

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name <u>BARON REAL ESTATE INCOME FUND</u>		2 Issuer's employer identification number (EIN) <u>82-3107463</u>	
3 Name of contact for additional information <u>Baron Capital, Inc.</u>		4 Telephone No. of contact <u>1-212-583-2000</u>	5 Email address of contact
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <u>767 Fifth Avenue, 49th Fl.</u>		7 City, town, or post office, state, and ZIP code of contact <u>New York, NY 10153</u>	
8 Date of action <u>12/31/18</u>		9 Classification and description <u>Regulated Investment Company (RIC) Shares: Class Retail, Institutional and R6</u>	
10 CUSIP number <u>See Attached</u>	11 Serial number(s)	12 Ticker symbol <u>See Attached</u>	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 ▶ Non-taxable return of capital distributions to shareholders. See Attached

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 ▶ The total amount of non-taxable return of capital, on the attached schedule, represents a reduction in the shareholder's tax basis in their shares held.

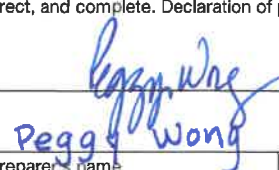
16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The tax basis of the shareholders' shares is decreased by the per share amount of non-taxable return of capital on the attached schedule, multiplied by the number of shares the shareholder own.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
Internal Revenue Code Sections 301,316,852

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
This organizational action is reportable with respect to calendar year 2018

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 ▶ 	Date ▶ <u>2/25/19</u>		
Paid Preparer Use Only	Print your name ▶ <u>Peggy Wong</u>	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Print/Type preparer's name			Firm's EIN ▶
	Firm's name ▶			Phone no.
	Firm's address ▶			

BARON REAL ESTATE INCOME FUND
EIN 82-3107463
Fiscal Year Ended December 31, 2018

Supplemental Attachment to Form 8937

Share Class	Box 10 Cusip Number	Box 12 Ticker Symbol	Record Date	Ex Date	Pay Date	Ordinary Distribution Rate	Taxable	Non-Taxable ROC
Retail	06828M744	BRIFX	4/17/2018	4/18/2018	4/19/2018	0.04860	0.02925919	0.01934081
Retail	06828M744	BRIFX	6/26/2018	6/27/2018	6/28/2018	0.05360	0.03226940	0.02133060
Retail	06828M744	BRIFX	9/24/2018	9/25/2018	9/26/2018	0.13970	0.08410513	0.05559487
Retail	06828M744	BRIFX	12/26/2018	12/27/2018	12/28/2018	0.01890	0.01137857	0.00752143
Institutional	06828M736	BRIIX	4/17/2018	4/18/2018	4/19/2018	0.04860	0.02925919	0.01934081
Institutional	06828M736	BRIIX	6/26/2018	6/27/2018	6/28/2018	0.05360	0.03226940	0.02133060
Institutional	06828M736	BRIIX	9/24/2018	9/25/2018	9/26/2018	0.13970	0.08410513	0.05559487
Institutional	06828M736	BRIIX	12/26/2018	12/27/2018	12/28/2018	0.01890	0.01137857	0.00752143
R6	06828M728	BRIUX	4/17/2018	4/18/2018	4/19/2018	0.04860	0.02925919	0.01934081
R6	06828M728	BRIUX	6/26/2018	6/27/2018	6/28/2018	0.05360	0.03226940	0.02133060
R6	06828M728	BRIUX	9/24/2018	9/25/2018	9/26/2018	0.13970	0.08410513	0.05559487
R6	06828M728	BRIUX	12/26/2018	12/27/2018	12/28/2018	0.01890	0.01137857	0.00752143