

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 <small>COMMON SHARES: 4/26/24, 7/24/24, 10/25/24, 1/25/25 PREF. SERIES A SHARES: 4/12/24, 7/12/24, 10/11/24, 1/15/25 PREF. SERIES B SHARES: 4/12/24, 7/12/24, 10/12/24, 1/15/25</small>		9 Classification and description COMMON AND PREFERRED STOCK	
10 CUSIP number <small>COMMON SHARES: 55453W105 PREF. SERIES A SHARES: 55453W204 PREF. SERIES B SHARES: 55453W303</small>	11 Serial number(s)	12 Ticker symbol MKZR	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 (E&P) WERE CALCULATED UNDER IRC SECTION 312, AS MODIFIED BY IRC SECTION 857(D) AND THE APPLICABLE REGULATIONS FOR A REAL ESTATE INVESTMENT TRUST (REIT). DISTRIBUTIONS IN EXCESS OF THE PORTION OF E&P ALLOCATED FIRST TO THE PREFERRED SHARES AND THEN TO THE COMMON SHARES WILL REDUCE THE SHAREHOLDER'S TAX BASIS IN THEIR SHARES, BUT ONLY TO THE EXTENT OF THE REMAINING BASIS. ANY DISTRIBUTIONS EXCEEDING THE SHAREHOLDER'S BASIS ARE TREATED AS A TAXABLE CAPITAL GAIN.

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 CLASSIFIED AS NONDIVIDEND DISTRIBUTIONS IN ACCORDANCE WITH IRC SECTIONS 316 AND 857(D).
THESE DISTRIBUTIONS ARE CONSIDERED RETURN OF CAPITAL AND REDUCE THE SHAREHOLDER'S BASIS IN THE STOCK, AS SPECIFIED
UNDER IRC SECTION 301(C)(2). ANY AMOUNT OF THE DISTRIBUTION THAT EXCEEDS THE SHAREHOLDER'S BASIS IN THE STOCK IS
TREATED AS A TAXABLE CAPITAL GAIN UNDER IRC SECTION 301(C)(3).

18 Can any resulting loss be recognized? ► NO LOSS WILL BE RECOGNIZED ON DISTRIBUTIONS MADE DURING THE 2024 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 CALENDAR YEAR 2024.

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 ► 1/15/2025

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

COMMON SHARES:

CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 3/31/2024 AND PAID ON 4/26/2024
CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 6/30/2024 AND PAID ON 7/24/2024
CASH DISTRIBUTION OF \$.125 PER SHARE WAS DECLARED ON 9/30/2024 AND PAID ON 10/25/2024
CASH DISTRIBUTION OF \$.050 PER SHARE WAS DECLARED ON 12/31/2024 AND PAID ON 1/25/2025

PREFERRED SHARES SERIES A:

CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 3/31/2024 AND PAID ON 4/12/2024
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 6/30/2024 AND PAID ON 7/12/2024
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 9/30/2024 AND PAID ON 10/11/2024
CASH DISTRIBUTION OF \$.375 PER SHARE WAS DECLARED ON 12/31/2024 AND PAID ON 1/15/2025

PREFERRED SHARES SERIES B:

CASH DISTRIBUTION OF \$.1875 PER SHARE WAS DECLARED ON 3/31/2024 AND PAID ON 4/12/2024
CASH DISTRIBUTION OF \$.1875 PER SHARE WAS DECLARED ON 6/30/2024 AND PAID ON 7/12/2024
CASH DISTRIBUTION OF \$.1875 PER SHARE WAS DECLARED ON 9/30/2024 AND PAID ON 10/12/2024
CASH DISTRIBUTION OF \$.1875 PER SHARE WAS DECLARED ON 12/31/2024 AND PAID ON 1/15/2025

MACKENZIE REALTY CAPITAL, INC.

ENTITY EIN

FORM 8937, PART II, LINE 15 DETAIL

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