AG Mortgage Investment Trust, Inc.
Q3 2018 Earnings Presentation

November 8, 2018

Forward Looking Statements and Non-GAAP Financial Information

Forward Looking Statements: This presentation includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 related to dividends, book value, our investments and our investment and portfolio strategy, investment returns, return on equity, liquidity and financing, taxes, our assets, our interest rate sensitivity, and our views on certain macroeconomic trends, among others. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results could differ materially from those projected in these forward-looking statements due to a variety of factors, including, without limitation, changes in interest rates, changes in the yield curve, changes in prepayment rates, the availability and terms of financing, changes in the market value of our assets, general economic conditions, conditions in the market for Agency RMBS, Non-Agency RMBS, ABS and CMBS securities and loans, our ability to integrate newly acquired rental assets into the investment portfolio, our ability to predict and control costs, conditions in the real estate market, and legislative and regulatory changes that could adversely affect the business of the Company. Additional information concerning these and other risk factors are contained in the Company's filings with the Securities and Exchange Commission ("SEC"), including its most recent Annual Report on Form 10-K and subsequent filings. Copies are available free of charge on the SEC's website, http://www.sec.gov/. All information in this presentation is as of November 7, 2018. The Company undertakes no duty to update any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Non-GAAP Financial Information: In addition to the results presented in accordance with GAAP, this presentation includes certain non-GAAP financial results and financial metrics derived therefrom, which are calculated by including or excluding unconsolidated investments in affiliates, TBAs, and U.S. Treasuries, or by allocating non-investment portfolio related items based on their respective characteristics, as described in the footnotes. Our management team believes that this non-GAAP financial information, when considered with our GAAP financials, provide supplemental information useful for investors in evaluating our results of operations. This presentation also contains Core Earnings, a non-GAAP financial measure. Our presentation of non-GAAP financial information may not be comparable to similarly-titled measures of other companies, who may use different calculations. This non-GAAP financial information should not be considered a substitute for, or superior to, the financial measures calculated in accordance with GAAP. Our GAAP financial results and the reconciliations from these results should be carefully evaluated.

Q3 2018 MITT Earnings Call Presenters

David Roberts	T.J. Durkin	Brian Sigman	Karen Werbel
Chief Executive Officer	Chief Investment Officer	Chief Financial Officer	Head of Investor Relations

Q3 2018 Performance and Highlights

- Third quarter 2018:
  - $0.70 of Net Income/(Loss) per diluted common share[1]
  - $0.59 of Core Earnings per diluted common share[1, 2]
    - Includes $0.03 positive impact from payoffs of certain prime securities
    - Includes $0.01 retrospective adjustment
  - 3.6% economic return on equity for the quarter, 14.4% annualized[3]
  - $19.16 book value per share[1] as of September 30, 2018, inclusive of our current quarter $0.50 common dividend
    - Book value increased $0.18 or 0.9% from the prior quarter primarily due to:
      - $0.36 or 1.9% due to our Credit Investments
        - CRT and CMBS securities saw broad-based tightening during the quarter, while Legacy RMBS spreads remained at tight levels
      - $(0.26) or (1.4)% due to our investments in Agency RMBS and associated derivative hedges
        - Agency RMBS spreads widened modestly during the quarter due to increased interest rates and market technicals
      - $0.09 or 0.5% due to core earnings above the $0.50 dividend
  - Issued approximately 512,000 shares of common stock for net proceeds of $9.5 million through ATM Program

Q3 2018 Performance and Highlights *(cont'd)*

- $3.7 billion investment portfolio as of September 30, 2018 as compared to the $3.6 billion investment portfolio as of June 30, 2018[4,5]
  - Increase in portfolio size primarily due to the acquisition of the Single-Family Rental portfolio (SFR) and the purchase of commercial real estate loans
- 2.5% Net Interest Margin ("NIM") as of September 30, 2018[6]
  - Net Interest Margin declined primarily due to the increase in cost of funds related to a 25 bps increase in the federal funds rate in September and the addition of the SFR portfolio
- 4.3x "At Risk" Leverage as of September 30, 2018[7]

	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018
Yield on Investment Portfolio[8]	4.7%	4.6%	5.0%	5.1%	5.2%
Cost of Funds[9]	2.1%	2.2%	2.3%	2.4%	2.7%
NIM[6]	2.6%	2.4%	2.7%	2.7%	2.5%
"At Risk" Leverage[7]	4.2x	4.4x	4.6x	4.4x	4.3x

Q3 2018 Activity

($ in millions) Description	Purchased	Sold/Payoff	Net Activity
30 Year Fixed Rate	$ 479.4	$ (428.3)	$ 51.1
Inverse Interest Only	11.1	(0.7)	10.4
Fixed Rate 30 Year TBA	497.8	(588.8)	(91.0)
Total Agency RMBS	**988.3**	**(1,017.8)**	**(29.5)**
Prime	—	(69.9)	(69.9)
Alt-A/Subprime	—	(6.9)	(6.9)
Credit Risk Transfer	5.9	—	5.9
RPL/NPL Securities	—	(5.5)	(5.5)
Re/Non-Performing Loans	—	(4.0)	(4.0)
New Origination Loans	31.5	—	31.5
Total Residential Investments	**37.4**	**(86.3)**	**(48.9)**
Freddie Mac K-Series	2.6	—	2.6
CMBS Interest Only	—	(0.7)	(0.7)
Commercial Loans	51.4	—	51.4
Total Commercial Investments	**54.0**	**(0.7)**	**53.3**
Total Single-Family Rental Properties	**140.6**	**—**	**140.6**
Total Q3 Activity	**$1,220.3**	**$(1,104.8)**	**$115.5**

- Acquired portfolio of single-family rental properties
- Purchased two commercial real estate loans
- Purchased several Non-QM pools alongside other Angelo Gordon funds
- Sold and received payoffs of prime securities

Note: The chart above is based on trade date.

Single-Family Rental Transaction Rationale and Benefits

SFR is complementary to MITT's existing strategies	Scalable market opportunity	Conrex is a leader in the industry	Attractive strategic financing
▪ The SFR acquisition strengthens MITT's position as a leader in investing in a wide range of housing and credit transactions ▪ The transaction leverages the Angelo Gordon platform, including the knowledge and expertise from our mortgage credit team and real estate groups ▪ This strategic product channel will provide consistent flow of investment opportunities for MITT and further allow MITT the ability to opportunistically allocate capital to drive long term stockholder value	▪ The SFR market continues to grow with expanded opportunities across geographies, quality classes and strategies ▪ Housing supply shortages, increased sales prices, and rising interest rates are keeping would-be buyers in rental housing ▪ Institutional investments in single-family assets have experienced significant growth since the last housing cycle ▪ Continued mortgage workouts create a potential pipeline for ongoing single-family rental properties	▪ Conrex has a deep understanding of its targeted MSAs, and has acquired 7,000+ homes to date, using a proprietary operating system to facilitate all aspects of management of SFR from renovation through rental ▪ Conrex's regional concentration results in operational efficiencies and their regional proximity improves execution, oversight, partner relationships, and sourcing opportunities	▪ In conjunction with the transaction, we financed the portfolio with $103 mm five-year, 4.625% fixed rate debt from an insurance company ▪ The financing is non-mark-to-market and non-recourse

Single-Family Rental Transaction Overview

Background

- Acquired a stabilized portfolio of 1,225 single-family homes from funds affiliated with Conrex
- The properties are located in Alabama, Georgia, Indiana, North Carolina, Ohio, South Carolina and Tennessee
- The aggregate purchase price of the portfolio was approximately $140 million
- MITT entered into a property management services agreement with Conrex, whereby Conrex continues to provide property management services related to the leasing, management, maintenance and day-to-day operations of the properties

Portfolio Benefits

- We expect targeted levered returns of approximately 10% with upside to increasing rents and continued operating efficiencies
- The stabilized portfolio provides MITT with strong initial cash flow stream in excess of our financing cost
- Conrex is incentivized to maximize the portfolio performance as the property manager, as it only receives a performance-based fee if certain hurdles are met

Portfolio Statistics as of 9/30/18	
Gross Carrying Value[a]	$ 140.6
Accumulated Depreciation and Amortization[a]	(0.5)
Net Carrying Value[a]	$ 140.1
Total Number of Homes	1,225
Occupancy	89.3%
Average Square Footage	1,460
Average Monthly Rental Income per Home	$ 1,007
Operating Margin	57.3%

(a) $ in millions

Q3 2018 Macro-Economic Conditions

Macro Environment	▪ In September, the FOMC increased the federal funds rate by an additional 25 basis points ▪ Interest rates rose by 20 to 30 basis points across the yield curve ▪ Growth in the second quarter was robust in response to peak tax cut and deregulation impacts, and economic data shows that much of this strength carried over into the third quarter with GDP expansion of 3.5% ▪ Year-over-year core inflation has moved to the Fed's 2.0% goal
Housing	▪ Home price appreciation remains strong amid a lack of housing supply but there are indications of slower home price growth ahead due to slower housing activity and increased mortgage rates
Agency RMBS	▪ Agency RMBS spreads were marginally wider during the quarter, as bank and foreign investor demand remained muted, while the Federal Reserve reached peak portfolio runoff caps ▪ The spread widening was limited, however, as higher interest rates have kept organic supply manageable, interest rate volatility remains contained and valuations appear attractive to competing spread products
Credit	▪ Fundamental mortgage residential collateral performance, as measured by delinquency and default rates, continues to approach pre-crisis levels

Investment Opportunity Set

Agency RMBS	▪ Hypothetical Duration Hedged Levered ROE: 8-14%[(a)(b)] ▪ 30/20/15 Year Fixed Rate, Hybrid ARM, Fixed Rate CMO, Agency IO, Inverse IO, Excess MSRs
Residential Investments	▪ Hypothetical Levered ROE: 8-14%[(b)] ▪ CRT, NPL, RPL, Non-QM, Legacy
Commercial Investments	▪ Hypothetical Levered ROE: 10-16%[(b)] ▪ Conduit, Single Asset/Single Borrower, Freddie Mac K-series, Commercial Loans
ABS	▪ Hypothetical Levered ROE: 8-14%[(b)] ▪ Consumer, auto backed debt, credit card, other non-residential ABS
Single-Family Rental Properties	▪ Hypothetical Levered ROE: 8-12%[(b)]

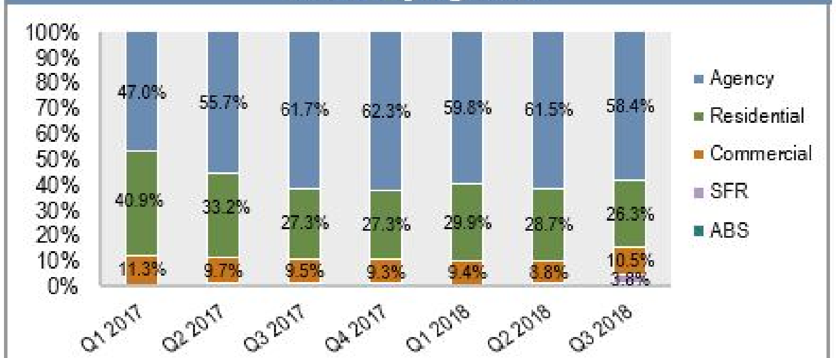
(a) Hypothetical levered returns on Agency RMBS are presented on a duration hedged basis, net of related costs.
(b) ROE values are presented gross of management fee and other corporate expenses.
Note: The above-listed investment opportunity set represents a subset of the types of assets that the Company can acquire. The hypothetical Levered Returns on Equity ("ROE") depicted above are dependent on a variety of inputs and assumptions, which are assumed to be static, and do not reflect the impact of operating expenses. Actual returns could differ materially from those presented based on a number of factors, including changes in interest rates, spreads, prepayments, asset values, funding levels, risk positions, hedging costs, expenses, occupancy, rental rates and other factors.

Q3 2018 Investment Portfolio Composition[4,5]

	Amortized Cost (mm)	Net Carrying Value (mm)	Percent of Net Carrying Value	Allocated Equity (mm)[10]	Percent of Equity	Weighted Average Yield[8]	Funding Cost[(a)]	NIM[(a)]	Leverage Ratio[(b)]
Agency RMBS[(c)]	$2,163.6	$2,136.8	58.4%	$285.4	40.1%	3.9%	2.3%	1.6%	6.7x
Residential Investments[(c)]	904.2	962.2	26.3%	251.3	35.3%	6.7%	3.6%	3.1%	3.0x
Commercial Investments[(c)]	368.9	383.8	10.5%	117.2	16.5%	7.9%	3.7%	4.2%	2.3x
ABS	37.3	37.5	1.0%	19.4	2.7%	9.4%	3.6%	5.8%	1.0x
Single-Family Rental Properties	140.1	140.1	3.8%	38.5	5.4%	6.1%	4.8%	1.3%	2.7x
Total Investment Portfolio	**$3,614.1**	**$3,660.4**	**100.0%**	**$711.9**	**100.0%**	**5.2%**	**2.7%**	**2.5%**	**4.3x**

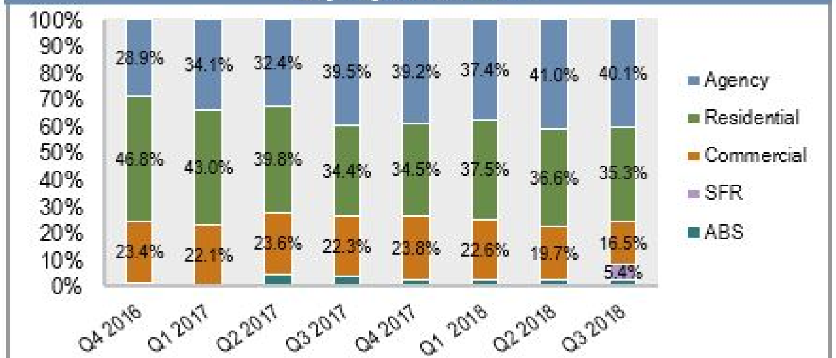
(a) Funding cost and NIM shown in each investment category line exclude the costs of our interest rate hedges, however these costs are included in the total funding cost and NIM lines. The total funding cost and NIM lines excluding the cost of our interest rate hedges would be 2.8% and 2.4%, respectively.
(b) The leverage ratio on Agency RMBS includes any net receivables on TBA. The leverage ratio by type of investment is calculated based on allocated equity.[10]
(c) The table above includes fair value of $0.9 million of Agency RMBS, $159.6 million of Residential Investments and $3.1 million of Commercial Investments that are included in the "Investments in debt and equity of affiliates" line item on our consolidated balance sheet.

Net Carrying Value



- As of Q3 2018, 58.4% Agency, 37.8% Credit, and 3.8% SFR

Equity Allocation

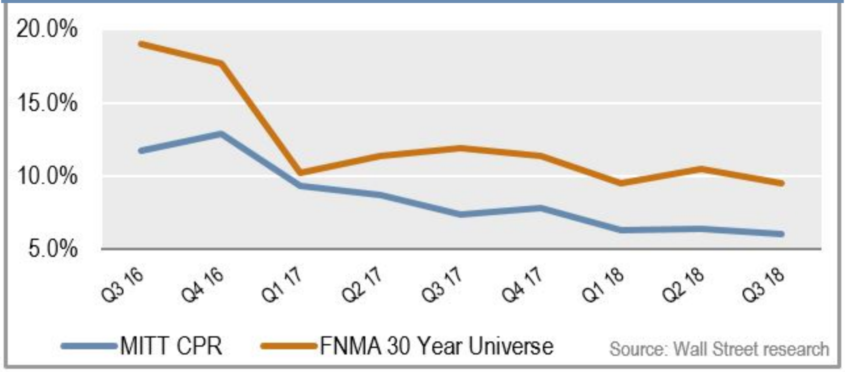


- As of Q3 2018, 40.1% Agency, 54.5% Credit and 5.4% SFR

Q3 2018 Agency Portfolio Details

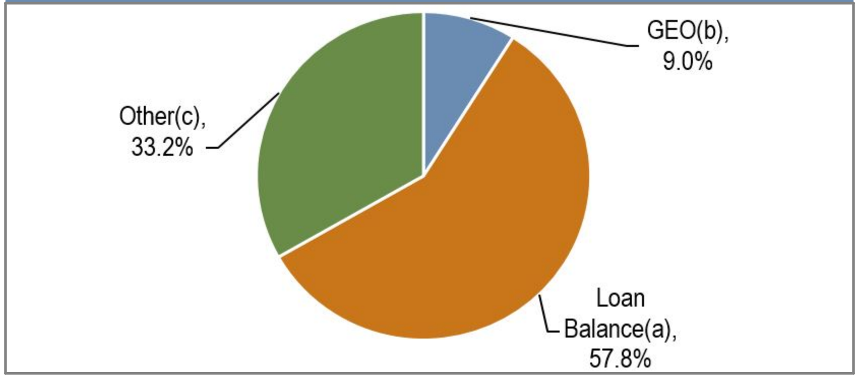
Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
30 Year Fixed Rate	$1,741.0	$1,762.5	82.5%	4.0%	3.6%
Fixed Rate CMO	46.0	45.3	2.1%	3.0%	2.8%
ARM	108.0	105.8	5.0%	2.4%	2.9%
Inverse Interest Only	317.0	52.5	2.4%	4.0%	8.3%
Interest Only	383.9	65.6	3.1%	3.5%	7.3%
Excess MSRs	3,828.7	29.4	1.4%	N/A	11.3%
Fixed Rate 30 Year TBA	75.0	75.7	3.5%	4.0%	N/A
Total Agency RMBS	**$6,499.6**	**$2,136.8**	**100.0%**	**3.8%**	**3.9%**

Quarterly CPR



- 6.0% constant prepayment rate ("CPR")[11] on the Agency RMBS investment portfolio for Q3 2018

Total Agency Fixed Rate Pools (Fair Value)



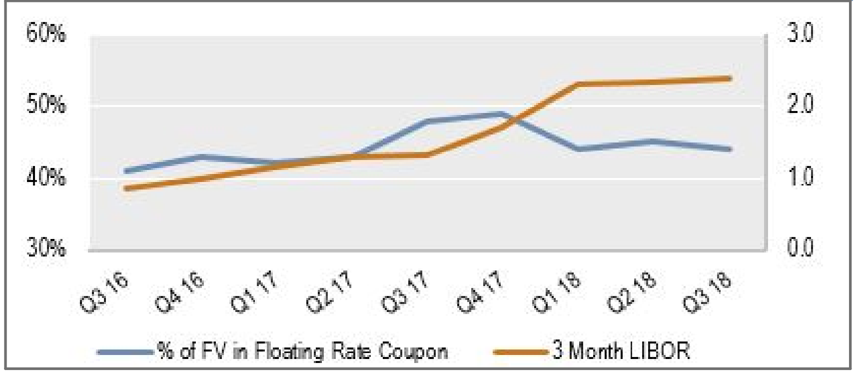
(a) Loan Balance: Pools made up of loans with original balances less than $200,000
(b) Geography: Pools made up of loans originated in states that offer favorable prepayment profiles
(c) Other: Pools made up of newly originated loans, loans on investor properties, loans with higher LTVs or loans taken out by borrowers with lower than average FICOs

Q3 2018 Residential Portfolio Details

Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
Prime	$402.2	$330.9	34.4%	4.8%	7.1%
Alt-A/Subprime	230.8	157.9	16.4%	4.8%	6.2%
Credit Risk Transfer	120.3	129.2	13.4%	5.8%	6.0%
RPL/NPL securities[(a)]	75.4	74.5	7.8%	3.4%	3.4%
RMBS Interest Only and Excess MSR	358.4	4.1	0.4%	0.6%	26.6%
Re/Non-Performing Loans[(b)]	263.5	203.4	21.1%	4.3%	8.4%
New Origination Loans	60.2	62.2	6.5%	6.3%	5.1%
Total Residential Investments	**$1,510.8**	**$962.2**	**100.0%**	**4.2%**	**6.7%**

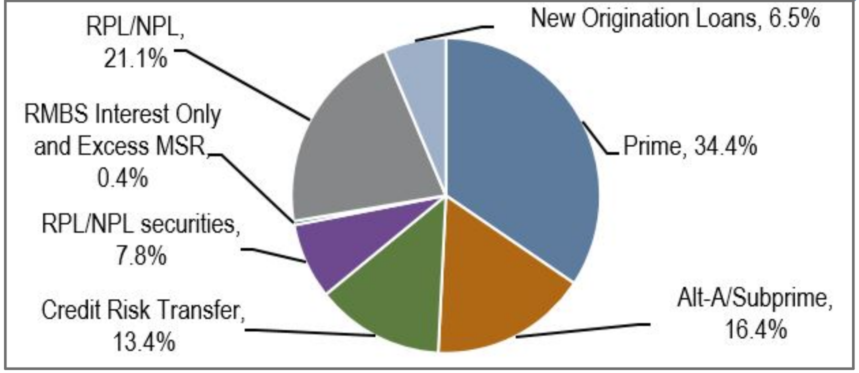
(a) RPL/NPL securities whose deal structures contain an interest rate step-up feature.
(b) Consolidated whole loan positions as well as whole loans purchased from an affiliate or affiliates of our manager in securitized form.

Percent of Fair Value in Floating Rate Coupon[(c)] vs. 3 Month LIBOR



- 56% of our Residential Investments[(c)] are fixed rate coupon and 44% are floating rate coupon[12]

Residential Investments (Fair Value)

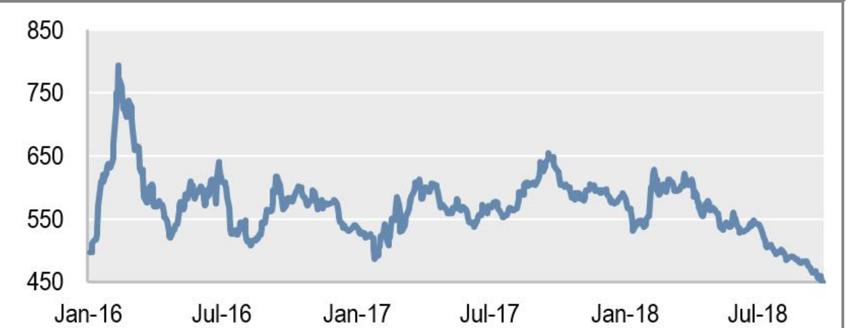


(c) Excludes Re/Non-Performing Loans

Q3 2018 Commercial and ABS Portfolio Details

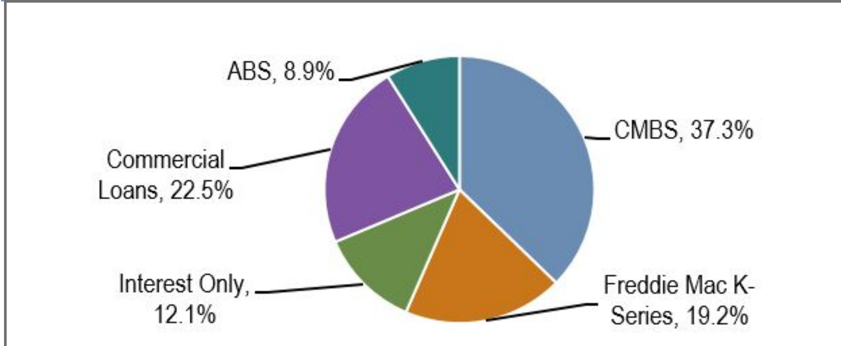
Description	Current Face (mm)	Fair Value (mm)	Percent of Fair Value	Weighted Average Coupon[12]	Weighted Average Yield[8]
CMBS	$199.5	$157.4	37.3%	5.9%	6.4%
Freddie Mac K-Series	197.0	80.7	19.2%	5.9%	12.2%
Interest Only	3,470.4	51.1	12.1%	0.3%	6.8%
Commercial Loans	94.7	94.6	22.5%	7.2%	7.4%
Total Commercial Investments	**3,961.6**	**383.8**	**91.1%**	**0.7%**	**7.9%**
ABS	37.4	37.5	8.9%	8.8%	9.4%
Total Commercial and ABS	**$3,998.9**	**$421.3**	**100.0%**	**0.8%**	**8.1%**

CMBX.NA 8 BBB- Mid Spread



Source: Wall Street research

Commercial and ABS (Fair Value)



- 24% of our Commercial and ABS Investments are fixed rate coupon and 76% are floating rate coupon[12]

Financing

- Financing arrangements with 41 counterparties
  - Currently financing investments with 31 counterparties
  - Our weighted average days to maturity is 122 days and our weighted average original days to maturity is 162 days
  - Financing counterparties remain stable

Financing Arrangements[a] ($ in millions)						
	Agency		Credit		SFR[b]	
Maturing Within	**Amount Outstanding**	**WA Funding Cost**	**Amount Outstanding**	**WA Funding Cost**	**Amount Outstanding**	**WA Funding Cost**
Overnight	$126.4	2.4%	$—	—	$—	—
30 Days or less	1,758.9	2.3%	594.5	3.3%	—	—
31-60 Days	2.8	2.8%	133.4	3.6%	—	—
61-90 Days	—	—	47.7	3.5%	—	—
91-180 days	—	—	44.4	4.7%	—	—
Greater than 180 Days	—	—	205.4	4.3%	102.0	4.8%
Total and WA	**$1,888.0**	**2.3%**	**$1,025.5**	**3.6%**	**$102.0**	**4.8%**

(a) Amounts do not include securitized debt of $11.5 million
(b) Includes $1 million of deferred financing costs

Duration Gap[14]

Duration gap was approximately 1.12 years as of September 30, 2018

Duration	Years
Agency	3.11
Hedges	(3.03)
Agency Gap Subtotal	**0.08**
Credit	1.04
Duration Gap	**1.12**

Duration gap was approximately 1.08 years as of June 30, 2018

Duration	Years
Agency	2.93
Hedges	(2.95)
Agency Gap Subtotal	**(0.02)**
Credit	1.10
Duration Gap	**1.08**

Hedging

Hedge Portfolio Summary as of September 30, 2018 ($ in millions)		
	Notional	**Duration[14]**
Interest Rate Swaps	(2,143.0)	(2.82)
Swaptions	(250.0)	(0.11)
Treasury Futures, net	(50.0)	(0.10)
U.S. Treasuries, net	(5.8)	0.00
Total	**$(2,448.8)**	**(3.03)**

Interest Rate Swaps as of September 30, 2018 ($ in millions)				
Maturity	**Notional Amount**	**Weighted Average Pay-Fixed Rate**	**Weighted Average Receive Variable Rate[(a)]**	**Weighted Average Years to Maturity**
2019	$50.0	1.3%	2.3%	1.1
2020	250.0	1.6%	2.3%	1.5
2021	27.0	2.9%	2.3%	2.9
2022	653.0	1.9%	2.3%	3.8
2023	219.0	3.0%	2.4%	4.7
2024	230.0	2.1%	2.3%	5.7
2025	125.0	2.9%	2.4%	6.6
2026	75.0	2.1%	2.3%	8.1
2027	264.0	2.4%	2.3%	8.9
2028	250.0	3.0%	2.3%	9.7
Total/Wtd Avg	**$2,143.0**	**2.2%**	**2.3%**	**5.4**

(a) 100% of our receive variable interest rate swap notional amount resets quarterly based on three-month LIBOR

Q3 2018 Financial Metrics

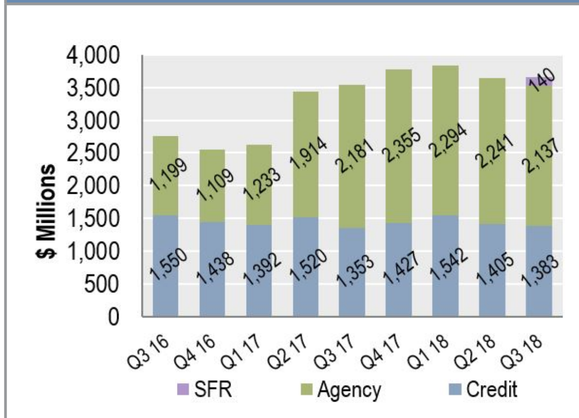
Key Statistics	September 30, 2018	Weighted Average for the quarter-ended September 30, 2018
Investment portfolio[4,5]	$3,660.4	$3,457.8
Financing agreements[5]	3,015.5	2,851.3
Total Financing[7]	3,061.7	3,020.9
Stockholders' equity	711.9	707.9
GAAP Leverage	4.0x	4.1x
"At Risk" Leverage[7]	4.3x	4.3x
Yield on investment portfolio[8]	5.2%	5.1%
Cost of funds[9]	2.7%	2.4%
Net interest margin[6]	2.5%	2.7%
Management fees[15]	1.3%	1.3%
Other operating expenses[16]	2.0%	2.0%
Book value, per share[1]	$19.16	
Undistributed taxable income, per share[(a)]	$1.58	
Common Dividend, per share[1]	$0.50	

(a) Refer to slide 24 for further detail

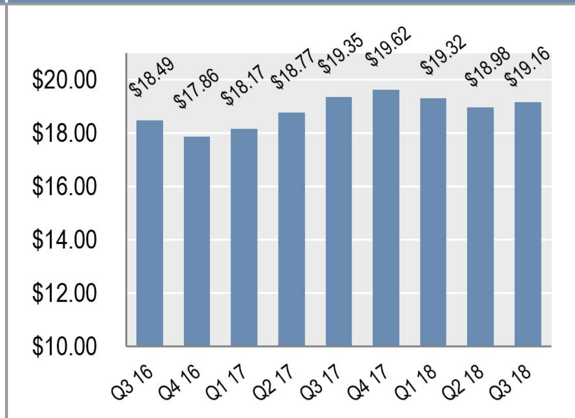
Supplemental Information & Financial Statements

Quarter-Over-Quarter Snapshot

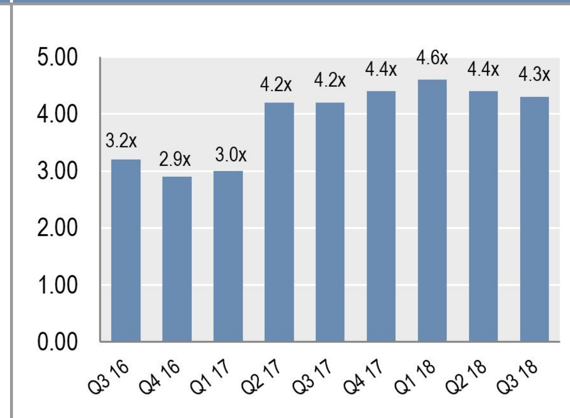
Net Carrying Value of Investment Portfolio



Book Value



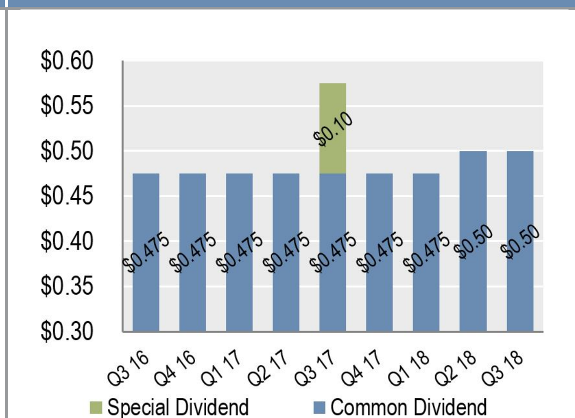
"At Risk" Leverage



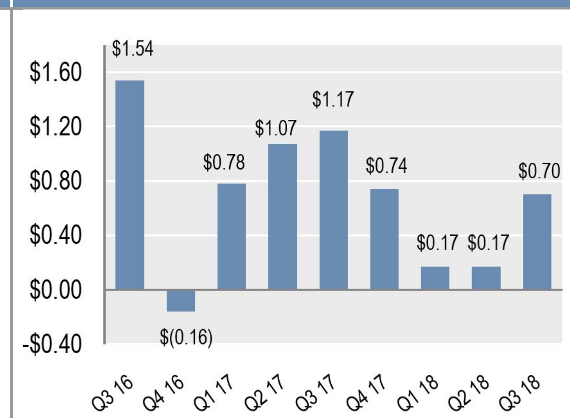
Core Earnings*

*Includes retrospective adjustment

Dividend



Net Income (Loss)



Market Snapshot

Interest Rates	9/30/17	12/31/17	3/31/18	6/30/18	9/30/2018
Treasuries					
2-year	1.486	1.885	2.268	2.530	2.821
5-year	1.937	2.207	2.563	2.739	2.954
10-year	2.334	2.406	2.740	2.861	3.062
Swaps					
3 month LIBOR	1.334	1.694	2.312	2.336	2.398
2-year	1.741	2.078	2.582	2.792	2.990
5-year	2.004	2.244	2.708	2.890	3.071
10-year	2.291	2.398	2.790	2.934	3.121

Agency RMBS	9/30/17	12/31/17	3/31/18	6/30/18	9/30/2018
Fannie Mae Pass-Throughs					
15 year 2.50%	100-21+	99-29+	97-27+	97-04+	96-17+
15 year 3.00%	102-23+	101-28+	99-25+	99-12+	98-26+
30 year 3.00%	100-08+	100-01+	97-17+	96-25+	95-20+
30 year 3.50%	103-01+	102-23+	100-06+	99-14+	98-12+
Mortgage Rates					
15-year	3.13%	3.44%	3.90%	4.04%	4.16%
30-year	3.83%	3.99%	4.44%	4.55%	4.72%

Credit Spreads	9/30/17	12/31/17	3/31/18	6/30/18	9/30/18
CDX IG	56	49	66	68	59
CAS 2016 Vintage M2	235	160	92	94	78
CMBX.NA 8 BBB- Mid Spread	628	591	604	542	449

Source: Bloomberg and Wall Street research. Data has not been independently validated.

Book Value Roll-Forward

		Amount (000's)		Per Share[1]
6/30/18 Book Value	**$**	**535,344**	**$**	**18.98**
Common dividend		(14,369)		(0.50)
Core earnings		16,714		0.59
Net proceeds and accretion/(dilution) from issuance of common stock and RSUs		9,508		(0.02)
Equity based compensation		166		0.01
Property depreciation and amortization		(494)		(0.02)
Transaction related expenses and deal related performance fees		(216)		(0.01)
Equity in earnings/(loss) from affiliates		11,374		0.40
Net realized gain/(loss)		(14,204)		(0.50)
Net unrealized gain/(loss)		6,836		0.23
9/30/18 Book Value	**$**	**550,659**	**$**	**19.16**
Change in Book Value		15,315		0.18

Reconciliation of GAAP Net Income to Core Earnings[2]

Three Months Ended September 30, 2018		Amount (000's)		Per Share[1]
Net Income/(loss) available to common stockholders	**$**	**20,010**	**$**	**0.70**
Add (Deduct):				
Net realized (gain)/loss		14,204		0.50
Dollar roll income		453		0.02
Equity in (earnings)/loss from affiliates		(13,960)		(0.49)
Net interest income and expenses from equity method investments		2,586		0.08
Transaction related expenses and deal related performance fees		216		0.01
Property depreciation and amortization		494		0.02
Unrealized (gain)/loss on real estate securities and loans, net		(700)		(0.02)
Unrealized (gain)/loss on derivative and other instruments, net		(6,589)		(0.23)
Core Earnings	**$**	**16,714**	**$**	**0.59**

Undistributed Taxable Income Roll-Forward

		Amount (000's)		Per Share[1]
6/30/18 Undistributed Taxable Income	**$**	**44,330**	**$**	**1.57**
Net Accretion/(dilution) from issuance of common stock and RSUs		—		(0.03)
Q3 Core Earnings		16,714		0.59
Q3 Recurring Core-Tax Differences		(1,883)		(0.07)
Q3 Other Core-Tax Differences		701		0.02
Q3 2018 Ordinary Taxable Income, Net of Preferred Distribution		15,532		0.54
Q3 2018 Common Distribution		(14,369)		(0.50)
9/30/18 Undistributed Taxable Income	**$**	**45,493**	**$**	**1.58**

Note: This estimate of undistributed taxable income per share represents the total estimated undistributed taxable income as of quarter-end. Undistributed taxable income is based on current estimates and projections. The actual amount is not finalized until we file our annual tax return, typically in October of the following year. Figures may not foot due to rounding.

Condensed Consolidated Balance Sheet

September 30, 2018 (Unaudited)					
Amount (000's)					
Assets			**Liabilities**		
Real estate securities, at fair value	$	3,070,163	Financing Arrangements	$	2,913,381
Residential mortgage loans, at fair value		87,600	Securitized debt, at fair value		11,481
Commercial loans, at fair value		94,618	Obligation to return securities borrowed under reverse repurchase agreements, at fair value		5,730
Single-family rental properties		140,059	Payable on unsettled trades		212,839
Investments in debt and equity of affiliates		79,698	Interest payable		5,294
Excess mortgage servicing rights, at fair value		28,625	Derivative liabilities, at fair value		1,030
Cash and cash equivalents		30,341	Dividend payable		14,369
Restricted cash		45,921	Due to affiliates		4,073
Interest receivable		12,823	Accrued expenses and other liabilities		14,720
Receivable on unsettled trades		285,041	Total Liabilities		3,182,917
Receivable under reverse repurchase agreements		5,750	**Stockholders' Equity**		
Derivative assets, at fair value		4,887	Preferred stock		161,214
Other assets		4,737	Common stock		287
Due from broker		4,526	Additional paid-in capital		595,310
Total Assets	$	3,894,789	Retained earnings (deficit)		(44,939)
			Total Stockholders' Equity		711,872
			Total Liabilities & Stockholders' Equity	$	3,894,789

Condensed Consolidated Statement of Operations

Three Months Ended September 30, 2018 (Unaudited)					
Amount (000's)					
Net Interest Income			**Earnings/(Loss) Per Share of Common Stock**		
Interest income	$	39,703	Basic	$	0.70
Interest expense		18,692	Diluted	$	0.70
Total Net Interest Income		21,011			
Other Income/(Loss)			**WA Shares of Common Stock Outstanding**		
Net realized gain/(loss)		(14,204)	Basic		28,422
Net interest component of interest rate swaps		1,816	Diluted		28,438
Unrealized gain/(loss) on real estate securities and loans, net		700			
Unrealized gain/(loss) on derivative and other instruments, net		6,589			
Rental Income		794			
Other Income		1			
Total Other Income/(Loss)		(4,304)			
Expenses					
Management fee to affiliate		2,384			
Other operating expenses		3,503			
Equity based compensation to affiliate		66			
Excise tax		375			
Servicing fees		148			
Property depreciation and amortization		494			
Property operating and maintenance expenses		232			
Property management fee		88			
Total Expenses		7,290			
Income/(loss) before equity in earnings/(loss) from affiliates		9,417			
Equity in earnings/(loss) from affiliates		13,960			
Net Income/(Loss)		**23,377**			
Dividends on preferred stock		3,367			
Net Income/(Loss) Available to Common Stockholders	**$**	**20,010**			

Footnotes

1. Diluted per share figures are calculated using weighted average outstanding shares in accordance with GAAP. Per share figures are calculated using a denominator of all outstanding common shares including all shares granted to our Manager and our independent directors under our equity incentive plans as of quarter-end. Book value uses stockholders' equity less net proceeds of the Company's 8.25% Series A and 8.00% Series B Cumulative Redeemable Preferred Stock as the numerator.
2. Core Earnings are defined as Net Income/(loss) available to common stockholders excluding (i) unrealized and realized gains/(losses) on the sale or termination of securities, if any, on such sale or termination, loans, derivatives and other instruments, (ii) beginning with Q2 2018, any transaction related expenses incurred in connection with the acquisition or disposition of our investments, (iii) beginning with Q3 2018, any depreciation or amortization expense related to our SFR portfolio and, (iv) beginning with Q3 2018, accrued deal related performance fees payable to Arc Home and third party operators to the extent the primary component of the accrual relates to items that are excluded from core earnings, such as unrealized and realized gains/(losses). Items (i) through (iv) above include any amounts related to those items held in affiliated entities. Management considers the transaction related expenses referenced in (ii) above to be similar to realized losses incurred at acquisition or disposition and do not view them as being part of its core operations. Management also acknowledges that while deal related performance fees may be a material operating expense, they have been excluded from core because the primary component of the computation of the expense relates to items (such as gains or losses) that are excluded from core earnings. As defined, Core Earnings include the net interest income and other income earned on our investments on a yield adjusted basis, including TBA dollar roll income or any other investment activity that may earn or pay net interest or its economic equivalent. Core Earnings includes earnings from AG Arc LLC. Earnings from AG Arc LLC were $0.3 million in the third quarter of 2018. See page 23 for a reconciliation of GAAP net income to Core Earnings. See footnote 13 for further details on AG Arc LLC.
3. The economic return on equity for the quarter represents the change in book value per share from June 30, 2018 to September 30, 2018, plus the common dividends declared over that period, divided by book value per share as of June 30, 2018. The annualized economic return on equity is the quarterly return on equity multiplied by four.
4. The investment portfolio at period end is calculated by summing the net carrying value of our Agency RMBS, any long positions in TBAs, Residential Investments, Commercial Investments, ABS Investments, and our SFR portfolio, including securities and mortgage loans owned through investments in affiliates, exclusive of AG Arc LLC. Our Agency RMBS, Residential Investments, Commercial Investments, and ABS Investments are held at fair market value and our SFR portfolio is held at historical cost less depreciation and amortization and any adjustments related to impairment. Our Credit Investments refer to our Residential Investments, Commercial Investments, ABS Investments and Single-Family Rental. Refer to footnote 5 for more information on the GAAP accounting for certain items included in our investment portfolio. The percentage of net carrying value includes any net TBA positions and securities and mortgage loans owned through investments in affiliates and is exclusive of AG Arc LLC. Agency RMBS include fair value of $0.9 million of investment in debt and equity of affiliates related to Excess MSRs. Credit Investments[4] include fair value of $162.7 million of investment in debt and equity of affiliates comprised of $97.4 million of Re/Non-Performing Loans, $62.2 million of New Origination Loans, $0.4 mm of Interest Only and $2.7 million of Freddie Mac K-Series. These items, inclusive of our investment in AG Arc LLC[13] and other items, net to $79.7 million which is included in the "Investments in debt and equity of affiliates" line item on our GAAP Balance Sheet. See footnote 13 for further details on AG Arc LLC.
5. Generally, when we purchase an investment and employ leverage, the investment is included in our assets and the leverage is reflected in our liabilities on our consolidated balance sheet as either "Financing arrangements" or "Securitized debt, at fair value." Throughout this presentation where we disclose our investment portfolio and the related financing, we have presented this information inclusive of (i) securities and mortgage loans owned through our investments in affiliates that are accounted for under GAAP using the equity method and (ii) long positions in TBAs, which are accounted for as derivatives under GAAP. This presentation excludes investments through AG Arc LLC unless otherwise noted. This presentation of our investment portfolio is consistent with how our management evaluates the business, and we believe this presentation, when considered with the GAAP presentation, provides supplemental information useful for investors in evaluating our investment portfolio and financial condition. See footnote 13 for further details on AG Arc LLC.
6. Net interest margin is calculated by subtracting the weighted average cost of funds from the weighted average yield for the Company's investment portfolio, which excludes cash held by the Company. Net interest margin also excludes any net TBA position. See footnotes 8 and 9 for further detail.
7. "At Risk" Leverage is calculated by dividing total financing, including any net TBA position, by our GAAP stockholders' equity at quarter-end. Our net TBA position (at cost) was $75.2 million, $166.2 million, $143.7 million, $102.5 million, and $121.6 million for the periods ending September 30, 2018, June 30, 2018, March 31, 2018, December 31, 2017, and September 30, 2017, respectively. Total financing at quarter-end, and when shown, daily weighted average total financing, includes financing arrangements inclusive of financing arrangements through affiliated entities, exclusive of any financing utilized through AG Arc LLC, plus the payable on all unsettled buys less the financing on all unsettled sells, securitized debt, and any net TBA position (at cost). Total financing excludes any financing arrangements and unsettled trades on U.S. Treasuries.
8. The yield on our debt investments represents an effective interest rate, which utilizes all estimates of future cash flows and adjusts for actual prepayment and cash flow activity as of quarter-end. The yield on our SFR portfolio represents annualized net operating income for the quarter. This calculation excludes cash held by the Company and excludes any net TBA position. The calculation of weighted average yield is weighted based on net carrying value.

Footnotes *(cont'd)*

9. The cost of funds during the quarter is calculated by annualizing the sum of our interest expense and net interest component on all derivative instruments and dividing that sum by our daily weighted average total financing for the period. Interest earning/paying derivative instruments may include interest rate swaps and U.S. Treasuries. The cost of funds at quarter-end is calculated as the sum of (i) the weighted average funding costs on total financing outstanding at quarter-end and (ii) the weighted average of the net pay rate on our interest rate swaps, the net receive rate on our Treasury long positions, the net pay rate on our Treasury short positions and the net receivable rate on our IO index derivatives, if any. Both elements of the cost of funds at quarter-end are weighted by the outstanding financing arrangements and securitized debt outstanding at quarter-end, excluding financing arrangements associated with U.S. Treasury positions. The cost of funds excludes any net TBA position.
10. The Company allocates its equity by investment using the net carrying value of its investment portfolio, less any associated leverage, inclusive of any long TBA position (at cost). The Company allocates all non-investment portfolio related items based on their respective characteristics in order to sum to the Company's stockholders' equity per the consolidated balance sheets. The Company's equity allocation method is a non-GAAP methodology and may not be comparable to similarly titled measures or concepts of other companies, who may use different calculations.
11. This represents the weighted average monthly CPRs published during the quarter for our in-place portfolio during the same period. Any net TBA position is excluded from the CPR calculation.
12. Equity residuals, excess MSRs and principal only securities with a zero coupon rate are excluded from this calculation. The calculation of weighted average coupon is weighted based on face value.
13. The Company invests in Arc Home LLC through AG Arc LLC, one of its indirect subsidiaries.
14. The Company estimates duration based on third-party models. Different models and methodologies can produce different effective duration estimates for the same securities. We allocate the net duration by asset type based on the interest rate sensitivity. Duration includes any net TBA position. Duration does not include our equity interest in AG Arc LLC or our investment in SFR. Duration related to financing agreements is netted within its respective agency and credit line items.
15. The management fee percentage during the quarter is calculated by annualizing the management fees recorded during the quarter and dividing by our weighted average stockholders' equity for the quarter. The management fee percentage at quarter-end is calculated by annualizing management fees recorded during the quarter and dividing by quarter-end stockholders' equity.
16. The other operating expenses percentage during the quarter is calculated by annualizing the other operating expenses recorded during the quarter and dividing by our weighted average stockholders' equity for the quarter. The other operating expenses percentage at quarter-end is calculated by annualizing other operating expenses recorded during the quarter and dividing by quarter-end stockholders' equity.

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