

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K405

Annual report pursuant to section 13 and 15(d), Regulation S-K Item 405

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**

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FILER

JMB INCOME PROPERTIES LTD IV

CIK: **53568** | IRS No.: **362857658** | State of Incorp.: **IL** | Fiscal Year End: **1231**

Type: **10-K405** | Act: **34** | File No.: **000-08469** | Film No.: **99574410**

SIC: **6512** Operators of nonresidential buildings

Mailing Address

*C/O JMB REALTY CORP
900 N MICHIGAN AVE
CHICAGO IL 60611*

Business Address

*C/O JMB REALTY CORP
900 N MICHIGAN AVE
CHICAGO IL 60611
3129151987*

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the fiscal year
ended December 31, 1998

Commission file number 0-8469

JMB INCOME PROPERTIES, LTD. - IV

(Exact name of registrant as specified in its charter)

Illinois 36-2857658
(State of organization) (I.R.S. Employer Identification No.)

900 N. Michigan Ave., Chicago, Illinois 60611
(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code 312-915-1987

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

Title of each class -----	Name of each exchange on which registered -----
None	None

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

LIMITED PARTNERSHIP INTERESTS
(Title of class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [X]

State the aggregate market value of the voting stock held by non-affiliates of the Registrant. Not applicable.

Documents incorporated by reference: None

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PART I

ITEM 1. BUSINESS

Unless otherwise indicated, all references to "Notes" are to Notes to Consolidated Financial Statements contained in this annual report. Capitalized terms used herein, but not defined, have the same meanings as used in the Notes.

The registrant, JMB Income Properties, Ltd.-IV (the "Partnership"),

was a limited partnership formed in early 1976 and governed by the Revised Uniform Limited Partnership Act of the State of Illinois to invest in improved income-producing commercial real property. The Partnership sold \$20,000,000 in Limited Partnership interests (the "Interests") at \$1,000 per Interest to the public commencing on July 26, 1976 pursuant to a Registration Statement on Form S-11 under the Securities Act of 1933 (Registration No. 2-55624). The offering closed September 24, 1976. No Limited Partner has made any additional capital contribution after such date. The Limited Partners of the Partnership shared in their portion of the benefits of ownership of the Partnership's real property investments according to the number of Interests held.

The Partnership was engaged solely in the business of the acquisition, operation and sale and disposition of equity real estate investments. Such equity investments were held by fee title and/or through joint venture interests. As of December 31, 1998, all of the Partnership's investments in real estate have been sold or disposed. The Partnership's investments were located throughout the nation and it had no investments located outside the United States. A presentation of information about industry segments, geographic regions, raw materials or seasonality was not applicable and would not have been material to an understanding of the Partnership's business taken as a whole. The Partnership was self-liquidating in nature. Upon the sale of a particular property, the net proceeds, if any, were distributed or reinvested in existing properties rather than invested in acquiring additional properties. The Partnership made a final liquidating distribution of \$9,368,942 to the Limited Partners and \$1,129,118 to the General Partners and wound up its affairs and dissolved effective December 31, 1998. Reference is made to Item 7.

The Partnership made the real property investments set forth in the following table:

<TABLE>
<CAPTION>

NAME, TYPE OF PROPERTY AND LOCATION	SIZE	DATE OF PURCHASE	SALE OR DISPOSITION DATE	TYPE OF OWNERSHIP
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
1. Wall Towers Office Complex office buildings Midland, Texas . . .	190,000 sq.ft.	11-14-77	4-3-91	fee ownership of land and improvements
2. Parkway City Mall shopping center Huntsville, Alabama	415,000 sq.ft. g.l.a.	2-27-76	12-1-98	fee ownership of land and improvements (through joint venture partnership) (a) (b)
3. Holly Hill Mall shopping center Burlington, North Carolina	395,000 sq.ft. g.l.a.	8-20-76	12-1-92	fee ownership of land and improvements
4. Northgate Mall shopping center Chattanooga, Tennessee	353,000 sq.ft. g.l.a.	10-11-76	1-4-83	fee ownership of improvements and ground leasehold interest in land (through joint venture partnership)
5. Three Penn Center Plaza office building Philadelphia, Pennsylvania	498,000 sq.ft. g.l.a.	6-30-77	1-1-84	fee ownership of land and improvements (through joint venture partnership)
6. Mid-America Plaza				

office buildings					fee ownership of land
Omaha, Nebraska. . .	189,000	6-16-78	12-18-86		and improvements
	sq.ft.				

<FN>

(a) Reference is made to the Notes for a description of the joint venture partnership through which the Partnership made this real property investment.

(b) The Partnership's interest in this property has been sold. Reference is made to the Notes for a description of the sale of the Partnership's interest in this real property investment.

</TABLE>

The Partnership's real property investment was subject to competition from similar types of properties in the vicinity in which it is located. Such competition was generally for the retention of existing tenants. Additionally, the Partnership was in competition for new tenants if significant vacancies were present. Approximate occupancy levels for the property are set forth in the table in Item 2 below to which reference is hereby made. The Partnership maintained the suitability and competitiveness of its property in its market primarily on the basis of effective rents, tenant allowances and services provided to tenants.

On December 1, 1998, the Partnership, through a joint venture, sold the Parkway City Mall to an affiliate of the otherwise unaffiliated indirect partner in the joint venture. Reference is made to the Notes for a further description of such event.

The Partnership had no employees.

The terms of transactions between the Partnership, the General Partners and their affiliates are set forth in Item 11 below to which reference is hereby made for a description of such terms and transactions.

ITEM 2. PROPERTY

The Partnership owned, through a joint venture partnership, the property referred to under Item 1 above to which reference is hereby made for a description of said property.

The following is a listing of principal businesses or occupations carried on in and approximate occupancy levels by quarter during fiscal year 1998 and 1997 for the Partnership's investment property owned during 1998:

<TABLE>
<CAPTION>

Principal Business	1997				1998				
	At 3/31	At 6/30	At 9/30	At 12/31	At 3/31	At 6/30	At 9/30	At 12/31	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
1. Parkway City Mall Huntsville, Alabama.	Retail	74%	74%	75%	61%	61%	61%	61%	N/A

<FN>

An "N/A" indicates that the property was sold and not owned by the Partnership's joint venture at the end of the quarter.

</TABLE>

ITEM 3. LEGAL PROCEEDINGS

At the time of liquidation, the Partnership was not subject to any pending material legal proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during 1997 and 1998.

PART II

ITEM 5. MARKET FOR THE PARTNERSHIP'S LIMITED PARTNERSHIP INTERESTS AND RELATED SECURITY HOLDER MATTERS

Immediately prior to the dissolution of the Partnership, there were 1,511 record holders of Interests of the Partnership. On December 31, 1998, the Partnership made a final liquidating cash distribution to its Limited and General Partners and subsequently wound up its affairs and dissolved effective December 31, 1998. There had been no public market for Interests and it had not been anticipated that a public market for Interests would develop. Upon request, the Corporate General Partner provided information relating to a prospective transfer of Interests to an investor desiring to transfer his Interests. The price paid for the Interests, as well as any other economic aspects of the transaction, was subject to negotiation by the Investor.

Reference is made to Item 6 below for a discussion of cash distributions made to the Holders of Interest.

Reference is made to Item 7 for a discussion of unsolicited tender offers received from unaffiliated third parties.

<TABLE>

ITEM 6. SELECTED FINANCIAL DATA

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

YEAR ENDED DECEMBER 31, 1998 (IMMEDIATELY PRIOR TO FINAL LIQUIDATING DISTRIBUTION),
AND YEARS ENDED DECEMBER 31, 1997, 1996, 1995 AND 1994
(NOT COVERED BY INDEPENDENT AUDITORS' REPORT)

<CAPTION>

	1998	1997	1996	1995	1994
	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>
Total income	\$ 3,570,109	3,564,209	3,976,232	4,663,663	3,908,841
	=====	=====	=====	=====	=====
Earnings (loss) before gain on sale of investment property	\$ 794,940	833,564	937,078	1,553,443	1,122,589
Gain on sale of investment property and liquidation of venture,					

net of venture partners' share	3,493,807	--	--	--	--
Earnings (loss) before extraordinary item.	4,288,747	833,564	937,078	1,553,443	1,122,589
Extraordinary item	(41,166)	--	--	--	--
Net earnings (loss).	\$ 4,247,581	833,564	937,078	1,553,443	1,122,589
Net earnings (loss) per limited partnership Interests:					
Earnings (loss) before gain on sale of investment property	\$ 38.94	40.83	45.91	76.10	54.99
Gain on sale of investment property and liquidation of venture	55.15	--	--	--	--
Extraordinary item	(2.03)	--	--	--	--
Net earnings (loss) (b).	\$ 92.06	40.83	45.91	76.10	54.99
Total assets	\$10,498,060	11,097,934	10,388,002	13,090,076	11,147,874
Long-term debt	\$ --	1,866,179	2,374,762	2,834,574	3,251,069
Cash distributions per Interest (c)(d)	\$ --	--	130.00	--	25.00

<FN>

(a) The above selected financial data should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this annual report.

(b) The net earnings (loss) per Interest is based upon the number of Interests outstanding at the end of each period (20,005).

(c) Cash distributions from the Partnership were generally not equal to Partnership income (loss) for financial reporting or Federal income tax purposes. Each Partner's taxable income (or loss) from the Partnership in each year was equal to his allocable share of the taxable income (or loss) of the Partnership without regard to the cash generated or distributed by the Partnership. Accordingly, cash distributions to the Limited Partners since the inception of the Partnership have not resulted in taxable income to such Limited Partners and have therefore represented a return of capital.

(d) This amount does not include the final liquidating cash distribution of \$9,368,942 (\$468.33 per Interest) to the Limited Partners and \$1,129,118 to the General Partners paid by the Partnership on December 31, 1998.

</TABLE>

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

As a result of the public offering described in Item 1, the Partnership had approximately \$17,996,000 (after deducting selling expenses and other offering costs) with which to make investments in commercial real property, to pay legal fees and other costs (including acquisition fees) related to such investments and for working capital. A portion of such proceeds was utilized to acquire the properties described in Item 1 above.

During 1996, 1997 and 1998, some of the Holders of Interests in the Partnership received unsolicited tender offers from unaffiliated third parties to purchase up to 4.9% of the Interests in the Partnership at prices ranging from between \$150 and \$225 per Interest. The Partnership recommended against acceptance of these offers on the basis that, among other things, the offer prices were inadequate. Such offers have expired. As of the date of this report, the Partnership is aware that 11.06% of the

Interests in the Partnership were purchased by such unaffiliated third parties either pursuant to such tender offers or through negotiated purchases. The board of directors of JMB Realty Corporation ("JMB") the managing general partner of the Partnership, had established a special committee (the "Special Committee") consisting of certain directors of JMB to deal with all matters relating to tender offers for Interests in the Partnership, including any and all responses to such tender offers. The Special Committee retained independent counsel to advise it in connection with any potential tender offers for Interests and had retained Lehman Brothers Inc. as financial advisor to assist the Special Committee in evaluating and responding to these and any additional potential tender offers for Interests.

HUNTSVILLE - PARKWAY CITY MALL

On December 1, 1998, the Partnership, through a joint venture, sold the Parkway City Mall to an affiliate of the otherwise unaffiliated indirect partner in the joint venture. Reference is made to the Notes for a further description of such event.

GENERAL

On December 31, 1998, the Partnership made a final liquidating distribution of \$9,368,942 (\$468 per interest) to the Limited Partners and \$1,129,118 to the General Partners and wound up its affairs and dissolved effective December 31, 1998.

RESULTS OF OPERATIONS

Significant variances between periods reflected in the accompanying consolidated financial statements are the result of the sale of the Parkway City Mall on December 1, 1998.

The decrease in rental income for the year ended December 31, 1998 as compared to the year ended December 31, 1997 is due to the sale of the Parkway City Mall on December 1, 1998. This decrease was offset by an increase in the rents received from temporary tenants as well as an increase in base rents primarily as a result of the space previously occupied by Yeilding's being vacant during 1997 until Castner Knott took occupancy in October 1997. Additionally, in the second quarter of 1998, Huntsville received approximately \$130,000 as a settlement from a former tenant that had previously filed for bankruptcy. The decrease in rental income for the year ended December 31, 1997 as compared to the year ended December 31, 1996 is primarily due to a decrease in base rents and in recoverable operating expenses due to a decrease in occupancy in 1997 at the Parkway City Mall primarily as a result of Yeilding's closing its approximately 24,000 square foot store in October 1996 and Castner Knott Market Centre not opening until October 1997.

The decrease in depreciation expense for the year ended December 31, 1998 as compared to the same periods in 1997 and 1996 is due to depreciation expense no longer being incurred on the Parkway City Mall as a result of this property being classified as held for sale or disposition in accordance with SFAS 121 on September 30, 1997, and therefore, not subject to continued depreciation after that date.

The increases in professional services and general and administrative expense for the year ended December 31, 1998 as compared to December 31, 1997 and 1996 is primarily due to an increase in certain costs due to the winding up of the Partnership.

During 1998 and 1996, the Managing General Partner received management fees of \$265,366 and \$88,911 out of distributions of operating cash flow. There were no management fees paid in 1997.

The increase in venture partner's share of venture's operations for the year ended December 31, 1998 as compared to the year ended December 31, 1997 is primarily due to the increases in rental and interest income at the Parkway City Mall. The decrease in venture partner's share of venture's operations for the year ended December 31, 1997 as compared to the year ended December 31, 1996 is primarily due to the decreases in rental and interest income and increases in property operating expenses at Parkway City Mall.

INFLATION

Due to the decrease in the level of inflation in recent years, inflation generally has not had a material effect on the operations of the Partnership. Inflation in future periods is not applicable since the Partnership wound up its affairs and dissolved effective December 31, 1998.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Partnership wound up its affairs and dissolved in 1998. As a result, there is no meaningful disclosure for this item.

YEAR 2000

The Partnership wound up its affairs and dissolved in 1998.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

INDEX

Independent Auditors' Report

Consolidated Balance Sheets, December 31, 1998 (Immediately prior to final liquidating distribution) and December 31, 1997

Consolidated Statements of Operations, year ended December 31, 1998 (Immediately prior to final liquidating distribution), and years ended December 31, 1997 and 1996

Consolidated Statements of Partners' Capital Accounts (Deficits), year ended December 31, 1998 (Immediately prior to final liquidating distribution), and years ended December 31, 1997 and 1996

Consolidated Statements of Cash Flows, year ended December 31, 1998 (Immediately prior to final liquidating distribution), and years ended December 31, 1997 and 1996

Notes to Consolidated Financial Statements

Schedules not filed:

All schedules have been omitted as the required information is inapplicable or the information is presented in the consolidated financial statements or related notes.

INDEPENDENT AUDITORS' REPORT

The Partners
JMB INCOME PROPERTIES, LTD. - IV:

We have audited the consolidated financial statements of JMB Income Properties, Ltd. - IV (a limited partnership) and consolidated venture as listed in the accompanying index. These consolidated financial statements are the responsibility of the General Partners of the Partnership. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the General Partners of the Partnership, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of JMB Income Properties, Ltd. - IV and consolidated venture at December 31, 1998 (immediately prior to final liquidating distribution) and December 31, 1997, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1998, in conformity with generally accepted accounting principles.

KPMG LLP

Chicago, Illinois
March 12, 1999

<TABLE>

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 1998 (IMMEDIATELY PRIOR TO FINAL LIQUIDATING DISTRIBUTION)
AND DECEMBER 31, 1997

ASSETS

<CAPTION>

<S>

	1998	1997
	-----	-----
<C>		<C>

Current assets:		
Cash and cash equivalents	\$ 10,498,060	5,539,319
Rents and other receivables (net of allowance for doubtful accounts of \$50,017 for 1997)	--	440,968
Prepaid expenses	--	25,675
Escrow deposits	--	750
	-----	-----
Total current assets	10,498,060	6,006,712
	-----	-----
Investment property held for sale	--	4,860,403
	-----	-----
Deferred expenses	--	5,845
Accrued rents receivable	--	224,974
	-----	-----
	\$ 10,498,060	11,097,934
	=====	=====

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED BALANCE SHEETS - CONTINUED

LIABILITIES AND PARTNERS' CAPITAL ACCOUNTS (DEFICITS)

	1998	1997
	-----	-----
Current liabilities:		
Current portion of long-term debt	\$ --	508,287
Accounts payable	--	29,828
Accrued interest	--	13,851
Unearned rents	--	74,814
	-----	-----
Total current liabilities	--	626,780
Tenant security deposits	--	17,595
Other long-term liabilities	--	820,107
Long-term debt, less current portion	--	1,866,179
	-----	-----
Commitments and contingencies		
Total liabilities	--	3,330,661
Venture partner's equity in venture	--	1,516,794
Partners' capital accounts (deficits):		
General partners:		
Cumulative net earnings	4,769,971	2,363,983
Cumulative cash distributions	(3,640,853)	(3,640,853)
	-----	-----
	1,129,118	(1,276,870)
	-----	-----
Limited partners (20,005 interests):		
Capital contributions, net of offering costs	17,996,292	17,996,292
Cumulative net earnings	42,353,941	40,512,348
Cumulative cash distributions	(50,981,291)	(50,981,291)
	-----	-----
	9,368,942	7,527,349
	-----	-----
Total partners' capital accounts	10,498,060	6,250,479
	-----	-----
	\$ 10,498,060	11,097,934
	=====	=====

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED STATEMENTS OF OPERATIONS

YEAR ENDED DECEMBER 31, 1998 (IMMEDIATELY PRIOR TO FINAL LIQUIDATING DISTRIBUTION),
AND YEARS ENDED DECEMBER 31, 1997 and 1996

<CAPTION>

	1998	1997	1996
	-----	-----	-----
<S>	<C>	<C>	<C>
Income:			
Rental income	\$ 3,273,899	3,331,500	3,733,410
Interest income	296,210	232,709	242,822
	-----	-----	-----
	3,570,109	3,564,209	3,976,232
	-----	-----	-----
Expenses:			
Mortgage and other interest	195,214	264,004	302,890
Depreciation	--	274,235	371,325
Property operating expenses	1,483,631	1,627,387	1,545,605
Professional services	110,890	61,068	40,461
Amortization of deferred expenses	2,011	45,749	61,088
Management fees to Managing General Partner	265,366	--	88,911
General and administrative	138,037	90,619	77,948
	-----	-----	-----
	2,195,149	2,363,062	2,488,228
	-----	-----	-----
	1,374,960	1,201,147	1,488,004
Venture partner's share of venture operations	(580,020)	(367,583)	(550,926)
	-----	-----	-----
Earnings (loss) before gain on sale of investment property	794,940	833,564	937,078
Gain on sale of investment property and liquidation of venture, net of venture partners' share of (\$406,554)	3,493,807	--	--
	-----	-----	-----
Earnings before extraordinary item	4,288,747	833,564	937,078
Extraordinary item - prepayment penalty, net of venture partner's share of (\$10,292)	(41,166)	--	--
	-----	-----	-----
Net earnings (loss)	\$ 4,247,581	833,564	937,078
	=====	=====	=====

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED STATEMENTS OF OPERATIONS - CONTINUED

	1998	1997	1996
	-----	-----	-----
Net earnings (loss) per limited partnership interest:			
Earnings (loss) before gain on sale of investment property	\$ 38.94	40.83	45.91
Gain on sale of investment property and liquidation of venture	55.15	--	--
Extraordinary item	(2.03)	--	--
	-----	-----	-----
Net earnings (loss)	\$ 92.06	40.83	45.91
	=====	=====	=====

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL ACCOUNTS (DEFICITS)

YEAR ENDED DECEMBER 31, 1998 (IMMEDIATELY PRIOR TO FINAL LIQUIDATING DISTRIBUTION),
AND YEARS ENDED DECEMBER 31, 1997 AND 1996

<CAPTION>

	GENERAL PARTNERS			LIMITED PARTNERS (20,005 INTERESTS)			
	NET EARNINGS	CASH DISTRIBUTIONS	TOTAL	CONTRI- BUTIONS NET OF OFFERING COSTS	NET EARNINGS	CASH DISTRIBUTIONS	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance (deficits) December 31, 1995.	\$2,328,570	(3,375,428)	(1,046,858)	17,996,292	38,777,119	(48,380,641)	8,392,770
Net earnings (loss).	18,742	--	18,742	--	918,336	--	918,336
Cash distributions (\$130.00 per limited partnership interest) .	--	(265,425)	(265,425)	--	--	(2,600,650)	(2,600,650)
Balance (deficits) December 31, 1996.	2,347,312	(3,640,853)	(1,293,541)	17,996,292	39,695,455	(50,981,291)	6,710,456
Net earnings (loss).	16,671	--	16,671	--	816,893	--	816,893
Cash distributions . . .	--	--	--	--	--	--	--

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)

CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL ACCOUNTS (DEFICITS) - CONTINUED

	GENERAL PARTNERS			LIMITED PARTNERS (20,005 INTERESTS)			
	NET EARNINGS	CASH DISTRIBUTIONS	TOTAL	CONTRIBUTIONS NET OF OFFERING COSTS	NET EARNINGS	CASH DISTRIBUTIONS	TOTAL
Balance (deficits) December 31, 1997.	2,363,983	(3,640,853)	(1,276,870)	17,996,292	40,512,348	(50,981,291)	7,527,349
Net earnings (loss).	2,405,988	--	2,405,988	--	1,841,593	--	1,841,593
Cash distributions . . .	--	--	--	--	--	--	--
Balance (deficits) December 31, 1998.	\$4,769,971	(3,640,853)	1,129,118	17,996,292	42,353,941	(50,981,291)	9,368,942

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 1998 (IMMEDIATELY PRIOR TO FINAL LIQUIDATING DISTRIBUTION),
AND YEARS ENDED DECEMBER 31, 1997 AND 1996

<CAPTION>

	1998	1997	1996
Cash flows from operating activities:			
Net earnings	\$ 4,247,581	833,564	937,078
Items not requiring (providing) cash or cash equivalents:			
Depreciation	--	274,235	371,325
Amortization of deferred expenses.	2,011	45,749	61,088
Venture partner's share of venture operations, gain on sale and extraordinary item.	163,174	367,583	550,926
Total gain on sale of investment property.	(3,087,253)	--	--
Extraordinary item including venture partner's share.	51,458	--	--

Changes in:			
Rents and other receivables	440,968	(102,779)	41,688
Prepaid expenses	25,675	(4,449)	5,860
Accrued rents receivable	37,320	62,220	(36,640)
Escrow deposits	750	18,593	(463)
Accounts payable	(29,828)	(24,380)	37,859
Accrued interest	(13,851)	1,551	(3,766)
Unearned rents	(74,814)	(4,732)	33,865
Tenant security deposits	(17,595)	(3,250)	2,000
	-----	-----	-----
Net cash provided by (used in)			
operating activities	1,745,596	1,463,905	2,000,820
	-----	-----	-----
Cash flows from investing activities:			
Additions to investment properties	(808)	(11,129)	(4,107)
Payment of deferred expenses	--	(5,456)	(6,610)
Proceeds from sale of investment property	6,178,721	--	--
	-----	-----	-----
Net cash provided by (used in)			
investing activities	6,177,913	(16,585)	(10,717)
	-----	-----	-----

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED

	1998	1997	1996
	-----	-----	-----
Cash flows from financing activities:			
Loan repayment to venture partner	(820,107)	--	--
Principal payments on long-term debt	(464,693)	(460,404)	(416,199)
Distributions to venture partner	(1,679,968)	--	(977,762)
Distributions to limited partners	--	--	(2,600,650)
Distributions to general partners	--	--	(265,425)
	-----	-----	-----
Net cash used in financing activities	(2,964,768)	(460,404)	(4,260,036)
	-----	-----	-----
Net increase (decrease) in cash			
and cash equivalents	4,958,741	986,916	(2,269,933)
Cash and cash equivalents,			
beginning of year	5,539,319	4,552,403	6,822,336
	-----	-----	-----
Cash and cash equivalents,			
end of year	\$10,498,060	5,539,319	4,552,403
	=====	=====	=====
Supplemental disclosure of			
cash flow information:			
Cash paid for mortgage and other interest	\$ 209,788	262,453	306,656
	=====	=====	=====
Non-cash investing and financing activities	\$ --	--	--
	=====	=====	=====
Sale of investment property:			
Total sale proceeds, net of selling expenses	\$ 8,139,952	--	--
Prepayment penalty	(51,458)	--	--
Payment on loans payable	(1,909,773)	--	--
	-----	-----	-----
Cash proceeds from sale of			
investment property, net of			
selling expenses	\$ 6,178,721	--	--
	=====	=====	=====

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

JMB INCOME PROPERTIES, LTD. - IV
(A LIMITED PARTNERSHIP)
AND CONSOLIDATED VENTURE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1998, 1997 AND 1996

OPERATIONS AND BASIS OF ACCOUNTING

The Partnership held (through a joint venture) an ownership in a shopping center in Huntsville, Alabama. Business activities consisted of rentals to a variety of retail companies and the ultimate sale or disposition of such real estate. The accompanying consolidated financial statements include the accounts of the Partnership and its majority owned venture, Huntsville Mall Associates ("Huntsville") (prior to the sale in December 1998). The effect of all transactions between the Partnership and its consolidated venture has been eliminated.

The Partnership's records were maintained on the accrual basis of accounting as adjusted for Federal income tax reporting purposes. The accompanying consolidated financial statements have been prepared from such records after making appropriate adjustments to present the Partnership's accounts in accordance with generally accepted accounting principles ("GAAP") and to consolidate the accounts of the venture as described above.

Such GAAP and consolidation adjustments were not recorded on the records of the Partnership. The net effect of these items for the year ended December 31, 1998 (immediately prior to final liquidating distribution) and the year ended December 31, 1997 is summarized as follows:

<TABLE>

<CAPTION>

	1998		1997	
	GAAP BASIS	TAX BASIS (Unaudited)	GAAP BASIS	TAX BASIS (Unaudited)
<S>	<C>	<C>	<C>	<C>
Total assets	\$ 10,498,060	10,498,060	11,097,934	5,977,403
Partners' capital accounts (deficits):				
General partners	1,129,118	1,129,118	(1,276,870)	(72,802)
Limited partners	9,368,942	9,368,942	7,527,349	6,054,773
Net earnings (loss):				
General partners	2,405,988	1,201,920	16,671	15,860
Limited partners	1,841,593	3,314,169	816,893	777,144
Net earnings (loss) per limited partnership interest	92.06	165.67	40.83	38.85

</TABLE>

The net earnings (loss) per limited partnership interest ("Interest") was based upon the number of Interests outstanding at the end of each period (20,005). Also, because net earnings (loss) was computed immediately prior to dissolution, Holders of Interests may have, upon dissolution, an additional capital gain or loss depending on the Holders' basis for Federal income tax purposes.

The preparation of financial statements in accordance with GAAP required the Partnership to make estimates and assumptions that affected the reported or disclosed amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could have differed from those estimates.

Statement of Financial Accounting Standards No. 95 requires the Partnership to present a statement which classifies receipts and payments according to whether they stem from operating, investing or financing activities. The required information has been segregated and accumulated according to the classifications specified in the pronouncement. In addition, the Partnership recorded investments held in U.S. Government obligations at cost, which approximates market. For the purpose of these statements, the Partnership's policy was to consider all such amounts held with original maturities of three months or less (none and \$5,221,075 at December 31, 1998 and 1997, respectively) as cash equivalents, which included investments in an institutional mutual fund which held United States Government obligations, with any remaining amounts (generally with original maturities of one year or less) reflected as short-term investments being held to maturity.

Deferred expenses consisted of leasing fees which were amortized over the term of the related leases using the straight-line method.

Although certain leases of the Partnership provided for tenant occupancy during periods for which no rent was due and/or increases in minimum lease payments over the term of the lease, the Partnership accrued rental income for the full period of occupancy on a straight-line basis. Such amounts are reflected as accrued rents receivable in the accompanying balance sheets.

No provision for state or Federal income taxes had been made as the liability for such taxes is that of the partners rather than the Partnership. However, in certain instances, the Partnership has been required under applicable law to remit directly to the taxing authorities amounts representing withholding from distributions paid to partners.

The Partnership initially acquired, either directly or through joint ventures, three shopping centers and three office buildings, all of which have been sold as of December 31, 1998. The cost of the investment properties represented the total cost to the Partnership or its ventures, including miscellaneous acquisition costs.

Depreciation on the properties had been provided over the estimated useful lives of the various components as follows:

	YEARS

Buildings and improvements -- straight-line	5-35
	=====

Maintenance and repairs were generally charged to operations as incurred. Significant betterments and improvements were capitalized and depreciated over their estimated useful lives.

The Partnership adopted Statement of Financial Accounting Standards No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" ("SFAS 121") as required in the first quarter of 1996. SFAS 121 required that the Partnership record an impairment loss on its properties to be held for investment whenever their carrying value could not be fully recovered through estimated undiscounted future cash flows from their operations and sale. The amount of the impairment loss to be recognized would have been the difference between the property's carrying value and the property's estimated fair value. The Partnership's policy was to consider a property to be held for sale or disposition when the Partnership had committed to a plan to sell such property and active marketing activity had commenced or was expected to commence in the near term. In accordance with SFAS 121, any properties identified as "held for sale or disposition" were no longer depreciated. Adjustments for impairment loss for such properties (subsequent to the date of adoption of SFAS 121) were made in each period as necessary to report these properties at the lower of carrying value or fair value less costs to

sell. The adoption of SFAS 121 did not have any effect on the Partnership's financial position, results of operations or liquidity.

As of September 30, 1997, the Partnership committed to a plan to sell the Parkway City Mall investment property. Accordingly, the property was classified at September 30, 1997 as held for sale or disposition in the accompanying consolidated financial statements until the sale in December 1998. The results of operations, net of venture partner's share, for the property is \$1,182,275, \$885,434 and \$1,019,120, respectively, for the years ended December 31, 1998, 1997 and 1996.

During the second quarter of 1997, Statements of Financial Accounting Standards No. 128 ("Earnings per Share") and No. 129 ("Disclosure of Information about Capital Structure") were issued. These standards became effective for reporting periods after December 15, 1997. As the Partnership's capital structure only had general and limited partnership interests, the Partnership did not experience any significant impact on its consolidated financial statements upon adoption of these standards when required at the end of 1997.

HUNTSVILLE - PARKWAY CITY MALL

The Partnership was a general partner in Huntsville Mall Associates ("Huntsville"). In 1976, Huntsville purchased a shopping center, the Parkway City Mall, in Huntsville, Alabama for \$10,024,458. The Partnership originally contributed approximately \$3,450,000 to Huntsville.

In 1979, the original venture partner sold its interest in Huntsville, for which the Partnership had the right of first refusal, to affiliates of the General Partners of the Partnership for \$1,050,000 in cash.

On December 1, 1998, the Partnership, through a joint venture, sold the Parkway City Mall to an affiliate of the otherwise unaffiliated indirect partner in the joint venture for \$8,200,000 less selling costs of approximately \$60,000. A portion of the sales proceeds was utilized to retire the mortgage debt with an outstanding balance of approximately \$1,910,000 and a prepayment premium of approximately \$51,000 (of which the Partnership's share of \$41,166 is reported as an extraordinary item in the 1998 Consolidated Financial Statements). The Partnership received cash proceeds from the sale of approximately \$5,360,000. As a result of the sale, the Partnership recognized a gain of approximately \$3,500,000 for financial reporting purposes and \$4,051,000 for Federal income tax purposes in 1998. Due to preference levels within the venture agreement, the venture partner's share is a loss of approximately (\$407,000) for financial reporting purposes and (\$647,000) for Federal income tax purposes. The joint venture made no representations, warranties or covenants in connection with the sale of this property.

Net cash receipts (as defined) of Huntsville were distributed as follows: the first \$83,455 was distributable to the Partnership; the next \$343,750 was distributable \$275,000 to the Partnership and \$68,750 to the venture partner, and any remaining net cash receipts were distributable 60% to the Partnership and 40% to the venture partner. The Partnership had a preferred position (related to the Partnership's cash investment in Huntsville) with respect to the distribution of sale or refinancing proceeds from Huntsville.

In prior years, the venture partners made non-interest bearing loans (70% funded by the Partnership) to the venture to fund an expansion of the property and certain other improvements, reflected as other long-term liabilities in the financial statements. The loans were repaid from net sales proceeds prior to any distributions as described above.

Huntsville's operating profits (other than depreciation expense) were allocated to the Partnership (to a maximum of 80%) in relation to distributions of net cash receipts. Huntsville's operating losses were allocated to the Partnership to the extent of 80%. The Partnership's share of the net earnings of Huntsville in 1998, 1997 and 1996 was approximately 67%, 71% and 66%, respectively.

Huntsville had previously discontinued its distributions effective with the first quarter of 1993 in order to fund certain tenant allowances and a limited renovation of the shopping center in 1993 and 1994. Subsequently, in response to market conditions, Huntsville had examined a

potential redevelopment of the Parkway City Mall which it determined not to undertake. Consequently, in May 1996, Huntsville made a special distribution of its net cash receipts for 1993, 1994 and a portion of 1995 of which the Partnership's share was approximately \$2,200,000. In 1998, Huntsville distributed its remaining net cash receipts for the remaining portion of 1995, 1996, 1997 and 1998 of which the Partnership's share was approximately \$3,260,000.

Huntsville had entered into an agreement with an affiliate of the General Partners for the operation and management of the Parkway City Mall.

Such agreement provided for management fees equal to 5% of the property's gross receipts.

LONG-TERM DEBT

Long-term debt consisted of the following at December 31, 1998 and 1997:

	1998	1997
	-----	-----
10% mortgage note, secured by the Parkway City Mall shopping center in Huntsville, Alabama; payable in monthly installments of \$60,238, including interest, repaid in December 1998 upon sale of the property	\$ --	2,374,466
Less current portion of long-term debt	--	508,287
	-----	-----
Total long-term debt	\$ --	1,866,179
	=====	=====

PARTNERSHIP AGREEMENT

Pursuant to the terms of the Partnership Agreement, net profits or losses of the Partnership from operations were allocated 98% to the Limited Partners and 2% to the General Partners. Profits from the sale or refinancing of investment properties were allocated to the General Partners in an amount equal to the greater of 1% of such profits or any cash distributions from such sale or refinancing paid to the General Partners. Losses from the sale or refinancing of investment properties were to be allocated 1% to the General Partners. The remaining profits and losses from a sale or refinancing were allocated to the Limited Partners. However, if at any time profits were realized by the Partnership, any current or anticipated event that would cause the deficit balance in absolute amount in the Capital Account of the General Partners to be greater than their share of the Partnership's indebtedness (as defined) after such event, then the allocation of Profits to the General Partners was to be increased to the extent necessary to cause the deficit balance in the Capital Account of the General Partners to be no less than their respective shares of the Partnership's indebtedness (as defined) after such event.

The General Partners were not required to make any capital contributions except under certain limited circumstances upon termination of the Partnership, which did not apply. Distributions of "cash flow" of the Partnership were allocated 90% to the Limited Partners and 10% to the General Partners (of which 5% constitutes a management fee to the Managing General Partner for services in managing the Partnership).

After the Limited Partners' receipt of their contributed capital plus a stipulated return thereon (which had been received as of December 31, 1985) distributions of proceeds arising from the sale or refinancing of investment properties were allocated 85% to the Limited Partners and 15% to the General Partners. In addition, the General Partners were entitled to receive distributions in an amount up to 3/4 of 1% of the selling price of a property in the event of a sale.

TRANSACTIONS WITH AFFILIATES

Fees, commissions, and other expenses required to be paid by the Partnership to the General Partners and their affiliates as of December 31, 1998 and for the year ended December 31, 1998 (immediately prior to final

liquidating distribution), and for the years ended December 31, 1997 and 1996 are as follows:

	1998	1997	1996	UNPAID AT DECEMBER 31, 1998
	-----	-----	-----	-----
Property management fees	\$166,564	165,325	187,284	--
Management fees to Managing General Partners	265,366	--	88,911	--
Insurance commissions	5,847	9,573	9,211	--
Reimbursement (at cost) for out-of-pocket expenses	1,620	--	264	--
	-----	-----	-----	-----
	\$439,397	174,898	285,670	--
	=====	=====	=====	=====

Effective October 1, 1995, the Managing General Partner of the Partnership engaged independent third parties to perform certain administrative services for the Partnership which were previously performed by affiliates of the General Partners. Use of such third parties did not have a material effect on the operations of the Partnership.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There were no changes in or disagreements with, accountants during fiscal years 1997 and 1998.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE PARTNERSHIP

The Managing General Partner of the Partnership was JMB Realty Corporation ("JMB"), a Delaware corporation, substantially all of the outstanding stock of which is owned, directly or indirectly, by certain of its officers, directors, members of their families and affiliates. JMB had responsibility for all aspects of the Partnership's operations, subject to the requirement that sales of real property were to be approved by Messrs. Neil G. Bluhm and Judd D. Malkin as individual general partners of the Partnership. The Partnership was subject to certain conflicts of interest arising out of its relationships with the General Partners and their affiliates as well as the fact that the General Partners and their affiliates are engaged in a range of real estate activities. Certain services were provided to the Partnership or its investment property by affiliates of the General Partners, including property management services and insurance brokerage services. In general, such services were to be provided on terms no less favorable to the Partnership than could be obtained from independent third parties and were otherwise subject to conditions and restrictions contained in the Partnership Agreement. The Partnership Agreement permitted the General Partners and their affiliates to provide services to, and otherwise deal and do business with, persons who may have been engaged in transactions with the Partnership, and permitted the Partnership to borrow from, purchase goods and services from, and otherwise to do business with, persons doing business with the General Partners or their affiliates. The General Partners and their affiliates may have been in competition with the Partnership under certain circumstances, including, in certain geographical markets, for tenants and/or for the sale of property. Because the timing and amount of cash distributions and profits and losses of the Partnership may have been affected by various determinations by the General Partners under the Partnership Agreement, including whether and when to sell a property, the establishment and maintenance of reasonable reserves and the determination of the sources (i.e., offering proceeds, cash generated from operations or sale proceeds) and uses of such reserves, the timing of expenditures and the allocation of certain tax items under the Partnership Agreement, the General Partners may have had a conflict of interest with respect to such determinations.

The names, positions held and length of service therein of each director and the executive and certain other officers of the Managing General Partner are as follows:

NAME	OFFICE	SERVED IN OFFICE SINCE
----	-----	-----
Judd D. Malkin	Chairman	5/03/71
	Director	5/03/71
	Chief Financial Officer	2/22/96
Neil G. Bluhm	President	5/03/71
	Director	5/03/71
Burton E. Glazov	Director	7/01/71
Stuart C. Nathan	Executive Vice President	5/08/79
	Director	3/14/73
A. Lee Sacks	Director	5/09/88
John G. Schreiber	Director	3/14/73
H. Rigel Barber	Executive Vice President	1/02/87
	Chief Executive Officer	8/01/93
Glenn E. Emig	Executive Vice President	1/01/93
	Chief Operating Officer	1/01/95

NAME	OFFICE	SERVED IN OFFICE SINCE
----	-----	-----
Gary Nickele	Executive Vice President	1/01/92
	General Counsel	2/27/84
Gailen J. Hull	Senior Vice President	6/01/88
Howard Kogen	Senior Vice President	1/02/86
	Treasurer	1/01/91

There is no family relationship among any of the foregoing directors or officers. The foregoing directors have been elected to serve a one-year term until the annual meeting of the Managing General Partner to be held on June 2, 1999. All of the foregoing officers have been elected to serve one-year terms until the first meeting of the Board of Directors held after the annual meeting of the Managing General Partner to be held on June 2, 1999. There are no arrangements or understandings between or among any of said directors or officers and any other person pursuant to which any director or officer was elected as such.

JMB is the corporate general partner of Carlyle Real Estate Limited Partnership-XI ("Carlyle-XI"), Carlyle Real Estate Limited Partnership-XIII ("Carlyle-XIII"), Carlyle Real Estate Limited Partnership-XIV ("Carlyle-XIV"), Carlyle Real Estate Limited Partnership-XV ("Carlyle-XV"), Carlyle Income Plus, L.P.-II ("Carlyle Income Plus-II"), and the managing general partner of JMB Income Properties, Ltd.-V ("JMB Income-V"), JMB Income Properties, Ltd.-VII ("JMB Income-VII"), JMB Income Properties, Ltd.-X ("JMB Income-X"), and JMB Income Properties, Ltd.-XI ("JMB Income-XI"). JMB is also the sole general partner of the associate general partner of most of the foregoing partnerships. Most of the foregoing directors and officers are also officers and/or directors of various affiliated companies of JMB including Arvida/JMB Managers, Inc. (the general partner of Arvida/JMB Partners, L.P. ("Arvida")). Most of such directors and officers are also partners, directly or indirectly, of certain partnerships which are associate general partners in the following real estate limited partnerships: Carlyle-XI, Carlyle-XIII, Carlyle-XIV, Carlyle-XV, JMB Income-VII, JMB Income-X, JMB Income-XI, and Carlyle Income Plus-II.

The business experience during the past five years of each such director and officer of the Managing General Partner of the Partnership in addition to that described above is as follows:

Judd D. Malkin (age 61) is an individual general partner of JMB Income-V. Mr. Malkin has been associated with JMB since October 1969. Mr. Malkin is also a director of Urban Shopping Centers, Inc., an affiliate of JMB that is a real estate investment trust in the business of owning, managing and developing shopping centers. He is a Certified Public Accountant.

Neil G. Bluhm (age 61) is an individual general partner of JMB Income-V. Mr. Bluhm has been associated with JMB since August 1970. Mr. Bluhm is also a principal of Walton Street Capital, L.L.C., which sponsors real estate investment funds, and a director of Urban Shopping Centers, Inc. He is a member of the Bar of the State of Illinois and a Certified Public Accountant.

Burton E. Glazov (age 60) has been associated with JMB since June 1971, and served as an Executive Vice President of JMB until December of 1990. Mr. Glazov is currently retired. He is a member of the Bar of the State of Illinois.

Stuart C. Nathan (age 57) has been associated with JMB since July 1972. He is a member of the Bar of the State of Illinois.

A. Lee Sacks (age 65) has been associated with JMB since December 1972. He is also President and director of JMB Insurance Agency, Inc.

John G. Schreiber (age 52) has been associated with JMB since December 1970, and served as an Executive Vice President for JMB until December 1990. Mr. Schreiber is President of Schreiber Investments, Inc., which is engaged in the real estate investing business. He is also a senior advisor and partner of Blackstone Real Estate Advisors L.P., an affiliate of the Blackstone Group, L.P. Mr. Schreiber is also a director of Urban Shopping Centers, Inc, a trustee of Amlri Residential Property Trust and a director of a number of investment companies advised or managed by T. Rowe Price Associates, Inc. and its affiliates. He holds a Masters degree in Business Administration from Harvard University Graduate School of Business.

H. Rigel Barber (age 50) has been associated with JMB since March 1982. He holds a J.D. degree from the Northwestern Law School and is a member of the Bar of the State of Illinois.

Glenn E. Emig (age 51) has been associated with JMB since December 1979. Prior to becoming Executive Vice President of JMB in 1993, Mr. Emig was Executive Vice President and Treasurer of JMB Institutional Realty Corporation. He holds a Masters degree in Business Administration from the Harvard University Graduate School of Business and is a Certified Public Accountant.

Gary Nickele (age 46) has been associated with JMB since February 1984. He holds a J.D. degree from the University of Michigan Law School and is a member of the Bar of the State of Illinois.

Gailen J. Hull (age 50) has been associated with JMB since March 1982. He holds a Masters degree in Business Administration from Northern Illinois University and is a Certified Public Accountant.

Howard Kogen (age 63) has been associated with JMB since March 1973. He is a Certified Public Accountant.

ITEM 11. EXECUTIVE COMPENSATION

The Partnership had no officers or directors. The Partnership was required to pay a management fee to the Managing General Partner and the General Partners were entitled to receive a share of cash distributions, when and as cash distributions were made to the Limited Partners, and a share of profits or losses. During 1998, 1997 and 1996, management fees of \$265,366, \$0 and \$88,911 were paid to the Managing General Partner and the General Partner received distributions, including the final liquidating distribution of \$1,129,118, \$0 and \$265,425, respectively. The General Partners also received a share of the Partnership's earnings for Federal income tax purposes aggregating \$1,201,920 in 1998.

JMB Insurance Agency, Inc., an affiliate of the Managing General Partner of the Partnership, earned insurance brokerage commissions in 1998 aggregating \$5,847, all of which was paid at December 31, 1998, in connection with providing insurance coverage for the remaining real

property investment of the Partnership. Such commissions were at rates set by insurance companies for the classes of coverage involved.

Urban Retail Properties Company, an affiliate of the Managing General Partner, provided property management services to the Partnership's joint venture in 1998 for the Parkway City Mall investment property at a fee calculated at 5% of gross income from such property. In 1998, such affiliate earned property management fees of \$166,564 for such services, all of which was paid at December 31, 1998. As set forth in the Prospectus of the Partnership, the Managing General Partner was to negotiate such agreements on terms no less favorable to the Partnership than those customarily charged for similar services in the relevant geographical area (but in no event at rates greater than 5% of the gross income from a property), and such agreements were to be terminable by either party thereto, without penalty upon 60 days' notice.

The General Partners of the Partnership and their affiliates were reimbursed for their direct expenses relating to the administration of the Partnership and the operation of the Partnership's real property investments. In 1998, the Managing General Partner of the Partnership and its affiliates received reimbursements of \$1,620 for such out-of-pocket expenses.

The Partnership was permitted to engage in various transactions involving affiliates of the Managing General Partner of the Partnership. The relationship of the Managing General Partner (and its directors and officers) to its affiliates is set forth in Item 10 above and Exhibit 21 hereto.

<TABLE>
<CAPTION>
ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) The following owned, or may have been deemed to have owned, beneficially more than 5% of the outstanding Interests of the Partnership immediately prior to its liquidation.

TITLE OF CLASS -----	NAME OF BENEFICIAL OWNER -----	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP -----	PERCENT OF CLASS -----
<S>	<C>	<C>	<C>
(i)			
Limited Partnership Interests	Liquidity Fund X (1)	45 Interests directly (2)	Less than 1%
Limited Partnership Interests	Liquidity Fund XIV (1)	50 Interests directly (2)	Less than 1%
Limited Partnership Interests	Liquidity Fund XV (1)	45 Interests directly (2)	Less than 1%
Limited Partnership Interests	Liquidity Fund 32, L.P. (1)	264 Interests directly (2)	1.3%
Limited Partnership Interests	Liquidity Fund High Yield Institutional Investors (1)	37 Interests directly (2)	Less than 1%
Limited Partnership Interests	Liquidity Fund Tax Exempt Partners (1)	365 Interests directly (2)	1.8%
Limited Partnership Interests	Liquidity Fund Tax Exempt Partners II (1)	456 Interests directly (2)	2.3%
Limited Partnership Interests	Liquidity Fund 73, L.P. (1)	264 Interests directly (2)	1.3%
Limited Partnership Interests	LF 74, L.P. (1)	238.5 Interests directly (2)	1.2%
Limited Partnership Interests	Liquidity Financial Group, L.P. (1)	1,764.5 Interests indirectly (3)	8.8%

Limited Partnership
Interests

Liquidity Financial
Corporation (1)

1,764.5 Interests
indirectly (3)

8.8%

<FN>

(1) The address of each beneficial owner listed in this subsection (a) (i) is P.O. Box 882044, San Francisco, California 94188.

(2) Each entity referenced by this note (2) had reported that it had sole voting and dispositive power with respect to the Interests that it owned directly as shown in the above table in this subsection (a) (i). However, voting and dispositive power was exercised on behalf of each such entity by its general partner, Liquidity Financial Group, L.P. The general partner of Liquidity Financial Group, L.P. is Liquidity Financial Corporation. Because of their affiliations, all beneficial owners identified in this subsection (a) (i) may be deemed to have been members of a group with shared voting and dispositive power with respect to the aggregate 1,764.5 Interests (8.8%) beneficially owned by them. See note (3) of this subsection (a) (i). The exercise of voting power with respect to any Interests was subject to the terms and conditions of the Partnership Agreement of the Partnership.

(3) Includes the aggregate 1,764.5 Interests owned directly by the entities referenced by note (2) in this subsection (a) (i). Liquidity Financial Group, L.P, was the general partner of each such entity and exercised voting and dispositive power on behalf of each such entity. Liquidity Financial Corporation is the general partner of Liquidity Financial Group, L.P. As such, Liquidity Financial Group, L.P. and Liquidity Financial Corporation may have been deemed to have had shared voting and dispositive power with respect to the aggregate 1,764.5 Interests owned by such entities. Reference is made to note (2) in this subsection (a) (i).

</TABLE>

<TABLE>
<CAPTION>

TITLE OF CLASS -----	NAME OF BENEFICIAL OWNER -----	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP -----	PERCENT OF CLASS -----
<S>	<C>	<C>	<C>
(ii)			
Limited Partnership Interests	Equity Resource Bridge Fund (1) (4)	20 Interests directly	Less than 1%
Limited Partnership	Equity Resource	269 Interests	1.3%

Interests	Fund XV Limited Partnership (1) (4)	directly	
Limited Partnership Interests	Equity Resource Fund XVII Limited Partnership (1) (4)	1,133.22 Interests directly	5.7%
Limited Partnership Interests	Equity Resources Group, Incorporated (1) (4)	1,402.22 Interests indirectly (2) (3)	7.0%
Limited Partnership Interests	Eggert Dagbjartsson (1) (4)	1,133.22 Interests indirectly (3)	5.7%
Limited Partnership Interests	Mark S. Thompson (1) (4)	269 Interests indirectly (2)	1.3%

<FN>

(1) The address of each beneficial owner listed in this subsection (a)(ii) is 14 Story Street, Cambridge, Massachusetts 02138.

(2) Includes 269 Interests owned directly by Equity Resource Fund XV Limited Partnership for which Equity Resources Group, Incorporated and Mark S. Thompson act as the general partners and have reported that they had shared voting and dispositive power with respect to such Interests.

(3) Includes 1,133.22 Interests owned directly by Equity Resource Fund XVII Limited Partnership for which Equity Resources Group, Incorporated and Eggert Dagbjartsson act as the general partners. Equity Resources Group, Incorporated and Mr. Dagbjartsson have reported that they had shared voting and dispositive power with respect to Interests owned by such partnership.

(4) Because of their affiliations, all beneficial owners identified in this subsection (a)(ii) may be deemed to have been members of a group with shared voting and dispositive power with respect to the aggregate 1,422.22 Interests (7.1%) beneficially owned by them. The exercise of voting power with respect to any Interests was subject to the terms and conditions of the Partnership Agreement of the Partnership.

</TABLE>

<TABLE>

(b) The Managing General Partner, its officers and directors and the individual General Partners beneficially owned the following Interests of the Partnership immediately prior to its liquidation:

<CAPTION>

TITLE OF CLASS	NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	PERCENT OF CLASS
<S>	<C>	<C>	<C>
Limited Partnership Interests	JMB Realty Corporation	5 Interests directly	Less than 1%
Limited Partnership Interests	Managing General Partner, its officers and directors and the individual General Partners as a group	5 Interests directly	Less than 1%

<FN>

No officer or director of the Managing General Partner of the Partnership possessed a right to acquire beneficial ownership of Interests of the Partnership.

Reference is made to Item 10 for information concerning ownership of the Managing General Partner.

(c) There existed no arrangement, known to the Partnership, the operation of which may have resulted in a change in control of the Partnership.

</TABLE>

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

There were no significant transactions or business relationships with the Managing General Partner, affiliates or their management other than those described in Items 10 and 11 above.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

(1) Financial Statements. (See Index to Financial Statements filed with this annual report).

(2) Exhibits.

3-A.* The Prospectus of the Partnership dated July 26, 1976, as supplemented August 19, 1976, September 16, 1976, and September 21, 1976, filed with the Commission pursuant to Rules 424(b) and 424(c), is hereby incorporated herein by reference.

3-B.* Amended and Restated Agreement of Limited Partnership set forth as Exhibit A to the Prospectus, and which agreement is hereby incorporated herein by reference.

4. Mortgage Note between Huntsville Mall Associates and New York Life Insurance Company, dated November 19, 1976, secured by the Parkway City Mall in Huntsville, Alabama is hereby incorporated herein by reference to the Partnership's Prospectus filed on Form S-11 (File No. 2-55624) dated July 26, 1976.

10-A. Acquisition documents including the venture agreement relating to the purchase by the Partnership of an interest in the Parkway City Mall in Huntsville, Alabama are hereby incorporated herein by reference to the Partnership's Prospectus on Form S-11 dated (File No. 2-55624) July 26, 1976.

21. List of Subsidiaries.

24. Powers of Attorney.

27. Financial Data Schedule.

* Previously filed as Exhibits 3-A and 3-B, respectively, to the Partnership's Report for December 31, 1992 on Form 10-K (File No. 0-8469) dated March 19, 1993.

(b) The following report on Form 8-K was filed since the last quarter of the period covered by this report.

(i) The Partnership's Report on Form 8-K (File No. 0-8469) for December 1, 1998 (describing the sale of Parkway City Mall by Huntsville Mall Associates) was filed. This report was dated December 15, 1998 and includes a discussion of the sale (Item 2) and narrative pro forma financial information with respect to the sale (Item 7).

No annual report for the fiscal year 1998 (immediately prior to liquidating distribution) or proxy material has been sent to the Partners of the Partnership. An annual report will be sent to the Partners

subsequent to this filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Partnership has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

JMB INCOME PROPERTIES, LTD. - IV

By: JMB Realty Corporation
Managing General Partner

By: GAILEN J. HULL
Gailen J. Hull
Senior Vice President
Date: March 22, 1999

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: JMB Realty Corporation
Managing General Partner

By: JUDD D. MALKIN*
Judd D. Malkin, Chairman and
Chief Financial Officer
Date: March 22, 1999

By: NEIL G. BLUHM*
Neil G. Bluhm, President and Director
Date: March 22, 1999

By: H. RIGEL BARBER*
H. Rigel Barber, Chief Executive Officer
Date: March 22, 1999

By: GLENN E. EMIG*
Glenn E. Emig, Chief Operating Officer
Date: March 22, 1999

By: GAILEN J. HULL
Gailen J. Hull, Senior Vice President
Principal Accounting Officer
Date: March 22, 1999

By: A. LEE SACKS*
A. Lee Sacks, Director
Date: March 22, 1999

By: STUART C. NATHAN*
Stuart C. Nathan, Executive Vice President
and Director
Date: March 22, 1999

*By: GAILEN J. HULL, Pursuant to a Power of Attorney

By: GAILEN J. HULL
Gailen J. Hull, Attorney-in-Fact
Date: March 22, 1999

JMB INCOME PROPERTIES, LTD. - IV

EXHIBIT INDEX

DOCUMENT
INCORPORATED
BY REFERENCE PAGE

3-A.*	Pages 9-14, 70-71, 75-76 and A-6 to A-16 of the Prospectus of the Partnership dated July 26, 1976, as supplemented August 19, 1976, September 16, 1976 and September 21, 1976	Yes
3-B.*	Amended and Restated Agreement of Limited Partnership	Yes
4.	Mortgage Note secured by the Parkway City Mall	Yes
10-A.	Acquisition documents related to the Parkway City Mall	Yes
21.	List of Subsidiaries	No
24.	Power of Attorney	No
27.	Financial Data Schedule	No

LIST OF SUBSIDIARIES

The Partnership was a general partner of Huntsville Mall Associates, an Illinois general partnership which held title to the Parkway City Mall in Huntsville, Alabama. Reference is made to the Notes to Consolidated Financial Statements filed with this annual report for a description of the terms of the Huntsville partnership agreement. The Partnership's interest in the Huntsville joint venture partnership and the results of its operations are included in the consolidated financial statements of the Partnership filed with this annual report.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned officers of JMB Realty Corporation, the managing general partner of JMB INCOME PROPERTIES, LTD. - IV, do hereby nominate, constitute and appoint GARY NICKELE, GAILEN J. HULL, DENNIS M. QUINN or any of them, attorneys and agents of the undersigned with full power of authority to sign in the name and on behalf of the undersigned officers a Report on Form 10-K of said partnership for the fiscal year ended December 31, 1998, and any and all amendments thereto, hereby ratifying and confirming all that said attorneys and agents and any of them may do by virtue hereof.

IN WITNESS WHEREOF, the undersigned have executed this Power of Attorney the 29th day of January, 1999.

H. RIGEL BARBER

H. Rigel Barber

Chief Executive Officer

GLENN E. EMIG

Glenn E. Emig

Chief Operating Officer

The undersigned hereby acknowledge and accept such power of authority to sign, in the name and on behalf of the above named officers, a Report on Form 10-K of said partnership for the fiscal year ended December 31, 1998, and any and all amendments thereto, the 29th day of January, 1999.

GARY NICKELE

Gary Nickele

GAILEN J. HULL

Gailen J. Hull

DENNIS M. QUINN

Dennis M. Quinn

EXHIBIT 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned officers of JMB Realty Corporation, the managing general partner of JMB INCOME PROPERTIES, LTD. - IV, do hereby nominate, constitute and appoint GARY NICKELE, GAILEN J. HULL, DENNIS M. QUINN or any of them, attorneys and agents of the undersigned with full power of authority to sign in the name and on behalf of the undersigned officers a Report on Form 10-K of said partnership for the fiscal year ended December 31, 1998, and any and all amendments thereto, hereby ratifying and confirming all that said attorneys and agents and any of them may do by virtue hereof.

IN WITNESS WHEREOF, the undersigned have executed this Power of Attorney the 29th day of January, 1999.

NEIL G. BLUHM

Neil G. Bluhm

President and Director

JUDD D. MALKIN

Judd D. Malkin

Chairman and Chief Financial Officer

A. LEE SACKS

A. Lee Sacks

Director of General Partner

STUART C. NATHAN

Stuart C. Nathan

Executive Vice President
Director of General Partner

The undersigned hereby acknowledge and accept such power of authority to sign, in the name and on behalf of the above named officers, a Report on Form 10-K of said partnership for the fiscal year ended December 31, 1998, and any and all amendments thereto, the 29th day of January, 1999.

GARY NICKELE

Gary Nickele

GAILEN J. HULL

Gailen J. Hull

DENNIS M. QUINN

Dennis M. Quinn

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE REGISTRANT'S FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS INCLUDED IN SUCH REPORT.

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