



**BUILT TO
PERFORM
ACROSS THE
CREDIT CYCLE**

Starwood Property Trust (NYSE: STWD) is a leading, diversified real estate finance company, and is the largest commercial mortgage REIT in the United States, with:

- Shares publicly traded on the New York Stock Exchange and a current market capitalization of approximately \$6 billion.¹
- Total capital deployed since inception of over \$33 billion.
- A portfolio of more than \$11 billion across the company's real estate lending, investing and servicing, and property businesses.
- Approximately 350 dedicated employees.
- The ability to leverage the platform of Starwood Capital Group, a leading global private investment firm with 26 years of experience and broad operating expertise across virtually every real estate asset class.
- The largest commercial mortgage special servicing business in the United States.
- The size and expertise to successfully execute large, complex real estate transactions.
- A strategy of mitigating risk by maintaining a diversified portfolio of investments and a credit-first mentality.
- A focus on providing a secure dividend for investors, with a current dividend yield of 8.7%.¹

Data throughout presentation as of March 31, 2017.

¹ *Market capitalization and dividend yield figures as of May 8, 2017.*

HUDSON YARDS, NEW YORK

ON THE COVER: 1180 PEACHTREE, ATLANTA, GEORGIA

BY THE NUMBERS
Starwood Property Trust's growth and reach can be illustrated by some key statistics:

8.7%
DIVIDEND YIELD¹

\$33B+
CAPITAL DEPLOYED
since inception

13%
COMPOUNDED
ANNUAL RETURN²
since inception

Starwood Property Trust has from the very beginning held a unique position in the commercial mortgage landscape.

Amid the depths of the Great Recession, leading global private investment firm Starwood Capital Group recognized that traditional commercial lenders were withdrawing from the marketplace and a significant need had emerged for alternative commercial mortgage financings. In response, the Firm established Starwood Property Trust and in August 2009 took the company public (NYSE: STWD)—creating the largest blind pool company ever traded on the New York Stock Exchange. The business has since grown dramatically, and Starwood Property Trust today is the largest commercial mortgage REIT in the United States, with a current market capitalization of approximately \$6 billion¹ and 350 employees.

The company's core business focuses on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt and equity investments. In conjunction with Starwood Capital Group, Starwood Property Trust in April 2013 acquired LNR Property LLC and subsidiary LNR Partners LLC, the largest special servicer in the United States, thus gaining significant expertise in the distressed real estate marketplace, while also adding substantial scale, depth and sophistication to the company's operations. In addition, Starwood Property Trust in 2014 spun off its single-family residential operations into a new entity, Starwood Waypoint Residential Trust (NYSE: SWAY), which is now trading as Colony Starwood Homes (NYSE: SFR)—and is one of the largest publicly traded investors, owners and operators of single-family rental homes in the United States.

While other commercial real estate finance companies remain focused solely on specific sectors of the market, Starwood Property Trust's multicylinder investment platform allows it to dynamically seek out investment opportunities across a much broader universe. Starwood Property Trust's management team collaborates with Starwood Capital Group and its approximately 2,200 employees across 10 offices worldwide on a top-down and bottom-up approach to finding the best risk/reward opportunities. By leveraging the scale and global relationships of Starwood Capital Group and its affiliates, Starwood Property Trust is able to identify potential transactions that the company believes cannot be sourced by many of today's market participants.

With total capital deployed since inception of more than \$33 billion, Starwood Property Trust continues to solidify its position as one of the world's leading non-bank real estate finance companies.

¹ Data as of May 8, 2017

² Past performance is not indicative of future results. Future results depend on numerous factors that are subject to uncertainty and risk.



CLOCKWISE FROM TOP LEFT: BALTIMORE WHARF, LONDON; CLARIDGE'S, LONDON; SOLANA BUSINESS PARK, DALLAS; EMBASSY SUITES BY HILTON, LOMPOC, CALIFORNIA; 200 S. WACKER DRIVE, CHICAGO; THE MALL AT WELLINGTON GREEN, WELLINGTON, FLORIDA; THE BRILL BUILDING, NEW YORK CITY

¹ Data as of March 31, 2017

\$12.3B
TOTAL
CAPITALIZATION¹

\$5.9B
EQUITY MARKET
CAPITALIZATION¹

1.4x
DEBT-TO-EQUITY
RATIO¹

Ba2/BB
CORPORATE
DEBT RATINGS
from Moody's and
Standard & Poor's



Starwood Property Trust (NYSE: STWD) goes public in the third-largest REIT IPO in U.S. history, and becomes the largest blind pool company ever listed on the New York Stock Exchange.

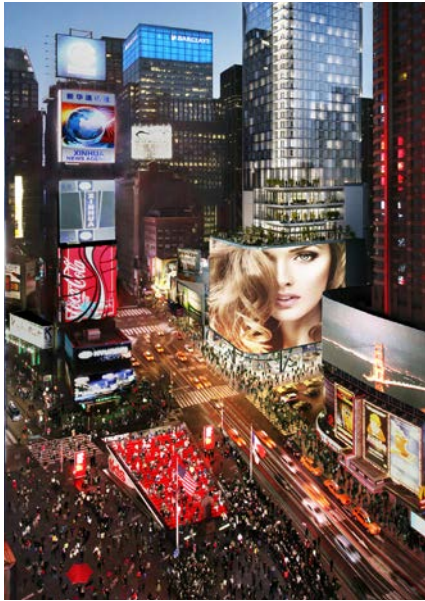
2009



LNR Property headquarters, Miami

Starwood Property Trust partners with Starwood Capital Group to acquire LNR Property LLC—including subsidiaries LNR Partners LLC, the largest commercial mortgage special servicer in the U.S., and Hatfield Philips International, one of the largest primary and special loan servicers in Europe.

2012



701 7th Avenue, New York

Starwood Property Trust and a fund affiliated with Starwood Capital Group co-originate a \$475M loan for the acquisition and redevelopment of a 10-story retail building at the Times Square “Bowtie” in Manhattan—one of the world’s preeminent retail locations.

2013



Hudson Yards South tower from the Highline

Starwood Property Trust originates a \$350M first mortgage and mezzanine loan for the South Tower in NYC’s Hudson Yards—the first vertical development in the largest private commercial real estate project in U.S. history.



Heron Tower, London

Starwood Property Trust originates a £288M refinancing for the iconic Heron Tower (subsequently renamed Salesforce Tower) in the City of London—widely considered one of the finest office buildings in all of Europe.

2014



MacArthur Center, Norfolk, Virginia

Starwood Property Trust participates in its first major equity investment—the acquisition of a portfolio of four high-quality regional malls in Florida, Michigan, North Carolina and Virginia.

Starwood Property Trust originates a \$275M first mortgage loan for the award-winning Four Seasons Resort Hualalai at Historic Ka’upulehu on Hawaii’s Big Island.



Four Seasons Resort Hualalai

2015



76 St. Stephen’s Green, Dublin

Starwood Property Trust closes its first major European equity investment—the €452M acquisition of a portfolio of 13 office and multifamily properties in Dublin.

2016



Physicians Plaza, Nashville, Tennessee

Starwood Property Trust acquires a portfolio of 34 medical office buildings totaling 1.9M square feet for approximately \$760 million. These properties are primarily affiliated with leading hospitals or located on or adjacent to major hospital campuses throughout the United States.



Starwood Property Trust spins off its single-family rental business to create Starwood Waypoint Residential Trust, now trading as Colony Starwood Homes (NYSE: SFR) —one of the largest owners and operators of single-family rental homes in the United States.

Starwood Property Trust completes the \$566M acquisition of 32 affordable housing communities comprising 14,186 units in the Tampa, Orlando and West Palm Beach metropolitan areas in Florida. The portfolio includes what the team believes are some of the highest-quality low-income properties in the state.

Starwood Property Trust has been organized into three complementary business segments that allow the firm to efficiently deploy capital throughout the real estate cycle:

REAL ESTATE LENDING

Starwood Property Trust’s primary business since the company’s IPO in 2009, the real estate lending segment has deployed over \$23 billion of capital since inception. The company has built a leading franchise in the global real estate finance market by offering seamless, customized solutions for borrowers—including first mortgages, subordinate debt, mezzanine loans, B-notes and preferred equity. The company possesses the size and scale to serve as a one-stop lender, and the team leverages Starwood Capital Group’s expertise across virtually every real estate asset class to help source, structure and underwrite transactions.

REAL ESTATE INVESTING AND SERVICING

This segment includes a variety of business lines focused on commercial mortgage-backed securities (CMBS) and commercial real estate investments, special servicing operations and a commercial mortgage conduit platform. The company’s leadership in CMBS and special servicing is the result of its disciplined and consistent approach to investing. Combined with extensive credit underwriting, acquisition, management and workout expertise, this approach has resulted in strong performance for this segment’s investments across multiple real estate cycles.

■ CMBS and Commercial Real Estate Investments

Starwood Property Trust is a leader in investing in both CMBS and related commercial real estate assets, with a diversified portfolio of approximately \$1 billion. The company’s due diligence process supports an unsurpassed execution capacity—including the ability to underwrite hundreds of loans within a short timeframe, utilizing personnel across the United States and deep relationships in the commercial real estate brokerage community. Investment decisions are informed by a proprietary database management system that tracks over 100,000 properties around the country.

■ Special Servicing

The company operates the largest commercial mortgage special servicer in the United States, LNR Partners LLC. Backed by nearly 240 employees, LNR is the named special servicer on approximately 22% of all transactions in the CMBS universe. Since inception, LNR has resolved over 6,000 non-performing assets with a total principal balance of over \$67.3 billion across all major property types. Despite the increasing complexity of workouts, LNR has achieved a resolution rate of approximately 73% in loan and real estate owned (REO) property liquidations.

■ Conduit

Starwood Property Trust’s commercial real estate conduit loan origination platform, Starwood Mortgage Capital, originates five-, seven- and 10-year fixed-rate mortgages throughout the United States, secured by all major real estate asset classes. With transactions typically ranging from \$5–100 million, and an average turnover rate of 30–40 days, Starwood Mortgage Capital has originated and securitized over \$7.8 billion in loans since its inception in 2012.

PROPERTY

In 2014, Starwood Property Trust began investing in real estate assets to complement its other businesses. These equity investments, totaling approximately \$2 billion, comprise high-quality, stable real estate assets with a value-added element—thus allowing the company the opportunity to generate attractive risk-adjusted returns. The company focuses on investing in properties that generate current, stable cash-on-cash returns while also offering the potential for capital appreciation.

FLUSHING COMMONS, QUEENS, NEW YORK



RENDERING COURTESY OF CONWAY + PARTNERS

Starwood Property Trust occupies a unique position in the global real estate finance market, based on the following differentiators:

DEEP, HANDS-ON REAL ESTATE PERSPECTIVE

Starwood Property Trust has successfully navigated multiple real estate cycles, with a track record of deploying over \$33 billion of capital since inception. In addition, the company's affiliation with Starwood Capital Group allows Starwood Property Trust to leverage the Firm's 26 years of experience as a real estate investor and broad operating expertise. As a result, the company possesses a granular understanding of real estate credit risk, and can evaluate each transaction from both a lender's and equity investor's perspective.

ONE-STOP SHOP FOR COMPLEX TRANSACTIONS

With access to multiple sources of financing and an experienced team of loan origination and syndication professionals, Starwood Property Trust can offer customized and creative solutions to borrowers—in keeping with its goal of being included on virtually every major commercial real estate investor's short list of preferred lenders. Underscoring Starwood Property Trust's scale, the average size of its loans since inception is nearly \$100 million, and the company has the ability to structure and originate loans as large as \$500 million.

GLOBAL REACH

Starwood Property Trust benefits from an unsurpassed global sourcing engine that comes from Starwood Capital Group's position as one of the largest institutional real estate investors in the world, with more than 2,200 employees across 10 offices on three continents. As a result, the company is able to cast a wide net in the search for investment opportunities, and can selectively pursue only those that offer particularly attractive potential risk/reward profiles.

IN-DEPTH MARKET KNOWLEDGE

With Starwood Property Trust's 2013 acquisition of LNR came LNR Partners, the largest special servicer in the United States. This greatly expanded the company's expertise in the distressed CRE marketplace. The Starwood Property Trust team can analyze both the commercial mortgage-backed securities markets and LNR's special servicing portfolio to identify situations where it can provide potential solutions for troubled borrowers.

Information Advantage

The expertise developed through Starwood Capital Group's symbiotic business lines enhances Starwood Property Trust's judgment throughout the underwriting process. Starwood Capital Group's affiliates and specialized teams—which provide Starwood Property Trust with critical, bottom-up intelligence in formulating its investment strategy—encompass the following sectors and asset classes:

- Hotels (2,900 properties acquired since inception)
- Multifamily (153,000 units)
- Retail (53 million square feet)
- Office (67 million square feet)
- Residential Land (52,000 lots)
- Energy Infrastructure (\$6 billion of transaction enterprise value)
- Oil & Gas (\$213 million invested)

In addition, Starwood Property Trust's special servicer tracks terabytes of proprietary historical commercial real estate data from over 100,000 performing and non-performing loans in its database—which helps inform decisions across the organization.

Starwood Property Trust employs its expertise and highly diversified and scalable investment platform across all facets of real estate finance to seek to generate consistent, risk-adjusted returns for shareholders. In its pursuit of this strategy, the company adheres to the following principles:

LOOK AT REAL ESTATE LENDING THROUGH AN EQUITY LENS

Starwood Property Trust has developed a culture of viewing real estate lending from a long-term balance-sheet perspective. The company internally underwrites and asset manages every transaction in its portfolio—which is expensive and time-consuming, but the team believes that this approach explains the portfolio's exemplary credit performance, with no losses to date on over \$23 billion in loan investments since inception. The Starwood Property Trust team also believes that it benefits from Starwood Capital Group's 26 years of real estate investment experience when sourcing and evaluating potential transactions.

PROVIDE A ONE-STOP FINANCING SOLUTION FOR BORROWERS

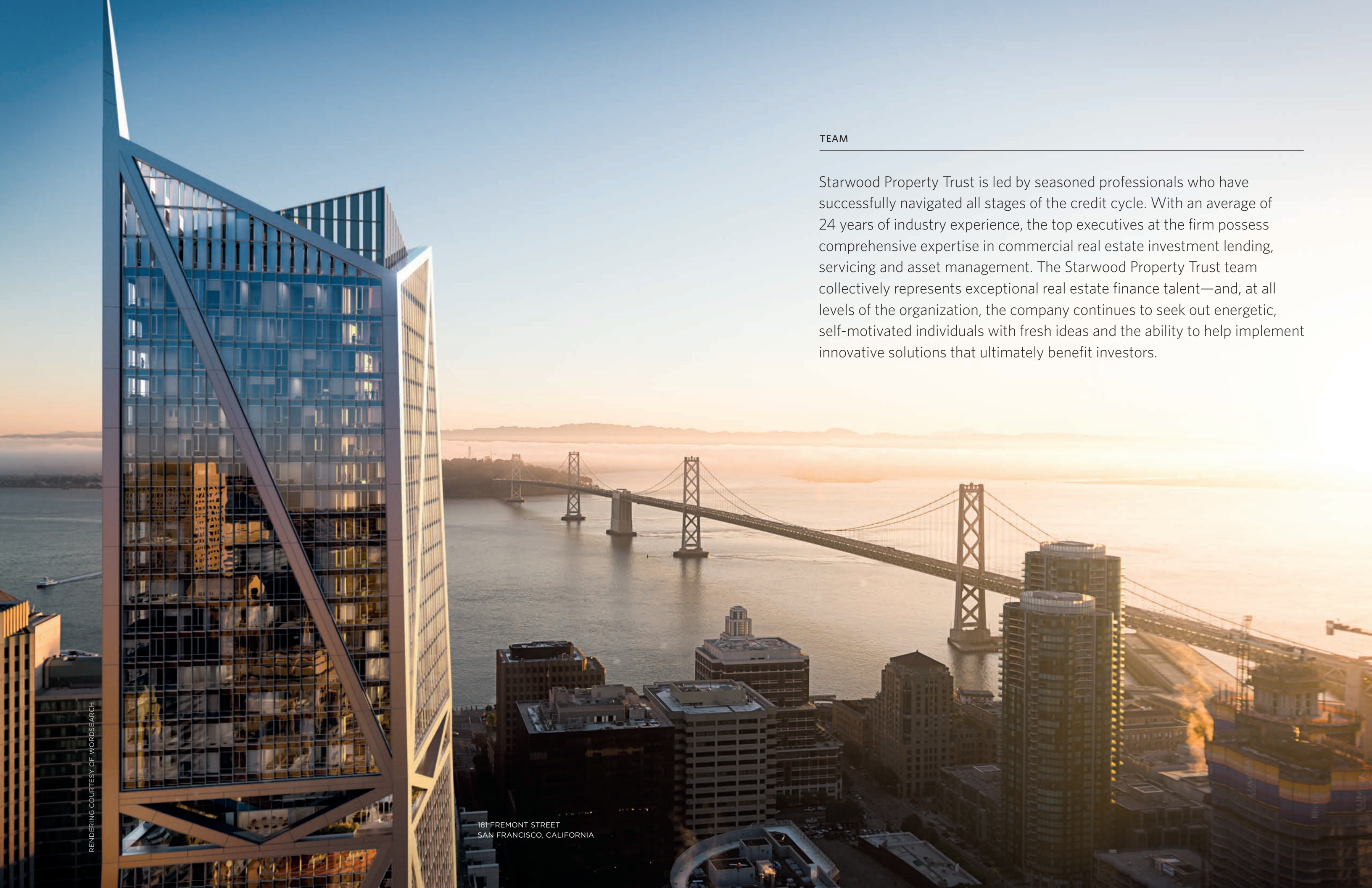
Starwood Property Trust prides itself on the ability to disintermediate traditional senior mortgage and mezzanine lenders by providing one-stop, combined financing in a single seamless process for borrowers. The team believes that its focus on large, customized financing solutions has helped set Starwood Property Trust apart from its competitors.

INVEST ACROSS THE REAL ESTATE CAPITAL STRUCTURE

Starwood Property Trust's broad wholesale asset origination, acquisition and servicing model provides the company with the flexibility and expertise to invest across the real estate capital structure to take advantage of changing dynamics at different points in the real estate cycle.

FOCUS ON RISK MITIGATION

Starwood Property Trust is highly focused on mitigating risk in its portfolio. The company's strategy is built on using modest financial leverage in seeking to achieve its target returns, and its floating rate business model provides protection from higher interest rates. In addition, Starwood Property Trust's position as a leading commercial special servicer provides the company with a unique credit hedge against its CMBS and loan investments.



RENDERING COURTESY OF WORDSEARCH

181 FREMONT STREET
SAN FRANCISCO, CALIFORNIA

TEAM

Starwood Property Trust is led by seasoned professionals who have successfully navigated all stages of the credit cycle. With an average of 24 years of industry experience, the top executives at the firm possess comprehensive expertise in commercial real estate investment lending, servicing and asset management. The Starwood Property Trust team collectively represents exceptional real estate finance talent—and, at all levels of the organization, the company continues to seek out energetic, self-motivated individuals with fresh ideas and the ability to help implement innovative solutions that ultimately benefit investors.



PARAISO BAYVIEWS, MIAMI, FLORIDA
RENDERING COURTESY OF RELATED GROUP

MISSION

Upon its IPO in 2009, Starwood Property Trust sought to fill the void created by traditional commercial real estate lenders that had significantly scaled back their business. The goal was to build a diversified commercial real estate finance business that could outlast the inevitable cycles in the market. In the years since, the company has delivered on its mandate by investing in high-quality assets in prime locations with experienced partners, and reliably earning and paying its dividend—while not taking a single dollar of loan loss on the more than \$23 billion in capital deployed across its lending business to date. This scale and diversification is expected to benefit the company now more than ever, and the team stands ready to take advantage of the many opportunities that are expected to emerge from the increased complexity and volatility of the market. Simply put: Starwood Property Trust was built to perform in uncertain markets. We invite you to partner with us as we embark upon the next stage of our journey.

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