



SUPPLEMENTAL DATA FOR THE QUARTER ENDED SEPTEMBER 30, 2016

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This presentation includes certain non-GAAP financial measures. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Company’s September 30, 2016 Form 10-Q filing and earnings press release, which are available on Ladder’s website (www.laddercapital.com), as well as the supplemental financial tables included herein, for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Totals may not equal the sum of components due to rounding.

THIRD QUARTER 2016 HIGHLIGHTS⁽¹⁾

- Core Earnings of \$44.5 million
- Core EPS of \$0.40 per share
- Core ROAE of 11.7% (based on After-Tax Core Earnings)
- GAAP Net Income of \$49.6 million, or \$0.44 per share
- New commercial real estate investments of \$1.2 billion, including new loan originations of \$845 million
- Declared quarterly cash dividend of \$0.275 per share
- Ended the quarter with:
 - \$6.2 billion of total assets
 - \$1.5 billion of book equity (\$13.59 GAAP book value per share, up \$0.11 quarter-over-quarter)
 - \$1.6 billion of undepreciated book equity (\$14.58 undepreciated book value per share, up \$0.22 quarter-over-quarter)
 - Core Leverage Ratio of 3.0x
- On 10/18/2016, Ladder’s asset management subsidiary, Ladder Capital Asset Management (“LCAM”), launched its first mutual fund product, the Ladder Select Bond Fund

(1) For a description of the non-GAAP financial measures on this slide, see Selected Definitions on page S-14

LADDER SNAPSHOT

(as of 09/30/2016; \$ in millions, except per share amounts)

Snapshot of Business Lines				Other Assets, Financing, Book Equity and ROE	
Conduit Loans		Net Leased Commercial Real Estate (100% Owned)		Other Assets	
Carrying Value of Assets	\$784	Carrying Value of Assets	\$539	Cash & Cash Equivalents	\$60
Weighted-Average Yield	4.4%	Undepreciated Book Value of Assets	591	Other Assets ⁽³⁾	252
Origination Volume (LTM)	1,678	Total Square Feet	4,092,759		
Securitization Volume (LTM)	1,268	Weighted-Average Occupancy	100%	Financing	
Securitization Profit Margin (LTM)	2.6%	In-Place Annual Net Operating Income (NOI)	\$38.7	Secured Debt	\$4,042
Number of Securitizations (LTM)	6	<i>Accounting method: carried at depreciated book value</i>		Senior Unsecured Notes	559
Net Revenue Contribution (LTM)	\$44			Total Debt	4,601
<i>Accounting method: carried at lower of cost or FMV</i>		Other Commercial Real Estate⁽¹⁾⁽²⁾		Other Liabilities ⁽³⁾	114
		Carrying Value of Assets	\$241		
		Undepreciated Book Value of Assets	295	Book Equity Value	
Balance Sheet Loans		Total Square Feet	2,665,579	Book Equity Value (excluding NCI in JVs)	\$1,496
Carrying Value of Assets	\$1,643	Weighted-Average Occupancy	85%	Total Shares Outstanding (mm)	109.6
% First Mortgage	90%	In-Place Annual Net Operating Income (NOI)	\$24.3	GAAP Book Value per Share ⁽³⁾	\$13.59
% Other (Mezzanine/Subordinate)	10%	Weighted-Average % Owned by Ladder	88.2%	Undepreciated Book Value per Share ⁽⁴⁾	\$14.58
Weighted-Average Yield	7.1%	<i>Accounting method: carried at depreciated book value</i>			
<i>Accounting method: carried at lower of cost or FMV</i>				Leverage⁽⁴⁾	
				Core Leverage Ratio	3.0x
Securities		Condominium Residential Real Estate⁽¹⁾			
Carrying Value of Assets	\$2,651	Carrying Value of Assets	\$46	Return on Average Equity (based on Core Earnings)⁽⁴⁾	
% First Mortgage Secured	100%	Total Remaining Units	178	Core Earnings (LTM)	\$164
% AAA-Rated	84%	Total Remaining Square Feet	185,100	Average Book Equity Value (LTM)	1,484
% Investment Grade-Rated	98%	Unit Sale Price as % of GAAP Book Value (LTM)	150%	Pre-Tax Core ROAE (LTM)	11.0%
Weighted-Average Duration	3.2 Years	Weighted-Average % Owned by Ladder	99.5%	Core ROAE (After-Tax) (LTM)	10.9%
<i>Accounting method: carried at FMV</i>		<i>Accounting method: carried at depreciated book value</i>			

(1) All metrics shown on a consolidated basis, except Weighted-Average % Owned by Ladder

(2) Excludes two unconsolidated joint venture investments with total book value of \$33.9 million as of September 30, 2016

(3) For a description of these financial measures, see Selected Definitions on page S-14

(4) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

INVESTMENT PORTFOLIO SUMMARY

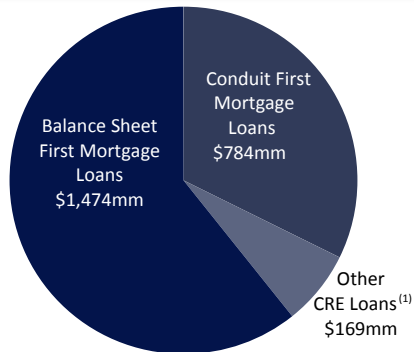
(\$ in millions)

Investment Type	Investment Portfolio (as of 09/30/2016)		Core Earnings Contribution (9 months ended 09/30/2016)	
	Carrying Value of Assets	% of Total Assets	Amount of Contribution	% of Total Contribution
Conduit First Mortgage Loans	\$784	13%	\$27.2	15%
Balance Sheet First Mortgage Loans	1,474	24%	74.9	40%
Other (Mezzanine/Subordinate) Loans	169	3%	17.6	10%
Total Loans	\$2,427	39%	\$119.7	65%
Securities	\$2,651	43%	\$28.5	15%
Net Leased Commercial Real Estate	\$539	9%	\$18.0	10%
Other Commercial Real Estate	241	4%	7.6	4%
Condominium Residential Real Estate	46	1%	10.3	6%
Total Real Estate Equity Properties	\$826	13%	\$35.9	19%
Other Investments	\$112	2%	\$0.9	0%
Total Investment Assets	\$6,016	97%	\$185.0	100%
Cash and Cash Equivalents (unrestricted)	\$60	1%		
Cash Collateral Held by Broker	37	1%		
Other Assets	103	2%		
Total Assets	\$6,216	100%	\$185.0	100%
Corporate Bond Interest Expense			(31.1)	(17%)
Corporate Operating Expenses/Other			(40.3)	(22%)
Total Core Earnings			\$113.6	61%

LOAN PORTFOLIO OVERVIEW

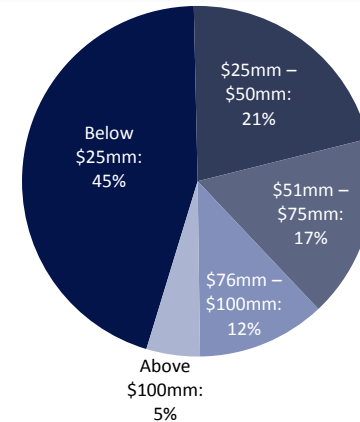
(as of 09/30/2016)

Loan Type



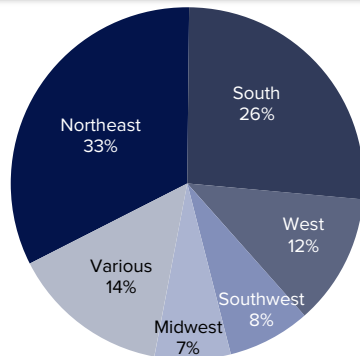
\$2.4 billion total loan portfolio
59% floating rate / 41% fixed rate

Loan Size

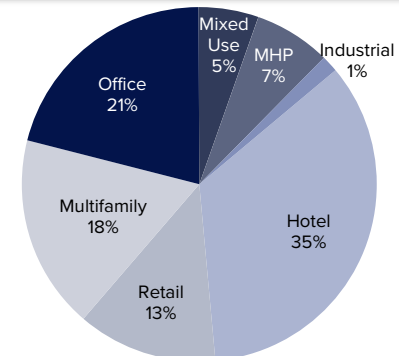


\$18 million average loan balance

Geography



Property Type



(1) Includes mezzanine and subordinate loans

LOANS SEGMENT SUMMARY

(\$ in millions)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Conduit First Mortgage Loans							
Carrying Value of Assets (end of quarter)	\$784	\$583	\$353	\$572	\$334	\$508	\$251
Origination Volume	526	270	69	813	649	740	392
Weighted-Average Coupon (end of quarter)	4.4%	4.4%	4.3%	4.6%	4.1%	4.3%	3.9%
Securitization Volume	\$415	–	\$249	\$604	\$860	\$487	\$634
Securitization Profit, Net ⁽¹⁾	17	–	4	13	12	23	17
Securitization % Profit Margin	4.0%	–	1.5%	2.1%	1.4%	4.6%	2.7%
Balance Sheet First Mortgage Loans							
Carrying Value of Assets (end of quarter)	\$1,474	\$1,381	\$1,378	\$1,453	\$1,510	\$1,464	\$1,530
Origination Volume	311	162	50	121	178	244	291
Weighted-Average Coupon (end of quarter)	6.8%	6.8%	7.0%	6.8%	6.7%	6.8%	6.4%
Weighted-Average LTV (end of quarter)	67%	66%	67%	68%	67%	64%	63%
Other (Mezzanine/Subordinate) Loans							
Carrying Value of Assets (end of quarter)	\$169	\$163	\$195	\$286	\$285	\$276	\$245
Origination Volume	9	–	–	1	9	32	87
Mezz./Subordinate Loans % of Total Assets	2.7%	2.7%	3.4%	4.8%	4.9%	4.8%	4.2%
Weighted-Average Coupon (end of quarter)	10.9%	10.9%	10.8%	10.1%	10.0%	10.0%	10.1%
Weighted-Average LTV (end of quarter)	74%	74%	66%	69%	67%	67%	73%
Total Loan Portfolio							
Carrying Value of Assets (end of quarter)	\$2,427	\$2,127	\$1,926	\$2,310	\$2,128	\$2,249	\$2,026
Weighted-Average Yield (end of quarter)	6.2%	6.6%	7.0%	6.8%	7.1%	7.0%	6.9%

(1) Equivalent to “Income from sales of securitized loans, net of hedging” as reported in Company filings. For reconciliation, see page S-11

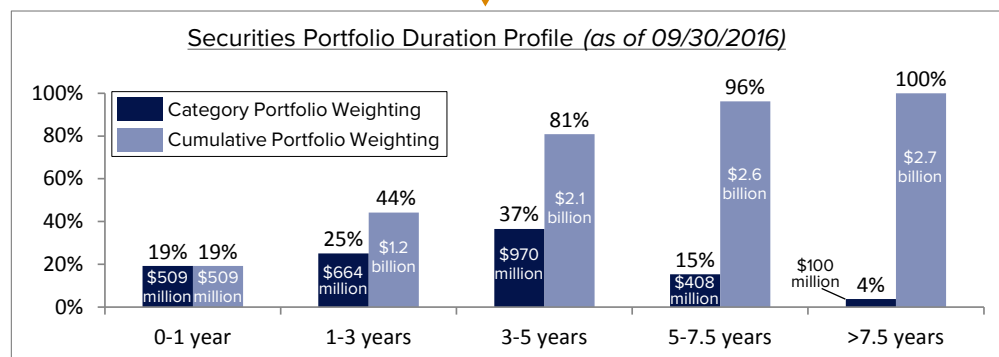
SECURITIES SEGMENT SUMMARY

(\$ in millions)

09/30/2016	06/30/2016	03/31/2016	12/31/2015	09/30/2015	06/30/2015	03/31/2015
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Securities (CMBS & U.S. Agency)

Carrying Value of Assets	\$2,651	\$2,700	\$2,599	\$2,407	\$2,415	\$2,299	\$2,624
Weighed-Average Yield	2.9%	2.9%	3.0%	2.8%	2.8%	2.9%	2.6%
Number of CUSIPs	230	226	219	200	202	203	229
Average CUSIP Size	\$11.5	\$11.9	\$11.9	\$12.0	\$12.0	\$11.3	\$11.5
Weighted-Average Duration	3.2 Years	3.2 Years	3.3 Years	3.3 Years	3.5 Years	3.6 Years	4.0 Years
% AAA-Rated or Agency-Backed	84%	86%	85%	87%	85%	84%	81%
% Investment Grade-Rated	98%	98%	98%	99%	98%	98%	98%



Highly-rated, short duration securities portfolio

REAL ESTATE SEGMENT SUMMARY

(\$ in millions)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net Leased Commercial Real Estate (100% Owned)							
Acquisitions	\$4	\$16	–	\$46	\$27	\$21	\$103
Sales	6	–	9	–	18	23	–
Carrying Value of Assets (end of quarter)	539	546	533	545	497	498	502
Square Feet (end of quarter)	4,092,759	4,079,816	3,959,222	3,972,788	3,661,410	3,649,663	3,582,916
Net Operating Income (Rental Income)	\$10.0	\$10.0	\$10.0	\$9.8	\$9.2	\$9.2	\$8.1
Other Commercial Real Estate ⁽¹⁾							
Acquisitions	\$31	\$0	–	\$7	–	\$16	–
Sales	–	–	–	62	–	–	–
Carrying Value of Assets (end of quarter)	241	211	214	218	265	259	248
Square Feet (end of quarter)	2,665,579	2,554,814	2,554,814	2,554,814	2,898,595	2,842,208	2,502,237
Net Operating Income	\$4.7	\$5.1	\$5.4	\$6.4	\$7.1	\$6.3	\$5.9
Condominium Residential Real Estate ⁽¹⁾							
Sales	\$10	\$14	\$14	\$14	\$14	\$18	\$22
Carrying Value of Assets (end of quarter)	46	52	62	71	79	89	102
Remaining Condo Units (end of quarter)	178	207	247	285	326	365	414
Unit Sale Price as % of GAAP Book Value	159%	146%	153%	147%	150%	140%	148%

(1) All metrics shown on a consolidated basis

INCOME STATEMENT BY QUARTER

(\$ in millions, except per share values)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net interest income							
Interest income	\$60.3	\$55.8	\$59.6	\$62.9	\$63.0	\$59.2	\$56.4
Interest expense	30.7	28.4	29.5	29.5	29.5	27.5	26.8
Net interest income	\$29.6	\$27.4	\$30.1	\$33.4	\$33.5	\$31.8	\$29.6
Provision for loan losses	–	0.2	0.2	0.2	0.2	0.2	0.2
Net interest income after provision for loan losses	\$29.6	\$27.2	\$29.9	\$33.3	\$33.3	\$31.6	\$29.4
Other income							
Operating lease income	19.5	19.1	19.3	20.3	20.7	20.4	19.1
Tenant recoveries	1.2	1.3	1.3	2.0	2.8	2.5	2.5
Sale of loans, net	19.6	2.8	7.8	11.3	15.2	14.5	30.0
Realized gain (loss) on securities	7.1	3.0	(0.6)	0.3	0.5	11.0	12.2
Unrealized gain (loss) on Agency interest-only securities	(0.0)	(0.6)	0.7	(0.6)	0.7	(0.1)	(1.3)
Realized gain on sale of real estate, net	4.6	4.9	6.1	19.0	6.4	7.3	7.7
Fee and other income	8.1	6.2	3.0	4.3	3.5	3.8	3.5
Net result from derivative transactions	9.4	(24.6)	(50.9)	15.7	(42.2)	26.8	(39.1)
Earnings from investment in unconsolidated joint ventures	(0.1)	(0.2)	0.8	(0.2)	(0.0)	0.2	0.4
Gain on assignment of mortgage loan financing	–	–	–	–	–	–	–
Gain on extinguishment of debt	–	–	5.4	–	–	–	–
Total other income	\$69.3	\$11.8	(\$7.1)	\$72.2	\$7.5	\$86.5	\$35.0
Costs and expenses							
Salaries and employee benefits	17.3	13.4	12.6	14.3	17.6	15.9	13.8
Operating expenses	4.4	4.7	6.3	4.6	5.0	6.7	8.8
Real estate operating expenses	8.0	8.9	5.7	7.9	9.0	9.6	9.4
Real estate acquisition costs	0.4	0.2	–	0.5	0.5	0.5	0.6
Fee expense	0.8	0.9	0.7	1.3	0.7	1.5	1.1
Depreciation and amortization	9.7	9.3	9.8	9.8	9.6	10.0	9.7
Total costs and expenses	\$40.6	\$37.4	\$35.2	\$38.3	\$42.3	\$44.2	\$43.4
Income (loss) before taxes	\$58.3	\$1.6	(\$12.3)	\$67.1	(\$1.4)	\$73.9	\$21.1
Income tax expense (benefit)	8.7	(2.3)	(0.9)	10.5	(4.2)	5.2	3.1
Net income	\$49.6	\$3.9	(\$11.4)	\$56.7	\$2.8	\$68.7	\$18.0
Net (income) loss attributable to noncontrolling interest in consolidated joint ventures	0.4	(0.2)	0.2	(2.1)	0.1	0.7	(0.2)
Net (income) loss attributable to noncontrolling interest in operating partnership	(22.4)	(0.9)	5.7	(27.4)	0.4	(35.2)	(8.6)
Net income attributable to Class A common shareholders	\$27.6	\$2.8	(\$5.5)	\$27.1	\$3.3	\$34.2	\$9.2
Earnings per share:							
Basic	\$0.44	\$0.05	(\$0.09)	\$0.51	\$0.06	\$0.68	\$0.18
Diluted	0.44	0.05	(0.09)	0.50	0.06	0.67	0.15
Weighted average shares outstanding (mm):							
Basic	62.1	61.2	59.6	53.5	52.9	50.3	50.0
Diluted	63.3	62.0	59.6	98.0	53.3	50.9	98.1
Core Earnings (pre-tax)⁽¹⁾	\$44.5	\$30.9	\$38.2	\$50.1	\$41.2	\$52.1	\$48.0
Core EPS (after-tax)⁽¹⁾	\$0.40	\$0.32	\$0.38	\$0.45	\$0.40	\$0.51	\$0.48

(1) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

CORE EARNINGS, CORE EPS & ROAE RECONCILIATION BY QUARTER ⁽¹⁾

(\$ in millions, except per share values)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net income	\$49.6	\$3.9	(\$11.4)	\$56.7	\$2.8	\$68.7	\$18.0
Income tax expense (benefit)	8.7	(2.3)	(0.9)	10.5	(4.2)	5.2	3.1
Income (loss) before taxes	\$58.3	\$1.6	(\$12.3)	\$67.1	(\$1.4)	\$73.9	\$21.1
Net (income) loss attributable to noncontrolling interest in consolidated joint ventures	0.4	(0.2)	0.2	(2.1)	0.1	0.7	(0.2)
Our share of real estate depreciation, amortization and gain adjustments	8.3	8.0	8.3	3.9	8.0	8.4	8.4
Adjustments for unrecognized derivative results	(24.9)	16.1	39.3	(20.7)	31.9	(32.9)	11.5
Unrealized (gain) loss on agency IO securities	0.0	0.6	(0.7)	0.6	(0.7)	0.1	1.3
Premium (discount) on mortgage loan financing, net of amortization	0.3	(0.2)	(0.0)	(1.0)	(0.1)	(0.3)	2.1
Non-cash stock-based compensation	5.2	5.0	3.3	2.3	3.4	2.3	2.2
One-time transactional adjustment	(3.2)	–	–	–	–	–	1.5
Core earnings	\$44.5	\$30.9	\$38.2	\$50.1	\$41.2	\$52.1	\$48.0
Core estimated corporate tax benefit (expense)	(1.0)	4.1	1.7	(6.2)	(1.5)	(2.5)	(0.7)
After-tax core earnings	\$43.5	\$35.0	\$39.9	\$44.0	\$39.6	\$49.7	\$47.3
Adjusted weighted average shares outstanding (diluted) (mm)	108.8	108.4	106.1	98.0	98.1	97.6	97.7
Core EPS	\$0.40	\$0.32	\$0.38	\$0.45	\$0.40	\$0.51	\$0.48
Weighted average shares outstanding (diluted) (mm)	63.3	62.0	59.6	98.0	53.3	50.9	98.1
Effect of shares issuable to converted Class B shareholders, unvested restricted stock, and unvested stock options (mm)	45.4	46.4	46.5	–	44.7	46.7	(0.4)
Adjusted weighted average shares outstanding (diluted) (mm)	108.8	108.4	106.1	98.0	98.1	97.6	97.7

	Last Twelve Months (LTM) Ended 09/30/2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Core earnings	\$163.7	\$44.5	\$30.9	\$38.2	\$50.1	\$41.2	\$52.1	\$48.0
Average book equity	1,484.0	1,488.1	1,478.2	1,480.7	1,488.9	1,497.6	1,504.8	1,501.8
Pre-tax Core ROAE	11.0%	12.0%	8.4%	10.3%	13.5%	11.0%	13.9%	12.8%
After-tax core earnings	\$162.4	\$43.5	\$35.0	\$39.9	\$44.0	\$39.6	\$49.7	\$47.3
Average book equity	1,484.0	1,488.1	1,478.2	1,480.7	1,488.9	1,497.6	1,504.8	1,501.8
Core ROAE (after-tax)	10.9%	11.7%	9.5%	10.8%	11.8%	10.6%	13.2%	12.6%

(1) For a description of the non-GAAP financial measures on this slide, see Selected Definitions on page S-14

SECURITIZATION PROFITABILITY & GAAP RECONCILIATION BY QUARTER

(\$ in millions)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Face amount of loans sold into securitizations	\$414.9	–	\$249.2	\$603.6	\$860.1	\$486.9	\$634.4
Income from sale of securitized loans, net (see GAAP reconciliation A below)	\$19.6	–	\$7.5	\$11.3	\$15.2	\$14.5	\$30.0
Hedge gain/(loss) related to loans securitized (see GAAP reconciliation B below)	(3.0)	–	(3.8)	1.6	(3.4)	8.1	(12.8)
Income from sales of securitized loans, net of hedging	\$16.6	–	\$3.7	\$13.0	\$11.8	\$22.6	\$17.3
Securitization profit margin	4.0%	–	1.5%	2.1%	1.4%	4.6%	2.7%

Reconciliations to closest GAAP measures

GAAP reconciliation A

Income from sale of loans (non-securitized), net	–	\$2.8	\$0.3	–	–	–	–
Income from sale of securitized loans, net	19.6	–	7.5	11.3	15.2	14.5	30.0
Income from sale of loans, net (GAAP)	\$19.6	\$2.8	\$7.8	\$11.3	\$15.2	\$14.5	\$30.0

GAAP reconciliation B

Hedge gain/(loss) related to lending and securities positions	\$12.4	(\$23.9)	(\$46.8)	\$14.1	(\$38.8)	\$18.7	(\$26.4)
Hedge gain/(loss) related to loans (non-securitized)	–	(0.8)	(0.3)	–	–	–	–
Hedge gain/(loss) related to loans securitized	(3.0)	–	(3.8)	1.6	(3.4)	8.1	(12.8)
Net results from derivative transactions (GAAP)	\$9.4	(\$24.6)	(\$50.9)	\$15.7	(\$42.2)	\$26.8	(\$39.1)

BALANCE SHEET BY QUARTER

(\$ in millions, except per share values)

	09/30/2016	06/30/2016	03/31/2016	12/31/2015	09/30/2015	06/30/2015	03/31/2015
Assets							
Cash and cash equivalents	\$59.7	\$81.4	\$82.7	\$109.0	\$181.5	\$102.9	\$83.5
Cash collateral held by broker	37.5	50.5	30.1	30.8	50.9	44.5	48.0
Mortgage loan receivables held for investment, net, at amortized cost	1,643.0	1,543.9	1,572.8	1,738.6	1,794.8	1,740.8	1,775.0
Mortgage loan receivables held for sale	784.2	583.5	353.3	571.8	333.5	507.7	250.6
Real estate securities, available for sale	2,651.0	2,700.2	2,598.9	2,407.2	2,415.4	2,299.3	2,623.9
Real estate held for sale	–	–	–	–	49.0	49.0	21.9
Real estate and related lease intangibles, net	825.6	808.8	809.2	834.8	791.6	797.3	829.5
Investments in unconsolidated joint ventures	33.9	33.8	34.9	33.8	33.8	3.0	2.8
FHLB stock	77.9	77.9	77.9	77.9	77.9	69.9	72.3
Derivative instruments	0.3	0.2	0.2	2.8	0.3	1.6	0.2
Due from brokers	–	5.6	–	–	0.0	0.0	26.0
Accrued interest receivable	23.8	21.2	22.1	22.8	22.2	20.6	22.5
Other assets	79.0	80.5	73.2	65.7	78.9	82.0	88.5
Total assets	\$6,215.8	\$5,987.4	\$5,655.3	\$5,895.2	\$5,830.0	\$5,718.5	\$5,844.6
Liabilities							
Debt obligations	\$4,601.0	\$4,395.0	\$4,091.4	\$4,274.7	\$4,215.5	\$4,088.6	\$4,221.7
Due to brokers	16.2	0.0	8.9	–	2.0	17.9	0.3
Derivative instruments	9.4	26.5	12.7	5.5	21.9	9.2	24.9
Amount payable pursuant to tax receivable agreement	1.9	1.9	1.9	1.9	2.2	1.3	0.9
Dividends payable	3.1	2.5	1.9	17.5	1.4	0.9	12.5
Accrued expenses	54.9	48.0	33.3	78.1	57.8	60.0	45.6
Other liabilities	28.7	27.4	23.8	26.1	30.0	30.1	24.1
Total liabilities	\$4,715.1	\$4,501.3	\$4,174.0	\$4,403.8	\$4,330.8	\$4,208.0	\$4,329.9
Equity							
Class A common stock, par value \$0.001 per share, 600,000,000 shares authorized	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Class B common stock, no par value, 100,000,000 shares authorized	0.0	0.0	0.0	0.0	0.0	0.0	–
Additional paid-in capital	900.7	871.4	869.3	776.9	766.5	739.2	721.5
Treasury stock	(11.2)	(11.2)	(11.2)	(5.8)	–	–	–
Retained earnings	(31.4)	(41.1)	(26.5)	60.6	49.6	61.4	40.9
Accumulated other comprehensive income/(loss)	27.9	32.0	16.1	(3.6)	14.4	5.3	25.4
Total shareholders' equity	\$886.0	\$851.1	\$847.8	\$828.2	\$830.6	\$806.1	\$787.8
Noncontrolling interest in operating partnership	609.6	629.4	628.0	657.4	661.5	697.0	718.7
Noncontrolling interest in consolidated joint ventures	5.1	5.6	5.5	5.8	7.0	7.5	8.1
Total equity	\$1,500.7	\$1,486.1	\$1,481.3	\$1,491.4	\$1,499.1	\$1,510.5	\$1,514.6
Total liabilities and equity	\$6,215.8	\$5,987.4	\$5,655.3	\$5,895.2	\$5,830.0	\$5,718.5	\$5,844.6
Core Leverage Ratio ⁽¹⁾	3.0x	3.0x	2.8x	2.9x	2.8x	2.7x	2.8x
Total Shares Outstanding (mm) ⁽²⁾	109.6	109.6	109.6	109.3	99.4	99.6	99.6
GAAP Book Value per Share ⁽²⁾⁽³⁾	\$13.59	\$13.48	\$13.42	\$13.62	\$15.07	\$15.22	\$15.16
Undepreciated Book Value per Share ⁽¹⁾⁽²⁾	\$14.58	\$14.36	\$14.24	\$14.29	\$15.75	\$15.75	\$15.68
Distributions per LADR Share	\$0.275	\$0.275	\$0.275	\$1.450	\$0.275	\$0.25	\$0.25

(1) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

(2) Q4 2015 adjusted for issuance of approximately 10.1 million shares in January 2016 as part of LADR's Q4 2015 dividend

(3) For a description of these financial measures, see Selected Definitions on page S-14

SUMMARY OF BOOK EQUITY & SHARE COUNT BY QUARTER

(\$ in millions, except per share values)

	09/30/2016	06/30/2016	03/31/2016	12/31/2015	09/30/2015	06/30/2015	03/31/2015
Beginning book equity balance	\$1,486.1	\$1,481.3	\$1,491.4	\$1,499.1	\$1,510.5	\$1,514.6	\$1,505.2
Net income	49.6	3.9	(11.4)	56.7	2.8	68.7	18.0
Dividends/distributions	(30.4)	(31.3)	(30.5)	(31.8)	(33.4)	(38.4)	(26.4)
Changes in other comprehensive income (OCI)	(8.6)	27.5	34.4	(32.4)	16.0	(38.6)	18.5
Issuance of common stock, net of offering costs	—	—	—	—	—	—	—
Other	3.9	4.7	(2.5)	(0.2)	3.2	4.2	(0.6)
Ending book equity balance	\$1,500.7	\$1,486.1	\$1,481.3	\$1,491.4	\$1,499.1	\$1,510.5	\$1,514.6
Noncontrolling interests in consolidated joint ventures	(5.1)	(5.6)	(5.5)	(5.8)	(7.0)	(7.5)	(8.1)
Ending book equity balance excluding noncontrolling interests	\$1,495.6	\$1,480.5	\$1,475.8	\$1,485.6	\$1,492.1	\$1,503.1	\$1,506.5
Average book equity balance excluding noncontrolling interests	\$1,488.1	\$1,478.2	\$1,480.7	\$1,488.9	\$1,497.6	\$1,504.8	\$1,501.8
Accumulated depreciation & amortization – net leased commercial real estate	52.5	47.6	42.6	38.0	33.3	28.9	25.0
Accumulated depreciation & amortization – other commercial real estate	54.3	49.6	45.3	40.4	40.8	36.0	30.3
Accumulated depreciation & amortization – condominium residential real estate	3.8	4.2	4.5	4.7	4.8	4.8	4.8
Less: noncontrolling interests' share of accumulated real estate depreciation & amortization	(8.5)	(7.8)	(7.3)	(6.6)	(5.9)	(5.2)	(4.9)
Accumulated depreciation & amortization – total	\$102.2	\$93.4	\$85.1	\$76.5	\$73.0	\$64.5	\$55.2
Ending undepreciated book value	\$1,597.8	\$1,573.9	\$1,560.9	\$1,562.1	\$1,565.1	\$1,567.6	\$1,561.7
Class A shares outstanding (mm)	65.2	63.1	63.2	60.8	55.1	53.0	52.0
Class B shares outstanding (mm)	44.4	46.4	46.4	48.5	44.2	46.6	47.6
Total ending shares outstanding (mm)⁽¹⁾	109.6	109.6	109.6	109.3	99.4	99.6	99.6
Ending book equity balance excluding noncontrolling interests	1,495.6	1,480.5	1,475.8	1,485.6	1,492.1	1,503.1	1,506.5
Less: noncontrolling interest in operating partnership (Class B shareholder book equity)	(609.6)	(629.4)	(628.0)	(657.4)	(661.5)	(697.0)	(718.7)
Total shareholders' equity	\$886.0	\$851.1	\$847.8	\$828.2	\$830.6	\$806.1	\$787.8
GAAP Book Value per Share⁽¹⁾⁽²⁾	\$13.59	\$13.48	\$13.42	\$13.62	\$15.07	\$15.22	\$15.16
Undepreciated Book Value per Share⁽¹⁾⁽³⁾	14.58	14.36	14.24	14.29	15.75	15.75	15.68

(1) Q4 2015 adjusted for issuance of approximately 10.1 million shares in January 2016 as part of LADR's Q4 2015 dividend

(2) For a description of these financial measures, see Selected Definitions on page S-14

(3) For a description of these non-GAAP financial measures, see Selected Definitions on page S-14

SELECTED DEFINITIONS

- **Core Earnings (*non-GAAP*)**
 - Income before taxes adjusted to exclude (i) real estate depreciation and amortization, (ii) the impact of derivative gains and losses related to the hedging of assets on our balance sheet as of the end of the specified accounting period, (iii) unrealized gains/(losses) related to our investments in Agency interest-only securities, (iv) the premium (discount) on mortgage loan financing and the related amortization of premium (discount) on mortgage loan financing recorded during the period, (v) non-cash stock-based compensation and (vi) certain one-time transactional items.
- **Core EPS (*non-GAAP*)**
 - After-tax Core Earnings divided by adjusted weighted-average shares outstanding.
- **Core Leverage Ratio (*non-GAAP*)**
 - Total debt obligations, adjusted to exclude non-recourse mortgage loan receivable financing, divided by total equity (capital).
- **Core Return on Average Equity (Core ROAE) (*non-GAAP*)**
 - After-tax Core Earnings divided by average book equity balance excluding total noncontrolling interest in consolidated joint ventures.
- **GAAP Book Value per Share**
 - Total shareholders' equity divided by Class A common shares outstanding.
- **Other Assets**
 - Includes cash collateral held by broker, investments in unconsolidated joint ventures, FHLB stock, derivative instrument assets, amount due from brokers, accrued interest receivable and other assets.
- **Other Liabilities**
 - Includes amount due to brokers, derivative instrument liabilities, amount payable pursuant to tax receivable agreement, dividend payable, accrued expenses and other liabilities.
- **Pre-Tax Core Return on Average Equity (Pre-Tax Core ROAE) (*non-GAAP*)**
 - Core Earnings divided by average book equity balance excluding total noncontrolling interest in consolidated joint ventures.
- **Undepreciated Book Value per Share (*non-GAAP*)**
 - Total equity (capital), adjusted to exclude total noncontrolling interest in consolidated joint ventures and adjusted to include total real estate accumulated depreciation and amortization, divided by total diluted shares outstanding.