

STARWOOD
PROPERTY TRUST

INVESTOR PRESENTATION

September 2017



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, 2016, and our Quarterly Reports on Form 10-Q for the quarters ended June 30, 2017, March 31, 2017, 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;
- 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 real estate finance company and the largest commercial mortgage REIT in the U.S. with a market capitalization of approximately **$5.8B**[1] (NYSE: STWD)
- Highly flexible investment platform backed by **350** dedicated employees and leveraging Starwood Capital Group's over **2,200** person organization
- Total capital deployed since 2009 inception of over **$35B** with **$0** of realized loan losses; current portfolio of **$11.7B** spanning multiple business segments
- Lending segment is diversified across asset classes and geographies and has a very modest loan-to-value ratio of **62.9%**
- Floating-rate loan portfolio constructed to outperform in a rising interest rate environment; position as special servicer provides a hedge against credit deterioration
- Focused on providing a secure dividend for investors; current dividend yield of **8.7%**[2]

Note: Figures as of June 30, 2017, unless otherwise noted
1) As of June 30, 2017
2) As of August 31, 2017

Who We Are

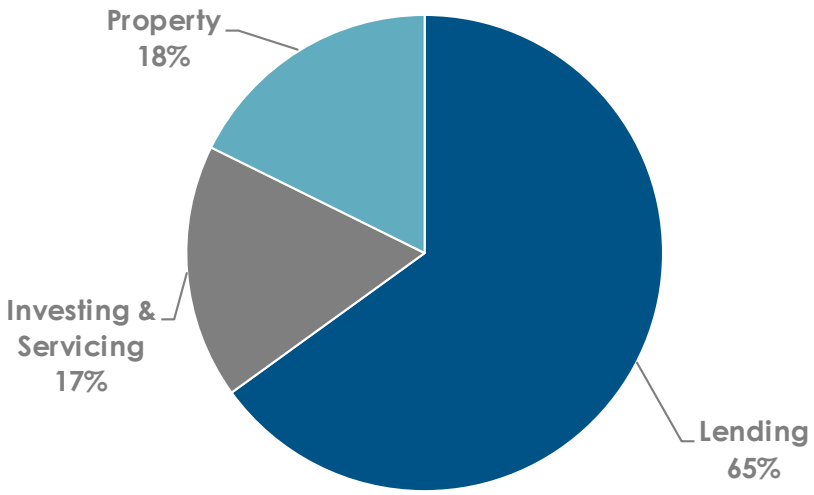
STWD's Primary Investment Cylinders

Large Loan Lending	CMBS Investing	Special Servicing	Owned Real Estate	CMBS Loan Origination
▪ Originate floating-rate first mortgage and mezzanine loans ▪ **$7.3B** portfolio carrying value ▪ 3-5 year average term ▪ 62.9% loan-to-value ratio ▪ **$24B** invested since inception with **$0** of realized loan losses ▪ 11% to 13% targeted levered IRRs	▪ 20-year track record of real estate debt investing spanning several cycles ▪ Invest primarily in mezzanine CMBS ▪ **$1.0B** portfolio carrying value ▪ Utilize investing and servicing platform to underwrite the majority of loans in each CMBS transaction ▪ Target mid-teen unlevered returns	▪ Largest commercial mortgage special servicer in the U.S. ▪ Workout defaulted mortgages to return maximum proceeds to CMBS trusts ▪ Currently servicing a portfolio of **$9.7B** of loans and REO ▪ Named special servicer on a total of **$72B** of loans ▪ Gross servicing fees typically range from 1.25% to 1.50% of collateral balance	▪ Invest in high-quality stable real estate assets ▪ Unique ability to acquire assets out of CMBS trusts ▪ **$2.0B** portfolio carrying value ▪ 9% to 12% targeted cash-on-cash returns with the potential for upside through capital appreciation	▪ Originate $10M to $15M fixed-rate mortgages ▪ Sell mortgages into CMBS transactions with multiple dealers ▪ Securitized **$272M** in Q2 2017 ▪ Gain-on-sale margins typically range from 2.0% to 4.0%

Note: Figures as of July 27, 2017, unless otherwise noted

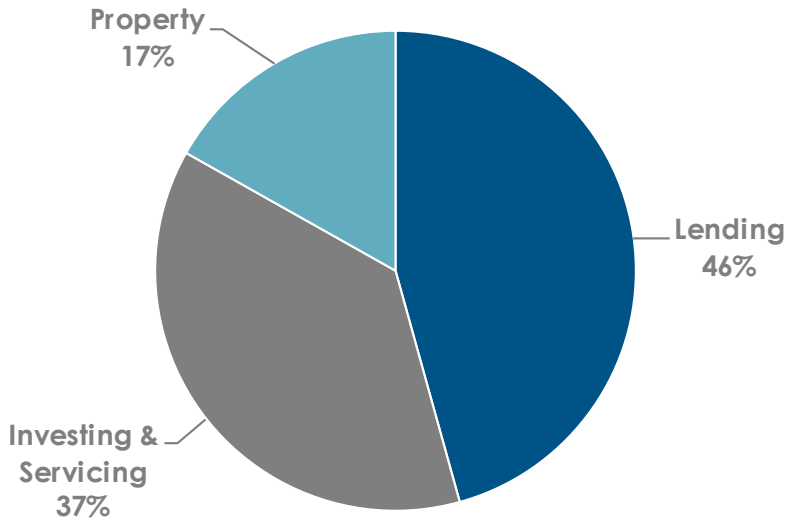
Diversified, Complementary and Scalable Platforms

ASSETS BY SEGMENT



Total Assets: $11.4B[1]

CORE EARNINGS BY SEGMENT



2017 YTD Core Earnings: $267M[2]

Note: Figures as of June 30, 2017

1) Statistics in pie chart exclude Cash & Cash Equivalents of $257M, Restricted Cash of $43M, Other Corporate Assets of $2M and VIE assets
2) Excluding unallocated corporate costs

STWD's Evolving Strategy

2009
- IPO in August 2009 raised approximately **$1.0B**

2010
- Deployed a total of **$1.7B** of capital in 2010
- Increased aggregate financing capacity under five financing facilities to **$1.1B**

2011
- Deployed a total of **$2.0B** of capital in 2011

2012
- Deployed a total of **$2.6B** of capital in 2012

2013
- Acquired LNR Property LLC for **$0.7B**
- Deployed a total of **$4.1B** of capital in 2013

2014
- Deployed a record **$7.4B** of capital in 2014
- Spun off Starwood Waypoint Residential Trust, which eventually merged with Colony American Homes to form Colony Starwood Homes (NYSE:SFR)
- Commenced strategy of core plus equity investing

2015
- Deployed a total of **$5.8B** of capital in 2015
- Acquired a **$350M** multifamily portfolio located in Florida

2016
- Deployed a total of **$6.4B** of capital in 2016

2017
- Deployed **$2.9B** of capital in 1H

One SoHo Square
New York, NY



1180 Peachtree
Atlanta, GA



Presidential City
Philadelphia, PA



420 Kent Avenue
Brooklyn, NY



Note: Figures as of June 30,2017, unless otherwise noted

Starwood Capital Group

A Leading Global Real Estate Investment Firm

STARWOOD CAPITAL GROUP PROFILE

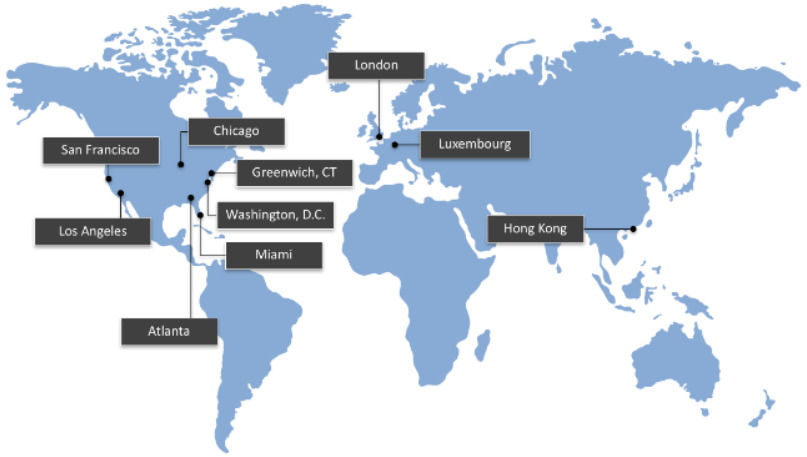
- Founded in 1991 by Barry Sternlicht
- Current assets under management in excess of **$51B**
- Acquired over **$87B** of assets over the past **26** years across virtually every major real estate asset class
- Seasoned executive team that has been together for over **16 years** with an average of **26 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 BUSINESSES

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 ENERGY GROUP
SH GROUP	STARWOOD EUROPEAN FINANCE	
STARWOOD LAND VENTURES, LLC		
Starwood Waypoint Homes		

GLOBAL FOOTPRINT

Over 2,200 professionals in 10 offices and over 16,000 additional employees affiliated with a dozen portfolio operating companies



Note: Figures as of June 30,2017, unless otherwise noted

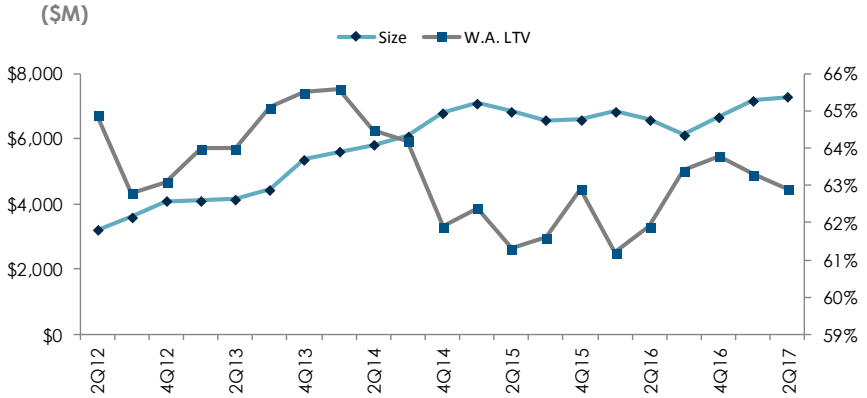
Lending Segment Overview

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, 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

JAY PAUL COMPANY
ANGELO, GORDON & CO.
ROCKPOINT GROUP
THE WITKOFF GROUP
RELATED
Invesco
CERBERUS CAPITAL MANAGEMENT, L.P.
SQUARE MILE CAPITAL MANAGEMENT LLC
DUNE REAL ESTATE PARTNERS
Hines
MONDAY PROPERTIES
GGP
ASHFORD HOSPITALITY TRUST
LINCOLN PROPERTY COMPANY
GARRISON INVESTMENT GROUP
STELLAR MANAGEMENT
DLJ REAL ESTATE CAPITAL PARTNERS
CHATHAM LODGING TRUST

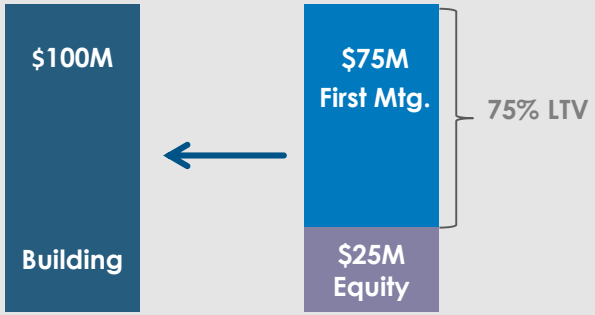
1) Includes lending segment assets as of each period end.
2) As of June 30, 2016. Underlying property values are determined by STWD's management based on its ongoing asset assessments, and loan balances that are the face value of a loan regardless of whether STWD has purchased the loan at a discount 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

Lending Segment

Hypothetical Loan Origination And Structuring Process

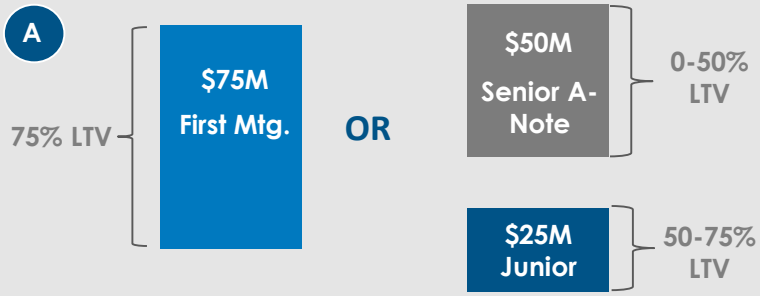
1. Originate Whole Loan

Originate a 75% LTV first mortgage at a rate of L + 4.75%



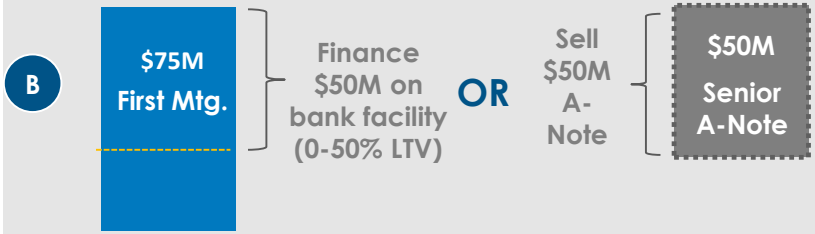
2. Either Retain First Mortgage or Split Into Sr/Jr

Senior tranche has a 50% LTV while the junior tranche remains at 75% LTV



3. Finance First Mortgage or Sell Senior

Either finance or sell the 0% - 50% 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 50%-75% LTV

$25M Junior

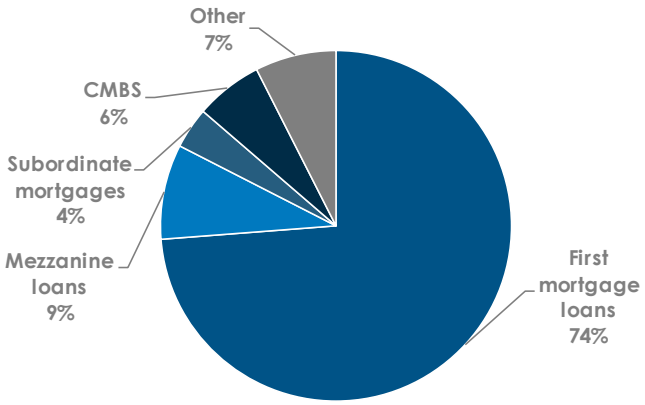
A Asset Yield (L+)	4.75%
B Cost of Financing (L+)	(2.00%)
Net Interest Margin (L+)	2.75%
Leverage	2.0x
C IRR to Fully Extended Maturity, incl. Fees[1]	12.5%

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

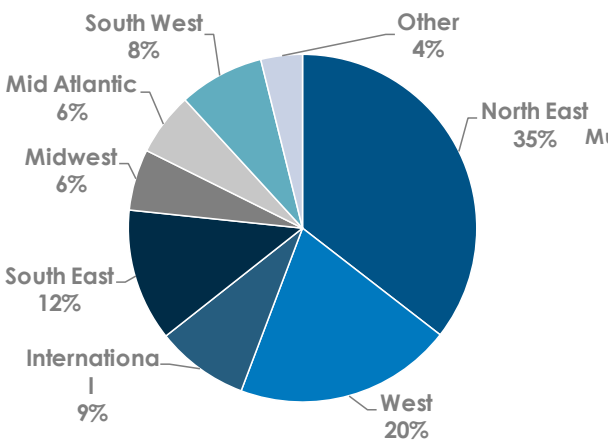
Lending Segment

Diversified Loan Portfolio With Strong Fundamentals

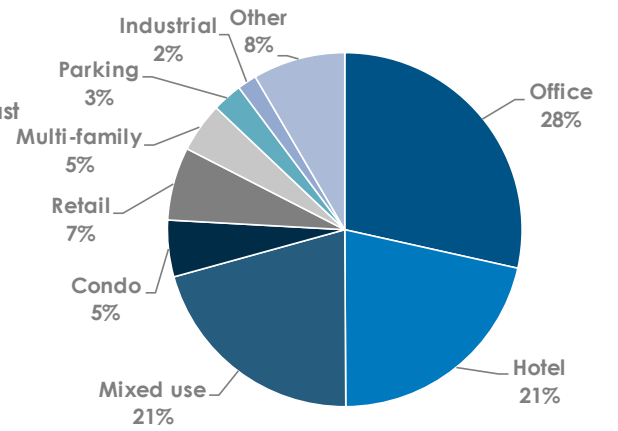
CARRYING VALUE BY LOAN TYPE



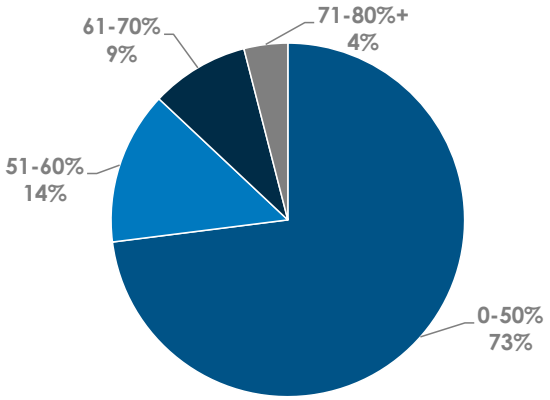
CARRYING VALUE BY REGION[1]



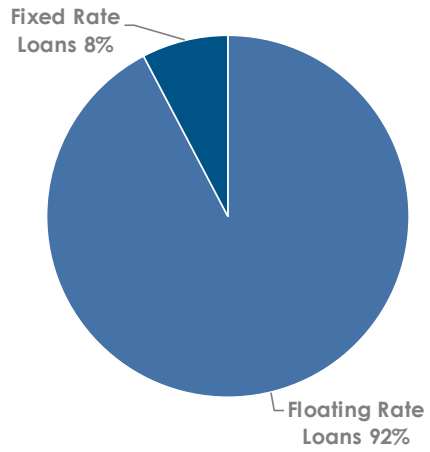
CARRYING VALUE BY PROPERTY TYPE[1]



LOAN PORTFOLIO BALANCES BY LTV OR LTC



FIXED VS. FLOATING MIX



PORTFOLIO METRICS

No. of Loans	100
Carrying Value	$7.2B
Average Loan Size[2]	$105M
W.A. LTV (%)	62.9%
Management-Expected Duration (years)	1.9
Fully-Extended Duration (years)	3.2

Note: Figures as of June 30, 2017, unless otherwise noted
1) Based on carrying value, excluding RMBS
2) Based on total commitment and inclusive of A-notes sold

Lending Segment Portfolio Returns

($ M)

Asset Returns	As of June 30. 2017		As of March 31. 2017		As of December 31, 2016		As of September 30, 2016		As of June 30, 2016	
	Return on Asset	Optimal Asset-Level Return [1]	Return on Asset	Optimal Asset-Level Return [1]	Return on Asset	Optimal Asset-Level Return [1]	Return on Asset	Optimal Asset-Level Return [1]	Return on Asset	Optimal Asset-Level Return [1]
First mortgage loans held for investment[3]	6.8%	11.0%	6.6%	10.9%	6.8%	10.9%	6.7%	10.9%	6.7%	10.7%
Subordinated mortgages held for investment	11.7%	11.7%	11.5%	11.6%	11.4%	11.6%	11.4%	11.5%	11.3%	11.4%
Mezzanine loans held for investment[3]	11.0%	11.0%	10.8%	10.8%	10.6%	10.7%	10.6%	10.6%	10.9%	10.9%
CMBS	5.1%	12.4%	5.1%	12.4%	5.6%	11.7%	5.6%	11.7%	5.5%	11.6%
Preferred equity investments	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%
Target Portfolio of Lending Segment	**7.3%**	**11.1%**	**7.2%**	**11.0%**	**7.1%**	**11.0%**	**7.4%**	**11.0%**	**7.4%**	**10.9%**

Asset Carry Values	As of June 30. 2017		As of March 31. 2017		As of December 31, 2016		As of September 30, 2016		As of June 30, 2016	
	Carrying Value	Net Investment [2]	Carrying Value	Net Investment [2]	Carrying Value	Net Investment [2]	Carrying Value	Net Investment [2]	Carrying Value	Net Investment [2]
First mortgage loans held for investment[3]	$ 5,303	$ 2,982	$ 5,183	$ 3,048	$ 4,838	$ 2,928	$ 4,243	$ 2,370	$ 4,530	$ 2,351
Subordinated mortgages held for investment	273	273	295	291	278	274	276	272	392	386
Mezzanine loans held for investment[3]	629	629	733	733	712	712	688	688	765	765
CMBS	446	134	433	130	490	184	503	188	501	187
Preferred equity investments	20	20	20	20	20	20	20	20	20	20
Total Asset Carry Values	**$ 6,671**	**$ 4,038**	**$ 6,664**	**$ 4,222**	**$ 6,338**	**$ 4,118**	**$ 5,730**	**$ 3,538**	**$ 6,208**	**$ 3,709**

1) For calculation methodology, please refer to the Definitions and Methodologies section of Company's Q2 2017 Supplemental Report
2) Only asset-specific financing has been included in determining Net Investment for all periods
3) Contiguous Mezzanine loans of $1.1B, $1.1B, $964.1M, $871.2M, and $949.2M included in the first mortgage balance as of June 30, 2017, March 31, 2017, December 31, 2016, September 30, 2016, and June 30, 2016, respectively

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

$0 realized loan losses in nearly $24B of lending segment investments since inception

Investing & Servicing Segment Overview

Leading CMBS Investor, Special Servicer and Conduit Originator

SPECIAL SERVICING OF CMBS LOANS

- Largest CMBS special servicer
- Named special servicer on 153 trusts with a collateral balance of $72B
- $9.7B 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

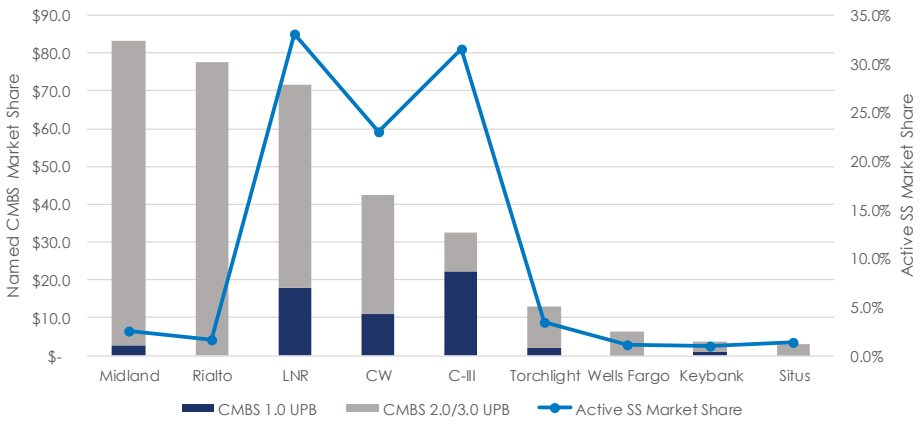
CONDUIT LOAN ORIGINATION

- Originate conduit loans for securitization into CMBS transactions
- Average loan size of $10-15M
- $1.8B in 14 securitizations in 2016
- Gain-on-sale margins typically range from 2.0% to 4.0%[1]

REO PORTFOLIO

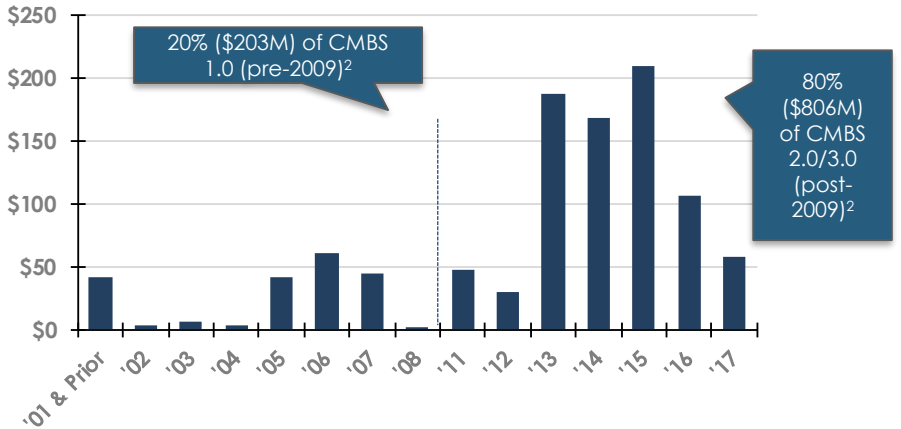
- Proprietary ability to purchase properties from CMBS trusts
- $318M investment balance

SPECIAL SERVICER MARKET SHARE



Source: Trepp and rating agency reports

STWD OWNED CMBS BY VINTAGE ($M)



Note: Figures as of June 30, 2017, unless otherwise noted; Balances reflect fair market value

1) No assurance can be given that future margins will be within this range

2) 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 **300** employees support STWD's investing and servicing activities
- The servicer has resolved over **6,230** non-performing assets with a total principal balance of over **$70.5B** since inception

UNDERWRITING PROCESS

- Since 2013 the segment has deployed over **$7.1B** 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: Figures as of June 30, 2017, unless otherwise noted

Property Segment Overview

Continued Focus on Growth of Real Estate Portfolio

- 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 four major investments totaling approximately **$2.0B**
- 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

DUBLIN PORTFOLIO





WOODSTAR MULTIFAMILY PORTFOLIO




SELECT OPERATING STATISTICS

W.A. Occupancy Rate	94.3%
Number of Properties	83
Number of Residential Units	8,993
Total Commercial Square Footage	6.4M[1]

MEDICAL OFFICE PORTFOLIO





Note: Figures as of June 30, 2017, unless otherwise noted

1) Includes 3.9M square feet relating to the Regional Mall Portfolio for which STWD maintains a 33% ownership interest

Property Segment Portfolio

($ M)

Investment	Net Carrying Value [1]	Asset Specific Financing	Net Investment	Occupancy Rate
Wholly-Owned:				
Various, U.S. - Medical Office	$ 768	$ 487	$ 281	94.5%
Dublin, Ireland - Office	495	318	177	88.8%
Dublin, Ireland - Multi-family residential	18	12	6	98.0%
Southeast, U.S. - Multi-family residential	612	410	202	98.4%
Subtotal - Undepreciated Carrying Value	**$ 1,893**	**$ 1,227**	**$ 666**	
Accumulated Depreciation and Amortization	(102)	-	(102)	
Net Carrying Value	**$ 1,791**	**$ 1,227**	**$ 564**	
Joint Venture:				
Investment in unconsolidated entity - Retail	128	-	128	
Total	**$ 1,919**	**$ 1,227**	**$ 692**	

Note: Figures as of June 30, 2017, unless otherwise noted

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

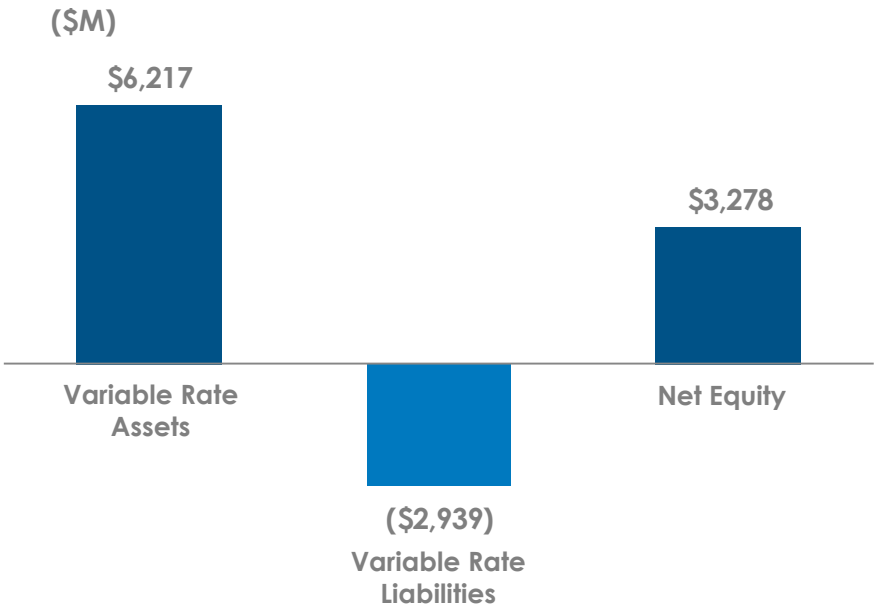
Established Culture of Managing Risk

BEST-IN-CLASS MARKET RISK MANAGEMENT POLICIES	
Credit Risk	• Comprehensive underwriting and asset management processes • Special servicer provides a unique natural credit hedge as more loans fall into special servicing upon credit deterioration
Interest Rate Risk	• 92% of portfolio is indexed to LIBOR • 84% of the floating rate loan portfolio benefits from having a LIBOR floor at an average of 0.47% • Where fixed rate loan portfolio is financed using floating rate liabilities, 100% of the floating rate exposure is hedged back to fixed
Currency Risk	• Fully hedge expected cash flows from assets denominated in foreign currency

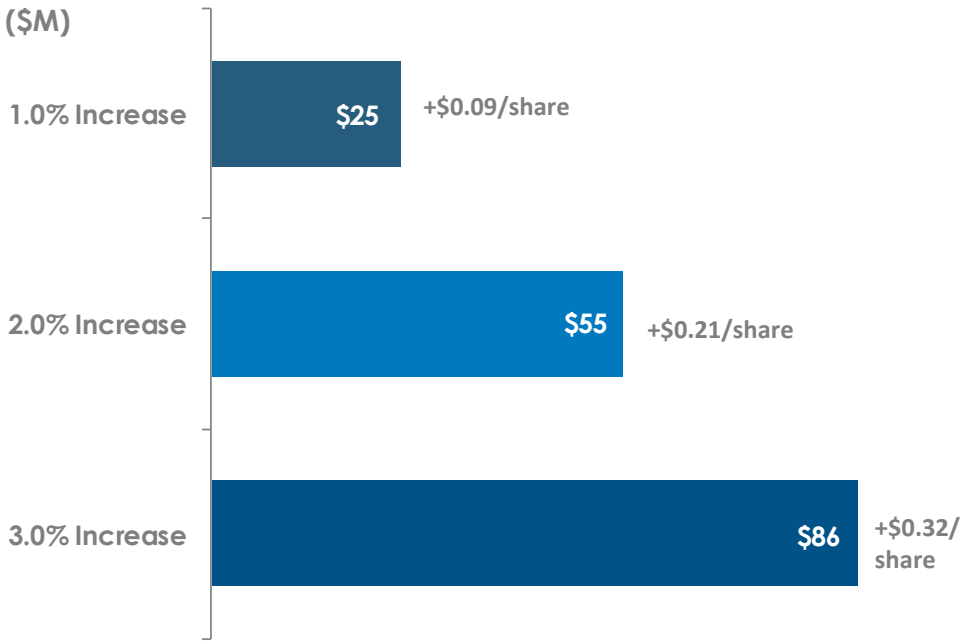
Note: Figures as of June 30, 2017, unless otherwise noted

Well-Positioned to Benefit from a Rising Interest Rate Environment

VARIABLE RATE ASSETS & LIABILITIES[1]



CASH FLOW SENSITIVITY TO CHANGES IN LIBOR[1]



Incremental benefit expected to be realized by special servicer

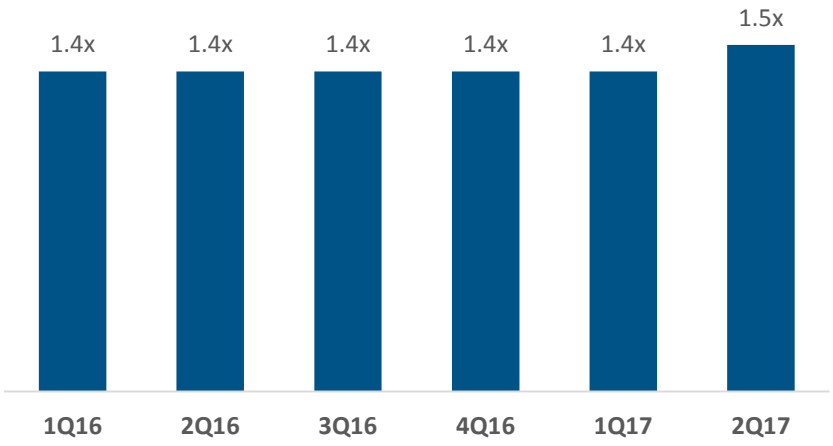
Note: Figures as of June 30, 2017, unless otherwise noted

1) 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

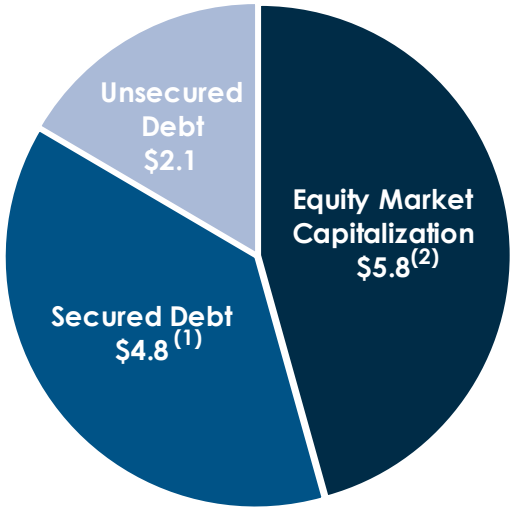
Conservative Balance Sheet

Utilize a Combination of Secured Asset-Level and Corporate-Level Debt

HISTORICAL DEBT-TO-EQUITY RATIO



CAPITALIZATION

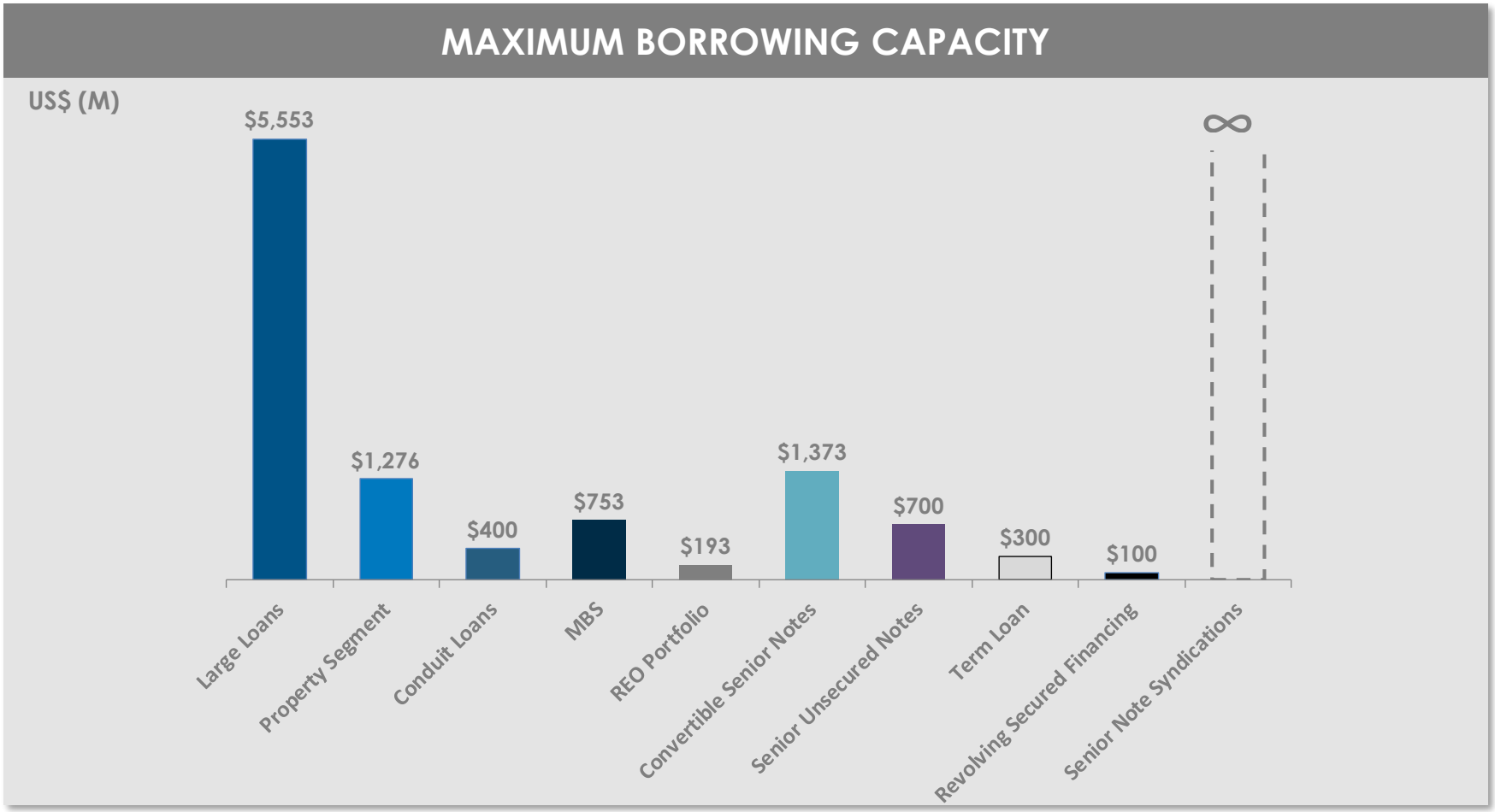


NOTE: As of June 30,2017, unless otherwise indicated

1) Excludes Borrowings on transferred loans
2) Based on outstanding shares as of June 30, 2017 of 260.6 million and closing stock price on June 30, 2017 of $22.39

Total Debt Capacity

$10.4 Billion of On-Balance Sheet Debt Capacity Not Including A-Note Syndications

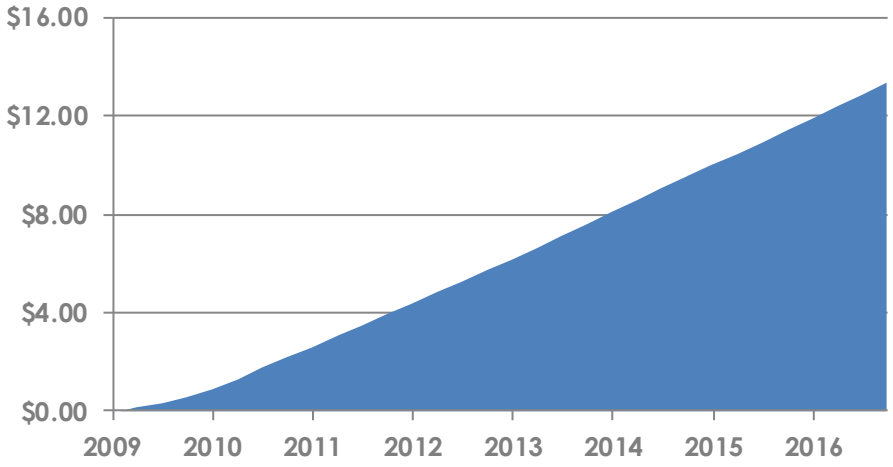


Note: Figures as of June 30, 2017, unless otherwise noted

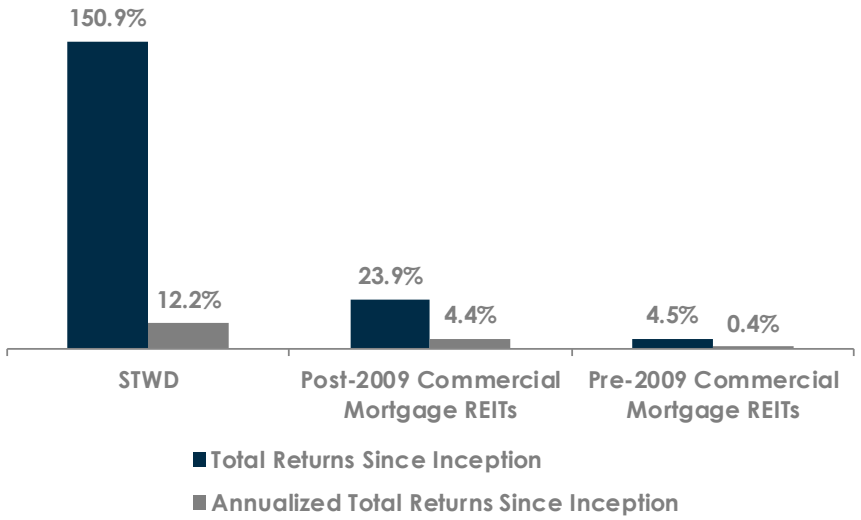
Excellent Returns with Acceptable Risk

Distributed Over $2.3B in Dividends[1] Since Inception Generating Market-Leading Total Returns For Shareholders

CUMULATIVE DIVIDENDS PER SHARE



TOTAL RETURNS VS. PEERS [2]



Note: Figures as of July 27, 2017, unless otherwise noted

1) Excludes Starwood Waypoint Homes (NYSE: SFR) dividend distribution
2) Source: Bloomberg. Total returns include reinvestment of dividends. Post-2009 mREITs include: ACRE, BXMT, LADR, TRTX, GPMT, KREF and ARI. Pre-2009 mREITs include RAS, ABR and RSO.

STWD: A Premier Multi-Cylinder Platform



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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