

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name United Development Funding IV		2 Issuer's employer identification number (EIN) 26-2775282	
3 Name of contact for additional information Cara Obert	4 Telephone No. of contact (817) 835-0650	5 Email address of contact investorrelations@umth.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1301 Municipal Way, Suite 200		7 City, town, or post office, state, and ZIP code of contact Grapevine, TX 76051	
8 Date of action various	9 Classification and description Common Stock		
10 CUSIP number 910187103	11 Serial number(s)	12 Ticker symbol	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 ▶ United Development Funding IV made cash distributions to its shareholders in excess of its current and accumulated earnings and profits. See Part II Line 15 for the amount of these distributions per share.

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 distributions made on the following dates reduced the basis of the security in the hands of the U.S. taxpayer(s) as follows:

8/30/2019: Distribution per share of \$0.065, 100% return of capital

12/31/2019: Distribution per share of \$0.065, 100% return of capital

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 ▶ Earnings and profits were calculated under IRC. Sec. 312 and the regulations thereunder. Amounts in excess of earnings and profits reduce the shareholder's tax basis in its shares to the extent of basis.

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. Sec. 301 (c) (2)

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ These actions are effective on the date of distribution identified above.

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 ▶ 2/12/20
 Print your name ▶ Cara Obert Title ▶ CFO

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.			