
Section 1: 8-K (8-K)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **March 24, 2020**

INPOINT COMMERCIAL REAL ESTATE INCOME, INC.
(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or other jurisdiction
of incorporation)

000-55782
(Commission File
Number)

32-0506267
(I.R.S. Employer
Identification No.)

2901 Butterfield Road Oak Brook, Illinois
(Address of principal executive offices)

60523
(Zip Code)

(800) 826-8228
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	None	None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On March 27, 2020, InPoint Commercial Real Estate Income, Inc. (the “Company”) distributed a letter to the Company’s stockholders regarding the Company’s continuous public offering (the “Offering”) advising of the suspension of (i) the sale of shares of the Company’s common stock (the “Shares”) in the Offering, (ii) the Company’s share repurchase plan (the “SRP”), (iii) the payment of distributions to the Company’s stockholders and (iv) the Company’s distribution reinvestment plan (the “DRP”), each as described under Item 8.01 below. A copy of the form of letter to the Company’s stockholders is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference.

Filed as Exhibit 99.2 to this Current Report, and incorporated by reference in this Item 7.01, is a copy of a press release issued by the Company on March 27, 2020 addressing the actions described above.

The information furnished under this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2 hereto, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any filings made by the Company pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

Suspension of Public Offering, Share Repurchase Plan, Distributions and Distribution Reinvestment Plan

On March 24, 2020, the Company’s board of directors (the “Board”) unanimously approved the suspension of (i) the sale of Shares in the Offering, effective immediately, (ii) the operation of the SRP, effective immediately, (iii) the payment of distributions to the Company’s stockholders, effective immediately, and (iv) the operation of the DRP, effective as of April 6, 2020. The Offering, the SRP, the payment of distributions and the DRP will each remain suspended until such time as the Board approves their resumption.

In determining to suspend the Offering, the SRP, the payment of distributions and the DRP, the Board considered various factors, including the impact of the global COVID-19 pandemic on the economy, the inability to accurately calculate the Company’s net asset value (“NAV”) per share due to uncertainty, volatility and lack of liquidity in the market, and the Company’s need for liquidity in these uncertain and rapidly changing conditions. While it is extremely difficult to predict when market conditions will enable an accurate calculation of the Company’s NAV, the Board believes that this is a temporary market disruption. The Company will continue to closely monitor this situation in order to determine an appropriate time to resume the Offering, the SRP, the payment of distributions and the DRP.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	InPoint Commercial Real Estate Income, Inc. Letter to Stockholders
99.2	Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 27, 2020

INPOINT COMMERCIAL REAL ESTATE INCOME, INC.

By: /s/ Mitchell A. Sabshon

Mitchell A. Sabshon
Chief Executive Officer

[\(Back To Top\)](#)

Section 2: EX-99.1 (EX-99.1)



Exhibit 99.1

March 27, 2020

Dear Stockholder:

Amid unprecedented economic disruption resulting from the COVID-19 pandemic, the Board of Directors (the “Board”) of InPoint Commercial Real Estate Income, Inc. (“we,” “our” or the “Company”) has announced several changes to allow the Company to maintain fiscal responsibility and respond accordingly, including the suspension of an updated estimated net asset value (“NAV”) per share of its common stock. As a result of this decision, the Board has also unanimously approved the suspension of sales of shares of the Company’s common stock in its continuous public offering (the “Offering”) and the Company’s share repurchase plan (“SRP”), each effective immediately, and the suspension of the Company’s distribution reinvestment plan (“DRP”) effective April 6, 2020. These decisions were made in consultation with and based upon input from the senior management of our advisor, Inland InPoint Advisor, LLC, and sub-advisor, SPCRE InPoint Advisors, LLC (“Sound Point”), and were made in the best interests of our stockholders and the Company during this challenging period.

At this time, the majority of our mortgage loans and securities investments are performing in accordance with their respective terms. However, a combination of factors driven by the scope of the COVID-19 pandemic, including the temporary closure of non-essential businesses, has drastically impacted the viability and valuation of almost all types of commercial real estate. Such closures, and the resulting projection of increased U.S. unemployment, will likely have an adverse impact on the ability of commercial and residential tenants to pay rent. In turn, the potential inability of mortgagors – the borrowing property owners to whom we have made loans or whose loan obligations back the mortgage securities we own – to collect rent from tenants makes it difficult for us to accurately determine the true value of our assets and, as a result, confidently calculate an accurate NAV.

Equally impacting the Board’s decisions is the immediate challenge resulting from the financing of our portfolio. As a result of the inability to accurately value our assets, the banks that regularly finance our assets have recently required that we, since the onset of the COVID-19 pandemic, post additional collateral to further secure the financing.

In an effort to maintain fiscal responsibility, including retaining cash to the extent possible for purposes of corporate liquidity, the Board, consulting with management and Sound Point, has also suspended distributions effective immediately. We believe that the responsible course of action is to conserve liquidity and prioritize the payment of operating and other essential expenses.

Preserving stockholders’ capital is our primary objective. While it is extremely difficult to predict when market conditions will enable an accurate calculation of the Company’s NAV, the Board believes that this is a temporary market disruption. The Company will continue to closely monitor this situation in order to determine an appropriate time to resume the Offering, the SRP, the payment of distributions and the DRP.

(Continued on reverse side.)

Our thoughts are with our stockholders and their families for continued health and safety during these challenging times. Thank you for your confidence in our expertise. If you have questions, please contact your financial advisor or our Inland Investor Services team at 800-826-8228.

Sincerely,
INPOINT COMMERCIAL REAL ESTATE INCOME, INC.



A handwritten signature in black ink, appearing to read 'Mitchell Sabshon', written in a cursive style.

Mitchell Sabshon
Chief Executive Officer

Certain statements in this letter constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Words such as "may," "could," "should," "expect," "intend," "plan," "goal," "seek," "anticipate," "believe," "estimate," "predict," "variables," "potential," "continue," "expand," "maintain," "create," "strategies," "likely," "will," "would" and variations of these terms and similar expressions indicate forward-looking statements. These forward-looking statements reflect the intent, belief or current expectations of our management based on their knowledge and understanding of the business and industry, the economy and other future conditions. These statements are not factual or guarantees of future performance, and we caution stockholders not to place undue reliance on them. Actual results may differ materially from those expressed or forecasted in forward-looking statements due to a variety of risks, uncertainties and other factors, including but not limited to those in the Risk Factors section in our most recent Annual Report on Form 10-K and in subsequent filings on Form 10-Q as filed with the Securities and Exchange Commission and made available on our website. Forward-looking statements reflect our management's view only as of the date of this letter and may ultimately prove to be incorrect. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results except as required by applicable law. We intend for these forward-looking statements to be covered by the applicable safe harbor provisions created by Section 27A of the Securities Act and Section 21E of the Exchange Act.

[\(Back To Top\)](#)

Section 3: EX-99.2 (EX-99.2)



NEWS RELEASE

2901 Butterfield Road Oak Brook, Ill. 60523
www.inland-investments.com

FOR IMMEDIATE RELEASE

DATE: March 27, 2020
CONTACT: Nicole Spreck, Inland Communications
(630) 586-4896 nicole.spreck@inlandgroup.com

InPoint's Board of Directors Responds to COVID-19 Pandemic

Oak Brook, Ill. – InPoint Commercial Real Estate Income, Inc. (“InPoint” or the “Company”), a commercial mortgage real estate investment trust, announced that the Company’s Board of Directors (the “Board”) took decisive action in response to the COVID-19 pandemic. On March 24, 2020, the Board unanimously approved a suspension of the Company’s public offering (the “Offering”), share repurchase plan (“SRP”), distributions and distribution reinvestment plan (“DRP”).

“The temporary closure of non-essential businesses in order to limit the spread of this virus has had an unprecedented impact on every type of commercial real estate. These closures, and the unemployment we are seeing as a result, are already adversely affecting the ability of commercial and residential tenants to pay rent. In turn, this raises the risks that the property owners to whom we have made loans may be unable, for some period of time, to make scheduled mortgage payments in full when due,” said Mitchell Sabshon, chief executive officer of InPoint. “These circumstances make it difficult for us to accurately determine the true value of our assets and, as a result, confidently calculate an accurate net asset value (“NAV”) per share of our common stock. Accordingly, the Board acted quickly and responsively to suspend the Offering and take decisive steps to protect our Company and the capital of our stockholders,” added Mr. Sabshon.

InPoint has sourced and originated \$661 million in first mortgage loans.

“These prudent decisions were made in the long-term best interests of the stockholders and the Company,” said Don MacKinnon, president of InPoint. “InPoint’s executive team collectively has decades of experience, has navigated previous economic cycles and is focused intently on this rapidly changing situation.”

While it is extremely difficult to predict when market conditions will enable an accurate calculation of the Company’s NAV, the Board believes that this is a temporary market disruption. The Company will continue to closely monitor this situation in order to determine an appropriate time to resume the Offering, the SRP, the payment of distributions and the DRP.

About InPoint Commercial Real Estate Income, Inc.

InPoint Commercial Real Estate Income, Inc. is a commercial mortgage real estate investment trust that seeks to originate, acquire and manage a diversified credit portfolio secured by commercial real estate properties primarily within the United States.

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Forward-Looking Statements

When used in this press release, in future filings with the Securities and Exchange Commission (“SEC”) or in other written or oral communications, statements which are not historical in nature, including those containing words such as “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “would,” “could,” “goal,” “objective,” “will,” “may” or similar

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expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, may involve known and unknown risks, uncertainties and assumptions. Forward-looking statements are based on InPoint's beliefs, assumptions and expectations of its future performance, taking into account all information currently available to it. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to InPoint. These risks and uncertainties and other factors, including the risk factors described in InPoint's periodic reports filed with the SEC, could cause InPoint's actual results to differ materially from those projected in any forward-looking statements it makes. All forward-looking statements speak only as of the date on which they are made. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect InPoint. Except as required by law, InPoint is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

[\(Back To Top\)](#)