Form **8937** (December 2017) Department of the Treasury

Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name MACKENZIE REALTY CAPITAL, INC. 45-4355424 3 Name of contact for additional information 4 Telephone No. of contact 5 Email address of contact **CHIP PATTERSON** 925-631-9100 CHIP@MACKENZIECAPITAL.COM 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and ZIP code of contact 89 DAVIS RD STE 100 **ORINDA, CA 94563** 8 Date of action 9 Classification and description COMMON SHARES: 4/29/22, 7/29/22, 10/28/22, 1/20/23 COMMON AND PREFERRED STOCK PREFERRED SHARES: 4/15/22, 7/15/22, 10/14/22, 1/13/23 11 Serial number(s) 12 Ticker symbol 13 Account number(s) Organizational Action Attach additional statements if needed. See back of form for additional questions. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► SEE STATEMENT 1 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per 15 share or as a percentage of old basis ► SEE STATEMENT 2 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE TAXPAYER'S EARNINGS AND PROFITS WERE CALCULATED UNDER IRC SECTION 312 AS MODIFIED BY IRC SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST AND THE REGULATIONS THEREUNDER. DISTRIBUTION IN EXCESS OF THE PORTION OF THE EARNINGS AND PROFITS ALLOCABLE TO THE PREFERRED SHARES THEN COMMON SHARES REDUCE THE SHAREHOLDERS TAX BASIS IN ITS SHARES TO THE EXTENT OF BASIS.

Part II Organizational Action (continued)

		applicable Internal Revenue Code se						
		TO BE NONDIVIDEND DISTRIBUTIONS P			7(d) ANI	D ARE RETU	RN OF CAPITAL DISTRIBUTIONS	
RESULT	TING IN	THE REDUCTION IN BASIS OF STOCK AS	REQUIRED UNDER IRC SECTION	301(c)(2).				
10.00				A DISTRIBUITIONS MA	DE DI II	DING THE 2	22 TAV VEAD	
18 (can any	resulting loss be recognized? ► N	IO LOSS WILL BE RECOGNIZED OF	N DISTRIBUTIONS INF	IDE DUI	KING THE Z	JZZ TAX TEAR.	
		e any other information necessary to	implement the adjustment, suc	ch as the reportable	tax ye	ar THER	EPORTABLE TAX YEAR FOR THE	
► RETU	JRN OF	CAPITAL DISTRIBUTIONS IS 2022.						
	Linde	er penalties of periury I declare that I have	e examined this return including a	ccompanying schedu	les and	statements	and to the best of my knowledge and	
		nder penalties of periury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and elief, it is true, correct, and corriplete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.						
Sign								
Here	0:	Signature >			Date ► 1/25/2023			
	Signa							
		CHID DATTEDSON				SECRETAR	v	
	Print	your name CHIP PATTERSON	Preparer's signature		itle ► Date	SECKETAK		
Paid		Print/Type preparer's name	Preparer's signature		Date		Check if PTIN	
Prep	arer						self-employed	
Use (Firm's name ▶					Firm's EIN ▶	
		Firm's address ►					Phone no.	
Send F	orm 89	n 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054						

45-4355434 ______

COMMON SHARES:

CASH DISTRIBUTION OF \$.090 PER SHARE WAS DECLARED ON 3/31/2022 AND PAID ON 4/29/2022 CASH DISTRIBUTION OF \$.100 PER SHARE WAS DECLARED ON 6/30/2022 AND PAID ON 7/29/2022 CASH DISTRIBUTION OF \$.105 PER SHARE WAS DECLARED ON 9/30/2022 AND PAID ON 10/28/2022 CASH DISTRIBUTION OF \$.110 PER SHARE WAS DECLARED ON 12/31/2022 AND PAID ON 1/20/2023

PREFERRED SHARES:

CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 3/31/2022 AND PAID ON 4/15/2022 CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 6/30/2022 AND PAID ON 7/15/2022 CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 9/30/2022 AND PAID ON 10/14/2022 CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 12/31/2022 AND PAID ON 1/13/2023 ______

FOR EACH CASH DISTRIBUTION, 100% REPRESENTED A NONDIVIDEND DISTRIBUTION.