

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 29, 2024

Franklin BSP Realty Trust, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or other jurisdiction
of incorporation)

001-40923
(Commission File Number)

46-1406086
(I.R.S. Employer
Identification No.)

1345 Avenue of the Americas, Suite 32A
New York, New York 10105
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **(212) 588-6770**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	FBRT	New York Stock Exchange
7.50% Series E Cumulative Redeemable Preferred Stock, par value \$0.01 per share	FBRT PRE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 29, 2024, Franklin BSP Realty Trust, Inc. (the "Company") issued a press release and supplemental slide presentation reporting the Company's financial results for the quarter ended March 31, 2024. Copies of the press release and supplemental slide presentation are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

The information in this Item 2.02 (including Exhibits 99.1 and 99.2) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

EXHIBIT INDEX	
Exhibit No.	Description
99.1	Press Release dated April 29, 2024 announcing the Company's financial results for the quarter ended March 31, 2024
99.2	Supplemental Presentation for the quarter ended March 31, 2024
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FRANKLIN BSP REALTY TRUST, INC.

By: /s/ Jerome S. Baglien
Name: Jerome S. Baglien
Title: *Chief Financial Officer, Chief Operating Officer and Treasurer*

Date: April 29, 2024

Franklin BSP Realty Trust, Inc. Announces First Quarter 2024 Results

New York City, NY – April 29, 2024 – Franklin BSP Realty Trust, Inc. (NYSE: FBRT) (“FBRT” or the “Company”) today announced financial results for the quarter ended March 31, 2024.

Reported GAAP net income of \$35.8 million for the three months ended March 31, 2024, compared to \$30.0 million for the three months ended December 31, 2023. Reported diluted earnings per share (“EPS”) to common stockholders of \$0.35 for the three months ended March 31, 2024, compared to \$0.28 for the three months ended December 31, 2023.

Reported Distributable Earnings (a non-GAAP financial measure) of \$41.0 million, or \$0.41 per diluted common share on a fully converted basis⁽¹⁾, for the three months ended March 31, 2024, compared to \$39.3 million, or \$0.39 per diluted common share on a fully converted basis⁽¹⁾, for the three months ended December 31, 2023.

First Quarter 2024 Summary

- Produced a first quarter GAAP and Distributable Earnings ROE (a non-GAAP financial measure) of 8.9% and 10.4%, respectively
- Book value of \$15.68 per diluted common share on a fully converted basis⁽¹⁾
- Declared first quarter common stock cash dividend of \$0.355, representing an annualized 9.1% yield on book value per share, fully converted⁽¹⁾
- GAAP and Distributable Earnings dividend coverage of 99% and 115%, respectively
- Closed \$591 million of new loan commitments at a weighted average spread of 464 basis points
- Core portfolio principal balance of \$5.2 billion, an increase of \$199 million
- Total liquidity of \$1.0 billion, which includes \$240 million in cash and cash equivalents
- Repurchased 151,123 shares of common stock at a net average price of \$12.42 per share for an aggregate of \$1.9 million, which represents a \$0.01 per share increase to book value

Richard Byrne, Chairman and Chief Executive Officer of FBRT, said, “We are very pleased with the Company’s distributable earnings growth versus last quarter. Importantly, our multifamily-focused portfolio continues to demonstrate stability which positions us to deliver consistent performance over the long term.”

Further commenting on the Company’s results, Michael Comparato, President of FBRT, added, “We have been actively originating loans, and have committed to \$756 million of originations year-to-date. This has fueled net growth in our portfolio. With our robust pipeline and ample liquidity, we are well-positioned to further grow our portfolio and capitalize on market opportunities, all while keeping an active eye on the existing legacy portfolio and working through issues as needed.”

Core Portfolio

For the quarter ended March 31, 2024, the Company closed \$591 million of new loan commitments, funded \$487 million of principal balance on new and existing loans, and received loan repayments of \$252 million. The Company’s core portfolio at the end of the quarter consisted of 145 loans with an aggregate principal balance of approximately \$5.2 billion. The average loan size was approximately \$36 million. Over 99% of the aggregate principal balance of the Company’s portfolio is in senior mortgage loans with approximately 97% in floating rate loans and approximately 75% of the portfolio is collateralized by multifamily properties. The Company’s exposure to office loans is only 6%. As of March 31, 2024, the Company had six loans on its watch list, all of which are risk rated a four.

¹ Fully converted per share information in this press release assumes applicable conversion of our series of outstanding convertible preferred stock into common stock and the vesting of our outstanding equity compensation awards.

Conduit

For the quarter ended March 31, 2024, the Company closed \$131 million of fixed rate loans that were sold or will be sold through FBRT's conduit program. During the same period, the Company sold \$101 million of conduit loans for a gain of \$5.5 million, gross of related derivatives.

Allowance for Credit Losses

During the quarter, the Company recognized an additional incremental provision for credit losses of approximately \$2.9 million, with \$0.7 million of the increase related to an asset-specific provision.

Book Value

As of March 31, 2024, book value was \$15.68 per diluted common share on a fully converted basis⁽¹⁾.

Share Repurchase Program

During the quarter, the Company repurchased 151,123 shares of the Company's common stock under the Company's \$65 million share repurchase program. These shares were repurchased at an average price of \$12.42 per share, inclusive of any broker's fees or commissions, for an aggregate of \$1.9 million. As of April 19, 2024, \$32.1 million remains available under the \$65 million share repurchase plan.

Distributable Earnings and Distributable Earnings to Common

Distributable Earnings is a non-GAAP measure, which the Company defines as GAAP net income (loss), adjusted for (i) non-cash CLO amortization acceleration and amortization over the expected useful life of the Company's CLOs, (ii) unrealized gains and losses on loans, derivatives and ARMs, including CECL reserves and impairments, (iii) non-cash equity compensation expense, (iv) depreciation and amortization, (v) subordinated performance fee accruals/(reversal), (vi) realized gains and losses on debt extinguishment and CLO calls, and (vii) certain other non-cash items. Further, Distributable Earnings to Common, a non-GAAP measure, presents Distributable Earnings net of (i) perpetual preferred stock dividend payments and (ii) non-controlling interests in joint ventures.

The Company believes that Distributable Earnings and Distributable Earnings to Common provide meaningful information to consider in addition to the disclosed GAAP results. The Company believes Distributable Earnings and Distributable Earnings to Common are useful financial metrics for existing and potential future holders of its common stock as historically, over time, Distributable Earnings to Common has been an indicator of common dividends per share. As a REIT, the Company generally must distribute annually at least 90% of its taxable income, subject to certain adjustments, and therefore believes dividends are one of the principal reasons stockholders may invest in its common stock. Further, Distributable Earnings to Common helps investors evaluate performance excluding the effects of certain transactions and GAAP adjustments that the Company does not believe are necessarily indicative of current loan portfolio performance and the Company's operations and is one of the performance metrics the Company's board of directors considers when dividends are declared.

Distributable Earnings and Distributable Earnings to Common do not represent net income (loss) and should not be considered as an alternative to GAAP net income (loss). The methodology for calculating Distributable Earnings and Distributable Earnings to Common may differ from the methodologies employed by other companies and thus may not be comparable to the Distributable Earnings reported by other companies.

Please refer to the financial statements and reconciliation of GAAP Net Income to Distributable Earnings and Distributable Earnings to Common included at the end of this release for further information.

¹ Fully converted per share information in this press release assumes applicable conversion of our series of outstanding convertible preferred stock into common stock and the vesting of our outstanding equity compensation awards.

Supplemental Information

The Company published a supplemental earnings presentation for the quarter ended March 31, 2024 on its website to provide additional disclosure and financial information. These materials can be found on the Company's website at <http://www.fbrtreit.com> under the Presentations tab.

Conference Call and Webcast

The Company will host a conference call and live audio webcast to discuss its financial results on Tuesday, April 30, 2024, at 9:00 a.m. ET. Participants are encouraged to pre-register for the call and webcast at <https://dpregrister.com/sreg/10187136/fbca98b380>. If you are unable to pre-register, the conference call may be accessed by dialing (844) 701-1166 (Domestic) or (412) 317-5795 (International). Ask to join the Franklin BSP Realty Trust conference call. Participants should call in at least five minutes prior to the start of the call.

The call will also be accessible via live webcast at <https://ccmediaframe.com?id=2vxLzVHs>. Please allow extra time prior to the call to download and install audio software, if needed. A slide presentation containing supplemental information may also be accessed through the Company's website in advance of the call.

An audio replay of the live broadcast will be available approximately one hour after the end of the conference call on FBRT's website. The replay will be available for 90 days on the Company's website.

About Franklin BSP Realty Trust, Inc.

Franklin BSP Realty Trust, Inc. (NYSE: FBRT) is a real estate investment trust that originates, acquires and manages a diversified portfolio of commercial real estate debt secured by properties located in the United States. As of March 31, 2024, FBRT had approximately \$6.0 billion of assets. FBRT is externally managed by Benefit Street Partners L.L.C., a wholly owned subsidiary of Franklin Resources, Inc. For further information, please visit www.fbrtreit.com.

Forward-Looking Statements

Certain statements included in this press release are forward-looking statements. Those statements include statements regarding the intent, belief or current expectations of the Company and members of our management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Actual results may differ materially from those contemplated by such forward-looking statements. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law.

The Company's forward-looking statements are subject to various risks and uncertainties. Factors that could cause actual outcomes to differ materially from our forward-looking statements include macroeconomic factors in the United States including inflation, changing interest rates and economic contraction, the extent of any recoveries on delinquent loans, the financial stability of our borrowers and the other risks and important factors contained and identified in the Company's filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and its subsequent filings with the SEC, any of which could cause actual results to differ materially from the forward-looking statements. The forward-looking statements included in this communication are made only as of the date hereof.

FRANKLIN BSP REALTY TRUST, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)
(Unaudited)

	March 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	\$ 240,030	\$ 337,595
Restricted cash	8,092	6,092
Commercial mortgage loans, held for investment, net of allowance for credit losses of \$49,215 and \$47,175 as of March 31, 2024 and December 31, 2023, respectively	5,184,205	4,989,767
Commercial mortgage loans, held for sale, measured at fair value	30,457	—
Real estate securities, available for sale, measured at fair value, amortized cost of \$217,324 and \$243,272 as of March 31, 2024 and December 31, 2023, respectively (includes pledged assets of \$217,855 and \$167,948 as of March 31, 2024 and December 31, 2023, respectively)	217,855	242,569
Receivable for loan repayment ⁽¹⁾	26,683	55,174
Accrued interest receivable	39,628	42,490
Prepaid expenses and other assets	19,911	19,213
Intangible lease asset, net of amortization	42,037	42,793
Real estate owned, net of depreciation	115,169	115,830
Real estate owned, held for sale	103,657	103,657
Total assets	\$ 6,027,724	\$ 5,955,180
LIABILITIES AND STOCKHOLDERS' EQUITY		
Collateralized loan obligations	\$ 3,530,740	\$ 3,567,166
Repurchase agreements and revolving credit facilities - commercial mortgage loans	412,556	299,707
Repurchase agreements - real estate securities	194,769	174,055
Mortgage note payable	23,998	23,998
Other financings	12,865	36,534
Unsecured debt	81,320	81,295
Derivative instruments, measured at fair value	524	—
Interest payable	15,052	15,383
Distributions payable	36,308	36,133
Accounts payable and accrued expenses	11,195	13,339
Due to affiliates	20,969	19,316
Intangible lease liability, held for sale	12,297	12,297
Total liabilities	\$ 4,352,593	\$ 4,279,223
Commitments and Contingencies		
Redeemable convertible preferred stock:		
Redeemable convertible preferred stock Series H, \$0.01 par value, 20,000 authorized and 17,950 issued and outstanding as of March 31, 2024 and December 31, 2023	\$ 89,748	\$ 89,748
Total redeemable convertible preferred stock	\$ 89,748	\$ 89,748
Equity:		
Preferred stock, \$0.01 par value; 100,000,000 shares authorized, 7.5% Cumulative Redeemable Preferred Stock, Series E, 10,329,039 shares issued and outstanding as of March 31, 2024 and December 31, 2023	\$ 258,742	\$ 258,742
Common stock, \$0.01 par value, 900,000,000 shares authorized, 83,254,483 and 82,751,913 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	820	820
Additional paid-in capital	1,597,611	1,599,197
Accumulated other comprehensive income (loss)	530	(703)
Accumulated deficit	(299,326)	(298,942)
Total stockholders' equity	\$ 1,558,377	\$ 1,559,114
Non-controlling interest	27,006	27,095
Total equity	\$ 1,585,383	\$ 1,586,209
Total liabilities, redeemable convertible preferred stock and equity	\$ 6,027,724	\$ 5,955,180

⁽¹⁾ Includes \$26.6 million and \$55.1 million of cash held by servicer related to the CLOs as of March 31, 2024 and December 31, 2023, respectively.

FRANKLIN BSP REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
Income		
Interest income	\$ 130,558	\$ 130,536
Less: Interest expense	81,318	71,075
Net interest income	49,240	59,461
Revenue from real estate owned	4,712	3,312
Total income	\$ 53,952	\$ 62,773
Expenses		
Asset management and subordinated performance fee	\$ 7,865	\$ 8,085
Acquisition expenses	238	378
Administrative services expenses	2,860	4,029
Professional fees	4,084	4,814
Share-based compensation	1,799	1,022
Depreciation and amortization	1,417	1,805
Other expenses	2,363	2,166
Total expenses	\$ 20,626	\$ 22,299
Other income/(loss)		
(Provision)/benefit for credit losses	\$ (2,880)	\$ (4,360)
Realized gain/(loss) on extinguishment of debt	—	4,767
Realized gain/(loss) on real estate securities, available for sale	88	596
Realized gain/(loss) on sale of commercial mortgage loans, held for sale, measured at fair value	5,513	—
Unrealized gain/(loss) on commercial mortgage loans, held for sale, measured at fair value	457	347
Gain/(loss) on other real estate investments	6	(1,339)
Trading gain/(loss)	—	2,968
Unrealized gain/(loss) on derivatives	(138)	(320)
Realized gain/(loss) on derivatives	290	44
Total other income/(loss)	\$ 3,336	\$ 2,703
Income/(loss) before taxes	36,662	43,177
(Provision)/benefit for income tax	(835)	662
Net income/(loss)	\$ 35,827	\$ 43,839
Net (income)/loss attributable to non-controlling interest	93	(9)
Net income/(loss) attributable to Franklin BSP Realty Trust, Inc.	\$ 35,920	\$ 43,830
Less: Preferred stock dividends	6,748	6,748
Net income/(loss) applicable to common stock	\$ 29,172	\$ 37,082
Basic earnings per share	\$ 0.35	\$ 0.44
Diluted earnings per share	\$ 0.35	\$ 0.44
Basic weighted average shares outstanding	81,994,096	82,774,771
Diluted weighted average shares outstanding	81,994,096	82,774,771

FRANKLIN BSP REALTY TRUST, INC.
RECONCILIATION OF GAAP NET INCOME TO DISTRIBUTABLE EARNINGS
(In thousands, except share and per share data)
(Unaudited)

The following table provides a reconciliation of GAAP net income to Distributable Earnings and Distributable Earnings to Common as of the three months ended March 31, 2024 and 2023 (amounts in thousands, except share and per share data):

	Three months ended March 31,			
	2024		2023	
GAAP Net Income (Loss)	\$	35,827	\$	43,839
Adjustments:				
CLO amortization acceleration ⁽¹⁾		—		(1,468)
Unrealized (gain)/loss on financial instruments ⁽²⁾		(325)		1,312
Unrealized (gain)/loss - ARMs		—		(734)
(Reversal of)/Provision for credit losses		2,880		4,360
Non-Cash Compensation Expense		1,799		1,022
Depreciation and amortization		1,417		1,805
Subordinated performance fee ⁽³⁾		(554)		(594)
Realized (gain)/loss on debt extinguishment / CLO call		—		(4,767)
Distributable Earnings	\$	41,044	\$	44,775
7.5% Series E Cumulative Redeemable Preferred Stock Dividend		(4,842)		(4,842)
Non-controlling interests in joint ventures net income/(loss)		93		(9)
Noncontrolling Interests in Joint Ventures Depreciation and Amortization		(276)		(360)
Distributable Earnings to Common	\$	36,019	\$	39,564
Average Common Stock & Common Stock Equivalents ⁽⁴⁾		1,389,912		1,422,565
GAAP Net Income/(Loss) ROE		8.9%		11.0%
Distributable Earnings ROE		10.4%		11.1%
GAAP Net Income/(Loss) Per Share, Diluted	\$	0.35	\$	0.44
GAAP Net Income/(Loss) Per Share, Fully Converted ⁽⁵⁾	\$	0.35	\$	0.44
Distributable Earnings Per Share, Fully Converted ⁽⁵⁾	\$	0.41	\$	0.44

⁽¹⁾ Before Q1 2024, we adjusted GAAP income for non-cash CLO amortization acceleration to effectively amortize the issuance costs of our CLOs over the expected lifetime of the CLOs. We assume our CLOs will be outstanding for approximately four years and amortized the financing costs over approximately four years in our distributable earnings as compared to effective yield methodology in our GAAP earnings. Starting in Q1 2024, we amortized the issuance costs incurred on our CLOs over the expected lifetime of the CLOs in our GAAP presentation, making our previous adjustment no longer necessary.

⁽²⁾ Represents unrealized gains and losses on (i) commercial mortgage loans, held for sale, measured at fair value, (ii) other real estate investments, measured at fair value and (iii) derivatives.

⁽³⁾ Represents accrued and unpaid subordinated performance fee. In addition, reversal of subordinated performance fee represents cash payment obligations in the quarter.

⁽⁴⁾ Represents the average of all classes of equity except the Series E Preferred Stock.

⁽⁵⁾ Fully Converted assumes conversion of our series of convertible preferred stock and full vesting of our outstanding equity compensation awards.



BENEFIT STREET
P A R T N E R S

Alcentra

First Quarter 2024

Franklin BSP Realty Trust

Supplemental Information

FRANKLIN TEMPLETON®

— Important Information

The information herein relates to the Company's business and financial information as of March 31, 2024 and does not reflect subsequent developments.

Risk Factors

Investing in and owning our common stock involves a high degree of risk. See the section entitled "Risk Factors" in our Annual Report on Form 10-K filed with the SEC on February 26, 2024, and the risk disclosures in our subsequent periodic reports filed with the SEC for a discussion of these risks.

Forward-Looking Statements

Certain statements included in this presentation are forward-looking statements. Those statements include statements regarding the intent, belief or current expectations of Franklin BSP Realty Trust, Inc. ("FBRT" or the "Company") and may include the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Actual results may differ materially from those contemplated by such forward-looking statements. Factors that could cause actual outcomes to differ materially from our forward-looking statements include macroeconomic factors in the United States including inflation, changing interest rates and economic contraction, the extent of any recoveries on delinquent loans, and the financial stability of our borrowers, and the other factors set forth in the risk factors section of our most recent Form 10-K and Form 10-Q. The extent to which these factors impact us and our borrowers will depend on future developments, which are highly uncertain and cannot be predicted with confidence. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, except as required by law.

Additional Important Information

The summary information provided in this presentation does not purport to be complete and no obligation to update or otherwise revise such information is being assumed. Nothing shall be relied upon as a promise or representation as to the future performance of the Company. This summary is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where the offer or sale is not permitted. This summary is not advice, a recommendation or an offer to enter into any transaction with us or any of our affiliated funds. There is no guarantee that any of the goals, targets or objectives described in this summary will be achieved.

The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal, ERISA or tax advice or investment recommendations. Investors should also seek advice from their own independent tax, accounting, financial, ERISA, investment and legal advisors to properly assess the merits and risks associated with their investment in light of their own financial condition and other circumstances. The information contained herein is qualified in its entirety by reference to our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q. You may obtain a copy of the most recent Annual Report or Quarterly Report by calling (844) 785-4393 and/or visiting www.fbrtreit.com.

This presentation contains information regarding FBRT'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. Please refer to the appendix for the reconciliation of the applicable GAAP financial measures to non-GAAP financial measures.

PAST PERFORMANCE IS NOT A GUARANTEE OR INDICATIVE OF FUTURE RESULTS. INVESTMENTS INVOLVE SIGNIFICANT RISKS, INCLUDING LOSS OF THE ENTIRE INVESTMENT. There is no guarantee that any of the estimates, targets or projections illustrated in this summary will be achieved. Any references herein to any of the Company's past or present investments, portfolio characteristics, or performance, have been provided for illustrative purposes only. It should not be assumed that these investments were or will be profitable or that any future investments will be profitable or will equal the performance of these investments. There can be no guarantee that the investment objective of the Company will be achieved. Any investment entails a risk of loss. An investor could lose all or substantially all of his or her investment. Please refer to our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q for a more complete list of risk factors. The following slides contain summaries of certain financial information about the Company. The information contained in this presentation is summary information that is intended to be considered in the context of our filings with the Securities and Exchange Commission and other public announcements that we may make, by press release or otherwise, from time to time.

**FBRT 1Q 2024
Financial Update**

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Highlights

Earnings

- GAAP Net Income of **\$35.8 million** and **\$0.35** per diluted common share and \$0.35 per fully converted share ⁽¹⁾
- Distributable Earnings ⁽²⁾ of **\$41.0 million** and **\$0.41** per diluted common share on a fully converted basis ⁽¹⁾
- Declared a cash dividend of **\$0.355** per share, representing a yield of 9.1% on book value per share, fully converted ⁽¹⁾. GAAP and Distributable Earnings ⁽²⁾ dividend coverage of 99% and 115%, respectively

Capitalization

- Book value per share, fully converted is **\$15.68** vs. \$15.77 last quarter ⁽¹⁾. Undepreciated book value per share, fully converted is **\$15.79** vs. \$15.88 last quarter ^{(1) (3)}
- Net debt to equity is **2.4x**; recourse net debt to equity is 0.3x
- **87%** of financing sources are non-mark-to-market on our core book
- **\$1.0 billion** of liquidity of which \$240 million is cash and \$11 million is CLO reinvest available ⁽⁴⁾.

Investments

- **Core Portfolio**: Principal balance increased by **\$199 million** in the quarter. Closed **\$591 million** of new loan commitments and funded **\$493 million** of principal balance including future funding on existing loans. Received loan repayments of \$252 million

Portfolio

- **Core Portfolio** of **145** CRE loans and **\$5.2 billion** of principal balance, average size of \$36 million and 75% multifamily. During the quarter, one asset was removed from the watch list. Six assets remain on the watch list, all of which are risk rated a four

1. Fully converted per share information assumes applicable conversion of our outstanding series of convertible preferred stock into common stock and the full vesting of our outstanding equity compensation awards.

2. Please see appendix for GAAP net income to Distributable Earnings calculation.

3. Adjusted for accumulated depreciation and amortization of real property of \$10.4 million and \$9.4 million at 3/31/24 and 12/31/23, respectively.

4. Cash excludes restricted cash. Total liquidity amount includes the cash available we can invest at a market advance rate utilizing our available capacity on financing lines.

Financial Highlights

Income Statement

Net interest income / other income	\$52.2
Operating expenses ⁽¹⁾	(17.9)
Provision for credit loss	(2.9)
Other income/(loss)	4.4
GAAP net income (loss)	\$35.8
Adjustments to GAAP net income (loss) ⁽²⁾	5.2
Distributable Earnings ⁽²⁾	\$41.0

GAAP net income (loss) per share, fully converted ⁽³⁾	\$0.35
GAAP return on common equity	8.9%
GAAP dividend coverage, fully converted ^{(2), (3)}	99.0%

Distributable Earnings per share, fully converted ^{(2), (3)}	\$0.41
Distributable Earnings return on common equity ⁽²⁾	10.4%
Distributable Earnings dividend coverage, fully converted ^{(2), (3)}	114.7%

Dividend per share	\$0.355
Dividend per share yield on book value	9.1%

Balance Sheet - Assets (End of Quarter)

Total core portfolio	\$5,184.2
Total real estate securities	\$217.9
Cash and restricted cash	\$248.1
CLO reinvestment available	\$10.8
Other assets	\$366.7
Total assets	\$6,027.7

Balance Sheet - Debt & Equity

Collateralized loan obligations	3,530.7
Warehouse	412.6
Repo - securities	194.8
Asset specific financings	36.9
Unsecured debt	81.3
Total Debt	\$4,256.2
Preferred equity ⁽⁴⁾	348.5
Common stock/retained earnings ⁽⁵⁾	1,326.6
Total equity ^{(4), (5)}	1,675.1
Book value per share, fully converted ⁽³⁾	\$15.68

Net debt/total equity	2.39x
Recourse net debt/total equity	0.28x

Note: All numbers in millions except per share and share data.

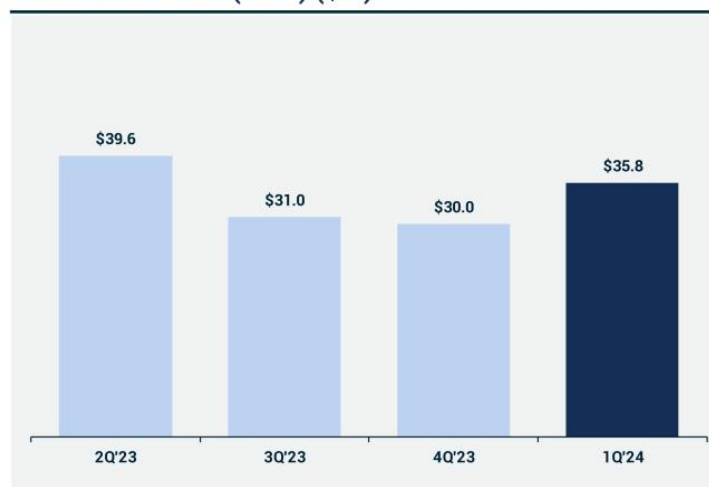
- Does not include conduit operating expenses which are reported under Other income / (loss).
- Please see appendix for the detail on the adjustments from GAAP net income to Distributable Earnings.
- Fully converted per share information assumes applicable conversion of our outstanding series of convertible preferred stock into common stock and the full vesting of our outstanding equity compensation awards.
- Includes \$90 million of preferred equity that converts to common equity on 1/21/25, subject to the holder's right to accelerate the conversion. These amounts are reflected as temporary equity on the consolidated balance sheets. The remaining \$259 million of preferred equity represents the Series E preferred, which does not convert to common equity.
- Includes non-controlling interest.

Earnings & Distributions

Distributable Earnings (\$M) ⁽¹⁾



GAAP Net Income (Loss) (\$M)



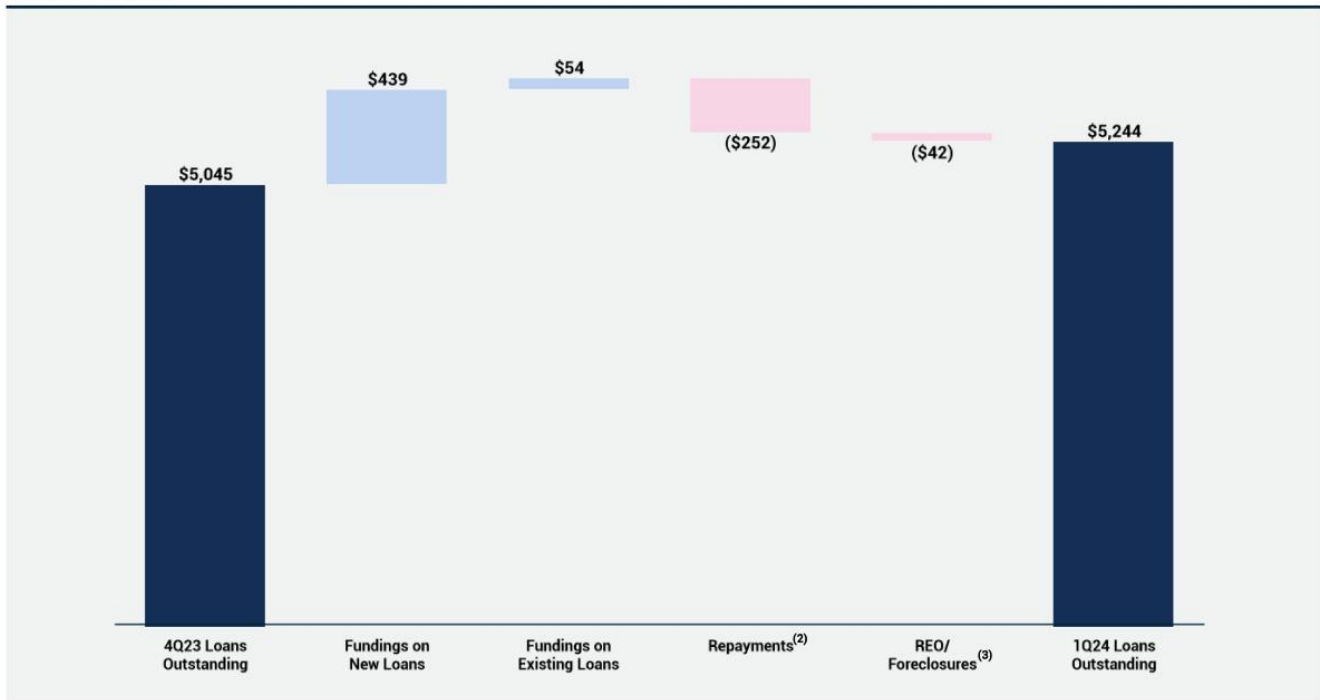
2Q'23	3Q'23	4Q'23	1Q'24	
\$0.355	\$0.355	\$0.355	\$0.355	Dividend per share
\$0.66	\$0.43	\$0.39	\$0.41	Distributable earnings per share, fully converted (1), (2)
185%	120%	109%	115%	Distributable dividend coverage, fully converted (1), (2)

Note: All numbers in millions except per share data.

1. Please see appendix for the detail on the adjustments from GAAP net income to Distributable Earnings
2. Fully converted per share information assumes applicable conversion of our outstanding series of convertible preferred stock into common stock and the full vesting of our outstanding equity compensation awards.
3. In Q2 2023, the sale of the Williamsburg Hotel loan accounted for approximately \$15.0 million of Distributable Earnings.

Core Net Fundings

1Q 2024 (\$M) ⁽¹⁾



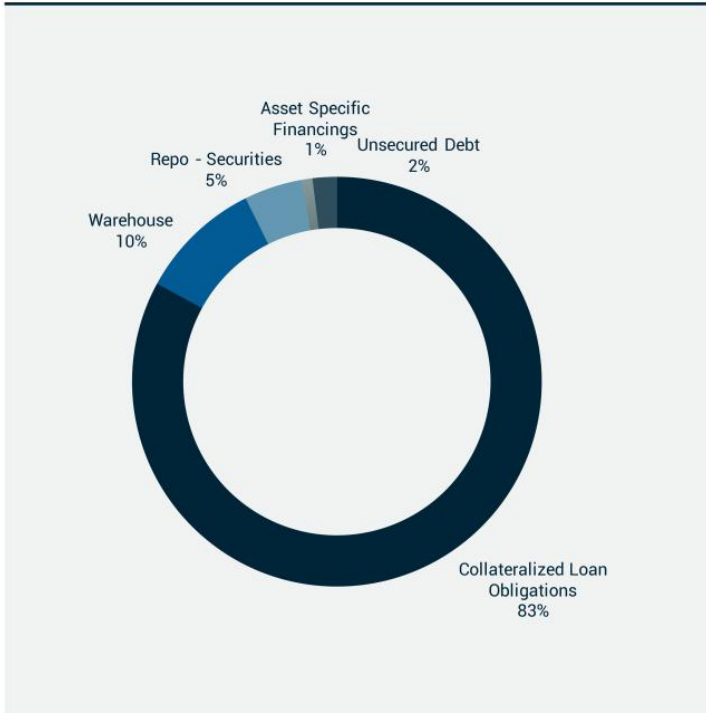
Note: All numbers in millions.

1. Total commitment for 1Q 2024 totaled \$591m
2. Includes full paydowns, dispositions, partial paydowns and amortization
3. In February 2024, the Company, through deed-in-lieu of foreclosure, acquired a multifamily property located in San Antonio, TX, and assumed the senior mortgage note which the Company originated in November 2021. At the time of the deed-in-lieu of foreclosure, the amortized cost of the loan was \$42.2 million and contractual interest was satisfied. Subsequently thereafter, the property was sold to a third party. In connection with the sale, the senior mortgage note which the Company originated in November 2021 was assumed by the buyer and immediately modified, resulting in a \$5.9 million principal paydown. As a result, the modification was accounted for as a new loan for GAAP purposes and the sale of the real estate owned transaction resulted in a net gain of \$6.0 thousand recorded in Gain/(loss) on other real estate investments in the consolidated statement of operations.

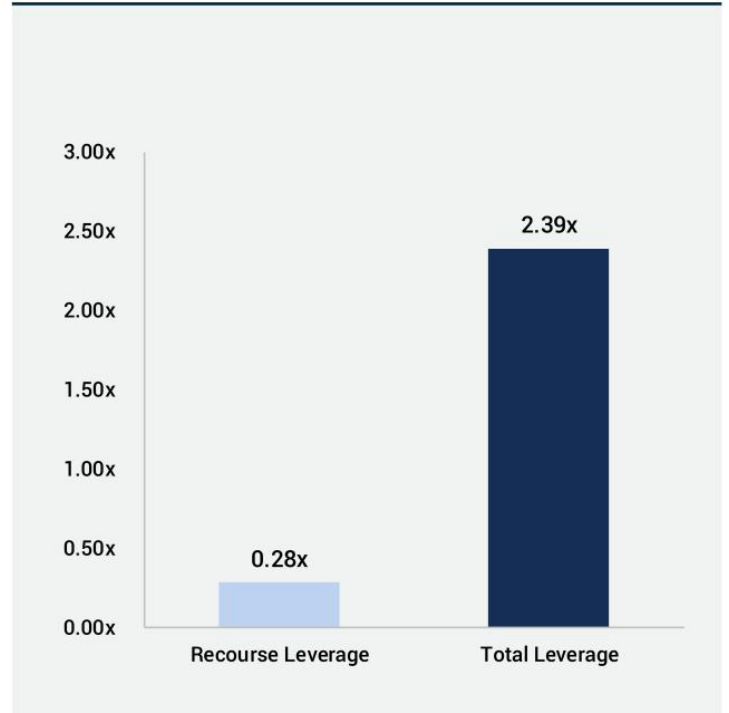
Capitalization Overview

Average debt cost including financing was 7.8% in 1Q24 vs. 7.9% last quarter

Financing Sources ⁽¹⁾



Net Leverage



1. On our core book (excluding repo-securities), 87% of financings are non-mark-to-market

Financing Detail

CLOs

CLO Name	Debt Amount ⁽¹⁾	Reinvest End Date	Cost of Debt ⁽²⁾
BSPRT 2021-FL6	\$537 million	Ended	S + 1.44%
BSPRT 2021-FL7	\$675 million	Ended	S + 1.66%
BSPRT 2022-FL8	\$960 million	Ended	S + 1.72%
BSPRT 2022-FL9	\$671 million	7/8/24	S + 2.80%
BSPRT 2023-FL10	\$717 million	4/8/25	S + 2.59%
Total	\$3,559 million		
CLO reinvestment available	\$11 million		
Repo – Securities (outstanding)	\$195 million		

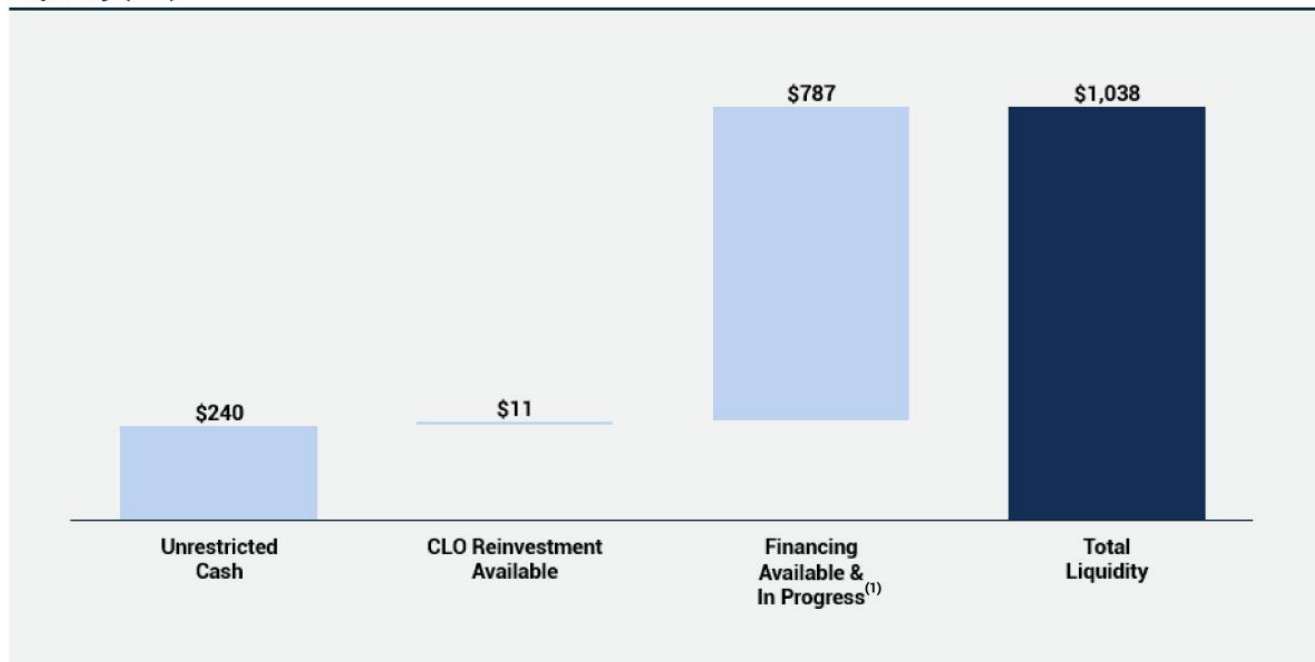
Warehouse/Revolver/Other

Name	Commitment ⁽³⁾
Barclays (Warehouse)	\$500 million
Wells Fargo	\$400 million
JP Morgan	\$500 million
Atlas SP Partners	\$350 million
Churchill	\$225 million
Barclays (Secured Revolver)	\$250 million
Total	\$2,225 million

1. Outstanding balance as of March 31, 2024, and net of tranches held by FBRT
2. Cost of debt is shown before discount and transaction costs
3. Commitment for loans. Excludes bond repurchase agreements

Liquidity

Liquidity (\$M)



1. Represents cash available at 3/31/2024 that we can invest at a market advance rate utilizing our available capacity on financing lines

Portfolio

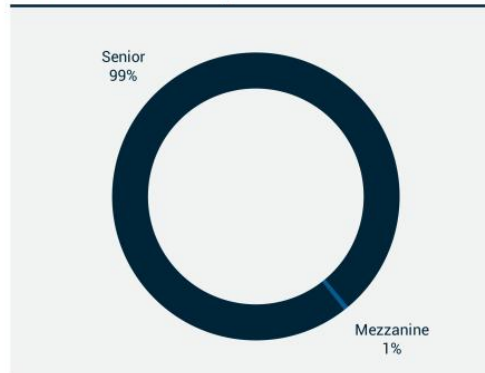
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Core Loan Portfolio Composition

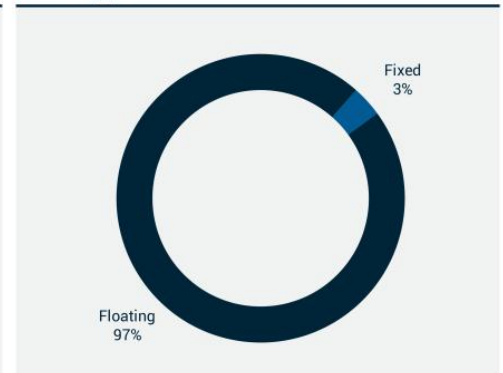
Portfolio Overview

- \$5.2B total portfolio; **64.3% WA LTV** ⁽¹⁾
- **139 senior** loans; average UPB ⁽²⁾ of **\$38M**
- **6 mezzanine** loans; average UPB ⁽²⁾ of **\$5M**
- **4 non-accrual** loans ⁽³⁾

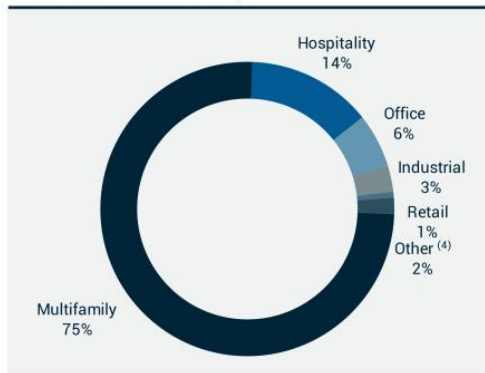
Portfolio Summary



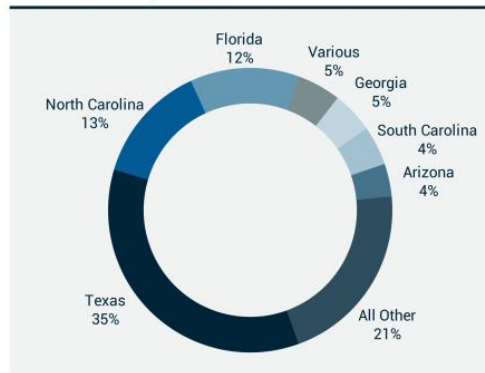
Rate Type



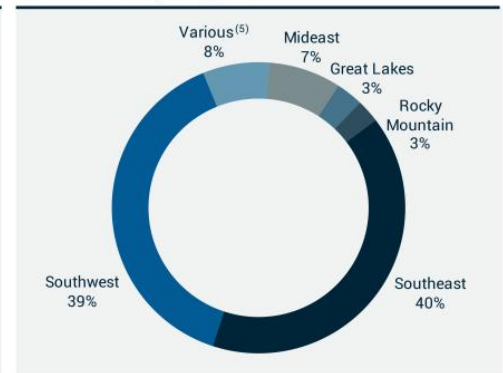
Collateral Summary



Collateral by State



Collateral by Region



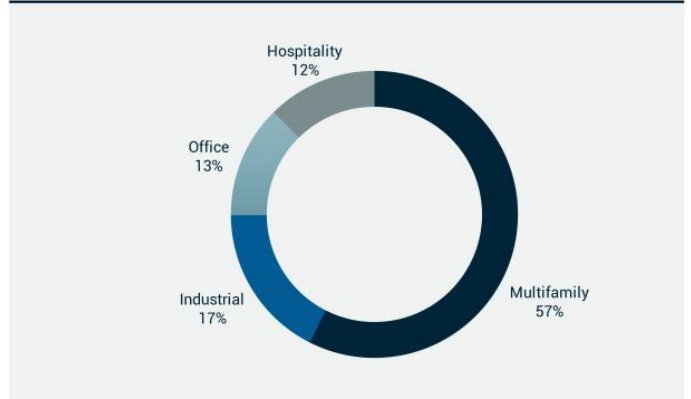
1. Weighted average loan-to-value percentage (WA LTV) represents the weighted average ratio of the loan amount to the appraised value of the property at the time of origination
2. Unpaid principal balance (UPB) represents the portion of the loan that has not yet been remitted to the lender
3. Two loans risk rated three and two loans risk rated four
4. Other includes Mixed Use, Manufactured Housing, and Retail
5. Various also includes New England and Plains

Core Originations in the Quarter

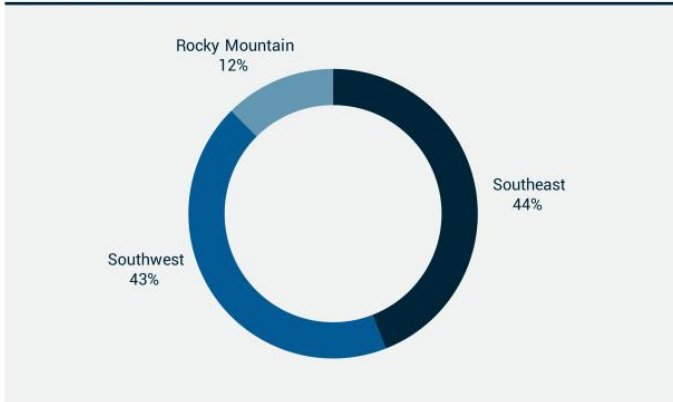
Overview

- **11 loans; \$591 million total commitment** (\$439 million of initial funding / \$152 million of future funding)
- **4.64%** weighted average spread; **9.97%** all-in coupon ⁽¹⁾
- **1.1%** and **0.7%** weighted average origination and exit fees, respectively

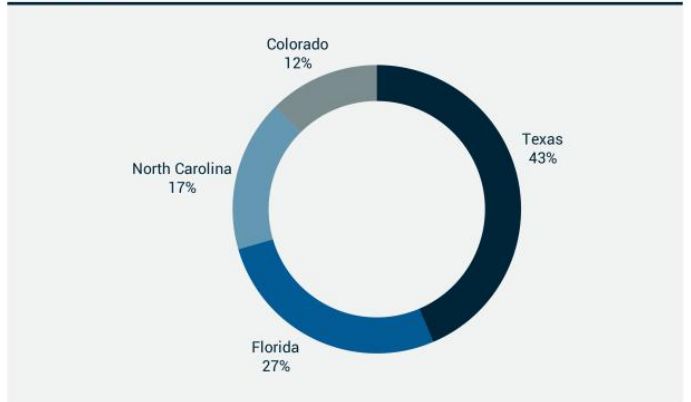
By Collateral



By Region



By State



Note: Charts shown above are based on the initial funding/unpaid principal balance of the newly originated loans.

1. All-in coupon based on 3/31/24 SOFR indices.

Core Portfolio - Watch List Loans (Risk Rating 4&5)

Investment	472-Unit Apartment Community	Two Property Portfolio Apartment Communities	CBD Office Building	426-Unit Apartment Community	Suburban Office Park	Full Service Hotel
Loan Type	Floating Rate Senior Loan	Floating Rate Senior Loan	Floating Rate Senior Loan	Floating Rate Senior Loan	Floating Rate Senior Loan	Floating Rate Senior Loan
Investment Date	Q2 2022	Q2 2022	Q1 2021	Q2 2018	Q4 2019	Q3 2019
Default Date	TBD	TBD	None	None	None	None
Non-Accrual	Yes	Yes	No	No	No	No
Collateral	472-Unit, Garden Style Apartment Community	Two Property, Garden-Style Apartment Communities	31-Story, 299k Square Foot Office Building	426-Unit, High Rise Apartment Community	Two, 6-Story Office Buildings	279-Key, Full-Service Hotel
Loan Purpose	Acquisition	Acquisition	Refinance	Acquisition	Acquisition	Acquisition
Location	Raleigh, North Carolina	Mooresville & Chapel Hill, North Carolina	Denver, Colorado	Cleveland, OH	Alpharetta, Georgia	Dallas, Texas
Loan Risk Rating	4	4	4	4	4	4

— Foreclosure Real Estate Owned (“REO”)

Investment	Single Tenant Retail Portfolio	CBD Office Complex	16-Building Apartment Complex
Loan Investment Date	Q2 2022	Q1 2020	Q1 2021
Foreclosure / Deed-In-Lieu Date	Q4 2022 - Q2 2023	Q3 2023	Q4 2023
Collateral Type	Retail	Office	Multifamily
Collateral Detail	23 Freestanding Retail Properties	124k Square Foot Office Complex	236-Unit Apartment Complex with 16 Buildings
Location	Various	Portland, Oregon	Lubbock, Texas

Note: Foreclosure REO is \$122 million of book value. In addition, FBRT owns an industrial investment REO with a total net book value of \$127 million, which is not presented above.

Appendix



Core Portfolio – FBRT Portfolio Details – Top 15 Loans

Loan	Loan Type	Origination Date	Current Total Commitment	Principal Balance	Carrying Value	Spread	All-in Yield ⁽¹⁾	Fully Extended Maturity	State	Collateral Type	As-is LTV ⁽²⁾
Loan 1	Senior Loan	5/26/21	\$155	\$155	\$155	+ 4.35%	10.13%	6/9/26	Florida	Multifamily	47.8%
Loan 2	Senior Loan	6/1/22	135	130	130	+ 3.95%	9.77%	6/9/27	Various	Multifamily	67.8%
Loan 3	Senior Loan	2/9/23	120	120	120	+ 4.90%	10.89%	2/9/28	Various	Hospitality	53.6%
Loan 4	Senior Loan	2/25/22	86	86	86	+ 3.24%	9.05%	3/9/26	New Jersey	Multifamily	60.0%
Loan 5	Senior Loan	2/24/22	86	86	86	+ 3.15%	9.21%	3/9/27	North Carolina	Multifamily	69.6%
Loan 6	Senior Loan	6/1/22	86	84	84	+ 3.95%	9.77%	6/9/27	North Carolina	Multifamily	71.8%
Loan 7	Senior Loan	2/10/22	82	82	82	+ 3.20%	8.90%	2/9/27	Florida	Multifamily	74.5%
Loan 8	Senior Loan	12/15/21	84	81	81	+ 3.21%	8.78%	1/9/27	North Carolina	Multifamily	76.1%
Loan 9	Senior Loan	8/1/23	80	79	79	+ 3.20%	9.02%	8/9/28	Texas	Multifamily	58.7%
Loan 10	Senior Loan	12/21/21	79	78	78	+ 3.45%	8.98%	1/9/27	Florida	Multifamily	78.8%
Loan 11	Senior Loan	2/16/24	90	78	78	+ 3.65%	9.75%	3/9/29	Texas	Multifamily	53.3%
Loan 12	Senior Loan	3/31/21	79	76	76	+ 2.95%	8.59%	4/9/26	Texas	Multifamily	72.6%
Loan 13	Senior Loan	3/7/24	75	75	75	+ 2.70%	8.36%	3/9/29	North Carolina	Industrial	58.6%
Loan 14	Senior Loan	5/18/22	71	71	71	+ 3.80%	9.61%	6/9/27	Georgia	Multifamily	77.9%
Loan 15	Senior Loan	6/14/22	71	71	71	+ 3.45%	9.58%	6/9/27	Georgia	Multifamily	71.6%
Loans 16 - 145	Senior & Mezz Loans	Various	4,254	3,892	3,884	+ 3.84%	9.70%	Various	Various	Various	64.3%
CECL Reserve ⁽³⁾					(49)						
Total/Wtd. avg.			\$5,632	\$5,244	\$5,184	+ 3.79%	9.56%	2.8 years			64.3%
Average Loan Size			\$39	\$36	\$36						

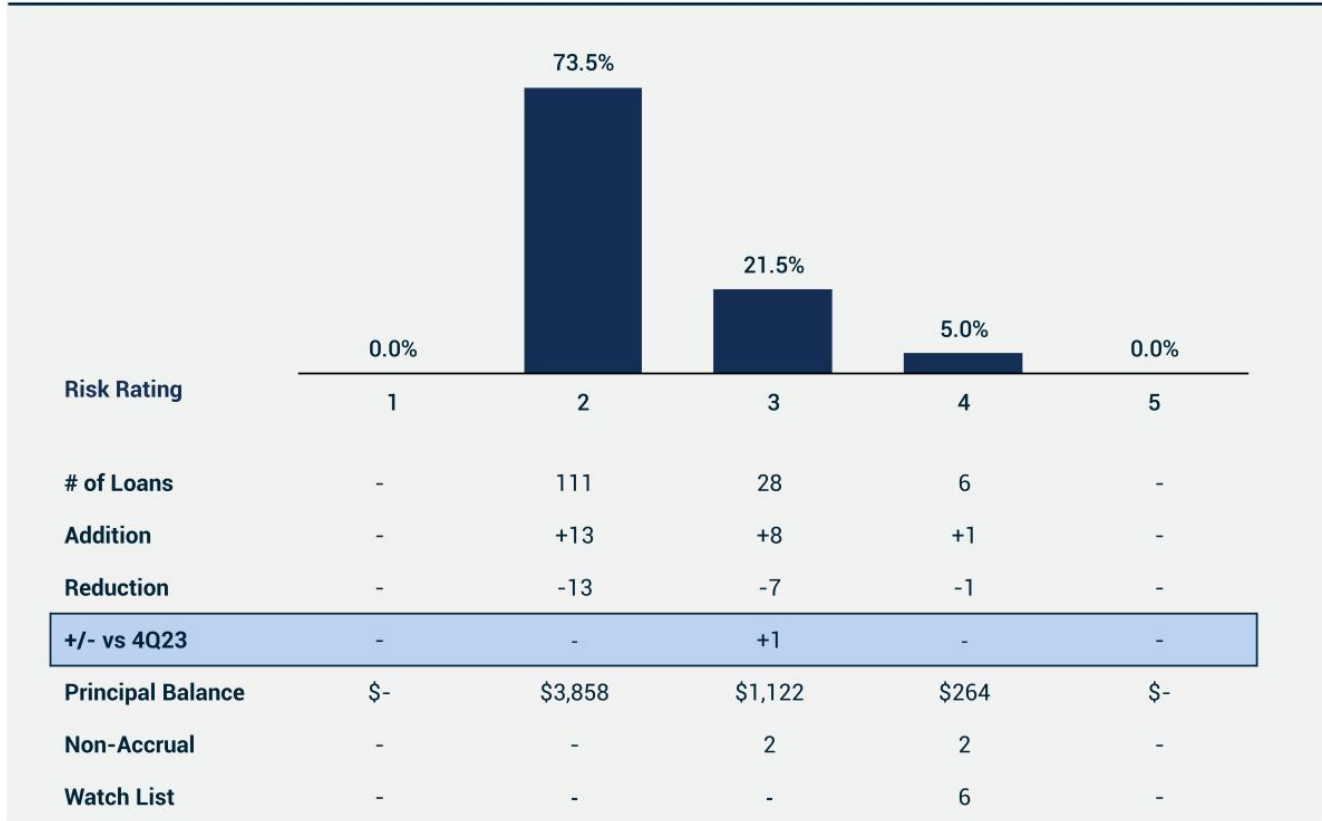
Note: All numbers in millions.

1. All-in Yield defined as: (1) current spread of the loan plus (2) any applicable index or index floor plus (3) origination and exit fees amortized over the initial maturity date of the loan.
2. As-is loan to value percentage is from metrics at origination. Predevelopment construction loans at origination will not have an LTV and therefore is nil.
3. Allowance for loan loss excludes future funding

Core Portfolio – Risk Ratings

Average risk rating was 2.3 for the quarter (no change from prior quarter)

Risk Ratings



Note: Principal balance in millions. Watchlist loans are loans with a risk rating of 4 or 5

Earnings Sensitivity

Positive earnings correlation to rising rates

EPS Sensitivity on Index Rates

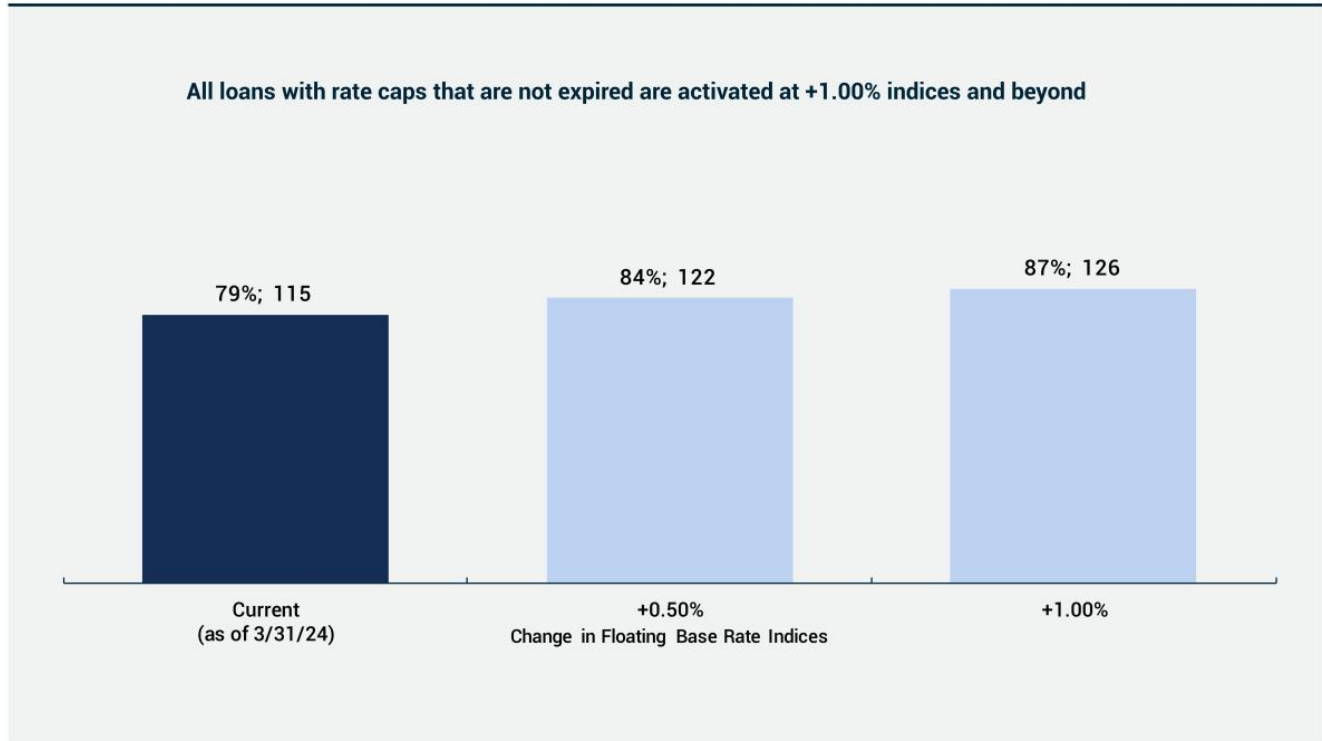


Note: Reflects distributable earnings impact of an increase or decrease in the floating-rate indices referenced by our portfolio, assuming no change in credit spreads, portfolio composition or asset performance.

Rate Caps Sensitivity

87% of our loans have a rate cap (with average cap of 3.0%) and 79% were activated as of 3/31/2024

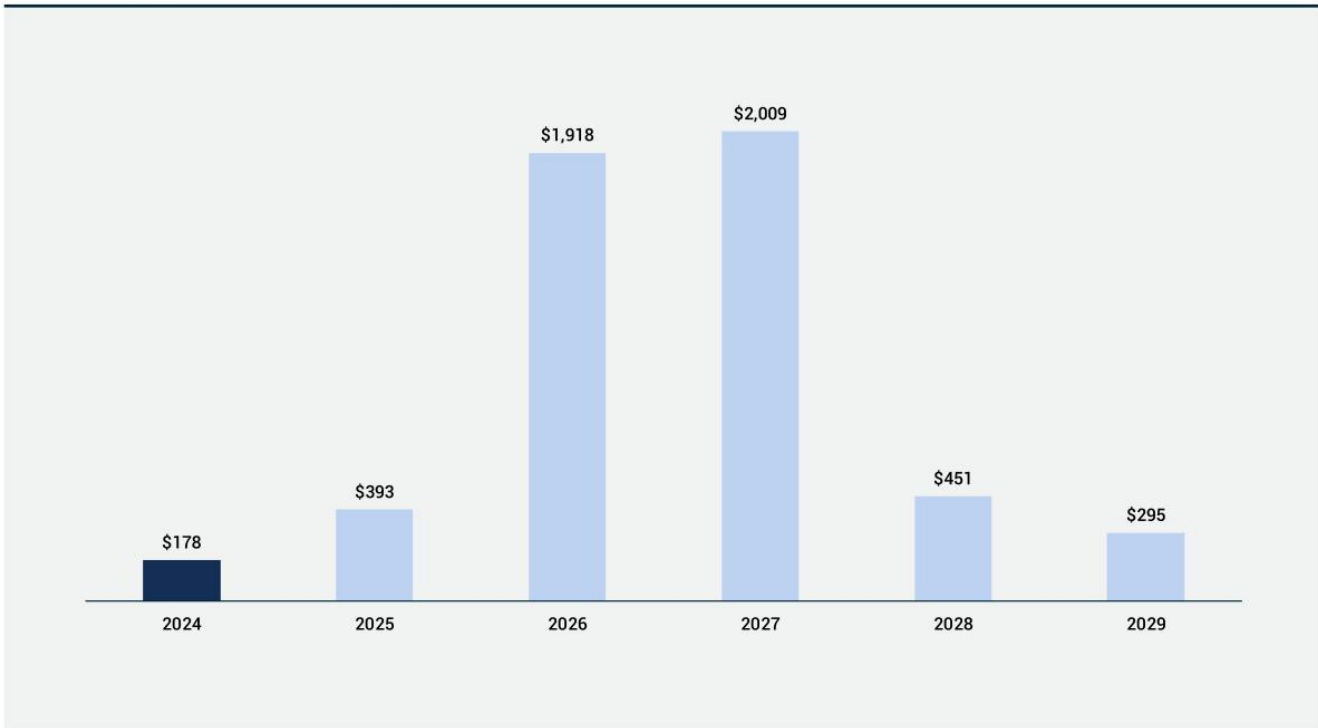
Percentage and Number of Loans with Activated Rate Caps



Note: The above analysis assumes fixed rate loans have rate caps that are always active and do not expire. Loans without rate caps include loans that previously had rate caps but have expired as of 3/31/24.

Core Portfolio – Fully Extended Maturities

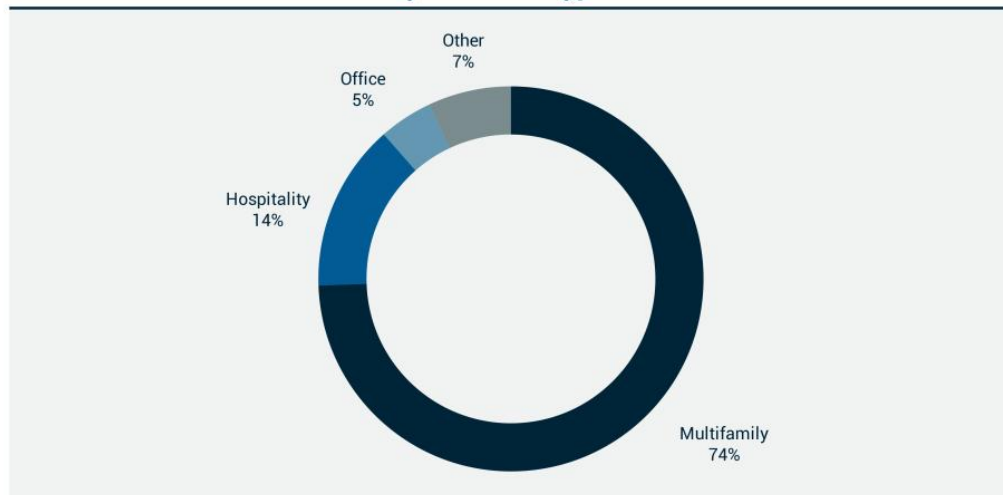
Fully Extended Maturity by Year



Note: All numbers in millions. Excludes loans on non-accrual and loans in maturity default at 3/31/2024

Core Portfolio – Allowance For Loan Loss

Total Allowance for Credit Loss by Collateral Type



CECL Reserve Summary

	12/31	Change	3/31	UPB	As % of UPB
General CECL Provision	\$48.3	2.1	\$50.4	\$5,185.8	1.0%
Specific CECL Provision	\$0.0	0.7	\$0.7	\$58.0	1.3%
Total Allowance for Credit Losses	\$48.3	2.9	\$51.2	\$5,243.8	1.0%

Note: All numbers in millions. Allowance for loan loss above includes future funding.

GAAP Net Income to Distributable Earnings Reconciliation

	2Q'23	3Q'23	4Q'23	1Q'24
GAAP Net Income (Loss)	39.6	31.0	30.0	35.8
Adjustments:				
CLO Amortization Acceleration ⁽¹⁾	(1.2)	(1.3)	(1.6)	-
Unrealized (Gain) / Loss ⁽²⁾	2.7	4.3	(0.0)	(0.3)
Subordinated Performance Fee ⁽³⁾	2.6	1.6	2.6	(0.6)
Non-Cash Compensation Expense	1.2	1.3	1.3	1.8
Depreciation & Amortization	2.2	1.5	1.6	1.4
(Reversal of) / Provision for Credit Loss	21.6	2.4	5.4	2.9
Loan Workout Charges / (Loan Workout Recoveries) ⁽⁴⁾	(5.1)	-	-	-
Realized (Gain) / Loss on Debt Extinguishment / CLO Call	(0.3)	2.8	-	-
Realized Cash Gain/(Loss) Adjustment on REO ⁽⁵⁾	-	(1.6)	-	-
Distributable Earnings	63.5	42.0	39.3	41.0
7.5% Series E Cumulative Redeemable Preferred Stock Dividend	(4.8)	(4.8)	(4.8)	(4.8)
Noncontrolling Interests in Joint Ventures Net (Income) / Loss	(0.4)	0.8	(0.0)	0.1
Noncontrolling Interests in Joint Ventures Depreciation and Amortization	(0.0)	(0.3)	(0.3)	(0.3)
Distributable Earnings to Common	58.2	37.6	34.1	36.0
Average Common Stock & Common Stock Equivalents ⁽⁶⁾	1,413.5	1,402.4	1,394.9	1,389.9
GAAP Net Income (Loss) ROE	9.8%	7.7%	7.2%	8.9%
Distributable Earnings ROE	16.5%	10.7%	9.8%	10.4%
GAAP Net Income / (Loss) Earnings Per Share, Diluted	\$0.39	\$0.30	\$0.28	\$0.35
Fully Converted Weighted Average Shares Outstanding ⁽⁷⁾	88,421,116	88,390,522	88,182,810	88,470,537
GAAP Net Income / (Loss) Earnings Per Share, Fully Converted ⁽⁷⁾	\$0.39	\$0.30	\$0.29	\$0.35
Distributable Earnings Per Share, Fully Converted ⁽⁷⁾	\$0.66	\$0.43	\$0.39	\$0.41

Note: All numbers in millions except share and per share data.

- Before Q1 2024, we adjusted GAAP income for non-cash CLO amortization acceleration to effectively amortize the issuance costs of our CLOs over the expected lifetime of the CLOs. We assume our CLOs will be outstanding for approximately four years and amortized the financing costs over approximately four years in our distributable earnings as compared to effective yield methodology in our GAAP earnings. Starting in Q1 2024, we amortized the issuance cost incurred on our CLOs over the expected lifetime of the CLOs in our GAAP presentation, making our previous adjustments no longer necessary.
- Represents unrealized gains and losses on (i) commercial mortgage loans, held for sale, measured at fair value, (ii) other real estate investments, measured at fair value, (iii) derivatives, and (iv) ARMs.
- Represents accrued and unpaid subordinated performance fee. In addition, reversal of subordinated performance fee represents cash payment obligations in the quarter.
- Represents loan workout charges the Company incurred, which the Company deemed likely to be recovered. Reversal of loan workout charges represent recoveries received. During the second quarter of 2023, the Company recovered \$5.1 million of loan workout charges, in aggregate, related to the loan workout charges incurred in the first, second, and third quarters of 2022 amounting to \$1.9 million, \$3.0 million, and \$0.2 million, respectively.
- Represents the actual realized cash loss on REO investments, which may be different than the GAAP basis.
- Represents the average of all classes of equity except the Series E Preferred Stock.
- Fully converted per share information assumes applicable conversion of our outstanding series of convertible preferred stock into common stock and the full vesting of our outstanding equity compensation awards.

— Book Value Per Share & Shares Outstanding

	March 31, 2024	December 31, 2023
Stockholders' equity applicable to convertible common stock	\$ 1,389,383	\$ 1,390,120
Shares:		
Common stock	81,990,061	81,942,656
Restricted stock and restricted stock units	1,264,422	809,257
Series H convertible preferred stock	5,370,498	5,370,498
Total outstanding shares	88,624,981	88,122,411
Fully-converted book value per share ^{(1) (2)}	\$ 15.68	\$ 15.77

Note: All numbers in thousands except per share and share data. Preferred stock values expressed in common stock equivalents.

1. Fully-converted book value per share reflects full conversion of our outstanding series of convertible preferred stock and vesting of our outstanding equity compensation awards.
2. Excluding the amounts for accumulated depreciation and amortization of real property of \$10.4 million and \$9.4 million as of March 31, 2024 and December 31, 2023, respectively, would result in a fully-converted book value per share of \$15.79 and \$15.88 as of March 31, 2024 and December 31, 2023, respectively.

FBRT Income Statement

	Three Months Ended	
	March 31,	
	2024	2023
Income		
Interest income	\$ 130,558	\$ 130,536
Less: Interest expense	81,318	71,075
Net interest income	49,240	59,461
Revenue from real estate owned	4,712	3,312
Total income	\$ 53,952	\$ 62,773
Expenses		
Asset management and subordinated performance fee	\$ 7,865	\$ 8,085
Acquisition expenses	238	378
Administrative services expenses	2,860	4,029
Professional fees	4,084	4,814
Share-based compensation	1,799	1,022
Depreciation and amortization	1,417	1,805
Other expenses	2,363	2,166
Total expenses	\$ 20,626	\$ 22,299
Other income/(loss)		
(Provision)/benefit for credit losses	\$ (2,880)	\$ (4,360)
Realized gain/(loss) on extinguishment of debt	—	4,767
Realized gain/(loss) on real estate securities, available for sale	88	596
Realized gain/(loss) on sale of commercial mortgage loans, held for sale, measured at fair value	5,513	—
Unrealized gain/(loss) on commercial mortgage loans, held for sale, measured at fair value	457	347
Gain/(loss) on other real estate investments	6	(1,339)
Trading gain/(loss)	—	2,968
Unrealized gain/(loss) on derivatives	(138)	(320)
Realized gain/(loss) on derivatives	290	44
Total other income/(loss)	\$ 3,336	\$ 2,703
Income/(loss) before taxes	36,662	43,177
(Provision)/benefit for income tax	(835)	662
Net income/(loss)	\$ 35,827	\$ 43,839
Net (income)/loss attributable to non-controlling interest	93	(9)
Net income/(loss) attributable to Franklin BSP Realty Trust, Inc.	\$ 35,920	\$ 43,830
Less: Preferred stock dividends	6,748	6,748
Net income/(loss) applicable to common stock	\$ 29,172	\$ 37,082
Basic earnings per share	\$ 0.35	\$ 0.44
Diluted earnings per share	\$ 0.35	\$ 0.44
Basic weighted average shares outstanding	81,994,096	82,774,771
Diluted weighted average shares outstanding	81,994,096	82,774,771

FBRT Balance Sheet

	March 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	\$ 240,030	\$ 337,595
Restricted cash	8,092	6,092
Commercial mortgage loans, held for investment, net of allowance for credit losses of \$49,215 and \$47,175 as of March 31, 2024 and December 31, 2023, respectively	5,184,205	4,989,767
Commercial mortgage loans, held for sale, measured at fair value	30,457	—
Real estate securities, available for sale, measured at fair value, amortized cost of \$217,324 and \$243,272 as of March 31, 2024 and December 31, 2023, respectively (includes pledged assets of \$217,855 and \$167,948 as of March 31, 2024 and December 31, 2023, respectively)	217,855	242,569
Receivable for loan repayment ⁽¹⁾	26,683	55,174
Accrued interest receivable	39,628	42,490
Prepaid expenses and other assets	19,911	19,213
Intangible lease asset, net of amortization	42,037	42,793
Real estate owned, net of depreciation	115,169	115,830
Real estate owned, held for sale	103,657	103,657
Total assets	\$ 6,027,724	\$ 5,955,180
LIABILITIES AND STOCKHOLDERS' EQUITY		
Collateralized loan obligations	\$ 3,530,740	\$ 3,567,166
Repurchase agreements and revolving credit facilities - commercial mortgage loans	412,556	299,707
Repurchase agreements - real estate securities	194,769	174,055
Mortgage note payable	23,998	23,998
Other financings	12,865	36,534
Unsecured debt	81,320	81,295
Derivative instruments, measured at fair value	524	—
Interest payable	15,052	15,383
Distributions payable	36,308	36,133
Accounts payable and accrued expenses	11,195	13,339
Due to affiliates	20,969	19,316
Intangible lease liability, held for sale	12,297	12,297
Total liabilities	\$ 4,352,593	\$ 4,279,223
Commitments and Contingencies		
Redeemable convertible preferred stock:		
Redeemable convertible preferred stock Series H, \$0.01 par value, 20,000 authorized and 17,950 issued and outstanding as of March 31, 2024 and December 31, 2023	\$ 89,748	\$ 89,748
Total redeemable convertible preferred stock	\$ 89,748	\$ 89,748
Equity:		
Preferred stock, \$0.01 par value; 100,000,000 shares authorized, 7.5% Cumulative Redeemable Preferred Stock, Series E, 10,329,039 shares issued and outstanding as of March 31, 2024 and December 31, 2023	\$ 258,742	\$ 258,742
Common stock, \$0.01 par value, 900,000,000 shares authorized, 83,254,483 and 82,751,913 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	820	820
Additional paid-in capital	1,597,611	1,599,197
Accumulated other comprehensive income (loss)	530	(703)
Accumulated deficit	(299,326)	(298,942)
Total stockholders' equity	\$ 1,558,377	\$ 1,559,114
Non-controlling interest	27,006	27,095
Total equity	\$ 1,585,383	\$ 1,586,209
Total liabilities, redeemable convertible preferred stock and equity	\$ 6,027,724	\$ 5,955,180

Definitions

Distributable Earnings and Distributable Earnings to Common

Distributable Earnings is a non-GAAP measure, which the Company defines as GAAP net income (loss), adjusted for (i) non-cash CLO amortization acceleration and amortization over the expected useful life of the Company's CLOs, (ii) unrealized gains and losses on loans, derivatives and ARMs, including CECL reserves and impairments, (iii) non-cash equity compensation expense, (iv) depreciation and amortization, (v) subordinated performance fee accruals/(reversal), (vi) loan workout charges, (vii) realized gains and losses on debt extinguishment and CLO calls, (viii) realized cash loss on a specific real estate owned ("REO") investment and (ix) certain other non-cash items. Further, Distributable Earnings to Common, a non-GAAP measure, presents Distributable Earnings net of (i) perpetual preferred stock dividend payments and (ii) non-controlling interests in joint ventures.

The Company believes that Distributable Earnings and Distributable Earnings to Common provide meaningful information to consider in addition to the disclosed GAAP results. The Company believes Distributable Earnings and Distributable Earnings to Common are a useful financial metrics for existing and potential future holders of its common stock as historically, over time, Distributable Earnings to Common has been an indicator of common dividends per share. As a REIT, the Company generally must distribute annually at least 90% of its taxable income, subject to certain adjustments, and therefore believes dividends are one of the principal reasons stockholders may invest in its common stock. Further, Distributable Earnings to Common helps investors evaluate performance excluding the effects of certain transactions and GAAP adjustments that the Company does not believe are necessarily indicative of current loan portfolio performance and the Company's operations and is one of the performance metrics the Company's board of directors considers when dividends are declared.

Distributable Earnings and Distributable Earnings to Common do not represent net income (loss) and should not be considered as an alternative to GAAP net income (loss). The methodology for calculating Distributable Earnings and Distributable Earnings to Common may differ from the methodologies employed by other companies and thus may not be comparable to the Distributable Earnings reported by other companies.



New York

9 West 57th Street
Suite 4920
New York
NY 10019
USA

New York

1345 Avenue of the Americas
Suite 32A
New York
NY 10105
USA

London

Cannon Place
78 Cannon Street
London
EC4N 6HL
UK

Boston

399 Boylston Street
Suite 901
Boston
MA 02116
USA

West Palm Beach

360 South Rosemary Avenue
Suite 1510
West Palm Beach
FL 33401
USA

www.benefitstreetpartners.com
www.alcentra.com

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