AG MORTGAGE
Investment Trust, Inc.

AG Mortgage Investment Trust, Inc.
Q1 2019 Earnings Presentation

May 3, 2019

Forward Looking Statements and Non-GAAP Financial Information

Forward Looking Statements: This presentation includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 related to dividends, book value, our investments, our investment and portfolio strategy, investment returns, return on equity, liquidity, financing, taxes, our assets, our interest rate sensitivity, and our views on certain macroeconomic trends and conditions, among others. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results could differ materially from those projected in these forward-looking statements due to a variety of factors, including, without limitation, changes in interest rates, changes in the yield curve, changes in prepayment rates, changes in default rates, the availability and terms of financing, changes in the market value of our assets, general economic conditions, conditions in the market for Agency RMBS, Non-Agency RMBS, ABS and CMBS securities, Excess MSRs and loans, our ability to integrate newly acquired rental assets into our investment portfolio, our ability to predict and control costs, conditions in the real estate market, and legislative and regulatory changes that could adversely affect the business of the Company. Additional information concerning these and other risk factors are contained in the Company's filings with the Securities and Exchange Commission ("SEC"), including its most recent Annual Report on Form 10-K and subsequent filings. Copies are available free of charge on the SEC's website, http://www.sec.gov/. All information in this presentation is as of May 2, 2019. The Company undertakes no duty to update any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Information: In addition to the results presented in accordance with GAAP, this presentation includes certain non-GAAP financial results and financial metrics derived therefrom, which are calculated by including or excluding depreciation and amortization, unconsolidated investments in affiliates, TBAs, and U.S. Treasuries, or by allocating non-investment portfolio related items based on their respective characteristics, as described in the footnotes. Our management team believes that this non-GAAP financial information, when considered with our GAAP financials, provides supplemental information useful for investors as it enables them to evaluate our current core performance using the same measure that management uses to operate the business. This presentation also contains Core Earnings, a non-GAAP financial measure. Our presentation of non-GAAP financial information may not be comparable to similarly-titled measures of other companies, who may use different calculations. This non-GAAP financial information should not be considered a substitute for, or superior to, the financial measures calculated in accordance with GAAP. Our GAAP financial results and the reconciliations from these results should be carefully evaluated.

Q1 2019 MITT Earnings Call Presenters

David Roberts Chief Executive Officer	**T.J. Durkin** Chief Investment Officer	**Brian Sigman** Chief Financial Officer	**Karen Werbel** Head of Investor Relations

Q1 2019 Performance and Highlights

- First quarter 2019:
  - $0.84 of Net Income/(Loss) per diluted common share[1]
  - $0.45 of Core Earnings per diluted common share[1, 2]
    - Includes $(0.01) retrospective adjustment
  - 4.4% Economic Return on Equity for the quarter, 17.6% annualized[3]
  - $17.44 Book Value per share[1] as of March 31, 2019
  - $17.56 Undepreciated Book Value per share[1] as of March 31, 2019 versus $17.30 as of December 31, 2018
    - Undepreciated Book Value increased $0.26 or 1.5% from the prior quarter primarily due to:
      - $0.07 or 0.4% due to our investments in Agency RMBS and associated derivatives
        - Agency spreads stabilized in the first quarter, despite a decline in yields and a brief uptick in implied volatility
      - $0.33 or 1.9% due to our Credit Investments
        - CRT and Legacy RMBS spreads tightened during the quarter alongside broader market rallies
      - $(0.05) or (0.3)% due to core earnings below the $0.50 dividend and $(0.09) or (0.5)% due to dilution from share issuance
  - Issued approximately 4 million shares of common stock at a weighted average price of $16.71 for net proceeds of approximately $66 million through underwritten public equity offering and ATM program

Q1 2019 Performance and Highlights *(cont'd)*

- $4.1 billion investment portfolio as of March 31, 2019 as compared to the $3.6 billion investment portfolio as of December 31, 2018[4,5]
  - Increase in portfolio size primarily due to the purchase of Agency RMBS and To be announced securities ("TBA") as well as certain commercial and residential investments
- 2.1% Net Interest Margin ("NIM") as of March 31, 2019[6]
- 4.7x "At Risk" Leverage as of March 31, 2019[7]

	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019
Yield on Investment Portfolio[8]	5.0%	5.1%	5.2%	5.3%	5.2%
Cost of Funds[9]	2.3%	2.4%	2.7%	3.0%	3.1%
NIM[6]	2.7%	2.7%	2.5%	2.3%	2.1%
"At Risk" Leverage[7]	4.6x	4.4x	4.3x	4.6x	4.7x

Note: Funding cost and NIM shown include the costs of our interest rate hedges. Funding cost and NIM excluding the cost of our interest rate hedges would be 3.3% and 1.9%, respectively.

Q1 2019 Activity

($ in millions) Description	Purchased	Sold/Payoff	Net Activity
30 Year Fixed Rate	$536.0	$(229.3)	$306.7
Inverse Interest Only	—	(2.3)	(2.3)
Fixed Rate 30 Year TBA	672.1	(546.0)	126.1
Total Agency RMBS	**1,208.1**	**(777.6)**	**430.5**
Prime	17.0	(28.7)	(11.7)
Alt-A/Subprime	—	(4.3)	(4.3)
Credit Risk Transfer	62.1	(9.0)	53.1
Re/Non-Performing Loans	19.7	—	19.7
New Origination Loans	34.8	—	34.8
Total Residential Investments	**133.6**	**(42.0)**	**91.6**
CMBS	29.0	(20.3)	8.7
Commercial Real Estate Loans	21.8	(10.4)	11.4
Total Commercial Investments	**50.8**	**(30.7)**	**20.1**
Total ABS	—	**(1.3)**	**(1.3)**
Total Q1 Activity	**$1,392.5**	**$(851.6)**	**$540.9**

- Deployed proceeds from the capital raise into Agency RMBS and TBA
- Purchased several Non-QM pools alongside other Angelo Gordon funds
- Purchased a pool of primarily RPL mortgage loans
- Sourced two new CRE loans alongside other Angelo Gordon funds

Note: The chart above is based on trade date.

Q1 2019 Macro-Economic Conditions

Macro Environment	▪ During the first quarter, the Federal Reserve pivoted away from its more hawkish message from the fourth quarter by pausing its interest rate tightening campaign in an effort to loosen financial conditions ▪ At the March meeting, the Fed maintained the federal funds interest rate at a target range of 2.25%-2.50% but moderated its outlook for growth and expressed concern over persistently lower inflation ▪ The labor market continued to tighten in the first quarter, but inflation as measured by year-over-year core Personal Consumption Expenditures (PCE), slipped below the Fed's target
Housing	▪ Home price appreciation has slowed but remains well-supported by tight inventory levels across much of the nation
Agency RMBS	▪ Agency MBS spreads stabilized during the quarter as a result of robust demand due to REIT capital raises and strong fixed income inflows given the dovish Fed pivot
Credit	▪ Fundamental residential mortgage collateral performance, as measured by delinquency and default rates, remains at pre-crisis levels

Investment Opportunity Set

Agency RMBS	▪ Hypothetical Duration Hedged Levered ROE: 8-13%[(a)(b)] ▪ 30/20/15 Year Fixed Rate, Hybrid ARM, Fixed Rate CMO, Agency IO, Inverse IO, Excess MSRs
Residential Investments	▪ Hypothetical Levered ROE: 8-14%[(b)] ▪ CRT, NPL, RPL, Non-QM, Legacy
Commercial Investments	▪ Hypothetical Levered ROE: 10-16%[(b)] ▪ Conduit, Single Asset/Single Borrower, Freddie Mac K-series, Commercial Loans
ABS	▪ Hypothetical Levered ROE: 8-14%[(b)] ▪ Consumer, auto backed debt, credit card, other non-residential ABS
Single-Family Rental Properties	▪ Hypothetical Levered ROE: 8-12%[(b)]

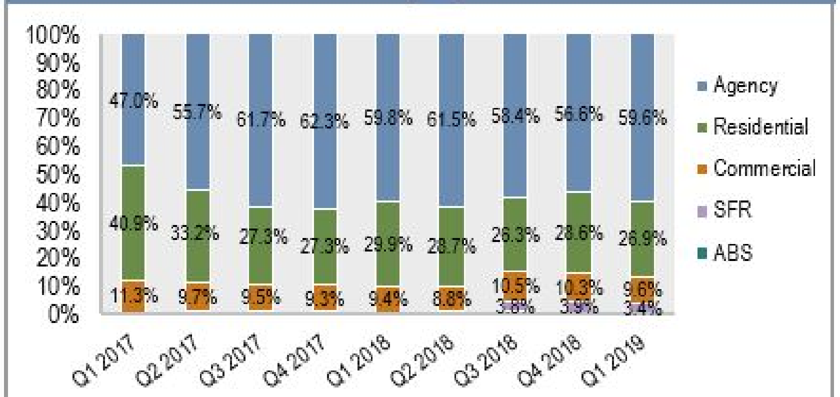
(a) Hypothetical levered returns on Agency RMBS are presented on a duration hedged basis, net of related costs.
(b) ROE values are presented gross of management fee and other corporate expenses.
Note: The above-listed investment opportunity set represents a subset of the types of assets that the Company can acquire. The hypothetical Levered Returns on Equity ("ROE") depicted above are dependent on a variety of inputs and assumptions, which are assumed to be static, and do not reflect the impact of operating expenses. Actual returns could differ materially from those presented based on a number of factors, including changes in interest rates, spreads, prepayments, asset values, funding levels, risk positions, hedging costs, expenses, occupancy, rental rates and other factors.

Q1 2019 Investment Portfolio Composition[4,5]

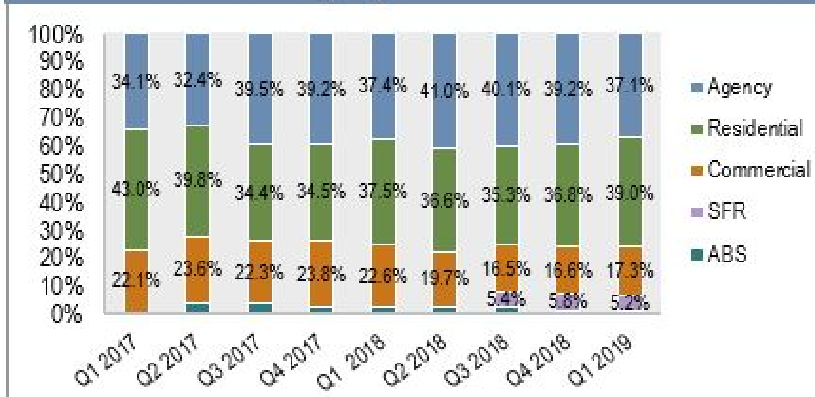
	Amortized Cost (mm)	Net Carrying Value (mm)	Percent of Net Carrying Value	Allocated Equity (mm)[10]	Percent of Equity	Leverage Ratio[(a)]
Agency RMBS[(b)]	$2,406.0	$2,439.5	59.6%	$271.6	37.1%	8.2x
Residential Investments[(b)]	1,045.3	1,100.3	26.9%	285.5	39.0%	3.0x
Commercial Investments[(b)]	371.0	392.0	9.6%	126.2	17.3%	2.1x
ABS	20.5	20.2	0.5%	10.6	1.4%	0.9x
Single-Family Rental Properties	137.9	137.9	3.4%	37.7	5.2%	2.7x
Total Investment Portfolio	**$3,980.7**	**$4,089.9**	**100.0%**	**$731.6**	**100.0%**	**4.7x**

(a) The leverage ratio on Agency RMBS includes any net receivables on TBA. The leverage ratio by type of investment is calculated by dividing the investment type's total financing by its allocated equity.[10]
(b) The table above includes fair value of $0.8 million of Agency RMBS, $238.8 million of Residential Investments and $5.3 million of Commercial Investments that are included in the "Investments in debt and equity of affiliates" line item on our consolidated balance sheet.

Net Carrying Value



Equity Allocation



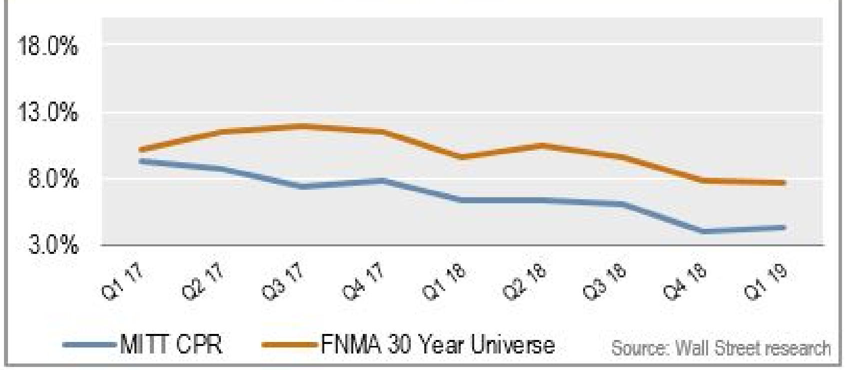
- As of Q1 2019, 59.6% Agency, 37.0% Credit, and 3.4% SFR
- As of Q1 2019, 37.1% Agency, 57.7% Credit and 5.2% SFR

Q1 2019 Agency Portfolio Details

Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
30 Year Fixed Rate	$2,046.9	$2,140.0	87.7%	4.1%	3.6%
Fixed Rate CMO	42.6	42.9	1.8%	3.0%	2.8%
Inverse Interest Only	289.3	48.9	2.0%	3.7%	9.5%
Interest Only	359.4	56.1	2.3%	3.6%	5.6%
Excess MSRs	3,631.4	24.9	1.0%	N/A	9.2%
Fixed Rate 30 Year TBA	125.0	126.7	5.2%	3.5%	N/A
Total Agency RMBS[(a)]	**$6,494.6**	**$2,439.5**	**100.0%**	**4.0%**	**3.8%**

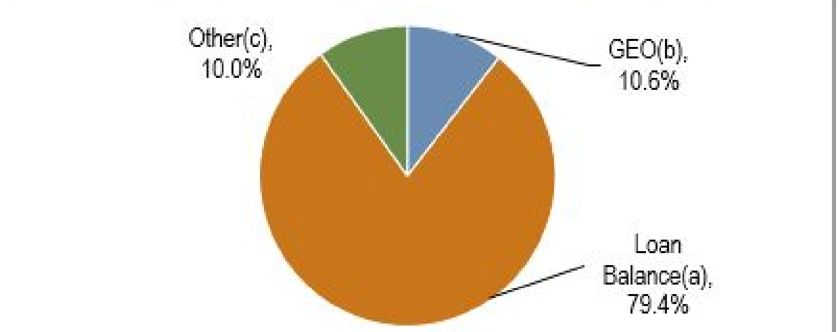
(a) The total funding cost and NIM for Agency RMBS is 2.7% and 1.1%, respectively.

Quarterly CPR



- 4.3% constant prepayment rate ("CPR")[11] on the Agency RMBS investment portfolio for Q1 2019

Total Agency Fixed Rate Pools (Fair Value)



(a) Loan Balance: Pools made up of loans with original balances less than $200,000
(b) Geography: Pools made up of loans originated in states that offer favorable prepayment profiles
(c) Other: Pools made up of newly originated loans, loans on investor properties, loans with higher LTVs or loans taken out by borrowers with lower than average FICOs

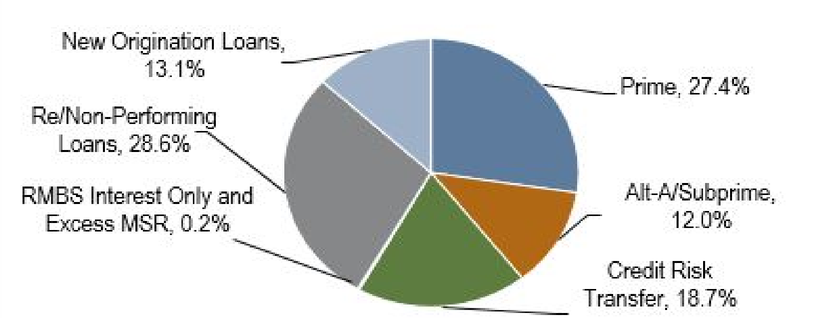
Q1 2019 Residential Portfolio Details

Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
Prime	$366.3	$301.7	27.4%	4.8%	7.3%
Alt-A/Subprime	201.1	131.6	12.0%	4.5%	6.8%
Credit Risk Transfer	197.1	205.3	18.7%	6.0%	6.1%
RPL/NPL securities[(a)]	0.2	0.2	—%	7.0%	7.0%
RMBS Interest Only and Excess MSR	322.6	2.7	0.2%	0.6%	17.6%
Re/Non-Performing Loans[(b)]	388.7	314.4	28.6%	4.9%	7.8%
New Origination Loans	139.6	144.4	13.1%	6.2%	5.2%
Total Residential Investments[(c)]	**$1,615.6**	**$1,100.3**	**100.0%**	**4.7%**	**6.9%**

(a) RPL/NPL securities whose deal structures contain an interest rate step-up feature.
(b) Consolidated whole loan positions as well as whole loans purchased from an affiliate or affiliates of our manager in securitized form.
(c) The total funding cost and NIM for Residential Investments is 4.1% and 2.8%, respectively.

Percent of Fair Value in Floating Rate Coupon[(d)] vs. 3 Month LIBOR

Residential Investments (Fair Value)



- 53% of our Residential Investments[(d)] are fixed rate coupon and 47% are floating rate coupon[12]

(d) Excludes Re/Non-Performing Loans

Q1 2019 Commercial and ABS Portfolio Details

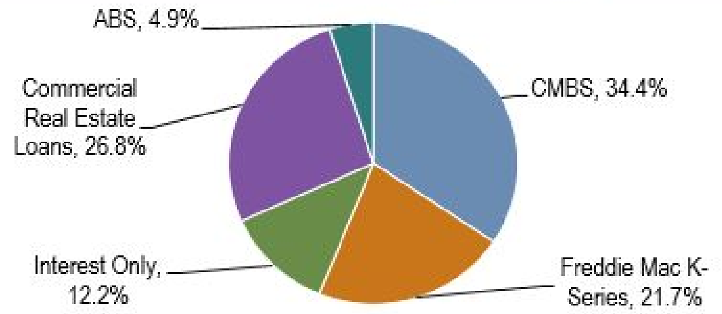
Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
CMBS	$147.2	$142.0	34.4%	5.9%	6.3%
Freddie Mac K-Series	202.0	89.3	21.7%	6.0%	12.3%
Interest Only	3,525.2	50.4	12.2%	0.2%	6.9%
Commercial Real Estate Loans	110.3	110.3	26.8%	7.5%	7.9%
Total Commercial Investments[(a)]	3,984.7	392.0	95.1%	0.7%	8.2%
ABS[(a)]	20.6	20.2	4.9%	9.7%	10.2%
Total Commercial and ABS	**$4,005.3**	**$412.2**	**100.0%**	**0.7%**	**8.2%**

(a) The total funding cost and NIM for Commercial Investments is 4.0% and 4.2%, respectively. The total funding cost and NIM for ABS is 3.8% and 6.4%, respectively.

CMBX.NA 8 BBB- Mid Spread

Source: Wall Street research

Commercial and ABS (Fair Value)



- 24% of our Commercial and ABS Investments are fixed rate coupon and 76% are floating rate coupon[12]

Single-Family Rental Portfolio Update

- Operational improvements helped to increase occupancy from 87.9% in the fourth quarter to 93.7% in the first quarter
- Conrex quickly leased vacant homes while adhering to the enhanced tenant underwriting that had been implemented in prior quarters
- While there were increased expenses related to the high volume of turnover during the quarter, the increase in occupancy improved the Operating Margin from 43.8% in the fourth quarter to 46.3% in the first quarter
- Conrex has strategically re-organized staffing to manage the identified pipeline of lease expirations in the coming months
- Conrex continues to focus on tenant communications and the tenant experience to retain tenants as well as achieve rent growth

	12/31/2018	3/31/2019
Gross Carrying Value[a]	$ 141.0	$ 141.7
Accumulated Depreciation and Amortization[a]	(2.3)	(3.8)
Net Carrying Value[a]	$ 138.7	$ 137.9
Occupancy	87.9%	93.7%
Average Square Footage[b]	1,436	1,463
Average Monthly Rental Income per Home[b][c]	$ 1,020	$ 1,020
Operating Margin[15]	43.8%	46.3%

(a) $ in millions
(b) Based on occupied residences as of each corresponding period end
(c) Based on straight-line rent as of each corresponding period end

Financing

- Financing arrangements with 44 counterparties
  - Currently financing investments with 32 counterparties
  - Our weighted average days to maturity is 140 days and our weighted average original days to maturity is 222 days
  - Financing counterparties remain stable

Financing Arrangements[a] ($ in millions)						
	Agency		Credit		SFR[b]	
Maturing Within	**Amount Outstanding**	**WA Funding Cost**	**Amount Outstanding**	**WA Funding Cost**	**Amount Outstanding**	**WA Funding Cost**
Overnight	$68.5	2.9%	—	—%	—	—%
30 Days or less	1,065.9	2.7%	562.5	3.6%	—	—%
31-60 Days	502.9	2.7%	110.8	4.0%	—	—%
61-90 Days	527.2	2.7%	75.6	4.2%	—	—%
91-180 days	—	—%	25.0	4.7%	—	—%
Greater than 180 Days	—	—%	351.9	4.7%	102.1	4.8%
Total and WA	**$2,164.5**	**2.7%**	**$1,125.8**	**4.0%**	**$102.1**	**4.8%**

(a) Amounts do not include securitized debt of $10.5 million
(b) Includes $0.9 million of deferred financing costs

Duration Gap[14]

Duration gap was approximately 0.95 years as of March 31, 2019

Duration	Years
Agency	1.80
Residential Loans[a]	0.39
Hedges	(1.87)
Subtotal	**0.32**
Credit excluding Residential Loans[a]	0.63
Duration Gap	**0.95**

Duration gap was approximately 0.74 years as of December 31, 2018

Duration	Years
Agency	2.40
Residential Loans[a]	0.40
Hedges	(2.84)
Subtotal	**(0.04)**
Credit excluding Residential Loans[a]	0.78
Duration Gap	**0.74**

(a) Residential Loans includes Re/Non-Performing Loans and New Origination Loans

Hedging

Hedge Portfolio Summary as of March 31, 2019 ($ in millions)		
	Notional	Duration[14]
Interest Rate Swaps	$(1,666.5)	(1.77)
Swaptions	(485.0)	(0.05)
Eurodollar Futures	(750.0)	(0.05)
Total	**$(2,901.5)**	**(1.87)**

Interest Rate Swaps as of March 31, 2019 ($ in millions)				
Maturity	Notional Amount	Weighted Average Pay-Fixed Rate	Weighted Average Receive Variable Rate[(a)]	Weighted Average Years to Maturity
2020	105.0	1.5%	2.7%	0.9
2021	58.5	3.0%	2.7%	2.5
2022	635.0	2.0%	2.3%	3.2
2023	154.0	3.1%	2.7%	4.4
2024	280.0	2.2%	2.7%	5.2
2025	20.0	2.8%	2.7%	5.8
2026	195.0	2.4%	2.7%	7.2
2027	194.0	2.3%	2.7%	8.3
2028	25.0	2.5%	2.8%	8.8
Total/Wtd Avg	**$1,666.5**	**2.2%**	**2.6%**	**4.7**

(a) 100% of our receive variable interest rate swap notional amount resets quarterly based on three-month LIBOR

Q1 2019 Financial Metrics

Key Statistics	March 31, 2019	Weighted Average for the quarter-ended March 31, 2019
Investment portfolio[4,5]	$4,089.9	$3,797.4
Financing arrangements, net[5]	3,392.4	3,122.9
Total Financing[7]	3,463.1	3,259.2
Stockholders' equity	731.6	693.2
GAAP Leverage	4.3x	
"At Risk" Leverage[7]	4.7x	
Yield on investment portfolio[8]	5.2%	5.1%
Cost of funds[9]	3.1%	3.0%
Net interest margin[6]	2.1%	2.1%
Other operating expenses (corporate)[16]	1.5%	1.6%
Book value, per share[1]	$17.44	
Undepreciated Book Value, per share[1]	$17.56	
Undistributed taxable income, per share[(a)]	$1.29	
Common Dividend, per share[1]	$0.50	

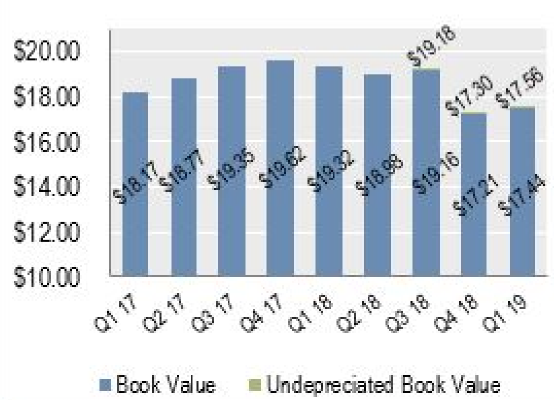
(a) Refer to slide 23 for further detail

Supplemental Information & Financial Statements

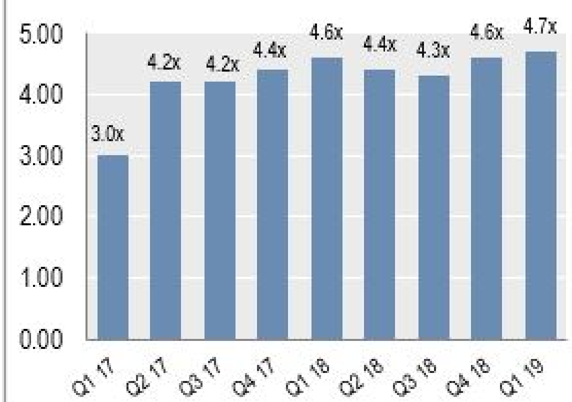
Quarter-Over-Quarter Snapshot

Net Carrying Value of Investment Portfolio

Undepreciated Book Value(1)



"At Risk" Leverage



Core Earnings

*Includes retrospective adjustment

Dividend

Net Income (Loss)

Market Snapshot

Interest Rates	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19
Treasuries					
2-year	2.268	2.530	2.821	2.490	2.263
5-year	2.563	2.739	2.954	2.512	2.234
10-year	2.740	2.861	3.062	2.685	2.406
Swaps					
3 month LIBOR	2.312	2.336	2.398	2.808	2.600
2-year swaps	2.582	2.792	2.990	2.657	2.382
5-year swaps	2.708	2.890	3.071	2.570	2.285
10-year swaps	2.790	2.934	3.121	2.705	2.409

Agency RMBS	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19
Fannie Mae Pass-Throughs					
30 year 3.00%	97-17+	96-25+	95-20+	97-11+	99-18+
30 year 3.50%	100-06+	99-14+	98-12+	99-26+	101-12+
30 year 4.00%	102-19+	101-29+	100-30+	101-26+	102-27+
30 year 4.50%	104-22+	104-02+	103-04+	103-14+	104-05+
Mortgage Rates					
15-year	3.90%	4.04%	4.16%	4.01%	3.57%
30-year	4.44%	4.55%	4.72%	4.55%	4.06%

Credit Spreads	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19
CDX IG	66	68	59	88	63
CAS 2016 Vintage M2	92	94	78	135	127
CMBX.NA 8 BBB- Mid Spread	604	542	449	550	448

Source: Bloomberg and Wall Street research. Data has not been independently validated.

Undepreciated Book Value Roll-Forward

	Amount (000's)	Per Share[1]
12/31/18 Undepreciated Book Value	**$497,133**	**$17.30**
Common dividend	(16,352)	(0.50)
Core earnings	13,621	0.45
Net proceeds and accretion/(dilution) from issuance of stock	66,189	(0.09)
Transaction related expenses and deal related performance fees	(458)	(0.01)
Equity in earnings/(loss) from affiliates and other income	(1,628)	(0.06)
Net realized gain/(loss)	(20,610)	(0.63)
Net unrealized gain/(loss)	36,310	1.10
3/31/19 Undepreciated Book Value	**$574,205**	**$17.56**
Change in Undepreciated Book Value	77,072	0.26
Accumulated depreciation and amortization	(3,783)	(0.12)
3/31/19 Book Value	**$570,422**	**$17.44**

Reconciliation of GAAP Net Income to Core Earnings[2]

Three Months Ended March 31, 2019	Amount (000's)	Per Diluted Common Share[1]
Net Income/(loss) available to common stockholders	**$25,788**	**$0.84**
Add (Deduct):		
Net realized (gain)/loss	20,610	0.67
Dollar roll income	357	0.01
Equity in (earnings)/loss from affiliates	771	0.03
Net interest income and expenses from equity method investments	1,004	0.04
Transaction related expenses and deal related performance fees	458	0.01
Property depreciation and amortization	1,447	0.05
Other income	(147)	(0.00
Unrealized (gain)/loss on real estate securities and loans, net	(46,753)	(1.53)
Unrealized (gain)/loss on derivative and other instruments, net	10,086	0.33
Core Earnings (a)	**$13,621**	**$0.45**

(a) The three months ended March 31, 2019 include cumulative retrospective adjustments of $(0.3) million or $(0.01) per diluted share on the premium amortization for investments accounted for under ASC 320-10.

Undistributed Taxable Income Roll-Forward

	Amount (000's)	Per Share[1]
12/31/18 Undistributed Taxable Income	**$45,280**	**$1.58**
Net Accretion/(dilution) from issuance of common stock and RSUs	—	(0.23)
Q1 Core Earnings	13,621	0.45
Q1 Recurring Core-Tax Differences	(356)	(0.01)
Q1 Other Core-Tax Differences	120	0.00
Q1 Ordinary Taxable Income, Net of Preferred Distribution	13,385	0.44
Q1 Common Distribution	(16,352)	(0.50)
3/31/19 Undistributed Taxable Income	**$42,313**	**$1.29**

Note: This estimate of undistributed taxable income per share represents the total estimated undistributed taxable income as of quarter-end. Undistributed taxable income is based on current estimates and projections. The actual amount is not finalized until we file our annual tax return, typically in October of the following year. Figures may not foot due to rounding.

Condensed Consolidated Balance Sheet

March 31, 2019 (Unaudited)			
Amount (000's)			
Assets		**Liabilities**	
Real estate securities, at fair value	$3,243,923	Financing arrangements, net	$3,214,909
Residential mortgage loans, at fair value	202,047	Securitized debt, at fair value	10,515
Commercial loans, at fair value	110,223	Dividend payable	16,352
Single-family rental properties	137,886	Other liabilities	33,729
Investments in debt and equity of affiliates	102,099	Total Liabilities	3,275,505
Excess mortgage servicing rights, at fair value	24,301	**Commitments and Contingencies**	
Cash and cash equivalents	50,779	**Stockholders' Equity**	
Restricted cash	37,266	Preferred stock	161,214
Other assets	98,617	Common stock	327
Total Assets	$4,007,141	Additional paid-in capital	661,561
		Retained earnings (deficit)	(91,466)
		Total Stockholders' Equity	731,636
		Total Liabilities & Stockholders' Equity	$4,007,141

Condensed Consolidated Statement of Operations

Three Months Ended March 31, 2019 (Unaudited)			
Amount (000's)			
Net Interest Income		**Earnings/(Loss) Per Share of Common Stock**	
Interest income	$41,490	Basic	$0.84
Interest expense	23,341	Diluted	$0.84
Total Net Interest Income	18,149		
Other Income/(Loss)		**WA Shares of Common Stock Outstanding**	
Rental Income	3,397	Basic	30,551
Net realized gain/(loss)	(20,610)	Diluted	30,581
Net interest component of interest rate swaps	1,781		
Unrealized gain/(loss) on real estate securities and loans, net	46,753		
Unrealized gain/(loss) on derivative and other instruments, net	(10,086)		
Other Income	596		
Total Other Income/(Loss)	21,831		
Expenses			
Management fee to affiliate	2,345		
Other operating expenses	3,830		
Equity based compensation to affiliate	126		
Excise tax	92		
Servicing fees	371		
Property depreciation and amortization	1,447		
Property operating expenses	1,843		
Total Expenses	10,054		
Income/(loss) before equity in earnings/(loss) from affiliates	29,926		
Equity in earnings/(loss) from affiliates	(771)		
Net Income/(Loss)	29,155		
Dividends on preferred stock	3,367		
Net Income/(Loss) Available to Common Stockholders	**$25,788**		

Footnotes

1. Diluted per share figures are calculated using weighted average outstanding shares in accordance with GAAP. Per share figures are calculated using a denominator of all outstanding common shares including vested shares granted to our Manager and our independent directors under our equity incentive plans as of quarter-end. Core earnings as presented in the undepreciated book value roll-forward slide and the undistributed taxable income roll-forward slide is calculated using weighted average outstanding shares in accordance with GAAP. Book value uses stockholders' equity less net proceeds of the Company's 8.25% Series A and 8.00% Series B Cumulative Redeemable Preferred Stock as the numerator. Undepreciated book value per share is a non-GAAP book value metric which adds accumulated depreciation and amortization back to book value to present an adjusted book value that incorporates the Company's single-family rental property portfolio at its undepreciated basis. This metric allows management to consider the investment portfolio exclusive of non-cash adjustments and facilitates the comparison of our financial performance to peer REITs. Book value and Undepreciated book value include the current quarter dividend.
2. Core Earnings are defined as Net Income/(loss) available to common stockholders excluding (i) unrealized gains/(losses) on securities, loans, derivatives and other instruments and realized gains/(losses) on the sale or termination of such investments, (ii) beginning with Q2 2018, as a policy change, any transaction related expenses incurred in connection with the acquisition or disposition of investments, (iii) beginning with Q3 2018, concurrent with a change in the Company's business, any depreciation or amortization expense related to the Company's SFR portfolio, (iv) beginning with Q3 2018, as a policy change, accrued deal related performance fees payable to Arc Home and third party operators to the extent the primary component of the accrual relates to items that are excluded from core earnings, such as unrealized and realized gains/(losses), and (v) beginning with Q4 2018 and applied retrospectively, as a policy change, realized and unrealized changes in the fair value of Arc Home's net mortgage servicing rights as well as realized and unrealized changes in the fair value of derivatives that are intended to offset changes in the fair value of those net mortgage servicing rights. Items (i) through (v) above include any amounts related to those items held in affiliated entities. This metric, in conjunction with related GAAP measures provides greater transparency into the information used by our management team in its financial and operation decision-making. Management considers the transaction related expenses referenced in (ii) above to be similar to realized losses incurred at acquisition or disposition and does not view them as being part of its core operations. Management views the exclusion described in (v) above to be consistent with how it calculates Core Earnings on the remainder of its portfolio. As defined, Core Earnings include the net interest income and other income earned on the Company's investments on a yield adjusted basis, including TBA dollar roll income or any other investment activity that may earn or pay net interest or its economic equivalent. Core Earnings includes earnings from AG Arc LLC. See page 22 for a reconciliation of GAAP net income to Core Earnings. See footnote 13 for further details on AG Arc LLC.
3. The economic return on equity for the quarter represents the change in undepreciated book value per share from December 31, 2018 to March 31, 2019, plus the common dividends declared over that period, divided by undepreciated book value per share as of December 31, 2018. The annualized economic return on equity is the quarterly return on equity multiplied by four.
4. The investment portfolio at period end is calculated by summing the net carrying value of our Agency RMBS, any long positions in TBAs, Residential Investments, Commercial Investments, ABS Investments, and our SFR portfolio, including securities and mortgage loans owned through investments in affiliates, exclusive of AG Arc LLC. Our Agency RMBS, Residential Investments, Commercial Investments, and ABS Investments are held at fair market value and our SFR portfolio is held at purchase price plus capitalized expenses less accumulated depreciation and amortization and any adjustments related to impairment. Our Credit Investments refer to our Residential Investments, Commercial Investments and ABS Investments. Refer to footnote 5 for more information on the GAAP accounting for certain items included in our investment portfolio. The percentage of net carrying value includes any net TBA positions and securities and mortgage loans owned through investments in affiliates and is exclusive of AG Arc LLC. Agency RMBS include fair value of $0.8 million of investment in debt and equity of affiliates related to Excess MSRs. Credit Investments include fair value of $244.1 million of investment in debt and equity of affiliates comprised of $94.4 million of Re/Non-Performing Loans, $144.4 million of New Origination Loans, $1.0 million of Interest Only and $4.3 million of Freddie Mac K-Series. These items, inclusive of our investment in AG Arc LLC and other items, net to $102.1 million which is included in the "Investments in debt and equity of affiliates" line item on our GAAP Balance Sheet. See footnote 13 for further details on AG Arc LLC.
5. Generally, when we purchase an investment and employ leverage, the investment is included in our assets and the leverage is reflected in our liabilities on our consolidated balance sheet as either "Financing arrangements, net" or "Securitized debt, at fair value." Throughout this presentation where we disclose our investment portfolio and the related financing, we have presented this information inclusive of (i) securities and mortgage loans owned through investments in affiliates that are accounted for under GAAP using the equity method and (ii) long positions in TBAs, which are accounted for as derivatives under GAAP. This presentation excludes investments through AG Arc LLC unless otherwise noted. This presentation of our investment portfolio is consistent with how our management evaluates the business, and we believe this presentation, when considered with the GAAP presentation, provides supplemental information useful for investors in evaluating our investment portfolio and financial condition. See footnote 13 for further details on AG Arc LLC.
6. Net interest margin is calculated by subtracting the weighted average cost of funds from the weighted average yield for the Company's investment portfolio, which excludes cash held by the Company. Net interest margin also excludes any net TBA position. See footnotes 8 and 9 for further detail.
7. "At Risk" Leverage is calculated by dividing total financing, including any net TBA position, by our GAAP stockholders' equity at quarter-end. Our net TBA position (at cost) was $125.8 million, $0.0 million, $75.2 million, $166.2 million and $143.7 million for the periods ending March 31, 2019, December 31, 2018, September 30, 2018, June 30, 2018 and March 31, 2018, respectively. Total financing at quarter-end, and when shown, daily weighted average total financing, includes financing arrangements inclusive of financing arrangements through affiliated entities, exclusive of any financing utilized through AG Arc LLC, plus the payable on all unsettled buys less the financing on all unsettled sells, securitized debt, and any net TBA position (at cost). Total financing excludes any financing arrangements and unsettled trades on U.S. Treasuries.

Footnotes *(cont'd)*

8. The yield on our debt investments represents an effective interest rate, which utilizes all estimates of future cash flows and adjusts for actual prepayment and cash flow activity as of quarter-end. The yield on our SFR portfolio represents annualized net operating income for the quarter divided by its carrying value, gross of accumulated depreciation and amortization. Net operating income on our SFR portfolio is comprised of rental income and other SFR related income less property operating expenses. Our calculation excludes cash held by the Company and excludes any net TBA position. The calculation of weighted average yield is weighted based on net carrying value.
9. The cost of funds during the quarter is calculated by annualizing the sum of our interest expense and net interest component on all derivative instruments and dividing that sum by our daily weighted average total financing for the period. Interest earning/paying derivative instruments may include interest rate swaps and U.S. Treasuries. The cost of funds at quarter-end is calculated as the sum of (i) the weighted average funding costs on total financing outstanding at quarter-end and (ii) the weighted average of the net pay rate on our interest rate swaps, the net receive rate on our Treasury long positions, the net pay rate on our Treasury short positions and the net receivable rate on our IO index derivatives, if any. Both elements of the cost of funds at quarter-end are weighted by the outstanding financing arrangements and securitized debt outstanding at quarter-end, excluding financing arrangements associated with U.S. Treasury positions. The cost of funds excludes any net TBA position.
10. The Company allocates its equity by investment using the fair market value of our investment portfolio, less any associated leverage, inclusive of any long TBA position (at cost). The Company allocates all non-investment portfolio related items based on their respective characteristics, beginning by allocating those items within the Securities and Loans Segment and Single-Family Rental Properties Segment and then allocating Corporate between the Securities and Loans Segment and Single-Family Rental Properties Segment in order to sum to stockholders' equity per the consolidated balance sheets. The Company's equity allocation method is a non-GAAP methodology and may not be comparable to the similarly titled measure or concepts of other companies, who may use different calculations and allocation methodologies.
11. This represents the weighted average monthly CPRs published during the quarter for our in-place portfolio during the same period. Any net TBA position is excluded from the CPR calculation.
12. Equity residuals, excess MSRs and principal only securities with a zero coupon rate are excluded from this calculation. The calculation of weighted average coupon is weighted based on face value.
13. The Company invests in Arc Home LLC through AG Arc LLC, one of its indirect subsidiaries.
14. The Company estimates duration based on third-party models. Different models and methodologies can produce different effective duration estimates for the same securities. We allocate the net duration by asset type based on the interest rate sensitivity. Duration includes any net TBA position. Duration does not include our equity interest in AG Arc LLC or our investment in SFR. Duration related to financing agreements is netted within its respective agency and credit line items.
15. Operating margin on our SFR portfolio is calculated as net operating income divided by revenues from our SFR portfolio. Net operating income on our SFR portfolio is comprised of rental income and other SFR related income less property operating expenses.
16. The other operating expenses (corporate) percentage during the quarter is calculated by annualizing the other operating expenses (corporate) recorded during the quarter and dividing by our weighted average stockholders' equity for the quarter. The other operating expenses (corporate) percentage at quarter-end is calculated by annualizing other operating expenses (corporate) recorded during the quarter and dividing by quarter-end stockholders' equity.

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