Part I Report of Issuer

1 Issuer's name

iShares Mortgage Real Estate Capped ETF

2 Issuer's employer identification number (EIN)

76-0844483

3 Name of contact for additional information

BlackRock Fund Advisors

4 Telephone No. of contact

1-800-474-2737

5 Email address of contact

isharesetfs@blackrock.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

c/o BlackRock Inc., 1 University Square Dr.

7 City, town, or post office, state, and Zip code of contact

Princeton, NJ 08540

8 Date of action

November 7, 2016

9 Classification and description

Common Stock - Regulated Investment Company

10 CUSIP number

464288539

11 Serial number(s)

12 Ticker symbol

REM

13 Account number(s)

Part II Organizational Action

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 October 14, 2016, the Board of Trustees of iShares Trust has approved a 1 for 4 reverse split for the fund effective before trading on November 7, 2016.

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. Under Internal Revenue Code (IRC) Section 305(a), the reverse stock split was a non-taxable transaction. Under IRC Section 307(a), each shareholder is required to allocate the aggregate tax basis in his or her shares held immediately prior to the 1 for 4 reverse split among the shares held immediately after the reverse split. As a result, the number of shares held by each shareholder were divided by 4 and the basis in each share following the reverse stock split was 4 times of the basis immediately prior to the reverse stock split.

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 Section 15 above.
17  List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

Internal Revenue Code Sections 305(a) and 307(a)

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 2016.

Sign Here

Signature ▶ Ronald Fisher  Date ▶ 12/02/2016

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.