

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

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name SAUL CENTERS, INC.		2 Issuer's employer identification number (EIN) 52-1833074	
3 Name of contact for additional information SCOTT SCHNEIDER	4 Telephone No. of contact 301-986-6220	5 Email address of contact SCOTT.SCHNEIDER@SAULCENTERS.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7501 WISCONSIN AVENUE		7 City, town, or post office, state, and ZIP code of contact BETHESDA, MD 20814	
8 Date of action VARIOUS		9 Classification and description COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol BFS	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 ▶ SAUL CENTERS, INC. (TAXPAYER) MADE CASH DISTRIBUTIONS TO ITS SHAREHOLDERS IN EXCESS OF ITS CURRENT AND ACCUMULATED EARNINGS AND PROFITS. SEE PART II LINE 15 FOR THE DATES OF THESE DISTRIBUTIONS.

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).

DATE	PERCENTAGE OF QUARTERLY DISTRIBUTIONS WHICH REDUCES BASIS OF COMMON STOCK
01/31/2019	5.6%
04/30/2019	5.6%
07/31/2019	5.6%
10/31/2019	5.6%

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 TAXPAYER'S EARNINGS AND PROFITS WERE CALCULATED UNDER IRC.SEC.312, AND THE REGULATIONS THEREUNDER, AMOUNTS IN EXCESS OF EARNINGS AND PROFITS REDUCE THE SHAREHOLDERS 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 DATES OF DISTRIBUTIONS IDENTIFIED ON LINE 15.

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 ▶ *Scott Schneider* Date ▶ 1/27/20

Print your name ▶ SCOTT SCHNEIDER Title ▶ EXECUTIVE VICE PRESIDENT

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 ▶		Phone no.	
Firm's address ▶				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054