

**Report of Organizational Actions  
Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name CHIMERA INVESTMENT CORPORATION		2 Issuer's employer identification number (EIN) 26-0630461	
3 Name of contact for additional information ROBERT COLLIGAN	4 Telephone No. of contact 212-626-2300	5 Email address of contact CIM TAX@CHIMERAREIT.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 520 MADISON AVENUE, 32ND FLOOR		7 City, town, or post office, state, and ZIP code of contact NEW YORK, NY 10022	
8 Date of action SEE PART II, LINE 14	9 Classification and description COMMON STOCK DISTRIBUTIONS		
10 CUSIP number 16934Q208	11 Serial number(s) N/A	12 Ticker symbol CIM	13 Account number(s) N/A

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

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ DURING THE CALENDAR YEAR 2018, CHIMERA INVESTMENT CORPORATION ("CIM") MADE DISTRIBUTIONS TO STOCKHOLDERS WHICH FOR U.S. FEDERAL INCOME TAX PURPOSES EXCEEDED CIM'S EARNINGS AND PROFITS ("E&P") RESULTING IN A PARITAL RETURN OF CAPITAL. BELOW IS A SUMMARY OF THE 2018 DISTRIBUTIONS:

RECORD DATE	PAYABLE DATE	DISTRIBUTION PER SHARE
12/29/2017	1/30/2018	\$0.40814
3/30/2018	4/30/2018	\$0.50000
6/29/2018	7/31/2018	\$0.50000
9/28/2018	10/31/2018	\$0.50000

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE CASH DISTRIBUTIONS FROM CIM RESULTED IN THE DISTRIBUTIONS PARTIALLY BEING TREATED AS RETURN OF CAPITAL IN THE FOLLOWING MANNER:

RECORD DATE	PAYABLE DATE	RETURN OF CAPITAL PER SHARE
12/29/2017	1/30/2018	\$0.04609
3/30/2018	4/30/2018	\$0.05645
6/29/2018	7/31/2018	\$0.05645
9/28/2018	10/31/2018	\$0.05645

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ CIM'S E&P WAS CALCULATED UNDER IRC SECTION 312 (AS MODIFIED BY IRC SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST), AND THE REGULATIONS THEREUNDER. AMOUNTS IN EXCESS OF E&P REDUCE THE STOCKHOLDER'S TAX BASIS IN ITS SHARES TO THE EXTENT OF THEIR BASIS.

**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTIONS 301(c), 312 AND 316(a).

18 Can any resulting loss be recognized? ► NO TAX LOSS CAN BE RECOGNIZED BY STOCKHOLDERS AS A RESULT OF THE DISTRIBUTIONS.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► REPORTABLE TAX YEAR: 2018

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 ► *Robert Colligan* Date ► 1/29/19

Print your name ► ROBERT COLLIGAN Title ► CHIEF FINANCIAL OFFICER

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
PAUL GRUOSSO	<i>Paul Gruosso</i>	1/29/2019		P00354981
Firm's name	Firm's EIN		Firm's address	
ERNST & YOUNG, U.S. LLP	34-6565596		5 TIMES SQUARE, NEW YORK, NY 10036	
Firm's address	Phone no.			
5 TIMES SQUARE, NEW YORK, NY 10036	212-773-3000			

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054