

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Ares Commercial Real Estate Corporation		45-3148087	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Elizabeth Goodwin	(202) 721-6149	egoodwin@aresmgmt.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
2 N La Salle Street Ste 925		Chicago, IL 60602	
<b>8</b> Date of action		<b>9</b> Classification and description	
Various - See 14 below		Common Stock	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
04013V108		ACRE	

**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 ▶ Distributions in excess of earnings and profits were made on the following dates: 1/10/2013, 4/18/2013, 7/18/2013, 10/17/2013

**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 ▶

1/10/2013: Distribution per share \$0.25; Return of Capital per share \$0.0841

4/18/2013: Distribution per share \$0.25; Return of Capital per share \$0.0841

7/18/2013: Distribution per share \$0.25; Return of Capital per share \$0.0841

10/17/2013: Distribution per share \$0.25; Return of Capital per share \$0.0841

**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 ▶ Distributions in excess of earnings and profit are applied against and reduce the adjusted basis of stock.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Section 301

Multiple horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ► Not Applicable

Multiple horizontal lines for providing information regarding resulting losses.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The reportable tax year is 2013.

Multiple horizontal lines for providing additional information necessary for the adjustment.

**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.

DocuSigned by:  
 Signature ► Elizabeth Goodwin Date ► 1/31/2014  
9D8C3E64C7C445F...

Print your name ► Elizabeth Goodwin Title ► Senior Vice President - Tax Director

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Richard J. Graff, Jr.</u>	<u>Richard J. Graff, Jr.</u>	<u>01/31/14</u>		<u>P00646683</u>
	Firm's name ► <u>ERNST &amp; YOUNG U.S. LLP</u>	Firm's EIN ► <u>34-6565596</u>		Phone no. <u>212-773-1719</u>	
	Firm's address ► <u>5 TIMES SQUARE, NEW YORK, NY 10036</u>				