

Inland Private Capital Corporation

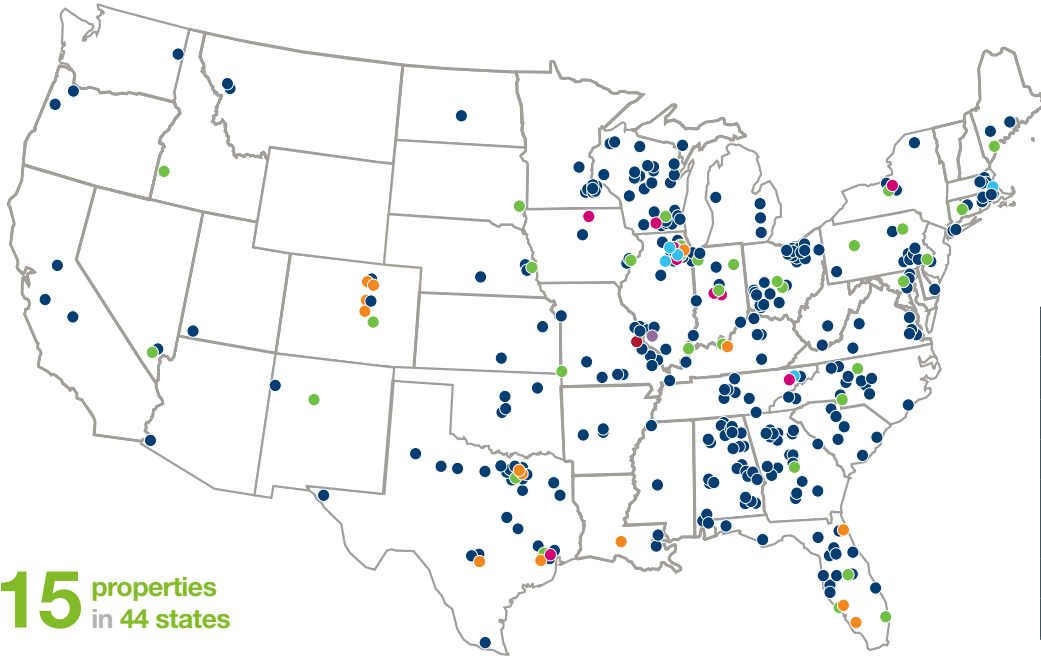
# Cash Investments

MORE: Multiple Owner Real Estate



[www.inland-investments.com](http://www.inland-investments.com)

# > Inland Private Capital Corporation



## Track Record Since Inception

(Through November 30, 2014)

**#1** in  
Market Share\*

Sponsored  
**165**  
private placement programs

Offered more than  
**\$2.02**  
billion in equity

**\$4.19** billion  
of assets acquired

**31.05** million  
square feet  
of gross leaseable area

Tax reporting for DST  
offerings via Substitute  
1099/1098, not K-1

\* Source: OMNI Real Estate Services, Inc.



## > Multiple Owner Real Estate

High net worth, accredited investors may be looking for an investment that is an alternative to traditional investments such as stocks, bonds, mutual funds, etc. Such investors may want to consider investing in one of Inland Private Capital Corporation's ("IPCC") private placement real estate offerings. IPCC's programs are most often structured as Delaware statutory trusts ("DSTs"). Investors in an IPCC-sponsored DST will receive a beneficial interest in the DST, which owns or will acquire a property or properties. IPCC may also offer some investments in a Limited Liability Company ("LLC") structure. These investors will own an interest in the LLC. Because these programs typically have multiple investors, they are sometimes referred to as "Multiple Owner Real Estate."

IPCC maintains a diversified portfolio of properties and property types – retail, residential, office and triple net lease properties – that enables investors to select the private placement program that best suits their needs.

## Getting Started

For more information regarding Inland Private Capital Corporation or the Multiple Owner Real Estate (MORE) program, contact your register:

**Inland Private Capital Corporation | 888.671.1031**

# Advantages of Owning Commercial Real Estate

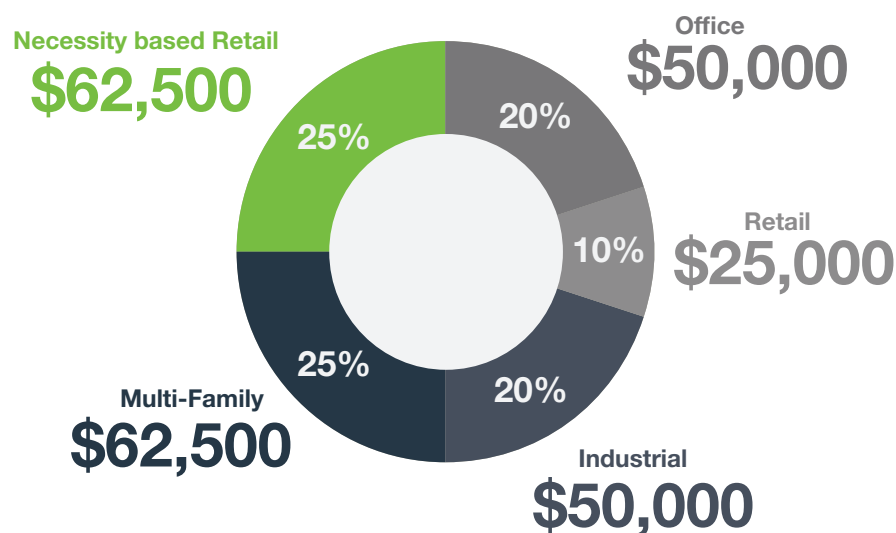
- **Portfolio diversification with value tied to bricks and mortar**
- **May provide hedge against inflation**
- **Income generated, if any, may be considered passive income**
- **May provide monthly or quarterly cash flow**
- **Capital appreciation possible on sale**
- **Potential tax advantages through depreciation and other tax deductions may provide attractive tax equivalent yields**

**In the event of a profitable sale of a certain property, owners may explore the possibility of deferring the tax on their capital gain through an IRS section 1031 exchange.\***

## > Benefits of Multiple Owner Real Estate

- Access to, and ownership of, quality real estate and financing
- Low minimum investment amounts allow portfolio diversification
- Benefit from professional real estate expertise, including acquisition, financing, property management and asset management
- Eliminate the burden of hands-on management
- Tax reporting for DSTs via substitute 1098/1099 not K-1

Hypothetical illustration of a \$250,000 real estate allocation diversified within different asset types. This allocation will also result in geographic diversification.



\*See the "Risk Factors" on the final page for details regarding risks. Because each investor's tax implications are different, they should consult with their tax advisors. Any real estate investment is subject to risks, including those real estate risks associated with the operation and leasing of commercial properties. There is no guarantee investors will receive distributions or the return of their capital. All real estate investments have the potential to lose value during the life of the investment. The photographs shown in this brochure are representative of the kinds of properties which may be included in an IPCC offering. The properties may or may not be available for investment.



## > Benefit Of Passive Income Generators

**Inland Private Capital Corporation's ("IPCC") private placement investment offerings may be passive income generators ("PIGs"), a fact that investors with other passive investments are often interested to discover.**

If you have other passive real estate investments in other passive programs with expenses that exceed cash flow, you have passive activity losses ("PALs"). The only way to get a tax benefit from those passive losses, prior to the disposition of the passive real estate asset, is to have passive income. Passive losses are not deductible against any kind of income except passive income.

## > Here's How It Works

Our hypothetical investor has \$100,000 in passive activity losses. He is looking to carry forward his losses over a 10 year period of time. He is considering an investment which produces 6% in cash flow and has a probable life of 10 years. Here is a formula the investor might use to determine the amount of money he would need to invest in order to produce \$10,000 of passive income to offset his passive losses.

- \$100,000 passive activity losses divided by 10 years (carry-forward period)
- Looking to offset \$10,000 in passive activity losses per year
- $\$10,000 \text{ passive income} / 6\% \text{ (hypothetical cash flow)} = \$166,666.00$
- Investment of \$166,666.00 equals \$10,000 of tax free income per year assuming a continuing 6% cash flow

There is no guarantee that IPCC's offerings will generate passive income. Your passive income may allow you to convert your passive losses into a significant tax advantage. At year end, investors in DST programs will be provided a Substitute 1099/1098 statement of income and expenses (DST investors will not receive a Schedule K-1).

The rules regarding the deductibility of passive losses (whether from an investment in an interest, or from another passive activity that potentially could be used to offset income from an investment in an interest) are complex and vary with the facts and circumstances particular to each investor. In addition, any income may be subject to the 3.8% Medicare Contributions Tax imposed on rent and other types of investment income for tax years beginning after 2012.

# > The Inland Real Estate Group of Companies, Inc.

The 1031 exchange is a great tool to defer capital gains, but equally important is choosing a company with the experience to maximize your investment return.

Inland Private Capital Corporation is part of the Inland Real Estate Group of Companies, Inc. which is comprised of a group of independent legal entities, some of which may be affiliates, share some common ownership or have been sponsored and managed by Inland Real Estate Investment Corporation or its subsidiaries, some or all of which are herein referred to as "Inland." Inland participates in all aspects of the real estate industry, including construction, development, auctions, land and property acquisitions, property financing, real estate legal and accounting services, property and asset management, and other financial services.

With 47 years of industry experience, Inland companies cumulatively employ more than 1,400 people nationwide and own and manage, in total, over 65.1 million square feet of diversified commercial real estate in 49 states, Inland has raised more than \$20.0 billion from 480,000 investors, and is a 2009 and 2014 Better Business Bureau Torch Award Winner for Ethics in the Marketplace (as of 6/30/14).

## IMPORTANT RISK FACTORS TO CONSIDER

- No public market currently exists, and one may never exist, for the interests of any IPCC-sponsored program. The purchase of interests in any IPCC-sponsored program is suitable only for persons who have no need for liquidity in their investment and who can afford to lose their entire investment.
- IPCC-sponsored programs offer and sell interests pursuant to exemptions from the registration provisions of federal and state law and, accordingly, those interests are subject to restrictions on transfer.
- There is no guarantee that the investment objectives of any particular IPCC-sponsored program will be achieved.
- The actual amount and timing of distributions paid by IPCC-sponsored programs is not guaranteed and may vary. There is no guarantee that investors will receive distributions or a return of their capital.
- Investments in real estate are subject to varying degrees of risk, including, among other things, local conditions such as an oversupply of space or reduced demand for properties, an inability to collect rent, vacancies, inflation and other increases in operating costs, adverse changes in laws and regulations applicable to owners of real estate and changing market demographics.
- IPCC-sponsored programs depend on tenants for their revenue, and may suffer adverse consequences as a result of any financial difficulties, bankruptcy or insolvency of their tenants.
- IPCC-sponsored programs may own single-tenant properties, which may be difficult to re-lease upon tenant defaults or early lease terminations.
- Continued disruptions in the financial markets and challenging economic conditions could adversely affect the ability of an IPCC-sponsored program to secure debt financing on attractive terms and its ability to service that indebtedness.
- The prior performance of other programs sponsored by IPCC should not be used to predict the results of future programs.
- The acquisition of interests in an IPCC-sponsored program may not qualify under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code") for tax-deferred exchange treatment.
- Certain of the programs previously sponsored by IPCC have experienced adverse development in the past.

The companies depicted may have proprietary interests in their trade names and trademarks. Nothing herein shall be considered to be an endorsement, authorization or approval of Inland Private Capital Corporation, or the investment vehicles they may offer, by the aforementioned companies. Further, none of the aforementioned companies are affiliated with Inland Private Capital Corporation in any manner. This material is neither an offer to sell, nor the solicitation of an offer to buy any security, which can be made only by a Private Placement Memorandum (the "Memorandum"), and sold only by broker/dealers authorized to do so. All potential investors must read the Memorandum, and no person may invest without acknowledging receipt and complete review of the Memorandum. Investments are suitable for accredited investors only. This material has been distributed by Inland Securities Corporation, placement agent for Inland Private Capital Corporation. Inland Securities Corporation, member FINRA/SIPC.

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