

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name MACKENZIE REALTY CAPITAL, INC.		2 Issuer's employer identification number (EIN) 45-4355424	
3 Name of contact for additional information CHIP PATTERSON	4 Telephone No. of contact 925-631-9100	5 Email address of contact INVESTORS@MACKENZIECAPITAL.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 89 DAVIS RD STE 100		7 City, town, or post office, state, and ZIP code of contact ORINDA, CA 94563	
8 Date of action COMMON SHARES: 4/28/23, 7/28/23, 10/27/23, 1/19/24 PREFERRED SHARES: 4/14/23, 7/14/23, 10/13/23, 1/12/24		9 Classification and description COMMON AND PREFERRED STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 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

15 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 share or as a percentage of old basis ▶ SEE STATEMENT 2

16 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)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► THE DISTRIBUTIONS WERE DETERMINED TO BE NONDIVIDEND DISTRIBUTIONS PURSUANT TO IRC SECTIONS 316 AND IRC SECTION 857(d) AND ARE RETURN OF CAPITAL DISTRIBUTIONS RESULTING IN THE REDUCTION IN BASIS OF STOCK AS REQUIRED UNDER IRC SECTION 301(c)(2).

18 Can any resulting loss be recognized? ► NO LOSS WILL BE RECOGNIZED ON DISTRIBUTIONS MADE DURING THE 2023 TAX YEAR.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year THE REPORTABLE TAX YEAR FOR THE ► RETURN OF CAPITAL DISTRIBUTIONS IS 2023.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature  Date ► 1/17/2024

Print your name ► CHIP PATTERSON Title ► SECRETARY

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►			Firm's EIN ►	
Firm's address ►			Phone no.	

MACKENZIE REALTY CAPITAL, INC.
FORM 8937, PART II, LINE 14 DETAIL

ENTITY EIN
45-4355434

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COMMON SHARES:

CASH DISTRIBUTION OF \$.115 PER SHARE WAS DECLARED ON 3/31/2023 AND PAID ON 4/28/2023
CASH DISTRIBUTION OF \$.120 PER SHARE WAS DECLARED ON 6/30/2023 AND PAID ON 7/28/2023
CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 9/30/2023 AND PAID ON 10/27/2023
CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 12/31/2023 AND PAID ON 1/19/2024

PREFERRED SHARES SERIES A:

CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 3/31/2023 AND PAID ON 4/14/2023
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 6/30/2023 AND PAID ON 7/14/2023
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 9/30/2023 AND PAID ON 10/13/2023
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 12/31/2023 AND PAID ON 1/12/2024

PREFERRED SHARES SERIES B:

CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 12/31/2023 AND PAID ON 1/12/2024

MACKENZIE REALTY CAPITAL, INC.

ENTITY EIN

FORM 8937, PART II, LINE 15 DETAIL

45-4355434

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