

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)	
GRAMERCY PROPERTY TRUST		56-2466617	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
JON W. CLARK	(215) 887-2280	INVESTOR@GPTREIT.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	
550 BLAIR MILL ROAD, SUITE 120		HORSHAM, PA 19044	
8 Date of action		9 Classification and description	
JANUARY 20, 2017		CASH DISTRIBUTION TO COMMON SHAREHOLDERS	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
385002100		GPT	

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 ▶ GRAMERCY PROPERTY TRUST PAID QUARTERLY CASH DISTRIBUTIONS ON COMMON STOCK IN EXCESS OF ITS CURRENT AND ACCUMULATIVE EARNINGS AND PROFITS. ON JANUARY 20, 2017, THE COMPANY DETERMINED THAT A PORTION OF EACH OF THESE DISTRIBUTIONS REPRESENTS A RETURN OF CAPITAL TO THE SHAREHOLDERS. CONSEQUENTLY, EACH SHAREHOLDER THAT RECEIVED A CASH DISTRIBUTION WOULD BE AFFECTED BY THIS ORGANIZATIONAL ACTION. PAYMENT DATES AND CORRESPONDING COMMON DISTRIBUTION AMOUNTS WERE AS FOLLOWS: 01/15/2016 (\$ 8,647,070); 04/15/2016 (\$46,235,457); 07/15/2016 (\$46,257,020); 10/14/2016 (\$46,295,495).

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 ▶ FOR EACH CASH DISTRIBUTION MADE BY GRAMERCY PROPERTY TRUST DURING 2016 ON ITS COMMON STOCK, 5.73% OF THE DISTRIBUTION IS A RETURN OF CAPITAL. ACCORDINGLY, EACH SHAREHOLDER SHOULD TREAT 5.73% OF THE DISTRIBUTIONS AS A NONTAXABLE DIVIDEND AND REDUCE THE TAX BASIS OF THEIR STOCK ON A PER SHARE BASIS AS FOLLOWS:

DATE	PER SHARE REDUCTION OF BASIS IN COMMON STOCK
1/15/2016	\$0.003541
4/15/2016	\$0.018907
7/15/2016	\$0.018907
10/14/2016	\$0.018907

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 ▶ GRAMERCY PROPERTY TRUST CALCULATED THE RETURN OF CAPITAL PORTION OF THE DIVIDENDS BY COMPARING THE TOTAL DISTRIBUTIONS PAID IN 2016 TO THE COMPANY'S CURRENT EARNINGS AND PROFITS DETERMINED UNDER INTERNAL REVENUE CODE ("IRC") SECTION 312 (AS MODIFIED BY IRC SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST) AND THE REGULATIONS THEREUNDER.

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 SECTION 301(c)

IRC SECTION 316

18 Can any resulting loss be recognized? ▶ THE ORGANIZATIONAL ACTION REPORTED HEREIN DOES NOT RESULT IN ANY LOSSES.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE AMOUNT OF NONTAXABLE DISTRIBUTION ON THE DATES MENTIONED ABOVE EITHER (i) REDUCES THE SHAREHOLDER'S ADJUSTED TAX BASIS IN HIS/HER STOCK, OR (ii) TO THE EXTENT THAT IT EXCEEDS THE SHAREHOLDER'S ADJUSTED TAX BASIS IN HIS/HER STOCK ON THE DATES OF THE DISTRIBUTIONS, IT IS TREATED AS A GAIN FROM THE SALE OR EXCHANGE OF PROPERTY IN 2016.

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 ▶ /s/ JON W. CLARK Date ▶ 1/20/2017

Print your name ▶ JON W. CLARK Title ▶ CHIEF FINANCIAL OFFICER

Paid Preparer Use Only

Print/Type preparer's name <u>XXXXXXXXXXXXXXXXXX</u>	Preparer's signature <u>XXXXXXXXXXXXXXXXXXXX</u>	Date <u>1/20/2017</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>XXXXXXXXXX</u>
Firm's name ▶ <u>DELOITTE TAX LLP</u>			Firm's EIN ▶ <u>XXXXXX</u>	
Firm's address ▶ <u>555 W. 5TH STREET, SUITE 2700, LOS ANGELES, CA 90013</u>			Phone no. <u>XXXXXXXXXX</u>	