APOLLO

COMMERCIAL REAL ESTATE FINANCE

Wells Fargo Specialty Finance Conference
May 20, 2014

Information is as of March 31, 2014 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.

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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, 2013 and other periodic reports filed with the Securities and Exchange Commission. 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.

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Index performance and yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, credit or other factors (such as number and types of securities). Indices are unmanaged, do not charge any fees or expenses, assume reinvestment of income and do not employ special investment techniques such as leveraging or short selling. No such index is indicative of the future results of any investment by ARI.

Investment Highlights

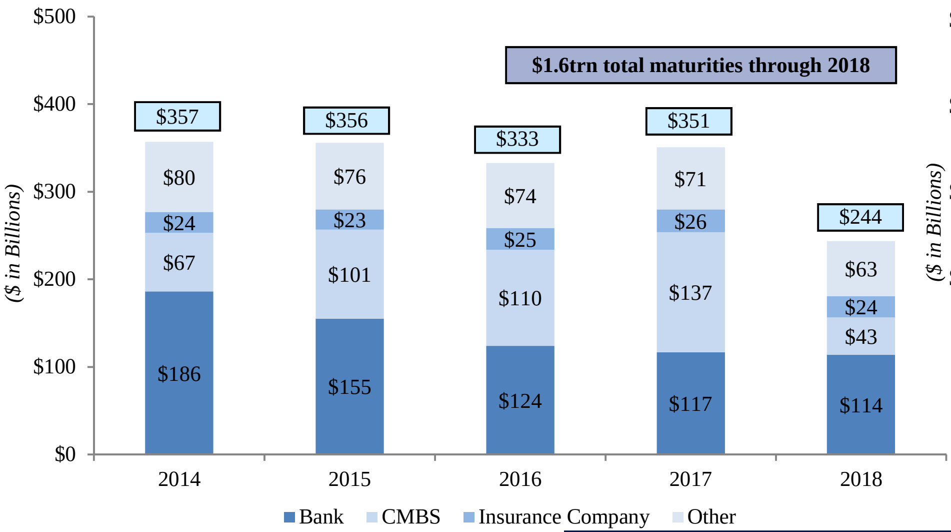
Experienced Management Team and Relationship with Apollo	➢ Apollo's CRE debt platform has invested $5.5 billion of equity into $8.7 billion of CRE debt investments since 2009 ➢ **ARI has deployed over $1.0 billion of equity into $1.7 billion of CRE debt investments since inception** ➢ Long standing and deep relationships with brokers, global investment banks, insurances companies and CRE owners ➢ Capacity to structure and underwrite complex transactions across a broad spectrum of property types
Stable Investment Portfolio	➢ Amortized cost basis of $**1.2 billion** with a levered weighted average underwritten IRR of approximately **13.9%**(1) ➢ Weighted average duration of **3.2 years** ➢ No realized or projected losses across the portfolio to date
Well Positioned in Rising Interest Rate Environment	➢ 54% of loans in the portfolio have floating interest rates ➢ Debt-to-common equity ratio of 0.5:1 ➢ Fixed charge coverage ratio of 5.1:1(2)
Macro Environment Continues to Create Opportunities	➢ $1.6 trillion of commercial mortgage debt will mature over the next five years in the U.S.(3) ➢ Operating fundamentals across all property sectors continue to improve ➢ €1 trillion of Europe's €1.8 trillion CRE debt will mature over the next four years(4)
Attractive Price and Dividend Yield	➢ As of May 16, 2014 ➢9.7% dividend yield(5) ➢1.02x price/book

1) *The underwritten IRR for the investments shown in this presentation reflect the returns underwritten by the Manager, calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that extension options are exercised and that the cost of borrowings under the Wells Facility remains constant over the remaining terms and extension terms under this facility. With respect to certain loans, the IRR calculation assumes certain estimates with respect to the timing and magnitude of future fundings for the remaining commitments and associated loan repayments, and assumes no defaults. IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown above. See "Item 1A—Risk Factors—The Company may not achieve its underwritten internal rate of return on its investments which may lead to future returns that may be significantly lower than anticipated" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2013 for a discussion of some of the factors that could adversely impact the returns received by the Company from its investments. . The Company's ability to achieve its underwritten levered weighted average IRR with regard to its portfolio of first mortgage loans is additionally dependent upon the Company utilizing the JPMorgan Facility or any replacement facility and re-borrowing approximately $88,000 in total. Without such re-borrowing, the current weighted average underwritten IRR would be approximately 12.1%.*
2) *Fixed charge coverage is EBITDA divided by interest expense plus the preferred stock dividends.*
3) *Source: Trepp, LLC*
4) *Source: Citibank*
5) *Based on the last quarter dividend per common share of $0.40 annualized*

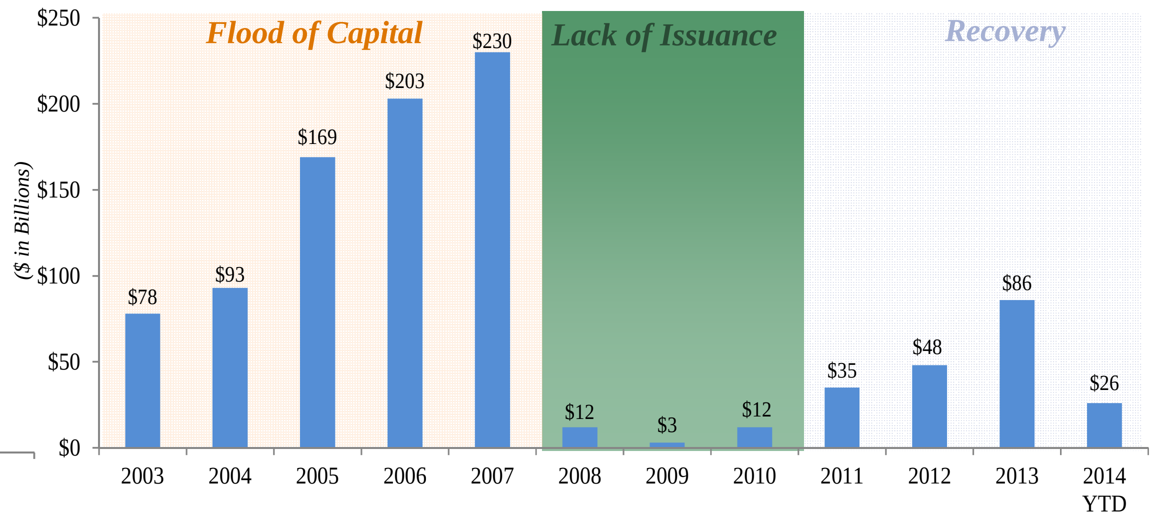
CRE Debt Market Overview

- $1.6 trillion of commercial mortgage debt is maturing in the next five years in the U.S.[(1)]
- U.S. CMBS issuance is gaining momentum but is significantly lower than the 2005-2007 peak levels[(2)]
- Pricing in the CMBS market has stabilized

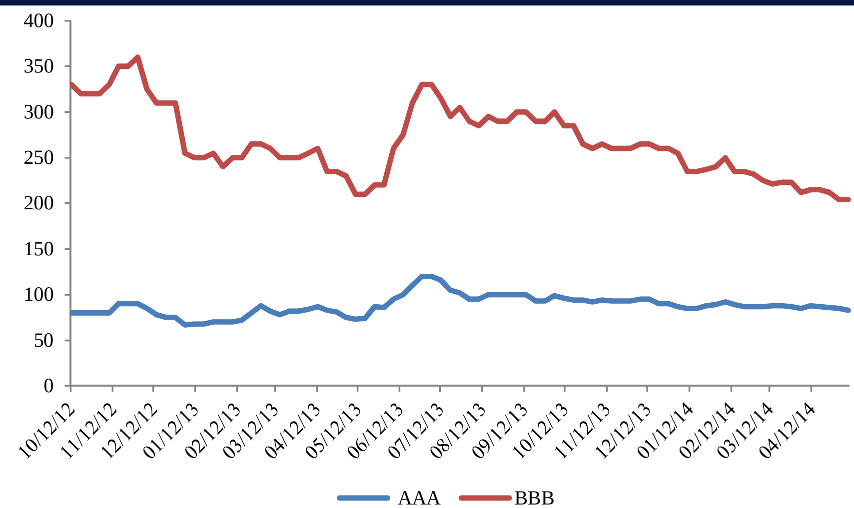
U.S. CRE Loan and CMBS Maturities[(1)]



U.S. CMBS Issuance [(2)]



New-Issue 10-Year AAA and BBB Spreads Over Swaps [(3)]



(1) *Source: Trepp, LLC*
(2) *Source: Commercial Mortgage Alert, May 6, 2014*
(3) *Source: JP Morgan as of May 9, 2014*

CRE Property Market Overview

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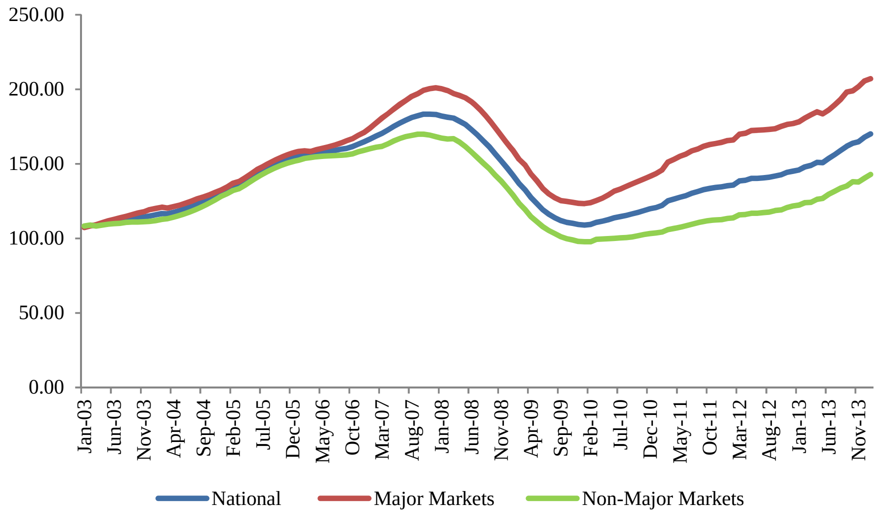
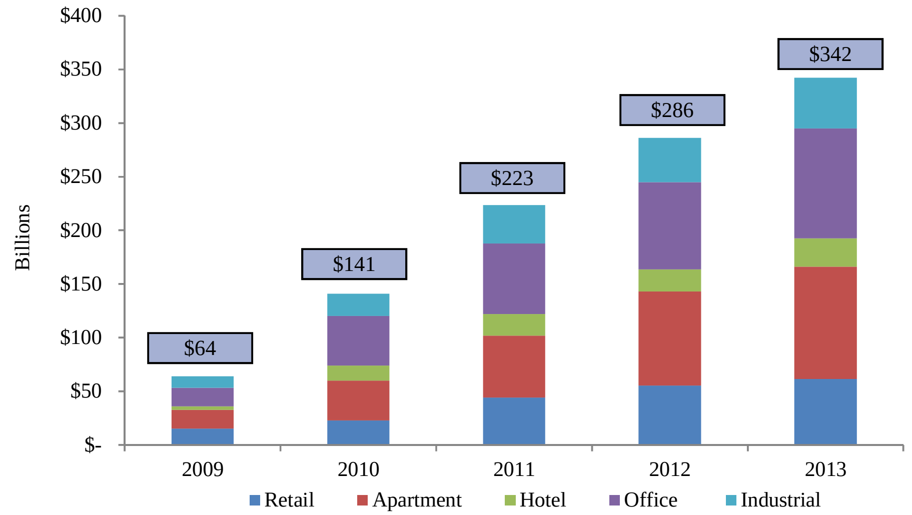
CRE Property Market Overview

- Commercial property transaction volume is accelerating, leading to an increased need for financing
- U.S. commercial property values have increased 53% from the March 2010 trough, and 65% in major markets(1)
- Lack of new supply has set the backdrop for improving operating fundamentals

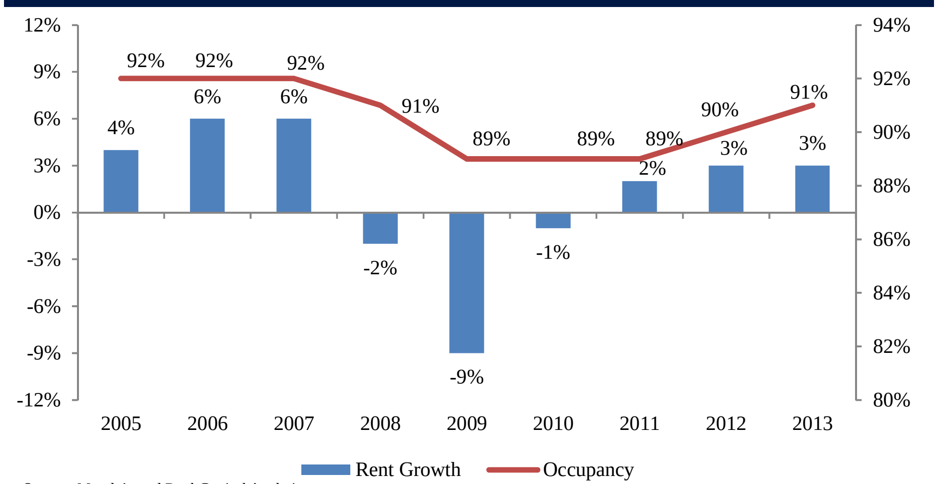
Moody's/RCA Commercial Property Price Index (1)



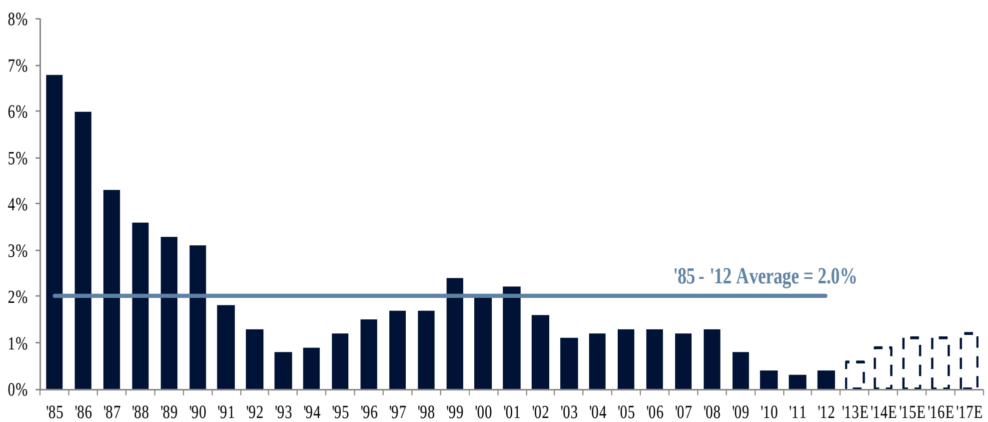
U.S. CRE Property Sales Volume(2)



Major Sector Average Occupancy & Rent Growth(3)



Annual Completions as % of Existing Stock(3)



(1) *Source: Moody's and Real Capital Analytics*
(2) *Source: Real Capital Analytics*
(3) *Source: Green Street Advisors; Supply is an equal weighted average of apartment, industrial, mall, office and strip center*

ARI Benefits from Best-in-Class Sponsorship

- ARI is externally managed by an indirect subsidiary of Apollo Global Management, LLC (NYSE:APO), a leading global alternative investment manager with approximately $159 billion of Assets Under Management at March 31, 2014[(1)]

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Principal Investment Businesses

Private Equity
$48bn AUM
- Opportunistic buyouts
- Distress for control
- Corporate carve-outs

Credit [(2)]
$101bn AUM
- U.S. Performing Credit
- Opportunistic Credit
- European Credit
- Non-Performing Loans
- Structured Credit

Real Estate
$9bn AUM
- Performing fixed income (CMBS, CRE Loans)
- Global private equity and distressed debt investments

CRE Debt
$6bn AUM

11 Investment Professionals

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- High-yield subordinate financing
- Transitional first mortgages
- Levered CMBS
- Non-core opportunistic strategies

Other Accounts and Funds Managed by Apollo
- Lower target return mezzanine loans
- Larger mezzanine loans in select markets
- CMBS

(1) *Includes $1.1 billion of commitments that have yet to be deployed into one of the funds managed by Apollo Global Management LLC’s (together with its subsidiaries, “Apollo”) three business segments. Please refer to slide 26 for a definition of Assets Under Management*
(2) *Includes funds that are denominated in Euros and translated into U.S. dollars at an exchange rate of €1.00 to $1.37 as of March 31, 2014.*

ARI Strategic Focus

- Since ARI's IPO in 2009, the Company's investments have centered around four strategies: 1) Subordinate financings; 2) First mortgage loans; 3) CMBS and 4) Non-core opportunities
- As the macro environment has changed and the CRE debt markets have evolved, ARI consistently has identified attractive opportunities

Subordinate Financings

Overview
- Subordinate financing on stabilized, cash-flowing commercial properties or transitional properties
- Loan-to-value ("LTV") generally from 40% up to 80%

Strategy
- Partner with first mortgage lenders to provide subordinate financing which generates low-to-mid teen returns, without using leverage

Competitive Advantage
- "First-call" relationships
- Ability to execute quickly and underwrite transactions with complexity in operations or structure

First Mortgage Loans

Overview
- First mortgages on stabilized, cash-flowing commercial properties or transitional properties
- Loan-to-value ("LTV") generally from 0% up to 60%

Strategy
- Utilize bank facility to lever first mortgage loans and generate low-to-mid teen returns

Competitive Advantage
- Ability to offer borrowers "one-stop-shop" financing (both first mortgage and subordinate loan)
- Ability to principal large loans for future syndication

CMBS

Overview
- Legacy CMBS formerly rated AAA
- CMBS secured by Hilton hotel portfolio

Strategy
- Hold to maturity and lever utilizing repo with a similar term to the CMBS and generate low-to-mid teen returns

Competitive Advantage
- ARI initially utilized low-cost TALF financing
- Apollo manages over $2.5 billion of CMBS for certain accounts and funds and is in the market on a daily basis
- First call relationships with leverage providers

Non-Core Opportunities

Overview
- Repurchase agreement to finance CDO bonds
- Subordinate financing on a ski resort
- Minority participation in German bank KBCD Bank Deutschland[(1)]

Strategy
- Take advantage of market dislocations in order to acquire assets or provide financing that generate attractive returns

Competitive Advantage
- Relationship with Apollo
- Real time market knowledge across Apollo's fully integrated platform
- Ability to effectively structure complex transactions

(1) *In September 2013, ARI announced that together with other investors, including affiliates of Apollo, the Company agreed to make an investment in an entity that has agreed to acquire a minority participation in KBC Bank Deutschland AG. ARI committed to invest up to $50 million, representing approximately 21% of the ownership. The acquisition is subject to antitrust and regulatory approval and there are no assurances the acquisition will close.*

Portfolio Overview

Asset Type ($000s)	Amortized Cost	Borrowings	Equity at Cost[1]	Remaining Weighted Average Life (years)[2]	Current Weighted Average Underwritten IRR[3][4]	Levered Weighted Average Underwritten IRR[3][5]
First Mortgage Loans	$ 185,516	$ 3	$ 185,513	1.9	11.1%	18.8%
Subordinate Loans	484,979	-	484,979	3.7	13.1%	13.1%
CMBS	173,174	166,991	36,310	3.1	13.9%	13.9%
Investments at March 31, 2014	**$ 843,669**	**$ 166,994**	**$ 706,802**	**3.2 Years**	**12.6%**	**14.1%**

As of March 31, 2014.

(1) *Includes $30.1 million of restricted cash related to the UBS Facility.*

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

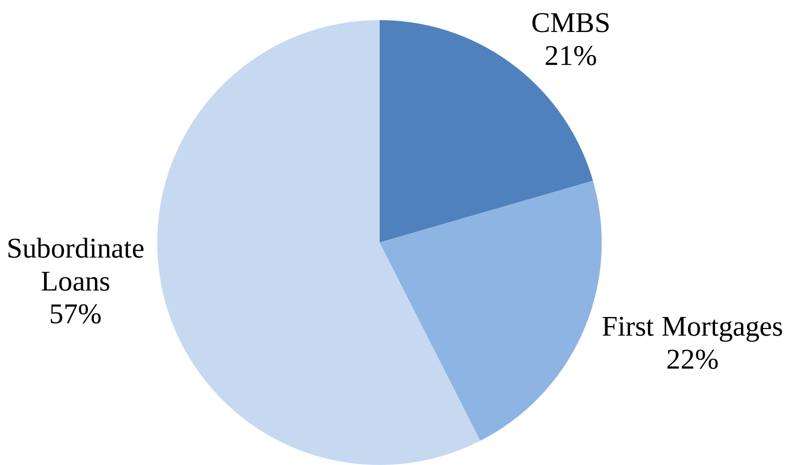
(3) *Borrowings under the JPMorgan Facility bear interest at LIBOR plus 250 basis points, or 2.7% at March 31, 2014. The IRR calculation further assumes the JPMorgan Facility or any replacement facility will remain available over the life of these investments.*

(4) *The underwritten IRR for the investments shown in this table reflect the returns underwritten by the Manager, calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that extension options are exercised and that the cost of borrowings under the Wells Facility remains constant over the remaining terms and extension terms under this facility. With respect to certain loans, the underwritten IRR calculation assumes certain estimates with respect to the timing and magnitude of future fundings for the remaining commitments and associated loan repayments, and assumes no defaults. IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See “Item 1A—Risk Factors—The Company may not achieve its underwritten internal rate of return on its investments which may lead to future returns that may be significantly lower than anticipated” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2013 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*

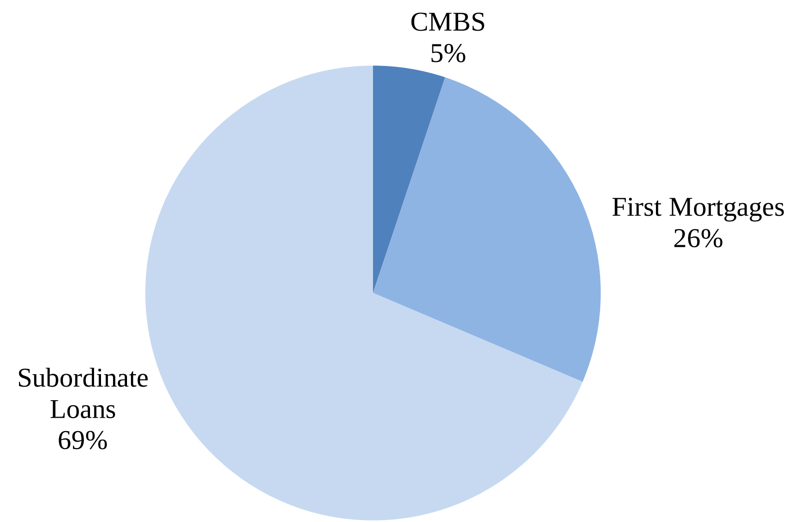
(5) *The Company's ability to achieve its underwritten levered weighted average IRR with regard to its portfolio of first mortgage loans is additionally dependent upon the Company re-borrowing approximately $88,000 in total under the JPMorgan Facility or any replacement facility with similar terms. Without such re-borrowing, the levered weighted average underwritten IRRs will be as indicated in the current weighted average underwritten IRR column above.*

Portfolio Diversification

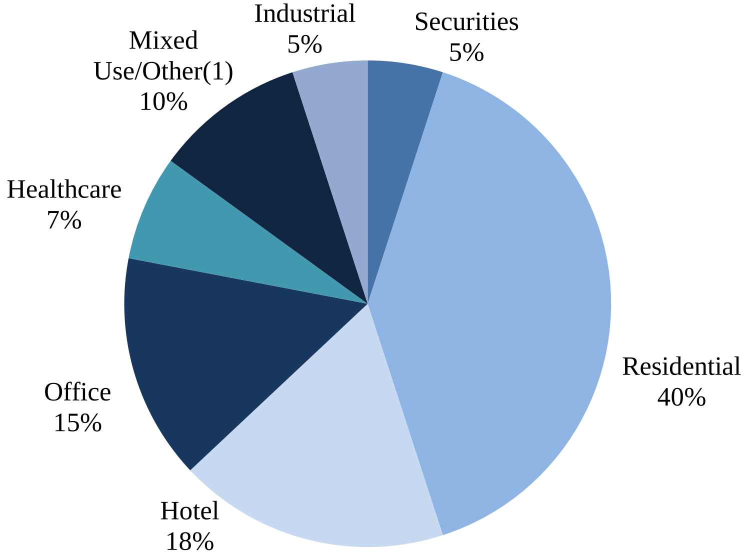
Gross Assets at Amortized Cost Basis



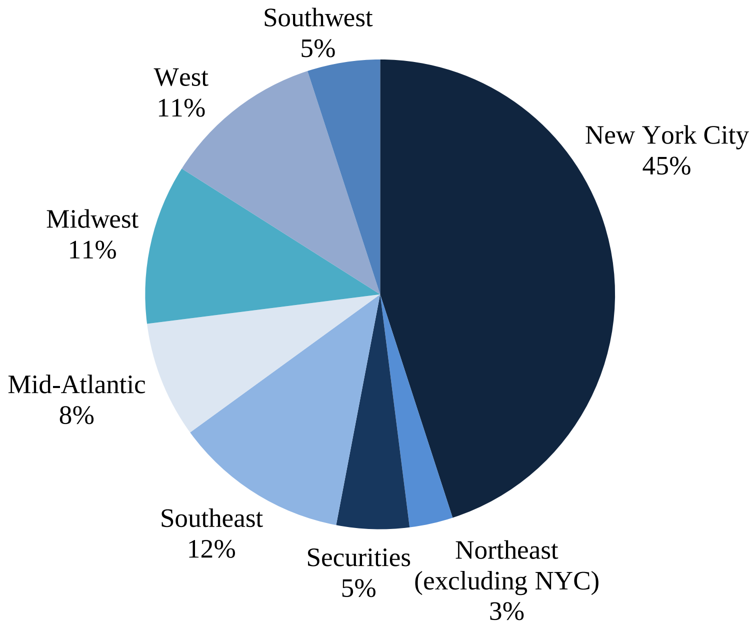
Net Invested Equity at Amortized Cost Basis



Property Type by Net Equity



Geographic Diversification by Net Equity



As of March 31, 2014

(1) Other category includes the subordinate financing on a ski resort

Recent Transactions

- First Mortgage Loan – Portfolio of Luxury Destination Club Residences
  - $210 million fixed rate, five-year first mortgage loan secured by a portfolio of 229 single-family and condominium homes located across North and Central America, the Caribbean and England; Simultaneously with closing, ARI syndicated $104 million of the first mortgage and retained a $106 million participation
  - Appraised Loan-to-Value (“LTV”) – 49%
  - Underwritten unlevered IRR(1) ~ 8.2%; Underwritten levered IRR(1) ~ 15%

- Mezzanine Loan – Pre-development of London Condominium
  - $54.0 million (£32.1 million) fixed rate, nine-month mezzanine loan in connection with the purchase of an existing commercial building that is expected to be re-developed into residential condominiums in Central London
  - Appraised LTV – 78%
  - Underwritten IRR(1) ~ 12%

- Whole Loan – Resort Hotel in Aruba
  - $155 million floating-rate, five-year whole loan secured by an entity that owns a resort hotel in Aruba consisting of 442 hotels rooms, 114 timeshare units, two casinos and approximately 131,500 sq. ft. of retail space. ARI anticipates within the next 60 days it will syndicate a $90 million senior participation in the loan and will retain a $65 million junior participation in the loan
  - Appraised LTV – 60%
  - Underwritten IRR(1) ~ 10%; Underwritten IRR of junior participation(1) ~ 13%

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Path for Continued Growth

- ARI has identified opportunities to leverage the existing Apollo platform and expand into new markets and product types

Opportunity	Market Dynamics	ARI's Execution Strategy
First Mortgages on Transitional Assets	There is less liquidity in the U.S. CRE debt market for transactions that have a "transitional" aspect to them (i.e. construction or lease up risk) and do not fit within the "conduit box"	Source transactions through existing origination channels Leverage first mortgages with low-cost financing to generate attractive risk-adjusted returns
Western Europe	Commercial banks account for only 46% of Europe's property lending[(1)] as many have retrenched or left the market Over the next four years €1 trillion of Europe's €1.8 trillion commercial real estate debt will mature, with a significant portion made at the peak of the market in 2005-2007[(2)]	Leverage existing "first-call" relationships with international investment banks and major market participants Establishing a dedicated CRE debt team in Apollo's London Office Closing of KBCD Bank Deutschland transaction Closed first loan in London - £32.1 million predevelopment loan for a condominium conversion

(1) *Source: Cushman and Wakefiled*
(2) *Source: Citibank*

Investment Highlights

- First call relationships for subordinate loan transactions
- Experienced management team
- Strong sponsorship through Apollo Global Management, LLC
- Well positioned in a rising interest rate environment
- Opportune time for CRE debt investing
- Attractive 9.7% dividend yield