

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|---|--|--|
| 1 Issuer's name LoCorr Spectrum Income Fund | | 2 Issuer's employer identification number (EIN) 46-4048883 | |
| 3 Name of contact for additional information Jon C. Essen | 4 Telephone No. of contact 952-767-6903 | 5 Email address of contact jessen@LoCorrFunds.com | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 687 Excelsior Blvd | | 7 City, town, or post office, state, and Zip code of contact Excelsior, MN 55331 | |
| 8 Date of action 12/31/2017 | | 9 Classification and description Nontaxable Return of Capital Distribution | |
| 10 CUSIP number 540132875, 540132867, 540132859 | 11 Serial number(s) N/A | 12 Ticker symbol LSPAX & LSPCX & LSPIX | 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 ▶ DURING 2017, LoCorr Spectrum Income Fund DECLARED DIVIDENDS.
 PLEASE REFERENCE THE ATTACHED SHEET FOR DETAILS RELATING TO THE DATE OF ACTION.

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 EACH DIVIDEND NOTED ABOVE, 73.8754% OF EACH SUCH DIVIDEND WAS A RETURN OF CAPITAL IN ACCORDANCE WITH THE IRS SECTION 301(C)(2). ACCORDINGLY, THE SHAREHOLDER WOULD REDUCE THE HOLDER'S BASIS IN THE STOCK BY THE PORTION OF DISTRIBUTION DETERMINED TO BE 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 ▶ THE BASIS OF SHAREHOLDERS OF RECORD FOR EACH DIVIDEND NOTED ABOVE IS LOWERED BY THE PER SHARE AMOUNT DISCLOSED IN THE ATTACHMENT. THE RATE WAS DETERMINED IN ACCORDANCE WITH IRC SECTION 301 AND SECTION 316.

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 301, 316

18 Can any resulting loss be recognized? ▶ NO LOSS CAN BE RECOGNIZED BY THE SHAREHOLDERS OF EACH DIVIDEND NOTED ABOVE FOR THE NON-TAXABLE RETURN OF CAPITAL DISTRIBUTION RECEIVED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE INFORMATION PROVIDED ABOVE WILL BE PROVIDED ON THE SHAREHOLDER'S 2017 1099-DIV STATEMENT, BOX 3.

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 ▶ A signed copy is maintained by the issuer Date ▶ _____

Print your name ▶ _____ Title ▶ _____

| | | | | | |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| 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. |

LoCorr Spectrum Income Fund
 46-4048883
 FYE 12/31/2017

LSPAX

| Record Date | Ex Date | Payable Date | Total Dividend | Return of Capital | Return of Capital % |
|-------------|------------|--------------|-------------------|-------------------|---------------------|
| 1/30/2017 | 1/31/2017 | 1/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 2/27/2017 | 2/28/2017 | 2/28/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 3/30/2017 | 3/31/2017 | 3/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 4/27/2017 | 4/28/2017 | 4/28/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 5/30/2017 | 5/31/2017 | 5/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 6/29/2017 | 6/30/2017 | 6/30/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 7/28/2017 | 7/31/2017 | 7/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 8/30/2017 | 8/31/2017 | 8/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 9/28/2017 | 9/29/2017 | 9/29/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 10/30/2017 | 10/31/2017 | 10/31/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 11/29/2017 | 11/30/2017 | 11/30/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| 12/28/2017 | 12/29/2017 | 12/29/2017 | 0.04790000 | 0.03538630 | 73.8754% |
| | | | 0.57480000 | 0.42463559 | |

LSPCX

| Record Date | Ex Date | Payable Date | Total Dividend | Return of Capital | Return of Capital % |
|-------------|------------|--------------|-------------------|-------------------|---------------------|
| 1/30/2017 | 1/31/2017 | 1/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 2/27/2017 | 2/28/2017 | 2/28/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 3/30/2017 | 3/31/2017 | 3/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 4/27/2017 | 4/28/2017 | 4/28/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 5/30/2017 | 5/31/2017 | 5/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 6/29/2017 | 6/30/2017 | 6/30/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 7/28/2017 | 7/31/2017 | 7/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 8/30/2017 | 8/31/2017 | 8/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 9/28/2017 | 9/29/2017 | 9/29/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 10/30/2017 | 10/31/2017 | 10/31/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 11/29/2017 | 11/30/2017 | 11/30/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| 12/28/2017 | 12/29/2017 | 12/29/2017 | 0.04170000 | 0.03080603 | 73.8754% |
| | | | 0.50040000 | 0.36967232 | |

LSPIX

| Record Date | Ex Date | Payable Date | Total Dividend | Return of Capital | Return of Capital % |
|-------------|------------|--------------|-------------------|-------------------|---------------------|
| 1/30/2017 | 1/31/2017 | 1/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 2/27/2017 | 2/28/2017 | 2/28/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 3/30/2017 | 3/31/2017 | 3/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 4/27/2017 | 4/28/2017 | 4/28/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 5/30/2017 | 5/31/2017 | 5/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 6/29/2017 | 6/30/2017 | 6/30/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 7/28/2017 | 7/31/2017 | 7/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 8/30/2017 | 8/31/2017 | 8/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 9/28/2017 | 9/29/2017 | 9/29/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 10/30/2017 | 10/31/2017 | 10/31/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 11/29/2017 | 11/30/2017 | 11/30/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| 12/28/2017 | 12/29/2017 | 12/29/2017 | 0.05000000 | 0.03693768 | 73.8754% |
| | | | 0.60000000 | 0.44325218 | |