Report of Organizational Actions Affecting Basis of Securities

Part I Reporting Issuer

1 Issuer's name
   Cole Real Estate Investments, Inc.

2 Issuer's employer identification number (EIN)
   26-1846406

3 Name of contact for additional information
   Benjamin Coleman

4 Telephone No. of contact
   (888) 677-2653

5 Email address of contact
   BColeman@arcpreit.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact
   2325 E. Camelback Road, Suite 1100
   Phoenix, AZ 85016

7 City, town, or post office, state, and Zip code of contact
   Phoenix, AZ 85016

8 Date of action
   February 7, 2014

9 Classification and description
   Cole Real Estate Investments, Inc. Common Shares

10 CUSIP number
   18279V105

11 Serial number(s)

12 Ticker symbol
   COLE

13 Account number(s)

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. On February 7, 2014, Cole Real Estate Investments, Inc. ("Cole") merged with and into Clark Acquisition, LLC ("Clark"), a wholly owned subsidiary of American Realty Capital Properties, Inc. ("ARCP") with Clark surviving (the "Merger"). As a result of the Merger, each share of Cole common stock was exchanged for one of the following: (a) 0.9289 shares of ARCP common stock for each share of Cole common stock formerly held (the "Stock Election") or (b) $13.82 in cash (the "Cash Election"). Shareholders that failed to make a valid election prior to the election deadline were deemed to make the Stock Election. No holder of Cole common stock was issued a fractional share of ARCP common stock in the Merger, but instead, each such holder received an amount in cash equal to the value of such fractional share of ARCP common stock at the time of the Merger (based on an ARCP common stock value of $13.99 per share).

Immediately prior to the Merger, restricted share units (RSU) and performance stock units (PSU) vested and each share of Cole common stock deemed to be issued in settlement of an RSU or PSU award was converted into the right to receive the Merger consideration above, as elected (or deemed elected) by the award holder.

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. Our outside counsel has opined that the Merger constituted a reorganization under section 368(a) of the Internal Revenue Code, as amended (the "IRC"). Further discussion of the tax consequences of the Merger can be found in the Form S-4 for the Company, as filed with the Securities and Exchange Commission on December 20, 2013, under the heading "Material U.S. Federal Income Tax Consequences of the Merger." The document is available at the following internet address:
   http://www.sec.gov/Archives/edgar/data/1507385/000114420413068290/0001144204-13-068290-index.htm. As a result, each shareholder who made (or is deemed to have made) the Stock Election will not recognize any gain or loss except in respect of cash received instead of a fractional share of ARCP common stock. A shareholder's aggregate tax basis in the ARCP common stock received pursuant to the Merger (including fractional shares deemed received and exchanged for cash, if any) will equal the aggregate tax basis in the Cole stock surrendered in the exchange.

Each Cole shareholder who made the Cash Election will recognize gain or loss equal to the difference between the amount of cash received and the adjusted federal income tax basis of the shares of the Cole stock surrendered.

16 Describe the calculation of the change in basis and the date that supports the calculation, such as the market values of securities and the valuation dates. A shareholder's tax basis in the new ARCP common stock is determined by dividing the aggregate adjusted basis of the particular shares surrendered by the total number of new ARCP common stock received (plus any fractional shares deemed to have been received) in exchange for those shares. Shareholders having differing tax bases with respect to the Cole stock exchanged should consult with a tax advisor in order to identify the tax bases of the particular ARCP common stock received pursuant to the Merger.

For each Cole shareholder who received cash in lieu of a fractional share of ARCP common stock, the basis allocated to the fractional share pursuant to the calculation above would have been recovered and used in determining the amount of gain or loss.

For each Cole shareholder who made the Cash Election, all of such shareholder's basis would have been recovered and used in determining the amount of gain or loss.

For Paperwork Reduction Act Notice, see the separate instructions.
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 302, 354(a), 358 and 368(a).

18  Can any resulting loss be recognized? ➤ Shareholders who made the Stock Election will not recognize loss as a result of the Merger except for possible loss recognized in connection with cash received in lieu of a fractional share.

Shareholders who made the Cash Election may recognize loss as a result of the Merger.

19  Provide any other information necessary to implement the adjustment, such as the reportable tax year ➤ The tax basis in the newly issued ARCP common stock will be taken into account in the tax year of the shareholder during which the Merger occurred (e.g., 2014 for a calendar year taxpayer).

Sign Here

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.

Signature ➤ [Signature]
Date ➤ [Signature]

Print your name ➤ Benjamin Coleman

Paid Preparer

Use Only

Title ➤ Senior Vice President, Tax

Paid Preparer's name ➤ Reffy Beroutjian
Preparer's signature ➤ [Signature]
Date ➤ 5/2/2014
Check ☑ if self-employed
P.TIN ➤ 8833238

Firm's name ➤ Deloitte Tax LLP
Firm's EIN ➤ 86-1065772
Firm's address ➤ 30 Rockefeller Plaza, New York, NY 10112
Phone no. ➤ 212-452-4000

Send Form 8837 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054