

October 9, 2024

Dear Fellow Investor,

IPC Alternative Real Estate Income Trust (ALT REIT or the Company) is pleased to share that a distribution in the amount of \$0.0885 per share has been paid to stockholders of record as of September 30, 2024. Additionally, limited partners of IPC Alternative Real Estate Operating Partnership, LP, the Company's operating partnership (the Operating Partnership), have been paid an equivalent distribution.

Economic Update

From an overall economic standpoint, the S&P 500 Index rose more than 14% through the first half of 2024 and continued that trend through much of the third quarter. The yield on the 10 Year Treasury Note started the year around 3.9% and rose to 4.7% by late April before coming back down below 4% in the third quarter. While the market originally expected six interest rate cuts from the Federal Reserve this year, the first rate cut did not come until September when the Federal Reserve cut the federal funds rate by a half percentage point.

Commercial real estate experienced some challenges during the first half of 2024 as higher interest rates and rising market capitalization rates took a toll on valuations and transaction volumes. However, alternative real estate sectors such as student housing, medical outpatient buildings, and self-storage have proven resilient through this period, driven by demographic trends rather than broad economic conditions.

Portfolio Overview

ALT REIT's portfolio is comprised of 35 properties across 12 states and holds a total real estate value of approximately \$411 million as of June 30, 2024¹.

¹ The portfolio discussed herein is that of the Operating Partnership. ALT REIT is the general partner of the Operating Partnership but currently does not own a substantial economic interest in the Operating Partnership, and therefore does not own a substantial interest in the underlying properties. As ALT REIT raises capital in its public offering, it will contribute the capital to the Operating Partnership in exchange for ownership interests in the form of Operating Partnership units such that ALT REIT expects to eventually consolidate the Operating Partnership.

Healthcare	
Appraised Value	\$324,340,000
No. of Properties	30
Total Square Feet	746,601
Leased	100%
Student Housing	
Appraised Value	\$44,000,000
No. of Properties	1
Total Beds	406
Leased	99.3%
Self-Storage	
Appraised Value	\$42,660,000
No. of Properties	4
No. of Units	2,275
Leased % (Square Footage)	84.9%

Recent Acquisition

In April 2024, the Operating Partnership of ALT REIT acquired a portfolio of four self-storage properties containing approximately 2,300 units, located in the southeast United States. These are seasoned assets, which were previously owned by an affiliate of the Company's advisor for six years. Because of their direct experience with the assets, the Company's management team had direct visibility into the performance of these assets.

Approximately 10% of the consideration for the purchase was paid in the form of Operating Partnership units issued to the prior owner's investors, resulting in less cash outlay needed to grow the asset base of the portfolio.

Each of the storage properties are currently managed by Devon Self-Storage, an Inland affiliate. This acquisition further diversifies ALT REIT's growing portfolio, with the self-storage sector representing approximately 10% of the overall portfolio value.

Launch of 721 Program

As ALT REIT continues to focus on growing its portfolio, we expect one of the major growth engines to be through Section 721 exchanges. Inland Private Capital Corporation (IPC) launched its first such program, a newly constructed, student housing property located adjacent to the University of Arizona's campus in Tucson, AZ. This program launch provides the Operating Partnership the option to purchase the asset from the Delaware statutory trust (DST) program for fair market value, two years following the completion of the offering. If ALT REIT chooses to exercise its option in the future, the Operating Partnership will issue partnership interests to the DST investors rather than paying cash for the asset. This creates an acquisition pipeline for the Company that does not require a cash outlay.

Webinar Replay Information

The Company hosted an update webinar on September 30, 2024. We invited each investor and their respective financial professional to attend this recent webinar discussing strategy and goals, market updates, sector information, portfolio performance, the latest net asset value (NAV), and more. If you were not able to join us, you can find a link to the replay on the ALT REIT website.

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

If you have any questions or need additional information regarding 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,



Keith Lampi
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 for the annualized distribution rate for each class of our common stock.