

Innovative Industrial Properties Announces Amended Tax Treatment of 2018 Distributions

SAN DIEGO, CA – February 11, 2019 – Innovative Industrial Properties, Inc. (the “Company”) (NYSE: IIPR) today announced an amendment to its initial tax treatment of 2018 distributions that was provided in a press release dated January 30, 2019. The amended tax treatment of its 2018 distributions is as follows:

Security Description: Common Stock
CUSIP: 45781V101
Ticker Symbol: IIPR

Record Date	Payable Date	Total Distribution Per Share	Allocable to 2018	Taxable Ordinary Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Section 1250 Gain	Section 199A Dividend ⁽¹⁾
12/29/2017	01/16/2018	\$0.250000	\$0.250000	\$0.250000	\$0.000000	\$0.000000	\$0.000000	\$0.250000
03/29/2018	04/16/2018	\$0.250000	\$0.250000	\$0.250000	\$0.000000	\$0.000000	\$0.000000	\$0.250000
06/29/2018	07/16/2018	\$0.250000	\$0.250000	\$0.250000	\$0.000000	\$0.000000	\$0.000000	\$0.250000
09/28/2018	10/15/2018	\$0.350000	\$0.350000	\$0.350000	\$0.000000	\$0.000000	\$0.000000	\$0.350000
12/31/2018	01/15/2019	\$0.350000	\$0.200113	\$0.200113	\$0.000000	\$0.000000	\$0.000000	\$0.200113
Totals		\$1.450000	\$1.300113	\$1.300113	\$0.000000	\$0.000000	\$0.000000	\$1.300113

Security Description: 9.00% Series A Cumulative Redeemable Preferred Stock
CUSIP: 45781V200
Ticker Symbol: IIPR PR A

Record Date	Payable Date	Total Distribution Per Share	Allocable to 2018	Taxable Ordinary Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Section 1250 Gain	Section 199A Dividend ⁽¹⁾
12/29/2017	01/16/2018	\$0.537500	\$0.537500	\$0.537500	\$0.000000	\$0.000000	\$0.000000	\$0.537500
03/29/2018	04/16/2018	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
06/29/2018	07/16/2018	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
09/28/2018	10/15/2018	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
12/31/2018	01/15/2019	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
Totals		\$2.787500	\$2.787500	\$2.787500	\$0.000000	\$0.000000	\$0.000000	\$2.787500

(1) These amounts are a subset of, and included in, Taxable Ordinary Dividend amounts.

The common stock distribution with a record date of December 31, 2018 will be a split-year distribution with \$0.200113 allocable to 2018 for federal income tax purposes and \$0.149887 allocable to 2019 for federal income tax purposes.

Corrected IRS Form 1099-DIV statements reflecting the amended tax treatment of 2018 distributions will be mailed to stockholders. Stockholders who hold their shares through a bank or broker should expect to receive a corrected Form 1099-DIV from those institutions.

The Company did not incur any foreign taxes in 2018. Stockholders are encouraged to consult with their personal tax advisors as to their specific tax treatment of the Company's distributions.

About Innovative Industrial Properties

Innovative Industrial Properties, Inc. is a self-advised Maryland corporation focused on the acquisition, ownership and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated medical-use cannabis facilities. Innovative Industrial Properties, Inc. has elected to be taxed as a real estate investment trust, commencing with the year ended December 31, 2017. Additional information is available at www.innovativeindustrialproperties.com.

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Innovative Industrial Properties, Inc.

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