

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
CHIMERA INVESTMENT CORPORATION		26-0630461	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
ROBERT COLLIGAN	212-626-2300	CIM_TAX@CHIMERAREIT.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
520 MADISON AVENUE, 32ND FLOOR		NEW YORK, NY 10022	
8 Date of action		9 Classification and description	
SEE STATEMENT 1		COMMON; SERIES A PREF; SERIES B PREF; SERIES C PREF; SERIES D PREF	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
SEE STATEMENT 1	N/A	CIM	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 2020, 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 RETURN OF CAPITAL. SEE STATEMENT 1.

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 FULLY BEING TREATED AS A RETURN OF CAPITAL. SEE STATEMENT 1.

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: 2020

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 ▶ *R Colligan* Date ▶ 1/27/2021
Print your name ▶ ROBERT COLLIGAN Title ▶ CFO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
PAUL GRUOSSO	<i>[Signature]</i>	1/25/2021		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

Security Description	Record Date	Payable Date	Distribution Per Share	Return Of Capital Per Share
COMMON STOCK	12/31/2019	1/31/2020	\$0.500000	\$0.500000
CUSIP: 16934Q208	3/31/2020	4/30/2020	\$0.500000	\$0.500000
	6/22/2020	7/31/2020	\$0.300000	\$0.300000
	9/29/2020	10/29/2020	\$0.300000	\$0.300000
PREFERRED STOCK	2/28/2020	3/31/2020	\$0.500000	\$0.500000
SERIES A	6/10/2020	6/30/2020	\$0.500000	\$0.500000
CUSIP: 16934Q307	9/18/2020	9/30/2020	\$0.500000	\$0.500000
	12/15/2020	12/30/2020	\$0.500000	\$0.500000
PREFERRED STOCK	2/28/2020	3/31/2020	\$0.500000	\$0.500000
SERIES B	6/10/2020	6/30/2020	\$0.500000	\$0.500000
CUSIP: 16934Q406	9/18/2020	9/30/2020	\$0.500000	\$0.500000
	12/15/2020	12/30/2020	\$0.500000	\$0.500000
PREFERRED STOCK	2/28/2020	3/31/2020	\$0.484375	\$0.484375
SERIES C	6/10/2020	6/30/2020	\$0.484375	\$0.484375
CUSIP: 16934Q505	9/18/2020	9/30/2020	\$0.484375	\$0.484375
	12/15/2020	12/30/2020	\$0.484375	\$0.484375
PREFERRED STOCK	2/28/2020	3/31/2020	\$0.500000	\$0.500000
SERIES D	6/10/2020	6/30/2020	\$0.500000	\$0.500000
CUSIP: 16934Q604	9/18/2020	9/30/2020	\$0.500000	\$0.500000
	12/15/2020	12/30/2020	\$0.500000	\$0.500000

STATEMENT 1