



Investor Presentation

December 2020

Forward Looking Statement

This presentation includes forward-looking statements. All statements in this presentation, other than statements of historical facts, including statements regarding our future results of operations and financial position, strategy and plans, and our expectations for future operations, are forward-looking statements. The words “anticipate,” “estimate,” “expect,” “project,” “plan,” “seek,” “intend,” “believe,” “may,” “might,” “will,” “should,” “could,” “likely,” “continue,” “design,” “expectation,” and the negative of such terms and other words and terms of similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, some of which cannot be quantified and some of which are beyond our control. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur, and our actual operating and financial results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. In addition, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We disclaim any duty to update any of these forward-looking statements after the date of this presentation to confirm these statements in relationship to actual results or revised expectations.

All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in this presentation. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties.

Management Team

**John L. Villano,
CPA**

- Co-founder and Chairman, Chief Executive Officer and Chief Financial Officer
- Co-founder of Sachem Capital Partners (“SCP”), and co-founder and Managing Partner of JJV, LLC, manager of SCP since their inception in December 2010
- Certified public accountant, previously engaged in private practice for over 30 years performing accounting, auditing and tax preparation services
- Responsibilities include oversight of all aspects of business operations, including loan origination and servicing, investor relations, brand development and business development
- Also responsible for the direction and oversight of all financial and accounting matters
- Bachelor’s Degree in Accounting from the University of Rhode Island

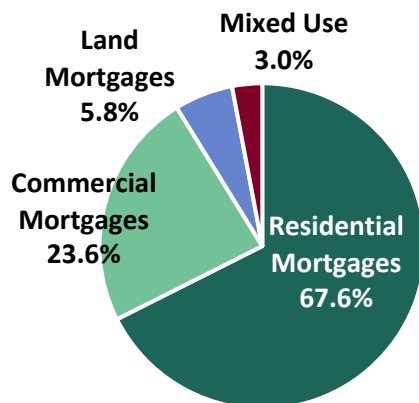
Peter J. Cuozzo

- Executive Vice President and Chief Operating Officer
- Former Managing Partner of SCP and JJV, LLC. First investor partner in SCP (2010)
- Responsibilities include oversight of all aspects of business operations, organizational effectiveness, process improvement, change management, human resource development, and business growth specifically focused in Florida and Texas
- Doctorate and Masters in Adult Education from Columbia University, an MBA from the University of Bridgeport, and a Bachelor’s degree from the University of Notre Dame

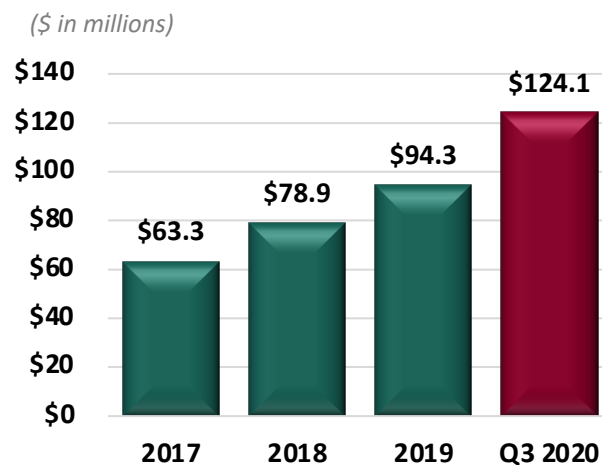
Sachem Capital Corp. Overview

- Sachem Capital Corp. is a mortgage REIT specializing in originating, underwriting, funding, servicing and managing a portfolio of short-term, high yielding real estate loans conservatively secured by first lien mortgages
- With the aging housing stock and lack of bank financing, there is significant demand for business-purpose real estate loans that is not being met by traditional lenders
- Sachem has grown its loan portfolio from \$33.8 million at year-end 2016 to \$124.1 million at September 30, 2020
- Headquartered in Branford, CT with 18 employees

LOAN PORTFOLIO BREAKDOWN⁽¹⁾



LOAN PORTFOLIO⁽¹⁾



KEY STATISTICS⁽¹⁾

Ticker:	SACH
Exchange:	NYSE American
Share Price:	\$4.14
Shares Outstanding:	22.1 million
Market Cap:	\$91.7 million
Shareholders' Equity:	\$83.9 million
Dividends (TTM):	\$0.36 / share
Insider Ownership:	7.5%

(1) Data as of 9/30/2020 other than share price and market cap, which is as of 12/15/2020

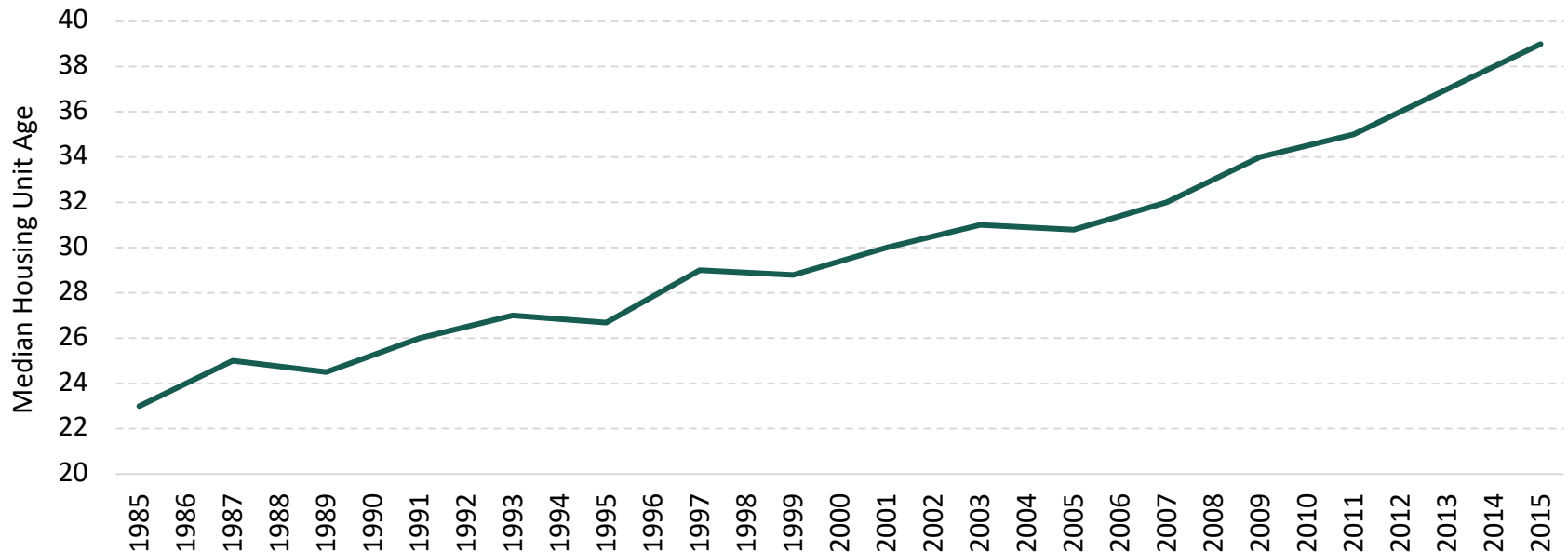
Investment Highlights

- ✓ Internally managed, with insiders owning approximately 7.5% of the company, aligning management's interests with investors
- ✓ High yielding assets and low cost structure generates attractive risk adjusted return on equity
- ✓ Conservative leverage profile
- ✓ Experienced management team with intimate knowledge of the Connecticut and surrounding area real estate market
- ✓ Significant demand for business purpose real estate loans that traditional lenders are unable to satisfy within geographies that have experienced a significant growth in demand as a result of the COVID pandemic
- ✓ Vertically-integrated loan origination platform allows for flexibility to structure loans that cater to the needs of clients
- ✓ Long track record of successful operations with positive total returns generated for shareholders

Aging U.S. Housing Stock

- The fix-and-flip market will remain robust as the aging U.S. housing stock requires renovation
- Aging inventory stokes demand for remodeled homes
 - Recently, the median age of housing stock has increased each year by approximately 0.9 year
 - Many homebuyers lack the desire or expertise to renovate a home and would prefer to buy a recently-renovated home

MEDIAN AGE OF HOUSING STOCK AMONG OWNER-OCCUPIED HOMES

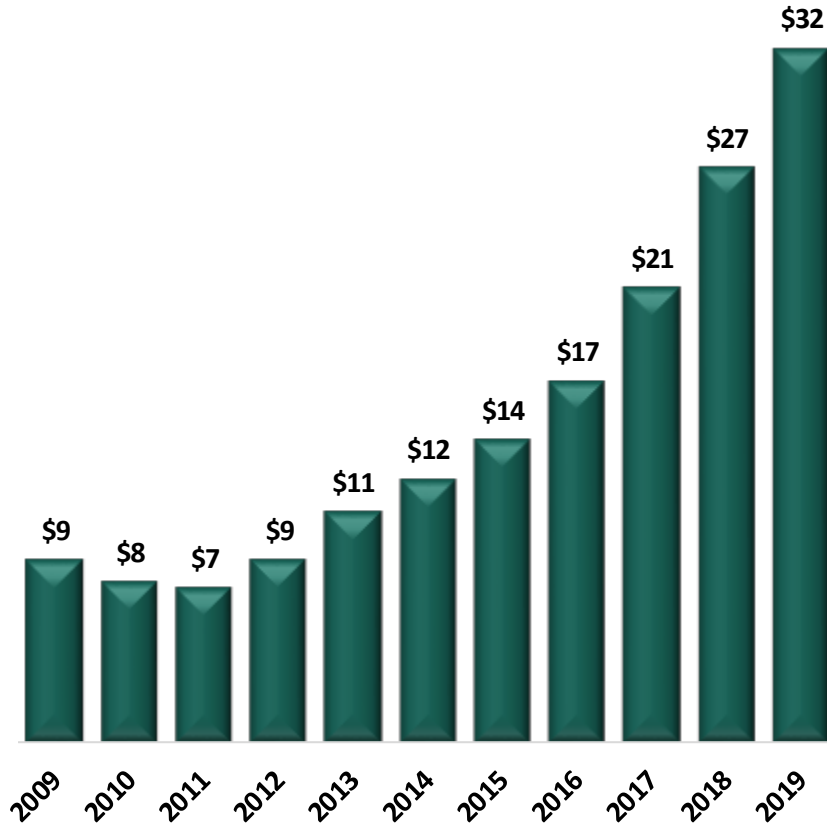


Source: RealtyTrac, U.S. Census

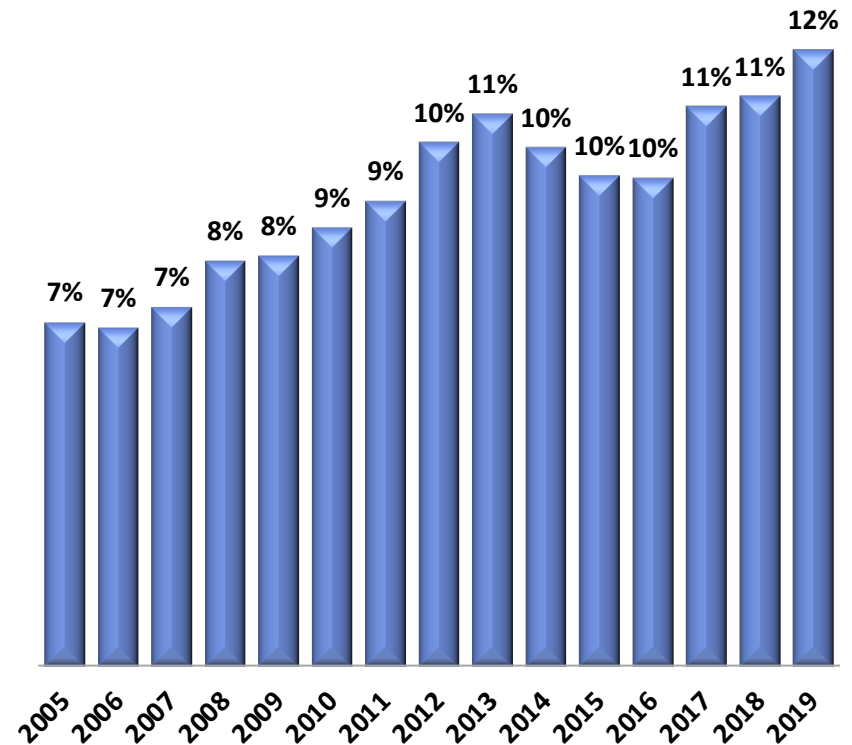
Fix-and-Flip Activity Growing

U.S. HOME FLIPPING - TOTAL FINANCED PURCHASE DOLLAR VOLUME

(\$ in billions)



U.S. INVESTOR HOME BUYING RATES

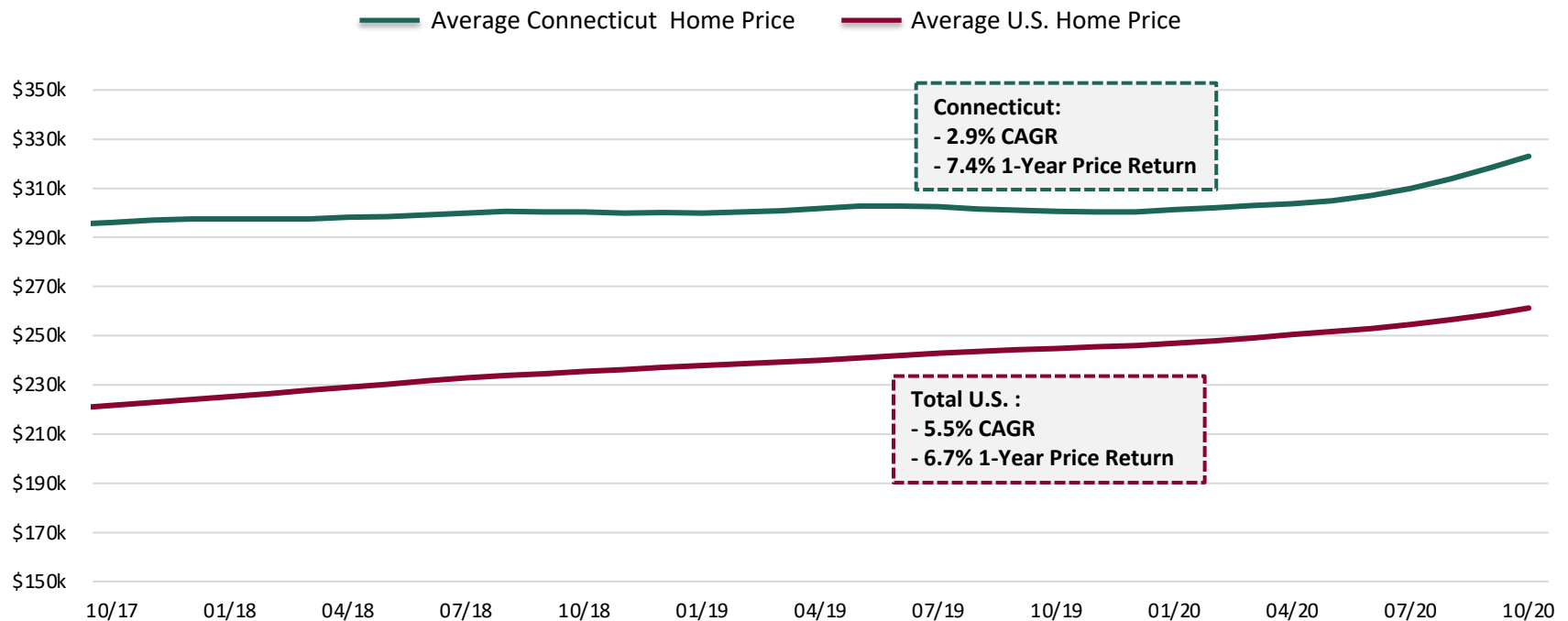


Source: ATTOM Data Solutions, CoreLogic

Favorable Home Price Market Environment

- The Company's primary market of Connecticut has benefitted from several trends accelerated by the COVID-19 pandemic:
 - Movement out of dense urban locations, including New York City, to suburban neighborhoods
 - As workers adjust to a greater proportion of remote work, increased demand for larger, more spacious housing
 - Lower interest rates, which improved mortgage affordability for home purchasers

AVERAGE HOME PRICE – 3 YEAR TREND



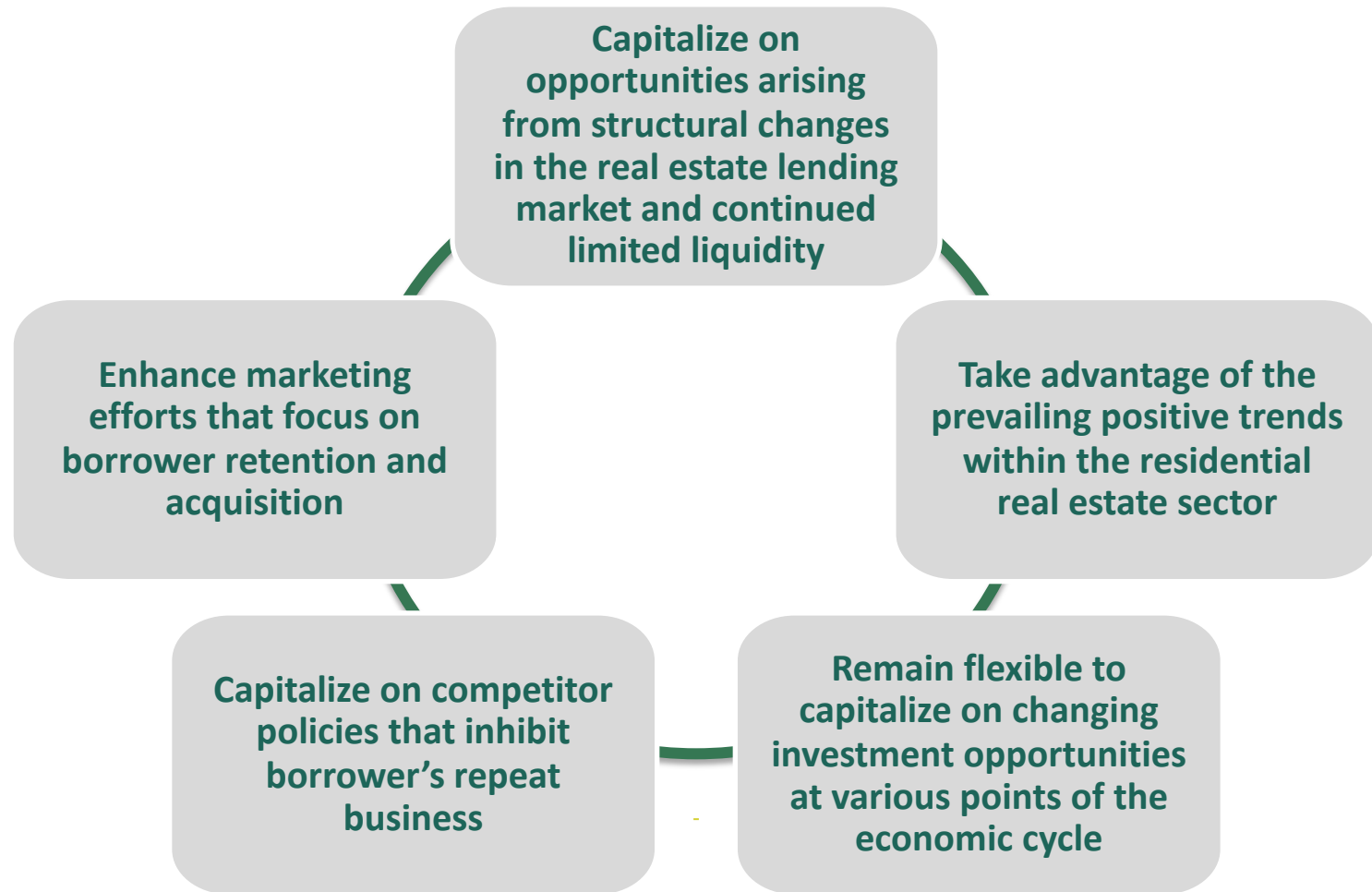
Source: Zillow

Robust Business Model

- Grow first mortgage loan portfolio while protecting and preserving capital
- Disciplined underwriting and extensive due diligence culture focusing primarily on value of underlying collateral
- Intimate knowledge of Connecticut and surrounding area real estate market and ability to respond quickly to customer needs and demands
- Loans are secured by first mortgages on real estate and personally guaranteed by the principals of the borrowers
- Operates as a REIT and pays quarterly dividends to shareholders
- Structure mortgage loans to fit needs and business plans of borrowers:
 - Acquire and/or renovate existing residential real estate properties
 - Acquire vacant real estate and construct residential real estate properties
 - Purchase and hold income producing properties
- Revenue is generated from interest on loans, rental income on REO properties, and fee income generated from origination, processing, modifications and extension of loans

Through execution of its business plan, Sachem aims to provide investors with attractive risk adjusted returns

Key Strategic Initiatives



Typical Loan Structure⁽¹⁾

Principal Amount	<ul style="list-style-type: none">▪ Average loan amount: \$233,000▪ Range of \$12,500 to \$2.0 million▪ Maximum loan amount cannot exceed 10% of portfolio
Loan-to-Value Ratio	<ul style="list-style-type: none">▪ Up to 70%
Interest Rate	<ul style="list-style-type: none">▪ Fixed rate between 5.0% and 13.0% with a default rate of 18.0%▪ Average portfolio yield of 12.28%
Origination Fee	<ul style="list-style-type: none">▪ 2.0% to 5.0%
Terms	<ul style="list-style-type: none">▪ One to three years
Payment Terms	<ul style="list-style-type: none">▪ Interest payable monthly with principal payable at maturity

Sachem generates high yielding, short term business-purpose real estate loans that are not provided by traditional lenders

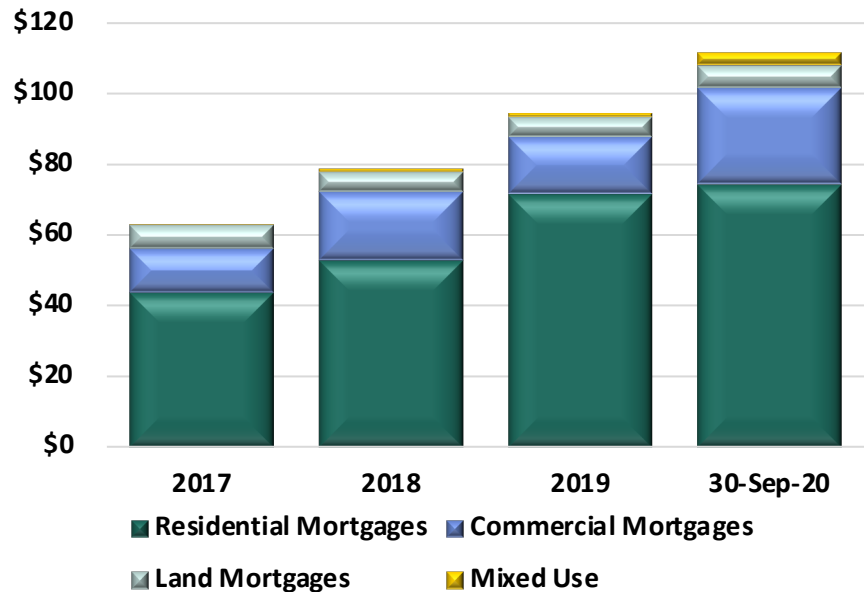
(1) As of 9/30/2020

Loan Portfolio Overview

- Of the total number of loans at year-end 2019, 76% were for \$250,000 or less, and 93% were for \$500,000 or less
- 67% of loans are for residential fix and flip projects, primarily homes and multifamily buildings with no more than 4 units

Loan Amount	Year Ended December 31, 2019	
	Number of Loans	Aggregate Principal Amount ⁽¹⁾
\$100,000 or less	144	\$9,635
\$100,001 to \$250,000	188	29,812
\$250,001 to \$500,000	76	25,797
\$500,001 to \$1,000,000	16	10,878
Over \$1,000,000	14	18,227
Total Loan Portfolio	438	\$94,349

(\$ in millions)



Portfolio has grown consistently year-over-year backed by a diverse pool of borrowers

(1) USD in Thousands

Income Statement Overview

(\$ in Thousands Except per Share Data)	Nine Months Ended September,		Year Ending December 31,	
	2020 ⁽¹⁾	2019	2018	
Principal amount of loans earning interest	\$124,132	\$94,349	\$78,891	
Loans originated in period	68,030	64,743	42,078	
Total revenue	12,898	12,681	11,713	
Total operating costs and expenses	6,251	6,484	3,942	
Net income	\$6,647	\$6,196	\$7,772	
Earnings per share	\$0.20	\$0.32	\$0.50	
Total equity	83,864	82,561	52,803	
Pre-interest income / interest expense	2.9x	3.1x	5.7x	
Return on average assets	6.0%	6.0%	10.1%	
Return on average equity	10.7%	8.9%	14.5%	

Sachem's business model generates strong returns and a significant cash flow coverage of interest

(1) 9/30/2020 annualized for return on average assets and return on average equity

Balance Sheet Overview

(\$ in Thousands)	September 30, 2020	December 31, 2019
Assets		
Mortgage Receivables	\$124,132	\$94,349
Other Assets	45,500	46,863
Total Assets	\$169,632	\$141,211
Equity & Liabilities		
Unsecured fixed rate notes ⁽¹⁾	\$69,453	\$55,476
Line of credit	12,081	-
Mortgage Payable	772	784
Total Debt	82,305	56,260
Other Liabilities	3,463	2,391
Equity	83,864	82,561
Total Equity and Liabilities	\$169,632	\$141,211
Total Debt / Equity	98.1%	68.1%
Total Debt / Assets	48.5%	39.8%
Asset Coverage	206.1%	251.0%

As of September 30, 2020, the debt-to equity ratio was approximately 98% while the asset coverage ratio exceeded 200%

(1) Net of deferred financing costs

Portfolio Performance

(\$ in Thousands)	Nine Months Ended 9/30/2020	Year-End 12/31/2019	Year-End 12/31/2018
Total Assets	\$169,632	\$141,211	\$86,014
No. of loans in Portfolio	480	438	403
Principal Amount of Loans in Portfolio	\$124,132	\$94,349	\$78,891
Interest Income	\$9,640	\$9,752	\$8,961
Origination Fee Income, Net	\$1,552	\$1,519	\$1,411
Wtd. Average Contractual Interest Rate ⁽¹⁾	12.28%	12.42%	12.85%
Average Outstanding Loan Balance	\$259	\$215	\$196
Weighted Average Term to Maturity (months) ⁽²⁾	NA	10	11
Foreclosures In Process	14	9	13

(1) Weighted average contractual interest rate does not include origination fee income.

(2) Without giving effect to extension fees.

Dividends Paid

Quarter	Dividend
Q3 2020	\$0.12
Q2 2020	\$0.12
Q1 2020	-
Q4 2019 ⁽¹⁾	\$0.12
Q3 2019	\$0.12
Q2 2019	\$0.12
Q1 2019	\$0.12
Q4 2018 ⁽²⁾	\$0.17
Q3 2018	\$0.12
Q2 2018	\$0.11
Q1 2018 ⁽³⁾	\$0.105
Q4 2017 ⁽⁴⁾	\$0.105
Q3 2017	\$0.105

Plan to distribute 90+% of taxable income to shareholders annually

(1) A portion represents a distribution of 2019 income

(2) Represents a distribution of 2018 income

(3) A portion represents a distribution of 2017 income

(4) Represents a distribution of 2017 income

SACHEM | **C A P I T A L**

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