APOLLO

COMMERCIAL REAL ESTATE FINANCE

Investor Presentation

Information is as of June 30, 2012 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, 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.

Company Overview

Ticker Symbol	NYSE: ARI
IPO	September, 2009
Structure	Commercial Mortgage REIT
Investments	Senior and subordinate commercial mortgage loans, investment grade commercial mortgage backed securities (CMBS) and other performing real estate debt investments
Manager	Externally managed by ACREFI Management, LLC (the "Manager"), an indirect subsidiary of Apollo Global Management, LLC (NYSE:APO)
Management Fee	1.5% of net equity
Dividend Per Share (1)	$1.60
Dividend Yield (2)	9.0%
Equity Market Capitalization (3)	$365 million

(1) Current divided per share of $0.40 annualized.
(2) Based upon the annualized current dividend per share and ARI's closing share price of $17.80 on September 7, 2012.
(3) Equity market capitalization based upon the 20.6 million shares outstanding as of June 30, 2012 and ARI's closing share price of $17.80 on September 7, 2012.

Investment Highlights

- Opportune time for CRE debt investment
  - $1.4 trillion of commercial mortgage debt will mature over the next four years in the U.S.(1)
  - Commercial real estate values remain below their peak, pre-crisis levels
- Experienced management team with extensive relationships across the U.S.
  - Stuart Rothstein – CEO and CFO; Scott Weiner – CIO
  - Long-standing relationships with global investment banks, insurance companies and CRE owners
  - Capacity to structure and underwrite complex transactions across a broad spectrum of property types
- Stable investment portfolio with amortized cost basis of $676 million
  - Weighted average IRR of approximately 15.0%(2)
  - Weighted average duration of 2.9 years
  - Investments diversified by geographic region and underlying property type
- Robust investment pipeline
  - $83.2 million of proceeds to invest from August preferred equity raise
  - Commercial real estate debt investment opportunities across broad spectrum of property types

(1) Source: Trepp, LLC

(2) The internal rate of return ("IRR") reflects 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 cost of borrowings and derivative instruments under the Company's master repurchase agreement with Wells Fargo Bank, N.A. ("Wells Facility"). There can be no assurance the actual IRRs will equal the underwritten IRRs shown. See "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments over time.

CRE Debt Market Overview

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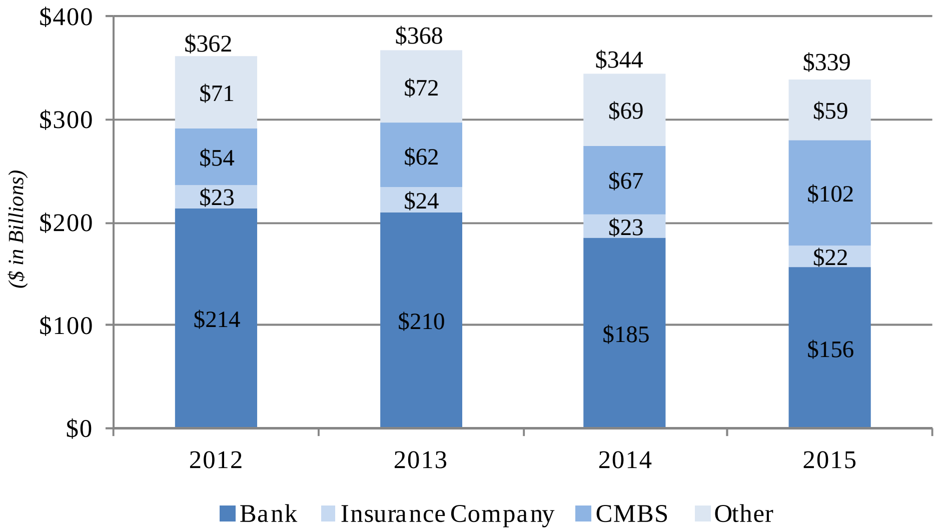
State of the Market

- Balance sheet lenders
  - Select US banks very aggressive on pricing but not on proceeds
  - Insurance companies continue to originate record volume
    - Very selective with respect to asset quality and markets
    - Beginning to originate floating rate product
  - Construction lending has returned for select property types in primary markets
- Revived Conduit market
  - Risk-on mentality
  - CMBS spreads continue to tighten
  - Volume still significantly below peak levels
- Mezzanine markets very active
  - Bifurcation of mezzanine loans – opportunities in both the lower yielding senior market and the higher yielding subordinate/preferred equity market
- Opportunity to earn equity returns in debt instruments with lower risk profile

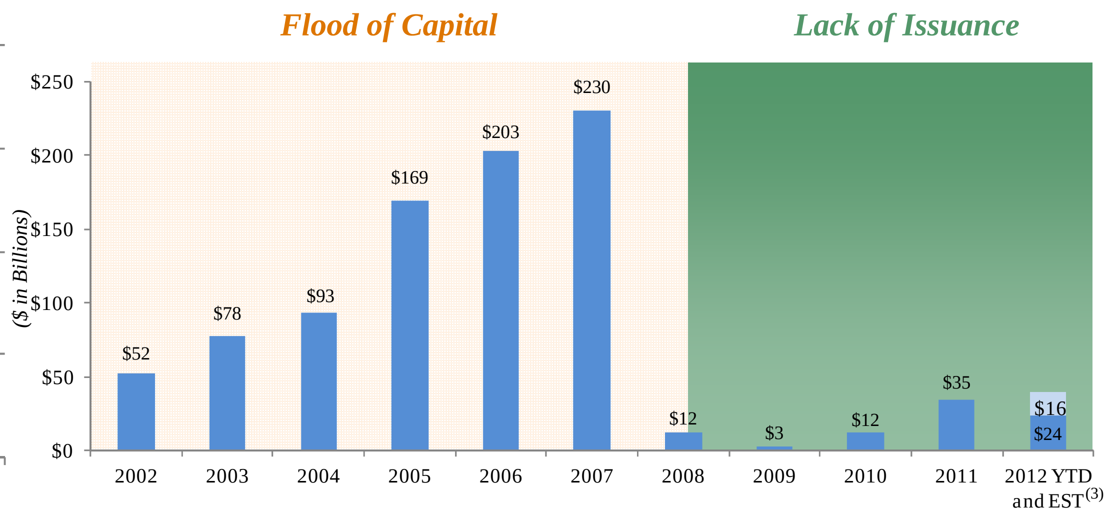
CRE Debt Market Overview

- $1.4 trillion of commercial mortgage debt is maturing in the next four years in the US[(1)]
- The CMBS issuance is moderate, with 2012 issuances expected to be slightly higher than 2011

U.S. CRE Loan and CMBS Maturities[(1)]



U.S. CMBS Issuances[(2)]



(1) *Source: Trepp, LLC*
(2) *Commercial Mortgage Alert as of August 2012*
(3) *$24 billion of CMBS issuance year-to-date for 2012; An additional $16 billion of CMBS issuance is expected in 2012.*

Overview of ARI and the Manager

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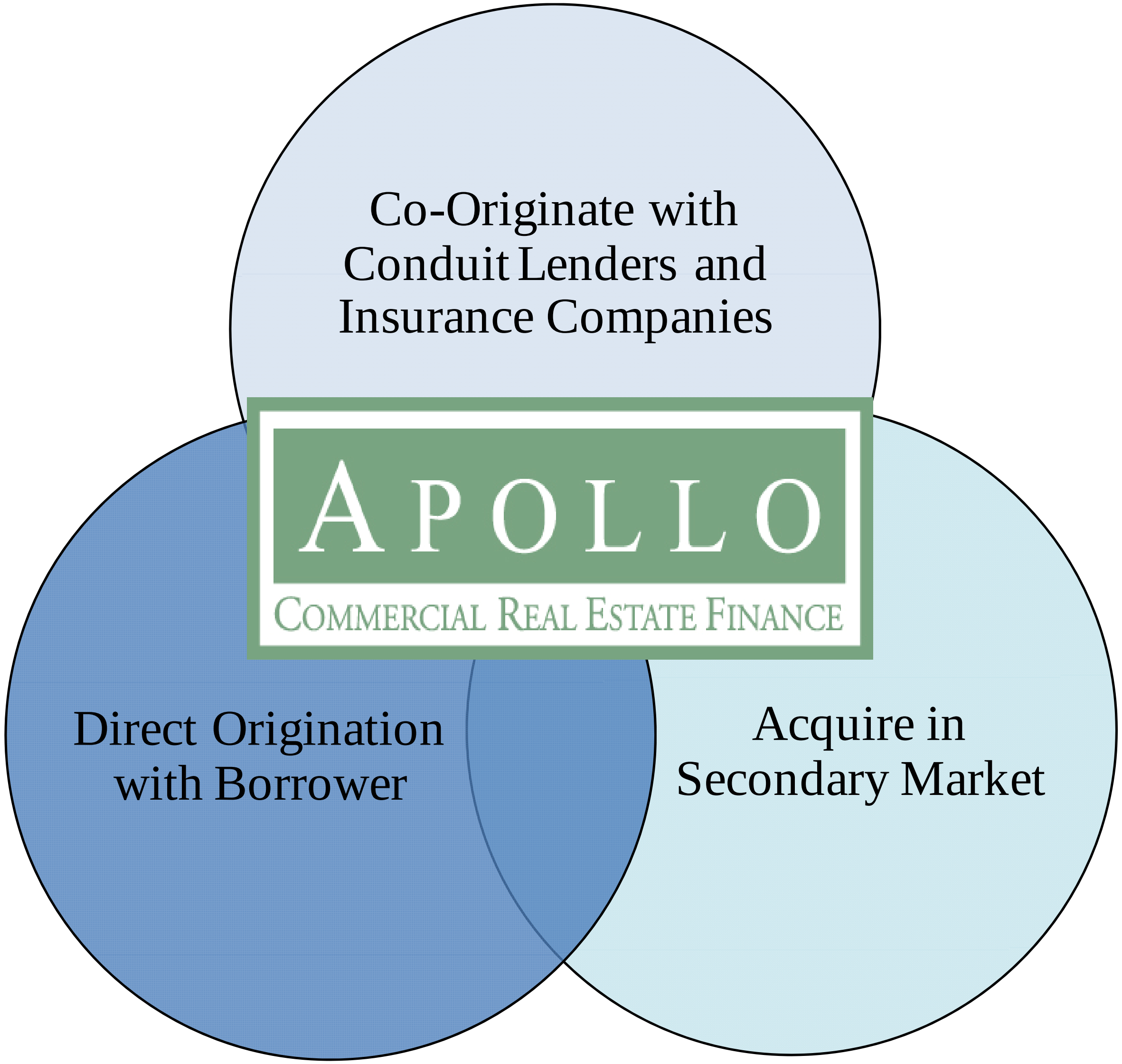
ARI Investment Strategy



Overview of the Manager and Investment Process

- ARI’s manager is housed within the $8B AUM Real Estate Group at Apollo
- Dedicated team of investment, finance and asset management professionals
- Disciplined investment process to ensure proper risk management and attractive risk adjusted returns for shareholders

Origination
Extensive network of relationships

Screening / Risk Management
Initial credit review

Underwriting
Cash-flow based approach

Investment Committee
Iterative review process

Closing

Asset Management
Thorough in-house monitoring of each investment

ARI Portfolio and Financing Overview

Portfolio Overview

Asset Type ($000s)	Amortized Cost	Borrowings	Equity at Cost	Remaining Weighted Average Life (years)[1]	Weighted Average IRR[2][3]
First Mortgage Loans[2]	$103,320	$53,060	$50,260	2.4	20.0%
Subordinate Loans	179,602	-	179,602	5.2	14.0%
Repurchase Agreements	41,696	-	41,696	1.8	13.7%
CMBS - AAA	280,697	248,177	$32,520	1.7	16.2%
CMBS - Hilton	70,719	49,459	$21,260	3.4	11.7%
Investments at June 30, 2012	**$676,034**	**$350,696**	**$325,338**	**2.9 Years**	**15.0%**

As of June 30, 2012.

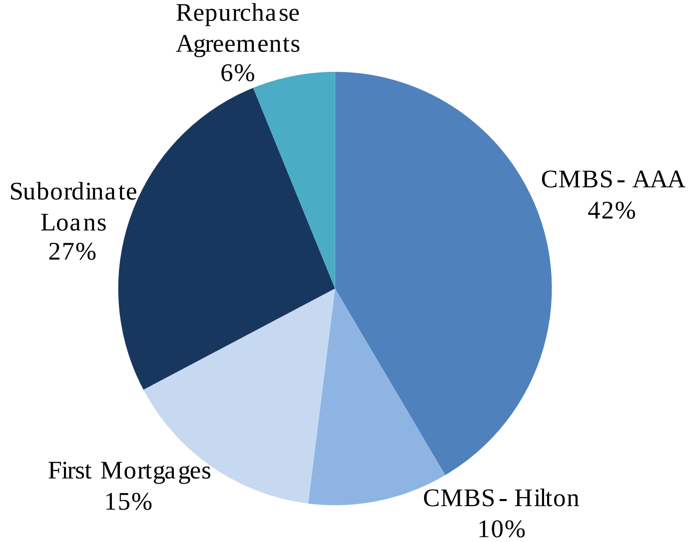
(1) Remaining Weighted Average Life assumes all extension options are exercised.

(2) Borrowings under the Company's master repurchase facility with JPMorgan bear interest at LIBOR plus 250 basis points, or 2.75% at June 30, 2012. The IRR calculation further assumes the JPM repurchase facility will remain available over the life of these investments.

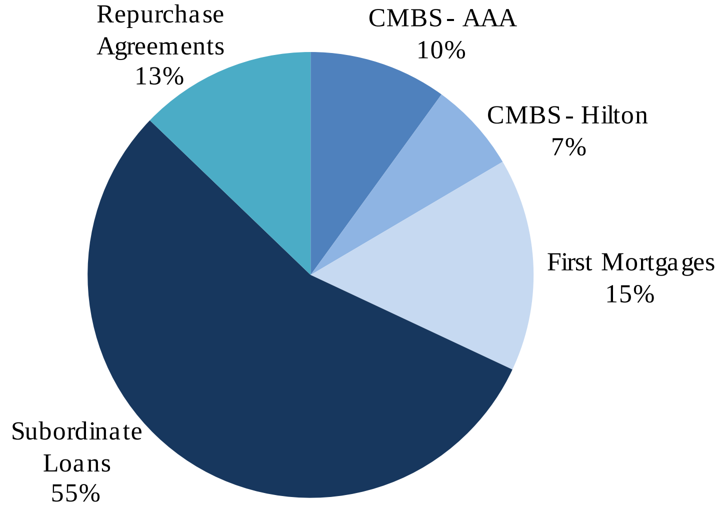
(3) The IRR for the investments shown in the above table reflect the returns underwritten by the Manager, calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assumes extensions as well as the cost of borrowings and derivative instruments under the Wells Facility. There can be no assurance 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, 2011 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.

Portfolio Diversification

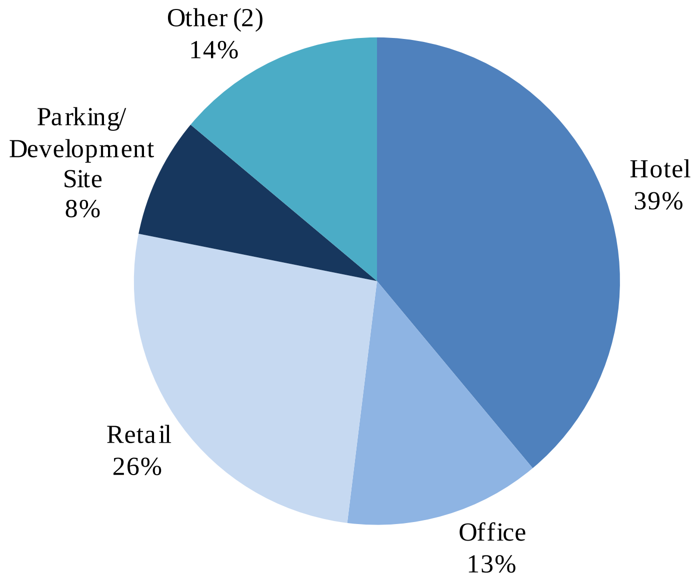
Gross Assets at Amortized Cost Basis



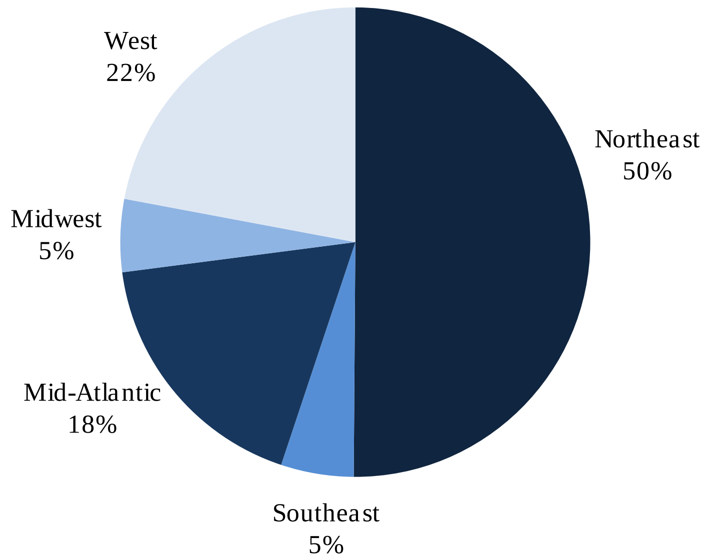
Net Invested Equity at Amortized Cost Basis



Loan Portfolio - Property Type by Face Amount(1)



Loan Portfolio - Geographic Diversification by Face Amount(1)

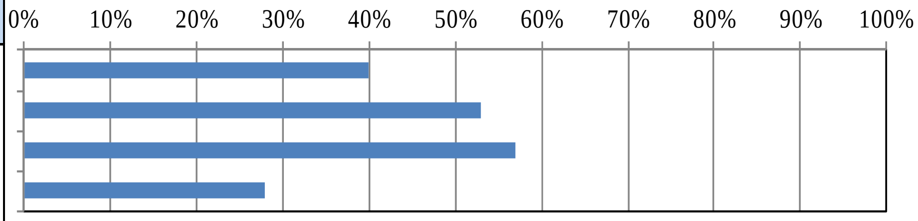


(1) Does not include CMBS (AAA or Hilton) or repurchase agreement investment secured by CDO bond.
(2) Other category includes the subordinate financing on a ski resort.

Loan Portfolio – Loan Level LTV (Through Last Invested Dollar)

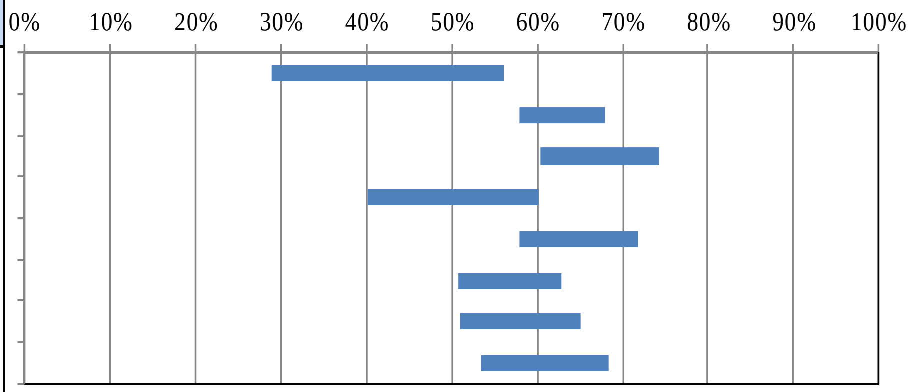
First Mortgages

Description ($ in thousands)	Location	Balance at June 30, 2012	LTV (Senior Mortgage)	Ending LTV[1]
First Mortgage - Hotel	New York	$ 31,687	0%	40%
First Mortgage - Office	New York	$ 27,534	0%	53%
First Mortgage - Hotel	Maryland	$ 25,421	0%	57%
First Mortgage - Parking/Development Site[2]	Boston	$ 23,844	0%	28%
Total		$ 108,486		



Subordinate Financing

Description ($ in thousands)	Location	Balance at June 30, 2012	LTV (Senior Mortgage)	Ending LTV[1]
Subordinate - Ski Resort	California	$ 40,000	29%	56%
Subordinate - Retail	Various	$ 30,000	58%	68%
Subordinate - Retail	Virginia	$ 25,670	60%	74%
Subordinate - Hotel Portfolio	New York	$ 25,000	40%	60%
Subordinate -Retail	Various	$ 20,000	58%	72%
Subordinate - Hotel	New York	$ 15,000	51%	63%
Subordinate - Hotel	New York	$ 15,000	51%	65%
Subordinate - Office	Michigan	$ 8,932	53%	68%
Total		$ 179,602		



(1) *Ending LTV represents the loan-to-value as of the date of investment for all loans except the $32,000 New York, NY hotel loan, which is as of March 2011.*

(2) *LTV is based upon the aggregate face value ($23.8 million) of the senior sub-participation interests at the date of investment; ARI purchased the senior sub participation interests for $17.8 million (75% of face value).*

Financing Overview

- ARI had total borrowings outstanding of $351 million at June 30, 2012

Facility	Debt Balance	Weighted Average Remaining Maturity(1)	Cost of Funds	Hedged Cost of Funds
Wells Facility	$297,636	1.5 years	1.8%	2.0%
JP Morgan Facility	53,060	0.5 years	2.7%	2.7%
Total Borrowings at June 30, 2012	**$350,696**	**1.3 years**	**1.9%**	**2.1%**

- ARI’s borrowings had the following remaining maturities at June 30, 2012:

Facility	Less than 1 year	1 to 3 years	3 to 5 years	Total
Wells Facility	$118,087	$137,466	$42,083	$297,636
JP Morgan Facility	53,060	-	-	53,060
Total Borrowings at June 30, 2012	**$171,147**	**$137,466**	**$42,083**	**$350,696**

(1) Assumes extension options on Wells Facility are exercised. Borrowings outstanding under the Wells Facility bear interest at LIBOR plus 125bps, 150bps or 235bps depending on the collateral pledged.

Recent Investments

- Senior Sub-Participation Interests in First Mortgage Loan – Boston Waterfront
  - Aggregate face value – $23.8 million(1) secured by 20 acres of land in the South Boston Waterfront District, which is entitled for over 5.8 million buildable square feet and is currently used as parking with approximately 3,325 spaces
  - Aggregate purchase price – $17.9 million (75% of face value); Underwritten IRR of approximately 21.7%, after the payment of expenses(2)
  - Initial maturity – 12/31/12; Upon repayment of $33 million of the first mortgage loan (of which ARI will receive its pro-rata share) and payment of 0.5% extension fee, the maturity can be extended through 12/31/2013

(1) Part of a $120 million first mortgage loan.
(2) The IRR for the investments listed 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 cost of borrowings and derivative instruments under the Wells Facility. There can be no assurance the actual IRRs will equal the underwritten IRRs shown. See "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments over time.

Recent Investments

- Hilton CMBS
  - Acquired $70.7 million of CMBS where the obligors are certain special purpose entities formed to hold substantially all of the assets of Hilton Worldwide, Inc. The investment has been underwritten to generate an IRR of approximately 11.7%[(1)]
  - LTV is estimated to be in the range of 35% - 45%; current interest rate of one-month LIBOR+1.75%, which increases annually beginning on 11/12/2012 and culminates at LIBOR+3.8% on 11/12/2014
  - Deployed $21.2 million of equity and financed the remainder with the Wells Facility, which was amended to provide additional financing for the purchase. The $49.5 million of debt drawn from the Wells Facility is coterminous with the Hilton CMBS, assuming full extensions.

(1) *The IRR for the investments listed 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 cost of borrowings and derivative instruments under the Wells Facility. There can be no assurance the actual IRRs will equal the underwritten IRRs shown. See "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments over time.*

Recent Investments

- Mezzanine Loan, Mixed-Use Project, Chapel Hill, NC
  - $6.5 million mezzanine loan secured by a pledge of the equity interest in a borrower that owns a mixed use project, which consists of 55,585 square feet of Class-A retail and 114,476 square feet of Class-A office
  - Part of a new $40 million, 10-year fixed rate financing comprised of a $33.5 million first mortgage and the $6.5 million mezzanine loan
  - Appraised LTV – 77%; Interest rate – 11.1%, interest only
  - Underwritten IRR(1) – approximately 12%

(1) *The IRR for the investments listed 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 cost of borrowings and derivative instruments under the Wells Facility. There can be no assurance the actual IRRs will equal the underwritten IRRs shown. See “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2011 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments over time.*

ARI Financial Overview

Recent Financial Highlights

- Operating Earnings for the six months ended June 30, 2012 of $17.3 million, or $0.83 per diluted common share(1)
  - A per share increase of 20% as compared with Operating Earnings per share for the same period in 2011

- Declared a dividend of $0.40 per share of common stock for the quarter ended September 30, 2012
  - 9.0% annualized dividend yield based on $17.74 closing price on September 5, 2012
  - Ninth consecutive quarter of $0.40 dividend level
  - 96.4% payout ratio year-to-date

- GAAP book value of $16.59 per share as of June 30, 2012
  - Fair value of $17.22 per share as of June 30, 2012(2)
  - ARI closed at $17.80 on September 7, 2012 or at a 7% premium to GAAP book value per share and a 3% premium to fair value per share

(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 ARI's Q2 2012 earnings release dated August 6, 2012 which is available in the investor relations section of ARI's website 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) *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 June 30, 2012 was approximately $12.9 million greater than the carrying value of the Company's investment portfolio as of the same date. This represents a premium of $0.63 per share over the Company's GAAP book value as of June 30, 2012.*

Financial Overview

Income Statement	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	% Change	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	% Change
Interest income *(in thousands)*	$ 13,880	$ 13,464	3.1%	$ 28,309	$ 24,402	16.0%
Interest expense *(in thousands)*	$ (1,929)	$ (3,781)	-49.0%	$ (5,171)	$ (7,121)	-27.4%
Net interest income *(in thousands)*	$ 11,951	$ 9,683	23.4%	$ 23,138	$ 17,281	33.9%
Operating earnings per share (1)	$ 0.41	$ 0.40	2.5%	$ 0.83	$ 0.69	20.3%
Basic and diluted weighted average common shares outstanding	20,991,450	17,684,991	18.7%	20,978,938	17,556,455	19.5%

Balance sheet	June 30, 2012	December 31, 2011	% Change
Investments at amortized cost *(in thousands)*	$ 676,034	$ 860,247	-21.4%
Net equity in investments at cost *(in thousands)*	$ 325,338	$ 318,220	2.2%
Net stockholders equity	$ 341,518	$ 336,978	1.3%
Investments - Weighted average Duration	2.9 Years	2.2 Years	
Debt to equity	1.1x	1.6x	
Fixed rate debt *(in thousands)* (2)	$ -	$ 251,327	
Floating rate debt *(in thousands)*	$ 350,696	$ 290,700	
Debt service coverage (3)	6.9x	3.9x	

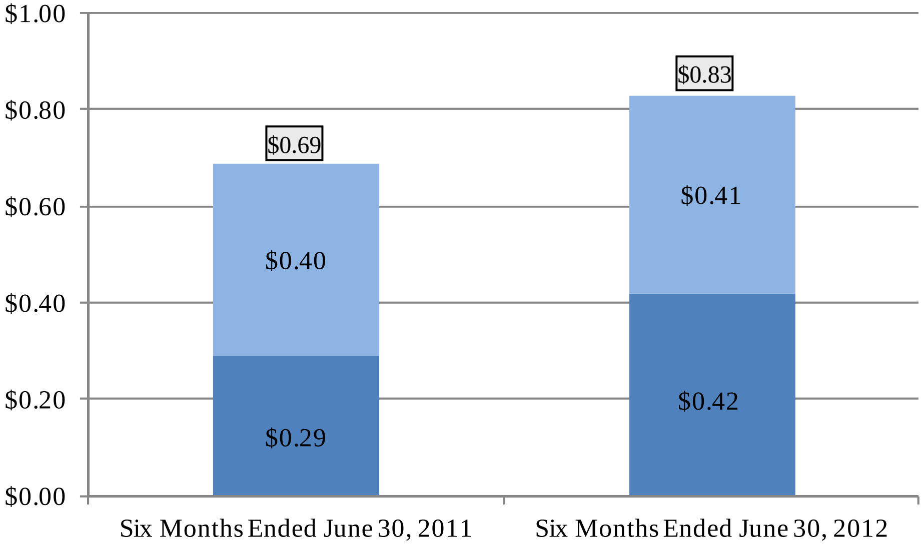
(1) Operating Earnings is a non-GAAP financial measure that is used to approximate cash available for distribution and is defined by the Company as net income, computed in accordance with GAAP, adjusted for (i) non-cash equity compensation expense and (ii) any unrealized gains or losses or other non-cash items included in net income. Please see ARI's Q2 earnings release dated August 6, 2012 which is available in the investor relations section of ARI's website for a reconciliation of Operating Earnings and Operating Earnings per Share to GAAP net income and GAAP net income per share.

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

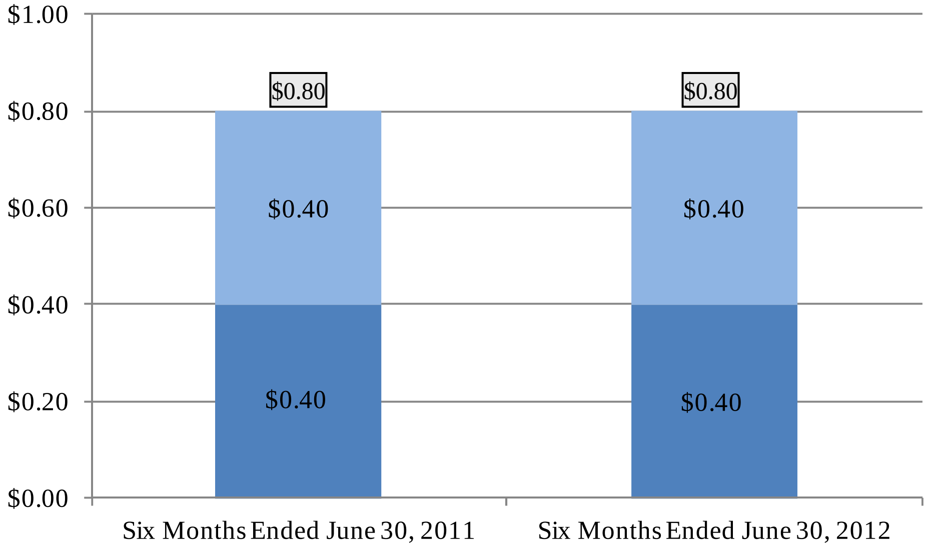
(3) Debt service coverage is EBITDA divided by interest expense.

Financial Overview – Six Months 2012 vs. Six Months 2011

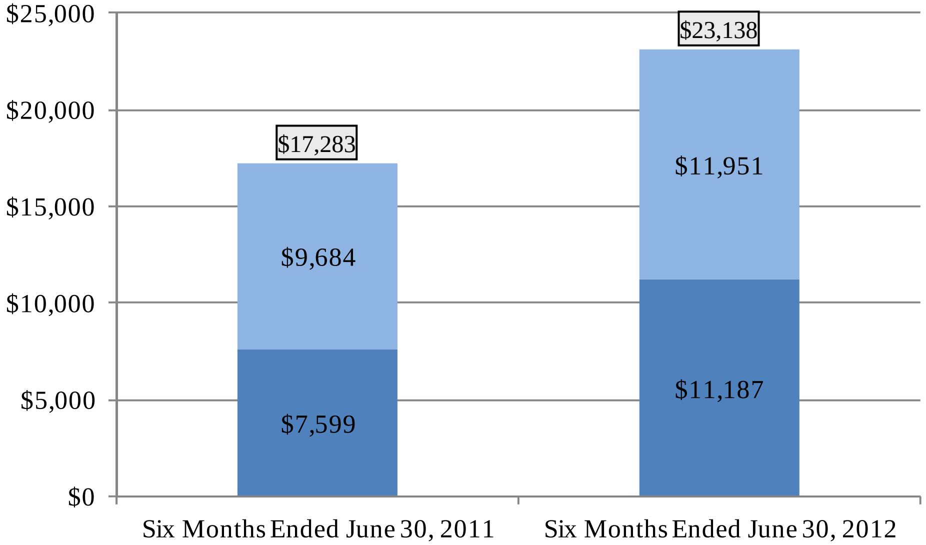
Operating Earnings per Share



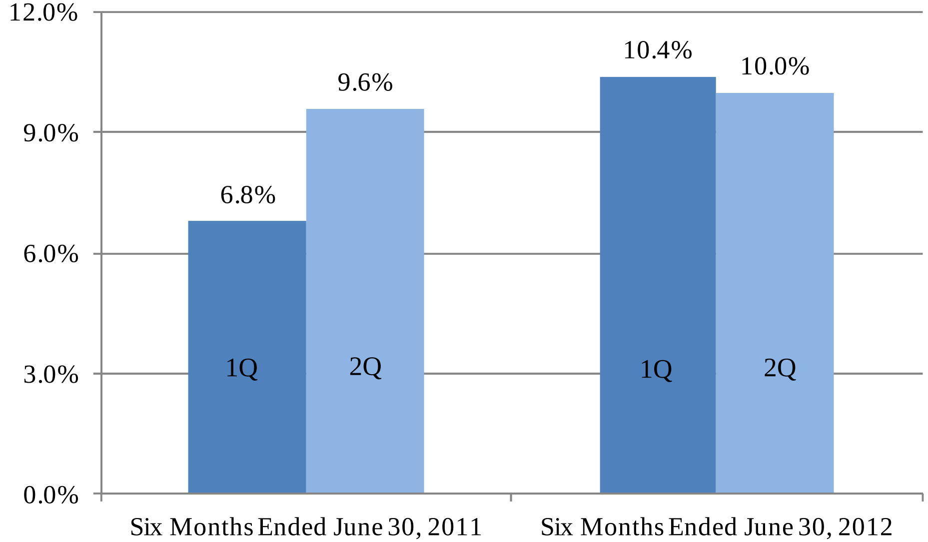
Dividends per Share



Net Interest Income ($000s)



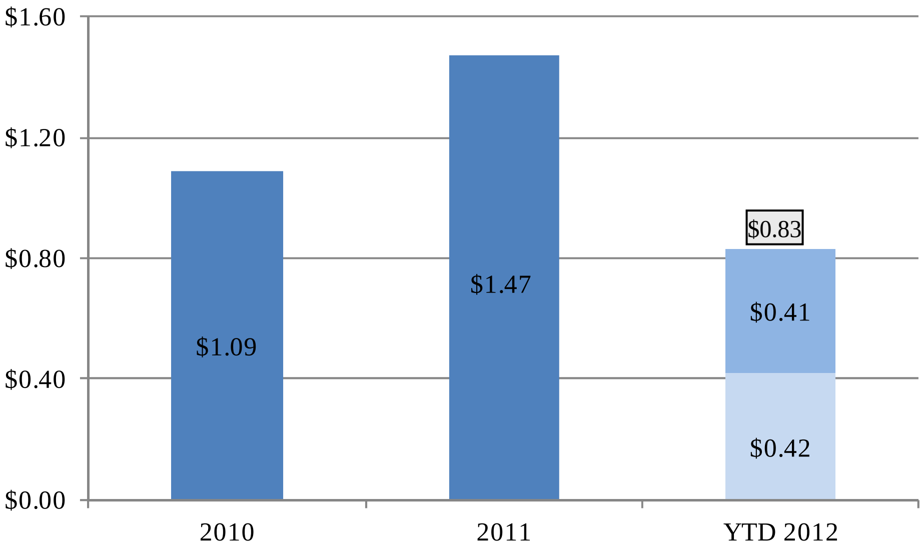
Return on Equity Based on Operating Earnings [1]



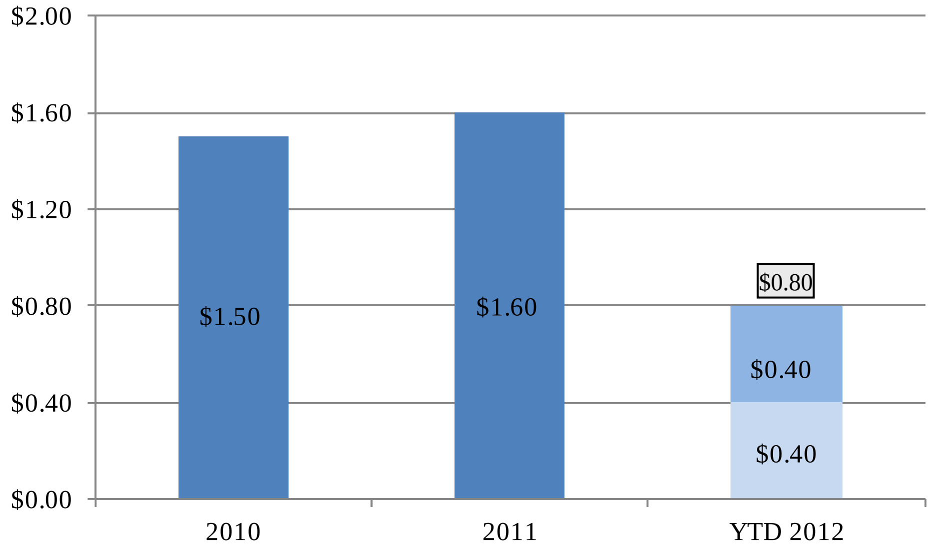
(1) Return on equity is calculated as annualized Operating Earnings for the quarter as a percentage of average equity.

Financial Overview

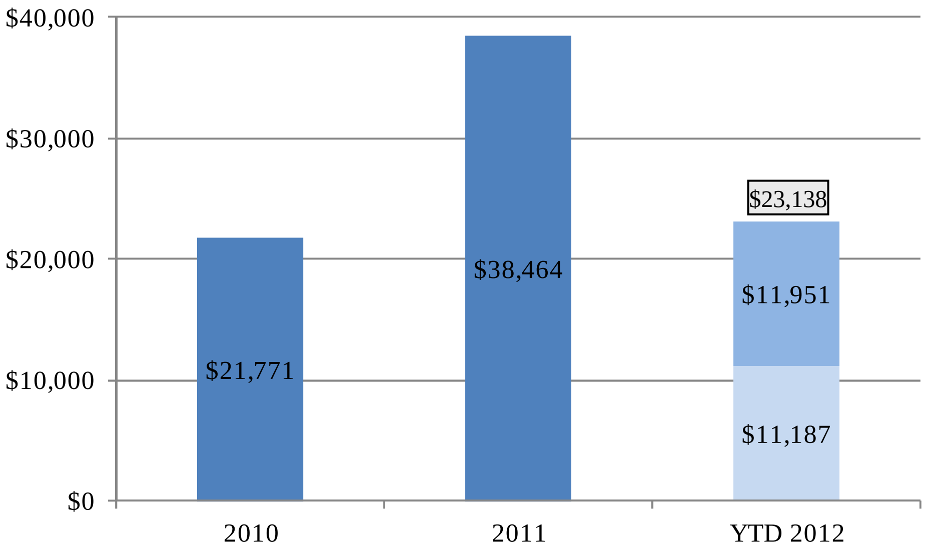
Operating Earnings per Share



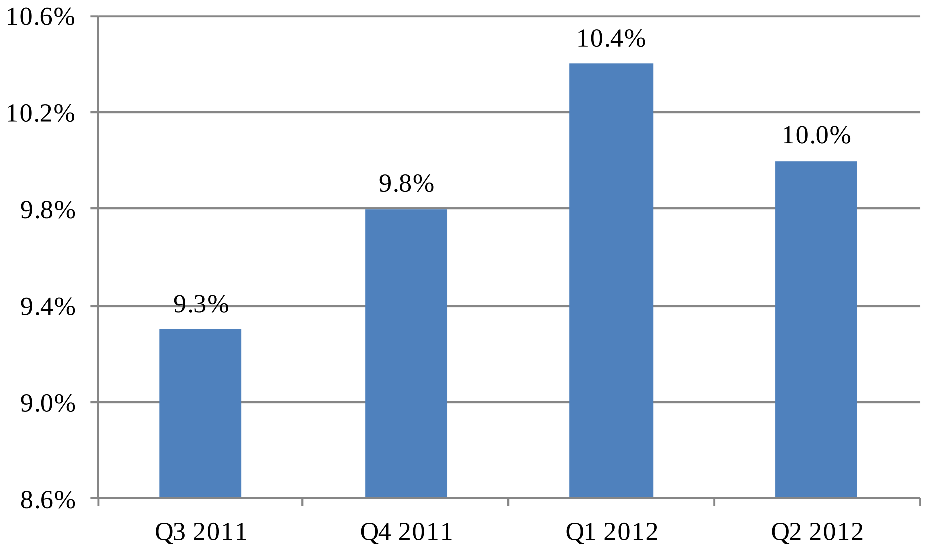
Dividends per Share



Net Interest Income ($000s)



Return on Equity Based on Operating Earnings (1)



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

Strategic Focus and Opportunities

- Invest $83.2 million of proceeds from preferred stock offering completed in August
- Reinvest capital from expected CMBS and Repurchase Agreement re-payments
- Extend portfolio duration
- Expand first call relationships with insurance companies