

► See separate instructions.

Part I	Reporting Issuer
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1 Issuer's name

2 Issuer's employer identification number (EIN)

Western Asset Mortgage Capital Corporation

27-0298092

3 Name of contact for additional information

4 Telephone No. of contact

5 Email address of contact

Stephen Wax

212-692-4992

SWax@angelogordon.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

245 Park Avenue, 26th Floor

New York, New York 10167

8 Date of action

9 Classification and description

December 6, 2023

Common stock; Merger

10 CUSIP number

11 Serial number(s)

12 Ticker symbol

13	Account number(s)
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SEE ATTACHMENT

SEE ATTACHMENT

SEE ATTACHMENT	SEE ATTACHMENT
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? ► SEE ATTACHMENT

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

**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 ► Anthony Rossiello Date ► 1/10/24

Print your name ► **Anthony Rossiello**

Title ► **CFO**

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

Western Asset Mortgage Capital Corporation
Attachment to Form 8937
EIN: 27-0298092

Report of Organizational Actions Affecting Basis of Securities

FORM 8937, PART I:

Western Asset Mortgage Capital Corporation (before merger)

CUSIP (Box 10) 95790D204

Ticker Symbol (Box 12) WMC

AG Mortgage Investment Trust, Inc. (after merger)

CUSIP (Box 10) 001228 501

Ticker Symbol (Box 12) MITT

FORM 8937, PART II, Box 14:

On December 6, 2023, AG Mortgage Investment Trust, Inc. ("MITT") completed the Western Asset Mortgage Capital Corporation ("WMC") merger, pursuant to the terms and conditions of the Merger Agreement, dated August 8, 2023. Based on the merger exchange ratio (as adjusted pursuant to the terms of the merger), WMC stockholders received approximately the following in exchange for each share of WMC common stock held at the effective time of the merger: (i) from MITT, the right to receive 1.498 shares of MITT common stock (with cash paid in lieu of fractional shares) and (ii) from AG REIT Management, LLC ("MITT Manager"), \$0.92, representing the per share portion of a cash payment equal approximately \$5.7 million in the aggregate or approximately 9.9% of the aggregate per share merger consideration without interest and less any applicable withholding taxes upon the terms and conditions set forth in the merger agreement, with such amounts in (ii) referred to herein as the "Per Share Additional Manager Consideration". The fixed exchange ratio (as adjusted by transaction expenses) was based on a determination date of September 30, 2023 for calculating such expenses. MITT issued approximately 9.2 million shares of MITT common stock to WMC stockholders at the effective time in connection with the merger, resulting in such legacy WMC stockholders owning approximately 31% of the common equity of MITT as the combined company at closing.

FORM 8937, PART II, Box 15:

The merger of WMC with and into a subsidiary of MITT qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). As a result, each U.S. stockholder of shares of WMC common stock will recognize a taxable gain (but not loss) in an amount equal to the lesser of:

- (i) the amount of cash (other than the cash received in lieu of a fractional share of MITT common stock) received in exchange for its shares of WMC common stock (including such holder's share of the aggregate Per Share Additional Manager Consideration) and

- (ii) the amount by which the sum of the fair market value of the shares of MITT common stock and cash (other than cash received in lieu of a fractional share of MITT common stock) received by such holder in exchange for its WMC common stock (including such holder's share of the aggregate Per Share Additional Manager Consideration) exceeds such holder's adjusted basis in its shares of WMC common stock.

Each legacy WMC shareholder is encouraged to consult its tax advisor regarding the determination of the realized gain or loss on the exchange.

FORM 8937, PART II, Box 16:s

Each legacy WMC shareholder is required to determine the tax basis of the shares of MITT received in the exchange by performing the following calculation:

- The basis of the shares received shall be the same as the shares surrendered in the exchange;
- Increased by any taxable gain determined from the calculation above;
- Decreased by the total amount of cash received.

FORM 8937, PART II, Box 17:

The merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. In general, the income tax consequences to the shareholders are determined under Code Sections 302, 354, 356, 358, 361 and 368.

FORM 8937, PART II, Box 18:

In general, none of the legacy WMC shareholders who received MITT stock and cash for all of their WMC stock will recognize a loss as a result of the merger.

Each legacy WMC shareholder is encouraged to consult its tax advisor regarding the determination of any gain or loss on the receipt of cash in lieu of fractional shares.

FORM 8937, PART II, Box 19:

In general, any tax adjustments or gain recognized by a legacy WMC shareholder as a result of the merger should be reported for such shareholder's taxable year which includes December 6, 2023.

For further discussion of the U.S. federal income tax consequences of the merger, please see the section entitled "U.S. Federal Income Tax Considerations" on page 190 of the Joint Proxy Statement/Prospectus. Because individual circumstances may differ, legacy WMC shareholders should consult their tax advisors regarding the specific tax consequences of the merger to them in light of their particular circumstances.