STARWOOD
PROPERTY TRUST

INVESTOR PRESENTATION

SEPTEMBER 2019



Forward Looking Statements

This presentation contains certain forward-looking statements, including, without limitation, statements concerning our 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 our 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 our current beliefs, assumptions and expectations of our future performance taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or within our control, and which could materially affect actual results, performance or achievements. Factors that may cause actual results to vary from our forward-looking statements include, but are not limited to:

- factors described in our Annual Report on Form 10-K for the year ended December 31, 2018, and our Quarterly Report on Form 10-Q for the quarters ended March 31, 2019 and June 30, 2019, including those set forth under the captions "Risk Factors" and "Business";
- defaults by borrowers in paying debt service on outstanding indebtedness;
- impairment in the value of real estate property securing our loans or in which we invest;
- availability of mortgage origination and acquisition opportunities acceptable to us;
- potential mismatches in the timing of asset repayments and the maturity of the associated financing agreements;
- our ability to integrate our recently completed acquisition of the project finance origination, underwriting and capital markets business of GE Capital Global Holdings, LLC into our business and to achieve the benefits that we anticipate 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 our filings with the U.S. Securities and Exchange Commission (the "SEC"), which are available on our website at http://www.starwoodpropertytrust.com and the SEC's website at http://www.sec.gov.

If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. As a result, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. We qualify any and all of our forward-looking statements by these cautionary factors. Please keep this cautionary note in mind as you assess the information given in this presentation.

Starwood Property Trust Today

- A leading diversified real estate finance company with a market capitalization of approximately **$6.6B**[1]
- Highly flexible investment platform backed by **350** dedicated employees and leveraging Starwood Capital Group's approximately **4,000** person organization
- Total capital deployed since 2009 inception of over **$55B**; current portfolio of nearly **$17B** spanning multiple business segments
- Lending segment is diversified across asset classes and geographies and has a very modest loan-to-value ratio of **64.6%**
- Floating-rate loan portfolio constructed to outperform in both higher and lower interest rate environments; position as special servicer provides a hedge against credit deterioration
- Focused on providing a secure dividend for investors; current dividend yield of **8.1%**[1]

Data as of June 30, 2019, unless otherwise noted.
[1] As of August 26, 2019

STWD Primary Investment Cylinders



Commercial Lending	CMBS Investing	Special Servicing	CMBS Loan Origination	Owned Real Estate	Residential Lending	Infrastructure Lending
Originate primarily floating-rate mortgages **$8.1B** portfolio carrying value with **64.6%** LTV **3-5** year average term **$33B** invested since inception **10% to 13%** targeted levered returns[1]	Invest in new issue and secondary CMBS B-pieces **$1.0B** portfolio carrying value 20-year track record of CMBS investing spanning several cycles Target mid-teen unlevered returns[1]	Workout defaulted CMBS loans One of the largest commercial mortgage special servicers in the U.S. Current servicing portfolio of **$5.6B** of loans and REO and named servicer on a total of **$87.5B** of loans Special servicer carried on balance sheet for **$43M**	Originate fixed-rate conduit loans for CMBS Sell loans into CMBS transactions with multiple dealers Securitized **$1.5B** in 2018 and **$0.5B** 1H 2019	Invest in high-quality stable real estate assets **$2.9B** undepreciated portfolio carrying value **9% to 12%** targeted cash-on-cash returns with the potential for upside through appreciation[1]	Originate, securitize and invest in non-agency RMBS **$1.2B** portfolio carrying value **66.4%** LTV and **730** average FICO Target mid-teens levered returns[1]	Originate floating rate loans for infrastructure real assets **$2.2B** of loan commitments **5+** year average term on new originations **10% to 13%** targeted levered returns[1]

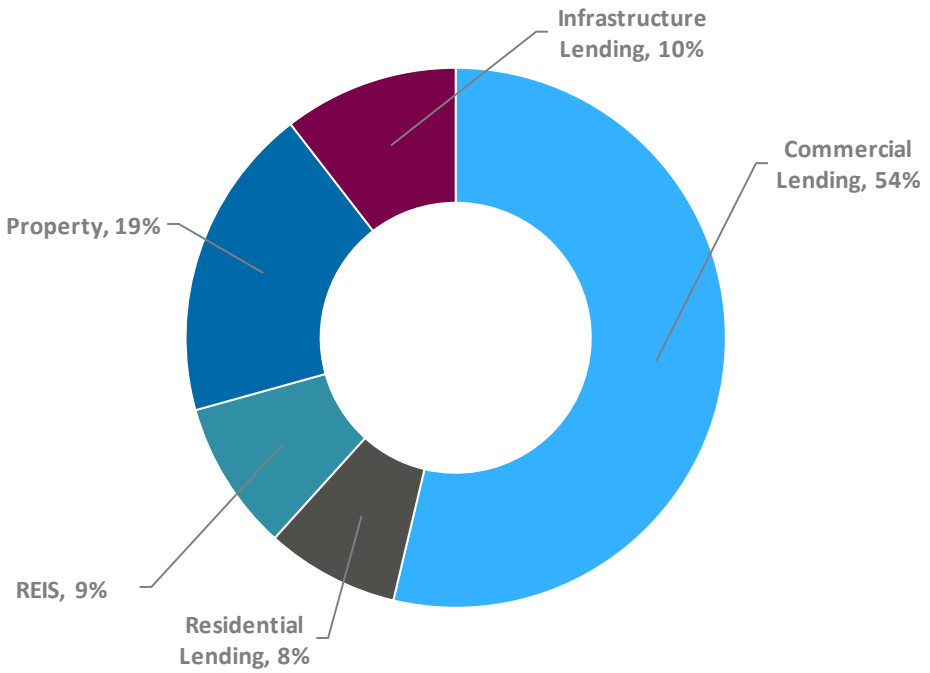
Year Launched

Data as of June 30, 2019, unless otherwise noted.

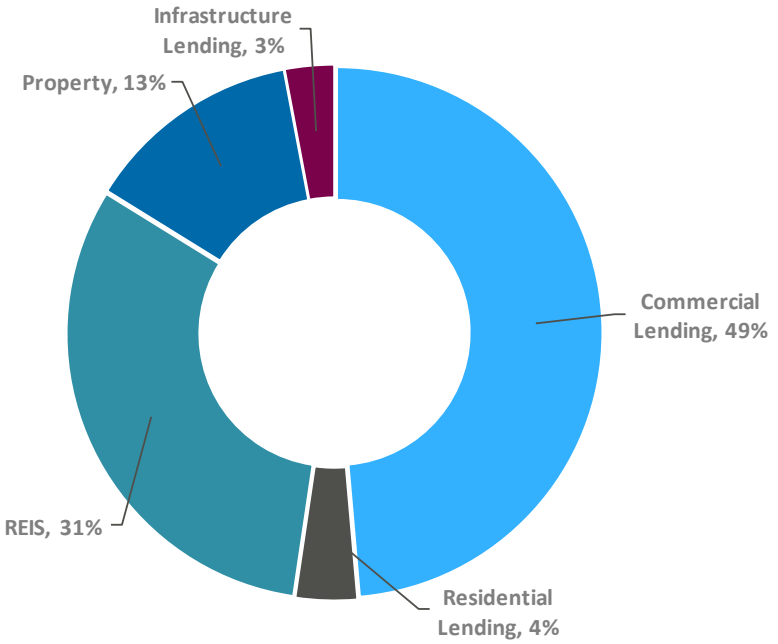
[1] There can be no assurance that target returns will be achieved.

Diversified, Complementary and Scalable Platforms

Portfolio Breakdown[1]



Earnings Breakdown[2]



Note: As of June 30, 2019, unless otherwise noted.

[1] Excludes cash, restricted cash, receivables, conduit loans held for securitization, and certain RMBS securities. Also excludes certain intangible assets, including goodwill and the special servicing intangible

[2] Represents year-to-date earnings and excludes equity in earnings of unconsolidated entities and Corporate segment.

Starwood Capital Group

A Leading Global Real Estate Investment Firm

Starwood Capital Group Profile

- Founded in 1991 by Barry Sternlicht
- Current assets under management in excess of **$60B**
- Acquired over **$100B** of assets over the past **27** years across virtually every major real estate asset class
- Seasoned senior team that has been together for over **15 years** with an average of **25 years** of experience
- Extensive public markets expertise, having guided IPOs for **8** leading companies
- The investment flexibility to shift between real estate asset classes, geographies and positions in the capital stack as risk-reward dynamics evolve over cycles

Affiliated Business

Real Estate Equity	Performing Real Estate Debt	Energy
STARWOOD CAPITAL GROUP	STARWOOD PROPERTY TRUST	STARWOOD OIL & GAS GROUP
STARWOOD RETAIL PARTNERS	STARWOOD MORTGAGE CAPITAL	
STARWOOD REAL ESTATE INCOME TRUST	STARWOOD EUROPEAN FINANCE	STARWOOD ENERGY GROUP
HIGHMARK RESIDENTIAL		
SH GROUP		

Diverse Real Estate Experience

MULTIFAMILY
170,000
UNITS

HOTELS
3,000

INDUSTRIAL
38M
SQUARE FEET

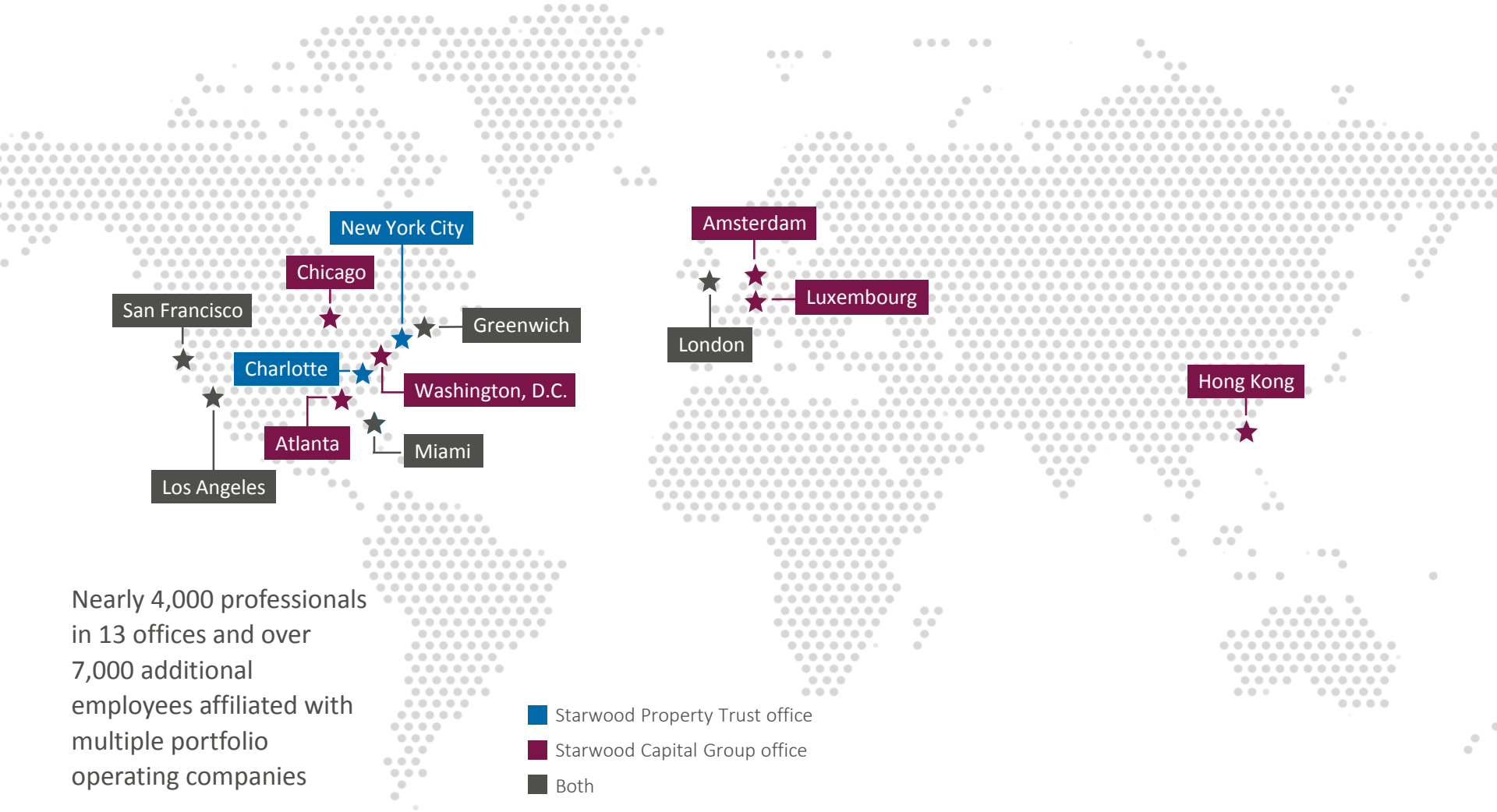
RETAIL
55M
SQUARE FEET

RESIDENTIAL LOTS
56,000

OFFICE
82M
SQUARE FEET

Note: As of June 30, 2019, unless otherwise noted.

Starwood Global Footprint



Nearly 4,000 professionals in 13 offices and over 7,000 additional employees affiliated with multiple portfolio operating companies

Data as of June 30, 2019

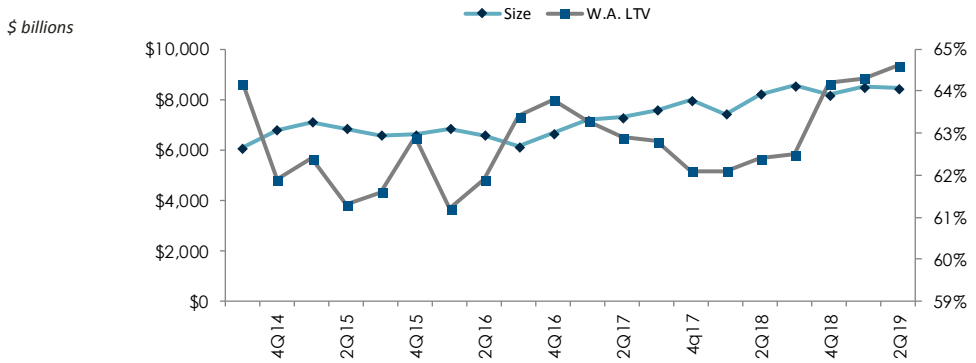
Commercial Lending Overview

Leading Provider of First Mortgage and Mezzanine Loans

STWD Competitive Advantages

- Reputation, scale and market knowledge
- Information advantage from affiliation with Starwood Capital Group and insight into over $100B of real estate transactions annually
- Decades-long relationships with sponsors, institutional borrowers, banks and brokers in the CRE community
- Benefits of scale:
  - One-stop financing solution
  - Focus on large transactions
  - Lower cost of capital

Portfolio Size[1] vs. W.A. LTV[2]



Select Borrower Clients

Note: As of June 30, 2019, unless otherwise noted.

[1] Includes lending segment assets as of each period end.

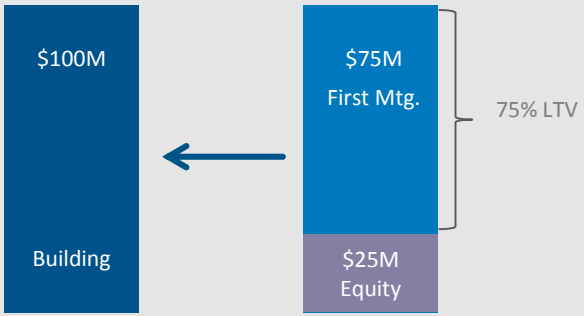
[2] Underlying property values are determined by STWD's management based on its ongoing asset assessments, and loan balances that are the face value of a loan regardless of whether STWD has purchased the loan at a discount or premium to par. For any loans collateralized by ground-up construction projects 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

Commercial Lending

Hypothetical Loan Origination and Structuring Process

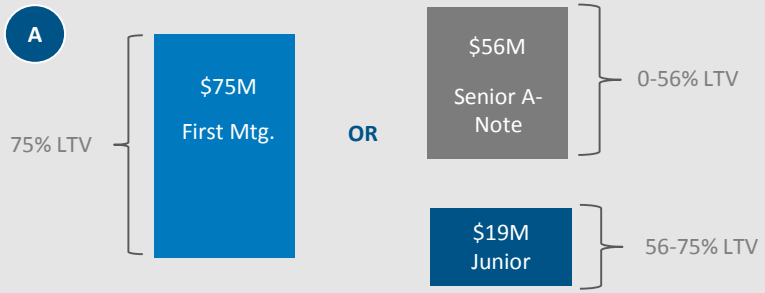
1. Originate Whole Loan

Originate a 75% LTV first mortgage at a rate of L + 3.25%



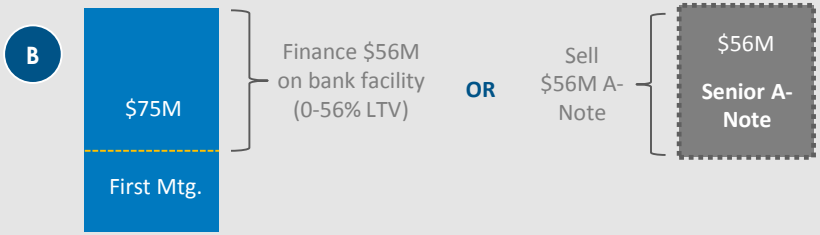
2. Either Retain First Mortgage or Split Into Sr/Jr

Senior tranche has a 56% LTV while the junior tranche remains at 75% LTV



3. Finance First Mortgage or Sell Senior

Either finance or sell the 0% - 56% LTV portion of the loan



Assume that STWD can finance the first mortgage or sell 100% of the senior loan at a cost of L + 2.00%

4. Retain Junior Tranche of Loan

STWD benefits from the lower cost of financing on the senior portion of the mortgage

C STWD's investment represents 56%-75% LTV

$19M Junior

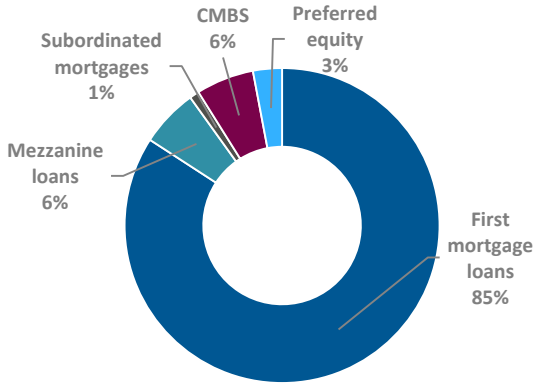
A Asset Yield (L+)	3.25%
B Cost of Financing (L+)	(2.00%)
Net Interest Margin (L+)	1.25%
Leverage	3.0x
C IRR to Fully Extended Maturity, incl. Fees[1]	11.0%

[1] Assumes 3 year initial term with two one-year extension options, 1-month LIBOR rate of 2.52%, 1.00% origination fee, and 0.25% extension fee

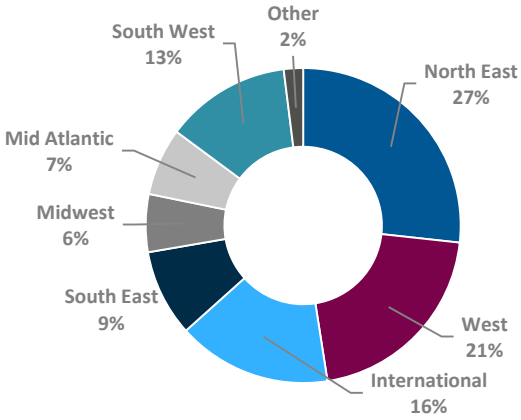
Commercial Lending

Diversified Loan Portfolio With Strong Fundamentals

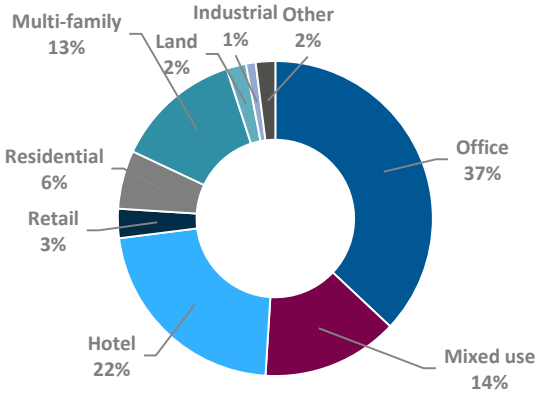
Carrying Value by Loan Type



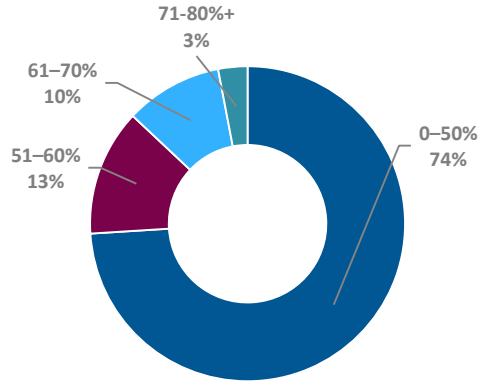
Carrying Value by Region[1]



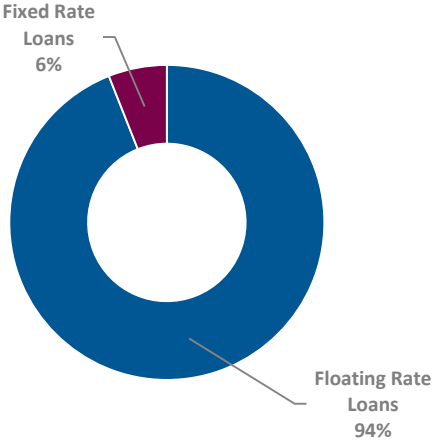
Carrying Value by Property Type[1]



Loan Portfolio Balances by LTV or LTC



Fixed vs. Floating Mix



Key Portfolio Metrics

No. of Loans	105
Carrying Value	$8.1B
Average Loan Size[2]	$111M
W.A. LTV (%)	64.6%
Fully-Extended Duration (years)	3.6

Note: As of June 30, 2019, unless otherwise noted.
[1] Based on carrying value, excluding RMBS and loans held for sale
[2] Based on total loan commitment and inclusive of A-notes sold

Investment Process Overview

In-Depth Underwriting and Management of Real Estate Credit Risk

i ORIGINATION

- Sources deals from borrowers, banks and brokerage community
- Compensation linked to loan performance

ii CREDIT / UNDERWRITING

- Performs independent due diligence on market, property and sponsor and conducts site visits
- Leverages extensive access to commercial real estate data from a multitude of internal and external sources

iii TRANSACTION MANAGEMENT

- Structures, negotiates and conducts legal due diligence
- Manages all transactions from inception through closing with outside counsel

iv INVESTMENT COMMITTEE

- Comprised of the most senior ten members from STWD's and Starwood Capital Group's management teams, including Barry Sternlicht

v ASSET MANAGEMENT

- Over 100 asset management professionals utilize industry leading technology to continually monitor asset performance, market changes and sponsor activity
- Senior management participates in quarterly portfolio reviews evaluating each loan

Note: As of June 30, 2019, unless otherwise noted.

Infrastructure Lending Segment

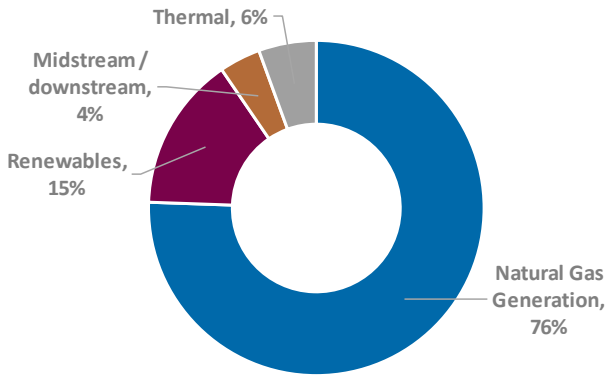
Platform and Portfolio Overview

- Full-service platform, including seasoned leadership team and 20 employees across loan origination, underwriting, capital markets and asset management
- Domain expertise in the thermal and renewable power and downstream, midstream and upstream oil & gas sectors globally
- Long-standing relationships with key participants, including developers / OEMs, independent power producers (IPPs), private equity firms, and financial institutions
- Target long lived infrastructure assets
- Experienced management team with an average of 21+ years of industry experience and 11+ years of working together
- Leverages extensive experience of Starwood Energy Group and Starwood Oil & Gas

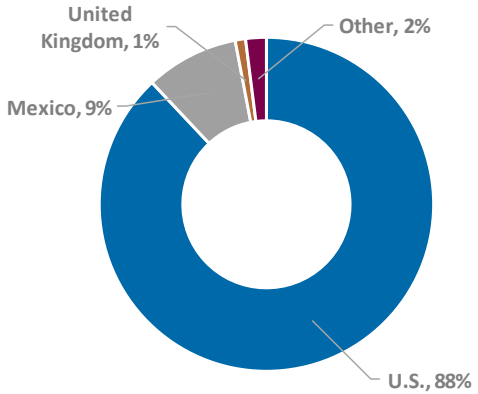
Key Portfolio Metrics	
No. of Loans	49
Total Commitments/Funded Balance	$2.2/$1.8B
Average Loan Size[1]	$46M
Unlevered Yield	5.6%
Floating Rate	97%
Weighted Average Life (years)	4.7
Security	100% Senior Secured

Portfolio (Q2 2019)

Project Type



Geographic Location



Note: Stratifications based on carrying values in USD as of June 30, 2019

[1] Based on total loan commitment

Property Segment Overview

High Quality Stabilized Assets with Attractive Current Return Profile

- Focused on investing in high quality real estate with:
  - Stable current cash-on-cash returns
  - Potential for capital appreciation
  - Longer duration of cash flows
  - Natural inflation hedge
- Acquired five major investments totaling approximately $3.0B
- Continue to leverage Starwood Capital Group and its acquisition and asset management professionals with expertise across all of the major real estate asset classes globally

Select Operating Statistics[1]	
W.A. Occupancy Rate	97%
Number of Properties	121
Number of Residential Units	15,102
Total Commercial Square Footage	4.4M

Note: As of June 30, 2019, unless otherwise noted

[1] Excludes STWD's 33% ownership interest in the Regional Mall Portfolio

Dublin Portfolio


Block C Iveagh Court



Watermarque Building

Multifamily Portfolio


Windchase – Orlando, FL (352 Units)


Worthington – West Palm Beach, FL (300 Units)

Medical Office Portfolio


Rockwall MOB – Dallas MSA (85,474 sf)



Physicians Plaza of Hendersonville – Nashville MSA (34,906 sf)

Property Segment Portfolio

($ M)

Investment	Net Carrying Value [(1)]	Asset Specific Financing	Net Investment	Occupancy Rate	Weighted Average Lease Term
Wholly-Owned:					
Various, U.S. - Medical Office	$ 759	$ 489	$ 270	92.4%	6.5 years
Dublin, Ireland - Office	501	346	155	97.8%	9.1 years
Dublin, Ireland - Multi-family residential	18	12	6	96.0%	0.3 years
Southeast, U.S. - Multi-family residential	626	406	220	98.5%	0.5 years
Various, U.S. - Retail	344	192	152	100.0%	22.9 years
Southeast, U.S. - DownREIT Portfolio	604	438	166	99.4%	0.5 years
Subtotal - Undepreciated Carrying Value	**$ 2,853**	**$ 1,883**	**$ 970**		
Accumulated Depreciation and Amortization	(295)	-	(295)		
Net Carrying Value	**$ 2,558**	**$ 1,883**	**$ 675**		
Joint Venture:					
Investment in unconsolidated entity - Retail	72	-	72		
Total	**$ 2,630**	**$ 1,883**	**$ 747**		

Note: As of June 30, 2019, unless otherwise noted

[1] For wholly-owned assets, amount includes properties and intangibles

Investing & Servicing Segment Overview

Leading CMBS Investor, Special Servicer and Conduit Originator

SPECIAL SERVICING OF CMBS LOANS

- One of the largest CMBS special servicers in the U.S.
- Named special servicer on 177 trusts with a collateral balance of $87B
- $5.6B of loans and real estate owned currently in special servicing

CMBS INVESTING

- 20-year track record of real estate debt investing spanning several cycles
- Purchase new issue CMBS B-pieces and legacy bonds for yield and servicing control
- $1B portfolio carrying value

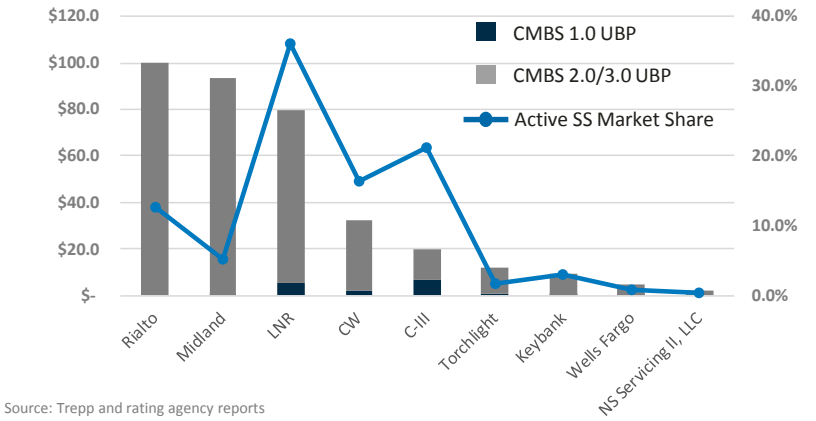
CONDUIT LOAN ORIGINATION

- Originate conduit loans for securitization into CMBS transactions
- Average loan size of $10-$15M

PROPERTY PORTFOLIO

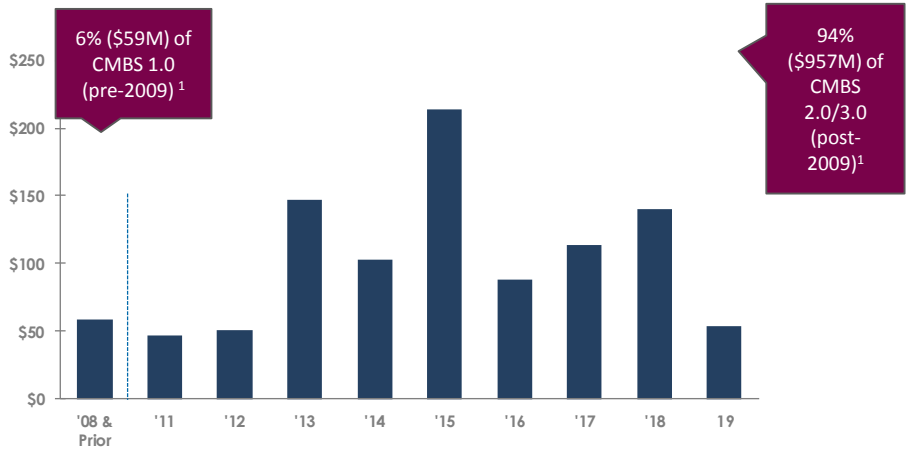
- Proprietary ability to purchase properties from CMBS trusts
- $350M gross investment balance

Special Servicer Market Share ($B)



Source: Trepp and rating agency reports

STWD Owned CMBS By Vintage ($M)



Note: As of June 30, 2019 unless otherwise noted

[1] CMBS 1.0 deals were originated in 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 deals

Investment & Servicing Segment Advantages

The Power of Experience

- The longest serving investor in subordinate CMBS; persevered through every real estate cycle since 1991
- Senior management in the Investing & Servicing segment averages **15+** years with the company and **26+** years of industry experience
- Over **160** employees support STWD's investing and servicing activities
- The servicer has resolved over **6,627** non-performing assets with a total principal balance of nearly **$77B** since inception

Underwriting Process

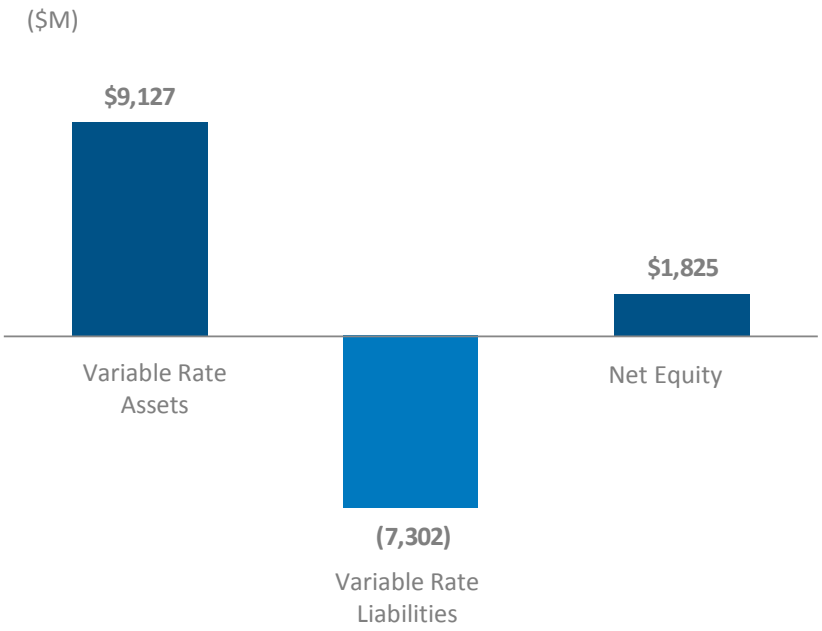
- Since 2013 the segment has deployed nearly **$11B** of capital
- In evaluating a new CMBS investment, STWD utilizes the depth of experience of its employee base and its proprietary database on over **100,000** loans
- STWD's due diligence process is supported by an unmatched capacity – its ability to underwrite **300 – 600** commercial loans within a six-week timeframe, utilizing more than **200** professionals around the country and deep relationships with the CRE brokerage and sponsor community

Note: As of June 30, 2019, unless otherwise noted.

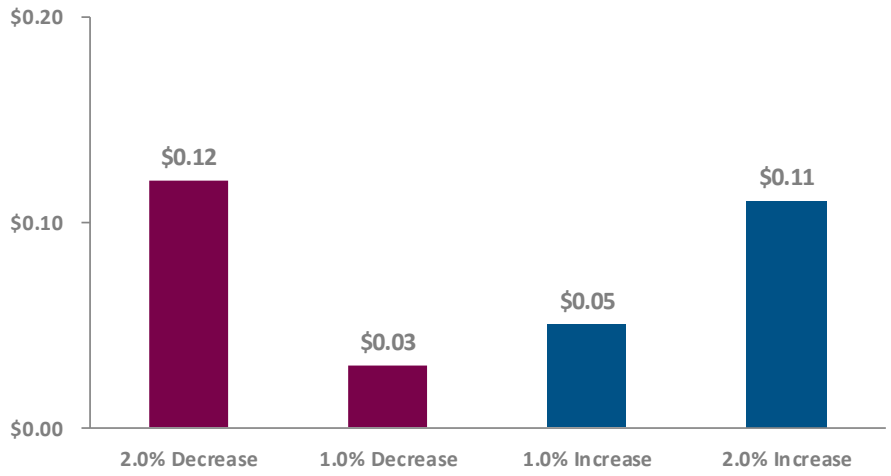
Interest Rate Exposure

Well Positioned for Both Higher and Lower Interest Rate Environments

Variable Rate Assets & Liabilities[1]



Annual Net Interest Income Per Share Sensitivity to LIBOR[1]



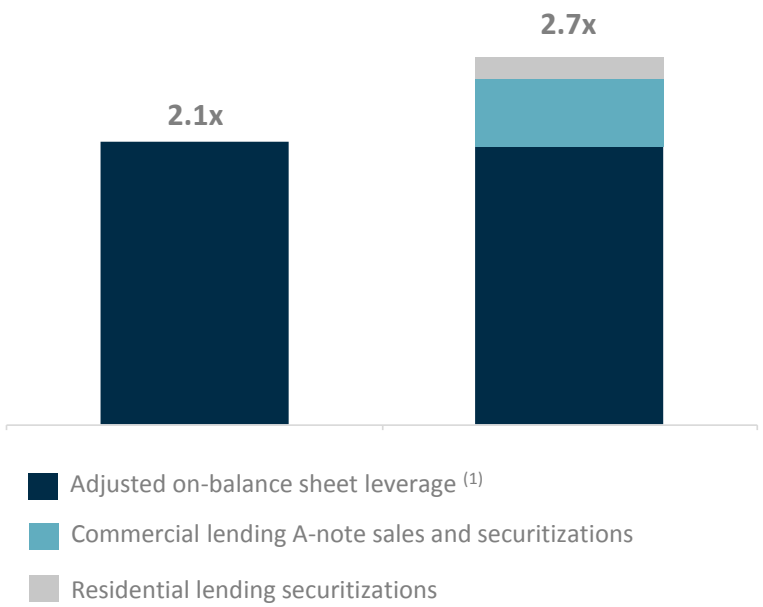
Note: As of June 30, 2019, unless otherwise noted

[1] Annualized impact; Includes all variable rate loans, held-to-maturity CMBS, variable rate debt and interest rate hedging instruments across all business segments. Excludes fixed rate loans, real estate properties, intangible assets, fixed rate debt, and other instruments which are not variable rate

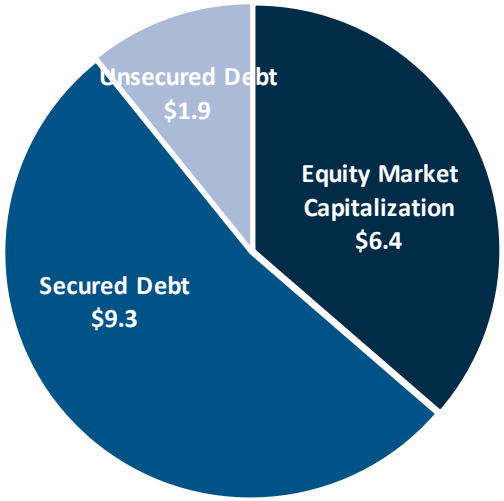
Conservative Balance Sheet

Utilize a Combination of Secured Asset-Level, Unsecured and Off Balance Sheet Debt

Debt-To-Equity Ratios



Capitalization



Note: As of June 30, 2019, unless otherwise noted.

[1] Represents (i) total outstanding secured and unsecured financing arrangements, less cash and restricted cash; divided by (ii) undepreciated equity (ie: GAAP equity plus accumulated depreciation and amortization of $348.2M as of June 30, 2019)

Total Debt Capacity

Over $17.8 Billion of On-Balance Sheet Debt Capacity Across 43 Different Facilities

US$ (M)

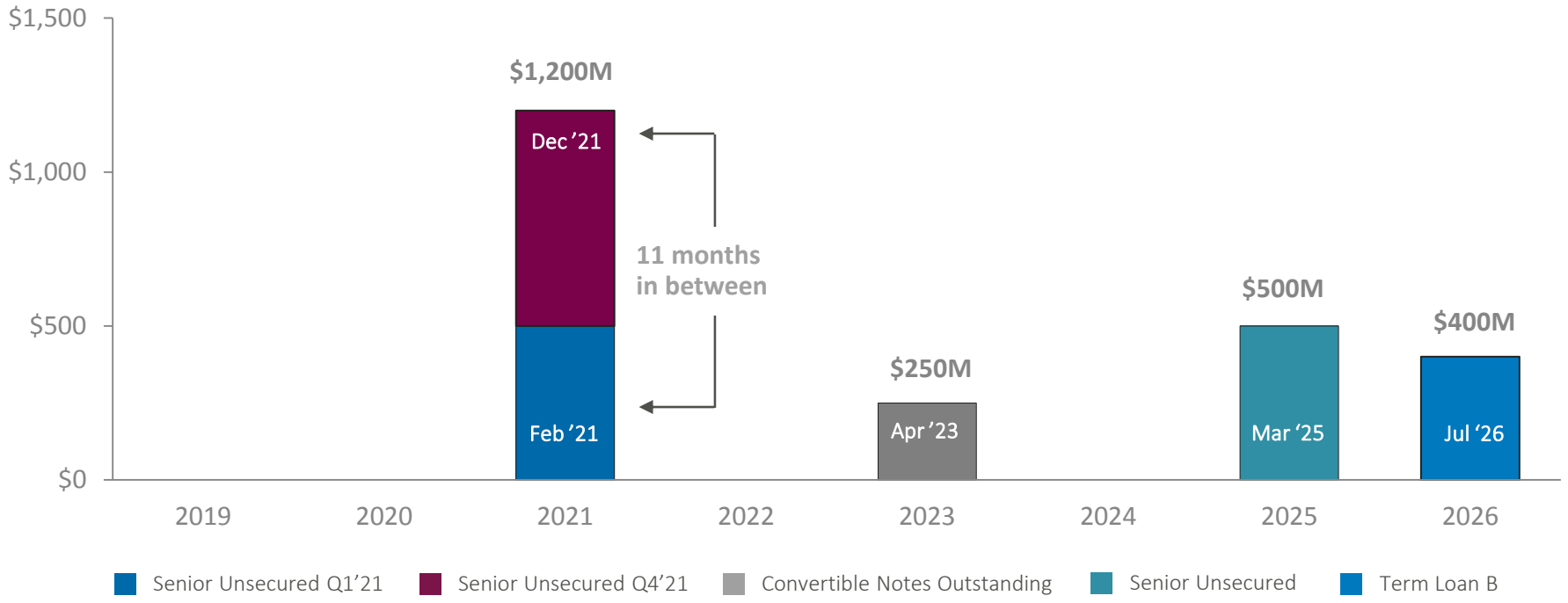
Type	Maximum Facility Size	Debt Obligations	
		Drawn [1]	Available Capacity
Asset Specific Financing:			
Large Loans	$ 8,010	$ 4,191	$ 3,819
Infrastructure Lending Segment	1,765	1,256	509
Property Segment	1,929	1,898	30
Conduit Loans, Residential	2,400	675	1,725
Conduit Loans, Commercial	350	154	196
MBS	773	661	112
REO Portfolio	242	225	18
Subtotal - Asset Specific Financing	**$ 15,469**	**$ 9,060**	**$ 6,409**
Corporate Debt:			
Convertible Senior Notes	$ 250	$ 250	$ -
Senior Unsecured Notes	1,700	1,700	-
Term Loan	300	300	-
Revolving Secured Financing	100	-	100
Subtotal - Corporate Debt	**$ 2,350**	**$ 2,250**	**$ 100**
TOTAL DEBT:	**$ 17,819**	**$ 11,310**	**$ 6,509**

Note: As of June 30, 2019, unless otherwise noted.

[1] Drawn amounts exclude discounts / premiums and unamortized deferred financing costs

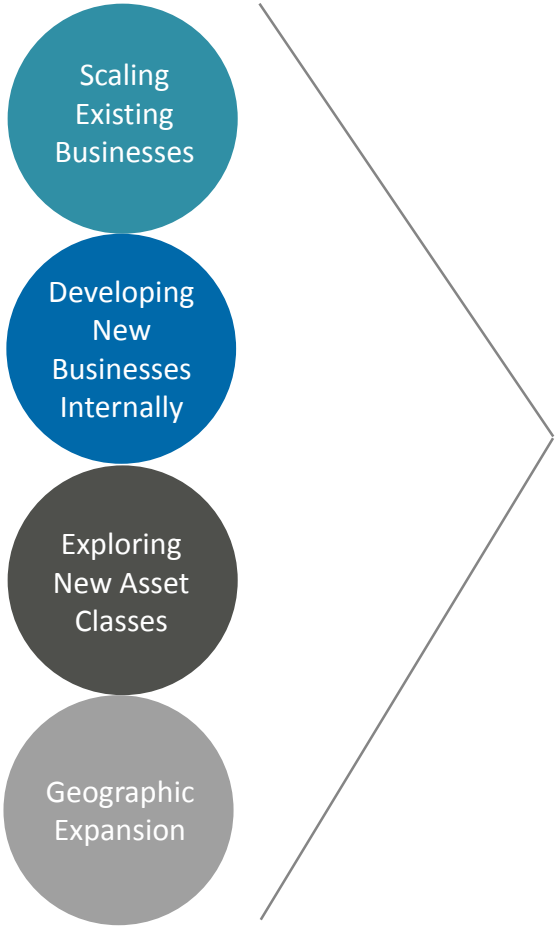
Corporate Debt Maturity Schedule

$ millions



Note: As of June 30, 2019, unless otherwise noted.

STWD: A Premier Multi-Cylinder Platform



Building the Premier Multi-Cylinder Finance Company Primarily Focused on the Real Estate and Infrastructure Industries

Future growth opportunities will come from a combination of leveraging STWD's existing platform and pursuing new investments with meaningful synergies with Starwood Capital Group's core competencies