

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
THE APPLICABLE INTERNAL REVENUE CODE IS SECTION 301 (C) (2).

18 Can any resulting loss be recognized? ▶ THE DISTRIBUTION WILL NOT RESULT IN A LOSS.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
THE REPORTABLE TAX YEAR OF DISTRIBUTION IS 2019.

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 ▶ *Brian Dickman* Date ▶ 1/22/2020
Print your name ▶ Brian Dickman Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	TIMOTHY VOLPENHEIN	<i>T. Volpenhein</i>	1/21/2020		P01294055
	Firm's name ▶ DELOITTE TAX LLP	Firm's address ▶ 111 S WACKER DRIVE CHICAGO, IL 60606		Firm's EIN ▶ 86-1065772	Phone no. 312-486-1000

SERITAGE GROWTH PROPERTIES
EIN: 38-3976287
FORM 8937

<u>DATE</u>	<u>RETURN OF CAPITAL</u>	<u>NUMBER OF SHARES</u>	<u>RETURN OF CAPITAL PER SHARE</u>
01/14/2019	\$ 1,225,000	2,800,000	0.4375
04/15/2019	\$ 1,225,000	2,800,000	0.4375
07/15/2019	\$ 1,225,000	2,800,000	0.4375
10/15/2019	\$ 1,225,000	2,800,000	0.4375

The effect of the distributions is that they are treated as a return of capital and will reduce the basis of the security dollar for dollar until such time that the basis is equal to zero.