

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name COLONY STARWOOD HOMES (FKA STARWOOD WAYPOINT RESIDENTIAL TRUST)		2 Issuer's employer identification number (EIN) 80-6260391	
3 Name of contact for additional information INVESTOR RELATIONS	4 Telephone No. of contact 510-982-5470	5 Email address of contact IR@COLONYSTARWOOD.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 8665 E HARTFORD DR, STE 200		7 City, town, or post office, state, and Zip code of contact SCOTTSDALE, AZ 85255	
8 Date of action SEE ATTACHMENT	9 Classification and description CONVERTIBLE NOTES OF COLONY STARWOOD HOMES DUE 2017		
10 CUSIP number 85571WAD1	11 Serial number(s) N/A	12 Ticker symbol SFR	13 Account number(s) 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 ▶ **SEE ATTACHMENT**

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 ▶ **SEE ATTACHMENT**

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 ▶ **SEE ATTACHMENT**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
SEE ATTACHMENT

18 Can any resulting loss be recognized? ▶ N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
SEE ATTACHMENT

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 ▶  Date ▶ 4/13/17
Print your name ▶ RYAN BERRY Title ▶ EVP, GENERAL COUNSEL

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

FORM 8937

PART II

LINE 14

IN ACCORDANCE WITH THE TERMS OF ITS CONVERTIBLE NOTES DUE 2017, COLONY STARWOOD HOMES, MADE ADJUSTMENTS TO THE CONVERSION RATES OF THE CONVERTIBLE NOTES AS A RESULT OF MAKING CASH DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS. THE CONVERSION RATE ADJUSTMENTS RESULTED IN A DEEMED DISTRIBUTION TO ITS RESPECTIVE CONVERTIBLE DEBT HOLDERS IN THE AMOUNTS LISTED BELOW:

CONVERTIBLE NOTES DUE 2017 (85571WAD1)

EFFECTIVE DATE	DIVIDEND PAY DATE	OLD RATE	NEW RATE	SHARE PRICE	DEEMED DISTRIBUTION PER \$1,000 BOND	
9/26/2014	10/15/2014	-	-	-	-	*
12/29/2014	1/15/2015	-	-	-	-	*
3/27/2015	4/15/2015	-	-	-	-	*
6/26/2015	7/15/2015	-	-	-	-	*
9/28/2015	10/15/2015	-	-	-	-	*
12/8/2015	12/22/2015	-	-	-	-	*
3/29/2016	4/15/2016	-	-	-	-	*
6/28/2016	7/15/2016	33.2934	33.6374	29.43	\$10.12	
9/28/2016	10/17/2016	-	-	-	-	*
12/28/2016	1/13/2017	-	-	-	-	*

*THESE CASH DISTRIBUTIONS PAID TO HOLDERS OF COMMON SHARES DID NOT TRIGGER AN ADJUSTMENT IN THE RESPECTIVE INDENTURE AGREEMENTS FOR THE 2017 NOTES. ACCORDINGLY, THERE WAS NO ASSOCIATED ACTION AFFECTING BASIS FOR THESE DISTRIBUTIONS.

LINE 15

OF THE CASH DISTRIBUTIONS PAID TO COMMON SHAREHOLDERS DURING 2016, 59% REPRESENTS A RETURN OF CAPITAL AND 41% REPRESENTS A CAPITAL GAIN DISTRIBUTION. ACCORDINGLY, 59% OF THE DEEMED DISTRIBUTIONS DESCRIBED ABOVE REPRESENTS A DECREASE IN BASIS.

LINE 16

THE CALCULATION OF THE DEEMED DISTRIBUTIONS ARE SET FORTH BELOW. THE SHARE PRICE FOR THE CALCULATION IS EQUAL TO THE LAST REPORTED SALES PRICE OF COMMON SHARES ON THE TRADING DAY IMMEDIATELY PRECEDING THE EX-DIVIDEND DATE FOR SUCH DIVIDEND OR DISTRIBUTION.

DEEMED DISTRIBUTION = (NEW CONVERSION RATE – OLD CONVERSION RATE) X SHARE PRICE

LINE 17

THE CONVERSION RATE ADJUSTMENT ON THE 2017 NOTES RESULTS IN A DISTRIBUTION UNDER SECTION 305(c).

LINE 19

FOR A CALENDAR YEAR TAXPAYER, THE REPORTABLE YEAR IS PRESUMABLY EQUAL TO THE CALENDAR YEAR IN WHICH THE DISTRIBUTIONS ON COMMON SHARES RESULTING IN THE ADJUSTMENT WERE PAID. PLEASE CONSULT YOUR TAX ADVISOR.