



# **SUPPLEMENTAL DATA FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2017**

**NYSE: LADR**

# DISCLAIMERS

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This presentation includes certain non-GAAP financial measures. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Company’s December 31, 2017 Form 10-K filing and earnings press release, which are available on Ladder’s website ([www.laddercapital.com](http://www.laddercapital.com)), as well as the supplemental financial tables included herein, for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Totals may not equal the sum of components due to rounding.

# FOURTH QUARTER & FULL-YEAR 2017 HIGHLIGHTS<sup>(1)</sup>

## Earnings and Dividends<sup>(1)</sup>

- ✓ Core Earnings of \$60.4 million, or \$0.47 Core EPS per share in Q4 2017 and Core Earnings of \$178.8 million, or \$1.54 Core EPS per share in FY 2017
- ✓ After-Tax Core Return on Average Equity (Core ROAE) of 13.9% for Q4 2017 and 11.5% for FY 2017
- ✓ Q4 2017 dividend of \$0.315 per share, a 5.0% increase versus Q3 2017

## Investment Activity

- ✓ Originated or purchased \$1.1 billion of loans in Q4 2017 and \$3.0 billion of loans in FY 2017
- ✓ Acquired \$6 million of commercial real estate equity in Q4 2017 and \$237 million in FY 2017

## Portfolio Composition

- ✓ \$6.0 billion in assets, including \$3.5 billion (58%) in loans, \$1.0 billion (17%) in real estate equity, and \$1.1 billion (18%) in securities
- ✓ 77% of assets are senior secured and/or investment grade-rated

## Financing and Liquidity

- ✓ Completed first two CLO transactions, which provided an additional source of financing for balance sheet loans
- ✓ Adjusted Leverage Ratio of 2.5x, or 1.7x excluding investment grade-rated CMBS portfolio
- ✓ Over \$2.5 billion of undrawn committed financing capacity

## Interest Rates

- ✓ 73% of Ladder's loans are floating-rate
- ✓ Core Earnings are positively correlated to changes in U.S. LIBOR; a 1.0% increase would increase net interest income by approximately \$0.15 per share per year

Note: As of 12/31/2017

(1) For a description of these financial and non-GAAP financial measures, see Selected Definitions on page S-14



# INVESTMENT PORTFOLIO SUMMARY

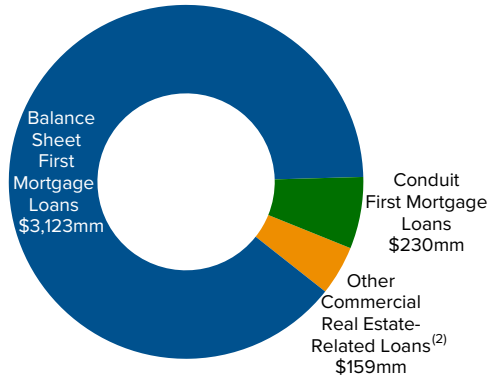
(\$ in millions)

Investment Type	Investment Portfolio (as of 12/31/2017)		Core Earnings Contribution (Full-Year 2017)	
	Carrying Value of Assets	% of Total Assets	Amount of Contribution	% of Total Contribution
Conduit First Mortgage Loans	\$230	4%	\$57.8	19%
Balance Sheet First Mortgage Loans	3,123	52%	144.8	48%
Other (Mezzanine/Subordinate) Loans	159	3%	20.5	7%
Loan Loss Provision	(4)	(0%)	–	–
<b>Total Loans</b>	<b>\$3,509</b>	<b>58%</b>	<b>\$223.2</b>	<b>74%</b>
Securities	\$1,107	18%	\$30.7	10%
Net Leased Commercial Real Estate	\$683	11%	\$23.0	8%
Diversified Commercial Real Estate	331	5%	18.4	6%
Condominium Residential Real Estate	18	0%	7.7	3%
<b>Total Real Estate Equity Properties</b>	<b>\$1,032</b>	<b>17%</b>	<b>\$49.2</b>	<b>16%</b>
Other Investments	\$113	2%	\$0.2	0%
<b>Total Investment Assets</b>	<b>\$5,761</b>	<b>96%</b>	<b>\$303.2</b>	<b>100%</b>
Cash and Cash Equivalents (unrestricted)	\$77	1%		
Restricted Cash	106	2%		
Other Assets	82	1%		
<b>Total Assets</b>	<b>\$6,026</b>	<b>100%</b>	<b>\$303.2</b>	<b>100%</b>
Corporate Bond Interest Expense			(52.6)	(17%)
Corporate Operating Expenses/Other			(71.9)	(24%)
<b>Total Core Earnings</b>			<b>\$178.8</b>	<b>59%</b>



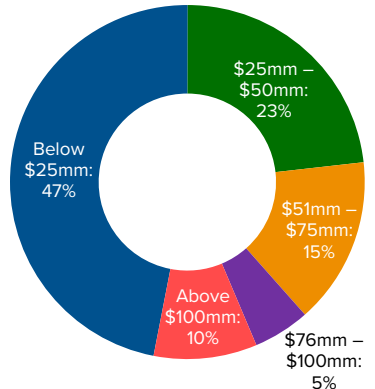
# LOAN PORTFOLIO OVERVIEW

## Loan Type <sup>(1)</sup>



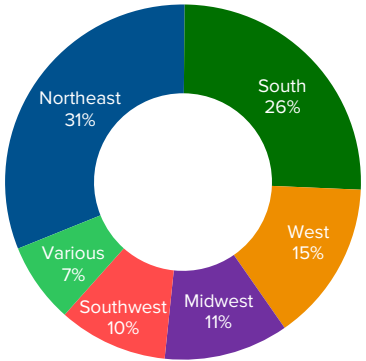
**\$3.5 billion total loan portfolio**  
**73% floating rate / 27% fixed rate**

## Loan Size

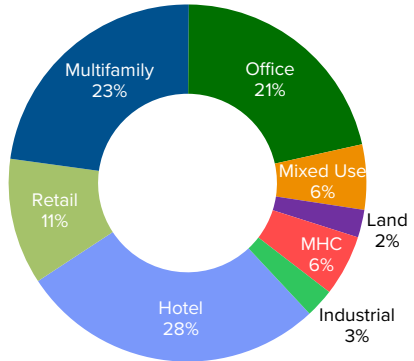


**\$18 million average loan balance**

## Geography



## Property Type



Note: As of 12/31/2017

(1) Amounts in this chart shown before \$4.0 million loan loss provision  
 (2) Includes mezzanine and subordinate loans

# LOANS SEGMENT SUMMARY

(\$ in millions)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
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## **Conduit First Mortgage Loans**

Carrying Value of Assets (end of quarter)	\$230	\$523	\$201	\$517	\$358	\$784	\$583	\$353
Origination and Purchase Volume	578	323	285	280	337	526	270	69
Weighted-Average Coupon (end of quarter)	4.9%	4.8%	5.1%	5.0%	4.2%	4.4%	4.4%	4.3%
Securitization Volume	\$851	–	\$626	–	\$664	\$415	–	\$249
Securitization Profit, Net <sup>(1)</sup>	31	–	21	–	18	17	–	4
Securitization % Profit Margin <sup>(2)</sup>	3.6%	–	3.3%	–	2.7%	4.1%	–	1.6%

## **Balance Sheet First Mortgage Loans**

Carrying Value of Assets (end of quarter)	\$3,123	\$2,689	\$2,466	\$2,138	\$1,833	\$1,414	\$1,385	\$1,382
Origination and Purchase Volume	535	307	408	250	438	311	162	50
Weighted-Average Coupon (end of quarter)	6.7%	6.6%	6.4%	6.4%	6.5%	6.4%	6.8%	7.0%
Weighted-Average LTV (end of quarter)	67%	66%	65%	65%	64%	67%	66%	67%

## **Other (Mezzanine/Subordinate) Loans**

Carrying Value of Assets (end of quarter)	\$159	\$158	\$161	\$166	\$167	\$170	\$163	\$195
Origination Volume	3	–	–	–	–	9	–	–
Mezz./Subordinate Loans % of Total Assets	2.6%	2.7%	2.8%	2.8%	3.0%	2.7%	2.7%	3.4%
Weighted-Average Coupon (end of quarter)	10.9%	10.8%	10.9%	10.9%	11.3%	10.9%	10.9%	10.8%
Weighted-Average LTV (end of quarter)	70%	70%	70%	71%	74%	74%	74%	66%
Loan Loss Provision	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)	(\$4)

## **Total Loan Portfolio**

Carrying Value of Assets (end of quarter)	\$3,509	\$3,366	\$2,823	\$2,817	\$2,354	\$2,364	\$2,127	\$1,926
Weighted-Average Yield (end of quarter)	7.0%	6.7%	6.8%	6.6%	6.7%	6.2%	6.6%	7.0%

(1) Equivalent to “Core gain on sale of securitized loans” as reported in Company filings. For reconciliation, see page S-11

(2) Based on “Core gain on sale of securitized loans” as reported in Company filings. For reconciliation, see page S-11

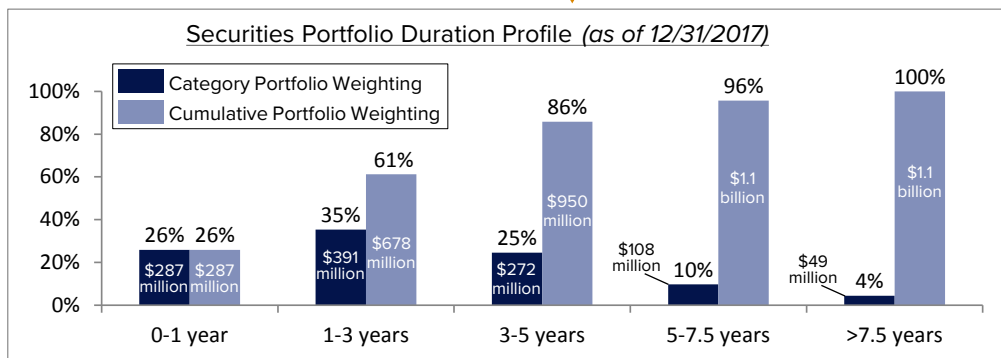
# SECURITIES SEGMENT SUMMARY

(\$ in millions)

	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
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## Securities (CMBS & U.S. Agency)

Carrying Value of Assets	\$1,107	\$1,172	\$1,482	\$1,702	\$2,101	\$2,651	\$2,700	\$2,599
Weighed-Average Yield	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	3.0%
Number of CUSIPs	142	156	202	215	219	230	226	219
Average CUSIP Size	\$7.8	\$7.5	\$7.3	\$7.9	\$9.6	\$11.5	\$11.9	\$11.9
Weighted-Average Duration	3.0 Years	3.2 Years	3.2 Years	3.4 Years	3.6 Years	3.2 Years	3.2 Years	3.3 Years
% AAA-Rated or Agency-Backed	79%	79%	81%	84%	83%	84%	86%	85%
% Investment Grade-Rated	100%	100%	100%	100%	100%	98%	98%	98%



**Highly-rated, short-duration securities portfolio**



# REAL ESTATE SEGMENT SUMMARY

(\$ in millions)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
<b>Net Leased Commercial Real Estate (100% Owned)</b>								
Acquisitions	\$6	\$1	\$124	\$4	\$9	\$4	\$16	–
Sales	–	–	–	–	–	6	–	9
Carrying Value of Assets (end of quarter)	683	683	688	543	544	539	546	533
Square Feet (end of quarter)	5,091,472	5,046,242	5,037,142	4,151,296	4,125,705	4,092,759	4,079,816	3,959,222
Net Operating Income (Rental Income)	\$12.4	\$12.3	\$10.9	\$10.1	\$9.9	\$10.0	\$9.8	\$9.8
<b>Diversified Commercial Real Estate <sup>(1)</sup></b>								
Acquisitions	–	\$47	\$54	–	\$3	\$31	\$0	–
Sales	–	–	–	–	–	–	–	–
Carrying Value of Assets (end of quarter)	331	334	288	236	240	241	211	214
Square Feet (end of quarter)	3,141,015	3,141,015	2,918,519	2,918,519	2,918,519	2,665,579	2,554,814	2,554,814
Net Operating Income	\$7.5	\$5.9	\$6.5	\$5.7	\$5.9	\$5.2	\$5.3	\$5.7
<b>Condominium Residential Real Estate <sup>(1)</sup></b>								
Sales	\$10	\$8	\$6	\$6	\$14	\$10	\$14	\$14
Carrying Value of Assets (end of quarter)	18	25	30	35	39	46	52	62
Remaining Condo Units (end of quarter)	61	89	110	129	147	178	207	247
Unit Sale Price as % of GAAP Book Value	141%	149%	143%	148%	150%	159%	146%	153%

(1) All metrics shown on a consolidated basis

# INCOME STATEMENT BY QUARTER

(\$ in millions, except per share values)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
<b>Net interest income</b>								
Interest income	\$73.4	\$66.8	\$66.0	\$57.5	\$60.7	\$60.3	\$55.8	\$59.6
Interest expense	41.6	37.5	35.7	31.4	32.2	30.7	28.4	29.5
<b>Net interest income</b>	<b>\$31.8</b>	<b>\$29.3</b>	<b>\$30.3</b>	<b>\$26.1</b>	<b>\$28.5</b>	<b>\$29.6</b>	<b>\$27.4</b>	<b>\$30.1</b>
Provision for loan losses	—	—	—	—	—	—	0.2	0.2
<b>Net interest income after provision for loan losses</b>	<b>\$31.8</b>	<b>\$29.3</b>	<b>\$30.3</b>	<b>\$26.1</b>	<b>\$28.5</b>	<b>\$29.6</b>	<b>\$27.2</b>	<b>\$29.9</b>
<b>Other income</b>								
Operating lease income	24.8	22.9	22.2	19.6	19.4	19.5	19.1	19.3
Tenant recoveries	2.1	2.4	1.2	1.6	2.1	1.2	1.3	1.3
Sale of loans, net	29.9	(0.8)	25.9	(1.0)	(4.3)	19.6	2.8	7.8
Realized gain (loss) on securities	(2.0)	6.7	7.1	5.4	(1.8)	7.1	3.0	(0.6)
Unrealized gain (loss) on Agency interest-only securities	0.4	0.6	0.3	0.2	(0.1)	(0.0)	(0.6)	0.7
Realized gain on sale of real estate, net	3.6	3.2	2.2	2.3	5.0	4.6	4.9	6.1
Fee and other income	5.0	4.3	4.6	4.5	4.1	8.1	6.2	3.0
Net result from derivative transactions	5.7	(0.3)	(16.0)	(2.0)	64.7	9.4	(24.6)	(50.9)
Earnings (loss) from investment in unconsolidated joint ventures	0.0	0.1	0.0	(0.1)	(0.1)	(0.1)	(0.2)	0.8
Gain (loss) on extinguishment of debt	(0.0)	—	—	(0.1)	—	—	—	5.4
<b>Total other income</b>	<b>\$69.4</b>	<b>\$39.1</b>	<b>\$47.5</b>	<b>\$30.4</b>	<b>\$89.2</b>	<b>\$69.3</b>	<b>\$11.8</b>	<b>(\$7.1)</b>
<b>Costs and expenses</b>								
Salaries and employee benefits	26.7	13.3	14.5	16.0	20.9	17.3	13.4	12.6
Operating expenses	5.3	4.8	5.8	5.5	5.2	4.4	4.7	6.3
Real estate operating expenses	8.4	9.4	8.1	7.5	7.3	8.4	9.1	5.7
Fee expense	1.4	1.2	1.6	0.7	1.3	0.8	0.9	0.7
Depreciation and amortization	11.0	10.6	10.1	8.6	10.7	9.7	9.3	9.8
<b>Total costs and expenses</b>	<b>\$52.8</b>	<b>\$39.2</b>	<b>\$40.1</b>	<b>\$38.3</b>	<b>\$45.3</b>	<b>\$40.6</b>	<b>\$37.4</b>	<b>\$35.2</b>
<b>Income (loss) before taxes</b>	<b>\$48.4</b>	<b>\$29.2</b>	<b>\$37.7</b>	<b>\$18.3</b>	<b>\$72.4</b>	<b>\$58.3</b>	<b>\$1.6</b>	<b>(\$12.3)</b>
Income tax expense (benefit)	3.1	(0.6)	6.6	(1.4)	0.8	8.7	(2.3)	(0.9)
<b>Net income (loss)</b>	<b>\$45.4</b>	<b>\$29.8</b>	<b>\$31.1</b>	<b>\$19.6</b>	<b>\$71.6</b>	<b>\$49.6</b>	<b>\$3.9</b>	<b>(\$11.4)</b>
Net (income) loss attributable to noncontrolling interest in consolidated joint ventures	(0.1)	0.3	(0.1)	(0.3)	(0.3)	0.4	(0.2)	0.2
Net (income) loss attributable to noncontrolling interest in operating partnership	(9.2)	(6.5)	(8.9)	(5.8)	(29.5)	(22.4)	(0.9)	5.7
<b>Net income (loss) attributable to Class A common shareholders</b>	<b>\$36.1</b>	<b>\$23.6</b>	<b>\$22.1</b>	<b>\$13.5</b>	<b>\$41.9</b>	<b>\$27.6</b>	<b>\$2.8</b>	<b>(\$5.5)</b>
<b>Earnings per share:</b>								
Basic	\$0.41	\$0.28	\$0.28	\$0.18	\$0.64	\$0.44	\$0.05	(\$0.09)
Diluted	0.40	0.28	0.26	0.18	0.63	0.44	0.05	(0.09)
<b>Weighted average shares outstanding (mm):</b>								
Basic	89.1	85.1	80.1	72.9	65.0	62.1	61.2	59.6
Diluted	89.2	85.5	110.1	109.3	66.0	63.3	62.0	59.6
<b>Core Earnings (pre-tax)<sup>(1)</sup></b>	<b>\$60.4</b>	<b>\$35.7</b>	<b>\$51.2</b>	<b>\$31.6</b>	<b>\$44.6</b>	<b>\$44.5</b>	<b>\$30.9</b>	<b>\$38.2</b>
<b>Core EPS (after-tax)<sup>(1)</sup></b>	<b>\$0.47</b>	<b>\$0.35</b>	<b>\$0.42</b>	<b>\$0.31</b>	<b>\$0.37</b>	<b>\$0.40</b>	<b>\$0.32</b>	<b>\$0.38</b>

(1) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

# CORE EARNINGS, CORE EPS & ROAE RECONCILIATION BY QUARTER<sup>(1)</sup>

(\$ in millions, except per share values)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
<b>Net income (loss)</b>	<b>\$45.4</b>	<b>\$29.8</b>	<b>\$31.1</b>	<b>\$19.6</b>	<b>\$71.6</b>	<b>\$49.6</b>	<b>\$3.9</b>	<b>(\$11.4)</b>
Income tax expense (benefit)	3.1	(0.6)	6.6	(1.4)	0.8	8.7	(2.3)	(0.9)
<b>Income (loss) before taxes</b>	<b>\$48.4</b>	<b>\$29.2</b>	<b>\$37.7</b>	<b>\$18.3</b>	<b>\$72.4</b>	<b>\$58.3</b>	<b>\$1.6</b>	<b>(\$12.3)</b>
Net (income) loss attributable to noncontrolling interest in consolidated joint ventures and operating partnership	(0.1)	0.3	(0.1)	(0.3)	(0.3)	0.4	(0.2)	0.2
Our share of real estate depreciation, amortization and gain adjustments	9.4	9.2	9.5	7.8	9.2	8.3	8.0	8.3
Adjustments for unrecognized derivative results	(3.7)	(4.3)	(0.3)	(1.9)	(41.7)	(24.9)	16.1	39.3
Unrealized (gain) loss on agency IO securities	(0.4)	(0.6)	(0.3)	(0.2)	0.1	0.0	0.6	(0.7)
Adjustment for economic gain on securitization transactions not recognized under GAAP for which risk has been substantially transferred, net of reversal/amortization	(1.9)	(0.3)	3.5	(0.2)	(0.5)	0.3	(0.2)	(0.0)
Non-cash stock-based compensation	8.6	2.1	1.1	8.1	5.5	5.2	5.0	3.3
One-time transactional adjustment	—	—	—	—	(0.1)	(3.2)	—	—
<b>Core earnings</b>	<b>\$60.4</b>	<b>\$35.7</b>	<b>\$51.2</b>	<b>\$31.6</b>	<b>\$44.6</b>	<b>\$44.5</b>	<b>\$30.9</b>	<b>\$38.2</b>
Core estimated corporate tax benefit (expense)	(9.0)	2.5	(4.8)	2.1	(4.2)	(1.0)	4.1	1.7
<b>After-tax core earnings</b>	<b>\$51.3</b>	<b>\$38.1</b>	<b>\$46.4</b>	<b>\$33.7</b>	<b>\$40.4</b>	<b>\$43.5</b>	<b>\$35.0</b>	<b>\$39.9</b>
Adjusted weighted average shares outstanding (diluted) (mm)	109.8	110.2	110.1	109.3	108.6	108.8	108.4	106.1
<b>Core EPS</b>	<b>\$0.47</b>	<b>\$0.35</b>	<b>\$0.42</b>	<b>\$0.31</b>	<b>\$0.37</b>	<b>\$0.40</b>	<b>\$0.32</b>	<b>\$0.38</b>
Weighted average shares outstanding (diluted) (mm)	89.2	85.5	110.1	109.3	66.0	63.3	62.0	59.6
Effect of shares issuable to converted Class B shareholders, unvested restricted stock, and unvested stock options (mm)	20.5	24.7	—	—	42.6	45.4	46.4	46.5
<b>Adjusted weighted average shares outstanding (diluted) (mm)</b>	<b>109.8</b>	<b>110.2</b>	<b>110.1</b>	<b>109.3</b>	<b>108.6</b>	<b>108.8</b>	<b>108.4</b>	<b>106.1</b>

	Last Twelve Months (LTM) Ended 12/31/2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Core earnings	\$178.8	\$60.4	\$35.7	\$51.2	\$31.6	\$44.6	\$44.5	\$30.9	\$38.2
Average book equity	1,477.6	1,472.9	1,472.0	1,475.1	1,490.4	1,500.1	1,488.1	1,478.2	1,480.7
<b>Pre-tax Core ROAE</b>	<b>12.1%</b>	<b>16.4%</b>	<b>9.7%</b>	<b>13.9%</b>	<b>8.5%</b>	<b>11.9%</b>	<b>12.0%</b>	<b>8.4%</b>	<b>10.3%</b>
After-tax core earnings	\$169.5	\$51.3	\$38.1	\$46.4	\$33.7	\$40.4	\$43.5	\$35.0	\$39.9
Average book equity	1,477.6	1,472.9	1,472.0	1,475.1	1,490.4	1,500.1	1,488.1	1,478.2	1,480.7
<b>After-tax Core ROAE</b>	<b>11.5%</b>	<b>13.9%</b>	<b>10.4%</b>	<b>12.6%</b>	<b>9.0%</b>	<b>10.8%</b>	<b>11.7%</b>	<b>9.5%</b>	<b>10.8%</b>

(1) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

# SECURITIZATION PROFITABILITY & GAAP RECONCILIATION BY QUARTER

(\$ in millions)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
<b>Face amount of loans sold into securitizations</b>	<b>\$851.1</b>	<b>–</b>	<b>\$625.7</b>	<b>–</b>	<b>\$663.8</b>	<b>\$414.9</b>	<b>–</b>	<b>\$249.2</b>
Income from sale of securitized loans, net (see GAAP reconciliation A below)	\$29.2	–	\$26.1	–	(\$4.1)	\$19.6	–	\$7.5
Hedge gain/(loss) related to loans securitized (see GAAP reconciliation B below)	3.1	–	(9.1)	–	22.1	(3.0)	–	(3.8)
<b>Income from sales of securitized loans, net of hedging</b>	<b>\$32.3</b>	<b>–</b>	<b>\$17.0</b>	<b>–</b>	<b>\$18.0</b>	<b>\$16.6</b>	<b>–</b>	<b>\$3.7</b>
Adjustment for economic gain on securitization transactions not recognized under GAAP for which risk has been substantially transferred	(\$1.7)	–	\$3.7	–	–	\$0.5	–	\$0.2
<b>Core gain on securitized loans</b>	<b>\$30.6</b>	<b>–</b>	<b>\$20.7</b>	<b>–</b>	<b>\$18.0</b>	<b>\$17.1</b>	<b>–</b>	<b>\$3.9</b>
<b>Securitization profit margin</b>	<b>3.6%</b>	<b>–</b>	<b>3.3%</b>	<b>–</b>	<b>2.7%</b>	<b>4.1%</b>	<b>–</b>	<b>1.6%</b>

## Reconciliations to closest GAAP measures

### GAAP reconciliation A

Income/(loss) from sale of loans, net	\$29.9	(\$0.8)	\$25.9	(\$1.0)	(\$4.3)	\$19.6	\$2.8	\$7.8
Unrealized losses on loans recorded as other than temporary impairments related to lower of cost or market adjustments	–	0.8	–	1.0	–	–	–	–
(Income)/loss from sale of loans (non-securitized), net	(0.8)	(0.0)	0.2	–	0.2	–	(2.8)	(0.3)
<b>Income from sale of securitized loans, net</b>	<b>\$29.2</b>	<b>–</b>	<b>\$26.1</b>	<b>–</b>	<b>(\$4.1)</b>	<b>\$19.6</b>	<b>–</b>	<b>\$7.5</b>

### GAAP reconciliation B

Net results from derivative transactions	\$5.7	(\$0.3)	(\$16.0)	(\$2.0)	\$64.7	\$9.4	(\$24.6)	(\$50.9)
Hedge gain/(loss) related to lending and securities positions	(2.6)	0.7	7.0	3.1	(42.3)	(12.4)	23.9	46.8
Hedge gain/(loss) related to loans (non-securitized)	0.0	(0.3)	–	(1.1)	(0.3)	–	0.8	0.3
<b>Hedge gain/(loss) related to loans securitized</b>	<b>\$3.1</b>	<b>–</b>	<b>(\$9.1)</b>	<b>–</b>	<b>\$22.1</b>	<b>(\$3.0)</b>	<b>–</b>	<b>(\$3.8)</b>

# BALANCE SHEET BY QUARTER

(\$ in millions, except per share values)

	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
<b>Assets</b>								
Cash and cash equivalents	\$76.7	\$48.9	\$58.2	\$62.6	\$44.6	\$59.7	\$81.4	\$82.7
Restricted cash	106.0	48.5	97.3	54.4	44.8	63.0	78.2	54.4
Mortgage loan receivables held for investment, net, at amortized cost								
Mortgage loans held by consolidated subsidiaries	3,282.5	2,846.9	2,626.7	2,304.1	2,000.1	1,583.9	1,547.9	1,576.7
Mortgage loans transferred but not considered sold	–	61.3	61.5	–	–	63.2	–	–
Provision for loan losses	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(3.9)
Mortgage loan receivables held for sale	230.2	523.0	200.7	516.6	357.9	784.2	583.5	353.3
Real estate securities, available for sale	1,106.5	1,172.3	1,482.4	1,702.0	2,100.9	2,651.0	2,700.2	2,598.9
Real estate and related lease intangibles, net	1,032.0	1,041.9	1,006.3	814.4	822.3	825.6	808.8	809.2
Investments in unconsolidated joint ventures	35.4	35.0	34.5	34.2	34.0	33.9	33.8	34.9
FHLB stock	77.9	77.9	77.9	77.9	77.9	77.9	77.9	77.9
Derivative instruments	0.9	0.6	4.6	0.1	5.0	0.3	0.2	0.2
Due from brokers	–	12.5	26.4	0.0	0.0	–	5.6	–
Accrued interest receivable	25.9	25.1	25.3	27.3	24.4	23.8	21.2	22.1
Other assets	55.6	51.9	52.2	352.1	70.2	53.5	52.8	48.8
<b>Total assets</b>	<b>\$6,025.6</b>	<b>\$5,941.8</b>	<b>\$5,750.0</b>	<b>\$5,941.6</b>	<b>\$5,578.3</b>	<b>\$6,215.8</b>	<b>\$5,987.4</b>	<b>\$5,655.3</b>
<b>Liabilities</b>								
Debt obligations:								
Secured and unsecured debt obligations	\$4,379.8	\$4,275.3	\$4,077.6	\$4,377.7	\$3,942.1	\$4,537.8	\$4,395.0	\$4,091.4
Liability for transfers not considered sales	–	62.9	63.2	–	–	63.2	–	–
Due to brokers	0.0	0.4	1.7	2.6	0.4	16.2	0.0	8.9
Derivative instruments	2.6	2.7	4.3	4.2	3.4	9.4	26.5	12.7
Amount payable pursuant to tax receivable agreement	1.7	2.4	2.4	2.3	2.5	1.9	1.9	1.9
Dividends payable	30.5	2.0	1.3	1.0	24.7	3.1	2.5	1.9
Accrued expenses	59.6	55.9	59.4	43.5	66.6	54.9	48.0	33.3
Other liabilities	63.2	58.2	55.6	29.0	29.0	28.7	27.4	23.8
<b>Total liabilities</b>	<b>\$4,537.5</b>	<b>\$4,460.0</b>	<b>\$4,265.4</b>	<b>\$4,460.3</b>	<b>\$4,068.8</b>	<b>\$4,715.1</b>	<b>\$4,501.3</b>	<b>\$4,174.0</b>
<b>Equity</b>								
Class A common stock, par value \$0.001 per share, 600,000,000 shares authorized	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Class B common stock, no par value, 100,000,000 shares authorized	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional paid-in capital	1,306.1	1,201.8	1,200.3	1,106.4	992.3	900.7	871.4	869.3
Treasury stock	(32.0)	(24.5)	(24.5)	(24.5)	(11.2)	(11.2)	(11.2)	(11.2)
Retained earnings	(39.1)	(46.1)	(43.4)	(39.7)	(11.1)	(31.4)	(41.1)	(26.5)
Accumulated other comprehensive income/(loss)	(0.2)	3.9	5.7	4.8	1.4	27.9	32.0	16.1
<b>Total shareholders' equity</b>	<b>\$1,235.0</b>	<b>\$1,135.3</b>	<b>\$1,138.2</b>	<b>\$1,047.1</b>	<b>\$971.4</b>	<b>\$886.0</b>	<b>\$851.1</b>	<b>\$847.8</b>
Noncontrolling interest in operating partnership	240.9	334.8	335.8	428.9	533.2	609.6	629.4	628.0
Noncontrolling interest in consolidated joint ventures	12.3	11.8	10.5	5.2	4.9	5.1	5.6	5.5
<b>Total equity</b>	<b>\$1,488.1</b>	<b>\$1,481.8</b>	<b>\$1,484.6</b>	<b>\$1,481.3</b>	<b>\$1,509.6</b>	<b>\$1,500.7</b>	<b>\$1,486.1</b>	<b>\$1,481.3</b>
<b>Total liabilities and equity</b>	<b>\$6,025.6</b>	<b>\$5,941.8</b>	<b>\$5,750.0</b>	<b>\$5,941.6</b>	<b>\$5,578.3</b>	<b>\$6,215.8</b>	<b>\$5,987.4</b>	<b>\$5,655.3</b>
Adjusted Leverage Ratio <sup>(1)</sup>	2.5x	2.9x	2.8x	2.9x	2.6x	3.0x	3.0x	2.8x
Total Shares Outstanding (mm)	111.3	110.7	110.7	110.7	109.6	109.6	109.6	109.6
<b>GAAP Book Value per Share<sup>(2)</sup></b>	<b>\$13.19</b>	<b>\$13.19</b>	<b>\$13.23</b>	<b>\$13.24</b>	<b>\$13.57</b>	<b>\$13.59</b>	<b>\$13.48</b>	<b>\$13.42</b>
<b>Undepreciated Book Value per Share<sup>(1)</sup></b>	<b>\$14.60</b>	<b>\$14.54</b>	<b>\$14.48</b>	<b>\$14.42</b>	<b>\$14.76</b>	<b>\$14.58</b>	<b>\$14.36</b>	<b>\$14.24</b>
Distributions per LADR Share	\$0.315	\$0.30	\$0.30	\$0.30	\$0.46	\$0.275	\$0.275	\$0.275

(1) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

(2) For a description of these financial measures, see Selected Definitions on page S-14

# SUMMARY OF BOOK EQUITY & SHARE COUNT BY QUARTER

(\$ in millions, except per share values)

	12/31/2017	09/30/2017	06/30/2017	03/31/2017	12/31/2016	09/30/2016	06/30/2016	03/31/2016
<b>Beginning book equity balance</b>	<b>\$1,481.8</b>	<b>\$1,484.6</b>	<b>\$1,481.3</b>	<b>\$1,509.6</b>	<b>\$1,500.7</b>	<b>\$1,486.1</b>	<b>\$1,481.3</b>	<b>\$1,491.4</b>
Net income (loss)	45.4	29.8	31.1	19.6	71.6	49.6	3.9	(11.4)
Dividends/distributions	(35.1)	(33.7)	(33.9)	(45.7)	(22.8)	(30.4)	(31.3)	(30.5)
Changes in other comprehensive income (OCI)	(5.2)	(2.2)	0.4	4.8	(44.8)	(8.6)	27.5	34.4
Issuance of common stock, net of offering costs	–	–	–	–	–	–	–	–
Other	1.3	3.3	5.6	(6.9)	4.8	3.9	4.7	(2.5)
<b>Ending book equity balance</b>	<b>\$1,488.1</b>	<b>\$1,481.8</b>	<b>\$1,484.6</b>	<b>\$1,481.3</b>	<b>\$1,509.6</b>	<b>\$1,500.7</b>	<b>\$1,486.1</b>	<b>\$1,481.3</b>
Noncontrolling interests in consolidated joint ventures	(12.3)	(11.8)	(10.5)	(5.2)	(4.9)	(5.1)	(5.6)	(5.5)
<b>Ending book equity balance excluding noncontrolling interests</b>	<b>\$1,475.8</b>	<b>\$1,470.0</b>	<b>\$1,474.0</b>	<b>\$1,476.1</b>	<b>\$1,504.6</b>	<b>\$1,495.6</b>	<b>\$1,480.5</b>	<b>\$1,475.8</b>
<b>Average book equity balance excluding noncontrolling interests</b>	<b>\$1,472.9</b>	<b>\$1,472.0</b>	<b>\$1,475.1</b>	<b>\$1,490.4</b>	<b>\$1,500.1</b>	<b>\$1,488.1</b>	<b>\$1,478.2</b>	<b>\$1,480.7</b>
Accumulated depreciation & amortization – net leased commercial real estate	79.2	73.0	66.9	62.5	57.5	52.5	47.6	42.6
Accumulated depreciation & amortization – diversified commercial real estate	79.9	75.0	70.3	64.7	61.1	54.3	49.6	45.3
Accumulated depreciation & amortization – condominium residential real estate	1.9	2.6	3.0	3.2	3.4	3.8	4.2	4.5
Less: noncontrolling interests' share of accumulated real estate depreciation & amortization	(11.6)	(10.9)	(10.3)	(9.8)	(9.4)	(8.5)	(7.8)	(7.3)
<b>Accumulated depreciation &amp; amortization – total</b>	<b>\$149.5</b>	<b>\$139.7</b>	<b>\$130.0</b>	<b>\$120.6</b>	<b>\$112.6</b>	<b>\$102.2</b>	<b>\$93.4</b>	<b>\$85.1</b>
<b>Ending undepreciated book value</b>	<b>\$1,625.3</b>	<b>\$1,609.7</b>	<b>\$1,604.0</b>	<b>\$1,596.7</b>	<b>\$1,617.2</b>	<b>\$1,597.8</b>	<b>\$1,573.9</b>	<b>\$1,560.9</b>
Class A shares outstanding (mm)	93.6	86.1	86.1	79.1	71.6	65.2	63.1	63.2
Class B shares outstanding (mm)	17.7	24.7	24.7	31.6	38.0	44.4	46.4	46.4
<b>Total ending shares outstanding (mm)</b>	<b>111.3</b>	<b>110.7</b>	<b>110.7</b>	<b>110.7</b>	<b>109.6</b>	<b>109.6</b>	<b>109.6</b>	<b>109.6</b>
Ending book equity balance excluding noncontrolling interests	1,475.8	1,470.0	1,474.0	1,476.1	1,504.6	1,495.6	1,480.5	1,475.8
Less: noncontrolling interest in operating partnership (Class B shareholder book equity)	(240.9)	(334.8)	(335.8)	(428.9)	(533.2)	(609.6)	(629.4)	(628.0)
<b>Total shareholders' equity</b>	<b>\$1,235.0</b>	<b>\$1,135.3</b>	<b>\$1,138.2</b>	<b>\$1,047.1</b>	<b>\$971.4</b>	<b>\$886.0</b>	<b>\$851.1</b>	<b>\$847.8</b>
<b>GAAP Book Value per Share<sup>(1)</sup></b>	<b>\$13.19</b>	<b>\$13.19</b>	<b>\$13.23</b>	<b>\$13.24</b>	<b>\$13.57</b>	<b>\$13.59</b>	<b>\$13.48</b>	<b>\$13.42</b>
<b>Undepreciated Book Value per Share<sup>(2)</sup></b>	<b>14.60</b>	<b>14.54</b>	<b>14.48</b>	<b>14.42</b>	<b>14.76</b>	<b>14.58</b>	<b>14.36</b>	<b>14.24</b>



# SELECTED DEFINITIONS

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- **Adjusted Leverage Ratio (non-GAAP)**
  - Total debt obligations, net of deferred financing costs, adjusted for non-recourse borrowings under collateralized loan obligations, divided by total equity.
- **After-Tax Core Return on Average Equity (After-Tax Core ROAE) (non-GAAP)**
  - After-Tax Core Earnings divided by average book equity balance excluding total noncontrolling interest in consolidated joint ventures.
- **Core Earnings (non-GAAP)**
  - Income before taxes adjusted for (i) real estate depreciation and amortization, (ii) the impact of derivative gains and losses related to the hedging of assets on our balance sheet as of the end of the specified accounting period, (iii) unrealized gains/(losses) related to our investments in Agency interest-only securities, (iv) economic gains on securitization transactions not recognized for GAAP accounting for which risk has substantially transferred during the period and the exclusion of resultant GAAP recognition of the related economics during the subsequent period, (v) non-cash stock-based compensation and (vi) certain one-time transactional items.
- **Core EPS (non-GAAP)**
  - After-Tax Core Earnings divided by adjusted weighted-average shares outstanding.
- **GAAP Book Value per Share**
  - Total shareholders' equity divided by Class A common shares outstanding.
- **Other Assets**
  - Includes cash collateral held by broker, investments in unconsolidated joint ventures, FHLB stock, derivative instrument assets, amount due from brokers, accrued interest receivable and other assets.
- **Other Liabilities**
  - Includes amount due to brokers, derivative instrument liabilities, amount payable pursuant to tax receivable agreement, dividend payable, accrued expenses and other liabilities.
- **Pre-Tax Core Return on Average Equity (Pre-Tax Core ROAE) (non-GAAP)**
  - Core Earnings divided by average book equity balance excluding total noncontrolling interest in consolidated joint ventures.
- **Undepreciated Book Equity and Undepreciated Book Value per Share (non-GAAP)**
  - Total equity, adjusted to exclude total noncontrolling interest in consolidated joint ventures and adjusted to include our share of total real estate accumulated depreciation and amortization. Per share information is derived by dividing the preceding amount by total diluted shares outstanding.