

NEXPOINT

REAL ESTATE FINANCE

NYSE:NREF

1Q 2023 Financial Supplement

April 27, 2023

CONTACT

NEXPOINT REAL ESTATE FINANCE
(NYSE:NREF)
300 Crescent Court, Suite 700
Dallas, Texas 75201
(w) nref.nexpoint.com

INVESTOR RELATIONS
Kristen Thomas
(p) 214.908.1854
(e) kthomas@nexpoint.com

Cautionary Statements

FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on management's current expectations, assumptions and beliefs. Forward-looking statements can often be identified by words such as "anticipate", "estimate", "expect," "intend," "may", "should" and similar expressions, and variations or negatives of these words. These forward-looking statements include, but are not limited to, statements regarding the Company's business and industry in general, guidance for financial results for the second quarter of 2023, including the Company's estimated net income, earnings available for distribution ("EAD"), cash available for distribution ("CAD"), dividend coverage ratios and related assumptions and estimates, undistributed earnings intended to be distributed in 2023 as special dividends, and portfolio commentary, including the resiliency of SFR, and life science demand. They are not guarantees of future results and forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement, including those described in greater detail in our filings with the Securities and Exchange Commission (the "SEC"), particularly those described in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. Readers should not place undue reliance on any forward-looking statements and are encouraged to review the Company's Annual Reports on Form 10-K and the Company's other filings with the SEC for a more complete discussion of risks and other factors that could affect any forward-looking statement. The statements made herein speak only as of the date of this presentation and except as required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

NON-GAAP FINANCIAL MEASURES

This presentation contains non-GAAP financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flows of the Company. The non-GAAP financial measures used within this presentation are EAD and CAD.

EAD is defined as the net income (loss) attributable to our common stockholders computed in accordance with GAAP, including realized gains and losses not otherwise included in net income (loss), excluding any unrealized gains or losses or other similar non-cash items that are included in net income (loss) for the applicable reporting period, regardless of whether such items are included in other comprehensive income (loss), or in net income (loss) and adding back amortization of stock-based compensation. Net income (loss) attributable to common stockholders may also be adjusted for the effects of certain GAAP adjustments and transactions that may not be indicative of our current operations. In addition, EAD in this presentation includes the dilutive effect of non-controlling interests. We use EAD to evaluate our performance and to assess our long-term ability to pay distributions. We believe providing EAD as a supplement to GAAP net income (loss) to our investors is helpful to their assessment of our performance and our long-term ability to pay distributions. We also use EAD as a component of the management fee paid to NREA, our manager. EAD does not represent net income or cash flows from operating activities and should not be considered as an alternative to GAAP net income, an indication of our GAAP cash flows from operating activities, a measure of our liquidity or an indication of funds available for our cash needs. Our computation of EAD may not be comparable to EAD reported by other REITs.

We calculate CAD by adjusting EAD by adding back amortization of premiums, amortization and depreciation and amortization of deferred financing costs and by removing accretion of discounts and non-cash items, such as stock dividends. We use CAD to evaluate our performance and our current ability to pay distributions. We also believe that providing CAD as a supplement to GAAP net income (loss) to our investors is helpful to their assessment of our performance and our current ability to pay distributions. CAD does not represent net income or cash flows from operating activities and should not be considered as an alternative to GAAP net income, an indication of our GAAP cash flows from operating activities, a measure of our liquidity or an indication of funds available for our cash needs. Our computation of CAD may not be comparable to CAD reported by other REITs.

ADDITIONAL INFORMATION

For additional information, see our filings with the SEC. Our filings with the SEC are available on our website, nref.nexpoint.com, under the "Financials" tab. First quarter 2023, dividend coverage amounts exclude special dividend amounts.

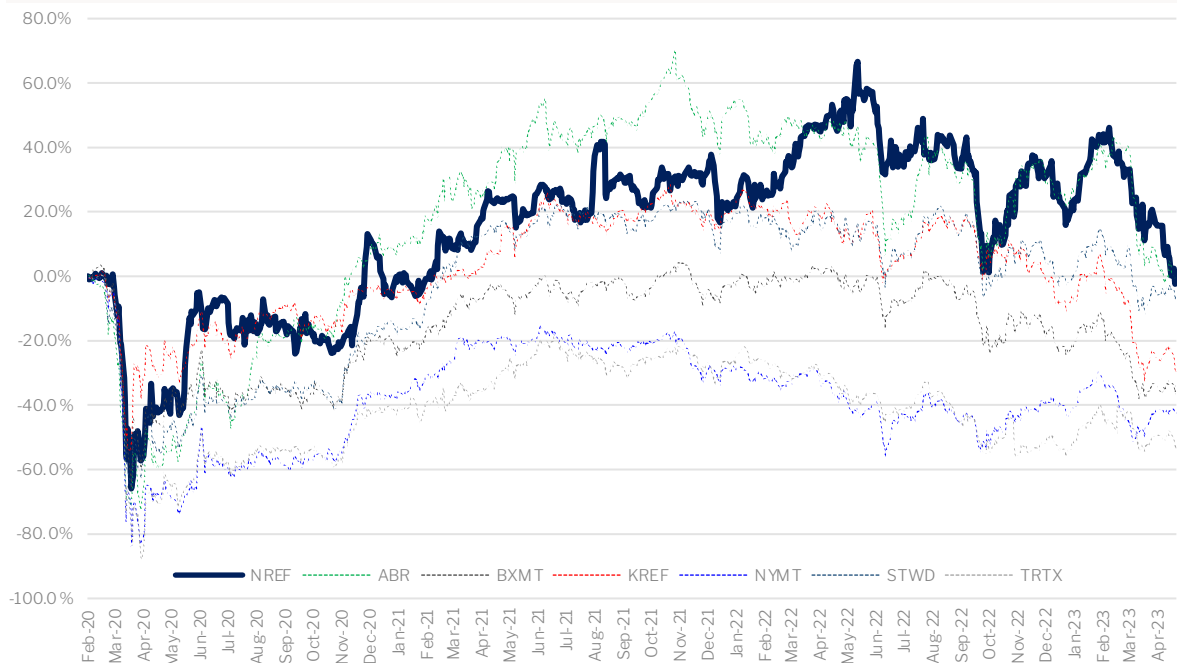
NexPoint Real Estate Finance

Company Overview

NexPoint Real Estate Finance, Inc. (“NREF” or the “Company”) is a publicly traded mortgage REIT, with its shares listed on the New York Stock Exchange. The company concentrates on investments in real estate sectors where senior management has operating expertise, including multifamily, single-family rental (“SFR”), self-storage, life science, hospitality, and office sectors in the top 50 metropolitan statistical areas. The Company targets lending or investing in stabilized properties or properties with “light-transitional” business plans.

NREF is externally managed by NexPoint Real Estate Advisors VII, L.P. (“NREA”), an affiliate of NexPoint Advisors, L.P., an SEC-registered investment advisor with extensive real estate and fixed income experience.

NREF Total Return vs Peers⁴



33.7%
DISCOUNT TO
BOOK¹

15.4%
IMPLIED
DIVIDEND YIELD²

12.0%
INSIDER
OWNERSHIP³

1) BASED ON MARCH 31, 2023, BOOK VALUE INCLUDING REDEEMABLE NCI IN THE OPERATING PARTNERSHIP AS REPORTED BY THE COMPANY IN THIS PRESENTATION AND THE SHARE PRICE AS OF CLOSE OF TRADING APRIL 26, 2023

2) IMPLIED DIVIDEND YIELD IS CALCULATED USING THE 2Q DIVIDEND OF \$0.50 PER COMMON SHARE, AND DOES NOT GIVE EFFECT TO THE SPECIAL DIVIDEND, ANNUALIZED, DIVIDED BY THE SHARE PRICE AS OF CLOSE OF TRADING ON APRIL 26, 2023

3) INCLUDES NON-CONTROLLING INTERESTS. EXCLUDES OWNERSHIP BY FUNDS ADVISED OR MANAGED BY AFFILIATES OF OUR ADVISER EXCEPT TO THE EXTENT OF OUR MANAGEMENT'S PECUNIARY INTEREST THEREIN AS OF THE CLOSE OF TRADING APRIL 26, 2023

4) BLOOMBERG. TOTAL RETURN, INCLUDING DIVIDENDS, AS OF CLOSE OF TRADING APRIL 26, 2023

1Q 2023 Highlights

FINANCIAL

\$9.4MM
**NET INCOME
IN 1Q 2023**
Net income attributable to
common stockholders of
\$6.6MM
or \$0.37 per diluted
common share

\$12.4MM
**1Q 2023 CASH
AVAILABLE FOR
DISTRIBUTION**
\$0.55 per diluted
common share¹

\$435.4MM
BOOK VALUE
\$19.59 per common share,
including redeemable non-
controlling interests in the
Operating Partnership and
excluding Series A Preferred Stock

**1Q 2023
Dividend
PAID ON
MARCH 31, 2023**
Paid a 1Q 2023 dividend of
\$0.500 per common share on
March 31, 2023

PORTFOLIO

\$1.7B
**OUTSTANDING
TOTAL
PORTFOLIO**
Composed of 88
investments²

\$24.7MM
**MEZZANINE LOAN
REDEMPTION**

\$5.7MM
**MORTGAGE-BACKED
SECURITY**
Purchased a \$5.7MM mortgage-
backed security with a current
yield of 13.10%

\$29.1MM
**PREFERRED EQUITY
INVESTMENTS**
Purchased \$29.1MM of preferred
equity investments with a current
blended yield of 11.00%

CAPITALIZATION

2.66X
**DEBT TO BOOK
VALUE RATIO**
As of April 26, 2023

5.1 Years
**WEIGHTED
AVERAGE
REMAINING TERM**
Of secured credit facility,
matched in structure and term
of the underlying SFR loans as
of March 31, 2023

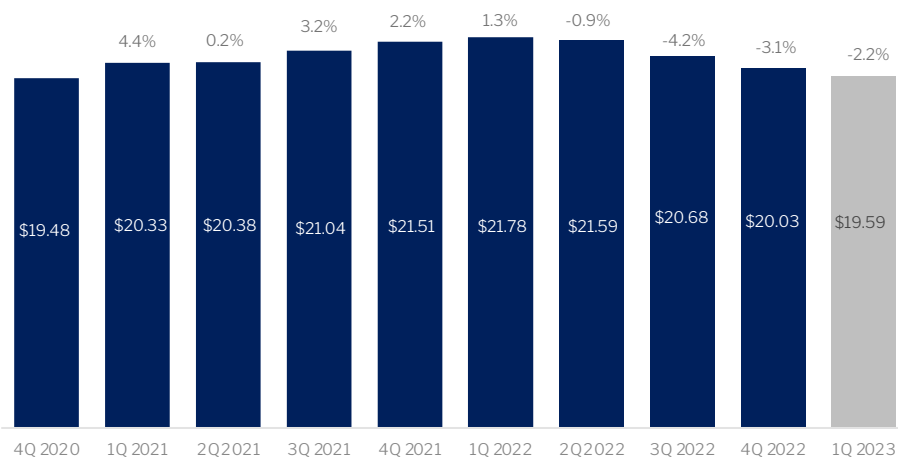
\$338.1MM
**OUTSTANDING
REPO FINANCING**
Equates to 60.3% advance
rate on our CMBS B-Piece, IO
Strips, MSCR Notes and
mortgage-backed security
Portfolio³

1) CASH AVAILABLE FOR DISTRIBUTION PER DILUTED SHARE ASSUMES VESTING OF ALL OUTSTANDING UNVESTED RESTRICTED STOCK UNITS AND CONVERSION OF ALL REDEEMABLE NON-CONTROLLING INTERESTS. SEE "RECONCILIATIONS" SLIDE

2) AS OF APRIL 26, 2023, AND CMBS B-PIECES REFLECTED ON AN UNCONSOLIDATED BASIS
3) BASED ON ACTUAL COLLATERAL POSTED

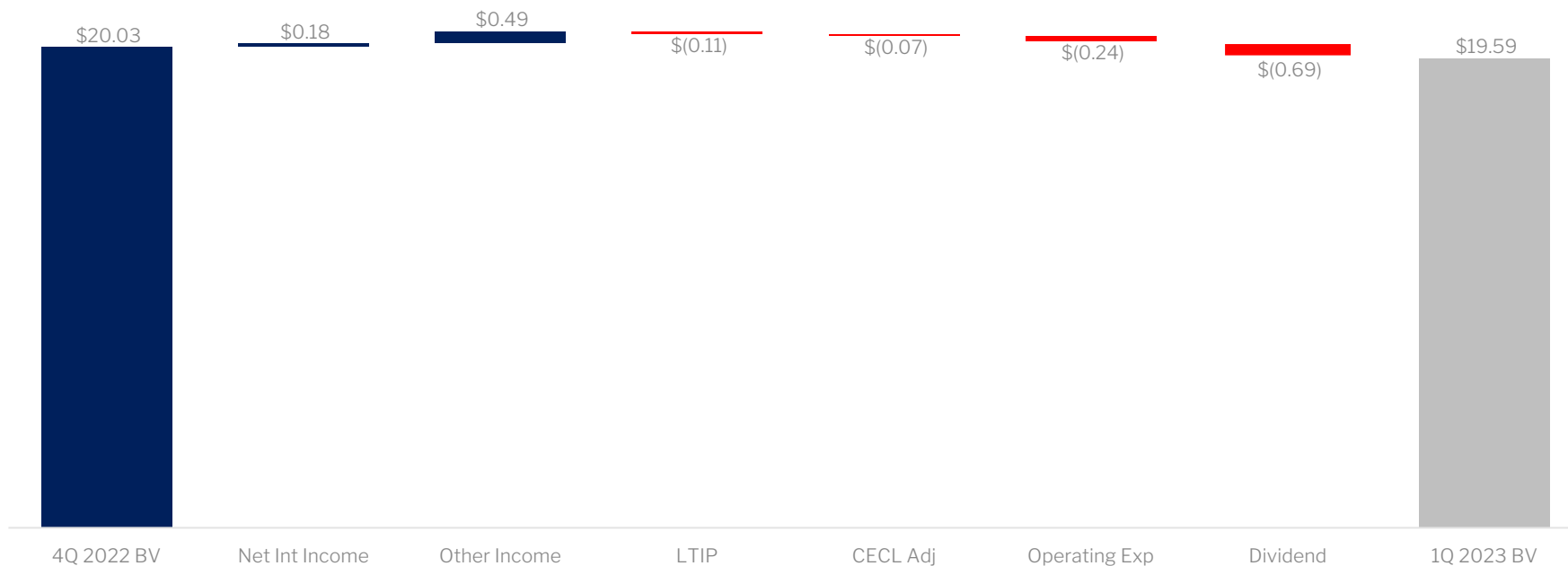
1Q 2023 Earnings And Book Value

Book Value Per Common Share Growth



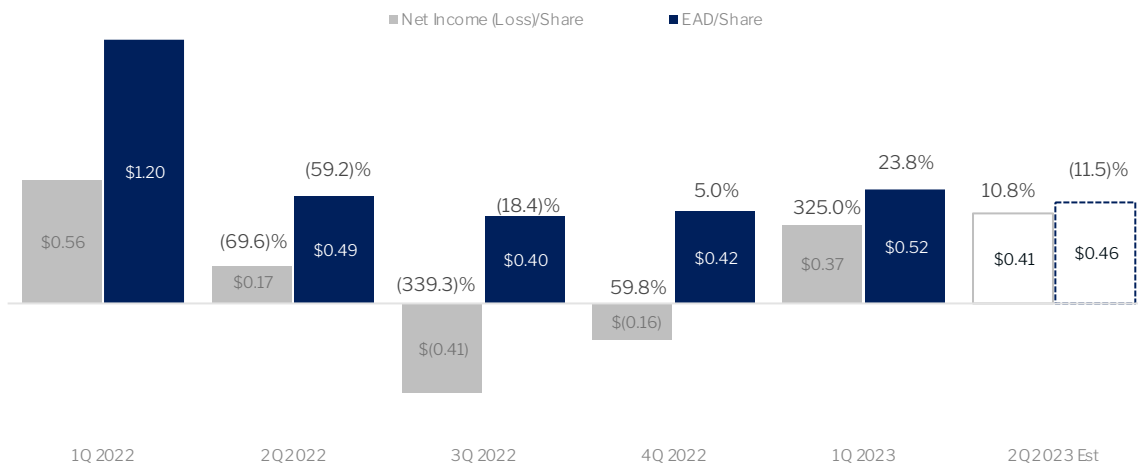
Earnings and Book Value

- Net interest income of \$3.9MM, an increase of 0.7% compared to 4Q 2022
- Net income of \$9.4MM, with net income attributable to common stockholders of \$6.6MM, or \$0.37 per diluted common share; compared to net loss of \$2.0MM, with net loss attributable to common stockholders of \$3.7MM, or \$(0.25) per diluted common share in 4Q 2022
- Earnings available for distribution of \$11.9MM, or \$0.52 per diluted common share; compared to \$0.42 per diluted common share in 4Q 2022
- BV per diluted common share including redeemable NCI in the Operating Partnership decreased 2.2% to \$19.59/share, compared to \$20.03/share at the end of 4Q 2022

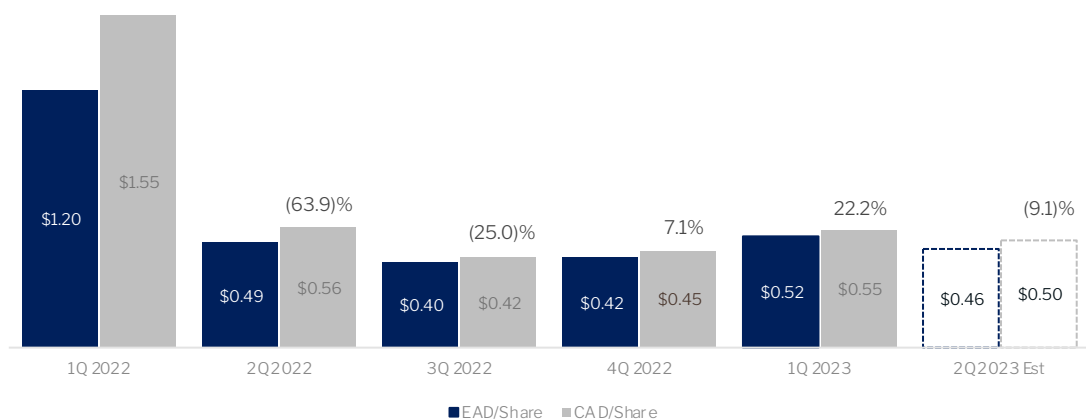


Net Income, EAD and CAD

Net Income (Loss) and EAD Per Diluted Share



EAD and CAD Per Diluted Share



NET INCOME, EAD, CAD AND GUIDANCE

NET INCOME / EAD / CAD

- Net income per diluted common share for 1Q 2023 is \$0.37, compared to net loss of \$0.16 per diluted common share reported in 4Q 2022
- 1Q 2023 EAD per diluted common share is \$0.52, an increase of 23.8% compared to 4Q 2022 reported EAD per diluted common share
- 1Q 2023 CAD per diluted common share is \$0.55, an increase of 17.0% compared to 4Q 2022 reported CAD per diluted common share

GUIDANCE

- 2Q 2023 EAD per diluted common share guidance is \$0.46¹ at the mid-point
- 2Q 2023 CAD per diluted common share guidance is \$0.50¹ at the mid-point

(1) NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS IN 2Q 2023 IS ESTIMATED TO BE BETWEEN \$6.7MM AND \$8.7MM. SEE "RECONCILIATIONS" SLIDES.

Dividend and Coverage

Dividend and Net Income/EAD/CAD Coverage

1 Q 2 0 2 3 D I V I D E N D :

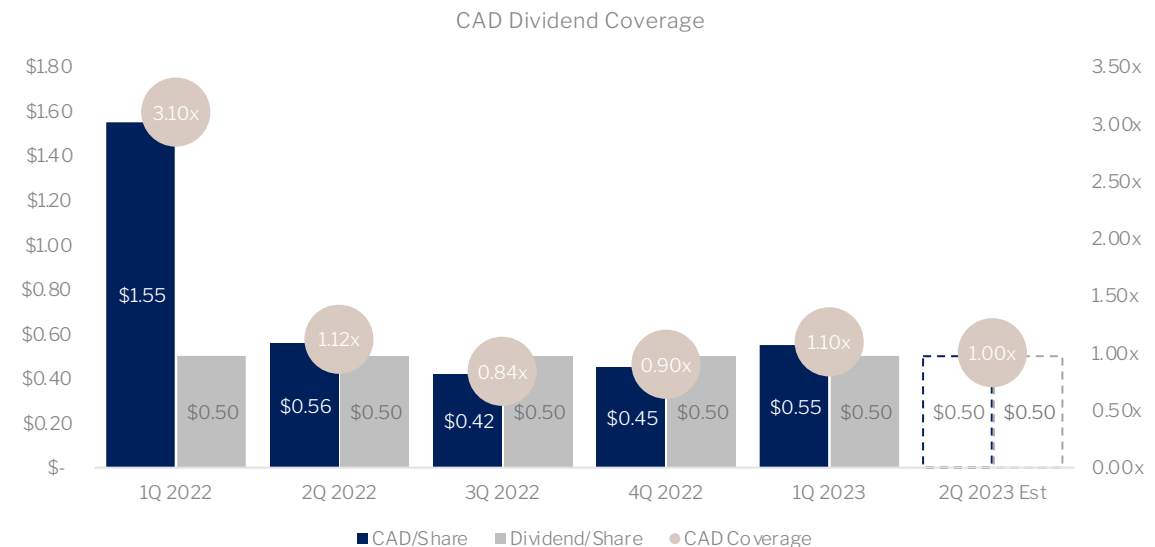
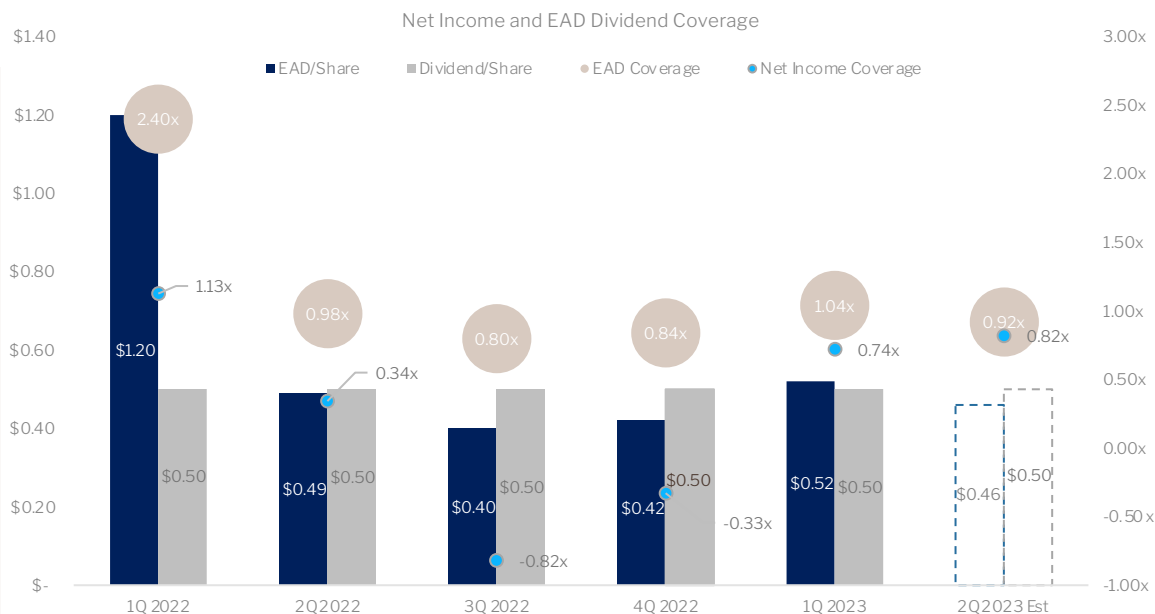
- 1Q dividend of \$0.50 per common share was paid March 31, 2023
- 1Q 2023 Net Income dividend coverage is 0.74x
- 1Q 2023 EAD dividend coverage is 1.04x
- 1Q 2023 CAD dividend coverage is 1.10x

2 Q 2 0 2 3 D I V I D E N D :

- 2Q 2023 dividend of \$0.50 per common share declared by the Board of Directors to be paid on June 30, 2023
- 2Q 2023 estimated Net Income dividend coverage of 0.82x¹
- 2Q 2023 estimated EAD dividend coverage of 0.92x¹
- 2Q 2023 estimated CAD dividend coverage of 1.00x¹

S P E C I A L D I V I D E N D :

- \$12.5mm of undistributed earnings intended to be distributed in 2023
- \$0.74 per share for the year
- \$0.185/share per quarter starting with 1Q 2023 which was paid on March 31, 2023
- 2Q 2023 special dividend of \$0.185 per common share declared by the Board of Directors to be paid on June 30, 2023



(1) NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS IN 2Q 2023 IS ESTIMATED TO BE BETWEEN \$6.7MM AND \$8.7MM. SEE "RECONCILIATIONS" SLIDES.

Portfolio Commentary

Defensive Portfolio Characteristics

The current portfolio consists of senior loans, CMBS B-Pieces, CMBS I/O Strips, mezzanine debt, preferred equity, MSCR notes, mortgage-backed securities, a multifamily property and common stock investments in short-duration lease-term assets (multifamily, SFR, self-storage, life sciences) that are geographically diverse in the United States. The portfolio has minimal exposure to construction loans, no heavy transitional loans, and no for-sale loans. As of April 26, 2023, there are no loans currently in forbearance in our portfolio.

MULTIFAMILY

- Historically low losses for Freddie Mac debt issuances secured by multifamily assets, including periods of market stress
- Aggregate losses in Freddie Mac's origination history have averaged 5 bps per year dating back to 1994¹
- Since 2009 and through December 2022, there have been \$56.1MM in aggregate losses on \$528.4B of combined issuance²

SINGLE-FAMILY RENTAL

- Although this is a relatively new asset class that was institutionalized in the wake of the global financial crisis, we believe SFR will exhibit resiliency akin to multifamily
- Current portfolio of SFR loans is capitalized by a secured credit facility with Freddie Mac, is matched in both duration and structure of the underlying loans, has 5.1 years of average weighted term to maturity, and a 245 bps interest rate spread³
- Subject to Freddie Mac forbearance program to help mitigate cash flow interruptions to the bondholders

SELF-STORAGE

- Occupancies across the sector remain at all-time highs with other fundamentals remaining strong
- Historically, self-storage has outperformed other real estate asset types during economic downturns

LIFE SCIENCES

- Secular demand growth can be reliably estimated by looking into past performance over the last 10-15 years
- Increases in technology, spending and medical talent have created strong demand for real estate that meets unique and specific requirements

5.4
YEARS AVERAGE
REMAINING TERM⁴

92.5%
OF PORTFOLIO
STABILIZED⁴

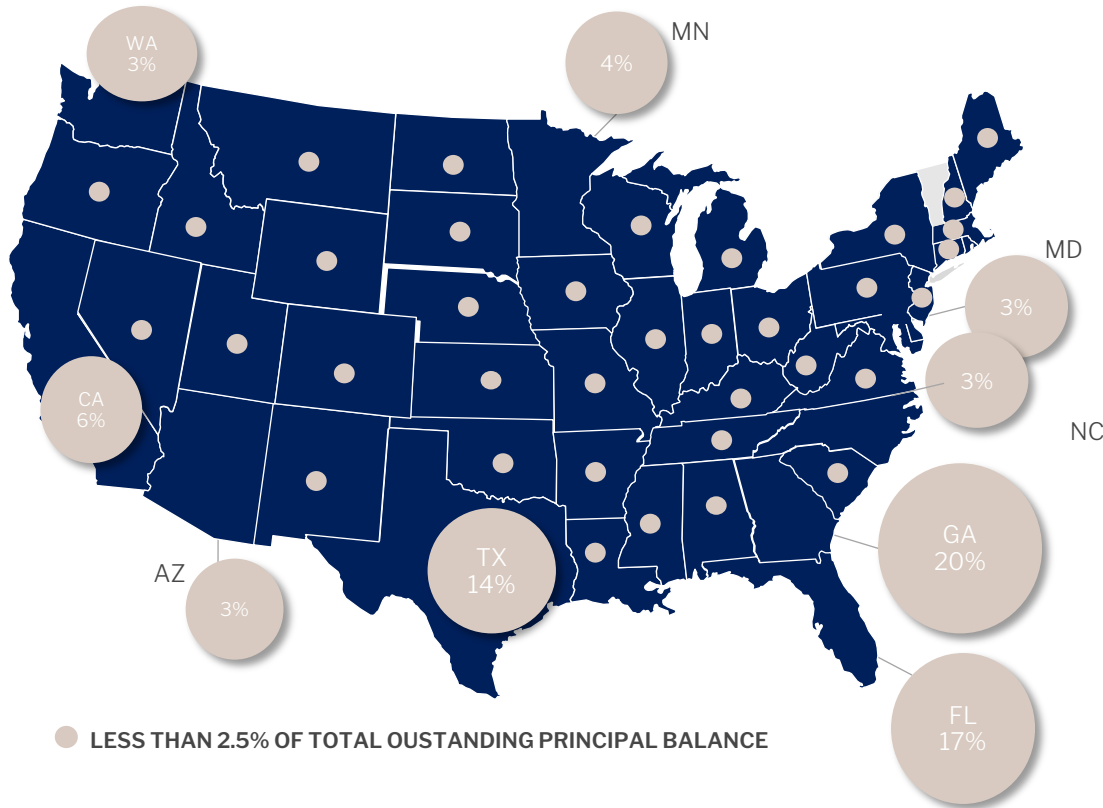
68.7%
WEIGHTED AVG
LOAN TO VALUE⁴

1.90x
WEIGHTED AVG
DSCR⁴

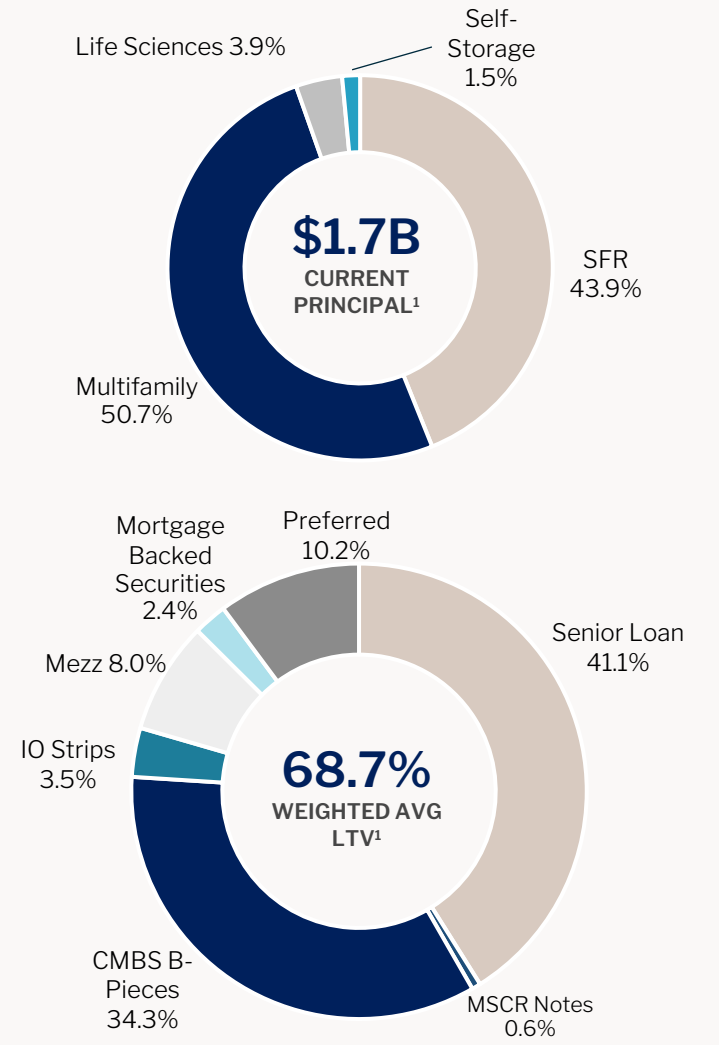
(1) FREDDIE MAC; 4Q 2022
(2) FREDDIE MAC; FEBRUARY 2023
(3) AS OF MARCH 31, 2023

4) AS OF APRIL 26, 2023, AND EXCLUDING THE COMMON STOCK INVESTMENTS AND THE HUDSON MONTFORD MULTIFAMILY PROPERTY

Portfolio Commentary¹



Geographic and Asset Type Exposure¹



(1) AS OF APRIL 26, 2023, AND EXCLUDING COMMON STOCK INVESTMENTS AND THE HUDSON MONTFORD MULTIFAMILY PROPERTY

Portfolio

\$s IN 0,000s EXCEPT PER SHARE DATA

#	Investment ¹	Location	Property Type	Investment Date	Current Principal	Net Equity ²	Coupon ³	Remaining Term ⁴	Loan to Value	DSCR
1	Senior Loan	Various	SFR	2/11/2020	\$508,700	\$72,097	4.65%	5.3	68.1%	
2	Senior Loan	Various	SFR	2/11/2020	51,304	6,798	4.74%	2.4	54.1%	
3	Senior Loan	Various	SFR	2/11/2020	36,563	5,086	5.55%	5.5	69.8%	
4	Senior Loan	Various	SFR	2/11/2020	10,119	1,457	4.72%	5.3	66.9%	
5	Senior Loan	Various	SFR	2/11/2020	10,081	1,533	5.35%	4.8	68.4%	
6	Senior Loan	Various	SFR	2/11/2020	10,523	1,490	5.30%	2.8	63.2%	
7	Senior Loan	Various	SFR	2/11/2020	9,494	1,337	6.10%	5.4	71.4%	
8	Senior Loan	Various	SFR	2/11/2020	8,733	1,279	5.88%	5.7	53.4%	
9	Senior Loan	Various	SFR	2/11/2020	7,438	1,095	5.34%	5.8	70.5%	
10	Senior Loan	Various	SFR	2/11/2020	6,546	966	5.46%	5.8	68.8%	
11	Senior Loan	Various	SFR	2/11/2020	6,269	858	5.47%	0.8	64.2%	
12	Senior Loan	Various	SFR	2/11/2020	5,760	812	5.99%	5.6	70.0%	
13	Senior Loan	Various	SFR	2/11/2020	5,426	777	5.24%	5.4	54.9%	
14	Senior Loan	Various	SFR	2/11/2020	5,364	660	5.33%	0.3	64.0%	
15	Senior Loan	Various	SFR	2/11/2020	5,148	747	5.46%	5.7	70.5%	
Total SFR					687,468	96,992	4.81%	5.0	66.8%	
1	CMBS B-Piece	Various	Multifamily	2/11/2020	\$24,272 ⁵	\$9,047	9.81%	2.8	63.0%	
2	CMBS B-Piece	Various	Multifamily	2/11/2020	28,581 ⁵	10,839	10.67%	3.6	60.7%	
3	CMBS B-Piece	Various	Multifamily	4/23/2020	81,999 ⁵	28,390	3.62%	6.8	65.6%	
4	CMBS B-Piece	Various	Multifamily	7/30/2020	19,316 ⁵	9,072	13.67%	4.2	65.4%	
5	CMBS B-Piece	Various	Multifamily	8/6/2020	108,643 ⁵	23,413	0.00%	7.2	69.4%	
6	CMBS B-Piece	Various	Multifamily	4/20/2021	43,052 ⁵	16,919	10.78%	7.8	71.5%	
7	CMBS B-Piece	Various	Multifamily	6/30/2021	108,305 ⁵	27,047	0.00%	3.7	71.8%	
8	CMBS B-Piece	Various	Multifamily	12/9/2021	54,436 ⁵	19,324	9.78%	1.5	75.3%	
9	CMBS B-Piece	Various	Multifamily	5/2/2022	35,014 ⁵	10,583	4.36%	15.6	61.3%	
10	CMBS B-Piece	Various	Multifamily	7/28/2022	70,476 ⁵	25,387	9.78%	6.2	61.6%	
Total CMBS B-Piece					574,094	180,021	5.12%	5.9	67.7%	

Portfolio

\$s IN 0,000s EXCEPT PER SHARE DATA

#	Investment ¹	Location	Property Type	Investment Date	Current Principal	Net Equity ²	Coupon ³	Remaining Term ⁴	Loan to Value	DSCR
1	CMBS IO Strip	Various	Multifamily	5/18/2020	\$2,436 ⁶	\$550	2.09%	23.4	71.8%	
2	CMBS IO Strip	Various	Multifamily	8/6/2020	19,695 ⁶	4,998	3.08%	7.2	69.4%	
3	CMBS IO Strip	Various	Multifamily	4/28/2021 ⁷	6,423 ⁶	1,385	1.71%	6.7	65.6%	
4	CMBS IO Strip	Various	Multifamily	5/27/2021	4,185 ⁶	1,134	3.50%	7.1	68.4%	
5	CMBS IO Strip	Various	Multifamily	6/7/2021	501 ⁶	134	2.39%	5.6	63.4%	
6	CMBS IO Strip	Various	Multifamily	6/11/2021 ⁸	9,832 ⁶	1,562	1.33%	6.1	61.4%	
7	CMBS IO Strip	Various	Multifamily	6/21/2021	1,793 ⁶	441	1.29%	7.1	62.7%	
8	CMBS IO Strip	Various	Multifamily	8/10/2021	2,889 ⁶	700	1.96%	6.5	71.0%	
9	CMBS IO Strip	Various	Multifamily	8/11/2021	1,528 ⁶	432	3.20%	8.2	66.3%	
10	CMBS IO Strip	Various	Multifamily	8/24/2021	286 ⁶	260	2.70%	7.7	61.3%	
11	CMBS IO Strip	Various	Multifamily	9/1/2021	4,293 ⁶	3,887	2.04%	7.2	65.8%	
12	CMBS IO Strip	Various	Multifamily	9/11/2021	4,393 ⁶	3,984	3.05%	8.2	62.7%	
	Total CMBS IO Strip				58,254	19,467	2.43%	7.7	66.6%	
1	Mezzanine	Houston, TX	Multifamily	6/12/2020	\$7,500	\$7,500	11.00%	1.2	79.3%	
2	Mezzanine	Philadelphia, PA	Multifamily	10/20/2020	14,253	5,917	7.59%	6.1	89.4%	
3	Mezzanine	Laurel, MD	Multifamily	10/20/2020	12,000	4,986	7.71%	7.9	84.9%	
4	Mezzanine	White Marsh, MD	Multifamily	10/20/2020	10,380	4,314	7.42%	8.2	84.8%	
5	Mezzanine	Cockeysville, MD	Multifamily	10/20/2020	9,610	3,994	7.42%	8.2	84.3%	
6	Mezzanine	Laurel, MD	Multifamily	10/20/2020	7,390	3,071	7.42%	8.2	80.3%	
7	Mezzanine	North Aurora, IL	Multifamily	10/20/2020	6,829	2,822	7.53%	5.7	71.0%	
8	Mezzanine	Lakewood, NJ	Multifamily	10/20/2020	5,540	2,291	7.33%	6.0	81.1%	
9	Mezzanine	Wilmington, DE	Multifamily	10/20/2020	5,470	2,263	7.50%	6.0	89.3%	
10	Mezzanine	Urbandale, IA	Multifamily	10/20/2020	4,010	1,657	7.89%	5.6	83.8%	
11	Mezzanine	Daytona Beach, FL	Multifamily	10/20/2020	3,700	1,528	7.83%	5.4	81.5%	
12	Mezzanine	Rosedale, MD	Multifamily	10/20/2020	3,620	1,504	7.42%	8.4	83.3%	

Portfolio

\$s IN 0,000s EXCEPT PER SHARE DATA

#	Investment ¹	Location	Property Type	Investment Date	Current Principal	Net Equity ²	Coupon ³	Remaining Term ⁴	Loan to Value	DSCR
13	Mezzanine	Atlanta, GA	Multifamily	10/20/2020	\$3,310	\$1,369	6.91%	6.2	80.3%	
14	Mezzanine	Temple Hills, MD	Multifamily	10/20/2020	3,000	1,247	7.32%	8.3	83.1%	
15	Mezzanine	Des Moines, IA	Multifamily	10/20/2020	2,880	1,190	7.89%	5.6	81.6%	
16	Mezzanine	Tyler, TX	Multifamily	10/20/2020	2,135	882	7.74%	5.4	83.1%	
17	Mezzanine	Temple Hills, MD	Multifamily	10/20/2020	1,500	623	7.22%	8.3	78.6%	
18	Mezzanine	Las Vegas, NV	Multifamily	10/20/2020	1,190	492	7.71%	5.8	75.5%	
19	Mezzanine	Irving, TX	Multifamily	11/18/2021	12,600	12,494	15.75%	5.6	91.9%	
20	Mezzanine	Rogers, AR	Multifamily	12/29/2021	7,760	7,695	15.75%	1.7	86.6%	
21	Mezzanine	Rogers, AR	Multifamily	6/9/2022	4,500	4,466	15.50%	2.4	95.2%	
22	Mezzanine	Kirkland, WA	Multifamily	10/5/2022	4,030	3,993	15.50%	4.5	73.7%	
Total Mezzanine					133,207	76,298	9.49%	6.0	84.2%	
1	Preferred Equity	Houston, TX	Multifamily	5/29/2020	\$10,000	\$10,000	11.00%	7.0	73.4%	
2	Preferred Equity	Holly Springs, NC	Life Sciences	9/29/2021	8,806	8,806	10.00%	0.4	N/A	
3	Preferred Equity	Atlanta, GA	Multifamily	10/26/2021	9,750	9,695	11.00%	1.5	92.3%	
4	Preferred Equity	Las Vegas, NV	Multifamily	12/28/2021 ⁹	24,566	24,566	10.50%	8.8	58.8%	
5	Preferred Equity	Vacaville, CA	Life Sciences	1/14/2022	21,207	21,207	10.00%	0.4	22.7%	
6	Preferred Equity	Beaumont, TX	Self-Storage	4/7/2022 ¹⁰	4,000	3,964	14.75%	7.3	N/A	
7	Preferred Equity	Temple, TX	Self-Storage	6/8/2022	4,000	3,963	14.03%	7.3	N/A	
8	Preferred Equity	Medley, FL	Self-Storage	7/1/2022	9,000	8,922	11.00%	4.2	96.2%	
9	Preferred Equity	Plano, TX	Multifamily	8/10/2022	8,500	8,430	15.59%	2.4	81.8%	
10	Preferred Equity	Fort Worth, TX	Multifamily	9/30/2022	9,000	8,921	14.50%	2.4	78.2%	
11	Preferred Equity	Woodbury, MN	Life Sciences	10/19/2022	15,000	14,925	10.00%	0.4	77.1%	
12	Preferred Equity	Forney, TX	SFR	2/10/2023	14,000	13,860	11.00%	1.8	N/A	
13	Preferred Equity	Richmond, VA	SFR	2/24/2023	11,200	11,088	11.00%	1.8	N/A	
14	Preferred Equity	Temecula, CA	Life Sciences	4/6/2023	21,106	21,000	10.00%	0.4	62.2%	
Total Preferred					170,135	169,347	11.11%	3.0	64.7%	

*SEE FOOTNOTES ON FOLLOWING PAGE

Portfolio

#	Investment ¹	Location	Property Type	Investment Date	Current Principal	Net Equity ²	Coupon ³	Remaining Term ⁴	Loan to Value	DSCR
1	MSCR Note	Various	Multifamily	5/25/2022	\$4,000	\$2,000	14.06%	29.1	61.3%	
2	MSCR Note	Various	Multifamily	5/25/2022	5,000	2,130	11.06%	29.1	61.3%	
3	MSCR Note	Various	Multifamily	9/23/2022	1,500	615	11.41%	28.6	61.8%	
Total MSCR Note					10,500	4,745	12.25%	29.0	61.4%	
1	Mortgage-Backed Security	Various	SFR	6/1/2022	\$10,074	\$2,327	4.87%	2.6	92.0%	
2	Mortgage-Backed Security	Various	SFR	6/1/2022	10,419	3,530	7.89%	3.0	94.4%	
3	Mortgage-Backed Security	Various	SFR	7/28/2022	575	269	6.23%	4.5	94.9%	
4	Mortgage-Backed Security	Various	SFR	7/28/2022	1,057	368	3.60%	5.2	95.0%	
5	Mortgage-Backed Security	Various	Multifamily	9/12/2022	3,955	1,586	10.78%	7.7	73.3%	
6	Mortgage-Backed Security	Various	Self-Storage	9/29/2022	8,000	7,826	10.61%	4.4	66.7%	
7	Mortgage-Backed Security	Various	Multifamily	3/10/2023	5,747	2,261	13.17%	1.8	64.1%	
Total Mortgage-Backed Security					39,827	18,167	8.58%	3.5	81.8%	
1	Common Stock	N/A	Self-Storage	11/6/2020	N/A	\$50,145	N/A	N/A	N/A	
2	Common Stock	N/A	Ground Lease	12/28/2021	N/A	26,853	N/A	N/A	N/A	
3	Common Stock	N/A	SFR	2/10/2023	N/A	500	N/A	N/A	N/A	
4	Common Stock	N/A	SFR	2/24/2023	N/A	500	N/A	N/A	N/A	
Total Common Stock					N/A	\$77,998	N/A	N/A	N/A	
1	Multifamily Property	Charlotte, NC	Multifamily	12/31/2021 ¹¹	N/A	\$26,884	N/A	N/A	N/A	
Portfolio Total					\$1,673,485	\$669,919	5.84%	5.4	68.7%	1.90x

*SEE FOOTNOTES ON FOLLOWING PAGE

Portfolio

\$s IN 0,000s EXCEPT PER SHARE DATA

- (1) OUR TOTAL PORTFOLIO REPRESENTS THE CURRENT PRINCIPAL AMOUNT OF THE CONSOLIDATED SFR LOANS, CMBS I/O STRIPS, MEZZANINE LOANS, PREFERRED EQUITY, MULTIFAMILY PROPERTY, MSCR NOTES AND MORTGAGE BACKED SECURITIES AS WELL AS THE NET EQUITY OF OUR CMBS B-PIECE INVESTMENTS.
- (2) NET EQUITY REPRESENTS THE CARRYING VALUE LESS BORROWINGS COLLATERALIZED BY THE INVESTMENT.
- (3) THE WEIGHTED AVERAGE COUPON IS WEIGHTED ON THE CURRENT PRINCIPAL BALANCE.
- (4) THE WEIGHTED-AVERAGE LIFE IS WEIGHTED ON CURRENT PRINCIPAL BALANCE AND ASSUMES NO PREPAYMENTS. THE MATURITY DATE FOR PREFERRED EQUITY INVESTMENTS REPRESENTS THE MATURITY DATE OF THE SENIOR MORTGAGE, AS THE PREFERRED EQUITY INVESTMENTS REQUIRE REPAYMENT UPON THE SALE OR REFINANCING OF THE ASSET.
- (5) THE CMBS B-PIECES ARE SHOWN ON AN UNCONSOLIDATED BASIS REFLECTING THE VALUE OF OUR INVESTMENTS.
- (6) THE NUMBER SHOWN REPRESENTS THE NOTIONAL VALUE ON WHICH INTEREST IS CALCULATED FOR THE CMBS I/O STRIPS. CMBS I/O STRIPS RECEIVE NO PRINCIPAL PAYMENTS AND THE NOTIONAL VALUE DECREASES AS THE UNDERLYING LOANS ARE PAID OFF.
- (7) THE COMPANY, THROUGH THE SUBSIDIARY OPS, PURCHASED APPROXIMATELY \$50.0 MILLION AND \$15.0 MILLION AGGREGATE NOTIONAL AMOUNT OF THE X1 INTEREST-ONLY TRANCHE OF THE FHMS K-107 CMBS I/O STRIP ON APRIL 28, 2021 AND MAY 4, 2021, RESPECTIVELY.
- (8) THE COMPANY, THROUGH THE SUBSIDIARY OPS, PURCHASED APPROXIMATELY \$80.0 MILLION, \$35.0 MILLION, \$40.0 MILLION AND \$50.0 MILLION AGGREGATE NOTIONAL AMOUNT OF THE X1 INTEREST-ONLY TRANCHE OF THE FRESB 2019-SB64 CMBS I/O STRIP ON JUNE 11, 2021 AND SEPTEMBER 29, 2021, FEBRUARY 3, 2022 AND MARCH 18, 2022, RESPECTIVELY.
- (9) THE COMPANY, THROUGH THE SUBSIDIARY OPS, INVESTED \$5.0 MILLION, \$1.8 MILLION, \$40.1 MILLION AND \$18.5 MILLION IN THIS PREFERRED EQUITY INVESTMENT ON DECEMBER 28, 2021, JANUARY 27, 2022, FEBRUARY 1, 2022 AND JULY 6, 2022, RESPECTIVELY.
- (10) THE COMPANY, THROUGH THE SUBSIDIARY OPS, INVESTED \$2.7 MILLION AND \$1.3 MILLION IN THIS PREFERRED EQUITY INVESTMENT ON APRIL 7, 2022 AND MAY 3, 2022, RESPECTIVELY.
- (11) REAL ESTATE IS A 204-UNIT MULTIFAMILY PROPERTY.

Financials

\$s IN 0,000s EXCEPT PER SHARE DATA OR AS OTHERWISE INDICATED

Income Statement

For the three months ended	Mar. 31, 2023	Dec. 31, 2022
Interest income	\$16,161	\$15,568
Interest expense	(12,212)	(11,648)
Net interest income	3,949	3,920
Other income (loss)	10,949	904
Total operating expenses	(5,520)	(6,790)
Net income (loss)	9,378	(1,966)
Preferred stock dividends	(874)	(882)
Net (income) loss attributable to redeemable NCI	(1,937)	110
Net (income) loss attributable to redeemable NCI in subsidiaries	-	(995)
Net income (loss) attributable to common stockholders	\$6,567	\$(3,733)
Weighted average common shares outstanding, diluted	22,678	15,163
Net income (loss) per share, diluted	\$0.37	\$(0.25)

Book Value

	Mar 31, 2023	Dec. 31, 2022
Common stockholders' equity	\$339,659	\$346,474
Redeemable noncontrolling interests in the OP	95,712	96,501
Total equity	\$435,371	\$442,975
Redeemable OP units	5,038	5,038
Common shares outstanding	17,184	17,080
Combined book value per share	\$19.59	\$20.03

Balance Sheet

	March 31, 2023	December 31, 2022
Cash and cash equivalents	\$38,830	\$20,048
Restricted cash	1,495	299
Real estate investment, net	59,072	245,222
Loans, held-for-investment, net	284,548	256,147
Common stock investments, at fair value	77,998	78,264
Mortgage loans, held-for-investment, net	723,343	726,531
Accrued interest and dividends	17,467	15,665
Mortgage loans held in variable interest entities, at fair value	6,747,377	6,720,246
CMBS structured pass-through certificates, at fair value	44,308	46,876
MSCR notes, at fair value	10,015	10,313
Mortgage-backed securities	37,007	32,328
Accounts receivable and other Assets	1,106	2,197
Total Assets	\$8,042,566	\$8,154,136
Secured financing agreements, net	\$687,480	\$687,885
Master repurchase agreements	350,399	331,020
Unsecured Notes, net	205,176	204,960
Mortgages payable, net	32,235	121,236
Accounts payable and other accrued liabilities	5,377	6,231
Accrued interest payable	10,189	7,986
Bonds payable held in variable interest entities, at fair value	6,278,734	6,249,804
Total Liabilities	7,569,590	7,609,122
Redeemable NCI in the Operating Partnership	95,712	96,501
Total Stockholders Equity	377,264	448,513
Total Liabilities and Stockholders' Equity	\$8,042,566	\$8,154,136

Reconciliations

\$s IN 0,000s EXCEPT PER SHARE DATA OR AS OTHERWISE INDICATED

Reconciliation of 2Q 2023 Net Income to EAD

	Low	Mid	High
For the three months ended	<u>Jun. 30, 2023</u>	<u>Jun. 30, 2023</u>	<u>Jun. 30, 2023</u>
Net income attributable to common stockholders	\$6,735	\$7,695	\$8,654
Net income attributable to redeemable noncontrolling interests	1,529	1,716	1,903
Adjustments:			
Amortization of stock-based compensation	1,104	1,104	1,104
EAD	\$9,368	\$10,515	\$11,661
Weighted average common shares outstanding, basic	17,885	17,885	17,885
Weighted average common shares outstanding, diluted ⁽¹⁾	22,924	22,924	22,924
EPS per diluted weighted average share	\$0.36	\$0.41	\$0.46
EAD per diluted weighted average share	\$0.41	\$0.46	\$0.51
Announced 2Q dividend	\$0.50	\$0.50	\$0.50
Estimated 2Q Net income dividend coverage ratio	0.72x	0.82x	0.92x
Estimated 2Q EAD dividend coverage ratio	0.82x	0.92x	1.02x

Reconciliation of 2Q 2023 EAD to CAD

	Low	Mid	High
For the three months ended	<u>Jun. 30, 2023</u>	<u>Jun. 30, 2023</u>	<u>Jun. 30, 2023</u>
EAD	\$9,368	\$10,515	\$11,661
Adjustments:			
Amortization of premiums	3,778	3,778	3,778
Accretion of discounts	(3,412)	(3,412)	(3,412)
Amortization and depreciation	470	470	470
CAD	\$10,204	\$11,351	\$12,497
Weighted average common shares outstanding, basic	17,885	17,885	17,885
Weighted average common shares outstanding, diluted ⁽¹⁾	22,924	22,924	22,924
EPS per diluted weighted average share	\$0.36	\$0.41	\$0.46
CAD per diluted weighted average share	\$0.45	\$0.50	\$0.55
Announced 2Q dividend	\$0.50	\$0.50	\$0.50
Estimated 2Q Net income dividend coverage ratio	0.72x	0.82x	0.92x
Estimated 2Q CAD dividend coverage ratio	0.90x	1.00x	1.10x

(1) WEIGHTED AVERAGE DILUTED SHARES ASSUMED VESTING OF ALL OUTSTANDING RESTRICTED STOCK UNITS AND CONVERSION OF ALL REDEEMABLE NON-CONTROLLING INTERESTS

Reconciliations

\$s IN 0,000s EXCEPT PER SHARE DATA OR AS OTHERWISE INDICATED

Reconciliation of Net Income (Loss) to Earnings Available for Distribution

	<u>10 2023</u>	<u>4Q 2022</u>	<u>3Q 2022</u>	<u>2Q 2022</u>	<u>1Q 2022</u>	<u>4Q 2021</u>	<u>3Q 2021</u>	<u>2Q 2021</u>	<u>1Q 2021</u>
Net income attributable to common stockholders	\$6,567	\$(3,733)	\$(9,289)	\$3,850	\$12,406	\$12,435	\$13,233	\$5,542	\$8,367
Net income attributable to redeemable noncontrolling interests	1,937	(111)	(1,889)	2,186	4,783	7,640	11,084	5,834	15,829
Adjustments:									
Amortization of stock-based compensation	847	872	870	871	673	538	538	557	391
Provision for (reversal of) credit losses net	(34)	-	-	-	-	-	-	-	124
Unrealized (gains) or losses	2,564	12,563	19,473	4,184	8,545	(8,832)	(14,336)	(3,859)	(16,476)
Earnings Available for Distribution	\$11,881	\$9,591	\$9,165	\$11,091	\$26,407	\$11,781	\$10,519	\$8,074	\$8,235
Weighted average common shares outstanding, basic	17,118	15,163	14,962	14,748	13,696	9,163	6,863	5,306	5,023
Weighted average common shares outstanding, diluted ¹	22,678	22,696	22,678	22,494	22,030	21,911	20,712	19,603	19,199
EPS per diluted weighted average share ¹	\$0.37	\$(0.17)	\$(0.49)	\$0.27	\$0.78	\$0.92	\$1.17	\$0.58	\$1.26
EAD per diluted weighted average share ¹	\$0.52	\$0.42	\$0.40	\$0.49	\$1.20	\$0.54	\$0.51	\$0.41	\$0.43
Dividend per common share	\$0.500	\$0.500	\$0.500	\$0.500	\$0.500	\$0.475	\$0.475	\$0.475	\$0.475
Net income dividend coverage ratio	0.74x	(0.33)x	(0.82)x	0.34x	1.13x	1.94x	2.46x	1.22x	2.65x
EAD dividend coverage ratio	1.04x	0.84x	0.80x	0.98x	2.40x	1.14x	1.07x	0.86x	0.91x

(1) WEIGHTED AVERAGE DILUTED SHARES ASSUMES VESTING OF ALL OUTSTANDING UNVESTED RESTRICTED STOCK UNITS AND CONVERSION OF ALL REDEEMABLE NON-CONTROLLING INTERESTS

Reconciliations

\$s IN 0,000s EXCEPT PER SHARE DATA OR AS OTHERWISE INDICATED

Reconciliation of Earnings Available for Distribution to CAD

	<u>1Q 2023</u>	<u>4Q 2022</u>	<u>3Q 2022</u>	<u>2Q 2022</u>	<u>1Q 2022</u>	<u>4Q 2021</u>	<u>3Q 2021</u>	<u>2Q 2021</u>	<u>1Q 2021</u>
Earnings Available for Distribution	\$11,881	\$9,591	\$9,165	\$11,091	\$26,407	\$11,781	\$10,519	\$8,074	\$8,235
Adjustments:									
Amortization of premiums	3,531	3,663	3,425	3,854	9,900	5,337	5,390	2,808	2,516
Accretion of discounts	(3,500)	(3,521)	(3,517)	(3,244)	(3,030)	(3,271)	(2,976)	(1,680)	(1,668)
Amortization and depreciation	476	460	545	946	944	-	-	-	-
Amortization of deferred financing costs	11	12	12	12	12	-	-	-	-
Cash Available for Distribution	\$12,399	\$10,203	\$9,630	\$12,659	\$34,233	\$13,847	\$12,933	\$9,202	\$9,083
Weighted average common shares outstanding, basic	17,118	15,163	14,962	14,748	13,696	9,163	6,863	5,306	5,023
Weighted average common shares outstanding, diluted ¹	22,678	22,696	22,678	22,494	22,030	21,911	20,721	19,603	19,199
EPS per diluted weighted average share ¹	\$0.37	\$(0.17)	\$(0.49)	\$0.27	\$0.78	\$0.92	\$1.17	\$0.58	\$1.26
CAD per diluted weighted average share ¹	\$0.55	\$0.45	\$0.42	\$0.56	\$1.55	\$0.63	\$0.62	\$0.47	\$0.47
Dividend per common share	\$0.500	\$0.500	\$0.500	\$0.500	\$0.500	\$0.475	\$0.475	\$0.475	\$0.475
Net income dividend coverage ratio	0.74x	(0.33)x	(0.82)x	0.34x	1.13x	1.94x	2.46x	1.22x	2.65x
CAD dividend coverage ratio	1.10x	0.90x	0.84x	1.12x	3.10x	1.33x	1.31x	0.99x	0.99x

(1) WEIGHTED AVERAGE DILUTED SHARES ASSUMES VESTING OF ALL OUTSTANDING UNVESTED RESTRICTED STOCK UNITS AND CONVERSION OF ALL REDEEMABLE NON-CONTROLLING INTERESTS