

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

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name FNC Realty Corporation		2 Issuer's employer identification number (EIN) 47-0883558	
3 Name of contact for additional information Dave Bujnicki	4 Telephone No. of contact 516-869-2087	5 Email address of contact dbujnicki@kimcorealty.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 3333 New Hyde Park Road		7 City, town, or post office, state, and Zip code of contact New Hyde Park, NY 11042	
8 Date of action April 2, 2013	9 Classification and description Common Stock		
10 CUSIP number N/A	11 Serial number(s) N/A	12 Ticker symbol N/A	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 ▶ On April 2, 2013, FNC Realty Corporation ("FNC") completed a merger with FNC Acquisition Co., Inc., a direct wholly-owned subsidiary of Kimco Realty Services, Inc. ("KRS"). Prior to April 2, 2013 Kimco Realty Corporation ("KRC") (KIM-NYSE) indirectly owned 82% of the outstanding common stock of FNC through a wholly owned subsidiary, Kimco Capital Corp. ("KCC"). KCC is a qualified REIT subsidiary ("QRS") as defined in IRC section 856(l) and all of its assets, liabilities and items of income and deduction are treated as items of KRC, the REIT. Pursuant to the terms and conditions of the Agreement and Plan of Merger (the "Merger Agreement") dated April 2, 2013, immediately prior to the merger, KCC distributed stock of FNC to KRC, and subsequent thereto, KRC contributed such FNC stock to KRS. (For federal income tax purposes only, the distribution of FNC stock to KRC by KCC is disregarded as the FNC stock was treated as directly held by KRC pursuant to KRC section 856(l)(1)(B).) Pursuant to the Merger Agreement, each share of FNC stock issued and outstanding prior to April 2, 2013 ("effective time"), other than shares of FNC owned by KRS, was converted automatically into the right to receive \$0.73 per share in cash, without interest ("per share merger consideration").
 (See attached statement for continued explanation.)

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 federal income tax purposes, the aggregate adjusted basis of FNC common shares contributed by KRC in the hands of KRS will be equal to the basis of the shares in the hands of KRC (carryover basis), plus any amounts paid by KRS as merger consideration. To the extent an FNC shareholder (other than KRS) converted its stock into the right to receive \$0.73 per share in cash and such right was executed, the FNC shareholder will recognize gain or loss, as the case may be, equal to the difference between the conversion amount and the shareholder's adjusted tax basis in such shares.

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 #15 above.

Part II Organizational Action (continued)

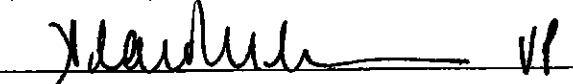
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ In general, the income tax consequences to the former and current FNC shareholders are determined under Internal Revenue Code Sections 1001, 1012 and 1221.

18 Can any resulting loss be recognized? ▶ The former FNC shareholders who received cash as merger consideration will recognize loss to the extent a shareholder's adjusted tax basis exceeds \$0.73 per share. KRS, the acquirer, will not recognize loss.


19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The Merger Agreement became effective on April 2, 2013, therefore, the reportable tax year is 2013.

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 ▶ 5/9/2013

Print your name ▶ Adam M. Cohen Title ▶ Vice President

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Stephen J. Bertinaschi</u>	<u></u>	<u>5/8/13</u>		<u>P00747384</u>
	Firm's name ▶ <u>FTI Consulting, Inc.</u>			Firm's EIN ▶	<u>52-1261113</u>
	Firm's address ▶ <u>101 Eisenhower Parkway, Roseland, NJ 07068</u>			Phone no.	<u>973-364-0400</u>

Form 8937
FNC Realty Corporation
EIN: 47-0863558

Part II - #14 (continued explanation)

At the effective time, each share of common stock, without par value, of FNC Acquisition Co., Inc. was converted into and became one fully paid and nonassessable share of common stock of the surviving corporation. FNC will continue as the surviving company and is a direct wholly-owned subsidiary of KRS.