Department of the Treasury Internal Revenue Service

# Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer									
1 Issuer's name		2 Issuer's employer identification number (EIN)							
Colony Credit Real Estate,		38-4046290							
3 Name of contact for add	litional information	5 Email address of contact							
Kararath Barria			(24.2) 5.47. 2000						
Kenneth Bernice  6 Number and street (or P	O box if mail is not	delivered to s	(212)547-2600 treet address) of contact	7 City, town, or post office, state, and ZIP code of contact					
• Nambor and Street (or r	.o. box ii maii io not	0.19, 10.11, 0.1 post 0.1100, 0.1110, 0.110 = 1.110							
515 South Flower Street, 4-	4th Floor	Los Angeles, CA 90071							
8 Date of action									
See Attached Statement		Common							
10 CUSIP number	11 Serial number(s	s)	12 Ticker symbol	13 Account number(s)					
19625T101	N/A		CLNC	N/A					
				pack of form for additional questions.  Igainst which shareholders' ownership is measured for					
_				Istar I") and Northstar Real Estate Income II, Inc.					
			20-0-	rith Colony Credit surviving. Each share of					
				mmon stock. Each share of Northstar II class A					
				0.3511 shares of Colony Credit class A common					
				Credit class A common stock.					
15 Describe the quantitat	ive offect of the orga	nizational acti	ion on the basis of the security	in the hands of a LLS taypaver as an adjustment per					
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 ► See Attachment									
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16 Describe the calculation	on of the change in h	agic and the o	hata that cupports the calculation	on, such as the market values of securities and the					
			• •	received is based on the exchange ratios of the					
				edit class A common stock and each share of					
			115 PERSON 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 shares of Colony Credit class A common stock.					
-				s for which such cash was paid.					
2									
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Part II	0	rganizational Action (conti	inued)			
<b>17</b> List	the a	pplicable Internal Revenue Code s	section(s) and subsection(s) u	pon which the tax treatm	ent is based ▶	
		ue Code Sections 301(c), 302, 3				
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	_					
	_					
					1.11	. It of an articles people in tion of
<b>18</b> Ca	n any	resulting loss be recognized?	The only resulting loss that	may be recognized wo	uld be the res	suit of receiving cash in fleu of
fractiona	al shar	es if the basis in the exchanged	shares is greater than the	cash received.		
<b>19</b> Pro	ovide :	any other information necessary to	implement the adjustment,	such as the reportable ta	x year ► The	adjustment to basis would be
taken in	to acr	count in the year in which the me	erger was effective (i.e. 2018	3 for calendar year taxp	ayers).	
Lakeriiii	to acc	Count in the year in which the inc	organ was allocated (i.e. == -			
	Under	r penalties of perjury, I declare that I h , it is true, correct, and complete. Decla	ave examined this return, includi	ng accompanying schedules	and statement	s, and to the best of my knowledge and
	belief,	, it is true, correct, and complete. Decia	gration of preparer (other than off	cer) is based on an informati	on or willon prep	sale has any knowledge.
Sign		No. of the last of	•			
Here	Signa	ture Ventte		Dat	e ▶	
	Print	your name > Kenneth Bar	Men	Titl	Sup.	Torc
Date		Print/Type preparer's name	Preparer's signature	D	ate	Check if PTIN
Paid		• •				self-employed
Prepa		Firm's name				Firm's EIN ▶
Use C	nly	Firm's name Firm's address				Phone no.
Cond F-	rm an	37 (including accompanying state	ments) to: Department of the	Treasury, Internal Reven	ue Service. O	
Send Fo	ntil 89	or uncluding accompanying state	monta, to. Department of the	Juda. j. ilitalina ilovoit		

## Colony Credit Real Estate, Inc. 38-4046290

# Attachment to Form 8937 REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

### Form 8937 Part II, Line 15:

Pursuant to the master combination agreement dated August 25, 2017 (the "Combination Agreement"), as amended and restated on November 20, 2017, among Colony Credit Real Estate, Inc. ("Colony Credit") and Northstar Real Estate Income Trust, Inc. ("Northstar I") and Northstar Real Estate Income II, Inc. ("Northstar II"), Northstar I and Northstar II merged with and into Colony Credit on February 1, 2018. The merger qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code. As a result, and with the exception of the fractional shares redeemed for cash discussed below, no gain or loss is expected to be recognized by each former Northstar I and Northstar II shareholder on the exchange of their Northstar I and Northstar II common shares for Colony Credit common stock.

Pursuant to the terms of the merger agreement, each share of Northstar I and Northstar II common stock was converted into shares of Colony Credit common stock as follows:

- Each Northstar I stockholder received 0.3532 shares of Colony Credit class A common stock for each share of Northstar I common stock they own (and cash in lieu of fractional shares) and:
- Northstar II stockholders (both class A and class T) received 0.3511 shares of Colony Credit class A common stock for each share of Northstar II common stock they own (and cash in lieu of fractional shares)

In general, each Northstar I and Northstar II shareholder's aggregate basis in the Colony Credit common shares received in the merger, which for this purpose includes both the actual shares received as well as the fractional shares that are deemed received, is equal to the aggregate basis of the Northstar I or Northstar II shares surrendered in the merger (the "Adjusted Basis").

Adjusted Basis per share of Colony Credit common share for each Northstar I and Northstar II shareholder is determined by dividing the aggregate Adjusted Basis by the number of Colony Credit common shares received. Each Northstar I and Northstar II shareholder that received cash in lieu of fractional shares of Colony Credit common stock is treated as having received such fractional share and then having received such cash in redemption of the fractional share. Gain or loss will be recognized based on the difference between the amount of the cash received and the portion of each Northstar I and Northstar II Shareholder's Adjusted Basis of the shares of Colony Credit exchanged pursuant to the merger which is allocable to such fractional share.