



GRANITE POINT  
MORTGAGE TRUST

# Third Quarter 2023 Earnings Supplemental

November 8, 2023

# Safe Harbor Statement

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This presentation contains, or incorporates by reference, not only historical information, but also forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Our actual results may differ from our beliefs, expectations, estimates, projections and illustrations and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as “anticipate,” “estimate,” “will,” “should,” “expect,” “target,” “believe,” “outlook,” “potential,” “continue,” “intend,” “seek,” “plan,” “goals,” “future,” “likely,” “may” and similar expressions or their negative forms, or by references to strategy, plans or intentions. The illustrative examples herein are forward-looking statements. By their nature, forward-looking statements speak only as of the date they are made, are not statements of historical facts or guarantees of future performance and are subject to risks, uncertainties, assumptions or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs and estimates are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs and estimates will prove to be correct or be achieved, and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

These forward-looking statements are subject to risks and uncertainties, including, among other things, those described in our Annual Report on Form 10-K for the year ended December 31, 2022, under the caption “Risk Factors,” and any subsequent Form 10-Q or other filings made with the SEC. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation is for informational purposes only and shall not constitute, or form a part of, an offer to sell or buy or the solicitation of an offer to sell or the solicitation of an offer to buy any securities.

# Company Overview\*



An internally-managed commercial real estate finance company operating as a REIT, focused on originating and investing in floating-rate, first mortgage loans secured by institutional-quality transitional properties.

Conservatively managed balance sheet with a granular investment portfolio and a well-balanced funding profile.

INVESTMENT PORTFOLIO		CAPITALIZATION		SUMMARY RESULTS	
<b>\$3.1 billion**</b> Total Portfolio Commitments Across 77 Loan Investments	<b>100% Loans</b> 99% Senior Loans 98% Floating Rate	<b>\$3.3 billion</b> Total Financing Capacity with \$2.2 billion Outstanding	<b>~58%</b> Non-Mark-to-Market Borrowings	<b>\$(0.48)</b> Q3'23 GAAP Net*** (loss) per Basic Share	<b>\$(0.14)</b> Q3'23 Distributable (Loss)†† per Basic Share
<b>63.3%</b> Weighted Average LTV***	<b>\$38 million</b> Average UPB	<b>2.2x</b> Total Debt-to-Equity Leverage**	<b>\$178 million†</b> Cash Balance	<b>\$0.18</b> Q3'23 Pre-loss Distributable Earnings†† per Basic Share	<b>\$0.20</b> Common Dividend per Share; <b>16.7%</b> Annualized Dividend Yield
\$148.9 million allowance for credit losses, or 4.9% of portfolio commitments, of which 57%, or \$85.1 million, represents specific CECL reserves on four nonaccrual loans.		\$2.2bn financing capacity across seven facilities with \$1.1bn outstanding. \$1.0bn in non-recourse and non-mark-to-market borrowings from two CRE CLOs. No remaining corporate debt maturities.		<b>\$13.28</b> Book Value per Common Share at September 30, 2023.	

\* All information pertaining to this slide is as of September 30, 2023, unless otherwise noted.

\*\* Includes maximum loan commitments. Outstanding principal balance of \$2.9 billion.

\*\*\* See definition in the appendix.

† As of November 3, 2023.

†† See definition and reconciliation to GAAP net income in the appendix.

# Q3 2023 Summary Results & Subsequent Events



<b>FINANCIAL SUMMARY</b>	<ul style="list-style-type: none"> <li>GAAP Net (Loss)* of \$(24.5) million, or \$(0.48) per basic share, inclusive of a \$(31.0) million, or \$(0.60) per basic share, provision for credit losses.</li> <li>Pre-loss Distributable Earnings** of \$9.5 million, or \$0.18 per basic share. Distributable (Loss)** of \$(7.3) million, or \$(0.14) per basic share, inclusive of a write-off of \$(16.8) million, or \$(0.32) per basic share.</li> <li>Book value per common share of \$13.28, inclusive of \$(2.89) per common share total CECL reserve.</li> <li>Common stock quarterly dividend per share of \$0.20; Series A preferred dividend per share of \$0.4375.</li> </ul>
<b>PORTFOLIO ACTIVITY</b>	<ul style="list-style-type: none"> <li>Funded \$20.2 million on existing loan commitments and one loan upside of \$0.5 million. Realized \$177.5 million of total UPB in loan repayments, principal paydowns and amortization.</li> <li>Transferred to Held-for-Sale a \$31.8 million senior loan collateralized by an office property located in Dallas, TX, which resulted in a write-off of \$(16.8) million.</li> </ul>
<b>PORTFOLIO OVERVIEW</b>	<ul style="list-style-type: none"> <li>\$3.1 billion in total commitments across 77 loan investments comprised of over 99% senior loans with a weighted average stabilized LTV of 63.3%† and a realized loan portfolio yield of 8.4%††; over 98% floating rate.</li> <li>Total CECL reserve of approx. \$148.9 million, or 4.9% of total portfolio commitments.</li> <li>Weighted average portfolio risk rating of 2.7 as of September 30, 2023, with approx. 80% of loans risk ranked 3 or better.</li> </ul>
<b>CAPITALIZATION &amp; LIQUIDITY</b>	<ul style="list-style-type: none"> <li>Extended the maturity of the JPMorgan financing facility to July 2025 and upsized its borrowing capacity to \$425 million.</li> <li>Ended Q3 with over \$257 million in unrestricted cash and total leverage ratio† of 2.2x.</li> </ul>
<b>SUBSEQUENT EVENTS</b>	<ul style="list-style-type: none"> <li>So far in Q4, funded \$5.5 million on existing loan commitments and realized \$79.3 million in loan payoffs and one loan sale.</li> <li>Redeemed for cash the \$132 million of Convertible Senior Notes that matured on October 1, 2023. Following the redemption, the Company has no corporate debt outstanding.</li> <li>Increased the borrowing capacity of the JPMorgan financing facility up to \$525 million and modified other terms, resulting in additional cash proceeds to the Company of \$75 million, which may increase up to \$100 million.</li> <li>As of November 3<sup>rd</sup>, carried approx. \$178 million in unrestricted cash.</li> </ul>

\* Represents Net Income Attributable to Common Stockholders; see definition in the appendix.

\*\* See definition and reconciliation to GAAP net income in the appendix.

† See definition in the appendix.

†† See definition in the appendix. Includes nonaccrual loans.

# Q3 2023 Financial Summary



## SUMMARY INCOME STATEMENT

(\$ IN MILLIONS, EXCEPT PER SHARE DATA)

Net Interest Income	\$19.9
Fee Income	\$0.1
(Provision) for Credit Losses	\$(31.0)
Revenue / (Expenses) from REO Operations, net	\$(1.2)
Operating Expenses	\$(8.7)
Dividends on Preferred Stock	\$(3.6)
<b>GAAP Net (Loss)*</b>	<b>\$(24.5)</b>
Basic Wtd. Avg. Common Shares	51,577,143
Diluted Wtd. Avg. Common Shares	51,577,143
<b>Net (Loss) Per Basic Share</b>	<b>\$(0.48)</b>
<b>Net (Loss) Per Diluted Share</b>	<b>\$(0.48)</b>
Common Dividend Per Share	\$0.20
Series A Preferred Dividend Per Share	\$0.4375

## SUMMARY BALANCE SHEET

(\$ IN MILLIONS, EXCEPT PER SHARE DATA, REFLECTS CARRYING VALUES)

Cash	\$257.6
Restricted Cash	\$26.0
Loans Held-for-Investment, net	\$2,763.6
Loans Held-for-Sale, net	\$15.0
Real Estate Owned, net	\$17.5
Repurchase Facilities	\$921.3
Securitized (CLO) Debt	\$999.5
Secured Credit Facility	\$100.0
Asset-Specific Financing	\$45.8
Convertible Senior Notes**	\$131.6
Preferred Equity	\$205.7
Common Equity	\$684.9
Total Stockholders' Equity	\$890.6
Common Shares Outstanding	51,577,841
<b>Book Value Per Common Share</b>	<b>\$13.28</b>

\* See definition in the appendix. Due to rounding figures may not result in the totals presented.

\*\* Redeemed with cash upon maturity.

# Key Drivers of Q3 2023 Earnings and Book Value Per Share



- GAAP Net (Loss)\* of \$(24.5) million, or \$(0.48) per basic share, inclusive of a \$(31.0) million, or \$(0.60) per basic share, of provision for credit losses.
- Distributable (Loss)\*\* of \$(7.3) million, or \$(0.14) per basic share, inclusive of a write-off of \$(16.8) million, or \$(0.32) per basic share.
- Q3 2023 book value per common share of \$13.28, inclusive of \$(2.89) per common share total CECL reserve.

## BOOK VALUE WALK PER SHARE



\* Represents Net Income Attributable to Common Stockholders; see definition in the appendix.

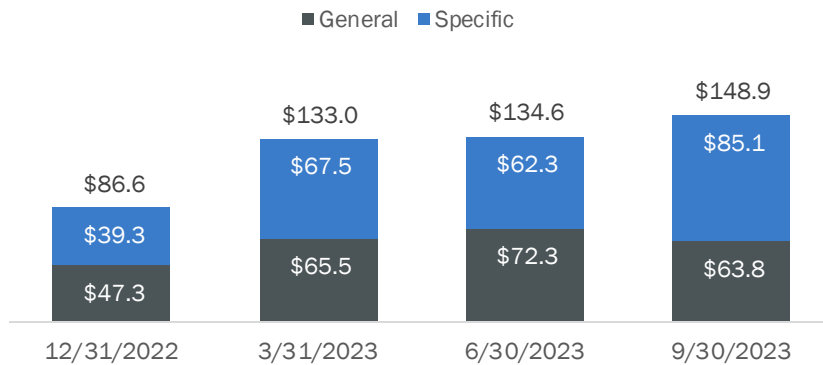
\*\* See definition and reconciliation to GAAP net income in the appendix.

# Loan Portfolio Credit Overview

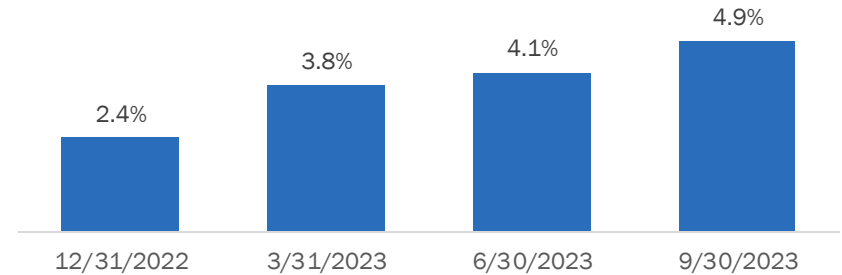


- Weighted average portfolio risk rating of 2.7 as of September 30, 2023.

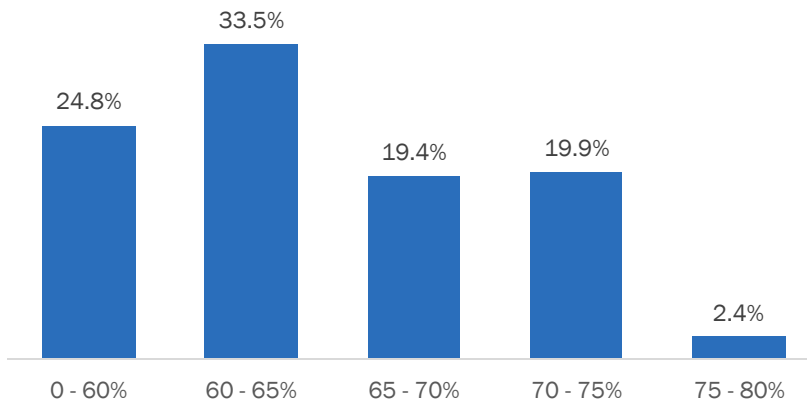
GENERAL AND SPECIFIC CECL RESERVE BY QTR.\*



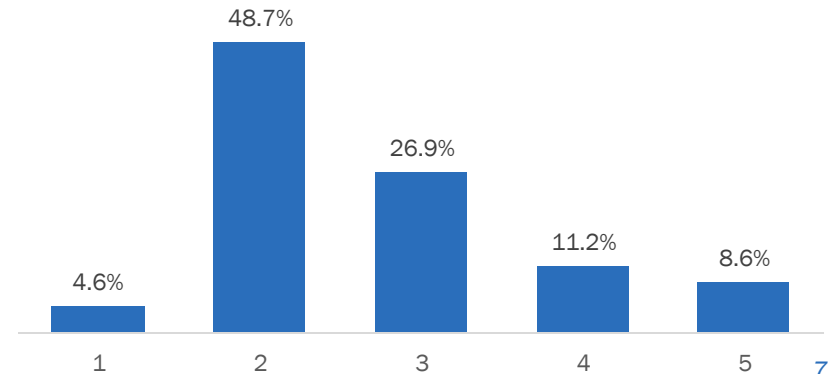
CECL RESERVE AS % OF COMMITMENTS BY QTR.



STABILIZED LTV\*\*



RISK RATINGS



\* \$ in millions.  
 \*\* See definition in the appendix.

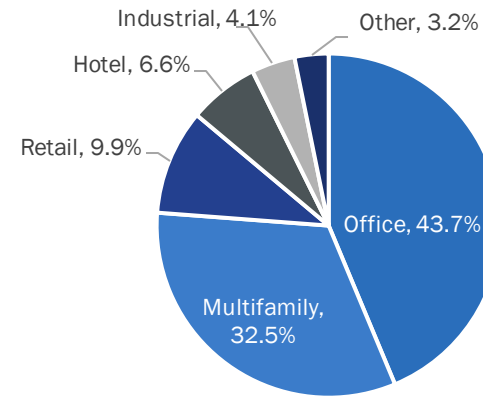
# Loan Portfolio Overview as of September 30, 2023



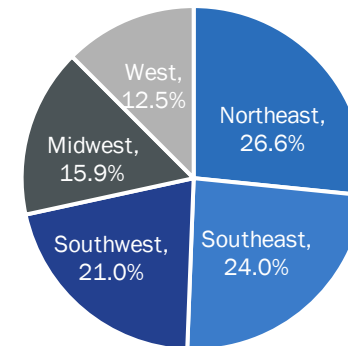
Well-diversified and granular portfolio comprised of over 99% senior loans with a weighted average stabilized LTV at origination of 63.3%\*.

KEY PORTFOLIO STATISTICS	
Outstanding Principal Balance	\$2.9 billion
Total Loan Commitments	\$3.1 billion
Number of Investments	77
Average UPB	~\$37.9 mil
Realized Loan Portfolio Yield**	8.4%
Weighted Average Stabilized LTV*	63.3%
Weighted Average Fully-Extended Remaining Term <sup>(2)</sup>	1.8 years

## PROPERTY TYPE<sup>(1)</sup>



## REGION



\* See definition in the appendix.

\*\* See definition in the appendix. Includes nonaccrual loans.

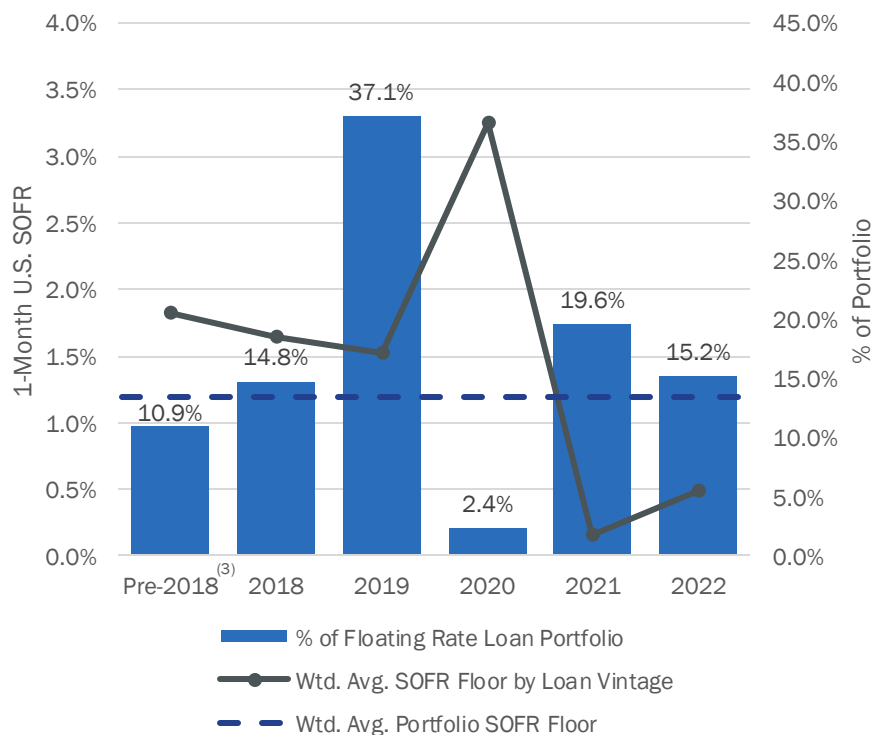


# Sensitivity to Short-term Interest Rates

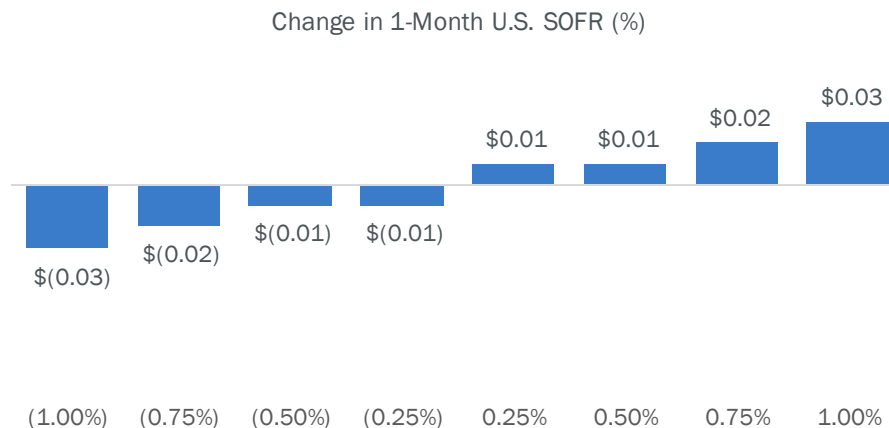


- Portfolio is over 98% floating rate.
- Well-positioned for further increases in short-term benchmark interest rates.

### WEIGHTED AVERAGE SOFR BY LOAN VINTAGE



### QTR. NET INTEREST INCOME PER SHARE SENSITIVITY TO CHANGES IN 1-MO. U.S. SOFR AS OF SEPTEMBER 30, 2023<sup>(4)</sup>



# Overview of Risk-Rated “5” Loans



- During Q3 2023, the Company downgraded to a risk rating of “5” a \$37.1 million senior loan collateralized by a mixed-use office and retail property located in Los Angeles, CA as the collateral property’s operating performance was adversely affected by the ongoing office leasing challenges and local submarket dynamics. The loan was on nonaccrual status as of September 30, 2023.
- As of September 30, 2023, the Company held four collateral-dependent loans that were risk-rated “5” with an aggregate principal balance of \$250.9 million, for which the Company recorded an allowance for credit losses of \$85.1 million. The Company is actively pursuing resolution options with respect to each of these loans, which may include foreclosure, deed-in-lieu, restructuring, sale of the loan, or sale of the collateral property.
- During Q3 2023, the Company transferred to Held-for-Sale and, subsequent to quarter-end, sold a \$31.8 million senior loan collateralized by an office property located in Dallas, TX, which resulted in a write-off of \$(16.8) million. The loan had a risk rating of “5” and had been on nonaccrual status.

	San Diego, CA Office <sup>(5)</sup>	Minneapolis, MN Office <sup>(6)</sup>	Los Angeles, CA Mixed-use <sup>(7)</sup>	Minneapolis, MN Hotel <sup>(8)</sup>
Loan Structure	Senior floating-rate	Senior floating-rate	Senior floating-rate	Senior floating-rate
Origination Date	October 2019	August 2019	November 2018	December 2018
Collateral Property	340,000 sq. ft. office building	409,000 sq. ft. office building	83,100 sq. ft. mixed-use building	154 key full-service hotel
Total Commitment	\$93 million	\$93 million	\$37 million	\$28 million
Current UPB	\$93 million	\$93 million	\$37 million	\$28 million
Cash Coupon*	S + 3.3%	S + 2.9%	S + 3.6%	S + 3.9%
Risk Rating	5	5	5	5

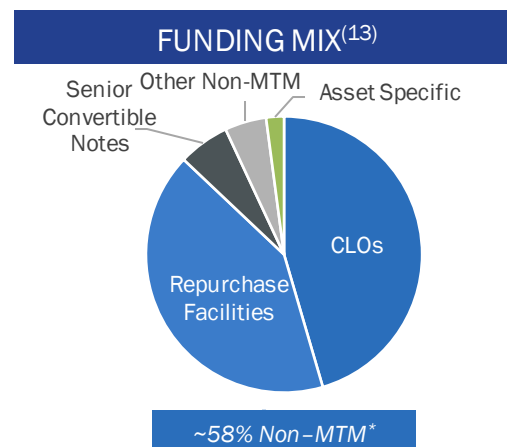
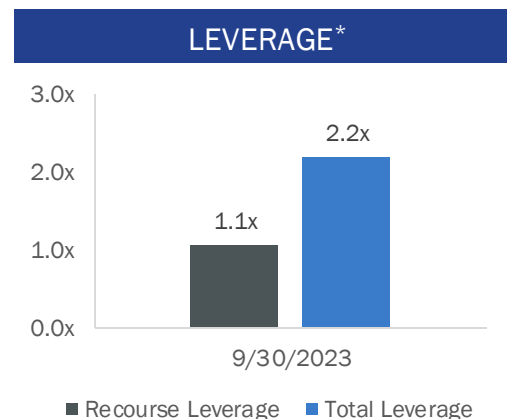
\* See definition in the appendix.

# Funding Mix and Capitalization Highlights



## WELL-DIVERSIFIED CAPITAL STRUCTURE WITH MODERATE LEVERAGE

FINANCING SUMMARY AS OF SEPTEMBER 30, 2023					
(\$ IN MILLIONS)	Total Capacity	Outstanding Balance <sup>(9)</sup>	Wtd. Avg Coupon*	Advance Rate	Non-MTM*
Repurchase Facilities <sup>(10)</sup>	\$1,750	\$914	S + 2.61%	64.8%	
Non-MTM* Repurchase Facility <sup>(11)</sup>	\$200	\$7	S + 5.00%	23.5%	✓
Secured Credit Facility	\$100	\$100	S + 6.50%	53.5%	✓
CLO-3 (GPMT 2021-FL3)		\$499	S + 1.88%	78.4%	✓
CLO-4 (GPMT 2021-FL4) <sup>(12)</sup>		\$503	S + 1.80%	80.9%	✓
Asset-Specific Financing	\$150	\$46	S + 1.81%	77.5%	✓
Convertible Senior Notes due Oct. 2023**		\$132	6.38%	—	✓
<b>Total Borrowings</b>		<b>\$2,201</b>			
Stockholders' Equity		\$891			



\* See definition in the appendix.  
 \*\* Redeemed with cash upon maturity.



# Endnotes

# Endnotes



- 1) Mixed-use properties represented based on allocated loan amounts.
- 2) Max remaining term assumes all extension options are exercised and excludes four loans that have passed its maturity date and are not eligible for extension, if applicable.
- 3) Reflects changes to SOFR floors arising from loan modifications in prior period.
- 4) Represents estimated change in net interest income for theoretical (+)(-) 25 basis points parallel shifts in 1-month U.S. SOFR, as of 9/30/2023, spot SOFR was 5.32%. All projected changes in quarterly net interest income are measured as the change from our projected quarterly net interest income based off of current performance returns on portfolio as it existed on September 30, 2023. Actual results of changes in annualized net interest income may differ from the information presented in the sensitivity graph due to differences between the dates of actual interest rate resets in our loan investments and our floating rate interest-bearing liabilities, and the dates as of which the analysis was performed.
- 5) Loan was placed on nonaccrual status as of June 2022.
- 6) Loan was placed on nonaccrual status as of September 2022.
- 7) Loan was placed on nonaccrual status as of September 2023.
- 8) Loan was placed on nonaccrual status as of March 2023.
- 9) Outstanding principal balance, excludes deferred debt issuance costs.
- 10) Includes option to be exercised at the Company's discretion, subject to customary terms and conditions, to increase the maximum facility amount of the Goldman Sachs facility from \$250 million to \$350 million.
- 11) Includes option to be exercised at the Company's discretion, subject to customary terms and conditions, to increase the maximum facility amount of the Centennial facility from \$150 million to \$200 million.
- 12) GPMT 2021-FL4 \$22.9 million of restricted cash.
- 13) Other non-MTM includes non-mark-to-market repurchase facility and secured credit facility.



# Appendix

# Summary of Investment Portfolio



(\$ IN MILLIONS)	Maximum Loan Commitment	Principal Balance	Carrying Value	Cash Coupon*	All-in Yield at Origination*	Original Term (Years)*	Initial LTV*	Stabilized LTV*
Senior Loans*	\$3,046.2	\$2,904.2	\$2,750.4	S + 3.72%	S + 3.98%	3.1	66.5%	63.5%
Subordinated Loans	\$13.6	\$13.6	\$13.1	8.00%	8.11%	10.0	41.4%	36.2%
<b>Total Weighted/Average**</b>	<b>\$3,059.8</b>	<b>\$2,917.7</b>	<b>\$2,763.6</b>	<b>S + 3.72%</b>	<b>S + 3.98%</b>	<b>3.2</b>	<b>66.4%</b>	<b>63.3%</b>

\* See definition in this appendix.

\*\* Due to rounding figures may not result in the totals presented.

# Investment Portfolio



(\$ IN MILLIONS)	Type *	Origination Date	Maximum Loan Commitment	Principal Balance	Carrying Value	Cash Coupon *	All-in Yield at Origination *	Original Term (Years) *	State	Property Type	Initial LTV *	Stabilized LTV *
Asset 1	Senior	12/19	\$111.1	\$109.2	\$109.1	S + 2.80%	S + 3.23%	3.0	IL	Multifamily	76.5%	73.0%
Asset 2	Senior	12/18	96.4	90.2	90.0	S + 3.75%	S + 5.21%	3.0	NY	Mixed-Use	26.2%	47.6%
Asset 3	Senior	08/19	93.1	93.1	93.2	S + 2.85%	S + 3.26%	3.0	MN	Office	73.1%	71.2%
Asset 4	Senior	10/19	92.6	92.6	92.6	S + 3.30%	S + 3.86%	3.0	CA	Office	63.9%	61.1%
Asset 5	Senior	07/19	89.8	79.8	79.7	S + 3.74%	S + 4.32%	3.0	IL	Office	70.0%	64.4%
Asset 6	Senior	10/19	87.8	87.1	87.0	S + 2.60%	S + 3.05%	3.0	TN	Office	70.2%	74.2%
Asset 7	Senior	12/15	86.0	84.8	84.6	S + 4.15%	S + 4.43%	4.0	LA	Mixed-Use	65.5%	60.0%
Asset 8	Senior	06/19	81.7	81.4	81.0	S + 3.29%	S + 3.05%	3.0	TX	Mixed-Use	71.7%	72.2%
Asset 9	Senior	10/22	77.3	77.3	77.3	S + 4.50%	S + 4.61%	2.0	CA	Retail	47.7%	36.6%
Asset 10	Senior	10/19	76.8	76.8	76.7	S + 3.41%	S + 3.73%	3.0	FL	Mixed-Use	67.7%	62.9%
Asset 11	Senior	12/16	66.0	66.0	66.0	S + 5.15%	S + 4.87%	4.0	FL	Office	73.3%	63.2%
Asset 12	Senior	12/19	63.7	62.1	62.0	S + 3.50%	S + 3.28%	3.0	NY	Office	68.8%	59.3%
Asset 13	Senior	07/21	63.3	63.3	63.0	S + 3.05%	S + 3.39%	3.0	LA	Multifamily	68.8%	68.6%
Asset 14	Senior	12/18	60.1	60.1	59.9	S + 2.90%	S + 3.44%	3.0	TX	Office	68.5%	66.7%
Asset 15	Senior	05/22	55.5	45.8	45.5	S + 3.29%	S + 3.70%	3.0	TX	Multifamily	59.3%	62.9%
Assets 16-77	Various	Various	\$1,858.6	\$1,748.1	\$1,741.3	S + 3.80%	S + 4.08%	3.2	Various	Various	67.5%	63.4%
Allowance for Credit Losses					\$(145.3)							
<b>Total/Weighted Average**</b>			<b>\$3,059.8</b>	<b>\$2,917.7</b>	<b>\$2,763.6</b>	<b>S + 3.72%</b>	<b>S + 3.98%</b>	<b>3.2</b>			<b>66.4%</b>	<b>63.3%</b>

\* See definition in this appendix.

\*\* Due to rounding figures may not result in the totals presented.



# Average Balances and Yields/Cost of Funds



(\$ IN THOUSANDS)	Quarter Ended September 30, 2023		
	Average Balance **	Interest Income/Expense †	Net Yield/Cost of Funds
<b>Interest-earning assets</b>			
Loans held-for-investment			
Senior loans*	\$3,040,502	\$63,570	8.4%
Subordinated loans	13,597	278	8.2%
Total loan interest income/net asset yield	\$3,054,099	\$63,848	8.4%
Other - Interest on cash and cash equivalents		\$2,609	
Total interest income		\$66,457	
<b>Interest-bearing liabilities</b>			
Borrowings collateralized by:			
Loans held-for-investment			
Senior loans*	\$2,161,189	\$44,265	8.2%
Subordinated loans	8,163	176	8.6%
Other:			
Convertible senior notes	131,521	2,332	7.1%
Total interest expense/cost of funds	\$2,300,873	\$46,773	8.1%
Net interest income/spread		\$19,684	0.3%

\* See definition in this appendix. Included in collateralized borrowings is the Centennial repurchase facility with an outstanding balance \$7.0 million, which became collateralized by REO on May 16, 2023.

\*\* Average balance represents average amortized cost on loans held-for-investment.

† Includes amortization of deferred debt issuance costs.

# Condensed Consolidated Balance Sheets



GRANITE POINT MORTGAGE TRUST INC. CONDENSED CONSOLIDATED BALANCE SHEETS (IN THOUSANDS, EXCEPT SHARE DATA)	September 30, 2023	December 31, 2022
<b>ASSETS</b>	(unaudited)	
Loans held-for-investment	\$ 2,908,855	\$ 3,350,15C
Allowance for credit losses	(145,297)	(82,335)
Loans held-for-investment, net	2,763,558	3,267,815
Loans held-for-sale, net	14,980	–
Cash and cash equivalents	257,592	133,132
Restricted cash	25,955	7,033
Real estate owned, net	17,527	–
Accrued interest receivable	12,964	13,413
Other assets	38,045	32,708
<b>Total Assets</b>	<b>\$ 3,130,621</b>	<b>\$ 3,454,101</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Repurchase facilities	\$ 921,348	\$ 1,015,566
Securitized debt obligations	999,536	1,138,749
Asset-specific financings	45,823	44,913
Secured credit facility	100,000	100,000
Convertible senior notes	131,600	130,918
Dividends payable	14,336	14,318
Other liabilities	27,233	24,967
<b>Total Liabilities</b>	<b>2,239,876</b>	<b>2,469,431</b>
<b>Commitments and Contingencies</b>		
10% cumulative redeemable preferred stock, par value \$0.01 per share; 50,000,000 shares authorized and 1,000 issued and outstanding (\$1,000,000 liquidation preference)	–	1,000
<b>Stockholders' Equity</b>		
7.00% Series A cumulative redeemable preferred stock, par value \$.01 per share; 11,500,000 shares authorized and 8,229,500 and 8,229,500 shares issued and outstanding, respectively; liquidation preference \$25.00 per share	82	82
Common stock, par value \$0.01 per share; 450,000,000 shares authorized and 51,577,841 and 52,350,989 shares issued and outstanding, respectively	516	524
Additional paid-in capital	1,202,151	1,202,315
Cumulative earnings	80,968	130,693
Cumulative distributions to stockholders	(393,097)	(350,069)
<b>Total Granite Point Mortgage Trust Inc. Stockholders' Equity</b>	<b>890,620</b>	<b>983,545</b>
Non-controlling interests	125	125
<b>Total Equity</b>	<b>\$ 890,745</b>	<b>\$ 983,670</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 3,130,621</b>	<b>\$ 3,454,101</b>

# Condensed Consolidated Statements of Comprehensive Income (Loss)



GRANITE POINT MORTGAGE TRUST INC. CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (in thousands, except share data)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Interest income:</b>				
Loans held-for-investment	\$ 63,848	\$ 52,121	\$ 195,358	\$ 148,475
Cash and cash equivalents	2,839	714	6,876	960
<b>Total interest income</b>	<b>66,687</b>	<b>52,835</b>	<b>202,232</b>	<b>149,435</b>
<b>Interest expense:</b>				
Repurchase facilities	21,986	15,098	64,630	30,486
Secured credit facility	3,178	—	9,182	—
Securitized debt obligations	18,414	14,416	54,353	34,992
Convertible senior notes	2,332	4,585	6,975	13,703
Term financing facility	—	—	—	1,713
Asset-specific financings	862	442	2,424	1,046
Senior secured term loan facilities	—	—	—	3,754
<b>Total Interest Expense</b>	<b>46,772</b>	<b>34,541</b>	<b>137,564</b>	<b>85,694</b>
<b>Net interest income</b>	<b>19,915</b>	<b>18,294</b>	<b>64,668</b>	<b>63,741</b>
<b>Other (loss) income:</b>				
Revenue from real estate owned operations	1,056	—	1,518	—
(Provision for) Benefit from credit losses	(31,008)	(35,442)	(83,236)	(52,757)
Gain (loss) on extinguishment of debt	—	—	238	(18,823)
Fee income	81	—	81	954
<b>Total other (loss) income</b>	<b>(29,871)</b>	<b>(35,442)</b>	<b>(81,399)</b>	<b>(70,626)</b>
<b>Expenses:</b>				
Compensation and benefits	5,044	4,953	17,165	16,539
Servicing expenses	1,331	1,336	4,029	4,297
Expenses from real estate owned operations	2,233	—	3,897	—
Other operating expenses	2,358	2,068	7,809	6,867
<b>Total expenses</b>	<b>10,966</b>	<b>8,357</b>	<b>32,900</b>	<b>27,703</b>
<b>Income (loss) before income taxes</b>	<b>(20,922)</b>	<b>(25,505)</b>	<b>(49,631)</b>	<b>(34,588)</b>
Provision for (benefit from) income taxes	15	(1)	94	11
<b>Net income (loss)</b>	<b>(20,937)</b>	<b>(25,504)</b>	<b>(49,725)</b>	<b>(34,599)</b>
Dividends on preferred stock	3,600	3,626	10,850	10,876
<b>Net income (loss) attributable to common stockholders</b>	<b>\$ (24,537)</b>	<b>\$ (29,130)</b>	<b>\$ (60,575)</b>	<b>\$ (45,475)</b>
Basic earnings (loss) per weighted average common share	\$ (0.48)	\$ (0.56)	\$ (1.17)	\$ (0.85)
Diluted earnings (loss) per weighted average common share	\$ (0.48)	\$ (0.56)	\$ (1.17)	\$ (0.85)
<b>Dividends declared per common share</b>	<b>\$ 0.20</b>	<b>\$ 0.25</b>	<b>\$ 0.60</b>	<b>\$ 0.75</b>
<b>Weighted average number of shares of common stock outstanding:</b>				
Basic	51,577,143	52,350,989	51,805,265	53,234,498
Diluted	51,577,143	52,350,989	51,805,265	53,234,498
<b>Net income (loss) attributable to common stockholders</b>	<b>\$ (24,537)</b>	<b>\$ (29,130)</b>	<b>\$ (60,575)</b>	<b>\$ (45,475)</b>
<b>Comprehensive income (loss)</b>	<b>\$ (24,537)</b>	<b>\$ (29,130)</b>	<b>\$ (60,575)</b>	<b>\$ (45,475)</b>

# Reconciliation of GAAP Net (Loss) Income to Distributable Earnings\*



(\$ IN MILLIONS, EXCEPT PER SHARE DATA) (UNAUDITED)	Q3 2023	Q2 2023	Q1 2023	Q4 2022
<b>GAAP Net (Loss) Income*</b>	<b>\$(24.5)</b>	<b>\$1.4</b>	<b>\$(37.5)</b>	<b>\$(9.9)</b>
<u>Adjustments:</u>				
Provision (Benefit from) for Credit Losses	\$31.0	\$5.8	\$46.4	\$16.5
Loss (Gain) on Extinguishment of Debt	\$-	\$-	\$(0.2)	\$-
Loss on Loan Sale	\$-	\$-	\$-	\$1.7
Non-Cash Equity Compensation	\$1.6	\$2.4	\$2.0	\$0.6
Depreciation and Amortization on Real Estate Owned	\$1.4	\$0.6	\$-	\$-
<b>Distributable Earnings* Pre-loss and Write-off</b>	<b>\$9.5</b>	<b>\$10.2</b>	<b>\$10.7</b>	<b>\$9.0</b>
Loan Write-off	\$(16.8)	\$(4.2)	\$-	\$(15.5)
Loss on Loan Sale	\$-	\$-	\$-	\$(1.7)
<b>Distributable Earnings (Loss)*</b>	<b>\$(7.3)</b>	<b>\$6.0</b>	<b>\$10.7</b>	<b>\$(8.2)</b>
Basic Wtd. Avg. Common Shares	51,577,143	51,538,309	52,308,380	52,350,989
Diluted Wtd. Avg. Common Shares	51,577,143	51,619,072	52,308,380	52,350,989
<b>Distributable Earnings* Per Basic Share Pre-loss and Loan Write-off</b>	<b>\$0.18</b>	<b>\$0.20</b>	<b>\$0.20</b>	<b>\$0.17</b>
<b>Distributable Earnings (Loss)* Per Basic Share</b>	<b>\$(0.14)</b>	<b>\$0.12</b>	<b>\$0.20</b>	<b>\$(0.16)</b>

\* See definition in this appendix.

# Financial Statements Impact of CECL Reserves



- Total allowance for credit losses of \$148.9 million, of which \$3.6 million is related to future funding obligations and recorded in other liabilities.
- Loans reported on the balance sheet are net of the allowance for credit losses.

(\$ in thousands)	At 12/31/22	At 3/31/23	At 6/30/23	At 9/30/23
<b>ASSETS</b>				
Loans Held-for-Investment	\$3,350,150	\$3,310,830	\$3,096,500	\$2,908,855
Allowance for credit losses	\$(82,335)	\$(128,451)	\$(130,412)	\$(145,297)
Carrying Value	\$3,267,815	\$3,182,379	\$2,966,088	\$2,763,558
<b>LIABILITIES</b>				
Other liabilities impact*	\$4,249	\$4,543	\$4,200	\$3,572
<b>STOCKHOLDERS' EQUITY</b>				
Cumulative earnings impact	\$(86,584)	\$(132,994)	\$(134,611)	\$(148,869)

(\$ in thousands)	Q3 2023
<b>Change in allowance for credit losses:</b>	
Provision for credit losses	\$(31,008)
Write-off	\$16,750
Total change in allowance for credit losses	\$(14,258)

\* Represents estimated allowance for credit losses on unfunded loan commitments.

# Distributable Earnings



- Beginning with our Annual Report on Form 10-K for the year ended December 31, 2022, and for all subsequent reporting periods ending on or after December 31, 2022, we have elected to present Distributable Earnings, a measure that is not prepared in accordance with GAAP, as a supplemental method of evaluating our operating performance. Distributable Earnings replaces our prior presentation of Core Earnings with no changes to the definition. In order to maintain our status as a REIT, we are required to distribute at least 90% of our taxable income as dividends. Distributable Earnings is intended to overtime serve as a general, though imperfect, proxy for our taxable income. As such, Distributable Earnings is considered a key indicator of our ability to generate sufficient income to pay our common dividends, which is the primary focus of income-oriented investors who comprise a meaningful segment of our stockholder base. We believe providing Distributable Earnings on a supplemental basis to our net income and cash flow from operating activities, as determined in accordance with GAAP, is helpful to stockholders in assessing the overall run-rate operating performance of our business.
- For reporting purposes, we define Distributable Earnings as net income attributable to our stockholders, computed in accordance with GAAP, excluding: (i) non-cash equity compensation expenses; (ii) depreciation and amortization; (iii) any unrealized gains (losses) or other similar non-cash items that are included in net income for the applicable reporting period (regardless of whether such items are included in other comprehensive income or in net income for such period); and (iv) certain non-cash items and one-time expenses. Distributable Earnings may also be adjusted from time to time for reporting purposes to exclude one-time events pursuant to changes in GAAP and certain other material non-cash income or expense items approved by a majority of our independent directors. The exclusion of depreciation and amortization from the calculation of Distributable Earnings only applies to debt investments related to real estate to the extent we foreclose upon the property or properties underlying such debt investments.

## Distributable Earnings (cont'd)



- While Distributable Earnings excludes the impact of the unrealized non-cash current provision for credit losses, we expect to only recognize such potential credit losses in Distributable Earnings if and when such amounts are deemed non-recoverable. This is generally at the time a loan is repaid, or in the case of foreclosure, when the underlying asset is sold, but non-recoverability may also be concluded if, in our determination, it is nearly certain that all amounts due will not be collected. The realized loss amount reflected in Distributable Earnings will equal the difference between the cash received, or expected to be received, and the carrying value of the asset, and is reflective of our economic experience as it relates to the ultimate realization of the loan. During the three months ended September 30, 2023, we recorded provision for credit losses of \$(31.0) million, which has been excluded from Distributable Earnings, consistent with other unrealized gains (losses) and other non-cash items pursuant to our existing policy for reporting Distributable Earnings. During the three months ended September 30, 2023, we recorded \$(1.4) million in depreciation and amortization on real estate owned and related intangibles, which has been excluded from Distributable Earnings consistent with other unrealized gains (losses) and other non-cash items pursuant to our existing policy for reporting Distributable Earnings, consistent with certain one-time events pursuant to our existing policy for reporting Distributable Earnings as a helpful indicator in assessing the overall run-rate operating performance of our business.
- Distributable Earnings does not represent net income or cash flow from operating activities and should not be considered as an alternative to GAAP net income, or an indication of our GAAP cash flows from operations, a measure of our liquidity, or an indication of funds available for our cash needs. In addition, our methodology for calculating Distributable Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and, accordingly, our reported Distributable Earnings may not be comparable to the Distributable Earnings reported by other companies.

# Other Definitions



Realized Loan Portfolio Yield	<ul style="list-style-type: none"> <li>Provided for illustrative purposes only. Calculations of realized loan portfolio yield are based on a number of assumptions (some or all of which may not occur) and are expressed as monthly equivalent yields that include net origination fees and exit fees and exclude future fundings and any potential or completed loan amendments or modifications.</li> </ul>
Cash Coupon	<ul style="list-style-type: none"> <li>Cash coupon does not include origination or exit fees.</li> </ul>
Future Fundings	<ul style="list-style-type: none"> <li>Fundings to borrowers of loan principal balances under existing commitments on our loan portfolio.</li> </ul>
Initial LTV	<ul style="list-style-type: none"> <li>The initial loan amount (plus any financing that is pari passu with or senior to such loan) divided by the as is appraised value (as determined in conformance with USPAP) as of the date the loan was originated set forth in the original appraisal.</li> </ul>
Net (Loss) Income Attributable to Common Stockholders	<ul style="list-style-type: none"> <li>GAAP Net (Loss) Income attributable to our common stockholders after deducting dividends attributable to our cumulative redeemable preferred stock.</li> </ul>
Non—MTM	<ul style="list-style-type: none"> <li>Non-Mark-to-Market.</li> </ul>
Original Term (Years)	<ul style="list-style-type: none"> <li>The initial maturity date at origination and does not include any extension options and has not been updated to reflect any subsequent extensions or modifications, if applicable.</li> </ul>
Pre-Provision Earnings	<ul style="list-style-type: none"> <li>Net interest income, less operating expenses and provision for income taxes.</li> </ul>
Recourse Leverage	<ul style="list-style-type: none"> <li>Borrowings outstanding on repurchase facilities, non-mtm repurchase facility, secured credit facility, asset-specific financing and convertible senior notes, less cash, divided by total stockholders' equity.</li> </ul>
REO	<ul style="list-style-type: none"> <li>Real estate owned.</li> </ul>
Senior Loans	<ul style="list-style-type: none"> <li>“Senior” means a loan primarily secured by a first priority lien on commercial real property and related personal property and also includes, when applicable, any companion subordinate loans.</li> </ul>



## Other Definitions (cont'd)



Stabilized LTV	<ul style="list-style-type: none"><li>▪ The fully funded loan amount (plus any financing that is pari passu with or senior to such loan), including all contractually provided for future fundings, divided by the as stabilized value (as determined in conformance with USPAP) set forth in the original appraisal. As stabilized value may be based on certain assumptions, such as future construction completion, projected re-tenanting, payment of tenant improvement or leasing commissions allowances or free or abated rent periods, or increased tenant occupancies.</li></ul>
Total Leverage	<ul style="list-style-type: none"><li>▪ Borrowings outstanding on repurchase facilities, non-mtm repurchase facility, secured credit facility, CLO's, asset-specific financing and convertible senior notes, less cash, divided by total stockholders' equity.</li></ul>
Wtd. Avg Coupon	<ul style="list-style-type: none"><li>▪ Does not include fees and other transaction related expenses.</li></ul>

# Company Information



Granite Point Mortgage Trust Inc. is an internally-managed real estate finance company that focuses primarily on directly originating, investing in and managing senior floating rate commercial mortgage loans and other debt and debt-like commercial real estate investments. Granite Point was incorporated in Maryland on April 7, 2017, and has elected to be treated as a real estate investment trust for U.S. federal income tax purposes.

For more information regarding Granite Point, visit [www.gpmtreit.com](http://www.gpmtreit.com).

## Contact Information:

### Corporate Headquarters:

3 Bryant Park, 24<sup>th</sup> Floor  
New York, NY 10036  
212-364-5500

### New York Stock Exchange:

Symbol: GPMT

### Investor Relations:

Chris Petta  
Investor Relations  
212-364-5500  
[Investors@gpmtreit.com](mailto:Investors@gpmtreit.com)

### Transfer Agent:

Equiniti Trust Company  
P.O. Box 64856  
St. Paul, MN 55164-0856  
800-468-9716  
[www.shareowneronline.com](http://www.shareowneronline.com)

## Analyst Coverage:\*

### JMP Securities

Steven DeLaney  
(212) 906-3517

### Keefe, Bruyette & Woods

Jade Rahmani  
(212) 887-3882

### Raymond James

Stephen Laws  
(901) 579-4868



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