



*Investor Presentation
November 2014*

Information is as of September 30, 2014 except as otherwise noted.

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Company Overview



Apollo Commercial Real Estate Finance, Inc. is a commercial mortgage real estate investment trust focused on investing in performing senior mortgage loans, subordinate debt and commercial mortgage-backed securities ("CMBS")

Ticker (NYSE)	ARI
Equity Capitalization⁽¹⁾	\$860 million
Dividend per Common Share⁽²⁾	\$1.60
Dividend Yield⁽³⁾	9.7%
Book Value per Common Share	\$16.42
Portfolio as of 09/30/2014	\$1.5 billion
Levered Weighted Average Underwritten IRR as of 09/30/2014⁽⁴⁾	13.7%

See footnotes on page 19

Investment Highlights

- ARI has developed a full-scale commercial real estate debt origination platform that has deployed over **\$1.6 billion** of capital into **\$2.7 billion** of investments since inception

Disciplined Investment Approach

Macro Environment Continues to Create Compelling Opportunities

Extensive Network of Origination Relationships

Creative and Thoughtful Underwriting and Execution

Experienced Management Team and Relationship with Apollo

- Apollo Global Management, LLC's ("Apollo") Real Estate Credit Group has invested over **\$6.6 billion** of capital into **\$10.1 billion** of commercial real estate debt investments since 2009
- Long standing and deep relationships with brokers, global investment banks, insurance companies and commercial real estate owners

Stable and Diverse Investment Portfolio

- Amortized cost basis of **\$1.5 billion** with a levered weighted average underwritten IRR of approximately **13.6%**⁽⁴⁾ and a weighted average duration of **3.0** years
- Loan portfolio has weighted average loan-to-value of **58%**

Well Positioned for Rising Interest Rates

- **50%** of loans in the portfolio have a floating interest rate, based upon face amount
- Debt-to-common equity ratio of **1.21x**
- Fixed-charge coverage of **3.8x**⁽⁵⁾

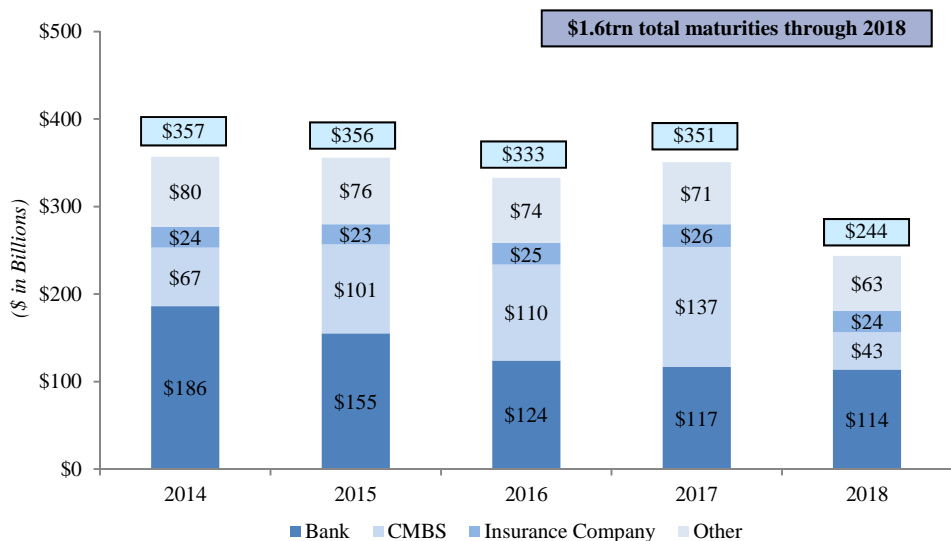
Agenda

- 1. Commercial Real Estate Market Overview**
2. ARI Strategy Overview
3. Portfolio and Financial Overview

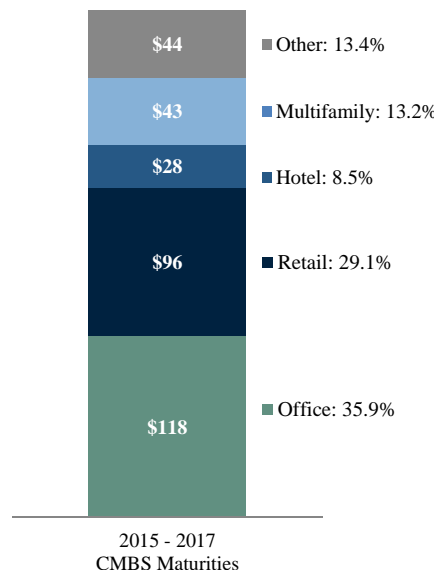
CRE Debt Market Overview

- \$1.6 trillion of commercial mortgage debt is maturing in the next five years⁽⁶⁾
- 2005 – 2007 legacy CMBS financings create significant transaction and recapitalization opportunities over next several years
 - 2.0x the volume of 2010-2012 maturities

U.S. CRE Loan and CMBS Maturities⁽⁶⁾



2015 – 2017 CMBS Maturities⁽⁷⁾

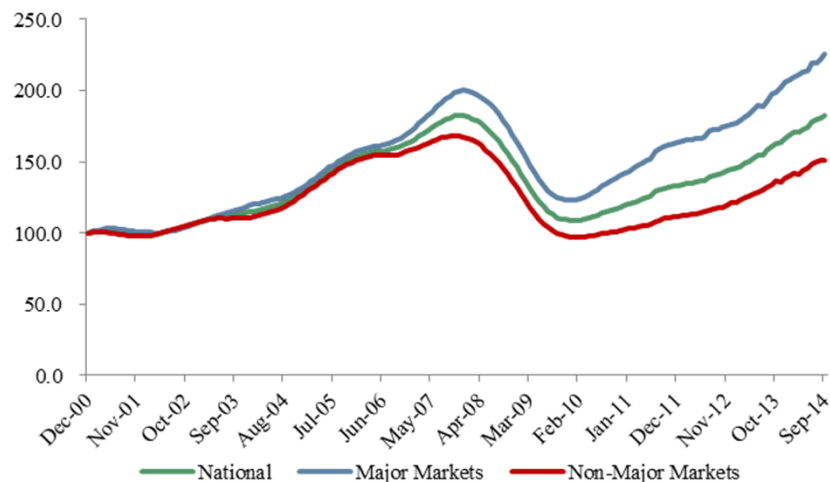


- **~2.0x the maturity volume of 2010-2012**
- **9.8% currently delinquent**
- **7.4% currently in special servicing**
- **Average LTV of 80.9% vs. 69.0% at origination**

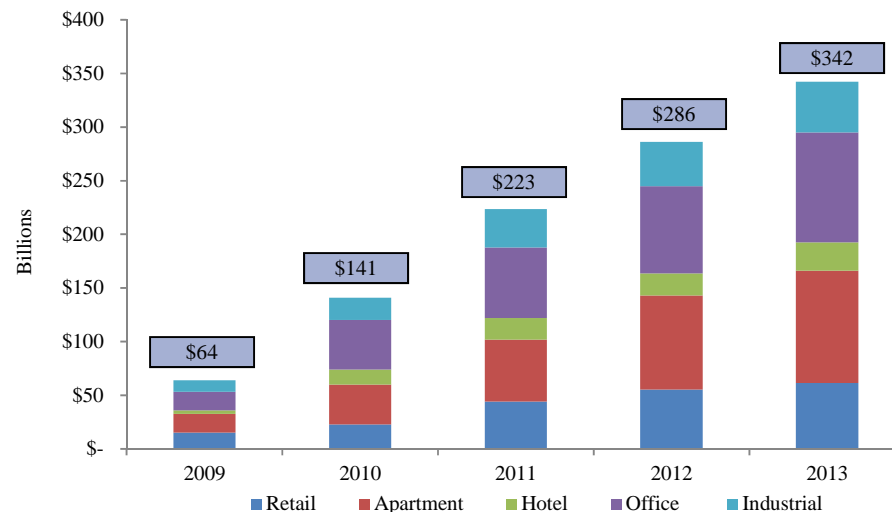
CRE Property Market Overview

- Commercial property transaction volume is accelerating, leading to an increased need for financing
- U.S. commercial property values have increased 67% from the March 2010 trough⁽⁸⁾
- Limited supply has set the backdrop for improving operating fundamentals

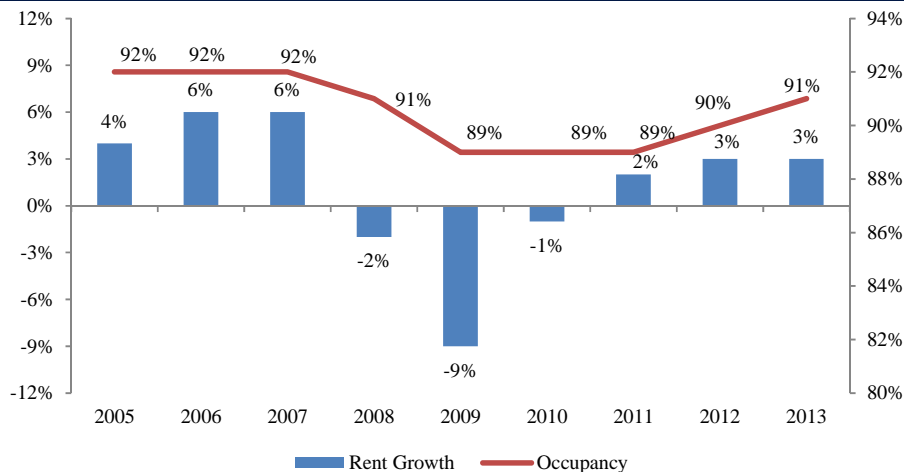
Moody's/RCA Commercial Property Price Index ⁽⁸⁾



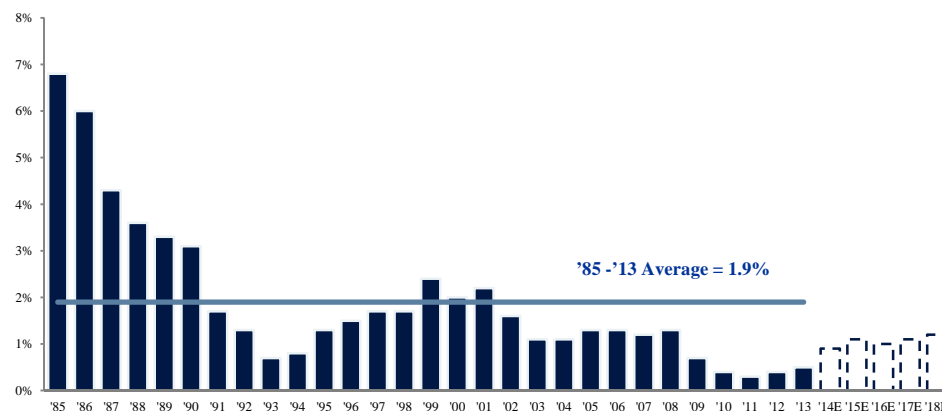
U.S. CRE Property Sales Volume ⁽⁹⁾



Major Sector Average Occupancy & Rent Growth ⁽¹⁰⁾



Annual Completions as % of Existing Stock ⁽¹⁰⁾

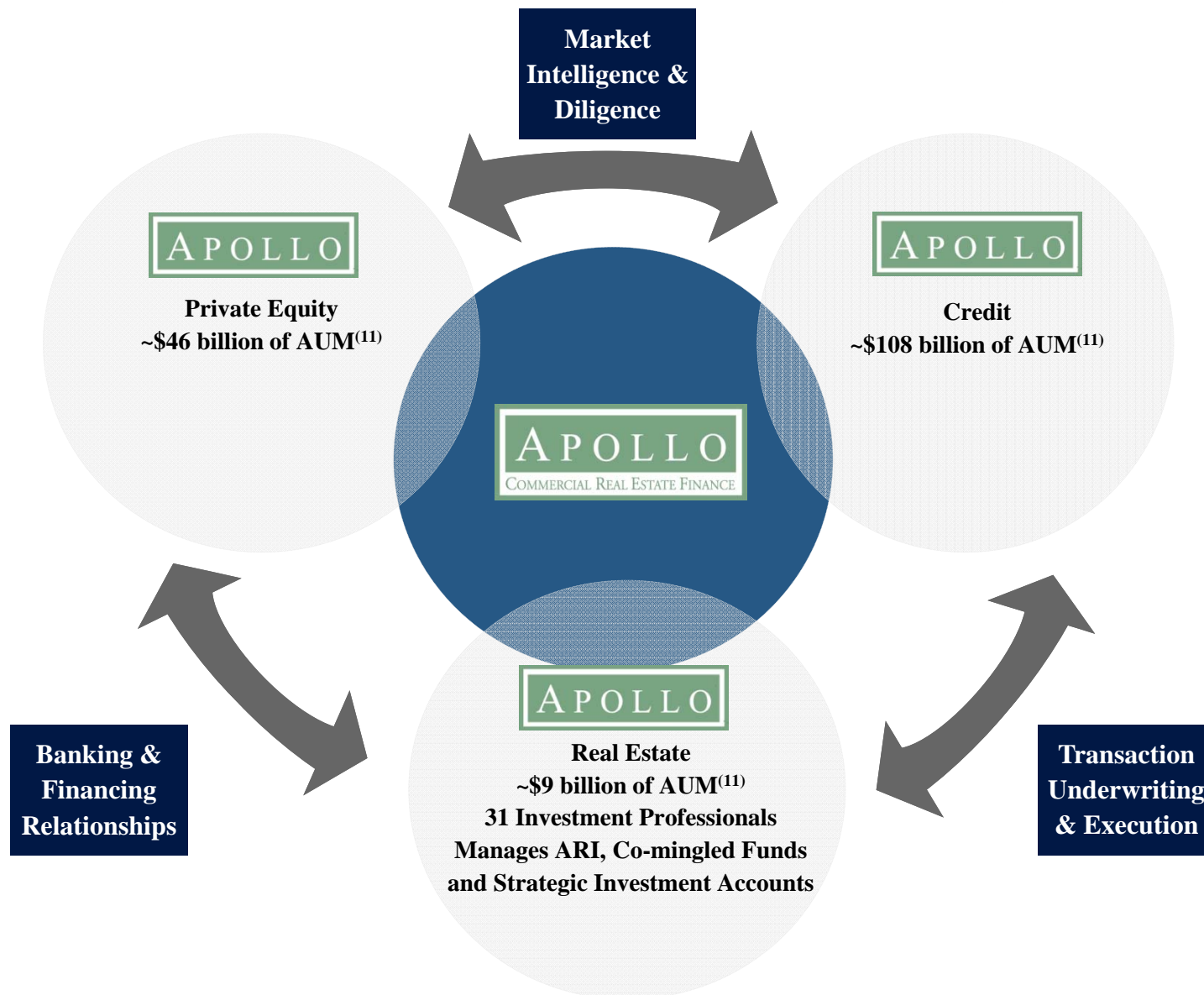


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Agenda

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ARI Benefits from Best-in-Class Sponsorship



ARI Leverages Relationships, Sourcing and Execution Capabilities of Private Equity, Credit and Real Estate Teams

See footnotes on page 19

ARI's Strategy - First Mortgage Loans

Overview

- First mortgages on stabilized, cash-flowing commercial properties or transitional properties
- Loan-to-value ("LTV") generally from 0% up to 65%
- Fixed or floating rate
- All commercial property types throughout North America and Europe

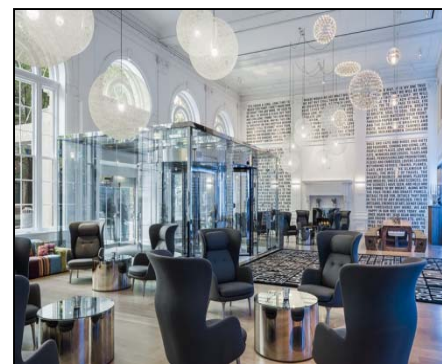
Strategy and Competitive Advantages

- Ability to offer "one-stop-shop" financing
- Ability to underwrite transactions with complexity in operations or structure
- Ability to principal large loans for future syndication
- Utilize bank facility to lever first mortgage loans and generate low to mid-teen returns

Sample First Mortgage Loan Transactions

Transaction Summary

- \$34 million, five-year floating rate loan for the acquisition of a newly renovated, 301-key hotel located in Philadelphia
- Underwritten LTV – 58%
- Underwritten IRR⁽⁴⁾ – 7%
- Underwritten Levered IRR⁽⁴⁾ – 13%



Transaction Summary

- \$58 million, five-year floating rate loan secured by a 330-unit, eight building apartment community in Williston, ND, the epicenter of oil drilling activity for the Bakken Formation
- Underwritten LTV – 73%
- Underwritten IRR⁽⁴⁾ – 7%
- Underwritten Levered IRR⁽⁴⁾ – 13%



ARI's Strategy - Subordinate Financings

Overview

- Subordinate financing (mezzanine loans or preferred equity) on stabilized, cash-flowing commercial properties or transitional properties
- LTV generally from ~50% up to ~75%
- Fixed or floating rate
- All commercial property types throughout North America and Europe

Strategy and Competitive Advantages

- Partner with first mortgage lenders to provide subordinate financing, which generates low to mid-teen returns without leverage
- "First call" relationships with balance sheet lenders, conduits, brokers and insurance companies
- Directly originate whole debt capital stack (senior and sub)
- Ability to structure and underwrite complex transactions

Sample Subordinate Loan Transaction

Transaction Summary

- \$155 million, five-year floating-rate whole loan secured by the first mortgage and equity interests in an entity that owns a resort hotel in Aruba
- ARI syndicated \$90 million senior participation and retained \$65 million junior participation
- Appraised LTV – 60%
- Underwritten IRR⁽⁴⁾ – 14%



Transaction Summary

- \$50 million, five-year floating-rate mezzanine loan secured by the equity interests in a portfolio of 167 skilled nursing facilities located across 19 states
- Refinanced existing \$47 million mezzanine loan originated in 2013
- Appraised LTV – 62%
- Underwritten IRR⁽⁴⁾ – 12%



ARI's Strategy - CMBS

Overview

- Identify opportunistic strategies which offer risk-adjusted returns consistent with ARI's targets
- Structured term-financing to match or exceed expected duration of CMBS

Strategy and Competitive Advantages

- Apollo manages over \$2.5 billion of CMBS for certain accounts and funds and is in the market on a daily basis
- First call relationship with leverage providers
- Hold to maturity and lever utilizing repo with similar duration as the CMBS and generate low to mid-teens return

Sample CMBS Transaction

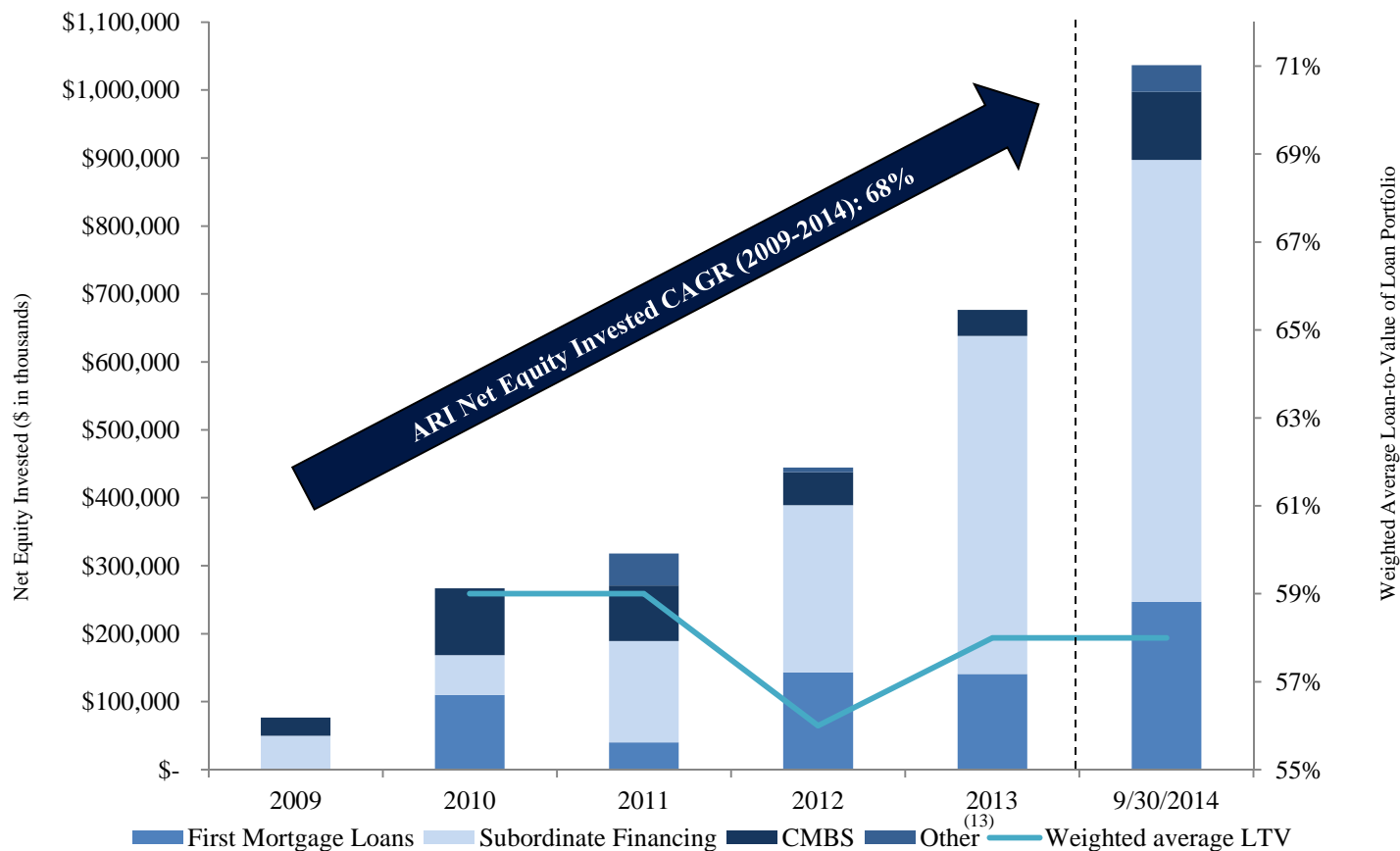
Transaction Summary

- \$71 million of CMBS where the obligors were certain special purpose entities formed to hold substantially all of the assets of Hilton Worldwide, Inc.
- Acquired at approximately 94% of par value in Q2 2012; paid off at par in Q4 2013 when Hilton Hotels had an IPO
- Utilized repo financing provided by a global investment bank structured with similar duration as the CMBS
- Realized IRR – 16%



Portfolio Evolution

Net Equity Invested and Weighted Average Loan-to-Value⁽¹²⁾



ARI has shifted its portfolio composition to capitalize on market opportunities and generate attractive, risk-adjusted returns

Agenda

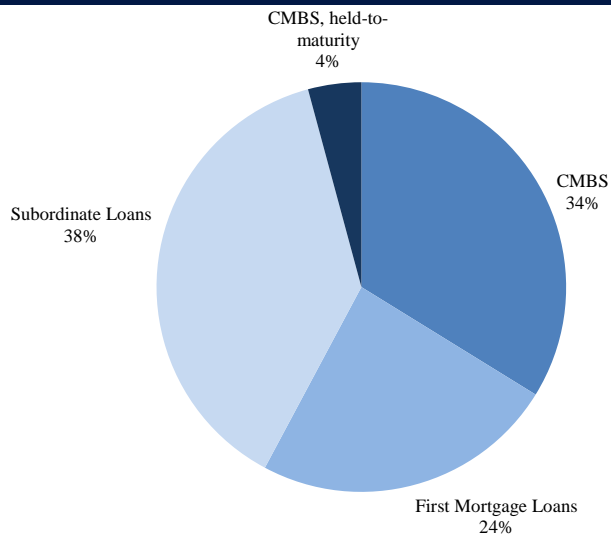
1. Commercial Real Estate Market Overview
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Portfolio Overview

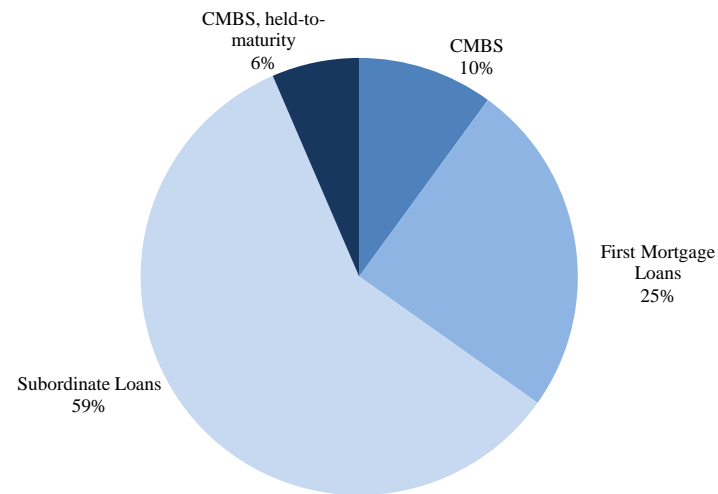
Asset Type (\$000s)	Amortized Cost	Borrowings	Equity at Cost ⁽¹⁴⁾	Remaining Weighted Average Life (years) ⁽¹⁵⁾	Current Weighted Average Underwritten IRR ⁽⁴⁾⁽¹⁶⁾	Levered Weighted Average Underwritten IRR ⁽⁴⁾⁽¹⁶⁾⁽¹⁷⁾
First Mortgage Loans	\$ 369,924	\$ 122,722	\$ 247,202	2.9	13.0%	15.6%
Subordinate Loans	585,504	-	585,504	3.2	12.8	12.8
CMBS, held-to-maturity ⁽¹⁸⁾⁽¹⁹⁾	64,580	-	64,580	4.6	12.2	12.2
CMBS	511,445	415,044	99,988	2.5	16.1	16.1
Investments at September 30, 2014	\$ 1,531,453	\$ 537,766	\$ 997,274	3.0 Years	13.1%	13.7%

Portfolio Diversification

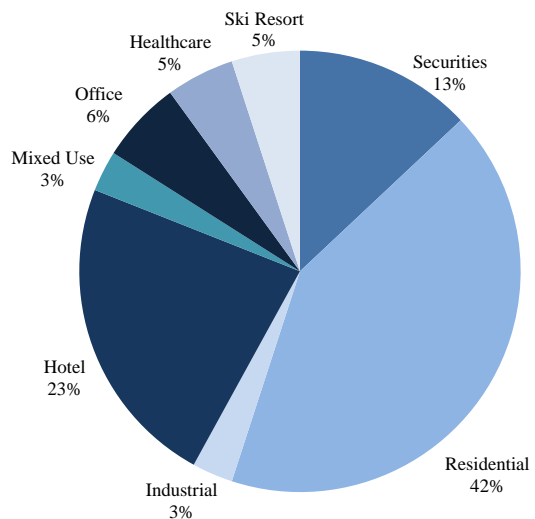
Gross Assets at Amortized Cost Basis⁽¹⁹⁾



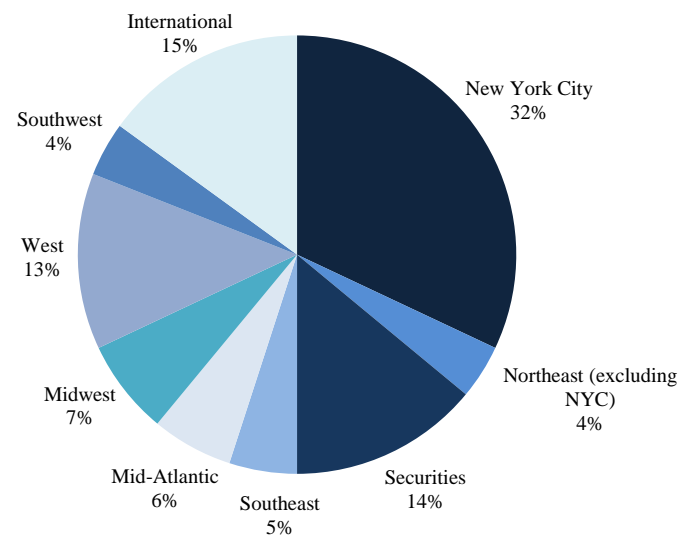
Net Invested Equity at Amortized Cost Basis⁽¹⁹⁾



Property Type by Net Equity⁽¹⁹⁾



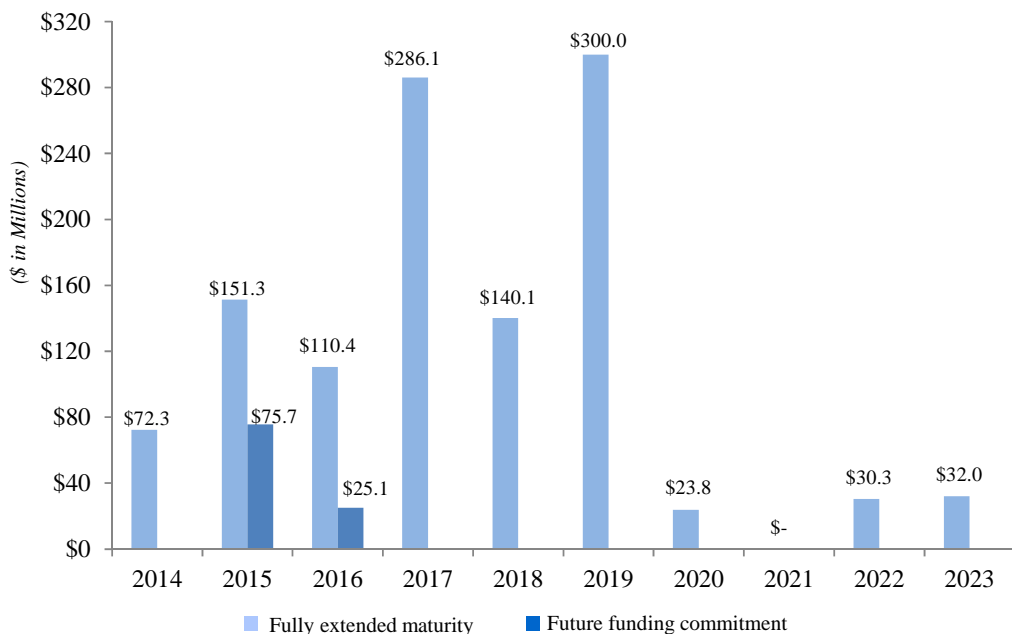
Geographic Diversification by Net Equity⁽¹⁹⁾



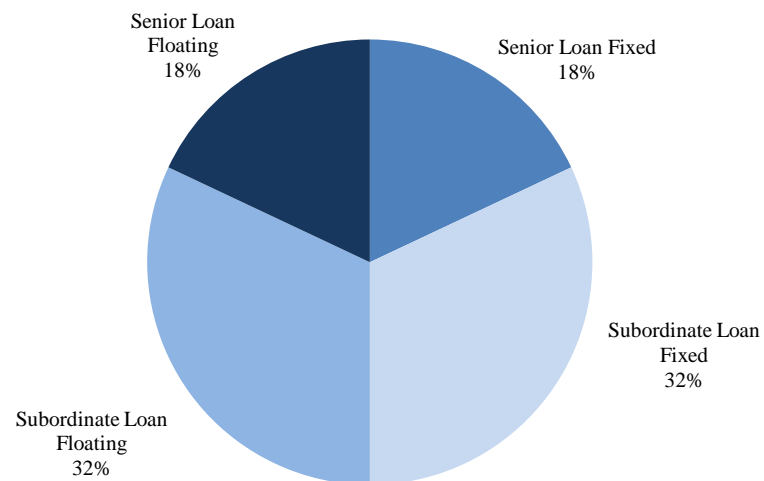
See footnotes on page 19

Loan Portfolio Overview

Fully Extended Loan Maturities and Future Fundings (19)(20)(21)(22)



Loan Position and Rate Type⁽¹⁹⁾⁽²⁰⁾



50% Floating Rate/50% Fixed Rate

% of Floating Rate Loans With LIBOR Floor – 31%

Weighted Average LIBOR Floor – 0.44%

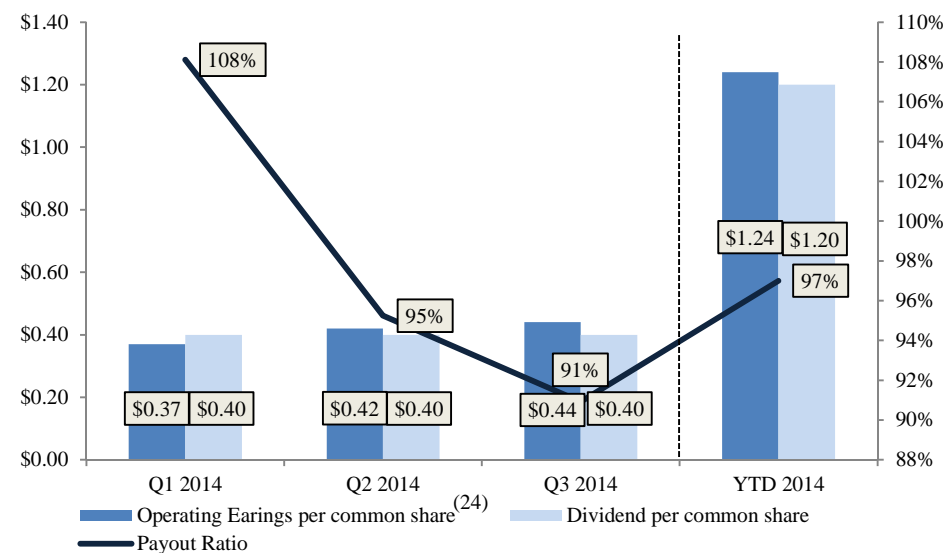
Capitalization and Payout Ratio

Capitalization

(\$ in thousands)	September 30, 2014	
Secured Financing	\$	537,766
5.5% Convertible Notes due 2019 ⁽²³⁾		246,054
Total Debt	\$	783,820
Preferred Equity	\$	86,250
Common Equity		769,436
Total Equity Capitalization	\$	855,686

Fixed Charge Coverage – 3.8x⁽⁵⁾

Dividend Payout Ratio



Investment Highlights

- Experienced management team and strong sponsorship through Apollo Global Management, LLC
- Stable investment portfolio with 13.7% IRR⁽⁴⁾
- Well positioned in a rising interest rate environment
- Macro environment continues to create compelling opportunities
- Attractive 9.7% dividend yield⁽³⁾ and 1.0x price/book ratio⁽²⁵⁾

Footnotes

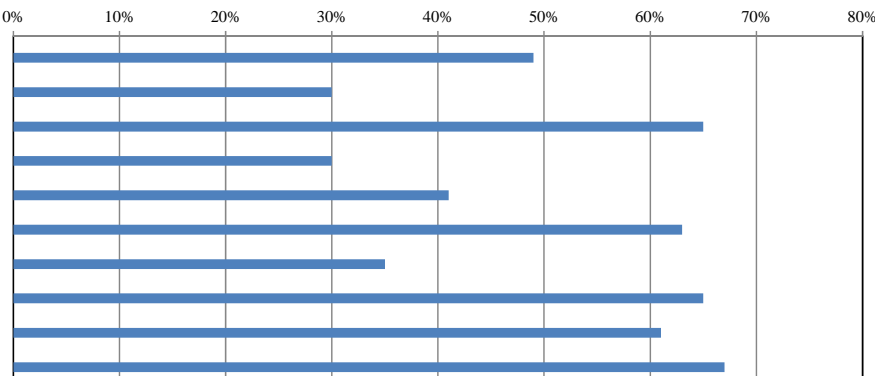
- (1) Includes common equity market capitalization as of November 12, 2014 and preferred equity outstanding at September 30, 2014.
- (2) Last quarter dividend per common share of \$0.40 annualized.
- (3) Based on the last quarter annualized dividend per common share and ARI's closing common share price of \$16.50 on November 12, 2014.
- (4) The underwritten internal rate of return ("IRR") for the investments shown in this presentation reflect the returns underwritten by ACREFI Management, LLC (the "Manager"), calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that the cost of borrowings remains constant over the remaining terms. 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—ARI 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 ARI'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 ARI from its investments. ARI's ability to achieve its underwritten levered weighted average IRR with regard to its portfolio of first mortgage loans is additionally dependent upon ARI utilizing the master repurchase agreement with JPMorgan Chase Bank, N.A. (the "JPMorgan Facility") or any replacement facility and re-borrowing approximately \$52.3 million in total. Without such re-borrowing, the weighted average underwritten IRR would be approximately 13.1%
- (5) Fixed charge coverage is EBITDA divided by interest expense plus the preferred stock dividends.
- (6) Source: Trepp, LLC
- (7) Source: Barclays
- (8) Source: Moody's and Real Capital Analytics
- (9) Source: Real Capital Analytics
- (10) Source: Green Street Advisors; Supply is an equal weighted average of apartment, industrial, mall, office and strip center
- (11) 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.; Assets Under Management ("AUM") Definition – refers to the investments managed by Apollo or with respect to which Apollo has control, including capital Apollo has the right to call from its investors pursuant to their capital commitments to various funds managed by Apollo. AUM equals the sum of: (i) the fair value of Apollo's private equity investments plus the capital that Apollo is entitled to call from its investors pursuant to the terms of their capital commitments; (ii) the net asset value of the credit funds managed by Apollo, other than certain collateralized loan obligations and collateralized debt obligations, which have a fee generating basis other than the mark-to-market value of the underlying assets, plus used or available leverage and/or capital commitments; (iii) the gross asset value or net asset value of Apollo's real estate entities and the structured portfolio company investments included within the funds Apollo manages, which includes the leverage used by such structured portfolio companies; (iv) the incremental value associated with the reinsurance investments of the portfolio company assets that Apollo manages; and (v) the fair value of any other investments that Apollo manages plus unused credit facilities, including capital commitments for investments that may require pre-qualification before investment plus any other capital commitments available for investment that are not otherwise included in the clauses above. The AUM measure includes AUM for which Apollo charges either no or nominal fees. The definition of AUM is not based on any definition of AUM contained in Apollo's operating agreement or in any of Apollo's fund management agreements. Apollo considers multiple factors for determining what should be included in the definition of AUM. Such factors include but are not limited to (1) Apollo's ability to influence the investment decisions for existing and available assets; (2) Apollo's ability to generate income from the underlying assets in the funds it manages; and (3) the AUM measures that Apollo uses internally or believes are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, Apollo's calculation of AUM may differ from the calculations employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers.
- (12) Weighted average loan-to-value does not include CMBS but does include CMBS, held-to-maturity.
- (13) Other includes a repurchase agreement investment secured by collateralized debt obligation or CDO bonds and equity investment in Bremer Kreditbank AG, or BKB Bank
- (14) Includes \$30.1 million of restricted cash related to the Company's master repurchase facility with UBS, AG and \$26.5 million related to investments purchased but not yet settled.
- (15) Remaining Weighted Average Life assumes all extension options are exercised.
- (16) Borrowings under the JPMorgan Facility bear interest at LIBOR plus 250 basis points, or 2.7% at September 30, 2014. The IRR calculation further assumes the JPMorgan Facility or any replacement facility will remain available over the life of these investments.
- (17) ARI's ability to achieve its underwritten levered weighted average IRR with regard to its portfolio of first mortgage loans is additionally dependent upon ARI re-borrowing approximately \$52.3 million 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.
- (18) CMBS, held-to-maturity, represents a loan the Company closed during May 2014 that was subsequently contributed to a securitization during August 2014. During May 2014, the Company closed a \$155,000 floating-rate whole loan secured by the first mortgage and equity interests in an entity that owns a resort hotel in Aruba. During June 2014, the Company syndicated a \$90,000 senior participation in the loan and retained a \$65,000 junior participation. During August 2014, both the \$90,000 senior participation and the Company's \$65,000 junior participation were contributed to a CMBS securitization. In exchange for contributing its \$65,000 junior participation, the Company received a CMBS secured solely by the \$65,000 junior participation.
- (19) CMBS, held-to-maturity, are net of a participation sold during June 2014. ARI presents the participation sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP. At September 30, 2014, ARI had one such participation sold with a carrying amount of \$89,418.
- (20) Based upon Face Amount of Loans; Does not include CMBS, but does include CMBS, held-to-maturity.
- (21) Maturities reflect the fully funded amounts of the loans.
- (22) Future funding dates are based upon the Manager's projections and are subject to change.
- (23) In accordance with GAAP, convertible debt that may be wholly or partially settled in cash is required to be separated into a liability and an equity component, such that interest expense reflects the issuer's nonconvertible debt interest rate. Upon issuance, a debt discount is recognized as a decrease in debt and an increase in equity. The debt component accretes up to the principal amount over the expected term of the debt. The amount shown in the table above for the Convertible Notes is the aggregate principal amount of such notes, without reflecting the debt discount or fees and expenses that we are required to recognize, the increase in additional paid-in capital or the actual net proceeds to us from the offerings of the notes.
- (24) Operating Earnings is a non-GAAP financial measure that is used by the Company to approximate cash available for distribution and is defined by the Company as net income available to common stockholders, computed in accordance with GAAP, adjusted for (i) equity-based compensation expense (a portion of which may become cash-based upon final vesting and settlement of awards should the holder elect net share settlement to satisfy income tax withholding) (ii) any unrealized gains or losses or other non-cash items included in net income and (iii) the non-cash amortization expense related to the reclassification of a portion of the senior convertible notes to stockholders' equity in accordance with accounting principles generally accepted in the United States ("GAAP"). Please see slide 24 for a reconciliation of Operating Earnings and Operating Earnings per Share to GAAP net income and GAAP net income per share.
- (25) Based upon the closing price of \$16.50 on November 12, 2014 and the September 30, 2014 book value per common share of \$16.42.

Appendix

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

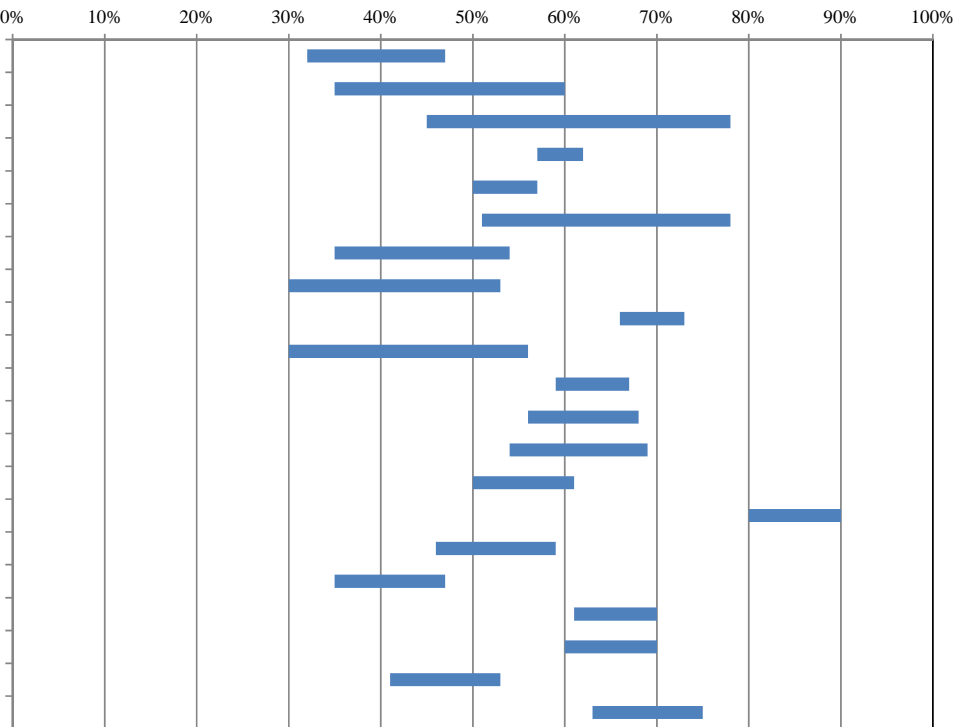
First Mortgage Loans

Description (\$ in thousands)	Location	Balance at		Ending LTV
		9/30/2014	Starting LTV	
First Mortgage - Destination Homes	Various	\$ 101,000	-	49%
First Mortgage - Condo Conversion ⁽¹⁾	New York	\$ 45,496	-	30%
First Mortgage - Hotel	Pennsylvania	\$ 34,000	-	65%
First Mortgage - Condo Conversion ⁽²⁾	New York	\$ 33,675	-	30%
First Mortgage - Hotel	New York	\$ 31,115	-	41%
First Mortgage - Multifamily	New York	\$ 30,000	-	63%
First Mortgage - Office	New York	\$ 26,968	-	35%
First Mortgage - Condo Development ⁽³⁾	Maryland	\$ 25,000	-	65%
First Mortgage - Hotel	Maryland	\$ 24,684	-	61%
First Mortgage - Condo Development	Maryland	\$ 20,000	-	67%
Total/Weighted Average		\$ 371,938		49%



Subordinate Financings

Description (\$ in thousands)	Location	Balance at		Ending LTV
		9/30/2014	Starting LTV	
Subordinate - Condo Development	New York	\$ 73,844	32%	47%
Subordinate - Resort Hotel ⁽⁴⁾	Aruba	\$ 65,000	35%	60%
Subordinate - Condo Development ⁽⁵⁾	London	\$ 52,034	45%	78%
Subordinate - Healthcare Portfolio	Various	\$ 50,000	57%	62%
Subordinate - Hotel Portfolio	Various	\$ 47,172	50%	57%
Subordinate - Multifamily Conversion	New York	\$ 44,000	51%	78%
Subordinate - Ski Resort	California	\$ 40,000	35%	54%
Subordinate - Condo Conversion ⁽¹⁾	New York	\$ 35,545	30%	53%
Subordinate - Industrial Portfolio	Various	\$ 32,000	66%	73%
Subordinate - Condo Conversion ⁽²⁾	New York	\$ 29,601	30%	56%
Subordinate - Hotel	New York	\$ 28,250	59%	67%
Subordinate - Hotel Portfolio	Minnesota	\$ 24,560	56%	68%
Subordinate - Mixed Use	Pennsylvania	\$ 22,500	54%	69%
Subordinate - Hotel	New York	\$ 20,000	50%	61%
Subordinate - Multifamily/Condo/Hotel ⁽⁶⁾	Various	\$ 18,791	80%	90%
Subordinate - Ski Resort	Montana	\$ 15,000	46%	56%
Subordinate - Multifamily	New York	\$ 14,608	35%	47%
Subordinate - Office	New York	\$ 14,000	61%	70%
Subordinate - Office	Missouri	\$ 9,747	60%	70%
Subordinate - Office	Michigan	\$ 8,828	41%	53%
Subordinate - Mixed Use	North Carolina	\$ 6,525	63%	75%
Total/Weighted Average		\$ 652,005		63%



(1) Both loans are for the same property.

(2) Both loans are for the same property.

(3) LTV is based upon the committed amount of \$80 million.

(4) This is CMBS, held-to-maturity and is net of a participation sold. ARI presents the participation sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP. At September 30, 2014, this participation sold had a carrying amount of \$89,418.

(5) Based upon £32.1 face amount converted to USD based upon the conversion rate on 9/30/2014.

(6) Ending LTV is based upon the committed amount of \$19.5 million.

Consolidated Balance Sheets

<i>(in thousands—except share and per share data)</i>	September 30, 2014	December 31, 2013
Assets:		
Cash	\$ 58,649	\$ 20,096
Restricted cash	30,127	30,127
Securities available-for-sale, at estimated fair value	17,919	33,362
Securities, at estimated fair value	499,701	158,086
Securities, held-to-maturity	153,998	-
Commercial mortgage loans, held for investment	369,924	161,099
Subordinate loans, held for investment	585,504	497,484
Investment in unconsolidated joint venture	38,719	-
Derivative instrument	1,933	-
Interest receivable	17,072	6,022
Deferred financing costs, net	8,124	628
Other assets	1,342	600
Total Assets	\$ 1,783,012	\$ 907,504
Liabilities and Stockholders' Equity		
Liabilities:		
Borrowings under repurchase agreements	\$ 537,766	\$ 202,033
Convertible senior notes, net	246,054	-
Participations sold	89,418	-
Investments purchased, not yet settled	26,540	-
Accounts payable and accrued expenses	3,602	2,660
Payable to related party	3,193	2,628
Dividends payable	20,753	17,227
Total Liabilities	927,326	224,548
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized and 3,450,000 shares issued and outstanding in 2014 and 2013 (\$86,250 aggregate liquidation preference)	35	35
Common stock, \$0.01 par value, 450,000,000 shares authorized 46,848,675 and 36,888,467 shares issued and outstanding in 2014 and 2013, respectively	468	369
Additional paid-in-capital	867,598	697,610
Retained earnings (accumulated deficit)	(11,661)	(14,188)
Accumulated other comprehensive loss	(754)	(870)
Total Stockholders' Equity	855,686	682,956
Total Liabilities and Stockholders' Equity	\$ 1,783,012	\$ 907,504

Consolidated Statement of Operations

	Three months ended		Nine months ended	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Net interest income:				
Interest income from securities	\$ 6,129	\$ 2,533	\$ 12,914	\$ 8,634
Interest income from securities, held to maturity	2,219	-	2,219	-
Interest income from commercial mortgage loans	8,025	4,954	18,475	12,222
Interest income from subordinate loans	18,983	12,184	51,951	35,137
Interest income from repurchase agreements	-	-	-	2
Interest expense	(8,786)	(885)	(15,802)	(2,909)
Net interest income	26,570	18,786	69,757	53,086
Operating expenses:				
General and administrative expenses (includes \$308 and \$1,096 of equity-based compensation in 2014 and \$784 and \$2,095 in 2013, respectively)	(1,434)	(1,793)	(4,355)	(5,126)
Management fees to related party	(3,193)	(2,625)	(8,725)	(7,384)
Total operating expenses	(4,627)	(4,418)	(13,080)	(12,510)
Income from equity investment	(88)	-	(88)	-
Interest income from cash balances	21	3	26	19
Unrealized gain/(loss) on securities	(2,147)	(1,472)	4,787	(3,973)
Foreign currency gain/(loss)	(3,596)	-	(2,637)	-
Gain/(loss) on derivative instruments (includes \$3,026 and \$1,933 of unrealized gains in 2014 and \$25 and \$155 of unrealized gains in 2013, respectively)	3,026	1	1,933	(1)
Net income	\$ 19,159	\$ 12,900	\$ 60,698	\$ 36,621
Preferred dividends	(1,860)	(1,859)	(5,580)	(5,580)
Net income available to common stockholders	\$ 17,299	\$ 11,041	\$ 55,118	\$ 31,041
Basic and diluted net income per share of common stock	\$ 0.37	\$ 0.29	\$ 1.30	\$ 0.88
Basic weighted average shares of common stock outstanding	46,848,675	36,883,002	42,332,380	34,647,941
Diluted weighted average shares of common stock outstanding	47,068,929	37,379,469	42,538,744	35,103,285
Dividend declared per share of common stock	\$ 0.40	\$ 0.40	\$ 1.20	\$ 1.20

Reconciliation of Operating Earnings to Net Income

	Three Months Ended			
	September 30, 2014	Earnings Per Share (Diluted)	September 30, 2013	Earnings Per Share (Diluted)
Operating Earnings:				
Net income available to common stockholders	\$ 17,299	\$ 0.37	\$ 11,041	\$ 0.29
Adjustments:				
Unrealized (gain)/loss on securities	2,147	0.04	1,472	0.04
Unrealized (gain)/loss on derivative instruments	(3,026)	(0.07)	(25)	-
Foreign currency loss	3,596	0.08	-	-
Equity-based compensation expense	308	0.01	784	0.02
Income from equity investment	88	-	-	-
Amortization of convertible notes related to equity reclassification	356	0.01	-	-
Total adjustments:	3,469	0.07	2,231	0.06
Operating Earnings	\$ 20,768	\$ 0.44	\$ 13,272	\$ 0.35
Basic weighted average shares of common stock outstanding		46,848,675		36,883,002
Diluted weighted average shares of common stock outstanding		47,068,929		37,379,469
	Nine Months Ended			
	September 30, 2014	Earnings Per Share (Diluted)	September 30, 2013	Earnings Per Share (Diluted)
Operating Earnings:				
Net income available to common stockholders	\$ 55,118	\$ 1.30	\$ 31,041	\$ 0.88
Adjustments:				
Unrealized (gain)/loss on securities	(4,787)	(0.11)	3,973	0.11
Unrealized (gain)/loss on derivative instruments	(1,933)	(0.05)	(155)	-
Foreign currency loss	2,637	0.06	-	-
Equity-based compensation expense	1,096	0.03	2,095	0.06
Income from equity investments	88	-	-	-
Amortization of convertible notes related to equity reclassification	586	0.01	-	-
Total adjustments:	(2,313)	(0.06)	5,913	0.17
Operating Earnings	\$ 52,805	\$ 1.24	\$ 36,954	\$ 1.05
Basic weighted average shares of common stock outstanding		42,322,380		34,647,941
Diluted weighted average shares of common stock outstanding		42,538,744		35,103,285