

## **MACKENZIE REALTY CAPITAL, INC. AUDIT COMMITTEE CHARTER**

### ***Purpose***

The Audit Committee is appointed by the Board of Directors (the “Board”) of MacKenzie Realty Capital, Inc. (the “Company”) to assist the Board in (i) overseeing the Company’s accounting and financial reporting process and system of internal controls, (ii) evaluating the qualifications, independence, and performance of the Company’s independent auditor, (iii) overseeing the performance of the Company’s internal audit function and independent auditor, and (iv) overseeing the business priorities and the ethical standards of the Company.

### ***Membership***

The Committee will be composed of not less than two (2) members of the Board. The members of the Committee must meet the independence requirements of the Securities and Exchange Commission (the “SEC”), including he or she must (i) not be an “affiliated person” of the Company or any subsidiary of the Company, as that term is defined in the Securities Exchange Act of 1934, as amended (the “Exchange Act”); (ii) not accept, directly or indirectly, any consulting, advisory or compensatory fee from the Company (except in the capacity as a Board or Committee member) ; and (iii) meets the independence requirements set forth in Rule 10A-3 of the Exchange Act. In addition, no Committee member shall have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time within the past three years. All members will have the ability to read and understand financial statements. The Audit Committee will periodically review the qualifications of its members to determine whether any member qualifies as an “audit committee financial expert” as defined by the SEC and so designate them.

### ***Powers***

The Committee shall have all powers of the Board necessary or desirable to perform the functions and responsibilities as may be delegated to a committee of the Board under Maryland law, including the authority to obtain advice and assistance from independent counsel and other advisors, as it deems necessary to carry out its duties. The Committee may by resolution establish its own rules and regulations for meetings. In the absence of rules and regulations, the provisions of the Company’s bylaws generally applicable to committees of the Board will apply.

### ***Operation***

The Board will designate one Committee member to serve as its chairperson. The Committee will meet as often as it deems necessary, but not less frequently than quarterly, and at other times as requested by the chairperson, the Board or the chief executive officer of the Company. Notice of Committee meetings shall be provided at the time and in the manner by which notice of Board meetings is provided. The Committee may meet in person, by telephone or video conference, and may request that any Company officer, employee, outside counsel or independent auditor attend a Committee meeting or meet with members of, or advisors to, the Committee. The presence of not less than two members will constitute a quorum. The Committee may meet annually with

senior Company management responsible for accounting and financial reporting, with internal auditors (or other personnel responsible for the internal audit function), and with the independent auditors in separate executive sessions to discuss any matters that the Audit Committee, or any of such other persons, believes should be discussed privately. The Committee may act by the affirmative vote of a majority of the Committee members present at a meeting at which a quorum is present or by the unanimous written consent of all Committee members. The Committee will maintain minutes of all meetings, and approval of minutes of the previous meeting of the Committee will be a standing agenda item at each meeting of the Committee. The Committee shall make regular reports to the Board.

### ***Funding***

The Company shall provide for appropriate funding, as determined by the Committee, for (i) the payment of compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services or other permitted services for the Company, (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities, and (iii) compensation to any advisors retained by the Committee or any subcommittee of the Committee.

### ***Duties and Responsibilities***

The Committee shall:

1. Have the sole authority and responsibility to appoint (which appointment may be presented to shareholders for ratification), compensate, retain, oversee, evaluate and, when appropriate, replace the independent auditor engaged for the preparation or issuance of an audit report or performance of other audit, review and attest services. The independent auditor shall report directly to the Committee.
2. Pre-approve all audit services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the independent auditor, subject to de minimis exception for non-audit services (amounts under \$10,000). The Committee may form and delegate to subcommittees consisting of one or more members the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittees to grant pre-approvals are presented to the full Committee at its next scheduled meeting.
3. Evaluate the independence of the independent auditor by, amongst other things, ensuring that the independent auditor periodically, and at least annually, submits to the Committee a formal written statement delineating all relationships between the independent auditor and the Company, as required by the PCAOB's applicable requirements, and engage in a dialogue with the independent auditor with respect to any disclosed relationships that may impact objectivity and independence.
4. Ensure that the independent auditor periodically, and at least annually, submits to the Committee a formal written statement regarding (i) the independent auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality

control review or peer review of the independent auditor, or by an inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the independent auditor, and (iii) any steps taken to deal with such issues.

5. Review and evaluate the qualifications, performance and independence of the lead audit partner of the independent auditor and assure the regular rotation of the lead audit partner, reviewing partner and other audit engagement team partners of the independent auditor as required under the Exchange Act.

6. Ensure that the Company maintains an internal audit capability and at least annually evaluate the performance of the Company's internal audit capability.

7. Review with the internal auditor, or outside resource providing internal audit services, on a periodic basis as appropriate, the results of specific projects assigned to the internal audit function and coordinate with management to ensure that any significant findings or control weaknesses are addressed and resolved.

8. Review and discuss, as appropriate, with management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special audit steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.

9. Review and discuss with management and the independent auditor, management's annual report on the Company's internal control over financial reporting and the independent auditor's attestation report regarding management's report, beginning with the period such report is required by applicable regulation.

10. Review and discuss with management and the independent auditor the Company's annual audited financial statements, including the disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.

11. Review and discuss with management and the independent auditor the Company's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and the disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing of the Company's Quarterly Report on Form 10-Q.

12. Regularly discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles and any significant communications between the independent audit team and the independent auditor's national office respecting auditing or accounting issues raised by the engagement.

13. Review and discuss quarterly reports from the independent auditor on (i) critical accounting policies and practices to be used, (ii) all alternative treatments for financial information under GAAP that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the independent auditor, and (iii) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

14. Review and discuss with the independent auditor any audit problems or difficulties and management's response.

15. Discuss with the independent auditor the matters required to be discussed by the PCAOB relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

16. Obtain assurance from the independent auditor that the audit was conducted in a manner consistent with the applicable provisions of the Exchange Act.

17. Prepare the report of the Committee required to be included in the Company's annual proxy statement.

18. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.

19. Discuss with management any legal matters that may have a material impact on the Company's financial statements.

20. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees regarding questionable accounting or auditing matters.

21. Review policies and procedures with respect to financial statement risk assessment and risk management, including the steps Company management has taken to monitor and control such risks.

22. Review all "related party transactions," as required to be disclosed under Item 404 of the SEC's Regulation S-K. No such related party transaction may be entered into unless and until it has been approved by the disinterested members of the Board.

23. Review the terms of Directors and Officers Insurance coverage annually and approve the terms prior to the renewal of the policy each year.

24. Review this charter annually and make available a copy of it on the Company's website.

25. Have such other authority, duties and responsibilities as the Board delegates to the Committee.

***Limitations***

While the Committee has the responsibilities and powers set forth herein, it is not the duty of the Committee to, and the Committee will not, (i) plan or conduct audits, (ii) prepare the Company's financial statements, or (iii) determine or certify that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations. These are the responsibilities of management and the independent auditor. The Committee's responsibility in this regard is one of oversight and review. The Committee does not provide any expert or other special assurances that the financial statements are complete and accurate and are in accordance with GAAP and applicable rules and regulations.

*Adopted by the MacKenzie Realty Capital, Inc. Board of Directors on January 8, 2021, effective January 1, 2021.*