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Inland Private Capital Corporation Monetizes its First Zero-Coupon Offerings, Achieves Total Returns Over 265%

Oak Brook, Ill. – Inland Private Capital Corporation (“IPC”) today announced the sale of two pharmacy portfolios for a combined total of \$80 million, a premium to the allocated offering price paid by investors. IPC, through its subsidiary that serves as asset manager, facilitated the sales on behalf of Pharmacy Portfolio III DST and Pharmacy Portfolio IV DST, both structured as zero cash flow programs (“zeros”).

The Pharmacy Portfolio III sale resulted in a total return to investors of 278.10 percent of their original investment, and an average annual return of 16.37 percent. The Pharmacy Portfolio IV sale resulted in a total return to investors of 267.06 percent of their original investment, and an average annual return of 15.08 percent.

These transactions mark IPC’s first full-cycle zero cash flow investment programs. Zero cash flow DSTs are an investment vehicle designed to satisfy high debt replacement requirements while also achieving equity growth and capital preservation through ongoing principal paydown of the loan balance. Zeros are typically long-term, triple-net leased commercial real estate assets backed by tenants with strong balance sheets and investment-grade credit ratings.

“Being the first two in IPC’s series of zero-coupon offerings, this was a proof-of-concept execution for us,” said Keith Lampi, president and chief operating officer of IPC. “Both portfolios performed incredibly well for our investors while simultaneously fulfilling the various tax-related objectives the investment structure was designed to accomplish. To date, IPC has syndicated more than \$1.49 billion in transactions structured as zeros with a number of *Fortune* 500 tenants.”

The portfolio sales were comprised of a combined 12 pharmacy retail properties located across 10 states.

In addition to providing liquidity to investors, the sales also provided investors with the option to utilize their sales proceeds to complete a subsequent tax-deferred exchange. IPC monetized over \$1.5 billion in real estate in 2021 on behalf of its 1031 exchange platform.

IPC specializes in offering multiple-owner, tax-focused, private placement investments as well as Qualified Opportunity Zone investments throughout the U.S. Since inception, IPC has monetized in excess of \$3.7 billion in full-cycle transactions on behalf of its investors. Currently, IPC manages a diverse portfolio of more than \$10.6 billion across several asset classes spanning 43 states.



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About Inland Private Capital Corporation

Inland Private Capital Corporation (IPC), headquartered in Oak Brook, IL, is a privately held, industry-leading alternative investment management firm, with an investment focus spanning across a broad range of asset types. As of December 31, 2021, the firm had sponsored 287 private placement real estate offerings, with investments and developments in the multifamily, self-storage, hospitality, healthcare, student housing, retail, corporate office, senior living, and industrial sectors. Many of IPC's offerings have been designed for investors seeking replacement property to complete an IRS Section 1031 exchange. IPC is recognized as the largest provider of securitized 1031 exchange opportunities in the country, with assets under management (AUM) of more than \$10.6 billion, which includes a diverse national footprint of properties, spanning 43 states across various sectors. Past performance is not indicative of future performance.