

For more than three decades we've been finding value in unexpected places.

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# An Innovative Approach to Real Estate Investing

**MACKENZIE**  
Realty Capital

An innovative approach to real estate investing.



#### **PRIMARY INVESTMENT OBJECTIVES**

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Acquire real estate securities at substantial discounts to fair market value

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Purchase value-add, opportunistic, and invest-to-own real estate assets

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Grow net cash from operations, increasing cash flow available for distributions

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Pay attractive and consistent cash distributions

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Preserve and protect shareholder value

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Realize growth in the value of our investments by proactively timing their liquidations



Real estate has long been considered to be a valued component of a well-diversified portfolio. MacKenzie Capital Management now gives investors access to the kind of innovative real estate investing once only available to institutional investors and ultra high net worth individuals.

With our family of public and private funds, investors can participate in MacKenzie's real estate strategy, which seeks to provide current cash flow along with the potential for future returns. With a low minimum investment, our funds may be a smart option for some investors seeking to build a diversified portfolio of real estate assets and securities.



## OUR INVESTMENT PHILOSOPHY

MacKenzie sees a chasm between the underlying asset value and market pricing for real estate, as well as the securities of real estate operating companies and partnerships. These conditions have produced what the firm believes is a well-defined (though not well-known) universe of opportunity—that of smaller, less-capitalized companies and partnerships which are often thinly traded and properties that are potentially undervalued.

As an experienced, disciplined investment manager, MacKenzie believes it is well positioned to help its investors to capture and realize these potential values in today's marketplace.

## SOLID RESEARCH

### The key to real estate investing.

MacKenzie believes the due diligence and strategic investing that serves as the backbone of our investment programs is what truly sets us apart.

Before an investment is made, MacKenzie researchers conduct a thorough analysis of an asset's underlying value. Each property or associated security has been analyzed for its current capability—or potential future capabilities—to generate positive cash flow.

MacKenzie's analysts typically review over 500 real estate securities each year in an effort to identify favorable opportunities. They estimate the current net asset value of real estate using financial and operating reports, as well as information from real estate transactions. Often, they will make on-site inspections of major properties. Only after they are confident of an asset's inherent value can it be added to the portfolio.



| 1987

## FACTS AT A GLANCE

MacKenzie Capital Management has actively managed discounted real estate portfolios since 1987.

Our funds seek to provide current cash flow with the potential for capital appreciation.

MacKenzie's portfolios offer diversification by real estate sector, asset type, and geographic location.

## OUR STRATEGY

### Capitalizing on undervalued investments.

Since 1987, our core strategy has been to purchase significantly discounted securities and value-add, opportunistic real estate assets. MacKenzie believes the suspension of many REIT redemption programs<sup>1</sup> may present opportunities to acquire real estate securities at a discount. The company's strategy leverages the current demand for liquidity to potentially create income and growth.

For over a quarter of a century, MacKenzie has cultivated strong institutional relationships and a solid reputation in the real estate industry, paving the way for financing partnerships and real estate purchases at attractive prices. Through it all, our goal has remained consistent—seeking to provide current cash flow and future returns based on the arbitrage<sup>2</sup> between the discounted price paid for the real estate assets and securities and the future liquidation value realized.

We utilize three key investment strategies in order to maximize returns to our investors—Value-Add, Opportunistic, and Invest-to-Own. Each plays a role in driving growth in funds from operations and net asset value at our properties. Our advisers employ a variety of opportunistic acquisition strategies to build our portfolio of investments.

## OUR EXPERTISE

### Decades of shared experience.

MacKenzie funds are managed by MacKenzie Capital Management and its investment advisory affiliates (together, "MacKenzie"). MacKenzie has specialized in the area of discounted real estate securities, including non-traded REITs, limited partnerships, and other real estate assets for over three decades.

MacKenzie has over 100 years combined experience in the real estate business as portfolio managers, owners, syndicators, lessors, and realtors. Our seasoned team of real estate and securities analysts attempts to produce returns for investors by practicing a disciplined approach to real estate investing and applying extensive hands-on acquisition experience with deep insights into the real estate market. This allows for a nimble and adaptable approach to a rapidly changing economic environment, enabling the firm to recognize—and potentially capitalize on—windows of opportunity.

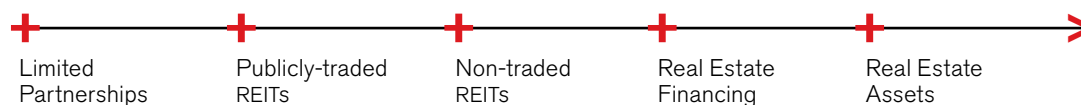
<sup>1</sup> REIT redemption programs may allow investors to sell shares prior to a liquidity event. The redemption price is generally lower than the purchase price, sometimes by as much as 10 percent.

<sup>2</sup> Arbitrage is the practice of taking advantage of a price difference between two or more markets.



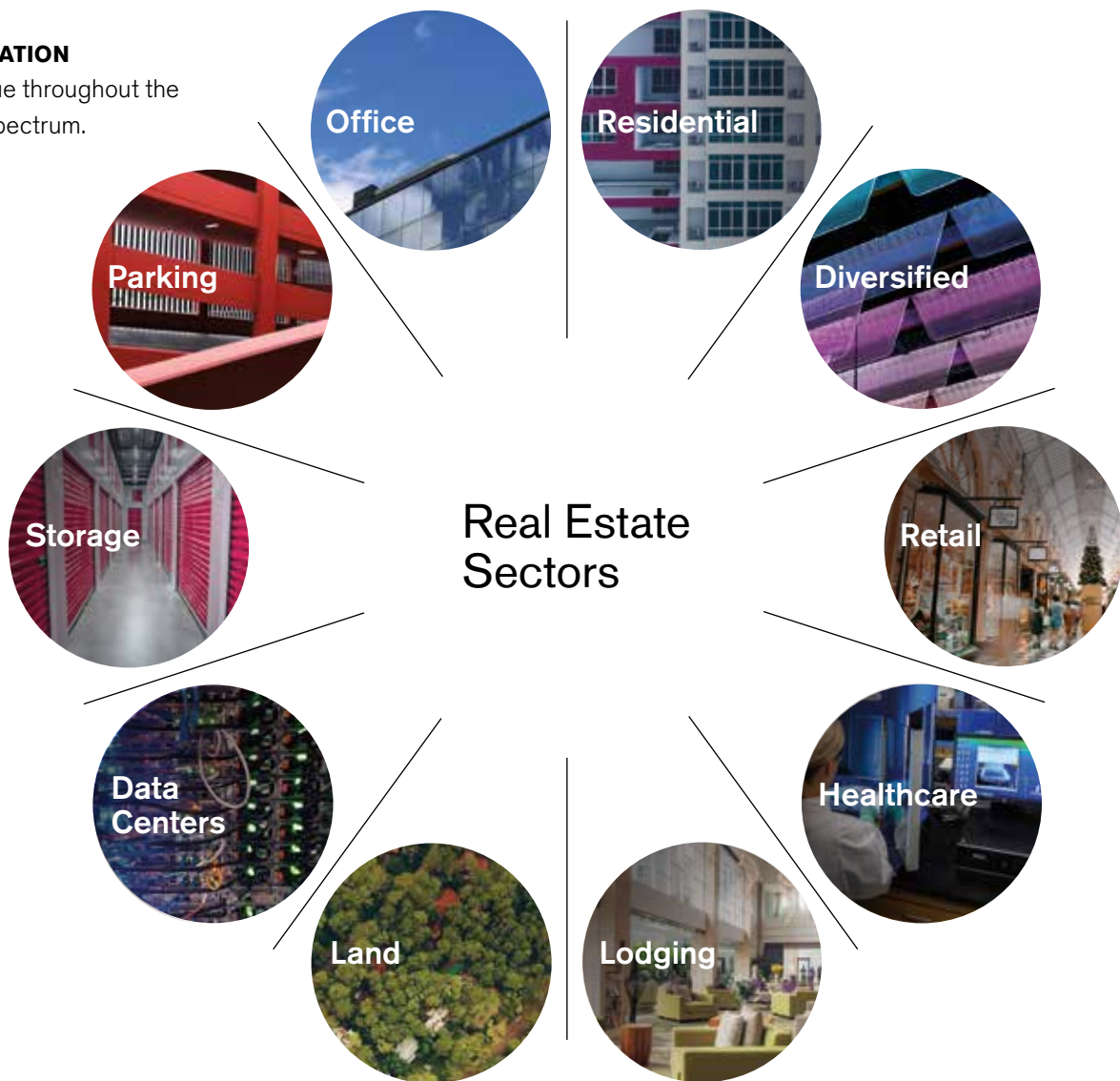
## STRENGTH THROUGH ADAPTATION

For more than three decades, MacKenzie has evolved and adapted to changes in the real estate industry. During this time, we've been involved in different timely investment vehicles, including:



**DIVERSIFICATION**

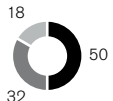
We seek value throughout the real estate spectrum.



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**EACH AND EVERY STATE**

The fund is diversified geographically, seeking worthy real estate investment opportunities across the United States.



**INVESTMENT TYPES**

**Real Estate Securities**  
Publicly traded REITs  
Non-traded REITs  
Limited Partnerships

**Real Estate Financing**  
High interest, short-term

**Real Estate Assets**  
Value-add properties

*The foregoing information contains, or may be deemed to contain, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933. These forward-looking statements include all statements regarding the current intent, belief, or expectations regarding matters covered and all statements which are not statements of historical fact. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of MacKenzie Realty Capital, Inc. (the "Company") may vary from the results expressed in, or implied by, forward-looking statements, possibly to a material degree. Since these factors can cause results, performance, and achievements to differ materially from those discussed in this presentation, you are cautioned not to place undue reliance on the forward-looking statements. Past performance is not indicative of future results. The Company will update these forward-looking statements to reflect any material changes occurring prior to the completion of the offering. For a discussion of some of the important factors that could cause results to differ from those expressed in, or implied by, the forward-looking statements contained herein, please refer to the Company's Offering Circular, in particular, the "Risk Factors" sections. The forward looking statements in this document are excluded from the safe harbor protection of Section 27A of the Securities Act of 1933.*

**Prospective investors in the Company should carefully consider the Company's investment objectives, risks, charges, and expenses, which are discussed in the Offering Circular, before investing. The Offering Circular, which contains this and other information about the Company, is available and should be read carefully before investing.**

#### Risk Summary

You should carefully review the Offering Circular, including its discussion of the risks the Company faces under "Risk Factors" beginning on page 12, which include but are not limited to:

- We recently withdrew our election to be regulated as a BDC and do not have a significant operating history under our new investment objectives. There is no assurance that we will be able to successfully achieve our investment objectives.
  - Global economic, political and market conditions and economic uncertainty caused by the recent outbreak of coronavirus (COVID-19) may adversely affect our business, results of operations and financial condition.
  - Investors will not have the opportunity to evaluate or approve any Investments prior to our acquisition or financing thereof.
  - Investors will rely solely on the Adviser to manage the company and our Investments. The Adviser will have broad discretion to invest our capital and make decisions regarding Investments.
  - We may not be able to invest the net proceeds of this offering on terms acceptable to investors, or at all.
  - Investors will have limited control over changes in our policies and day-to-day operations, which increases the uncertainty and risks you face as an investor. In addition, our Board of Directors may approve changes to our policies, including our policies with respect to distributions and redemption of shares without prior notice or your approval.
  - **An investor could lose all or a substantial portion of its investment.**
- There is no public trading market for our preferred shares, and we are not obligated to effectuate a liquidity event or a listing of our shares on any nationally recognized stock exchange by a certain date or at all. It will thus be difficult for an investor to sell its shares.
  - We may fail to maintain our qualification as a REIT for federal income tax purposes. We would then be subject to corporate level taxation and regulation as an investment company and we would not be required to pay any distributions to our stockholders.
  - The offering price of our shares was not established based upon any appraisals of assets we own or may own. Thus, the initial offering price may not accurately reflect the value of our assets at the time an investor's investment is made.
  - Substantial actual and potential conflicts of interest exist between our investors and our interests or the interests of our Adviser, and our respective affiliates, including conflicts arising out of (a) allocation of personnel to our activities, (b) allocation of investment opportunities between us, and (c) potential conflicts arising out of transactions between us, on the one hand, and our Adviser and its affiliates, on the other hand, involving compensation and incentive fees payable to our Adviser or dealings in real estate transactions between us and the Adviser and its affiliates.
  - There are substantial risks associated with owning, financing, operating, leasing and managing real estate.
  - The amount of distributions we make is uncertain. We may fund distributions from offering proceeds, borrowings, and the sale of assets, to the extent distributions exceed our earnings or cash flows from our operations if we are unable to make distributions from our cash flows from operations. There is no limit on the amount of offering proceeds we may use to fund distributions. Distributions paid from sources other than cash flow or funds from operations may constitute a return of capital to our stockholders. Rates of distributions may not be indicative of our actual operating results.

The Company is not offering its securities or soliciting any offer to purchase its securities in any state where the offer or sale is not permitted. The Company will only offer its securities pursuant to its Offering Circular in the form most recently filed with the Securities and Exchange Commission. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Company's securities or determined if the information herein or in the Offering Circular is truthful or complete. Any representation to the contrary is a criminal offense.

NEITHER THIS PRESENTATION NOR THE CONTENT HEREIN CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE COMPANY'S SHARES (WHICH MAY ONLY BE DONE THROUGH THE OFFERING CIRCULAR) AND IS NOT INCORPORATED BY REFERENCE INTO THE OFFERING CIRCULAR.

This is not an offering, which may be made only by Offering Circular.

Securities offered through Arete Wealth Management, LLC, Member FINRA & SIPC. Arete Wealth Management, LLC and the Company are not affiliated companies. Arete Wealth Management, LLC is a registered broker dealer that may sell the Company in North Carolina in addition to other states in which it is registered. MacKenzie Real Estate Advisers, LP and MCM Advisers, LP are advisers to MacKenzie Realty Capital.