

A P O L L O

Commercial Real Estate Finance, Inc. (“ARI”)

Quarterly Supplemental Presentation – December 2011

Information is as of December 31, 2011 except as otherwise noted.

It should not be assumed that investments made in the future will be profitable or will equal the performance of investments in this document.

Legal Disclaimer

We make forward-looking statements in this presentation and other filings we make with the SEC within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Forward-looking statements are subject to substantial risks and uncertainties, many of which are difficult to predict and are generally beyond our control. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. When we use the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions, we intend to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking: our business and investment strategy; our operating results; our ability to obtain and maintain financing arrangements; the return on equity, the yield on investments and risks associated with investing in real estate assets, including changes in business conditions and the general economy.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. Forward-looking statements are not predictions of future events. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us. Some of these factors are described under "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" as included in ARI's Annual Report on Form 10-K for the fiscal year ended December 31, 2010, and in ARI's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011, June 30, 2011 and September 30, 2011. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation may contain statistics and other data that in some cases has been obtained from or compiled from information made available by third-party service providers.

ARI – Financial Summary

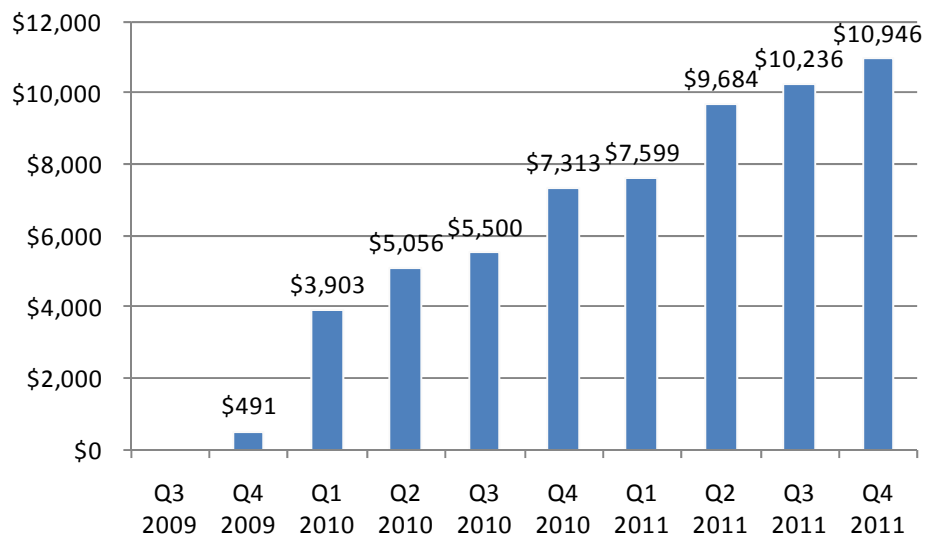
Investment Statement	Three Months Ended December 31,			Year Ended December 31,		
	2011	2010	% Change	2011	2010	% Change
Interest income (<i>in thousands</i>)	\$ 14,564	\$ 10,733	35.7%	\$ 52,918	\$ 32,485	62.9%
Interest expense (<i>in thousands</i>)	\$ (3,618)	\$ (3,421)	5.8%	\$ (14,454)	\$ (10,714)	34.9%
Net interest income (<i>in thousands</i>)	\$ 10,946	\$ 7,312	49.7%	\$ 38,464	\$ 21,771	76.7%
Operating earnings per share	\$ 0.39	\$ 0.27	44.4%	\$ 1.47	\$ 1.09	34.9%
Basic and diluted weighted average common shares outstanding	20,561,032	17,670,468	16.4%	18,840,954	12,679,277	48.6%
Balance sheet						
Investments at amortized cost (<i>in thousands</i>)				\$ 860,247	\$ 806,870	6.6%
Net equity (<i>in thousands</i>)				\$ 336,978	\$ 297,838	13.1%
Investments - Weighted average Duration				2.2 years	2.5 years	
Debt to equity				1.64x	1.88x	
Fixed rate debt (<i>in thousands</i>) ⁽¹⁾				\$ 251,327	\$ 297,334	
Floating rate debt (<i>in thousands</i>)				\$ 290,700	\$ 242,728	
Debt service coverage ⁽²⁾				3.5x	3.0x	

(1) Fixed rate debt refers to the TALF borrowings which were refinanced with the Wells repurchase facility during January 2012.

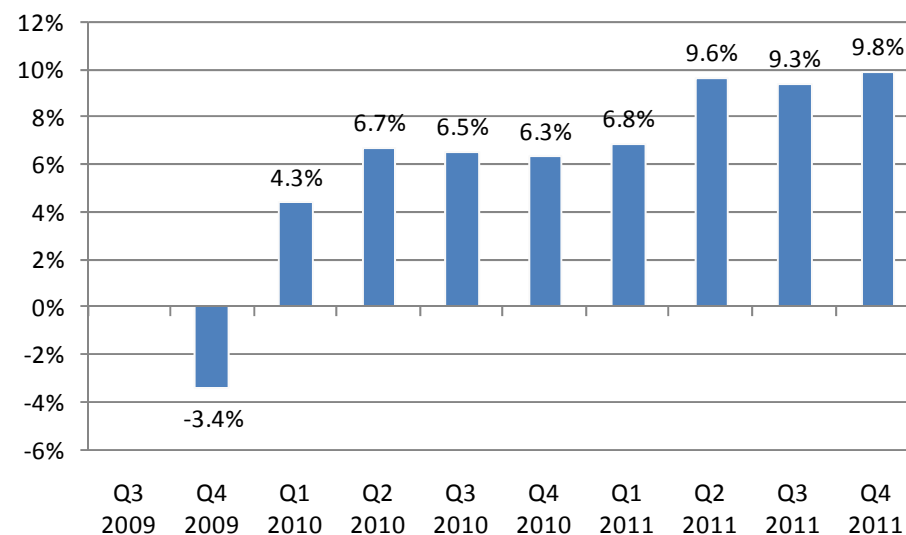
(2) The debt service coverage is interest expense as a percentage of EBITDA.

ARI Overview

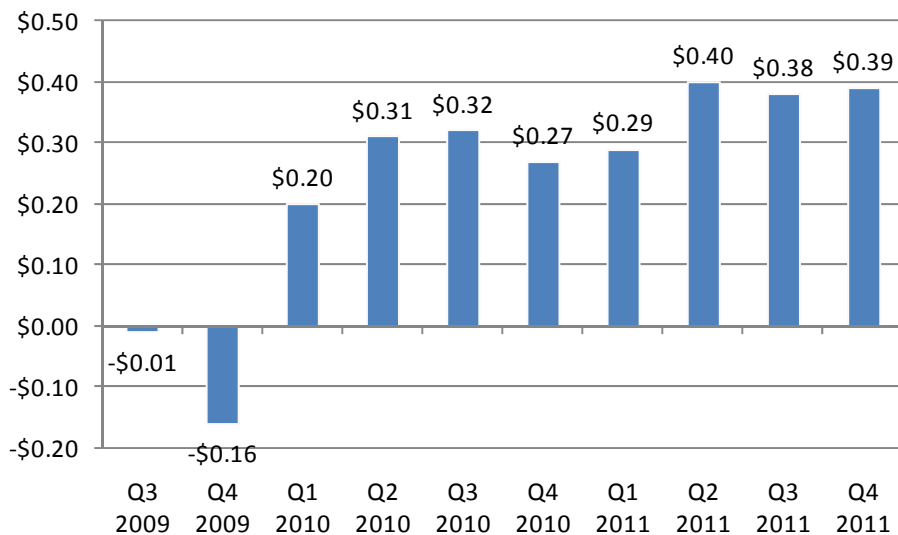
Net Interest Income (\$000s)



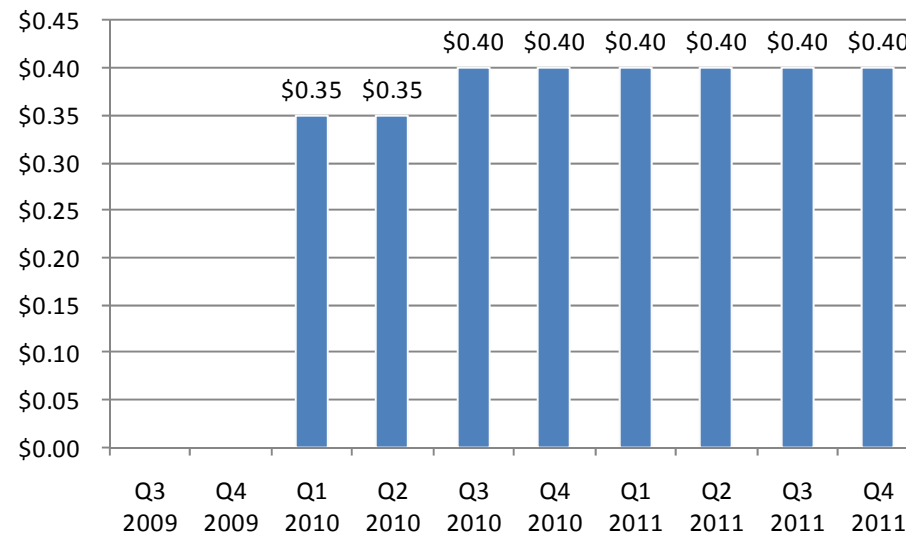
Return on Equity Based on Operating Income⁽¹⁾



Operating Earnings per Share



Dividend per Share



(1) Return on equity is calculated as annualized operating income for the quarter as a percentage of average equity.

ARI – Q4 Financial Highlights

Financial Results & Earnings Per Share

- Operating Earnings for the quarter ended December 31, 2011 of \$8.3 million, or \$0.39 per diluted common share⁽¹⁾
 - An increase of 44% per share as compared with Operating Earnings for the same period in 2010
 - Net interest income of \$10.9 million for Q4 2011
 - Total expenses of \$2.9 million, comprised of management fees of \$1.3 million and G&A of \$1.6 million⁽²⁾
- GAAP net income for the quarter ended December 31, 2011 of \$8.7 million, or \$0.41 per diluted common share

Dividend

- Declared dividend of \$0.40 per share of common stock for the quarter ended December 31, 2011
 - Seven consecutive quarters of \$0.40 per share dividend
- 10.6% annualized dividend yield based on closing price on February 27, 2012

(1) *Operating Earnings is a non-GAAP financial measure that is used to approximate cash available for distribution and is defined by the Company as net income, computed in accordance with GAAP, adjusted for (i) non-cash equity compensation expense and (ii) any unrealized gains or losses or other non-cash items included in net income. Please see slide 15 for a reconciliation of operating earnings and operating earnings per diluted common share to GAAP net income and GAAP net income per diluted common share.*

(2) *Total expenses includes \$634,000 of non-cash stock based compensation for Q4 2011.*

ARI – Q4 Financial Highlights

Investment Portfolio

- Total investments of \$860 million at December 31, 2011
- Weighted average underwritten IRR of approximately 14.2%⁽¹⁾

Book Value

- GAAP book value of \$16.39 per share as of December 31, 2011
 - ARI closed at \$15.14 on February 27, 2012 or at a 7.6% discount to book value⁽²⁾
- Fair value of \$16.80 per share outstanding as of December 31, 2011⁽³⁾

Subsequent Events

- TALF refinancing
 - January 2012 – Refinanced TALF debt with Wells Facility
 - Increased advance rate generated approximately \$14 million of additional investable capital
 - Lowered current cost of funds from 2.8% to 1.9% and extended the maturity to August 2013
- New Investment
 - January 2012 – Closed a \$15 million mezzanine loan on a 165-room hotel in New York, NY with an underwritten IRR of approximately 14.0%⁽¹⁾

(1) *The internal rates of return ("IRR") for the investments shown in the above table reflect the returns underwritten by the Manager, calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assumes extensions as well as the fully hedged cost of borrowings under the Company's master repurchase agreement with Wells Fargo Bank ("Wells Facility"). The Company has also assumed that financing will be available through the maturity of the asset and reflect a cost of funds based on forward LIBOR curve. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments over time.*

(2) *Based on GAAP Book Value of \$16.39 per share as of December 31, 2011.*

(3) *The Company carries loans at amortized cost and its CMBS securities are marked to market. Management has estimated that the fair value of the Company's financial assets at December 31, 2011 was approximately \$8.0 million greater than the carrying value of the Company's investment portfolio as of the same date. This represents a premium of \$0.41 per share over the Company's GAAP book value as of December 31, 2011.*

Stable, In-Place Investments Offer Attractive Yields

Asset Type (\$000s)	Amortized Cost	Borrowings	Equity at Cost	Remaining Weighted Average Life	Weighted Average IRR ⁽¹⁾⁽³⁾
First Mortgage Loans ⁽¹⁾	\$109,006	(\$ 68,720)	\$ 40,286	2.6 years	17.7%
Mezzanine Loans	149,086	—	149,086	6.2 years	14.2%
Repurchase Agreements	47,439	—	47,439	0.8 years	13.7%
AAA CMBS—(Financed with TALF Borrowings) ⁽²⁾	301,980	(251,327)	50,653	1.4 years	13.5%
AAA CMBS—(Financed with Wells Repurchase Facility) ⁽²⁾	252,736	(221,980)	30,756	0.9 years	11.6%
Investments at December 31, 2011	\$ 860,247	(\$542,027)	\$318,220	2.2 years	14.2%

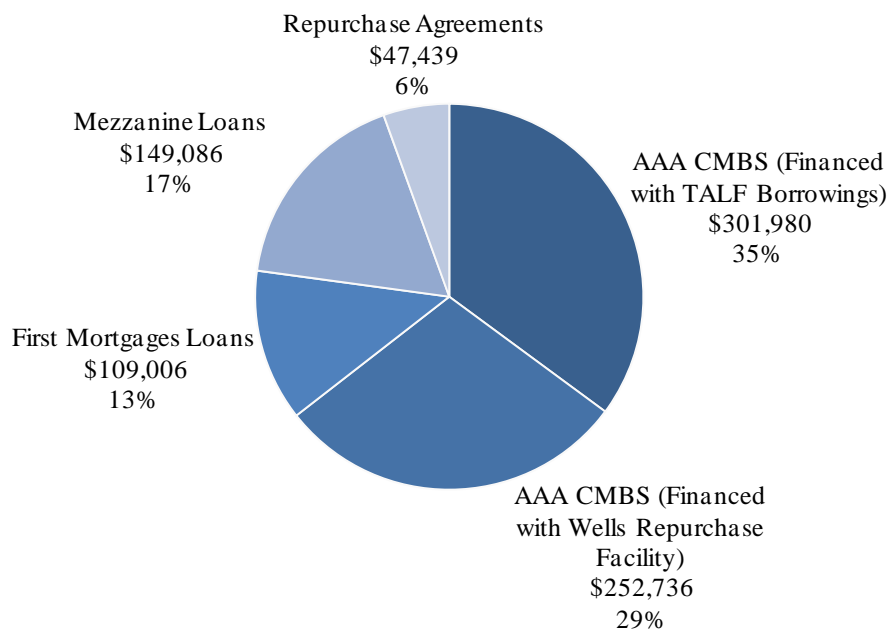
As of December 31, 2011.

- (1) Borrowings under the Company's master repurchase facility with JPMorgan bear interest at LIBOR plus 300 basis points, or 3.3% at December 31, 2011. The IRR calculation further assumes that the JPM repurchase facility will remain available over the life of these investments.
- (2) TALF borrowings are non-recourse and were refinanced with the Wells Facility during January 2012. The Company has agreed to provide a limited guarantee of up to 15% of the outstanding obligations of its indirect wholly-owned subsidiary under the Wells Facility, or a maximum of \$37,500.
- (3) The IRR for the investments shown in the above table reflect the returns underwritten by the Manager, calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assumes extensions as well as the fully hedged cost of borrowings under the Wells Facility. The Company has also assumed that financing will be available through the maturity of the asset and reflect a cost of funds based on forward Libor curve. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments shown in the table over time.

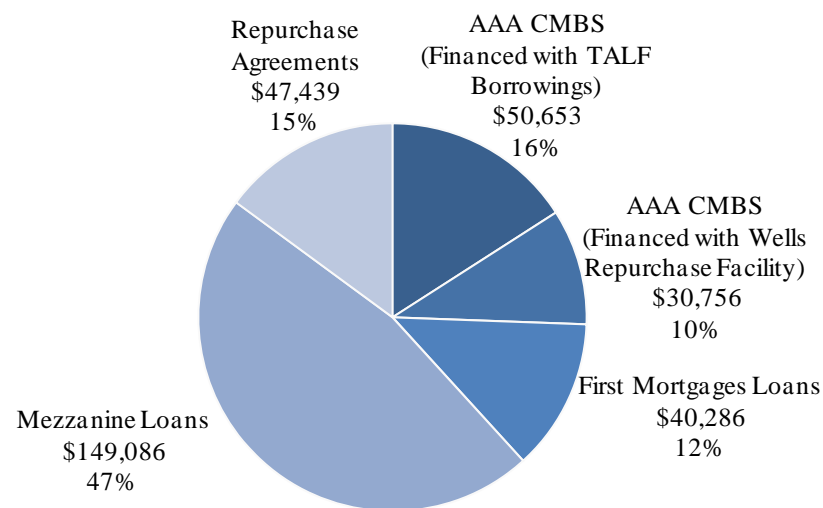
ARI Overview

- Diversified Investment Portfolio with Amortized Cost Basis of \$860 million

Gross Assets at Amortized Cost Basis (\$000s)



Net Equity at Amortized Cost Basis (\$000s)



Weighted Average IRR of Approximately 14.2%⁽¹⁾

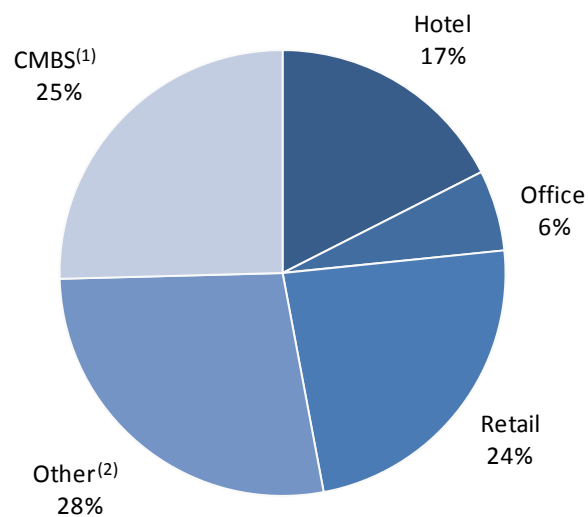
As of December 31, 2011.

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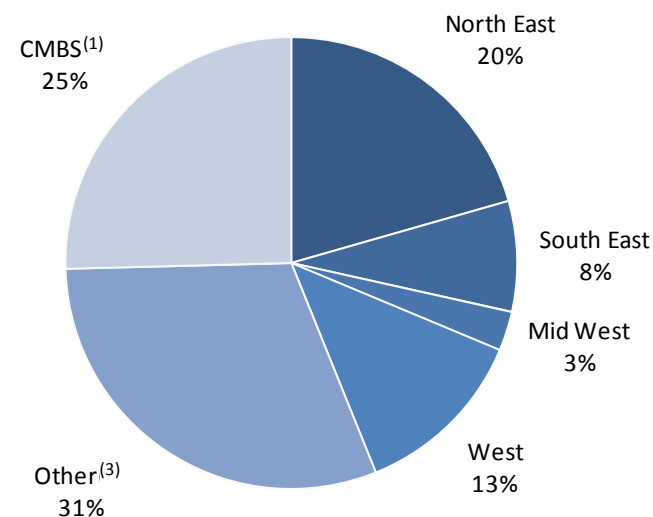
ARI Diversification

- Net Equity Investments of \$318 million as of December 31, 2011

Property Type by Net Equity



Geographic Diversification by Net Equity



(1) See Form 10-Q and Form 10-K for property type and geographic location underlying CMBS portfolio.

(2) Other category includes the repurchase agreement and the subordinate financing on a ski resort.

(3) Other category includes the repurchase agreement as well as investments in asset portfolios that are geographically diversified.

Senior Loan Portfolio

Description (\$000's)	Date of Investment	Maturity Date	Original Face Amount	Current Face Amount	Coupon	Amortization Schedule	Property Size	Current Loan Amount	Appraised LTV ⁽¹⁾
Hotel <i>New York, NY</i>	Jan-10	Feb-15	\$32,000	\$31,798	8.25%	30 year	151 rooms	\$210/ key	40%
Office Condo (Headquarters) <i>New York, NY</i>	Feb-10	Feb-15	28,000	27,644	8.00	30 year	73,419 sq. ft.	\$377/ sq. ft.	54%
Hotel <i>Silver Spring, MD</i>	Mar-10	Apr-15	26,000	25,564	9.00	25 year	263 rooms	\$97/ key	58%
Hotel <i>New York, NY</i>	Aug-10	Aug-12	24,000	24,000	8.00	Interest only	155 rooms	\$155/ key	40%
Total			\$110,000	\$109,006	8.31%				

Description (\$000's)	Date of Investment	Maturity Date	Original Face Amount	Current Face Amount	Coupon	Amortization Schedule	Property Size	Current Loan Amount	Appraised LTV ⁽¹⁾
Repurchase Agreement ⁽²⁾	Sept-10	Sept-12	\$47,439	\$47,439	13.00%	Interest only	N/A	N/A	N/A
Total			\$47,439	\$47,439	13.00%				

(1) Appraised loan-to-value ("LTV") represents the LTV as of the date of investment for all loans except the \$32,000 New York, NY hotel loan. The LTV for the \$32,000 New York, N.Y. hotel loan is as of March 2011.

(2) Interest rate includes 10% current payment with a 3% accrual.

Subordinate Loan Portfolio

Description (\$000's)	Date of Investment	Maturity Date	Original Face Amount	Current Face Amount	Coupon	Amortization Schedule	Current Loan Amount	Appraised LTV ⁽¹⁾
Senior Mezz – Retail <i>Various</i>	Dec-09	Dec-19	\$30,000	\$30,000	12.24%	Interest only ⁽²⁾	\$86/ sq. ft.	69%
Junior Mezz – Retail <i>Various</i>	Dec-09	Dec-19	20,000	20,000	14.00	Interest only ⁽²⁾	\$91/ sq. ft.	74%
Office <i>Michigan</i>	May-10	Jun-20	9,000	8,950	13.00	25 year	\$82/ sq. ft.	70%
Ski Resort <i>California</i>	Apr-11	May-17	40,000	40,000	13.25	Interest only ⁽²⁾	\$356/ key	64%
Hotel Portfolio <i>New York</i> ⁽³⁾	Aug-11	July-13	25,000	25,000	11.49	Interest only ⁽⁴⁾	\$339/ key	60%
Retail Center <i>Virginia</i> ⁽⁵⁾	Oct-11	Oct-14	25,000	25,136	14.00	Interest only ⁽⁵⁾	\$281/ sq. ft.	60%
Total			\$149,000	\$149,086	13.00%			

(1) Appraised LTV represents the LTV as of the date of investment.

(2) Prepayments are prohibited prior to the third year of the loan and any prepayments thereafter are subject to prepayment penalties ranging from 5% to 0%.

(3) Includes a LIBOR floor of 1% and three one-year extension options subject to certain conditions.

(4) Prepayments are prohibited prior to February 2013 and any prepayments thereafter are subject to spread maintenance premiums.

(5) Interest rate of 14.0% includes a 10.0% current payment with a 4.0% accrual. There are two one-year extension options subject to certain conditions.

CMBS Portfolio

AAA CMBS—(Financed with TALF Borrowings) ⁽¹⁾	
CUSIP	Description
07388YAB8	BSCMS 07-PW16 A2
07401DAB7	BSCMS 2007-PW18 A2
12513YAC4	CD 2007-CD4 A2B
46629MAB1	JPMCC 2006-LDP8 A2
46631BAB1	JPMCC 07-LD11 A2
46632HAB7	JPMCC 2007-LD12 A2
50180CAB6	LBUBS 06-C7 A2
52109PAB1	LBUBS 07-C6 A2
61754KAC9	MSC 07-IQ14 A2
92978NAB0	WBCMT 07-C33 A2
92978YAB6	WBCMT 07-C32 A2

AAA CMBS—(Financed with Wells Repurchase Facility)	
CUSIP	Description
07401DAB7	BSCMS 2007-PW18 A2
36246LAB7	GSMS 2007-GG10 A2
46630JAK5	JPMCC 2007-LDPX A2S
46630VAB8	JPMCC 2007-CB19 A2
46631QAB8	JPMCC 2007-CB20 A2
61751NAD4	MSC 2007-HQ11 A31
92978TAB7	WBCMT 2007-C31 A2

	Face	Amortized Cost	Remaining Weighted Average Life with Extensions (months)	Estimated Fair Value	Debt	Net Equity
TOTAL CMBS	\$546,807	\$554,716	14	\$553,995	\$473,307	\$ 80,688

(1) TALF borrowings were refinanced with an increase in the Wells repurchase facility during January 2012.

Financials

Consolidated Balance Sheets

(in thousands—except share and per share data)

	December 31, 2011	December 31, 2010
Assets:		
Cash and cash equivalents	\$ 21,568	\$ 37,894
Securities available-for-sale, at estimated fair value	302,543	363,660
Securities, at estimated fair value	251,452	279,124
Commercial mortgage loans, held for investment	109,006	109,695
Subordinate loans, held for investment	149,086	58,985
Repurchase agreements, held for investment	47,439	-
Principal and interest receivable	8,075	5,553
Deferred financing costs, net	2,044	2,818
Derivative instruments, net	-	387
Other assets	17	31
Total Assets	\$ 891,230	\$ 858,147
Liabilities and Stockholders' Equity		
Liabilities:		
TALF borrowings	\$ 251,327	\$ 297,334
Borrowings under repurchase agreements	290,700	242,728
Derivative instruments, net	478	-
Accounts payable and accrued expenses	1,746	2,375
Payable to related party	1,298	683
Dividends payable	8,703	7,189
Deferred underwriting fee (\$8,000 of which was payable to the Manager)	-	10,000
Total Liabilities	554,252	560,309
Commitments and Contingencies (see Note 13)		
Stockholders' Equity:		
Common stock, \$0.01 par value, 450,000,000 shares authorized, 20,561,032 and 17,551,828 shares issued and outstanding in 2011 and 2010, respectively	206	175
Additional paid-in-capital	336,209	291,304
Accumulated other comprehensive income	563	6,359
Total Stockholders' Equity	336,978	297,838
Total Liabilities and Stockholders' Equity	\$ 891,230	\$ 858,147

Consolidated Statement of Operations

	Three months ended December 31,		Year ended December 31,	
	2011	2010	2011	2010
Net interest income:				
Interest income from securities	\$ 5,904	\$ 6,468	\$ 25,323	\$ 18,112
Interest income from commercial mortgage loans	2,267	2,313	9,153	7,035
Interest income from subordinate loans	4,817	1,952	13,678	7,338
Interest income from repurchase agreements	1,576	-	4,764	-
Interest expense	(3,618)	(3,421)	(14,454)	(10,714)
Net interest income	10,946	7,312	38,464	21,771
Operating expenses:				
General and administrative expenses (includes \$634 and \$1,788 of non-cash stock based compensation in 2011 and \$354 and \$1,452 in 2010, respectively)	(1,563)	(1,400)	(5,652)	(5,556)
Management fees to related party	(1,297)	(1,118)	(4,728)	(3,339)
Total operating expenses	(2,860)	(2,518)	(10,380)	(8,895)
Interest income from cash balances	1	7	13	16
Realized loss on sale of security	-	-	-	(33)
Unrealized gain (loss) on securities	\$ 600	\$ (1,480)	\$ 482	\$ (1,766)
Loss on derivative instruments (includes \$426 and \$(865) of unrealized gain (loss) for the three and twelve months 2011 and \$(387) and \$(1,077) for the three and nine months 2010, respectively)	\$ (18)	\$ 645	\$ (2,696)	\$ (94)
Net income	\$ 8,669	\$ 3,966	\$ 25,882	\$ 10,999
Basic and diluted net income per share of common stock	\$ 0.41	\$ 0.22	\$ 1.35	\$ 0.87
Basic and diluted weighted average common shares outstanding	20,561,032	17,670,468	18,840,954	12,679,277
Dividend declared per share of common stock	\$ 0.40	\$ 0.40	\$ 1.60	\$ 1.50

Reconciliation of Operating Earnings to Net Income

	Three Months Ended December 31, 2011	Earnings Per Share (Diluted)	Three Months Ended December 31, 2010	Earnings Per Share (Diluted)
Operating Earnings:				
Net income	\$8,669	\$0.41	\$3,966	\$0.22
Adjustments:				
Unrealized (gain) loss on securities	(600)	(0.03)	1,480	0.09
Unrealized (gain) on derivative instruments	(426)	(0.02)	(1,077)	(0.06)
Non-cash stock-based compensation expense	634	0.03	354	0.02
Total adjustments:	(392)	(0.02)	757	0.05
Operating Earnings	\$8,277	\$0.39	\$4,723	\$0.27
Basic and diluted weighted average common shares outstanding		20,561,032		17,670,468