

Q3
2019

SUPPLEMENTAL REPORTING INFORMATION



Table of Contents

Press Release	Page 1
Highlights	Page 9
Commercial and Residential Lending Segment	Page 12
Infrastructure Lending Segment	Page 18
Property Segment	Page 19
Investing and Servicing Segment	Page 22
Capitalization	Page 24
Appendix	Page 29

Cover photo: *The Wharf, Phase II, Washington D.C. - First Mortgage*



PRESS RELEASE



For Immediate Release

Starwood Property Trust Reports Results for the Quarter Ended September 30, 2019

- Quarterly GAAP Earnings of \$0.49 and Core Earnings of \$0.52 per Diluted Common Share –**
- Deploys \$2.5 Billion of Capital, Including \$1.2 Billion in Commercial Lending –**
- Executes \$1.1 Billion CRE CLO –**
- Enhances Capital Structure with \$400 Million Term Loan B and \$100 Million Revolver –**
- Declares Dividend of \$0.48 per share for the Fourth Quarter of 2019 –**

GREENWICH, Conn., November 8, 2019 /PRNewswire/ -- Starwood Property Trust, Inc. (NYSE: STWD) today announced operating results for the fiscal quarter ended September 30, 2019. The Company's third quarter 2019 GAAP net income was \$140.4 million, or \$0.49 per diluted share, and Core Earnings (a non-GAAP financial measure) was \$152.6 million, or \$0.52 per diluted share.

"We had another strong quarter, with over \$2.5 billion of capital deployed across all our segments, including \$1.2 billion in Commercial Lending. Notably, our non-agency residential lending business continued to expand with purchases of over \$600 million of loans and the completion of our fourth and largest securitization for \$546 million. We also continue to experience growing, double-digit yields in our Property segment. We expect that these yields will increase over 200 basis points as a result of the \$180 million partial cash out refinance of our medical office portfolio and first multifamily portfolio, which have appreciated meaningfully since acquisition. Our pipeline remains robust, and we expect to invest this capital accretively as we continue to utilize our global organization to find the best opportunities across our cylinders," commented Barry Sternlicht, Chairman and CEO of Starwood Property Trust.

Added Jeffrey DiModica, President of Starwood Property Trust, "During the quarter, we continued to reduce our reliance on warehouse financing, completing our first \$1.1 billion CRE CLO. The transaction was structurally superior, reducing balance sheet exposure, and with a higher advance rate and lower cost of funds than the repurchase facilities it replaced. We also executed on a \$400 million term loan, which allowed us to increase our unencumbered asset base, providing us with additional capacity to issue attractive corporate debt in the future. We ended the quarter with a record high of over \$8.0 billion of available capacity across our financing facilities, giving us tremendous flexibility as investment opportunities arise."

Dividend

On November 8, 2019, the Company's Board of Directors declared a dividend of \$0.48 per share of common stock for the quarter ending December 31, 2019. The dividend is payable on January 15, 2020 to common stockholders of record as of December 31, 2019.

Supplemental Schedules

The Company has published supplemental earnings schedules on its website in order to provide additional disclosure and financial information for the benefit of the Company's stakeholders. Specifically, these materials

can be found on the Company's website in the Investor Relations section under "Quarterly Results" at www.starwoodpropertytrust.com.

Conference Call and Webcast Information

The Company will host a live webcast and conference call on Friday, November 8, 2019, at 10:00 a.m. Eastern Time. To listen to a live broadcast, access the site at least 15 minutes prior to the scheduled start time in order to register and download and install any necessary audio software. The webcast is available at www.starwoodpropertytrust.com in the investor relations section of the website.

To Participate via Telephone:

Dial in at least five minutes prior to start time.

Domestic: 1-877-407-9039

International: 1-201-689-8470

Conference Call Playback:

Domestic: 1-844-512-2921

International: 1-412-317-6671

Passcode: 13695217

The playback can be accessed through November 15, 2019.

About Starwood Property Trust, Inc.

Starwood Property Trust (NYSE: STWD), is a leading diversified finance company with a core focus on the real estate and infrastructure sectors. An affiliate of global private investment firm Starwood Capital Group, the Company has successfully deployed over \$57 billion of capital since inception and manages a portfolio of \$16 billion across debt and equity investments. Starwood Property Trust's investment objective is to generate attractive and stable returns for shareholders, primarily through dividends, by leveraging a premiere global organization to identify and execute on the best risk adjusted returning investments across its target assets. Additional information can be found at www.starwoodpropertytrust.com.

Forward-Looking Statements

Statements in this press release which are not historical fact may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are developed by combining currently available information with our beliefs and assumptions and are generally identified by the words "believe," "expect," "anticipate" and other similar expressions. Although Starwood Property Trust, Inc. believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, completion of pending investments and financings, continued ability to acquire additional investments, competition within the finance and real estate industries, economic conditions, availability of financing and other risks detailed under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as well as other risks and uncertainties set forth from time to time in the Company's reports filed with the SEC.

In light of these risks and uncertainties, there can be no assurances that the results referred to in the forward-looking statements contained herein will in fact occur. Except to the extent required by applicable law or regulation, we undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, changes to future results over time or otherwise.

Additional information can be found on the Company's website at www.starwoodpropertytrust.com.

Contact:

Zachary Tanenbaum

Starwood Property Trust

Phone: 203-422-7788

Email: ztanenbaum@starwood.com

Starwood Property Trust, Inc. and Subsidiaries
Condensed Consolidated Statement of Operations by Segment
For the three months ended September 30, 2019
(Amounts in thousands)

	Commercial and Residential Lending Segment	Infrastructure Lending Segment	Property Segment	Investing and Servicing Segment	Corporate	Subtotal	Securitization VIEs	Total
Revenues:								
Interest income from loans	\$ 145,290	\$ 22,763	\$ —	\$ 3,977	\$ —	\$ 172,030	\$ —	\$ 172,030
Interest income from investment securities	18,163	810	—	32,556	—	51,529	(34,853)	16,676
Servicing fees	97	—	—	18,243	—	18,340	(4,007)	14,333
Rental income	—	—	72,251	12,403	—	84,654	—	84,654
Other revenues	258	39	125	218	—	640	(3)	637
Total revenues	163,808	23,612	72,376	67,397	—	327,193	(38,863)	288,330
Costs and expenses:								
Management fees	363	—	—	18	29,829	30,210	28	30,238
Interest expense	51,844	14,422	19,020	8,891	29,142	123,319	(163)	123,156
General and administrative	7,104	4,315	2,170	22,915	3,184	39,688	78	39,766
Acquisition and investment pursuit costs	506	21	—	(364)	—	163	—	163
Costs of rental operations	765	—	24,784	6,019	—	31,568	—	31,568
Depreciation and amortization	339	15	23,106	4,809	—	28,269	—	28,269
Loan loss provision, net	(39)	—	—	—	—	(39)	—	(39)
Other expense	77	—	46	—	—	123	—	123
Total costs and expenses	60,959	18,773	69,126	42,288	62,155	253,301	(57)	253,244
Other income (loss):								
Change in net assets related to consolidated VIEs	—	—	—	—	—	—	61,767	61,767
Change in fair value of servicing rights	—	—	—	57	—	57	(682)	(625)
Change in fair value of investment securities, net	(303)	—	—	22,476	—	22,173	(21,907)	266
Change in fair value of mortgage loans held-for-sale, net	10,088	—	—	22,433	—	32,521	—	32,521
Earnings from unconsolidated entities	2,507	—	223	253	—	2,983	(236)	2,747
Gain (loss) on sale of investments and other assets, net	482	(25)	—	20,700	—	21,157	—	21,157
Gain (loss) on derivative financial instruments, net	15,729	(109)	5,900	(6,376)	6,789	21,933	—	21,933
Foreign currency loss, net	(15,337)	(319)	(8)	—	—	(15,664)	—	(15,664)
Loss on extinguishment of debt	(857)	(2,101)	—	(194)	(1,472)	(4,624)	—	(4,624)
Other loss, net	—	(50)	—	—	—	(50)	—	(50)
Total other income (loss)	12,309	(2,604)	6,115	59,349	5,317	80,486	38,942	119,428
Income (loss) before income taxes	115,158	2,235	9,365	84,458	(56,838)	154,378	136	154,514
Income tax (provision) benefit	(3,194)	475	—	(1,794)	—	(4,513)	—	(4,513)
Net income (loss)	111,964	2,710	9,365	82,664	(56,838)	149,865	136	150,001
Net income attributable to non-controlling interests	—	—	(5,250)	(4,219)	—	(9,469)	(136)	(9,605)
Net income (loss) attributable to Starwood Property Trust, Inc.	\$ 111,964	\$ 2,710	\$ 4,115	\$ 78,445	\$ (56,838)	\$ 140,396	\$ —	\$ 140,396

Definition of Core Earnings

Core Earnings, a non-GAAP financial measure, is used to compute the Company's incentive fees to its external manager and is an appropriate supplemental disclosure for a mortgage REIT. For the Company's purposes, Core Earnings is defined as GAAP net income (loss) excluding non-cash equity compensation expense, the incentive fee due to the Company's external manager, acquisition costs from successful acquisitions, depreciation and amortization of real estate and associated intangibles and any unrealized gains, losses or other non-cash items recorded in net income for the period, regardless of whether such items are included in other comprehensive income or loss, or in net income and, to the extent deducted from net income (loss), distributions payable with respect to equity securities of subsidiaries issued in exchange for properties or interests therein. The amount is adjusted to exclude one-time events pursuant to changes in GAAP and certain other non-cash adjustments as determined by the Company's external manager and approved by a majority of the Company's independent directors.

Reconciliation of Net Income to Core Earnings For the three months ended September 30, 2019 (Amounts in thousands except per share data)

	Commercial and Residential Lending Segment	Infrastructure Lending Segment	Property Segment	Investing and Servicing Segment	Corporate	Total
Net income (loss) attributable to Starwood Property Trust, Inc.	\$ 111,964	\$ 2,710	\$ 4,115	\$ 78,445	\$ (56,838)	\$ 140,396
Add / (Deduct):						
Non-controlling interests attributable to Woodstar II Class A Units	—	—	5,250	—	—	5,250
Non-cash equity compensation expense	1,140	577	83	1,765	9,411	12,976
Management incentive fee	—	—	—	—	1,875	1,875
Acquisition and investment pursuit costs	6	—	(89)	(146)	—	(229)
Depreciation and amortization	339	15	23,440	4,444	—	28,238
Loan loss provision, net	(39)	—	—	—	—	(39)
Interest income adjustment for securities	(194)	—	—	5,345	—	5,151
Extinguishment of debt, net	—	—	—	—	(247)	(247)
Other non-cash items	—	—	321	191	152	664
Reversal of GAAP unrealized (gains) / losses on:						
Loans held-for-sale	(10,088)	—	—	(22,433)	—	(32,521)
Securities	303	—	—	(22,476)	—	(22,173)
Derivatives	(15,749)	109	(4,576)	6,590	(6,913)	(20,539)
Foreign currency	15,337	319	8	—	—	15,664
Earnings from unconsolidated entities	(2,507)	—	(223)	(253)	—	(2,983)
Recognition of Core realized gains / (losses) on:						
Loans held-for-sale	8,383	(230)	—	22,134	—	30,287
Securities	373	—	—	4,593	—	4,966
Derivatives	977	64	406	(7,875)	—	(6,428)
Foreign currency	(3,911)	(171)	(8)	—	—	(4,090)
Earnings from unconsolidated entities	2,298	—	—	1,324	—	3,622
Sales of properties	—	—	—	(7,221)	—	(7,221)
Core Earnings (Loss)	\$ 108,632	\$ 3,393	\$ 28,727	\$ 64,427	\$ (52,560)	\$ 152,619
Core Earnings (Loss) per Weighted Average Diluted Share	\$ 0.37	\$ 0.01	\$ 0.10	\$ 0.22	\$ (0.18)	\$ 0.52

Starwood Property Trust, Inc. and Subsidiaries
Condensed Consolidated Statement of Operations by Segment
For the nine months ended September 30, 2019
(Amounts in thousands)

	Commercial and Residential Lending Segment	Infrastructure Lending Segment	Property Segment	Investing and Servicing Segment	Corporate	Subtotal	Securitization VIEs	Total
Revenues:								
Interest income from loans	\$ 462,956	\$ 74,969	\$ —	\$ 8,987	\$ —	\$ 546,912	\$ —	\$ 546,912
Interest income from investment securities	62,438	2,563	—	88,012	—	153,013	(96,160)	56,853
Servicing fees	310	—	—	61,366	—	61,676	(13,902)	47,774
Rental income	—	—	215,098	40,686	—	255,784	—	255,784
Other revenues	714	732	291	929	26	2,692	(24)	2,668
Total revenues	526,418	78,264	215,389	199,980	26	1,020,077	(110,086)	909,991
Costs and expenses:								
Management fees	1,127	—	—	54	74,924	76,105	122	76,227
Interest expense	172,012	49,257	57,142	25,152	84,878	388,441	(487)	387,954
General and administrative	20,626	13,624	5,394	61,943	10,429	112,016	258	112,274
Acquisition and investment pursuit costs	915	51	—	(387)	—	579	—	579
Costs of rental operations	1,525	—	70,846	19,503	—	91,874	—	91,874
Depreciation and amortization	695	15	70,078	15,287	—	86,075	—	86,075
Loan loss provision, net	2,046	1,196	—	—	—	3,242	—	3,242
Other expense	230	—	1,353	194	—	1,777	—	1,777
Total costs and expenses	199,176	64,143	204,813	121,746	170,231	760,109	(107)	760,002
Other income (loss):								
Change in net assets related to consolidated VIEs	—	—	—	—	—	—	164,761	164,761
Change in fair value of servicing rights	—	—	—	(1,617)	—	(1,617)	(691)	(2,308)
Change in fair value of investment securities, net	(2,945)	—	—	56,431	—	53,486	(52,491)	995
Change in fair value of mortgage loans held-for-sale, net	16,837	—	—	48,841	—	65,678	—	65,678
Earnings (loss) from unconsolidated entities	8,576	—	(42,538)	3,601	—	(30,361)	(1,275)	(31,636)
Gain on sale of investments and other assets, net	3,476	3,041	—	21,640	—	28,157	—	28,157
Gain (loss) on derivative financial instruments, net	12,024	(3,337)	(3,957)	(16,761)	31,725	19,694	—	19,694
Foreign currency loss, net	(17,025)	(102)	(7)	—	—	(17,134)	—	(17,134)
Loss on extinguishment of debt	(857)	(8,221)	—	(194)	(1,466)	(10,738)	—	(10,738)
Other loss, net	—	(50)	—	—	(73)	(123)	—	(123)
Total other income (loss)	20,086	(8,669)	(46,502)	111,941	30,186	107,042	110,304	217,346
Income (loss) before income taxes	347,328	5,452	(35,926)	190,175	(140,019)	367,010	325	367,335
Income tax (provision) benefit	(4,778)	746	(258)	(4,090)	—	(8,380)	—	(8,380)
Net income (loss)	342,550	6,198	(36,184)	186,085	(140,019)	358,630	325	358,955
Net income attributable to non-controlling interests	(392)	—	(16,322)	(4,121)	—	(20,835)	(325)	(21,160)
Net income (loss) attributable to Starwood Property Trust, Inc.	\$ 342,158	\$ 6,198	\$ (52,506)	\$ 181,964	\$ (140,019)	\$ 337,795	\$ —	\$ 337,795

Reconciliation of Net Income to Core Earnings
For the nine months ended September 30, 2019
(Amounts in thousands except per share data)

	Commercial and Residential Lending Segment	Infrastructure Lending Segment	Property Segment	Investing and Servicing Segment	Corporate	Total
Net income (loss) attributable to Starwood Property Trust, Inc.	\$ 342,158	\$ 6,198	\$ (52,506)	\$ 181,964	\$ (140,019)	\$ 337,795
Add / (Deduct):						
Non-controlling interests attributable to Woodstar II Class A Units	—	—	16,322	—	—	16,322
Non-cash equity compensation expense	2,757	1,691	229	4,817	16,909	26,403
Management incentive fee	—	—	—	—	2,048	2,048
Acquisition and investment pursuit costs	(56)	2	(266)	(451)	(356)	(1,127)
Depreciation and amortization	695	15	71,067	14,181	—	85,958
Loan loss provision, net	2,046	1,196	—	—	—	3,242
Interest income adjustment for securities	(585)	—	—	14,698	—	14,113
Extinguishment of debt, net	—	—	—	—	(1,704)	(1,704)
Other non-cash items	—	—	(565)	699	470	604
Reversal of GAAP unrealized (gains) / losses on:						
Loans held-for-sale	(16,837)	—	—	(48,841)	—	(65,678)
Securities	2,945	—	—	(56,431)	—	(53,486)
Derivatives	(11,763)	3,337	8,457	16,841	(32,915)	(16,043)
Foreign currency	17,025	102	7	—	—	17,134
(Earnings) loss from unconsolidated entities	(8,576)	—	42,538	(3,601)	—	30,361
Recognition of Core realized gains / (losses) on:						
Loans held-for-sale	7,180	(985)	—	49,719	—	55,914
Securities	970	—	—	11,702	—	12,672
Derivatives	1,800	(1,396)	2,257	(17,114)	—	(14,453)
Foreign currency	(4,725)	(998)	(7)	9	—	(5,721)
Earnings (loss) from unconsolidated entities	7,078	—	(68,905)	14,194	—	(47,633)
Sales of properties	—	—	—	(7,297)	—	(7,297)
Core Earnings (Loss)	\$ 342,112	\$ 9,162	\$ 18,628	\$ 175,089	\$ (155,567)	\$ 389,424
Core Earnings (Loss) per Weighted Average Diluted Share	\$ 1.17	\$ 0.03	\$ 0.06	\$ 0.60	\$ (0.53)	\$ 1.33

Starwood Property Trust, Inc. and Subsidiaries
Condensed Consolidated Balance Sheet by Segment
As of September 30, 2019
(Amounts in thousands)

	Commercial and Residential Lending Segment	Infrastructure Lending Segment	Property Segment	Investing and Servicing Segment	Corporate	Subtotal	Securitization VIEs	Total
Assets:								
Cash and cash equivalents	\$ 64,343	\$ 6,404	\$ 35,940	\$ 46,872	\$ 129,369	\$ 282,928	\$ 1,189	\$ 284,117
Restricted cash	36,771	33,366	21,186	19,218	—	110,541	—	110,541
Loans held-for-investment, net	7,636,475	1,281,815	—	1,363	—	8,919,653	—	8,919,653
Loans held-for-sale	809,604	163,932	—	468,583	—	1,442,119	—	1,442,119
Investment securities	938,300	54,048	—	1,009,249	—	2,001,597	(1,192,460)	809,137
Properties, net	26,902	—	2,441,480	261,156	—	2,729,538	—	2,729,538
Intangible assets	—	—	75,965	68,748	—	144,713	(24,766)	119,947
Investment in unconsolidated entities	42,518	—	71,824	33,246	—	147,588	(21,473)	126,115
Goodwill	—	119,409	—	140,437	—	259,846	—	259,846
Derivative assets	37,507	652	21,994	603	20,727	81,483	—	81,483
Accrued interest receivable	43,747	4,015	245	1,321	3,125	52,453	(676)	51,777
Other assets	98,664	5,978	72,932	64,068	9,129	250,771	2	250,773
VIE assets, at fair value	—	—	—	—	—	—	59,249,054	59,249,054
Total Assets	\$ 9,734,831	\$ 1,669,619	\$ 2,741,566	\$ 2,114,864	\$ 162,350	\$ 16,423,230	\$ 58,010,870	\$ 74,434,100
Liabilities and Equity								
Liabilities:								
Accounts payable, accrued expenses and other liabilities	\$ 25,836	\$ 15,719	\$ 69,550	\$ 72,055	\$ 50,868	\$ 234,028	\$ 92	\$ 234,120
Related-party payable	—	—	—	44	24,442	24,486	—	24,486
Dividends payable	—	—	—	—	137,273	137,273	—	137,273
Derivative liabilities	2,336	904	—	1,541	—	4,781	—	4,781
Secured financing agreements, net	4,061,849	1,168,166	1,868,416	771,618	391,989	8,262,038	(13,950)	8,248,088
Collateralized loan obligations, net	927,436	—	—	—	—	927,436	—	927,436
Unsecured senior notes, net	—	—	—	—	1,926,693	1,926,693	—	1,926,693
VIE liabilities, at fair value	—	—	—	—	—	—	58,018,209	58,018,209
Total Liabilities	5,017,457	1,184,789	1,937,966	845,258	2,531,265	11,516,735	58,004,351	69,521,086
Equity:								
Starwood Property Trust, Inc. Stockholders' Equity:								
Common stock	—	—	—	—	2,871	2,871	—	2,871
Additional paid-in capital	1,307,064	481,206	609,241	156,094	2,568,066	5,121,671	—	5,121,671
Treasury stock	—	—	—	—	(104,194)	(104,194)	—	(104,194)
Accumulated other comprehensive income (loss)	52,471	—	(30)	(64)	—	52,377	—	52,377
Retained earnings (accumulated deficit)	3,357,839	3,624	(38,936)	1,095,602	(4,835,658)	(417,529)	—	(417,529)
Total Starwood Property Trust, Inc. Stockholders' Equity	4,717,374	484,830	570,275	1,251,632	(2,368,915)	4,655,196	—	4,655,196
Non-controlling interests in consolidated subsidiaries	—	—	233,325	17,974	—	251,299	6,519	257,818
Total Equity	4,717,374	484,830	803,600	1,269,606	(2,368,915)	4,906,495	6,519	4,913,014
Total Liabilities and Equity	\$ 9,734,831	\$ 1,669,619	\$ 2,741,566	\$ 2,114,864	\$ 162,350	\$ 16,423,230	\$ 58,010,870	\$ 74,434,100



HIGHLIGHTS

Business Highlights

Third Quarter:

- Core earnings of \$0.52 and GAAP earnings of \$0.49 per diluted share
- Capital deployed of \$2.5B across all segments, including \$1.2B in Commercial Lending
- Completed fourth and largest non-agency residential securitization, selling \$546M of loans
- Completed the following capital transactions:
 - ❑ Inaugural CRE CLO
 - Contributed 21 loans with a UPB of \$1.1B into a CLO, raising \$936M of third-party financing
 - Cost of funds of L + 165
 - Ability to reinvest in new loans or participating interests
 - ❑ \$400M Term Loan B facility
 - Replaced existing December 2021 Term Loan A
 - 7-year term; priced at L+250; unencumbered over \$400M of assets
 - ❑ \$100M Revolver
 - Replaced existing December 2021 revolver
 - 5-year term
 - ❑ Closed on a \$500M financing facility for our Infrastructure Lending segment
 - 3-year revolving period with two one-year extensions, plus match term not to exceed the 8-year life of the facility
- Undepreciated book value per outstanding share of \$17.81

NOTE: Amounts are as of September 30, 2019, unless otherwise indicated; please refer to the Calculation Methodologies section herein for the definition of Core earnings

Business Highlights, continued

Subsequent to Quarter End:

- Securitized \$370M of non-agency residential loans
- Closed on another \$500M financing facility for our Infrastructure Lending segment
 - 3-year revolving period with two one-year extensions
 - Priced at L + 175
- Closed on a \$600M refinancing of our Medical Office Portfolio
 - Two-year term with three one-year extensions
 - Priced at L + 207 (swapped to a fixed rate of 3.3%)
 - Incremental gross debt proceeds of \$105M

NOTE: Amounts are as of September 30, 2019, unless otherwise indicated; please refer to the Calculation Methodologies section herein for the definition of Core earnings

Segment Highlights – Third Quarter 2019

Commercial & Residential Lending

- Commercial:
 - Originated or acquired \$1.2B of loans, 44% of which were international
 - Funded \$627M, including \$276M under pre-existing loan commitments
 - Repayments of \$745M and sales of \$80M
 - Replaced available and outstanding repo debt of \$872M with non-recourse CLO debt of \$936M
 - Portfolio carrying amount of \$7.9B with weighted average LTV of 64.9%
- Non-agency Residential:
 - Purchased \$618M of non-agency loans and securitized UPB of \$546M
 - Loan portfolio carrying amount of \$1.2B with weighted average LTV of 67.7%

Infrastructure Lending

- Acquired \$125M of loans
- Received \$237M from loan maturities and prepayments, and \$47M of proceeds from loan sales
- Portfolio carrying amount of \$1.5B

Property

- Undepreciated carrying amount of investment portfolio of \$2.9B

Investing and Servicing

- Securitized or priced \$479M of loans in three transactions
- Obtained five new special servicing assignments (\$3.2B UPB)

NOTE: Amounts are as of September 30, 2019, unless otherwise indicated; please refer to the Calculation Methodologies section herein for the definition of Core earnings

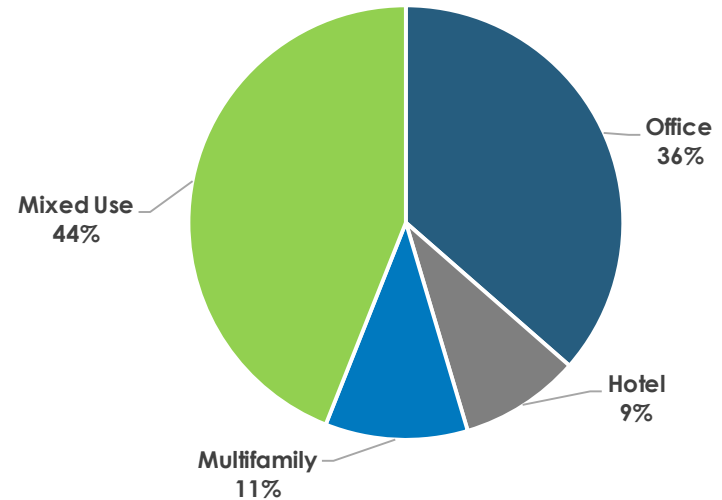


COMMERCIAL AND RESIDENTIAL LENDING SEGMENT

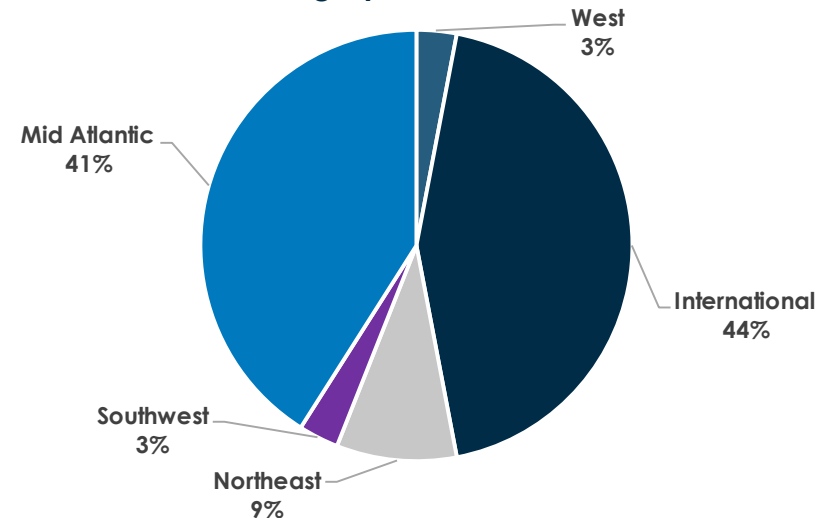
Commercial Lending Activity During the Quarter

- Originations and acquisitions of **\$1.2B**
 - **\$351M** funded
 - Weighted average LTV of **65.8%**
 - **\$138M** average loan size
 - **100%** of domestic loans contain LIBOR floors
- Fundings under previously originated commitments of **\$276M**
- Loan repayments of **\$745M**
- First mortgage (A-note) loan sales of **\$53M** and CMBS sales of **\$27M**

Property Type



Geographic Location



NOTE: Amounts are as of September 30, 2019, unless otherwise indicated.

Significant Activity During the Quarter

➤ **Commercial lending investment activity of \$1.2B, including:**

- \$300M first mortgage loan for the construction of the final phase of a 3.4 million square foot mixed use, waterfront property located in Washington D.C
- £203M (\$250M) first mortgage loan for the construction of 79 residential units and a 50-key five star hotel located in London, England
- £185M (\$231M) first mortgage loan for the acquisition and refurbishment of an office building located in London, England
- \$112M first mortgage and mezzanine loan for the refinancing of a 9-story, 355-key hotel located in Washington D.C.
- \$110M first mortgage loan for the refinancing of 13 Class A and B office properties located in Long Island, New York

NOTE: Amounts are as of and for the period ended September 30, 2019, unless otherwise indicated.

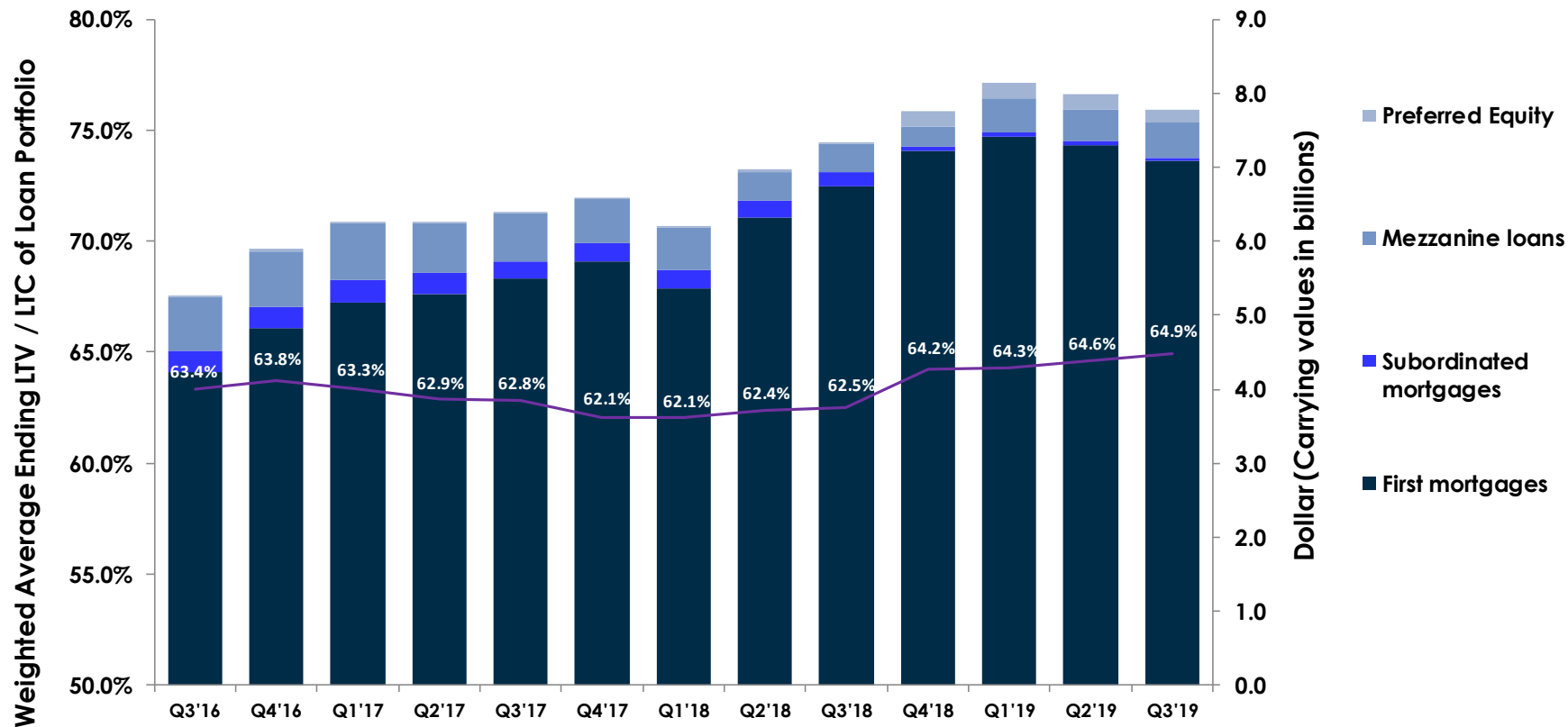
Commercial Portfolio Metrics

\$ millions

Asset Carrying Values	Sept 30, 2019	June 30, 2019	March 31, 2019	Dec 31, 2018	Sept 30, 2018
First mortgage loans held-for-investment ^{(1), (2)}	\$ 6,506	\$ 6,853	\$ 6,828	\$ 6,572	\$ 6,447
Subordinated mortgages ⁽²⁾	45	45	45	45	180
Mezzanine loans ⁽¹⁾	545	446	579	394	352
CMBS	479	507	560	567	433
Preferred equity investments	173	206	206	175	-
First mortgage loans held-for-sale	108	-	-	47	93
Commercial Portfolio Carrying Values	\$ 7,856	\$ 8,057	\$ 8,218	\$ 7,800	\$ 7,505
Unlevered Returns					
First mortgage loans held-for-investment ⁽¹⁾	6.7%	6.8%	6.9%	7.0%	6.9%
Subordinated mortgages	9.2%	9.4%	9.4%	9.4%	11.8%
Mezzanine loans ⁽¹⁾	12.3%	12.1%	12.8%	11.6%	11.7%
CMBS	6.7%	6.9%	7.1%	7.2%	7.1%
Preferred equity investments	7.7%	7.8%	7.8%	7.8%	N/A

Commercial Weighted Average LTV or LTC (3)

\$ billions



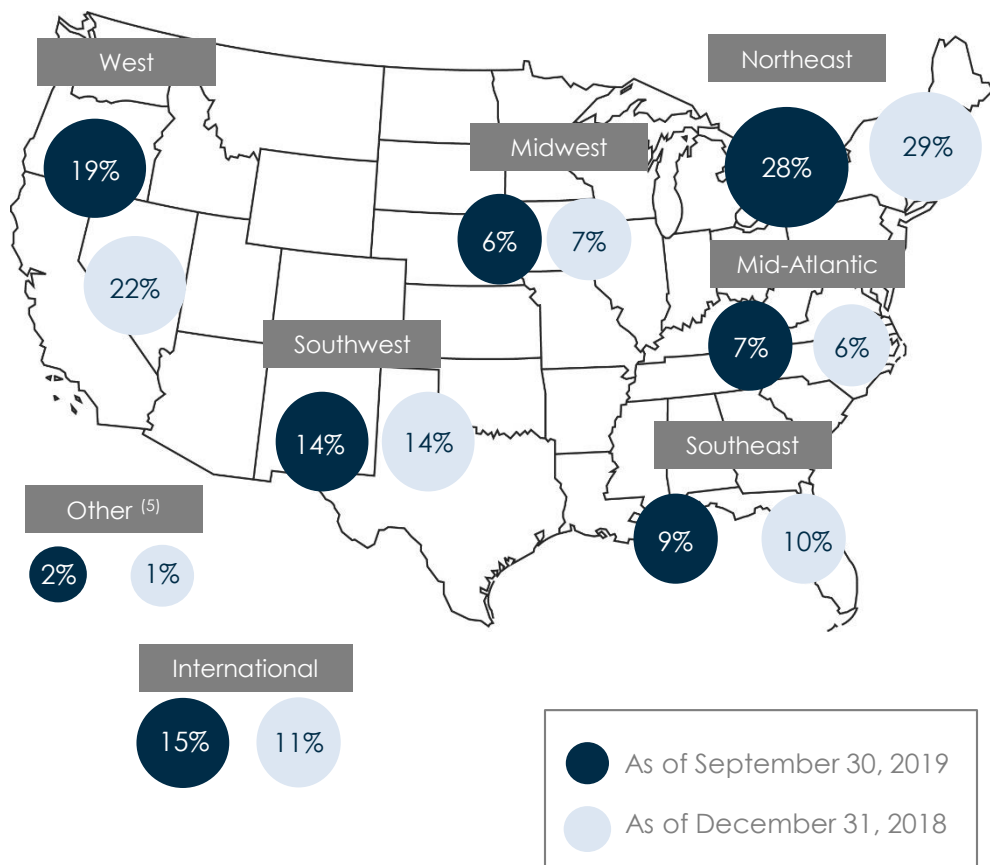
Weighted Average LTV of Loan Portfolio (3)

	First Mortgages	Subordinated Mortgages	Mezzanine Mortgages	Preferred Equity	Total (4)
Beginning LTV	0.0%	48.8%	45.7%	53.8%	4.5%
Ending LTV	64.9%	74.0%	63.5%	66.7%	64.9%

Commercial Portfolio Snapshot

\$ millions

Geographic Diversification



Collateral Diversification

PROPERTY TYPE	Carrying Value as of:			
	Sept 30, 2019		December 31, 2018	
Office	\$	2,687	34%	\$ 2,720 35%
Hotel		1,806	23%	1,822 23%
Mixed-Use		1,073	14%	921 12%
Multifamily		1,070	14%	1,238 16%
Residential		561	7%	377 5%
Retail		284	3%	185 2%
Industrial		63	1%	131 2%
Other ⁽⁶⁾		312	4%	406 5%
Total	\$	7,856	100%	\$ 7,800 100%

Residential Portfolio Metrics

\$ millions

➤ **Non-agency residential lending investment activity:**

- Purchased loans of **\$618M** and securitized **\$546M UPB**, bringing the total loan portfolio to **\$1.2B** with an average **FICO of 731 and LTV of 67.7%**
- In connection with our fourth and largest securitization, retained **\$53M** of RMBS

Asset Carrying Values	September 30, 2019	June 30, 2019	March 31, 2019	Dec 31, 2018	Sept 30, 2018
Loans, held for sale	\$ 702	\$ 1,157	\$ 688	\$ 624	\$ 627
Loans, held for investment	479	-	-	-	-
Non-agency RMBS	111	63	109	88	45
Residential Portfolio Carrying Values	\$ 1,292	\$ 1,220	\$ 797	\$ 712	\$ 672
Unlevered Returns					
Loans, held for sale	6.2%	6.1%	6.0%	6.1%	6.1%
Loans, held for investment	5.9%	N/A	N/A	N/A	N/A

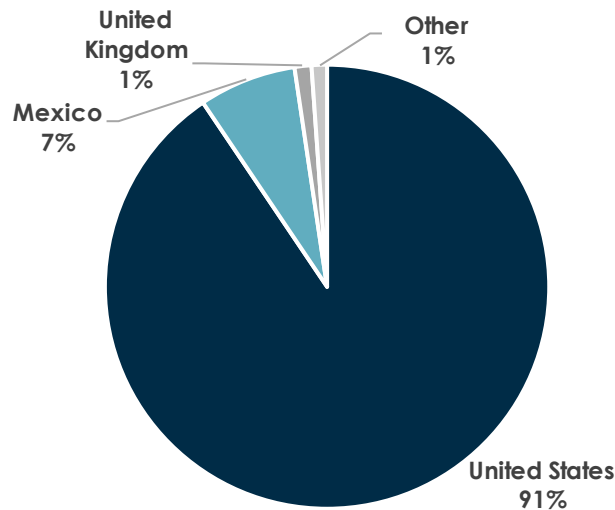


INFRASTRUCTURE LENDING

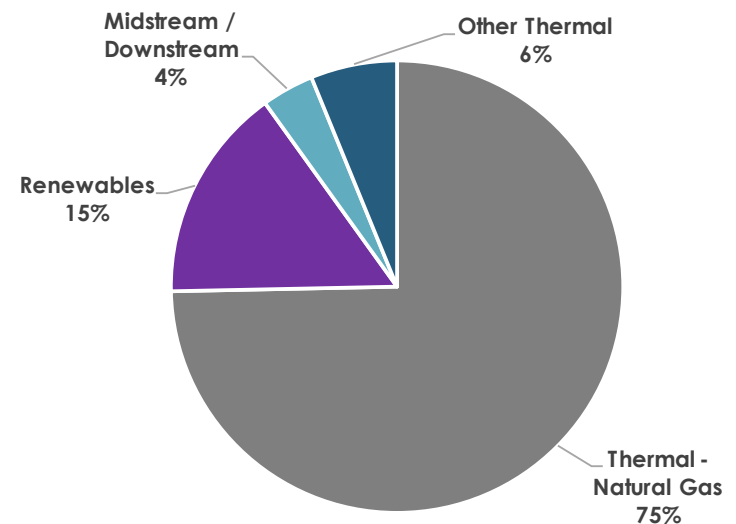
Portfolio Metrics and Activity During the Quarter

- Acquired **\$125M** of loans, **100%** of which were floating rate
- Received **\$284M**, of which **\$237M** was from maturities and prepayments and **\$47M** from sales
- Total portfolio carrying amount of **\$1.5B**

Portfolio by Geographic Location



Portfolio by Sector ⁽⁷⁾



NOTE: Amounts are as of September 30, 2019



PROPERTY SEGMENT

Investment Portfolio

\$ millions

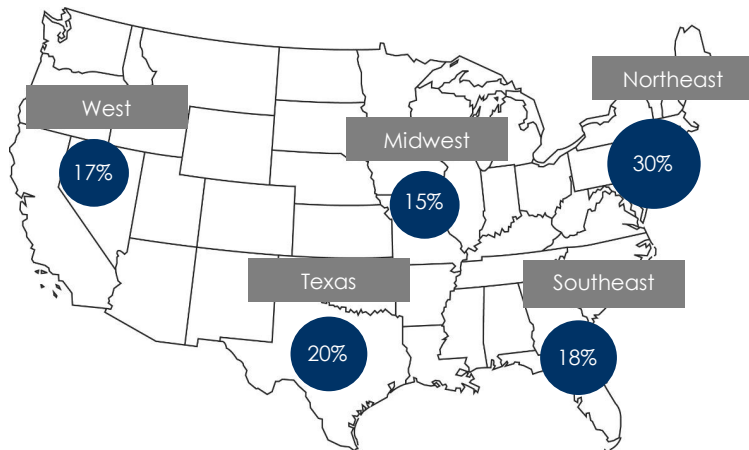
Investment	Net Carrying Value ⁽⁸⁾	Asset Specific Financing	Net Investment	Q3 2019 Net Operating Income	Occupancy Rate
Wholly-Owned:					
Medical Office Portfolio	\$ 759	\$ 489	\$ 270	11.4	92.2%
Ireland Portfolio	498	343	155	7.3	97.7%
Woodstar I Portfolio	628	406	222	11.4	98.3%
Woodstar II Portfolio	604	438	166	10.7	99.3%
Master Lease Portfolio	344	192	152	6.6	100.0%
Subtotal - Undepreciated Carrying Value	\$ 2,833	\$ 1,868	\$ 965	47.4 ⁽⁹⁾	
Accumulated Depreciation and Amortization	(315)	-	(315)		
Net Carrying Value	\$ 2,518	\$ 1,868	\$ 650		
Joint Venture:					
Regional Mall Portfolio	72	-	72		
Total	\$ 2,590	\$ 1,868	\$ 722		

NOTE: Amounts are as of and for the period ended September 30, 2019, unless otherwise indicated

Portfolio Snapshot

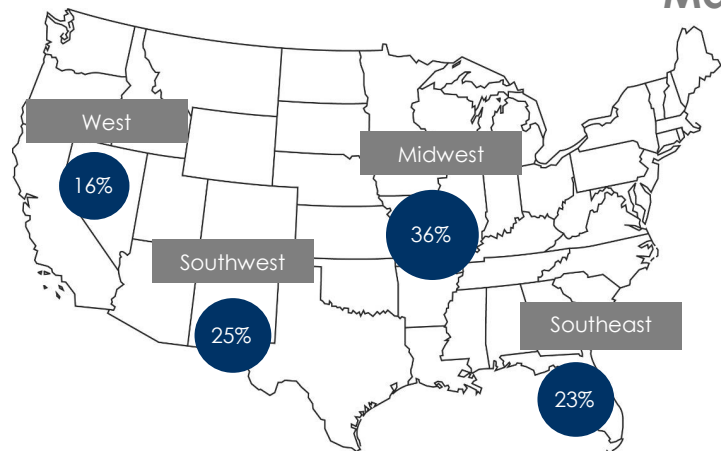
\$ millions, square footage in thousands

Medical Office Portfolio



	Gross Investment	Occupancy	Sq. Ft.
Midwest	\$ 108	88%	325
Northeast	228	100%	430
Southeast	139	93%	366
Texas	154	91%	457
West	130	88%	372
Total	\$ 759	92%	1,950

Master Lease Portfolio



	Gross Investment	Occupancy	Sq. Ft.
Midwest	\$ 123	100%	757
Southeast	80	100%	393
Southwest	86	100%	451
West	55	100%	278
Total	\$ 344	100%	1,879

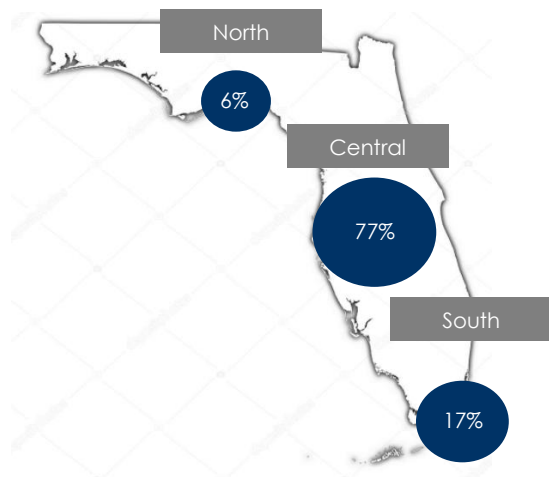
NOTE: Amounts are as of and for the period ended September 30, 2019, unless otherwise indicated.

Portfolio Snapshot

\$ millions, square footage in thousands

Woodstar I and II Multifamily Portfolios

Florida	Gross Investment	Occupancy	Units
North	\$ 77	94%	1,230
Central	949	99%	11,879
South	206	99%	1,948
Total	\$ 1,232	99%	15,057



Ireland Office and Multifamily Portfolio

	Gross Investment	Occupancy	Sq. Ft.
Total	\$ 498	97.7%	608



NOTE: Amounts are as of and for the period ended September 30, 2019, unless otherwise indicated.



INVESTING AND SERVICING SEGMENT

Investment Portfolio

\$ millions

Significant Activity During the Quarter:

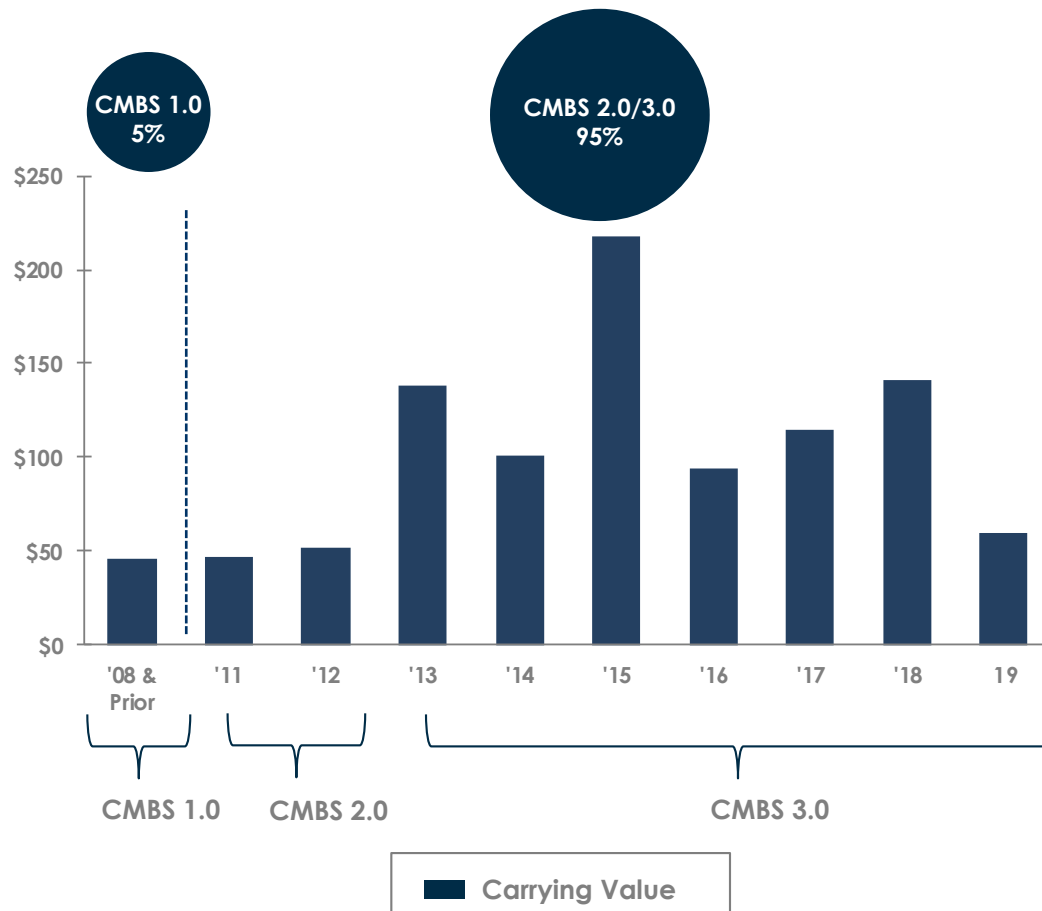
- Securitized or priced **\$479M** of conduit loans in **three** transactions
- Obtained **five** new servicing assignments for CMBS trusts with a total unpaid principal balance of **\$3.2B**

Asset Carrying Values	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018
CMBS, fair value option ⁽¹⁰⁾	\$ 1,009	\$ 1,015	\$ 993	\$ 999	\$ 1,027
Properties and lease intangibles, net	284	295	301	301	320
Conduit loans	469	216	153	48	287
Investment in unconsolidated entities	33	35	54	44	44
Special servicing intangible	43	43	44	45	45
Loans held for investment	1	1	1	3	3
Total	\$ 1,839	\$ 1,605	\$ 1,546	\$ 1,440	\$ 1,726

CMBS and Special Servicing

\$ millions

Owned CMBS by Vintage ⁽¹⁾



NOTE: Amounts as of September 30, 2019; carrying value represents estimated fair value

LNR Special Servicer

Portfolio Statistics

Named SS:

of CMBS Trusts 180

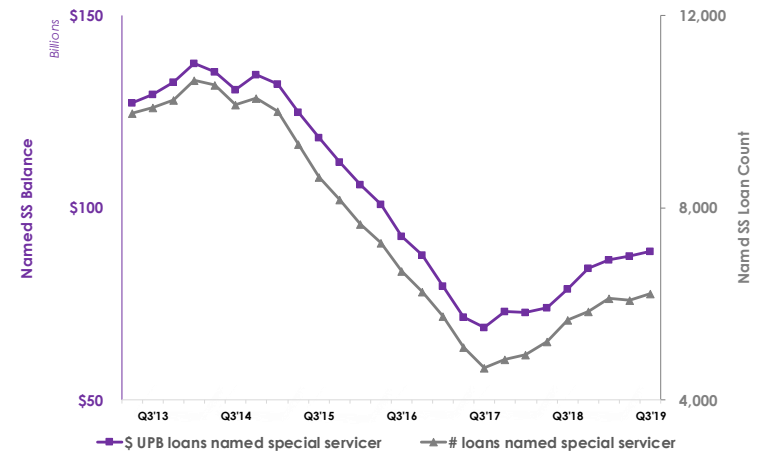
Unpaid Balance \$ 88,660

Active SS:

SS Loan Balance 1,900

REO Loan Balance 3,260

Total Active SS Balance 5,160





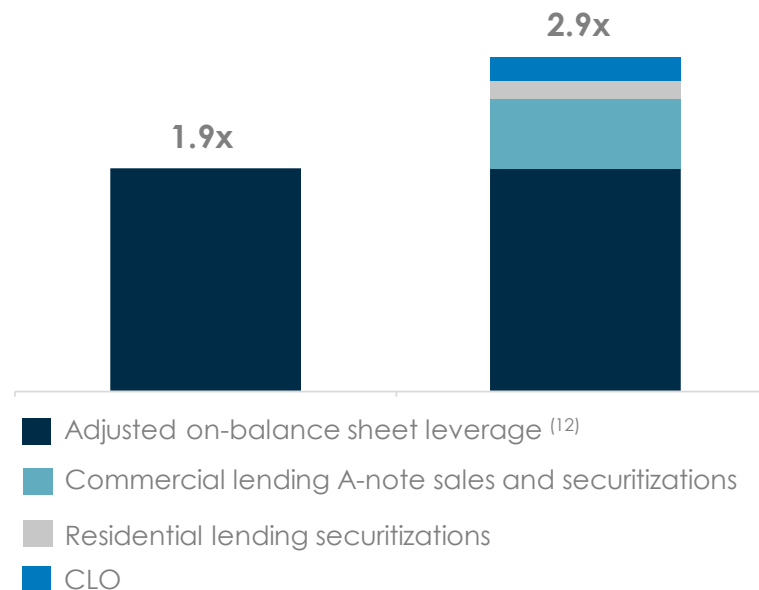
CAPITALIZATION

Capitalization Overview

Credit Metrics

- Total capitalization of \$17.9B
- Interest coverage ratio of 2.3x
- Current corporate issuer rating of Ba2/BB
- Total unencumbered assets of \$3.0B
- Unencumbered assets to unsecured debt ratio of 1.5x

Adjusted Debt-to-Equity Ratios



Book Value per Share Metrics

	Sept 30, 2019	June 30, 2019	Mar 31, 2019	Dec 31, 2018	Sept 30, 2018
Book Value per Share	\$ 16.51	\$ 16.49	\$ 16.49	\$ 16.70	\$ 16.86
Add: Accumulated depreciation & amortization	1.30	1.24	1.13	1.06	0.98
Undepreciated book value per outstanding share	\$ 17.81	\$ 17.73	\$ 17.62	\$ 17.76	\$ 17.84

NOTE: Amounts are as of September 30, 2019, unless otherwise indicated

Financing Facilities

\$ millions

5

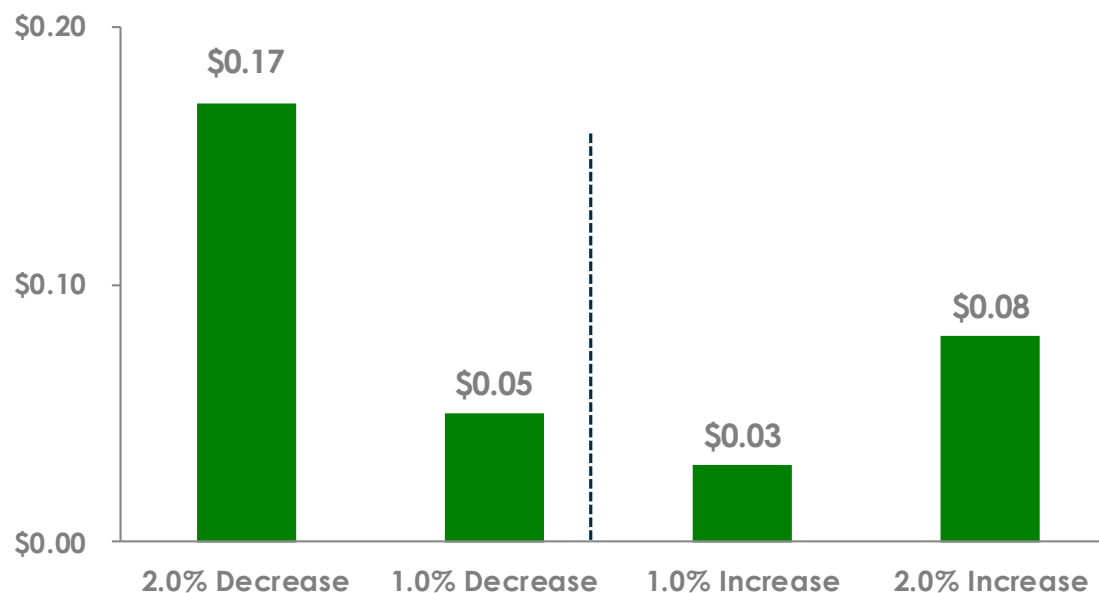
Type	Maximum Facility Size ⁽¹³⁾	Debt Obligations		
		Drawn ⁽¹³⁾	Available Capacity	
Asset Specific Financing:				
Large Loans, Commercial	\$ 8,492	\$ 2,946	\$ 5,546	
Infrastructure Lending Segment	2,123	1,184	939	
Property Segment	1,913	1,883	30	
Residential Loans	2,400	794	1,606	
Conduit Loans, Commercial	363	234	129	
MBS	778	677	101	
REO Portfolio	234	213	21	
Subtotal - Asset Specific Financing	\$ 16,303	\$ 7,931	\$ 8,372	
Corporate Debt:				
Convertible Senior Notes	\$ 250	\$ 250	\$ -	
Senior Unsecured Notes	1,700	1,700	-	
Term Loan	400	400	-	
Revolving Secured Financing	100	-	100	
Subtotal - Corporate Debt	\$ 2,450	\$ 2,350	\$ 100	
TOTAL DEBT:	\$ 18,753	\$ 10,281	\$ 8,472	

NOTE: As of September 30, 2019

Interest Rate Sensitivity

- 93% of the commercial loan portfolio is variable rate
- 100% of the infrastructure loan portfolio is variable rate

Annual Net Interest Income Per Share Sensitivity to Variable Rates

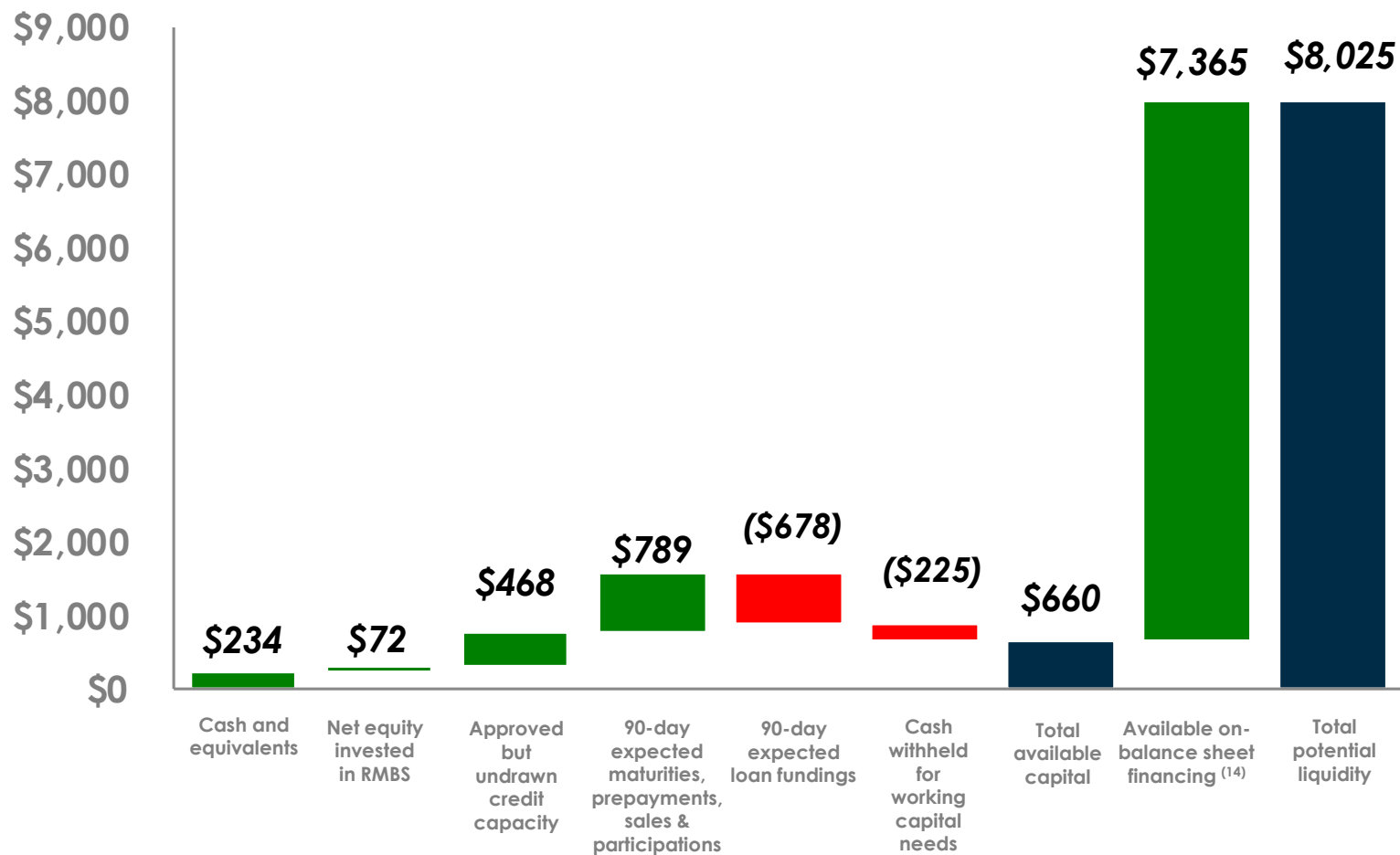


NOTE: Based on assets and liabilities as of September 30, 2019

Financial Capacity

(\$ millions)

- Capacity to originate or acquire up to an additional \$8.0B of new investments



NOTE: As of November 1, 2019

Share Count

(shares in thousands)

	2019			2019	2018				2018
	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year
Number of Shares, GAAP:									
Basic — Average shares outstanding	279,992	279,239	277,544	278,934	273,949	265,355	260,998	260,664	265,279
Effect of dilutive securities — Convertible Notes	9,649	9,649	-	9,857	13,772	-	27,134	1,209	22,659
Effect of dilutive securities — Other	271	184	154	230	629	101	178	251	546
Diluted — Average shares outstanding	289,912	289,072	277,698	289,021	288,350	265,456	288,310	262,124	288,484
Shares Outstanding	281,937	281,271	280,301	281,937	275,660	274,122	262,362	261,955	275,660
Number of Shares, Core:									
Basic — Average shares outstanding	279,992	279,239	277,544	278,934	273,949	265,355	260,998	260,664	265,279
Effect of Weighted Average Unvested Stock Awards	2,276	2,276	2,409	2,320	2,530	2,447	2,518	1,656	2,285
Effect of dilutive securities — Woodstar II OP units	11,001	11,571	11,911	11,491	10,972	9,939	9,759	5,143	8,971
Effect of dilutive securities — Other	38	-	-	38	546	101	128	229	546
Diluted — Average shares outstanding	293,307	293,086	291,864	292,783	287,997	277,842	273,403	267,692	277,081



APPENDIX

Company Information

Starwood Property Trust, an affiliate of global private investment firm Starwood Capital Group, is the largest commercial mortgage real estate investment trust in the United States. Additional information may be found on the Company's website, www.starwoodpropertytrust.com

Contact Information:

Headquarters:

591 West Putnam Avenue
Greenwich, CT 06830
203.422.7700

Investor Relations:

Zachary Tanenbaum
203.422.7788
ztanenbaum@starwood.com

New York Stock Exchange:

Symbol: STWD

Analyst Coverage:

Credit Suisse

Douglas Harter, 212.538.5983

JMP Securities

Steven Delaney, 212.906.3517

Raymond James

Stephen Laws, 901.579.4868

Deutsche Bank Research

George Bahamondes,
212.250.1587

JP Morgan

Richard B. Shane, Jr., 415.315.6701

B. Riley FBR, Inc.

Tim Hayes, 703.312.1819

Keefe Bruyette & Woods North America

Jade Rahmani, 212.887.3882

Rating Agencies:

Moody's Investors Service

Mark L. Wasden, 212.553.1653
Robert Young, 212.553.1653

Rating

Ba2
Stable Outlook

Standard & Poor's Rating Services

Matthew T. Carroll, 212.438.3112
Brendan Browne, 212.438.7399

Rating

BB
Stable Outlook

Footnotes

1. *First mortgages include first mortgage loans and any contiguous subordinated mortgage and/or mezzanine loan components because as a whole, the expected credit quality of these loans is more similar to that of a first mortgage loan. The application of this methodology resulted in mezzanine loans with carrying values of \$810M, \$890M, \$913M, \$1.0B, and \$1.0B being classified as first mortgages as of September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018, and September 30, 2018 respectively.*
2. *First mortgage loans and subordinated mortgage loans are net of \$25M and \$8M of allowances for loan losses, respectively, as of September 30, 2019.*
3. *LTVs and LTCs are calculated using the methodology described in the Calculation Methodologies section of this Appendix on the following page.*
4. *Represents the Company's entire investment, which includes all components of the capital stack that it owns (i.e., first mortgages, subordinated mortgages, mezzanine loans and preferred equity).*
5. *Includes traditional CMBS and certain other investments in unconsolidated entities as these investments are not associated with a particular region.*
6. *Includes other property types not specifically identified in the applicable table, including power plants, development site, land and car wash.*
7. *Sectors are defined as follows: Thermal – Natural Gas: power plants fueled with natural gas; Renewables: solar, wind and hydro power projects; Midstream / Downstream: pipelines and gas distribution / refineries; Other Thermal: power plants fueled with coal and pet coke; Upstream: oil and gas reserve based deals*
8. *Carrying value includes all components of the related asset, including properties, intangibles, capitalized acquisition costs and contingent consideration.*

Footnotes, continued

9. *Net operating income represents rental income less costs of rental operations and excludes interest, depreciation and amortization. It also excludes an allowance for recurring capital expenditures at multifamily properties and any other adjustments that would be made in the calculation of a cash-on-cash return*
10. *Differences between face amount and carrying value are principally attributable to purchase discounts and changes in fair value. Face amounts of \$2,697M, \$2,792, \$2,822, \$2,872, \$2,984, and \$4,168M as of September 30, 2019, June 30, 2019, March 31, 2019, December 31, 2018 and September 30, 2018, respectively.*
11. *CMBS 1.0 deals were originated prior to 2008. CMBS 2.0 / 3.0 deals were originated from 2009 forward. Different credit underwriting and regulatory requirements are applied to CMBS 2.0 / 3.0.*
12. *Represents (i) total outstanding secured and unsecured financing arrangements (excluding the non-recourse CLO), less cash and restricted cash; divided by (ii) undepreciated equity (ie: GAAP equity plus accumulated depreciation and amortization of \$366.5M as of September 30, 2019).*
13. *Excludes non-recourse CLO, residential lending securitizations and commercial lending A-note sales and securitizations. Drawn amounts also exclude discounts / premiums and unamortized deferred financing costs.*
14. *Does not include potential proceeds from future A-note sales or CLO securitizations.*

Calculation Methodologies

➤ Commercial and Residential Lending Segment LTV & LTC

- For loans which utilize property value as the denominator, value is determined by reference to either appraisals, desk underwriting, discussions with brokers and other experts, or any combination thereof. To the extent that a loan has been newly originated, the Company uses the original appraisal. To the extent that conditions in either the overall real estate market or at the property or borrower level have changed in a meaningful way since origination, the Company either obtains updated appraisals, or conducts desk underwriting if the Company believes its knowledge of the asset and related market would provide a more accurate assessment of value. For loans which utilize cost as the denominator, cost is determined by reference to the borrower's development budget. Face value of the loan is used as the numerator regardless of whether the Company has purchased the loan at a discount or premium to par.
- For any loans collateralized by ground-up construction projects without significant leasing or units with executed sales contracts, the fully funded loan balance is included in the numerator and the fully budgeted construction cost including costs of acquisition of the property is included in the denominator.
- For ground up construction loans which have significant leasing or units under contract for sale, the fully funded loan balance is included in the numerator with an estimate of the stabilized value upon completion of construction included in the denominator.

➤ Core Earnings Calculation

- Core earnings is defined as GAAP net income (loss) excluding non-cash equity compensation expense, the incentive fee due to the Company's external manager, acquisition costs from successful acquisitions, depreciation and amortization of real estate and associated intangibles and any unrealized gains, losses or other non-cash items recorded in net income for the period, regardless of whether such items are included in other comprehensive income or loss, or in net income and, to the extent deducted from net income (loss), distributions payable with respect to equity securities of subsidiaries issued in exchange for properties or interests therein. The amount is adjusted to exclude one-time events pursuant to changes in GAAP and certain other non-cash adjustments as determined by the Company's external manager and approved by a majority of the Company's independent directors.

Special Note Regarding Forward-Looking Statements

This presentation contains certain forward-looking statements, including without limitation, statements concerning the Company's operations, economic performance and financial condition. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are developed by combining currently available information with the Company's beliefs and assumptions and are generally identified by the words "believe," "expect," "anticipate" and other similar expressions. Forward-looking statements do not guarantee future performance, which may be materially different from that expressed in, or implied by, any such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their respective dates.

These forward-looking statements are based largely on the Company's current beliefs, assumptions and expectations of the Company's future performance taking into account all information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company or within the Company's control, and which could materially affect actual results, performance or achievements. Factors that may cause actual results to vary from the Company's forward-looking statements are set forth under the caption, "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and its quarterly reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019 and September 30, 2019 and include, but are not limited to:

- defaults by borrowers in paying debt service on outstanding indebtedness;
- impairment in the value of real estate property securing the Company's loans or in which the Company invests;
- availability of mortgage origination and acquisition opportunities acceptable to the Company;
- potential mismatches in the timing of asset repayments and the maturity of the associated financing agreements;
- the Company's ability to integrate its recently completed acquisition of the project finance origination, underwriting and capital markets business of GE Capital Global Holdings, LLC into its business and to achieve the benefits that the Company anticipates from the acquisition;
- national and local economic and business conditions;
- general and local commercial and residential real estate property conditions;
- changes in federal government policies;
- changes in federal, state and local governmental laws and regulations;
- increased competition from entities engaged in mortgage lending and securities investing activities;
- changes in interest rates; and
- the availability of, and costs associated with, sources of liquidity.

Additional risk factors are identified in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC"), which are available on the Company's website at <http://www.starwoodpropertytrust.com> and the SEC's website at <http://www.sec.gov>.

In light of these risks and uncertainties, there can be no assurances that the results referred to in the forward-looking statements contained herein will in fact occur. Except to the extent required by applicable law or regulation, we undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, changes to future results over time or otherwise. Please keep this cautionary note in mind as you assess the information given in this presentation.



STARWOOD
PROPERTY TRUST
NYSE: STWD