

Innovative Industrial Properties Announces Tax Treatment of 2019 Distributions

SAN DIEGO, CA – January 30, 2020 – Innovative Industrial Properties, Inc. (the “Company”) (NYSE: IIPR) today announced the tax treatment of its 2019 distributions as follows:

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

Record Date	Payable Date	Total Distribution Per Share	Allocable to 2019	Taxable Ordinary Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Section 1250 Gain	Section 199A Dividend ⁽¹⁾
12/31/2018	01/15/2019	\$0.350000	\$0.149887	\$0.149887	\$0.000000	\$0.000000	\$0.000000	\$0.149887
03/29/2019	04/15/2019	\$0.450000	\$0.450000	\$0.450000	\$0.000000	\$0.000000	\$0.000000	\$0.450000
06/28/2019	07/15/2019	\$0.600000	\$0.600000	\$0.600000	\$0.000000	\$0.000000	\$0.000000	\$0.600000
09/30/2019	10/15/2019	\$0.780000	\$0.780000	\$0.780000	\$0.000000	\$0.000000	\$0.000000	\$0.780000
12/31/2019	01/15/2020	\$1.000000	\$0.510000	\$0.510000	\$0.000000	\$0.000000	\$0.000000	\$0.510000
Totals		\$3.180000	\$2.489887	\$2.489887	\$0.000000	\$0.000000	\$0.000000	\$2.489887

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 2019	Taxable Ordinary Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Section 1250 Gain	Section 199A Dividend ⁽¹⁾
03/29/2019	04/15/2019	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
06/28/2019	07/15/2019	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
09/30/2019	10/15/2019	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
12/31/2019	01/15/2020	\$0.562500	\$0.562500	\$0.562500	\$0.000000	\$0.000000	\$0.000000	\$0.562500
Totals		\$2.250000	\$2.250000	\$2.250000	\$0.000000	\$0.000000	\$0.000000	\$2.250000

(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, 2019 will be a split-year distribution with \$0.51 allocable to 2019 for federal income tax purposes and \$0.49 allocable to 2020 for federal income tax purposes.

As previously disclosed by the Company on February 11, 2019 in its press release announcing the tax treatment of 2018 dividends, the common stock distribution with a record date of December 31, 2018 was 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, and the 9.00% Series A Cumulative Redeemable Preferred Stock distribution with a record date of December 31, 2018 was allocable entirely to 2018 for federal income tax purposes.

The Company did not incur any foreign taxes in 2019. 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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