INLAND IPC ALTERNATIVE REAL ESTATE INCOME TRUST

Self-Storage | Healthcare | Student Housing

ipcaltreit.com

July 10, 2026

Dear Fellow Investor,

IPC Alternative Real Estate Income Trust, Inc. (ALT REIT or the Company) is pleased to report that a monthly distribution in the amount of $0.1042 per share was paid to stockholders of record as of May 31, 2026, representing an approximate 5.26% annualized distribution rate based on the Company's aggregate net asset value (NAV) per share of $23.76 as of May 31, 2026. Limited partners of IPC Alternative Real Estate Operating Partnership, LP, the Company's operating partnership, have received an equivalent distribution.

Economic Update

The first quarter of 2026 was marked by renewed inflation pressure, a Federal Reserve in a holding pattern, and continued market volatility. In a reversal of the disinflationary trend experienced during the latter half of 2025, the Consumer Price Index reached 4.2% in May 2026, well above the Federal Reserve's long-term target and the highest year-over-year inflation rate recorded since April 2023, reflecting continued pressure from elevated energy costs attributable to geopolitical turmoil. The federal funds rate held steady at an upper limit of 3.75%, unchanged since December 2025, and with a leadership transition underway at the Fed, the path of monetary policy remains uncertain. Unemployment stood at 4.3%, reflecting a modestly softer but still stable labor market.

Financial markets proved more volatile than headline figures suggest. After a flat start to the year, the S&P 500 slid through March to a recent low before rebounding sharply in April to new record highs, closing the first quarter at 6,528.52. The 10-year U.S. Treasury yield ended the quarter near 4.30% following considerable volatility year-to-date. Ongoing geopolitical and tariff-related uncertainty continued to drive periodic market swings, underscoring the importance of long-term, income-oriented real estate strategies that are less sensitive to short-term disruptions.

Within commercial real estate, transaction activity continues to gradually recover, though a higher-for-longer rate environment and renewed rate uncertainty are tempering the pace. Elevated construction and financing costs continue to constrain new supply, while elevated borrowing costs weigh on asset values and underwriting assumptions. Sectors with durable demographic demand drivers remain well positioned to benefit from limited new supply, stable occupancy, and income-oriented returns as the market navigates this phase of the real estate cycle.

Portfolio Overview

Macroeconomic trends coupled with demographic forces, particularly an aging population, support a slow-growth economic backdrop. ALT REIT's focus on demographic-driven real estate sectors positions the Company to navigate the current environment with lower correlation to traditional economic cycles.

As of March 31, 2026, ALT REIT's portfolio consisted of 35 properties across 12 states and 17 markets, totaling approximately $418 million in real estate investments.

Healthcare (Medical Outpatient & Senior Housing)

Healthcare assets represented 80% of the Company's portfolio value, consisting of 30 properties with 97.7% of space leased. Demand continues to be driven by a growing aging population, increased demand for outpatient care, and rising U.S. healthcare expenditures.

Senior housing demand is expanding rapidly as the 75+ population grows at an accelerated rate, while new development remains constrained by zoning, cost, and supply challenges. Industry forecasts indicate a meaningful gap between expected demand and available new units over the coming decade, with demand estimates reaching 600,000 new senior housing units by 2030 and construction trends only expected to deliver approximately 400,000 units.[1]

[1] NIC MAP Data®, powered by NIC MAP Vision

Student Housing
The student housing property within the ALT REIT portfolio, comprised of 406 beds and representing 11% of portfolio value, was 87.2% leased as of March 31, 2026. ALT REIT targets assets at top-tier universities, often referred to as Power 4 institutions that include approximately 70 schools competing in the Big Ten, SEC, ACC, and Big 12 conferences due to strong enrollment trends, high pre-leasing activity, and more stable rent growth relative to non-Power-4 schools.

Self-Storage
ALT REIT's storage portfolio represents 9% of portfolio value, consisting of four properties and 2,362 units, with 85.6% leased. These assets are located in suburban Atlanta and Montgomery, Alabama. Self-storage sector fundamentals continue to normalize post-pandemic, with supply constraints and demographic factors—often described as the "four Ds": death, divorce, dislocation and downsizing—supporting long-term demand.

Company Update

ALT REIT continues to pursue its thematic, demographic-driven investment strategy across healthcare, student housing, and self-storage. Growth avenues include the ongoing equity raise, potential 721 exchange opportunities, and assets sourced through Inland's broader real estate platform.

Webinar Information

The Company hosted its most recent webinar on June 10, 2026, covering economic conditions, sector outlooks, portfolio updates, NAV information and a Q&A session. A replay is available at the following URL:

https://www.ipcaltreit.com/for-investors#webinars

If you have questions or need additional information regarding your investment in ALT REIT, please do not hesitate to contact Investor Services via e-mail at custserv@inland-investments.com or via phone at (866) My-Inland | (866) 694-6526.

Sincerely,

dkramer

Denise Kramer
Chief Executive Officer
IPC Alternative Real Estate Income Trust, Inc.

Cautionary Note Regarding Forward-Looking Statements and Distributions

Certain statements in this letter constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Words such as "may," "could," "should," "expect," "intend," "plan," "goal," "seek," "anticipate," "believe," "estimate," "predict," "variables," "potential," "continue," "expand," "maintain," "create," "strategies," "likely," "will," "would" and variations of these terms and similar expressions indicate forward-looking statements. These forward-looking statements reflect the intent, belief or current expectations of our management based on their knowledge and understanding of the business and industry, the economy and other future conditions. These statements are not factual or guarantees of future performance, and we caution stockholders not to place undue reliance on them. Actual results may differ materially from those expressed or forecasted in forward-looking statements due to a variety of risks, uncertainties and other factors, including but not limited to risks related to our limited operating history, the lack of public trading market for our common stock, our dependence on our Advisor, and the risks of investing in real estate, and other risks detailed in the Risk Factors section in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q as filed with the Securities and Exchange Commission and made available on our website. Forward-looking statements reflect our management's view only as of the date of this letter and may ultimately prove to be incorrect. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results except as required by applicable law. We intend for these forward-looking statements to be covered by the applicable safe harbor provisions created by Section 27A of the Securities Act and Section 21E of the Exchange Act.

We cannot guarantee that we will make distributions, and if we do, we may fund such distributions from sources other than cash flow from operations, including, without limitation, the sale of our assets, borrowings or offering proceeds, and we have no limits on the amounts we may pay from such sources. Please see our website, www.ipcaltreit.com, for the annualized distribution rate for each class of our common stock.