MEDICAL OFFICE PORTFOLIO DST

PRIVATE PLACEMENT MEMORANDUM

For the exclusive use of: ______________________________

Memorandum ID #: ___________________________________

The Date of this Private Placement Memorandum is
August 21, 2014

Inland
Private
Capital
Corporation

CONFIDENTIAL

Investing in DST Interests involves a high degree of risk. Before investing you should review the entire Private Placement Memorandum including the "Risk Factors" beginning on page 20.

MEDICAL OFFICE PORTFOLIO DST

Medical Office Portfolio DST, a newly formed Delaware statutory trust (the "Parent Trust") and an affiliate of Inland Private Capital Corporation ("IPCC"), is hereby offering (the "Offering") to sell to certain qualified, accredited investors (the "Investors") pursuant to this Private Placement Memorandum ("Memorandum") 100% of the beneficial interests (the "Interests") in the Parent Trust.

The Parent Trust owns 80.32% of the beneficial interests in Chicagoland Medical Portfolio DST (the "Chicagoland Trust"), and will acquire 99% of the beneficial interests in Plymouth Medical DST (the "Plymouth Trust" and together with the Chicagoland Trust, the "Operating Trusts").

IPCC or one or more of its affiliates owns or will own 1% of each Operating Trust, and Medical Building Investment, LLC (the "Chicagoland Investor"), owns the remaining 18.68% of the Chicagoland Trust. The Chicagoland Investor is made up of 11 physicians who work at the Chicagoland Properties.

The Chicagoland Trust owns the following real estate and the improvements located thereon at the following addresses:

- 864 Stearns Road, Bartlett, IL 60103 (the "Bartlett Property");
- 120 E. Higgins Road, Elk Grove Village , IL 60007 (the "Elk Grove Property"); and
- 929 W. Higgins Road, Schaumburg, IL 60195 (the "Schaumburg Property," and together with the Bartlett Property and the Elk Grove Property, the "Chicagoland Properties").

The Plymouth Trust expects to purchase the following:

- A ground leasehold interest in the property located at 46 Obery Street, Plymouth, MA 02360 (the "Plymouth Premises") and a fee simple interest in the improvements located thereon (collectively, the "Plymouth Property").

Government forecasts predict the Affordable Care Act ("ACA") will reduce the uninsured, non-elderly population by 14 million individuals in its first year. Over the following two years, reductions to the uninsured population are expected to rise sharply, reaching 25 million individuals by 2016. Expanded health insurance coverage will increase demand for medical services, as will the aging of baby boomers into their traditional retirement years. The segment of the population aged 65 years and older, which accounts for an outsized share of all doctors' visits and an estimated one-third of U.S. healthcare expenditures, will grow by 17 million individuals over the next 10 years.

Source: Marcus & Millichap, Medical Office Research Report, First Half of 2014

THE PROPERTIES AND THE LEASES

Each Property consists of a one- or two-story, freestanding, medical office building. Property specific construction information is available in the Property Condition Assessments prepared by McClain Consulting Services, Inc. which are included on the enclosed CD.

Property	Tenant	Year Built	Approx. Leased SF	Initial Lease Term	Renewal Options
Bartlett Property	Barrington Orthopedic Specialists, Ltd.	2006	30,000	06/06/2014 - 06/30/2029	Two, five-year options
Elk Grove Property	Barrington Orthopedic Specialists, Ltd.	1977 renovated 2012	14,700	06/06/2014 - 06/30/2029	Two, five-year options
Schaumburg Property	Barrington Orthopedic Specialists, Ltd.	2011	40,000 (1)	06/06/2014 - 06/30/2029	Two, five-year options
Plymouth Property	Jordan Physician Associates, Inc. Guarantor: Beth Israel Deaconess Hospital - Plymouth, Inc.	2013	30,803	03/01/2014 - 02/28/2029	Three, five-year options

(1) Does not include 18,000 square feet of space which the tenant could potentially build out at some time in the future.

Medical Office Tenants

Despite major changes occurring in the health care industry and the deepest recession since the 1930s, the medical office market has been stable compared with other commercial property types, including traditional office properties. Long lease terms (typically 7–10 years), as well as the expensive and extensive tenant improvements required by medical users, lend stability to the medical office property type.

Source: Colliers International Medical Office Trends and 2014 Outlook

THE TENANTS **

The tenant under the lease for the Chicagoland Properties is Barrington Orthopedic Specialists, Ltd., an Illinois corporation ("Barrington Orthopedic Specialists"). Barrington Orthopedic Specialists was formed in 1980 and is an orthopedic provider in the northwest suburbs of Chicago, Illinois. The corporation has four facilities located Bartlett, Illinois; Buffalo Grove, Illinois, Elk Grove Village, Illinois and Schaumburg, Illinois. Barrington Orthopedic Specialists' staff is board-certified, fellowship-trained and provides specialized care in ankle, back, elbow, foot, hand, hip, knee, neck, shoulder, spine, wrist, physical medicine and rehabilitation, podiatry and sports medicine. In addition, each location is able to provide medical imaging and electro diagnostic services. Barrington Ortho has roughly 275 employees serving approximately 19,000 patients, generates $28 million in revenue per year and is affiliated with the following hospitals, serving as the largest orthopedic group affiliated with each: Alexian Brothers Medical Center, Hoffman Estates Surgery Center, Northwest Community Hospital, Northwest Community Day Surgery Center, Sherman Hospital, and St. Alexius Medical Center.

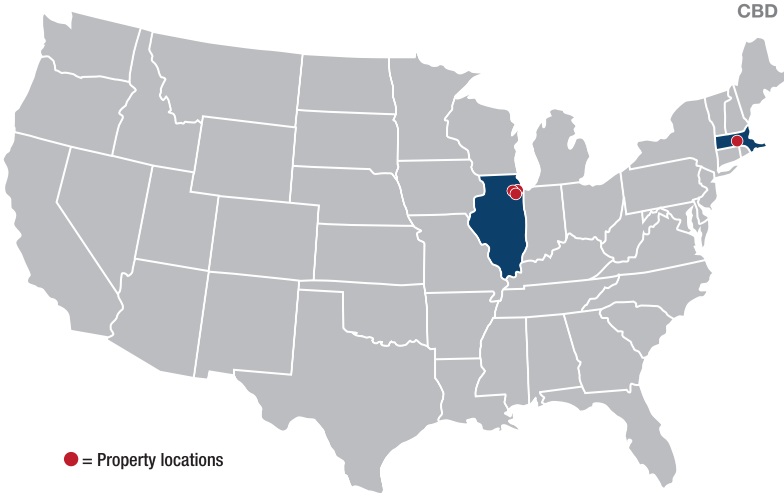
The tenant under the lease for the Plymouth Property is Jordan Physician Associates, Inc., a Massachusetts not-for-profit corporation ("Jordan Physician Associates"). Jordan Physician Associates was formed in 1994 and delivers medical care by employed and contracted physicians at Beth Israel Deaconess Hospital - Plymouth in Plymouth, Massachusetts and in physician offices in southeastern Massachusetts and the Cape Cod, Massachusetts area. The guarantor of the lease for the Plymouth Property is Beth Israel Deaconess Hospital - Plymouth, Inc., which, as of January 2014, is an affiliate of Beth Israel Deaconess Medical Center ("BIDMC"). BIDMC is one of the nation's preeminent academic medical centers. Each year U.S. News & World Report ranks BIDMC as a "Best Hospital" in multiple specialties.

**** This description of Barrington Orthopedic Specialists is based on, and qualified in its entirety by, the information provided by Barrington Orthopedic Specialist on its website, https://www.barringtonortho.com/. This descriptions of the tenant and guarantor for the Plymouth Property are based on, and qualified in their entirety by, the information set forth on the following websites: http://www.bidplymouth.org/bidmc and http://www.bidmc.org/.**

THE LOCATIONS

City/State	Location	Population within a 5 mile radius of the Property	Estimated Annual Household Income within a 5 mile radius of the Property
Bartlett, IL	35 miles northwest of Chicago CBD	206,566	$91,881
Elk Grove Village, IL	20 miles northwest of Chicago CBD	253,108	$80,358
Schaumburg, IL	30 miles northwest of Chicago CBD	247,307	$86,928
Plymouth, MA	40 miles south of Boston	38,102	$87,077

CBD refers to Central Business District



THE FINANCING

The Chicagoland Trust funded the acquisition of the Chicagoland Properties with cash and proceeds of a loan from Wells Fargo Bank, National Association, a national banking association (the "Lender"), in the principal amount of $15,900,000 (the "Chicagoland Loan"). The Chicagoland Loan has a maturity date of June 11, 2024. The security instruments for the Chicagoland Properties are cross-collateralized and cross-defaulted with each other under the Chicagoland Loan.

The Plymouth Trust intends to fund the acquisition of the Plymouth Property with cash and proceeds of a loan from the Lender in the principal amount of $6,435,000 (the "Plymouth Loan"). The Plymouth Loan will have a ten year term.

The material terms of the Chicagoland Loan and the Plymouth Loan are set forth in the table below. It is important to note that each Loan is or will be the separate obligation of the respective Operating Trust and the two Loans will not be cross-collateralized or cross-defaulted with one another.

The Operating Trusts, and not the Parent Trust, will be responsible for repayment of the respective Loans. The Loans will be non-recourse to the Investors. Accordingly, the Investors will have no personal liability in connection with the Loans. However, upon an uncured event of default under any Loan, the Lender will have the right to foreclose on the Property(ies) secured by such Loan. If this were to occur, the Investors would be likely to lose a portion of their investment in the Parent Trust.

Loan	Loan Principal Amount	Initial Interest Rate (per annum)	Terms
Chicagoland Loan	$15,900,000	4.40%	Amortizing on a 30 year schedule
Plymouth Loan (Anticipated)	$6,435,000	4.34%	5 years interest only, then amortizing on a 30 year schedule

THE OFFERING

The Offering is designed for accredited investors seeking to participate in a tax-deferred exchange as well as those seeking a quality, multiple owner real estate investment. Only accredited investors may purchase interests in this Offering. See *"Summary of the Offering"* and *"The Offering."*

Beneficial Interests:	$16,543,467
Offering Loan Proceeds:	$19,108,612
Offering Price:	$35,652,079
Loan-to-Offering Price Ratio:	53.60%
Minimum Purchase (1031):	$100,000
Minimum Purchase (cash):	$25,000
Current Cash Flow:	6.00%
Current Yield:	7.21%

SUMMARY RISK FACTORS

An investment in the Interests involves significant risk and is suitable only for Investors who have adequate financial means, desire a relatively long-term investment and who will not need immediate liquidity from their investment and can afford to lose their entire investment. Investors must read and carefully consider the discussion set forth in the section of the Private Placement Memorandum captioned "*Risk Factors.*" The risks involved with an investment in Interests include, but are not limited to:

- The Interests may be sold only to accredited investors, which for natural persons, are investors who meet certain minimum annual income or net worth thresholds.
- The Interests are being offered in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended, and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act of 1933, as amended.
- The Securities and Exchange Commission has not passed upon the merits of or given its approval to the Interests, the terms of the offering, or the accuracy or completeness of any offering materials.
- The Interests are subject to legal restrictions on transfer and resale and Investors should not assume they will be able to resell their Interests.
- Investing in Interests involves risk, and Investors should be able to bear the loss of their investment.
- Investors have limited control over the Trusts.
- The trustees of the Trusts have limited duties to Investors, and limited authority.
- There are inherent risks with real estate investments.
- The Trusts will depend on the tenants for revenue, and any defaults by the tenants will adversely affect the Trusts' operations.
- The Properties have been designed for use by the tenants, which could result in substantial re-leasing costs or a lower sale price.
- The Trusts may suffer adverse consequences due to financial difficulties, bankruptcy or insolvency of the tenants.
- The Plymouth Premises is a leasehold estate (rather than a fee simple estate). If the Plymouth Trust, as ground tenant, defaults under the ground lease, it could be terminated, the Plymouth Trust would lose its entire interest therein, and the Investors would lose the amount of their investment allocable to that property.
- The ground landlord of the Plymouth Premises has a right of first opportunity to purchase the Plymouth Premises, which could make the Plymouth Property less attractive to a potential future purchaser.
- The Elk Grove Property is legally non-conforming, it lacks sufficient parking and, in the event of a casualty, the building may not be able to be rebuilt to the same size, which factors may make the Elk Grove Property less attractive to future purchasers.
- The Loan Documents (as defined herein) contain or will contain various restrictive covenants, and if the applicable Operating Trust fails to satisfy or violates these covenants, the Lender may declare the corresponding Loan in default and foreclose upon the respective Property(ies).
- The cost of complying with environmental laws and other governmental laws and regulations may adversely impact the Trusts.
- There is no public market for the interests.
- The interests are not registered with the Securities and Exchange Commission or any state securities commissions.
- Investors may not realize a return of their investment for years, if at all. The Parent Trust is not providing the prospective Investor with separate legal, accounting or business advice or representation.
- Various tax risks, including the risk that an acquisition of an interest may not qualify as a Section 1031 Exchange.

Each prospective Investor should consult with his, her or its own tax advisor regarding an investment in the Interests and the qualification of his, her or its transaction under Section 1031 for his, her or its specific circumstances.

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Current Cash Flow:	6.00%
Current Yield:	7.21%

THE FINANCING

The Chicagoland Trust funded the acquisition of the Chicagoland Properties with cash and proceeds of a loan from the Lender, in the principal amount of $15,900,000. The Chicagoland Loan has a maturity date of June 11, 2024 and bears interest at a rate equal to 4.40% per annum. The security instruments for the Chicagoland Properties are cross-collateralized and cross-defaulted with each other under the Chicagoland Loan.

The Plymouth Trust intends to fund the acquisition of the Plymouth Property with cash and proceeds of a loan from the Lender in the principal amount of $6,435,000. The Plymouth Loan will have a ten year term and will bear interest at a rate equal to 4.34% per annum.

It is important to note that each Loan is or will be the separate obligation of the respective Operating Trust and the two Loans will not be cross-collateralized or cross-defaulted with one another.

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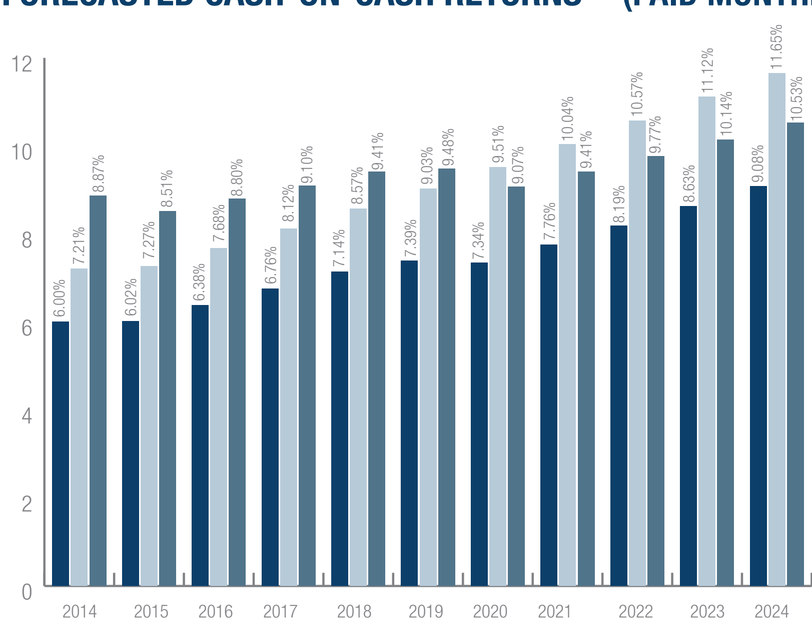
FORECASTED CASH-ON-CASH RETURNS (1) (PAID MONTHLY)



- Forecasted Cash-on-Cash Return (1)
- Yield (2)
- Tax Equivalent Yield (3)

(1) These forecasts are estimates which are based on certain assumptions and may vary. Please consult the "Risk Factors" section of the Memorandum for events that may cause the actual results to differ.

(2) "Yield" is calculated by dividing the net cash flow after interest payments, but before any principal payments or reserve contributions, over the indicated period by such investors' capital invested in the deal less any proceeds returned in a refinance and inclusive of all fees and expenses.

(3) "Tax Equivalent Yield" represents the yield required to achieve an equivalent after tax cash flow on an interest-bearing investment, which has no shelter from depreciation and would be taxed at the effective tax rate.

INLAND

Private Capital Corporation

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