TAX EFFICIENCY OF REITS

JLL | INCOME PROPERTY TRUST

Unique Tax Treatment

Portions of distributions from Real Estate Investment Trusts (REITs) will be taxed at different rates, depending on their characterization:

- Ordinary Income
- Capital Gains
- Return of Capital (ROC).[1]

Additionally, REIT investors receive a 20% reduction to individual tax rates on the ordinary income portion of distributions.

ROC or Nondividend Distributions

ROC portions (also called nondividend distributions) are not taxed in the current year.

ROC treatment results from real estate-related factors such as depreciation and amortization.

ROC distributions reduce the cost basis of the investment at the time of redemption, effectively converting ordinary income into long-term Capital Gains.

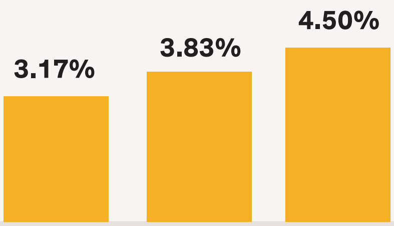
Potential Generational Impact

When appreciated shares of a REIT are inherited, the inheritor receives a step-up in cost basis to the fair market value of the shares without having to pay taxes on the appreciation or the return of capital.

AFTER-TAX ADVANTAGES OF REITS[2]

Hypothetical Illustration

TAX TREATMENT OF REIT DISTRIBUTIONS USING VARIOUS LEVELS OF ROC ASSUMPTIONS: $100,000 INVESTED; 4.5% ANNUALIZED PRE-TAX YIELD[3]



Return of Capital[1, 2, 4]	0%	50%[5]	100%[5]
After Tax Yield[6]	3.17%	3.83%	4.50%
Distributions	$4,500	$4,500	$4,500
Return of Capital (ROC)	$0	($2,250)	($4,500)
Taxable Basis	$4,500	$2,250	$0
Highest Federal Tax Rate for REITs	29.6%	29.6%	29.6%
Tax Payable	($1,332)	($666)	$0
Distributions After Tax	$3,168	$3,834	$4,500
Effective Federal Tax Rate[2, 7]	29.6%	14.8%	0%

TAXABLE EQUIVALENT YIELD (TEY)

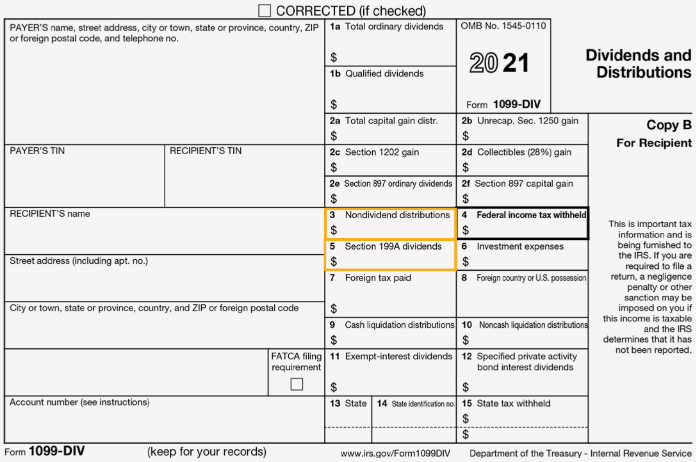
Evaluating TEY can be an important step for investors focused on after-tax returns.

TEY represents the required pre-tax yield for a fully taxable investment in order to earn an after-tax yield equal to JLLIPT's, given the tax treatment of JLLIPT's distributions

TEY EXAMPLES, USING VARIOUS ROC LEVELS AND A 4.5% DISTRIBUTION YIELD

Return of Capital[1, 2, 4]	0%	50%[5]	100%[5]
Taxable Equivalent Yields[7]	5.03%	6.09%	7.14%

1099 TAX REPORTING



☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

1a Total ordinary dividends $ | 1b Qualified dividends $ | OMB No. 1545-0110 | 20 21 | Form 1099-DIV | Dividends and Distributions

2a Total capital gain distr. $ | 2b Unrecap. Sec. 1250 gain $ | Copy B For Recipient

PAYER'S TIN | RECIPIENT'S TIN

2c Section 1202 gain $ | 2d Collectibles (28%) gain $

2e Section 897 ordinary dividends $ | 2f Section 897 capital gain $

RECIPIENT'S name

3 Nondividend distributions $ | 4 Federal income tax withheld $

Street address (including apt. no.)

5 Section 199A dividends $ | 6 Investment expenses $

7 Foreign tax paid $ | 8 Foreign country or U.S. possession

City or town, state or province, country, and ZIP or foreign postal code

9 Cash liquidation distributions $ | 10 Noncash liquidation distributions $

FATCA filing requirement ☐

11 Exempt-interest dividends $ | 12 Specified private activity bond interest dividends $

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Account number (see instructions)

13 State | 14 State identification no. | 15 State tax withheld $ $

Form 1099-DIV (keep for your records) www.irs.gov/Form1099DIV Department of the Treasury - Internal Revenue Service

This is not intended to be tax advice. Tax treatment may vary from investor to investor. You should consult your tax professional. For federal income tax purposes, REIT distributions may be classified as ordinary dividends, capital gain dividends and nondividend distributions, each of which may be taxed at a different rate. That portion of a REIT's distributions that are nondividend may result in a reduction of the investor's cost basis, which would make it subject to long or short-term capital gains tax when the investment is sold (when held in a non-qualified account).

NOTES

All information is as of June 2021.
Tax Equivalent Yield represents the required pre-tax yield for a fully taxable investment in order to earn an after-tax yield to equal JLLIPT's given the tax free treatment for Return of Capital Distributions.

[1] Return of Capital ("**ROC**") is not equivalent to Return of Principal. ROC is a tax designation which considers taxable income after non-cash, tax accounting adjustments such as depreciation and amortization.

[2] Investors should be aware that a REIT's ROC percentage may vary significantly in a given year and, as a result, the impact of the tax law and any related advantages may vary significantly from year to year. The hypothetical example is intended to show the likely effects of existing tax laws and is for information purposes only. There can be no assurance that the actual results will be similar to the example set forth herein or that JLL Income Property Trust, Inc. ("**JLLIPT**") will be able to effectively implement its investment strategy, achieve its investment objectives, be profitable or avoid losses. While we currently believe that the estimations and assumptions referenced herein are reasonable under the circumstances, there is no guarantee that the conditions upon which such assumptions are based will materialize or are otherwise applicable. This example does not constitute a forecast, and all assumptions herein are subject to uncertainties, changes and other risks, any of which may cause the relevant actual, financial and other results to be materially different from the results expressed or implied by the information presented herein. No assurance, representation or warranty is made by any person that any of the estimations herein will be achieved, and no recipient of this example should rely on such estimations. The illustrative example does not include state or local taxes. Investors could be subject to state and local income taxes imposed by their state or municipalities which could lower the after-tax yield received by the investor.

[3] Distributions from a REIT are not guaranteed and may be sourced from non-income items including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and we have no limits on the amounts we may pay from such sources.

[4] JLLIPT's return of capital in 2018, 2019 and 2020 was 99.9%, 0% and 56.5% respectively.

[5] Certain non-cash deductions, such as depreciation and amortization, lower the taxable income for REIT distributions.

- The 50% ROC scenario reflects the following: straight-line depreciation can account for approximately 100% of a REIT's distributions; assuming a 4.5% distribution and a 40-year depreciable life, depreciation would amount to 2.5% annually; including additional non-cash deductions we estimate that 50% of distributions would be considered ROC.
- The 100% ROC scenario reflects the following: straight-line depreciation can account for approximately 50% of a REIT's distributions; assuming a 4.5% distribution and a 40-year depreciable life, depreciation would amount to 2.5% annually; including additional non-cash deductions we estimate that 100% of distributions would be considered ROC.
- The illustrative example does not reflect the impact of increasing net operating income ("**NOI**"); an increasing NOI from higher rents would reduce the amount of ROC. While NOI for commercial real estate has historically increased, past performance is not indicative of future results.

[6] After-Tax Yield is reflective of the current tax year which does not take into account other taxes that may be owed on an investment in a REIT when the investor redeems his or her shares. Upon redemption, the investor may be subject to higher capital gains taxes as a result of a depreciating cost basis due to the return of capital distributions. Calculations do not include state or local income taxes. After Tax Yields are based on the maximum federal tax rate for REIT's of 29.6%, exclusive of the Affordable Care Act tax.

[7] Taxable Equivalent Yield is the return that a taxable investment would need to generate to equal the after-tax yield received from a tax-free or tax-advantaged investment.

SUMMARY OF RISK FACTORS

The COVID-19 pandemic has impacted global financial markets, severely restricted international trade and travel, disrupted business operations (in part or in their entirety) and negatively impacted most investment asset classes (including real estate (whether held directly or indirectly, or whether as a result of being a lender to owners of real estate)).

As a result of the above factors, conditions exist in the real estate markets that may result in value uncertainty, and valuations are reported on the basis of significant valuation uncertainty or extraordinary assumptions related to the impact of the COVID-19 pandemic. Consequently, less certainty – and a higher degree of caution – should be attached to valuations than would normally be the case. Given the foregoing and the unknown extent of the impact of the COVID-19 pandemic, LaSalle accordingly highlights that the reliability of net asset values in this report may be significantly under- or over-stated and subject to material variance on a short term basis.

This communication may contain forward-looking statements. Forward-looking statements are statements that are not descriptions of historical facts and include statements regarding management's intentions, beliefs, expectations, research, market analysis, plans or predictions of the future. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from those expressed or implied by such forward-looking statements.

You should read the prospectus carefully for a description of the risks associated with an investment in JLL Income Property Trust (JLLIPT). Some of these risks include but are not limited to the following:

- Since there is no public trading market for shares of our common stock, repurchases of shares by us after a one-year minimum holding period will likely be the only way to dispose of your shares. After a required one-year holding period, JLLIPT limits the amount of shares that may be repurchased under our repurchase plan to approximately 5% of our net asset value (NAV) per quarter and 20% of our NAV per annum. Because our assets will consist primarily of properties that generally cannot be readily liquidated, JLLIPT may not have sufficient liquid resources to satisfy repurchase requests. Further, our board of directors may modify or suspend our repurchase plan if it deems such action to be in the best interest of our stockholders. As a result, our shares have limited liquidity and at times may be illiquid.
- The purchase and redemption price for shares of our common stock will be based on the NAV of each class of common stock and will not be based on any public trading market. Because valuation of properties is inherently subjective, our NAV may not accurately reflect the actual price at which our assets could be liquidated on any given day.
- JLLIPT is dependent on our advisor to conduct our operations. JLLIPT will pay substantial fees to our advisor, which increases your risk of loss. JLLIPT has a history of operating losses and cannot assure you that JLLIPT will achieve profitability. Our advisor will face conflicts of interest as a result of, among other things, time constraints, allocation of investment opportunities, and the fact that the fees it will receive for services rendered to us will be based on our NAV, which it is responsible for calculating.
- The amount of distributions JLLIPT makes is uncertain and there is no assurance that future distributions will be made. JLLIPT may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, or offering proceeds. Our use of leverage increases the risk of your investment. If JLLIPT fails to maintain our status as a REIT, and no relief provisions apply, JLLIPT would be subject to serious adverse tax consequences that would cause a significant reduction in our cash available for distribution to our stockholders and potentially have a negative impact on our NAV.
- While JLLIPT's investment strategy is to invest in stabilized commercial real estate properties diversified by sector with a focus on providing current income to investors, an investment in JLLIPT is not an investment in fixed income. Fixed income has material differences from an investment in a non-traded REIT, including those related to vehicle structure, investment objectives and restrictions, risks, fluctuation of principal, safety, guarantees or insurance, fees and expenses, liquidity and tax treatment.
- Investing in commercial real estate assets involves certain risks, including but not limited to: tenants' inability to pay rent; increases in interest rates and lack of availability of financing; tenant turnover and vacancies; and changes in supply of or demand for similar properties in a given market.
- You should carefully review the "Risk Factors" section of our prospectus for a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition. Except as otherwise required by federal securities laws, we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
- This sales material must be read in conjunction with the prospectus in order to fully understand all the implications and risks of the offering of securities to which it relates. This sales material is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by the prospectus.
- Investors could lose all or a substantial amount of their investment. Alternative investments are appropriate only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time.
- This material is not to be reproduced or distributed to any other persons (other than professional advisors of the investors or prospective investors, as applicable, receiving this material) and is intended solely for the use of the persons to whom it has been delivered.
- JLLIPT may be subject to adverse legislative, regulatory, or administrative and judicial interpretative changes concerning taxes, which could increase its tax liability, reduce its operating flexibility and reduce the price of JLLIPT's common stock. Such changes may be enacted with retroactive effect. We cannot assure you that any such changes will not adversely affect the taxation of JLLIPT's stockholders. Any such changes could have an adverse effect on an investment in JLLIPT or on the market value or the resale potential of JLLIPT's assets. You should consult with your tax advisor with respect to the impact of any legislative, regulatory, or administrative and judicial interpretive changes concerning taxes on your investment in JLLIPT and the status of legislative, regulatory or other tax developments and proposals and their potential effect on an investment in shares of JLLIPT's common stock.

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