

First Quarter 2024  
**Franklin BSP  
Realty Trust**  
Supplemental Information

The background of the slide is a high-angle, aerial photograph of a city skyline during sunset. The sky is filled with warm, golden light, and the city buildings are silhouetted against it. The Empire State Building is prominent on the right side of the image. The overall composition is dynamic, with diagonal lines separating the text from the background image.

# 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](http://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**

**01**

# Highlights

## Earnings

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

## Capitalization

- Book value per share, fully converted is **\$15.68** vs. \$15.77 last quarter <sup>(1)</sup>. Undepreciated book value per share, fully converted is **\$15.79** vs. \$15.88 last quarter <sup>(1)</sup> <sup>(3)</sup>
- 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 <sup>(4)</sup>.

## 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 <sup>(1)</sup>	(17.9)
Provision for credit loss	(2.9)
Other income/(loss)	4.4
<b>GAAP net income (loss)</b>	<b>\$35.8</b>
Adjustments to GAAP net income (loss) <sup>(2)</sup>	5.2
<b>Distributable Earnings <sup>(2)</sup></b>	<b>\$41.0</b>

GAAP net income (loss) per share, fully converted <sup>(3)</sup>	\$0.35
GAAP return on common equity	8.9%
GAAP dividend coverage, fully converted <sup>(2), (3)</sup>	99.0%

<b>Distributable Earnings per share, fully converted <sup>(2), (3)</sup></b>	<b>\$0.41</b>
<b>Distributable Earnings return on common equity <sup>(2)</sup></b>	<b>10.4%</b>
<b>Distributable Earnings dividend coverage, fully converted <sup>(2), (3)</sup></b>	<b>114.7%</b>

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
<b>Total assets</b>	<b>\$6,027.7</b>

## 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
<b>Total Debt</b>	<b>\$4,256.2</b>
Preferred equity <sup>(4)</sup>	348.5
Common stock/retained earnings <sup>(5)</sup>	1,326.6
Total equity <sup>(4), (5)</sup>	1,675.1
<b>Book value per share, fully converted <sup>(3)</sup></b>	<b>\$15.68</b>

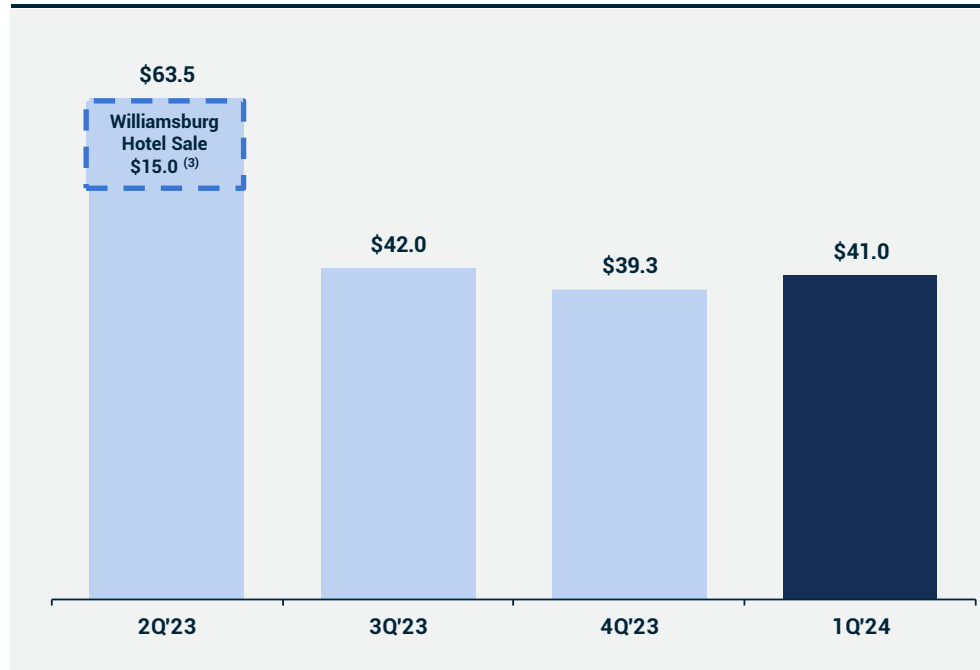
<b>Net debt/total equity</b>	<b>2.39x</b>
<b>Recourse net debt/total equity</b>	<b>0.28x</b>

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

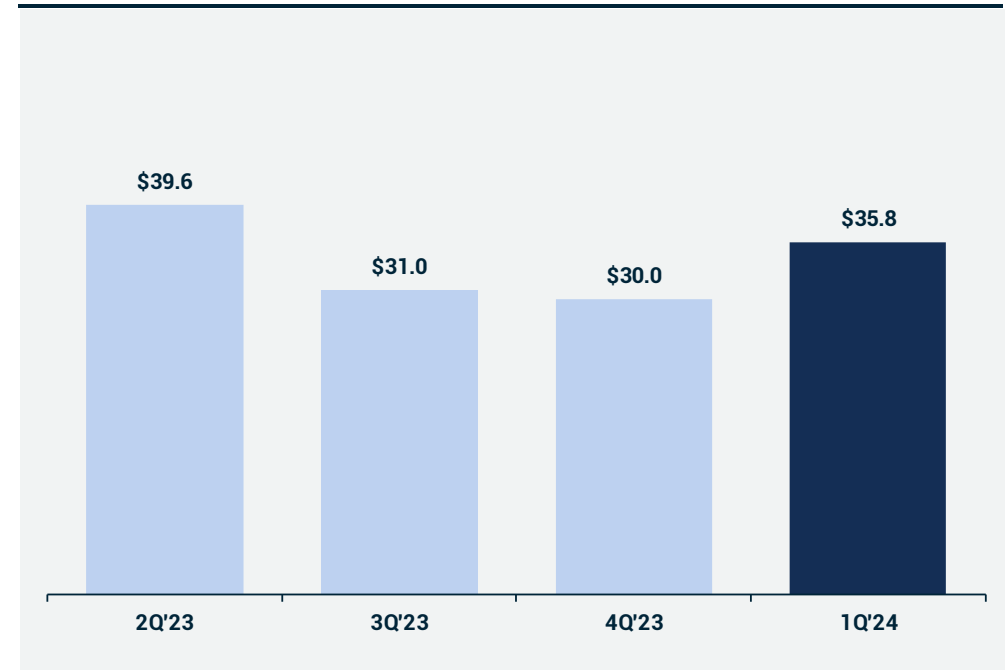
- Does not include conduit operating expenses which are reported under Other income / (loss).
- Please see appendix for the detail on the adjustments from GAAP net income to Distributable Earnings.
- Fully converted per share information assumes applicable conversion of our outstanding series of convertible 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) <sup>(1)</sup>**



**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)

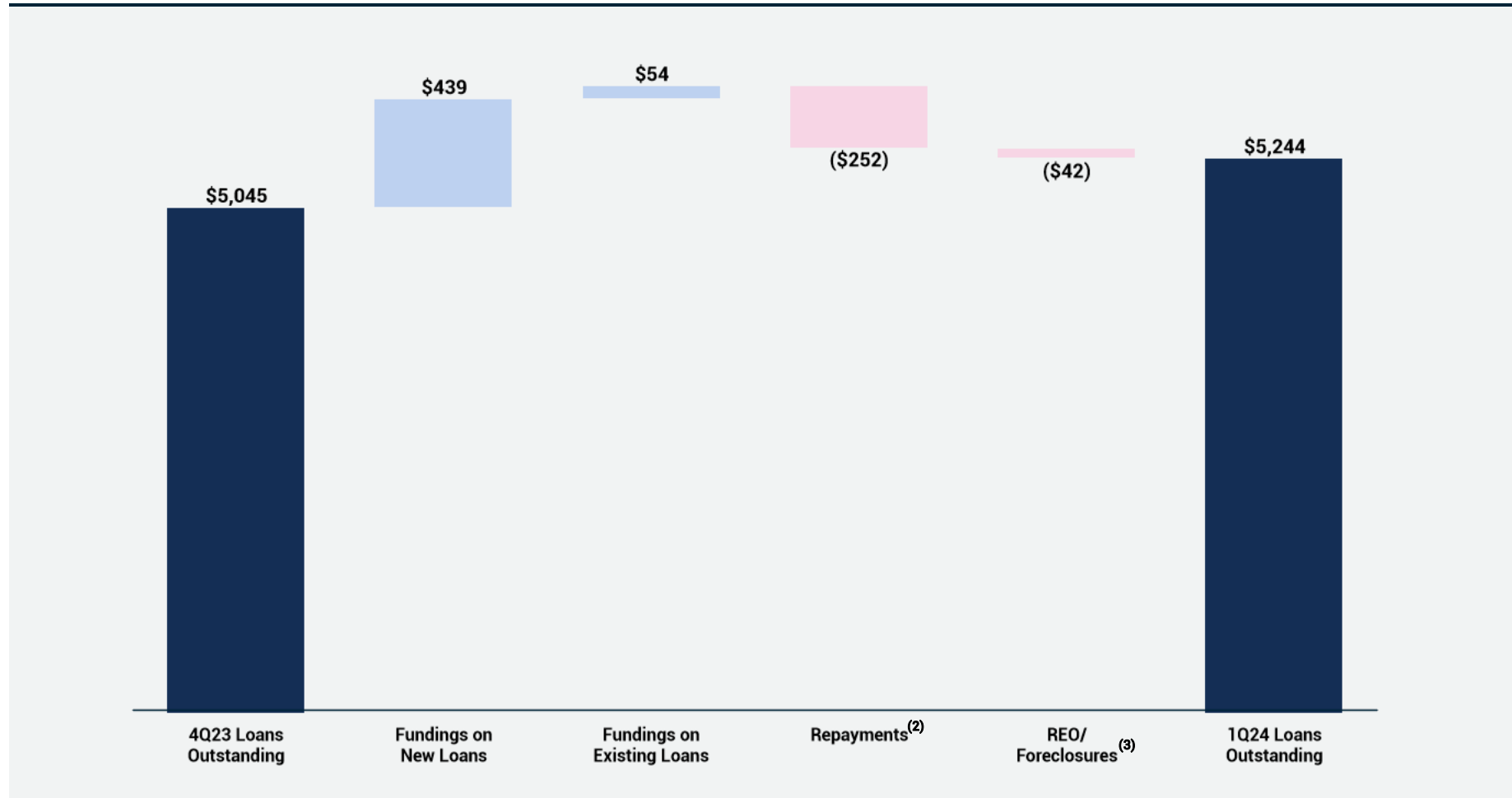
Note: All numbers in millions except per share data.

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) <sup>(1)</sup>



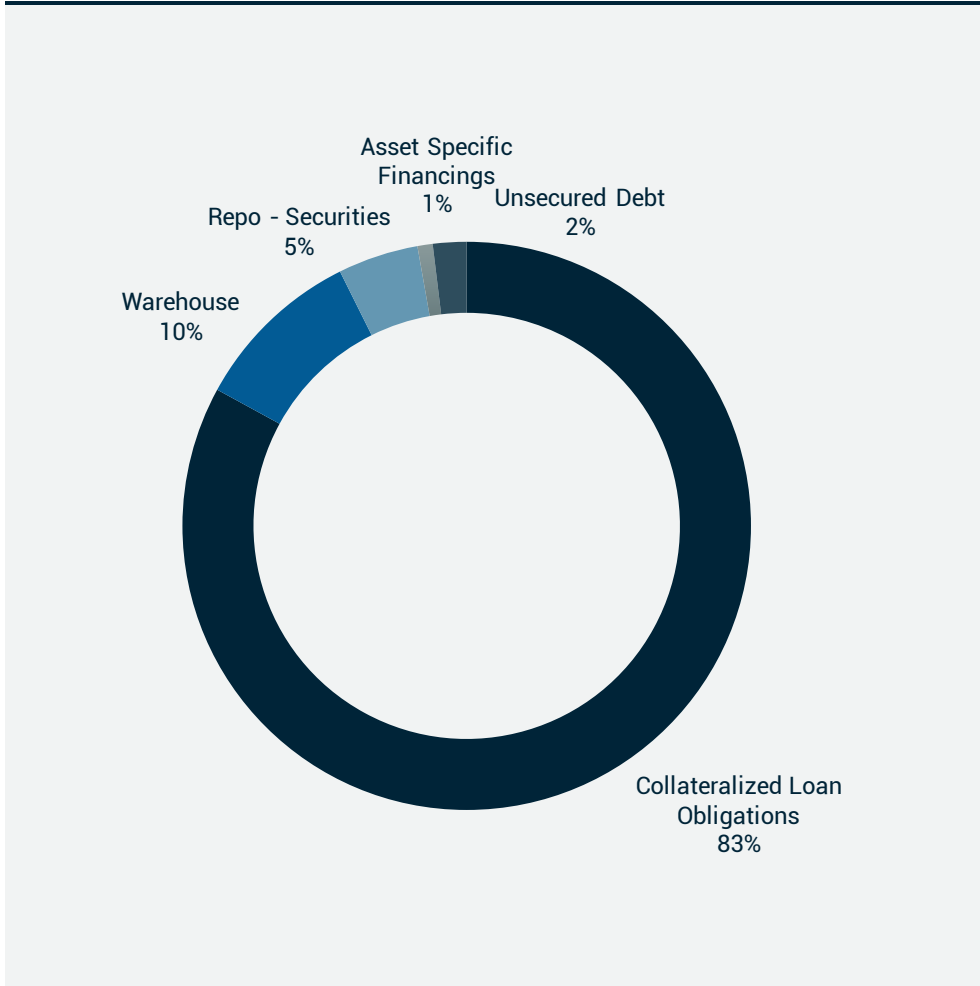
Note: All numbers in millions.

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.

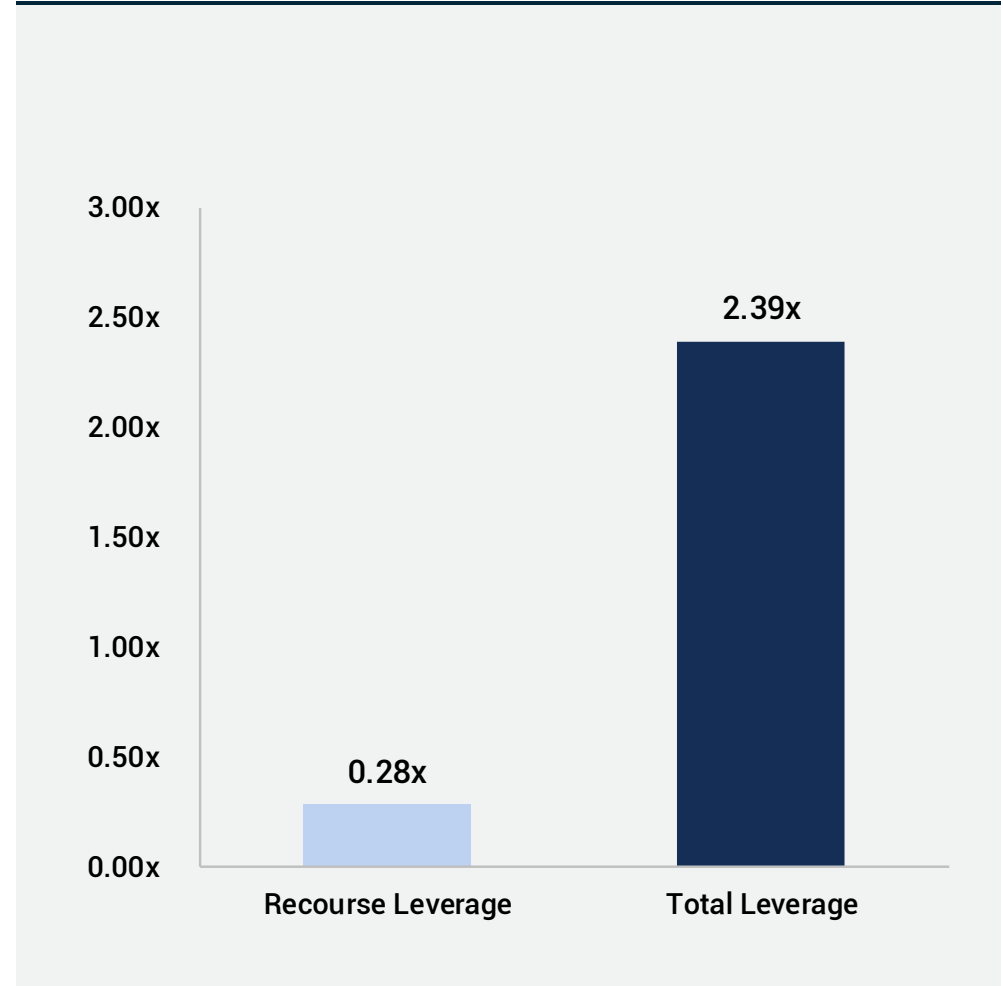
# Capitalization Overview

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

## Financing Sources <sup>(1)</sup>



## 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 <sup>(1)</sup>	Reinvest End Date	Cost of Debt <sup>(2)</sup>
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%
<b>Total</b>	<b>\$3,559 million</b>		
CLO reinvestment available	\$11 million		
Repo – Securities (outstanding)	\$195 million		

## Warehouse/Revolver/Other

Name	Commitment <sup>(3)</sup>
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
<b>Total</b>	<b>\$2,225 million</b>

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**

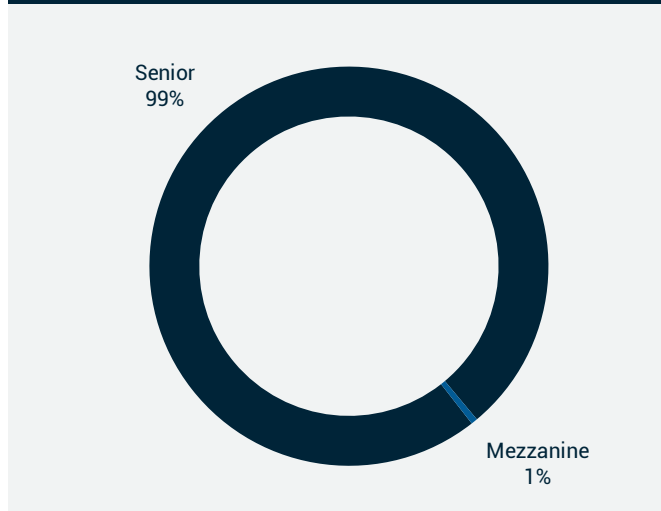
**02**

# Core Loan Portfolio Composition

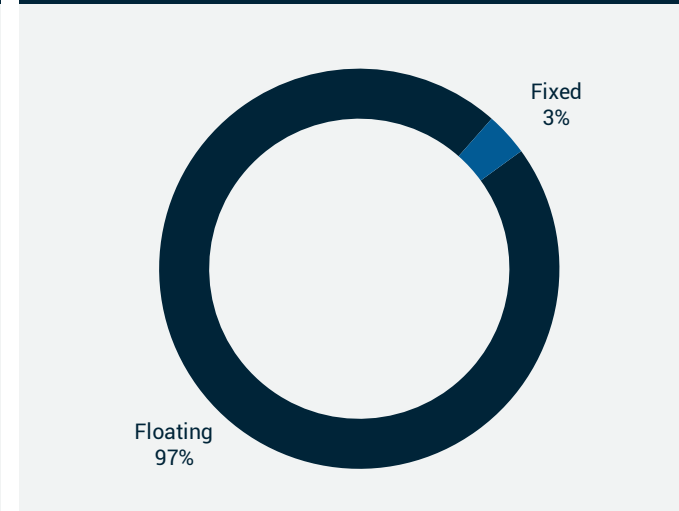
## Portfolio Overview

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

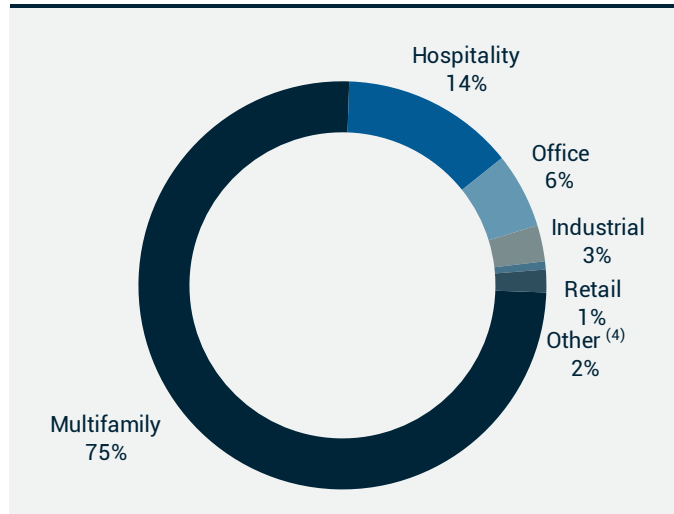
## Portfolio Summary



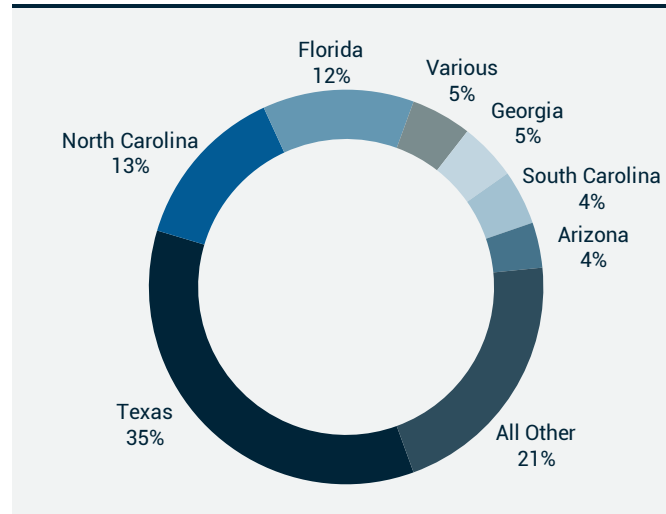
## Rate Type



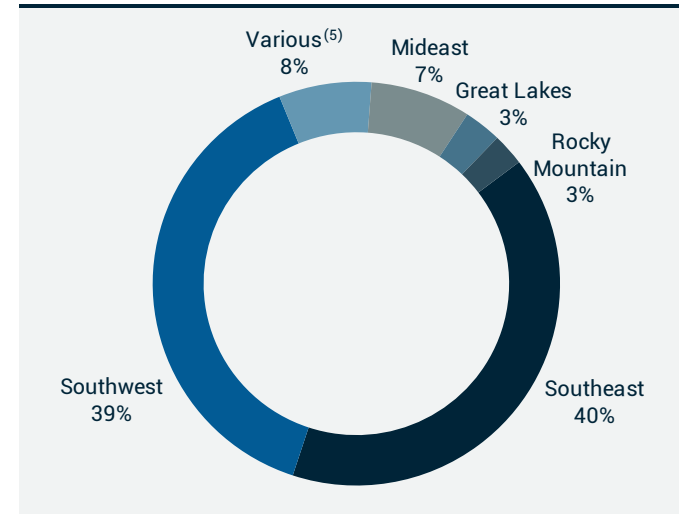
## Collateral Summary



## Collateral by State



## Collateral by Region



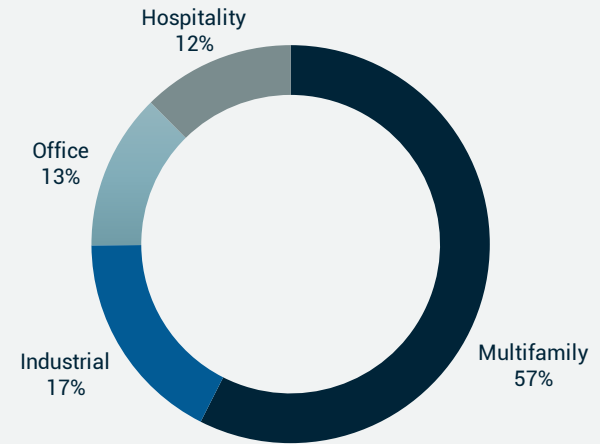
1. Weighted average loan-to-value percentage (WA LTV) represents the weighted average ratio of the loan amount to the appraised value of the property at the time of origination
2. Unpaid principal balance (UPB) represents the portion of the loan that has not yet been remitted to the lender
3. Two loans 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

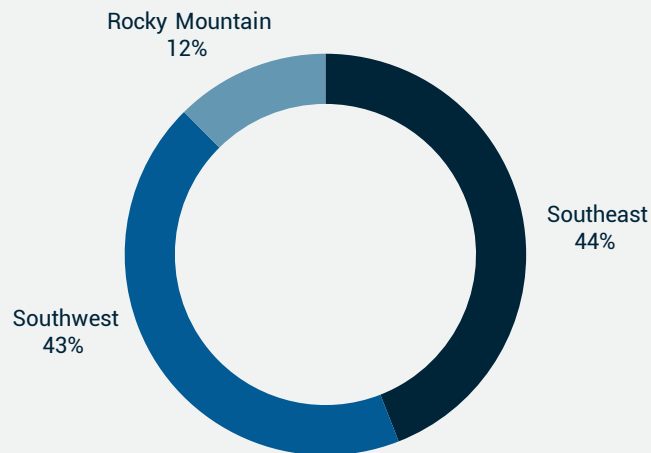
## Overview

- **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 <sup>(1)</sup>
- **1.1%** and **0.7%** weighted average origination and exit fees, respectively

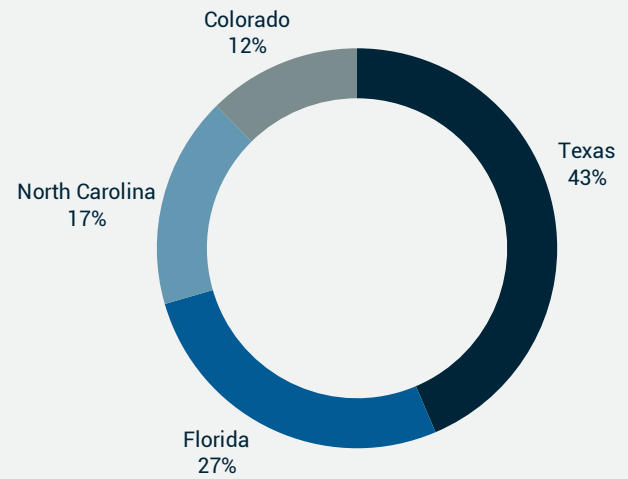
## By Collateral



## 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)

<b>Investment</b>	<b>472-Unit Apartment Community</b>	<b>Two Property Portfolio Apartment Communities</b>	<b>CBD Office Building</b>	<b>426-Unit Apartment Community</b>	<b>Suburban Office Park</b>	<b>Full Service Hotel</b>
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”)

<b>Investment</b>	<b>Single Tenant Retail Portfolio</b>	<b>CBD Office Complex</b>	<b>16-Building Apartment Complex</b>
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 <sup>(1)</sup>	Fully Extended Maturity	State	Collateral Type	As-is LTV <sup>(2)</sup>
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 <sup>(3)</sup>					(49)						
<b>Total/Wtd. avg.</b>			<b>\$5,632</b>	<b>\$5,244</b>	<b>\$5,184</b>	<b>+ 3.79%</b>	<b>9.56%</b>	<b>2.8 years</b>			<b>64.3%</b>
<b>Average Loan Size</b>			<b>\$39</b>	<b>\$36</b>	<b>\$36</b>						

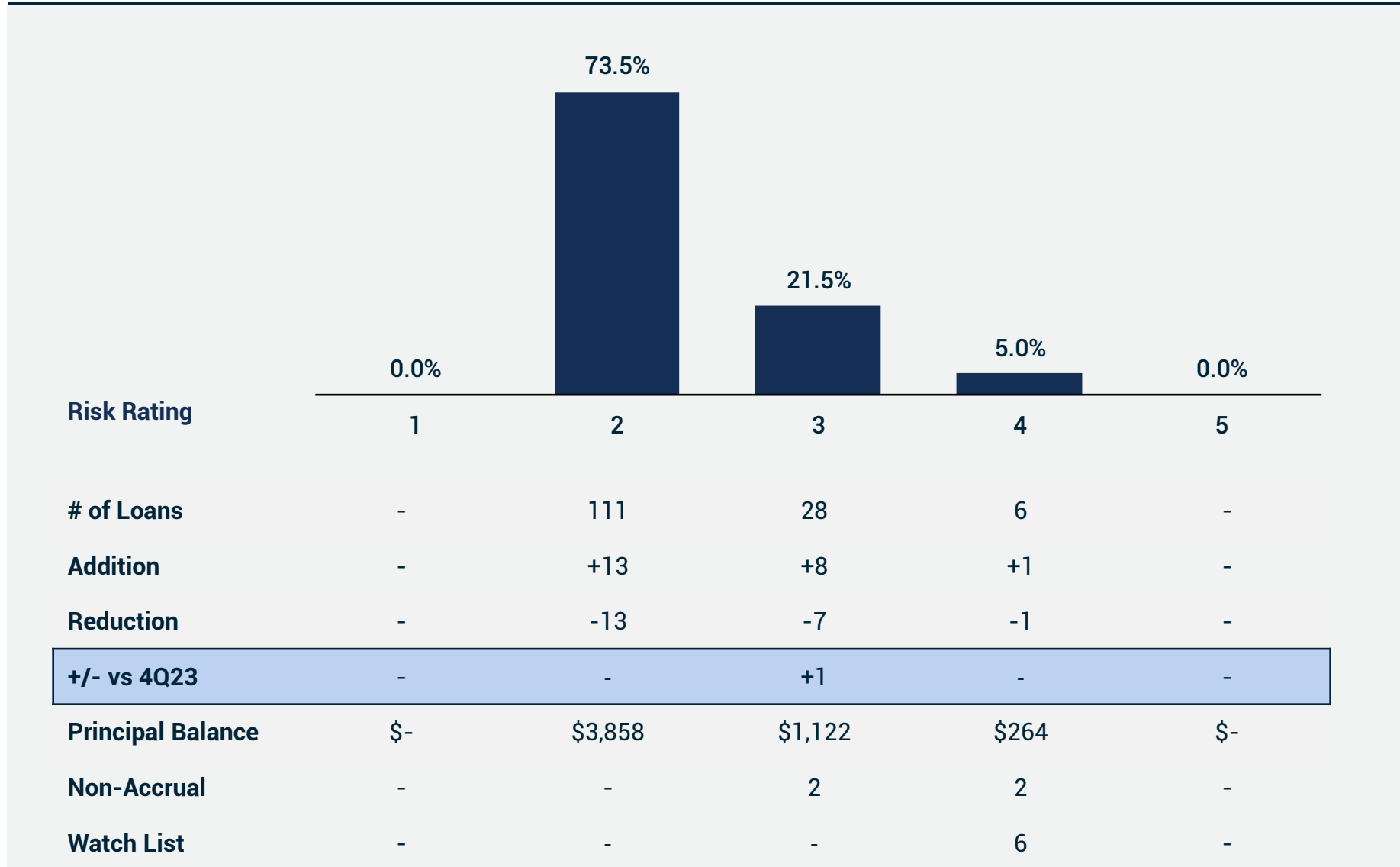
Note: All numbers in millions.

- 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.
- 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.
- 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

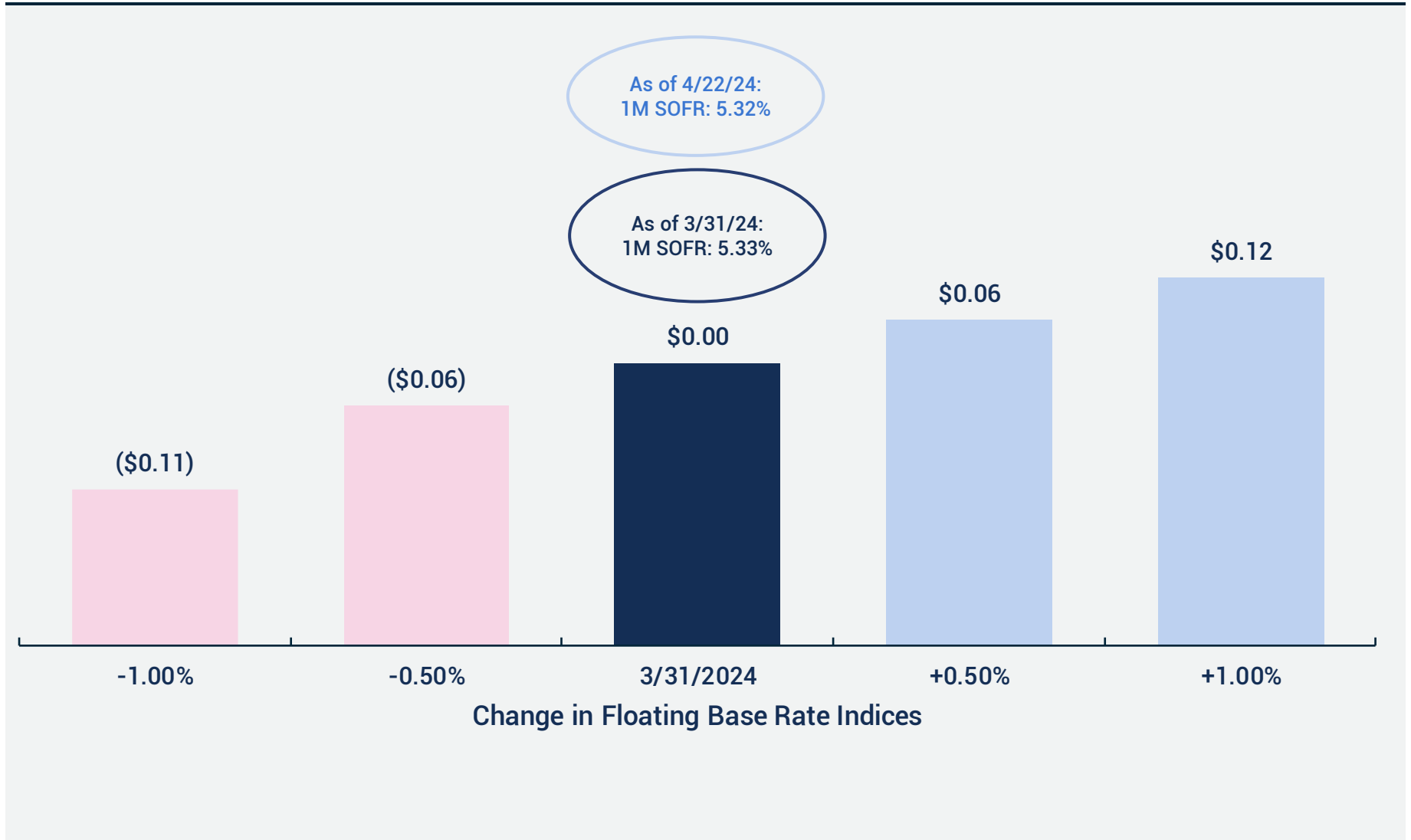


Note: Principal balance in millions. Watchlist loans are loans with a risk rating of 4 or 5

# Earnings Sensitivity

Positive earnings correlation to rising rates

## EPS Sensitivity on Index Rates



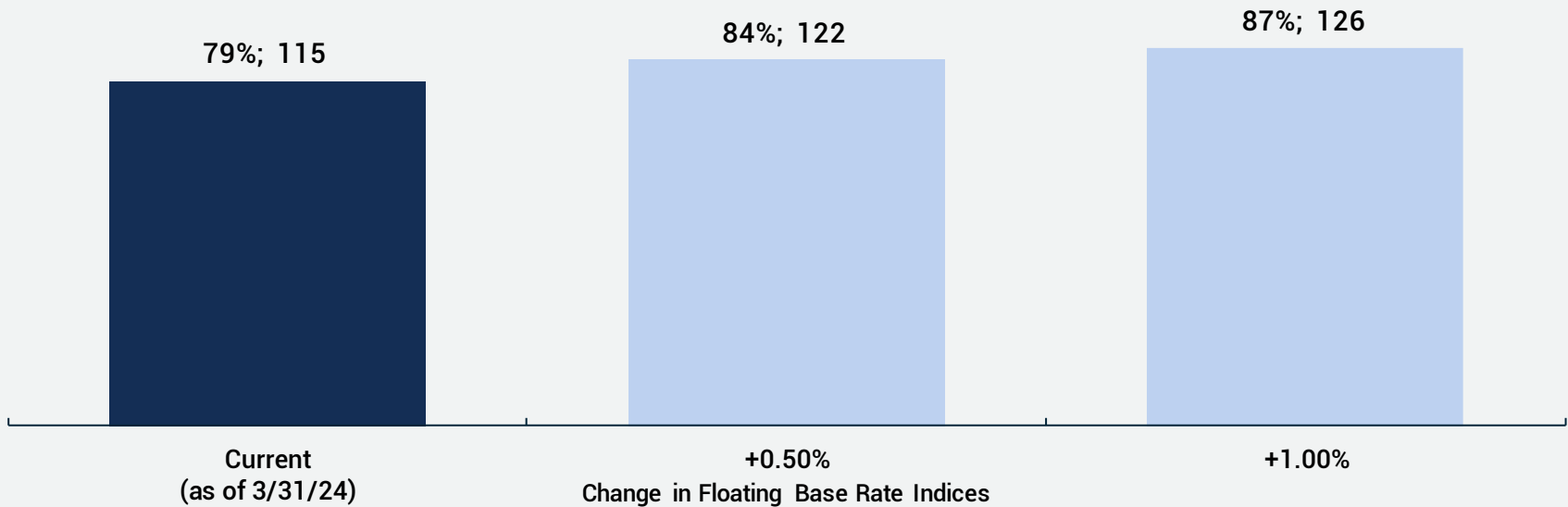
Note: Reflects distributable earnings impact of an increase or decrease in the floating-rate indices referenced by our portfolio, assuming no change in credit spreads, portfolio composition or asset performance.

# 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

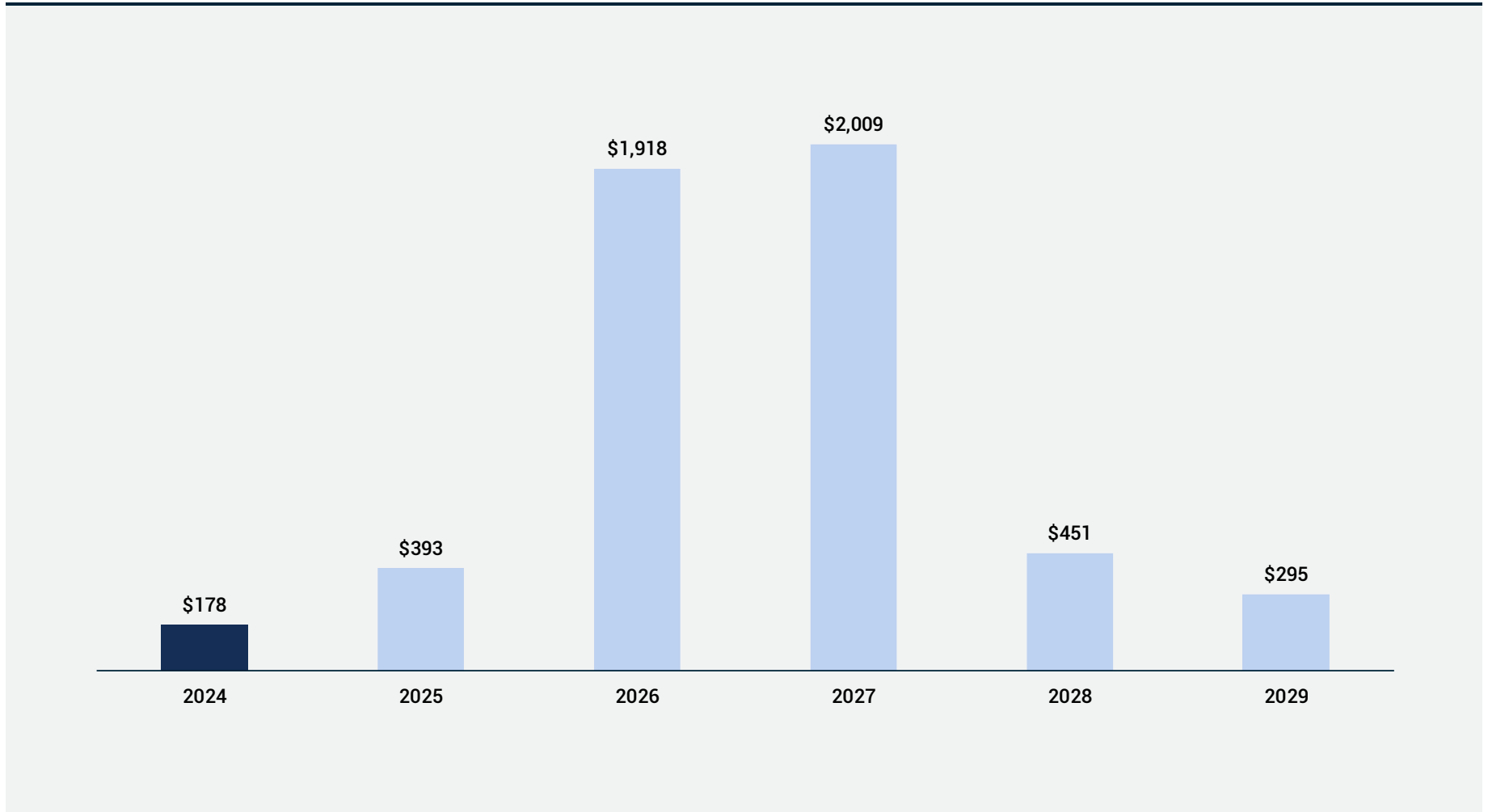
All loans with rate caps that are not expired are activated at +1.00% indices and beyond



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

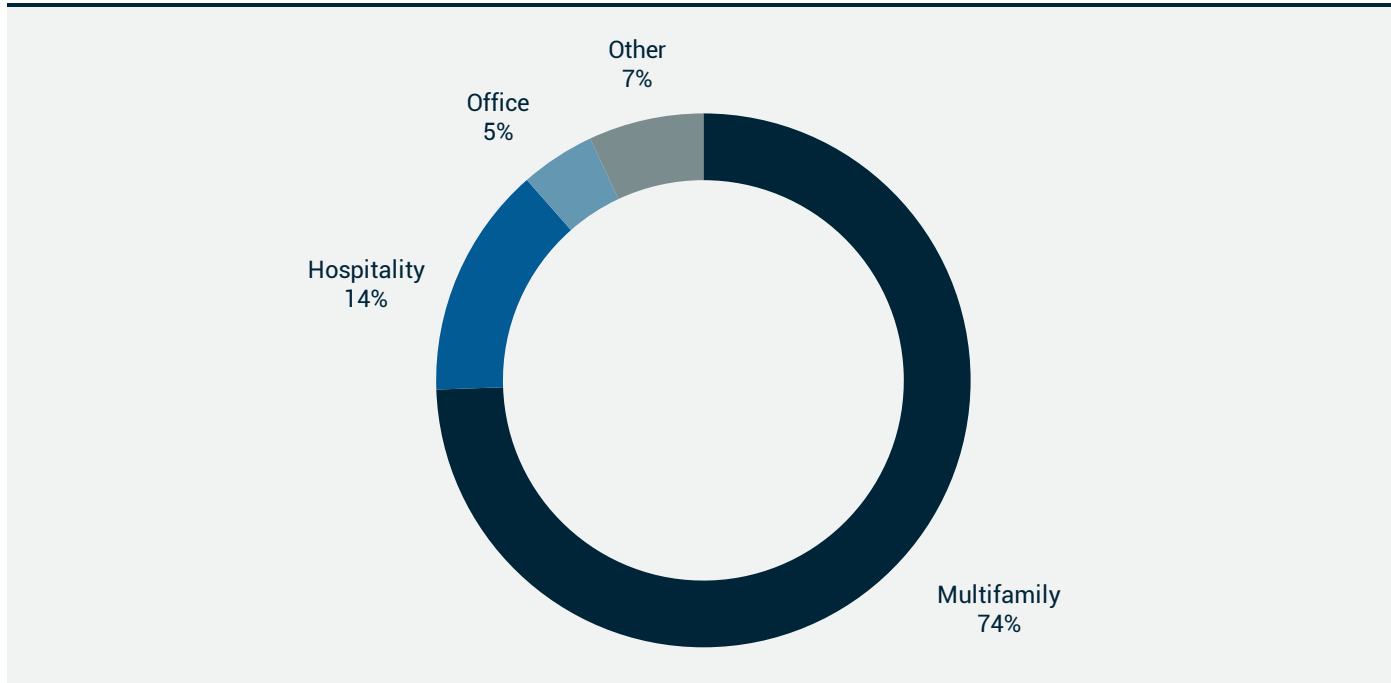
## Fully Extended Maturity by Year



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%
<b>Total Allowance for Credit Losses</b>	<b>\$48.3</b>	<b>2.9</b>	<b>\$51.2</b>	<b>\$5,243.8</b>	<b>1.0%</b>

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
<b>GAAP Net Income (Loss)</b>	<b>39.6</b>	<b>31.0</b>	<b>30.0</b>	<b>35.8</b>
<b>Adjustments:</b>				
CLO Amortization Acceleration <sup>(1)</sup>	(1.2)	(1.3)	(1.6)	-
Unrealized (Gain) / Loss <sup>(2)</sup>	2.7	4.3	(0.0)	(0.3)
Subordinated Performance Fee <sup>(3)</sup>	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) <sup>(4)</sup>	(5.1)	-	-	-
Realized (Gain) / Loss on Debt Extinguishment / CLO Call	(0.3)	2.8	-	-
Realized Cash Gain/(Loss) Adjustment on REO <sup>(5)</sup>	-	(1.6)	-	-
<b>Distributable Earnings</b>	<b>63.5</b>	<b>42.0</b>	<b>39.3</b>	<b>41.0</b>
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)
<b>Distributable Earnings to Common</b>	<b>58.2</b>	<b>37.6</b>	<b>34.1</b>	<b>36.0</b>
Average Common Stock & Common Stock Equivalents <sup>(6)</sup>	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 <sup>(7)</sup>	88,421,116	88,390,522	88,182,810	88,470,537
GAAP Net Income / (Loss) Earnings Per Share, Fully Converted <sup>(7)</sup>	\$0.39	\$0.30	\$0.29	\$0.35
Distributable Earnings Per Share, Fully Converted <sup>(7)</sup>	\$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

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
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	<b>88,624,981</b>	<b>88,122,411</b>
Fully-converted book value per share <sup>(1) (2)</sup>	<b>\$ 15.68</b>	<b>\$ 15.77</b>

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
<b>Income</b>		
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
<b>Total income</b>	<b>\$ 53,952</b>	<b>\$ 62,773</b>
<b>Expenses</b>		
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
<b>Total expenses</b>	<b>\$ 20,626</b>	<b>\$ 22,299</b>
<b>Other income/(loss)</b>		
(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
<b>Total other income/(loss)</b>	<b>\$ 3,336</b>	<b>\$ 2,703</b>
Income/(loss) before taxes	36,662	43,177
(Provision)/benefit for income tax	(835)	662
<b>Net income/(loss)</b>	<b>\$ 35,827</b>	<b>\$ 43,839</b>
<b>Net (income)/loss attributable to non-controlling interest</b>	<b>93</b>	<b>(9)</b>
<b>Net income/(loss) attributable to Franklin BSP Realty Trust, Inc.</b>	<b>\$ 35,920</b>	<b>\$ 43,830</b>
Less: Preferred stock dividends	6,748	6,748
<b>Net income/(loss) applicable to common stock</b>	<b>\$ 29,172</b>	<b>\$ 37,082</b>
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
<b>ASSETS</b>		
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 <sup>(1)</sup>	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
<b>Total assets</b>	<b>\$ 6,027,724</b>	<b>\$ 5,955,180</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
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
<b>Total liabilities</b>	<b>\$ 4,352,593</b>	<b>\$ 4,279,223</b>
<b>Commitments and Contingencies</b>		
<b>Redeemable convertible preferred stock:</b>		
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
<b>Total redeemable convertible preferred stock</b>	<b>\$ 89,748</b>	<b>\$ 89,748</b>
<b>Equity:</b>		
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)
<b>Total stockholders' equity</b>	<b>\$ 1,558,377</b>	<b>\$ 1,559,114</b>
Non-controlling interest	27,006	27,095
<b>Total equity</b>	<b>\$ 1,585,383</b>	<b>\$ 1,586,209</b>
<b>Total liabilities, redeemable convertible preferred stock and equity</b>	<b>\$ 6,027,724</b>	<b>\$ 5,955,180</b>

# 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.



**BENEFIT STREET**  
P A R T N E R S

**Alcentra**

**New York**

9 West 57<sup>th</sup> 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