
**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, 2017

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
(State or other jurisdiction of incorporation or organization)
2141 Rosecrans Avenue, Suite 2100,
P.O. Box 3429
El Segundo, CA 90245
(Address of principal executive offices)

61-1742322
(I.R.S. Employer Identification No.)

90245
(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	Name of Each Exchange on which Registered
Common Units, Representing Limited Partner Interests	NASDAQ Global Market
8.0% Series A Cumulative Redeemable Preferred Units, \$25.00 par value	NASDAQ Global Market
7.9% Series B Cumulative Redeemable Preferred Units, \$25.00 par value	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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 30, 2017, the last business day of the registrant's most recently completed second fiscal quarter, based on the closing price on that date of \$16.00, was approximately \$306 million.

The registrant had 21,656,705 common units and 3,135,109 subordinated units outstanding at February 9, 2018.

DOCUMENTS INCORPORATED BY REFERENCE

None

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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. References to "Fund C" refer to Landmark Dividend Growth Fund-C LLC, references to "Fund E" refer to Landmark Dividend Growth Fund-E LLC, references to "Fund F" refer to Landmark Dividend Growth Fund-F LLC and references to "Fund G" refer to Landmark Dividend Growth Fund-G LLC (collectively referred to as the "Acquired Funds"). As of December 31, 2017, references to the "Remaining Landmark Funds" which have granted us a right of first offer on their assets, refer to, Landmark Dividend Growth Fund-H LLC, Landmark Dividend Growth Fund-I LLC, Landmark Dividend Growth Fund-J LLC and Landmark Dividend Growth Fund-K LLC, collectively.

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 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 interests 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;
- mergers or consolidation among wireless carriers;
- restrictions in our revolving credit facility on our ability to issue additional debt or equity or pay distributions; 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, 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. The Partnership is a limited partnership organized in the State of Delaware and has been publicly traded since its initial public offering (“IPO”) on November 19, 2014. Our common units are listed on the NASDAQ Global Market under the symbol “LMRK”. On July 31, 2017, the Partnership completed changes to its organizational structure by transferring substantially all of its assets to a subsidiary, Landmark Infrastructure Inc., a Delaware corporation (“REIT Subsidiary”), which is intended to qualify as a real estate investment trust (“REIT”) under the Internal Revenue Code of 1986, as amended (the “Code”). 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 intended to 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.

Our real property interests underlie our tenants’ infrastructure assets, which include freestanding cellular towers and rooftop wireless sites, 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.

Our real property interests consist of a diversified portfolio of long-term and perpetual easements, tenant lease assignments and fee simple properties located primarily in the United States. These real property interests entitle us to receive rental payments from leases on our 2,239 tenant sites. Approximately 83% 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, Duke Energy and Pacific Gas and Electric in the renewable power generation industry.

We believe the terms of our tenant lease arrangements provide us with stable, predictable and growing cash flow that will support growing distributions to our unitholders. 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. Over 93% 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, 2017, we had a 96% occupancy rate, with 2,157 of our 2,239 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. Our initial assets and liabilities were contributed to us from two private investment funds sponsored, managed and controlled by Landmark. As of December 31, 2017, Landmark controlled approximately 700 additional tenant sites through the Remaining Landmark Funds. The Remaining Landmark Funds have granted us a right of first offer on real property interests that they currently own or acquire in the future before selling or transferring those assets to any third party. We refer to these real property interests as the “right of first offer assets.” During the years ended December 31, 2017, 2016 and 2015, the Partnership completed the acquisition of 2,386 and 401 tenant sites subject to our right of first offer, respectively. See further discussion of the acquisitions in notes to the Consolidated and Combined Financial Statements for additional information. We believe Landmark’s asset acquisition and management platform will benefit us by providing us with drop-down acquisition opportunities from Landmark’s substantial and growing acquisition pipeline, as well as the capability to make direct acquisitions from third parties. 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 and Combined 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 and (iii) properties we own in fee simple. 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, 2017.

Our Real Property Interests									
Real Property Interest	Number of Infrastructure Locations(1)	Available Tenant Sites(1)		Leased Tenant Sites		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)
		Number	Average Remaining Property Interest (Years)	Number	Average Remaining Lease Term (Years)(2)				
Tenant Lease Assignment with Underlying Easement									
Wireless Communication	1,068	1,357	78.2 (7)	1,305	28.6			\$ 7,282	51 %
Outdoor Advertising	432	521	84.1 (7)	509	18.0			2,939	20 %
Renewable Power Generation	21	53	29.1 (7)	53	28.4			466	3 %
Subtotal	1,521	1,931	79.1 (7)	1,867	25.8			\$ 10,687	74 %
Tenant Lease Assignment only(8)									
Wireless Communication	154	213	49.3	195	18.3			\$ 1,333	9 %
Outdoor Advertising	24	25	59.7	25	15.0			196	1 %
Renewable Power Generation	2	2	74.8	2	6.6			6	— %
Subtotal	180	240	50.6	222	17.8			\$ 1,535	10 %
Tenant Lease on Fee Simple									
Wireless Communication	14	22	99.0 (7)	22	18.2			\$ 136	1 %
Outdoor Advertising	27	31	99.0 (7)	31	12.1			539	4 %
Renewable Power Generation	13	15	99.0 (7)	15	31.9			1,585	11 %
Subtotal	54	68	99.0 (7)	68	18.3			\$ 2,260	16 %
Total	1,755	2,239	76.6 (9)	2,157	24.7			\$ 14,482	100 %
Aggregate Portfolio									
Wireless Communication	1,236	1,592	74.6	1,522	27.1	96 %	\$ 1,838	\$ 8,751	61 %
Outdoor Advertising	483	577	83.8	565	17.6	98 %	1,754	3,674	25 %
Renewable Power Generation	36	70	39.9	70	28.5	100 %	9,779	2,057	14 %
Total	1,755	2,239	76.6 (9)	2,157	24.7	96 %	\$ 2,073	\$ 14,482	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, 2017 were 3.8, 8.8, 18.0 and 5.3 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, 2017. 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 66 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 83% of our tenants as of December 31, 2017.

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	11%	Crown Castle	12%	Lamar Advertising	6%	Southern California Edison	2%
AT&T Mobility	10%	American Tower	8%	Outfront Media	6%	Duke Energy	1%
Verizon	9%	SBA Communications	2%	Clear Channel Outdoor	6%	Pacific Gas and Electric	< 1%
Sprint	9%						
Total	39%	Total	22%	Total	18%	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 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, 2017:

Our Real Property Interests by Structure Type

Structure Type	Number of Infrastructure Locations(1)	Available Tenant Sites(1)		Leased Tenant Sites		Quarterly Rental Revenue (in thousands)(4)	Percentage of Quarterly Rental Revenue(4)
		Number	Average Remaining Property Interest (Years)(2)	Number	Average Remaining Lease Term (Years)(3)		
Rooftops	439	599	69.8	552	14.7	\$ 3,937	27%
Towers	622	679	78.9	671	36.4	3,232	23%
Billboards	483	577	83.8	565	17.6	3,674	25%
Other structures	136	164	74.3	160	34.0	831	6%
Equipment only(5)	41	153	75.1	142	14.3	756	5%
Wind turbines	9	40	32.7	40	32.1	346	2%
Solar	25	27	59.2	27	27.9	1,706	12%
Total	1,755	2,239	76.6 (6)	2,157	24.7	\$ 14,482	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, 2017 were 3.8, 8.8, 18.0 and 5.3 years, respectively.

(4) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. 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 82 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 66 years.

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We are geographically diversified with assets primarily located throughout the United States, and no single state accounted for more than 15% of our tenant sites as of December 31, 2017. 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, 2017.

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	8	\$ 36	7	\$ 27	—	\$ —	15	\$ 63	0.4%
Alaska	9	38	—	—	—	—	9	38	0.3%
Arizona	55	237	19	101	—	—	74	338	2.3%
Arkansas	13	34	4	7	—	—	17	41	0.3%
California	226	1,382	25	1,142	40	1,680	291	4,204	29.1%
Colorado	46	243	4	9	—	—	50	252	1.7%
Connecticut	36	241	7	37	—	—	43	278	1.9%
Delaware	1	7	—	—	—	—	1	7	0.0%
District of Columbia	2	16	—	—	—	—	2	16	0.1%
Florida	76	561	59	208	1	12	136	781	5.4%
Georgia	25	138	63	238	—	—	88	376	2.6%
Hawaii	3	14	—	—	—	—	3	14	0.1%
Illinois	99	552	43	259	2	63	144	874	6.0%
Indiana	5	26	20	42	—	—	25	68	0.5%
Iowa	8	21	3	4	—	—	11	25	0.2%
Idaho	6	14	—	—	—	—	6	14	0.1%
Kansas	20	91	2	3	4	7	26	101	0.7%
Kentucky	6	12	3	6	—	—	9	18	0.1%
Louisiana	15	48	3	2	—	—	18	50	0.3%
Maine	2	10	—	—	—	—	2	10	0.1%
Maryland	16	144	5	21	—	—	21	165	1.1%
Massachusetts	42	282	4	96	1	26	47	404	2.8%
Michigan	22	106	34	73	1	2	57	181	1.2%
Minnesota	14	75	13	69	—	—	27	144	1.0%
Mississippi	14	41	10	32	—	—	24	73	0.5%
Missouri	36	172	45	155	—	—	81	327	2.3%
Montana	4	12	—	—	—	—	4	12	0.1%
Nebraska	2	4	4	10	—	—	6	14	0.1%
New Hampshire	9	76	1	3	—	—	10	79	0.5%
Nevada	49	178	9	41	2	6	60	225	1.6%
New Jersey	125	972	4	20	4	97	133	1,089	7.5%
New Mexico	11	51	2	3	—	—	13	54	0.4%
New York	160	1,108	5	19	—	—	165	1,127	7.8%
North Carolina	17	53	14	25	12	121	43	199	1.4%
North Dakota	5	7	1	3	—	—	6	10	0.1%
Ohio	34	154	16	37	—	—	50	191	1.3%
Oklahoma	21	80	4	10	1	5	26	95	0.7%
Oregon	29	144	1	29	—	—	30	173	1.2%
Pennsylvania	42	197	12	49	—	—	54	246	1.7%
Rhode Island	1	8	1	4	—	—	2	12	0.1%
South Carolina	12	52	10	13	—	—	22	65	0.4%
South Dakota	11	18	—	—	—	—	11	18	0.1%
Tennessee	11	40	18	51	—	—	29	91	0.6%
Texas	129	456	52	188	1	35	182	679	4.7%
Utah	22	117	14	15	—	—	36	132	0.9%
Virginia	10	45	2	6	—	—	12	51	0.4%
Vermont	5	79	—	—	—	—	5	79	0.5%
Washington	25	147	4	11	—	—	29	158	1.1%
West Virginia	1	3	5	6	—	—	6	9	0.1%
Wisconsin	25	107	4	28	—	—	29	135	0.9%
Wyoming	3	19	1	1	1	3	5	23	0.2%
Total US	1,568	\$ 8,668	557	\$ 3,103	70	\$ 2,057	2,195	\$ 13,828	95.5%
International	24	83	20	571	—	—	44	654	4.5%
Total	1,592	\$ 8,751	577	\$ 3,674	70	\$ 2,057	2,239	\$ 14,482	100.0%

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. Excludes interest income on receivables.

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Approximately 67% and 79% 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, 2017.

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

BTA Rank	Wireless Communication		Outdoor Advertising		Total ⁽²⁾		
	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	543	\$ 3,598	72	\$ 1,427	615	\$ 5,025	43 %
6 - 10	107	509	93	397	200	906	8 %
11 - 20	204	1,244	72	460	276	1,704	14 %
21 - 50	206	1,020	130	443	336	1,463	12 %
51 - 100	175	897	85	236	260	1,133	10 %
Subtotal (Top 100)	1,235	7,268	452	2,963	1,687	10,231	87 %
101+	339	1,395	106	140	445	1,535	13 %
Total	1,574	\$ 8,663	558	\$ 3,103	2,132	\$ 11,766	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, 2017. 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 77 years (assuming perpetual easements, which comprise approximately 32% 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, 2017, approximately 86% 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.

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- 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.

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. To date, no landowner has exercised this right.

Fee Simple Properties

Our portfolio of real property interests includes 54 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 the year ended December 31, 2017, we received \$7.9 million in rental revenue related to these properties, representing 15% of rental revenue.

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, 2017.

Our Real Property Interests by Remaining Term

Remaining Term of Real Property Interest(1)	Number of Infrastructure Locations	Leased Tenant Sites(2)		Quarterly Rental Revenue (in thousands)(4)	Percentage of Quarterly Rental Revenue(4)
		Number	Average Remaining Lease Term (years)(3)		
Wireless Communication					
Less than or equal to 20 years	31	41	17.8	\$ 251	2%
20 to 29 years	74	94	16.8	682	5%
30 to 39 years	140	169	18.2	1,044	7%
40 to 49 years	147	209	18.8	1,419	10%
50 to 99 years	465	539	31.7	2,907	20%
Perpetual (5)	379	470	32.8	2,448	17%
Subtotal	1,236	1,522	27.1	\$ 8,751	61%
Outdoor Advertising					
Less than or equal to 20 years	22	25	13.8	\$ 296	2%
20 to 29 years	15	20	12.2	245	2%
30 to 39 years	26	28	18.7	326	2%
40 to 49 years	26	37	17.0	660	5%
50 to 99 years	220	249	18.7	1,011	7%
Perpetual (5)	174	206	17.1	1,136	7%
Subtotal	483	565	17.6	\$ 3,674	25%
Renewable Power Generation					
Less than or equal to 20 years	3	3	31.6	\$ 34	—%
20 to 29 years	11	13	25.4	97	1%
30 to 39 years	6	7	28.7	43	—%
40 to 49 years	1	30	27.9	292	2%
50 to 99 years	3	3	6.6	11	—%
Perpetual(5)	12	14	32.1	1,580	11%
Subtotal	36	70	28.5	\$ 2,057	14%
Aggregate Portfolio					
Less than or equal to 20 years	56	69	17.0	\$ 581	4%
20 to 29 years	100	127	17.2	1,024	8%
30 to 39 years	172	204	18.7	1,413	9%
40 to 49 years	174	276	18.5	2,371	17%
50 to 99 years	688	791	27.6	3,929	27%
Perpetual(5)	565	690	28.3	5,164	35%
Total	1,755	2,157	24.7	\$ 14,482	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, 2017 were 3.8, 8.8, 18.0 and 5.3 years, respectively.
- (4) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. 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 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 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 this reason, we expect to have minimal ongoing expenses relating to our assets. For the years ended December 31, 2017, 2016 and 2015, our property operating and maintenance expenses and maintenance capital expenditures were less than 1% of revenue.

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:

- 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 25 years including renewal terms, and the average remaining lease term of our tenant leases is five years excluding renewal terms. Our tenant leases produce an average of approximately \$2,000 per month in GAAP rental payments, but can range from as low as \$30 per month to as much as \$0.4 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, 279 of our tenant leases, primarily in the outdoor advertising industry, contain revenue sharing provisions. As of December 31, 2017, over 93% of our tenant leases contained contractual rent escalators, 86% of which were fixed-rate (with an average annual escalation rate of approximately 2.5%) and 7% 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, 2017, we had 2,157 tenant sites leased and 82 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, 2017.

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	306	\$ 1,616	11 %
5 to 9 years	303	1,589	11 %
10 to 14 years	370	2,357	16 %
15 years or more	1,178	8,920	62 %
Total	2,157	\$ 14,482	100 %

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. 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	423	\$ 2,206	15 %
1 to 2 years	294	1,580	11 %
2 to 5 years	1,009	5,607	39 %
5 years or more	431	5,089	35 %
Total	2,157	\$ 14,482	100 %

(1) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. 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 85% of our rental revenue for the three months ended December 31, 2017 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, 2017.

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	246	11%	\$ 1,627	13%
AT&T Mobility	222	10%	1,517	10%
Sprint	190	9%	1,312	9%
Verizon	193	9%	1,225	8%
Others	184	9%	644	4%
Wireless Communication (Carriers) Subtotal	1,035	48%	\$ 6,325	44%
Wireless Communication (Tower Companies)				
Crown Castle	263	12%	\$ 1,280	9%
American Tower	169	8%	847	6%
SBA Communications	46	2%	231	2%
Others	9	—%	68	0%
Wireless Communication (Tower Companies) Subtotal	487	22%	\$ 2,426	17%
Outdoor Advertising				
Outfront Media (formerly CBS Outdoor)	131	6%	\$ 605	4%
Clear Channel Outdoor	128	6%	1,692	12%
Lamar Advertising	122	6%	349	2%
Others	184	9%	1,028	7%
Outdoor Advertising Subtotal	565	27%	\$ 3,674	25%
Renewable Power Generation				
Southern California Edison	34	2%	\$ 1,141	8%
Pacific Gas and Electric Company	1	—%	304	2%
Duke Energy	11	—%	113	1%
Others	24	1%	499	3%
Renewable Power Generation Subtotal	70	3%	\$ 2,057	14%
Total	2,157	100%	\$ 14,482	100%

(1) Includes affiliates and subsidiaries.

(2) Represents GAAP rental revenue recognized under existing tenant leases for the three months ended December 31, 2017. 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;

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- 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, Duke Energy and Pacific Gas and Electric. We expect renewable power generation to be an area of growth for our portfolio.

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 and the highest energy output. 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 160 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 acquire additional real property interests in the wireless communication, outdoor advertising, renewable power generation and other fragmented industries, and that it intends to facilitate our growth through the sale of additional assets to us. As part of the IPO and formation transactions, in addition to the contribution of assets to us, Landmark purchased 2,066,995 subordinated units at the initial public offering price of our common units. As of December 31, 2017, including the subordinated units, Landmark and affiliates owns our general partner, all of the incentive distribution rights and a 14% limited partner interest in us. The requirements under our partnership agreement for the conversion of all the subordinated units into common units will be satisfied upon the payment of our quarterly cash distribution on February 14, 2018. Therefore, effective February 15, 2018, the subordinated units owned by Landmark will be converted on a one-for-one basis into common units. The conversion of subordinated units does not impact the amount of cash distributions, total number of outstanding units or Landmark's limited partnership 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.

While we believe Landmark is incentivized to support us, there are no restrictions on the ability of Landmark or its affiliates, including the Remaining Landmark Funds and new private funds that Landmark may form, to compete with us, including for the acquisition of future real property interests. We entered into an omnibus agreement with Landmark and the Remaining Landmark Funds pursuant to which the Remaining Landmark Funds granted us a right of first offer on real property interests that they currently own or acquire in the future before selling or transferring those assets to any third party. The assets subject to the right of first offer are comprised of approximately 700 tenant sites that the Remaining Landmark Funds own as of December 31, 2017 and additional real property interests they may acquire in the future in our target industries. Neither Landmark nor any of the Remaining Landmark Funds are obligated to offer to sell us any additional assets, except pursuant to our right of first offer, which the Remaining Landmark Funds are obligated to offer to sell to us, but only if and when those funds otherwise decide, in their sole discretion, to dispose of such assets. Landmark or the Remaining Funds may need to obtain third-party consents in order to transfer certain of the assets subject to the right of first offer. In addition, we are under no obligation to buy any additional assets from Landmark or the Remaining Landmark Funds. The consideration to be paid by us for those assets, as well as the consummation and timing of any acquisition by us of those assets, would depend upon, among other things, the timing of Landmark's decision to sell those assets and our ability to successfully negotiate a price and other purchase terms for those assets. Please read "Risk Factors – Risks Related to Our Business – If we are unable to make accretive acquisitions of real property interests, our growth could be limited" and "Conflicts of Interest."

Drop-down Acquisitions

During the years ended December 31, 2017, 2016 and 2015, the Partnership completed four, five and eight drop-down acquisitions of 155, 539 and 761 tenant sites and related real property interests, respectively, and two, 14 and one investment in receivables, respectively, from the Sponsor and affiliates in exchange for total consideration of \$118.3 million, \$205.7 million and \$268.2 million, respectively (the "Drop-down Acquisitions" or "Drop-down Assets"). The 2016 and 2015 Drop-down Acquisitions were deemed to be transactions between entities under common control, which, prior to the adoption of ASU No. 2017-01, on April 1, 2017, as described below, required the assets and liabilities transferred be reflected at the historical cost of the parent of the entities, with prior periods retroactively adjusted to furnish comparative information. All 2017 Drop-down acquisitions that occurred after the adoption of ASU No. 2017-01 are a transfer of net assets accounted for prospectively in the period. See Notes to Consolidated and Combined Financial Statements.

Landmark's Acquisition Platform

Landmark's senior management team has an average of over 20 years of experience with real property and infrastructure acquisitions and development in industries with fragmented real property ownership. 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 in real-time. 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 as possible (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, 2017 and 2016, the Partnership acquired 63 tenant sites and one investment in receivables and 40 tenant sites from third parties for total consideration of \$41.0 million and \$85.7 million, respectively. See Note 3, *Acquisitions*, to the Consolidated and Combined 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 Europe. 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, 2017, the consolidated joint venture had ten tenant sites and one investment in receivables with total assets of \$31.6 million. During the year ended December 31, 2017 the consolidated joint venture generated rental revenue of \$0.8 million.

Infrastructure Development

During 2017, the Partnership started developing an ecosystem of technologies that provides smart enabled infrastructure (“Flex Grid”) including the Zero Site microgrid solution and digital outdoor advertising kiosks across North America. The Zero Site is a self-contained, neutral-host smart pole designed for wireless carrier and other wireless operator collocation. The Zero Site is 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. The Flex Grid solution focuses on providing a turnkey site for tenants. Our infrastructure development focuses on deployment on commercial properties, municipality properties and transportation facilities in densified urban locations located in the United States and Canada. As of December 31, 2017, the Partnership’s \$7.6 million construction in progress balance related to the Flex Grid solution.

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 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 infrastructure 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 and the Remaining Landmark Funds 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 the government. 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, 2017, our general partner and its affiliates have approximately 30 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").

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 \$6.7 million per quarter, or approximately \$26.8 million per year, based on the number of common units and subordinated units outstanding as of December 31, 2017. 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; 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 right of first offer is subject to risks and uncertainty, and ultimately we may not acquire any of those assets.

Our omnibus agreement provides us with a right of first offer on certain existing assets of, and certain assets that may be acquired in the future by, the Remaining Landmark Funds. The consummation and timing of any future acquisitions of these assets will depend upon, among other things, Landmark's or the Remaining Landmark Funds' willingness to offer these assets for sale, our ability to negotiate acceptable purchase agreements and commercial agreements with respect to the assets, the ability to obtain third-party consents, which may be necessary to transfer such assets, and our ability to obtain financing on acceptable terms. We can offer no assurance that we will be able to successfully consummate any future acquisitions in keeping with our right of first offer, and Landmark and the Remaining Landmark Funds are under no obligation to accept any offer that we may choose to make. Landmark may also contribute assets to new private funds that it may form that will not be subject to our right of first offer. In addition, we may decide not to exercise our right of first offer if and when any assets are offered for sale, and our decision will not be subject to unitholder approval.

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 the Remaining Landmark Funds, other 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, the Remaining Landmark Funds or third-parties, because, among other reasons, (i) the Remaining Landmark Funds elect not to sell assets subject to our right of first offer, (ii) 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, the Remaining Landmark Funds or third parties, (v) we are unable to obtain financing for these acquisitions on economically acceptable terms, (vi) we are outbid by competitors or (vii) 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 that we believe will be accretive, these acquisitions 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.

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 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 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 the level of Landmark’s indebtedness increases significantly in the future, 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. 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. For example, T-Mobile’s acquisition of MetroPCS (completed in 2013), Sprint’s acquisition of the remaining interest in Clearwire (completed in 2013), and AT&T’s acquisition of Leap Wireless (completed in 2014). 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 advertising 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, 2017, approximately 51% of our combined revenue was derived from T-Mobile, AT&T Mobility, Sprint, Crown Castle and Verizon (or their affiliates), which represented 12%, 11%, 10%, 9% and 9%, 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 17 to the Notes to the Consolidated and Combined 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 51% of our quarterly rental revenue. The New York BTA and the Los Angeles BTA are our top BTAs and accounted for 16% and 14% of our quarterly rental revenue for the three months ended December 31, 2017, respectively. No other single BTA accounted for more than 10% of our quarterly rental revenue for the three months ended December 31, 2017. 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 20% 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 develop or 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"), but our internal accounting controls may not currently meet all standards applicable to companies with publicly traded securities. 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 develop and 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 will require 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.

For as long as we are an emerging growth company, we will not be required to comply with certain disclosure requirements that apply to other public companies.

In April 2012, President Obama signed into law the Jumpstart Our Business Startups Act, or "JOBS Act." For as long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including not being required to provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act and remain an emerging growth company for up to five years, although we will lose that status sooner if we have more than \$1.0 billion of revenue in a fiscal year, have more than \$700.0 million in market value of our limited partner interests held by non-affiliates, or issue more than \$1.0 billion of non-convertible debt over a three-year period.

In addition, the JOBS Act provides that an emerging growth company can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected to “opt out” of this exemption and, therefore, are subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

To the extent that we rely on any of the exemptions available to emerging growth companies, you will receive less information about our executive compensation and internal control over financial reporting than issuers that are not emerging growth companies. If some investors find our common units to be less attractive as a result, there may be a less active trading market for our common units and our trading price may be more volatile.

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 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, 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, 2017, Landmark and affiliates own a 14% 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, the amount of adjusted operating surplus generated in any given period and the ability of the subordinated units to convert into common units;
- 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 a distribution on the subordinated units, to make incentive distributions or to accelerate expiration of the subordination period;
- 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 on our subordinated units or 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. Landmark will continue to manage the operation of the Remaining Landmark Funds (including any similar investment funds formed in the future) and will be under no obligation to provide acquisition opportunities 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 management has limited experience in managing a U.S. publicly traded partnership or REIT.

Our executive management team and internal accounting staff have limited experience in managing our business and reporting as a U.S. publicly traded partnership or REIT. As a result, we may not be able to anticipate or respond to material changes or other events in our business as effectively as if our executive management team and accounting staff had such experience. Furthermore, growth projects may place significant strain on our management resources, thereby limiting our ability to execute our day-to-day business activities.

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 and subordinated 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 that we entered into concurrently with the closing of our IPO, 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) November 19, 2019. 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 and subordinated units voting together as a single class is required to remove our general partner. As of December 31, 2017, Landmark and its affiliates own collectively 100% of our subordinated units and 185,354 common units, which represents a 14% limited partner interest in us. Also, if our general partner is removed without cause during the subordination period and common units and subordinated units held by our general partner and its affiliates are not voted in favor of that removal, all remaining subordinated units will automatically be converted into common units, and any existing arrearages on the common units will be extinguished. A removal of our general partner under these circumstances would adversely affect the common units by prematurely eliminating their distribution and liquidation preference over the subordinated units, which would otherwise have continued until we had met certain distribution and performance tests.

“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, so the removal of our general partner because of the unitholders’ dissatisfaction with our general partner’s performance in managing our partnership will most likely result in the termination of the subordination period.

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;
- because a lower percentage of total outstanding units will be subordinated units, the risk that a shortfall in the payment of the minimum quarterly distribution will be borne by our common unitholders will increase;
- 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, 2017, Landmark and its affiliates hold 185,354 common units and 3,135,109 subordinated units. All of the subordinated units will convert into common units at the end of the subordination period and may convert earlier under certain circumstances. Additionally, 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 and the Remaining Landmark Funds 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, including the Remaining Landmark Funds, 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. After the end of the subordination period, assuming no additional issuances of common units by us (other than upon the conversion of the subordinated units), our general partner and its affiliates (including Landmark) will own approximately 14% of our outstanding common 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. On December 25, 2017, Ron Readmond, a member of our general partner’s board of directors and our audit committee, passed away, resulting in non-compliance with NASDAQ Listing Rule 5605(c)(2), which requires that we maintain an audit committee composed of at least three independent directors. Our general partner’s board of directors intends to identify candidates to replace Mr. Readmond prior to the expiration of the automatic cure period. 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.

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 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 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 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 Preferred Units may be required to bear the financial risks of an investment in the Preferred Units for an indefinite period of time. The Series A Preferred Units rank in parity to the Series B 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 or the Series B 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, 2017, our total debt was approximately \$491.2 million, and we had the ability to borrow an additional \$86 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 and Series B 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.

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. Distributions 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.

Recently enacted U.S. tax legislation (the “2017 Tax Legislation”) 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 2017 Tax Legislation 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.

Many of these changes are effective immediately, without any transition periods or grandfathering for existing transactions. The legislation is unclear in many respects and could be subject to potential amendments and technical corrections, as well as interpretations and implementing regulations by the U.S. Treasury Department and IRS, any of which could lessen or increase the impact of the legislation. In addition, it is unclear how these U.S. federal income tax changes will affect state and local taxation, which often uses federal taxable income as a starting point for computing state and local tax liabilities. While some of the changes made by the tax legislation may adversely affect us in one or more reporting periods and prospectively, other changes may be beneficial on a going forward basis. We continue to work with our tax advisors and auditors to determine the full impact that the recent tax legislation as a whole will have on us.

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 issued. It is unclear when such regulations or other guidance will be issued.

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.

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, subordinated units or other partnership interests. If you 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 recently adopted 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 intends to elect 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 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 will 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 distributions 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, local and foreign 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, which will 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 2017 Tax Legislation, 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

Unit Price and Cash Distributions

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.

The following table sets forth the range of the daily high and low sales prices per common unit and cash distributions to common unitholders for the years 2017 and 2016.

Quarter Ended	High Sale Price	Low Sale Price	Quarterly Cash Distribution per Unit	Distribution Date	Record Date
2017					
December 31, 2017	\$ 18.55	\$ 16.60	\$ 0.3675	February 14, 2018	February 5, 2018
September 30, 2017	18.15	16.00	0.3575	November 14, 2017	November 1, 2017
June 30, 2017	16.35	14.98	0.3550	August 14, 2017	August 1, 2017
March 31, 2017	16.00	14.20	0.3525	May 15, 2017	May 1, 2017
2016					
December 31, 2016	\$ 17.78	\$ 12.55	\$ 0.3500	February 15, 2017	February 6, 2017
September 30, 2016	18.44	15.93	0.3375	November 15, 2016	November 7, 2016
June 30, 2016	16.71	14.63	0.3325	August 15, 2016	August 8, 2016
March 31, 2016	15.72	11.52	0.3300	May 13, 2016	May 3, 2016

Under our current cash distribution policy, we intend to pay at least a minimum quarterly distribution to the holders of our common units and subordinated 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. 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 9, 2018, we had 109 unitholders of record of 21,656,705 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. As of February 9, 2018, we have issued 3,135,109 subordinated units for which there is no established trading market. The requirements under our partnership agreement for the conversion of all the subordinated units into common units will be 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, will be 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.

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 and subordinated 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 maximum distribution of 50% does not include any distributions that our general partner or its affiliates may receive on common or subordinated 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 (as defined below), the common units will have the right to receive distributions of available cash from operating surplus each quarter in an amount equal to \$0.287500 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 will not be 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.

Subordination Period

Except as described below, the subordination period began on the closing date of the IPO, November 19, 2014, and will extend until the first business day following the distribution of available cash in respect of any quarter, beginning with the quarter ending December 31, 2017, that each of the following tests are met:

- distributions of available cash from operating surplus on each of the outstanding common units and subordinated units equaled or exceeded \$1.15 (the annualized minimum quarterly distribution), for each of the three consecutive, non-overlapping four-quarter periods immediately preceding that date;
- the adjusted operating surplus (as defined in our Partnership agreement) generated during each of the three consecutive, non-overlapping four-quarter periods immediately preceding that date equaled or exceeded the sum of \$1.15 (the annualized minimum quarterly distribution) on all of the outstanding common units and subordinated units during those periods on a fully diluted basis; and
- there are no arrearages in payment of the minimum quarterly distribution on the common units.

The requirements described above for the subordinated units to convert will be 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, will be converted on a one-for-one basis into common units.

Early Termination of the Subordination Period

Notwithstanding the foregoing, the subordination period will automatically terminate on the first business day following the distribution of available cash in respect of any quarter, beginning with the quarter ending December 31, 2015, that each of the following tests are met:

- distributions of available cash from operating surplus on each of the outstanding common units and subordinated units equaled or exceeded \$1.725 (150% of the annualized minimum quarterly distribution), plus the related distributions on the incentive distribution rights, for the four-quarter period immediately preceding that date;
- the adjusted operating surplus (as defined in our Partnership agreement) generated during the four-quarter period immediately preceding that date equaled or exceeded the sum of (1) \$1.725 (150% of the annualized minimum quarterly distribution) on all of the outstanding common units and subordinated units during that period on a fully diluted basis and (2) the corresponding distributions on the incentive distribution rights; and
- there are no arrearages in payment of the minimum quarterly distributions on the common units.

Expiration Upon Removal of the General Partner

In addition, if the unitholders remove our general partner other than for cause:

- the subordinated units held by any person will immediately and automatically convert into common units on a one-for-one basis, provided (1) neither such person nor any of its affiliates voted any of its units in favor of the removal and (2) such person is not an affiliate of the successor general partner;
- if all of the subordinated units convert pursuant to the foregoing, all cumulative common unit arrearages on the common units will be extinguished and the subordination period will end; and
- our general partner will have the right to convert its incentive distribution rights into common units or to receive cash in exchange for those interests.

Expiration of the Subordination Period

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. The requirements under our partnership agreement for the conversion of all the subordinated units into common units will be 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, will be 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.

Use of Proceeds

On October 19, 2016, the Partnership closed a public offering of 3,450,000 common units representing limited partner interests in us at a price to the public of \$16.30 per common unit, or \$15.53 per common unit net of the underwriter's discount. We received net proceeds of \$53.3 million after deducting the underwriter's discount and offering expenses paid by us of \$2.9 million. We used all net proceeds to repay a portion of the borrowings under our revolving credit facility.

On May 20, 2015, the Partnership closed a public offering of additional 3,000,000 common units representing limited partner interests in us at a price to the public of \$16.75 per common unit, or \$15.9125 per common unit net of the underwriter's discount. We received net proceeds of \$46.9 million after deducting the underwriter's discount and offering expenses paid by us of \$3.3 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

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 and 3,592,430 Common Units to Fund G on August 30, 2016. In connection with the acquisition of certain assets and liabilities in 2015 from Fund C, Fund E and Fund F, we issued 847,260, 1,998,852 and 1,266,317 Common Units to Fund C, Fund E and Fund F, respectively. 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 and Combined Financial Statements for additional information.

ITEM 6. Selected Financial Data

During the years ended December 31, 2017, 2016 and 2015, the Partnership completed four, five and eight 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 155 tenant sites and two investments in receivables for the year ended December 31, 2017, 539 tenant sites and 14 investments in receivables for the year ended December 31, 2016 and 761 and one investment in receivables for the year ended December 31, 2015, in exchange for total consideration of \$118.3 million, \$205.7 million and \$268.2 million, respectively. The 2016 and 2015 Drop-down Acquisitions are deemed to be transactions between entities under common control, which prior to the adoption of ASU No. 2017-01 on April 1, 2017, requires assets and liabilities transferred at the historical cost of the parent of the entities, with prior periods retroactively adjusted to furnish comparative information. Accordingly, the 2016 and 2015 consolidated financial statements and related notes have been retroactively adjusted to include the historical results and financial position of the 2016 and 2015 Drop-down Assets prior to the acquisition dates during the periods the assets were under common control. For Drop-down Acquisitions that do not meet the new definition of a business under ASU No. 2017-01, the transfer of net assets will be accounted for prospectively in the period in which the transfer occurs at the net carrying value, asset acquisition costs will be capitalized instead of expensed, and prior periods will not be retroactively adjusted. All 2017 Drop-down acquisitions that occurred after March 31, 2017 are a transfer of net assets accounted for prospectively in the period.

Included in the Drop-down Assets acquired by the Partnership during the year ended December 31, 2016, 386 tenant sites and 5 investments in receivables were part of the right of first offer assets acquired from Fund G for a total consideration of \$140.3 million. 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, 2017 and 2016, the Partnership acquired 63 tenant sites and one investment in receivables and 40 tenant sites from third parties for a total consideration of \$41.0 million and \$85.7 million, respectively. See Note 3, *Acquisitions*, within the Notes to the Consolidated and Combined Financial Statements in Item 15., "Exhibits, Financial Statement Schedules," for additional information.

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The following table includes selected financial data of Landmark Infrastructure Partners LP for the years and as of the dates indicated (in thousands). 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 and combined financial statements and accompanying notes in Item 15., “Exhibits, Financial Statement Schedules.”

	Year Ended December 31,		
	2017	2016	2015
Statements of Operations Data:			
Revenue			
Rental revenue	\$ 52,625	\$ 41,171	\$ 33,597
Expenses			
Management fees to affiliate	—	196	480
Property operating	394	107	36
General and administrative	5,286	3,755	2,923
Acquisition-related	1,287	2,906	4,016
Amortization	13,537	11,191	8,651
Impairments	848	1,275	3,902
Total expenses	21,352	19,430	20,008
Total other income and expenses	(15,142)	(11,820)	(12,384)
Income before income tax benefit	16,131	9,921	1,205
Income tax benefit	(3,145)	—	—
Net income	\$ 19,276	\$ 9,921	\$ 1,205
Less: Pre-acquisition net income from Drop-down Assets	—	48	469
Less: Net income attributable to noncontrolling interest	19	—	—
Net income attributable to limited partners	19,257	9,873	736
Less: Distributions declared to preferred unitholders	(6,673)	(2,660)	—
Less: General partner's incentive distribution rights	(488)	(110)	—
Net income attributable to common and subordinated unitholders	\$ 12,096	\$ 7,103	\$ 736
Net income (loss) per common and subordinated unit:			
Common units – basic	\$ 0.54	\$ 0.46	\$ 0.16
Common units – diluted	\$ 0.53	\$ 0.41	\$ 0.07
Subordinated units – basic and diluted	\$ 0.50	\$ 0.23	\$ (0.16)
Cash distributions declared per common and subordinated unit	\$ 1.43	\$ 1.35	\$ 1.25
Balance Sheet Data (End of Period):			
Land and real property interests, before accumulated amortization	\$ 718,381	\$ 578,875	\$ 466,052
Land and real property interests, after accumulated amortization	\$ 680,564	\$ 552,908	\$ 449,671
Total assets	\$ 767,999	\$ 603,060	\$ 485,619
Revolving credit facility	\$ 304,000	\$ 224,500	\$ 233,000
Secured debt facilities	\$ —	\$ —	\$ 74,136
Secured Notes, net	\$ 187,249	\$ 112,435	\$ —
Total liabilities	\$ 513,641	\$ 358,730	\$ 328,257
Equity	\$ 254,358	\$ 244,330	\$ 157,362
Statement of Cash Flow Data:			
Cash flow provided by operating activities	\$ 28,473	\$ 21,465	\$ 15,955
Cash flow used in investing activities	\$ (140,128)	\$ (156,468)	\$ (134,211)
Cash flow provided by financing activities	\$ 118,160	\$ 135,798	\$ 119,929
Other Data:			
Total number of leased tenant sites (end of period)	2,239	1,956	1,844
EBITDA ⁽¹⁾	\$ 48,067	\$ 35,035	\$ 20,814
Adjusted EBITDA ⁽¹⁾	\$ 51,749	\$ 40,074	\$ 32,067
Distributable Cash Flow ⁽¹⁾	\$ 28,825	\$ 21,495	\$ 14,558

(1) For a definition of the non-GAAP financial measure of EBITDA, Adjusted EBITDA and Distributable Cash Flow 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

We define EBITDA as net income before interest, income taxes, depreciation and amortization, and we define Adjusted EBITDA as EBITDA before impairments, acquisition-related costs, unrealized and realized gain or loss on derivatives, loss on extinguishment of debt, gain or loss 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 and after the deemed capital contribution to fund our general and administrative expense reimbursement. We define distributable cash flow as Adjusted EBITDA less cash interest paid, current cash income tax paid and maintenance capital expenditures, preferred units distributions and net income attributable to noncontrolling interests. Distributable cash flow will not reflect changes in working capital balances. 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. This change did not have a material impact on our Adjusted EBITDA or distributable cash flow and prior period amounts have been recast to conform to current presentation.

EBITDA, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA and distributable cash flow are net income and net cash provided by operating activities. Neither EBITDA, Adjusted EBITDA nor distributable cash flow should be considered 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, Adjusted EBITDA or distributable cash flow has important limitations as an analytical tool because it excludes some, but not all, items that affect net income or net cash provided by operating activities, and these measures may vary from those of other companies. You should not consider EBITDA, Adjusted EBITDA or distributable cash flow in isolation or as a substitute for analysis of our results as reported under GAAP. As a result, because EBITDA, Adjusted EBITDA and distributable cash flow may be defined differently by other companies in our industry, EBITDA, Adjusted EBITDA and distributable cash flow as presented below may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

We use the term “distributable cash flow” to measure whether we have generated from our operations, or “earned,” a particular amount of cash sufficient to support the payment of the minimum quarterly distributions. Our partnership agreement contains the concept of “operating surplus” to determine whether our operations are generating sufficient cash to support the distributions that we are paying, as opposed to returning capital to our partners. Because operating surplus is a cumulative concept (measured from the initial public offering date, and compared to cumulative distributions from the initial public offering date), we use the term distributable cash flow to approximate operating surplus on a quarterly or annual, rather than a cumulative, basis. As a result, distributable cash flow is not necessarily indicative of the actual cash we have on hand to distribute or that we are required to distribute.

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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:

	Year Ended December 31,		
	2017	2016	2015
Net cash provided by operating activities	\$ 28,473	\$ 21,465	\$ 15,955
Unit-based compensation	(105)	(105)	(105)
Unrealized gain (loss) on derivatives	1,675	2,306	(446)
Loss on early extinguishment of debt	—	(1,703)	(1,872)
Amortization expense	(13,537)	(11,191)	(8,651)
Amortization of above- and below-market rents, net	1,226	1,338	1,467
Amortization of deferred loan costs and discount on secured notes	(2,237)	(1,703)	(1,902)
Receivables interest accretion	7	36	33
Impairments	(848)	(1,275)	(3,902)
Gain (loss) on sale of real property interests	(5)	374	237
Allowance for doubtful accounts and investments in receivables	(215)	(182)	—
Working capital changes	4,842	561	391
Net income	\$ 19,276	\$ 9,921	\$ 1,205
Interest expense	18,399	13,923	10,958
Amortization expense	13,537	11,191	8,651
Income tax benefit	(3,145)	—	—
EBITDA ⁽¹⁾	\$ 48,067	\$ 35,035	\$ 20,814
Impairments	848	1,275	3,902
Acquisition-related	1,287	2,906	4,016
Unrealized (gain) loss on derivatives	(1,675)	(2,306)	446
Realized loss on derivatives	—	99	140
Loss on early extinguishment of debt	—	1,703	1,872
(Gain) loss on sale of real property interests	5	(374)	(237)
Unit-based compensation	105	105	105
Straight line rent adjustments	(358)	(514)	(338)
Amortization of above- and below-market rents, net	(1,226)	(1,338)	(1,467)
Repayments of investments in receivables	1,180	905	704
Deemed capital contribution due to cap on general and administrative expense reimbursement	3,516	2,578	2,110
Adjusted EBITDA ⁽¹⁾	\$ 51,749	\$ 40,074	\$ 32,067
Less: Drop-down Assets Adjusted EBITDA	—	(5,734)	(12,551)
Adjusted EBITDA applicable to limited partners	\$ 51,749	\$ 34,340	\$ 19,516
Less: Cash interest expense	(16,162)	(10,185)	(4,958)
Less: Cash income tax	(70)	—	—
Less: Distributions declared to preferred unitholders	(6,673)	(2,660)	—
Less: Net income attributable to noncontrolling interests	(19)	—	—
Distributable Cash Flow ⁽¹⁾	\$ 28,825	\$ 21,495	\$ 14,558

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

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 and combined financial statements and related notes included elsewhere in this Annual Report on Form 10-K. Among other things, those historical consolidated and combined 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 own and manage a portfolio of real property interests and infrastructure assets that we lease 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 utilities or high quality offtakers.

The Partnership is a master limited partnership organized in the State of Delaware and has been publicly traded since its initial public offering (the "IPO") on November 19, 2014. On July 31, 2017, the Partnership amended the partnership agreement to impose ownership limits and completed changes to its organizational structure by moving the Partnership's assets under a subsidiary intended to be taxed as a real estate investment trust ("REIT") under the Internal Revenue Code. These changes are designed to simplify tax reporting for unitholders and intended to 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.

How We Generate Rental Revenue

We 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 and predictable cash flow that will support consistent, growing distributions to our unitholders. 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. In addition, over 93% of our tenant leases have contractual fixed-rate escalators or 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.

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.

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) Adjusted EBITDA; and (4) distributable cash flow.

Occupancy

The amount of revenue we generate primarily depends on our occupancy rate. As of December 31, 2017, we had a 96% occupancy rate with 2,157 of our 2,239 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, 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.

EBITDA, Adjusted EBITDA and Distributable Cash Flow

We define EBITDA as net income before interest, income taxes, depreciation and amortization, and we define Adjusted EBITDA as EBITDA before impairments, acquisition-related costs, unrealized or realized gain or loss on derivatives, loss on early extinguishment of debt, gain on sale of real property interest, unit-based compensation, straight line rental adjustments, amortization of above- and below-market lease intangibles plus cash receipts applied toward the repayments of investments in receivables, and after the deemed capital contribution to fund our general and administrative expense reimbursement. We define distributable cash flow as Adjusted EBITDA less cash interest paid, current cash income tax paid, maintenance capital expenditures, preferred unit distributions and net income attributable to noncontrolling interests. Distributable cash flow will not reflect changes in working capital balances. 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. This change did not have a material impact on our Adjusted EBITDA or distributable cash flow and prior period amounts have been recast to conform to current presentation.

EBITDA, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA and distributable cash flow are net income and net cash provided by operating activities. EBITDA, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA and distributable cash flow 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, Adjusted EBITDA or distributable cash flow in isolation or as a substitute for analysis of our results as reported under GAAP. As a result, because EBITDA, Adjusted EBITDA and distributable cash flow may be defined differently by other companies in our industry, EBITDA, Adjusted EBITDA and distributable cash flow 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 EBITDA, Adjusted EBITDA and distributable cash flow, and a reconciliation of EBITDA, Adjusted EBITDA and distributable cash flow 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:

Acquisitions and Developments

We have in the past pursued 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, 2017, 2016 and 2015, the Partnership completed four, five and eight drop-down acquisitions, respectively, from our Sponsor and affiliates (collectively the “Drop-down Acquisitions” or “Drop-down Assets”). The 2016 and 2015 Drop-down Acquisitions are deemed to be transactions between entities under common control, which prior to the adoption of ASU No. 2017-01 on April 1, 2017, requires the assets and liabilities to be transferred at the historical cost of the parent of the entities, with prior periods retroactively adjusted to furnish comparative information. Accordingly, the 2016 and 2015 consolidated financial statements and related notes have been retroactively adjusted to include the historical results and financial position of the 2016 and 2015 Drop-down Assets prior to the acquisition dates during the periods the assets were under common control. For Drop-down Acquisitions that do not meet the new definition of a business under ASU No. 2017-01, the transfer of net assets will be accounted for prospectively in the period in which the transfer occurs at the net carrying value, asset acquisition costs will be capitalized instead of expensed, and prior periods will not be retroactively adjusted. All 2017 Drop-down acquisitions that occurred after the adoption of March 31, 2017 are transfers of net assets accounted for prospectively in the period.

During the year ended December 31, 2017, the Partnership completed four drop-down acquisitions of an aggregate of 155 tenant sites and two investments in receivables from Landmark and affiliates in exchange for total consideration of \$118.3 million. During the year ended December 31, 2016, the Partnership completed five drop-down acquisitions of an aggregate of 539 tenant sites and 14 investments in receivables from Landmark and affiliates in exchange for total consideration of \$205.7 million. During the year ended December 31, 2015, the Partnership completed eight drop-down acquisitions of an aggregate of 761 tenant sites and related real property interests from Landmark and affiliates in exchange for total consideration of \$268.2 million.

Included in the Drop-down Assets acquired by the Partnership during the year ended December 31, 2016, 386 tenant sites and 5 investments in receivables were part of the right of first offer assets acquired from Landmark Dividend Growth Fund-G LLC (“Fund G”) for a total consideration of \$140.3 million. 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. Included in the Drop-down Assets acquired by the Partnership during the year ended December 31, 2015, 401 tenant sites were part of the right of first offer assets acquired from the Acquired Funds for a total consideration of \$140.7 million.

Additionally, during the years ended December 31, 2017 and 2016, the Partnership acquired 63 tenant sites and one investment in receivables and 40 tenant sites from third parties for a total consideration of \$41.0 million and \$85.7 million, respectively. See Note 3, *Acquisitions*, to the Consolidated and Combined Financial Statements for additional information.

Secured Notes

On November 30, 2017, the Partnership completed its second 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 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 2017 Secured Notes and the 2016 Secured Notes described above are collectively referred to as the “Secured Notes.” See Note 7, *Debt* to the Consolidated and Combined 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.

General and Administrative Expenses

Under the Partnership's Amendment No.1 to the Amended and Restated Agreement of Limited Partnership dated July 31, 2017 (the "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 with Landmark ("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 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) the fifth anniversary of the closing of the IPO (November 19, 2019). 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.

On July 31, 2017, the Partnership amended its Partnership agreement and revolving credit facility and completed changes to its organizational structure by moving the Partnership's assets under a subsidiary intended to be taxed as a REIT. During the year ended December 31, 2017, the Partnership incurred \$1.1 million in expenses related to the change in organization structure. Such expenses are included in General and Administrative Expenses during the year ended December 31, 2017.

Our historical financial results include a management fee charged by Landmark to cover certain administrative costs as the managing member of the funds. Landmark is no longer entitled to receive a management fee for these services and will be reimbursed for its costs of providing these services subject to the cap under the terms of the omnibus agreement.

Basis in Real Property Interests

Prior to the adoption of ASU No. 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business* ("ASU No. 2017-01") on April 1, 2017, we concluded that the contribution of interests by the Funds and the Drop-Down Acquisitions were deemed transactions among entities under common control, since these entities have common management and ownership and are under common control. As a result, the contribution and acquisition of real property interests and other assets from the Funds and the Drop-down Assets were recorded at Landmark's historical cost. The statements of operations, financial position and cash flows were adjusted retroactively as if the transactions occurred on the earliest date during which the entities were under common control. 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 will be allocated to the General Partner.

Factors That May Influence Future Results of Operations

Acquisitions

We intend to pursue acquisitions of real property interests from Landmark and its affiliates, including those real property interests subject to our right of first offer. We also 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 would 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.

In January 2017, the FASB issued ASU No. 2017-01 to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The Partnership early adopted ASU No. 2017-01 on April 1, 2017. The adoption of ASU 2017-01 is expected to have an impact on the Partnership's consolidated financial statements as we expect the majority of future acquisitions, including acquisitions from the Sponsor and affiliates, to not meet the definition of a business and certain of the related asset acquisition costs will be capitalized instead of expensed. Internal acquisition costs will continue to be expensed. The transfer of net assets between entities under common control that are not a business generally does not constitute a change in the reporting entity. The transfer of net assets will be accounted for prospectively in the period in which the transfer occurs at the net carrying value, and prior periods will not be retroactively adjusted. Any differences between the cash consideration and the net carrying value of the transfer of net assets will be allocated to the General Partner.

On January 18, 2018, the Partnership acquired 127 tenant sites and related real property interests from Landmark Divided Growth Fund-H LLC (“Fund H”), in exchange for 1,506,421 Common Units and cash consideration of approximately \$32.2 million, for total consideration of \$60.2 million. The cash consideration for the Transaction was funded with \$16 million from the Partnership’s Series 2017 Secured Notes site acquisition account, \$16 million from borrowings under the Partnership’s revolving credit facility and the remainder with available cash.

During 2017, the Partnership started developing an ecosystem of technologies that provides smart enabled infrastructure (“Flex Grid”) including the Zero Site microgrid solution and digital outdoor advertising kiosks across North America. The Zero Site is a self-contained, neutral-host smart pole designed for wireless carrier and other wireless operator collocation. The Zero Site is 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. As of December 31, 2017, the Partnership’s \$7.6 million of construction in progress balance related the Flex Grid solution. 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.

Changing Interest 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.

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 and combined 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 and combined 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 and combined 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. 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

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.

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.

All leases obtained by the Partnership through its acquisition and ownership of real property interests 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.

- **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.

Comparison of Year Ended December 31, 2017 to Year Ended December 31, 2016

Our results of operations for all periods presented were affected by acquisitions made during the years ended December 31, 2017 and 2016. As of December 31, 2017 and 2016, we had 2,239 and 2,022 available tenant sites, respectively. The following table summarizes the combined statement of operations for years ended December 31, 2017 and 2016 (in thousands):

	Year Ended December 31,		
	2017	2016	Change
Revenue			
Rental revenue	\$ 52,625	\$ 41,171	\$ 11,454
Expenses			
Management fees to affiliate	—	196	(196)
Property operating	394	107	287
General and administrative	5,286	3,755	1,531
Acquisition-related	1,287	2,906	(1,619)
Amortization	13,537	11,191	2,346
Impairments	848	1,275	(427)
Total expenses	21,352	19,430	1,922
Other income and expenses			
Interest and other income	1,587	1,225	362
Interest expense	(18,399)	(13,923)	(4,476)
Loss on early extinguishment of debt	—	(1,703)	1,703
Realized loss on derivatives	—	(99)	99
Unrealized gain on derivatives	1,675	2,306	(631)
Gain (loss) on sale of real property interests	(5)	374	(379)
Total other income and expenses	(15,142)	(11,820)	(3,322)
Income before income tax benefit	16,131	9,921	6,210
Income tax benefit	(3,145)	—	(3,145)
Net income	\$ 19,276	\$ 9,921	\$ 9,355

Rental Revenue

Rental revenue increased \$11.5 million, \$4.3 million of which was due to the greater number of assets in the portfolio during 2017 when compared to 2016. Additionally, \$6.9 million was due to the full year impact of rental revenue in 2017 for the 145 tenant sites acquired during 2016. As of December 31, 2017, we had 2,239 available tenant sites with 2,157 leased tenant sites generating revenue compared to 2,022 available tenant sites and 1,956 leased tenant sites generating revenue as of December 31, 2016. Revenue generated from our wireless communication, outdoor advertising, and renewable power generation segments was \$33.5 million, \$11.4 million, \$7.8 million, or 63%, 22% and 15% of total rental revenue, respectively, during 2017, compared to \$30.4 million, \$8.2 million, \$2.6 million, or 74%, 20% and 6% of total rental revenue, respectively, during 2016. The occupancy rates in our wireless communication, outdoor advertising and renewable power generation segments were 96%, 98% and 100%, respectively, as of December 31, 2017 and 2016. Additionally, our effective monthly rental rates per tenant site for wireless communication, outdoor advertising, and renewable power generation segments were \$1,838, \$1,754 and \$9,779, respectively, during 2017 compared to \$1,776, \$1,351 and \$4,062, respectively, during 2016.

Management Fees to Affiliates

Management fees to affiliates decreased \$0.2 million during 2017 compared to 2016 due to \$0.2 million of management fees to affiliates that are associated with Fund G during the year ended December 31, 2016. Landmark's right to receive management fees of \$65 per asset per month for managing Fund G's assets was terminated in connection with the Partnership's acquisition of the acquired fund. Pursuant to the terms of our Omnibus Agreement, Landmark is required to reimburse the Partnership for certain general and administrative services that exceed the greater of \$162,500 or 3% of our revenue during the preceding calendar quarter.

Property Operating

Property operating expenses increased \$0.3 million during 2017 compared to 2016 due to the increase in property taxes as a result of an increase in fee simple properties that are not leased under a triple net lease structure. 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. Additionally, we incurred management fees in the UK that totaled \$0.1 million in 2017. As we deploy Flex Grid solution, we may incur additional operating expenses associated with ground lease payments and other operating expenses to maintain our infrastructure assets.

General and Administrative

General and administrative expenses increased \$1.5 million during 2017 compared to 2016, primarily due to the change in the Partnership's organization structure. On July 31, 2017, the Partnership amended its Partnership agreement and revolving credit facility and completed changes to its organizational structure by moving the Partnership's assets under a subsidiary intended to be taxed as a REIT. During 2017, the Partnership incurred \$1.1 million in fees related to the change in organization structure. 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 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) the fifth anniversary of the closing of the IPO (November 19, 2019). 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 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. For the years ended December 31, 2017 and 2016, Landmark reimbursed us \$3.5 million and \$2.6 million, respectively, for expenses related to certain general and administrative expenses that exceeded the cap.

Acquisition-Related

Acquisition-related expenses decreased \$1.6 million during 2017 compared to 2016 as a result of the Partnership's early adoption of ASU No. 2017-01 on April 1, 2017. Under ASU No. 2017-01, for acquisitions that do not meet the definition of a business, acquisition costs are required to be capitalized instead of expensed. 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 the acquisitions. Additionally, we expect future drop-down acquisitions from the Sponsor and affiliates to be transfers of net assets that are not a business. The transfer of net assets will be accounted for prospectively in the period in which the transfer occurs at the net carrying value, and prior periods will not be retroactively adjusted. Acquisition costs for transactions between entities under common control are expensed as incurred.

Amortization

Amortization expense increased \$2.3 million during 2017 compared to 2016 as a result of having 2,239 tenant sites as of December 31, 2017 compared to 2,022 tenant sites as of December 31, 2016. We expect amortization of investments in real property rights with finite useful lives and in-place lease values to continue to increase based on increased acquisitions and assets acquired in 2016 contributing to a full year of amortization.

Impairments

Impairments decreased \$0.4 million during 2017 compared to 2016, primarily due to lease terminations in our wireless communication and outdoor advertising segments during the year ended December 31, 2016. During the year ended December 31, 2017, six of the Partnership's real property interests were impaired for \$0.8 million compared to nine of Partnership's real property interests impaired for \$1.3 million during year ended December 31, 2016.

Interest and Other Income

Interest and other income increased \$0.4 million during 2017 compared to 2016 as a result of the acquisition of three investments in receivables during year ended December 31, 2017 for \$4.5 million as described in Note 3, *Acquisitions* to the Consolidated and Combined Financial Statement. The Partnership acquired investments in receivables that are recorded at the fair value at the acquisition date, using discount rates ranging from 7% to 14%. Interest income on receivables is generated from our wireless communication, outdoor advertising, and renewable power generation segments.

Interest Expense

Interest expense increased \$4.5 million during 2017 compared to 2016, primarily due to greater outstanding debt balance for the year ended December 31, 2017 compared to the outstanding debt balance for the year ended December 31, 2016. On November 30, 2017, a special purpose subsidiary of the Partnership issued its Series 2017-1 Class A and Class B secured notes ("the 2017 Securitization"), in an aggregate principal amount of \$80 million, which bear interest at a fixed note rate per annum of 4.10% and 3.81%, respectively (weighted average of 4.03%). Net proceeds from the 2017 Securitization were used to pay down the revolving credit facility by \$54 million and \$16 million held in a site acquisition account for future acquisitions. On June 16, 2016, a special purpose subsidiary of the Partnership issued its Series 2016-1 Class A and Class B secured notes (the "2016 Securitization"), in amounts of \$91.5 million and \$25.1 million, respectively, which bear interest at a fixed note rate per annum of 3.52% and 7.02% (weighted average of 4.27%), respectively. Net proceeds from the 2016 Securitization were used to pay down the revolving credit facility by \$112.3 million. The obligations under the 2016 Securitization and the 2017 Securitization are payable solely from cash flow from the assets owned by the respective entities and are not obligations of the Partnership or any of its subsidiaries (other than the obligors under the 2017 Securitization and 2016 Securitization, respectively). As of December 31, 2017, the Partnership had \$145 million of debt on the revolving credit facility hedged through interest rate swap agreements at a weighted-average interest rate of 4.06%. We had \$304 million and \$224.5 million outstanding under the revolving credit facility as of December 31, 2017 and December 31, 2016, respectively.

As the 2016 Drop-down Acquisitions were transactions between entities under common control, prior-period information has been retroactively adjusted to include interest expense of \$2.5 million related to Fund G's secured debt facilities for the year ended December 31, 2016. Additionally, deferred loan costs amortization, which is included in interest expense, has been retroactively adjusted to include \$0.4 million for the year ended December 31, 2016.

Loss on Early Extinguishment of Debt

In connection with the Fund G drop-down acquisition during 2016, \$74.6 million was used to repay the fund's secured indebtedness. At the time of the acquisition, the unamortized balance of the deferred loan costs totaling \$1.7 million related to the secured debt facility was recorded as a loss on extinguishment of debt during the year ended December 31, 2016.

Realized loss and Unrealized Gain 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. On June 12, 2017, the Partnership entered into an interest rate swap agreement with a notional amount of \$50.0 million to fix the floating rate for existing borrowings at an effective rate of 4.56% over a six-year period beginning on March 2, 2018. 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 gain recorded for the year ended December 31, 2017 and 2016 reflects the change in fair value of these contracts during those periods.

In connection with the Fund G drop-down acquisition, the interest rate swaps held by the fund were terminated. The realized loss of \$0.1 million recognized during the year ended December 31, 2016 reflects the termination of interest rate swap agreements of Fund G.

Gain (Loss) on Sale of Real Property Interests

During the year ended December 31, 2017, we recognized a loss on sale of real property interest of \$4,812 related to the sale of one wireless communication site. During the year ended December 31, 2016, we recognized a gain on the sale of real property interest of \$0.4 million related to the sale of one wireless communication site.

Income Tax Benefit

Income tax benefit increased \$3.1 million during the year ended December 31, 2017 compared to the year ended December 31, 2016 primarily due to a reduction in a deferred tax asset valuation allowance as we believe it is more likely than not that the deferred tax asset will be realized. Additionally, certain foreign subsidiaries of the Partnership are subject to corporate income tax in the foreign jurisdictions where we own assets and generate taxable income. During the year ended December 31, 2017, certain foreign subsidiaries generated \$0.1 million in income tax expense.

Comparison of Year Ended December 31, 2016 to Year Ended December 31, 2015

Our results of operations for all periods presented were affected by acquisitions made during the years ended December 31, 2016 and 2015. As of December 31, 2016 and 2015, we had 2,022 and 1,877 available tenant sites, respectively. The following table summarizes the combined statement of operations for years ended December 31, 2016 and 2015 (in thousands):

	Year Ended December 31,		
	2016	2015	Change
Revenue			
Rental revenue	\$ 41,171	\$ 33,597	\$ 7,574
Expenses			
Management fees to affiliate	196	480	(284)
Property operating	107	36	71
General and administrative	3,755	2,923	832
Acquisition-related	2,906	4,016	(1,110)
Amortization	11,191	8,651	2,540
Impairments	1,275	3,902	(2,627)
Total expenses	19,430	20,008	(578)
Other income and expenses			
Interest and other income	1,225	795	430
Interest expense	(13,923)	(10,958)	(2,965)
Loss on early extinguishment of debt	(1,703)	(1,872)	169
Realized loss on derivatives	(99)	(140)	41
Unrealized gain (loss) on derivatives	2,306	(446)	2,752
Gain on sale of real property interests	374	237	137
Total other income and expenses	(11,820)	(12,384)	564
Net income	<u>\$ 9,921</u>	<u>\$ 1,205</u>	<u>\$ 8,716</u>

Rental Revenue

Rental revenue increased \$7.6 million, \$2.1 million of which was due to the greater number of assets in the portfolio during 2016 when compared to 2015. Additionally, \$5.3 million was due to the full year impact of rental revenue in 2016 for the 409 tenant sites acquired during 2015. As of December 31, 2016, we had 2,022 available tenant sites with 1,956 leased tenant sites generating revenue compared to 1,877 available tenant sites and 1,844 leased tenant sites generating revenue as of December 31, 2015. Revenue generated from our wireless communication, outdoor advertising, and renewable power generation segments was \$30.4 million, \$8.2 million, \$2.6 million, or 74%, 20% and 6% of total rental revenue, respectively, during 2016, compared to \$26.5 million, \$6.8 million and \$0.2 million, or 79%, 20% and 1% of total rental revenue, respectively, during 2015. The occupancy rates in our wireless communication, outdoor advertising and renewable power generation segments were 96%, 98% and 100%, respectively, as of December 31, 2016 compared to 98%, 98% and 100%, respectively, as of December 31, 2015. Additionally, our effective monthly rental rates per tenant site for wireless communication, outdoor advertising, and renewable power generation segments were \$1,776, \$1,351 and \$4,062, respectively, during 2016 compared to \$1,756, \$1,272, and \$2,310, respectively, during 2015.

Management Fees to Affiliates

Landmark's right to receive management fees ranging from \$45 to \$75 per asset per month for managing each of the Acquired Funds' assets was terminated in connection with the Partnership's acquisition of the Acquired Funds. The Acquired Fund acquisitions represent transactions under common control and require the prior periods to be retroactively adjusted to furnish comparative information. As such, prior information includes management fees to affiliates incurred by the Acquired Funds. Pursuant to the Partnership's Omnibus Agreement, the Partnership instead reimburses Landmark for certain general and administrative expenses incurred by Landmark, subject to a quarterly cap equal to the greater of \$162,500 and 3% of our revenue during the preceding calendar quarter.

Property Operating

Property operating expenses increased \$0.1 million during 2016 compared to 2015 due to the increase in property taxes as a result of an increase in fee simple properties during 2016. 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.

General and Administrative

General and administrative expenses increased \$0.8 million during 2016 compared to 2015, due to an increase primarily in audit fees, legal fees, tax filing fees and tax preparation expenses. 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 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) the fifth anniversary of the closing of the IPO (November 19, 2019). 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 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. For the years ended December 31, 2016 and 2015, Landmark reimbursed us \$2.6 million and \$2.1 million, respectively, for expenses related to certain general and administrative expenses that exceeded the cap.

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 the acquisitions. Acquisition-related expenses decreased \$1.1 million during 2016 compared to 2015 as a result of fewer assets included in the Drop-down Acquisitions that were acquired by Landmark in 2016. The acquisitions made from Landmark and affiliates represent transactions under common control and require the prior periods to be retroactively adjusted to furnish comparative information. The Drop-down Acquisitions included 145 and 409 tenant sites acquired by Landmark and affiliates during the years ended December 31, 2016 and 2015, respectively, with acquisition expenses of \$0.3 million and \$2.1 million, respectively, associated with the Drop-down Assets.

Amortization

Amortization expense increased \$2.5 million during 2016 compared to 2015 as a result of having 2,022 tenant sites as of December 31, 2016 compared to 1,877 tenant sites as of December 31, 2015. We expect amortization of investments in real property rights with finite useful lives and in-place lease values to continue to increase based on increased acquisitions and assets acquired in 2016 contributing to a full year of amortization.

Impairments

Impairments decreased \$2.6 million during 2016 compared to 2015, primarily due to nine lease terminations in our wireless communication and outdoor advertising segments during the year ended December 31, 2016 compared to 21 during the year ended December 31, 2015. As a result of T-Mobile's acquisition of MetroPCS (completed in 2013), we have received termination notices related to 23 MetroPCS tenant sites, two of which have subsequently rescinded. As of December 31, 2016, the majority of the MetroPCS sites where we have received termination notices have been vacated. We believe the impact of past consolidation is already reflected in our occupancy rates.

Interest and Other Income

Interest and other income increased \$0.4 million during 2016 compared to 2015 as a result of the acquisition of certain solar sites accounted for as investments in receivables. During the year ended December 31, 2016, the Partnership acquired 14 investments in receivables compared to the 1 investment in receivable acquired in during the year ended December 31, 2015. The acquired investments in receivables are recorded at the fair value at the acquisition date, using discount rates ranging from 8.2% to 14.3%. Interest income on receivables is generated from our wireless communication and renewable power generation segments.

Interest Expense

Interest expense increased \$3.0 million during 2016 compared to 2015, primarily due to greater outstanding debt balance for the year ended December 31, 2016 compared to the outstanding debt balance for the year ended December 31, 2015. On June 16, 2016, a special purpose subsidiary of the Partnership issued its Class A and Class B secured notes in amounts of \$91.5 million and \$25.1 million, respectively, which bear interest at a fixed note rate per annum of 3.52% and 7.02% (weighted average of 4.27%), respectively. Net proceeds from the 2016 Securitization were used to pay down the revolving credit facility by \$112.3 million. We had \$224.5 million outstanding under the revolving credit facility as of December 31, 2016 compared to \$233.0 million as of December 31, 2015.

As the 2016 and 2015 Drop-down Acquisitions were transactions between entities under common control, financial information has been retroactively adjusted to include interest expense related to the Acquired Funds' secured debt facilities of \$2.5 million and \$5.3 million for the years ended December 31, 2016 and 2015, respectively. Additionally, deferred loan costs amortization, which is included in interest expense, has been retroactively adjusted to include \$0.4 million and \$1.2 million for the years ended December 31, 2016 and 2015, respectively.

Loss on Early Extinguishment of Debt

In connection with the acquisition of the Acquired Funds, cash proceeds were used to repay the Acquired Funds' secured indebtedness as part of the Acquired Funds' respective liquidations. In connection with the acquisition of Fund G during the year ended December 31, 2016 and the acquisitions of Fund F, Fund C and Fund E during the year ended December 31, 2015, \$74.6 million, \$24.5 million, \$15.1 million and \$29.2 million was used to repay each Acquired Funds' secured indebtedness, respectively. At the time of each fund acquisition, the unamortized balance of the deferred loan costs totaling \$1.7 million and \$1.9 million related to the secured debt facilities was recorded as a loss on extinguishment of debt during the years ended December 31, 2016 and 2015, respectively.

Realized loss and Unrealized Gain/(Loss) on Derivatives

We mitigated exposure to fluctuations in interest rates on existing debt by entering into swap contracts, as described above, that fixed the floating LIBOR rate. On March 23, 2016, the Partnership entered into an interest rate swap agreement with a notional amount of \$50.0 million to fix the floating rate for existing borrowings at an effective rate of 4.17% over a three-year period beginning on December 24, 2018. Additionally, on March 31, 2016, the Partnership entered into two interest rate swap agreements with notional amounts of \$20.0 million and \$25.0 million to fix the floating interest rate for existing borrowings at an effective rate of 4.06% and 4.13% over a three-year period beginning on December 24, 2018 and April 13, 2019, respectively. 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 gain recorded for the year ended December 31, 2016 and the unrealized loss recorded for the year ended December 31, 2015 reflects the change in fair value of these contracts during those periods.

In connection with the acquisition of the Acquired Funds, the interest rate swaps held by the funds were terminated. The realized loss of \$0.1 million recognized during the year ended December 31, 2016 reflects the loss on termination of interest rate swap agreements for Fund G. The realized loss of \$0.1 million recognized during the year ended December 31, 2015 reflects the loss on termination of interest rate swap agreements for Fund E, Fund C and Fund F.

Gain on Sale of Real Property Interests

During the year ended December 31, 2016, we recognized a gain on the sale of real property interest of \$0.4 million related to the sale of one wireless communication site.

Liquidity and Capital Resources

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

- Commitments to acquire and deploy Zero Site microgrid solution, a neutral-host smart pole;
- 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; and
- distributions to our common and preferred unitholders.

We intend to satisfy our short-term liquidity requirements 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, 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 U.S. Securities and Exchange Commission (the SEC), effective March 27, 2017, 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.

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 and subordinated units outstanding as of February 9, 2018. The conversion of the subordinated units does not impact the amount of cash distribution or total number of outstanding units. 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 \$2.0 million per quarter, or approximately \$8.0 million per year in the aggregate based on the number of Preferred Units outstanding as of February 9, 2018. 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 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				
December 31, 2014	January 26, 2015	February 13, 2015	\$ 0.1344	\$ 1,054
March 31, 2015	April 23, 2015	May 14, 2015	0.2975	2,332
June 30, 2015	July 21, 2015	August 14, 2015	0.3075	3,334
September 30, 2015	October 22, 2015	November 13, 2015	0.3175	4,077
December 31, 2015	January 28, 2016	February 12, 2016	0.3250	4,864
March 31, 2016	April 20, 2016	May 13, 2016	0.3300	4,954
June 30, 2016	July 27, 2016	August 15, 2016	0.3325	5,089
September 30, 2016	October 26, 2016	November 15, 2016	0.3375	7,628
December 31, 2016	January 25, 2017	February 15, 2017	0.3500	7,985
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
Series A Preferred Units				
June 30, 2016	June 16, 2016	July 15, 2016	\$ 0.5611	\$ 449
September 30, 2016	September 22, 2016	October 17, 2016	0.5000	432
December 31, 2016	December 16, 2016	January 17, 2017	0.5000	432
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
Series B Preferred Units				
September 30, 2016	October 20, 2016	November 15, 2016	\$ 0.5322	\$ 979
December 31, 2016	January 20, 2017	February 15, 2017	0.4938	909
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

As of December 31, 2017, we had \$491 million of total outstanding indebtedness. On December 28, 2017, we exercised our option to increase the available commitments under our revolving credit facility for an additional \$23 million, resulting in aggregate commitments of \$390 million under the revolving credit facility. As of December 31, 2017, we had \$304 million of outstanding borrowings on our revolving credit facility, and we had \$86 million of undrawn borrowing capacity, subject to compliance with certain covenants, under our revolving credit facility. On January 18, 2018, the Partnership acquired 127 tenant sites and related real property interests from Fund H. The cash consideration was partially funded by \$16 million from borrowings under the Partnership's revolving credit facility. As of February 9, 2018, the Partnership had \$330 million of outstanding borrowings on our revolving credit facility, and we had \$60 million of undrawn borrowing capacity, 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 and scheduled debt maturities. We intend to satisfy our long-term liquidity needs through cash flow from operations 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, 2017, 2016, and 2015 (in thousands):

	Year Ended December 31,		
	2017	2016	2015
Net cash provided by operating activities	\$ 28,473	\$ 21,465	\$ 15,955
Net cash used in investing activities	(140,128)	(156,468)	(134,211)
Net cash provided by financing activities	118,160	135,798	119,929

Comparison of year ended December 31, 2017 to year ended December 31, 2016

Net cash provided by operating activities. Net cash provided by operating activities increased \$7.0 million to \$28.5 million for the year ended December 31, 2017 compared to \$21.5 million for the year ended December 31, 2016. The increase is primarily attributable to the increase in rental revenue related to the assets acquired and timing of payments of accounts payable and accrued liabilities.

Net cash used in investing activities. Net cash used in investing activities was \$140.1 million for the year ended December 31, 2017 compared to \$156.5 million for the year ended December 31, 2016. The change in cash used in investing activities was due to the decrease in cash used to acquire assets during the year ended December 31, 2017 compared to the year ended December 31, 2016.

Net cash provided by financing activities. Net cash provided by financing activities was \$118.2 million for the year ended December 31, 2017 compared to net cash provided by financing activities of \$135.8 million for the year ended December 31, 2016. The decrease in cash provided by financing activities was primarily attributable to the increase in distributions to unitholders of \$38.7 million during the year ended December 31, 2017 compared to \$24.4 million during the year ended December 31, 2016.

Comparison of year ended December 31, 2016 to year ended December 31, 2015

Net cash provided by operating activities. Net cash provided by operating activities increased \$5.5 million to \$21.5 million for the year ended December 31, 2016 compared to \$16.0 million for the year ended December 31, 2015. The increase is primarily attributable to the increase in rental revenue related to the assets acquired and timing of payments of accounts payable and accrued liabilities.

Net cash used in investing activities. Net cash used in investing activities increased by \$22.3 million to \$156.5 million for the year ended December 31, 2016 compared to \$134.2 million for the year ended December 31, 2015. The change in cash used in investing activities was due to a higher level of cash acquisitions during the year ended December 31, 2016 compared to the year ended December 31, 2015.

Net cash provided by financing activities. Net cash provided by financing activities was \$135.8 million for the year ended December 31, 2016 compared to net cash provided by financing activities of \$119.9 million for the year ended December 31, 2015. The increase in cash provided by financing activities is primarily attributable to the increase in proceeds from equity offerings of \$76.7 million, partially offset by increased net principal debt payments of \$90.9 million and the increase in distributions of \$13.6 million during the year ended December 31, 2016 compared to the year ended December 31, 2015. The difference between the cost and the sales price of assets sold by Landmark to us is treated as a distribution to the General Partner in the financial statements.

Revolving Credit Facility

Our revolving credit facility will mature on November 19, 2019 and is available for working capital, capital expenditures, permitted acquisitions and general corporate purposes, including distributions. On December 28, 2017, we exercised our option to increase the available commitments under our revolving credit facility for an additional \$23 million, resulting in aggregate commitments of \$390 million under the revolving credit facility. Substantially all of our assets, excluding equity in and assets of certain joint ventures and unrestricted subsidiaries is pledged 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 8.5 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 our revolving credit facility bear interest at our option at a variable rate per annum equal to either:

- a base rate, which will be the highest of (i) the administrative agent's prime rate in effect on such day, (ii) the federal funds rate in effect on such day plus 0.50%, and (iii) an adjusted one-month LIBOR plus 1.0%, in each case, plus an applicable margin of 1.50%; or
- an adjusted one-month LIBOR plus an applicable margin of 2.50%.

As of December 31, 2017, the Partnership had \$304 million of total outstanding indebtedness under the revolving credit facility with \$86 million available under the revolving credit facility, subject to compliance with certain covenants. The Partnership was also in compliance with all covenants under its revolving credit facility at December 31, 2017. As of February 9, 2018, the Partnership had \$330 million of outstanding borrowings on our revolving credit facility, and we had \$60 million of undrawn borrowing capacity, subject to compliance with certain covenants, under our revolving credit facility.

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 (the "2017 Securitization Issuer"), 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 (the "2016 Securitization Issuer"), 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 and 2017 Secured Notes were each issued in two separate classes as indicated in the table below. The Class B notes of each series are subordinated in right of payment to the Class A notes of such series.

Series and Class	Initial Principal Balance (in thousands)	Note Rate	Anticipated Repayment Date
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

The 2016 Secured Notes and 2017 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.

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Under the terms of the applicable indenture, amounts due under the 2016 Secured Notes and 2017 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 8, *Debt*, the excess cash flows generated from the operation of such assets are released to the Partnership. As of December 31, 2017, \$2.7 million held in such reserve accounts which are classified as Restricted Cash on the accompanying consolidated and combined balance sheets. Additionally, as of December 31, 2017 included in Restricted Cash is \$16.0 million from the 2017 Secured Notes site acquisition account that was subsequently used on January 18, 2018 to acquire certain assets from Fund H.

Certain information with respect to the 2017 Securitization and the 2016 Securitization is set forth in Note 8, *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 2016 Secured Notes and the 2017 Secured Notes, as applicable, that will be outstanding on the payment date following such date of determination. As of December 31, 2017, the DSCR for each of the Secured Notes is above 2.0.

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, 2017, the applicable obligors were in compliance with all financial covenants under the Secured Notes.

Commitments

Our contractual obligations as of December 31, 2017 were (in thousands):

	Payments by Period			
	Total	Less than 1 year	Between 1 - 3 years	Between 3 - 5 years
Revolving credit facility (principal)	\$ 304,000	\$ —	\$ 304,000	\$ —
Revolving credit facility (interest) ⁽¹⁾	21,248	11,302	9,946	—
Secured Notes (principal and interest)	226,760	12,433	29,891	184,436

(1) Interest payable is based on the interest rates in effect on December 31, 2017, including the effect of the interest rate swaps and unused commitment fees.

As of December 31, 2017, the Partnership had a \$1.3 million commitment related to the construction of the Zero Site microgrid solution across North America, a self-contained neutral-host smart pole designed for wireless carrier and other wireless operator colocation.

Shelf Registrations

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.

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.

Common Unit Offering

On October 19, 2016, the Partnership completed a public offering of 3,450,000 Common Units, which includes the full exercise of the underwriters' option to purchase 450,000 Common Units, at a price to the public of \$16.30 per Common Unit, or \$15.53 per Common Unit net of the underwriters' discount. We received net proceeds of \$53.3 million after deducting the underwriters' discount and offering expenses paid by us of \$2.9 million. The net proceeds from the offering were used to repay a portion of the borrowings under our revolving credit facility.

Preferred Equity Offerings

On April 4, 2016, the Partnership completed a public offering of \$20.0 million of 8.00% Series A Cumulative Redeemable Perpetual Preferred Units ("Series A Preferred Units"), representing limited partner interests in the Partnership, at a price of \$25.00 per unit. We received net proceeds of approximately \$18.4 million after deducting the underwriters' discounts and offering expenses paid by us of \$1.6 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

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Distributions on the Series A Preferred Units are cumulative from the date of original issuance and will be payable quarterly in arrears on the 15th day of January, April, July and October of each year, when, as and if declared by the board of directors of our General Partner. The initial distribution on the Series A Preferred Units was paid on July 15, 2016 in an amount equal to \$0.5611 per unit, which equates to \$0.4 million in total distributions to preferred unitholders of record as of July 1, 2016. Distributions on the Series A Preferred Units will accumulate at a rate of 8.0% per annum per \$25.00 stated liquidation preference per Series A Preferred Unit.

In connection with the closing of the Series A Preferred Unit offering, on April 4, 2016, the Partnership executed the Second Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP for the purpose of creating the Series A Preferred Units and defining the preferences, rights, powers and duties of holders of Series A Preferred Units.

On August 8, 2016, the Partnership completed a public offering of \$46.0 million of 7.9% Series B Cumulative Redeemable Perpetual Preferred Units ("Series B Preferred Units" and together with the Series A Preferred Units, "Preferred Units"), representing limited partner interests in the Partnership, at a price of \$25.00 per unit, which included the full exercise of the underwriters' option to purchase an additional 240,000 Series B Preferred Units. We received net proceeds of approximately \$44.3 million after deducting underwriters' discounts and offering expenses paid by us of \$1.5 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

Distributions on the Series B Preferred Units are cumulative from the date of the original issuance 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 B Preferred Units was paid on November 15, 2016 in an amount equal to \$0.5321527 per unit. Distributions on the Series B Preferred Units will accumulate at a rate of 7.9% per annum per \$25.00 stated liquidation preference per Series B Preferred Unit. The Series B Preferred Units will rank on parity to our Series A Preferred Units with respect to distributions and distributions upon a liquidation event.

In connection with the closing of the Series B Preferred Unit offering, on August 8, 2016, the Partnership executed the Third Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP for the purpose of creating the Series B Preferred Units and defining the preferences, rights, powers and duties of holders of Series B Preferred Units.

ATM Programs

On February 16, 2016, the Partnership established a Common Unit at-the-market offering 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. On June 24, 2016, the Partnership established a Preferred Unit at-the-market offering program (the "Preferred Unit ATM Program" and together with the Common Unit ATM Program the "ATM Programs") pursuant to which we may sell, from time to time, Preferred Units having an aggregate offering price of up to \$40.0 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.

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. For the year ended December 31, 2016, the Partnership issued a total of 405,156 Common Units and 63,957 Series A Preferred Units under our ATM Programs, generating total proceeds of approximately \$8.5 million before issuance costs.

Off Balance Sheet Arrangements

As of December 31, 2017, the Partnership does not have any off balance sheet arrangements.

Inflation

Substantially all 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 and Combined 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 will be interest rate risk with respect to our expected indebtedness.

Interest Rate Risk

As of December 31, 2017, our revolving credit facility had an outstanding balance of \$304 million. Additional 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, 2017, we have hedged \$145 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 \$2.4 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 \$2.4 million annually. On June 12, 2017, the Partnership entered into an interest rate swap agreement with a notional amount of \$50 million to fix the floating rate for existing borrowings at an effective rate of 4.56% over a six-year period beginning on March 2, 2018. The additional interest rate swap will increase the Partnership's total hedged amount on the revolving credit facility through interest rate swap agreements to \$195 million beginning March 2018.

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 and increase interest expense on refinanced indebtedness. 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 to internal markets we are exposed to market risk from changes in foreign currency exchange rates. We currently do not use derivative financial instruments to mitigate foreign currency risk. Approximately 3% and less than 1% of rental revenue was denominated in foreign currencies for the year ended December 31, 2017 and 2016, respectively. In the future, we may utilize derivative instruments to manage the risk of fluctuations in foreign currency rates related to the potential impact these changes could have on future earnings and forecasted cash flows. 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. The cumulative translation effect is included in equity as a component of AOCI.

ITEM 8. Financial Statements and Supplementary Data

See Index to Consolidated and Combined 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 Securities Exchange Act of 1934, as amended (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. 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

(a) 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.

As of December 31, 2017, 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, 2017.

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.

(b) Attestation Report of the Registered Public Accounting Firm

This annual report does not include an attestation report of our registered public accounting firm on our internal control over financial reporting due to a transition period established by rules of the SEC for new public companies. Section 103 of the Jumpstart Our Business Startups Act of 2012 provides that an emerging growth company (EGC) is not required to provide an auditor's report on internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act for as long as we qualify as an EGC. We are an EGC, and therefore we are not required to include an attestation report of our registered public accounting firm on our internal control over financial reporting in this report.

(c) 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.

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 seven directors, two 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. On December 25, 2017, one of our independent directors passed away, resulting in non-compliance with NASDAQ Listing Rule 5605(c)(2) as described below. In accordance with NASDAQ Listing Rule 5605(c)(4), the Partnership has an automatic cure period in order to regain compliance with NASDAQ Listing Rule 5605(c)(2). The Board of Directors intends to identify candidates to replace Mr. Readmond and appoint a new independent director who satisfies the applicable requirements of the NASDAQ Listing Rules to serve on the Board of Directors and the Audit Committee prior to the expiration of the cure period.

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 and Gerald A. Tywoniuk 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. As a result of Mr. Readmond's passing, we are not in compliance with NASDAQ Listing Rule 5605(c)(2), which requires that we maintain an audit committee composed of at least three independent directors. The board of directors of our general partner is actively seeking to recruit a director to fill the vacancy before the end of the cure period for such non-compliance. 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.	58	Chief Executive Officer and Director
George P. Doyle	48	Chief Financial Officer and Treasurer
Daniel R. Parsons	53	Senior Vice President – Information Systems and Technology
Josef Bobek	43	General Counsel and Secretary
Matthew P. Carbone	51	Chairman of the Board of Directors
James F. Brown	53	Director
Nandit Gandhi	50	Director
Edmond G. Leung	37	Director
Ronald W. Readmond (1)	75	Director
Thomas Carey White III	52	Director
Gerald A. Tywoniuk	56	Director

(1) Mr. Readmond served on the board of directors of our general partner until his passing in December 2017.

Arthur P. Brazy, Jr. was appointed Chief Executive Officer and a Director of our general partner. Mr. Brazy has served as President of our sponsor, Landmark Dividend LLC, since co-founding the company in February 2010, 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. 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 served on the boards of a number of AIM portfolio 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 Granite Communities LLC from July 2012 to December 2016, as a member of the board of managers of Arrow Holdings, LLC from January 2016 to December 2017, and as a director of the general partner of Tunnel Hill Partners, L.P. since July 2008. 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. (NASDAQ: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.

Nandit Gandhi was appointed a Director of general partner in January 2016 in connection with his affiliation with Landmark Dividend, LLC, which controls our general partner. Mr. Gandhi is a member of the board of managers of Landmark Dividend Holdings LLC since January 2016. Mr. Gandhi has been a Managing Director of AIM since January 2016. Mr. Gandhi has served as member of the board of directors of Empire Petroleum Partners since early 2016 and was appointed Chairman in January 2017. Mr. Gandhi was elected member of the board of directors of Tunnel Hill Partners in December 2017. During 2016 and 2017, Mr. Gandhi served as Chairman of the board of directors of Agspring. From November 2008 to December 2015, Mr. Gandhi was a Senior Vice President and managed multiple portfolio companies as Chairman and member of the Operating Committees at Platinum Equity, a leading global private equity firm. From July 2009 to August 2010 Mr. Gandhi was the Chief Executive Officer at Geesink Norba Group, a European company engaged in the waste management business. From March 2007 to November 2008, Mr. Gandhi was the Director of Operations & Special Projects at Nortek Inc., a holding company of private equity firm, T.H. Lee. Before this, from 2003 to 2007, Mr. Gandhi was at Ingersoll Rand Corporation in various senior leadership roles. Mr. Gandhi received a B.S. in Mechanical Engineering from Birla Institute of Technology and an M.B.A. from Babson College. We believe that Mr. Gandhi's experience in operations and financial matters provide him with the necessary skills 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 served on the boards of a number of AIM Portfolio companies, including as a member of the board of managers of Nordic Cold Storage Holdings LLC since July 2011 until November 2016, as a member of the board of managers of Arrow Holdings, LLC since November 2016, as a member of the board of managers of Granite Communities LLC from February 2017 to October 2017, and as a member of the board of managers of American Education Properties, LLC since February 2017. 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.

Ronald W. Readmond was appointed a Director of our general partner until his passing in December 2017. Mr. Readmond served as CEO of Total Worth Financial LLC, a financial services firm engaged in the conforming residential mortgage market. Mr. Readmond served as a Senior Advisor with Kelly Park Capital LLC, an investment advisory and consulting firm, since March 2009. Mr. Readmond previously served as Founder and Chief Executive Officer of Milestone International Asset Management, Inc., a private wealth management firm, from 2004 to 2007. Prior to that, Mr. Readmond served as Interim Chief Executive Officer of TruMarkets, an electronic fixed income trading platform, from January 2001 to June 2001, as a director of ProBusiness Services, Inc. from February 1997 to June 2003, and as President and Co-Chief Executive Officer of Wit Capital Corporation, now Soundview Technology Group, a part of UBS, from June 1998 to June 2000. From 1989 to 1996, Mr. Readmond served in various capacities, including Chief Operating Officer and Vice Chairman, at Charles Schwab & Co., Inc., a brokerage and investing company. Mr. Readmond also previously served as a General Partner and Managing Director of Alex Brown & Sons, as Chairman of International Equity Partners, and as a director of NASDAQ. Mr. Readmond received a B.A. in Economics from Western Maryland College.

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 also 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 currently serves on the board of directors of Westmoreland Resources GP, LLC, the general partner of Westmoreland Resource Partners, LP, and chairs the board's audit committee. He also serves as an independent director and audit committee chairperson at American Midstream GP, LLC, the general partner of American Midstream Partners, L.P. Mr. Tywoniuk has been providing interim and project CFO consulting services since May 2010. From June 2008 through August 2013, Mr. Tywoniuk served Pacific Energy Resources Ltd. in various senior roles (Senior Vice President, Finance beginning June 2008, Chief Financial Officer beginning August 2008, acting Chief Executive Officer and CFO beginning September 2009, Plan Representative beginning December 2010). He held these positions as an employee until May 2010 and as a consultant on a part-time basis until August 2013. Pacific Energy Resources Ltd. was an oil and gas acquisition, exploitation and development company. Mr. Tywoniuk joined the company in June 2008 to help the management team work through the company's financially distressed situation. The board of the company elected to file for Chapter 11 protection in March 2009. In December 2009, the company completed the sale of its assets, and in August 2013 completed its liquidation. Mr. Tywoniuk has over 35 years of experience in accounting and finance and has previously served a number of public companies in senior executive and management roles, including as chief financial officer and director of MarkWest Energy Partners, L.P. in connection with its initial public offering. 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, 2017.

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 2141 Rosecrans Avenue, Suite 2100, 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 Securities and Exchange Commission ("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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) the fifth anniversary of the closing of the IPO. 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 2017.

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"). The 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 \$35,000 in cash, payable quarterly, an annual grant of Common Units valued at \$35,000 and additional cash compensation for attending meetings of the board of directors of the General Partner or a committee thereof. Pursuant to the 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 \$10,000 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. 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 annual cash compensation of \$40,000, payable in four equal quarterly installments, and an annual grant of Common Units valued at \$40,000. Additionally, the Amended and Restated Non-Employee Director Compensation Plan entitles the chairman of the audit committee of the board of directors to additional annualized cash compensation of \$15,000.

The following table sets forth the total compensation paid to our non-employee directors as compensation for their year of service to us in 2017.

Name	Director Compensation		
	Fees Earned or Paid in Cash(1)	Unit Awards(2)	Total
Ronald W. Readmond (3)	\$ 62,500	\$ 35,000	\$ 97,500
Thomas Carey White III	61,000	35,000	96,000
Gerald A. Tywoniuk	55,000	35,000	90,000

(1) Amounts shown represent 2017 retainer and meeting fees.

(2) The amounts shown represent the grant date fair value of awards granted in 2017. In 2017, each of our independent directors who was serving on the Board as of December 31, 2016, received 2,266 common units grants for 2017 services.

(3) Mr. Readmond served on the board of directors of our general partner until his passing in December 2017.

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, 2017, 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 20,146,458 common units and 3,135,109 subordinated units outstanding as of December 31, 2017. 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, 2141 Rosecrans Avenue, Suite 2100, El Segundo, CA 90245.

Name of beneficial owner(1)	Common Units		Subordinated Units		Total Partnership Interests
	Number	Percent	Number	Percent	Percent
Landmark Dividend Holdings LLC(2)	185,354	0.9%	3,135,109	100%	14.3%
Directors/Named Executive Officers					
Arthur P. Brazy, Jr.	92,084	*	—	—	*
George P. Doyle	17,400	*	—	—	*
Matthew P. Carbone	9,188	*	—	—	*
James F. Brown	—	—	—	—	—
Nandit Gandhi	3,102	*	—	—	*
Edmond G. Leung	3,325	*	—	—	*
Ronald W. Readmond	7,251	*	—	—	*
Thomas Carey White III	9,251	*	—	—	*
Gerald A. Tywoniuk	7,994	*	—	—	*
All Directors and Executive Officers as a group (9 persons)	149,595	*%	—	—%	*%

(1) Unless otherwise indicated, the address for all beneficial owners in this table is 2141 Rosecrans Avenue, Suite 2100, P.O. Box 3429, El Segundo, CA 90245.

(2) Includes (1) 130,257 common units and 3,135,109 Subordinated 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, Nandit Gandhi, Fenton R. Talbott, Jeffrey J. Knyal, Arthur P. Brazy, Jr., James F. Brown, Trevor J. Brock and David L. Hollon. AIM Landmark Holdings, LLC is the record holder of approximately 57% 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 voting and investment determinations with respect to the securities held by Landmark Dividend LLC are ultimately controlled by the following AIM Universal Holdings, LLC persons: Robert B. Hellman, Jr., Matthew P. Carbone, Ryan Barnes, Paul T. Ho, Nancy Katz and Edmond G. Leung. 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 2141 Rosecrans Avenue, Suite 2100, El Segundo, California 90245.

* 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.

The requirements under our partnership agreement for the conversion of all the subordinated units into common units will be 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, will be converted on a one-for-one basis into common units. The conversion of subordinated units does not impact the amount total number of outstanding units or Landmark's total ownership percentage.

Securities Authorized for Issuance Under Equity Compensation Plans

As of December 31, 2017, 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	—	\$ —	763,312 ⁽¹⁾
Equity Compensation Plans not Approved by Security Holders	—	—	—
Total	—	\$ —	763,312

(1) Amount shown represents Common Units available for issuance under the LTIP as of December 31, 2017.

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

As of December 31, 2017, Landmark and affiliates own 185,354 common units and 3,135,109 subordinated units, representing a 14% 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 185,354 common units and 3,135,109 subordinated units as of December 31, 2017. 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 \$0.2 million on its common units and \$3.6 million on its subordinated units. The conversion of subordinated units does not impact the amount of cash distributions or total number of outstanding 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 that we entered into at the closing of the IPO, 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) the fifth anniversary of the closing of the IPO. 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.

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 the Remaining Landmark Funds, and our general partner that addressed the following matters:

- our obligation to reimburse Landmark 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
- our right of first offer to acquire real property interests that the Remaining Landmark Funds currently own or acquire in the future before selling or transferring those assets to any third party.

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 the greater of (i) \$162,500 and (ii) 3% of our revenue during the preceding 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 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.

Right of First Offer

Certain other investment funds managed by Landmark have granted us a right of first offer (“ROFO”) on real property interests that they currently own or acquire in the future before selling or transferring those assets to any third party. During the years ended December 31, 2017, 2016 and 2015, the Partnership completed the acquisition of 2,386 and 401 tenant sites, respectively, subject to our right of first offer for total consideration of \$14.8 million, \$140.3 million and \$140.7 million, respectively. On January 18, 2018, the Partnership acquired 127 tenant sites, from Fund H, subject to our right of first offer for total consideration of \$60.2 million. See further discussion of the ROFO acquisitions in Note 14, *Related Party Transactions* to the Consolidated and Combined Financial Statements for additional information.

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

Environmental Indemnification by Landmark. Under the omnibus agreement, Landmark will indemnify us for all violations of environmental laws and all environmental remediation or corrective action that is required by environmental laws, in each case to the extent related to the assets contributed to us by Landmark in connection with the IPO and arising prior to the closing of the IPO, or relating to a condition existing as of closing that continues after closing, under laws in existence prior to the closing of the IPO. Landmark will not be obligated to indemnify us for any environmental losses unless Landmark is notified of such losses prior to the fifth anniversary of the closing of the IPO. Furthermore, Landmark will not be obligated to indemnify us for any environmental losses of \$50,000 or less, nor will Landmark be obligated to indemnify us until our aggregate indemnifiable losses exceed a \$0.5 million deductible (and then Landmark will only be obligated to indemnify us for amounts in excess of such deductible). Finally, the aggregate amount that Landmark is obligated to indemnify us for is capped at \$5.0 million.

Title and Permit Indemnification by Landmark. For a period of five years after the closing of the IPO, Landmark will indemnify us for losses relating to our failure to have at closing any title, right of way, consent, license, permit, or approval necessary for us to own or operate our assets in substantially the same manner that the assets were owned or operated immediately prior to the closing of the IPO and as described herein, subject to a \$50,000 per incident deductible.

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 the years ended December 31, 2017, 2016 and 2015, we incurred \$0.1 million, \$0.1 million and \$6,250 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 in connection with the closing of the IPO 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, 2017 and 2016 are presented in the following table (in thousands).

Category	2017	2016
Audit fees ⁽¹⁾	\$ 810	\$ 952
Audit-related fees ⁽²⁾	75	198
Tax fees	—	—
All other fees ⁽³⁾	85	—
Total	\$ 970	\$ 1,150

(1) The Fees for audit services related to the fiscal year consolidated audit, quarterly reviews, and services that were provided in connection with statutory and regulatory filings including other SEC registration statement and consent services.

(2) Audit-related fees incurred in connection with ATM Programs and other consultation services in 2017. Audit-related fees incurred in connection with the offering in October 2016, 3-14 audit and ATM Programs in 2016.

(3) Other non-audit services incurred in connection with agreed upon procedures for the 2017 Securitization.

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. The policy (a) identifies the guiding principles that must be considered by the Audit Committee in approving services to ensure that EY’s independence is not impaired; (b) describes the audit, audit-related, tax and other services that may be provided and the non-audit services that are prohibited; and (c) sets forth pre-approval requirements for all permitted services. 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:

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(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).
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).
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).
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).

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Exhibit number	Description
4.4	<u>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).</u>
10.1	<u>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)</u>
10.2	<u>Omnibus Agreement (incorporated by reference to Exhibit 10.2 of our Current Report on Form 8-K filed on November 25, 2014)</u>
10.3	<u>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)</u>
10.4	<u>Patent License Agreement (incorporated by reference to Exhibit 10.4 of our Current Report on Form 8-K filed on November 25, 2014)</u>
10.5	<u>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)</u>
10.6	<u>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)</u>
10.7	<u>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)</u>
10.8	<u>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.)</u>
10.9	<u>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.)</u>
10.10	<u>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.)</u>
10.11	<u>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.)</u>
10.12	<u>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.)</u>
10.13	<u>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.)</u>
10.14	<u>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.)</u>
10.15	<u>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.)</u>
10.16	<u>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).</u>
10.17	<u>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).</u>

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Exhibit number	Description
10.18	<u>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).</u>
10.19	<u>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).</u>
10.20	<u>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).</u>
10.21	<u>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).</u>
10.22	<u>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).</u>
10.23	<u>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).</u>
10.24	<u>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).</u>
10.25	<u>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).</u>
10.26	<u>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).</u>
10.27	<u>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).</u>
10.28	<u>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).</u>
10.29	<u>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).</u>
10.30	<u>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).</u>
10.31	<u>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).</u>

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Exhibit number	Description
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.
12.1*	Statement Regarding Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Distributions.
21.1*	List of Subsidiaries of Landmark Infrastructure Partners LP
23.1*	Consent of Ernst & Young LLP
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.

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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 15, 2018.

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 15, 2018.

Signature	Title	Date
<u>/s/ Arthur P. Brazy, Jr.</u> Arthur P. Brazy, Jr.	Director and Chief Executive Officer (Principal Executive Officer)	February 15, 2018
<u>/s/ George P. Doyle</u> George P. Doyle	Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)	February 15, 2018
<u>/s/ Matthew P. Carbone</u> Matthew P. Carbone	Chairman of the Board of Directors	February 15, 2018
<u>/s/ James F. Brown</u> James F. Brown	Director	February 15, 2018
<u>/s/ Nandit Gandhi</u> Nandit Gandhi	Director	February 15, 2018
<u>/s/ Edmond G. Leung</u> Edmond G. Leung	Director	February 15, 2018
<u>/s/ Thomas Carey White III</u> Thomas Carey White III	Director	February 15, 2018
<u>/s/ Gerald A. Tywoniuk</u> Gerald A. Tywoniuk	Director	February 15, 2018

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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 and combined balance sheets of Landmark Infrastructure Partners LP (the “Partnership”) as of December 31, 2017 and 2016, the related consolidated and combined statements of operations, comprehensive income, partners’ capital and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and the financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated and combined financial statements”). In our opinion, the consolidated and combined financial statements present fairly, in all material respects, the financial position of the Partnership at December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017, in conformity with U.S. generally accepted accounting principles.

Adoption of ASU No. 2017-01

As discussed in Note 2 to the consolidated and combined financial statements, the Partnership changed its method of accounting for property acquisitions effective April 1, 2017 due to the adoption of ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*.

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 Public Company Accounting Oversight Board (United States) (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 Security 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. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Partnership’s internal control over financial reporting. Accordingly, we express no such opinion.

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 15, 2018

Landmark Infrastructure Partners LP
Consolidated and Combined Balance Sheets
(in thousands, except unit data)

	December 31,	
	2017	2016
Assets		
Land	\$ 114,385	\$ 88,845
Real property interests	596,422	490,030
Construction in progress	7,574	—
Total land and real property interests	718,381	578,875
Accumulated amortization of real property interests	(37,817)	(25,967)
Land and net real property interests	680,564	552,908
Investments in receivables, net	20,782	17,440
Cash and cash equivalents	9,188	2,711
Restricted cash	18,672	2,851
Rent receivables, net	4,141	2,372
Due from Landmark and affiliates	629	566
Deferred loan costs, net	3,589	2,797
Deferred rent receivable	4,252	1,379
Derivative assets	3,159	1,860
Other intangible assets, net	17,984	15,730
Other assets	5,039	2,446
Total assets	<u>\$ 767,999</u>	<u>\$ 603,060</u>
Liabilities and equity		
Revolving credit facility	\$ 304,000	\$ 224,500
Secured Notes, net	187,249	112,435
Accounts payable and accrued liabilities	4,978	4,374
Other intangible liabilities, net	12,833	13,061
Prepaid rent	4,581	3,984
Derivative liabilities	—	376
Total liabilities	513,641	358,730
Commitments and contingencies (<i>Note 16</i>)		
Equity		
Series A cumulative redeemable preferred units, 1,568,402 and 863,957 units issued and outstanding at December 31, 2017 and 2016, respectively	36,604	19,393
Series B cumulative redeemable preferred units 2,463,015 and 1,840,000 units issued and outstanding at December 31, 2017 and 2016, respectively	58,936	44,256
Common units, 20,146,458 and 19,450,555 units issued and outstanding at December 31, 2017 and 2016, respectively	288,527	294,296
Subordinated units, 3,135,109 units issued and outstanding	19,641	22,524
General Partner	(150,519)	(135,630)
Accumulated other comprehensive income (loss)	968	(509)
Total partner's equity	254,157	244,330
Noncontrolling interests	201	—
Total equity	254,358	244,330
Total liabilities and equity	<u>\$ 767,999</u>	<u>\$ 603,060</u>

See accompanying notes to consolidated and combined financial statements.

Landmark Infrastructure Partners LP
Consolidated and Combined Statements of Operations
(in thousands, except per unit data)

	Year Ended December 31,		
	2017	2016	2015
Revenue			
Rental revenue	\$ 52,625	\$ 41,171	\$ 33,597
Expenses			
Management fees to affiliate	—	196	480
Property operating	394	107	36
General and administrative	5,286	3,755	2,923
Acquisition-related	1,287	2,906	4,016
Amortization	13,537	11,191	8,651
Impairments	848	1,275	3,902
Total expenses	21,352	19,430	20,008
Other income and expenses			
Interest and other income	1,587	1,225	795
Interest expense	(18,399)	(13,923)	(10,958)
Loss on early extinguishment of debt	—	(1,703)	(1,872)
Realized loss on derivatives	—	(99)	(140)
Unrealized gain (loss) on derivatives	1,675	2,306	(446)
Gain (loss) on sale of real property interests	(5)	374	237
Total other income and expenses	(15,142)	(11,820)	(12,384)
Income before income tax benefit	16,131	9,921	1,205
Income tax benefit	(3,145)	—	—
Net income	19,276	9,921	1,205
Less: Pre-acquisition net income from Drop-down Assets	—	48	469
Less: Net income attributable to noncontrolling interest	19	—	—
Net income attributable to limited partners	19,257	9,873	736
Less: Distributions declared to preferred unitholders	(6,673)	(2,660)	—
Less: General partner's incentive distribution rights	(488)	(110)	—
Net income attributable to common and subordinated unitholders	\$ 12,096	\$ 7,103	\$ 736
Net income per common and subordinated unit			
Common units – basic	\$ 0.54	\$ 0.46	\$ 0.16
Common units – diluted	\$ 0.53	\$ 0.41	\$ 0.07
Subordinated units – basic and diluted	\$ 0.50	\$ 0.23	\$ (0.16)
Weighted average common and subordinated units outstanding			
Common units – basic	19,701	13,986	7,558
Common units – diluted	22,836	17,121	10,693
Subordinated units – basic and diluted	3,135	3,135	3,135

See accompanying notes to consolidated and combined financial statements.

Landmark Infrastructure Partners LP
Consolidated and Combined Statements of Comprehensive Income
(in thousands)

	Year Ended December 31,		
	2017	2016	2015
Net income	\$ 19,276	\$ 9,921	\$ 1,205
Other comprehensive income (loss):			
Foreign currency translation adjustment	1,477	(517)	5
Other comprehensive income (loss)	1,477	(517)	5
Comprehensive income	20,753	9,404	1,210
Less: Comprehensive income (loss) attributable to Drop-down Assets	—	(469)	474
Less: Comprehensive income attributable to noncontrolling interest	19	—	—
Comprehensive income attributable to limited partners	<u>\$ 20,734</u>	<u>\$ 9,873</u>	<u>\$ 736</u>

See accompanying notes to consolidated and combined financial statements

Landmark Infrastructure Partners LP
Consolidated and Combined Statements of Partners' Capital
(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
Balance as of December 31, 2014	4,703	3,135	—	—	\$ 74,684	\$ 29,746	\$ —	\$ —	\$ 73,530	\$ 3	\$ —	\$ 177,963
Net income from Drop-down Assets attributable to Predecessor	—	—	—	—	—	—	—	—	469	—	—	469
Net investment of Drop-down Assets	—	—	—	—	—	—	—	—	(120,853)	—	—	(120,853)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	5	—	5
Issuance of units in connection with the Acquired Funds	4,112	—	—	—	63,571	—	—	—	—	—	—	63,571
Issuance of Common Units, net	3,000	—	—	—	46,942	—	—	—	—	—	—	46,942
Distributions	—	—	—	—	(7,484)	(3,313)	—	—	(2,889)	—	—	(13,686)
Capital contribution to fund general and administrative expense reimbursement	—	—	—	—	—	—	—	—	2,110	—	—	2,110
Unit-based compensation	5	—	—	—	105	—	—	—	—	—	—	105
Net income (loss) attributable to limited partners	—	—	—	—	1,227	(491)	—	—	—	—	—	736
Balance as of December 31, 2015	11,820	3,135	—	—	\$ 179,045	\$ 25,942	\$ —	\$ —	\$ (47,633)	\$ 8	\$ —	\$ 157,362
Pre-acquisition net income from Drop-down Assets	—	—	—	—	—	—	—	—	48	—	—	48
Net investment of Drop-down Assets	—	—	—	—	—	—	—	—	(90,701)	—	—	(90,701)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	—	(517)	—	(517)
Issuance of Preferred Units, net	—	—	864	1,840	—	—	19,393	44,256	—	—	—	63,649
Issuance of Common Units, net	7,621	—	—	—	127,128	—	—	—	—	—	—	127,128
Distributions	—	—	—	—	(18,349)	(4,154)	(1,250)	(1,410)	(32)	—	—	(25,195)
Capital contribution to fund general and administrative expense reimbursement	—	—	—	—	—	—	—	—	2,578	—	—	2,578
Unit-based compensation	10	—	—	—	105	—	—	—	—	—	—	105
Net income attributable to limited partners	—	—	—	—	6,367	736	1,250	1,410	110	—	—	9,873
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	<u>20,146</u>	<u>3,135</u>	<u>1,568</u>	<u>2,463</u>	<u>\$ 288,527</u>	<u>\$ 19,641</u>	<u>\$ 36,604</u>	<u>\$ 58,936</u>	<u>\$ (150,519)</u>	<u>\$ 968</u>	<u>\$ 201</u>	<u>\$ 254,358</u>

See accompanying notes to consolidated and combined financial statements.

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

	Year Ended December 31,		
	2017	2016	2015
Operating activities			
Net income	\$ 19,276	\$ 9,921	\$ 1,205
Adjustments to reconcile net income to net cash provided by operating activities:			
Unit-based compensation	105	105	105
Unrealized (gain) loss on derivatives	(1,675)	(2,306)	446
Loss on early extinguishment of debt	—	1,703	1,872
Amortization expense	13,537	11,191	8,651
Amortization of above- and below- market lease	(1,226)	(1,338)	(1,467)
Amortization of deferred loan costs	2,203	1,701	1,902
Amortization of discount on secured notes	34	2	—
Receivables interest accretion	(7)	(36)	(33)
Impairments	848	1,275	3,902
(Gain) loss on sale of real property interests	5	(374)	(237)
Allowance for doubtful accounts	215	182	—
Changes in operating assets and liabilities:			
Rent receivables, net	(1,980)	(1,217)	(1,182)
Accounts payable and accrued liabilities	(879)	911	1,279
Deferred rent receivables	(358)	(514)	(338)
Prepaid rent	590	(101)	1,612
Due from Landmark and affiliates	217	1,369	(914)
Other assets	(2,432)	(1,009)	(848)
Net cash provided by operating activities	28,473	21,465	15,955
Investing activities			
Acquisition of land	(24,778)	(78,032)	(8,917)
Acquisition of real property interests and construction activities	(112,315)	(70,958)	(126,234)
Proceeds from sales of real property interests	174	1,789	378
Acquisition of receivables	(4,389)	(10,172)	(142)
Repayments of receivables	1,180	905	704
Net cash used in investing activities	(140,128)	(156,468)	(134,211)
Financing activities			
Proceeds from the issuance of Common Units, net	4,109	59,990	46,942
Proceeds from the issuance of Preferred Units, net	31,891	63,649	—
Proceeds from the issuance of non-controlling interests, net	201	—	—
Proceeds from revolving credit facility	133,500	230,800	210,200
Principal payments on revolving credit facility	(54,000)	(239,299)	(51,200)
Proceeds from the issuance of Secured Notes	78,155	116,583	—
Principal payments on Secured Notes	(1,747)	(583)	—
Proceeds from secured debt facilities	—	—	34,767
Principal payments on secured debt facilities	—	(76,235)	(71,585)
Deferred loan costs	(4,338)	(4,345)	(1,873)
Changes in restricted cash	(15,821)	(2,851)	—
Capital contribution to fund general and administrative expense reimbursement	3,569	2,678	1,477
Distributions to preferred unitholders	(6,177)	(1,860)	—
Distributions to common and subordinated unitholders	(32,534)	(22,535)	(10,797)
Distributions to non-controlling interests	(19)	—	—
Consideration received from (paid to) General Partner associated with Drop-down Acquisitions	(18,629)	9,806	(38,002)
Net cash provided by financing activities	118,160	135,798	119,929
Effect of changes in foreign currency exchange rates on cash and cash equivalents	(28)	(68)	—
Net increase in cash and cash equivalents	6,477	727	1,673
Cash and cash equivalents at beginning of the period	2,711	1,984	311
Cash and cash equivalents at end of the period	\$ 9,188	\$ 2,711	\$ 1,984

See accompanying notes to consolidated and combined financial statements.

Landmark Infrastructure Partners LP
Notes to Consolidated and Combined Financial Statements

1. Organization

Landmark Infrastructure Partners LP (the “Partnership”) was formed on July 28, 2014 by Landmark Dividend LLC (“Landmark” or “Sponsor”) to 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 is intended to qualify as a real estate investment trust (“REIT”), under the Internal Revenue Code of 1986, as amended. 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, 2017, our Sponsor and affiliates own (a) our general partner; (b) 185,354 common units representing limited partnership interest in the Partnership (“Common Units”) and 3,135,109 subordinated units in us and; (c) all of the incentive distribution rights (“IDRs”). The requirements under our partnership agreement for the conversion of all the subordinated units into common units will be satisfied upon the payment of our quarterly cash distribution on February 14, 2018. Therefore, effective February 15, 2018, the subordinated units owned by our Sponsor will be converted on a one-for-one basis into common units. The conversion of subordinated units does not impact the amount of cash distributions, total number of outstanding units or our Sponsor’s limited partnership interest in us.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidated and Combined Financial Statements

During the years ended December 31, 2017, 2016 and 2015, the Partnership completed four, five and eight drop-down acquisitions of 155, 539 and 761 tenant sites and related real property interests, respectively, and two, 14 and one investment in receivables, respectively, from the Sponsor and affiliates in exchange for total consideration of \$118.3 million, \$205.7 million and \$268.2 million, respectively (the “Drop-down Acquisitions” or “Drop-down Assets”). The 2016 and 2015 Drop-down Acquisitions were deemed to be transactions between entities under common control, which, prior to the adoption of ASU No. 2017-01, on April 1, 2017, as described below, required the assets and liabilities transferred be reflected at the historical cost of the parent of the entities, with prior periods retroactively adjusted to furnish comparative information. The accompanying financial statements and related notes have been retroactively adjusted to include the historical results and financial position of the 2016 and 2015 Drop-down Assets prior to the acquisition dates during the periods the assets were under common control. The differences between the cash consideration of each acquisition and the historical cost basis were allocated to the General Partner. 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.

The accompanying consolidated and combined financial statements include the accounts of the Partnership and those entities which it consolidates. Our results of operations, cash flows, assets and liabilities consist of the consolidated Landmark Infrastructure Partners LP activities and balances with retroactive adjustments of the combined results of operations, cash flows, assets and liabilities of the 2016 and 2015 Drop-down Assets as if the 2016 and 2015 Drop-down Acquisitions occurred on the earliest date during which the 2016 and 2015 Drop-down Assets were under common control. See Note 3, *Acquisitions* for additional information.

The consolidated and combined 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 and combined financial statements are reasonable. However, the consolidated and combined 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 and combined 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 and combined 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 method to all acquired investments of real property interests for transactions that meet the definition of a business combination. 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. 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.

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

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.

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, 2017, the amount of restricted cash was \$18.7 million, which included \$16.0 million from the Series 2017-1 Secured Notes site acquisition account, as described in Note 8, *Debt*. On January 18, 2018, \$16.0 million from the Series 2017-1 note securitization was used to acquire additional assets from Landmark Dividend Growth Fund-H LLC ("Fund H"). See Note 8, *Debt* for additional information.

Accounting for Derivative Financial Instruments and Hedging Activities

The Partnership utilize 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 and combined balance sheets, with the change in such fair value being recorded through earnings as an unrealized gain or loss in the consolidated and combined 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 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 General Partner considers the receivable impaired. To measure impairment, the General Partner calculates the present value of the expected future cash flows discounted at 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 years ended December 31, 2017 and 2016, the Partnership recorded zero allowance on investments in receivables.

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. As a result of the adoption of ASU 2015-03, Simplifying the Presentation of Debt Issuance Costs, costs incurred in obtaining the secured debt facilities are deducted from the carrying amount of the debt liability. The 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 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, 2017, 2016, and 2015, 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.

- **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, 2017, 2016, and 2015, the Partnership recognized \$1.0 million, \$0.6 million and \$0.2 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. Tenant receivables are recorded and carried at the amount billable per the applicable lease agreement, less any allowances for doubtful accounts. The amounts due from tenants are periodically reviewed and an allowance for doubtful accounts is maintained for estimated losses resulting from the inability of tenants to make required payments under lease agreements. Judgment is exercised in establishing these allowances with the payment history and the current credit status of tenants considered in developing these estimates. At December 31, 2017 and 2016, the allowance for doubtful accounts was \$0.3 million and \$0.2 million, respectively.

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"). 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. Certain foreign wholly owned 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 commencing with such taxable year, 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 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 and combined 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).

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, 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 represented by their fair value amounts, increased by an estimate of 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 January 2017, the FASB issued ASU No. 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business* ("ASU No. 2017-01"). The objective of ASU 2017-01 is to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments in this ASU should be applied prospectively on or after the effective date. The Partnership early adopted ASU No. 2017-01 on April 1, 2017. In accordance with the adoption of ASU 2017-01, drop-down acquisitions no longer meet the definition of a business and certain of the related asset acquisition costs are capitalized instead of expensed. Internal acquisition costs continue to be expensed. The transfer of net assets between entities under common control that are not a business generally does not constitute a change in the reporting entity. The transfer of net assets is accounted for prospectively in the period in which the transfer occurs at the net carrying value, and prior periods are not retroactively adjusted. Any differences between the cash consideration and the net carrying value of the transfer of net assets are allocated to the General Partner.

In November 2016, the FASB issued ASU No. 2016-18, *Restricted Cash (Topic 230)* ("ASU No. 2016-18"). The update provides guidance on the presentation of restricted cash and restricted cash equivalents in the statement of cash flows. Restricted cash and restricted cash equivalents should now be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period amounts shown on the statements of cash flows. The amendments of this ASU are effective for reporting periods beginning after December 15, 2017, with early adoption permitted. The Partnership expects the adoption of ASU 2016-18 to increase the amount included in the reconciliation of cash and cash equivalents to include the amount of restricted cash on the balance sheet. As of December 31, 2017, the amount of restricted cash was \$18.7 million.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory* ("ASU No. 2016-16"). The updated guidance requires companies to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs, rather than deferring the recognition until the asset has been sold to an outside party as is required under current GAAP. The update is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The new standard will require adoption on a modified retrospective basis through a cumulative-effect adjustment to retained earnings, and early adoption is permitted. The Partnership does not expect the adoption of ASU No. 2016-16 to have a material impact on its consolidated financial statements and related disclosures.

In August 2016, FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments* ("ASU No. 2016-15"). The objective of ASU 2016-15 is to reduce existing diversity in practice by addressing eight specific cash flow issues related to how certain cash receipts and cash payments are presented and classified in the statement of cash flows. ASU 2016-15 is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Early adoption is permitted. If early adopted, an entity must adopt all of the amendments in the same period. The Partnership is currently in compliance with substantially all of the clarifications of ASU 2016-15 and as such, the Partnership does not expect the adoption of this ASU to have a material impact to its consolidated statements of cash flows.

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). 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 will determine 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 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. The ASU requires us to identify lease and nonlease components of a lease agreement. Revenue related to nonlease components will be subject to the new revenue recognition standard, as described below, effective upon adoption of the new lease accounting standard. Tenant recoveries that qualify as lease components, which relate to the right to use the leased asset (e.g., property taxes, and insurance), would be accounted for under the new lease ASU. Tenant recoveries that qualify as nonlease components, which relate to payments for goods or services that are transferred separately from the right to use the underlying asset, including tenant recoveries related to payments for maintenance activities and common area expenses, would be accounted for under the new revenue recognition ASU upon adoption of the new lease ASU. 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 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. The new lease ASU will be applied to all land easement arrangements entered into or modified on and after the ASU effective date. The Partnership’s land easements are primarily prepaid and included on the balance sheet in real property interest. The ASU is effective for reporting periods beginning after December 15, 2018, with early adoption permitted. The standard mandates the use of the modified retrospective transition method. The Partnership is currently evaluating the impact of the adoption of this standard on our consolidated financial statements. We expect to adopt the new lease accounting standard on January 1, 2019.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* (“ASU No. 2014-09”). ASU No. 2014-09 requires an entity to recognize the revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The revenue recognition five-step model requires an entity to (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, including variable consideration to the extent that it is probable that a significant future reversal will not occur, (iv) allocate the transaction price to the respective performance obligations in the contract, and (v) recognize revenue when (or as) we satisfy the performance obligation. ASU No. 2014-09 supersedes the revenue requirements in Revenue Recognition (Topic 605) and most industry-specific guidance throughout the Industry Topics of the Codification. In August 2015, the FASB issued Accounting Standards Update No. 2015-14, “*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*,” which delayed the effective date of ASU 2014-09 by one year. Leases are specifically excluded from this ASU and will be governed by the applicable lease codification; however, this update may have implications in certain variable payment terms included in lease agreements and in sale and leaseback transactions. Lease components, which relate to the right to use the leased asset (e.g., property taxes, and insurance), would be accounted for under the new lease ASU (*Topic 842*). Nonlease components, which relate to payments for goods or services that are transferred separately from the right to use the underlying asset, including tenant recoveries related to payments for maintenance activities and common area expenses, would be accounted for under the new revenue recognition ASU upon adoption of the new lease ASU. ASU 2014-09, as amended, is effective for public companies for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. The Partnership evaluated its existing contracts and does not expect the adoption of ASU No. 2014-09 to have a material impact on its consolidated financial statements as the Partnership’s current revenue contracts are leases and not within the scope of the *Revenue from Contracts with Customers (Topic 606)*.

3. Acquisitions

Drop-down Acquisitions

During the years ended December 31, 2017, 2016 and 2015, the Partnership completed four, five and eight Drop-down Acquisitions, respectively, from our Sponsor and affiliates. 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”), Landmark Dividend Growth Fund-F LLC (“Fund F”), Landmark Dividend Growth Fund-C LLC (“Fund C”) and Landmark Dividend Growth Fund-E LLC (“Fund E” and together with Fund G, Fund F and Fund C, the “Acquired Funds”). 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:

Acquisition Date	Source	Number of Tenant Sites				Investments in Receivables	Consideration (in millions)		
		Wireless Communication	Outdoor Advertising	Renewable Power Generation	Total		Borrowings and Available Cash	Common Units	Total
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
December 22, 2016	Sponsor	28	5	2	35	2	\$ 13.6	\$ —	\$ 13.6
August 30, 2016	Sponsor	28	5	30	63	—	21.1	—	21.1
August 30, 2016	Fund G	214	171	1	386	5	75.6	64.7	140.3
August 1, 2016	Sponsor	37	4	12	53	6	24.4	—	24.4
April 20, 2016	Sponsor	1	—	1	2	1	6.3	—	6.3
2016 Acquisitions		308	185	46	539	14	\$ 141.0	\$ 64.7	\$ 205.7
December 18, 2015	Sponsor	23	16	2	41	—	\$ 24.2	\$ —	\$ 24.2
November 19, 2015	Fund F	99	37	—	136	—	25.0	19.5	44.5
November 19, 2015	Fund C	67	5	—	72	—	17.3	13.0	30.3
September 21, 2015	Sponsor	50	13	2	65	—	20.3	—	20.3
August 18, 2015	Fund E	135	57	1	193	—	34.9	31.0	65.9
July 21, 2015	Sponsor	81	16	3	100	1	35.7	—	35.7
April 8, 2015	Sponsor	45	28	—	73	—	22.1	—	22.1
March 4, 2015	Sponsor	41	39	1	81	—	25.2	—	25.2
2015 Acquisitions		541	211	9	761	1	\$ 204.7	\$ 63.5	\$ 268.2

- (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.

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The assets and liabilities acquired from our Sponsor and affiliates are recorded at the historical cost of Landmark, as the 2016 and 2015 Drop-down Acquisitions were deemed to be transactions between entities under common control. The statements of operations for the years ended December 31, 2016 and 2015 of the Partnership were adjusted retroactively, prior to the adoption of ASU No. 2017-01 on April 1, 2017, as if the 2016 and 2015 Drop-down Acquisitions occurred on the earliest date during which the 2016 and 2015 Drop-down Assets were under common control. Our historical financial statements have been retroactively adjusted to reflect the results of operations, financial position, and cash flows of the 2016 and 2015 Drop-down Assets as if we owned the assets as of the date acquired by Landmark for all periods presented. The historical financial statement as filed on February 23, 2017 include all retroactive adjustments. All 2017 Drop-down Acquisitions that occurred after the adoption of ASU No. 2017-01 on April 1, 2017 are accounted for as transfers of net assets between entities under common control. The following tables present our results of operations and financial position reflecting the effect of the 2016 and 2015 Drop-down Acquisitions on pre-acquisition periods.

Consolidated statement of operations and comprehensive income for the year ended December 31, 2016 (in thousands):

	Landmark Infrastructure Partners LP	Pre-Acquisition results of the Drop-down Acquisitions	Landmark Infrastructure Partners LP (As Currently Reported)
Revenue			
Rental revenue	\$ 35,208	\$ 5,963	\$ 41,171
Expenses			
Management fees to affiliate	—	196	196
Property operating	105	2	107
General and administrative	3,755	—	3,755
Acquisition-related	2,648	258	2,906
Amortization	9,703	1,488	11,191
Impairments	1,275	—	1,275
Total expenses	17,486	1,944	19,430
Other income and expenses	(7,849)	(3,971)	(11,820)
Net income	\$ 9,873	\$ 48	\$ 9,921
Other comprehensive loss	(513)	(4)	(517)
Comprehensive income	\$ 9,360	\$ 44	\$ 9,404

Consolidated statement of operations and comprehensive income for the year ended December 31, 2015 (in thousands):

	Landmark Infrastructure Partners LP	Pre-Acquisition results of the Drop-down Acquisitions	Landmark Infrastructure Partners LP (As Currently Reported)
Revenue			
Rental revenue	\$ 19,808	\$ 13,789	\$ 33,597
Expenses			
Management fees to affiliate	—	480	480
Property operating	24	12	36
General and administrative	2,913	10	2,923
Acquisition-related	1,956	2,060	4,016
Amortization	5,219	3,432	8,651
Impairments	3,902	—	3,902
Total expenses	14,014	5,994	20,008
Other income and expenses	(5,058)	(7,326)	(12,384)
Net income	\$ 736	\$ 469	\$ 1,205
Other comprehensive income	—	5	5
Comprehensive income	\$ 736	\$ 474	\$ 1,210

Consolidated summarized cash flows for the year ended December 31, 2016 (in thousands):

	Landmark Infrastructure Partners LP	Pre-Acquisition results of the Drop-down Acquisitions	Landmark Infrastructure Partners LP (As Currently Reported)
Net cash provided by operating activities	\$ 18,982	\$ 2,483	\$ 21,465
Net cash used in investing activities	(156,468)	—	(156,468)
Net cash provided by (used in) financing activities	138,281	(2,483)	135,798

Consolidated summarized cash flows for the year ended December 31, 2015 (in thousands):

	Landmark Infrastructure Partners LP	Pre-Acquisition results of the Drop-down Acquisitions	Landmark Infrastructure Partners LP (As Currently Reported)
Net cash provided by operating activities	\$ 9,691	\$ 6,264	\$ 15,955
Net cash used in investing activities	(134,220)	9	(134,211)
Net cash provided by (used in) financing activities	126,203	(6,274)	119,929

The Pre-Acquisition results of the Drop-Down Acquisitions column includes the retroactive adjustments to reflect the results of operations and cash flows of the 2016 and 2015 Drop-down Acquisitions made during 2015 prior to the acquisition dates for the periods under common control.

The 2017 Drop-down Acquisitions after March 31, 2017 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, and prior periods will not be retroactively adjusted. Any differences between the cash consideration and the net carrying value of the transfer of net assets will be allocated to the General Partner.

Third Party Acquisitions

During the years ended December 31, 2017 and 2016, the Partnership completed several 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”).

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

Acquisition Description	No. of Tenant Sites				Investments in Receivables	Consideration (in millions)		
	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Total		Borrowings and Available Cash	Common Units	Total
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
Second Quarter								
International	2	—	—	2	—	\$ 0.1	\$ —	\$ 0.1
UEP	3	—	—	3	—	—	1.6	1.6
Total	5	—	—	5	—	\$ 0.1	\$ 1.6	\$ 1.7
Third Quarter								
International	4	1	—	5	—	\$ 4.4	\$ —	\$ 4.4
UEP	1	—	—	1	—	—	0.1	0.1
Total	5	1	—	6	—	\$ 4.4	\$ 0.1	\$ 4.5
Fourth Quarter								
International	6	5	—	11	—	\$ 2.0	\$ —	\$ 2.0
UEP	1	1	—	2	—	—	0.9	0.9
Domestic	8	2	6	16	—	76.6	—	76.6
Total	15	8	6	29	—	\$ 78.6	\$ 0.9	\$ 79.5
2016 Total	25	9	6	40	—	\$ 83.1	\$ 2.6	\$ 85.7

4. Real Property Interests

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

	December 31,	
	2017	2016
Land	\$ 114,385	\$ 88,845
Real property interests – perpetual	114,612	99,911
Real property interests – finite life	481,810	390,119
Construction in progress	7,574	—
Total land and real property interests	718,381	578,875
Accumulated amortization of real property interests	(37,817)	(25,967)
Land and net real property interests	\$ 680,564	\$ 552,908

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 \$4,812 upon completion of the sale.

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On March 22, 2016, the Partnership completed a sale of one wireless communication site to a third party in exchange for cash consideration of \$0.8 million. We recognized a gain on sale of real property interest of \$0.4 million upon completion of the sale.

On March 30, 2016, the Partnership completed a sale of 12 wireless communication sites to Landmark, in exchange for cash consideration of \$2.0 million. The assets were originally acquired by Landmark and sold to the Partnership during the July 21, 2015 and September 21, 2015 acquisitions. Landmark repurchased the pool of assets at the same purchase price sold to the Partnership. As the transaction is between entities under common control, the difference between the cash consideration and the net book value of the assets is allocated to the General Partner and no gain or loss is recognized.

During the years ended December 31, 2017, 2016 and 2015, the Partnership paid total consideration of \$118.3 million, \$205.7 million and \$268.2 million, respectively, for Drop-down Acquisitions. The Drop-down Acquisitions are deemed to be transactions between entities under common control. Drop-down Acquisitions prior to the adoption of ASU No. 2017-01 on April 1, 2017 required the assets and liabilities to be transferred at the historical cost of the parent of the entities and historical periods retroactively adjusted. During the years ended December 31, 2016 and 2015, the difference between the total consideration of \$205.7 million and \$268.2 million, respectively, and the historical cost basis of \$141.1 million and \$198.8 million, respectively, was allocated to the General Partner. For Drop-down Acquisitions after March 31, 2017, the transfer of net assets is accounted for prospectively in the period in which the transfer occurs at the net carrying value, and prior periods will not be retroactively adjusted. During the year ended December 31, 2017, the difference between the total consideration of \$118.3 million and the net carrying value of \$99.8 million, was allocated to the General Partner.

During 2017, the Partnership started to develop an ecosystem of technologies that provide smart enabled infrastructure (“Flex Grid”) including the Zero Site microgrid solution and digital outdoor advertising kiosks across North America. The Zero Site is a self-contained, neutral-host smart pole designed for wireless carrier and other wireless operator collocation. The Zero Site is 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. As of December 31, 2017, the Partnership’s \$7.6 million construction in progress balance related to the construction of the Flex Grid solution.

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 Europe. Our venture partner provides acquisition opportunities and asset management services to the consolidated joint venture. As of December 31, 2017, the consolidated joint venture had ten tenant sites and one investment in receivable with total assets of \$31.6 million. During the year ended December 31, 2017, the consolidated joint venture generated rental revenue of \$0.8 million. No revenue was generated during the year ended December 31, 2016.

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. 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, 2017, 2016, and 2015 of estimated fair values of the assets acquired and liabilities assumed (in thousands). Prior-period financial information, has been retroactively adjusted for transactions between entities under common control prior to April 1, 2017. See Notes 2 and 3 for additional information.

Period	Land	Investments in real property interests	In-place lease intangibles	Above-market lease intangibles	Below-market lease intangibles	Total
2017	\$ 25,151	\$ 107,195	\$ 3,781	\$ 976	\$ (1,850)	\$ 135,253
2016	75,959	34,096	4,003	972	(864)	114,166
2015	6,473	100,986	3,210	2,533	(4,637)	108,565

Future estimated aggregate amortization of finite lived real property interests for each of the five succeeding fiscal years and thereafter as of December 31, 2017, are as follows (in thousands):

2018	\$ 13,232
2019	12,877
2020	12,315
2021	11,725
2022	11,441
Thereafter	382,403
Total	<u>\$ 443,993</u>

The weighted average remaining amortization period for non-perpetual real property interests is 49 and 51 years at December 31, 2017 and 2016, respectively.

During the years ended December 31, 2017 and 2016, six and nine of the Partnership's real property interests were impaired, respectively, as a result of termination notices received. During the year ended December 31, 2015, 21 of the Partnership's real property interests were impaired as a result of termination notices received and one property foreclosure. During the years ended December 31, 2017, 2016 and 2015, we recognized impairment charges totaling \$0.8 million, \$1.3 million and \$3.9 million, respectively. The carrying value of each real property interest was determined to have a fair value of zero.

5. Other Intangible Assets and Liabilities

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

	December 31,	
	2017	2016
Acquired in-place lease		
Gross amount	\$ 20,486	\$ 16,729
Accumulated amortization	(6,119)	(4,491)
Net amount	\$ 14,367	\$ 12,238
Acquired above-market leases		
Gross amount	\$ 6,503	\$ 5,523
Accumulated amortization	(2,886)	(2,031)
Net amount	\$ 3,617	\$ 3,492
Total other intangible assets, net	\$ 17,984	\$ 15,730
Acquired below-market leases		
Gross amount	\$ (21,218)	\$ (19,366)
Accumulated amortization	8,385	6,305
Total other intangible liabilities, net	\$ (12,833)	\$ (13,061)

We recorded net amortization of above and below-market lease intangibles of \$1.2 million, \$1.3 million and \$1.5 million as an increase to rental revenue for the years ended December 31, 2017, 2016 and 2015, respectively. We recorded amortization of in-place lease intangibles of \$1.6 million, \$1.5 million and \$1.4 million as amortization expense for the years ended December 31, 2017, 2016, and 2015, respectively.

Future aggregate amortization of intangibles for each of the five succeeding fiscal years and thereafter as of December 31, 2017 follows (in thousands):

	Acquired in-place leases	Acquired above-market leases	Acquired below-market leases
2018	\$ 1,885	\$ 718	\$ (2,102)
2019	993	549	(2,046)
2020	970	465	(1,977)
2021	812	359	(1,835)
2022	666	283	(1,690)
Thereafter	9,041	1,243	(3,183)
Total	\$ 14,367	\$ 3,617	\$ (12,833)

6. Future Minimum Rents

At December 31, 2017, 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):

2018	\$ 15,472
2019	15,330
2020	15,217
2021	14,948
2022	14,793
Thereafter	141,160
Total	\$ 216,920

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. The Partnership acquired the investments in receivables that were recorded at the fair value at the acquisition date, using discount rates ranging from 7% to 14%.

Interest income recognized on the receivables totaled \$1.6 million, \$1.2 million and \$0.8 million during 2017, 2016, and 2015, respectively.

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

	Year Ended December 31,	
	2017	2016
Investments in receivables – beginning	\$ 17,440	\$ 12,136
Acquisitions	4,389	5,934
Fair value adjustment	—	239
Repayments	(1,180)	(905)
Interest accretion	7	36
Foreign currency translation adjustment	126	—
Investments in receivables – ending	<u>\$ 20,782</u>	<u>\$ 17,440</u>

Annual amounts due as of December 31, 2017, are as follows (in thousands):

2018	\$ 2,763
2019	2,292
2020	2,285
2021	2,348
2022	2,486
Thereafter	28,298
Total	<u>\$ 40,472</u>
Interest	\$ 19,690
Principal	20,782
Total	<u>\$ 40,472</u>

8. Debt

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

	Maturity Date	Outstanding Balance	
		December 31, 2017	December 31, 2016
Revolving credit facility	November 19, 2019	\$ 304,000	\$ 224,500
Series 2017-1 Class A	November 15, 2022 ⁽¹⁾	\$ 62,000	\$ —
Series 2017-1 Class B	November 15, 2022 ⁽¹⁾	18,000	—
Series 2016-1 Class A	June 1, 2021 ⁽²⁾	89,171	90,917
Series 2016-1 Class B	June 1, 2021 ⁽²⁾	25,100	25,100
Secured Notes		<u>\$ 194,271</u>	<u>\$ 116,017</u>
Discount on Secured Notes		(1,826)	(15)
Deferred loan costs		(5,196)	(3,567)
Secured Notes, net		<u>\$ 187,249</u>	<u>\$ 112,435</u>

(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 19, 2019 and will be available for working capital, capital expenditures, permitted acquisitions and general partnership purposes, including distributions. On December 28, 2017, the Partnership exercised its option to increase the available commitments under its revolving credit facility, resulting in aggregate commitments of \$390 million. 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 our option at a variable rate per annum equal to either:

- a base rate, which will be the highest of (i) the administrative agent's prime rate in effect on such day, (ii) the federal funds rate in effect on such day plus 0.50%, and (iii) an adjusted one-month LIBOR plus 1.0%, in each case, plus an applicable margin of 1.50%; or
- an adjusted one-month LIBOR plus an applicable margin of 2.50%.

Additionally, under the revolving credit facility we will be subject to a 25 basis points annual commitment fee associated with the available undrawn capacity subject to certain restrictions.

The revolving credit facility requires monthly interest payments and the outstanding debt balance is due upon maturity on November 19, 2019. As of December 31, 2017, \$304 million was outstanding and there was \$86 million of undrawn borrowing capacity, subject to compliance with certain covenants. As of December 31, 2017, the Partnership was in compliance with all financial covenants required under the revolving credit facility.

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, commencing with the payment date occurring in January 2018, available funds will be 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, commencing with the payment date occurring in July 2016, available funds will be 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 will be required to be made prior to the anticipated repayment date in June 2021.

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The 2017 Secured Notes and the 2016 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, 2017, \$18.7 million was held in such reserve accounts which are classified as Restricted Cash on the accompanying consolidated and combined balance sheets. Included in Restricted Cash is \$16.0 million from the 2017 Secured Notes site acquisition account that was used on January 18, 2018 for the acquisition of certain assets from Fund H.

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.

	Issuer or Borrower	Notes Issued	Conditions Limiting Distributions of Excess Cash	
			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). As of December 31, 2017, the Partnership was in compliance with all financial covenants under the Secured Notes.

The Secured Notes’ annual principal payment amounts due as of December 31, 2017, are as follows (in thousands):

2018	\$	4,236
2019		6,110
2020		8,077
2021		105,652
2022		70,196
Total	\$	<u>194,271</u>

Interest Expense

For the years ended December 31, 2017, 2016 and 2015, the Partnership incurred interest expense of \$18.4 million, \$13.9 million and \$11.0 million, respectively, and had interest payable of \$0.7 million and \$0.4 million as of December 31, 2017 and 2016, respectively. Additionally, the Partnership recorded deferred loan costs amortization, which is included in interest expense, of \$2.2 million, \$1.7 million and \$1.9 million for the years ended December 31, 2017, 2016 and 2015, respectively.

Drop-down Acquisitions

Interest expense for the years ended December 31, 2016 and 2015 includes retroactive adjustments of \$2.5 million and \$5.3 million, respectively, associated with the Acquired Funds’ secured debt facilities. Additionally, deferred loan costs amortization, which is included in interest expense, has been retroactively adjusted to include \$0.4 million and \$1.2 million for the years ended December 31, 2016 and 2015, respectively.

In connection with the acquisition of the Acquired Funds, cash proceeds were used to repay the Acquired Funds' secured indebtedness as part of the Acquired Funds' respective liquidations. In connection with the acquisition of Fund G during the year ended December 31, 2016 and the acquisitions of Fund F, Fund C and Fund E during the year ended December 31, 2015, \$74.6 million, \$24.5 million, \$15.1 million and \$29.2 million was used to repay each Acquired Funds' secured indebtedness, respectively. At the time of each fund acquisition, the unamortized balance of the deferred loan costs totaling \$1.7 million and \$1.9 million related to the Acquired Funds' secured debt facilities was recorded as a loss on extinguishment of debt during the years ended December 31, 2016 and 2015, respectively.

9. 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	Effective Date	Maturity Date	Fair Value Asset (Liability) at December 31,	
					2017	2016
December 24, 2014	\$ 70,000	4.02%	12/24/2014	12/24/2018	\$ 164	\$ (376)
February 5, 2015	25,000	3.79	4/13/2015	4/13/2019	174	13
August 24, 2015	50,000	4.24	10/1/2015	10/1/2022	840	354
March 23, 2016	50,000	4.17	12/24/2018	12/24/2021	761	720
March 31, 2016	20,000	4.06	12/24/2018	12/24/2021	364	347
March 31, 2016	25,000	4.13	4/13/2019	4/13/2022	418	426
June 12, 2017	50,000	4.56	3/2/2018	9/2/2024	438	—
					<u>\$ 3,159</u>	<u>\$ 1,484</u>

During the years ended December 31, 2017, 2016 and 2015, the Partnership recorded a gain of \$1.7 million, \$2.3 million and a loss of \$0.4 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 and combined statements of operations. During the years ended December 31, 2016 and 2015, the Partnership recorded a realized loss on derivatives of \$0.1 million as a result of the termination of the Acquired Funds' interest rate swap agreements.

Prior-period information has been retroactively adjusted to include an unrealized gain on derivative financial instruments related to the Acquired Funds' interest rate swap agreements of \$0.1 million during the year ended December 31, 2016. During the year ended December 31, 2015, financial information was retroactively adjusted to include an unrealized gain on derivatives of \$0.1 million related to Fund C, Fund E and Fund F and an unrealized loss on derivatives of \$0.1 million related to Fund G.

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' change in fair value at December 31, 2017. The following table summarizes the results of the analysis performed (in thousands):

Date Entered	Maturity Date	Effects of Change in Interest Rates			
		+50 Basis Points	-50 Basis Points	+100 Basis Points	100 Basis Points
December 24, 2014	12/24/2018	\$ 483	\$ (157)	\$ 800	\$ (480)
February 5, 2015	4/13/2019	328	19	481	(138)
August 24, 2015	10/1/2022	1,930	(258)	2,981	(1,395)
March 23, 2016	12/24/2021	1,457	64	2,125	(662)
March 31, 2016	12/24/2021	643	87	909	(202)
March 31, 2016	4/13/2022	763	75	1,091	(286)
June 12, 2017	9/2/2024	1,906	(1,097)	3,329	(2,681)

10. Unit-Based Compensation

Compensation of our Directors

The 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 \$35,000 in cash, payable quarterly, plus an annual grant of Common Units valued at \$35,000 and additional cash compensation for attending meetings of the board of directors of the General Partner or a committee thereof. The chairman of the audit committee of the board of directors shall be entitled to additional annualized cash compensation of \$10,000 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. On January 25, 2018 the board of directors of the General Partner adopted the Amended and Restated Non-Employee Director Compensation Plan that increased the cash and equity compensation for Non-Employee Directors to \$40,000 in cash, payable quarterly, and an annual grant of Common Units valued at \$40,000. Additionally, the chairman of the audit committee of the board of directors shall be entitled to additional annualized cash compensation of \$15,000.

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 and subordinated 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 6,798, 9,840 and 5,050 units under our LTIP as compensation to our Non-Employee Directors during the years ended December 31, 2017, 2016 and 2015, respectively, and no other awards were granted to any of our executive officers.

11. Equity

The table below summarizes changes in the numbers of units outstanding for the years ended December 31, 2017, 2016 and 2015 (in units):

	Common	Subordinated	Series A Preferred	Series B Preferred
Balance at December 31, 2014	4,702,665	3,135,109	—	—
Issuance of Common Units - May 20, 2015	3,000,000	—	—	—
Issuance of units in connection with the Acquired Funds	4,112,429	—	—	—
Unit-based compensation	5,050	—	—	—
Balance at December 31, 2015	<u>11,820,144</u>	<u>3,135,109</u>	<u>—</u>	<u>—</u>
Issuance of Series A Preferred Units - April 4, 2016	—	—	800,000	—
Issuance of Series B Preferred Units - August 8, 2016	—	—	—	1,840,000
Issuance of units in connection with the Acquired Funds	3,592,430	—	—	—
Issuance of Common Units - October 19, 2016	3,450,000	—	—	—
ATM Programs	405,156	—	63,957	—
Unit Exchange Program	172,985	—	—	—
Unit-based compensation	9,840	—	—	—
Balance at December 31, 2016	<u>19,450,555</u>	<u>3,135,109</u>	<u>863,957</u>	<u>1,840,000</u>
Issuance of units to Fund G - April 28, 2017	221,729	—	—	—
ATM Programs	240,426	—	704,445	623,015
Unit Exchange Program	226,950	—	—	—
Unit-based compensation	6,798	—	—	—
Balance at December 31, 2017	<u>20,146,458</u>	<u>3,135,109</u>	<u>1,568,402</u>	<u>2,463,015</u>

On December 3, 2015, 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 December 30, 2015 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 \$250.0 million. Additionally, 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.

Common Units

On May 20, 2015, the Partnership closed a public offering of an additional 3,000,000 common units representing limited partner interests in us at a price to the public of \$16.75 per common unit, or \$15.9125 per common unit net of the underwriter’s discount. We received net proceeds of \$46.9 million after deducting the underwriter’s discount and offering expenses paid by us of \$3.3 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

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In connection with the acquisition of the Acquired Funds, the Partnership issued Common Units as partial consideration for the transactions as part of the Acquired Fund's respective liquidations. The Common Units were issued in private transactions exempt from registration under Section 4(a)(2) of the Securities Act. See Note 3 *Acquisitions* and Note 14, *Related-Party Transactions* for additional information.

On February 16, 2016, the Partnership established a Common Unit at-the-market offering 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 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. During the years ended December 31, 2017 and 2016, the Partnership issued 240,426 and 405,156 Common Units under our Common Unit ATM Program, generating proceeds of approximately \$4.2 million and \$6.9 million before issuance costs, respectively.

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. During the years ended December 31, 2017 and 2016, under the Unit Exchange Program we completed acquisitions of twelve and six tenant sites in exchange for 226,950 and 172,985 Common Units, valued at approximately \$3.8 million and \$2.6 million, respectively.

On October 19, 2016, the Partnership completed a public offering of 3,450,000 Common Units, which includes the full exercise of the underwriters' option to purchase 450,000 Common Units, at a price to the public of \$16.30 per Common Unit, or \$15.53 per Common Unit net of the underwriters' discount. We received net proceeds of \$53.3 million after deducting the underwriters' discount and offering expenses paid by us of \$2.9 million. The net proceeds from the offering were used to repay a portion of the borrowings under our revolving credit facility.

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. Upon completion of the acquisitions, the Partnership issued 221,729 Common Units to Fund G on April 28, 2017, as described in Note 3, *Acquisitions*.

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 will be 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, will be 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 April 4, 2016, the Partnership completed a public offering of \$20.0 million of 8.0% Series A Cumulative Redeemable Perpetual Preferred Units ("Series A Preferred Units"), representing limited partner interests in the Partnership, at a price of \$25.00 per unit. We received net proceeds of approximately \$18.4 million after deducting underwriters' discounts and offering expenses paid by us of \$1.6 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

Distributions on the Series A Preferred Units are cumulative from the date of original issuance and will be payable quarterly in arrears on the 15th day of January, April, July and October of each year, when, as and if declared by the board of directors of our General Partner. The initial distribution on the Series A Preferred Units was paid on July 15, 2016 in an amount equal to \$0.5611 per unit. Distributions on the Series A Preferred Units will accumulate at a rate of 8.0% per annum per \$25.00 stated liquidation preference per Series A Preferred Unit. In connection with the closing of the Series A Preferred Unit offering, on April 4, 2016, the Partnership executed the Second Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP for the purpose of updating the form of Partnership Agreement and defining the preferences, rights, powers and duties of holders of Series A Preferred Units.

On June 24, 2016, the Partnership established a Series A Preferred Unit at-the-market offering program (the “Series A Preferred Unit ATM Program”) pursuant to which we may sell, from time to time, Series A Preferred Units having an aggregate offering price of up to \$40.0 million pursuant to our previously filed and effective registration statement on Form S-3. The net proceeds from sales under the Series A 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 year ended December 31, 2017, the Partnership issued 704,445 Series A Preferred Units under our Series A Preferred Unit ATM Program, generating proceeds of approximately \$17.7 million before issuance costs. During the year ended December 31, 2016, the Partnership issued 63,957 Series A Preferred Units under our Series A Preferred Unit ATM Program, generating proceeds of approximately \$1.6 million before issuance costs.

On August 8, 2016, the Partnership completed a public offering of \$46.0 million of 7.9% Series B Cumulative Redeemable Perpetual Preferred Units, at a price of \$25.00 per unit, representing limited partner interests in the Partnership (“Series B Preferred Units” and together with the Series A Preferred Units the “Preferred Units”). The Partnership issued 1,840,000 Series B Preferred Units, which included the full exercise of the underwriters’ option to purchase an additional 240,000 Series B Preferred Units. We received net proceeds of approximately \$44.3 million after deducting underwriters’ discounts and offering expenses paid by us of \$1.5 million. We used all proceeds to repay a portion of the borrowings under our revolving credit facility.

Distributions on the Series B Preferred Units are cumulative from the date of the original issuance 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 B Preferred Units was paid on November 15, 2016 in an amount equal to \$0.5321527 per unit. Distributions on the Series B Preferred Units will accumulate at a rate of 7.9% per annum per \$25.00 stated liquidation preference per Series B Preferred Unit. The Series B Preferred Units will rank on parity to our Series A Preferred Units with respect to distributions and distributions upon a liquidation event. In connection with the closing of the Series B Preferred Unit offering, on August 8, 2016, the Partnership executed the Third Amended and Restated Agreement of Limited Partnership of Landmark Infrastructure Partners LP for the purpose of updating the form of Partnership Agreement and defining the preferences, rights, powers and duties of holders of Series B Preferred Units.

The Preferred Units represent perpetual equity interests in us, and they have no maturity or mandatory redemption date and will remain outstanding indefinitely unless redeemed by the Partnership or converted into Common Units in connection with a change in control, as described in the Partnership Agreement. As a result, the Preferred Units will not give rise to a claim for payment of a principal amount at a particular date and are not redeemable at the option of investors under any circumstances. Instead, the 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. In addition, if we do not exercise the option to redeem the Preferred Units following certain changes of control, as described in the Partnership Agreement, then the holders of the Preferred Units have the option to convert the Preferred Units into a number of Common Units as set forth in the Partnership Agreement. If we exercise the right to redeem all outstanding Preferred Units, the holders of Preferred Units will not have the conversion right described above.

On March 30, 2017, the Partnership established a Series B Preferred Unit at-the-market offering program (the “Series B Preferred Unit ATM Program” and together with the Series A Preferred Unit ATM Program and 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. 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 year ended December 31, 2017, the Partnership issued 623,015 Series B Preferred Units under our Series B Preferred Unit ATM Program, generating proceeds of approximately \$15.6 million before issuance costs. No Series B Preferred Units were issued under our Series B Preferred Unit ATM Program during the year ended December 31, 2016.

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				
March 31, 2015	April 23, 2015	May 14, 2015	\$ 0.2975	\$ 2,332
June 30, 2015	July 21, 2015	August 14, 2015	0.3075	3,334
September 30, 2015	October 22, 2015	November 13, 2015	0.3175	4,077
December 31, 2015	January 28, 2016	February 12, 2016	0.3250	4,864
March 31, 2016	April 20, 2016	May 13, 2016	0.3300	4,954
June 30, 2016	July 27, 2016	August 15, 2016	0.3325	5,089
September 30, 2016	October 26, 2016	November 15, 2016	0.3375	7,628
December 31, 2016	January 25, 2017	February 15, 2017	0.3500	7,985
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
Series A Preferred Units				
June 30, 2016	June 16, 2016	July 15, 2016	\$ 0.5611	\$ 449
September 30, 2016	September 22, 2016	October 17, 2016	0.5000	432
December 31, 2016	December 16, 2016	January 17, 2017	0.5000	432
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
Series B Preferred Units				
September 30, 2016	October 20, 2016	November 15, 2016	\$ 0.5322	\$ 979
December 31, 2016	January 20, 2017	February 15, 2017	0.4938	909
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

12. 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. 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.

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The calculation of the undistributed net loss attributable to common and subordinated unitholders for the years ended December 31, 2017, 2016 and 2015 is as follows (in thousands):

	Year Ended December 31,		
	2017	2016	2015
Net income attributable to limited partners	\$ 19,257	\$ 9,873	\$ 736
Less:			
Distributions declared on Preferred Units	(6,673)	(2,660)	—
General partner's incentive distribution rights	(488)	(110)	—
Net income attributable to common and subordinated unitholders	12,096	7,103	736
Distributions declared on common units	(28,983)	(21,314)	(10,693)
Distributions declared on subordinated units	(4,491)	(4,232)	(3,911)
Undistributed net loss	<u>\$ (21,378)</u>	<u>\$ (18,443)</u>	<u>\$ (13,868)</u>

The calculation of net income (loss) per unit related to the Partnership for the years ended December 31, 2017, 2016 and 2015 is as follows (in thousands, except per unit data):

	Year Ended December 31,					
	2017		2016		2015	
	Common Units	Subordinated Units	Common Units	Subordinated Units	Common Units	Subordinated Units
Distributions declared	\$ 28,983	\$ 4,491	\$ 21,314	\$ 4,232	\$ 10,693	\$ 3,911
Undistributed net loss	(18,440)	(2,938)	(14,947)	(3,496)	(9,466)	(4,402)
Net income (loss) attributable to common and subordinated units - basic	10,543	1,553	6,367	736	1,227	(491)
Net income (loss) attributable to subordinated units	1,553	—	736	—	(491)	—
Net income (loss) attributable to common and subordinated units - diluted	<u>\$ 12,096</u>	<u>\$ 1,553</u>	<u>\$ 7,103</u>	<u>\$ 736</u>	<u>\$ 736</u>	<u>\$ (491)</u>
Weighted-average units outstanding:						
Basic	19,701	3,135	13,986	3,135	7,558	3,135
Effect of diluted subordinated units	3,135	—	3,135	—	3,135	—
Diluted	22,836	3,135	17,121	3,135	10,693	3,135
Net income (loss) per common and subordinated unit:						
Basic	\$ 0.54	\$ 0.50	\$ 0.46	\$ 0.23	\$ 0.16	\$ (0.16)
Diluted ⁽¹⁾	\$ 0.53	\$ 0.50	\$ 0.41	\$ 0.23	\$ 0.07	\$ (0.16)

(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. 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. Diluted net income (loss) per unit for the years ended December 31, 2017, 2016 and 2015, includes the full effect of the conversion of Landmark's subordinated units into 3,135,109 of Common Units at the beginning of the period.

13. 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. The Partnership does not believe its credit risk has changed materially from the date the applicable LIBOR plus 2.50% was set for the revolving credit facility.

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 combined 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 and combined 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,			
	2017		2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Investment in receivables, net	\$ 20,782	\$ 20,995	\$ 17,440	\$ 17,550
Revolving credit facility	304,000	304,000	224,500	224,500
Secured Notes, net	187,249	187,895	112,435	112,608

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, 2017 and 2016, the Partnership measured the following assets and liabilities at fair value on a recurring basis (in thousands):

	December 31,	
	2017	2016
Derivative Assets ⁽¹⁾	\$ 3,159	\$ 1,860
Derivative Liabilities ⁽¹⁾	\$ —	\$ 376

(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.

14. Related-Party Transactions

General and Administrative Reimbursement

Under the 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 the greater of \$162,500 and 3% of our revenue during the preceding 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 \$80.0 million and (ii) November 19, 2019. 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 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. 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, 2017, 2016 and 2015, Landmark reimbursed us \$3.5 million, \$2.6 million and \$2.1 million, respectively, for expenses related to certain general and administrative services that exceeded the cap. As of December 31, 2017, \$0.5 million is included within due from affiliates related to the fourth quarter general and administrative reimbursement from Landmark.

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, 2017, 2016 and 2015, we incurred \$0.1 million, \$0.1 million and \$6,250 of license fees related to the AIF patent license agreement.

Right of First Offer

Certain other investment funds managed by Landmark have granted us a right of first offer (“ROFO”) on real property interests that they currently own or acquire in the future before selling or transferring those assets to any third party. During the years ended December 31, 2017, 2016 and 2015, 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
Various (1)	Fund G	2	—	\$ 14.8	221,729	221,729
August 30, 2016	Fund G	386	5	140.3	3,592,430	25,220
November 19, 2015	Fund F	136	—	44.5	1,266,317	217,133
November 19, 2015	Fund C	72	—	30.3	847,260	123,405
August 18, 2015	Fund E	193	—	65.9	1,998,852	171,737

(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.

Management Fee

In accordance with the limited liability company agreements for each of the Acquired Funds, Landmark or its affiliates were paid a management fee ranging from \$45 to \$75 per asset per month for providing various services to the funds. Management fees totaled \$0.2 million and \$0.5 million for the years ended December 31, 2016 and 2015, respectively. Upon execution of the omnibus agreement and completion of the closing of the IPO, Landmark’s right to receive this management fee has been terminated and we will instead reimburse Landmark for certain general and administrative expenses incurred by Landmark pursuant to the omnibus agreement, subject to a cap, as described above. For the years ended December 31, 2016 and 2015, financial information has been retroactively adjusted to include management fees of \$0.2 million and \$0.5 million, respectively, incurred by the Acquired Funds during the period prior to the acquisition by the Partnership.

Secured Tenant Site Assets' Management Fee

In connection with the issuance of the 2016 Secured Notes and 2017 Secured Notes, the Partnership entered into applicable management agreements with the General Partner dated June 16, 2017 and November 30, 2017, respectively. 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 1.5% of the Secured Tenant Site Assets' operating revenue, as defined by the applicable management agreements. 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 \$18,451 and \$10,215 of Secured Tenant Site Assets' management fees during the years ended December 31, 2017 and 2016, respectively.

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 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. As of December 31, 2017, no such fees have been incurred.

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, 2017, the Partnership incurred \$0.2 million 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. Accordingly, based on the cash distribution declared on October 26, 2016, our General Partner receive 15% of the cash distribution in excess of our second target distribution as defined in our Partnership Agreement for the quarter ended December 31, 2017. During the years ended December 31, 2017 and 2016, we paid \$0.5 million and \$0.1 million of incentive distribution rights, respectively.

Due from Affiliates

At December 31, 2017 and 2016, the General Partner and affiliates owed \$0.6 million and \$0.6 million, respectively, to the Partnership primarily for general and administrative reimbursement and for rents received on our behalf.

15. 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 the United Kingdom. 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.

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The statements of operations for the reportable segments are as follows:

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)	<u>\$ 22,567</u>	<u>\$ 8,780</u>	<u>\$ 7,829</u>	<u>\$ (19,900)</u>	<u>\$ 19,276</u>

For the year ended December 31, 2016 (in thousands):

	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Corporate	Total
Revenue					
Rental revenue	\$ 30,440	\$ 8,176	\$ 2,555	\$ —	\$ 41,171
Expenses					
Management fees to affiliate	112	83	1	—	196
Property operating	62	29	16	—	107
General and administrative	—	—	—	3,755	3,755
Acquisition-related	244	52	25	2,585	2,906
Amortization	9,649	1,247	295	—	11,191
Impairments	1,130	145	—	—	1,275
Total expenses	11,197	1,556	337	6,340	19,430
Total other income and expenses	1,067	—	532	(13,419)	(11,820)
Net income (loss)	<u>\$ 20,310</u>	<u>\$ 6,620</u>	<u>\$ 2,750</u>	<u>\$ (19,759)</u>	<u>\$ 9,921</u>

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For the year ended December 31, 2015 (in thousands):

	Wireless Communication	Outdoor Advertising	Renewable Power Generation	Corporate	Total
Revenue					
Rental revenue	\$ 26,546	\$ 6,846	\$ 205	\$ —	\$ 33,597
Expenses					
Management fees to affiliate	319	161	—	—	480
Property operating	24	12	—	—	36
General and administrative	—	—	—	2,923	2,923
Acquisition-related	1,951	80	29	1,956	4,016
Amortization	7,581	1,022	48	—	8,651
Impairments	3,426	476	—	—	3,902
Total expenses	13,301	1,751	77	4,879	20,008
Total other income and expenses	796	227	9	(13,416)	(12,384)
Net income (loss)	\$ 14,041	\$ 5,322	\$ 137	\$ (18,295)	\$ 1,205

The Partnership's total assets by segment were (in thousands):

	December 31,	
	2017	2016
Segments		
Wireless communication	\$ 440,139	\$ 394,991
Outdoor advertising	175,825	92,660
Renewable power generation	111,482	103,052
Corporate assets	40,553	12,357
Total assets	\$ 767,999	\$ 603,060

16. 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. 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, 2017, the Partnership had a \$1.3 million commitment to acquire and deploy the Zero Site microgrid solution across North America, a self-contained neutral-host smart pole designed for wireless carrier and other wireless operator colocation.

As of December 31, 2017, the Partnership had approximately \$81.4 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.

17. Tenant Concentration

For the years ended December 31, 2017, 2016 and 2015, the Partnership had the following tenant revenue concentrations:

Tenant	Year Ended December 31,		
	2017	2016	2015
T-Mobile	11.7%	13.8%	15.4%
Verizon	8.9%	9.7%	9.8%
Sprint	9.5%	11.4%	12.5%
AT&T Mobility	11.0%	12.6%	13.1%
Crown Castle	9.2%	10.3%	11.1%

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.

18. Income Taxes

The Partnership is not a taxable entity for United States federal income tax purposes or for the majority of states that impose an income tax. Taxes on our net income generally are borne by our partners through the allocation of taxable income. Our consolidated REIT Subsidiary files as a corporation for U.S. federal income tax purposes. The REIT Subsidiary has elected to be treated as a REIT and may deduct earnings distributed to stockholders against the income generated by its REIT operations, therefore it does not have any federal income tax liability. Additionally, our wholly owned subsidiary Asset OpCo conducts certain activities that may not generate qualifying income and will be treated as a corporation for U.S. federal and state income tax purposes. In addition, certain subsidiaries of the Partnership are subject to corporate income tax in the foreign jurisdictions where we own assets and generate taxable income. The following information pertains to the Partnership's income taxes on a consolidated basis.

Income before income tax benefit by geographic area is as follows (in thousands):

	Year Ended December 31,		
	2017	2016	2015
Domestic	\$ 15,259	\$ 10,554	\$ 1,179
Foreign	872	(633)	26
Total	\$ 16,131	\$ 9,921	\$ 1,205

For the year ended December 31, 2017, income tax benefit consisted of the following (in thousands):

	Year Ended December 31,	
	2017	
Current		
Domestic	\$	—
Foreign		70
Deferred		
Domestic		(3,215)
Foreign		—
Income tax benefit	\$	(3,145)

For the years ended December 31, 2016 and 2015, income tax expense (benefit) was zero.

The statutory federal income tax rate is 34 percent (for all years presented) and the foreign income tax rates range from 15 percent to 39 percent. The difference between income tax benefit recorded by us and income taxes computed by applying the statutory corporate income tax rates to income before income tax 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 benefit is as follows:

	Year Ended December 31, 2017
Statutory tax rate	34%
Adjustment to reflect MLP/REIT status	(29)%
Valuation allowance	(32)%
Change in tax law	9%
Other	(1)%
Effective tax rate	(19)%

Deferred income taxes are recorded based on temporary differences between the financial statement carrying amounts and tax basis of assets and liabilities and operating loss carry forwards. Asset OpCo routinely assesses its ability to realize its deferred tax assets. If Asset OpCo 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.

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 \$1.5 million from December 31, 2016 to December 31, 2017. 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, 2017. During the year ended December 31, 2016, Asset OpCo's acquisition activity and results of operations generated \$5.5 million in deferred taxes with a valuation allowance of \$5.3 million. For the years ended December 31, 2017 and 2016, there was no deferred tax liability. 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 a NOL for the year ended December 31, 2017 and 2016 which can be used to offset taxable income in future and prior years, subject to specified limitations. At December 31, 2017 and 2016 Asset OpCo had an NOL carryforward of \$0.1 million and \$5.2 million, translating to a deferred tax asset before valuation allowance of less than \$0.1 million and \$2.1 million, respectively. The federal NOL carryforwards expire beginning in 2035.

As of December 31, 2017 and 2016, we had no liability reported for unrecognized tax benefits. We did not have any significant interest or penalties related to income taxes during the years ended December 31, 2017, 2016, and 2015.

19. Supplemental Cash Flow Information

Noncash activities for the years ended December 31, 2017, 2016, and 2015 were as follows (in thousands):

	Year Ended December 31,		
	2017	2016	2015
Capital contribution to fund general and administrative expense reimbursement	\$ 491	\$ 545	\$ 645
Purchase price for acquisitions included in due to Landmark and affiliates	196	217	—
Issuance of common units for Acquired Funds	3,492	64,664	63,571
Unit Exchange Program acquisitions	3,816	2,639	—
Fair value adjustment of investments in receivables	—	239	12
Distributions payable to preferred unitholders	1,296	800	—
Offering costs included in accounts payable and accrued liabilities	—	165	—
Deferred loan costs included in accounts payable and accrued liabilities	285	235	—
Purchase price for acquisitions and construction activities included in accounts payable	642	405	—

Cash flows related to interest paid was as follows (in thousands):

	Year Ended December 31,		
	2017	2016	2015
Cash paid for interest	\$ 15,797	\$ 12,349	\$ 8,746

20. Quarterly Financial Data (Unaudited)

The following tables summarize quarterly financial data for the years ended December 31, 2017 and 2016 (in thousands, except unit data). Quarterly financial information has been retroactively adjusted for transactions between entities under common control.

	2017 Quarter Ended			
	March 31	June 30	September 30	December 31
Total rental revenue	\$ 11,841	\$ 12,803	\$ 13,499	\$ 14,482
Net income	3,527	2,677	3,798	9,274
Less: Net income attributable to noncontrolling interest	3	4	4	8
Net income attributable to limited partners	3,524	2,673	3,794	9,266
Net income per limited partner unit:				
Common units – basic	0.09	0.05	0.08	0.31
Common units – diluted	0.09	0.05	0.08	0.31
Subordinated units – basic and diluted	0.09	0.05	0.08	0.28
Cash distribution declared per unit	0.3525	0.3550	0.3575	0.3675

	2016 Quarter Ended			
	March 31	June 30	September 30	December 31
Total rental revenue	\$ 9,739	\$ 9,768	\$ 10,166	\$ 11,498
Net income	146	611	372	8,792
Less: Pre-acquisition net income (loss) from Drop-down Assets	573	582	(1,102)	(5)
Net income (loss) attributable to limited partners	(427)	29	1,474	8,797
Net income (loss) per limited partner unit				
Common units – basic	(0.03)	(0.02)	0.06	0.34
Common units – diluted	(0.03)	(0.02)	0.06	0.34
Subordinated units – basic and diluted	(0.03)	(0.03)	(0.10)	0.33
Cash distribution declared per unit	0.3300	0.3325	0.3375	0.3500

21. Subsequent Events

On January 18, 2018, the Partnership acquired 127 tenant sites and related real property interests from Fund H, in exchange for 1,506,421 Common Units representing limited partner interests in the Partnership; and (ii) cash consideration of approximately \$32.2 million, for total consideration of \$60.2 million (the “Transaction”). The cash consideration for the Transaction was funded with \$16.0 million from the Partnership’s Series 2017-1 note securitization site acquisition account and the remainder from borrowings under the Partnership’s revolving credit facility and available cash.

Landmark Infrastructure Partners LP
Schedule III – Real Estate and Accumulated Depreciation
(in thousands)
December 31, 2017

Gross Amount at Which Carried										
Description	Location	Encumbrances	Initial cost to the Partnership			As of December 31, 2017(1)(2)			Accumulated depreciation	Date Acquired
			Land	Building and improvements	Total	Land	Building and improvements	Total		
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	—	300	—	300	300	—	300	—	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
Outdoor Advertising	West Palm Beach, FL	—	215	—	215	215	—	215	—	2014
Outdoor Advertising	West Palm Beach, FL	—	107	—	107	107	—	107	—	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	—	1,813	—	1,813	1,813	—	1,813	—	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	—	3,778	—	3,778	3,778	—	3,778	—	2016
Renewable Power Generation	Valley Center, CA	—	880	—	880	880	—	880	—	2016
Outdoor Advertising	Homebush West, New South Wales	—	529	—	529	529	—	529	—	2016
Outdoor Advertising	Golden Square, Victoria	—	272	—	272	272	—	272	—	2016
Outdoor Advertising	Forbes, New South Wales	—	33	—	33	33	—	33	—	2016
Renewable Power Generation	Rosamond, CA	—	41,505	—	41,505	41,505	—	41,505	—	2016
Renewable Power Generation	Rosamond, CA	—	14,137	—	14,137	14,137	—	14,137	—	2016
Renewable Power Generation	Rosamond, CA	—	3,215	—	3,215	3,215	—	3,215	—	2016
Renewable Power Generation	Leemore, CA	—	11,267	—	11,267	11,267	—	11,267	—	2016
Renewable Power Generation	Jacksonville, FL	—	731	—	731	731	—	731	—	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	—	3,994	—	3,994	3,994	—	3,994	—	2017
Outdoor Advertising	Salford, UK	—	279	—	279	279	—	279	—	2017

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Wireless Communication	Encounter Bay, South Australia	—	282	—	282	282	—	282	—	2017
Outdoor Advertising	Leeds, UK	—	529	—	529	529	—	529	—	2017
Outdoor Advertising	Leeds, UK	—	2,624	—	2,624	2,624	—	2,624	—	2017
Outdoor Advertising	London, UK	—	3,395	—	3,395	3,395	—	3,395	—	2017
Renewable Power Generation	Pemberton, NJ	—	1,092	—	1,092	1,092	—	1,092	—	2017
Outdoor Advertising	Liverpool, UK	—	687	—	687	687	—	687	—	2017
Outdoor Advertising	Barnet, UK	—	509	—	509	509	—	509	—	2017
Outdoor Advertising	Bristol, UK	—	5,886	—	5,886	5,886	—	5,886	—	2017
Wireless Communication	Austin, TX	—	745	3,701	4,446	745	3,701	4,446	(4)	2017
Wireless Communication	Charlotte, NC	—	106	393	499	106	393	499	(1)	2017
Wireless Communication	Mars Hill, NC	—	116	—	116	116	—	116	—	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	(8)	2017
	Total	<u>\$ —</u>	<u>\$ 114,385</u>	<u>\$ 5,154</u>	<u>\$ 119,539</u>	<u>\$ 114,385</u>	<u>\$ 5,154</u>	<u>\$ 119,539</u>	<u>\$ (13)</u>	

(1) A summary of activity for real estate and accumulated depreciation follows (in thousands):

	Year Ended December 31,		
	2017	2016	2015
<i>Real estate:</i>			
Balances at beginning of year	\$ 88,845	\$ 12,887	\$ 7,730
Acquisition of real estate	30,694	75,958	5,157
Balances at end of year	<u>\$ 119,539</u>	<u>\$ 88,845</u>	<u>\$ 12,887</u>
<i>Accumulated depreciation:</i>			
Balances at beginning of year	\$ —	\$ —	\$ —
Depreciation expense	13	—	—
Balances at end of year	<u>\$ 13</u>	<u>\$ —</u>	<u>\$ —</u>

(2) The aggregate cost of real estate for federal income tax purposes is \$132.6 million (unaudited).

LANDMARK INFRASTRUCTURE PARTNERS GP LLC
AMENDED AND RESTATED NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

Effective as of January 25, 2018

In consideration of the services provided by certain non-employee members of the Board of Directors (the “**Board**”) of Landmark Infrastructure Partners GP LLC, a Delaware limited liability company (the “**Company**”), which is the general partner of Landmark Infrastructure Partners LP, a Delaware limited partnership (the “**Partnership**”), the Company maintains this Landmark Infrastructure Partners GP LLC Non-Employee Director Compensation Plan (this “**Plan**”) to (1) attract and retain highly qualified individuals, whose efforts and judgment can contribute significantly to the success of the Company and the Partnership, to serve as non-employee members of the Board and (2) stimulate the active interest of these persons in the development and financial success of the Company and the Partnership by providing for ownership of common units in the Partnership by such persons.

ARTICLE I
ELIGIBILITY

Each Non-Employee Director will be eligible to receive the remuneration for Board services provided for in this Plan. For purposes of this Plan, “**Non-Employee Director**” means a member of the Board who (a) is not an officer or employee of the Company or any of its subsidiaries or affiliates, and (b) has not entered into an arrangement with the Company or any of its subsidiaries to receive compensation from any such entity other than in respect of his or her services as a member of the Board of any such entity. The Board will make all determinations regarding which of its members are Non-Employee Directors.

ARTICLE II
ANNUAL BOARD MEMBER RETAINER

2.1 Annual Board Member Retainer Generally. Subject to the remaining provisions of this Article II, each Non-Employee Director will receive an annual retainer in respect of his or her service as a member of the Board during such calendar year (the “**Annual Board Member Retainer**”). The amount of the Annual Board Member Retainer payable to each Non-Employee Director for each calendar year will be equal to \$40,000, as modified by the remainder of the provisions of this Article II. Except as otherwise provided in Section 5.5, the Annual Board Member Retainer to be paid to each Non-Employee Director will be payable in cash.

2.2 Payment of Annual Board Member Retainer Where Board Membership Runs from Beginning of Calendar Year. If a Non-Employee Director is a member of the Board from the beginning of a calendar year, such Non-Employee Director’s Annual Board Member Retainer for such calendar year will be payable in four equal quarterly installments of \$10,000

(the “***Quarterly Board Member Retainer Value***”) on the first business day following the end of each fiscal quarter, beginning with the fiscal quarter ending March 31 (each, a “***Quarterly Payment Date***”), subject to the provisions of Section 2.4.

2.3 Reduction and Payment of Annual Board Member Retainer Where Board Membership Commences During Calendar Year. If a Non-Employee Director is not a member of the Board at the beginning of a calendar year, but becomes a member of the Board during the course of such calendar year, such Non-Employee Director’s Annual Board Member Retainer for such calendar year will be subject to reduction and payment, subject to the provisions of Section 2.4, as follows:

- (a) a 0% reduction, if such Non-Employee Director becomes a member of the Board before March 31 of such calendar year, in which case the Non-Employee Director will be paid the Quarterly Board Member Retainer Value for such calendar year on each of the four Quarterly Payment Dates occurring with respect to such calendar year;
- (b) a 25% reduction, if such Non-Employee Director becomes a member of the Board on or after March 31 of such calendar year but before June 30 of such calendar year, in which case the Non-Employee Director will be paid the Quarterly Board Member Retainer Value for such calendar year on each of the three remaining Quarterly Payment Dates occurring with respect to such calendar year;
- (c) a 50% reduction, if such Non-Employee Director becomes a member of the Board on or after June 30 of such calendar year but before September 30 of such calendar year, in which case the Non-Employee Director will be paid the Quarterly Board Member Retainer Value for such calendar year on each of the two remaining Quarterly Payment Dates occurring with respect to such calendar year; and
- (d) a 75% reduction, if such Non-Employee Director becomes a member of the Board on or after September 30 of such calendar year but before December 31 of such calendar year, in which case the Non-Employee Director will be paid the Quarterly Board Member Retainer Value for such calendar year on the one remaining Quarterly Payment Date occurring with respect to such calendar year.

2.4 Payment of Annual Board Member Retainer Where Board Membership Terminates During Calendar Year. Notwithstanding anything to the contrary in this Article II, and unless otherwise provided by the Committee (as defined in Section 7.1), a Non-Employee Director whose membership on the Board terminates during a calendar year will not receive payment of any portion of his or her Annual Board Member Retainer for that calendar year which would otherwise be payable on a Quarterly Payment Date that occurs following the date such Non-Employee Director’s membership on the Board terminates.

ARTICLE III
ANNUAL COMMITTEE CHAIR RETAINER

3.1 Annual Committee Chair Retainer Generally. Subject to the remaining provisions of this Article III, each Non-Employee Director who serves as the chair of a committee of the Board (a “**Committee Chair**”) during any calendar year will receive an additional annual retainer in respect of his or her service as such Committee Chair (the “**Annual Committee Chair Retainer**”). The amount of the Annual Committee Chair Retainer payable for any such calendar year to each Non-Employee Director who is a Committee Chair during such period (a “**Non-Employee Director/Committee Chair**”) will be equal to (a) \$15,000 for service as a Non-Employee Director/Committee Chair of the Audit Committee, and/or (b) an amount, if any, as determined by the Board for service as a Non-Employee Director/Committee Chair of any other committee of the Board as may be established at any time, in each case, as modified by the remainder of this Article III. Except as otherwise provided in Section 5.5, the Annual Committee Chair Retainer to be paid to any Non-Employee Director/Committee Chair will be payable in cash.

3.2 Payment of Annual Committee Chair Retainer Where Service as Committee Chair Runs from Beginning of Calendar Year. If a Non-Employee Director/Committee Chair is a Committee Chair of a standing committee from the beginning of a calendar year, such Non-Employee Director/Committee Chair’s Annual Committee Chair Retainer for such calendar year will be payable in four equal quarterly installments (the “**Quarterly Committee Chair Retainer Value**”) on each Quarterly Payment Date.

3.3 Reduction and Payment of Annual Committee Chair Retainer Where Service as Committee Chair Commences During Calendar Year. If a Non-Employee Director/Committee Chair is not a Committee Chair of a standing committee at the beginning of a calendar year, but becomes a Committee Chair of such committee during the course of such calendar year, such Non-Employee Director/Committee Chair’s Annual Committee Chair Retainer for such calendar year will be subject to reduction and payment, subject to the provisions of Section 3.4, as follows:

- (a) a 0% reduction, if such Non-Employee Director/Committee Chair becomes a Committee Chair before March 31 of such calendar year, in which case the Non-Employee Director/Committee Chair will be paid the Quarterly Committee Chair Retainer Value on each of the four Quarterly Payment Dates occurring with respect to such calendar year;
 - (b) a 25% reduction, if such Non-Employee Director/Committee Chair becomes a Committee Chair on or after March 31 of such calendar year but before June 30 of such calendar year, in which case the Non-Employee Director/Committee Chair will be paid the Quarterly Committee Chair Retainer Value on each of the three remaining Quarterly Payment Dates occurring with respect to such calendar year;
 - (c) a 50% reduction, if such Non-Employee Director/Committee Chair becomes a Committee Chair on or after June 30 of such calendar year but before September 30 of such calendar year, in which case the Non-Employee Director/Committee
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Chair will be paid the Quarterly Committee Chair Retainer Value on each of the two remaining Quarterly Payment Dates occurring with respect to such calendar year; and

- (d) a 75% reduction, if such Non-Employee Director/Committee Chair becomes a Committee Chair on or after September 30 of such calendar year but before December 31 of such calendar year, in which case the Non-Employee Director/Committee Chair will be paid the Quarterly Committee Chair Retainer Value on the one remaining Quarterly Payment Date occurring with respect to such calendar year.

3.4 Payment of Annual Committee Chair Retainer Where Service as Committee Chair Terminates During Calendar Year. Notwithstanding anything to the contrary in this Article III, and unless otherwise provided by the Committee, a Non-Employee Director/Committee Chair whose service as a Committee Chair of a standing committee terminates during a calendar year will not receive payment of any portion of his or her Annual Committee Chair Retainer that would otherwise be payable on a Quarterly Payment Date that occurs following the date such Non-Employee Director/Committee Chair's service as a Committee Chair of such committee terminates.

3.5 Service as Committee Chair for Multiple Committees. In the event any Non-Employee Director serves as a Committee Chair for more than one committee of the Board, the provisions of this Article III will be applied separately to each situation of service as a Committee Chair with a separate Annual Committee Chair Retainer being payable to him or her as a Committee Chair in each instance.

ARTICLE IV MEETING PARTICIPATION COMPENSATION

4.1 Compensation Generally. Each Non-Employee Director will receive, as compensation in addition to all other compensation provided for in this Plan, the meeting participation compensation provided for in Sections 4.2 and 4.3 ("**Meeting Participation Compensation**"). Such Meeting Participation Compensation will be payable on such schedule as is determined by the Company provided that Meeting Participation Compensation will in all events be payable no later than the earlier of the first Quarterly Payment Date next following by fourteen days or more the meeting to which the Meeting Participation Compensation applies or March 15 of the calendar year immediately following the calendar year in which such Meeting Participation Compensation was earned.

4.2 Compensation for Participation in Board Meetings. Each Non-Employee Director will receive, for participation as a member of the Board in meetings of the Board (a "**Board Meeting**"), a per meeting fee of (a) \$1,500 for each Board Meeting which the Non-Employee Director attends in person or (b) \$750 for each Board Meeting in which the Non-Employee Director participates by telephone conference call.

4.3 Compensation for Participation in Committee Meetings. Each Non-Employee Director will receive, for participation as a member of a committee of the Board in meetings of

such committee (a “**Committee Meeting**”), a per meeting fee of (a) \$1,000 for each Committee Meeting which the Non-Employee Director attends in person or (b) \$1,000 for each Committee Meeting in which the Non-Employee Director participates by telephone conference call.

ARTICLE V EQUITY GRANTS

5.1 Annual Grant of Units. Each Non-Employee Director will receive, in addition to the other compensation provided for in this Plan, an annual grant (“**Annual Unit Grant**”) of common units of the Partnership (the “**Units**”), valued in the aggregate amount of \$40,000 (the “**Annual Unit Grant Value**”) for each calendar year, with the number of Units to be granted and the timing of such grants determined in accordance with the provisions of this Article V. For purposes of valuing such grants and otherwise of this Plan, “**Fair Market Value**” shall have the same meaning as set forth in the Landmark Infrastructure Partners LP 2014 Long-Term Incentive Plan, as currently in effect and as it may hereafter be amended (the “**LTIP**”).

5.2 Granting of Annual Unit Grant Where Board Membership Runs from Beginning of Calendar Year. If a Non-Employee Director is a member of the Board from the beginning of a calendar year, the Annual Unit Grant with respect to such calendar year will be made annually in advance on the Quarterly Payment Date occurring in January with respect to the calendar year, subject to the provisions of Section 5.4. The number of Units granted on the Quarterly Payment Date occurring in January with respect to a calendar year will be such number of whole Units as have an aggregate Fair Market Value equal to the Annual Unit Grant Value for such calendar year on such Quarterly Payment Date (rounded up to the nearest whole Unit). For the 2014 calendar year, the Annual Unit Grant will be made as soon as practicable following the consummation of the Partnership’s initial public offering in an amount equal to a pro-rated portion of the Annual Unit Grant Value based on the number of days remaining in the calendar year.

5.3 Reduction and Granting of Annual Unit Grant Where Board Membership Commences During Calendar Year. If a Non-Employee Director is not a member of the Board at the beginning of a calendar year, but becomes a member of the Board during the course of such calendar year, such Non-Employee Director’s Annual Unit Grant for such calendar year will be subject to reduction and granting, subject to the provisions of Section 5.4, as follows:

- (a) a 0% reduction, if such Non-Employee Director becomes a member of the Board before March 31 of such calendar year, in which case the Non-Employee Director will be granted, on the Quarterly Payment Date occurring in January of the following calendar year, such number of whole Units as have an aggregate Fair Market Value equal to the Annual Unit Grant Value for such calendar year on such Quarterly Payment Date (rounded up to the nearest whole Unit);
 - (b) a 25% reduction, if such Non-Employee Director becomes a member of the Board on or after March 31 of such calendar year but before June 30 of such calendar year, in which case the Non-Employee Director will be granted, on the Quarterly Payment Date occurring in January of the following calendar year, such number of whole Units as have an aggregate Fair Market Value equal to the Annual Unit
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Grant Value for such calendar year on such Quarterly Payment Date (rounded up to the nearest whole Unit);

- (c) a 50% reduction, if such Non-Employee Director becomes a member of the Board on or after June 30 of such calendar year but before September 30 of such calendar year, in which case the Non-Employee Director will be granted, on the Quarterly Payment Date occurring in January of the following calendar year, such number of whole Units as have an aggregate Fair Market Value equal to the Annual Unit Grant Value for such calendar year on such Quarterly Payment Date (rounded up to the nearest whole Unit); and
- (d) a 75% reduction, if such Non-Employee Director becomes a member of the Board on or after September 30 of such calendar year but before December 31 of such calendar year, in which case the Non-Employee Director will be granted, on the Quarterly Payment Date occurring in January of the following calendar year, such number of whole Units as have an aggregate Fair Market Value equal to the Annual Unit Grant Value for such calendar year on such Quarterly Payment Date (rounded up to the nearest whole Unit).

For the avoidance of doubt, the foregoing grant to be made to the Non-Employee Director under this Section 5.3 on the Quarterly Payment Date in January of the year following the year of his commencement of service on the Board shall be in addition to the Annual Unit Grant that he will receive on such Quarterly Payment Date for the subsequent year pursuant to Section 5.2.

5.4 Effect on Annual Unit Grant Where Board Membership Terminates During Calendar Year. Notwithstanding anything to the contrary in this Article V, and unless otherwise provided by the Committee, a Non-Employee Director whose membership on the Board terminates during a calendar year will be entitled to retain any portion of his or her Annual Unit Grant for that calendar year which was granted on the Quarterly Payment Date occurring in January of such calendar year.

5.5 Additional Grants of Units in Lieu of Cash Compensation. In addition to the Annual Unit Grant and any Election Unit Grant (as defined in Section 5.6), beginning for calendar year 2015 compensation, any Non-Employee Director may elect from time to time to receive any or all of the cash compensation payable hereunder, for the Annual Board Member Retainer and/or the Annual Committee Chair Retainer, in Units instead. For purposes of this Plan, cash compensation to which an election made in accordance with the provisions of this Section 5.5 applies shall be referred to as “***Elected Unit Compensation***.” Any such election with respect to Elected Unit Compensation shall be made in advance of the calendar year for which it is to be earned and must otherwise comply with the procedures therefor established from time to time by the Committee (as defined in Section 7.1). In the event of such an election by a Non-Employee Director, the Non-Employee Director will be granted Units in place of any such Elected Unit Compensation on the Quarterly Payment Date occurring in January of the calendar year to which such Elected Unit Compensation relates. The number of Units to be granted to a Non-Employee Director on the Quarterly Payment Date occurring in January of the calendar year to which such Elected Unit Compensation relates pursuant to an election made in

accordance with this Section 5.5 will be such number of whole Units as have an aggregate Fair Market Value equal to the cash amount of such Elected Unit Compensation on such Quarterly Payment Date (rounded up to the nearest whole Unit). If a Non-Employee Director who has made an election pursuant to this Section 5.5 ceases to be a member of the Board prior to the payment of any Elected Unit Compensation in Units, such unpaid Elected Unit Compensation will not be satisfied in Units and instead (to the extent it is earned and payable in accordance with the other terms of this Plan) will be paid in cash within thirty days after the Non-Employee Director ceases to be a member of the Board or, if earlier, by March 15 of the calendar year immediately following the calendar year in which such compensation was earned.

5.6 Discretionary Grant of Units Upon Initial Election as a Non-Employee Director. In addition to the Annual Unit Grant pursuant to Section 5.1, the Board may, in its discretion, make a grant of Units (an “**Election Unit Grant**”) to a Non-Employee Director in connection with his initial election as a member of the Board. The Board shall establish the amount and terms (including, without limitation, any vesting requirements or other conditions) of any such grant in its discretion.

5.7 Terms and Conditions for and Full Vesting of Grants. For purposes of this Plan, each grant of Units made as provided in this Article V to a Non-Employee Director will be made pursuant to and in accordance with the terms and conditions set forth in this Plan and in the LTIP, and, unless otherwise determined by the Board with respect to an Election Unit Grant, will be 100% vested on the date it is made. However, the provisions of this Plan providing specifically for grants of Units in certain circumstances to Non-Employee Directors shall not restrict or prevent any other awards of Units not referenced in or made pursuant to this Plan which are otherwise made to Non-Employee Directors on a discretionary basis under the LTIP.

5.8 Award Agreement. Any Non-Employee Director who acquires Units as provided in this Article V may be required to execute and comply with the terms of an award agreement with the Company and the Partnership, in such form as is approved from time to time by the Committee.

ARTICLE VI REIMBURSEMENT OF EXPENSES

While a Non-Employee Director is serving as a member of the Board, the Non-Employee Director will be reimbursed for his or her business-related expenses incurred in carrying out his or her duties as a member of the Board, including but not limited to all reasonable and necessary expenses incurred by the Non-Employee Director to attend Board and Board committee meetings or otherwise fulfill his or her duties, in accordance with the Company’s expense reimbursement policy as in effect at the time an expense is incurred.

ARTICLE VII GENERAL PROVISIONS

7.1 Administration. The Plan will be administered by the Board or by a committee of, and appointed by, the Board (the “**Committee**”). In the absence of the Board’s appointment of a committee to administer the Plan, the Board shall act as the “Committee” hereunder. The

Committee will have the complete authority and power to interpret this Plan, prescribe, amend and rescind rules relating to the administration of this Plan, determine a Non-Employee Director's rights under this Plan (including such rights to receive payments of any cash compensation and/or grants of Units hereunder, and the amounts thereof), and take all other actions necessary or desirable for the administration of this Plan. All actions and decisions of the Committee will be final and binding upon the Company, the Partnership, the Non-Employee Directors, and all other persons. The Committee may delegate to officers and employees of the Company the authority to perform specified ministerial functions under this Plan. Any actions taken by any officers or employees of the Company pursuant to such delegation of authority will be deemed to have been taken by the Committee. No member of the Committee, nor any officer or employee of the Company acting on behalf of the Committee, will be personally liable for any action, determination, or interpretation taken or made in good faith with respect to this Plan, and all members of the Committee, and each officer of the Company and each employee of the Company acting on behalf of the Committee, will, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

7.2 Unfunded Obligations. The amounts to be paid and Units to be granted to Non-Employee Directors pursuant to this Plan are unfunded obligations of the Company. The Company is not required to segregate any monies or other assets from its general funds, to create any trusts or to make any special deposits with respect to these obligations.

7.3 No Additional Rights. The compensation amounts provided for herein are intended to compensate a Non-Employee Director for all of such Non-Employee Director's professional duties as a member of the Board and any committees thereof and, unless otherwise determined by the Board from time to time, no additional or separate compensation (other than as described in this Plan) will be payable to a Non-Employee Director for his or her service on the Board or committees of the Board (including as a Committee Chair), attendance at and/or participation in meetings of the Board or committees of the Board, or informal advisory time. None of this Plan, the LTIP or any Annual Unit Grant or other compensation provided for or granted hereunder or thereunder will confer upon any Non-Employee Director the right to continue to serve as a member of the Board or any committee of the Board.

7.4 Nonassignment. Except by will or the laws of descent and distribution, the right of a Non-Employee Director to the receipt of any amounts under this Plan may not be assigned, transferred, pledged or encumbered in any manner nor will such right or other interests be subject to attachment, execution or other legal process.

7.5 Incapacity of Non-Employee Director. If the Committee finds that any Non-Employee Director to whom a payment is due under this Plan is unable to care for his or her affairs because of illness or accident or is under a legal disability, unless a prior claim therefor has been made by a duly appointed legal representative, any payment due may, at the discretion of the Committee, be paid to the spouse, child, parent or brother or sister of such Non-Employee Director or to any other person whom the Committee has determined has incurred expense for such Non-Employee Director. Any such payment will be a complete discharge of the obligations of the Company with respect to such payment under the provisions of this Plan.

7.6 Compliance with Other Laws and Regulations. Notwithstanding anything contained herein to the contrary, neither the Company nor the Partnership will be required to sell or issue Units under this Plan if the issuance thereof would constitute a violation by a Non-Employee Director, the Company or the Partnership of any provisions of any law or regulation of any governmental authority or any national securities exchange or inter-dealer quotation system or other forum in which Units are quoted or traded; and, as a condition of any sale or issuance of Units hereunder, the Committee may require such agreements or undertakings, if any, as the Committee may deem necessary or advisable to assure compliance with any such law or regulation. This Plan, the Units and other compensation provided hereunder, and the obligation of the Company or the Partnership to sell or deliver Units hereunder, will be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required.

7.7 Termination and Amendment. The Board may from time to time amend, suspend, or terminate this Plan, in whole or in part, and if this Plan is suspended or terminated the Board may thereafter reinstate any or all of its provisions. Notwithstanding the foregoing, no amendment, suspension or termination of this Plan may impair the right of a Non-Employee Director to receive any benefit accrued hereunder prior to the effective date of such amendment, suspension or termination.

7.8 Entire Plan. This Plan constitutes the entire plan with respect to the subject matter hereof (other than matters covered by the LTIP) and supersedes all prior plans with respect to the subject matter hereof (other than the LTIP).

7.9 Applicable Law. Except to the extent preempted by applicable federal law, this Plan will be governed by and construed in accordance with the laws of the State of Delaware.

7.10 Section 409A Matters. This Plan is intended to provide for compensation that constitutes one or more “short term deferrals” within the meaning of Section 409A of the United States Internal Revenue Code of 1986, as amended (the “*Code*”) and any regulations issued thereunder, so that it and any compensation payable hereunder will be exempt from Section 409A of the Code. Accordingly, this Plan will be construed, interpreted and operated in a manner consistent with such intent. For purposes of Section 409A of the Code, to the extent necessary, each amount of compensation payable hereunder shall be considered a separate payment and a separate short term deferral.

Landmark Infrastructure Partners LP
Ratio of Earnings to Combined Fixed Charges and Preferred Distributions
(In thousands, except ratio data)

	Landmark Infrastructure Partners LP					Predecessor to Landmark Infrastructure Partners LP	
	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014	Period From November 19, 2014 to December 31, 2014	Period From January 1, 2014 to November 19, 2014	Year Ended December 31, 2013
Earnings: (1)							
Income (loss) before income taxes	\$ 16,131	\$ 9,921	\$ 1,205	\$ 2,530	\$ (2,698)	\$ 5,559	\$ 5,648
Add (deduct):							
Add: Fixed charges	18,447	13,923	10,958	8,942	361	7,471	5,407
Less: Capitalized interest	(48)	—	—	—	—	—	—
Less: Net income attributable to noncontrolling interest	(19)	—	—	—	—	—	—
Total earnings	<u>\$ 34,511</u>	<u>\$ 23,844</u>	<u>\$ 12,163</u>	<u>\$ 11,472</u>	<u>\$ (2,337)</u>	<u>\$ 13,030</u>	<u>\$ 11,055</u>
Fixed charges: (1)							
Interest expense	18,399	\$ 13,923	\$ 10,958	\$ 8,942	\$ 361	\$ 7,471	\$ 5,407
Capitalized interest	48	—	—	—	—	—	—
Estimate of interest within rental expense	—	—	—	—	—	—	—
Total fixed charges	<u>\$ 18,447</u>	<u>\$ 13,923</u>	<u>\$ 10,958</u>	<u>\$ 8,942</u>	<u>\$ 361</u>	<u>\$ 7,471</u>	<u>\$ 5,407</u>
Preferred unit distributions	6,673	2,660	—	—	—	—	—
Total fixed charges and preferred unit distributions	<u>\$ 25,120</u>	<u>\$ 16,583</u>	<u>\$ 10,958</u>	<u>\$ 8,942</u>	<u>\$ 361</u>	<u>\$ 7,471</u>	<u>\$ 5,407</u>
Ratio of Earnings to Fixed Charges	1.87x	1.71x	1.11x	1.28x	— (2)	1.74x	2.04x
Ratio of Earnings to Fixed Charges and Preferred Distributions (3)	1.37x	1.44x	1.11x	1.28x	— (2)	1.74x	2.04x

(1) For purposes of this presentation, earnings represent income before income taxes adjusted for fixed charges and capitalized interest. Fixed charges consist of interest expensed and capitalized, amortization of deferred loan costs and estimate of interest in rent expense.

(2) Earnings were inadequate to cover fixed charges by \$2.7 million for the period from November 19, 2014 to December 31, 2014.

(3) The Ratio of Earnings to Fixed Charges and Preferred Distributions was equal to the Ratio of Earnings to Fixed Charges for the periods prior to April 4, 2016 as no Preferred Units were issued prior to April 4, 2016.

LANDMARK INFRASTRUCTURE PARTNERS LP

List of Subsidiaries

Name

Beam Sign Pty Ltd
 Big Bertha Pty Ltd
 CC (2018) Media Limited
 Great West Road Partners LP
 GWR CC 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 10 LLC
 LD Acquisition Company 11 LLC
 LD Acquisition Company 12 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 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 SO LLC
 McCrary Holdings I, LLC
 MD 7 Capital Three, LLC
 MD 7 Funding One, LLC
 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

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. 333-208316) 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 report dated February 15, 2018, with respect to the consolidated and combined financial statements and schedule of Landmark Infrastructure Partners LP included in this Annual Report (Form 10-K) for the year ended December 31, 2017.

/s/ Ernst & Young LLP

Irvine, California
February 15, 2018

**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 15, 2018

/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)

**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 15, 2018

/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)

**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, 2017, 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 15, 2018

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, 2017, 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 15, 2018

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.

