

APOLLO

Q4 & FY 2024 Financial Results

Apollo Commercial Real Estate Finance, Inc.

February 10, 2025

Unless otherwise noted, information as of December 31, 2024

It should not be assumed that investments made in the future will be profitable or will equal the performance of the investments shown in this document.

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This presentation contains information regarding ARI's financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("GAAP"), including Distributable Earnings and Distributable Earnings per share. Please refer to page 22 for a definition of "Distributable Earnings" and the reconciliation of the applicable GAAP financial measures to non-GAAP financial measures set forth on page 21.

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Summary Results

Financial Results

- Net loss available to common stockholders of **(\$132) million**, or **(\$0.97)** per diluted share of common stock for 2024; Net income available to common stockholders of **\$38 million**, or **\$0.27** per diluted share of common stock for Q4
- Distributable Earnings^{1,(a)} of **\$190 million**, or **\$1.33** per diluted share of common stock for 2024; **\$45 million**, or **\$0.32** per diluted share of common stock for Q4
- Declared common stock dividends of **\$1.20** per share in 2024, which implies a dividend yield² of **13.2%** and **1.1x^(b)** annual dividend coverage ratio

Loan Portfolio

- Total loan portfolio of **\$7.1 billion** with weighted-average (“w/a”) unlevered all-in yield³ of **8.1%**
 - **95%** first mortgages
 - **95%** floating rate
- W/A risk rating of **3.0**
- Committed **\$1.9 billion⁴** (\$1.3 billion⁴ funded at close) to new loans in 2024; committed **\$782 million⁴** (\$330 million⁴ funded at close) in Q4
- Loan repayments of **\$2.5 billion^(c)** in 2024, **\$830 million** in Q4
- Gross add-on fundings⁵ of **\$627 million** in 2024, **\$97 million** in Q4

Capitalization

- Ended the year with total common equity book value of **\$1.8 billion^(d)**
- Ended year with **\$381 million^(e)** of total liquidity
- No corporate debt maturities until May 2026

Subsequent Events

- Committed and fully funded **\$114 million** to a first mortgage secured by a multifamily property in Miami Gardens, Florida

a) Amount reflects Distributable Earnings prior to net realized loss on investments

b) Ratio reflects Distributable Earnings, prior to net realized loss on investments to dividends declared in 2024

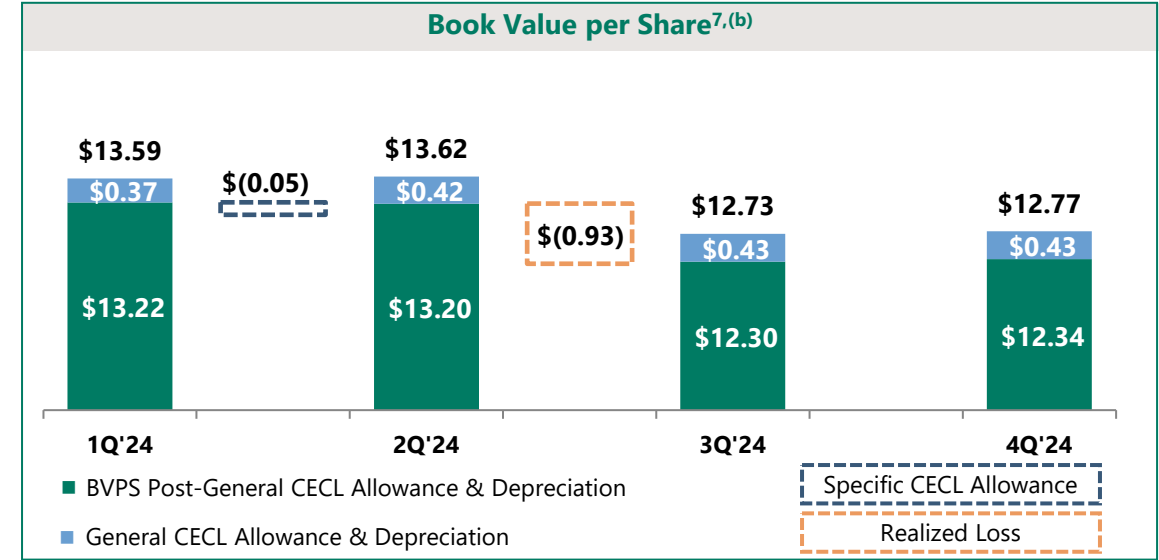
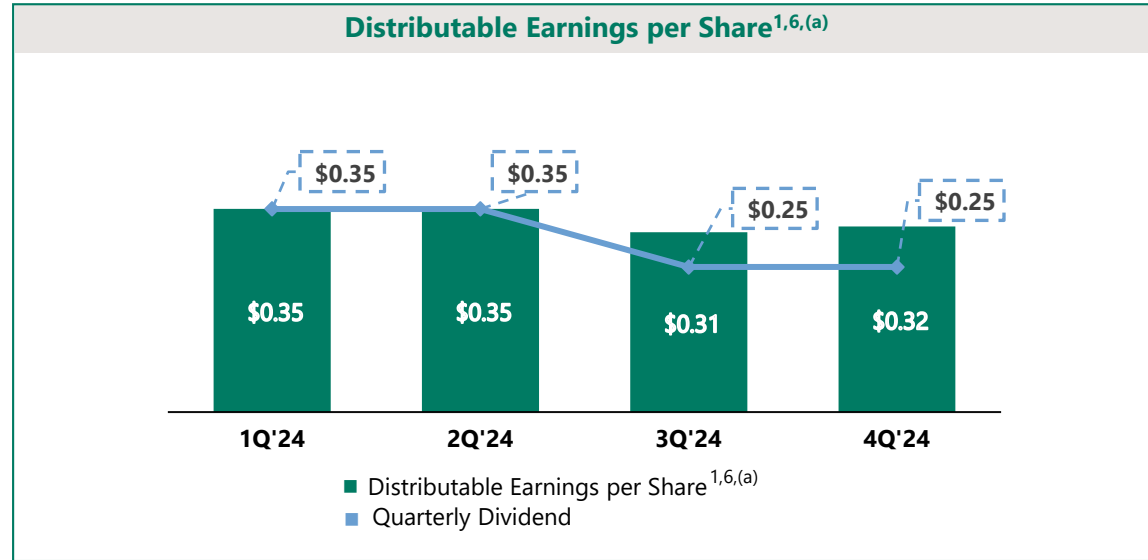
c) Includes the sale of a \$135 million commercial mortgage in April 2024

d) Reflects book value per share (excluding General CECL Allowance and depreciation) of \$12.77 multiplied by shares of common stock outstanding (see page 4 for book value per share overview)

e) Includes cash, loan proceeds held by servicer, and available leverage on our secured debt arrangements as of December 31, 2024

See footnotes on page 22

Per Share Overview



Book Value per Share⁷ Roll Forward

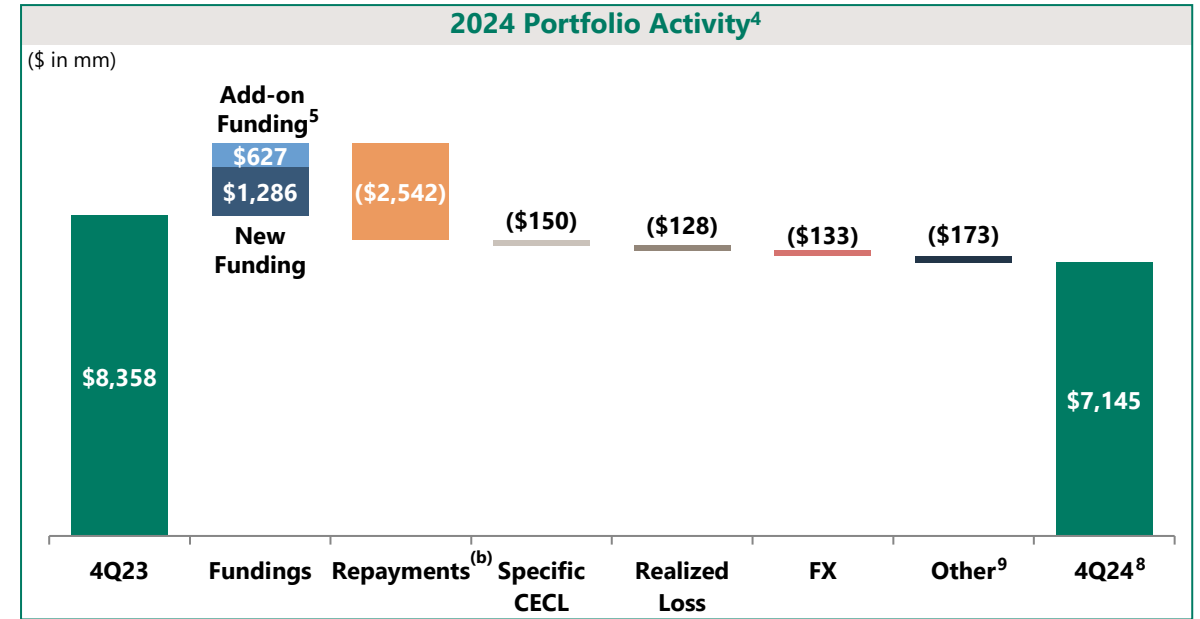
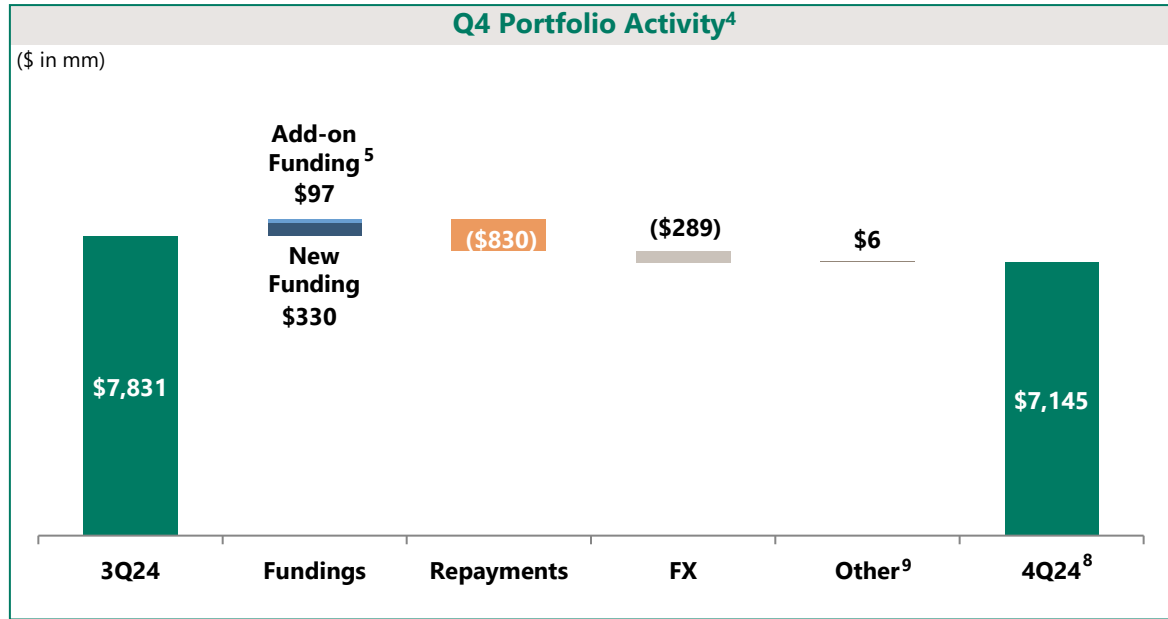
	BVPS	General CECL Allowance & Depreciation	BVPS excl. General CECL Allowance & Depreciation
December 31, 2023	\$14.43	(\$0.30)	\$14.73
(+) Diluted Distributable Earnings ^{1,(a)} per share	\$1.33	-	\$1.33
(+) Impact of share repurchases	\$0.12	-	\$0.12
(-) Common dividends declared	(\$1.20)	-	(\$1.20)
(-) Net increase in Specific CECL Allowance	(\$1.06)	-	(\$1.06)
(-) Realized loss on investments	(\$0.93)	-	(\$0.93)
(-) Vesting and delivery of RSUs	(\$0.14)	-	(\$0.14)
(-) Change in General CECL Allowance & Depreciation	(\$0.13)	(\$0.13)	-
(-) Net loss on currency and interest hedges ^(c)	(\$0.07)	-	(\$0.07)
(-) Other	(\$0.01)	-	(\$0.01)
Change during period⁸	(\$2.09)	(\$0.13)	(\$1.96)
December 31, 2024	\$12.34	(\$0.43)	\$12.77

a) Amount reflects Distributable Earnings prior to net realized loss on investments

b) No changes to Specific CECL Allowance or realized losses recorded in Q4 2024

c) Includes net foreign currency gain, net unrealized loss on forward currency contracts and interest rate hedges, and realized gain on forward currency contracts related to principal outside impact of forward points
See footnotes on page 22

Portfolio Activity & REO Overview



Q4 Portfolio Activity

- **\$782 million⁴** of new loan commitments (\$330 million⁴ funded at close), including **£305 million** (\$389 million^(c) in USD) committed to first mortgage secured by a retail portfolio in London, UK
- **\$830 million** of loan repayments, including **\$565 million** of full repayments across four first mortgages

REO Highlights

- **Brooklyn Multifamily Development:** The 53-story multifamily tower is topped out and fully enclosed, with interior fit-out ongoing. Construction continues to progress towards key milestones.

REO Overview

(\$ in mm)

	Net		
As of December 31, 2024	Assets	Debt ^(a)	Net Equity
Brooklyn Multifamily Development	\$541	(\$252)	\$289
D.C. Hotel	157	(73)	84
Atlanta Hotel	69	-	69
Total REO Held for Investment⁸	\$767	(\$325)	\$442




a) Debt related to real estate owned represents construction financing on our Brooklyn Multifamily Development (maximum commitment of \$388 million and presented net of \$2 million in deferred financing costs) and mortgage on our D.C. Hotel (maximum commitment of \$74 million and presented net of \$1 million in deferred financing costs)

b) Includes the sale of a \$135 million commercial mortgage in April 2024

c) Represents USD equivalent based on foreign exchange rates as of date commitment closed

See footnotes on page 22

Q4'24 Loan Origination Highlights

Asset Photos			
Loan Type	Floating-Rate Senior Loan	Floating-Rate Senior Loan	Floating-Rate Senior Loan
Loan Size^(a)	\$104 million	\$87 million	\$389 million ^(b)
Location	Various, US	Midwest	United Kingdom
Collateral	Three-Property, 1,948 Bed Student Housing Portfolio	575-Key Full Service Hotel	986K Sq Ft Portfolio of Prime Retail, F&B and Leisure Space
Loan Purpose	Acquisition	Refinance	Refinance
LTV^(c)	58%	49%	67%
Investment Date	October 2024	December 2024	December 2024

a) Total commitment. Represents USD equivalent based on foreign exchange rates as of date commitment closed

b) ARI's commitment is 50% (£305.0 million) of a £610.0 million total whole loan

c) Reflects loan-to-value ("LTV") at the time the loan was originated

See footnotes on page 22

2024 Loan Origination Overview

Key Highlights

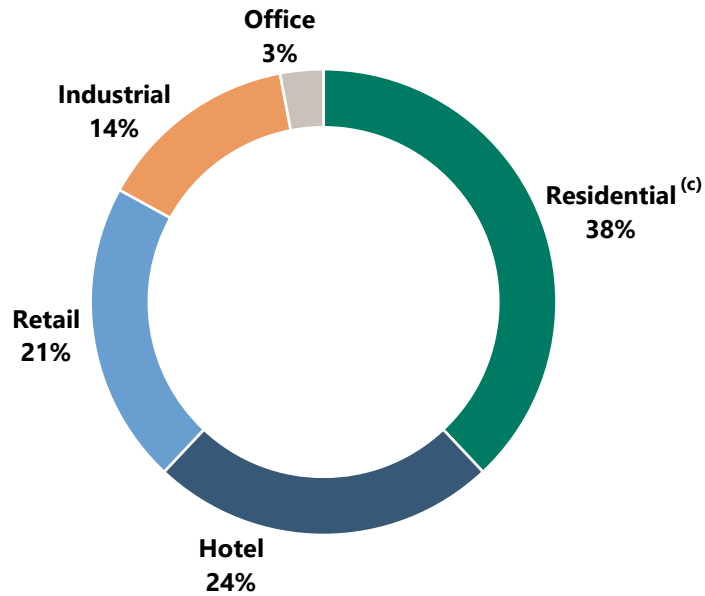
\$1.8 billion
New Commitments
Closed

100%
Floating Rate
First Mortgages

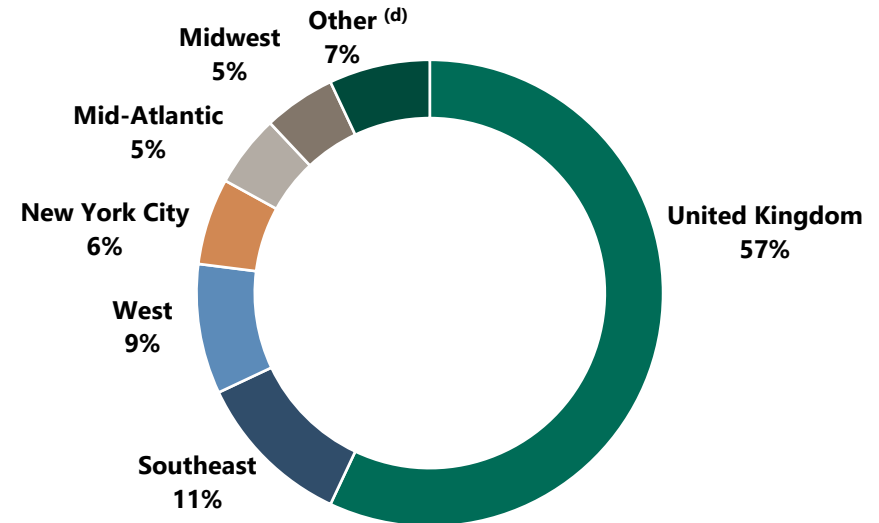
8.8%
Weighted Average
Unlevered All-in Yield³

56%
Weighted Average
Loan-to-Value^(a)

Property Type^(b)



Location^(b)



a) Reflects LTV at the time the loan was originated

b) Based on total commitment

c) Includes senior care facilities (18%), multifamily (14%), and student housing (6%)

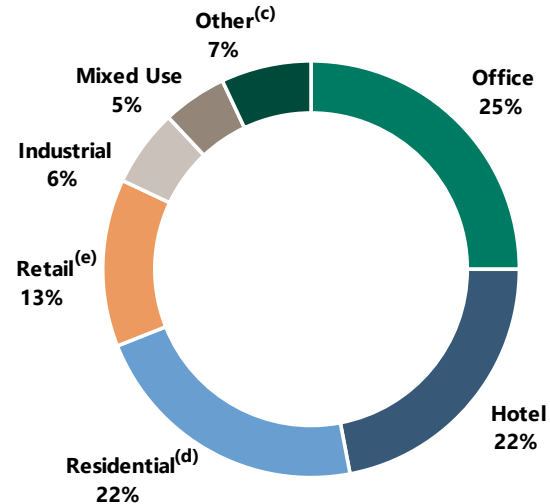
d) Includes Midwest (4%), Northeast (2%), and Other Europe (1%)

See footnotes on page 22

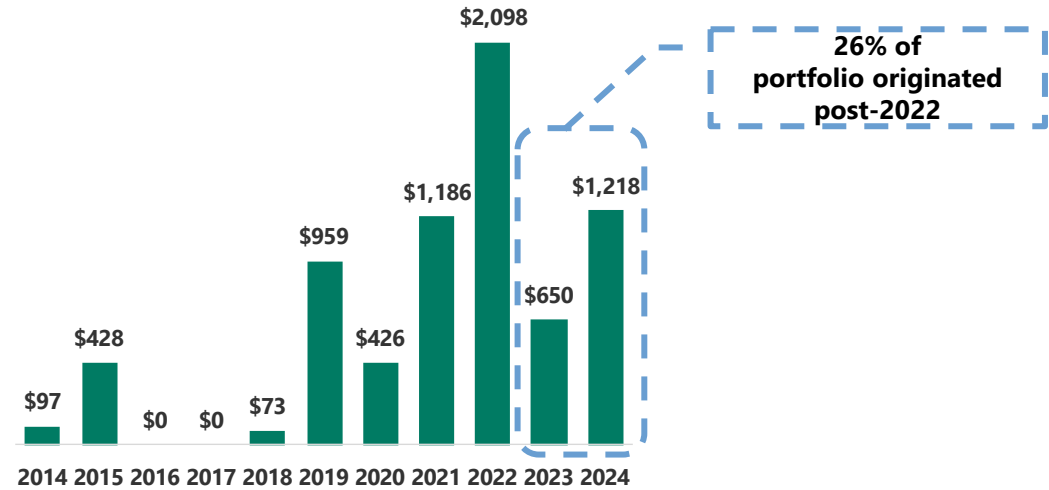
Loan Portfolio Overview

<p>Carrying Value/ Number of Loans</p> <p>\$7.1 billion/45 Loans</p>	<p>Loan Position¹⁰</p> <p>95% First Mortgage</p>	<p>W/A Unlevered All-in Yield on Loan Portfolio^{3,10,(a)}</p> <p>8.1%</p>
<p>W/A Remaining Fully-Extended Term^{10,11}</p> <p>2.5 Years</p>	<p>W/A Portfolio Risk Rating¹⁰</p> <p>3.0</p>	<p>W/A Portfolio Loan-to-Value^(b)</p> <p>57%</p>

Collateral Diversification¹⁰



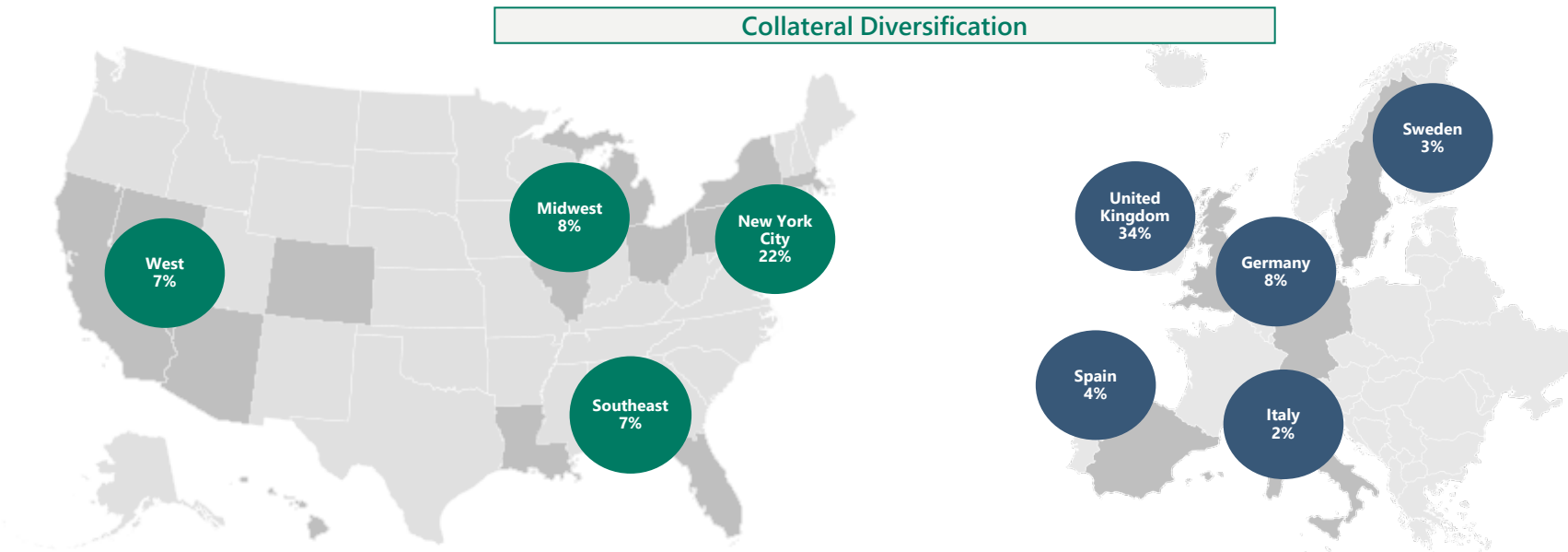
Origination Vintage¹⁰



a) Excludes benefit of forward points on currency hedges related to loans denominated in currencies other than USD
 b) W/A LTV reflects the LTV at the time the loan was originated; based on amortized cost and excludes risk-rated 5 loans
 c) Other property types include pubs (3%), caravan parks (3%) and urban predevelopment (1%)
 d) Residential property types include residential-for-sale (5%), senior care facilities (5%), multifamily (5%), student housing (5%), and vacation rentals (2%)
 e) Retail property types include outlet center (7%), urban retail (3%), and lifestyle center (3%)
 See footnotes on page 22

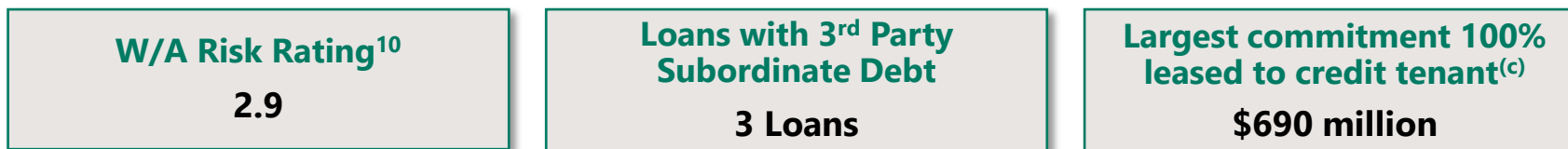
Loan Portfolio Overview (cont'd)

(\$ in mm)	United Kingdom	New York City	Other Europe	Midwest	Southeast	West	Other ^(d)	Total ⁸
Office	\$634 / 9%	\$482 / 7%	\$468 / 7%	\$173 / 2%	-	-	-	\$1,757 / 25%
Hotel	7 / 0%	246 / 3%	496 / 7%	141 / 2%	354 / 5%	212 / 3%	120 / 2%	1,575 / 22%
Residential ^(a)	559 / 8%	408 / 6%	-	149 / 2%	15 / 0%	224 / 3%	202 / 3%	1,557 / 22%
Retail ^(b)	479 / 7%	250 / 4%	34 / 0%	97 / 1%	9 / 0%	53 / 1%	23 / 0%	946 / 13%
Industrial	132 / 2%	-	268 / 4%	-	-	-	-	400 / 6%
Mixed Use	209 / 3%	154 / 2%	-	-	-	-	-	363 / 5%
Other ^(c)	403 / 6%	-	-	-	134 / 2%	-	-	537 / 7%
Total^{8,12}	\$2,424 / 34%	\$1,540 / 22%	\$1,265 / 18%	\$560 / 8%	\$512 / 7%	\$489 / 7%	\$345 / 5%	\$7,135 / 100%
General CECL Reserve								(\$31)
Carrying value, net⁸								\$7,104



a) Residential property types include residential-for-sale (5%), senior care facilities (5%), multifamily (5%), student housing (5%), and vacation rentals (2%)
 b) Retail property types include outlet center (7%), urban retail (3%), and lifestyle center (3%)
 c) Other property types include pubs (3%), caravan parks (3%) and urban predevelopment (1%)
 d) Other geographies include Southwest (2%), Mid-Atlantic (1%), Northeast (1%) and Other (1%)
 Note: Map does not show locations where percentages are 2% or lower
 See footnotes on page 22

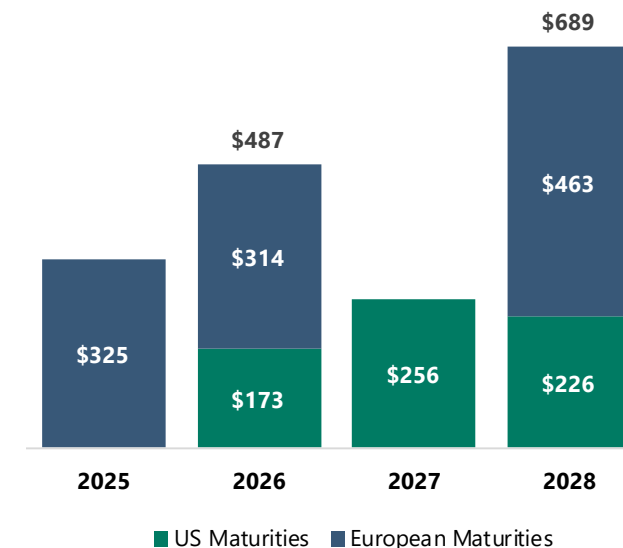
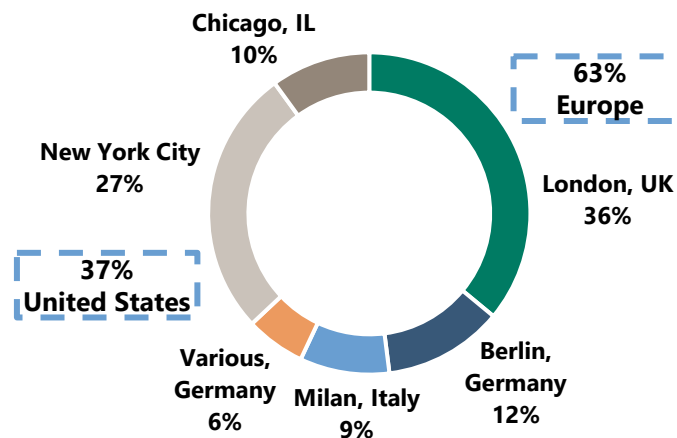
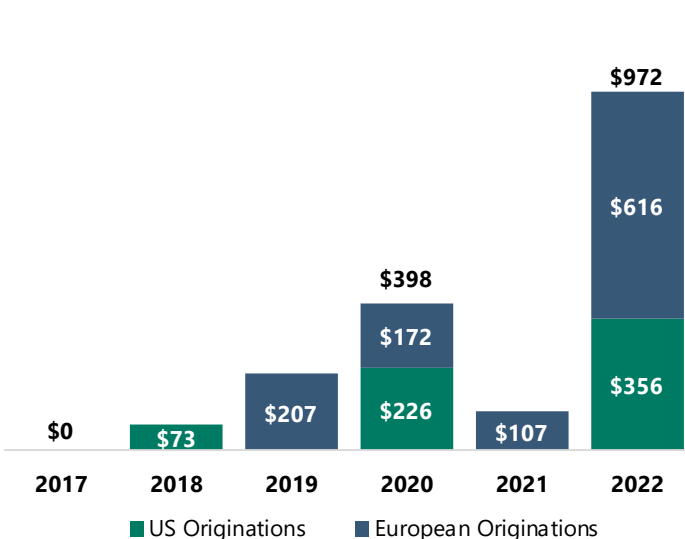
Office Loan Portfolio Overview



Origination Vintage¹⁰

Location¹⁰

Fully Extended Maturities^{10,11}



a) Includes one loan secured by a portfolio which includes office, industrial, and retail property types located in various cities across Germany

b) W/A LTV reflects the LTV at the time the loan was originated; based on amortized cost and excludes risk-rated 5 loans

c) Portfolio includes a £370 million (\$463 million in USD), based on amortized cost, first mortgage secured by an office redevelopment property in London which is 100% leased by a credit tenant for a 20-year term

Note: Location chart does not show locations where percentages are 2% or lower
See footnotes on page 22

Senior Loan Portfolio (1 of 2)

(\$ in mm)	Property	Origination	Amortized	Unfunded	Construction	3rd Party	Fully-extended	
Office	Type	Date	Cost	Commitments	Loan	Subordinate Debt	Maturity ¹¹	Location
Loan 1 ^(a)	Office	02/2022	\$463	\$223	Y		12/2028	London, UK
Loan 2	Office	03/2022	256	11		Y	04/2027	Manhattan, NY
Loan 3	Office	01/2020	226	25		Y	03/2028	Long Island City, NY
Loan 4	Office	06/2019	207	-			08/2026	Berlin, Germany
Loan 5	Office	02/2020	172	5			03/2025	London, UK
Loan 6	Office	02/2022	153	-			06/2025	Milan, Italy
Loan 7	Office	11/2022	100	-			09/2026	Chicago, IL
Loan 8	Office	03/2018	73	-		Y	01/2026	Chicago, IL
Subtotal - Office			\$1,650	\$264				
Hotel								
Loan 9	Hotel	12/2023	\$281	-			12/2028	Various, Europe
Loan 10	Hotel	10/2019	248	15			08/2027	Various, Spain
Loan 11	Hotel	05/2022	200	5		Y	06/2027	Napa Valley, CA
Loan 12	Hotel	07/2021	180	-			08/2026	Various, US
Loan 13	Hotel	09/2015	140	-			12/2026	Manhattan, NY
Loan 14	Hotel	06/2024	131	-			06/2029	St. Petersburg, FL
Loan 15	Hotel	06/2024	106	9			07/2029	Brooklyn, NY
Loan 16	Hotel	11/2021	87	-			12/2026	St. Thomas, USVI
Loan 17	Hotel	12/2024	84	2		Y	01/2030	Indianapolis, IN
Loan 18	Hotel	12/2024	74	-		Y	12/2029	New Orleans, LA
Loan 19	Hotel	05/2019	46	-			12/2025	Chicago, IL
Subtotal - Hotel			\$1,577	\$31				

a) Loan is secured by an office redevelopment property which is 100% leased by a credit tenant for a 20-year term
See footnotes on page 22

Senior Loan Portfolio (2 of 3)

Residential	Property Type	Origination Date	Amortized Cost	Unfunded Commitments	Construction Loan	3rd Party Subordinate Debt	Fully-extended Maturity ¹¹	Location
Loan 20	Residential	12/2021	\$226	\$11			12/2026	Various, UK
Loan 21	Residential	07/2024	187	-			07/2029	Various, UK
Loan 22	Residential	03/2023	161	-			04/2026	Various, US
Loan 23	Residential	04/2024	156	-			05/2029	Emeryville, CA
Loan 24	Residential	08/2024	146	-			08/2029	Various, UK
Loan 25	Residential	10/2024	103	-			11/2029	Various, US
Loan 26	Residential	06/2024	99	-			07/2029	Washington, DC
Loan 27	Residential	05/2021	76	-			05/2027	Cleveland, OH
Loan 28	Residential	12/2021	12	-			01/2027	Manhattan, NY
Subtotal - Residential			\$1,166	\$11				
Retail								
Loan 29	Retail	04/2022	\$479	\$21			04/2027	Various, UK
Loan 30	Retail	08/2019	250	-		Y	09/2025	Manhattan, NY
Loan 31 ⁽¹³⁾	Retail	11/2014	97	-			09/2025	Cincinnati, OH
Loan 32	Retail	05/2022	85	-			06/2027	Various, US
Loan 33	Retail	12/2024	-	382			07/2030	London, UK
Subtotal - Retail			\$911	\$403				

Senior Loan Portfolio (3 of 3)

	Property	Origination	Amortized	Unfunded	Construction	3rd Party	Fully-extended	
Mixed Use	Type	Date	Cost	Commitments	Loan	Subordinate Debt	Maturity ¹¹	Location
Loan 34	Mixed Use	12/2019	\$209	-		Y	11/2025	London, UK
Loan 35	Mixed Use	03/2022	154	24		Y	03/2027	Brooklyn, NY
Subtotal - Mixed Use			\$363	\$24				
Industrial								
Loan 36	Industrial	03/2021	\$223	-			05/2026	Various, Sweden
Loan 37	Industrial	08/2024	132	94	Y		08/2029	Various, UK
Subtotal - Industrial			\$355	\$94				
Other								
Loan 38	Pubs	12/2023	\$207	-		Y	01/2029	Various, UK
Loan 39	Caravan Parks	02/2021	196	-			02/2028	Various, UK
Loan 40 ^(a)	Portfolio	06/2021	186	14			06/2026	Various, Germany
Loan 41	Urban Predevelopment	12/2022	134	-			01/2026	Miami, FL
Subtotal - Other			\$723	\$14				
Subtotal/W.A. - First Mortgage⁸			\$6,745	\$841			2.6 Years	

a) Includes portfolio of office, industrial, and retail property types

Subordinate Loan & Other Lending Assets Portfolio

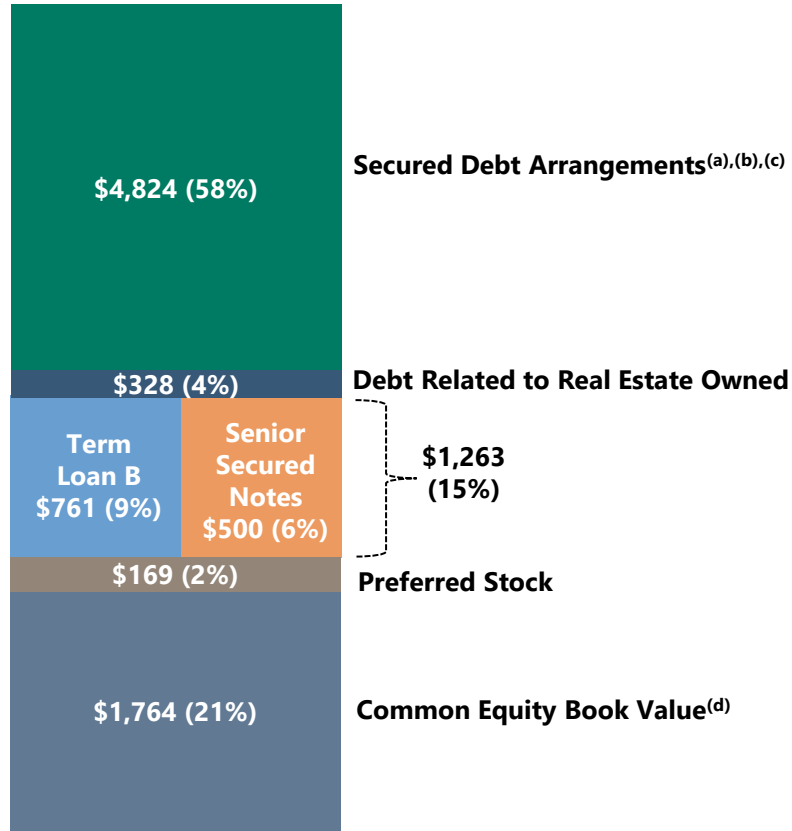
(\$ in mm)	Property Type	Origination Date	Amortized Cost	Unfunded Commitments	Construction Loan	3rd Party Subordinate Debt	Fully-extended Maturity ¹¹	Location
Loan 42 ¹⁴	Residential	06/2015	\$288	-			11/2025	Manhattan, NY
Loan 43 ¹⁴	Residential	08/2022	74	-			11/2025	Manhattan, NY
Loan 44 ^{13,14}	Residential	05/2020	28	-			11/2025	Manhattan, NY
Loan 45 ^{(a),13}	Office	08/2017	-	-			09/2024	Troy, MI
Total			\$390	-				
Total/W.A. - Subordinate⁸			\$390	-			0.8 Years	
Other Lending Assets								
Note Receivable	N/A	10/2024	\$41	-			10/2029	N/A
Total			\$41	-				
Total/W.A. - Other Lending Assets			\$41	-			4.8 Years	
Total/W.A. - Portfolio^{8,12}			\$7,176	\$841			2.5 Years	
General CECL Reserve			(\$31)					
Total Carrying Value, Net⁸			\$7,145					

a) Loan matured in September 2024. Negotiations with sponsor currently in process.

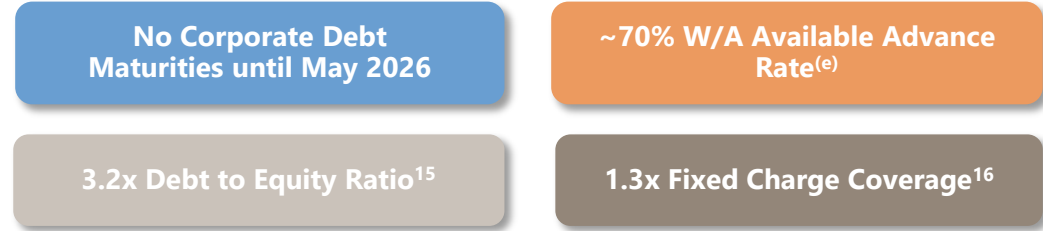
Capital Structure Overview

Capital Structure Composition

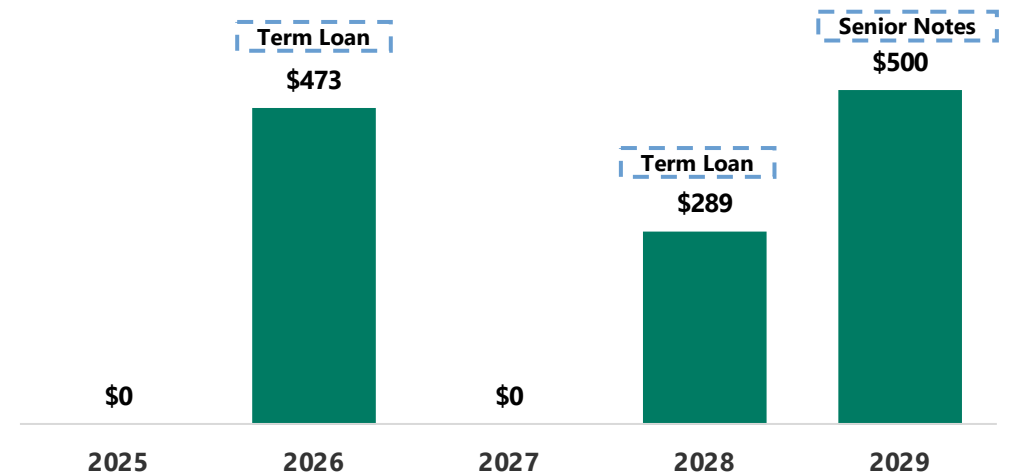
(\$ in mm)



Conservative Capital Management Strategy



Corporate Debt Maturities

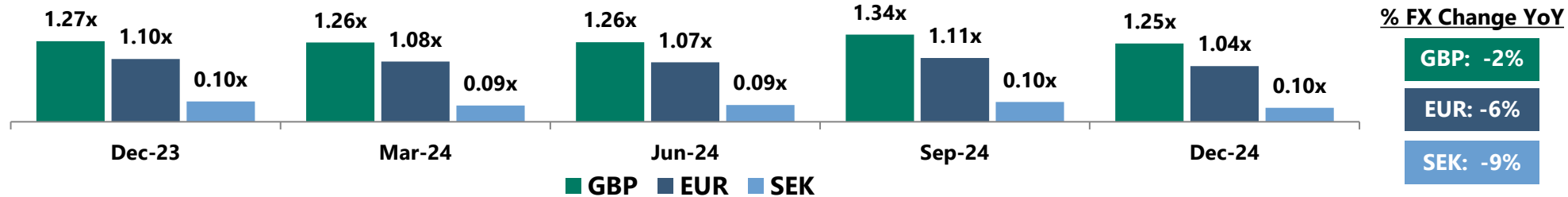


a) W/A rates of applicable benchmark rates and credit spread adjustments plus spreads of USD: +2.47% / GBP: +2.43% / EUR: +2.11% / SEK: +1.50%
 b) Our secured credit facilities do not contain capital markets-based mark-to-market provisions
 c) Consists of nine secured credit facility counterparties, one revolving credit facility and one private securitization
 d) Reflects book value per share (excluding General CECL Allowance and depreciation) of \$12.77 multiplied by shares of common stock outstanding December 31, 2024
 e) Based on maximum available advance rates across secured debt counterparties
 See footnotes on page 22

Mitigating Foreign Exchange Risk

We have taken several risk mitigating steps to structure and fund our non-US loan portfolio and associated secured financing facilities to position ARI for fluctuating foreign exchange rates

Foreign Exchange Rate Change (Local/USD)

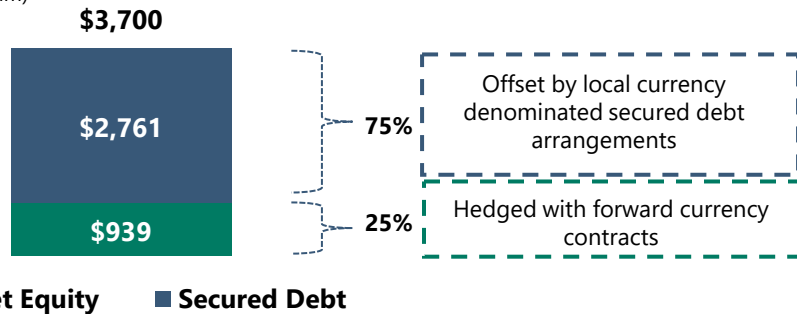


Mitigating Foreign Exchange Risk

- Secured debt arrangements are structured in local currency thereby reducing FX exposure to our net equity on foreign loans.
 - 75% w/a average advance on total foreign loan portfolio
- Net equity and net interest income of foreign loans are economically hedged through forward currency contracts
 - Forward point impact on forward currency contracts resulted in an \$6.2 million realized gain in Q4 2024

Foreign Loan Capital Stack

(\$ in mm)



■ Net Equity ■ Secured Debt

Change in Unrealized Gain (Loss) on Net Equity

(\$ in mm)

Currency	As of December 31, 2024			Q4 2024 Net Unrealized Gain ^(b)
	Carrying Value ^(a)	Secured Debt	Net Equity	
GBP	\$2,408	(\$1,820)	\$587	(\$46)
EUR	\$1,070	(\$762)	\$308	(\$22)
SEK	\$223	(\$179)	\$44	(\$4)
Total⁷	\$3,700	(\$2,761)	\$939	(\$72)
Change in unrealized gain (loss) on forward contracts^(c)				\$70

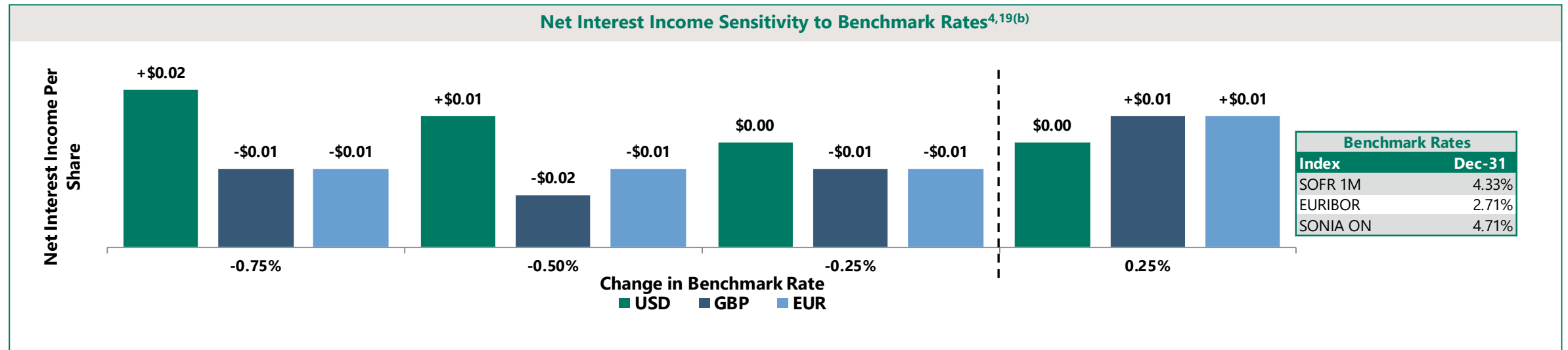
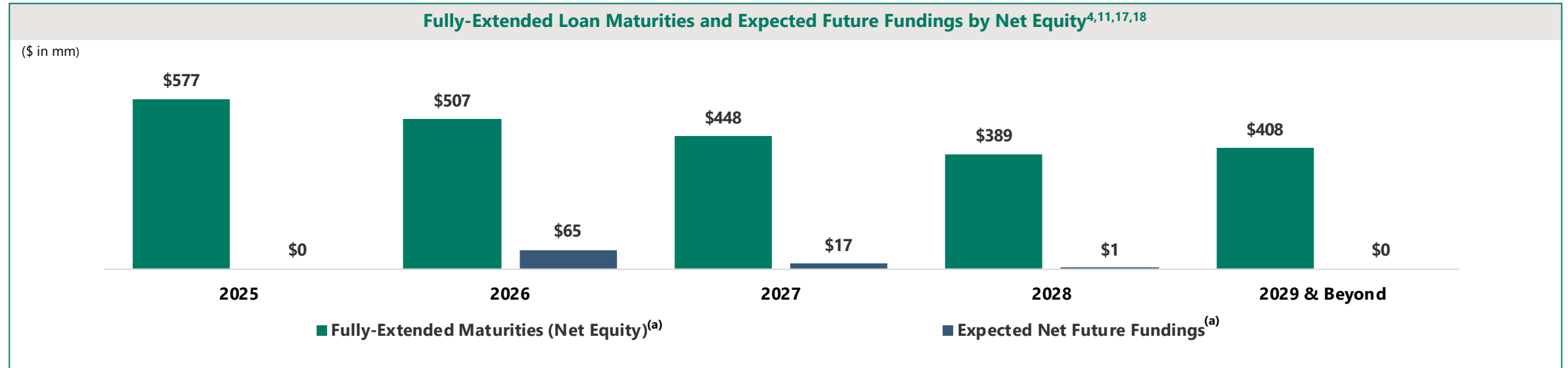
a) Carrying value includes all commercial mortgage and subordinate loans denominated in foreign currencies with or without secured debt financing

b) Represents the net change in unrealized gains (losses) on foreign loans of (\$288) million and respective foreign secured debt arrangements of \$216 million for the quarter ended December 31, 2024

c) Represents net change in unrealized gain (loss) on forward contracts for the quarter ended December 31, 2024, excluding gains (losses) on forward currency contracts economically hedging foreign currency interest

See footnotes on page 22

Loan Maturities and Future Funding Profile



Note: Assumes future financing, in certain cases, against mortgages that are not currently financed. There is no assurance such future financing against mortgages that are not currently financed will occur

a) Net of expected secured credit facility advances

b) Reflects incremental increases in respective benchmark rates as of December 31, 2024 (SOFR 1 month: 4.33%, EURIBOR 2.71% and SONIA ON: 4.71% adjusted for compounding)

See footnotes on page 22

Appendix

- Consolidated Balance Sheets
- Consolidated Statement of Operations
- Reconciliation of GAAP Net Income to Distributable Earnings

Consolidated Balance Sheets

(\$ in thousands - except share data)

	December 31, 2024	December 31, 2023
Assets:		
Cash and cash equivalents	\$317,396	\$225,438
Commercial mortgage loans, net ^{(a)(c)}	6,715,347	7,925,359
Subordinate loans, net ^{(b)(c)}	388,809	432,734
Real estate owned, held for investment, net ^(d) (net of \$23,266 and \$10,404 accumulated depreciation in 2024 and 2023, respectively)	752,643	519,498
Other assets	138,027	85,623
Derivative assets, net	58,169	29,425
Assets related to real estate owned, held for sale	-	78,653
Note receivable, held for sale	41,200	-
Total Assets	\$8,411,591	\$9,296,730
Liabilities and Stockholders' Equity		
Liabilities:		
Secured debt arrangements, net	\$4,814,973	\$5,538,476
Senior secured term loans, net	754,210	759,150
Senior secured notes, net	496,433	495,637
Debt related to real estate owned, held for investment, net	324,587	161,562
Accounts payable, accrued expenses and other liabilities ^(e)	138,179	120,334
Payable to related party	8,728	9,553
Liabilities related to real estate owned, held for sale	-	3,285
Total Liabilities	\$6,537,110	\$7,087,997
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, Series B-1, 6,770,393 shares issued and outstanding (\$169,260 liquidation preference) in 2024 and 2023	\$68	\$68
Common stock, \$0.01 par value, 450,000,000 shares authorized, 138,174,636 and 141,358,605 shares issued and outstanding in 2024 and 2023, respectively	1,382	1,414
Additional paid-in-capital	2,695,701	2,727,488
Accumulated deficit	(822,670)	(520,237)
Total Stockholders' Equity	\$1,874,481	\$2,208,733
Total Liabilities and Stockholders' Equity	\$8,411,591	\$9,296,730

a) Includes carrying value of \$6,715,347 and \$7,705,491 pledged as collateral under secured debt arrangements in 2024 and 2023, respectively.

b) Includes carrying value of \$232,991 as collateral under secured debt arrangements in 2023.

c) Net of \$373,336 and \$219,482 CECL Allowances comprised of \$342,500 and \$193,000 Specific CECL Allowance and \$30,836 and \$26,482 General CECL Allowance in 2024 and 2023, respectively.

d) Includes \$154,048 pledged as collateral under secured debt arrangements in 2023.

e) Includes \$5,948 and \$4,017 of General CECL Allowance related to unfunded commitments on commercial mortgage loans and subordinate loans, net in 2024 and 2023, respectively.

See footnotes on page 22

Consolidated Statement of Operations

(\$ in thousands - except share and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net interest income:				
Interest income from commercial mortgage loans	\$156,364	\$180,290	\$699,389	\$701,002
Interest income from subordinate loans and other lending assets	641	864	3,542	17,280
Interest expense	(113,502)	(123,147)	(503,949)	(466,110)
Net interest income	\$43,503	\$58,007	\$198,982	\$252,172
Revenue from real estate owned operations	26,952	26,146	104,689	92,419
Total net revenue	\$70,455	\$84,153	\$303,671	\$344,591
Operating expenses:				
General and administrative expenses (includes equity-based compensation of \$3,958 and \$16,468 in 2024 and \$4,352 and \$17,444 in 2023, respectively)	(7,241)	(7,370)	(29,649)	(29,520)
Management fees to related party	(8,725)	(9,553)	(36,120)	(37,978)
Operating expenses related to real estate owned	(20,144)	(19,842)	(81,683)	(72,759)
Depreciation and amortization on real estate owned	(2,383)	(1,040)	(11,668)	(8,248)
Total operating expenses	(\$38,493)	(\$37,805)	(\$159,120)	(\$148,505)
Other income, net	\$1,714	\$79	\$4,498	\$4,616
Decrease (increase) in current expected credit loss allowance, net	1,259	778	(155,784)	(59,428)
Foreign currency translation gain (loss)	(76,653)	56,004	(37,476)	52,031
Gain (loss) on foreign currency forward contracts (includes unrealized gains (losses) of \$68,344 and \$29,687 in 2024 and (\$63,725) (\$91,434) in 2023, respectively)	82,350	(56,452)	52,590	(48,213)
Gain (loss) on interest rate hedging instruments (includes unrealized gains (losses) of (\$160) and (\$1,373) in 2024 and (\$887) and (\$10,098) in 2023, respectively)	134	(292)	570	(414)
Net realized loss on investments	-	-	(128,191)	(86,604)
Gain on extinguishment of debt	-	-	-	495
Net income (loss) before taxes	\$40,766	\$46,465	(\$119,242)	\$58,569
Income tax provision	(114)	75	(394)	(442)
Net income (loss)	\$40,652	\$46,540	(\$119,636)	\$58,127
Preferred dividends	(3,068)	(3,068)	(12,272)	(12,272)
Net income (loss) available to common stockholders	\$37,584	\$43,472	(\$131,908)	\$45,855
Net income (loss) per basic share of common stock	\$0.27	\$0.29	(\$0.97)	\$0.29
Net income (loss) per diluted share of common stock	\$0.27	\$0.29	(\$0.97)	\$0.29
Basic weighted-average shares of common stock outstanding	138,173,625	141,357,118	139,674,140	141,281,286
Diluted weighted-average shares of common stock outstanding	138,325,103	141,357,118	139,674,140	141,281,286
Dividend declared per share of common stock	\$0.25	\$0.35	\$1.20	\$1.40

Reconciliation of GAAP Net Income to Distributable Earnings¹

(\$ in thousands - except share and per share data)

Distributable Earnings ¹ :	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net income (loss) available to common stockholders:	\$37,584	\$43,472	(\$131,908)	\$45,855
Adjustments:				
Equity-based compensation expense	3,958	4,352	16,468	17,444
Loss (gain) on foreign currency forwards	(82,350)	56,452	(52,590)	48,213
Foreign currency loss (gain), net	76,653	(56,004)	37,476	(52,031)
Unrealized loss on interest rate cap	160	887	1,373	10,098
Realized gains relating to interest income on foreign currency hedges, net	1,451	2,214	4,054	11,882
Realized gains (losses) relating to forward points on foreign currency hedges, net	6,168	(64)	18,991	8,397
Depreciation and amortization on real estate owned	2,383	1,040	11,668	8,248
Increase (decrease) in current expected credit loss allowance, net	(1,259)	(778)	155,784	59,428
Gain on extinguishment of debt	-	-	-	(495)
Net realized loss on investments	-	-	128,191	86,604
Total adjustments	7,164	8,099	321,415	197,788
Distributable Earnings prior to net realized loss on investments and gain on extinguishment of debt^{1,6}	\$44,748	\$51,571	\$189,507	\$243,643
Net realized loss on investments	-	-	(128,191)	(86,604)
Gain on extinguishment of debt	-	-	-	495
Distributable Earnings¹	\$44,748	\$51,571	\$61,316	\$157,534
Weighted-average diluted shares – Distributable Earnings¹				
Weighted-average diluted shares – GAAP	138,173,625	141,357,118	139,674,140	141,281,286
Weighted-average unvested RSUs ²⁰	2,456,947	2,831,411	2,601,703	2,932,284
Weighted-average diluted shares – Distributable Earnings¹	140,630,572	144,188,529	142,275,843	144,213,570
Diluted Distributable Earnings per share prior to net realized loss on investments and gain on extinguishment of debt^{1,6}	\$0.32	\$0.36	\$1.33	\$1.69
Diluted Distributable Earnings¹ per share of common stock	\$0.32	\$0.36	\$0.43	\$1.09

Footnotes

1. Distributable Earnings is a non-GAAP financial measure that we define 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 (including depreciation and amortization on real estate owned) included in net income available to common stockholders, (iii) unrealized income from unconsolidated joint ventures, (iv) foreign currency gains (losses), other than (a) realized gains/(losses) related to interest income, and (b) forward point gains/(losses) realized on our foreign currency hedges, (v) the non-cash amortization expense related to the reclassification of a portion of our convertible senior notes to stockholders' equity in accordance with GAAP, and (vi) provision for current expected credit losses and impairments. Please see page 21 for a reconciliation of GAAP net income to Distributable Earnings.
2. Reflects closing share price on February 7, 2025.
3. Weighted Average Unlevered All-in Yield on the loan portfolio is based on the applicable benchmark rates as of period end on the floating rate loans and includes accrual of origination, extension, and exit fees. For non-US deals, yield excludes incremental forward points impact from currency hedging.
4. Includes a \$41 million held-for-sale corporate note receivable
5. Add-on fundings represent fundings subsequent to loan closing.
6. We believe it is useful to our investors to present Distributable Earnings prior to net realized losses on investments and gain on extinguishment of debt to reflect our operating results because (i) our operating results are primarily comprised of earning interest income on our investments net of borrowing and administrative costs, which comprise our ongoing operations and (ii) it has been a useful factor related to our dividend per share because it is one of the considerations when a dividend is determined. We believe that our investors use Distributable Earnings and Distributable Earnings prior to net realized loss on investments and gain on extinguishment of debt, or a comparable supplemental performance measure, to evaluate and compare the performance of our company and our peers.
7. Book value per share, or "BVPS", of common stock is common stockholders' equity divided by shares of common stock outstanding.
8. Amounts and percentages may not foot due to rounding.
9. Other includes changes in General CECL Allowance, cost recovery interests, valuation allowances/reversals of valuation allowances on held for sale loans, realized loss on sale of a commercial mortgage, transfer to other assets and the accretion of loan costs and fees.
10. Based on loan amortized cost, net of Specific CECL Allowance.
11. Assumes exercise of all extension options. There is no assurance that all or any extension options will be exercised.
12. Gross of \$31 million of General CECL Allowance.
13. Amortized cost for these loans is net of the recorded Specific CECL Allowances.
14. Loans are secured by the same property.
15. Represents total debt, less cash and net loan proceeds held by servicer, divided by total stockholders' equity, adjusted to add back the General CECL Allowance in line with our covenants.
16. Fixed charge coverage is EBITDA divided by interest expense and preferred stock dividends for the quarter ended December 31, 2024.
17. Future funding dates and amounts are based upon the Manager's estimates, which are derived from the best information available to the Manager at the time. There is no assurance that the payments will occur in accordance with these estimates or at all, which could affect our operating results.
18. Excludes risk-rated 5 loans.
19. Any such hypothetical impact on interest rates on our variable rate borrowings does not consider the effect of any change in overall economic activity that could occur in a rising interest rate environment. Further, in the event of a change in interest rates of that magnitude, we may take actions to further mitigate our exposure to such a change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, this analysis assumes no changes in our financial structure. There is no assurance that there will be no changes in our financial structure. The analysis incorporates movements in USD, GBP and EUR benchmark rates only.
20. Unvested RSUs are net of incremental shares assumed repurchased under the treasury stock method, if dilutive. There were no incremental shares included in the year ended December 31, 2024. For 2023, the weighted-average diluted shares for GAAP were determined using the "if-converted" method.