

Q1
2023

SUPPLEMENTAL REPORTING INFORMATION



Cover photo: Photo courtesy of Enviva; Wood pellet storage facility in Port of Chesapeake, VA (Q1 Infrastructure Loan Participation)



Table of Contents

<u>Press Release</u>	<u>Page</u>	<u>1</u>
<u>Highlights</u>	<u>Page</u>	<u>7</u>
<u>Commercial and Residential Lending Segment</u>	<u>Page</u>	<u>10</u>
<u>Infrastructure Lending Segment</u>	<u>Page</u>	<u>16</u>
<u>Property Segment</u>	<u>Page</u>	<u>17</u>
<u>Investing and Servicing Segment</u>	<u>Page</u>	<u>20</u>
<u>Capitalization</u>	<u>Page</u>	<u>22</u>
<u>Appendix</u>	<u>Page</u>	<u>28</u>

PRESS RELEASE



For Immediate Release

Starwood Property Trust Reports Results for Quarter Ended March 31, 2023

– Quarterly GAAP Earnings of \$0.16 and Distributable Earnings (DE) of \$0.49 per Diluted Share –

– Undepreciated Book Value Per Share of \$21.37 –

– LNR Affirmed by Fitch at CSS1, Only Special Servicer Carrying Highest Rating –

– Repaid \$250 Million April 2023 Convertible Notes Subsequent to Quarter End –

– Paid Dividend of \$0.48 per Share –

GREENWICH, Conn., May 4, 2023 /PRNewswire/ -- Starwood Property Trust, Inc. (NYSE: STWD) today announced operating results for the fiscal quarter ended March 31, 2023. The Company's first quarter 2023 GAAP net income was \$52.0 million, and Distributable Earnings (a non-GAAP financial measure) was \$157.2 million.

"Our business model has continued to evolve since our inception in 2009. We have built a diversified enterprise on both sides of the balance sheet that would perform well in normal markets and outperform in volatile ones. This model is supported by one of the lowest leverage ratios in our sector at 2.5x and \$1.5 billion of unrealized gains in our owned property portfolio, giving us tremendous flexibility. We are extremely proud of how the Company has performed throughout cycles since inception. Since that time, we have diversified our business model with more than 40% of our distributable earnings coming from sources other than commercial lending," commented Barry Sternlicht, Chairman and CEO of Starwood Property Trust.

"During the quarter, in light of the market conditions, our new investing was concentrated in infrastructure lending, which comprised 73% of our new origination activity. Our best-in-class balance sheet remains one of our key competitive advantages. In addition to \$4.2 billion of unencumbered collateral and \$3.4 billion of owned property, we also have \$25.6 billion of financing capacity diversified across 25 lenders and over 40 facilities, of which \$8.3 billion is undrawn," added Jeffrey DiModica, President of Starwood Property Trust.

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.

Webcast and Conference Call Information

The Company will host a live webcast and conference call on Thursday, May 4, 2023, 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, download and install any necessary audio software. The webcast is available at www.starwoodpropertytrust.com in the Investor Relations section of the website. The Company encourages use of the webcast due to potential extended wait times to access the conference call via dial-in.

To Participate via Telephone Conference Call:

Dial in at least 15 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: 13736883

The playback can be accessed through May 18, 2023.

About Starwood Property Trust, Inc.

Starwood Property Trust (NYSE: STWD), an affiliate of global private investment firm Starwood Capital Group, is a leading diversified finance company with a core focus on the real estate and infrastructure sectors. As of March 31, 2023, the Company has successfully deployed over \$94 billion of capital since inception and manages a portfolio of over \$28 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, availability of financing, the severity and duration of economic disruption caused by the COVID-19 global pandemic (including the variants and resurgences) and other risks detailed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as well as other risks and uncertainties set forth from time to time in the Company's reports filed with the SEC, including its Quarterly Report on Form 10-Q for the quarter ended March 31, 2023.

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 March 31, 2023
(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	\$ 375,601	\$ 54,760	\$ —	\$ 547	\$ —	\$ 430,908	\$ —	\$ 430,908
Interest income from investment securities	32,521	1,338	—	22,785	—	56,644	(38,007)	18,637
Servicing fees	159	—	—	9,834	—	9,993	(2,737)	7,256
Rental income	1,981	—	23,695	6,613	—	32,289	—	32,289
Other revenues	344	216	103	383	278	1,324	—	1,324
Total revenues	410,606	56,314	23,798	40,162	278	531,158	(40,744)	490,414
Costs and expenses:								
Management fees	218	—	—	—	39,322	39,540	—	39,540
Interest expense	226,393	32,818	12,599	7,429	56,272	335,511	(210)	335,301
General and administrative	11,893	3,964	952	20,047	5,252	42,108	—	42,108
Acquisition and investment pursuit costs	207	8	—	54	—	269	—	269
Costs of rental operations	2,451	—	5,549	3,666	—	11,666	—	11,666
Depreciation and amortization	1,631	30	8,108	2,647	—	12,416	—	12,416
Credit loss provision, net	30,790	12,404	—	—	—	43,194	—	43,194
Other expense	832	—	—	16	—	848	—	848
Total costs and expenses	274,415	49,224	27,208	33,859	100,846	485,552	(210)	485,342
Other income (loss):								
Change in net assets related to consolidated VIEs	—	—	—	—	—	—	41,138	41,138
Change in fair value of servicing rights	—	—	—	(50)	—	(50)	354	304
Change in fair value of investment securities, net	14,866	—	—	(14,459)	—	407	(325)	82
Change in fair value of mortgage loans, net	8,262	—	—	639	—	8,901	—	8,901
Income from affordable housing fund investments	—	—	12,965	—	—	12,965	—	12,965
Earnings (loss) from unconsolidated entities	939	1,740	—	679	—	3,358	(633)	2,725
Gain on sale of investments and other assets, net	—	—	—	190	—	190	—	190
(Loss) gain on derivative financial instruments, net	(34,363)	(51)	(1,217)	(3,467)	6,270	(32,828)	—	(32,828)
Foreign currency gain, net	14,930	75	14	—	—	15,019	—	15,019
Loss on extinguishment of debt	(61)	—	—	—	—	(61)	—	(61)
Other loss, net	(2,541)	—	—	—	—	(2,541)	—	(2,541)
Total other income (loss)	2,032	1,764	11,762	(16,468)	6,270	5,360	40,534	45,894
Income (loss) before income taxes	138,223	8,854	8,352	(10,165)	(94,298)	50,966	—	50,966
Income tax benefit	6,557	46	—	2,192	—	8,795	—	8,795
Net income (loss)	144,780	8,900	8,352	(7,973)	(94,298)	59,761	—	59,761
Net income attributable to non-controlling interests	(3)	—	(6,978)	(806)	—	(7,787)	—	(7,787)
Net income (loss) attributable to Starwood Property Trust, Inc.	\$ 144,777	\$ 8,900	\$ 1,374	\$ (8,779)	\$ (94,298)	\$ 51,974	\$ —	\$ 51,974

Definition of Distributable Earnings

Distributable 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, Distributable 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, any unrealized gains, losses or other non-cash items recorded in net income (loss) for the period 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. Refer to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023 for additional information regarding Distributable Earnings.

Reconciliation of Net Income to Distributable Earnings

For the three months ended March 31, 2023

(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.	\$ 144,777	\$ 8,900	\$ 1,374	\$ (8,779)	\$ (94,298)	\$ 51,974
Add / (Deduct):						
Non-controlling interests attributable to Woodstar II Class A Units	—	—	4,691	—	—	4,691
Non-controlling interests attributable to unrealized gains/losses	—	—	(263)	(2,798)	—	(3,061)
Non-cash equity compensation expense	2,087	312	74	1,595	6,868	10,936
Management incentive fee	—	—	—	—	12,365	12,365
Acquisition and investment pursuit costs	(22)	—	(82)	—	—	(104)
Depreciation and amortization	1,742	20	8,185	2,771	—	12,718
Interest income adjustment for securities	5,220	—	—	5,420	—	10,640
Extinguishment of debt, net	—	—	—	—	(246)	(246)
Consolidated income tax benefit associated with fair value adjustments	(6,557)	(46)	—	(2,192)	—	(8,795)
Other non-cash items	3	—	352	74	—	429
Reversal of GAAP unrealized and realized (gains) / losses on:						
Loans	(8,262)	—	—	(639)	—	(8,901)
Credit loss provision, net	30,790	12,404	—	—	—	43,194
Securities	(14,866)	—	—	14,459	—	(407)
Woodstar Fund investments	—	—	(12,965)	—	—	(12,965)
Derivatives	34,363	51	1,217	3,467	(6,270)	32,828
Foreign currency	(14,930)	(75)	(14)	—	—	(15,019)
(Earnings) from unconsolidated entities	(939)	(1,740)	—	(679)	—	(3,358)
Sales of properties	—	—	—	(190)	—	(190)
Recognition of Distributable realized gains / (losses) on:						
Loans	(1,720)	—	—	1,763	—	43
Securities	—	—	—	(2,076)	—	(2,076)
Woodstar Fund investments	—	—	14,243	—	—	14,243
Derivatives	19,946	91	4,212	(111)	(6,529)	17,609
Foreign currency	(714)	(30)	14	—	—	(730)
Earnings (loss) from unconsolidated entities	939	(96)	—	497	—	1,340
Sales of properties	—	—	—	79	—	79
Distributable Earnings (Loss)	\$ 191,857	\$ 19,791	\$ 21,038	\$ 12,661	\$ (88,110)	\$ 157,237
Distributable Earnings (Loss) per Weighted Average Diluted Share	\$ 0.60	\$ 0.06	\$ 0.06	\$ 0.04	\$ (0.27)	\$ 0.49

Starwood Property Trust, Inc. and Subsidiaries
Condensed Consolidated Balance Sheet by Segment
As of March 31, 2023
(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	\$ 13,903	\$ 30,948	\$ 27,742	\$ 16,910	\$ 306,296	\$ 395,799	\$ —	\$ 395,799
Restricted cash	9,872	33,848	943	4,632	86,342	135,637	—	135,637
Loans held-for-investment, net	16,085,101	2,357,831	—	9,492	—	18,452,424	—	18,452,424
Loans held-for-sale	2,733,358	—	—	77,531	—	2,810,889	—	2,810,889
Investment securities	1,257,966	20,841	—	1,149,916	—	2,428,723	(1,655,836)	772,887
Properties, net	464,183	—	860,220	119,576	—	1,443,979	—	1,443,979
Investments of consolidated affordable housing fund	—	—	1,762,162	—	—	1,762,162	—	1,762,162
Investments in unconsolidated entities	24,955	48,819	—	33,178	—	106,952	(13,883)	93,069
Goodwill	—	119,409	—	140,437	—	259,846	—	259,846
Intangible assets	11,273	—	28,442	65,785	—	105,500	(38,704)	66,796
Derivative assets	90,967	219	3,025	2,408	—	96,619	—	96,619
Accrued interest receivable	171,304	8,408	967	1,356	60	182,095	(288)	181,807
Other assets	218,197	3,658	57,323	20,850	56,048	356,076	—	356,076
VIE assets, at fair value	—	—	—	—	—	—	50,526,390	50,526,390
Total Assets	\$ 21,081,079	\$ 2,623,981	\$ 2,740,824	\$ 1,642,071	\$ 448,746	\$ 28,536,701	\$ 48,817,679	\$ 77,354,380
Liabilities and Equity								
Liabilities:								
Accounts payable, accrued expenses and other liabilities	\$ 154,121	\$ 19,433	\$ 13,601	\$ 23,093	\$ 67,082	\$ 277,330	\$ —	\$ 277,330
Related-party payable	—	—	—	—	39,583	39,583	—	39,583
Dividends payable	—	—	—	—	152,267	152,267	—	152,267
Derivative liabilities	21,283	146	—	—	56,978	78,407	—	78,407
Secured financing agreements, net	11,097,202	1,048,486	790,299	591,279	1,340,784	14,868,050	(21,062)	14,846,988
Collateralized loan obligations and single asset securitization, net	2,858,185	814,598	—	—	—	3,672,783	—	3,672,783
Unsecured senior notes, net	—	—	—	—	2,331,445	2,331,445	—	2,331,445
VIE liabilities, at fair value	—	—	—	—	—	—	48,838,686	48,838,686
Total Liabilities	14,130,791	1,882,663	803,900	614,372	3,988,139	21,419,865	48,817,624	70,237,489
Temporary Equity: Redeemable non-controlling interests	—	—	364,418	—	—	364,418	—	364,418
Permanent Equity:								
Starwood Property Trust, Inc. Stockholders' Equity:								
Common stock	—	—	—	—	3,197	3,197	—	3,197
Additional paid-in capital	1,702,444	631,627	(415,147)	(639,082)	4,546,667	5,826,509	—	5,826,509
Treasury stock	—	—	—	—	(138,022)	(138,022)	—	(138,022)
Retained earnings (accumulated deficit)	5,227,875	109,691	1,779,019	1,505,340	(7,951,235)	670,690	—	670,690
Accumulated other comprehensive income	19,851	—	—	—	—	19,851	—	19,851
Total Starwood Property Trust, Inc. Stockholders' Equity	6,950,170	741,318	1,363,872	866,258	(3,539,393)	6,382,225	—	6,382,225
Non-controlling interests in consolidated subsidiaries	118	—	208,634	161,441	—	370,193	55	370,248
Total Permanent Equity	6,950,288	741,318	1,572,506	1,027,699	(3,539,393)	6,752,418	55	6,752,473
Total Liabilities and Equity	\$ 21,081,079	\$ 2,623,981	\$ 2,740,824	\$ 1,642,071	\$ 448,746	\$ 28,536,701	\$ 48,817,679	\$ 77,354,380

HIGHLIGHTS

STWD Highlights

Leading diverse global multi-cylinder platform, built to thrive in all market environments

Strong Balance Sheet

\$28.5B of total assets with an adjusted debt-to-equity ratio of **2.5x** and undepreciated book value per share of **\$21.37**

Consistent Dividend

Paid Q1 dividend of **\$0.48**, equating to an **11.2%** annualized dividend yield

Stable Capitalization

87% of our outstanding debt contains no capital markets mark-to-market provisions

Ample Capacity to Fund Growth

\$8.3B of capacity across secured financing facilities and **\$4.2B** of unencumbered assets with capacity to issue over **\$1.0B** of corporate debt

NOTE: Amounts are as of March 31, 2023, except for annualized dividend yield, which is based on share price of \$17.07 as of April 26, 2023

Q1 2023 Highlights

Quarter Performance

- GAAP book value per share of **\$20.44** and undepreciated book value of **\$21.37**
 - Undepreciated book value increased **25%** over the last two years
 - GAAP book value reflects **\$0.49** per share of CECL reserves as of March 31
- GAAP earnings of **\$0.16** and Distributable Earnings ("DE") of **\$0.49** per diluted share
- Originated or acquired **\$292M** of assets across business lines, including **\$160M** in Infrastructure Lending and **\$59M** in Commercial Lending
- Received repayments of **\$517M** across business lines
- Fundings of **\$511M** across business lines drove growth of assets to a record **\$28.5B**
- Total named servicing portfolio of **\$107B**, including **2** new assignments with a UPB of **\$1.5B**
 - Affirmed highest special servicer rating by Fitch, making LNR the only special servicer with this highest rating

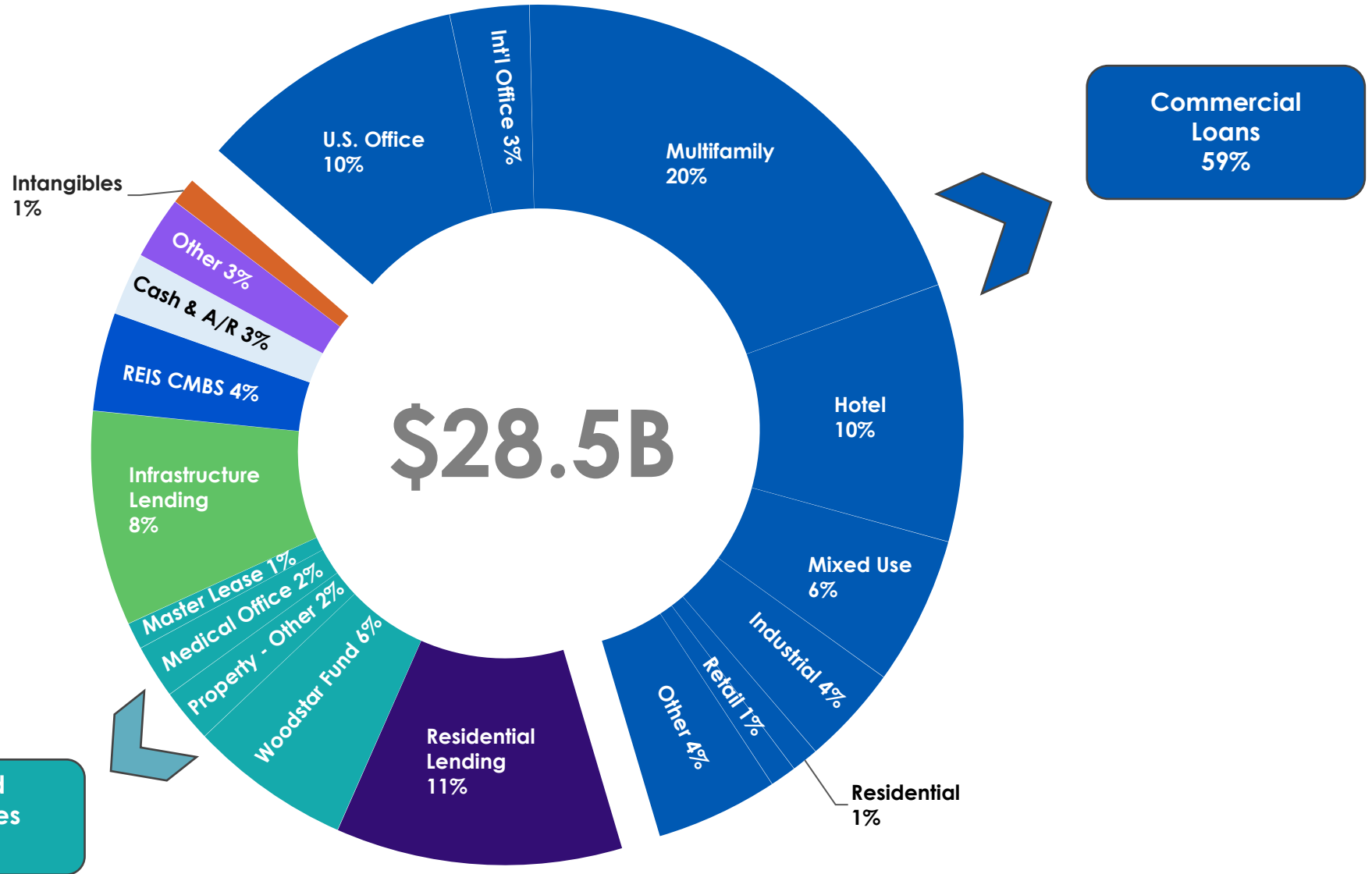
Liquidity and Capitalization

- Adjusted debt-to-equity ratio of **2.5x**
- Potential liquidity of **\$8.4B** (see page 26)
- Amended a commercial credit facility resulting in an upside of **\$200M**

NOTE: Please refer to the Calculation Methodologies section herein for the definition of DE

Total Assets

- U.S. office represents only 10% of our diversified \$28.5B asset base



NOTE: As of March 31, 2023

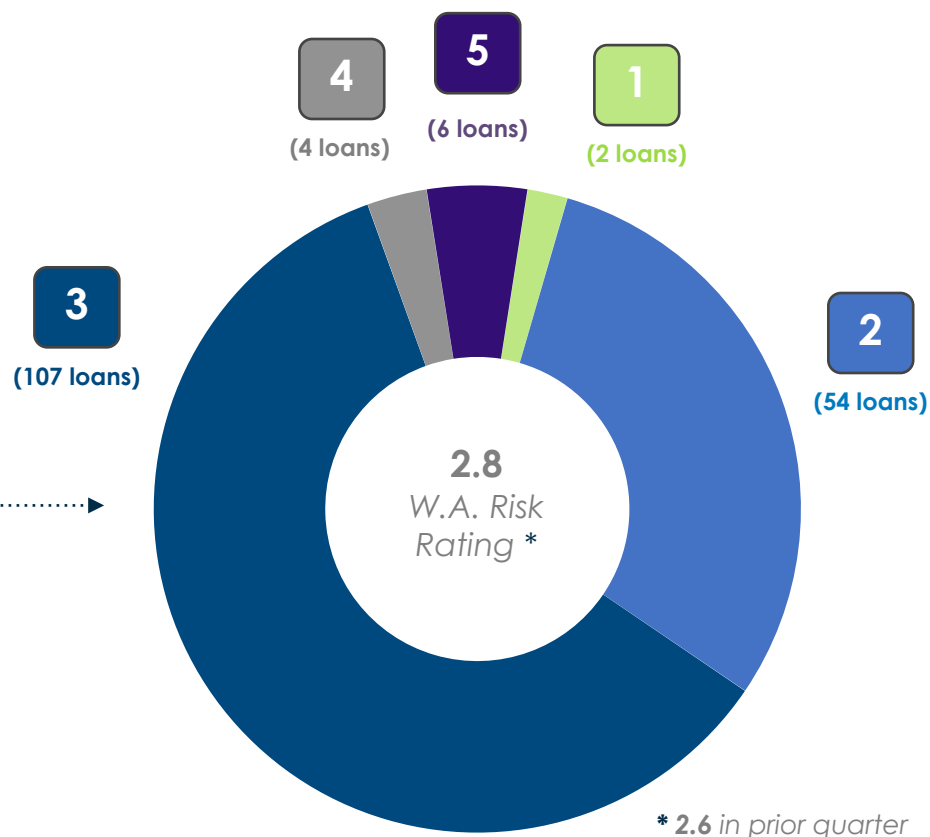
COMMERCIAL AND RESIDENTIAL LENDING SEGMENT

Commercial Lending Portfolio

Q1 Activity

- **\$38M** funded on new investments
- **\$222M** follow on fundings
- **\$257M** repayments

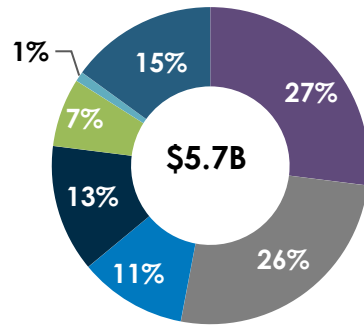
Risk Rating ⁽¹⁾



NOTE: Amounts are as of and for the quarter ended March 31, 2023. See the Ratings Criteria section included in the Appendix

Top 10 Loans by Largest Property Types

Multifamily



■ Southeast
 ■ Southwest
 ■ West
 ■ Northeast
■ Mid-Atlantic
 ■ Midwest
 ■ International

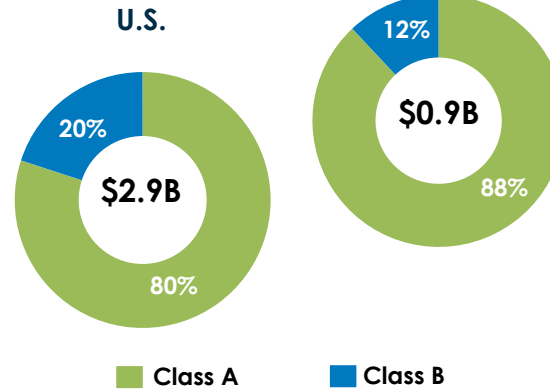
\$ millions

Location	\$	Maturity*
United Kingdom	\$281	Mar-26
Los Angeles, CA	\$280	Apr-26
United Kingdom	\$222	May-25
Various, FL	\$166	Jun-27
Philadelphia, PA	\$151	Sep-25
Australia	\$150	Nov-25
Tampa, FL	\$146	Apr-27
Baltimore, MD	\$145	Jan-27
Arlington, VA	\$139	Oct-26
Philadelphia, PA	\$125	Aug-26

*Fully extended

Office

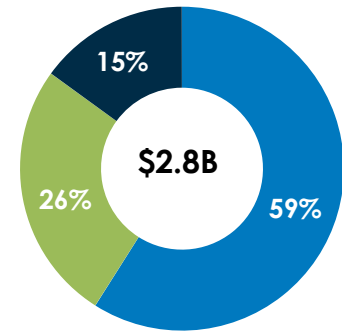
International



■ Class A
 ■ Class B

Location	\$	Maturity*
Washington, DC	\$313	Oct-23
Houston, TX	\$252	Sep-23
United Kingdom	\$250	Dec-24
Brooklyn, NY	\$246	Oct-26
Orlando, FL	\$227	Dec-26
Dallas, TX	\$203	Sep-26
Irvine, CA	\$197	Mar-25
McLean, VA	\$175	Mar-25
Germany	\$162	Nov-28
Brooklyn, NY	\$157	May-26

Hotel

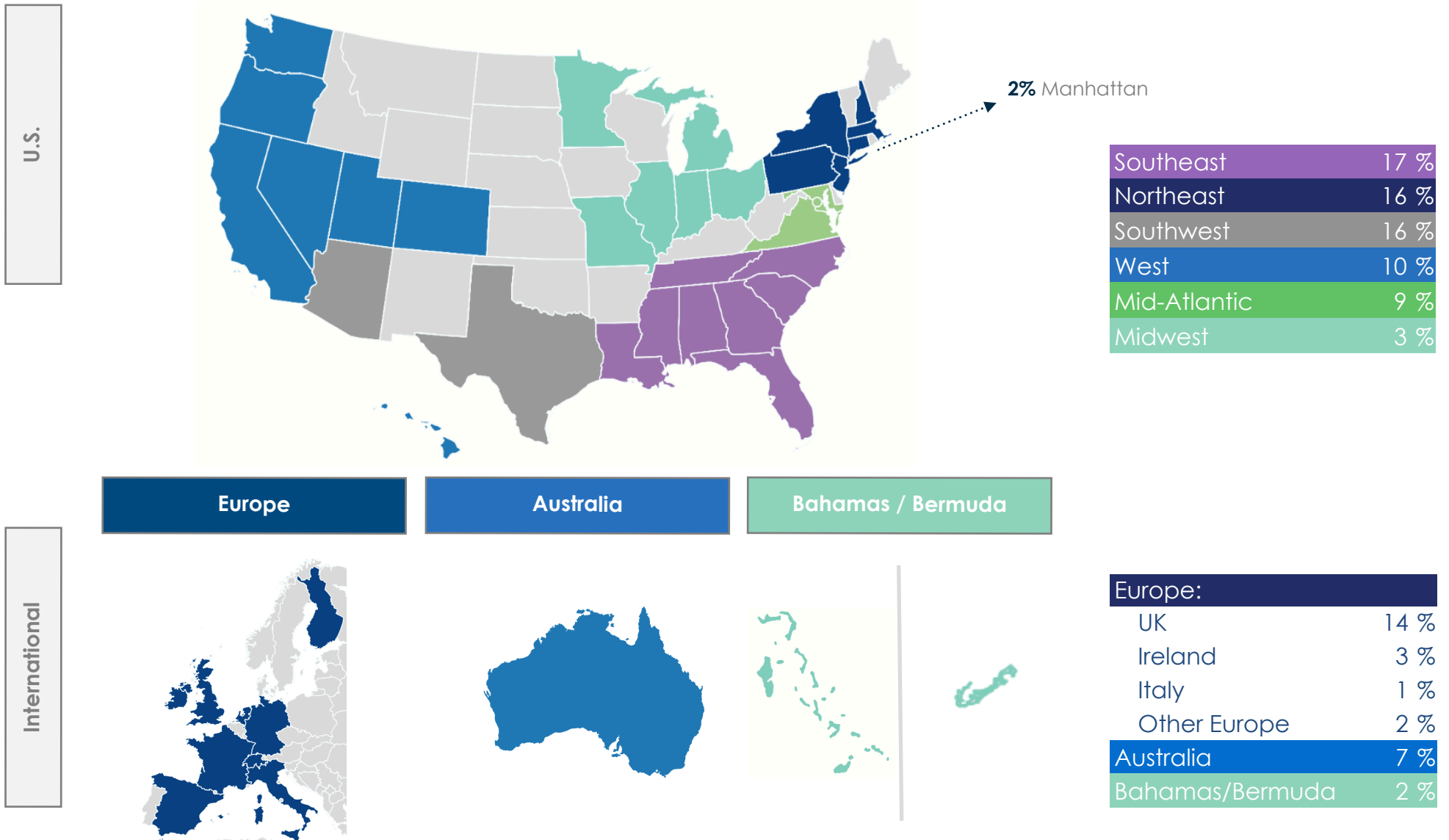


■ Leisure
 ■ Extended Stay
 ■ Business / Group

Location	\$	Maturity*
Bahamas	\$243	Jul-25
Various, US	\$230	Apr-26
Various, US	\$202	Aug-27
Italy	\$192	Dec-26
Orlando, FL	\$156	Dec-25
Beverly Hills, CA	\$150	Jan-25
Various, US	\$145	Apr-27
Boston, MA	\$120	Jun-26
Washington, DC	\$112	Aug-24
Houston, TX	\$99	Jul-26

NOTE: Amounts are as of March 31, 2023

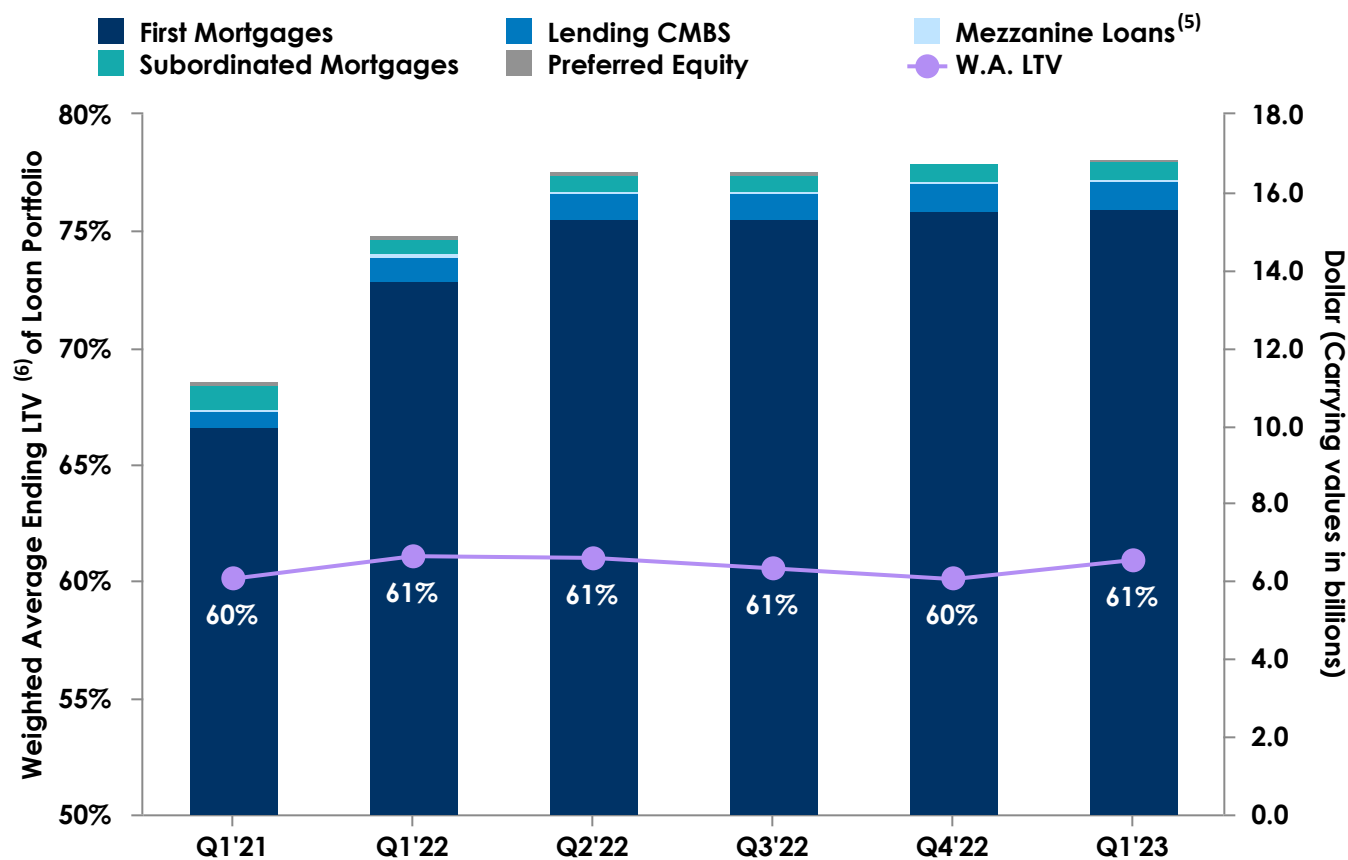
Commercial Portfolio Geographic Diversification⁽²⁾



NOTE: Amounts are stated as a percentage of commercial loan portfolio and are as of March 31, 2023

Commercial Lending Metrics

(\$ millions)	First Mortgages ⁽³⁾	Lending CMBS	Mezzanine Loans ⁽³⁾	Subordinated Mortgages	Preferred Equity	Total CRE
Carrying Value	\$15,601	\$679	\$472	\$72	\$31	\$16,855
Unlevered Return ⁽⁴⁾	8.8%	9.3%	14.2%	15.2%	23.3%	9.0%



NOTE: As of March 31, 2023, unless otherwise indicated. For LTV determination, see the Calculation Methodologies section included in the Appendix

Top 10 Commercial Lending Commitments

\$ millions

Loan Type	Origination Date	Fully Extended Maturity Date	Location	Property Type	Loan Commitment	UPB
Senior	Jun 2022	Jun 2029	Various, Australia	Casino Hotel*	\$ 920.5	\$ 920.5
Senior/Mezz	Dec 2021	Dec 2025	Various, Ireland	Industrial	518.7	187.5
Senior	Feb 2021	Feb 2028	Various, UK	Mixed Use	444.0	444.0
Senior/Mezz	Dec 2019	Oct 2023	Washington, DC	Office	317.7	313.0
Senior	Jan 2019	Jan 2026	Birmingham, UK	Convention/Arenas*	308.2	308.2
Senior/Mezz	Oct 2021	Oct 2026	Brooklyn, NY	Office	301.0	245.7
Senior	Dec 2021	Apr 2028	London, UK	Multifamily	300.1	79.2
Senior/Mezz	Mar 2021	Apr 2026	Los Angeles, CA	Multifamily	295.0	280.0
Senior/Mezz	Dec 2018	Jun 2023	London, UK	Mixed Use	288.2	280.6
Senior/Mezz	Jul 2022	Aug 2027	Long Island City, NY	Industrial	282.9	149.9

*Denotes Other property type

Residential Portfolio

\$ millions

Significant Activity During the Quarter:

➤ **\$16M** net unrealized fair value decrease:

- Loans - **\$8M** increase
- RMBS - **\$15M** increase
- Interest Rate Hedges - **\$39M** decrease to FMV of **\$107M**

Asset Carrying Values	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022
Loans, held for sale	\$ 2,733	\$ 2,763	\$ 2,126	\$ 2,132	\$ 2,299
Loans, held for investment	—	—	53	55	56
Post-securitization retained RMBS	428	423	418	416	311
Residential Portfolio Carrying Values	\$ 3,161	\$ 3,186	\$ 2,597	\$ 2,603	\$ 2,666
Weighted Average Coupon (WAC)*					
Loans, held for sale	4.5%	4.5%	4.7%	4.6%	4.3%
Loans, held for investment	N/A	N/A	5.8%	6.0%	6.0%

*Does not include the impact of interest rate hedges

INFRASTRUCTURE LENDING SEGMENT

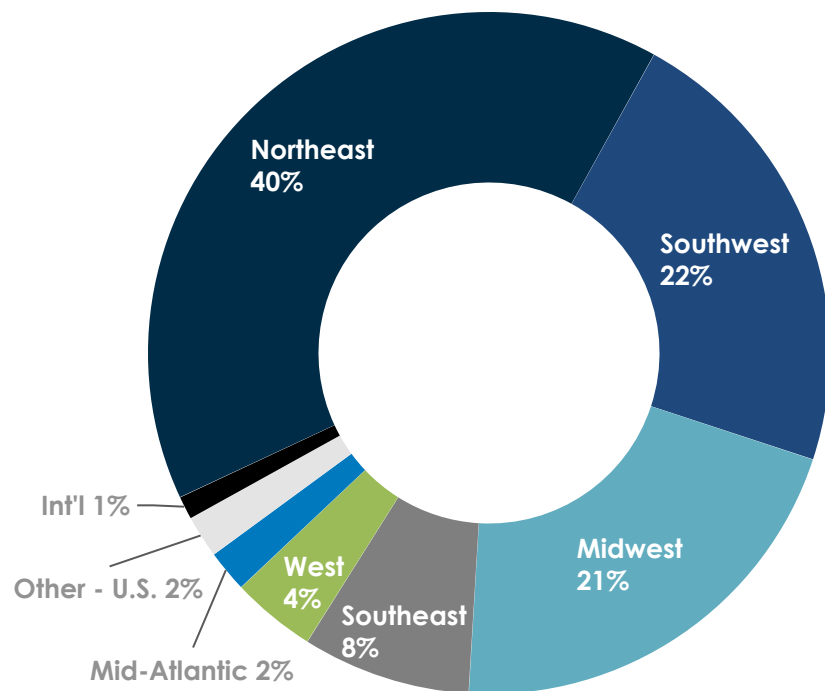
Portfolio Metrics and Activity

Q1 Activity

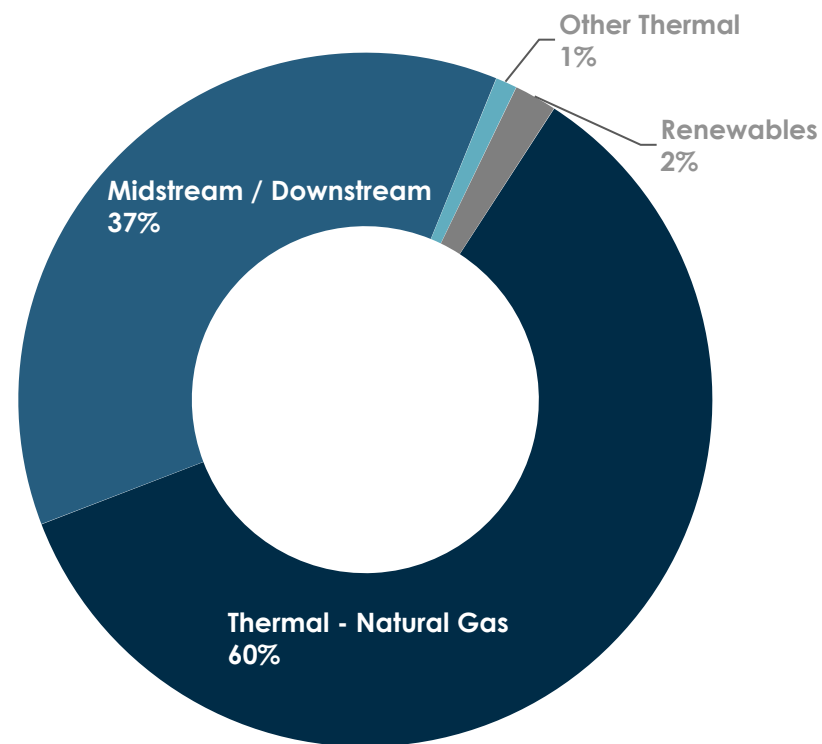
- **\$160M** funded on new loans
- **\$15M** follow on fundings
- **\$204M** repayments

\$2.4B
Total
Portfolio

Geographic Location



Sector ⁽⁷⁾



NOTE: Amounts are as of March 31, 2023

PROPERTY SEGMENT

Investment Portfolio

\$ millions

Investment	Net Carrying Value ⁽⁸⁾	Asset Specific Financing	Net Investment	Q1'23 Net Operating Income ⁽⁹⁾	Occupancy Rate
Wholly-Owned:					
Medical Office Portfolio	\$ 771	\$ 597	\$ 174	\$ 11.3	92%
Master Lease Portfolio	344	193	151	7.3	100%
Subtotal - Undepreciated Carrying Value	\$ 1,115	\$ 790	\$ 325	\$ 18.6	96%
Accumulated Depreciation and Amortization	(227)	—	(227)	—	
Subtotal - Wholly-Owned	\$ 888	\$ 790	\$ 98	\$ 18.6	
Woodstar Fund	1,762	—	1,762	25.9	98%
Total Property Segment Investment Portfolio	\$ 2,650	\$ 790	\$ 1,860	\$ 44.5	98%

NOTE: Amounts are as of and for the quarter ended March 31, 2023

Woodstar Fund (the "Fund")

\$ millions

- The Fund, which was formed in Q4 2021, holds the 15,057 affordable housing units comprising the Woodstar I and Woodstar II portfolios and is accounted for under ASC 946, *Financial Services – Investment Companies*, with its investments reported on our consolidated balance sheet at fair value and changes in fair value each period recognized in earnings

Income Statement:

- **DE (\$14M):** Represents net income at the portfolio-level excluding unrealized fair value adjustments
- **GAAP (\$13M):** Net income from our investments is reported as a single line item, which includes changes in fair value of the investments (**\$-1M**), changes in working capital (**\$+2M**), and cash income distributions received (**\$12M**)



Net Income	
Rental and other income	\$ 48.6
Cost of rental operations	(22.7)
Interest expense	(11.7)
Change in fair value	(1.3)
Income from affordable housing fund investments	\$ 12.9



Change in FMV	
Properties	\$ 18.6
Debt	(13.0)
Derivative	(6.9)
Total change in FMV	\$ (1.3)

Balance Sheet:

- **Net Investment:** Property-level assets, net of property-level debt
- **Temporary Equity: 20.6%** attributable to third party investors



Net Investment	
Properties, at fair value	\$ 2,927.3
Cash and other assets	71.4
Secured debt, at fair value	(1,207.0)
Accrued liabilities	(29.5)
Investments of consolidated affordable housing fund, at fair value	\$ 1,762.2

NOTE: Amounts are as of and for the quarter ended March 31, 2023

Portfolio Snapshot

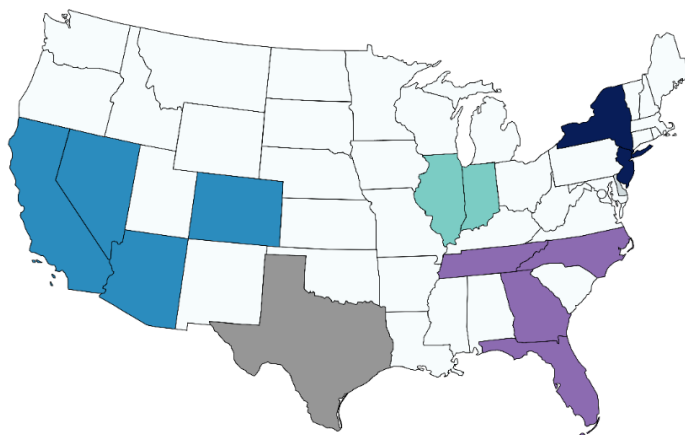
\$ millions, sq. ft. in thousands

Woodstar Fund



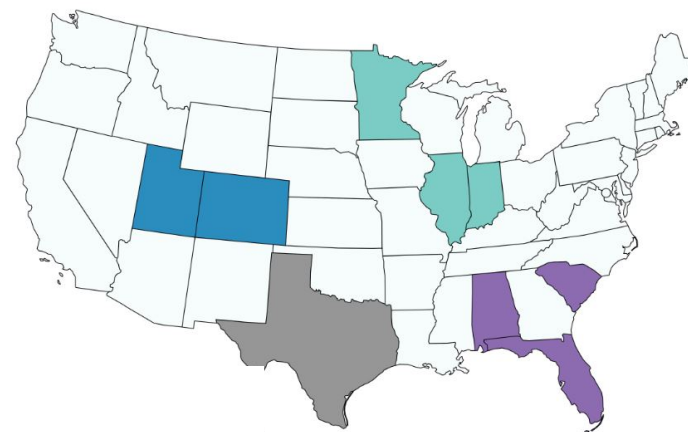
Region	%	Occupancy	Units
North	7%	95%	1,230
Central	77%	99%	11,879
South	16%	99%	1,948
Total	100%	98%	15,057

Medical Office



Region	%	Gross investment	Occupancy	Sq. Ft.
Northeast	30%	\$ 228	100%	430
Texas	20%	156	93%	457
Southeast	18%	140	78%	366
West	17%	132	92%	372
Midwest	15%	115	94%	325
Total	100%	\$ 771	92%	1,950

Master Lease



Region	%	Gross investment	Occupancy	Sq. Ft.
Midwest	36%	\$ 123	100%	757
Southwest	25%	86	100%	451
Southeast	23%	80	100%	393
West	16%	55	100%	278
Total	100%	\$ 344	100%	1,879

NOTE: Amounts are as of March 31, 2023

INVESTING AND SERVICING SEGMENT

Investment Portfolio

\$ millions

Significant Activity During the Quarter:

- Securitized **\$12M** of conduit loans
- Total named servicing portfolio of **\$107B**, including **2** new assignments with a UPB of **\$1.5B**
- Affirmed highest special servicer rating by Fitch, making LNR the only special servicer with this highest rating

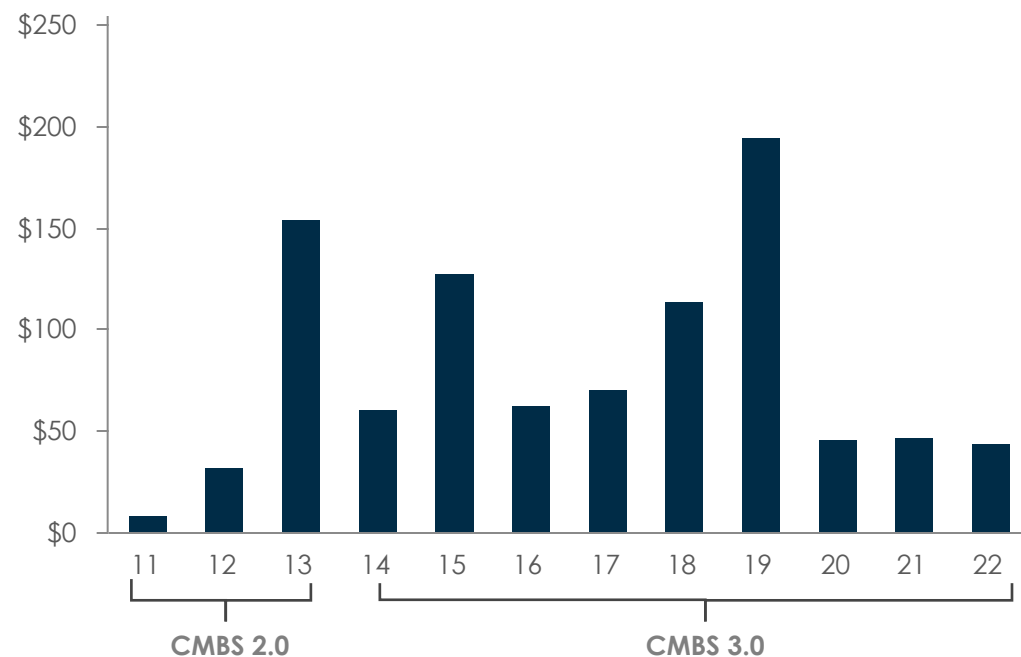
Asset Carrying Values	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022
Owned CMBS, non-VRR	\$ 451	\$ 462	\$ 476	\$ 490	\$ 487
Owned CMBS, VRR	310	310	312	313	288
Total Wholly Owned CMBS	\$ 761	\$ 772	\$ 788	\$ 803	\$ 775
CMBS, JVs (net of non-controlling interests)	206	208	209	215	203
Total CMBS	\$ 967	\$ 980	\$ 997	\$ 1,018	\$ 978
Properties and lease intangibles, net	128	131	144	146	147
Conduit Loans	78	21	80	41	385
Special servicing intangible	57	57	60	59	59
Other	29	29	32	32	31
Total	\$ 1,259	\$ 1,218	\$ 1,313	\$ 1,296	\$ 1,600

NOTE: VRR refers to vertical risk retention

CMBS and Special Servicing

Owned CMBS by Vintage ⁽¹⁰⁾

\$ millions



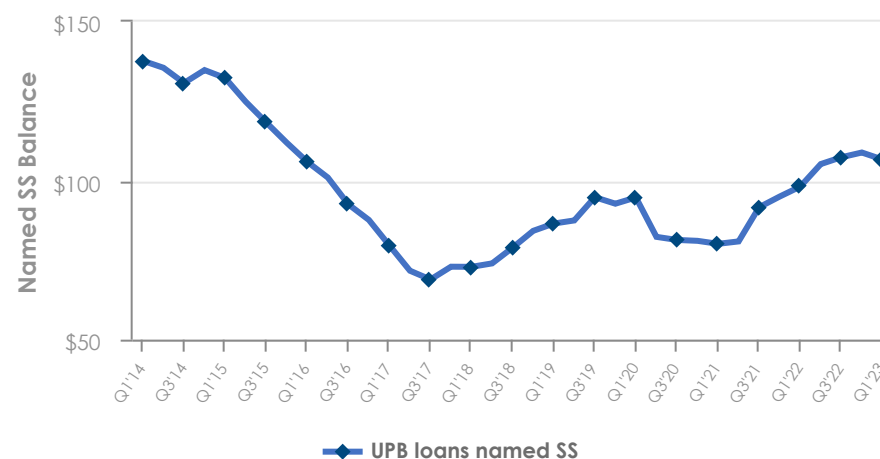
LNR Special Servicer

\$ billions

Named SS:

180
CMBS Trusts

\$106.7B
Loan Balance



Active SS:

\$3.4B
SS Loan Balance

+

\$1.8B
REO Loan Balance

=

\$5.2B
Total Active SS Balance

NOTE: Amounts as of March 31, 2023 unless otherwise indicated; carrying value represents estimated fair value

CAPITALIZATION

Capitalization Overview

Credit Metrics

Ba2 / BB / BB+
Current Corporate Issuer Rating

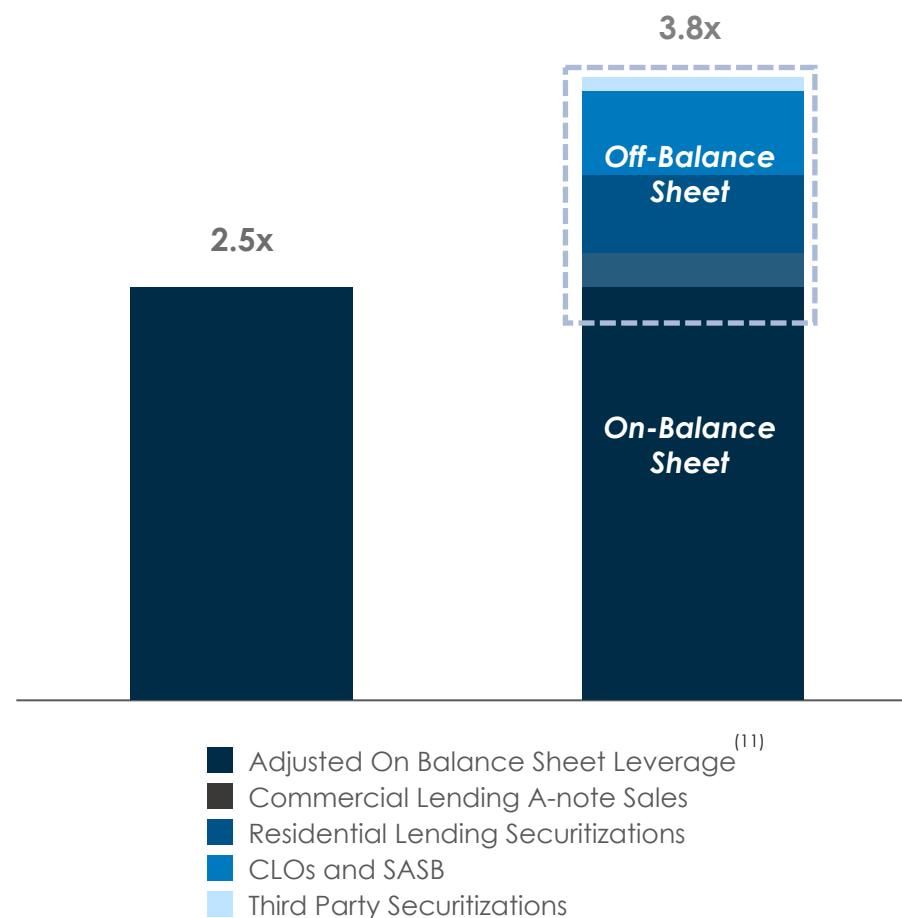
\$4.2B
Total Unencumbered Assets

1.6x
Fixed Charge Coverage Ratio

1.8x
Unencumbered Assets to Unsecured Debt

\$27.5B
Total Capitalization

Adjusted Debt-to-Equity Ratios



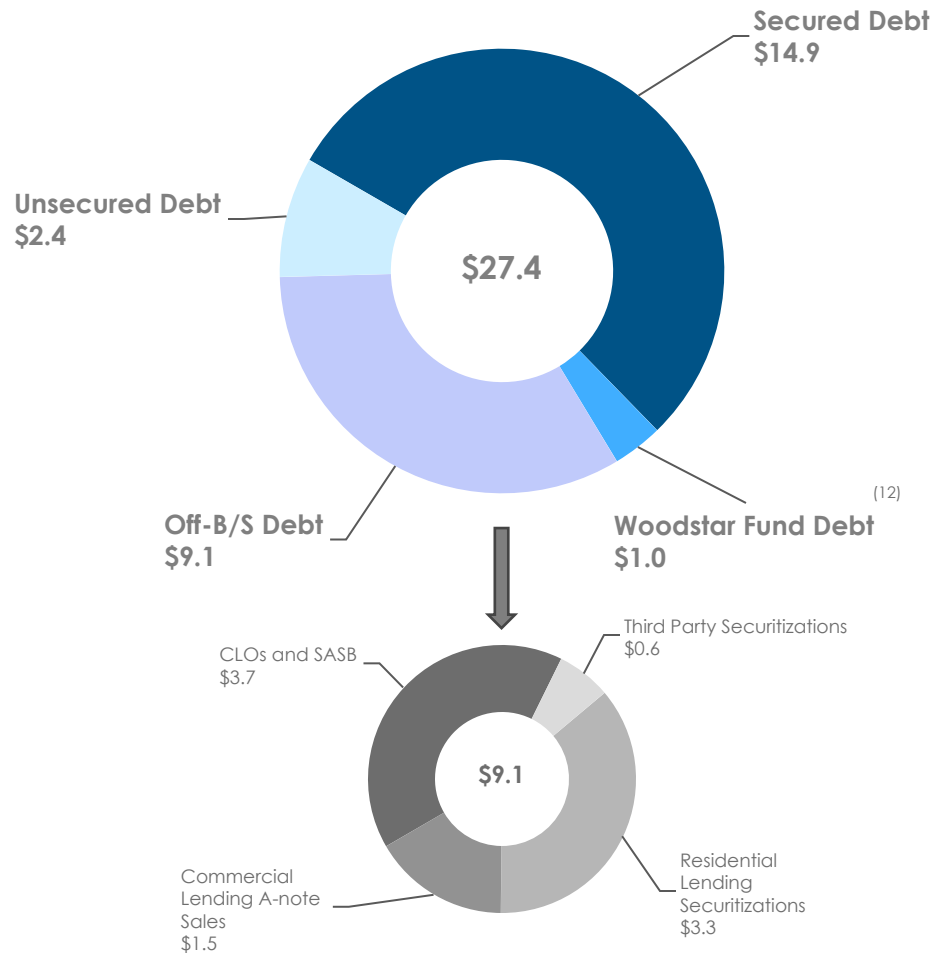
NOTE: Amounts are as of and for the quarter ended March 31, 2023

Capitalization Overview, continued

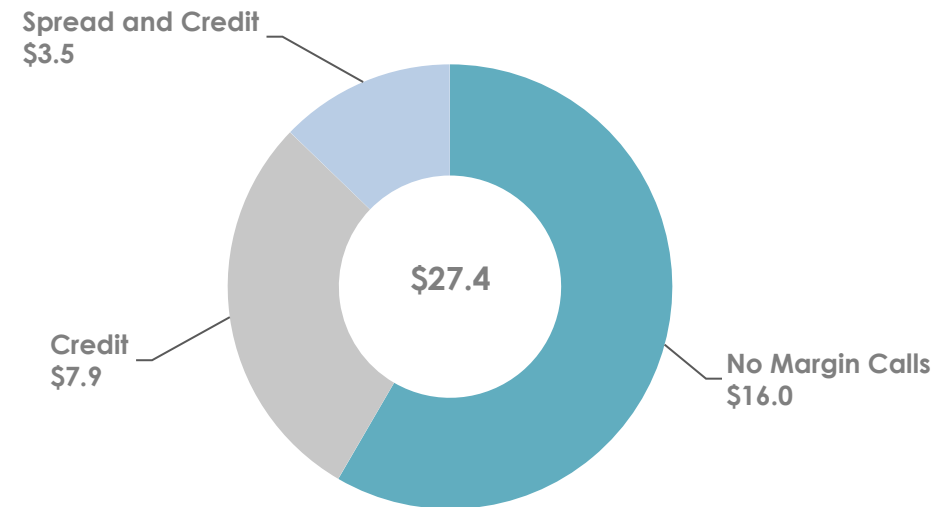
\$ billions

- **87%** of our outstanding debt does not permit valuation adjustments based on capital market events

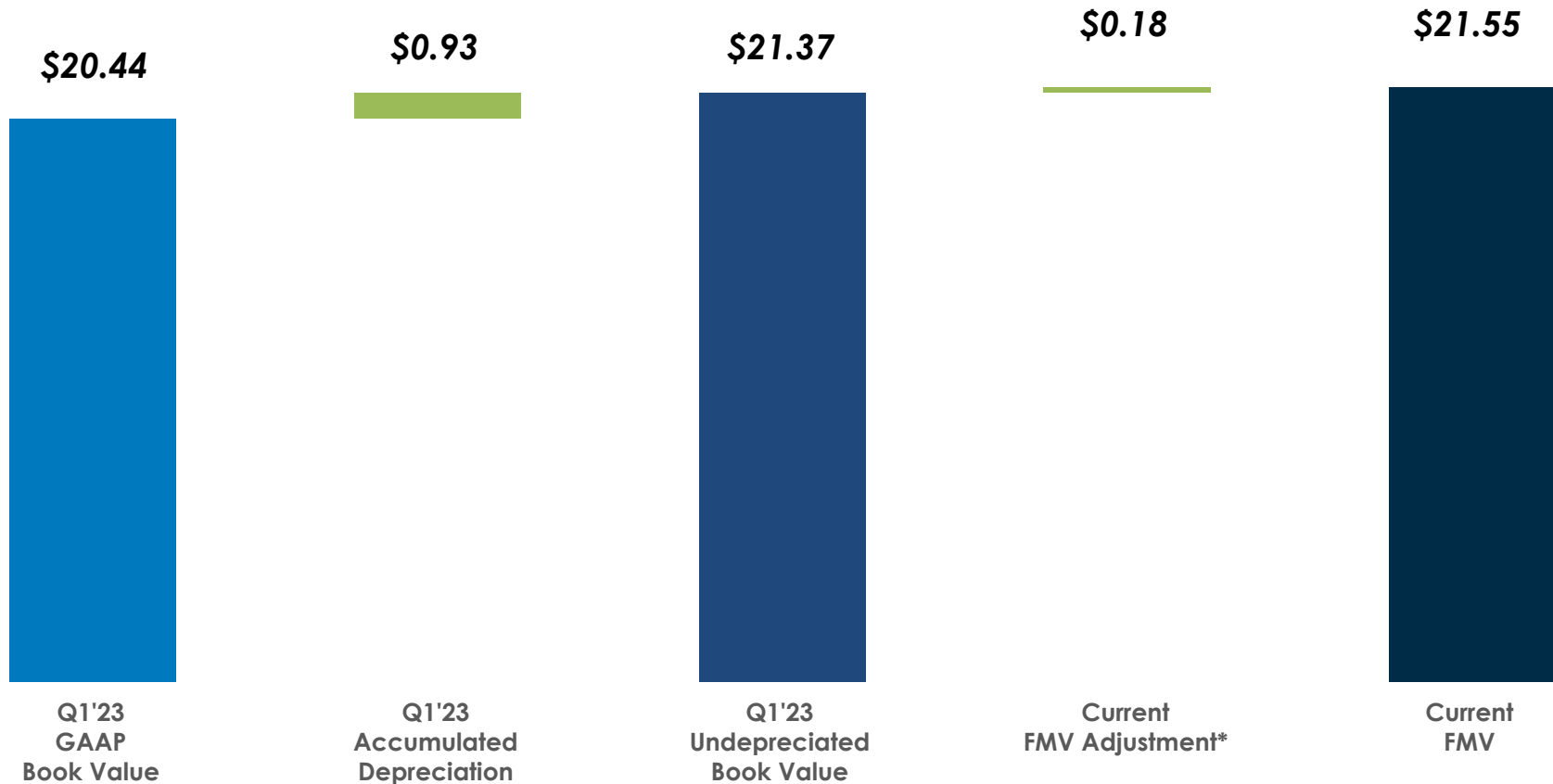
Total Debt Outstanding
(including off-balance sheet)



Margin Call Provisions
(including off-balance sheet)



Book Value and Fair Value per Share Bridge



- Represents the difference between our cost basis and our estimate of fair value. The determination of fair market value ("FMV") is subjective and based on several economic, regulatory and other factors, all of which are subject to change, and there can be no assurance that management's current estimates of the FMV of our assets would not differ materially from the values that could be obtained upon a current liquidation of such assets. See "Risk Factors" in our Annual Report on Form 10-K for additional information concerning risks regarding the valuation of our assets, including risks under current market conditions.

Financing Facilities

\$ millions

\$25.6B

Max Facility Size

\$8.3B

Available Capacity

25

Counterparties

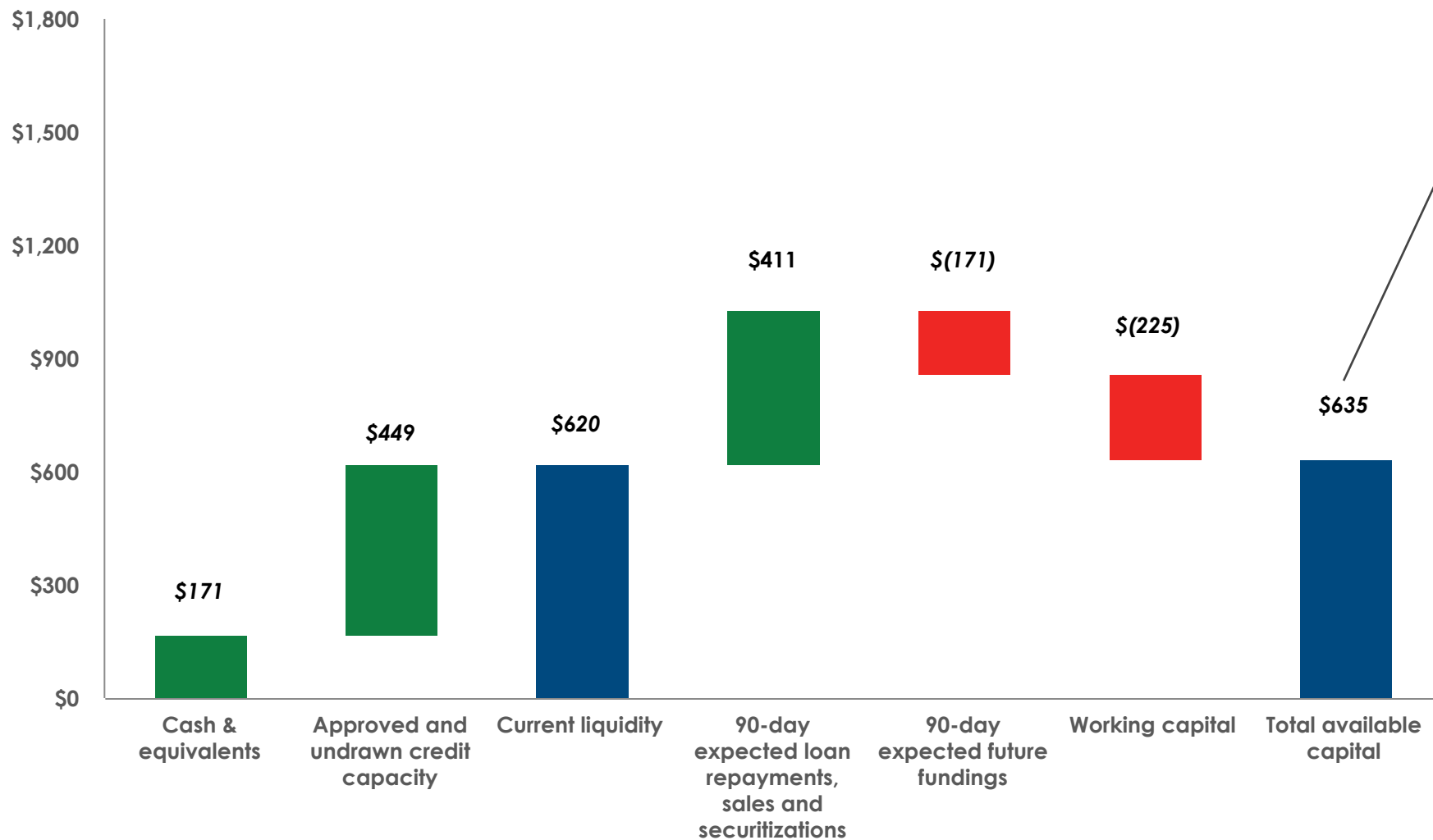
Type	Maximum Facility Size ⁽¹³⁾	Debt Obligations	
		Drawn ⁽¹³⁾	Available Capacity
Asset Specific Financing:			
Large Loans, Commercial	\$ 13,411	\$ 8,075	\$ 5,336
Infrastructure Lending Segment	2,209	1,060	1,149
Property Segment	795	795	—
Residential Loans	3,565	2,443	1,122
Conduit Loans, Commercial	375	58	317
CMBS and RMBS	1,084	825	259
REO Portfolio	316	314	2
Subtotal - Asset Specific Financing	\$ 21,755	\$ 13,570	\$ 8,185
Corporate Debt:			
Convertible Senior Notes	250	250	—
Senior Unsecured Notes	2,100	2,100	—
Term Loans	1,377	1,377	—
Revolving Secured Financing	150	—	150
Subtotal - Corporate Debt	\$ 3,877	\$ 3,727	\$ 150
TOTAL DEBT	\$ 25,632	\$ 17,297	\$ 8,335

NOTE: As of March 31, 2023

Financial Capacity

\$ millions

Total Available Capital	\$	635
+ Available On-BS Financing ⁽¹⁴⁾	\$	7,763
Total Potential Liquidity	\$	8,398



NOTE: As of April 26, 2023

Share Count

shares in thousands

	2023 Q1	2022 Q4
Number of Shares, GAAP EPS:		
Basic — Average shares outstanding	308,408	307,352
Effect of dilutive securities — Convertible Notes	—	9,649
Effect of dilutive securities — Other	588	587
Diluted — Average shares outstanding	308,996	317,588
Shares Outstanding	312,221	310,675
Number of Shares, Distributable EPS:		
Basic — Average shares outstanding	308,408	307,352
Effect of Weighted Average Unvested Stock Awards	4,424	3,744
Effect of dilutive securities — Woodstar II OP units	9,773	9,773
Effect of dilutive securities — Other	357	386
Diluted — Average shares outstanding	322,962	321,255

APPENDIX

Company Information

Starwood Property Trust, an affiliate of global private investment firm Starwood Capital Group Global L.P., 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:

Bank of America

Derek Hewett, 646.855.2087

JMP Securities

Steven Delaney, 212.906.3517

Raymond James

Stephen Laws, 901.579.4868

BTIG

Sarah Barcomb, 212.882.2336

JP Morgan

Richard B. Shane, Jr., 415.315.6701

Wells Fargo

Don Fandetti, 212.214.8069

Credit Suisse

Douglas Harter, 212.538.5983

Keefe Bruyette & Woods North America

Jade Rahmani, 212.887.3882

Rating Agencies:

Moody's Investors Service

Stephen Lynch, 212.553.9585
Ana Arsov, 212.553.3763

Fitch Ratings

Meghan Neenan, 212.908.9121
Bain Rumohr, 312.368.3153

S&P Ratings

Brendan Browne, 212.438.8283
Gaurav A. Parikh, 212.438.1131

Rating

Ba2 / Outlook Stable

Rating

BB+ / Outlook Stable

Rating

BB / Outlook Stable



Footnotes

1. Excludes \$709M of commercial portfolio which are classified as CMBS or preferred equity investments.
2. Excludes <1.0% of CMBS which are not associated with a particular region.
3. Contiguous mezzanine loans of \$1,264M are included in the first mortgage balance as of March 31, 2023.
4. Unlevered returns are calculated using applicable index rates for variable rate investments in place as of the respective period end and exclude loans for which interest income is not recognized. In addition to cash coupon, unlevered return includes the amortization of deferred origination and extension fees, loan origination costs, and purchase discounts, as well as the accrual of exit fees.
5. LTVs for all contiguous senior / mezz loans are calculated as a single percentage.
6. LTVs are calculated using the methodology described in the Calculation Methodologies section of this Appendix, which follows.
7. Sectors are defined as follows: Natural Gas: power plants fueled with natural gas; Midstream/Downstream: oil and gas pipelines/ storage/refineries; Other Thermal: power plants fueled with coal and petroleum coke; Renewables: manufacturing renewable fuel, including wood pellets.
8. Net carrying value for wholly-owned investments includes properties and lease intangibles.
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. Excludes non-controlling JV interests.
11. Represents (i) total outstanding secured and unsecured financing arrangements (excluding the non-recourse CLOs and SASB, and adjusted to include our share of the Woodstar portfolio debt with a UPB of \$1,002M), less cash and lender-restricted cash; divided by (ii) undepreciated permanent equity (i.e. GAAP permanent equity plus accumulated depreciation and amortization of \$291M as of March 31, 2023), less our share of the Woodstar portfolio debt change in fair value of \$43M.

Footnotes, continued

12. *Includes our share of the Woodstar portfolio debt with a UPB of \$1,002M.*
13. *Excludes non-recourse CLOs, SASB, residential lending securitizations, commercial lending A-note sales, third party securitizations and our share of the Woodstar portfolio debt. 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 and is as of quarter end, adjusted for approved undrawn credit capacity.*

Calculation Methodologies

➤ Commercial Loan LTVs

- In order to determine LTV, the Company utilizes the GAAP hierarchy of valuation techniques based on the observability of inputs utilized in measuring fair value. In doing so, market-based or observable inputs are the preferred source of values, followed by valuation models using management assumptions in the absence of market inputs. The Company generally uses the appraisal at origination or, to the extent applicable, an updated appraisal obtained during the term of the loan. Such update may be obtained as a result of requirements on the part of the Company's lenders or the Company, loan amendments, or material changes to the condition of the property since origination, among other events. Because the majority of the assets underlying the Company's loans are in some form of transition and because the Company's loans are intended to be fully funded (or close thereto), the Company utilizes the fully funded loan balance as the numerator with an estimate of the stabilized value upon completion of stabilization as the denominator.

➤ Distributable Earnings Calculation

- The Company calculates Distributable Earnings as GAAP net income (loss) excluding non-cash equity compensation expense, the incentive fee due to the Company's Manager, acquisition costs for successful acquisitions, depreciation and amortization of real estate and associated intangibles, any unrealized gains, losses or other non-cash items recorded in net income (loss) for the period 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 Manager and approved by a majority of the Company's independent directors.

Ratings Criteria

Rating	Characteristics
1	▪ Sponsor capability and financial condition – Sponsor is highly rated or investment grade or, if private, the equivalent thereof with significant management experience. ▪ Loan collateral and performance relative to underwriting – The collateral has surpassed underwritten expectations. ▪ Quality and stability of collateral cash flows – Occupancy is stabilized, the property has had a history of consistently high occupancy, and the property has a diverse and high quality tenant mix. ▪ Loan structure – Loan to collateral value ratio (“LTV”) does not exceed 65%. The loan has structural features that enhance the credit profile.
2	▪ Sponsor capability and financial condition – Strong sponsorship with experienced management team and a responsibly leveraged portfolio. ▪ Loan collateral and performance relative to underwriting – Collateral performance equals or exceeds underwritten expectations and covenants and performance criteria are being met or exceeded. ▪ Quality and stability of collateral cash flows – Occupancy is stabilized with a diverse tenant mix. ▪ Loan structure – LTV does not exceed 70% and unique property risks are mitigated by structural features.
3	▪ Sponsor capability and financial condition – Sponsor has historically met its credit obligations, routinely pays off loans at maturity, and has a capable management team. ▪ Loan collateral and performance relative to underwriting – Property performance is consistent with underwritten expectations. ▪ Quality and stability of collateral cash flows – Occupancy is stabilized, near stabilized, or is on track with underwriting. ▪ Loan structure – LTV does not exceed 80%.
4	▪ Sponsor capability and financial condition – Sponsor credit history includes missed payments, past due payment, and maturity extensions. Management team is capable but thin. ▪ Loan collateral and performance relative to underwriting – Property performance lags behind underwritten expectations. Performance criteria and loan covenants have required occasional waivers. A sale of the property may be necessary in order for the borrower to pay off the loan at maturity. ▪ Quality and stability of collateral cash flows – Occupancy is not stabilized and the property has a large amount of rollover. ▪ Loan structure – LTV is 80% to 90%.
5	▪ Sponsor capability and financial condition – Credit history includes defaults, deeds-in-lieu, foreclosures and / or bankruptcies. ▪ Loan collateral and performance relative to underwriting – Property performance is significantly worse than underwritten expectations. The loan is not in compliance with loan covenants and performance criteria and may be in default. Sale proceeds would not be sufficient to pay off the loan at maturity. ▪ Quality and stability of collateral cash flows – The property has material vacancy and significant rollover of remaining tenants. ▪ Loan structure – LTV exceeds 90%.

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, 2022 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 achieve the benefits that it anticipates from the prior acquisition of the project finance origination, underwriting and capital markets business of GE Capital Global Holdings, LLC;
- the duration and extent of the ongoing effects of the COVID-19 pandemic, including variants and resurgences, or any future pandemic or similar outbreak, on the global economy, the Company's operations and financial performance and the operations and financial performance of the borrowers underlying the Company's real estate-related assets and infrastructure loans and tenants of the Company's owned properties;
- national and local economic and business conditions, including as a result of the ongoing impact of the COVID-19 pandemic;
- the occurrence of certain geo-political events (such as wars, terrorist attacks and tensions between states) that affect the normal and peaceful course of international relations (such as the war between Russia and Ukraine);
- 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, the Company undertakes no obligation to, and expressly disclaims 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