

## 2018 TAX TREATMENT \*

Distribution	Payment Date	Amount Paid per Share	Ordinary Dividend Income per Share	Unrecaptured Sec. 1250 Gain	Capital Gain	Return of Capital
CASH	4.30.18	\$ 0.06	\$ -	\$ 0.0117	\$ 0.0600	\$ -
CASH	7.31.18	\$ 0.06	\$ -	\$ 0.0117	\$ 0.0600	\$ -
CASH	10.31.18	\$ 0.06	\$ -	\$ 0.0117	\$ 0.0600	\$ -
CASH	1.31.19	\$ 0.06	\$ -	\$ 0.0117	\$ 0.0600	\$ -
TOTAL		\$ 0.24	\$ -	\$ 0.0469	\$ 0.2400	\$ -

\* In 2018, SRT had taxable income due primarily to gains from sales of properties. In a situation very specific to REIT's, in a year when the REIT has sufficient taxable income, dividends paid in January which relate to Q4 are required to be reported on the 1099 for the prior year. In this case, we are required to report on the 2018 1099s not only the distributions paid in 2018 but the additional distribution paid in January 2019. Because it is being included on the 2018 1099, the January 2019 distribution will not be included in your 2019 1099. You will notice that the dividend is broken out between capital gain and 'Unrecaptured Section 1250 Gain'. Unrecaptured Section 1250 Gain is taxed at 25% versus lower rates for capital gains (up to 20%) and reflects recapture of depreciation deductions that in theory benefitted from ordinary rates. Please consult with your personal tax advisor with any further questions.

## 2017 TAX TREATMENT \*

Distribution	Payment Date	Amount Paid per Share	Ordinary Dividend Income per Share	Unrecaptured Sec. 1250 Gain	Capital Gain	Return of Capital
CASH	1.31.17	\$ 0.06	\$ -	\$ 0.0322	\$ 0.0600	\$ -
CASH	4.28.17	\$ 0.06	\$ -	\$ 0.0322	\$ 0.0600	\$ -
CASH	7.31.17	\$ 0.06	\$ -	\$ 0.0322	\$ 0.0600	\$ -
CASH	10.31.17	\$ 0.06	\$ -	\$ 0.0322	\$ 0.0600	\$ -
CASH	1.31.18	\$ 0.06	\$ -	\$ 0.0322	\$ 0.0600	\$ -
TOTAL		\$ 0.30	\$ -	\$ 0.1610	\$ 0.3000	\$ -

\* In 2017, SRT had taxable income due primarily to gains from sales of properties. In a situation very specific to REIT's, in a year when the REIT has sufficient taxable income, dividends paid in January which relate to Q4 are required to be reported on the 1099 for the prior year. In this case, we are required to report on the 2017 1099s not only the distributions paid in 2017 but the additional distribution paid in January 2018. Because it is being included on the 2017 1099, the January 2018 distribution will not be included in your 2018 1099. You will notice that the dividend is broken out between capital gain and 'Unrecaptured Section 1250 Gain'. Unrecaptured Section 1250 Gain is taxed at 25% versus lower rates for capital gains (up to 20%) and reflects recapture of depreciation deductions that in theory benefitted from ordinary rates. Please consult with your personal tax advisor with any further questions.

## 2016 TAX TREATMENT \*

Distribution	Payment Date	Amount Paid per Share	Ordinary Dividend Income per Share	Unrecaptured Sec. 1250 Gain	Capital Gain	Return of Capital
CASH	4.29.16	\$ 0.06	\$ -	\$ -	\$ -	\$ 0.06
CASH	7.29.16	\$ 0.06	\$ -	\$ -	\$ -	\$ 0.06
CASH	10.31.16	\$ 0.06	\$ -	\$ -	\$ -	\$ 0.06
TOTAL		\$ 0.18	\$ -	\$ -	\$ -	\$ 0.18

\* In 2016, SRT had no positive earnings and profits and cash distributions reported to you on your 2016 Form 1099 are 100% return of capital and reduce your tax basis in shares held. In 2015, there were special dividends reported under complex REIT rules that do not apply in 2016. Under these special rules, January 2016 distributions were reported on your 2015 Form 1099 and as a result there are only 3 quarterly distributions reported on your 2016 Form 1099. The January 2017 distributions will be reported on your 2017 Form 1099.

## 2015 TAX TREATMENT \*

Distribution	Payment Date	Amount Paid per Share	Ordinary Dividend Income per Share	Unrecaptured Sec. 1250 Gain	Capital Gain	Return of Capital
CASH	1.31.15	\$ 0.06	\$ 0.0251	\$ 0.0097	\$ 0.0349	\$ -
CASH	4.30.15	\$ 0.06	\$ 0.0251	\$ 0.0097	\$ 0.0349	\$ -
CASH	7.31.15	\$ 0.06	\$ 0.0251	\$ 0.0097	\$ 0.0349	\$ -
CASH	10.30.15	\$ 0.06	\$ 0.0251	\$ 0.0097	\$ 0.0349	\$ -
CASH & STOCK	11.4.15, 12.30.15	\$ 0.2162	\$ 0.0903	\$ 0.0351	\$ 0.1259	\$ -
CASH	1.29.16	\$ 0.06	\$ 0.0251	\$ 0.0097	\$ 0.0349	\$ -
TOTAL		\$ 0.5162	\$ 0.2158	\$ 0.0836	\$ 0.3004	\$ -

\* There is a special tax provision that allows REITs under certain circumstances to declare a dividend in the 4th quarter, make payment in January of the following year, and have the dividend be considered taxable income to the shareholders in the earlier tax year. In 2014, SRT had no positive earnings and profits/taxable income and distributions were 100% return of capital (ROC) and this rule therefore did not apply to the January 2015 distributions. In 2015, SRT did have positive earnings and profits/taxable income and therefore the distributions declared in Q4 2015 and paid in January 2016 will be reported as a 2015 dividend for the shareholders. As a result of SRT's 'switch' from the overall ROC position in 2014 to positive earnings and profits/taxable income in 2015, the 2015 1099s will have 5 quarters of distributions reflected on them as compared to the more typical 4 quarters.