

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
JERNIGAN CAPITAL, INC.		47-1978772	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
KELLY P. LUTTRELL, CFO	901-567-9510	KELLY@JERNIGANCAPITAL.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
6410 POPLAR AVENUE, SUITE 650		MEMPHIS, TN 38119	
<b>8</b> Date of action		<b>9</b> Classification and description	
1/13/2017, 4/14/2017, 7/14/2017, 10/13/2017		JERNIGAN CAPITAL, INC. COMMON STOCK, PAR VALUE \$0.01	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
476405105	N/A	JCAP - NYSE	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ JERNIGAN CAPITAL, INC. PAID CASH DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS FOR THE 2017 TAX YEAR.  
**THESE DISTRIBUTIONS WERE MADE ON THE FOLLOWING DATES:**

DECLARATION DATES: NOVEMBER 2, 2016, MARCH 7, 2017, MAY 3, 2017 AND AUGUST 1, 2017  
RECORD DATES: JANUARY 3, 2017, APRIL 3, 2017, JULY 3, 2017, AND OCTOBER 2, 2017  
PAYMENT DATES: JANUARY 13, 2017 (\$0.35 PER SHARE), APRIL 14, 2017 (\$0.35 PER SHARE)  
JULY 14, 2017 (\$0.35 PER SHARE) AND OCTOBER 13, 2017 (\$0.35 PER SHARE)

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ JCAP HAS MADE CASH DISTRIBUTIONS ON COMMON STOCK THAT ARE 91.19% NON-TAXABLE AND 8.81% TAXABLE. THE NON-TAXABLE RETURN OF CAPITAL REDUCES THE TAX BASIS ON A PER SHARE BASIS AS FOLLOWS:

JANUARY 13, 2017: (\$0.32)  
APRIL 14, 2017: (\$0.32)  
JULY 14, 2017: (\$0.32)  
OCTOBER 13, 2017: (\$0.32)

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE COMPANY DETERMINES ITS EARNINGS AND PROFITS UNDER IRC SECTION 312 (AS MODIFIED BY IRC SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST AND THE REGULATIONS THEREUNDER). THIS COMPUTATION SUPPORTS THE CALCULATION OF THE TAXABILITY AND RETURN OF CAPITAL NATURE OF THE CASH DISTRIBUTIONS ON COMMON STOCK ON THE DATES LISTED ABOVE.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

**IRC SECTION 316 DEFINES A "DIVIDEND" GENERALLY AS ANY DISTRIBUTION OF PROPERTY MADE BY A CORPORATION TO ITS SHAREHOLDERS OUT OF EARNINGS AND PROFITS (AS DEFINED BY IRC SECTION 312 AND THE REGULATIONS THEREUNDER). PURSUANT TO IRC SECTION 301(c)(2), THE PORTION OF A CASH DISTRIBUTION ON COMMON STOCK WHICH IS NOT A DIVIDEND SHALL BE APPLIED AGAINST AND REDUCE THE ADJUSTED BASIS OF STOCK. UNDER IRC SECTION 301(c)(3), A DISTRIBUTION WHICH IS NOT A DIVIDEND, TO THE EXTENT THAT IT EXCEEDS THE SHAREHOLDER'S ADJUSTED TAX BASIS OF THE STOCK, SHALL BE TREATED AS GAIN FROM THE SALE OR EXCHANGE OF PROPERTY.**

18 Can any resulting loss be recognized? ▶ **NO TAX LOSS IS RECOGNIZED BY SHAREHOLDERS AS A RESULT OF RECEIVING THE 2017 QUARTERLY CASH DISTRIBUTIONS ON COMMON STOCK.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **THIS CASH DISTRIBUTION WILL BE REPORTED TO SHAREHOLDERS ON THEIR 2017 FEDERAL FORM 1099-DIV WITH RESPECT TO THEIR COMMON STOCK HOLDINGS IN THE COMPANY.**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ *Kelly P. Luttrell* Date ▶ 1/26/2018  
Print your name ▶ **KELLY P. LUTTRELL** Title ▶ **SVP, CHIEF FINANCIAL OFFICER**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.