audits of financial statements of subsidiaries.
(2) Audit-related fees represent fees for professional services primarily provided in connection with agreed-upon procedures related to the Partnership's subsidiaries' securitization transactions.

The Audit Committee has adopted a pre-approval policy for the pre-approval of certain services rendered to us by Ernst & Young LLP. All of the fees in the table above were approved in accordance with this policy. Under the policy, all services to be provided by EY must be pre-approved by the Audit Committee. The Audit Committee has delegated authority to approve permitted services to the Audit Committee's Chair. Such approval must be reported to the entire Audit Committee at the next scheduled Audit Committee meeting.

Auditor Independence

The Audit Committee of the board of directors of our general partner has considered whether Ernst & Young LLP is independent for purposes of providing external audit services to us, and the Audit Committee has determined that Ernst & Young LLP is independent.

PART IV

ITEM 15. Exhibits, Financial Statement Schedules

(a)(1) Financial Statements:

Report of Independent Registered Public Accounting Firm	F-2
Consolidated Balance Sheets as of December 31, 2019 and 2018	F-3
Consolidated Statements of Operations for the years ended December 31, 2019, 2018 and 2017	F-4
Consolidated Statements of Comprehensive Income for the years ended December 31, 2019, 2018 and 2017	F-5
Consolidated Statements of Equity and Mezzanine Equity	F-6
Consolidated Statements of Cash Flows	F-7
Notes to Consolidated Financial Statements	F-8

(a)(2) Schedule III: Real Estate and Accumulated Depreciation

Note: All other schedules have been omitted because the required information is presented in the financial statements and the related notes or because the schedules are not applicable.

(a)(3) Exhibits:

The following documents are filed as exhibits to this annual report:

Exhibit number	Description
1.1	At-the-Market Issuance Sales Agreement, dated as of February 16, 2016, by and among Landmark Infrastructure Partners LP, Landmark Infrastructure Partners GP LLC, Landmark Infrastructure Operating Company LLC and FBR Capital Markets & Co., MLV & Co. LLC and Janney Montgomery Scott LLC (incorporated by reference to Exhibit 1.1 of our Current Report on Form 8-K filed on February 16, 2016).
1.2	At-the-Market Issuance Sales Agreement, dated as of June 24, 2016, by and among Landmark Infrastructure Partners LP, Landmark Infrastructure Partners GP LLC and Landmark Infrastructure Operating Company LLC and FBR Capital Markets & Co. and MLV & Co. LLC (incorporated by reference to Exhibit 1.1 of our Current Report on Form 8-K filed on June 24, 2016).
1.3	At-the-Market Issuance Sales Agreement, dated as of March 30, 2017, by and among Landmark Infrastructure Partners LP, Landmark Infrastructure Partners GP LLC and Landmark Infrastructure Operating Company LLC and FBR Capital Markets & Co. (incorporated by reference to Exhibit 1.1 of our Current Report on Form 8-K filed on March 30, 2017).
1.4	Note Purchase Agreement dated May 25, 2018 among LMRK Issuer Co III LLC, LMRK Guarantor Co III LLC, Landmark Infrastructure Operating Company LLC and RBC Capital Markets, LLC (incorporated by reference to Exhibit 1.1 of our Current Report on Form 8-K filed on May 29, 2018).
3.1	Certificate of Limited Partnership of Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 3.1 of our Registration Statement on Form S-11 (Registration No. 333-199221), initially filed on October 8, 2014, as amended).
3.2	First Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on November 25, 2014).
3.3	Second Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on April 4, 2016).
3.4	Third Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on August 8, 2016).
3.5	Amendment No. 1 to the Third Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP, dated July 31, 2017 (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on August 3, 2017).
3.6	Fourth Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on April 2, 2018).
4.1	Indenture, dated as of June 16, 2016, by and among Deutsche Bank Trust Company Americas, as Indenture Trustee, and LMRK Issuer Co. LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC and LD Acquisition Company 10 LLC, collectively as Obligors (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed on June 22, 2016).

Exhibit number	Description
4.2	Indenture Supplement, dated as of June 16, 2016, by and among Deutsche Bank Trust Company Americas, as Indenture Trustee, and LMRK Issuer Co. LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC and LD Acquisition Company 10 LLC, collectively as Obligors (incorporated by reference to Exhibit 4.2 of our Current Report on Form 8-K filed on June 22, 2016).
4.3	Indenture, dated as of November 30, 2017, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co. 2 LLC, LMRK Propco LLC and LD Tall Wall III LLC, collectively as Obligors (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed on December 5, 2017).
4.4	Indenture Supplement, dated as of November 30, 2017, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co. 2 LLC, LMRK Propco LLC and LD Tall Wall III LLC, collectively as Obligors (incorporated by reference to Exhibit 4.2 of our Current Report on Form 8-K filed on December 5, 2017).
4.5	Indenture, dated as of June 6, 2018, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co III LLC and LMRK PropCo 3 LLC, collectively as Obligors (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed on June 11, 2018).
4.6	Indenture Supplement, dated as of June 6, 2018, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co III LLC and LMRK PropCo 3 LLC, collectively as Obligors (incorporated by reference to Exhibit 4.2 of our Current Report on Form 8-K filed on June 11, 2018).
4.7	BF-LMRK JV LLC Amended and Restated Limited Liability Company Agreement (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed on September 24, 2018).
4.8	Note Purchase and Participation Agreement, dated as of January 15, 2020, by and among LMRK Issuer Co. LLC, 2019-1 TRS LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC, LD Acquisition Company 10 LLC and LD Tall Wall II LLC collectively as Obligors, and the purchasers party thereto (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K filed on January 21, 2020).
4.9	Series A Supplement, dated as of January 15, 2020, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co. LLC, 2019-1 TRS LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC, LD Acquisition Company 10 LLC and LD Tall Wall II LLC collectively as Obligors, and the purchasers party thereto (incorporated by reference to Exhibit 4.2 of our Current Report on Form 8-K filed on January 21, 2020).
4.10*	Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
10.1	Contribution, Conveyance and Assumption Agreement (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on November 25, 2014)
10.2	Omnibus Agreement (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on November 25, 2014)
10.3	Amended and Restated Credit Agreement (incorporated by reference to Exhibit 10.3 of our Current Report on Form 8-K filed on November 25, 2014)
10.4	Patent License Agreement (incorporated by reference to Exhibit 10.4 of our Current Report on Form 8-K filed on November 25, 2014)
10.5	Landmark Infrastructure Partners LP 2014 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.5 of our Current Report on Form 8-K filed on November 25, 2014)
10.6	Landmark Infrastructure Partners LP 2014 Long-Term Incentive Program Phantom Unit Agreement with Distribution Equivalent Rights (incorporated by reference to Exhibit 10.4 of our Registration Statement on Form S-11 (Registration No. 333-199221), initially filed on October 8, 2014, as amended)
10.7	Landmark Infrastructure Partners LP 2014 Long-Term Incentive Program Phantom Unit Agreement without Distribution Equivalent Rights (incorporated by reference to Exhibit 10.5 of our Registration Statement on Form S-11 (Registration No. 333-199221), initially filed on October 8, 2014, as amended)
10.8	Asset Purchase Agreement between Landmark Infrastructure Holding Company LLC and Landmark Infrastructure Operating Company LLC, dated March 4, 2015 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on March 5, 2015.)
10.9	Asset Purchase Agreement between Landmark Infrastructure Holding Company LLC and Landmark Infrastructure Operating Company LLC, dated April 8, 2015 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on April 8, 2015.)

Exhibit number	Description
10.10	Asset Purchase Agreement between Landmark Infrastructure Holding Company LLC and Landmark Infrastructure Operating Company LLC, dated July 21, 2015 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on July 21, 2015.)
10.11	Membership Interest Contribution Agreement, dated as of August 18, 2015, by and among Landmark Dividend Growth Fund E – LLC, Landmark Infrastructure Partners LP and Landmark Dividend LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on August 18, 2015.)
10.12	Asset Purchase Agreement between Landmark Infrastructure Holding Company LLC and Landmark Infrastructure Operating Company LLC, dated September 21, 2015 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on September 21, 2015.)
10.13	Membership Interest Contribution Agreement, dated as of November 19, 2015, by and among Landmark Dividend Growth Fund C – LLC, Landmark Infrastructure Partners LP and Landmark Dividend LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on November 19, 2015.)
10.14	Membership Interest Contribution Agreement, dated as of November 19, 2015, by and among Landmark Dividend Growth Fund F – LLC, Landmark Infrastructure Partners LP and Landmark Dividend LLC (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on November 19, 2015.)
10.15	Asset Purchase Agreement between Landmark Infrastructure Holding Company LLC and Landmark Infrastructure Operating Company LLC, dated December 18, 2015 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on December 18, 2015.)
10.16	Management Agreement, dated as of June 16, 2016, by and among Landmark Infrastructure Partners GP LLC, as Manager, and LMRK Issuer Co. LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC and LD Acquisition Company 10 LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on June 22, 2016).
10.17	Guarantee and Security Agreement, dated as of June 16, 2016, by and between LMRK Guarantor Co. LLC and the Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on June 22, 2016).
10.18	Cash Management Agreement, dated as of June 16, 2016, by and among Deutsche Bank Trust Company Americas, as Indenture Trustee and as Securities Intermediary, and LMRK Issuer Co. LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC, LD Acquisition Company 10 LLC and Landmark Infrastructure Partners GP LLC (incorporated by reference to Exhibit 10.3 of our Current Report on Form 8-K filed on June 22, 2016).
10.19	Servicing Agreement, dated as of June 16, 2016, by and between Midland Loan Services, a division of PNC Bank, National Association, as Servicer, and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 10.4 of our Current Report on Form 8-K filed on June 22, 2016).
10.20	First Amendment to Omnibus Agreement, dated as of August 1, 2016, by and among Landmark Infrastructure Partners LP, Landmark Infrastructure Partners GP LLC, Landmark Dividend LLC, Landmark Dividend Growth Fund — C LLC, Landmark Dividend Growth Fund — E LLC, Landmark Dividend Growth Fund — F LLC, Landmark Dividend Growth Fund — G LLC, Landmark Dividend Growth Fund — H LLC, Landmark Dividend Growth Fund — I LLC, and Landmark Dividend Growth Fund — J LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on August 3, 2016).
10.21	Membership Interest Contribution Agreement, dated as of August 30, 2016, by and among Landmark Dividend Growth Fund G — LLC, Landmark Infrastructure Partners LP and Landmark Dividend LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on September 2, 2016).
10.22	Purchase Agreement dated as of, October 12, 2016, by and among Recurrent Energy Landco LLC and Landmark Infrastructure Operating Company LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on October 13, 2016).
10.23	Increase Joinder, dated as of October 19, 2016, by and among Landmark Infrastructure Operating Company LLC, as Borrower, Landmark Infrastructure Partners LP, SunTrust Bank, as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on October 19, 2016).
10.24	Increase Joinder, dated as of June 1, 2017, by and among Landmark Infrastructure Operating Company LLC, as Borrower, Landmark Infrastructure Partners LP, SunTrust Bank, as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on June 6, 2017).
10.25	Second Amended and Restated Credit Agreement, dated as of July 31, 2017, by and among Landmark Infrastructure Asset OpCo II LLC, Landmark Infrastructure Inc., and Landmark Infrastructure Operating Company LLC as borrowers, Landmark Infrastructure Partners LP, the several banks, other financial institutions and lenders from time to time party thereto, and SunTrust Bank, as administrative agent, issuing bank and swingline lender (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on August 3, 2017).

Exhibit number	Description
10.26	Management Agreement, dated as of November 30, 2017, by and among Landmark Infrastructure Partners GP LLC, as Manager, and LMRK Issuer Co. 2 LLC, LMRK Propco LLC and LD Tall Wall III LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on December 5, 2017).
10.27	Guarantee and Security Agreement, dated as of November 30, 2017, by and between LMRK Guarantor Co. 2 LLC and the Wilmington Trust, National Association (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on December 5, 2017).
10.28	Cash Management Agreement, dated as of November 30, 2017, by and among Wilmington Trust, National Association, as Indenture Trustee and as Securities Intermediary, and LMRK Issuer Co. 2 LLC, LMRK Propco LLC and LD Tall Wall III LLC and Landmark Infrastructure Partners GP LLC (incorporated by reference to Exhibit 10.3 of our Current Report on Form 8-K filed on December 5, 2017).
10.29	Servicing Agreement, dated as of November 30, 2017, by and between Midland Loan Services, a division of PNC Bank, National Association, as Servicer, and Wilmington Trust, National Association (incorporated by reference to Exhibit 10.4 of our Current Report on Form 8-K filed on December 5, 2017).
10.30	Increase Joinder, dated as of December 28, 2017, by and among Landmark Infrastructure Asset OpCo II LLC, Landmark Infrastructure Inc., Landmark Infrastructure Operating Company LLC, as Borrowers, Landmark Infrastructure Partners LP, SunTrust Bank, as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on January 2, 2018).
10.31	Contribution Agreement, dated as of January 11, 2018, by and among LD Acquisition Company 13, LLC, Landmark Dividend Growth Fund – H LLC, Landmark Dividend LLC and Landmark Infrastructure Partners LP (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on January 17, 2018).
10.32	Asset Purchase Agreement, dated as of January 11, 2018, by and among LD Acquisition Company 13, LLC, Landmark Dividend Growth Fund – H LLC, Landmark Dividend LLC and Landmark Infrastructure Operating Company LLC (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on January 17, 2018).
10.33	Landmark Infrastructure Partners GP LLC Amended and Restated Non-Employee Director Compensation Plan dated January 25, 2018 (incorporated by reference to Exhibit 10.33 of our Annual Report on Form 10-K filed on February 15, 2018).
10.34	Management Agreement, dated as of June 6, 2018, by and among Landmark Infrastructure Partners GP LLC, as Manager, and LMRK Issuer Co III LLC and LMRK PropCo 3 LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on June 11, 2018).
10.35	Guarantee and Security Agreement, dated as of June 6, 2018, by and between LMRK Guarantor Co III LLC and Wilmington Trust, National Association (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on June 11, 2018).
10.36	Cash Management Agreement, dated as of June 6, 2018, by and among Wilmington Trust, National Association, as Indenture Trustee and as Securities Intermediary, and LMRK Issuer Co III LLC, LMRK PropCo 3 LLC and Landmark Infrastructure Partners GP LLC (incorporated by reference to Exhibit 10.3 of our Current Report on Form 8-K filed on June 11, 2018).
10.37	Servicing Agreement, dated as of June 6, 2018, by and between Midland Loan Services, a division of PNC Bank, National Association, as Servicer, and Wilmington Trust, National Association (incorporated by reference to Exhibit 10.4 of our Current Report on Form 8-K filed on June 11, 2018).
10.38	Third Amended and Restated Credit Agreement, dated as of November 15, 2018, by and among Landmark Infrastructure Asset OpCo II LLC, Landmark Infrastructure Inc., and Landmark Infrastructure Operating Company LLC as borrowers, Landmark Infrastructure Partners LP, the several banks, other financial institutions and lenders from time to time party thereto, and SunTrust Bank, as administrative agent, issuing bank and swingline lender (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on November 20, 2018).
10.39	Second Amendment to Omnibus Agreement, dated as of January 30, 2019, by and among Landmark Dividend LLC, Landmark Infrastructure Partners LP and Landmark Infrastructure Partners GP LLC (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on February 1, 2019).
10.40	Amendment No. 1 and Waiver to Third Amended and Restated Credit Agreement, dated November 5, 2019 (incorporated by reference to Exhibit 10.1 of our Current Report on Form 10-Q filed on November 6, 2019).
10.41	Collateral Trust Indenture and Security Agreement, dated as of January 15, 2020, by and among Wilmington Trust, National Association, as Indenture Trustee, and LMRK Issuer Co. LLC, 2019-1 TRS LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC, LD Acquisition Company 10 LLC and LD Tall Wall II LLC collectively as Obligors (incorporated by reference to Exhibit 10.1 of our Current Report on Form 8-K filed on January 21, 2020).

Exhibit number	Description
10.42	Pledge and Security Agreement, dated as of January 15, 2020, by and among LMRK Guarantor Co. LLC, 2019-1 Co-Guarantor LLC and LMRK Issuer Co. LLC and Wilmington Trust, National Association (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on January 21, 2020).
10.43	Management Agreement, dated as of January 15, 2020, by and among Landmark Infrastructure Partners GP LLC, as Project Manager, and LMRK Issuer Co. LLC, 2019-1 TRS LLC, LD Acquisition Company 8 LLC, LD Acquisition Company 9 LLC, LD Acquisition Company 10 LLC and LD Tall Wall II LLC collectively as Obligors (incorporated by reference to Exhibit 10.3 of our Current Report on Form 8-K filed on January 21, 2020).
21.1*	List of Subsidiaries of Landmark Infrastructure Partners LP
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Rule 13-a-14(a) Certification (under Section 302 of the Sarbanes Oxley Act of 2002) of principal executive officer.
31.2*	Rule 13-a-14(a) Certification (under Section 302 of the Sarbanes Oxley Act of 2002) of principal financial officer.
32.1*	Section 1350 Certifications (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002).
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Schema Document
101.CAL*	XBRL Calculation Linkbase Document.
101.LAB*	XBRL Labels Linkbase Document.
101.PRE*	XBRL Presentation Linkbase Document.
101.DEF*	XBRL Definition Linkbase Document.

* Filed herewith.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of El Segundo, State of California, on February 27, 2020.

Landmark Infrastructure Partners LP

By: Landmark Infrastructure Partners GP LLC, its General Partner

By: /s/ George P. Doyle
Name: George P. Doyle
Title: Chief Financial Officer and Treasurer

Pursuant to the requirements of the Securities Act of 1934, this report has been signed below by the following persons in the capacities indicated on February 27, 2020.

Signature	Title	Date
/s/ Arthur P. Brazy, Jr. Arthur P. Brazy, Jr.	Director and Chief Executive Officer (Principal Executive Officer)	February 27, 2020
/s/ George P. Doyle George P. Doyle	Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)	February 27, 2020
/s/ Matthew P. Carbone Matthew P. Carbone	Chairman of the Board of Directors	February 27, 2020
/s/ James F. Brown James F. Brown	Director	February 27, 2020
/s/ Edmond G. Leung Edmond G. Leung	Director	February 27, 2020
/s/ Thomas Carey White III Thomas Carey White III	Director	February 27, 2020
/s/ Gerald A. Tywoniuk Gerald A. Tywoniuk	Director	February 27, 2020
/s/ Keith Benson Keith Benson	Director	February 27, 2020

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	F-2
Consolidated Balance Sheets as of December 31, 2019 and 2018	F-3
Consolidated Statements of Operations for the years ended December 31, 2019, 2018, and 2017	F-4
Consolidated Statements of Comprehensive Income for the years ended December 31, 2019, 2018 and 2017	F-5
Consolidated Statements of Equity and Mezzanine Equity	F-6
Consolidated Statements of Cash Flows	F-7
Notes to Consolidated Financial Statements	F-8

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Landmark Infrastructure Partners GP LLC and Partners of
Landmark Infrastructure Partners LP

Opinion of the Financial Statements

We have audited the accompanying consolidated balance sheets of Landmark Infrastructure Partners LP (the "Partnership") as of December 31, 2019 and 2018, and the related consolidated statements of operations, comprehensive income, equity and mezzanine equity, and cash flows for each of the three years in the period ended December 31, 2019, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Partnership at December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Partnership's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) and our report dated February 27, 2020 expressed an unqualified opinion thereon.

Adoption of New Accounting Standards

As discussed in Note 2 to the consolidated financial statements, the Partnership changed its method of accounting for leases in the year ended December 31, 2019 due to the adoption of ASU 2016-02, *Leases.*

Basis for Opinion

These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on the Partnership's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Partnership's auditor since 2012.

Los Angeles, California
February 27, 2020

Landmark Infrastructure Partners LP

Consolidated Balance Sheets

(in thousands, except unit data)

	December 31,	
	2019	2018
Assets		
Land	$ 141,851	$ 128,302
Real property interests	543,328	517,423
Construction in progress	68,907	29,556
Total land and real property interests	754,086	675,281
Accumulated amortization of real property interests	(50,015)	(39,069)
Land and net real property interests	704,071	636,212
Investments in receivables, net	8,822	18,348
Investment in unconsolidated joint venture	62,059	65,670
Cash and cash equivalents	7,446	4,108
Restricted cash	5,619	3,672
Rent receivables, net	5,105	4,292
Due from Landmark and affiliates	1,132	1,390
Deferred loan costs, net	4,557	5,552
Deferred rent receivable	6,176	5,251
Derivative assets	—	4,590
Other intangible assets, net	23,966	20,839
Assets held for sale (AHFS)	421	7,846
Right-of-use asset, net	11,358	—
Other assets	14,873	8,843
Total assets	$ 855,605	$ 786,613
Liabilities and equity		
Revolving credit facility	$ 232,907	$ 155,000
Secured notes, net	217,098	223,685
Accounts payable and accrued liabilities	8,598	7,435
Other intangible liabilities, net	7,606	9,291
Liabilities associated with AHFS	—	397
Operating lease liability	10,268	—
Finance lease liability	908	—
Prepaid rent	5,747	5,418
Derivative liabilities	3,149	402
Total liabilities	486,281	401,628
Commitments and contingencies *(Note 17)*		
Mezzanine equity		
Series C cumulative redeemable convertible preferred units, 1,988,700 and 2,000,000 units issued and outstanding at December 31, 2019 and 2018, respectively	47,666	47,308
Equity		
Series A cumulative redeemable preferred units, 1,722,041 and 1,593,149 units issued and outstanding at December 31, 2019 and 2018, respectively	40,210	37,207
Series B cumulative redeemable preferred units 2,544,793 and 2,463,015 units issued and outstanding at December 31, 2019 and 2018, respectively	60,926	58,936
Common units, 25,353,140 and 25,327,801 units issued and outstanding at December 31, 2019 and 2018, respectively	382,581	411,158
General Partner	(162,277)	(167,019)
Accumulated other comprehensive income (loss)	17	(2,806)
Total partner's equity	321,457	337,476
Noncontrolling interests	201	201
Total equity	321,658	337,677
Total liabilities, mezzanine equity and equity	$ 855,605	$ 786,613

See accompanying notes to consolidated financial statements.

Landmark Infrastructure Partners LP

Consolidated Statements of Operations

(in thousands, except per unit data)

	Year Ended December 31,		
	2019	2018	2017
Revenue			
Rental revenue	$ 59,340	$ 64,765	$ 52,625
Expenses			
Property operating	1,983	1,147	394
General and administrative	5,567	4,731	5,286
Acquisition-related	1,163	3,287	1,287
Amortization	14,235	16,152	13,537
Impairments	2,288	1,559	848
Total expenses	25,236	26,876	21,352
Other income and expenses			
Interest and other income	832	1,642	1,587
Interest expense	(18,170)	(24,273)	(18,399)
Loss on early extinguishment of debt	—	(157)	—
Unrealized gain (loss) on derivatives	(7,327)	1,010	1,675
Equity income from unconsolidated joint venture	398	59	—
Gain (loss) on sale of real property interests	17,985	99,884	(5)
Foreign currency transaction loss	(2,433)	(6)	—
Total other income and expenses	(8,715)	78,159	(15,142)
Income before income tax expense (benefit)	25,389	116,048	16,131
Income tax expense (benefit)	3,783	227	(3,145)
Net income	21,606	115,821	19,276
Less: Net income attributable to noncontrolling interest	31	27	19
Net income attributable to limited partners	21,575	115,794	19,257
Less: Distributions declared to preferred unitholders	(11,883)	(10,630)	(6,673)
Less: General partner's incentive distribution rights	(788)	(784)	(488)
Less: Accretion of Series C preferred units	(641)	—	—
Net income attributable to common and subordinated unitholders	$ 8,263	$ 104,380	$ 12,096
Net income (loss) per common and subordinated unit			
Common units – basic	$ 0.33	$ 4.25	$ 0.54
Common units – diluted	$ 0.33	$ 3.97	$ 0.53
Subordinated units – basic and diluted	$ —	$ (0.78)	$ 0.50
Weighted average common and subordinated units outstanding			
Common units – basic	25,343	24,626	19,701
Common units – diluted	25,343	26,967	22,836
Subordinated units – basic and diluted	—	387	3,135

See accompanying notes to consolidated financial statements.

Landmark Infrastructure Partners LP

Consolidated Statements of Comprehensive Income

(in thousands)

	Year Ended December 31,		
	2019	2018	2017
Net income	$ 21,606	$ 115,821	$ 19,276
Other comprehensive income (loss):			
Foreign currency translation adjustment	2,823	(3,774)	1,477
Other comprehensive income (loss)	2,823	(3,774)	1,477
Comprehensive income	24,429	112,047	20,753
Less: Comprehensive income attributable to noncontrolling interest	31	27	19
Comprehensive income attributable to limited partners	$ 24,398	$ 112,020	$ 20,734

See accompanying notes to consolidated financial statements.

Landmark Infrastructure Partners LP

Consolidated Statements of Equity and Mezzanine Equity

(in thousands)

	Common Units	Subordinated Units	Preferred Units - Series A	Preferred Units - Series B	Common Unitholders	Subordinated Unitholder	Preferred Unitholders - Series A	Preferred Unitholders - Series B	General Partner	Accumulated Other Comprehensive Income	Noncontrolling Interest	Total Equity	Mezzanine Equity - Series C Preferred
Balance as of December 31, 2016	19,451	3,135	864	1,840	$ 294,296	$ 22,524	$ 19,393	$ 44,256	$ (135,630)	$ (509)	$ —	$ 244,330	$ —
Net investment of Drop-down Assets	—	—	—	—	—	—	—	—	(18,629)	—	—	(18,629)	—
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	1,477	—	1,477	—
Issuance of Preferred Units, net	—	—	704	623	—	—	17,211	14,680	—	—	—	31,891	—
Issuance of Common Units, net	688	—	—	—	11,417	—	—	—	—	—	—	11,417	—
Issuance of non-controlling interests, net	—	—	—	—	—	—	—	—	—	—	201	201	—
Distributions	—	—	—	—	(27,834)	(4,436)	(2,434)	(4,239)	(264)	—	(19)	(39,226)	—
Capital contribution to fund general and administrative expense reimbursement	—	—	—	—	—	—	—	—	3,516	—	—	3,516	—
Unit-based compensation	7	—	—	—	105	—	—	—	—	—	—	105	—
Net income	—	—	—	—	10,543	1,553	2,434	4,239	488	—	19	19,276	—
Balance as of December 31, 2017	20,146	3,135	1,568	2,463	$ 288,527	$ 19,641	$ 36,604	$ 58,936	$ (150,519)	$ 968	$ 201	$ 254,358	$ —
Net investment of Drop-down Assets	—	—	—	—	—	—	—	—	(20,394)	—	—	(20,394)	—
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	(3,774)	—	(3,774)	—
Issuance of Preferred Units, net	—	—	25	—	—	—	603	—	—	—	—	603	47,308
Issuance of Common Units, net	2,043	—	—	—	35,361	—	—	—	—	—	—	35,361	—
Conversion of subordinated units	3,135	(3,135)	—	—	18,186	(18,186)	—	—	—	—	—	—	—
Distributions	—	—	—	—	(35,669)	(1,152)	(3,166)	(4,851)	(1,086)	—	(27)	(45,951)	(2,613)
Capital contributions from Sponsor	—	—	—	—	—	—	—	—	3,802	—	—	3,802	—
Other deemed contributions	—	—	—	—	—	—	—	—	394	—	—	394	—
Unit-based compensation	4	—	—	—	70	—	—	—	—	—	—	70	—
Net income (loss)	—	—	—	—	104,683	(303)	3,166	4,851	784	—	27	113,208	2,613
Balance as of December 31, 2018	25,328	—	1,593	2,463	$ 411,158	$ —	$ 37,207	$ 58,936	$ (167,019)	$ (2,806)	$ 201	$ 337,677	$ 47,308
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	2,823	—	2,823	—
Issuance of Preferred Units, net	—	—	129	82	—	—	3,003	1,990	—	—	—	4,993	—
Conversion of Preferred Units, net	15	—	—	—	283	—	—	—	—	—	—	283	(283)
Distributions	—	—	—	—	(37,253)	—	(3,312)	(4,965)	(788)	—	(31)	(46,349)	(3,606)
Capital contributions from Sponsor	—	—	—	—	—	—	—	—	3,954	—	—	3,954	—
Other deemed contributions	—	—	—	—	—	—	—	—	788	—	—	788	—
Unit-based compensation	10	—	—	—	130	—	—	—	—	—	—	130	—
Net income (loss)	—	—	—	—	8,263	—	3,312	4,965	788	—	31	17,359	4,247
Balance as of December 31, 2019	25,353	—	1,722	2,545	$ 382,581	$ —	$ 40,210	$ 60,926	$ (162,277)	$ 17	$ 201	$ 321,658	$ 47,666

See accompanying notes to consolidated financial statements.

Table of Contents

Landmark Infrastructure Partners LP
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,		
	2019	2018	2017
Operating activities			
Net income	$ 21,606	$ 115,821	$ 19,276
Adjustments to reconcile net income to net cash provided by operating activities:			
Unit-based compensation	130	70	105
Unrealized (gain) loss on derivatives	7,327	(1,010)	(1,675)
Loss on early extinguishment of debt	—	157	—
Amortization expense	14,235	16,152	13,537
Amortization of above- and below- market lease, net	(890)	(1,226)	(1,226)
Amortization of deferred loan costs	2,725	3,435	2,203
Amortization of discount on secured notes	372	374	34
Receivables interest accretion	(9)	(3)	(7)
Impairments	2,288	1,559	848
(Gain) loss on sale of real property interests	(17,985)	(99,884)	5
Allowance for doubtful accounts	126	60	215
Equity income from unconsolidated joint venture	(398)	(59)	—
Return on investment in unconsolidated joint venture	3,383	—	—
Foreign currency transaction loss	2,433	6	—
Changes in operating assets and liabilities:			
Rent receivables, net	(287)	(238)	(1,980)
Accounts payable and accrued liabilities	2,841	(1,009)	(879)
Deferred rent receivables	600	235	(358)
Prepaid rent	318	853	590
Due from Landmark and affiliates	(165)	186	217
Other assets	(6,987)	(4,223)	(2,432)
Net cash provided by operating activities	31,663	31,256	28,473
Investing activities			
Acquisition of land	(12,790)	(15,810)	(24,778)
Acquisition of real property interests and development activities	(87,063)	(86,817)	(112,315)
Proceeds from sales of real property interests	46,383	63,986	174
Acquisition of receivables	—	—	(4,389)
Repayments of receivables	564	1,108	1,180
Net cash used in investing activities	(52,906)	(37,533)	(140,128)
Financing activities			
Proceeds from the issuance of Common Units, net	—	437	4,109
Proceeds from the issuance of Preferred Units, net	4,993	47,911	31,891
Proceeds from the issuance of non-controlling interests, net	—	—	201
Proceeds from revolving credit facility	151,931	120,000	133,500
Proceeds from the issuance of secured notes	—	169,128	78,155
Principal payments on revolving credit facility	(76,500)	(269,000)	(54,000)
Principal payments on secured notes	(8,363)	(6,408)	(1,747)
Payments on finance leases	(7)	—	—
Deferred loan costs	(320)	(10,128)	(4,338)
Capital contribution to fund general and administrative expense reimbursement	3,822	2,560	3,569
Distributions to preferred unitholders	(11,812)	(10,218)	(6,177)
Distributions to common and subordinated unitholders	(37,253)	(37,513)	(32,534)
Distributions to non-controlling interests	(31)	(27)	(19)
Consideration received paid to General Partner associated with Drop-down Acquisitions	—	(20,394)	(18,629)
Net cash provided by (used in) financing activities	26,460	(13,652)	133,981
Effect of changes in foreign currency exchange rates on cash, cash equivalents and restricted cash	68	(151)	(28)
Net increase (decrease) in cash, cash equivalents and restricted cash	5,285	(20,080)	22,298
Cash, cash equivalents and restricted cash at beginning of the period	7,780	27,860	5,562
Cash, cash equivalents and restricted cash at end of the period	$ 13,065	$ 7,780	$ 27,860

See accompanying notes to consolidated financial statements.

Landmark Infrastructure Partners LP
Notes to Consolidated Financial Statements

1. Organization

Landmark Infrastructure Partners LP (the “Partnership”) was formed on July 28, 2014 by Landmark Dividend LLC (“Landmark” or “Sponsor”) to acquire, own and manage a portfolio of real property interest and infrastructure assets that are leased to companies in the wireless communication, outdoor advertising and renewable power generation industries. In addition, the Partnership owns certain interests in receivables associated with similar assets. The Partnership is a master limited partnership organized in the State of Delaware and has been publicly traded since its initial public offering on November 19, 2014 (the “IPO”). On July 31, 2017, the Partnership completed changes to its organizational structure by transferring substantially all of its assets to a consolidated subsidiary, Landmark Infrastructure Inc., a Delaware corporation (“REIT Subsidiary”), which elected to be taxed as a REIT commencing with its taxable year ending December 31, 2017. References in this report to “Landmark Infrastructure Partners LP,” the “partnership,” “we,” “our,” “us,” or like terms, refer to Landmark Infrastructure Partners LP.

Our operations are managed by the board of directors and executive officers of Landmark Infrastructure Partners GP LLC, our general partner (the “General Partner”). As of December 31, 2019, our Sponsor and affiliates own (a) our general partner; (b) 3,415,405 common units representing limited partnership interest in the Partnership (“Common Units”) and; (c) all of the incentive distribution rights (“IDRs”).

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidated Financial Statements

During the years ended December 31, 2018 and 2017, the Partnership completed one and four drop-down acquisitions of 127 and 155 tenant sites and related real property interests, respectively, and zero and two investment in receivables, respectively, from the Sponsor and affiliates in exchange for total consideration of $59.9 million and $118.3 million, respectively (the “Drop-down Acquisitions” or “Drop-down Assets”). There were no Drop-down Acquisitions during the year ended December 31, 2019. In accordance with the adoption of ASU No. 2017-01, drop-down acquisitions no longer meet the definition of a business and do not require to be retroactively adjusted. As such, drop-down acquisitions from the Sponsor and affiliates subsequent to March 31, 2017 are accounted for prospectively as transfers of net assets in the period in which the transfer occurs at the net carrying value. Any differences between the cash consideration and the net carrying value of the transfer of net assets is allocated to the General Partner.

On an ongoing basis, we evaluate each legal entity that is not wholly owned by us in accordance with the consolidation guidance. The accompanying consolidated financial statements include the accounts of the Partnership, its wholly-owned subsidiaries and those entities in which it has a controlling interest. Investments in entities that the Partnership does not control are accounted for using the equity or cost method, depending upon the Partnership’s ability to exercise significant influence over operating and financial policies.

The consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). All intercompany transactions and account balances have been eliminated. Management believes that the assumptions and estimates used in the preparation of the underlying consolidated financial statements are reasonable. However, the consolidated financial statements herein do not necessarily reflect what the Partnership’s financial position, results of operations, comprehensive income or cash flows would have been if the Partnership had been a stand-alone entity during the periods presented. As a result, historical financial information is not necessarily indicative of the Partnership’s future results of operations, comprehensive income, financial position or cash flows. All references to tenant sites are unaudited.

Use of Estimates

The preparation of the consolidated financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Purchase Accounting for Acquisitions

The Partnership applies the business combination or asset acquisition method to all acquired investments of real property interests for transactions that meet the definition of a business combination or asset acquisition based on the revised framework for determining whether an integrated set of assets meets the definition of a business. The purchase consideration for the real property interests is allocated to the acquired tangible assets, such as land, and the identified intangible assets and liabilities, consisting of the value of perpetual and limited life easements, above-market and below-market leases and in-place leases, based in each case on their fair values. The fair value of the assets acquired and liabilities assumed is typically determined by using the discounted cash flow valuation method using discount rates ranging between 6% and 20%. When determining the fair value of intangible assets acquired, the Partnership estimates the applicable discount rate and the timing and amount of future cash flows. For acquisitions of a business, the determination of the final purchase price allocation and the acquisition-date fair value of identifiable assets acquired and liabilities assumed may extend over more than one period, but no later than 12 months from the acquisition date and result in adjustments to the preliminary estimates recognized in the prior period financial statements. Transaction costs related to the acquisition of a business, including investments in real property interests, are expensed as incurred. Transaction costs related to asset acquisitions are capitalized.

Factors considered in estimating the fair value of tangible and intangible assets acquired include information obtained about each asset as a result of Landmark's pre-acquisition due diligence and its marketing and leasing activities. In order to calculate the estimated in-place lease value, we employed the income approach in accordance with ASC 805 by multiplying the anticipated market absorption period by the market rent at the time of acquisition for each in-place lease agreement. Based on our experience in the industry, we have determined a range of lease execution timelines to be between one and twelve months. For the in-place lease valuation, we consider a lease-up period of four to eight months to be representative of the market.

We estimated the fair value of real property interests using the income approach. The discount rates used ranged from 6% to 20%. The value of tenant relationships has not been separated from in-place tenant lease value for the real estate acquired as such value and its consequence to amortization expense is materially consistent with the in-place tenant lease value for these particular acquisitions. Should future acquisitions of real property interests result in allocating material amounts to the value of tenant relationships, an amount would be separately allocated and amortized over the estimated life of the relationship. The value of in-place leases and customer relationship is amortized to expense over the estimated period the tenant is expected to be leasing the site under the existing terms which typically range from 2 to 20 years. If a tenant lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be impaired.

The discount rate associated with each asset varies based on the location of an asset (including demographics and zoning restrictions), and other asset specific characteristics. Market rent for each asset is determined based on location of each asset, asset type, zoning restrictions, ground space necessary for the tenant's equipment, remaining site capacity, visibility (specifically for billboards), and nearby sites.

In allocating the purchase consideration of the identified intangible assets and liabilities of an acquired asset, above-market, below-market and in-place lease values are calculated based on the present value (using a discount rate that reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) management's estimate of fair market lease rates for the corresponding in-place leases measured over the estimated period the tenant is expected to be leasing the site under the above or below-market terms. The capitalized above-market and below-market lease values are amortized as a decrease or increase, respectively, to rental income over the estimated period the tenant is expected to be leasing the site. All tenant leases obtained by the Partnership through its acquisition of real property interests are generally cancellable, upon 30 to 180 days' notice by the tenants, with no significant penalty. With respect to below-market leases, consideration is given to any below-market renewal periods. However, for wireless communication assets, we estimated the above/below-market lease value over an analysis period of the earlier of the lease expiration or 10 years based on estimated useful life of the underlying equipment and assets. For outdoor advertising assets, we estimated the above- or below-market lease value over an analysis period of the earlier of the lease expiration or 20 years, based on a longer estimated useful life of 20 years for billboards.

Real Property Interests and Amortization

Real property interests consist primarily of land, easements and lease assignments underlying wireless communication, outdoor advertising and renewable power generation infrastructure. The real property interests are typically held as ownership of land or easements to use land, or roof tops, both of which allow us to use the asset for a specific purpose. Real property interests, excluding land, are intangibles that are recorded at cost. Amortization is computed using the straight-line method over the estimated useful lives of the real property interests, which is estimated as the shorter of the revenue generating period of the asset or the term of the real estate rights which range from 12 to 99 years. Real property interests with a perpetual term are not amortized but evaluated periodically for impairment.

The Partnership assesses whether there has been an impairment in the value of long-lived assets whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount to the future estimated net cash flows, undiscounted and without interest, expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets based upon what a market participant would be willing to pay for the real estate interest. The estimated fair value of the asset group identified for step two testing is based on either Level 3 inputs utilizing the income approach with a market discount rate and estimated cash flows, or Level 2 inputs based upon the sales comparison approach to a similar asset. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell utilizing the Level 3 and Level 2 inputs discussed below.

Concurrent with the Partnership's adoption of ASU No. 2016-02 on January 1, 2019, the Partnership has elected to recognize expense associated with short-term leases (those with a non-cancellable lease term of 12 months or less) under which the Partnership is the lessee on a straight-line basis and not recognize those leases on its consolidated balance sheets. For leases other than short-term operating and finance leases under which the Partnership is the lessee, such as ground leases, the Partnership recognizes a right-of-use asset and related lease liability on its consolidated balance sheet at inception of the lease based on the present value of the remaining minimum rental payments using each respective lease term and a corresponding incremental borrowing rate. Operating lease assets are included in right of use, net and finance lease assets are included in real property interests in the consolidated balance sheets.

Development Operations

The Partnership capitalizes direct construction and development costs, including pre-development costs, interest, and other costs directly related and essential to the development or construction of an asset. The Partnership capitalizes construction and development costs while substantive activities are ongoing to prepare an asset for its intended use. Fluctuations in our development, pre-construction, and construction activities could result in significant changes to expenses and net income. Costs incurred after a project is substantially complete and ready for its intended use are expensed as incurred. Should development, pre-construction, or construction activity cease, interest and certain other costs would no longer be eligible for capitalization and would be expensed as incurred. Expenditures for repairs and maintenance are expensed as incurred. The Partnership computes depreciation on assets placed in service and improvements using the straight-line method over the assets' estimated useful lives.

Development projects and other similar contracts are assessed to determine whether it continues to meet our investment return standards. Assessments are made separately for each project on a quarterly basis and are affected by the following factors relative to the market in which the asset is located, among others: estimated development and construction costs and projected profitability. When a decision is made to cease construction on certain projects due to market conditions and/or fluctuations in our development strategy, we write off the related capitalized costs, including pre-construction costs. During the year ended December 31, 2019, the Partnership ceased construction on a certain development project and recognized impairment charges of $1.6 million including a write off of $0.1 million in capitalized interest.

Fair Value of Financial Instruments

The standard establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are inputs that the market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the Partnership. Unobservable inputs are inputs that reflect the Partnership's assumptions about what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is measured in three levels based on the reliability of inputs:

Level 1 – unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and,

Level 3 – prices or valuations derived from other valuation methodologies where little or no market data is available that requires inputs that are both significant to the fair value measurement and unobservable, including pricing models, discounted cash flow models and similar techniques.

Cash and Cash Equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered to be cash and cash equivalents. The Partnership monitors the cash balances in its operating accounts and adjusts the cash balances as appropriate; however, these cash balances could be impacted if the underlying financial institutions fail or are subject to other adverse conditions in the financial markets. To date, the Partnership has experienced no loss or lack of access to cash in the operating accounts.

Restricted Cash

Restricted cash primarily consists of amounts pledged as collateral to secure obligations. As of December 31, 2019 and 2018, the amount of restricted cash was $5.6 million and $3.7 million. See Note 9, *Debt* for additional information.

Accounting for Derivative Financial Instruments and Hedging Activities

The Partnership utilizes interest rate swap contracts to manage interest costs and risks associated with changing interest rates. These derivative financial instruments are carried at fair value on the consolidated balance sheets, with the change in such fair value being recorded through earnings as an unrealized gain or loss in the consolidated statements of operations.

Investments in Receivables, Net

The Partnership acquired streams of future cash flows associated with real property interests and certain lease arrangements that meet the definition of a financial asset within the wireless communication, outdoor advertising and renewable power generation industries. For certain investments in receivables, the Partnership has no significant rights or obligations associated with the cash flows other than in certain arrangements, to pass a portion of the cash flows received to the owner of the respective lease. Additionally, certain lease arrangements of real property interests meet the definition of a financial asset and are included in investments in receivables in our financial statements. The future cash flow streams are recorded at their net present value based on the estimated net cash flows to be received by the Partnership using the implied discount rate at the date of the acquisition.

Receivables are classified as held-for-investment based on management's intent and ability to hold the receivables for the foreseeable future or to maturity. Receivables held-for-investment are carried at amortized cost and are reduced by a valuation allowance for estimated credit losses as necessary. Interest on receivables is accreted to income over the life of the receivables using the interest method. The interest method is applied on an individual receivable basis when collectability of the future payments, when due in accordance with the contractual terms of the arrangement, is reasonably assured. Receivables are transferred from held-for-investment to held-for-sale when management no longer intends to hold the receivables for the foreseeable future. Receivables held-for-sale are recorded at the lower of cost or fair value.

Receivables are placed on non-accrual status when management determines that the collectability of contractual amounts is not reasonably assured. While on non-accrual status, receivables are either accounted for on a cash basis, in which income is recognized only upon receipt of cash, or on a cost-recovery basis, where cash receipts reduce the carrying value of the receivable, based on management's expectation of future collectability.

Allowances are established for receivables based upon an estimate of probable losses on an individual receivable by receivable basis if they are determined to be impaired. Receivables are impaired when it is deemed probable that the Partnership will be unable to collect all amounts when due in accordance with the contractual terms of the loan. An allowance is based upon the Partnership's assessment of the borrower's overall financial condition, economic resources, payment record, the prospects for support from any financially responsible guarantors and, if appropriate, the net realizable value of any collateral. These estimates consider all available evidence including the expected future cash flows discounted at the receivable's effective interest rate, fair value of collateral, general economic conditions and trends, historical and industry loss experience and other relevant factors, as appropriate.

On a regular basis, the Partnership assesses investments in receivables for impairment. Internally generated cash flow projections are used to determine if the receivables are expected to be repaid in accordance with the terms of the related agreements. If it is probable that a receivable will not be repaid in accordance with the related agreement, the receivable is deemed impaired. To measure impairment, the present value of the expected future cash flows discounted is calculated using the original effective interest rate. If the present value is less than the carrying value of the receivable, a specific impairment reserve is recorded for the difference. For the year ended December 31, 2018, the Partnership impaired 16 of its investments in receivables and recognized impairment charges totaling $0.8 million. The investments in receivables were impaired to their net realizable value. There was no impairment of investments in receivables during the years ended December 31, 2019 and 2017.

Investment in Unconsolidated Joint Venture

The Partnership accounts for its investment in an unconsolidated joint venture using the equity method of accounting. Under the equity method, the investment is initially recorded at fair value and subsequently adjusted for distributions and the Partnership's proportionate share of equity in the joint venture's income (loss). The Partnership recognizes its proportionate share of the ongoing income or loss of the unconsolidated joint venture as equity income (loss) from unconsolidated joint venture on the consolidated statements of operations. On a quarterly basis, the Partnership evaluates its investment in an unconsolidated joint venture for other-than-temporary impairments. The Partnership elected as an accounting policy to reflect unconsolidated joint venture distributions in the consolidated statements of cash flows using the nature of the distribution approach. Accordingly, the net proceeds were classified as return on investment in unconsolidated joint venture within the operating activities section of the consolidated statements of cash flows for the year ended December 31, 2019.

Deferred Loan Costs

Costs incurred associated with the revolving credit facility are capitalized as deferred loan costs and are included in deferred loan costs, net in the consolidated balance sheets in accordance with ASU 2015-15, Interest – Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements. Costs incurred in obtaining the secured debt facilities are deducted from the carrying amount of the debt liabilities and deferred loan costs are amortized to interest expense over the life of the related loan. When facilities are amended and restated that result in an of extinguishment of debt, any unamortized deferred loan costs, as well as charges incurred for the termination, are recorded to interest expense in the period of the amendment and restatement.

Revenue Recognition

The Partnership recognizes rental income under operating leases, including rental abatements, lease incentives and contractual fixed increases, if any, from tenants under lease arrangements with minimum fixed and determinable increases on a straight-line basis over the non-cancellable term of the related leases when collectability is reasonably assured. The excess of rents recognized over amounts contractually due pursuant to the underlying leases are recorded as deferred rent assets. The excess of rent payments collected over amounts recognized contractually due pursuant to the underlying lease are recorded as prepaid rents.

For the years ended December 31, 2019, 2018, and 2017, leases obtained by the Partnership through its acquisition and ownership of real property interests in the wireless communication industry and the outdoor advertising industry were generally cancelable upon 30 - 180 days' notice by the tenants with no significant penalty. The Partnership evaluates whether the lease arrangements economically compel the tenant to not cancel the lease in determining the term of the lease by considering various factors such as cancellation rights, availability of alternative sites, and historical cancellation rates. For cancellable leases where the tenant is not economically compelled to continue the lease, the term of the lease is considered to be the non-cancellable period with rental abatements and contractual fixed rate increases recorded in the period the amounts become due and payable. Leases obtained through development projects, are generally non-cancellable for the initial term.

- Wireless Communication – As a result of various factors, including the cancellation rights, ability to find alternative sites, credit risk, and historical cancellation and lease amendment rates, the lease term is generally considered to be the non-cancellable term of the lease of 30 to 180 days. For these leases, rental abatements and contractual fixed increases are recorded in the period the amounts become due and payable.
- Outdoor Advertising and Renewable Power Generation – The lease term is generally considered to be the non-cancellable term of the remaining portion of the existing term of the lease.

The capitalized above-market and below-market lease values are amortized as a decrease or increase, respectively, to rental income over the estimated period the tenant is expected to be leasing the site.

Certain leases provide for the greater of a minimum rent or a percentage of the revenue generated by the tenant ("Contingent Rent"). Contingent rent is recognized when measurable and all possible contingencies have been eliminated. During the years ended December 31, 2019, 2018, and 2017, the Partnership recognized $1.6 million, $1.2 million and $1.0 million of Contingent Rent, respectively.

Rents Receivable, net

Rents receivables consists of tenant receivables arising in the normal course of business. Tenant receivables are uncollateralized customer obligations requiring payment within various time frames not to exceed one year from the invoice date. If the Partnership determines that collectability of lease payments is not probable, the rent receivable balance is written off and recognized as a decrease in revenue in that period and future revenue recognition is limited to amounts contractually owed and paid.

Income Taxes

The Partnership is generally not subject to federal, state or local income taxes, except for our subsidiary Landmark Infrastructure Asset OpCo LLC ("Asset OpCo") and our foreign subsidiaries. Asset OpCo conducts certain activities that may not generate qualifying income and will be treated as a corporation for U.S. federal income tax purposes. Each limited partner is responsible for the tax liability, if any, related to its proportionate share of the Partnerships' taxable income or loss. Asset OpCo and certain consolidated foreign subsidiaries of the Partnership conduct certain activities in international locations that generate taxable income and will be treated as taxable entities. Additionally, our consolidated REIT subsidiary, Landmark Infrastructure Inc., a Delaware corporation, files as a corporation for U.S. federal income tax purposes. The REIT Subsidiary has elected to be treated as a REIT and we believe that it has operated in a manner that has allowed the REIT Subsidiary to qualify as a REIT for federal income tax purposes, and the REIT Subsidiary intends to continue operating in such manner. If the REIT Subsidiary fails to qualify as a REIT in any taxable year, and is unable to avail itself of certain savings provisions, all of its taxable income would be subject to federal income tax at regular corporate rates. The Partnership may also be subject to various non-income taxes, filing fees, and franchise taxes in various states that are reflected in operating expenses. The Partnership follows the requirements of ASC Topic 740, *Income Taxes* ("ASC 740"), relating to uncertain tax positions. Based on its evaluation under ASC 740, the Partnership has concluded that there are no significant uncertain tax positions requiring recognition in the consolidated financial statements, nor has the Partnership been assessed interest or penalties by any major tax jurisdictions.

Foreign Currency Translation

Assets and liabilities denominated in foreign currencies that are translated into U.S. dollars use exchange rates in effect at the end of the period, and revenues and expenses denominated in foreign currencies that are translated into U.S. dollars use average rates of exchange in effect during the related period. Gains and losses resulting from translation adjustments are included in accumulated other comprehensive income (loss).

Foreign Currency Transactions

Transactions denominated in a currency other than U.S. dollars are recorded upon initial recognition at the exchange rate on the date of the transaction. After initial recognition, monetary assets and liabilities denominated in a foreign currency are remeasured at each reporting date into the functional currency at the exchange rate on that date. We have entered into a foreign currency interest rate swap agreement and a debt agreement that results in mark to market foreign currency transaction adjustments which are included in other income and expenses.

Risk Management

The Partnership is subject to risks incidental to the ownership and investment in real property interests. These risks and uncertainties include the competitive environment in which the Partnership operates – local, regional, and national economic conditions, including consumer confidence, employment rates, and the availability of capital; uncertainties and fluctuations in capital and securities markets; the cyclical and competitive nature of the real estate industry; changes in tax laws and their interpretation; legal proceedings; effect of restrictive covenants in the loan agreements; and the effects of governmental regulation.

In the normal course of business, the Partnership encounters economic risk, including interest rate risk, currency risk, credit risk, and market risk. Interest rate risk is the result of movements in the underlying variable component of financing rates. Credit risk is the risk of default that results from an underlying tenant/borrower's inability or unwillingness to make contractually required payments. Market risk reflects changes in the valuation of real property interests and investments in receivables held by the Partnership.

Concentration of Credit Risk

The Partnership's credit risk relates primarily to rent receivables, investments in receivables, cash and interest rate swap agreements. Cash accounts at each U.S. institution are insured by the Federal Deposit Insurance Corporation up to $250,000. The Partnership has not experienced any losses to date on invested cash.

Credit risk associated with interest rate swap agreements arises from the potential failure of counterparties to perform in accordance with the terms of their contracts. The Partnership's risk management policies define parameters of acceptable market risk and limit exposure to credit risk. Credit exposure resulting from derivative financial instruments is considered in their fair value amounts, among other factors such as the potential adverse position exposure arising from changes over time in interest rates, maturities, and other relevant factors. The Partnership does not anticipate nonperformance by any of its counterparties.

The Partnership's real property interests are primarily located throughout the United States. The ability of the tenants to honor the terms of their respective leases is dependent upon the economic, regulatory, and social factors affecting the communities in which the tenants operate. In certain instances, the Partnership's position in the real property interest may be subordinate to a mortgage lender on the real property.

Business Segments

The FASB accounting guidance with regard to disclosures about segments of an enterprise and related information establishes standards for the manner in which public business enterprises report information about operating segments. The Partnership has three reportable segments, wireless communication, outdoor advertising, and renewable power generation for all periods presented.

Recently Issued Accounting Standards

Changes to GAAP are established by the FASB in the form of ASUs to the FASB's Accounting Standard Codification. The Partnership considers the applicability and impact of all ASUs. Newly issued ASUs not listed below are expected to not have any material impact on its combined financial position and results of operations because either the ASU is not applicable or the impact is expected to be immaterial.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"). ASU 2018-07 expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees and aligning it with the accounting for share-based payments to employees, with certain exceptions. Equity–classified share–based payment awards issued to nonemployees will be measured on the grant date, instead of being remeasured through the performance completion date (generally the vesting date), as required under the current guidance. ASU 2018-07 is effective for fiscal periods beginning after December 15, 2018, with early adoption permitted. The Partnership adopted the guidance as of January 1, 2019 and determined to not have a significant impact on the consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which establishes ASC 326, *Financial Instruments – Credit Losses*. The ASU revises the measurement of impairment for certain financial instruments measured at amortized cost from an incurred loss methodology to an expected loss methodology. The ASU affects trade receivables, debt securities, net investment in leases, and most other financial assets that represent a right to receive cash. This update is effective for annual and interim financial statement periods beginning after December 15, 2019, with early adoption permitted for financial statement periods beginning after December 15, 2018. In November 2018, the FASB issued ASU No. 2018-19, *Codification Improvements to Topic 326, Financial Instruments – Credit Losses*. This ASU clarifies that receivables from operating leases are accounted for using the lease guidance and not as financial instruments. The Partnership will adopt the guidance in the first quarter of its fiscal 2020 utilizing the cumulative-effect adjustment to retained earnings as of the effective date. The provisions of ASU 2016-13 are not expected to have a material effect on the consolidated financial statements. As of December 31, 2019 and 2018, investments in receivables were $8.8 million and $18.3 million, respectively.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* (“ASU No. 2016-02”), which establishes the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e., lessees and lessors). Subsequently, the FASB issued additional ASUs that clarified the original ASU No. 2016-02. The updated guidance requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases, along with additional qualitative and quantitative disclosures. This classification determines whether the lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability on the balance sheet for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. Lessors will continue to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases, and operating leases. The standard mandates the use of the modified retrospective transition method for all leases existing at, or entered into after, the date of initial application.

In March 2018, the FASB approved an optional practical expedient that would allow lessors to elect, by class of underlying asset, to not separate nonlease components from the related lease components. The practical expedient is limited to circumstances in which both (1) the timing and pattern of revenue recognition are the same for the nonlease component and related lease component and (2) the combined single lease component would be classified as an operating lease. If a lessee makes payments for taxes and insurance directly to a third party on behalf of a lessor, lessors are required to exclude them from variable payments and from recognition in the lessors’ income statements. Otherwise, tenant recoveries for taxes and insurance are classified as additional lease revenue recognized by the lessor on a gross basis in their income statements. The FASB has also clarified that the lease ASU will require an assessment of whether a land easement meets the definition of a lease under the new lease ASU. An entity with land easements that are not accounted for as leases under the current lease accounting standards, however, may elect a practical expedient to exclude those land easements from assessment under the new lease accounting standards (ASU No 2018-01, *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842)*. The new lease ASU applies to all land easement arrangements entered into or modified on and after the ASU effective date.

The Partnership adopted the guidance as of January 1, 2019. We elected to adopt the following practical expedients provided by these ASUs:

- Package of practical expedients – requires us not to reevaluate our existing or expired leases as of January 1, 2019, under the new lease accounting ASUs. The election of the package of practical expedients allowed us to not reassess whether any expired or existing contracts are or contain leases and not reassess lease classification for any expired or existing leases that commenced prior to January 1, 2019. The package of practical expedients also allowed an entity to not reassess initial direct costs for any existing leases. The Partnership has not incurred such initial direct costs for leases. Consequently, the adoption of the new lease ASUs had no effect on our accounting of initial direct costs on January 1, 2019.
- Optional transition method practical expedient – requires us to apply the new lease ASUs prospectively from the adoption date of January 1, 2019.
- Land easements practical expedient – requires us to account for land easements existing as of January 1, 2019, under the accounting standards applied to them prior to January 1, 2019. The Partnership’s land easements are primarily prepaid and included on the Consolidated Balance Sheets in real property interest, the impact of the adoption of the easement related provisions does not have a significant impact on our Consolidated Financial Statements.
- Single component practical expedient – requires us to account for lease and nonlease components associated with that lease under the new lease ASUs, if certain criteria are met. Our operating leases commencing or modified after January 1, 2019, for which we are the lessor are expected to qualify for the single component practical expedient accounting.
- Short-term leases practical expedient – for our operating leases with a term of 12 months or less in which we are the lessee, this expedient requires us not to record on our balance sheets related lease liabilities and right-of-use assets.

For acquisitions subsequent to the adoption of the new lease ASUs on January 1, 2019, the Partnership evaluates whether an easement meets the definition of a lease under the new lease ASU. The Partnership determines if an arrangement is a lease at the date of acquisition. The Partnership considers an arrangement to be a lease if it conveys the right to control the use of the leased site or ground space underneath a leased site for a period of time in exchange for consideration. The Partnership is both a lessor and a lessee. While most of our leases are and will continue to be classified as operating leases in which the Partnership is the lessor, the Partnership is the lessee in an insignificant population of operating and finance leases that have recurring ground lease rental payments. We applied the modified retrospective transition method and practical expedients mentioned above to all leases existing at January 1, 2019. The adoption of ASC 842 resulted in the recognition of right-of-use (“ROU”) assets and lease liabilities in the Consolidated Balance Sheets on January 1, 2019 for operating leases of $7.6 million, based on the present value of the remaining minimum rental payments using each respective lease term and a corresponding incremental borrowing rate. We used a discount rate of approximately 4.5%, which is the interest rate that we estimate we would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments. The ASUs did not significantly affect the calculations of our debt covenants. As of December 31, 2019, the weighted-average remaining lease term of operating leases and finance leases is approximately 22 years and 29 years, respectively. As of December 31, 2019, operating lease assets were included in right of use, net and finance lease assets were included in real property interests in the Consolidated Balance Sheets.

Table of Contents

The following table illustrates information about other lease related balances as of December 31, 2019 (in thousands):

Operating leases:		
Right-of-use asset	$	11,358
Operating lease liability		10,268
Finance leases:		
Right-of-use asset (1)	$	19,595
Finance lease liability		908

(1) Assets held under finance leases are recorded in Real property interests and are depreciated over the lease term.

The following table represents the future minimum ground lease payments as of December 31, 2019 (in thousands).

	Operating Lease	Finance Lease
2020	$ 681	$ 56
2021	690	56
2022	700	56
2023	714	56
2024	724	56
Thereafter	14,314	1,350
Total future payments	17,823	1,630
Discount	(7,555)	(722)
Total lease liability	$ 10,268	$ 908

3. Acquisitions

Drop-down Acquisitions

During the years ended December 31, 2018 and 2017, the Partnership completed one and four Drop-down Acquisitions, respectively, from our Sponsor and affiliates. There were no drop-down acquisitions during the year ended December 31, 2019. Certain real property interests and financing assets included in the Drop-down Acquisitions completed by the Partnership were part of the right of first offer assets acquired from Landmark Dividend Growth Fund-G LLC (“Fund G”) and Landmark Dividend Growth Fund-H LLC (“Fund H”) . All other Drop-down Acquisitions have been made directly from our Sponsor or from a wholly owned subsidiary of our Sponsor. The following table presents the Drop-down Acquisitions completed by the Partnership:

		Number of Tenant Sites					Consideration (in millions)		
Acquisition Date	Source	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Total	Investments in Receivables	Borrowings and Available Cash	Common Units	Total
January 18, 2018	Fund H	30	90	7	127	—	$ 32.6	$ 27.3	$ 59.9
2018 Acquisitions		**30**	**90**	**7**	**127**	**—**	**$ 32.6**	**$ 27.3**	**$ 59.9**
December 20, 2017	Sponsor	23	5	1	29	—	$ 17.6	$ —	$ 17.6
September 28, 2017	Sponsor	39	10	—	49	—	33.3	—	33.3
September 8, 2017	Sponsor(1)	—	—	1	1	—	1.6	—	1.6
July 28, 2017	Sponsor	30	1	1	32	2	22.0	—	22.0
June 8, 2017	Sponsor(1)	30	9	2	41	—	24.7	—	24.7
April 28, 2017	Sponsor(2)	—	1	—	1	—	4.3	—	4.3
April 28, 2017	Fund G(2)	—	1	—	1	—	3.8	3.5	7.3
March 31, 2017	Fund G(2)	—	1	—	1	—	7.5	—	7.5
2017 Acquisitions		**122**	**28**	**5**	**155**	**2**	**$ 114.8**	**$ 3.5**	**$ 118.3**

(1) In connection with the June 8, 2017 drop-down acquisition from our Sponsor, the Partnership entered into a contractual obligation to acquire one tenant site and related real property interest. On September 8, 2017, the Partnership completed the acquisition for cash consideration of $1.6 million.

(2) In connection with the August 30, 2016 Fund G drop-down acquisition, the Partnership entered into a contractual obligation to acquire two tenant sites and related real property interests. The Partnership acquired one of these tenant sites and related real property interests on March 31, 2017 for cash consideration of $7.5 million and the remaining tenant site for $3.8 million on April 28, 2017. Upon completion of the full $11.3 million acquisition, the Partnership issued 221,729 Common Units to Fund G on April 28, 2017. Additionally, in connection with the December 22, 2016 drop-down acquisition, the Partnership entered into a contractual obligation to acquire one tenant site and related real property interest. On April 28, 2017 the Partnership completed the acquisition for cash consideration of approximately $3.7 million to the property owner and $0.6 million to Landmark as additional consideration.

Drop-down Acquisitions that occurred after March 31, 2017 are accounted for as transfers of net assets between entities under common control as the acquisitions do not meet the definition of a business in accordance with ASU No. 2017-01. The transfer of net assets is accounted for prospectively in the period in which the transfer occurs at the net carrying value. Any differences between the cash consideration and the net carrying value of the transfer of net assets have been allocated to the General Partner.

Third Party Acquisitions

During the years ended December 31, 2019, 2018 and 2017, the Partnership completed various direct third-party acquisitions. Third-party acquisitions include acquisitions in exchange for Common Units pursuant to our previously filed and effective registration statement on Form S-4, in which we may offer and issue, from time to time, an aggregate of up to 5,000,000 Common Units in connection with the acquisition by us or our subsidiaries of other businesses, assets or securities (the “Unit Exchange Program” or “UEP”).

[Table of Contents](#)

The following table presents direct third-party acquisitions completed by the Partnership:

Acquisition Description	No. of Tenant Sites					Consideration (in millions)		
	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Total	Investments in Receivables	Borrowings and Available Cash	Common Units	Total
First Quarter								
International	—	104	—	104	—	$ 6.0	$ —	$ 6.0
Total	—	104	—	104	—	$ 6.0	$ —	$ 6.0
Second Quarter								
International	—	7	—	7	—	$ 6.7	$ —	$ 6.7
Domestic	—	—	8	8	—	0.4	—	0.4
Total	—	7	8	15	—	$ 7.1	$ —	$ 7.1
Third Quarter								
International	—	10	—	10	—	$ 3.8	$ —	$ 3.8
Domestic	1	—	—	1	—	0.3	—	0.3
Total	1	10	—	11	—	$ 4.1	$ —	$ 4.1
Fourth Quarter								
International	1	13	—	14	—	$ 10.5	$ —	$ 10.5
Domestic	2	—	—	2	—	24.3	—	24.3
Total	3	13	—	16	—	$ 34.8	$ —	$ 34.8
2019 Total	4	134	8	146	—	$ 52.0	$ —	$ 52.0
First Quarter								
UEP	5	1	—	6	—	$ —	$ 3.2	$ 3.2
Domestic	15	12	—	27	—	21.3	—	21.3
Total	20	13	—	33	—	$ 21.3	$ 3.2	$ 24.5
Second Quarter								
International	—	8	—	8	—	$ 7.3	$ —	$ 7.3
UEP	7	1	—	8	—	0.6	1.8	2.4
Domestic	3	1	—	4	—	21.5	—	21.5
Total	10	10	—	20	—	$ 29.4	$ 1.8	$ 31.2
Third Quarter								
International	2	12	—	14	—	$ 14.2	$ —	$ 14.2
UEP	10	—	—	10	—	0.9	1.8	2.7
Domestic	2	11	—	13	—	2.0	—	2.0
Total	14	23	—	37	—	$ 17.1	$ 1.8	$ 18.9
Fourth Quarter								
International	—	8	—	8	—	$ 0.2	$ —	$ 0.2
UEP	4	—	—	4	—	—	0.9	0.9
Domestic	1	1	—	2	—	0.1	—	0.1
Total	5	9	—	14	—	$ 0.3	$ 0.9	$ 1.2
2018 Total	49	55	—	104	—	$ 68.1	$ 7.7	$ 75.8
First Quarter								
International	3	4	—	7	—	$ 3.6	$ —	$ 3.6
UEP	1	—	—	1	—	—	0.1	0.1
Domestic	5	3	—	8	—	1.2	—	1.2
Total	9	7	—	16	—	$ 4.8	$ 0.1	$ 4.9
Second Quarter								
International	2	4	—	6	1	$ 9.0	$ —	$ 9.0
UEP	3	1	—	4	—	—	1.0	1.0
Domestic	1	—	—	1	—	0.5	—	0.5
Total	6	5	—	11	1	$ 9.5	$ 1.0	$ 10.5
Third Quarter								
International	—	2	—	2	—	$ 4.1	$ —	$ 4.1
Domestic	3	—	—	3	—	0.8	—	0.8
Total	3	2	—	5	—	$ 4.9	$ —	$ 4.9
Fourth Quarter								
International	—	3	—	3	—	$ 11.5	$ —	$ 11.5
UEP	3	4	—	7	—	—	2.7	2.7
Domestic	14	5	2	21	—	6.5	—	6.5
Total	17	12	2	31	—	$ 18.0	$ 2.7	$ 20.7
2017 Total	35	26	2	63	1	$ 37.2	$ 3.8	$ 41.0

4. Real Property Interests

The following summarizes the Partnership's real property interests (in thousands):

	December 31,	
	2019	2018
Land	$ 141,851	$ 128,302
Real property interests – perpetual	100,810	101,343
Real property interests – finite life	422,923	416,080
Real property interests – ROU asset finance lease	19,595	—
Construction in progress	68,907	29,556
Total land and real property interests	754,086	675,281
Accumulated amortization of real property interests	(50,015)	(39,069)
Land and net real property interests	$ 704,071	$ 636,212

Sales

During the year ended December 31, 2019, the Partnership completed a sale of two wireless communication sites held for sale commencing March 31, 2019 and three outdoor advertising sites to a third party in exchange for cash consideration of $1.4 million. We recognized a gain on sale of real property interest of $0.5 million upon completion of the sale.

On June 27, 2019, the Partnership completed a sale of its real property interests and investments in receivables held for sale commencing March 31, 2019 in its taxable subsidiary for total consideration of $31.8 million. We recognized a gain on sale of real property interests and investments in receivables of $11.7 million before income taxes, or $8.6 million after income taxes, upon completion of the sale.

On January 4, 2019, the Partnership completed the sale of its real property interest held for sale as of December 31, 2018 for total consideration of $13.5 million. We recognized a gain on sale of real property interest of $5.9 million upon completion of the sale.

During the year ended December 31, 2018, the Partnership completed a sale of one outdoor advertising site to a third party in exchange for cash consideration of $0.1 million. We recognized a loss on sale of real property interest of less than $0.1 million upon completion of the sale. Additionally, during the year ended December 31, 2018, the Partnership recognized a gain on the contribution of real property interests of $100 million in connection with the formation of an unconsolidated joint venture (the "JV") in which 545 tenant sites were contributed to the JV by the Partnership as described in Note 8, *Investment in Unconsolidated Joint Venture*. The Partnership used $59.7 million of the net proceeds to repay a portion of the borrowings under the revolving credit facility. The Partnership has determined that the contribution does not meet the criteria for discontinued operations presentation as the contribution does not represent a strategic shift that will have a major effect on its operations and financial results and the Partnership has retained an interest in the assets through its interest in the unconsolidated joint venture.

During the year ended December 31, 2017, the Partnership completed a sale of one wireless communication site to a third party in exchange for cash consideration of $0.2 million. We recognized a loss on sale of real property interest of less than $0.1 million upon completion of the sale.

Acquisitions and Developments

During the years ended December 31, 2018 and 2017, the Partnership paid total consideration of $59.9 million and $118.3 million, respectively, for drop-down Acquisitions. There were no drop-down acquisitions during the year ended December 31, 2019. During the year ended 2018, the difference between the total consideration of $59.9 million and the net carrying value of $39.5 million, respectively, was allocated to the General Partner.

During 2017, the Partnership started developing an ecosystem of technologies that provide smart enabled infrastructure including smart poles and digital outdoor advertising kiosks across North America. Smart poles are self-contained, neutral-host poles designed for wireless carrier and other wireless operator collocation. The smart poles are designed for macro, mini macro and small cell deployments and will support Internet of Things (IoT), carrier densification needs, private LTE networks and other wireless solutions.

During the fourth quarter of fiscal year 2018, the Partnership entered into an agreement with Dallas Area Rapid Transit ("DART") to develop a smart media and communications platform which will include the deployment of content-rich kiosks and the Partnership's smart enabled infrastructure ecosystem solution on strategic high-traffic DART locations.

In 2019, the Partnership commenced conversion of certain outdoor advertising sites from static billboards to digital billboards in the U.K.

As of December 31, 2019 and 2018, the Partnership had $68.9 million and $29.6 million of construction in progress balance is primarily related to these projects, respectively. During the years ended December 31, 2019 and 2018, the Partnership completed construction on nine and four smart enabled infrastructure sites, totaling $1.0 million and $1.5 million, respectively.

In December 2016, the Partnership formed a joint venture to acquire real property interests that are leased to companies in the outdoor advertising industry located in the U.K. and Europe. Our venture partner provides acquisition opportunities and asset management services to the consolidated joint venture. As of December 31, 2019 and 2018, the consolidated joint venture had 168 and 34 tenant sites and one investment in receivables with total net book value of $92.8 million and $43.5 million. During the years ended December 31, 2019, 2018 and 2017, the consolidated joint venture generated rental revenue of $5.6 million, $3.4 million and $0.8 million, respectively.

The Partnership applies the asset acquisition method to all acquired investments of real property interests for transactions that meet the definition of an asset acquisition. The fair value of the assets acquired and liabilities assumed is typically determined by using Level III valuation methods. The most sensitive assumption is the discount rate used to discount the estimated cash flows from the real estate rights. For purposes of the computation of fair value assigned to the various tangible and intangible assets, the Partnership assigned discount rates ranging between 6% and 20%.

The following table summarizes final allocations for acquisitions made during the years ended December 31, 2019, 2018, and 2017 of estimated fair values of the assets acquired and liabilities assumed (in thousands).

Period	Land	Investments in real property interests	In-place lease intangibles	Above-market lease intangibles	Below-market lease intangibles	ROU Assets	Lease Liability	Total
2019	$ 11,813	$ 17,154	$ 5,730	$ 86	$ (113)	$ 21,570	$ (1,640)	$ 54,600
2018	16,646	91,314	7,939	1,309	(2,031)	—	—	115,177
2017	25,151	107,195	3,781	976	(1,850)	—	—	135,253

Future estimated aggregate amortization of finite lived real property interests for each of the five succeeding fiscal years and thereafter as of December 31, 2019, are as follows (in thousands):

2020	$ 12,166
2021	11,693
2022	11,329
2023	11,237
2024	11,142
Thereafter	334,936
Total	$ 392,503

The weighted average remaining amortization period for non-perpetual real property interests is 40 years and 42 years at December 31, 2019 and 2018, respectively.

Impairments

During the years ended December 31, 2019, 2018 and 2017, eight, six and six of the Partnership's real property interests were impaired and we recognized impairment charges totaling $0.7 million, $0.6 million and $0.8 million, respectively. The carrying value of each real property interest was determined to have a fair value of zero. Additionally, the Partnership recognized impairment charges related to certain construction in progress of $1.6 million during the year ended December 31, 2019.

Assets and Liabilities Held for Sale

In June 2018, the Partnership entered into a plan to sell one of its real property interests. The Partnership determined that the sale does not meet the criteria for discontinued operations presentation as the plan to sell does not represent a strategic shift that will have a major effect on its operations and financial results. As a result of this classification, the assets and liabilities of the real property interest are separately presented as AHFS and liabilities associated with AHFS in the consolidated balance sheet as of December 31, 2018. On January 4, 2019, the sale was completed for total consideration of $13.5 million.

Table of Contents

The carrying amounts of the major classes of assets and liabilities that were classified as held for sale are as follows (in thousands):

	December 31,	
	2019	2018
Land	$ 421	$ 1,286
Real property interests, net	—	5,566
Other intangible assets, net	—	994
AHFS	$ 421	$ 7,846
Other intangible liabilities, net	$ —	$ 397
Liabilities associated with AHFS	$ —	$ 397

5. Other Intangible Assets and Liabilities

The following summarizes our identifiable intangible assets, including above/below-market lease intangibles (in thousands):

	December 31,	
	2019	2018
Acquired in-place lease		
Gross amount	$ 28,908	$ 23,261
Accumulated amortization	(8,142)	(6,237)
Net amount	$ 20,766	$ 17,024
Acquired above-market leases		
Gross amount	$ 6,627	$ 6,542
Accumulated amortization	(3,427)	(2,727)
Net amount	$ 3,200	$ 3,815
Total other intangible assets, net	$ 23,966	$ 20,839
Acquired below-market leases		
Gross amount	$ (16,817)	$ (17,097)
Accumulated amortization	9,211	7,806
Total other intangible liabilities, net	$ (7,606)	$ (9,291)

We recorded net amortization of above and below-market lease intangibles of $0.9 million, $1.2 million and $1.2 million as an increase to rental revenue for the years ended December 31, 2019, 2018 and 2017, respectively. We recorded amortization of in-place lease intangibles of $2.0 million, $2.1 million and $1.6 million as amortization expense for the years ended December 31, 2019, 2018, and 2017, respectively.

Future aggregate amortization of intangibles for each of the five succeeding fiscal years and thereafter as of December 31, 2019 follows (in thousands):

	Acquired in-place leases	Acquired above-market leases	Acquired below-market leases
2020	$ 1,748	$ 543	$ (1,517)
2021	1,681	432	(1,379)
2022	1,585	351	(1,256)
2023	1,291	314	(813)
2024	1,177	292	(723)
Thereafter	13,284	1,268	(1,918)
Total	$ 20,766	$ 3,200	$ (7,606)

6. Future Minimum Rents

At December 31, 2019, future minimum receipts from tenants on leases with non-cancellable terms, including cancellable leases where the tenant is economically compelled to extend the lease term, for each of the next five years and thereafter are as follows (in thousands):

2020	$	17,992
2021		17,798
2022		17,638
2023		16,531
2024		14,823
Thereafter		45,534
Total	$	130,316

7. Investments in Receivables

Investment in receivables includes financing arrangements and management agreements whereby we purchased the right to receive a portion of a rental payment under a contract but are not a party to the lease and do not have a real property interest. Additionally, certain lease arrangements of real property interests meet the definition of a financial asset and included in investments in receivables in our financial statements. Investment in receivables also includes arrangements with T-Mobile whereby we purchased the right to retain a portion of a lease payment prior to passing the remainder to the property owner. These cash flow financing arrangements are accounted for as receivables in our financial statements.

Transfer of investments in receivables from the Sponsor and affiliates to the Partnership, which met the conditions to be accounted for as a sale in accordance with ASC 860, *Transfers and Servicing*, were recorded at their estimated fair value. The receivables are unsecured with payments collected over periods ranging from 2 to 99 years. In connection with the Drop-down Acquisitions from our Sponsor and affiliates, the Partnership acquired additional investments in receivables that were recorded at the fair value at the acquisition date, using discount rates ranging from 7% to 14%.

During the year ended December 31, 2018, 16 of the Partnership's investments in receivables were impaired and recognized impairment charges totaling $0.8 million. The investments in receivables were impaired to their net realizable value. Pursuant to the terms of the omnibus agreement, Landmark indemnified the Partnership for the loss related to the impairment of investments in receivables which is treated as a deemed capital contribution.

Interest income recognized on the receivables totaled $0.8 million, $1.6 million and $1.6 million during 2019, 2018, and 2017, respectively. On June 27, 2019, the Partnership completed a sale of its investments in receivables held for sale as of March 31, 2019 and recognized a gain on sale of investments in receivables. See Note 4, *Real Property Interests*.

The following table reflects the activity in investments in receivables (in thousands):

	Year Ended December 31,			
	2019		2018	
Investments in receivables – beginning	$	18,348	$	20,782
Impairments		—		(785)
Sales		(8,331)		(350)
Other		(742)		—
Repayments		(564)		(1,108)
Interest accretion		9		3
Foreign currency translation adjustment		102		(194)
Investments in receivables – ending	$	8,822	$	18,348

Annual amounts due as of December 31, 2019, are as follows (in thousands):

2020	$	1,297
2021		1,345
2022		1,463
2023		1,570
2024		1,631
Thereafter		10,005
Total	$	17,311
Interest	$	8,489
Principal		8,822
Total	$	17,311

8. Investment in Unconsolidated Joint Venture

On September 24, 2018, the Partnership completed the formation of the unconsolidated JV. The Partnership contributed 545 tenant site assets to the unconsolidated JV that secured the Partnership's $125.4 million Series 2018-1 secured notes (the "2018 Securitization"), in exchange for a 50.01% membership interest in the unconsolidated JV and $65.5 million in cash (the "Transaction"). The Partnership does not control the unconsolidated JV and therefore, accounts for its investment in the unconsolidated JV using the equity method of accounting prospectively upon formation of the unconsolidated JV.

The Partnership recognized a gain on contribution of real property interests in accordance with ASC 610-20, *Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets* ("ASC 610-20"), which applies to sales or transfers to noncustomers of nonfinancial assets or in substance nonfinancial assets that do not meet the definition of a business. ASC 610-20 refers to the revenue recognition principles under ASU No. 2014-09. Under ASC 610-20, the Partnership determined it does not have a controlling financial interest in the entity that holds the assets and the arrangement meets the criteria to be accounted for as a contract, as such, the Partnership derecognized the assets and recognized a gain on the contribution of the real property interests when control of the underlying assets transferred to the buyer. The gain on the contribution of real property interests is included in the gain on sale of real property interests in the accompanying consolidated statements of operations.

In addition to the contribution of assets, the JV assumed the 2018 Securitization, which was completed by the Partnership on June 6, 2018. The 2018 Securitization financed certain tenant sites and related property interests owned by certain unrestricted special purpose subsidiaries of the Partnership, through the issuance of the Class C, Class D and Class F Series 2018-1 Secured Notes (the "2018 Secured Notes"), in an aggregate principal amount of $125.4 million. The net proceeds from the 2018 Securitization were primarily used to pay down the revolving credit facility by $120.5 million. The Class F notes are subordinated in right of payment to the Class D notes and the Class D notes are subordinated in right of payment to the Class C notes. The 2018 Secured Notes were issued at a discount of less than $0.1 million, which will be accreted and recognized as interest expense over the term of the secured notes. The Class C, Class D and Class F 2018 Secured Notes bear interest at a fixed note rate per annum of 3.97%, 4.70% and 5.92%, respectively.

The following table summarizes the Partnership's contribution of assets and liabilities, at cost, to the unconsolidated JV as of the date of the Transaction (in thousands):

Assets		
Cash, cash equivalents and restricted cash	$	1,549
Real property interests, net		153,028
Other intangible assets, net		2,468
Total assets	$	157,045
Liabilities		
Secured notes	$	122,084
Other intangible liabilities, net		3,046
Other liabilities		758
Total liabilities	$	125,888
Net equity contributed to the unconsolidated joint venture	$	31,157

The following table summarizes the Partnership's gain on the contribution of real property interests to the unconsolidated JV as of the date of the Transaction (in thousands):

Investment in unconsolidated joint venture	$	65,611
Proceeds from sale of real property interests		65,585
Less: Net equity contributed to the unconsolidated joint venture		(31,157)
Gain on sale of real property interests	$	100,039

The following table summarizes balance sheet information for the unconsolidated JV (in thousands):

	December 31,			
	2019		2018	
Total assets	$	255,157	$	263,228
Total liabilities		127,611		128,448
Total equity		127,546		134,780
Total liabilities and equity	$	255,157	$	263,228

The following table summarizes financial information for the unconsolidated JV (in thousands):

	Year Ended December 31,	
	2019	2018
Rental revenue	$ 14,245	$ 3,697
Net income	796	117
Partnership's share in net income	398	59
Distributions declared to the Partnership	3,983	—

9. Debt

The following table summarizes the Partnership’s debt (in thousands):

		Outstanding Balance	
	Maturity Date	December 31, 2019	December 31, 2018
Revolving credit facility	November 15, 2023	$ 232,907	$ 155,000
4.38% senior secured notes	June 30, 2036	$ 39,945	$ 42,058
Series 2017-1 Class A	November 15, 2022 (1)	59,124	60,900
Series 2017-1 Class B	November 15, 2022 (1)	17,172	17,563
Series 2016-1 Class A	June 1, 2021 (2)	82,175	86,258
Series 2016-1 Class B	June 1, 2021 (2)	25,100	25,100
Secured Notes		$ 223,516	$ 231,879
Discount on Secured Notes		(1,081)	(1,454)
Deferred loan costs		(5,337)	(6,740)
Secured Notes, net		$ 217,098	$ 223,685

(1) Maturity date reflects anticipated repayment date; final legal maturity is November 15, 2047.
(2) Maturity date reflects anticipated repayment date; final legal maturity is July 15, 2046.

Revolving Credit Facility

The Partnership’s revolving credit facility with SunTrust Bank, as administrative agent, and a syndicate of lenders will mature on November 15, 2023 and will be available for working capital, capital expenditures, permitted acquisitions and general partnership purposes, including distributions. On November 15, 2018, the Partnership completed its Third Amended and Restated Credit Facility and obtained commitments from a syndicate of banks with initial borrowing commitments of $450.0 million for five-years. Additionally, borrowings up to $75.0 million may be denominated in British pound sterling (“GBP”), Euro, Australian dollar and Canadian dollar. Substantially all of our assets, excluding equity in and assets of unrestricted subsidiaries, after-acquired real property (other than real property that is acquired from affiliate funds and is subject to a mortgage), and other customary exclusions, are pledged (or secured by mortgages), as collateral under our revolving credit facility. Our revolving credit facility contains various customary covenants and restrictive provisions.

In addition, our revolving credit facility contains customary events of default, including, but not limited to (i) event of default resulting from our failure or the failure of our restricted subsidiaries to comply with covenants and financial ratios, (ii) the occurrence of a change of control (as defined in the credit agreement), (iii) the institution of insolvency or similar proceedings against us or our restricted subsidiaries, (iv) the occurrence of a default under any other material indebtedness (as defined in the credit agreement) we or our restricted subsidiaries may have and (v) any one or more collateral documents ceasing to create a valid and perfected lien on collateral (as defined in the credit agreement). Upon the occurrence and during the continuation of an event of default, subject to the terms and conditions of the credit agreement, the lenders may declare any outstanding principal of our revolving credit facility debt, together with accrued and unpaid interest, to be immediately due and payable and may exercise the other remedies set forth or referred to in the credit agreement and the other loan documents.

Loans under the revolving credit facility bear interest at a rate equal to LIBOR related to the currency for which borrowings are denominated, plus a spread ranging from 1.75% to 2.25% (determined based on leverage levels). As of December 31, 2019, the applicable spread was 2.25%.

Additionally, under the revolving credit facility we will be subject to an annual commitment fee (determined based on leverage levels) associated with the available undrawn capacity subject to certain restrictions. As of December 31, 2019, the applicable annual commitment rate used was 0.175%.

The revolving credit facility requires monthly interest payments and the outstanding debt balance is due upon maturity on November 15, 2023. As of December 31, 2019, $232.9 million was outstanding, which includes £40.5 million of GBP debt. Our revolving credit facility contains various covenants and restrictive provisions that limit our ability (as well as the ability of our restricted subsidiaries) to incur or guarantee additional debt, among other things. As of December 31, 2019 there was $217.1 million of undrawn borrowing capacity (including a standby letter of credit arrangement of $2.4 million), subject to compliance with various financial covenants. As of December 31, 2019, the Partnership was in compliance with all financial covenants required under the revolving credit facility.

Secured Notes

On April 24, 2018, the Partnership entered into a note purchase and private shelf agreement (“Note Purchase Agreement”) pursuant to which the Partnership agreed to sell an initial $43.7 million aggregate principal amount of 4.38% senior secured notes, in a private placement (the “4.38% Senior Secured Notes”) involving a segregated pool of renewable power generation sites and related property interests. The 4.38% Senior Secured Notes are fully amortized through June 30, 2036. The Partnership may from time to time issue and sell additional senior secured notes pursuant to the Note Purchase Agreement, in an aggregate principal amount when aggregated with the initial principal amount of up to $225 million. We used all the net proceeds of $41.0 million to repay a portion of the borrowings under our revolving credit facility. In October 2019, we became aware of the fact that we were in technical default of certain covenants under the Note Purchase Agreement due to certain rental payments received by the Partnership in an incorrect bank account, which resulted in an Event of Default under the terms of the Note Purchase Agreement. The Event of Default under the terms of the Note Purchase Agreement in turn caused an Event of Default under our revolving credit facility. In November 2019, we amended the terms of the revolving credit agreement and obtained a waiver such that Event of Default under the Note Purchase Agreement does not in turn cause an Event of Default under our revolving line of credit. In December 2019, we obtained a waiver of the default from the holders of the 4.38% Senior Secured Notes.

On November 30, 2017, the Partnership completed a securitization transaction (the “2017 Securitization”) involving certain outdoor advertising tenant sites and related property interests owned by certain unrestricted special purpose subsidiaries of the Partnership, through the issuance of the Series 2017-1 Secured Notes, Class A and Class B (the “2017 Secured Notes”), in an aggregate principal amount of $80.0 million. The net proceeds from the 2017 Securitization were primarily used to pay down the revolving credit facility by $54.0 million and $17.5 million held in a restricted reserve accounts, including $16.0 million into a site acquisition account to be used to acquire additional tenant sites pursuant to the Indenture. The Class B notes are subordinated in right of payment to the Class A notes. The 2017 Secured Notes were issued at a discount of $1.8 million, which will be accreted and recognized as interest expense over the term of the secured notes. The Class A and Class B 2017 Secured Notes bear interest at a fixed note rate per annum of 4.10% and 3.81%, respectively. The Partnership is required to make monthly payments of principal and interest on Class A and Class B 2017 Secured Notes based on a 30-year amortization period, commencing in January 2018. On each payment date on and after the payment date occurring in January 2018, available funds are used to repay the Class A 2017 Secured Notes in an amount sufficient to pay the Class A 2017 Secured Notes monthly amortization amount and to repay the Class B 2017 Secured Notes in an amount sufficient to pay the Class B 2017 Secured Notes monthly amortization amount on such payment date. No other payments of principal will be required to be made prior to the anticipated repayment date in November 2022.

On June 16, 2016, the Partnership completed a securitization transaction (the “2016 Securitization”) involving certain tenant sites and related real property interests owned by certain unrestricted special purpose subsidiaries of the Partnership, through the issuance of the Series 2016-1 Secured Notes, Class A and Class B (the “2016 Secured Notes”), in an aggregate principal amount of $116.6 million. The net proceeds from the 2016 Securitization were used to pay down the revolving credit facility by $112.3 million. The Class B notes are subordinated in right of payment to the Class A notes. The 2016 Secured Notes were issued at a discount of $17,292, which will be accreted and recognized as interest expense over the term of the secured notes. The Class A and Class B 2016 Secured Notes bear interest at a fixed note rate per annum of 3.52% and 7.02%, respectively. The Partnership is required to make monthly payments of principal and interest on the Class A 2016 Secured Notes based on a 30-year amortization period and monthly payments of interest only on the Class B 2016 Secured Notes, commencing in July 2016. On each payment date on and after the payment date occurring in July 2016, available funds are used to repay the Class A 2016 Secured Notes in an amount sufficient to pay the Class A 2016 Secured Notes monthly amortization amount. No other payments of principal are required to be made prior to the anticipated repayment date in June 2021. The 2016 Secured Notes were paid in full ($108 million) subsequent to the year ended December 31, 2019. See Note 22, *Subsequent Events* to the Consolidated Financial Statements for additional information.

The secured notes described above are collectively referred to as the “Secured Notes” and the tenant site assets securing the Secured Notes are collectively referred to as the “Secured Tenant Site Assets.”

The Secured Notes are secured by (1) mortgages and deeds of trust on substantially all of the Secured Tenant Site Assets and their operating cash flows, (2) a security interest in substantially all of the personal property of the obligors (as defined in the applicable indenture), and (3) the rights of the obligors under a management agreement. Under the terms of the applicable indenture, amounts due under the Secured Notes will be paid solely from the cash flows generated from the operation of the Secured Tenant Site Assets, as applicable, which must be deposited into reserve accounts, and thereafter distributed solely pursuant to the terms of the applicable indenture. On a monthly basis, after payment of all required amounts under the applicable indenture, subject to the conditions described below, the excess cash flows generated from the operation of such assets are released to the Partnership. As of December 31, 2019 and 2018, $5.6 million and $3.7 million was held in such reserve accounts which are classified as Restricted Cash on the accompanying consolidated balance sheets.

Certain information with respect to the 2017 Securitization and the 2016 Securitization is set forth below. The debt service coverage ratio ("DSCR") is generally calculated as the ratio of annualized net cash flow (as defined in the applicable indenture) to the amount of interest, servicing fees and trustee fees required to be paid over the succeeding 12 months on the principal amount of the Secured Notes, as applicable, that will be outstanding on the payment date following such date of determination.

			Conditions Limiting Distributions of Excess Cash	
	Issuer or Borrower	Notes Issued	Cash Trap DSCR	Amortization Period
2017 Securitization	LMRK Issuer Co. 2 LLC	Series 2017-1 Secured Notes, Class A and Class B	1.30x (1)	(2)
2016 Securitization	LMRK Issuer Co. LLC	Series 2016-1 Secured Notes, Class A and Class B	1.30x (1)	(2)

(1) Once triggered, a Cash Trap DSCR condition continues to exist until the DSCR exceeds the Cash Trap DSCR for two consecutive calendar months. During a Cash Trap DSCR condition, all cash flow in excess of amounts required to make debt service payments, to fund required reserves, to pay management fees and budgeted operating expenses and to make other payments required under the indenture, referred to as excess cash flow, will be deposited into a reserve account instead of being released to the applicable issuer.
(2) An amortization period commences if the DSCR is equal to or below 1.15x (the "Minimum DSCR") at the end of any calendar month and continues to exist until the DSCR exceeds the Minimum DSCR for two consecutive calendar months.

The Partnership is subject to covenants customary for notes issued in rated securitizations. Among other things, the obligors are prohibited from incurring other indebtedness for borrowed money or further encumbering their assets (as defined in the applicable agreement). Under the terms of the applicable indenture, the obligors will be permitted to issue additional notes under certain circumstances, including so long as the DSCR of the issuer is at least 2.0 to 1.0 for the 2017 Secured Notes and 2016 Secured Notes, respectively and at least 1.1 to 1.0 for the 4.38% Senior Secured Notes. As of December 31, 2019, the Partnership was in compliance with all financial covenants required under the Secured Notes.

The Secured Notes' annual principal payment amounts due as of December 31, 2019, are as follows (in thousands):

2020	$	10,313
2021 (1)(2)		108,013
2022		72,440
2023		2,714
2024		2,889
Thereafter (1)		27,147
Total	$	223,516

(1) Reflects anticipated repayment dates.
(2) In January 2020, the Partnership repaid the outstanding balance of the 2016 Secured Notes.

Interest Expense

For the years ended December 31, 2019, 2018 and 2017, the Partnership incurred interest expense of $18.2 million, $24.3 million and $18.4 million, respectively, and had interest payable of $0.5 million and $0.3 million as of December 31, 2019 and 2018, respectively. Additionally, the Partnership recorded deferred loan costs and amortization of discount on secured notes, which is included in interest expense, of $3.1 million, $3.8 million and $2.2 million for the years ended December 31, 2019, 2018 and 2017, respectively. In connection with the amendment of the credit facility on November 15, 2018, the unamortized balance of the deferred loan costs totaling $0.2 million was recorded as a loss on extinguishment of debt during the year ended December 31, 2018.

10. Interest Rate Swap Agreements

The following table summarizes the terms and fair value of the Partnerships' interest rate swap agreements (in thousands, except percentages):

Date Entered		Notional Value	Fixed Rate	Index	Effective Date	Maturity Date	Fair Value Asset (Liability) at December 31, 2019	Fair Value Asset (Liability) at December 31, 2018
February 5, 2015	$	25,000	1.29%	1-month USD LIBOR	4/13/2015	4/13/2019	$ —	$ 102
August 24, 2015		50,000	1.74	1-month USD LIBOR	10/1/2015	10/1/2022	(264)	1,259
March 23, 2016		50,000	1.67	1-month USD LIBOR	12/24/2018	12/24/2021	(113)	1,117
March 31, 2016		20,000	1.56	1-month USD LIBOR	12/24/2018	12/24/2021	(4)	508
March 31, 2016		25,000	1.63	1-month USD LIBOR	4/13/2019	4/13/2022	(48)	569
June 12, 2017		50,000	2.10	1-month USD LIBOR	3/2/2018	9/2/2024	(1,045)	1,035
November 15, 2018	£	38,000	1.49	1-month GBP LIBOR	11/30/2020	11/30/2025	(1,675)	(402)
							$ (3,149)	$ 4,188

During the years ended December 31, 2019, 2018 and 2017, the Partnership recorded a loss of $7.3 million, a gain of $1.0 million and a gain of $1.7 million, respectively, resulting from the change in fair value of the interest rate swap agreements which is reflected as an unrealized gain (loss) on derivatives on the consolidated statements of operations. Additionally, during the year ended December 31, 2018, the Partnership recognized less than $0.1 million of foreign currency transaction loss resulting from the changes in exchange rates as of December 31, 2018 affecting mark-to-market adjustments on our foreign currency interest rate swap agreement denominated in pound sterling.

The fair value of the interest rate swap agreements is derived based on Level 2 inputs. To illustrate the effect of movements in the interest rate market, the Partnership performed a market sensitivity analysis on its outstanding interest rate swap agreements. The Partnership applied various basis point spreads to the underlying interest rate curve of the derivative in order to determine the instruments' value including change in fair value at December 31, 2019. The following table summarizes the results of the analysis performed (in thousands):

		Effects of Change in Interest Rates			
Date Entered	Maturity Date	+50 Basis Points	-50 Basis Points	+100 Basis Points	-100 Basis Points
August 24, 2015	10/1/2022	365	(930)	996	(1,594)
March 23, 2016	12/24/2021	347	(591)	807	(1,069)
March 31, 2016	12/24/2021	181	(194)	364	(385)
March 31, 2016	4/13/2022	220	(326)	487	(605)
June 12, 2017	9/2/2024	(12)	(2,232)	1,056	(3,387)
November 15, 2018	11/30/2025	(563)	(3,099)	637	(4,439)

11. Unit-Based Compensation

Compensation of our Directors

On January 25, 2018 the board of directors of the General Partner adopted the Amended and Restated Non-Employee Director Compensation Plan that provides each director that is neither an officer of the General Partner nor an employee or an affiliate of the General Partner with annualized compensation consisting of $40,000 in cash, payable quarterly, and an annual grant of Common Units valued at $40,000 and additional cash compensation for attending meetings of the board of directors of the General Partner or a committee thereof. Additionally, the chairman of the audit committee of the board of directors shall be entitled to additional annualized cash compensation of $15,000 and the chairman of any other committee of the board of directors, as may be established at any time, shall be entitled to an amount in cash as determined by the board of directors.

Our Long-Term Incentive Plan

In connection with the IPO, the board of directors of the General Partner adopted the Landmark Infrastructure Partners LP 2014 Long-Term Incentive Plan (the "LTIP"). The LTIP provides for the grant, from time to time at the discretion of the board of directors of the General Partner or any committee thereof that may be established for such purpose or by any delegate of the board of directors or such committee, subject to applicable law (the "plan administrator"), of equity-based awards. The purpose of the LTIP is to promote the interests of the Partnership and the General Partner by providing incentive compensation awards to individuals providing services to the Partnership or the General Partner to encourage superior performance. The LTIP is also intended to enhance the ability of the Partnership and the General Partner to attract and retain the services of individuals who are essential for the growth and profitability of the Partnership and the General Partner and to encourage these individuals to devote their best efforts to advancing the business of the Partnership and the General Partner. The LTIP will initially limit the number of units that may be delivered pursuant to vested awards to 785,000 Common Units, subject to proportionate adjustment in the event of unit splits and similar events, with such amount increased annually on the first day of each calendar year beginning January 1, 2016 and ending on and including January 1, 2024 by a number of Common Units equal to the least of (i) 1,570,000 Common Units, (ii) 2% of the total number of common units outstanding on the last day of the immediately preceding calendar year and (iii) such smaller number of Common Units as determined by the board of directors of the General Partner. Common Units subject to awards that are cancelled, forfeited, withheld to satisfy exercise prices or tax withholding obligations, or otherwise terminated without delivery of the Common Units will be available for delivery pursuant to other awards. We have granted 10,631, 3,826 and 6,798 units under our LTIP as compensation to our Non-Employee Directors during the years ended December 31, 2019, 2018 and 2017, respectively, and no other awards were granted to any of our executive officers.

12. Equity

The table below summarizes changes in the numbers of units outstanding for the years ended December 31, 2019, 2018 and 2017 (in units):

	Common	Subordinated	Series A Preferred	Series B Preferred	Mezzanine Equity - Series C Preferred
Balance at December 31, 2016	19,450,555	3,135,109	863,957	1,840,000	—
Issuance of units to Fund G - April 28, 2017	221,729	—	—	—	—
Issuance under ATM Programs	240,426	—	704,445	623,015	—
Issuance under Unit Exchange Program	226,950	—	—	—	—
Unit-based compensation	6,798	—	—	—	—
Balance at December 31, 2017	20,146,458	3,135,109	1,568,402	2,463,015	—
Issuance of units to Fund H - January 18, 2018	1,506,421	—	—	—	—
Conversion of subordinated units	3,135,109	(3,135,109)	—	—	—
Issuance of Series C Preferred Units - April 2, 2018	—	—	—	—	2,000,000
Issuance under ATM Programs	27,830	—	24,747	—	—
Issuance under Unit Exchange Program	508,157	—	—	—	—
Unit-based compensation	3,826	—	—	—	—
Balance at December 31, 2018	25,327,801	—	1,593,149	2,463,015	2,000,000
Issuance under ATM Programs	—	—	128,892	81,778	—
Conversion of Series C Preferred Units	14,708	—	—	—	(11,300)
Unit-based compensation	10,631	—	—	—	—
Balance at December 31, 2019	25,353,140	—	1,722,041	2,544,793	1,988,700

On February 23, 2017, the Partnership filed a universal shelf registration statement on Form S-3 with the SEC. The shelf registration statement was declared effective by the SEC on March 27, 2017 and permits us to issue and sell common and preferred units, from time to time, representing limited partner interests in us and debt securities up to an aggregate amount of $750.0 million. The February 23, 2017 shelf registration was subsequently replaced by the December 4, 2019 shelf registration described below, which became effective subsequent to the year ended December 31, 2019.

On December 4, 2019, the Partnership filed a universal shelf registration statement on Form S-3 with the SEC. The shelf registration statement was declared effective by the SEC on January 30, 2020 and permits us to issue and sell, from time to time, common and preferred units representing limited partner interests in us, and debt securities up to an aggregate amount of $750.0 million.

Common Units

On February 16, 2016, the Partnership filed a shelf registration statement on Form S-4 with the SEC. The shelf registration statement was declared effective on March 10, 2016 and permits us to offer and issue, from time to time, an aggregate of up to 5,000,000 Common Units in connection with the acquisition by us or our subsidiaries of other businesses, assets or securities. No acquisitions were completed during the year ended December 31, 2019 under the Unit Exchange Program. During the years ended December 31, 2018 and 2017, under the Unit Exchange Program we completed acquisitions of 28 and 12 tenant sites in exchange for 508,157 and 226,950 Common Units, valued at approximately $7.6 million and $3.8 million, respectively.

On February 16, 2016, the Partnership established a Common Unit at-the-market offering program (the “2016 Common Unit ATM Program”) that expired on December 30, 2018, therefore, no Common Units were issued under the 2016 Common Unit ATM Program during the year ended December 31, 2019. During the years ended December 31, 2018 and 2017, the Partnership issued 27,830 and 240,426 Common Units under the 2016 Common Unit ATM Program, generating proceeds of approximately $0.5 million and $4.2 million before issuance costs, respectively.

On May 3, 2019, the Partnership established a Common Unit at-the-market offering program (the “2019 Common Unit ATM Program” and together with the 2016 Common Unit ATM Program, the “Common Unit ATM Program”) pursuant to which we may sell, from time to time, Common Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. The net proceeds from sales under the 2019 Common Unit ATM Program will be used for general partnership purposes, which may include, among other things, the repayment of indebtedness and to potentially fund future acquisitions. No Common Units were issued under the 2019 Common Unit ATM Program during the year ended December 31, 2019.

Subordinated Units

Our Partnership Agreement provides that, during the subordination period, the Common Units have the right to receive distributions of available cash from operating surplus each quarter in an amount equal to $0.2875 per Common Unit, which amount is defined in our Partnership Agreement as the minimum quarterly distribution, plus any arrearages in the payment of the minimum quarterly distribution on the Common Units from prior quarters, before any distributions of available cash from operating surplus may be made on the subordinated units. These units are deemed “subordinated” because for a period of time, referred to as the subordination period, the subordinated units are not entitled to receive any distributions until the Common Units have received the minimum quarterly distribution plus any arrearages in the payment of the minimum quarterly distribution on the Common Units from prior quarters. Furthermore, no arrearages will accrue or be payable on the subordinated units. The practical effect of the subordinated units is to increase the likelihood that, during the subordination period, there will be available cash to be distributed on the Common Units. The requirements under our Partnership Agreement for the conversion of all the subordinated units into common units were satisfied upon the payment of our quarterly cash distribution on February 14, 2018. Therefore, effective February 15, 2018, all of our subordinated units which are owned by Landmark, were converted on a one-for-one basis into common units. The conversion of subordinated units does not impact the amount of cash distributions or total number of outstanding units.

Preferred Units

On June 24, 2016, the Partnership established a Series A Preferred Unit at-the-market offering program (the “2016 Series A Preferred Unit ATM Program”), that expired on December 30, 2018, therefore, no Series A Preferred Units were issued under the 2016 Series A ATM Program during the year ended December 31, 2019. During the years ended December 31, 2018 and 2017, the Partnership issued 24,747 and 704,445 Series A Preferred Units under the 2016 Series A Preferred Unit ATM Program, generating proceeds of approximately $0.6 million and $17.7 million before issuance costs, respectively.

On March 30, 2017, the Partnership established a Series B Preferred Unit at-the-market offering program (the “Series B Preferred Unit ATM Program”), pursuant to which we may sell, from time to time, Series B Preferred Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. The net proceeds from sales under the Series B Preferred Unit ATM Program will be used for general Partnership purposes, which may include, among other things, the repayment of indebtedness and to potentially fund future acquisitions. During the years ended December 31, 2019 and 2017, the Partnership issued 81,778 and 623,015 Series B Preferred Units under our Series B Preferred Unit ATM Program, generating proceeds of approximately $2.1 million and $15.6 million before issuance costs, respectively. No Series B Preferred Units were issued under our Series B Preferred Unit ATM Program during the year ended December 31, 2018. As of December 31, 2019, we have $32.3 million remaining available to be issued under the Series B Preferred Unit ATM Program.

On May 3, 2019, the Partnership established a Series A Preferred Unit at-the-market offering program (the “2019 Series A ATM Program” and together with the 2016 Series A Preferred Unit ATM Program, Series B Preferred Unit ATM Program and Common Unit ATM Program the “ATM Programs”) pursuant to which we may sell, from time to time, Series A Preferred Units having an aggregate offering price of up to $50.0 million pursuant to our previously filed and effective registration statement on Form S-3. The net proceeds from sales under the 2019 Series A ATM Program will be used for general Partnership purposes, which may include, among other things, the repayment of indebtedness and to potentially fund future acquisitions. During the year ended December 31, 2019, the Partnership issued 128,892 Series A Preferred Units under our 2019 Series A ATM Program, generating proceeds of approximately $3.3 million before issuance costs. As of December 31, 2019, we have $46.7 million remaining available to be issued under the 2019 Series A ATM Program.

Mezzanine Equity

On April 2, 2018, the Partnership completed a public offering of 2,000,000 Series C Floating-to-Fixed Rate Cumulative Perpetual Redeemable Convertible Preferred Units ("Series C Preferred Units" and together with the Series A Preferred Units and Series B Preferred Units the "Preferred Units"), representing limited partner interest in the Partnership, at a price of $25.00 per unit. We received net proceeds of approximately $47.5 million after deducting underwriters' discounts and offering expenses paid by us of $2.5 million. We used substantially all net proceeds to repay a portion of the borrowings under our revolving credit facility. In connection with the closing of the Series C Preferred Units offering, the Partnership executed the Fourth Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP (the "Partnership Agreement") for the purpose of defining the preferences, rights, powers and duties of holders of the Series C Preferred Units.

Distributions on the Series C Preferred Units are cumulative from the date of original issue and will be payable quarterly in arrears on the 15th day of February, May, August and November of each year, when, as and if declared by the board of directors of our General Partner. The initial distribution on the Series C Preferred Units was paid on May 15, 2018 in an amount equal to $0.2090 per unit. Distributions accruing from, and including, the date of original issuance and to, but excluding May 15, 2025 will accrue at an annual rate equal to the greater of (i) 7.00% per annum, and (ii) the sum of (a) three-month LIBOR as calculated on each applicable date of determination and (b) 4.698% per annum, based on the $25.00 liquidation preference per Series C Preferred Unit. Distributions accruing on and after May 15, 2025 will accrue at 9.00% per annum of the stated liquidation preference.

Holders of Series C Preferred Units, at their option, may, at any time and from time to time, convert some or all of their Series C Preferred Units based on an initial conversion rate of 1.3017 common units per Series C Preferred Unit. In the event of a fundamental change, holder of the Series C Preferred Units, at their option, may convert some or all of their Series C Preferred Units into the greater of (i) a number of common units plus a make-whole premium and (ii) a number of common units equal to the lessor of (a) the liquidation preference divided by the market value of our common units on the effective date of such fundamental change and (b) 11.13 (subject to adjustments). On May 15, 2025, May 15, 2028, and each subsequent five-year anniversary date thereafter (each such date, a "designated redemption date"), each holder of Series C Preferred Units shall have the right (a "redemption right") to require the Partnership to redeem any or all of the Series C Preferred Units held by such holder outstanding on such designated redemption date at a redemption price equal to the liquidation preference of $25.00, plus all accrued and unpaid distributions to, but not including, in each case out of funds legally available for such payment and to the extent not prohibited by law, the designated redemption date (the "put redemption price"). At our option we may pay the redemption in our common units or cash, subject to certain limitations.

At any time on or after May 20, 2025, the Partnership shall have the option to redeem the Series C Preferred Units, in whole or in part, at a redemption price of $25.00 per Series C Preferred Unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared.

The Partnership has classified the Series C Preferred Units as mezzanine equity in the accompanying consolidated balance sheets based upon the terms and conditions of the holder's redemption option. Issuance costs related to the Series C Preferred Units classified as mezzanine equity are initially recorded as a reduction of the units balances and accreted up to the redemption value. During the year ended December 31, 2019, 11,300 Series C Preferred Units were converted into 14,708 Common Units based on the holder's option.

Distributions

The table below summarizes the quarterly distributions related to our quarterly financial results:

Quarter Ended	Declaration Date	Distribution Date	Distribution Per Unit	Total Distribution (in thousands)
Common and Subordinated Units and IDRs				
March 31, 2017	April 20, 2017	May 15, 2017	$ 0.3525	$ 8,133
June 30, 2017	July 19, 2017	August 14, 2017	0.3550	8,222
September 30, 2017	October 18, 2017	November 14, 2017	0.3575	8,303
December 31, 2017	January 24, 2018	February 14, 2018	0.3675	9,304
March 31, 2018	April 19, 2018	May 15, 2018	0.3675	9,384
June 30, 2018	July 19, 2018	August 14, 2018	0.3675	9,431
September 30, 2018 (1)	October 26, 2018	November 14, 2018	0.3675	9,285
December 31, 2018 (1)	January 25, 2019	February 14, 2019	0.3675	9,312
March 31, 2019 (1)	April 19, 2019	May 15, 2019	0.3675	9,312
June 30, 2019 (1)	July 19, 2019	August 14, 2019	0.3675	9,312
September 30, 2019 (1)	October 25, 2019	November 14, 2019	0.3675	9,317
December 31, 2019 (1)	January 24, 2020	February 14, 2020	0.3675	9,360
Series A Preferred Units				
March 31, 2017	March 16, 2017	April 17, 2017	$ 0.5000	$ 432
June 30, 2017	June 22, 2017	July 17, 2017	0.5000	555
September 30, 2017	September 21, 2017	October 16, 2017	0.5000	713
December 31, 2017	December 21, 2017	January 16, 2018	0.5000	784
March 31, 2018	March 23, 2018	April 16, 2018	0.5000	797
June 30, 2018	June 21, 2018	July 16, 2018	0.5000	797
September 30, 2018	September 20, 2018	October 15, 2018	0.5000	797
December 31, 2018	December 20, 2018	January 15, 2019	0.5000	797
March 31, 2019	March 21, 2019	April 15, 2019	0.5000	797
June 30, 2019	June 20, 2019	July 15, 2019	0.5000	828
September 30, 2019	September 20, 2019	October 15, 2019	0.5000	837
December 31, 2019	December 20, 2019	January 15, 2020	0.5000	861
Series B Preferred Units				
March 31, 2017	April 20, 2017	May 15, 2017	$ 0.4938	$ 934
June 30, 2017	July 19, 2017	August 15, 2017	0.4938	990
September 30, 2017	October 18, 2017	November 15, 2017	0.4938	1,203
December 31, 2017	January 22, 2018	February 15, 2018	0.4938	1,216
March 31, 2018	April 19, 2018	May 15, 2018	0.4938	1,216
June 30, 2018	July 19, 2018	August 15, 2018	0.4938	1,216
September 30, 2018	October 22, 2018	November 15, 2018	0.4938	1,216
December 31, 2018	January 22, 2019	February 15, 2019	0.4938	1,216
March 31, 2019	April 19, 2019	May 15, 2019	0.4938	1,216
June 30, 2019	July 19, 2019	August 15, 2019	0.4938	1,257
September 30, 2019	October 22, 2019	November 15, 2019	0.4938	1,257
December 31, 2019	January 23, 2020	February 18, 2020	0.4938	1,298
Series C Preferred Units				
June 30, 2018 (2)	April 19, 2018	May 15, 2018	$ 0.2090	$ 418
June 30, 2018	July 19, 2018	August 15, 2018	0.4400	880
September 30, 2018	October 22, 2018	November 15, 2018	0.4382	876
December 31, 2018	January 22, 2019	February 15, 2019	0.4571	914
March 31, 2019	April 19, 2019	May 15, 2019	0.4614	923
June 30, 2019	July 19, 2019	August 15, 2019	0.4510	902
September 30, 2019	October 22, 2019	November 15, 2019	0.4375	870
December 31, 2019	January 23, 2020	February 18, 2020	0.4375	870

(1) The General Partner irrevocably waived its right to receive the incentive distribution and incentive allocations related to the respective quarterly distribution.
(2) The first distribution declared by the Partnership for the Series C Preferred Units was prorated for the 43-day period following the closing of the issuance on April 2, 2018. The distribution was paid on May 15, 2018 to unitholders of record as of May 1, 2018

13. Net Income (Loss) Per Limited Partner Unit

Landmark's subordinated units and the General Partner's incentive distribution rights meet the definition of a participating security and therefore we are required to compute income per unit using the two-class method under which any excess of distributions declared over net income shall be allocated to the partners based on their respective sharing of income specified in the Partnership Agreement. Payments made to our unitholders are determined in relation to actual distributions declared and are not based on the net income (loss) allocations used in the calculation of net income (loss) per unit.

Net income (loss) per unit applicable to limited partners (including subordinated unitholders) is computed by dividing limited partners' interest in net income (loss), after deducting any Preferred Unit distributions and General Partner incentive distributions, by the weighted-average number of outstanding common and subordinated units. Diluted net income (loss) per unit includes the effects of potentially dilutive units on our common and subordinated units and Series C Preferred Units. Net income (loss) related to the Drop-down Assets prior to the Partnership's acquisition dates of each transaction is allocated to the General Partner.

Effective February 15, 2018, all of our subordinated units, which were owned by Landmark, were converted on a one-for-one basis into common units. The subordinated units were only allocated the excess of distributions declared over net income through the conversion date.

The calculation of the undistributed net loss attributable to common and subordinated unitholders for the years ended December 31, 2019, 2018 and 2017 is as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Net income attributable to limited partners	$ 21,575	$ 115,794	$ 19,257
Less:			
Distributions declared on Preferred Units	(11,883)	(10,630)	(6,673)
General partner's incentive distribution rights (1)	(788)	(784)	(488)
Accretion of Series C preferred units	(641)	—	—
Net income attributable to common and subordinated unitholders	8,263	104,380	12,096
Distributions declared on common units	(37,301)	(37,022)	(28,983)
Distributions declared on subordinated units	—	—	(4,491)
Undistributed net income (loss)	$ (29,038)	$ 67,358	$ (21,378)

(1) The General Partner irrevocably waived its right to receive the incentive distribution and incentive allocations related to each quarterly distribution during the year ended December 31, 2019 and for the three months ended September 30, 2018 and December 31, 2018. For purposes of determining net income per common unit, the amount otherwise due to the general partner has been referenced as a deemed distribution.

The calculation of net income (loss) per unit related to the Partnership for the years ended December 31, 2019, 2018 and 2017 is as follows (in thousands, except per unit data):

	Year Ended December 31,				
	2019	2018		2017	
	Common Units	Common Units	Subordinated Units	Common Units	Subordinated Units
Distributions declared	$ 37,301	$ 37,022	$ —	$ 28,983	$ 4,491
Undistributed net income (loss)	(29,038)	67,661	(303)	(18,440)	(2,938)
Net income (loss) attributable to common and subordinated units - basic	8,263	104,683	(303)	10,543	1,553
Net income (loss) attributable to subordinated units	—	(303)	—	1,553	—
Distributions on dilutive preferred units	—	2,613	—	—	—
Net income (loss) attributable to common and subordinated units - diluted	$ 8,263	$ 106,993	$ (303)	$ 12,096	$ 1,553
Weighted-average units outstanding:					
Basic	25,343	24,626	387	19,701	3,135
Effect of dilutive subordinated units	—	387	—	3,135	—
Effect of dilutive preferred units	—	1,954	—	—	—
Diluted	25,343	26,967	387	22,836	3,135
Net income (loss) per common and subordinated unit:					
Basic	$ 0.33	$ 4.25	$ (0.78)	$ 0.54	$ 0.50
Diluted[(1)(2)]	$ 0.33	$ 3.97	$ (0.78)	$ 0.53	$ 0.50

(1) The Partnership Agreement provides that when the subordination period ends, each outstanding subordinated unit will convert into one Common Unit and will thereafter participate pro rata with the other Common Units in distributions of available cash. Effective February 15, 2018, all of the subordinated units, which were owned by Landmark, were converted on a one-for-one basis into Common Units. The diluted effect of Landmark's subordinated units is reflected using the "if-converted method" which assumes conversion of the subordinated units into Common Units and excludes the subordinated distributions from the calculation, as the "if-converted method" is more dilutive.

(2) Diluted earnings per unit takes into account the potential dilutive effect of common units that could be issued by the Partnership in conjunction with the Series C Preferred Units conversion features. Potential common unit equivalents are anti-dilutive for the year ended December 31, 2019 and, as a result, have been excluded in the determination of diluted net income (loss) per common unit. Potential common unit equivalents were dilutive for the year ended December 31, 2018 and, as a result, have been included in the determination of diluted net income (loss) per common unit.

14. Fair Value of Financial Instruments

The fair value for certain financial instruments is derived using a combination of market quotes, pricing models and other valuation techniques that involve significant management judgment. The price transparency of financial instruments is a key determinant of the degree of judgment involved in determining the fair value of the Partnership's financial instruments. Financial instruments for which actively quoted prices or pricing parameters are available and for which markets contain orderly transaction will generally have a higher degree of price transparency than financial instruments for which markets are inactive or consist of non-orderly trades. The Partnership evaluates several factors when determining if a market is inactive or when market transactions are not orderly. The following is a summary of the methods and assumptions used by management in estimating the fair value of each class of assets and liabilities for which it is practicable to estimate the fair value:

Cash and cash equivalents, rent receivables, net accounts payable and accrued liabilities: The carrying values of these balances approximate their fair values because of the short-term nature of these instruments.

Revolving credit facility: The fair value of the Partnership's revolving credit facility is estimated using a discounted cash flow analysis based on management's estimates of current market interest rates for instruments with similar characteristics, including remaining loan term, loan-to-value ratio, type of collateral and other credit enhancements. Additionally, since a quoted price in an active market is generally not available for the instrument or an identical instrument, the Partnership measures fair value using a valuation technique that is consistent with the principles of fair value measurement which typically considers what management believes is a market participant rate for a similar instrument. The Partnership classifies these inputs as Level 3 inputs. The fair value of the Partnership's revolving credit facility is considered to approximate the carrying value because the interest payments are based on LIBOR rates that reset every month.

Secured notes: The Partnership determines fair value of its secured notes utilizing various Level 2 sources including quoted prices and indicative quotes (non-binding quotes) from brokers that require judgment to interpret market information. Quotes from brokers require judgment and are based on the brokers' interpretation of market information, including implied credit spreads for similar borrowings on recent trades or bid/ask prices or quotes from active markets if available.

Investments in receivables: The Partnership's investments in receivables are presented in the accompanying consolidated balance sheets at their amortized cost net of recorded reserves and not at fair value. The fair values of the receivables were estimated using an internal valuation model that considered the expected cash flow of the receivables and estimated yield requirements by market participants with similar characteristics, including remaining loan term, and credit enhancements. The Partnership classifies these inputs as Level 3 inputs.

Interest rate swap agreements: The Partnership's interest rate swap agreements are presented at fair value on the accompanying consolidated balance sheets. The valuation of these instruments is determined using a proprietary model that utilizes observable and unobservable inputs. A majority of the inputs are observable with the only unobservable inputs relating to the lack of performance risk on the part of the Partnership or the counter party to the instrument. As such, the Partnership classifies these inputs as Level 2 inputs. The proprietary model uses the contractual terms of the derivatives, including the period to maturity, as well as observable market-based inputs, including the interest rate curves and volatility. The fair values of interest rate swaps are estimated using the market standard methodology of netting the discounted fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on an expectation of interest rates (forward curves) derived from observable market interest rate curves. In addition, credit valuation adjustments, which consider the impact of any credit risk to the contracts, are incorporated in the fair values to account for potential nonperformance risk.

The table below summarizes the carrying amounts and fair values of financial instruments which are not carried at fair value on the face of the financial statements (in thousands):

	December 31,			
	2019		2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Investment in receivables, net	$ 8,822	$ 8,859	$ 18,348	$ 18,867
Revolving credit facility	232,907	232,907	155,000	155,000
Secured Notes, net	217,098	221,577	223,685	224,333

Disclosure of the fair values of financial instruments is based on pertinent information available to the Partnership as of the period end and requires a significant amount of judgment. Despite increased capital market and credit market activity, transaction volume for certain financial instruments remains relatively low. This has made the estimation of fair values difficult and, therefore, both the actual results and the Partnership's estimate of value at a future date could be materially different.

For the years ended December 31, 2019 and 2018, the Partnership measured the following assets and liabilities at fair value on a recurring basis (in thousands):

	December 31,	
	2019	2018
Derivative Assets[(1)]	$ —	$ 4,590
Derivative Liabilities[(1)]	$ 3,149	$ 402

(1) Fair value is calculated using level 2 inputs. Level 2 inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which significant inputs and significant value drivers are observable in active markets.

15. Related-Party Transactions

General and Administrative Reimbursement

Under the Amended Partnership Agreement, we are required to reimburse our general partner and its affiliates for all costs and expenses that they incur on our behalf for managing and controlling our business and operations. Except to the extent specified under our amended Omnibus Agreement with Landmark ("Omnibus Agreement"), which was amended on January 30, 2019, our general partner determines the amount of these expenses and such determinations must be made in good faith under the terms of the Amended Partnership Agreement. Under the amended Omnibus Agreement, we are required to reimburse Landmark for expenses related to certain general and administrative services Landmark provides to us in support of our business, subject to a quarterly cap equal to 3% of our revenue during the current calendar quarter. This cap on expenses will last until the earlier to occur of: (i) the date on which our revenue for the immediately preceding four consecutive fiscal quarters exceeded $120 million and (ii) November 19, 2021. The full amount of general and administrative expenses incurred will be reimbursed by Landmark and reflected on our income statements, and to the extent such general and administrative expenses exceed the cap amount, the amount of such excess will be reflected in our financial statements as a capital contribution rather than as a reduction of our general and administrative expenses, except for expenses that would otherwise be allocated to us, which are not included in the amount of general and administrative expenses. These expenses include salary, bonus, incentive compensation and other amounts paid to persons who perform services for us or on our behalf and expenses allocated to our general partner by its affiliates. For the years ended December 31, 2019, 2018 and 2017, Landmark reimbursed us $3.7 million, $2.8 million and $3.5 million, respectively, for expenses related to certain general and administrative services that exceeded the cap. During the year ended December 31, 2019, $0.3 million of management fees related to our unconsolidated joint venture that is not subject to the cap and is treated as a capital contribution from Sponsor. Additionally, indemnification of $0.4 million related to property taxes and is included in capital contributions from Sponsor on the Consolidated Statements of Equity and Mezzanine Equity for 2019. As of December 31, 2018, $0.1 million is included within due from affiliates related to the fourth quarter general and administrative reimbursement from Landmark including the unconsolidated JV management fees. Additionally, indemnification of $1.0 million related to certain assets is included in capital contributions from Sponsor on the Consolidated Statement of Equity and Mezzanine Equity for 2018.

Patent License Agreement

We entered into a Patent License Agreement ("License Agreement") with American Infrastructure Funds, LLC ("AIF"), an affiliate of the controlling member of Landmark. Under the License Agreement, AIF granted us a nonexclusive, perpetual license to practice certain patented methods related to the apparatus and method for combining easements under a master limited partnership. We have agreed to pay AIF a license fee of $50,000 for the second year of the License Agreement, and thereafter, an amount equal to the greater of (i) one-tenth of one percent (0.1%) of our gross revenue received during such contract year; or (ii) $100,000. During the years ended December 31, 2019, 2018 and 2017, we incurred $0.1 million of license fees related to the AIF patent license agreement.

Right of First Offer

In accordance with the Partnership's omnibus agreement, certain other investment funds managed by Landmark had granted us a right of first offer ("ROFO") on real property interests that they owned or acquired before selling or transferring those assets to any third party. During the years ended December 31, 2018, the Partnership waived its ROFO on certain assets in investment funds managed by Landmark. During the years ended December 31, 2018 and 2017, the Partnership completed the following ROFO acquisitions:

Acquisition Date	Acquired Fund	Total No. of Tenant Sites	Total No. of Investments in Receivables	Total Consideration (in millions)	Total Common Units Issued	Common Units Issued to Landmark and Affiliates
January 18, 2018	Fund H	127	—	$ 59.9	1,506,421	—
Various (1)	Fund G	2	—	14.8	221,729	221,729

(1) In connection with the Fund G drop-down acquisition, the Partnership entered into a contractual obligation to acquire two tenant sites and related real property interests. The Partnership acquired one of these tenant sites and related real property interests on March 31, 2017 for cash consideration of $7.5 million and the remaining additional tenant site for $3.8 million on April 28, 2017. Upon completion of the full $11.3 million acquisition, the Partnership issued 221,729 Common Units to Fund G on April 28, 2017.

See further discussion in Note 3, *Acquisitions* for additional information.

Secured Tenant Site Assets' Management Fee

In connection with the issuance of the Secured Notes, the Partnership entered into applicable management agreements with the General Partner. Pursuant to the applicable management agreements, our General Partner will perform those functions reasonably necessary to maintain, manage and administer the Secured Tenant Site Assets for a monthly management fee equal to (i) 1.5% of the Secured Tenant Site Assets' operating revenue, as defined by the applicable management agreements for the 2016 and 2017 secured notes and (ii) 0.5% of operating revenue for the 4.38% senior secured notes. The Secured Tenant Site Assets' management fee to Landmark will be treated as a capital distribution to Landmark. Landmark will reimburse us for the fees paid with the reimbursement treated as a capital contribution. We incurred $270,677, $53,685 and $18,451 of Secured Tenant Site Assets' management fees during the years ended December 31, 2019, 2018 and 2017, respectively.

In connection with the formation of the unconsolidated JV, the JV assumed the 2018 Secured Notes. Pursuant to the applicable management agreement, our General Partner will perform those functions reasonably necessary to maintain, manage and administer the 2019 Secured Tenant Site Assets for a monthly management fee equal to 1.5% of the Secured Tenant Site Assets' operating revenue, subject to a maximum of $46 per tenant site asset. Landmark will reimburse us for the management fees paid by the unconsolidated JV with the reimbursement treated as a capital contribution. For the years ended December 31, 2019 and 2018, the unconsolidated JV incurred $0.3 million and $0.1 million of management fees and included in capital contributions from Sponsor on the Consolidated Statement of Equity and Mezzanine Equity.

Acquisition of Real Property Interests

In connection with third party acquisitions, Landmark will be obligated to provide acquisition services to us, including asset identification, underwriting and due diligence, negotiation, documentation and closing, at the reasonable request of our General Partner, but we are under no obligation to utilize such services. We may pay Landmark reasonable fees, as mutually agreed to by Landmark and us, for providing these services. These fees will not be subject to the cap on general and administrative expenses described above. There were no such fees incurred during the years ended December 31, 2019, 2018 and 2017.

Penteon Partnership

On June 13, 2017, the Partnership and its Sponsor entered into a partnership with Penteon Corporation to deploy a nationwide Low Power Wide Area Network (LPWAN) based on the global open standard called LoRaWAN™ and utilizing the real property interests controlled by the Sponsor and the Partnership. As part of the agreement, the Sponsor owns a warrant to purchase up to approximately 25% of Penteon's preferred stock. As of December 31, 2019 and 2018, the Partnership had zero in leasing costs related to the deployment of LPWAN on its sites.

Incentive Distribution Rights

Cash distributions will be made to our General Partner in respect of its ownership of all IDRs, which entitle our General Partner to receive increasing percentages, up to a maximum of 50%, of the available cash we distribute from operating surplus (as defined in our Partnership Agreement) in excess of $0.2875 per unit per quarter. The General Partner irrevocably waived its right to receive the incentive distribution and incentive allocations related to each quarterly distribution during the year ended December 31, 2019 and for the three months ended September 30, 2018 and December 31, 2018, totaling $0.8 million and $0.4 million, which is treated as a deemed contribution in the consolidated statements of equity and mezzanine equity and as a deemed distribution for purposes of determining net income per common unit. During the years ended December 31, 2019, 2018 and 2017, we paid zero, $0.4 million and $0.5 million of incentive distribution rights, respectively.

Due from Affiliates

At December 31, 2019 and 2018, the General Partner and affiliates owed $1.1 million and $1.4 million, respectively, to the Partnership primarily for current quarter general and administrative reimbursement, unconsolidated JV management fees and for rents received on our behalf, offset by rents received on behalf of the unconsolidated JV.

16. Segment Information

The Partnership had three reportable segments, wireless communication, outdoor advertising, and renewable power generation for all periods presented.

The Partnership's wireless communication segment consists of leasing infrastructure and real property interests and providing financing to companies in the wireless communication industry in the United States, Canada, and Australia. The Partnership's outdoor advertising segment consists of leasing real property interests to companies in the outdoor advertising industry in the United States, Canada, Australia, and Europe. The Partnership's renewable power generation segment consists of leasing real property interests and providing financing to companies in the renewable power industry in the United States. Items that are not included in any of the reportable segments are included in the corporate category.

The reportable segments are strategic business units that offer different products and services. They are commonly managed as all three businesses require similar marketing and business strategies. Because our tenant lease arrangements are mostly triple net or effectively triple net, we evaluate our segments based on revenue. We believe this measure provides investors relevant and useful information because it is presented on an unlevered basis.

The statements of operations for the reportable segments are as follows:

For the year ended December 31, 2019 (in thousands):

	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Corporate	Total
Revenue					
Rental revenue	$ 29,713	$ 21,135	$ 8,492	$ —	$ 59,340
Expenses					
Property operating	289	1,275	419	—	1,983
General and administrative	—	—	—	5,567	5,567
Acquisition-related	—	—	—	1,163	1,163
Amortization	9,508	4,198	529	—	14,235
Impairments	1,846	442	—	—	2,288
Total expenses	11,643	5,915	948	6,730	25,236
Total other income and expenses	11,684	502	7,062	(27,963)	(8,715)
Income (loss) before income tax expense	29,754	15,722	14,606	(34,693)	25,389
Income tax expense	—	—	—	3,783	3,783
Net income (loss)	$ 29,754	$ 15,722	$ 14,606	$ (38,476)	$ 21,606

For the year ended December 31, 2018 (in thousands):

	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Corporate	Total
Revenue					
Rental revenue	$ 37,879	$ 18,820	$ 8,066	$ —	$ 64,765
Expenses					
Property operating	258	681	208	—	1,147
General and administrative	—	—	—	4,731	4,731
Acquisition-related	—	—	—	3,287	3,287
Amortization	11,902	3,578	672	—	16,152
Impairments	1,169	390	—	—	1,559
Total expenses	13,329	4,649	880	8,018	26,876
Total other income and expenses	105,479	242	811	(28,373)	78,159
Income (loss) before income tax expense	130,029	14,413	7,997	(36,391)	116,048
Income tax expense	—	—	—	227	227
Net income (loss)	$ 130,029	$ 14,413	$ 7,997	$ (36,618)	$ 115,821

For the year ended December 31, 2017 (in thousands):

	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Corporate	Total
Revenue					
Rental revenue	$ 33,456	$ 11,367	$ 7,802	$ —	$ 52,625
Expenses					
Property operating	22	228	144	—	394
General and administrative	—	—	—	5,286	5,286
Acquisition-related	22	230	—	1,035	1,287
Amortization	10,898	2,070	569	—	13,537
Impairments	645	203	—	—	848
Total expenses	11,587	2,731	713	6,321	21,352
Total other income and expenses	698	144	740	(16,724)	(15,142)
Income (loss) before income tax benefit	22,567	8,780	7,829	(23,045)	16,131
Income tax benefit	—	—	—	(3,145)	(3,145)
Net income (loss)	$ 22,567	$ 8,780	$ 7,829	$ (19,900)	$ 19,276

The Partnership’s total assets by segment were (in thousands):

	December 31,	
	2019	2018
Segments		
Wireless communication	$ 452,127	$ 433,254
Outdoor advertising	284,203	216,326
Renewable power generation	99,856	112,338
Corporate assets	19,419	24,695
Total assets	$ 855,605	$ 786,613

The following table represents the Partnership’s rental revenues by geographic location (in thousands):

	December 31,		
	2019	2018	2017
United States	$ 52,447	$ 60,441	$ 51,144
Europe	5,639	3,356	814
Australia	1,189	910	614
Canada	65	58	53
Total rental revenue	$ 59,340	$ 64,765	$ 52,625

The following table represents the Partnership's total assets by geographic location (in thousands):

	December 31,	
	2019	2018
United States	$ 726,343	$ 720,331
Europe	114,448	53,850
Australia	13,926	11,830
Canada	888	602
Total assets	$ 855,605	$ 786,613

17. Commitments and Contingencies

The Partnership's commitments and contingencies include customary claims and obligations incurred in the normal course of business. In the opinion of management, these matters will not have a material effect on the Partnership's combined financial position.

There has been consolidation in the wireless communication industry historically that has led to certain lease terminations. The past consolidation in the wireless industry has led to rationalization of wireless networks and reduced demand for tenant sites. We believe the impact of past consolidation is already reflected in our occupancy rates. In April 2018, T-Mobile and Sprint announced a proposed merger. Significant consolidation among our tenants in the wireless communication industry (or our tenants' sub-lessees) may result in the decommissioning of certain existing communications sites, because certain portions of these tenants' (or their sub-lessees') networks may be redundant. The impact of any future consolidation in the wireless communication industry and the termination of additional leases in our portfolio would result in lower rental revenue and may lead to impairment of our real property interests or other adverse effects to our business.

As of December 31, 2019, the Partnership had approximately $65.4 million of real property interests subject to subordination to lenders of the underlying property. To the extent a lender forecloses on a property the Partnership would take impairment charges for the book value of the asset and no longer be entitled to the revenue associated with the asset.

Substantially all of our tenant sites are subject to triple net or effectively triple-net lease arrangements, which require the tenant or the underlying property owner to pay all utilities, property taxes, insurance and repair and maintenance costs. Our overall financial results could be impacted to the extent the owners of the fee interest in the real property or our tenants do not satisfy their obligations.

18. Tenant Concentration

For the years ended December 31, 2019, 2018 and 2017, the Partnership had the following tenant revenue concentrations:

	Year Ended December 31,		
Tenant	2019	2018	2017
Clear Channel Outdoor	13.3%	11.6%	8.8%
T-Mobile	8.4%	9.6%	11.7%
AT&T Mobility	7.1%	9.3%	11.0%
Sprint	5.8%	7.8%	9.5%

Most tenants are subsidiaries of these companies but have been aggregated for purposes of showing revenue concentration. Financial information for these companies can be found at www.sec.gov.

The loss of any one of our large customers as a result of consolidation, merger, bankruptcy, insolvency, network sharing, roaming, joint development, resale agreements by our customers or otherwise may result in (1) a material decrease in our revenue, (2) uncollectible account receivables, (3) an impairment of our deferred site rental receivables, wireless infrastructure assets, site rental contracts or customer relationships intangible assets, or (4) other adverse effects to our business.

19. Income Taxes

The Partnership is not a taxable entity for United States federal income tax purposes instead any tax liability on our net income is generally borne by our partners through their allocation of taxable income. The Partnership files in various state jurisdictions that generally follow this federal treatment.

Our consolidated REIT Subsidiary has elected to be treated as a REIT with the filing of its 2017 initial federal tax return and may deduct earnings distributed to stockholders against the income generated by its REIT operations. As a result, it has historically not generated any federal income tax liability.

Our consolidated corporate U.S. subsidiary Asset OpCo conducts certain activities that may not generate qualifying REIT income and is therefore taxable as a corporation for U.S. federal and state income tax purposes. Additionally, certain consolidated corporate foreign subsidiaries of the Partnership are subject to income tax in the foreign jurisdictions where they operate.

The following information pertains to the Partnership's income taxes on a consolidated basis.

Consolidated Partnership income before income tax expense (benefit) by geographic area is as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Domestic	$ 21,076	$ 116,045	$ 15,259
Foreign	4,313	3	872
Total	$ 25,389	$ 116,048	$ 16,131

For the years ended December 31, 2019, 2018 and 2017, income tax expense (benefit) consisted of the following (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Current			
Domestic	$ 2,397	$ (10)	$ —
Foreign	725	15	70
Deferred			
Domestic	718	370	(3,215)
Foreign	(57)	(148)	—
Income tax expense (benefit)	$ 3,783	$ 227	$ (3,145)

The statutory federal income tax rate is 21 percent for the years ended December 31, 2019 and 2018 and 34 percent for the year ended December 31, 2017 and the foreign income tax rates range from 15 percent to 39 percent. The difference between income tax expense (benefit) recorded by us and income taxes computed by applying the statutory corporate income tax rates to the consolidated Partnership income before income tax expense (benefit) is due to the fact that the majority of our income is not subject to federal, state and foreign income tax as described above.

Reconciliation between the U.S. statutory rate and the effective rate from income before income tax expense (benefit) is as follows:

	Year Ended December 31,		
	2019	2018	2017
Statutory tax rate	21%	21%	34%
Adjustment to reflect MLP/REIT status	(10)%	(21)%	(29)%
Foreign taxes	3%	—%	—%
Valuation allowance	—%	—%	(32)%
Change in tax law	—%	—%	9%
Other	1%	—%	(1)%
Effective tax rate	15%	—%	(19)%

Deferred income taxes are recorded based on temporary differences between the financial statement carrying amounts and the tax basis of assets and liabilities. The statutory federal income tax rate of 21 percent is used for valuation of the deferred tax assets and liabilities and is based upon the tax rate expected to be in place when the deferred tax assets and liabilities are recognized. Asset OpCo and the corporate foreign subsidiaries routinely assesses their ability to realize deferred tax assets. If an entity concludes that it is more likely than not that some or all of the deferred tax assets will not be realized, the tax asset is reduced by a valuation allowance. Currently, the Partnership believes it is more likely than not that its deferred tax assets recorded will be realized, and as such no valuation allowance has been recorded as of December 31, 2019.

The consolidated domestic and foreign deferred tax asset was $2.3 million and $3.0 million for the years ended December 31, 2019 and 2018, respectively. The reduction in the deferred tax asset in the current year is primarily due to the sale of a portfolio of assets by Asset OpCo.

As of December 31, 2019, we had an immaterial liability for unrecognized tax benefits. We did not have any significant interest and penalties related to income taxes during the year ended December 31, 2019.

The statutory federal income tax rate is 21 percent for valuation of the deferred tax assets and liabilities in future years resulting in a decrease in deferred tax asset of less than $0.1 million from December 31, 2017 to December 31, 2018. Asset OpCo believes it is more likely than not that the deferred tax asset will be realized and reduced its valuation allowance by $5.3 million, included in income tax benefit for the year ended December 31, 2017, resulting in zero valuation allowance as of December 31, 2018. The change in deferred taxes is primarily a result of differences between book and tax bases of the contributed and purchased assets into Asset OpCo, and operating loss carry forwards.

Asset OpCo generated domestic NOLs, including federal and various states, for the years ended December 31, 2018 and 2017 which can be used to offset taxable income in future and prior years, subject to specified limitations. As of December 31, 2018 and 2017 Asset OpCo had an NOL carryforward of $0.4 million and $0.1 million, translating to a deferred tax asset before valuation allowance of less than $0.1 million. The federal NOL carryforward was fully utilized in 2019.

20. Supplemental Cash Flow Information

Noncash activities for the years ended December 31, 2019, 2018, and 2017 were as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Capital contribution to fund general and administrative expense reimbursement	$ 896	$ 1,733	$ 491
Purchase price for acquisitions included in due to Landmark and affiliates	—	436	196
Issuance of common units for Acquired Funds	—	27,342	3,492
Unit Exchange Program acquisitions	—	7,582	3,816
Distributions payable to preferred unitholders	1,781	1,710	1,296
Deferred loan costs included in accounts payable and accrued liabilities	—	—	285
Accretion of Series C preferred units	641	—	—
Conversion of Series C preferred units	283	—	—
Purchase price for acquisitions and development activities included in accounts payable	157	2,878	642
Investment in unconsolidated joint venture	—	(65,611)	—
Total assets contributed to unconsolidated joint venture	—	157,045	—
Total liabilities contributed to unconsolidated joint venture	—	(125,888)	—
Declared distributions receivable from the unconsolidated joint venture	(600)	—	—
Initial recognition of lease liabilities related to right of use assets	11,177	—	—
Deemed contribution by the General Partner	788	394	—
Deemed distribution to the General Partner	(788)	(394)	—

Cash flows related to interest and income taxes paid were as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Cash paid for interest	$ 14,855	$ 20,882	$ 15,797
Capitalized interest	2,003	759	48
Income taxes paid	2,839	76	28

21. Quarterly Financial Data (Unaudited)

The following tables summarize quarterly financial data for the years ended December 31, 2019 and 2018 (in thousands, except unit data). Quarterly financial information has been retroactively adjusted for transactions between entities under common control.

	2019 Quarter Ended			
	March 31	June 30	September 30	December 31
Total rental revenue	$ 14,393	$ 15,025	$ 14,402	$ 15,520
Net income	7,210	9,265	3,986	1,145
Less: Net income attributable to noncontrolling interest	8	8	7	8
Net income attributable to limited partners	7,202	9,257	3,979	1,137
Net income (loss) per common unit				
Common units – basic	0.15	0.23	0.03	(0.08)
Common units – diluted	0.15	0.23	0.03	(0.08)
Cash distribution declared per unit	0.3675	0.3675	0.3675	0.3675

	2018 Quarter Ended			
	March 31	June 30	September 30	December 31
Total rental revenue	$ 15,695	$ 16,796	$ 17,560	$ 14,714
Net income (loss)	6,741	6,105	105,147	(2,172)
Less: Net income attributable to noncontrolling interest	4	8	8	7
Net income (loss) attributable to limited partners	6,737	6,097	105,139	(2,179)
Net income (loss) per common and subordinated unit				
Common units – basic	0.21	0.12	4.06	(0.21)
Common units – diluted	0.19	0.12	3.71	(0.21)
Subordinated units – basic and diluted	(0.19)	—	—	—
Cash distribution declared per unit	0.3675	0.3675	0.3675	0.3675

22. Subsequent Events

On January 15, 2020, certain subsidiaries of the Partnership entered into a master note purchase and participation agreement pursuant to which such subsidiaries issued and sold an initial $170 million aggregate principal amount of 3.90% series A senior secured notes in a private placement. The senior secured notes mature on January 14, 2027 and include an interest-only initial term of three years. The net proceeds were used to repay in full the 2016 Secured Notes by $108 million and the revolving credit facility by $59 million. In connection with the issuance of the senior secured notes, the Partnership obtained a standby letter of credit arrangement totaling $3.4 million.

Subsequent to the year ended December 31, 2019, the Partnership issued a total of 109,724 Common Units, 23,287 Series A Preferred Units, and 84,139 Series B Preferred Units under our ATM Programs, generating total proceeds of approximately $4.5 million before issuance costs.

Landmark Infrastructure Partners LP
Schedule III – Real Estate and Accumulated Depreciation
(in thousands)
December 31, 2019

			Initial cost to the Partnership			Gross Amount at Which Carried As of December 31, 2019(1)				
Description	Location	Encumbrances	Land	Building and Improvements	Total	Land	Building and Improvements	Total	Accumulated Depreciation(2)	Date Acquired
Wireless Communication	Mound House, NV	$ —	$ 100	$ —	$ 100	$ 100	$ —	$ 100	$ —	2012
Wireless Communication	Las Vegas, NV	—	536	—	536	536	—	536	—	2012
Wireless Communication	Tombstone, AZ	—	593	—	593	593	—	593	—	2012
Outdoor Advertising	Rosemont, IL	—	971	—	971	971	—	971	—	2013
Outdoor Advertising	Gary, IN	—	119	—	119	119	—	119	—	2013
Wireless Communication	Walnut Creek, CA	—	705	—	705	705	—	705	—	2013
Wireless Communication	Los Angeles, CA	—	331	—	331	331	—	331	—	2013
Outdoor Advertising	Largo, FL	—	168	—	168	168	—	168	—	2014
Outdoor Advertising	Grand Prairie, TX	—	301	—	301	301	—	301	—	2014
Outdoor Advertising	Terrell, TX	—	48	—	48	48	—	48	—	2014
Outdoor Advertising	Phoenix, AZ	—	321	—	321	321	—	321	—	2014
Outdoor Advertising	Houston, TX	—	258	—	258	258	—	258	—	2014
Outdoor Advertising	Saint Petersburg, FL	—	200	—	200	200	—	200	—	2014
Outdoor Advertising	Vadnais Heights, MN	—	390	—	390	390	—	390	—	2014
Wireless Communication	Orlando, FL	—	531	—	531	531	—	531	—	2014
Outdoor Advertising	Chattanooga, TN	—	73	—	73	73	—	73	—	2014
Outdoor Advertising	Monroe, MI	—	447	—	447	447	—	447	—	2014
Outdoor Advertising	Mary Esther, FL	—	22	—	22	22	—	22	—	2015
Renewable Power Generation	West Deptford, NJ	—	1,812	—	1,812	1,812	—	1,812	—	2015
Wireless Communication	Mary Esther, FL	—	262	—	262	262	—	262	—	2015
Wireless Communication	Milwaukee, WI	—	273	—	273	273	—	273	—	2015
Renewable Power Generation	West Chicago, IL	—	1,275	—	1,275	1,275	—	1,275	—	2015
Renewable Power Generation	Joliet, IL	—	1,275	—	1,275	1,275	—	1,275	—	2015
Outdoor Advertising	Phoenix, AZ	—	325	—	325	325	—	325	—	2015
Renewable Power Generation	Hubbardston, MA	—	1,229	—	1,229	1,229	—	1,229	—	2015
Outdoor Advertising	London, UK	—	3,692	—	3,692	3,692	—	3,692	—	2016
Renewable Power Generation	Valley Center, CA	—	880	—	880	880	—	880	—	2016
Outdoor Advertising	Homebush West, New South Wales	—	476	—	476	476	—	476	—	2016
Outdoor Advertising	Golden Square, Victoria	—	244	—	244	244	—	244	—	2016
Outdoor Advertising	Forbes, New South Wales	—	30	—	30	30	—	30	—	2016
Renewable Power Generation	Rosamond, CA	—	3,215	—	3,215	3,215	—	3,215	—	2016
Renewable Power Generation	Rosamond, CA	—	41,506	—	41,506	41,506	—	41,506	—	2016
Renewable Power Generation	Rosamond, CA	—	14,136	—	14,136	14,136	—	14,136	—	2016
Renewable Power Generation	Lemoore, CA	—	11,268	—	11,268	11,268	—	11,268	—	2016
Renewable Power Generation	Jacksonville, FL	—	646	—	646	646	—	646	—	2016
Renewable Power Generation	Florence Township, NJ	—	2,200	—	2,200	2,200	—	2,200	—	2017
Wireless Communication	Appleton, WI	—	594	—	594	594	—	594	—	2017
Outdoor Advertising	Glasgow, UK	—	3,903	—	3,903	3,903	—	3,903	—	2017
Outdoor Advertising	Salford, UK	—	273	—	273	273	—	273	—	2017
Wireless Communication	Encounter Bay, South Australia	—	253	—	253	253	—	253	—	2017
Outdoor Advertising	Leeds, UK	—	517	—	517	517	—	517	—	2017

Outdoor Advertising	Leeds, UK	—	2,564	—	2,564	2,564	—	2,564	—	2017
Outdoor Advertising	London, UK	—	3,318	—	3,318	3,318	—	3,318	—	2017
Renewable Power Generation	Pemberton, NJ	—	1,092	—	1,092	1,092	—	1,092	—	2017
Outdoor Advertising	Liverpool, UK	—	671	—	671	671	—	671	—	2017
Outdoor Advertising	Barnet, UK	—	497	—	497	497	—	497	—	2017
Outdoor Advertising	Bristol, UK	—	5,752	—	5,752	5,752	—	5,752	—	2017
Wireless Communication	Austin, TX	—	745	3,701	4,446	745	3,701	4,446	(189)	2017
Wireless Communication	Charlotte, NC	—	106	394	500	106	394	500	(20)	2017
Wireless Communication	Mars Hill, NC	—	117	—	117	117	—	117	—	2017
Renewable Power Generation	Ringoes, NJ	—	2,113	—	2,113	2,113	—	2,113	—	2017
Renewable Power Generation	Tehachapi, CA	—	—	1,060	1,060	—	1,060	1,060	(64)	2017
Outdoor Advertising	Orlando, FL	—	179	—	179	179	—	179	—	2018
Outdoor Advertising	Boston, MA	—	480	—	480	480	—	480	—	2018
Outdoor Advertising	Dallas, TX	—	455	—	455	455	—	455	—	2018
Outdoor Advertising	Lithonia, GA	—	184	—	184	184	—	184	—	2018
Outdoor Advertising	Tampa, FL	—	248	—	248	248	—	248	—	2018
Outdoor Advertising	Manchester, UK	—	176	—	176	176	—	176	—	2018
Outdoor Advertising	Wallangarra,Queensland	—	24	—	24	24	—	24	—	2018
Outdoor Advertising	Capalaba, Queensland	—	470	—	470	470	—	470	—	2018
Outdoor Advertising	Liverpool, UK	—	121	—	121	121	—	121	—	2018
Outdoor Advertising	Edinburgh, UK	—	272	—	272	272	—	272	—	2018
Outdoor Advertising	Cardiff, UK	—	3,252	—	3,252	3,252	—	3,252	—	2018
Outdoor Advertising	Manchester, UK	—	70	—	70	70	—	70	—	2018
Outdoor Advertising	Barrow-in-Furness, UK	—	87	—	87	87	—	87	—	2018
Outdoor Advertising	Milsons Point, New South Wales	—	3,502	—	3,502	3,502	—	3,502	—	2018
Outdoor Advertising	Stockton-On-Tees, UK	—	47	—	47	47	—	47	—	2018
Outdoor Advertising	Brighton, MI	—	64	—	64	64	—	64	—	2018
Wireless Communication	Omaha, NE	—	2,660	11,895	14,555	2,660	11,895	14,555	(533)	2018
Wireless Communication	Hartland, WI	—	1,250	18,110	19,360	1,250	18,110	19,360	(696)	2018
Wireless Communication	Wiley Park, New South Wales	—	335	—	335	335	—	335	—	2018
Outdoor Advertising	Birkenhead, UK	—	17	—	17	17	—	17	—	2018
Outdoor Advertising	Birmingham, UK	—	18	—	18	18	—	18	—	2018
Outdoor Advertising	Glasgow, UK	—	157	—	157	157	—	157	—	2018
Outdoor Advertising	Barrhead, UK	—	20	—	20	20	—	20	—	2018
Outdoor Advertising	Manchester, UK	—	47	—	47	47	—	47	—	2018
Outdoor Advertising	Stretford, UK	—	27	—	27	27	—	27	—	2018
Outdoor Advertising	Barnsley, UK	—	111	—	111	111	—	111	—	2018
Wireless Communication	Franklin, MA	—	1,440	—	1,440	1,440	—	1,440	—	2018
Outdoor Advertising	London, UK	—	1	—	1	1	—	1	—	2018
Outdoor Advertising	Consett, UK	—	20	—	20	20	—	20	—	2019
Outdoor Advertising	Birmingham, UK	—	115	—	115	115	—	115	—	2019
Outdoor Advertising	Glasgow, UK	—	107	—	107	107	—	107	—	2019
Outdoor Advertising	Glasgow, UK	—	114	—	114	114	—	114	—	2019
Outdoor Advertising	Glasgow, UK	—	121	—	121	121	—	121	—	2019
Outdoor Advertising	Glasgow, UK	—	80	—	80	80	—	80	—	2019
Outdoor Advertising	Airdrie, UK	—	105	—	105	105	—	105	—	2019
Outdoor Advertising	New Stevenson, UK	—	108	—	108	108	—	108	—	2019
Outdoor Advertising	Paisley, UK	—	258	—	258	258	—	258	—	2019
Outdoor Advertising	Falkirk, UK	—	191	—	191	191	—	191	—	2019
Outdoor Advertising	Falkirk, UK	—	76	—	76	76	—	76	—	2019
Outdoor Advertising	Edinburgh, UK	—	114	—	114	114	—	114	—	2019
Outdoor Advertising	Greenock, UK	—	153	—	153	153	—	153	—	2019
Outdoor Advertising	Glasgow, UK	—	305	—	305	305	—	305	—	2019
Outdoor Advertising	Edinburgh, UK	—	68	—	68	68	—	68	—	2019
Outdoor Advertising	Paisley, UK	—	110	—	110	110	—	110	—	2019

Outdoor Advertising	Glasgow, UK	—	107	—	107	107	—	107	—	2019
Outdoor Advertising	Manchester, UK	—	4,912	—	4,912	4,912	—	4,912	—	2019
Outdoor Advertising	Dublin, Ireland	—	425	—	425	425	—	425	—	2019
Outdoor Advertising	Limerick, Ireland	—	72	—	72	72	—	72	—	2019
Outdoor Advertising	Dundalk, Ireland	—	56	—	56	56	—	56	—	2019
Outdoor Advertising	Dublin, Ireland	—	636	—	636	636	—	636	—	2019
Renewable Power Generation	Rockwell, North Carolina	—	469	—	469	469	—	469	—	2019
Renewable Power Generation	Trinity, North Carolina	—	482	—	482	482	—	482	—	2019
Outdoor Advertising	Coatbridge, UK	—	138	—	138	138	—	138	—	2019
Wireless Communication	Marlborough, Massachusetts	—	1,420	8,726	10,146	1,420	8,726	10,146	(63)	2019
Wireless Communication	Marlborough, Massachusetts	—	1,712	7,942	9,654	1,712	7,942	9,654	(59)	2019
Outdoor Advertising	Wakefield, UK	—	77	—	77	77	—	77	—	2019
Outdoor Advertising	Slaithwaite, UK	—	78	—	78	78	—	78	—	2019
Outdoor Advertising	Glasgow, UK	—	79	—	79	79	—	79	—	2019
Outdoor Advertising	London, UK	—	18	—	18	18	—	18	—	2019
Outdoor Advertising	Coventry, UK	—	18	—	18	18	—	18	—	2019
Outdoor Advertising	Maesteg, UK	—	20	—	20	20	—	20	—	2019
	Total	$ —	$ 141,851	$ 51,828	$ 193,679	$ 141,851	$ 51,828	$ 193,679	$ (1,624)	

(1) The aggregate cost of real estate for federal income tax purposes is $292.1 million (unaudited).
(2) The Partnership computes depreciation using the straight-line method over 40 years for building and a weighted average of 8 years for improvements.

A summary of activity for real estate and accumulated depreciation follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Real estate:			
Balances at beginning of year	$ 163,461	$ 119,539	$ 88,845
Acquisitions of real estate	58,088	52,290	30,305
Sales and transfers to assets held for sale	(28,624)	(7,044)	—
Other (1)	754	(1,324)	389
Balances at end of year	$ 193,679	$ 163,461	$ 119,539
Accumulated depreciation:			
Balances at beginning of year	$ 623	$ 13	$ —
Depreciation expense	1,001	681	13
Sales and transfers to assets held for sale	—	(71)	—
Balances at end of year	$ 1,624	$ 623	$ 13

(1) Represents impact of foreign exchange translation.

Exhibit 4.10

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

DESCRIPTION OF OUR COMMON UNITS

The following description of our Common Units is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Certificate of Limited Partnership (the "certificate of limited partnership"), and our Fourth Amended and Restated Agreement of Limited Partnership (the "partnership agreement"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.10 is a part. We encourage you to read our certificate of limited partnership, our partnership agreement and the applicable provisions of the Delaware Revised Uniform Limited Partnership Act (as amended, the "Delaware Act") for additional information. Capitalized terms used herein and not defined herein have the meanings specified in the Partnership Agreement.

The Common Units

The common units represent limited partner interests in us. The holders of common units are entitled to participate in partnership distributions and are entitled to exercise the rights and privileges available to limited partners under our partnership agreement. For a description of the relative rights and preferences of holders of common units in and to partnership distributions, please read this section and "Provisions of Our Partnership Agreement Relating to Cash Distributions." For a description of the rights and privileges of limited partners under our partnership agreement, including voting rights, please read "Our Partnership Agreement."

Our outstanding common units are listed on the NASDAQ Global Market under the symbol "LMRK," and any additional common units we issue will also be listed on the NASDAQ Global Market. As of February 24, 2020, there were 25,470,232 common units outstanding. On February 24, 2020, the last reported sales price of our common units on the NASDAQ Global Market was $16.44 per common unit.

Transfer Agent and Registrar

Duties

Computershare Trust Company, N.A. ("Computershare") serves as the transfer agent and registrar for the common units. We pay all fees charged by the transfer agent for transfers of common units except the following that must be paid by unitholders:

- surety bond premiums to replace lost or stolen certificates, taxes and other governmental charges in connection therewith;
- special charges for services requested by a common unitholder; and
- other similar fees or charges.

Unless our general partner determines otherwise in respect of some or all of any classes of our partner interests, our partner interests will be evidenced by book entry notation on our partnership register and not by physical certificates.

There will be no charge to unitholders for disbursements of our cash distributions. We will indemnify Computershare, its agents and each of their respective stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity.

Resignation or Removal

The transfer agent may resign, by notice to us, or be removed by us. The resignation or removal of the transfer agent will become effective upon our appointment of a successor transfer agent and registrar and its acceptance of the appointment. If no successor has been appointed and has accepted the appointment within 30 days after notice of the resignation or removal, our general partner may act as the transfer agent and registrar until a successor is appointed.

Transfer of Common Units

By transfer of common units in accordance with our partnership agreement, each transferee of common units shall be admitted as a limited partner with respect to the common units transferred when such transfer and admission are reflected in our books and records.

Each transferee:

- automatically agrees to be bound by the terms and conditions of, and is deemed to have executed, our partnership agreement;
- represents and warrants that the transferee has the right, power, authority and capacity to enter into our partnership agreement; and
- gives the consents, waivers and approvals contained in our partnership agreement.

Our general partner will cause any transfers to be recorded on our books and records no less frequently than quarterly.

We may, at our discretion, treat the nominee holder of a common unit as the absolute owner. In that case, the beneficial holder’s rights are limited solely to those that it has against the nominee holder as a result of any agreement between the beneficial owner and the nominee holder.

Common units are securities and any transfers are subject to the laws governing the transfer of securities. In addition to other rights acquired upon transfer, the transferor gives the transferee the right to become a substituted limited partner in our partnership for the transferred common units.

Until a common unit has been transferred on our books, we and the transfer agent may treat the record holder of the common unit as the absolute owner for all purposes, except as otherwise required by law or stock exchange regulations.

DESCRIPTION OF SERIES A PREFERRED UNITS

The following description of our Series A Preferred Units is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Certificate of Limited Partnership (the "Certificate of Limited Partnership"), and our Fourth Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.10 is a part. We encourage you to read our Certificate of Limited Partnership, our Partnership Agreement and the applicable provisions of the Delaware Revised Uniform Limited Partnership Act (as amended, the "Delaware Act") for additional information. Capitalized terms used herein and not defined herein have the meanings specified in the Partnership Agreement.

General

On April 4, 2016, we issued 800,000 Series A Preferred Units. As of February 24, 2020, we had 1,745,328 Series A Preferred Units outstanding. We may, without notice to or consent of the holders of the then-outstanding Series A Preferred Units, authorize and issue additional Series A Preferred Units and Junior Securities and, subject to the limitations described under "—Voting Rights," Senior Securities and Parity Securities.

The holders of our common units, Series A Preferred Units, Series B Preferred Units, Series C Preferred Units and incentive distribution rights ("IDRs") are entitled to receive, to the extent permitted by law, such distributions as may from time to time be declared by the Board of Directors. Upon any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, the holders of our common units, Series B Preferred Units, Series C Preferred Units and IDRs are entitled to receive distributions of our assets, after we have satisfied or made provision for our debts and other obligations and after payment to the holders of any class or series of limited partner interests (including the Series A Preferred Units, the Series B Preferred Units and the Series C Preferred Units) having preferential rights to receive distributions on our assets.

The Series A Preferred Units entitle the holders thereof to receive cumulative cash distributions when, as and if declared by the Board of Directors out of legally available funds for such purpose.

Subject to the matters described under "—Liquidation Rights," each Series A Preferred Unit generally has a fixed liquidation preference of $25.00 per Series A Preferred Unit plus an amount equal to accumulated and unpaid distributions thereon to the date fixed for payment, whether or not declared.

The Series A Preferred Units represent perpetual equity interests in us and, unlike our indebtedness, do not give rise to a claim for payment of a principal amount at a particular date. As such, the Series A Preferred Units rank junior to all of our current and future indebtedness and other liabilities with respect to assets available to satisfy claims against us. The rights of the Series A Preferred Unitholders to receive the liquidation preference are subject to the proportional rights of holders of Parity Securities, if any.

Except as described below in "—Change of Control," the Series A Preferred Units are not convertible into common units or any other securities, do not have exchange rights and are not entitled or subject to any preemptive or similar rights. The Series A Preferred Units are not subject to mandatory redemption or to any sinking fund requirements. The Series A Preferred Units are subject to redemption, in whole or in part, at our option commencing on April 4, 2021. Please read "—Redemption."

We have appointed Computershare Trust Company, N.A. as the paying agent (the "Paying Agent"), and the registrar and transfer agent (the "Registrar and Transfer Agent") for the Series A Preferred Units. The address of the Paying Agent is 330 N. Brand Blvd., Suite 701, Glendale, CA 91203-2389.

Ranking

With respect to anticipated quarterly distributions and distributions upon the liquidation, winding-up and dissolution of our affairs, the Series A Preferred Units rank:

- senior to the Junior Securities (including our common units);
- on a parity with the Parity Securities (including the Series B Preferred Units and the Series C Preferred Units);

- junior to the Senior Securities; and
- junior to all of our existing and future indebtedness and other liabilities with respect to assets available to satisfy claims against us.

Under the Partnership Agreement, we may issue Junior Securities from time to time in one or more series without the consent of the holders of the Series A Preferred Units. The Board of Directors has the authority to determine the preferences, powers, qualifications, limitations, restrictions and special or relative rights or privileges, if any, of any such series before the issuance of any units of that series. The Board of Directors will also determine the number of units constituting each series of securities. Our ability to issue additional Parity Securities in certain circumstances or Senior Securities is limited as described under "—Voting Rights."

Change of Control

Optional Redemption upon a Change of Control

Upon the occurrence of a Change of Control (as defined below), we may, at our option, redeem the Series A Preferred Units in whole or in part within 120 days after the first date on which such Change of Control occurred (the "Change of Control Redemption Period"), by paying $25.00 per Series A Preferred Unit, plus all accumulated and unpaid distributions to the redemption date, whether or not declared. If, prior to the Change of Control Conversion Date (as defined below), we exercise our right to redeem all of the outstanding Series A Preferred Units as described in the immediately preceding sentence or as described below under "—Redemption", holders of the Series A Preferred Units will not have the conversion right described below under "—Conversion Right Upon a Change of Control." Any cash payment to Series A Preferred Unitholders will be subject to the limitations contained in our revolving credit facility and in any other agreements governing our indebtedness (including our Series 2017-1 Secured Tenant Site Contract Revenue Notes and our Series 2018-1 Secured Tenant Site Contract Revenue Notes).

"Change of Control" means the occurrence of either of the following after the original issue date of the Series A Preferred Units:

- the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Partnership and its subsidiaries taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than our general partner or its affiliates; or
- the consummation of any transaction or series of related transactions (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than our general partner or its affiliates, becomes the beneficial owner, directly or indirectly, of more than 50% of the Partnership's voting units, measured by voting power rather than number of units.

Conversion Right Upon a Change of Control

Upon the occurrence of a Change of Control, each holder of Series A Preferred Units will have the right (unless, during the Change of Control Redemption Period, we provide notice of our election to redeem all of the outstanding Series A Preferred Units as described above under "—Optional Redemption Upon a Change of Control" or below under "—Redemption") to convert (the "Series A Change of Control Conversion") some or all of the Series A Preferred Units held by such holder on the Change of Control Conversion Date into a number of our common units per Series A Preferred Unit to be converted equal (the "Common Unit Conversion Consideration") to the lesser of:

- the quotient obtained by dividing (i) the sum of the $25.00 liquidation preference plus the amount of any accumulated and unpaid distributions to the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series A Preferred Unit distribution payment and prior to the corresponding Series A Preferred Unit distribution payment date, in which case no additional amount for such accumulated and unpaid distribution will be included in this sum) by (ii) the Common Unit Price, and

- 3.42231, subject, in each case, to certain adjustments and to provisions for (i) the payment of any alternative consideration and (ii) splits, combinations and distributions in the form of equity issuances, each as described in greater detail in our Partnership Agreement.

In the case of a Change of Control pursuant to which our common units will be converted into cash, securities or other property or assets (including any combination thereof), a holder of Series A Preferred Units electing to exercise their Change of Control Conversion Right (as defined below) will receive upon conversion of such Series A Preferred Units elected by such holder the kind and amount of such consideration that such holder would have owned or been entitled to receive upon the Change of Control had such holder held a number of our common units equal to the Common Unit Conversion Consideration immediately prior to the effective time of the Change of Control, which we refer to as the Alternative Conversion Consideration; *provided, however*, that if the holders of our common units have the opportunity to elect the form of consideration to be received in the Change of Control, the consideration that the holders of Series A Preferred Units electing to exercise their Change of Control Conversion Right will receive will be the form and proportion of the aggregate consideration elected by the holders of our common units who participate in the determination (based on the weighted average of elections) and will be subject to any limitations to which all holders of our common units are subject, including, without limitation, pro rata reductions applicable to any portion of the consideration payable in the Change of Control. We will not issue fractional common units upon the conversion of the Series A Preferred Units. Instead, we will pay the cash value of such fractional units.

If we provide a redemption notice, whether pursuant to our special optional redemption right in connection with a Change of Control as described under "—Optional Redemption upon a Change of Control" or our optional redemption right as described below under "—Redemption," holders of Series A Preferred Units will not have any right to convert the Series A Preferred Units that we have elected to redeem and any Series A Preferred Units subsequently selected for redemption that have been tendered for conversion pursuant to the Change of Control Conversion Right will be redeemed on the related redemption date instead of converted on the Change of Control Conversion Date.

Within five days following the expiration of the Change of Control Redemption Period (or, if we waive our right to redeem the Series A Preferred Units prior to the expiration of the Change of Control Redemption Period, within five days following the date of such waiver), we will provide to the holders of Series A Preferred Units written notice of occurrence of the Change of Control that describes the resulting Change of Control Conversion Right. This notice will state the following:

- the events constituting the Change of Control;
- the date of the Change of Control;
- the date on which the Change of Control Redemption Period expired or was waived;
- the last date on which the holders of Series A Preferred Units may exercise their Change of Control Conversion Right;
- the method and period for calculating the Common Unit Price;
- the Change of Control Conversion Date;
- if applicable, the type and amount of alternative conversion consideration entitled to be received per Series A Preferred Unit; and
- the procedure that the holders of Series A Preferred Units must follow to exercise the Change of Control Conversion Right.

We will issue a press release for publication through a news or press organization as is reasonably expected to broadly disseminate the relevant information to the public, or post notice on our website, in any event prior to the opening of business on the first Business Day (as defined below) following any date on which we provide the notice described above to the holders of Series A Preferred Units.

Holders of Series A Preferred Units that choose to exercise their Change of Control Conversion Right will be required prior to the close of business on the third Business Day preceding the Change of Control Conversion Date, to notify the Partnership of the number of Series A Preferred Units to be converted and otherwise to comply with any applicable procedures contained in the notice described above or otherwise required by the Securities Depositary for effecting the conversion.

"Change of Control Conversion Right" means the right of a holder of Series A Preferred Units to convert some or all of the Series A Preferred Units held by such holder on the Change of Control Conversion Date into a number of our common units per Series A Preferred Unit pursuant to the conversion provisions in our Partnership Agreement.

"Change of Control Conversion Date" means the date fixed by our Board of Directors, in its sole discretion, as the date the Series A Preferred Units are to be converted, which will be a Business Day that is no fewer than 20 days nor more than 35 days after the date on which we provide the notice described above to holders of the Series A Preferred Units.

"Common Unit Price" means (i) the amount of cash consideration per common unit, if the consideration to be received in the Change of Control by the holders of our common units is solely cash; and (ii) the average of the closing prices for our common units on NASDAQ for the ten consecutive trading days immediately preceding, but not including, the Change of Control Conversion Date, if the consideration to be received in the Change of Control by the holders of our common units is other than solely cash.

Liquidation Rights

We will liquidate in accordance with capital accounts. The holders of outstanding Series A Preferred Units will be specially allocated items of our gross income and gain in a manner designed to achieve, in the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, a liquidation preference of $25.00 per unit. If the amount of our gross income and gain available to be specially allocated to the Series A Preferred Units is not sufficient to cause the capital account of a Series A Preferred Unit to equal the liquidation preference of a Series A Preferred Unit, then the amount that a holder of Series A Preferred Units would receive upon liquidation may be less than the Series A Preferred Unit liquidation preference. Any accumulated and unpaid distributions on the Series A Preferred Units will be paid prior to any distributions in liquidation made in accordance with capital accounts. The rights of the Series A Preferred Unitholders to receive the liquidation preference will be subject to the proportional rights of holders of Parity Securities, including the Series B Preferred Units and the Series C Preferred Units.

Voting Rights

The Series A Preferred Units have no voting rights except as set forth below or as otherwise provided by Delaware law.

Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series A Preferred Units, voting as a single class, we may not adopt any amendment to our Partnership Agreement that has a material adverse effect on the existing terms of the Series A Preferred Units.

In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series A Preferred Units, voting as a class together with holders of any other Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) upon which like voting rights have been conferred and are exercisable, we may not:

- create or issue any Parity Securities (including any additional Series B Preferred Units or Series C Preferred Units) if the cumulative distributions payable on outstanding Series A Preferred Units or Parity Securities are in arrears; or

- create or issue any Senior Securities.

On any matter described above in which the holders of the Series A Preferred Units are entitled to vote as a class, such holders are entitled to one vote per unit. The Series A Preferred Units held by us or any of our subsidiaries or affiliates are not entitled to vote.

Series A Preferred Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

Distributions

General

Holders of Series A Preferred Units are entitled to receive, when, as and if declared by the Board of Directors out of legally available funds for such purpose, cumulative cash distributions.

Distribution Rate

Distributions on Series A Preferred Units are payable quarterly on each Distribution Payment Date when, as and if declared by the Board of Directors or any authorized committee thereof out of legally available funds for such purpose. Distributions on the Series A Preferred Units accumulate at a rate of 8.00% per annum per $25.00 stated liquidation preference per Series A Preferred Unit. The distribution rate is not subject to adjustment. Holders of our Series A Preferred Units are entitled to receive the full amount of all distributions payable in respect of the Series A Preferred Units from the Distribution Payment Date immediately preceding the date of original issuance of such units. Holders of Series A Preferred Units are not entitled to receive distributions paid on any Distribution Payment Date if such units were not issued and outstanding on the record date for such distribution.

Distribution Payment Dates

The “Distribution Payment Dates” for the Series A Preferred Units are the 15th day of January, April, July and October of each year. Distributions accumulate in each quarterly distribution period from and including the preceding Distribution Payment Date to but excluding the applicable Distribution Payment Date for such quarterly distribution period, and distributions accrue on accumulated distributions at the applicable distribution rate. If any Distribution Payment Date otherwise would fall on a day that is not a Business Day, declared distributions will be paid on the immediately succeeding Business Day without the accumulation of additional distributions. Distributions on the Series A Preferred Units are payable based on a 360-day year consisting of four 90-day periods. “Business Day” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the States of California or New York shall not be regarded as a Business Day.

Payment of Distributions

Not later than 5:00 p.m., New York City time, on each Distribution Payment Date, we will pay those quarterly distributions, if any, on the Series A Preferred Units that have been declared by the Board of Directors to the holders of such units as such holders’ names appear on our unit transfer books maintained by the Registrar and Transfer Agent on the applicable record date. The record date will be the first Business Day of the month of the applicable Distribution Payment Date, except that in the case of payments of distributions in arrears, the record date with respect to a Distribution Payment Date will be such date as may be designated by the Board of Directors in accordance with our Partnership Agreement.

So long as the Series A Preferred Units are held of record by the nominee of the Securities Depositary, declared distributions will be paid to the Securities Depositary in same-day funds on each Distribution Payment Date. The Securities Depositary will credit accounts of its participants in accordance with the Securities Depositary’s normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series A Preferred Units in accordance with the instructions of such beneficial owners.

No distribution may be declared or paid or set apart for payment on any Junior Securities (other than a distribution payable solely in Junior Securities) unless full cumulative distributions have been or contemporaneously are being paid or provided for on all outstanding Series A Preferred Units and any Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) through the most recent respective distribution payment dates. Accumulated distributions in arrears for any past distribution period may be declared by the Board of Directors and paid on any date fixed by the Board of Directors, whether or not a Distribution Payment Date, to holders of the Series A Preferred Units on the record date for such payment, which may not be less than 10 days before such payment date. Subject to the next succeeding sentence, if all accumulated distributions in arrears on all outstanding Series A Preferred Units and any Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) have not been declared and paid, or sufficient funds for the payment thereof have not been set apart, payment of accumulated distributions in arrears will be made in order of their respective distribution payment dates, commencing with the earliest. If less than all distributions payable with respect to all Series A Preferred Units and any Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) are paid, any partial payment will be made pro rata with respect to the Series A Preferred Units and any Parity Securities entitled to a distribution payment at such time in proportion to the aggregate amounts remaining due in respect of such Series A Preferred Units and Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) at such time. Holders of the Series A Preferred Units will not be entitled to any distribution, whether payable in cash, property or units, in excess of full cumulative distributions.

Except insofar as distributions accrue on the amount of any accumulated and unpaid distributions no interest or sum of money in lieu of interest will be payable in respect of any distribution payment which may be in arrears on the Series A Preferred Units.

Redemption

Optional Redemption On or After April 4, 2021

Any time on or after April 4, 2021, we may redeem, at our option, in whole or in part, the Series A Preferred Units at a redemption price in cash equal to $25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose. We may undertake multiple partial redemptions. Any such redemption is subject to compliance with the provisions of our revolving credit facility and any other agreements governing our outstanding indebtedness.

We may also redeem the Series A Preferred Units under the terms set forth under "—Change of Control— Optional Redemption upon a Change of Control."

Redemption Procedures

We will give notice of any redemption not less than 30 days and not more than 60 days before the scheduled date of redemption, to the holders of any units to be redeemed as such holders' names appear on our unit transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (i) the redemption date, (ii) the number of Series A Preferred Units to be redeemed and, if less than all outstanding Series A Preferred Units are to be redeemed, the number (and, in the case of Series A Preferred Units in certificated form, the identification) of units to be redeemed from such holder, (iii) the redemption price, (iv) the place where any Series A Preferred Units in certificated form are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (v) that distributions on the units to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series A Preferred Units are to be redeemed, the number of units to be redeemed will be determined by us, and such units will be redeemed by such method of selection as the Securities Depositary shall determine, pro rata or by lot, with adjustments to avoid redemption of fractional units. So long as all Series A Preferred Units are held of record by the nominee of the Securities Depositary, we will give notice, or cause notice to be given, to the Securities Depositary of the number of Series A Preferred Units to be redeemed, and the Securities Depositary will determine the number of Series A Preferred Units to be redeemed from the account of each of its participants holding such units in its participant account. Thereafter, each participant will select the number of units to be redeemed from each beneficial owner for whom it acts (including the participant, to the extent it holds Series A Preferred Units for its own account). A participant may determine to redeem Series A Preferred Units from some beneficial owners (including the participant itself) without redeeming Series A Preferred Units from the accounts of other beneficial owners.

So long as the Series A Preferred Units are held of record by the nominee of the Securities Depositary, the redemption price will be paid by the Paying Agent to the Securities Depositary on the redemption date. The Securities Depositary's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If we give or cause to be given a notice of redemption, then we will deposit with the Paying Agent funds sufficient to redeem the Series A Preferred Units as to which notice has been given by 10:00 a.m., New York City time, on the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such units is issued in the name of the Securities Depositary or its nominee) of the certificates therefor. If notice of redemption shall have been given, then from and after the date fixed for redemption, unless we default in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all distributions on such units will cease to accumulate and all rights of holders of such units as our unitholders will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid distributions to the date fixed for redemption, whether or not declared. Any funds deposited with the Paying Agent hereunder by us for any reason, including, but not limited to, redemption of Series A Preferred Units, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to us upon our written request, after which repayment the holders of the Series A Preferred Units entitled to such redemption or other payment shall have recourse only to us.

If only a portion of the Series A Preferred Units represented by a certificate has been called for redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such units is registered in the name of the Securities Depositary or its nominee), we will issue and the Paying Agent will deliver to the holder of such units a new certificate (or adjust the applicable book-entry account) representing the number of Series A Preferred Units represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption, there will be no redemption of any Series A Preferred Units called for redemption until funds sufficient to pay the full redemption price of such units, including all accumulated and unpaid distributions to the date of redemption, whether or not declared, have been deposited by us with the Paying Agent.

We and our affiliates may from time to time purchase Series A Preferred Units, subject to compliance with all applicable securities and other laws. Neither we nor any of our affiliates has any obligation, or any present plan or intention, to purchase any Series A Preferred Units. Any Series A Preferred Units that are redeemed or otherwise acquired by us will be cancelled.

Notwithstanding the foregoing, in the event that full cumulative distributions on the Series A Preferred Units and any Parity Securities have not been paid or declared and set apart for payment, we, our general partner and any affiliate of our general partner may not repurchase, redeem or otherwise acquire, in whole or in part, any Series A Preferred Units or Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) except pursuant to a purchase or exchange offer made on the same relative terms to all holders of Series A Preferred Units and any Parity Securities (including the Series B Preferred Units and the Series C Preferred Units). Common units and any other Junior Securities may not be redeemed, repurchased or otherwise acquired by us, our general partner or any affiliate of our general partner unless full cumulative distributions on the Series A Preferred Units and any Parity Securities (including the Series B Preferred Units and the Series C Preferred Units) for all prior and the then-ending distribution periods have been paid or declared and set apart for payment.

No Sinking Fund

The Series A Preferred Units do not have the benefit of any sinking fund.

No Fiduciary Duty

We, and our officers and directors do not owe any fiduciary duties to holders of the Series A Preferred Units other than a contractual duty of good faith and fair dealing pursuant to our Partnership Agreement.

DESCRIPTION OF SERIES B PREFERRED UNITS

The following description of our Series B Preferred Units is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Certificate of Limited Partnership (the "Certificate of Limited Partnership"), and our Fourth Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.10 is a part. We encourage you to read our Certificate of Limited Partnership, our Partnership Agreement and the applicable provisions of the Delaware Revised Uniform Limited Partnership Act (as amended, the "Delaware Act") for additional information. Capitalized terms used herein and not defined herein have the meanings specified in the Partnership Agreement.

General

On August 8, 2016, we issued 1,840,000 Series B Preferred Units. As of February 24, 2020, we had 2,628,932 Series B Preferred Units outstanding. We may, without notice to or consent of the holders of the then-outstanding Series B Preferred Units, authorize and issue additional Series B Preferred Units and Junior Securities and, subject to the limitations described under "—Voting Rights," Senior Securities and Parity Securities.

The holders of our common units, Series A Preferred Units, Series B Preferred Units, Series C Preferred Units and incentive distribution rights ("IDRs") are entitled to receive, to the extent permitted by law, such distributions as may from time to time be declared by the Board of Directors. Upon any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, the holders of our common units, Series A Preferred Units, Series B Preferred Units, Series C Preferred Units and IDRs are entitled to receive distributions of our assets, after we have satisfied or made provision for our debts and other obligations and after payment to the holders of any class or series of limited partner interests (including the Series A Preferred Units, the Series B Preferred Units and the Series C Preferred Units) having preferential rights to receive distributions of our assets.

The Series B Preferred Units entitle the holders thereof to receive cumulative cash distributions when, as and if declared by the Board of Directors out of legally available funds for such purpose. Subject to the matters described under "—Liquidation Rights," each Series B Preferred Unit generally has a fixed liquidation preference of $25.00 per Series B Preferred Unit plus an amount equal to accumulated and unpaid distributions thereon to the date fixed for payment, whether or not declared.

The Series B Preferred Units represent perpetual equity interests in us and, unlike our indebtedness, do not give rise to a claim for payment of a principal amount at a particular date. As such, the Series B Preferred Units rank junior to all of our current and future indebtedness and other liabilities with respect to assets available to satisfy claims against us. The rights of the Series B Preferred Unitholders to receive the liquidation preference are subject to the proportional rights of holders of Parity Securities, if any.

Except as described below in "—Change of Control," the Series B Preferred Units are not convertible into common units or any other securities, do not have exchange rights and are not entitled or subject to any preemptive or similar rights. The Series B Preferred Units are not subject to mandatory redemption or to any sinking fund requirements. The Series B Preferred Units are subject to redemption, in whole or in part, at our option commencing on August 8, 2021. Please read "—Redemption."

We have appointed Computershare Trust Company, N.A. as the paying agent (the "Paying Agent"), and the registrar and transfer agent (the "Registrar and Transfer Agent") for the Series B Preferred Units. The address of the Paying Agent is 330 N. Brand Blvd., Suite 701, Glendale, CA 91203-2389.

Ranking

With respect to anticipated quarterly distributions and distributions upon the liquidation, winding-up and dissolution of our affairs, the Series B Preferred Units rank:

- senior to the Junior Securities (including our common units);

- on a parity with the Parity Securities (including the Series A Preferred Units and the Series C Preferred Units);
- junior to the Senior Securities; and
- junior to all of our existing and future indebtedness and other liabilities with respect to assets available to satisfy claims against us.

Under the Partnership Agreement, we may issue Junior Securities from time to time in one or more series without the consent of the holders of the Series B Preferred Units. The Board of Directors has the authority to determine the preferences, powers, qualifications, limitations, restrictions and special or relative rights or privileges, if any, of any such series before the issuance of any units of that series. The Board of Directors will also determine the number of units constituting each series of securities. Our ability to issue additional Parity Securities in certain circumstances or Senior Securities is limited as described under "—Voting Rights."

Change of Control

Optional Redemption upon a Change of Control

Upon the occurrence of a Change of Control (as defined below), we may, at our option, redeem the Series B Preferred Units in whole or in part within 120 days after the first date on which such Change of Control occurred (the "Change of Control Redemption Period"), by paying $25.00 per Series B Preferred Unit, plus all accumulated and unpaid distributions to the redemption date, whether or not declared. If, prior to the Change of Control Conversion Date (as defined below), we exercise our right to redeem all of the outstanding Series B Preferred Units as described in the immediately preceding sentence or as described below under "— Redemption", holders of the Series B Preferred Units will not have the conversion right described below under "—Conversion Right Upon a Change of Control." Any cash payment to Series B Preferred Unitholders will be subject to the limitations contained in our revolving credit facility and in any other agreements governing our indebtedness (including our Series 2017-1 Secured Tenant Site Contract Revenue Notes and our Series 2018-1 Secured Tenant Site Contract Revenue Notes).

"Change of Control" means the occurrence of either of the following after the original issue date of the Series B Preferred Units: the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Partnership and its subsidiaries taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than our general partner or its affiliates; or the consummation of any transaction or series of related transactions (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than our general partner or its affiliates, becomes the beneficial owner, directly or indirectly, of more than 50% of the Partnership's voting units, measured by voting power rather than number of units.

Conversion Right Upon a Change of Control

Upon the occurrence of a Change of Control, each holder of Series B Preferred Units will have the right (unless, during the Change of Control Redemption Period, we provide notice of our election to redeem all of the outstanding Series B Preferred Units as described above under "—Optional Redemption Upon a Change of Control" or below under "—Redemption") to convert (the "Series B Change of Control Conversion") some or all of the Series B Preferred Units held by such holder on the Change of Control Conversion Date into a number of our common units per Series B Preferred Unit to be converted equal (the "Common Unit Conversion Consideration") to the lesser of:

- the quotient obtained by dividing (i) the sum of the $25.00 liquidation preference plus the amount of any accumulated and unpaid distributions to the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series B Preferred Unit distribution payment and prior to the corresponding Series B Preferred Unit distribution payment date, in which case no additional amount for such accumulated and unpaid distribution will be included in this sum) by (ii) the Common Unit Price, and
- 2.85551, subject, in each case, to certain adjustments and to provisions for (i) the payment of any alternative consideration and (ii) splits, combinations and distributions in the form of equity issuances, each as described in greater detail in our Partnership Agreement.

In the case of a Change of Control pursuant to which our common units will be converted into cash, securities or other property or assets (including any combination thereof), a holder of Series B Preferred Units electing to exercise their Change of Control Conversion Right (as defined below) will receive upon conversion of such Series B Preferred Units elected by such holder the kind and amount of such consideration that such holder would have owned or been entitled to receive upon the Change of Control had such holder held a number of our common units equal to the Common Unit Conversion Consideration immediately prior to the effective time of the Change of Control, which we refer to as the Alternative Conversion Consideration; *provided*, *however*, that if the holders of our common units have the opportunity to elect the form of consideration to be received in the Change of Control, the consideration that the holders of Series B Preferred Units electing to exercise their Change of Control Conversion Right will receive will be the form and proportion of the aggregate consideration elected by the holders of our common units who participate in the determination (based on the weighted average of elections) and will be subject to any limitations to which all holders of our common units are subject, including, without limitation, pro rata reductions applicable to any portion of the consideration payable in the Change of Control. We will not issue fractional common units upon the conversion of the Series B Preferred Units. Instead, we will pay the cash value of such fractional units.

If we provide a redemption notice, whether pursuant to our special optional redemption right in connection with a Change of Control as described under "—Optional Redemption upon a Change of Control" or our optional redemption right as described below under "—Redemption," holders of Series B Preferred Units will not have any right to convert the Series B Preferred Units that we have elected to redeem and any Series B Preferred Units subsequently selected for redemption that have been tendered for conversion pursuant to the Change of Control Conversion Right will be redeemed on the related redemption date instead of converted on the Change of Control Conversion Date.

Within five days following the expiration of the Change of Control Redemption Period (or, if we waive our right to redeem the Series B Preferred Units prior to the expiration of the Change of Control Redemption Period, within five days following the date of such waiver), we will provide to the holders of Series B Preferred Units written notice of occurrence of the Change of Control that describes the resulting Change of Control Conversion Right. This notice will state the following:

- the events constituting the Change of Control;
- the date of the Change of Control;
- the date on which the Change of Control Redemption Period expired or was waived;
- the last date on which the holders of Series B Preferred Units may exercise their Change of Control Conversion Right;
- the method and period for calculating the Common Unit Price;
- the Change of Control Conversion Date;
- if applicable, the type and amount of alternative conversion consideration entitled to be received per Series B Preferred Unit; and • the procedure that the holders of Series B Preferred Units must follow to exercise the Change of Control Conversion Right.

We will issue a press release for publication through a news or press organization as is reasonably expected to broadly disseminate the relevant information to the public, or post notice on our website, in any event prior to the opening of business on the first Business Day (as defined below) following any date on which we provide the notice described above to the holders of Series B Preferred Units.

Holders of Series B Preferred Units that choose to exercise their Change of Control Conversion Right will be required prior to the close of business on the third Business Day preceding the Change of Control Conversion Date, to notify the Partnership of the number of Series B Preferred Units to be converted and otherwise to comply with any applicable procedures contained in the notice described above or otherwise required by the Securities Depositary for effecting the conversion.

“Change of Control Conversion Right” means the right of a holder of Series B Preferred Units to convert some or all of the Series B Preferred Units held by such holder on the Change of Control Conversion Date into a number of our common units per Series B Preferred Unit pursuant to the conversion provisions in our Partnership Agreement.

“Change of Control Conversion Date” means the date fixed by our Board of Directors, in its sole discretion, as the date the Series B Preferred Units are to be converted, which will be a Business Day that is no fewer than 20 days nor more than 35 days after the date on which we provide the notice described above to holders of the Series B Preferred Units.

“Common Unit Price” means (i) the amount of cash consideration per common unit, if the consideration to be received in the Change of Control by the holders of our common units is solely cash; and (ii) the average of the closing prices for our common units on the NASDAQ for the ten consecutive trading days immediately preceding, but not including, the Change of Control Conversion Date, if the consideration to be received in the Change of Control by the holders of our common units is other than solely cash.

Liquidation Rights

We will liquidate in accordance with capital accounts. The holders of outstanding Series B Preferred Units will be specially allocated items of our gross income and gain in a manner designed to achieve, in the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, a liquidation preference of $25.00 per unit. If the amount of our gross income and gain available to be specially allocated to the Series B Preferred Units is not sufficient to cause the capital account of a Series B Preferred Unit to equal the liquidation preference of a Series B Preferred Unit, then the amount that a holder of Series B Preferred Units would receive upon liquidation may be less than the Series B Preferred Unit liquidation preference. Any accumulated and unpaid distributions on the Series B Preferred Units will be paid prior to any distributions in liquidation made in accordance with capital accounts. The rights of the Series B Preferred Unitholders to receive the liquidation preference will be subject to the proportional rights of holders of Parity Securities, including the Series A Preferred Units and the Series C Preferred Units.

Voting Rights

The Series B Preferred Units have no voting rights except as set forth below or as otherwise provided by Delaware law.

Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series B Preferred Units, voting as a single class, we may not adopt any amendment to our Partnership Agreement that has a material adverse effect on the existing terms of the Series B Preferred Units.

In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series B Preferred Units, voting as a class together with holders of any other Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) upon which like voting rights have been conferred and are exercisable, we may not:

- create or issue any Parity Securities (including any additional Series A Preferred Units or Series C Preferred Units) if the cumulative distributions payable on outstanding Series B Preferred Units or Parity Securities are in arrears; or

- create or issue any Senior Securities.

On any matter described above in which the holders of the Series B Preferred Units are entitled to vote as a class, such holders are entitled to one vote per unit. The Series B Preferred Units held by us or any of our subsidiaries or affiliates are not entitled to vote.

Series B Preferred Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

Distributions

General

Holders of Series B Preferred Units are entitled to receive, when, as and if declared by the Board of Directors out of legally available funds for such purpose, cumulative cash distributions.

Distribution Rate

Distributions on Series B Preferred Units are payable quarterly on each Distribution Payment Date when, as and if declared by the Board of Directors or any authorized committee thereof out of legally available funds for such purpose. Distributions on the Series B Preferred Units accumulate at a rate of 7.90% per annum per $25.00 stated liquidation preference per Series B Preferred Unit. The distribution rate is not subject to adjustment. Holders of our Series B Preferred Units are entitled to receive the full amount of all distributions payable in respect of the Series B Preferred Units from the Distribution Payment Date immediately preceding the date of original issuance of such units. Holders of Series B Preferred Units are not entitled to receive distributions paid on any Distribution Payment Date if such units were not issued and outstanding on the record date for such distribution.

Distribution Payment Dates

The “Distribution Payment Dates” for the Series B Preferred Units are the 15th day of February, May, August and November of each year. Distributions accumulate in each quarterly distribution period from and including the preceding Distribution Payment Date to but excluding the applicable Distribution Payment Date for such quarterly distribution period, and distributions accrue on accumulated distributions at the applicable distribution rate. If any Distribution Payment Date otherwise would fall on a day that is not a Business Day, declared distributions will be paid on the immediately succeeding Business Day without the accumulation of additional distributions. Distributions on the Series B Preferred Units are payable based on a 360-day year consisting of four 90-day periods. “Business Day” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the States of California or New York shall not be regarded as a Business Day.

Payment of Distributions

Not later than 5:00 p.m., New York City time, on each Distribution Payment Date, we will pay those quarterly distributions, if any, on the Series B Preferred Units that have been declared by the Board of Directors to the holders of such units as such holders’ names appear on our unit transfer books maintained by the Registrar and Transfer Agent on the applicable record date. The record date will be the first Business Day of the month of the applicable Distribution Payment Date, except that in the case of payments of distributions in arrears, the record date with respect to a Distribution Payment Date will be such date as may be designated by the Board of Directors in accordance with our Partnership Agreement.

So long as the Series B Preferred Units are held of record by the nominee of the Securities Depositary, declared distributions will be paid to the Securities Depositary in same-day funds on each Distribution Payment Date. The Securities Depositary will credit accounts of its participants in accordance with the Securities Depositary’s normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series B Preferred Units in accordance with the instructions of such beneficial owners.

No distribution may be declared or paid or set apart for payment on any Junior Securities (other than a distribution payable solely in Junior Securities) unless full cumulative distributions have been or contemporaneously are being paid or provided for on all outstanding Series B Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) through the most recent respective distribution payment dates. Accumulated distributions in arrears for any past distribution period may be declared by the Board of Directors and paid on any date fixed by the Board of Directors, whether or not a Distribution Payment Date, to holders of the Series B Preferred Units on the record date for such payment, which may not be less than 10 days before such payment date.

Subject to the next succeeding sentence, if all accumulated distributions in arrears on all outstanding Series B Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) have not been declared and paid, or sufficient funds for the payment thereof have not been set apart, payment of accumulated distributions in arrears will be made in order of their respective distribution payment dates, commencing with the earliest. If less than all distributions payable with respect to all Series B Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) are paid, any partial payment will be made pro rata with respect to the Series B Preferred Units and any Parity Securities entitled to a distribution payment at such time in proportion to the aggregate amounts remaining due in respect of such Series B Preferred Units and Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) at such time. Holders of the Series B Preferred Units will not be entitled to any distribution, whether payable in cash, property or units, in excess of full cumulative distributions. Except insofar as distributions accrue on the amount of any accumulated and unpaid distributions no interest or sum of money in lieu of interest will be payable in respect of any distribution payment which may be in arrears on the Series B Preferred Units.

Redemption

Optional Redemption On or After August 8, 2021

Any time on or after August 8, 2021, we may redeem, at our option, in whole or in part, the Series B Preferred Units at a redemption price in cash equal to $25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose. We may undertake multiple partial redemptions. Any such redemption is subject to compliance with the provisions of our revolving credit facility and any other agreements governing our outstanding indebtedness.

We may also redeem the Series B Preferred Units under the terms set forth under "—Change of Control—Optional Redemption upon a Change of Control."

Redemption Procedures

We will give notice of any redemption not less than 30 days and not more than 60 days before the scheduled date of redemption, to the holders of any units to be redeemed as such holders' names appear on our unit transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (i) the redemption date, (ii) the number of Series B Preferred Units to be redeemed and, if less than all outstanding Series B Preferred Units are to be redeemed, the number (and, in the case of Series B Preferred Units in certificated form, the identification) of units to be redeemed from such holder, (iii) the redemption price, (iv) the place where any Series B Preferred Units in certificated form are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (v) that distributions on the units to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series B Preferred Units are to be redeemed, the number of units to be redeemed will be determined by us, and such units will be redeemed by such method of selection as the Securities Depositary shall determine, pro rata or by lot, with adjustments to avoid redemption of fractional units. So long as all Series B Preferred Units are held of record by the nominee of the Securities Depositary, we will give notice, or cause notice to be given, to the Securities Depositary of the number of Series B Preferred Units to be redeemed, and the Securities Depositary will determine the number of Series B Preferred Units to be redeemed from the account of each of its participants holding such units in its participant account. Thereafter, each participant will select the number of units to be redeemed from each beneficial owner for whom it acts (including the participant, to the extent it holds Series B Preferred Units for its own account). A participant may determine to redeem Series B Preferred Units from some beneficial owners (including the participant itself) without redeeming Series B Preferred Units from the accounts of other beneficial owners.

So long as the Series B Preferred Units are held of record by the nominee of the Securities Depositary, the redemption price will be paid by the Paying Agent to the Securities Depositary on the redemption date. The Securities Depositary's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If we give or cause to be given a notice of redemption, then we will deposit with the Paying Agent funds sufficient to redeem the Series B Preferred Units as to which notice has been given by 10:00 a.m., New York City time, on the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such units is issued in the name of the Securities Depositary or its nominee) of the certificates therefor. If notice of redemption shall have been given, then from and after the date fixed for redemption, unless we default in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all distributions on such units will cease to accumulate and all rights of holders of such units as our unitholders will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid distributions to the date fixed for redemption, whether or not declared. Any funds deposited with the Paying Agent hereunder by us for any reason, including, but not limited to, redemption of Series B Preferred Units, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to us upon our written request, after which repayment the holders of the Series B Preferred Units entitled to such redemption or other payment shall have recourse only to us.

If only a portion of the Series B Preferred Units represented by a certificate has been called for redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such units is registered in the name of the Securities Depositary or its nominee), we will issue and the Paying Agent will deliver to the holder of such units a new certificate (or adjust the applicable book-entry account) representing the number of Series B Preferred Units represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption, there will be no redemption of any Series B Preferred Units called for redemption until funds sufficient to pay the full redemption price of such units, including all accumulated and unpaid distributions to the date of redemption, whether or not declared, have been deposited by us with the Paying Agent.

We and our affiliates may from time to time purchase Series B Preferred Units, subject to compliance with all applicable securities and other laws. Neither we nor any of our affiliates has any obligation, or any present plan or intention, to purchase any Series B Preferred Units. Any Series B Preferred Units that are redeemed or otherwise acquired by us will be cancelled.

Notwithstanding the foregoing, in the event that full cumulative distributions on the Series B Preferred Units and any Parity Securities have not been paid or declared and set apart for payment, we, our general partner and any affiliate of our general partner may not repurchase, redeem or otherwise acquire, in whole or in part, any Series B Preferred Units or Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) except pursuant to a purchase or exchange offer made on the same relative terms to all holders of Series B Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series C Preferred Units). Common units and any other Junior Securities may not be redeemed, repurchased or otherwise acquired by us, our general partner or any affiliate of our general partner unless full cumulative distributions on the Series B Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series C Preferred Units) for all prior and the then-ending distribution periods have been paid or declared and set apart for payment.

No Sinking Fund

The Series B Preferred Units do not have the benefit of any sinking fund.

No Fiduciary Duty

We, and our officers and directors do not owe any fiduciary duties to holders of the Series B Preferred Units other than a contractual duty of good faith and fair dealing pursuant to our Partnership Agreement.

DESCRIPTION OF SERIES C PREFERRED UNITS

The following description of our Series C Preferred Units is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Certificate of Limited Partnership (the "Certificate of Limited Partnership"), and our Fourth Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.10 is a part. We encourage you to read our Certificate of Limited Partnership, our Partnership Agreement and the applicable provisions of the Delaware Revised Uniform Limited Partnership Act (as amended, the "Delaware Act") for additional information. Capitalized terms used herein and not defined herein have the meanings specified in the Partnership Agreement.

General

On April 2, 2018, we issued 2,000,000 Series C Preferred Units. As of February 24, 2020, we had 1,988,700 Series C Preferred Units outstanding. We may, without notice to or consent of the holders of the then-outstanding Series C Preferred Units, authorize and issue additional Series C Preferred Units and Junior Securities and, subject to the limitations described under "—Voting Rights," Senior Securities and Parity Securities.

The holders of our common units, Series A Preferred Units, Series B Preferred Units and incentive distribution rights ("IDRs") are entitled to receive, to the extent permitted by law, such distributions as may from time to time be declared by the Board of Directors. Upon any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, the holders of our common units, Series A Preferred Units, Series B Preferred Units and IDRs are entitled to receive distributions of our assets, after we have satisfied or made provision for our debts and other obligations and after payment to the holders of any class or series of limited partner interests (including the Series A Preferred Units and the Series B Preferred Units) having preferential rights to receive distributions on our assets.

The Series C Preferred Units entitle the holders thereof to receive cumulative cash distributions when, as and if declared by the Board of Directors out of legally available funds for such purpose. Subject to the matters described under "—Liquidation Rights," each Series C Preferred Unit generally has a fixed liquidation preference of $25.00 per Series C Preferred Unit plus an amount equal to accumulated and unpaid distributions thereon to the date fixed for payment, whether or not declared.

The Series C Preferred Units represent perpetual equity interests in us and, unlike our indebtedness, do not give rise to a claim for payment of a principal amount at a particular date. As such, the Series C Preferred Units rank junior to all of our current and future indebtedness and other liabilities with respect to assets available to satisfy claims against us. The rights of the Series C Preferred Unitholders to receive the liquidation preference are subject to the proportional rights of holders of Parity Securities. The Series C Preferred Units will not convert mandatorily on any specified date.

Transfer Agent

We have appointed Computershare Trust Company, N.A. as the paying agent (the "Paying Agent"), redemption agent (the "Redemption Agent"), conversion agent (the "Conversion Agent") and the registrar and transfer agent (the "Registrar and Transfer Agent") for the Series C Preferred Units and our common units. Computershare Trust Company, N.A.'s address is 330 N. Brand Blvd., Suite 701, Glendale, CA 91203-2389.

Ranking

The Series C Preferred Units, with respect to anticipated quarterly distributions and, generally, with respect to distributions upon the liquidation, winding-up and dissolution of our affairs, rank:

- subject to the discussion under "— Liquidation Rights," senior to the Junior Securities (including our common units and IDRs);

- on parity with the Parity Securities (including the Series A Preferred Units and the Series B Preferred Units);
- junior to the Senior Securities; and
- junior to all of our existing and future indebtedness and other liabilities with respect to assets available to satisfy claims against us.

Under the Partnership Agreement, we may issue Junior Securities from time to time in one or more series without the consent of the holders of the Series C Preferred Units. The Board of Directors has the authority to determine the preferences, powers, qualifications, limitations, restrictions and special or relative rights or privileges, if any, of any such series before the issuance of any units of that series. The Board of Directors will also determine the number of units constituting each series of securities. Our ability to issue additional Parity Securities in certain circumstances or Senior Securities is limited as described under "—Voting Rights."

Liquidation Rights

We will liquidate in accordance with capital accounts. The holders of outstanding Series C Preferred Units will be specially allocated items of our gross income and gain in a manner designed to achieve, in the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, a liquidation preference of $25.00 per Series C Preferred Unit. If the amount of our gross income and gain available to be specially allocated to the Series C Preferred Units is not sufficient to cause the capital account of a Series C Preferred Unit to equal the liquidation preference of a Series C Preferred Unit, then the amount that a holder of Series C Preferred Units would receive upon liquidation may be less than the Series C Preferred Unit liquidation preference, even though there may be cash available for distribution to the holders of Junior Securities with respect to their capital accounts. Any accumulated and unpaid distributions on the Series C Preferred Units will be paid prior to any distributions in liquidation made in accordance with capital accounts. The rights of the Series C Preferred Unitholders to receive the liquidation preference will be subject to the proportional rights of holders of Parity Securities, including our Series A Preferred Units and Series B Preferred Units.

Neither the sale of all or substantially all of our assets or business (other than in connection with our liquidation, winding-up or dissolution), nor our merger or consolidation into or with any person, will be deemed to be our voluntary or involuntary liquidation, winding-up or dissolution.

Voting Rights

The Series C Preferred Units have no voting rights except as set forth below or as otherwise provided by Delaware law.

Unless we have received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series C Preferred Units, voting as a single class, we may not adopt any amendment to our Partnership Agreement that has a material adverse effect on the existing terms of the Series C Preferred Units. For the avoidance of doubt, for purposes of this voting requirement, any amendment to our Partnership Agreement (i) relating to the issuance of additional limited partner interests (subject to the voting rights regarding the issuance of Parity Securities or Senior Securities discussed below) and (ii) in connection with a merger or another transaction in which we are the surviving entity and the Series C Preferred Units remain outstanding with the terms thereof materially unchanged in any respect adverse to the holders of Series C Preferred Units, will be deemed to not materially adversely affect the terms of the holders of Series C Preferred Units.

In addition, unless we have received the affirmative vote or consent of the holders of at least two-thirds of any other Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) upon which like voting rights have been conferred and are exercisable, we may not:

- create or issue any Parity Securities (including any additional Series A Preferred Units or Series B Preferred Units) if the cumulative distributions payable on outstanding Series C Preferred Units or Parity Securities are in arrears; or

- create or issue any Senior Securities.

On any matter described above in which the holders of the Series C Preferred Units are entitled to vote as a class, such holders are entitled to one vote per Series C Preferred Unit. The Series C Preferred Units held by us or any of our subsidiaries or affiliates are not entitled to vote.

Series C Preferred Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

Distributions

General

Holders of Series C Preferred Units are entitled to receive, when, as and if declared by the Board of Directors out of legally available funds for such purpose, cumulative cash distributions.

Distribution rate

Distributions on Series C Preferred Units are cumulative from April 2, 2018, and payable quarterly on each Distribution Payment Date, commencing on May 15, 2018, when, as and if declared by the Board of Directors or any authorized committee thereof out of legally available funds for such purpose.

Distributions on the Series C Preferred Units for the period from and including the date of original issue to, but excluding, May 15, 2025 (the “Floating Rate Period”), accumulate for each distribution period at a percentage of the $25.00 liquidation preference equal to the greater of (i) 7.00% per annum, and (ii) an annual floating rate of the three-month LIBOR plus a spread of 4.698% per annum. On and after May 15, 2025 (the “Fixed Rate Period”), the distribution rate for the Series C Preferred Units will be fixed at 9.00% per annum of the $25.00 liquidation preference per unit (equal to $2.25 per Series C Preferred Unit per annum). The distribution rate may also be increased in connection with certain events specified under the caption “—Redemption—Redemption at the option of the holder.”

The floating component of the distribution rate for each distribution period in the Floating Rate Period will be determined by the calculation agent using three-month LIBOR as in effect on the second London banking day prior to the beginning of the distribution period, which date is the “distribution determination date” for the distribution period. The calculation agent then will add the spread of 4.698% per annum to three-month LIBOR as determined on the distribution determination date. Absent manifest error, the calculation agent’s determination of the distribution rate for a distribution period for the Series C Preferred Units will be binding and conclusive on the Holders of Series C Preferred Units, the Registrar and Transfer Agent, and us. A “London banking day” is any day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

The term “three-month LIBOR” means the London interbank offered rate for deposits in U.S. dollars having an index maturity of three months in amounts of at least $1,000,000, as that rate appears on the display designated on the Reuters Screen LIBOR01 Page (or any successor or replacement page) at approximately 11:00 a.m., London time, on the relevant distribution determination date, provided that:

(i) If no offered rate appears on the Reuters screen page on the relevant distribution determination date at approximately 11:00 a.m., London time, then the calculation agent, after consultation with us, will select four major banks in the London interbank market and will request each of their principal London offices to provide a quotation of the rate at which three-month deposits in U.S. dollars in amounts of at least $1,000,000 are offered by it to prime banks in the London interbank market, on that date and at that time, that is representative of single transactions at that time. If at least two quotations are provided, three-month LIBOR will be the arithmetic average (rounded upward if necessary to the nearest 0.00001 of 1%) of the quotations provided.

(ii) Otherwise, the calculation agent will select three major banks in New York City and will request each of them to provide a quotation of the rate offered by it at approximately 11:00 a.m., New York City time, on the distribution determination date for loans in U.S. dollars to leading European banks having an index maturity of three months for the applicable distribution period in an amount of at least $1,000,000 that is representative of single transactions at that time. If three quotations are provided, three-month LIBOR will be the arithmetic average (rounded upward if necessary to the nearest 0.00001 of 1%) of the quotations provided.

(iii) Otherwise, the calculation agent, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate three-month LIBOR or any of the foregoing lending rates, shall determine three-month LIBOR for the applicable distribution period in its sole discretion.

Notwithstanding the foregoing clauses (i), (ii) and (iii):

(a) If the calculation agent determines on the relevant distribution determination date that the LIBOR base rate has been discontinued, then the calculation agent will use a substitute or successor base rate that it has determined in its sole discretion is most comparable to the LIBOR base rate, provided that if the calculation agent determines there is an industry-accepted substitute or successor base rate, then the calculation agent shall use such substitute or successor base rate; and

(b) If the calculation agent has determined a substitute or successor base rate in accordance with the foregoing, the calculation agent in its sole discretion may determine what business day convention to use, the definition of business day, the distribution determination date to be used and any other relevant methodology for calculating such substitute or successor base rate.

The pro-rated initial distribution on the Series C Preferred Units was paid on May 15, 2018 in an amount equal to $0.2090 per Series C Preferred Unit.

Calculation agent

Our general partner, or its appointee, will serve as the calculation agent for the Series C Preferred Units.

Distribution payment dates

The “Distribution Payment Dates” for the Series C Preferred Units (including during the Fixed Rate Period and the Floating Rate Period) are the 15th day of February, May, August and November of each year, commencing on May 15, 2018. Distributions accumulate in each quarterly distribution period from and including the preceding Distribution Payment Date or the initial issue date, as the case may be, to but excluding the applicable Distribution Payment Date for such quarterly distribution period, and distributions accrue on accumulated distributions at the applicable distribution rate. Distributions on the Series C Preferred Units will be payable based on a 360-day year consisting of four 90-day periods. “Business Day” means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the States of California or New York shall not be regarded as a Business Day.

Payment of distributions

Not later than 5:00 p.m., New York City time, on each Distribution Payment Date, we will pay those quarterly distributions, if any, on the Series C Preferred Units that have been declared by the Board of Directors to the holders of such Series C Preferred Units as such holders’ names appear on our unit transfer books maintained by the Registrar and Transfer Agent on the applicable record date. The record date for each distribution on our Series C Preferred Units will be the first Business Day of the month of the applicable Distribution Payment Date, except that in the case of payments of distributions in arrears, the record date with respect to a Distribution Payment Date will be such date as may be designated by the Board of Directors in accordance with our Partnership Agreement.

So long as the Series C Preferred Units are held of record by the nominee of the Securities Depositary, declared distributions will be paid to the Securities Depositary in same-day funds on each Distribution Payment Date. The Securities Depositary will credit accounts of its participants in accordance with the Securities Depositary's normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series C Preferred Units in accordance with the instructions of such beneficial owners.

No distribution may be declared or paid or set apart for payment on any Junior Securities (other than a distribution payable solely in Junior Securities) unless full cumulative distributions have been or contemporaneously are being paid or provided for on all outstanding Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) through the most recent respective distribution payment dates. Accumulated distributions in arrears for any past distribution period may be declared by the Board of Directors and paid on any date fixed by the Board of Directors, whether or not a Distribution Payment Date, to holders of the Series C Preferred Units on the record date for such payment, which may not be less than 10 days before such payment date. Subject to the next succeeding sentence, if all accumulated distributions in arrears on all outstanding Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) have not been declared and paid, or sufficient funds for the payment thereof have not been set apart, payment of accumulated distributions in arrears will be made in order of their respective distribution payment dates, commencing with the earliest. If less than all distributions payable with respect to all Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) are paid, any partial payment will be made pro rata with respect to the Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) entitled to a distribution payment at such time in proportion to the aggregate amounts remaining due in respect of such Series C Preferred Units and Parity Securities (including the Series A Preferred Units and the Series B Preferred Units) at such time. Holders of the Series C Preferred Units will not be entitled to any distribution, whether payable in cash, property or units, in excess of full cumulative distributions. Except insofar as distributions accrue on the amount of any accumulated and unpaid distributions, no interest or sum of money in lieu of interest will be payable in respect of any distribution payment which may be in arrears on the Series C Preferred Units.

Redemption

Optional redemption on or after May 20, 2025

Any time on or after May 20, 2025, we may redeem, at our option, in whole or in part, the Series C Preferred Units at a redemption price in cash equal to $25.00 per Series C Preferred Unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose. We may undertake multiple partial redemptions. Any such redemption is subject to compliance with the provisions of our revolving credit facility and any other agreements governing our outstanding indebtedness.

We may also redeem the Series C Preferred Units under the terms set forth under "—Fundamental change optional redemption" and holder's request as described under "—Redemption at the option of the holder."

Redemption procedures for our optional redemption

We will give notice of any optional redemption by us not less than 30 days and not more than 60 days before the scheduled date of such redemption, to the holders of any units to be redeemed as such holders' names appear on our unit transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (i) the redemption date, (ii) the number of Series C Preferred Units to be redeemed and, if less than all outstanding Series C Preferred Units are to be redeemed, the number (and, in the case of Series C Preferred Units in certificated form, the identification) of units to be redeemed from such holder, (iii) the redemption price, (iv) the place where the Series C Preferred Units in certificated form are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (v) that distributions on the units to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series C Preferred Units are to be redeemed under our optional redemption, the number of units to be redeemed will be determined by us, and such units will be redeemed by such method of selection as the Securities Depositary shall determine, pro rata or by lot, with adjustments to avoid redemption of fractional units. So long as all Series C Preferred Units are held of record by the nominee of the Securities Depositary, we will give notice, or cause notice to be given, to the Securities Depositary of the number of Series C Preferred Units to be redeemed under our optional redemption, and the Securities Depositary will determine the number of Series C Preferred Units to be redeemed from the account of each of its participants holding such units in its participant account. Thereafter, each participant will select the number of units to be redeemed under our optional redemption from each beneficial owner for whom it acts (including the participant, to the extent it holds Series C Preferred Units for its own account). A participant may determine to redeem Series C Preferred Units from some beneficial owners (including the participant itself) without redeeming Series C Preferred Units from the accounts of other beneficial owners.

So long as the Series C Preferred Units are held of record by the nominee of the Securities Depositary, the redemption price under our optional redemption will be paid by the Paying Agent to the Securities Depositary on the redemption date. The Securities Depositary's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If we give or cause to be given a notice of redemption under our optional redemption, then we will deposit with the Paying Agent funds sufficient to redeem the Series C Preferred Units as to which notice has been given by 10:00 a.m., New York City time, on the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such units is issued in the name of the Securities Depositary or its nominee) of the certificates therefor, if any. If notice of redemption under our optional redemption shall have been given, then from and after the date fixed for redemption, unless we default in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all distributions on such units will cease to accumulate and all rights of holders of such units as our unitholders will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid distributions to the date fixed for redemption, whether or not declared. Any funds deposited with the Paying Agent hereunder by us for any reason, including, but not limited to, redemption of Series C Preferred Units, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to us upon our written request, after which repayment the holders of the Series C Preferred Units entitled to such redemption or other payment shall have recourse only to us.

If only a portion of the Series C Preferred Units represented by a certificate has been called for redemption under our optional redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such units is registered in the name of the Securities Depositary or its nominee), we will issue and the Paying Agent will deliver to the holder of such units a new certificate (or adjust the applicable book-entry account) representing the number of Series C Preferred Units represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption under our optional redemption, there will be no redemption of any Series C Preferred Units called for redemption until funds sufficient to pay the full redemption price of such units, including all accumulated and unpaid distributions to the date of redemption, whether or not declared, have been deposited by us with the Paying Agent.

We and our affiliates may from time to time purchase Series C Preferred Units, subject to compliance with all applicable securities and other laws. Neither we nor any of our affiliates has any obligation, or any present plan or intention, to purchase any Series C Preferred Units. Any Series C Preferred Units that are redeemed or otherwise acquired by us will be cancelled.

Notwithstanding the foregoing, in the event that full cumulative distributions on the Series C Preferred Units and any Parity Securities (including Series A Preferred Units and Series B Preferred Units) have not been paid or declared and set apart for payment, we, our general partner and any affiliate of our general partner may not repurchase, redeem or otherwise acquire, in whole or in part, any Series C Preferred Units or Parity Securities (including the Series A Preferred Units and Series B Preferred Units) except pursuant to a purchase or exchange offer made on the same relative terms to all holders of Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and Series B Preferred Units). Common units and any other Junior Securities may not be redeemed, repurchased or otherwise acquired by us, our general partner or any affiliate of our general partner unless full cumulative distributions on the Series C Preferred Units and any Parity Securities (including the Series A Preferred Units and Series B Preferred Units) for all prior and the then-ending distribution periods have been paid or declared and set apart for payment.

Redemption at the option of the holder

On, May 15 2025, on May 15, 2028 (the "ten-year anniversary date"), and on each subsequent five-year anniversary date after the ten-year anniversary date (each such date, a "designated redemption date"), each holder of Series C Preferred Units shall have the right (a "redemption right") to require us to redeem any or all of the Series C Preferred Units held by such holder outstanding on such designated redemption date, in each case to the extent not prohibited by law and out of funds legally available for such payment, at a redemption price per Series C Preferred Unit equal to the liquidation preference of $25.00 per Series C Preferred Unit, plus all accrued and unpaid distributions to, but not including, the designated redemption date (the "put redemption price").

To exercise its redemption right in respect of a designated redemption date and as a condition to receive the put redemption price by such holder, a holder must, no later than the close of business on the date that is 40 calendar days prior to the designated redemption date (or the next Business Day, if such date is not a Business Day):

(i) deliver to our transfer agent, in its capacity as Redemption Agent (or such other agent designated by the Partnership) a duly completed notice of redemption (a "Notice of Redemption") in compliance with the procedures of DTC for tendering interests in global certificates specifying the number of Series C Preferred Units being tendered for redemption on the designated redemption date held by such holder; and

(ii) make book-entry transfer of Series C Preferred Units in compliance with the procedures of DTC or otherwise surrender to the Redemption Agent certificates representing the Series C Preferred Units being tendered for redemption on the designated redemption date.

Notwithstanding anything herein to the contrary, any holder delivering to the Redemption Agent a Notice of Redemption shall have the right to withdraw, in whole or in part, such Notice of Redemption at any time prior to the close of business on the Business Day immediately preceding the designated redemption date by delivery of a written notice of withdrawal to the Redemption Agent in accordance with applicable DTC procedures.

We will pay the put redemption price in cash, except to the extent we publish notice in the form of a press release described below on or prior to 60 calendar days prior to the designated redemption date electing to make all or any portion of such payment in our common units. If we elect to make any such payment, or any portion thereof, in our common units, such common units shall be valued for such purpose at 95% of the redemption value, as defined in the next sentence. As a result, if we elect to pay the put redemption price by issuing common units, we will issue a number of common units per Series C Preferred Unit redeemed equal to: (i) the put redemption price divided by (ii) 95% of the redemption value. "Redemption Value" means the average of the daily VWAP of our common units for each day during a twenty consecutive trading day period ending immediately prior to the second trading day prior to the designated redemption date.

Notwithstanding the foregoing, in no event will the number of common units delivered in connection with the put redemption price exceed the put redemption price divided by the greater of (i) 30% of the initial price, subject to adjustment in a manner inversely proportional to any dilution adjustments to the conversion rate as described under "Description of Series C Preferred Units—Conversion Rate Adjustments," and (ii) 95% of the redemption value. The "initial price" shall mean $16.70, which represents the last sales price of our common units on the NASDAQ on March 27, 2018. To the extent that the put redemption price exceeds the product of the number of common units delivered in respect of the put redemption price and 95% of the redemption value, we will pay such excess in cash.

To exercise our right to pay all or a portion of the put redemption price in our common units, we must issue a notice in the form of a press release for publication on the Dow Jones News Service or Bloomberg Business News (or another broadly disseminated news or press release service selected by us) at least 60 calendar days prior to the designated redemption date, or such other earlier date as may be required by law. In addition to any information required by applicable law or regulation, the press release shall state, as appropriate:

- the designated redemption date;

- the last time and date at which a holder must deliver to our Redemption Agent named therein a Notice of Redemption to exercise its redemption right with respect to the designated redemption date and the procedures that must be followed to deliver Series C Preferred Units tendered for redemption on the designated redemption date;
- the estimate of the portion of the put redemption price (expressed in a percentage or fraction, if less than all) that we intend to be paid in our common units (subject to the limitation on payment in common units set forth in the immediately preceding paragraph); and
- the first date of the 20 consecutive trading day period in determining the applicable redemption value applicable to the designated redemption date.

If we do not have sufficient funds legally available to redeem or are unable to comply with the common unit delivery obligation (as defined below), as of the designated redemption date, all Series C Preferred Units with respect to which holders have properly exercised a redemption right, we shall redeem on the designated redemption date, pro rata among the holders that have exercised their redemption right, a number of Series C Preferred Units with an aggregate put redemption price equal to the amount of cash legally available or common units that comply with the common unit delivery obligation for the redemption of such Series C Preferred Units on such designated redemption date. At such time, or as soon as practicable thereafter, that we have sufficient funds legally available or common units that comply with the common unit delivery obligation to redeem such Series C Preferred Units not redeemed because of the foregoing limitation at the applicable put redemption price, we shall provide notice to the holders of the availability of such amounts and the holders at that time may elect to invoke their redemption right within 30 calendar days of such notice. In addition, in the event we do not redeem the Series C Preferred Units on the designated redemption date (the “target redemption date”) of holders properly electing to redeem such Series C Preferred Units (the “Tendered Units”) in the manner described herein (whether in cash or by delivery of our common units, or a combination of cash and our common units), then we will increase the per annum distribution rate on all outstanding Series C Preferred Units by an additional 3.00% per annum, to 12.00%, accruing daily from the target redemption date until the put redemption price, plus all unpaid distributions accrued pursuant to this sentence, whether or not declared, thereon, are paid in full in respect of all such Tendered Units. Our inability to make a redemption payment for any reason shall not relieve us from our obligation to effect any required redemption when, as and if permitted by applicable law.

So long as any Series C Preferred Units remain outstanding, from and after the designated redemption date unless the put redemption price has been paid in full for all Series C Preferred Units properly tendered for redemption on the designated redemption date, no distributions (other than a distribution payable solely in Junior Securities) may be declared, made or paid upon, or set apart for payment upon, any Junior Security, nor may any Junior Security be redeemed, purchased or otherwise acquired for any consideration (or any money paid to or made available for a sinking fund for the redemption of any Junior Security) by us or on our behalf unless the put redemption price has been paid in full upon, or a sum sufficient for the payment thereof is set apart for such payment upon, the Series C Preferred Units and any distributions on all Parity Securities for all distribution payment periods ending on or prior to the designated redemption date have been declared and paid, or declared and a sufficient sum has been set apart for the payment of such distributions, upon all outstanding Parity Securities. If a holder does not elect to exercise its redemption right with respect to all of its Series C Preferred Units, the Series C Preferred Units held by it and not surrendered for redemption by the Partnership will remain outstanding until otherwise subsequently converted, redeemed, reclassified or canceled. From and after the redemption date with respect to any Series C Preferred Units for which a holder elected to effect a redemption right and the Partnership has redeemed in accordance with these provisions, (i) distributions shall cease to accrue on such Series C Preferred Units, (ii) such Series C Preferred Units shall no longer be deemed outstanding and (iii) all rights with respect to such Series C Preferred Units shall cease and terminate. For the avoidance of doubt, notwithstanding anything contained herein to the contrary, until a Series C Preferred Unit is redeemed by the payment in full of the applicable put redemption price, such Series C Preferred Unit will remain outstanding and will be entitled to all of the powers, designations, preferences and other rights provided herein.

If the designated redemption date falls on a day that is not a Business Day, the payment of the put redemption price will be on the next succeeding Business Day and no interest or distributions on such payment will accrue or accumulate, as the case may be, in respect of this delay.

In connection with our determination to issue our common units in satisfaction of all or a portion of the put redemption price, we will comply with all federal and state securities laws and stock exchange rules in connection with any redemption of Series C Preferred Units for our common units. Notwithstanding anything to the contrary above, we may not pay any portion of the put redemption price on the Series C Preferred Units by delivery of our common units unless the common units to be delivered as payment therefor are freely transferable by the recipient without further action on its behalf, other than by reason of the fact that such recipient is our affiliate (such obligation, being referred to as the "common unit delivery obligation"). It is our current belief that any common units we would deliver in connection with a redemption would be freely transferable by the recipient, other than by reason of the fact that such recipient is our affiliate. In the event the holders of Series C Preferred Units are deemed affiliates of us and we have determined to issue our common units in satisfaction of all or a portion of the put redemption price, we will use our reasonable best efforts to cause a shelf registration statement relating to the resale of our common units underlying such Series C Preferred Units to be filed and become effective and to keep that shelf registration statement effective until all such common units have been sold thereunder or become freely transferable securities. We do not expect to issue fractional common units upon the redemption of the Series C Preferred Units, and expect to pay the cash in lieu of the issuance of such fractional common units.

Definitions

The term "close of business" means 5:00 p.m., New York City time.

The term "closing sale price" of our common units (or any other security for which a closing sale price must be determined) on any trading day means the closing sale price per common unit of our common units (or such other security, as the case may be) (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal U.S. securities exchange on which the common units (or such other security as the case may be) is listed. If our common units (or such other security, as the case may be) are not listed for trading on a U.S. national or regional securities exchange on the relevant date, the "closing sale price" of our common units (or such other security, as the case may be) will be the last quoted bid price for our common units (or such other security, as the case may be) in the over-the-counter market on the relevant date as reported by The OTC Markets Group Inc. or a similar organization. If our common units (or such other security, as the case may be) are not so quoted, the "closing sale price" will be the average of the mid¬point of the last bid and ask prices for our common units (or such other security, as the case may be) on the relevant date from each of at least three nationally recognized independent investment banking firms selected by us for this purpose, which may include one or more of the underwriters.

The term "open of business" means 9:00 a.m., New York City time.

The term "market disruption event" means, if common units (or such other security, as the case may be) are listed for trading on The Nasdaq Global Market or listed on another U.S. national or regional securities exchange, the occurrence or existence during the one-half hour period ending on the scheduled close of trading on any trading day of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the securities exchange or otherwise) in common units (or such other security, as the case may be) or in any options, contracts or futures contracts relating to common units (or such other security, as the case may be).

The term "trading day" means a day during which (i) for purposes of determining the closing sale price there is no market disruption event and (ii) trading in securities generally occurs on The Nasdaq Global Market or, if our common units are not listed on The Nasdaq Global Market, then a day during which trading in securities generally occurs on the principal U.S. securities exchange on which our common units are listed or, if our common units are not listed on a U.S. national or regional securities exchange, then on the principal other market on which our common units are then traded or quoted.

The term "ex-dividend date" means the first date on which our common units trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance or distribution in question from us or, if applicable, from the seller of our common units on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

Conversion Rights

Other than during a fundamental change conversion period (as defined below), holders of the Series C Preferred Units, at their option, may, at any time and from time to time, convert some or all of their outstanding Series C Preferred Units initially at a conversion rate of 1.3017 common units per $25.00 liquidation preference, which is equivalent to an initial conversion price of approximately $19.21 per common unit (subject to adjustment in certain events). The Series C Preferred Units will only be convertible into our common units.

We will not issue fractional common units upon the conversion of the Series C Preferred Units. Instead, we will pay the cash value of such fractional Series C Preferred Units based upon the closing sale price of our common units on the trading day immediately prior to the conversion date.

A holder of Series C Preferred Units is not entitled to any rights of a common unitholder until such holder of Series C Preferred Units has converted its Series C Preferred Units, and only to the extent the Series C Preferred Units are deemed to have been converted into common units under the Partnership Agreement.

The Series C Preferred Units will not convert mandatorily on any specified date.

Conversion Procedures

If a holder elects to convert its Series C Preferred Units when permitted, the holder must comply with the procedures of The Depository Trust Company ("DTC") to convert its beneficial interest in respect of the Series C Preferred Units represented by a global stock certificate of the Series C Preferred Units, including delivering to DTC the appropriate instruction form with all required information, including information relating to the beneficial owner of the Series C Preferred Units, for conversion pursuant to DTC's conversion program. In either case, if required, such converting holder must pay all applicable taxes or duties, if any.

The "conversion date" with respect to any Series C Preferred Units will be the date on which:

- The Conversion Agent has received all of the surrendered certificate or certificates, if any, and the notice relating to the conversion (or the applicable procedures of the DTC have been complied with);
- The Conversion Agent has received any appropriate endorsements and transfer documents;
- We have received payment of all required transfer taxes, if any (or the holder has demonstrated to our satisfaction that those taxes have been paid); and
- We have received payment for any declared and unpaid distributions to the extent provided below under "—Payment of Distributions Upon Conversion."

This conversion will be deemed to have been made on the conversion date so that the rights of the holder of the Series C Preferred Units as to the Series C Preferred Units being converted will cease except for the right to receive our common units deliverable upon conversion, and, if applicable, the person entitled to receive our common units will be treated for all purposes as having become the record holder of those common units as of the conversion date.

If we elect to redeem any Series C Preferred Units, the right of a holder to convert those Series C Preferred Units will terminate if we have not received the conversion notice of the holder of such Series C Preferred Units by 5:00 p.m., New York City time, on the second business day immediately preceding the redemption date (unless we default in the payment of the redemption price, in which case a holder of Series C Preferred Units may convert such Series C Preferred Units until the redemption price has been paid or duly provided for).

If more than one Series C Preferred Unit is surrendered for conversion by the same unitholder at the same time, the number of whole common units issuable upon conversion of those Series C Preferred Units will be computed on the basis of the total number of Series C Preferred Units so surrendered.

All of our common units delivered upon conversion by the holders of Series C Preferred Units will, upon delivery, be duly and validly issued, fully paid and nonassessable (except as nonassessability may be affected by Section 17-303(a), 17-607 and 17-804 of the Delaware Revised Uniform Limited Partnership Act), free of all liens and charges and not subject to any preemptive rights (except as set forth in the Partnership Agreement).

The Conversion Agent for the Series C Preferred Units is the Registrar and Transfer Agent or such other person as we may designate from time to time.

Payment of Distributions Upon Conversion

General

If a holder of Series C Preferred Units exercises its conversion rights, upon delivery of the Series C Preferred Units for conversion, those Series C Preferred Units will cease to cumulate distributions as of the end of the conversion date, and the holder of such Series C Preferred Units will not receive any cash payment representing accrued and unpaid distributions on such Series C Preferred Units, except in those limited circumstances discussed below. Except as provided below, we will make no payment for accrued and unpaid distributions, whether or not in arrears, on Series C Preferred Units converted at the election of holders of such Series C Preferred Units.

Conversion on or Before Record Date

If a holder of Series C Preferred Units exercises its conversion rights and the related conversion date occurs before the close of business on a distribution record date, the holder will not be entitled to receive any portion of the distribution payable on such converted Series C Preferred Units on the corresponding distribution payment date.

Conversion After Record Date and Prior to Payment Date

If a holder of Series C Preferred Units exercises its conversion right and the related conversion date occurs after the distribution record date but prior to the corresponding distribution payment date, the holder of Series C Preferred Units on the record date will receive on that distribution payment date accrued distributions on those Series C Preferred Units, notwithstanding the conversion of those Series C Preferred Units prior to that distribution payment date, because that holder of Series C Preferred Units will have been the holder of record of such Series C Preferred Units on the corresponding record date. At the time that such holder of Series C Preferred Units surrenders Series C Preferred Units for conversion, however, it must pay to us an amount equal to the distribution that has accrued and that will be paid on the related distribution payment date; provided that no such payment need be made if we have specified a redemption date that is after a distribution record date and on or prior to the distribution payment date to which that distribution record date relates.

Conversion On or After Payment Date and On or Prior to the Immediately Succeeding Record Date

If the holder of Series C Preferred Units is a holder of Series C Preferred Units on a distribution record date and converts such Series C Preferred Units into common units on or after the corresponding distribution payment date, such holder of Series C Preferred Units will be entitled to receive the distribution payable on such Series C Preferred Units on such corresponding distribution payment date, and the holder of Series C Preferred Units will not need to include payment of the amount of such distributions upon surrender for conversion of Series C Preferred Units.

Conversion Rate Adjustments

We will adjust the conversion rate from time to time as follows:

(1) If we issue common units as a distribution on our common units to all or substantially all holders of our common units, or if we effect a unit split or unit combination, the conversion rate will be adjusted based on the following formula:

$$CR^1 = CR^0 \times \frac{OS^1}{OS^0}$$

where

CR_0 = the applicable conversion rate in effect immediately prior to open of business on the ex-dividend date for such distribution, or immediately prior to open of business on the effective date of such unit split or unit combination, as applicable;

CR_1 = the new conversion rate in effect immediately after open of business on the ex-dividend date for such distribution, or immediately after open of business on the effective date of such unit split or unit combination;

OS_0 = the number of common units outstanding immediately prior to open of business on the ex-dividend date for such distribution, or prior to open of business on the effective date of such unit split or unit combination (and prior to giving effect to such event); and

OS_1 = the number of common units outstanding immediately after, and solely as a result of, such distribution, unit split or unit combination.

Any adjustment made pursuant to this clause (1) shall become effective (x) immediately after the open of business on the ex-dividend date for such distribution, or (y) immediately after the open of business on the effective date of such unit split or unit combination, as the case may be. If any distribution, split or combination described in this clause (1) is declared but not so paid or made, the new conversion rate shall be readjusted to the conversion rate that would then be in effect if such distribution, split or combination had not been declared. For the purposes of this clause (1), the number of common units outstanding at the open of business on the ex-dividend date for such distribution shall not include common units held in treasury. We will not pay any distribution on common units held in treasury.

(2) If we issue to all or substantially all holders of our common units any rights, warrants or options (other than rights, options or warrants issued pursuant to a distribution reinvestment plan or unit purchase plan or similar plans) entitling them, for a period expiring not more than 60 days after the date of issuance of such rights, warrants or options, to subscribe for or purchase of our common units at a price per common unit that is less than the average closing sale price per common unit for the ten consecutive trading day period ending on, and including, the trading day immediately preceding the date of announcement for such issuance, we will adjust the conversion rate based on the following formula:

$$CR_1 = CR_0 \times \frac{OS + X}{OS_0 + Y}$$

where

CR_0 = the applicable conversion rate in effect immediately prior to the open of business on the ex-dividend date for such issuance;

CR_1 = the new applicable conversion rate in effect immediately after the open of business on the ex-dividend date for such issuance;

OS_0 = the number of common units outstanding immediately prior to the open of business on the ex-dividend date for such issuance;

X = the aggregate number of common units issuable pursuant to such rights, warrants or options; and

Y = the number of common units equal to the quotient of (A) the aggregate price payable to exercise such rights, warrants or options and (B) the average of the closing sale price per common unit for the ten consecutive trading day period ending on, and including, the trading day immediately preceding the date of announcement for the issuance of such rights, warrants or options.

Any increase made pursuant to this clause (2) will be made successively whenever any such rights, options or warrants are issued and will become effective immediately after the open of business on the ex-dividend date for such issuance. For purposes of this clause (2), in determining whether any rights, warrants or options entitle the holders of common units to subscribe for or purchase common units at less than the applicable closing sale price per common unit, and in determining the aggregate exercise or conversion price payable for such common units, there shall be taken into account any consideration we receive for such rights, warrants or options and any amount payable on exercise or conversion thereof, with the value of such consideration, if other than cash, to be determined by our Board of Directors (or committee thereof). If any right, warrant or option described in this clause (2) is not exercised or converted prior to the expiration of the exercisability or convertibility thereof, we will adjust the new applicable conversion rate to the conversion rate that would then be in effect if such right, warrant or option had not been so issued. For purposes of this clause (2), the number of common units outstanding at the open of business on the ex-dividend date shall not include common units held in treasury. We will not issue any such rights, options or warrants in respect of common units held in treasury.

(3) If we distribute partnership interests, evidence of indebtedness or other assets or property to all or substantially all holders of our common units (excluding any of the following (i) distributions, rights, warrants or options referred to in paragraph (1) or (2) above; (ii) distributions paid exclusively in cash; (iii) spin-offs, as described below in this clause (3); and (iv) any distributions in connection with a reorganization event (as defined below)), then we will adjust the conversion rate based on the following formula:

$$CR^1 = CR^0 \times \frac{SP^0}{SP^0 - FMV}$$

where

CR^0 = the applicable conversion rate in effect immediately prior to open of business on the ex-dividend date for such distribution;

CR^1 = the new conversion rate in effect immediately after open of business on the ex-dividend date for such distribution;

SP^0 = the average of the closing sale price per common unit for the ten consecutive trading day period ending on, and including, the trading day immediately preceding the ex-dividend date for such distribution; and

FMV = the fair market value (as determined by our Board of Directors or committee thereof in good faith) of the partnership interests, evidences of indebtedness, assets or property distributed with respect to each outstanding common unit immediately prior to the open of business on the ex-dividend date for such distribution.

An adjustment to the conversion rate made pursuant to the immediately preceding paragraph shall become effective after the open of business on the ex-dividend date for such distribution. If such distribution is not so paid or made, the applicable conversion rate shall be decreased to the conversion rate that would then be in effect if such distribution had not been declared. Notwithstanding the foregoing, if “FMV” (as defined above) is equal to or greater than the “SP “ (as defined above), in lieu of the foregoing increase, each holder of a Series C Preferred Unit shall receive, in respect of such Series C Preferred Unit, at the same time and upon the same terms as holders of our common units, the amount and kind of our partnership interests, evidences of our indebtedness, other assets or property of ours or rights, options or warrants to acquire our partnership interests or other securities that such holder would have received if such holder owned a number of common units equal to the conversion rate in effect immediately prior to the open of business on the ex-dividend date for the distribution.

Notwithstanding the foregoing, if we distribute to all of our common unitholders partnership interests of any class or series, or similar equity interest, of or relating to one of our subsidiaries or other business unit, which we refer to as a spin-off, the conversion rate in effect immediately before the tenth trading day from and including the effective date of the spin-off will be adjusted based on the following formula:

$$CR^1 = CR^0 \times \frac{FMV^0 + MP^0}{MP^0}$$

where

CR^0 = the applicable conversion rate in effect immediately prior to the open of business on the ex-dividend date for such spin-off;

CR^1 = the new conversion rate in effect immediately after the open of business on ex-dividend date of such spin-off;

FMV^0 = the average of the closing sale prices per partnership interests or similar equity interest distributed to our common unitholders applicable to one common unit over the first ten consecutive trading day period after, and including, the ex-dividend date of the spin-off (the “valuation period”); and

MP^0 = the average of the closing sale prices per common unit over the valuation period.

An adjustment to the conversion rate made pursuant to the immediately preceding paragraph will occur on the last trading day of the valuation period but will be given effect immediately after the open of business on the ex-dividend date for spin-off. Notwithstanding the foregoing, in respect of any conversion during the valuation period, references in the preceding paragraph with respect to ten consecutive trading day period shall be deemed to be replaced with such lesser number of trading days as have elapsed from, and including, the ex-dividend date of such spin-off to, but excluding, the conversion date in determining the conversion rate. If such spin-off does not occur, the conversion rate shall be decreased to be the conversion rate that would then be in effect if such distribution had not been declared, effective as of the date on which our Board of Directors (or a committee thereof) determines not to consummate such spin-off.

(4) If we make any cash distribution to all, or substantially all, holders of our outstanding common units (excluding any of the following: (i) any distribution in connection with our liquidation, dissolution or winding up, (ii) any consideration payable as part of a tender or exchange offer as to which an adjustment was effected under clause (5) below, and (iii) any regular, quarterly cash distribution that does not exceed $0.3675 per common unit) (the “initial distribution threshold”), the conversion rate will be adjusted based on the following formula:

$$CR^1 = CR^0 \times \frac{SP^0 - T}{SP^0 - C}$$

where

CR^0 = the applicable conversion rate in effect immediately prior to the open of business on the ex-dividend date for such distribution;

CR^1 = the new conversion rate in effect immediately after the open of business on the ex-dividend date for such distribution;

SP^0 = the average of the closing sale prices per common unit of our common units for the ten consecutive trading day period ending on, and including, the business day immediately preceding the ex-dividend date for such distribution;

T = the initial distribution threshold; provided that if the distribution is not a regular, quarterly cash distribution, the initial distribution threshold shall be deemed to be zero; and

C = the amount in cash per common unit that we distribute to all or substantially all of the holders of our common unitholders.

The initial distribution threshold is subject to adjustment on an inversely proportional basis whenever the applicable conversion rates are adjusted, but no adjustment will be made to the initial distribution threshold for any adjustment made to the applicable conversion rates pursuant to this clause (4). An adjustment to the conversion rate made pursuant to this clause (4) shall become effective immediately after open of business on the ex-dividend date for such distribution. Notwithstanding the foregoing, if “C” (as defined above) is equal to or greater than “SP “ (as defined above), in lieu of the foregoing increase, each holder of Series C Preferred Units will receive, for each Series C Preferred Unit held at the same time and upon the same terms as holders of our common units, the amount of cash that such holder would have received if such holder had owned a number of common units equal to the conversion rate in effect immediately prior to the open of business on the ex-dividend date for such cash distribution. If any distribution described in this clause (4) is declared but not so paid or made, the new conversion rate shall be re-adjusted to the conversion rate that would then be in effect if such distribution had not been declared.

(5) If we or any of our subsidiaries make a payment in respect of a tender offer or exchange offer for our common units (that is subject to the tender offer rules of the Exchange Act that are then applicable), other than odd lot tender offers, to the extent that the cash and value of any other consideration included in the payment per common unit exceeds the average of the closing sale prices per common unit over the ten consecutive trading day period commencing on the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender offer or exchange offer (the "expiration date"), the conversion rate will be adjusted based on the following formula:

$$CR^1 = CR^0 \times (AC + (SP^1 \times OS^1)) / (SP^1 \times OS^0)$$

where

CR^0 = the applicable conversion rate in effect immediately prior to the open of business on the trading day next succeeding the expiration date;

CR^1 = the new conversion rate in effect immediately after the open of business on the trading day next succeeding the expiration date;

AC = the aggregate value of all cash and any other consideration (as determined by our Board of Directors or committee thereof) paid or payable for our common units purchased in such tender or exchange offer;

OS^0 = the number of our common units outstanding immediately prior to expiration time of the tender or exchange offer on the expiration date (before giving effect to the purchase or exchange of securities pursuant to such tender or exchange offer);

OS^1 = the number of our common units outstanding immediately after the expiration time of the tender or exchange offer on the expiration date (after giving effect to the purchase or exchange of securities pursuant to such tender or exchange offer); and

SP^1 = the average of the closing sale prices of our common units over the ten consecutive trading day period commencing on, and including, the trading day next succeeding the expiration date (the "averaging period").

If the application of the foregoing formula would result in a decrease in the conversion rate, no adjustment to the conversion rate will be made. Any adjustment to the conversion rate made pursuant to this clause (5) shall be determined on the last day of the averaging period but will be given effect at the open of business on the trading day next succeeding the expiration date. If, however, the conversion date for a Series C Preferred Unit occurs during the ten trading days following, and including, the trading day next succeeding the expiration date, the references within the preceding paragraph of this clause (6) to ten consecutive trading day period shall be deemed replaced, solely with respect to that conversion, with references to such lesser number of trading days as have elapsed from, and including, the trading day next succeeding the expiration date, but excluding such relevant conversion date.

If we or one of our subsidiaries is obligated to purchase our common units pursuant to any such tender or exchange offer but is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, we will re-adjust the new conversion rate to be the conversion rate that would be in effect if such tender or exchange offer had not been made.

Notwithstanding the foregoing, if a conversion rate adjustment becomes effective on any ex-dividend date as described above, and a holder that has converted its Series C Preferred Units on or after such ex-dividend date and on or prior to the related record date would be treated as the record holder of our common units as of the related conversion date based on an adjusted conversion rate for such ex-dividend date, then, notwithstanding the foregoing conversion rate adjustment provisions, the conversion rate adjustment relating to such ex-dividend date will not be made for such converting holder. Instead, such holder will be treated as if such holder were the record owner of our common units on an unadjusted basis and participate in the related distribution or other event giving rise to such adjustment.

If we have in effect a rights plan while any Series C Preferred Units remain outstanding, holders of Series C Preferred Units will receive, upon a conversion of such Series C Preferred Units in respect of which we have elected to deliver common units, in addition to such common units, rights under the rights plan unless, prior to conversion, the rights have expired, terminated or been redeemed or unless the rights have separated from our common units. If the rights provided for in any rights plan that our Board of Directors may adopt have separated from the common units in accordance with the provisions of the applicable rights plan so that holders of Series C Preferred Units would not be entitled to receive any rights in respect of our common units that we elect to deliver upon conversion of Series C Preferred Units, we will adjust the conversion rate at the time of separation as if we had distributed to all holders of our partnership interests, evidences of indebtedness or other assets or property pursuant to paragraph (3) above, subject to readjustment upon the subsequent expiration, termination or redemption of the rights.

Notwithstanding the foregoing, in the event of an adjustment to the conversion rate pursuant to paragraphs (4) and (5) above, in no event will the conversion rate exceed 1.4970 common units per $25.00 liquidation preference subject to adjustment pursuant to paragraphs (1), (2) and (3) above. In no event will the conversion price be reduced below $0.01, subject to adjustment for unit splits and unit combinations and similar events.

We will not make any adjustment to the conversion rate if holders of Series C Preferred Units are permitted to participate, on an as-converted basis, in the transactions described above.

The conversion rate will not be adjusted except as specifically set forth in this subsection entitled in "—Conversion Rate Adjustments." Without limiting the foregoing, the conversion rate will not be adjusted for:

- the issuance of any of our common units pursuant to any present or future plan providing for the reinvestment of distributions or interest payable on our securities or those of our subsidiaries and the investment of additional optional amounts in our common units under any plan;
- the issuance of any of our common units or options or rights to purchase such common units pursuant to any of our present or future employee, director, trustee or consultant benefit plan, employee agreement or arrangement or program or those of our subsidiaries;
- the issuance of any of our common units pursuant to any option, warrant, right, or exercisable, exchangeable or convertible security outstanding as of the date Series C Preferred Units were first issued; and
- accumulated and unpaid distributions.

No adjustment in the conversion rate will be required unless the adjustment would require an increase or decrease of at least 1% of the conversion rate. If the adjustment is not made because the adjustment does not change the conversion rate by at least 1%, then the adjustment that is not made will be carried forward and taken into account in any future adjustment. All required calculations will be made to the nearest cent or 1/10,000th of a Series C Preferred Unit, as the case may be. Notwithstanding the foregoing, if the Series C Preferred Units are called for redemption or conversion, at our option, all adjustments not previously made will be made on the conversion date of any Series C Preferred Units.

If certain of the possible adjustments to the conversion price of the Series C Preferred Units are made (or if failures to make certain adjustments occur), a holder of such Series C Preferred Unit may be deemed to have received a distribution from us even though such holder has not received any cash or property as a result of such adjustments.

Recapitalizations, reclassifications and changes in our common units

In the case of the following events, each of which we refer to as a business combination:

- any recapitalization, reclassification or change of our common units (other than changes resulting from a subdivision or combination);

- a consolidation, merger or combination involving us into another person or entity (other than a merger or consolidation in which we are the continuing corporation and in which our common units outstanding immediately prior to the merger or consolidation are not exchanged for cash, securities or other property of us or another person);
- sale, conveyance or lease to another person or entity of all or substantially all of our property and assets (other than to one or more of our subsidiaries); or
- a statutory unit exchange with another person or entity;

in each case, as a result of which our common unitholders are entitled to receive units, other securities, other property or assets (including cash or any combination thereof) with respect to or in exchange for our common units (each a "reorganization event"), a holder of Series C Preferred Units will be entitled thereafter to convert such Series C Preferred Units into the kind and amount of units, other securities or other property or assets (including cash or any combination thereof) which such holder would have owned or been entitled to receive upon such reorganization event as if such holder of Series C Preferred Units held a number of common units equal to the conversion rate in effect on the effective date for such reorganization event, multiplied by the number of Series C Preferred Units held by such holder of Series C Preferred Units (the "reference property"). However, at and after the effective time of the reorganization event, (i) we will continue to have the right to determine the form of consideration to be paid or delivered, as the case may be, upon the redemption at the option of a holder of Series C Preferred Units, as set forth under "—Redemption at the option of the holder," (ii) we will continue to have the right to determine the form of consideration to be paid or delivered, as the case may be, upon conversion of Series C Preferred Units, as set forth under "—Special Conversion Right of Series C Preferred Units upon a Fundamental Change" and (iii)(x) any common units that we would have been required to deliver upon conversion of Series C Preferred Units or upon payment of distributions in common units will instead be deliverable in the amount and type of reference property that a holder of that number of common units would have received in such reorganization event and (y) the Market Value and daily VWAP will be calculated based on the value of a unit of reference property that a holder of one of our common units would have received in such reorganization event. In the event that our common unitholders have the opportunity to elect the form of consideration to be received in such reorganization event, the reference property into which Series C Preferred Units will be convertible will be deemed to be the weighted average of the types and amounts of consideration received by the holders of our common units that affirmatively make such an election. We will notify holders and the Conversion Agent in writing of the weighted average as soon as practicable after such determination is made.

To the extent permitted by law and subject to the listing standards of The Nasdaq Global Market, we may, from time to time, increase the conversion rate for a period of at least 20 days if our Board of Directors determines that such an increase would be in our best interests. Any such determination by our Board of Directors will be conclusive. In addition, subject to the listing standards of The Nasdaq Global Market, we may increase the conversion rate if our Board of Directors deems it advisable to avoid or diminish any income tax to common unitholders resulting from any distribution of common units or similar event. We will give holders of Series C Preferred Units at least 15 Business Days' notice of any increase in the conversion rate.

Special Conversion Right of Series C Preferred Units Upon a Fundamental Change

General

At any time in the event of a fundamental change as described below, the holder will have the right to convert some or all of its Series C Preferred Units (but in no event less than one Series C Preferred Unit) as described below. No later than the fifth trading day following the effective date of such fundamental change, we will provide to the holder of the Series C Preferred Units and the Registrar and Transfer Agent a notice of the occurrence of the fundamental change and of the resulting special conversion right.

Such notice will state:

- the events constituting the fundamental change;
- the effective date of the fundamental change;

- the fundamental change conversion date, which shall be no earlier than the 20th trading day following such notice and no later than the 30th trading day following such notice;
- whether we will deliver common units, cash or a combination thereof upon conversion and whether accumulated and unpaid distributions will be paid in cash, common units or a combination thereof;
- the name and address of the Conversion Agent and, if applicable, the paying agent;
- the conversion rate and any adjustment to the conversion rate that will result from the fundamental change; and
- the then applicable conversion rate and any adjustment to the conversion rate as a result of the fundamental change (including the Conversion Amount and the Alternative Conversion Amount).

We will also publish a notice containing this information on our website or through such other public medium as we may use at that time, in any event prior to the opening of business on the first Business Day following any date on which we provide such notice to the holders of the Series C Preferred Units.

If a fundamental change occurs and a holder converts its Series C Preferred Units at any time beginning at the opening of business on the trading day immediately following receipt of the notice described above and ending at the close of business on the fundamental change conversion date (the "fundamental change conversion period"), the holder will receive the greater of:

- a number of common units, as described under "—Conversion Rights" and subject to adjustment as described under "—Conversion Rate Adjustments" plus (ii) the make-whole premium, if any, described under "—Determination of make-whole premium" (such number of common units, the "Conversion Amount"); and
- a number of common units equal to the lesser of (i) the liquidation preference divided by the Market Value of our common units on the effective date of such fundamental change and (ii) 11.13 (subject to adjustment in the same manner as the conversion rate) (such number of common units, the "Alternative Conversion Amount").

In addition to the number of common units issuable upon conversion of each Series C Preferred Unit at the option of the holder on any conversion date during the fundamental change conversion period, each converting holder will have the right to receive an amount equal to all accrued, cumulated and unpaid distributions on such converted Series C Preferred Units, whether or not declared prior to that date, for all prior distribution periods ending on or prior to the distribution payment date immediately preceding the conversion date (other than previously declared distributions on our Series C Preferred Units payable to holders of record as of a prior date), provided that we are then legally and contractually (including pursuant to our debt instruments) permitted to pay such distributions. The amount payable in respect of such distributions will be paid in cash, common units (or units of reference property) or a combination thereof. If we make any such distribution payment in common units (or units of reference property), such common units (or units of reference property) shall be valued for such purpose at the Market Value determined for the period ending on the second trading day preceding the fundamental change conversion date.

The foregoing provisions shall only be applicable with respect to conversions effected during the fundamental change conversion period.

If we are required to deliver to holders the Alternative Conversion Amount, then, in lieu of issuing such common units, we may, at our option, make a cash payment equal to the Market Value thereof determined for the period ending on the second trading day preceding the fundamental change conversion date. Our notice of fundamental change will indicate if we will issue common units or pay cash upon conversion and whether accumulated and unpaid distributions will be paid in cash, common units or a combination thereof. We are not obligated to settle any conversions in cash, and we will elect to pay cash in lieu of issuing common units upon conversion only if permitted under the terms of our debt instruments. Our ability to settle conversions or pay distributions in cash is currently restricted by the terms of our debt instruments and may be restricted by the terms of any future indebtedness we may incur from time to time.

The term “Market Value” means the average of the daily VWAP of our common units for each day during a ten consecutive trading day period ending immediately prior to the date of determination.

The “daily VWAP” of our common unit on any trading day means the per common unit volume-weighted average price as displayed under the heading “Bloomberg VWAP” on Bloomberg page LMRK <EQUITY> AQR (or its equivalent successor if such page is not available) in respect of the period from 9:30a.m. to 4:00p.m., New York City time, on such trading day (or if such volume-weighted average price is unavailable, the market value of one common unit on such trading day determined, using a volume-weighted average method to the extent practicable, by a nationally recognized independent investment banking firm retained for this purpose by us). Daily VWAP will be determined without regard to after-hours trading or any other trading outside of the regular trading session.

For the purposes of determining daily VWAP and Market Value only, “trading day” means a day during which (i) there is no market disruption event and (ii) trading in securities generally occurs on The Nasdaq Global Market or, if our common units (or other security for which Market Value is required to be determined) is not listed on The Nasdaq Global Market, then a day during which trading in securities generally occurs on the principal U.S. securities exchange on which our common units (or such other security) is listed or, if our common units (or such other security) is not listed on a U.S. national or regional securities exchange, then on the principal other market on which our common units (or such other security) is then traded or quoted.

For the purposes of determining daily VWAP and Market Value only, “market disruption event” means (i) a failure by the principal United States national or regional securities exchange or market on which our common units is listed or admitted to trading to open for trading during its regular trading session or (ii) the occurrence or existence prior to 1:00 p.m., New York City time, on any scheduled trading day for our common units (or other security for which Market Value is required to be determined) for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant securities exchange or otherwise) in our common units or in any options, contracts or future contracts relating to our common units (or such other security).

To exercise the fundamental change conversion right, the holder of Series C Preferred Units must comply with the procedures for conversion set forth under “—Conversion Procedures” on or before the close of business on the last day of the fundamental change conversion period.

However, a holder of Series C Preferred Units may withdraw any notice of exercise of its fundamental change conversion right (in whole or in part) by a written notice of withdrawal delivered to the Conversion Agent prior to the close of business on the second Business Day prior to the last day of the fundamental change conversion period. The notice of withdrawal shall state:

- the number of withdrawn Series C Preferred Units;
- if certificated Series C Preferred Units have been issued, the certificate numbers of the withdrawn Series C Preferred Units; and
- the number of Series C Preferred Units, if any, which remain subject to the conversion notice.

If the Series C Preferred Units are held in global form, the notice of withdrawal must comply with applicable DTC procedures.

Series C Preferred Units as to which the fundamental change conversion right has been properly exercised and for which the conversion notice has not been properly withdrawn will be converted in accordance with the fundamental change conversion right on the fundamental change conversion date. For the avoidance of doubt, the conversion date for all conversions during the fundamental change will be the fundamental change conversion date.

A fundamental change generally will be deemed to occur at such time as:

any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, or any successor provisions) other than our general partner or any of its affiliates, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the "beneficial owner," directly or indirectly, through a purchase, merger or other acquisition transaction, of more than 50% of the total voting units, measured by voting power rather than number of units;

we consolidate with, or merge with or into, another person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) or any person consolidates with or merges with or into us, or we convey, transfer, lease or otherwise dispose of all or substantially all of our consolidated assets to any person, in one or a series of transactions (other than our general partner or its affiliates), other than:

- any transaction pursuant to which the holders of our Partnership Securities immediately prior to the transaction collectively have the entitlement to exercise, directly or indirectly, 50% or more of the total voting units of the continuing or surviving person immediately after the transaction; or

- any merger solely for the purpose of changing our jurisdiction of incorporation and resulting in a reclassification, conversion or exchange of outstanding common units solely into common equity of the surviving entity;

we approve a plan of liquidation or dissolution; or

our common units cease to be listed on The Nasdaq Global Market, The Nasdaq Select Global Market or another national securities exchange.

Notwithstanding the foregoing, a fundamental change will be deemed not to have occurred in the case of an event, transaction or series of related transactions described in clauses (1) or (2) above, if (1) at least 90% of the consideration for our common units (excluding cash payments for fractional units and cash payments pursuant to dissenters' appraisal rights) in such event, transaction or series of related transactions consists of common units or other common equity (including depositary receipts) traded on a national securities exchange (or which will be so traded when issued or exchanged in connection with such transaction) ("publicly traded common units") and (2) as a result of such transaction or transactions our Series C Preferred Units become convertible into such consideration. For the purposes of this definition of "fundamental change," any event, transaction or series of related transactions that constitutes a fundamental change under both clause (1) and clause (2) above will be deemed to constitute a fundamental change solely upon the occurrence of the applicable transaction under clause (2) of this definition of "fundamental change."

Beneficial ownership will be determined in accordance with Rule 13d-3 promulgated by the Securities and Exchange Commission under the Exchange Act. The term "person" includes any syndicate or group that would be deemed to be a "person" under Section 13(d)(3) of the Exchange Act.

The phrase "all or substantially all" of our consolidated assets is likely to be interpreted by reference to applicable state law at the relevant time, and will be dependent on the facts and circumstances existing at such time. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer is of "all or substantially all" of our assets.

This fundamental change conversion feature may make more difficult or discourage a takeover of us and the removal of incumbent management. We are not, however, aware of any specific effort to accumulate our common units or to obtain control of us by means of a merger, tender offer, solicitation or otherwise. In addition, the fundamental change conversion feature is not part of a plan by management to adopt a series of anti-takeover provisions. Instead, the fundamental change conversion feature is a result of negotiations between us and the underwriters.

Determination of make-whole premium

As described above, if a fundamental change takes place and a holder elects to convert its Series C Preferred Units during the fundamental change conversion period, in certain circumstances, we will increase the conversion rate (the "make-whole premium") by reference to the table below.

The increase in the conversion rate will be determined by reference to the table below, based on the date on which the fundamental change becomes effective (the "effective date") and the unit price (as defined below). If holders of our common units receive only cash in the transaction constituting a fundamental change, the unit price shall be the cash amount paid per common unit. Otherwise, the unit price shall be the average of the closing sale prices of our common units on the ten consecutive trading days prior to, but not including, the effective date.

The following table sets forth the unit price paid, or deemed paid, per common unit in a transaction that constitutes the fundamental change, the effective date and the make-whole premium (expressed as the number of additional common units that will be added to the conversion rate) to be paid upon a conversion in connection with a fundamental change:

	Unit Price												
	$16.70	**$17.00**	**$18.00**	**$19.00**	**$19.21**	**$20.00**	**$21.00**	**$22.00**	**$23.00**	**$24.00**	**$25.00**	**$27.50**	**$30.00**
Effective Date													
April 2, 2018	0.1953	0.1831	0.1475	0.1190	0.1185	0.0949	0.0756	0.0598	0.0470	0.0365	0.0279	0.0131	0.0048
April 2, 2019	0.1953	0.1831	0.1475	0.1190	0.1185	0.0949	0.0756	0.0598	0.0470	0.0365	0.0279	0.0131	0.0048
April 2, 2020	0.1953	0.1831	0.1475	0.1190	0.1185	0.0949	0.0756	0.0598	0.0470	0.0365	0.0279	0.0131	0.0048
April 2, 2021	0.1953	0.1831	0.1475	0.1190	0.1185	0.0949	0.0756	0.0598	0.0470	0.0365	0.0279	0.0131	0.0048
April 2, 2022	0.1953	0.1831	0.1475	0.1190	0.1185	0.0949	0.0756	0.0598	0.0470	0.0364	0.0275	0.0126	0.0048
April 2, 2023	0.1953	0.1831	0.1475	0.1190	0.1185	0.0939	0.0710	0.0531	0.0393	0.0287	0.0206	0.0081	0.0024
April 2, 2024	0.1953	0.1831	0.1430	0.1037	0.1030	0.0729	0.0507	0.0345	0.0229	0.0149	0.0093	0.0022	0.0002
May 20, 2025 or thereafter	0.1953	0.1688	0.0871	0.0154	0.0140	—	—	—	—	—	—	—	—

In addition, we will adjust the number of additional common units in the table at the same time, in the same manner in which, and for the same events for which, we must adjust the conversion rate as described under "—Conversion Rate Adjustments."

The exact unit price and effective date may not be set forth on the table, in which case:

- if the unit price is between two unit prices on the table or the effective date is between two effective dates on the table, the make-whole premium will be determined by straight-line interpolation between make-whole premium amounts set forth for the higher and lower unit prices and the two effective dates, as applicable, based on a 365-day year;

- if the unit price is in excess of $30.00 per unit (subject to adjustment in the same manner as the unit price), no make-whole premium will be paid, and

- if the unit price is less than or equal to $16.70 per unit (subject to adjustment in the same manner as the unit price), no make-whole premium will be paid.

However, we will not increase the conversion rate as described above to the extent the increase will cause the conversion rate to exceed 1.4970. We will adjust this maximum conversion rate in the same manner in which, and for the same events for which, we must adjust the conversion rate as described under "—Conversion Rate Adjustments."

Our obligation to pay the make-whole premium could be considered a penalty, in which case the enforceability thereof would be subject to general equitable principles of reasonableness of economic remedies.

Fundamental change optional redemption

If you choose not to exercise your special conversion right in connection with a fundamental change as described above, we will have the option to redeem our Series C Preferred Units, in whole but not in part, within 90 days after the last day of the fundamental change conversion period for cash at $25.00 per Series C Preferred Unit, plus accrued and unpaid distributions (whether or not earned or declared) to, but not including, the redemption date.

We will provide not less than 30 but no more than 60 days' notice of redemption by mail to each registered holder of Series C Preferred Units to be redeemed. If the redemption notice is given and funds are deposited as required, then distributions will cease to accrue on and after the redemption date on those Series C Preferred Units called for redemption.

Once we have called the Series C Preferred Units for redemption, the Series C Preferred Units will be convertible by the holder until the close of business on the second Business Day prior to the redemption date (unless we default in the payment of the redemption price, in which case a holder of Series C Preferred Units may convert such Series C Preferred Units until the redemption price has been paid or duly provided for). A failure to give such notice or any defect in the notice or in its mailing will not affect the validity of the proceedings for the redemption of the Series C Preferred Units except as to the holder to whom notice was defective or not given.

No Sinking Fund

The Series C Preferred Units do not have the benefit of any sinking fund.

No Fiduciary Duty

We, and our officers and directors do not owe any fiduciary duties to holders of the Series C Preferred Units other than a contractual duty of good faith and fair dealing pursuant to our Partnership Agreement.

Ownership and Transfer Restrictions

Holders of our Series C Preferred Units will be subject to restrictions on the ownership and transfer of partnership interests that are intended to assist us with complying with the requirements of our wholly owned subsidiary, Landmark Infrastructure Inc. ("REIT Subsidiary"), to qualify as a Real Estate Investment Trust (a "REIT"). Subject to certain exceptions described below, no person or entity may actually or beneficially own, or be deemed to own by virtue of the applicable constructive ownership provisions of the Code, more than 9.8% of the interests in the Partnership's capital or profits, or in any class or series of outstanding partnership interests (determined based on the value or number of units of such class or series, whichever is more restrictive), including our Series C Preferred Units. We refer to this restriction as an "ownership limit." A person or entity that would have acquired actual, beneficial or constructive ownership of the partnership interests but for the application of the ownership limit or any of the other restrictions on ownership and transfer of ownership interests in the Partnership Agreement discussed below is referred to as a "prohibited owner."

The constructive ownership rules under the Code are complex and may cause equity interests owned actually or constructively by a group of related individuals or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% of the issued and outstanding interests in the Partnership's capital or profits or in any class or series of outstanding partnership interests (or the acquisition of an interest in an entity that owns, actually, beneficially or constructively, our partnership interests) by an individual or entity, could, nevertheless cause that individual or entity, or another individual or entity, to own constructively in excess of 9.8% of the issued and outstanding interests in the Partnership's capital or profits or of any class or series of outstanding partnership interests and thereby violate the applicable ownership limit.

Our General Partner may, in its sole and absolute discretion but subject to certain limitations, (prospectively or retroactively) exempt a person from the ownership limit (an "excepted holder").

Our Partnership Agreement further prohibits any person (including an excepted holder) from actually, beneficially or constructively owning partnership interests in the Partnership that would result in the REIT Subsidiary being "closely held" under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or otherwise failing to qualify as a REIT, including circumstances that would result in the REIT Subsidiary owning actually, beneficially or constructively an interest in a tenant if the income received from such tenant would cause the REIT Subsidiary to fail any of the REIT gross income requirements.

Further, our Partnership Agreement provides that any person who acquires or attempts or intends to acquire actual, beneficial or constructive ownership of partnership interests in the Partnership that would or may violate the ownership limit or any of the other restrictions on ownership and transfer of partnership interests described above must give written notice immediately to the Partnership or, in the case of a proposed or attempted transaction, provide the Partnership at least 15 days prior written notice, and provide the Partnership with such other information as it may request in order to determine the effect of such transfer on REIT Subsidiary's status as a REIT.

If any purported transfer of partnership interests in the Partnership or any other event would otherwise result in any person violating the ownership limit or such other limit established by our Board, or could result in the REIT Subsidiary being "closely held" within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year) or REIT Subsidiary otherwise failing to qualify as a REIT, then the partnership interests causing the violation will be automatically transferred to, and held by, a trust for the exclusive benefit of one or more charitable organizations selected by the General Partner. The prohibited owner will have no rights in the partnership interests held by the trustee. The automatic transfer will be effective as of the close of business on the Business Day prior to the date of the violative transfer or other event that results in the transfer to the trust. Any distribution paid to the prohibited owner, prior to discovery that the partnership interests had been automatically transferred to a trust as described above, will be required to be repaid to the trustee upon demand. If the transfer to the trust as described above is not automatically effective, for any reason, to prevent violation of the applicable restriction on ownership and transfer of partnership interests in the Partnership, then that transfer of the partnership interests that otherwise would cause any person to violate the above restrictions will be void.

Our Partnership Agreement provides that partnership interests in the Partnership transferred to the trustee will be deemed offered for sale to the Partnership, or the Partnership's designee, at a price equal to (1) the lesser of (x) the price in the transaction that resulted in such transfer to the trust or, in the event value was not given in the transaction that resulted in such transfer (e.g., in the case of a gift, devise or other such transaction), the fair value of the partnership interests at the time of such transaction and (y) the fair value of the partnership interests on the date the Partnership, or its designee, accepts such offer, less (2) the aggregate amount of all of the Partnership's expenses in connection with each of the purported transfer to the prohibited owner and the transfer by the trust (including in each case, but not limited to, the legal and accounting fees incurred by the Partnership and the General Partner), which the trustee will pay to the Partnership prior to any distribution of funds to the prohibited owner. The Partnership will also be entitled to reduce the amount payable to the prohibited owner by the amount of distributions paid to the prohibited owner and owed by the prohibited owner to the trustee and pay the amount of such reduction to the trustee for the benefit of the charitable beneficiary. The Partnership will have the right to accept such offer until the trustee has sold the partnership interests held in the trust. Our Partnership Agreement also provides that upon a sale to the Partnership, the interest of the charitable beneficiary in the partnership interests sold will terminate and the trustee is required to distribute the net proceeds of the sale to the prohibited owner and any dividends or other distributions held by the trustee with respect to such partnership interests would be paid to the charitable beneficiary.

If the Partnership does not buy the partnership interests, within 20 days of receiving notice from the Partnership of the transfer of partnership interests to the trust, the trustee will sell the partnership interests to a person designated by the trustee, whose ownership of the partnership interests will not violate the ownership limit or other restrictions on ownership and transfer of partnership interests in the Partnership. Upon such sale, the trustee will distribute to the prohibited owner an amount equal to (1) the lesser of (x) the price paid by the prohibited owner for the partnership interests or, if the prohibited owner did not give value for the partnership interests in connection with the event causing the partnership interests to be held in the trust (e.g., in the case of a gift, devise or other such transaction), the fair value of the partnership interests on the day of the event causing the partnership interests to be held in the trust and (y) the price received by the trustee (net of any commissions and other expenses of sale, including costs and expenses incurred by the Partnership) from the sale or other disposition of the partnership interests held in the trust, less (2) the aggregate amount of all of the Partnership's expenses in connection with each of the purported transfer to the prohibited owner and the transfer by the trust (including in each case, but not limited to, the legal and accounting fees incurred by the Partnership and the General Partner), which the trustee will pay to the Partnership prior to any distribution of funds to the prohibited owner. The trustee may reduce the amount payable to the prohibited owner by the amount of distributions paid to the prohibited owner and owed by the prohibited owner to the trustee. Any net sale proceeds in excess of the amount payable to the prohibited owner will be paid immediately to the charitable beneficiary, together with any distributions thereon. Finally, our Partnership Agreement provides that if, prior to the Partnership's discovery that partnership interests in the Partnership have been transferred to the trustee, such partnership interests are sold by a prohibited owner, then such partnership interests will be deemed to have been sold on behalf of the trust and, to the extent that the prohibited owner received an amount for or in respect of such partnership interests that exceeds the amount that such prohibited owner was entitled to receive, such excess shall be paid to the trustee upon demand.

Our Partnership Agreement provides that the trustee will be designated by the Partnership and will be unaffiliated with the Partnership and with any prohibited owner. Prior to the sale of any partnership interests by the trust, the trustee will receive, in trust for the charitable beneficiary, all distributions paid by the Partnership with respect to such partnership interests, and may exercise all voting rights with respect to such partnership interests for the exclusive benefit of the charitable beneficiary.

Subject to Delaware law, effective as of the date that the partnership interests have been transferred to the trust, the trustee may, at the trustee's sole discretion:

- rescind as void any vote cast by a prohibited owner prior to the Partnership's discovery that the partnership interests have been transferred to the trust; and

- recast the vote in accordance with the desires of the trustee acting for the benefit of the beneficiary of the trust.

However, if the Partnership has already taken irreversible partnership action, then the trustee may not rescind and recast the vote.

If the General Partner determines that a proposed transfer or other event has taken place that violates any ownership restriction, the General Partner may take such action as it deems advisable to refuse to give effect to or to prevent such transfer, including, but not limited to, causing us to redeem partnership interests, refusing to give effect to the transfer on our books or instituting proceedings to enjoin the transfer.

Each person that is an actual owner, beneficial owner or constructive owner of partnership interests in the Partnership and any person (including the unitholder of record) who is holding partnership interests in the Partnership for an actual owner, beneficial owner or constructive owner must, upon demand, disclose to the Partnership such information as the General Partner may request, in good faith, to determine the REIT Subsidiary's status as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance and to ensure compliance with the ownership limits.

Our Partnership Agreement provides that any certificates representing partnership interests in the Partnership will bear a legend referring to the restrictions on ownership and transfer of partnership interests in the Partnership described above. These restrictions on ownership and transfer could have the effect of delaying, deferring or preventing a takeover or other transaction in which unitholders might receive a premium for their partnership interests over the then prevailing market price or which unitholders might believe to be otherwise in their best interest.

The ownership limit and other restrictions on ownership and transfer of partnership interests in the Partnership described above will not apply if our Board determines that it is no longer in the Partnership's best interests for the REIT Subsidiary to attempt to qualify, or to continue to qualify, as a REIT or that compliance with the above-described restrictions is no longer required in order for the REIT Subsidiary to qualify as a REIT.

PROVISIONS OF OUR PARTNERSHIP AGREEMENT RELATING TO CASH DISTRIBUTIONS

Set forth below is a summary of the significant provisions of our partnership agreement that relate to cash distributions.

Distributions of Available Cash

General

Our partnership agreement requires that, within 45 days after the end of each quarter, we distribute all of our available cash to unitholders of record on the applicable record date.

Definition of Available Cash

Available cash generally means, for any quarter, all cash and cash equivalents on hand at the end of that quarter:

- *less*, the amount of cash reserves established by our general partner to:
- provide for the proper conduct of our business (including reserves for our future capital expenditures and anticipated future debt service requirements);
- comply with applicable law, any of our or our subsidiaries' debt instruments or other agreements;
- provide funds for distributions and redemption payments with respect to our 8.00% Series A Cumulative Redeemable Perpetual Preferred Units ("Series A Preferred Units"), our 7.90% Series B Cumulative Redeemable Perpetual Preferred Units ("Series B Preferred Units") and our Series C Floating-to-Fixed Rate Cumulative Perpetual Redeemable Convertible Preferred Units ("Series C Preferred Units");
- provide funds for distributions to our unitholders and to our general partner for any one or more of the next four quarters (provided that our general partner may not establish cash reserves for distributions if the effect of the establishment of such reserves will prevent us from distributing the minimum quarterly distribution on all common units for the current quarter); or
- *plus*, if our general partner so determines, all or any portion of the cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made subsequent to the end of such quarter.

The purpose and effect of the last bullet point above is to allow our general partner, if it so decides, to use cash from working capital borrowings made after the end of the quarter but on or before the date of determination of available cash for that quarter to pay distributions to unitholders. Under our partnership agreement, working capital borrowings are generally borrowings that are made under a credit facility, commercial paper facility or similar financing arrangement, and in all cases are used solely for working capital purposes or to pay distributions to partners and with the intent of the borrower to repay such borrowings within twelve months with funds other than from additional working capital borrowings.

Intent to Distribute the Minimum Quarterly Distribution

Under our current cash distribution policy, we intend to pay a minimum quarterly distribution to the holders of our common units of $0.2875 per unit, or $1.15 per unit on an annualized basis, to the extent we have sufficient available cash after the establishment of cash reserves and the payment of costs and expenses, including reimbursements of expenses to our general partner. There is no guarantee that we will pay the minimum quarterly distribution on our units in any quarter. The amount of distributions paid under our cash distribution policy and the decision to pay any distribution will be determined by our general partner, taking into consideration the terms of our partnership agreement.

General Partner Interest and Incentive Distribution Rights

Our general partner owns a non-economic general partner interest in us, which does not entitle it to receive cash distributions. However, our general partner may in the future own common units or other equity interests in us and will be entitled to receive distributions on any such interests.

Our general partner also holds incentive distribution rights that will entitle it to receive increasing percentages, up to a maximum of 50%, of the available cash we distribute from operating surplus (as defined below) in excess of $0.330625 per unit per quarter. The maximum distribution of 50% does not include any distributions that our general partner or its affiliates may receive on common units that they own.

Operating Surplus and Capital Surplus

General

All cash distributed to unitholders will be characterized as either being paid from "operating surplus" or "capital surplus." We treat distributions of available cash from operating surplus differently than distributions of available cash from capital surplus.

Operating Surplus

We define operating surplus as:

- $10.0 million (as described below); *plus*
- all of our cash receipts after the closing of our initial public offering, excluding cash from interim capital transactions (as defined below), provided that cash receipts from the termination of an interest rate hedge prior to its specified termination date shall be included in operating surplus in equal quarterly installments over the remaining scheduled life of such interest rate hedge; *plus*
- working capital borrowings made after the end of a quarter but on or before the date of determination of operating surplus for that quarter; *plus*
- cash distributions (including incremental distributions on incentive distribution rights) paid in respect of equity issued to finance all or a portion of expansion capital expenditures in respect of the period from such financing until the earlier to occur of the date the capital asset commences commercial service and the date that it is abandoned or disposed of; *less*
- all of our operating expenditures (as defined below) after the closing of our initial public offering; *less*
- the amount of cash reserves established by our general partner to provide funds for future operating expenditures; *less*
- all working capital borrowings not repaid within twelve months after having been incurred, or repaid within such 12-month period with the proceeds of additional working capital borrowings.

As described above, operating surplus does not reflect actual cash on hand that is available for distribution to our unitholders and is not limited to cash generated by operations. For example, it includes a provision that will enable us, if we choose, to distribute as operating surplus up to $10.0 million of cash we receive in the future from non-operating sources such as asset sales, issuances of securities and long-term borrowings that would otherwise be distributed as capital surplus. In addition, the effect of including, as described above, certain cash distributions on equity interests in operating surplus will be to increase operating surplus by the amount of any such cash distributions. As a result, we may also distribute as operating surplus up to the amount of any such cash that we receive from non-operating sources.

The proceeds of working capital borrowings increase operating surplus and repayments of working capital borrowings are generally operating expenditures (as described below) and thus reduce operating surplus when repayments are made. However, if working capital borrowings, which increase operating surplus, are not repaid during the twelve-month period following the borrowing, they will be deemed repaid at the end of such period, thus decreasing operating surplus at such time. When such working capital borrowings are in fact repaid, they will not be treated as a further reduction in operating surplus because operating surplus will have been previously reduced by the deemed repayment.

We define interim capital transactions as (1) borrowings, refinancings or refundings of indebtedness (other than working capital borrowings and items purchased on open account or for a deferred purchase price in the ordinary course of business) and sales of debt securities, (2) sales of equity securities, (3) sales or other dispositions of assets, other than sales or other dispositions of inventory, accounts receivable and other assets in the ordinary course of business and sales or other dispositions of assets as part of normal asset retirements or replacements and (4) capital contributions received by us.

We define operating expenditures as all of our cash expenditures, including taxes, reimbursements of expenses of our general partner and its affiliates, officer, director and employee compensation, cash interest expense, payments made in the ordinary course of business under interest rate hedge contracts (provided that payments made in connection with the termination of any interest rate hedge contract prior to the expiration of its settlement or termination date specified therein will be included in operating expenditures in equal quarterly installments over the remaining scheduled life of such interest rate hedge contract and amounts paid in connection with the initial purchase of an interest rate hedge contract will be amortized over the life of such interest rate hedge contract), maintenance capital expenditures (as discussed in further detail below), and repayment of working capital borrowings; provided, however, that operating expenditures will not include:

- repayments of working capital borrowings where such borrowings have previously been deemed to have been repaid (as described above);
- payments (including prepayments and prepayment penalties) of principal of and premium on indebtedness other than working capital borrowings;
- expansion capital expenditures;
- payment of transaction expenses (including taxes) relating to interim capital transactions;
- redemption payments with respect to Series A Preferred Units, Series B Preferred Units and Series C Preferred Units;
- payments made to holders of Series A Preferred Units, Series B Preferred Units or Series C Preferred Units to purchase or otherwise acquire such preferred units;
- distributions to our partners; or
- repurchases of partner interests (excluding repurchases we make to satisfy obligations under employee benefit plans).

Capital Surplus

Capital surplus is defined in our partnership agreement as any distribution of available cash in excess of our cumulative operating surplus. Accordingly, except as described above, capital surplus would generally be generated by:

- borrowings other than working capital borrowings;
- sales of our equity and debt securities;

- sales or other dispositions of assets, other than inventory, accounts receivable and other assets sold in the ordinary course of business or as part of ordinary course retirement or replacement of assets; and
- capital contributions received.

Characterization of Cash Distributions

All available cash distributed by us on any date from any source will be treated as distributed from operating surplus until the sum of all available cash distributed by us since the closing of our initial public offering equals the operating surplus from the closing of our initial public offering through the end of the quarter immediately preceding that distribution. We anticipate that distributions from operating surplus will generally not represent a return of capital. However, operating surplus, as defined in our partnership agreement, includes certain components, including a $10.0 million cash basket, that represent non-operating sources of cash. Consequently, it is possible that all or a portion of specific distributions from operating surplus may represent a return of capital. Any available cash distributed by us in excess of our cumulative operating surplus will be deemed to be capital surplus under our partnership agreement. Our partnership agreement treats a distribution of capital surplus as the repayment of the unit price from our initial public offering and as a return of capital. We do not anticipate that we will pay any distributions from capital surplus.

Capital Expenditures

Maintenance capital expenditures are cash expenditures (including expenditures for the construction or development of new capital assets or the replacement, improvement or expansion of existing capital assets) made to maintain, over the long term, our operating capacity or operating income.

Unlike a number of other master limited partnerships, we currently do not expect to retain cash from our operations for maintenance capital expenditures, primarily due to the long-lived nature of our real property interests and the effectively triple net nature of our tenant lease arrangements. For the year ended December 31, 2018, we incurred no maintenance capital expenditures. In addition to not bearing responsibility for maintenance capital expenditures, we expect our revenue from existing assets to increase over time through contractual rent escalators, tenant revenue sharing arrangements and lease amendments, none of which require capital investment to achieve. In the future, the board of directors of our general partner may decide to retain cash for maintenance capital expenditures, which may have an adverse impact on our distributable cash flow.

Expansion capital expenditures are cash expenditures incurred for acquisitions or capital improvements that we expect will increase our operating capacity or operating income over the long term. Examples of expansion capital expenditures include the acquisition of additional real property interests to the extent such acquisitions are expected to expand our long-term operating capacity or operating income. Expansion capital expenditures include interest payments (and related fees) on debt incurred to finance all or a portion of expansion capital expenditures in respect of the period from the date that we enter into a binding obligation to commence the construction, development, replacement, improvement or expansion of a capital asset and ending on the earlier to occur of the date that such capital improvement commences commercial service and the date that such capital improvement is abandoned or disposed of.

Capital expenditures that are made in part for maintenance capital purposes and in part for expansion capital purposes will be allocated as maintenance capital expenditures or expansion capital expenditures by our general partner.

Distributions of Available Cash from Operating Surplus

Subject to distributions to Series A Preferred Units, Series B Preferred units and Series C Preferred unit described below, we will pay distributions of available cash from operating surplus in the following manner:

- *first*, to all unitholders, pro rata, until we distribute for each outstanding unit an amount equal to the minimum quarterly distribution for that quarter; and
- *thereafter*, in the manner described in"—General Partner Interest and Incentive Distribution Rights" below.

The preceding discussion is based on the assumption that we do not issue additional classes of equity securities.

General Partner Interest and Incentive Distribution Rights

Our partnership agreement provides that our general partner owns a non-economic general partner interest and therefore is not entitled to distributions that we make prior to our liquidation, other than through common interests that it subsequently acquires or through our incentive distribution rights.

Incentive distribution rights represent the right to receive an increasing percentage (15%, 25% and 50%) of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved for certain specified time periods. Our general partner currently holds our incentive distribution rights, but may transfer these rights separately from its general partner interest.

The following discussion assumes that our general partner continues to own our incentive distribution rights. If for any quarter:

- we have distributed available cash from operating surplus to the common unitholders in an amount equal to the minimum quarterly distribution;

then, we will distribute any additional available cash from operating surplus for that quarter among the unitholders and our general partner in the following manner:

- *first*, to all unitholders, pro rata, until each unitholder receives a total of $0.330625 per unit for that quarter (the "first target distribution");
- *second*, 85% to all unitholders, pro rata, and 15% to our general partner, until each unitholder receives a total of $0.359375 per unit for that quarter (the "second target distribution");
- *third*, 75% to all unitholders, pro rata, and 25% to our general partner, until each unitholder receives a total of $0.431250 per unit for that quarter (the "third target distribution"); and
- *thereafter*, 50% to all unitholders, pro rata, and 50% to our general partner.

Percentage Allocations of Available Cash from Operating Surplus

The following table illustrates the percentage allocations of available cash from operating surplus between the unitholders and our general partner based on the specified target distribution levels. The amounts set forth under "Marginal percentage interest in distributions" are the percentage interests of our general partner and the unitholders in any available cash from operating surplus we distribute up to and including the corresponding amount in the column "Total quarterly distribution per unit target amount." The percentage interests shown for our unitholders and our general partner for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests set forth below for our general partner assume that our general partner has not transferred its incentive distribution rights.

	Total quarterly distribution per unit target amount				Marginal percentage interest in distributions Unitholders	General Partner
Minimum Quarterly Distribution		$0.287500			100%	0%
First Target Distribution	above	$0.287500	up to	$0.330625	100%	0%
Second Target Distribution	above	$0.330625	up to	$0.359375	85%	15%
Third Target Distribution	above	$0.359375	up to	$0.431250	75%	25%
Thereafter	above	$0.431250			50%	50%

Right to Reset Incentive Distribution Levels

Our general partner, as the holder of our incentive distribution rights, has the right under our partnership agreement, subject to certain conditions, to elect to relinquish the right to receive incentive distribution payments based on the target distribution levels and to reset, at higher levels, the minimum quarterly distribution amount and target distribution levels upon which the incentive distribution payments to our general partner would be set. If our general partner transfers all or a portion of our incentive distribution rights in the future, then the holder or holders of a majority of our incentive distribution rights will be entitled to exercise this right. The following discussion assumes that our general partner holds all of our incentive distribution rights at the time that a reset election is made. The right of the holder of our incentive distribution rights to reset the minimum quarterly distribution amount and the target distribution levels upon which the incentive distributions payable to the holder of our incentive distribution rights are based may be exercised, without approval of our unitholders or the conflicts committee, at any time when we have made cash distributions to the holders of our incentive distribution rights at the highest level of incentive distributions for each of the four consecutive fiscal quarters immediately preceding such time and the amount of each such distribution did not exceed adjusted operating surplus for such quarter. If our general partner and its affiliates are not the holders of a majority of our incentive distribution rights at the time an election is made to reset the minimum quarterly distribution amount and the target distribution levels, then the proposed reset will be subject to the prior written concurrence of the general partner that the conditions described above have been satisfied. The reset minimum quarterly distribution amount and target distribution levels will be higher than the minimum quarterly distribution amount and the target distribution levels prior to the reset such that the holder of our incentive distribution rights will not receive any incentive distributions under the reset target distribution levels until cash distributions per unit following this event increase as described below. We anticipate that our general partner would exercise this reset right in order to facilitate acquisitions or internal growth projects that would otherwise not be sufficiently accretive to cash distributions per common unit, taking into account the existing levels of incentive distribution payments being made to our general partner.

In connection with the resetting of the minimum quarterly distribution amount and the target distribution levels and the corresponding relinquishment by our general partner of incentive distribution payments based on the target distributions prior to the reset, our general partner will be entitled to receive a number of newly issued common units based on a predetermined formula described below that takes into account the “cash parity” value of the average cash distributions related to our incentive distribution rights received by our general partner for the two quarters immediately preceding the reset event as compared to the average cash distributions per common unit during that two-quarter period.

The number of common units that our general partner (or the then-holder of our incentive distribution rights, if other than our general partner) would be entitled to receive from us in connection with a resetting of the minimum quarterly distribution amount and the target distribution levels then in effect would be equal to the quotient determined by dividing (x) the average aggregate amount of cash distributions received by our general partner in respect of its incentive distribution rights during the two consecutive fiscal quarters ended immediately prior to the date of such reset election by (y) the average of the aggregate amount of cash distributed per common unit during each of these two quarters.

Following a reset election, the minimum quarterly distribution amount will be reset to an amount equal to the average cash distribution amount per common unit for the two fiscal quarters immediately preceding the reset election (which amount we refer to as the "reset minimum quarterly distribution") and the target distribution levels will be reset to be correspondingly higher such that we would distribute all of our available cash from operating surplus for each quarter thereafter as follows:

- *first*, to all unitholders, pro rata, until each unitholder receives an amount equal to 115% of the reset minimum quarterly distribution for that quarter;
- *second*, 85% to all unitholders, pro rata, and 15% to our general partner, until each unitholder receives an amount per unit equal to 125% of the reset minimum quarterly distribution for the quarter;
- *third*, 75% to all unitholders, pro rata, and 25% to our general partner, until each unitholder receives an amount per unit equal to 150% of the reset minimum quarterly distribution for the quarter; and
- *thereafter*, 50% to all unitholders, pro rata, and 50% to our general partner.

Distributions from Capital Surplus

How Distributions from Capital Surplus will be made

Subject to distributions to Series A Preferred Units, Series B Preferred Units and Series C Preferred Units described above, we will pay distributions of available cash from capital surplus, if any, in the following manner:

- *first*, to all common unitholders, pro rata, until the minimum quarterly distribution is reduced to zero, as described below; and
- *thereafter*, as if they were from operating surplus.

The preceding discussion is based on the assumption that we do not issue additional classes of equity securities.

Effect of a Distribution from Capital Surplus

Our partnership agreement treats a distribution of capital surplus as the repayment of the unit price from our initial public offering, which is a return of capital. Each time a distribution of capital surplus is made, the minimum quarterly distribution and the target distribution levels will be reduced in the same proportion as the corresponding reduction in the unrecovered initial unit price. Because distributions of capital surplus will reduce the minimum quarterly distribution after any of these distributions are made, the effects of distributions of capital surplus may make it easier for our general partner to receive incentive distributions. However, any distribution of capital surplus before the unrecovered initial unit price is reduced to zero cannot be applied to the payment of the minimum quarterly distribution.

If we reduce the minimum quarterly distribution to zero, our partnership agreement specifies that we then make all future distributions from operating surplus, with 50.0% being paid to the holders of units and 50.0% to our general partner. The percentage interests shown for our general partner include its non-economic general partner interest and assume our general partner has not transferred our incentive distribution rights.

Adjustment of the Minimum Quarterly Distribution and Target Distribution Levels

In addition to adjusting the minimum quarterly distribution and target distribution levels to reflect a distribution of capital surplus, if we combine our units into fewer units (commonly referred to as a "reverse split") or subdivide our units into a greater number of units (commonly referred to as a "split"), we will proportionately adjust:

- the minimum quarterly distribution;
- the target distribution levels; and

- the unrecovered initial unit price.

For example, if a two-for-one split of the common units should occur, the minimum quarterly distribution, the target distribution levels and the unrecovered initial unit price would each be reduced to 50% of its initial level. We will not make any adjustment by reason of the issuance of additional units for cash or property (including additional common units issued under any compensation or benefit plans).

In addition, if legislation is enacted or if the official interpretation of existing law is modified by a governmental authority, so that we become taxable as a corporation or otherwise subject to taxation as an entity for federal, state or local income tax purposes, our partnership agreement specifies that the minimum quarterly distribution and the target distribution levels for each quarter may be reduced by multiplying each distribution level by a fraction, the numerator of which is available cash for that quarter (reduced by the amount of the estimated tax liability for such quarter payable by reason of such legislation or interpretation) and the denominator of which is the sum of available cash for that quarter (reduced by the amount of the estimated tax liability for such quarter payable by reason of such legislation or interpretation) plus our general partner's estimate of our aggregate liability for the quarter for such income taxes payable by reason of such legislation or interpretation. To the extent that the actual tax liability differs from the estimated tax liability for any quarter, the difference may be accounted for in subsequent quarters.

Distributions of Cash Upon Liquidation

General

If we dissolve in accordance with our partnership agreement, we will sell or otherwise dispose of our assets in a process called liquidation. We will first apply the proceeds of liquidation to the payment of our creditors. We will distribute any remaining proceeds to the unitholders and our general partner, in accordance with their capital account balances, as adjusted to reflect any gain or loss upon the sale or other disposition of our assets in liquidation (as described below); provided that any accumulated and unpaid distributions in connection with Series A Preferred Units, Series B Preferred Units and Series C Preferred Units shall be paid prior to making any such distributions.

Manner of Adjustments for Gain

The manner of the adjustment for gain is set forth in our partnership agreement. We will allocate any gain to our partners in the following manner:

- *first*, to our general partner to the extent of any negative balance in its capital account;
- *second*, to the common unitholders, pro rata, until the capital account for each common unit is equal to the sum of:
  (1) the unrecovered initial unit price; and
  (2) the amount of the minimum quarterly distribution for the quarter during which our liquidation occurs;
- *third*, to all unitholders (other than to the holders of Series A Preferred Units, Series B Preferred Units and Series C Preferred Units in respect of their preferred units), pro rata, until we allocate under this paragraph an amount per unit equal to:
  (1) the sum of the excess of the first target distribution per unit over the minimum quarterly distribution per unit for each quarter of our existence; less
  (2) the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the minimum quarterly distribution per unit that we distributed to the unitholders, pro rata, for each quarter of our existence;

- *fourth*, 85% to all unitholders (other than to the holders of Series A Preferred Units, Series B Preferred Units and Series C Preferred Units in respect of their preferred units), pro rata, and 15% to our general partner, until we allocate under this paragraph an amount per unit equal to:
  - (1) the sum of the excess of the second target distribution per unit over the first target distribution per unit for each quarter of our existence; less
  - (2) the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the first target distribution per unit that we distributed 85% to the unitholders, pro rata, and 15% to our general partner for each quarter of our existence;
- *fifth*, 75% to all unitholders (other than to the holders of Series A Preferred Units, Series B Preferred Units and Series C Preferred Units in respect of their preferred units), pro rata, and 25% to our general partner, until we allocate under this paragraph an amount per unit equal to:
  - (1) the sum of the excess of the third target distribution per unit over the second target distribution per unit for each quarter of our existence; less
  - (2) the cumulative amount per unit of any distributions of available cash from operating surplus in excess of the second target distribution per unit that we distributed 75% to the unitholders, pro rata, and 25% to our general partner for each quarter of our existence; and
- *thereafter*, 50% to all unitholders (other than to the holders of Series A Preferred Units, Series B Preferred Units and Series C Preferred Units in respect of their preferred units), pro rata, and 50% to our general partner.

The percentages set forth above are based on the assumptions that our general partner has not transferred its incentive distribution rights and that we do not issue additional classes of equity securities.

Manner of Adjustments for Losses

After making allocations of loss to the unitholders in a manner intended to offset in reverse order the allocations of gains that have previously been allocated, we will generally allocate any loss to our unitholders in the following manner:

- *first*, to the holders of common units, pro rata in accordance with their percentage interest in us, until the adjusted capital account in respect of each common unit has been reduced to zero; and
- *second*, to the holders of Series A Preferred Units, Series B Preferred Units and Series C Preferred Units, pro rata, until the adjusted capital account in respect of each preferred unit then outstanding has been reduced to zero.

Adjustments to Capital Accounts

Our partnership agreement requires that we make adjustments to capital accounts upon the issuance of additional units. In this regard, our partnership agreement specifies that we allocate any unrealized and, for tax purposes, unrecognized gain resulting from the adjustments to the unitholders and the general partner in the same manner as we allocate gain upon liquidation. In the event that we make positive adjustments to the capital accounts upon the issuance of additional units, our partnership agreement requires that we generally allocate any later negative adjustments to the capital accounts resulting from the issuance of additional units or upon our liquidation in a manner that results, to the extent possible, in the partners' capital account balances equaling the amount that they would have been if no earlier positive adjustments to the capital accounts had been made. In contrast to the allocations of gain, and except as provided above, we generally will allocate any unrealized and unrecognized loss resulting from the adjustments to capital accounts upon the issuance of additional units to the unitholders based on their percentage ownership of us. If we make negative adjustments to the capital accounts as a result of such loss, future positive adjustments resulting from the issuance of additional units will be allocated in a manner designed to reverse the prior negative adjustments, and special allocations will be made upon liquidation in a manner that results, to the extent possible, in our unitholders' capital account balances equaling the amounts they would have been if no earlier adjustments for loss had been made.

OUR PARTNERSHIP AGREEMENT

The following is a summary of the material provisions of our partnership agreement.

- with regard to distributions of available cash, please read “Provisions of Our Partnership Agreement Relating to Cash Distributions”;
- with regard to the transfer of common units, please read “Description of the Common Units—Transfer of Common Units”; and
- with regard to allocations of taxable income and taxable loss, please read “Material U.S. Federal Income Tax Consequences.”

Organization and Duration

Our partnership was organized on July 28, 2014, and will have a perpetual existence unless terminated pursuant to the terms of our partnership agreement.

Purpose

Our purpose under the partnership agreement is limited to any business activity that is approved by our general partner and that lawfully may be conducted by a limited partnership organized under Delaware law; provided that our general partner shall not cause us to engage, directly or indirectly, in any business activity that our general partner determines would be reasonably likely to cause us to be treated as an association taxable as a corporation or otherwise taxable as an entity for federal income tax purposes.

Although our general partner has the ability to cause us and our subsidiaries to engage in activities other than the business of acquiring real property interests, our general partner has no current plans to do so and may decline to do so free of any duty or obligation whatsoever to us or the limited partners, including any duty to act in the best interests of our partnership or our limited partners. Our general partner is authorized in general to perform all acts it determines to be necessary or appropriate to carry out our purposes and to conduct our business.

Cash Distributions

Our partnership agreement specifies the manner in which we will make cash distributions to holders of our common units and other partnership interests as well as to our general partner in respect of its general partner interest and its incentive distribution rights.

Capital Contributions

Unitholders are not obligated to make additional capital contributions, except as described below under “—Limited Liability.”

Voting Rights

The following is a summary of the unitholder vote required for the matters specified below. Matters that require the approval of a “unit majority” require the approval of a majority of the outstanding common units.

In voting their common units, our general partner and its affiliates will have no duty or obligation whatsoever to us or the limited partners, including any duty to act in the best interests of us or the limited partners.

Issuance of additional units	No approval rights.
Amendment of our partnership agreement	Certain amendments may be made by the general partner without the approval of the unitholders. Other amendments generally require the approval of a unit majority. Please read “Amendment of Our Partnership Agreement.”
Merger of our partnership or the sale of all or substantially all of our assets	Unit majority. Please read “Merger, Consolidation, Conversion, Sale or Other Disposition of Assets.”
Dissolution of our partnership	Unit majority. Please read “Termination and Dissolution.”
Continuation of our business upon dissolution	Unit majority. Please read “Termination and Dissolution.”
Withdrawal of the general partner	Under most circumstances, the approval of unitholders holding at least a majority of the outstanding common units, excluding common units held by our general partner and its affiliates, is required for the withdrawal of the general partner prior to December 31, 2024, in a manner which would cause a dissolution of our partnership. Please read “Withdrawal or Removal of Our General Partner.”
Removal of the general partner	Not less than 66 2⁄3% of the outstanding units, voting as a single class, including units held by our general partner and its affiliates. Please read “Withdrawal or Removal of Our General Partner.”
Transfer of the general partner interest	Our general partner may transfer all, but not less than all, of its non-economic general partner interest in us without a vote of our unitholders to an affiliate or another person in connection with its merger or consolidation with or into, or sale of all or substantially all of its assets to, such person. The approval of a majority of the outstanding common units, excluding common units held by our general partner and its affiliates, is required in other circumstances for a transfer of the general partner interest to a third party prior to December 31, 2024. Please read “Transfer of General Partner Interest.”
Transfer of incentive distribution rights	Our general partner may transfer any or all of our incentive distribution rights to an affiliate or another person without a vote of our unitholders. Please read “Transfer of Incentive Distribution Rights.”
Reset of incentive distribution levels	No approval right.
Transfer of ownership interests in our general partner	No approval right. Please read “Transfer of Ownership Interests in Our General Partner.”

Limited Liability

Assuming that a limited partner does not participate in the control of our business within the meaning of the Delaware Act and that it otherwise acts in conformity with the provisions of our partnership agreement, its liability under the Delaware Act will be limited, subject to possible exceptions, to the amount of capital it is obligated to contribute to us for its common units plus its share of any undistributed profits and assets. If it were determined, however, that the right, or exercise of the right of, by the limited partners as a group:

- to remove or replace our general partner;
- to approve some amendments to our partnership agreement; or
- to take other action under our partnership agreement;

constituted "participation in the control" of our business for the purposes of the Delaware Act, then the limited partners could be held personally liable for our obligations under the laws of Delaware, to the same extent as our general partner. This liability would extend to persons who transact business with us who reasonably believe that a limited partner is a general partner. Neither our partnership agreement nor the Delaware Act specifically provides for legal recourse against our general partner if a limited partner were to lose limited liability through any fault of our general partner. While this does not mean that a limited partner could not seek legal recourse, we know of no precedent for this type of a claim in Delaware case law.

Under the Delaware Act, a limited partnership may not pay a distribution to a partner if, after the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their limited partner interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of the assets of the limited partnership, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited is included in the assets of the limited partnership only to the extent that the fair value of that property exceeds that liability. For the purpose of determining the fair value of the assets of a limited partnership, the Delaware Act provides that the fair value of property subject to liability for which recourse of creditors is limited shall be included in the assets of the limited partnership only to the extent that the fair value of that property exceeds the nonrecourse liability. The Delaware Act provides that a limited partner who receives a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Act shall be liable to the limited partnership for the amount of the distribution for three years. Under the Delaware Act, a substituted limited partner of a limited partnership is liable for the obligations of its assignor to make contributions to the partnership, except that such person is not obligated for liabilities unknown to it at the time it became a limited partner and that could not be ascertained from the partnership agreement.

Our subsidiaries conduct business in all 50 states, the District of Columbia and Australia, and we may have subsidiaries that conduct business in other countries in the future. Maintenance of our limited liability as a member of our operating company may require compliance with legal requirements in the jurisdictions in which our operating company conducts business, including qualifying our subsidiaries to do business there.

Limitations on the liability of members or limited partners for the obligations of a limited liability company or limited partnership have not been clearly established in many jurisdictions. If, by virtue of our ownership interests in our operating subsidiaries or otherwise, it were determined that we were conducting business in any state without compliance with the applicable limited partnership or limited liability company statute, or that the right or exercise of the right by the limited partners as a group to remove or replace our general partner, to approve some amendments to our partnership agreement, or to take other action under our partnership agreement constituted "participation in the control" of our business for purposes of the statutes of any relevant jurisdiction, then the limited partners could be held personally liable for our obligations under the law of that jurisdiction to the same extent as our general partner under the circumstances. We operate in a manner that our general partner considers reasonable and necessary or appropriate to preserve the limited liability of the limited partners.

Issuance of Additional Securities

Our partnership agreement authorizes us to issue an unlimited number of additional partner interests for the consideration and on the terms and conditions determined by our general partner without the approval of the unitholders.

It is possible that we will fund acquisitions through the issuance of additional common units or other partner interests. Holders of any additional common units we issue will be entitled to share equally with the then-existing holders of common units in our distributions of available cash. In addition, the issuance of additional common units or other partner interests may dilute the value of the interests of the then-existing holders of common units in our net assets.

In accordance with Delaware law and the provisions of our partnership agreement, we may also issue additional partner interests that, as determined by our general partner, may have special voting rights to which the common units are not entitled. In addition, our partnership agreement does not prohibit the issuance by our subsidiaries of equity interests, which may effectively rank senior to the common units.

Amendment of Our Partnership Agreement

General

Amendments to our partnership agreement may be proposed only by our general partner. However, our general partner will have no duty or obligation to propose any amendment and may decline to do so free of any duty or obligation whatsoever to us or our limited partners, including any duty to act in the best interests of us or the limited partners. In order to adopt a proposed amendment, other than the amendments discussed below, our general partner is required to seek written approval of the holders of the number of units required to approve the amendment or call a meeting of the limited partners to consider and vote upon the proposed amendment. Except as described below, an amendment must be approved by a unit majority.

Prohibited Amendments

No amendment may be made that would, among other actions:

- enlarge the obligations of any limited partner without its consent, unless such is deemed to have occurred as a result of an amendment approved by at least a majority of the type or class of limited partner interests so affected; or
- enlarge the obligations of, restrict in any way any action by or rights of, or reduce in any way the amounts distributable, reimbursable or otherwise payable by us to our general partner or any of its affiliates without its consent, which consent may be given or withheld at its option.

The provisions of our partnership agreement preventing the amendments having the effects described in any of the clauses above can be amended upon the approval of the holders of at least 90% of the outstanding units voting together as a single class (including units owned by our general partner and its affiliates).

No Unitholder Approval

Our general partner may generally make amendments to our partnership agreement without the approval of any limited partner to reflect:

- a change in our name, the location of our principal office, our registered agent or our registered office;
- the admission, substitution, withdrawal or removal of partners in accordance with our partnership agreement;
- a change that our general partner determines to be necessary or appropriate to qualify or continue our qualification as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or to ensure that neither we nor any of our subsidiaries will be treated as an association taxable as a corporation or otherwise taxed as an entity for federal income tax purposes;
- an amendment that is necessary, in the opinion of our counsel, to prevent us or our general partner or its directors, officers, agents or trustees, from in any manner, being subjected to the provisions of the Investment Company Act of 1940, the Investment Advisors Act of 1940, or "plan asset" regulations adopted under the Employee Retirement Income Security Act of 1974 ("ERISA"), each as amended, whether or not substantially similar to plan asset regulations currently applied or proposed by the U.S. Department of Labor;

- an amendment that our general partner determines to be necessary or appropriate in connection with the authorization or issuance of additional partner interests;
- any amendment expressly permitted in our partnership agreement to be made by our general partner acting alone;
- an amendment effected, necessitated or contemplated by a merger agreement or plan of conversion that has been approved under the terms of our partnership agreement;
- any amendment that our general partner determines to be necessary or appropriate to reflect and account for the formation by us of, or our investment in, any corporation, partnership or other entity, in connection with our conduct of activities permitted by our partnership agreement;
- a change in our fiscal year or taxable year and any other changes that our general partner determines to be necessary or appropriate as a result of such change;
- mergers with, conveyances to or conversions into another limited liability entity that is newly formed and has no assets, liabilities or operations at the time of the merger, conveyance or conversion other than those it receives by way of the merger, conveyance or conversion; or
- any other amendments substantially similar to any of the matters described in the clauses above.

In addition, our general partner may make amendments to our partnership agreement without the approval of any limited partner if our general partner determines that those amendments:

- do not adversely affect in any material respect the limited partners considered as a whole or any particular class of partner interests as compared to other classes of partner interests;
- are necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute;
- are necessary or appropriate to facilitate the trading of limited partner interests or to comply with any rule, regulation, guideline or requirement of any securities exchange on which the limited partner interests are or will be listed or admitted to trading;
- are necessary or appropriate for any action taken by our general partner relating to splits or combinations of units under the provisions of our partnership agreement; or
- are required to effect the intent of the provisions of our partnership agreement or are otherwise contemplated by our partnership agreement.

Opinion of Counsel and Unitholder Approval

For amendments of the type not requiring unitholder approval, our general partner will not be required to obtain an opinion of counsel to the effect that an amendment will not affect the limited liability of any limited partner under Delaware law. No other amendments to our partnership agreement will become effective without the approval of holders of at least 90% of the outstanding units voting as a single class unless we first obtain such an opinion of counsel.

In addition to the above restrictions, any amendment that would have a material adverse effect on the rights or preferences of any type or class of partner interests in relation to other classes of partner interests will require the approval of at least a majority of the type or class of partner interests so affected. Any amendment that would reduce the percentage of units required to take any action, other than to remove our general partner or call a meeting of unitholders, must be approved by the affirmative vote of limited partners whose aggregate outstanding units constitute not less than the percentage sought to be reduced. Any amendment that would increase the percentage of units required to remove our general partner must be approved by the affirmative vote of limited partners whose aggregate outstanding units constitute not less than 90% of outstanding units. Any amendment that would increase the percentage of units required to call a meeting of unitholders must be approved by the affirmative vote of limited partners whose aggregate outstanding units constitute at least a majority of the outstanding units.

Merger, Consolidation, Conversion, Sale or Other Disposition of Assets

A merger, consolidation or conversion of our partnership requires the prior consent of our general partner. However, our general partner will have no duty or obligation to consent to any merger, consolidation or conversion and may decline to do so free of any duty or obligation whatsoever to us or the limited partners, including any duty to act in the best interest of us or the limited partners.

In addition, our partnership agreement generally prohibits our general partner, without the prior approval of the holders of a unit majority, from causing us to, among other things, sell, exchange or otherwise dispose of all or substantially all of our assets in a single transaction or a series of related transactions. Our general partner may, however, mortgage, pledge, hypothecate, or grant a security interest in all or substantially all of our assets without that approval. Our general partner may also sell any or all of our assets under a foreclosure or other realization upon those encumbrances without that approval. Finally, our general partner may consummate any merger with another limited liability entity without the prior approval of our unitholders if we are the surviving entity in the transaction, our general partner has received an opinion of counsel regarding limited liability and tax matters, the transaction would not result in an amendment to our partnership agreement requiring unitholder approval, each of our units will be an identical unit of our partnership following the transaction and the partner interests to be issued by us in such merger do not exceed 20% of our outstanding partner interests immediately prior to the transaction.

If the conditions specified in our partnership agreement are satisfied, our general partner may convert us or any of our subsidiaries into a new limited liability entity or merge us or any of our subsidiaries into, or convey all of our assets to, a newly formed entity if the sole purpose of that conversion, merger or conveyance is to effect a mere change in our legal form into another limited liability entity, our general partner has received an opinion of counsel regarding limited liability and tax matters, and our general partner determines that the governing instruments of the new entity provide the limited partners and our general partner with the same rights and obligations as contained in our partnership agreement. The unitholders are not entitled to dissenters' rights of appraisal under our partnership agreement or applicable Delaware law in the event of a conversion, merger or consolidation, a sale of substantially all of our assets or any other similar transaction or event.

Termination and Dissolution

We will continue as a limited partnership until dissolved and terminated under our partnership agreement. We will dissolve upon:

- the withdrawal or removal of our general partner or any other event that results in its ceasing to be our general partner other than by reason of a transfer of its general partner interest in accordance

- with our partnership agreement or withdrawal or removal followed by approval and admission of a successor;

- the election of our general partner to dissolve us, if approved by the holders of units representing a unit majority;

- the entry of a decree of judicial dissolution of our partnership; or

- there being no limited partners, unless we are continued without dissolution in accordance with the Delaware Act.

Upon a dissolution under the first clause above, the holders of a unit majority may also elect, within specific time limitations, to continue our business on the same terms and conditions described in our partnership agreement by appointing as a successor general partner an entity approved by the holders of units representing a unit majority, subject to our receipt of an opinion of counsel to the effect that:

- the action would not result in the loss of limited liability of any limited partner; and

- neither our partnership nor any of our subsidiaries would be treated as an association taxable as a corporation or otherwise be taxable as an entity for federal income tax purposes upon the exercise of that right to continue.

Liquidation and Distribution of Proceeds

Upon our dissolution, unless we are continued as a new limited partnership, the liquidator authorized to wind up our affairs will, acting with all of the powers of our general partner that are necessary or appropriate to, liquidate our assets and apply the proceeds of the liquidation. The liquidator may defer liquidation or distribution of our assets for a reasonable period of time or distribute assets to partners in kind if it determines that a sale would be impractical or would cause undue loss to our partners.

Withdrawal or Removal of Our General Partner

Except as described below, our general partner has agreed not to withdraw voluntarily as our general partner prior to December 31, 2024, without obtaining the approval of the holders of at least a majority of the outstanding common units, excluding common units held by our general partner and its affiliates, and furnishing an opinion of counsel regarding limited liability and tax matters. On or after December 31, 2024, our general partner may withdraw as general partner without first obtaining approval of any unitholder by giving 90 days' written notice, and that withdrawal will not constitute a violation of our partnership agreement. Notwithstanding the information above, our general partner may withdraw without unitholder approval upon 90 days' written notice to the limited partners if at least 50% of the outstanding units are held or controlled by one person and its affiliates other than our general partner and its affiliates. In addition, our partnership agreement permits our general partner in some instances to sell or otherwise transfer all of its general partner interest in us without the approval of the unitholders. Please read "—Transfer of General Partner Interest" and "—Transfer of Incentive Distribution Rights."

Upon voluntary withdrawal of our general partner by giving notice to the other partners, the holders of a unit majority may select a successor to that withdrawing general partner. If a successor is not elected, or is elected but an opinion of counsel regarding limited liability and tax matters cannot be obtained, we will be dissolved, wound up and liquidated, unless within a specified period after that withdrawal, the holders of a unit majority agree to continue our business by appointing a successor general partner. Please read "—Termination and Dissolution."

Our general partner may not be removed unless that removal is approved by the vote of the holders of not less than 66 2⁄3% of our outstanding units, voting together as a single class, including units held by our general partner and its affiliates, and we receive an opinion of counsel regarding limited liability and tax matters. Any removal of our general partner is also subject to the approval of a successor general partner by the vote of the holders of a majority of the outstanding common units, voting as a separate class. The ownership of more than 33 1⁄3% of the outstanding units by our general partner and its affiliates would give them the practical ability to prevent our general partner's removal.

Our partnership agreement also provides that if our general partner is removed as our general partner under circumstances where cause does not exist and units held by our general partner and its affiliates are not voted in favor of that removal, our general partner will have the right to convert its general partner interest and its incentive distribution rights into common units or to receive cash in exchange for those interests based on the fair market value of those interests as of the effective date of its removal.

In the event of removal of our general partner under circumstances where cause exists or withdrawal of our general partner where that withdrawal violates our partnership agreement, a successor general partner will have the option to purchase the general partner interest and incentive distribution rights of the departing general partner for a cash payment equal to the fair market value of those interests. Under all other circumstances where our general partner withdraws or is removed by the limited partners, the departing general partner will have the option to require the successor general partner to purchase the general partner interest of the departing general partner and its incentive distribution rights for fair market value. In each case, this fair market value will be determined by agreement between the departing general partner and the successor general partner. If no agreement is reached, an independent investment banking firm or other independent expert selected by the departing general partner and the successor general partner will determine the fair market value. Or, if the departing general partner and the successor general partner cannot agree upon an expert, then an expert chosen by agreement of the experts selected by each of them will determine the fair market value.

If the option described above is not exercised by either the departing general partner or the successor general partner, the departing general partner will become a limited partner and its general partner interest and its incentive distribution rights will automatically convert into common units pursuant to a valuation of those interests as determined by an investment banking firm or other independent expert selected in the manner described in the preceding paragraph.

In addition, we will be required to reimburse the departing general partner for all amounts due the departing general partner, including, without limitation, all employee-related liabilities, including severance liabilities, incurred for the termination of any employees employed by the departing general partner or its affiliates for our benefit.

Transfer of General Partner Interest

Except for transfer by our general partner of all, but not less than all, of its non-economic general partner interest to (1) an affiliate of our general partner (other than an individual), or (2) another entity as part of the merger or consolidation of our general partner with or into such entity or the transfer by our general partner of all or substantially all of its assets to such entity, our general partner may not transfer all or any part of its general partner interest to another person prior to December 31, 2024, without the approval of the holders of at least a majority of the outstanding common units, excluding common units held by our general partner and its affiliates. As a condition of this transfer, the transferee must assume, among other things, the rights and duties of our general partner, agree to be bound by the provisions of our partnership agreement, and furnish an opinion of counsel regarding limited liability and tax matters.

Our general partner and its affiliates, including Landmark Dividend LLC, may at any time transfer units to one or more persons, without unitholder approval.

Transfer of Ownership Interests in Our General Partner

At any time, Landmark Dividend LLC and its affiliates may sell or transfer all or part of their membership interest in our general partner, to an affiliate or third party without the approval of our unitholders.

Transfer of Incentive Distribution Rights

At any time, our general partner may sell or transfer our incentive distribution rights to an affiliate or third party without the approval of the unitholders.

Change of Management Provisions

Our partnership agreement contains specific provisions that are intended to discourage a person or group from attempting to remove Landmark Infrastructure Partners GP LLC as our general partner or otherwise change our management. If any person or group other than our general partner and its affiliates acquires beneficial ownership of 20% or more of any class of units, that person or group loses voting rights on all of its units. This loss of voting rights does not apply to any person or group that acquires the units from our general partner or its affiliates and any transferees of that person or group who are notified by our general partner that they will not lose their voting rights or to any person or group who acquires the units with the prior approval of the board of directors of our general partner. Please read “—Withdrawal or Removal of Our General Partner.”

Limited Call Right

If at any time our general partner and its affiliates own more than 80% of the then-issued and outstanding limited partner interests of any class, our general partner will have the right, which it may assign in whole or in part to any of its affiliates or to us, to acquire all, but not less than all, of the limited partner interests of such class held by unaffiliated persons as of a record date to be selected by our general partner, on at least 10, but not more than 60, days’ written notice.

The purchase price in the event of this purchase is the greater of:

- the highest cash price paid by either our general partner or any of its affiliates for any limited partner interests of the class purchased within the 90 days preceding the date on which our general partner first mails notice of its election to purchase those limited partner interests; and

- the current market price calculated in accordance with our partnership agreement as of the date three business days before the date the notice is mailed.

As a result of our general partner's right to purchase outstanding limited partner interests, a holder of limited partner interests may have his limited partner interests purchased at a price that may be lower than market prices at various times prior to such purchase or lower than a unitholder may anticipate the market price to be in the future. The tax consequences to a unitholder of the exercise of this call right are the same as a sale by that unitholder of his common units in the market. Please read "Material U.S. Federal Income Tax Consequences— Disposition of Units."

Non-Citizen Assignees; Redemption

If our general partner, with the advice of counsel, determines we are subject to federal, state or local laws or regulations that, in the reasonable determination of our general partner, create a substantial risk of cancellation or forfeiture of any property that we have an interest in because of the nationality, citizenship or other related status of any limited partner (or its owners, to the extent relevant), then our general partner may adopt such amendments to our partnership agreement as it determines necessary or advisable to:

- obtain proof of the nationality, citizenship or other related status of our limited partners (or their owners, to the extent relevant); and

- permit us to redeem the units held by any person whose nationality, citizenship or other related status creates substantial risk of cancellation or forfeiture of any property or who fails to comply with the procedures instituted by the general partner to obtain proof of the nationality, citizenship or other related status. The redemption price in the case of such a redemption will be the average of the daily closing prices per unit for the 20 consecutive trading days immediately prior to the date set for redemption.

Meetings; Voting

Except as described below regarding a person or group owning 20% or more of any class of units then outstanding, record holders of units on the record date will be entitled to notice of, and to vote at, meetings of our limited partners and to act upon matters for which approvals may be solicited.

Our general partner does not anticipate that any meeting of unitholders will be called in the foreseeable future. Any action that is required or permitted to be taken by the unitholders may be taken either at a meeting of the unitholders or, if authorized by our general partner, without a meeting if consents in writing describing the action so taken are signed by holders of the number of units that would be necessary to authorize or take that action at a meeting where all limited partners were present and voted. Meetings of the unitholders may be called by our general partner or by unitholders owning at least 20% of the outstanding units of the class for which a meeting is proposed. Unitholders may vote either in person or by proxy at meetings. The holders of a majority of the outstanding units of the class or classes for which a meeting has been called, represented in person or by proxy, will constitute a quorum unless any action by the unitholders requires approval by holders of a greater percentage of the units, in which case the quorum will be the greater percentage.

Each record holder of a unit has a vote according to its percentage interest in us, although additional limited partner interests having special voting rights could be issued. Please read "—Issuance of Additional Securities." However, if at any time any person or group, other than our general partner and its affiliates, a direct transferee of our general partner and its affiliates or a transferee of such direct transferee who is notified by our general partner that it will not lose its voting rights, acquires, in the aggregate, beneficial ownership of 20% or more of any class of units then outstanding, that person or group will lose voting rights on all of its units and the units may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, determining the presence of a quorum, or for other similar purposes. Common units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and its nominee provides otherwise.

Any notice, demand, request, report or proxy material required or permitted to be given or made to record holders of common units under our partnership agreement will be delivered to the record holder by us or by the transfer agent.

Status as Limited Partner

By transfer of common units in accordance with our partnership agreement, each transferee of common units shall be admitted as a limited partner with respect to the common units transferred when such transfer and admission is reflected in our register. Except as described under "—Limited Liability," the common units will be fully paid, and unitholders will not be required to make additional contributions.

Indemnification

Under our partnership agreement, in most circumstances, we will indemnify the following persons, to the fullest extent permitted by law, from and against all losses, claims, damages or similar events:

- our general partner;
- any departing general partner;
- any person who is or was an affiliate of our general partner or any departing general partner;
- any person who is or was a director, officer, managing member, manager, general partner, fiduciary or trustee of us or our subsidiaries, an affiliate of us or our subsidiaries or any entity set forth in the preceding three bullet points;
- any person who is or was serving as director, officer, managing member, manager, general partner, fiduciary or trustee of another person owing a fiduciary duty to us or any of our subsidiaries at the request of our general partner or any departing general partner or any of their affiliates, excluding any such person providing, on a fee-for-service basis, trustee, fiduciary of custodial services; and
- any person designated by our general partner because such person's status, service or relationship expose such person to potential claims or suits relating to our or our subsidiaries' business and affairs.

Any indemnification under these provisions will only be out of our assets. Unless it otherwise agrees, our general partner will not be personally liable for, or have any obligation to contribute or lend funds or assets to us to enable us to effectuate, indemnification. We will purchase insurance against liabilities asserted against and expenses incurred by persons for our activities, regardless of whether we would have the power to indemnify the person against such liabilities under our partnership agreement.

Reimbursement of Expenses

Our partnership agreement requires us to reimburse our general partner for all direct and indirect expenses it incurs or payments it makes on our behalf and all other expenses allocable to us or otherwise incurred by our general partner in connection with operating our business. These expenses include salary, bonus, incentive compensation and other amounts paid to persons who perform services for us or on our behalf and expenses allocated to our general partner by its affiliates. Our general partner is entitled to determine in good faith the expenses that are allocable to us. Some of the expenses for which we are required to reimburse our general partner are not subject to any caps or other limits.

Books and Reports

Our general partner is required to keep appropriate books of our business at our principal offices. The books are maintained for financial reporting purposes on an accrual basis. For fiscal and tax reporting purposes, our fiscal year is the calendar year.

We will mail or make available to record holders of common units, within 105 days after the close of each fiscal year, an annual report containing audited financial statements and a report on those financial statements by our independent public accountants. Except for our fourth quarter, we will also mail or make available summary financial information within 50 days after the close of each quarter.

We will furnish each record holder of a unit with information reasonably required for tax reporting purposes within 90 days after the close of each calendar year. This information is expected to be furnished in summary form so that some complex calculations normally required of partners can be avoided. Our ability to furnish this summary information to unitholders will depend on the cooperation of unitholders in supplying us with specific information. Every unitholder will receive information to assist him in determining its federal and state tax liability and filing its federal and state income tax returns, regardless of whether he supplies us with information.

Right to Inspect Our Books and Records

Our partnership agreement provides that a limited partner can, for a purpose reasonably related to its interest as a limited partner, upon reasonable written demand stating the purpose of such demand and at its own expense, have furnished to him:

- a current list of the name and last known address of each record holder;
- copies of our partnership agreement and our certificate of limited partnership and all amendments thereto; and
- certain information regarding the status of our business and financial condition.

Our general partner may, and intends to, keep confidential from the limited partners trade secrets or other information the disclosure of which our general partner determines is not in our best interests or that we are required by law or by agreements with third parties to keep confidential. Our partnership agreement limits the right to information that a limited partner would otherwise have under Delaware law.

Exhibit 21.1

LANDMARK INFRASTRUCTURE PARTNERS LP

List of Subsidiaries

Name

2019-1 Co-Guarantor LLC
2019-1 TRS LLC
Beam Sign Pty Ltd
Big Bertha Pty Ltd
BF – LMRK JV LLC
Faithful Max 312 Ltd.
Great West Road Partners LP
GWR PP Holdings Limited
GWR Holdings GmbH & Co. KG
GWR Management GmbH
GWR Partners GP LLC
GWR Partners LP LLC
GWR Property Co Ltd.
Landmark Acquisitions ULC
Landmark Canada Holding Company Ltd.
Landmark Infrastructure Asset OpCo II LLC
Landmark Infrastructure Asset OpCo LLC
Landmark Infrastructure Finance Corp.
Landmark Infrastructure Inc.
Landmark Infrastructure OpCo-R LLC
Landmark Infrastructure Operating Company LLC
Landmark Infrastructure REIT LLC
Landmark Infrastructure REITCO I LLC
Landmark Infrastructure REITCO II LLC
Landmark Infrastructure REITCO III LLC
Landmark PR Acquisition Company LLC
LD Acquisition Company LLC
LD Acquisition Company 2 LLC
LD Acquisition Company 5 LLC
LD Acquisition Company 6 LLC
LD Acquisition Company 7 LLC
LD Acquisition Company 8 LLC
LD Acquisition Company 9 LLC
LD Acquisition Company 10 LLC
LD Acquisition Company 11 LLC
LD Acquisition Company 12 LLC
LD FG Telecom LLC
LD FlexGrid Dallas LLC
LD Sixth Street LLC
LD Tall Wall I LLC
LD Tall Wall II LLC
LD Tall Wall III LLC
LDC Asset OpCo PTY Limited
LDC OpCo Acquisition Company PTY Limited
LDC OpCo Holding Company PTY Limited
LDW (1053 GWR) Limited
LDW Holdco 1 Limited
LMRK Guarantor Co III LLC
LMRK Guarantor Co SO LLC
LMRK Guarantor Co. 2 LLC
LMRK Guarantor Co. LLC
LMRK Issuer Co III LLC
LMRK Issuer Co. 2 LLC
LMRK Issuer Co. LLC
LMRK PropCo LLC
LMRK Propco 3 LLC
LMRK PropCo SO LLC
McCrary Holdings I, LLC
MD 7 Capital Three, LLC
MD 7 Funding One, LLC
Poster Property Limited
RE Astoria LandCo LLC
RE Garland A LandCo LLC
RE Garland LandCo LLC
RE Mustang LandCo LLC
RE SO LandCo LLC
Verus Management Two, LLC

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-235352) of Landmark Infrastructure Partners LP;

(2) Registration Statement (Form S-4 No. 333-209533) of Landmark Infrastructure Partners LP; and

(3) Registration Statement (Form S-8 No. 333-201065) pertaining to the 2014 Long-Term Incentive Plan of Landmark Infrastructure Partners LP;

of our reports dated February 27, 2020, with respect to the consolidated financial statements and schedule of Landmark Infrastructure Partners LP and the effectiveness of internal control over financial reporting of Landmark Infrastructure Partners LP included in this Annual Report (Form 10-K) for the year ended December 31, 2019.

/s/ Ernst & Young LLP

Los Angeles, California
February 27, 2020

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Arthur P. Brazy, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Landmark Infrastructure Partners LP;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2020

/s/ Arthur P. Brazy, Jr.

Arthur P. Brazy, Jr.
Director and Chief Executive Officer,
Landmark Infrastructure Partners GP LLC
(the general partner of Landmark Infrastructure Partners LP)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, George P. Doyle, certify that:

1. I have reviewed this annual report on Form 10-K of Landmark Infrastructure Partners LP;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2020

/s/ George P. Doyle

George P. Doyle
Chief Financial Officer and Treasurer,
Landmark Infrastructure Partners GP LLC
(the general partner of Landmark Infrastructure Partners LP)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Landmark Infrastructure Partners LP (the Company) on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Arthur P. Brazy, Jr.

Arthur P. Brazy, Jr.
Director and Chief Executive Officer,
Landmark Infrastructure Partners GP LLC
(the general partner of Landmark Infrastructure Partners LP)
February 27, 2020

A signed original of the written statement required by Section 906 has been provided to Landmark Infrastructure Partners LP and will be retained by Landmark Infrastructure Partners LP and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Landmark Infrastructure Partners LP (the Company) on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the Report), the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ George P. Doyle

George P. Doyle
Chief Financial Officer and Treasurer,
Landmark Infrastructure Partners GP LLC
(the general partner of Landmark Infrastructure Partners LP)
February 27, 2020

A signed original of the written statement required by Section 906 has been provided to Landmark Infrastructure Partners LP and will be retained by Landmark Infrastructure Partners LP and furnished to the Securities and Exchange Commission or its staff upon request.