READY CAPITAL®

SUPPLEMENTAL FINANCIAL DATA

Q4 2022

RC LISTED NYSE

Disclaimer

This presentation contains statements that constitute “forward-looking statements,” as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. These statements are based on management’s current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements; Ready Capital Corporation (the “Company”) can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company’s expectations include those set forth in the Risk Factors section of the most recent Annual Report on Form 10-K filed with the SEC and other reports filed by the Company with the SEC, copies of which are available on the SEC’s website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

This presentation includes certain non-GAAP financial measures, including Distributable earnings. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures in accordance with GAAP. Please refer to the Appendix for the most recent GAAP information.

This presentation also contains market statistics and industry data which are subject to uncertainty and are not necessarily reflective of market conditions. These have been derived from third party sources and have not been independently verified by the Company or its affiliates.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. All data is as of December 31, 2022, unless otherwise noted.

Fourth Quarter 2022 Results

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Earnings / Dividends	▪ Net income of $13.7 million[1], or $0.08 per common share ▪ Distributable earnings of $51.6 million[2], or $0.42 per common share ▪ Declared dividend of $0.40 per common share
Returns	▪ Return on Equity[3] of 2.7% (10.5% excluding the impact of CECL reserves) ▪ Distributable Return on Equity[4] of 11.4% ▪ Dividend Yield[5] of 14.4%
Loan Originations[6] / Acquisitions	▪ CRE originations and acquisitions of $890.6 million ▪ SBA loan originations of $136.9 million ▪ Residential mortgage loan originations of $326.6 million

1. Before dividends on preferred securities and inclusive of non-controlling interest
2. Before dividends on preferred securities and inclusive of non-controlling interest. Refer to the "Distributable Earnings Reconciliation by Quarter" slide for a reconciliation of GAAP Net Income to Distributable Earnings
3. Return on equity is an annualized percentage equal to quarterly net income over the average monthly total stockholders' equity for the period
4. Distributable return on equity is an annualized percentage equal to distributable earnings over the average monthly total stockholders' equity for the period. Refer to the "Distributable Earnings Reconciliation by Quarter" slide for a reconciliation of GAAP Net Income to Distributable Earnings
5. Q4 dividend yield for the period is based on the 12/31/2022 closing share price of $11.14
6. Represents fully committed amounts

Fourth Quarter 2022 Results (continued)

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Capital Markets	▪ Completed the securitization of $860.1 million of floating rate SBC loans and sold $656.9 million of senior bonds with a weighted average cost of debt of SOFR + 3.0% ▪ The Company acquired approximately 3.6 million shares of the Company's common stock at an average price of $10.34.
Balance Sheet	▪ Net book value per share of $15.20 per common share ▪ Total leverage of 5.1x and recourse leverage ratio of 1.5x[1]
Subsequent Events	▪ Completed the securitization of $586.0 million of floating rate SBC loans and sold $483.5 million of senior bonds with a weighted average cost of debt of SOFR + 2.9%.

1. Recourse leverage ratio excludes $1.3 billion of secured borrowings that are non-recourse to the Company.

2022 Highlights

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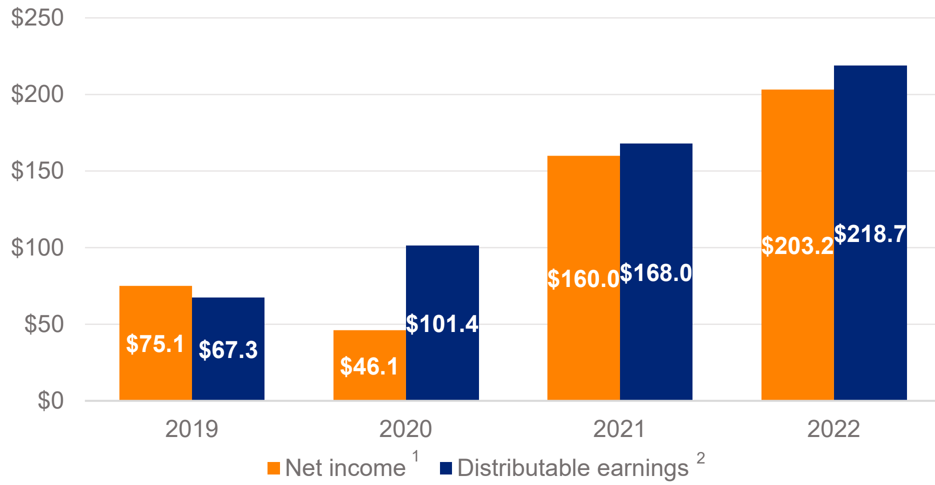
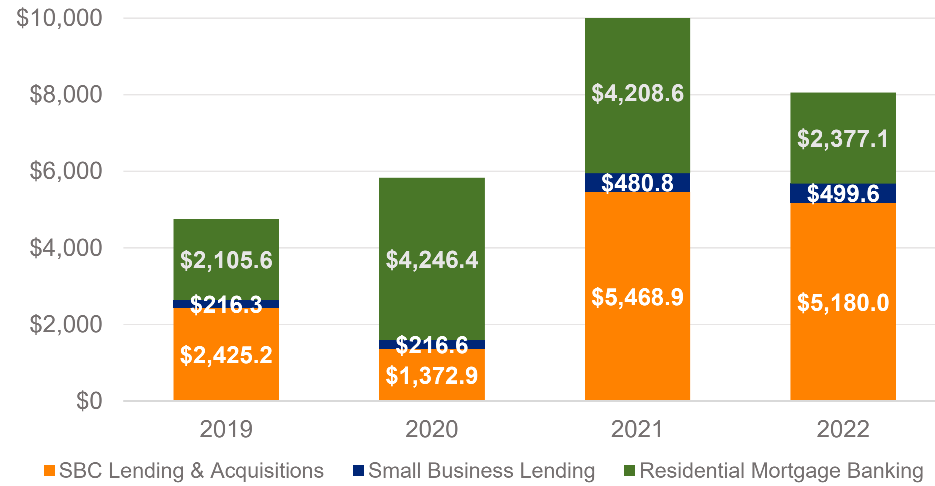
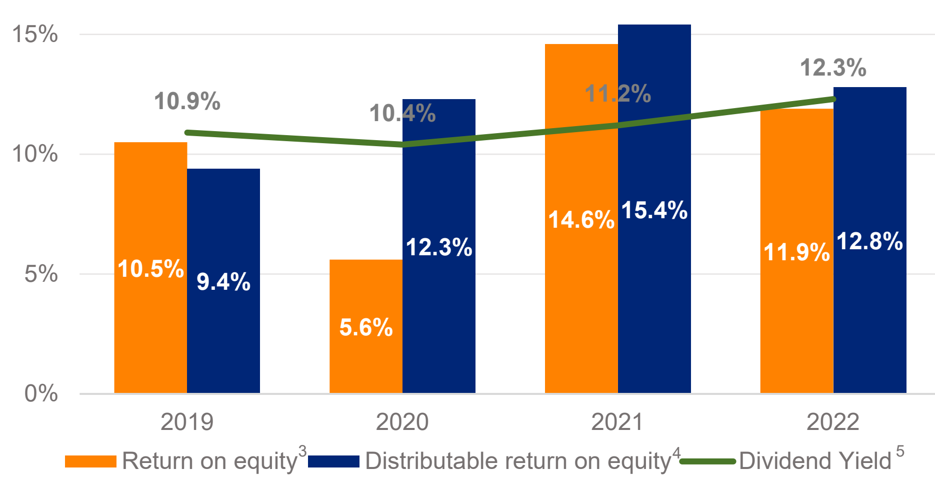
EARNINGS *($ in millions)*



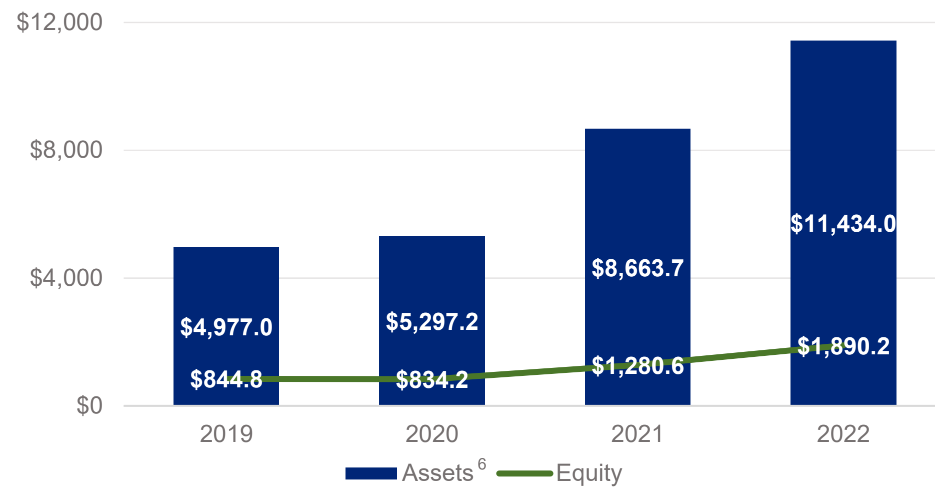
INVESTMENT ACTIVITY *($ in millions)*



RETURN ON EQUITY



BALANCE SHEET GROWTH *($ in millions)*



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5. Dividend yield is based on the respective year end closing share price
6. Excludes the impact of Paycheck Protection Program loans

Return on Equity

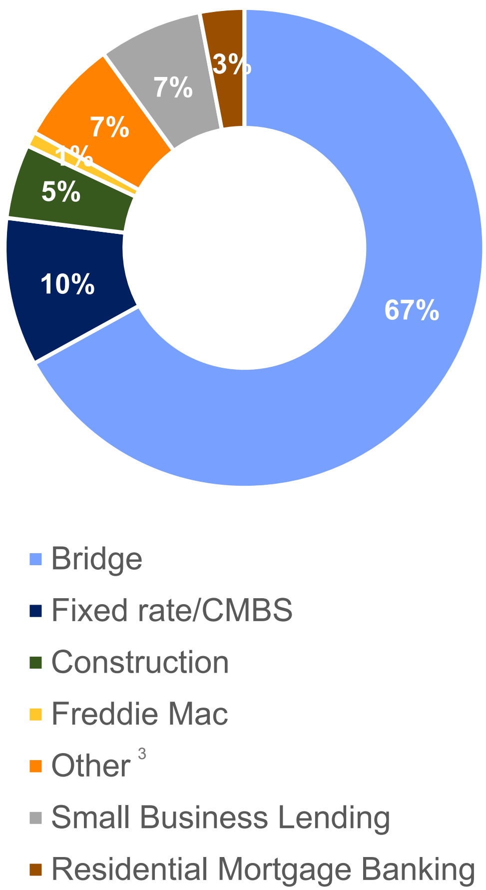
Segment	Levered Yield [1]	Distributable Levered Yield [1]	Equity Allocation
SBC Lending and Acquisitions	11.6 %	11.6 %	90.0 %
Small Business Lending	42.1 %	42.1 %	4.8 %
Residential Mortgage Banking [3]	(1.5) %	6.6 %	5.2 %

	GAAP ROE [2]			Distributable ROE [2]		
	Q4'22	Q3'22	FY 2022	Q4'22	Q3'22	FY 2022
	12.3 %	14.8 %	15.2 %	12.7 %	12.4 %	13.4 %
Corporate leverage, net of non-earning assets	2.9	4.4	4.7	3.3	3.1	3.7
Gross return on equity	**15.2 %**	**19.2 %**	**19.9 %**	**16.0 %**	**15.5 %**	**17.1 %**
Realized & unrealized gains, net	2.8	3.0	2.9	2.8	3.0	2.9
Loan loss provision	(7.8) [6]	(0.8)	(2.1)	(0.7)	(0.2)	(0.1)
PPP revenue, net of direct expenses [4]	1.2	4.8	4.3	1.2	4.8	4.3
Non-recurring gains, losses and expenses [5]	(1.2)	(0.3)	(0.9)	-	-	-
Operating expenses	(6.0)	(8.4)	(8.5)	(5.7)	(8.1)	(8.1)
Investment advisory fees	(1.7)	(1.4)	(1.4)	(1.7)	(1.4)	(1.4)
Provision for income taxes	0.7	(1.1)	(1.8)	-	(0.4)	(1.4)
Dividends on preferred stock	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Return on equity	**2.7 %**	**14.5 %**	**11.9 %**	**11.4 %**	**12.7 %**	**12.8 %**

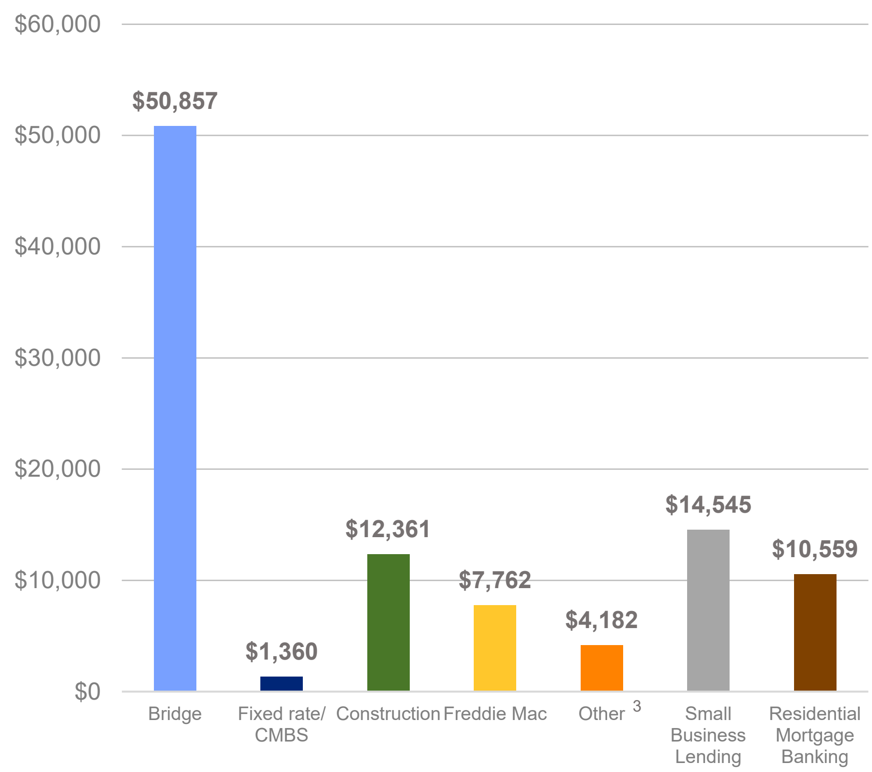
1. Levered yield includes interest income, accretion of discount, MSR creation, income from unconsolidated joint ventures, realized gains (losses) on loans held for sale, unrealized gains (losses) on loans held for sale and servicing income net of interest expense and amortization of deferred financing costs on an annualized basis.
2. GAAP ROE is based on GAAP Net Income, while Distributable ROE is based on Distributable Earnings, which adjusts GAAP Net Income for certain items detailed on the "Distributable Earnings Reconciliation" slide.
3. ROE based on net income before tax of the Residential Mortgage Banking business line divided by the business line's average monthly equity.
4. Includes Employee Retention Credit processing fee income
5. Non-recurring gains, losses and expenses before applicable tax expenses .
6. Loan loss provision increased due to changes in forecasted macroeconomic inputs for reserve modeling, particularly related to the tightening of monetary policy driven by rising inflation, and geopolitical tensions.

Diversified, Complementary, & Scalable Platforms

PORTFOLIO BREAKDOWN[1]



REVENUE BREAKDOWN[2] *($ in thousands)*



1. Assets include loans, MBS, servicing assets, JV investments, real estate owned, and purchased future receivables.
2. Based on QTD Distributable Earnings including interest income, accretion of discount, MSR creation, income from unconsolidated joint ventures, realized gains (losses) on loans held for sale, unrealized gains (losses) on loans held for sale and servicing income net of interest expense and amortization of deferred financing costs on an annualized basis.
3. Loans with the “Other” classification are generally SBC acquired loans that have nonconforming characteristics for the Fixed rate, Bridge, or Construction categories

SBC and SBA Investment by Platform

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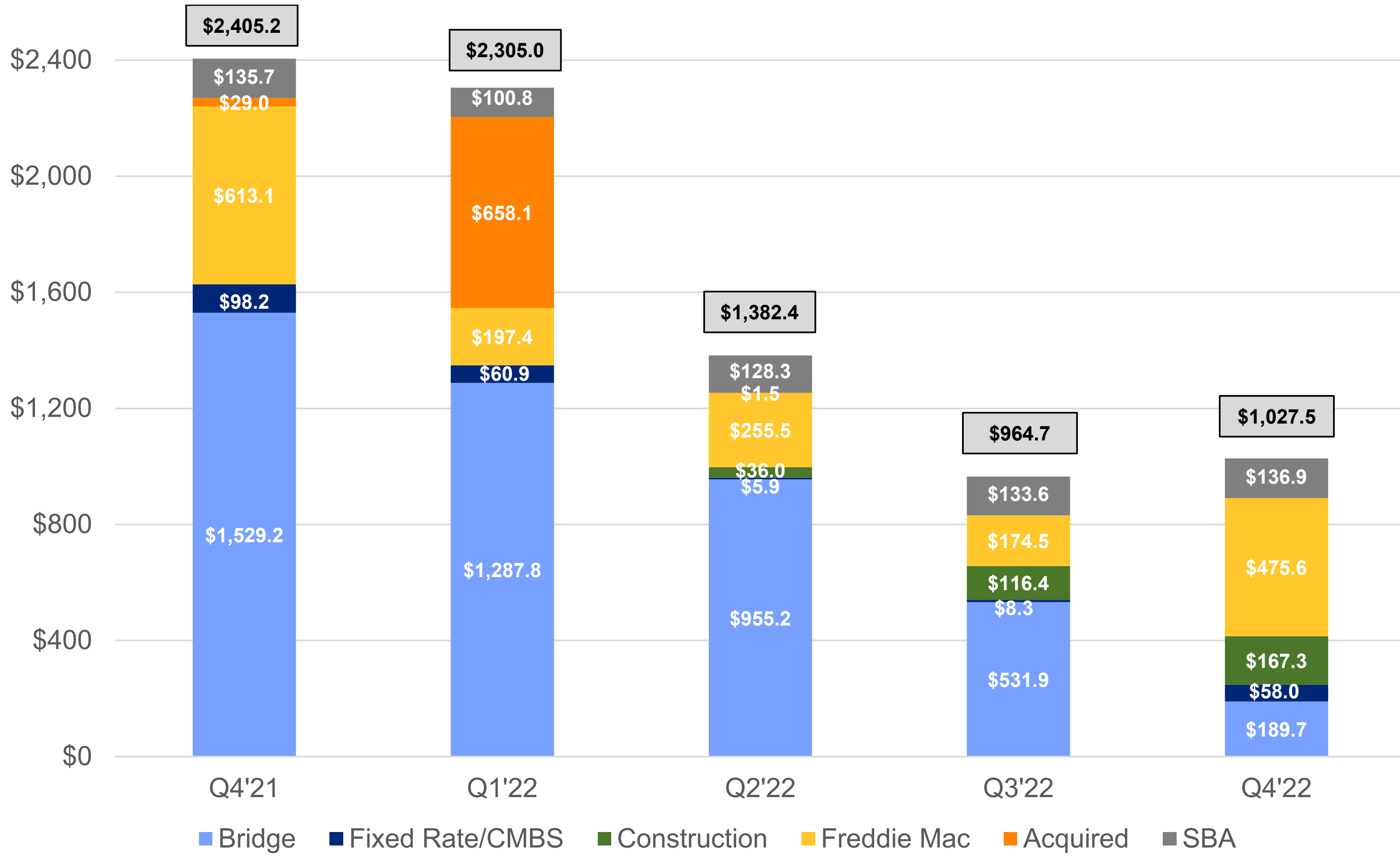
QUARTERLY INVESTMENT ACTIVITY[1]



1. Origination volumes are based on fully committed amounts in millions

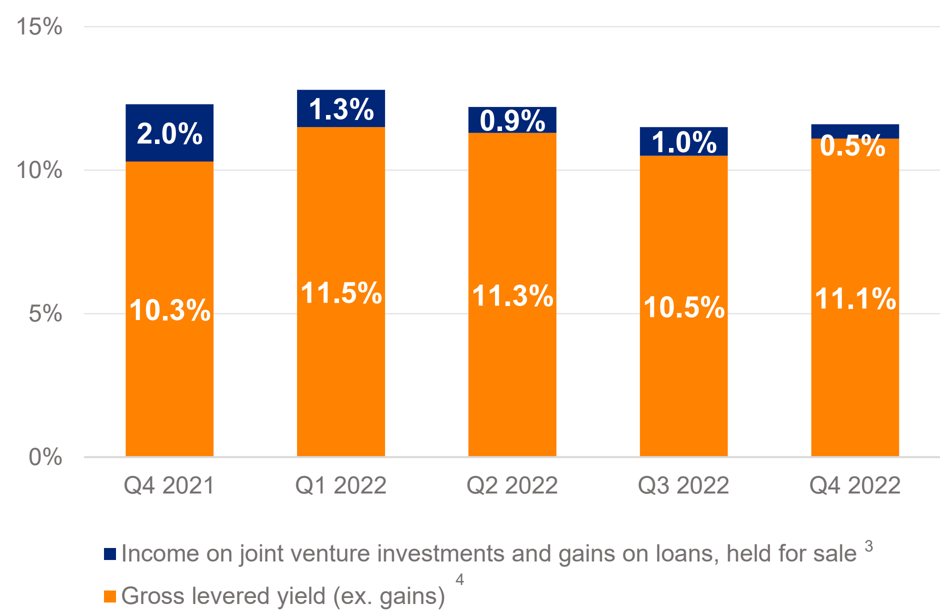
SBC Lending and Acquisitions

PRODUCT TYPE	LOAN COUNT[1]	UPB	BOOK VALUE	WA LTV	WA COUPON	FIXED/FLOAT[2]	60+ Days Past Due
	2,243	**$9.58B**	**$9.45B**	**65.5%**	**7.6%**	**15.1 / 84.9%**	**3.9%**
FIXED RATE[5]	***251***	***$1.03B***	***$1.03B***	***61.1%***	***5.2%***	***98.6 / 1.4%***	***3.3%***
BRIDGE	***557***	***$7.38B***	***$7.28B***	***69.0%***	***7.8%***	***0.4 / 99.6%***	***1.6%***
CONSTRUCTION	***23***	***$558M***	***$537M***	***60.1%***	***11.6%***	***26.6 / 73.4%***	***32.9%***[7]
OTHER[6]	***1,412***	***$607M***	***$599M***	***34.8%***	***5.9%***	***42.0 / 58.0%***	***5.6%***

CURRENT QUARTER HIGHLIGHTS

- Bridge loan originations of $189.7 million at average spread of plus 508bps
- SBC money up pipeline of $1.3 billion, including $144.3 million funded in January
- 85% of the SBC portfolio is floating rate with average floors of 65 bps
- Average spread of 541 bps in current pipeline

GROSS LEVERED YIELD



1. Excludes joint venture investments
2. 72% of fixed rate loans match funded
3. Includes realized and unrealized gains (losses) on loans held for sale and MSR creation
4. Includes interest income, accretion of discount, and servicing income net of interest expense and amortization of deferred financing costs
5. Includes originated SBC floating rate loans that are included in our RCMT securitization and therefore, categorized as Fixed/CMBS
6. Loans with the "Other" classification are generally SBC acquired loans that have nonconforming characteristics for the Fixed rate, Bridge, or Construction categories
7. 100% of construction loans 60+ days past due were acquired as part of the Mosaic Merger

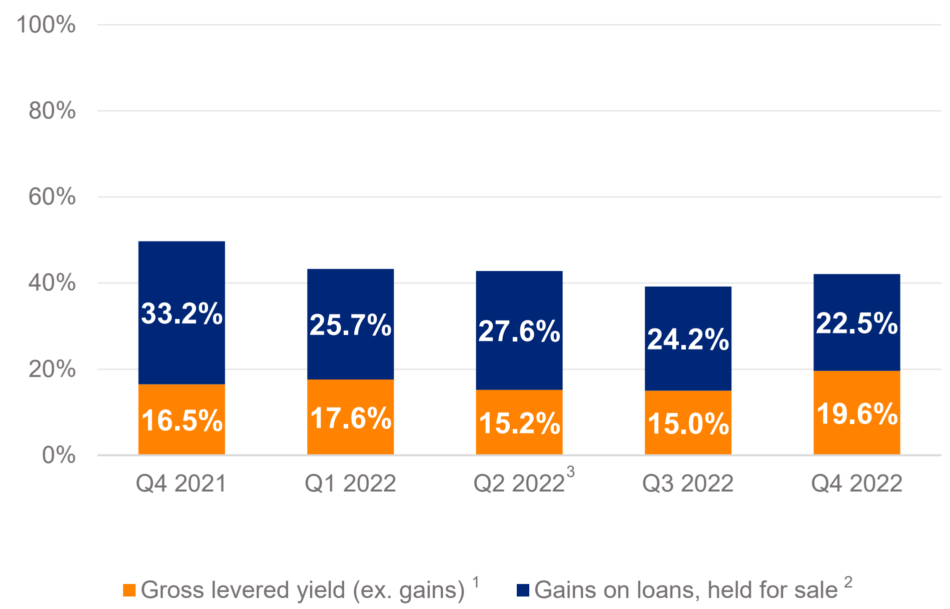
Small Business Lending

LOAN COUNT	UPB	BOOK VALUE	WA LTV	WA COUPON	FIXED/FLOAT	60+ Days Past Due
2,450	$581M	$541M	90.0%	8.2%	0.2 / 99.8%	1.4%

CURRENT QUARTER HIGHLIGHTS

- SBA net sales premiums peaking at 12.9% and averaging 7.8% net
- $136.9 million of SBA loan originations, including $19.6 million of small balance loan originations.
- Current money up pipeline of $357.2 million, including $31.1 million funded in January

GROSS LEVERED YIELD



1. Includes interest income, accretion of discount, and servicing income net of interest expense and amortization of deferred financing costs
2. Includes realized and unrealized gains (losses) on loans held for sale and MSR creation
3. Excludes Impairment

Loan Portfolio Composition

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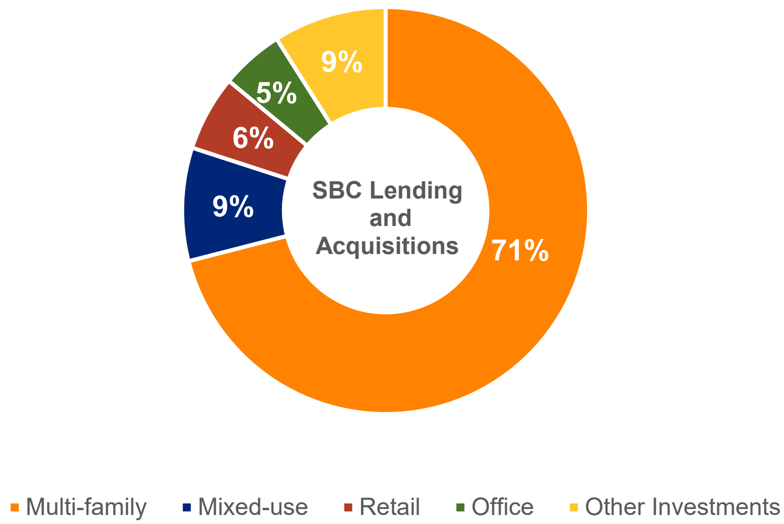
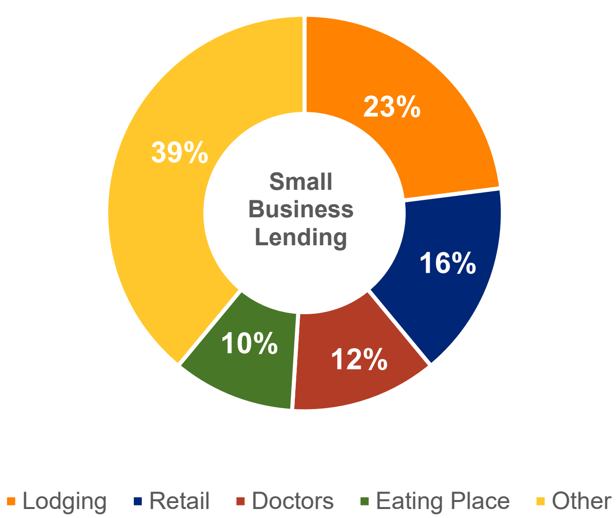
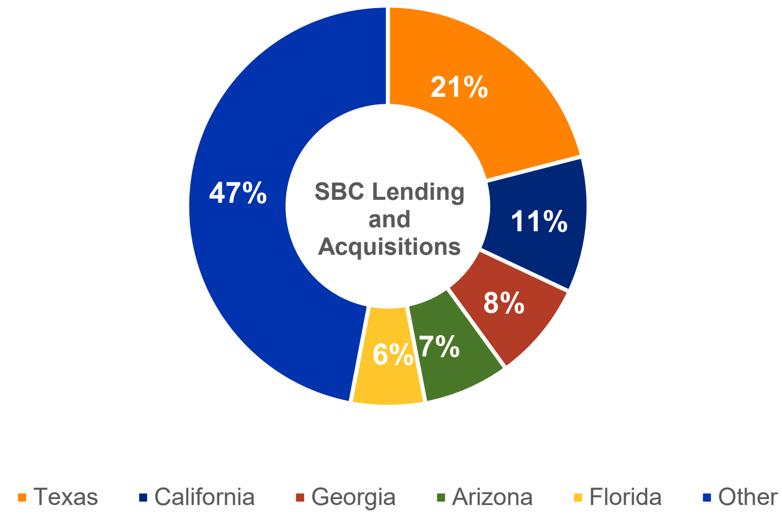
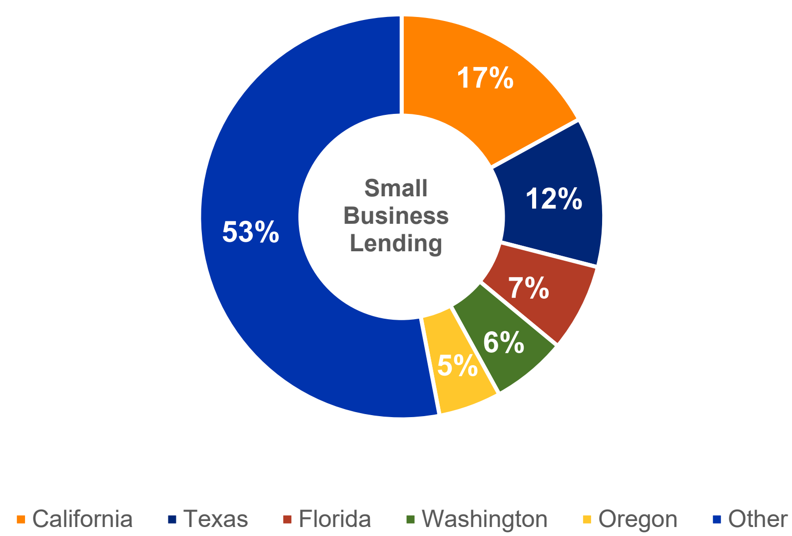
PROPERTY TYPE[1]





GEOGRAPHY[1]

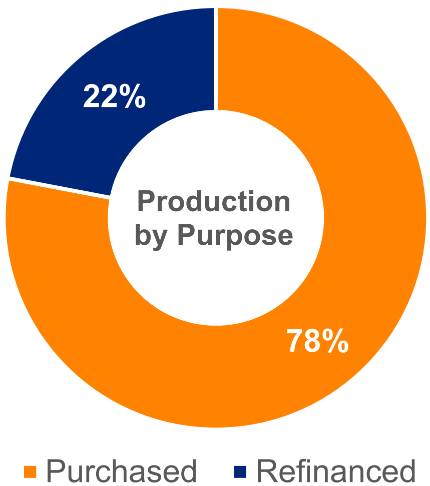


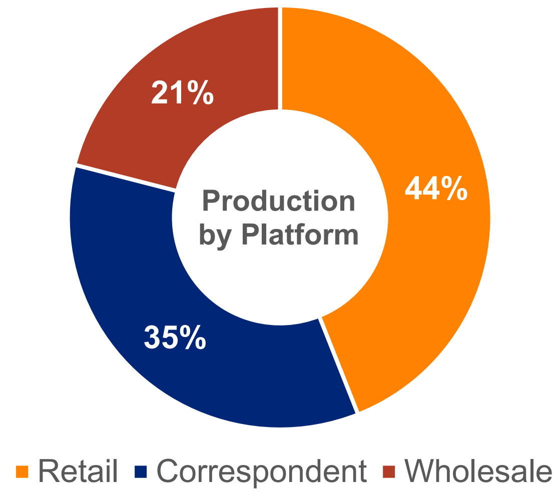


1. Calculated on unpaid principal balance and excludes assets offset by guaranteed loan financing liabilities

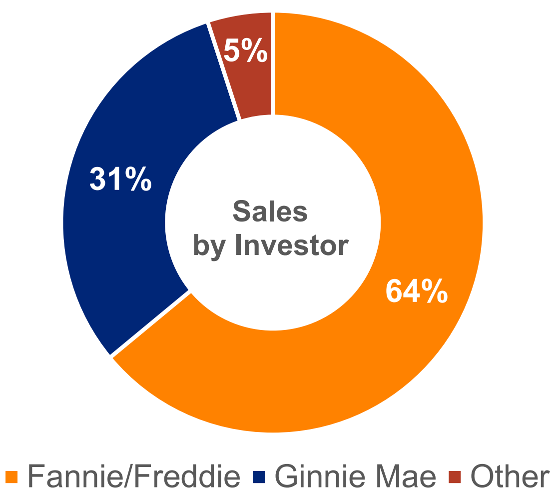
Residential Mortgage Banking

QUARTERLY ORIGINATIONS UPB $326.6M

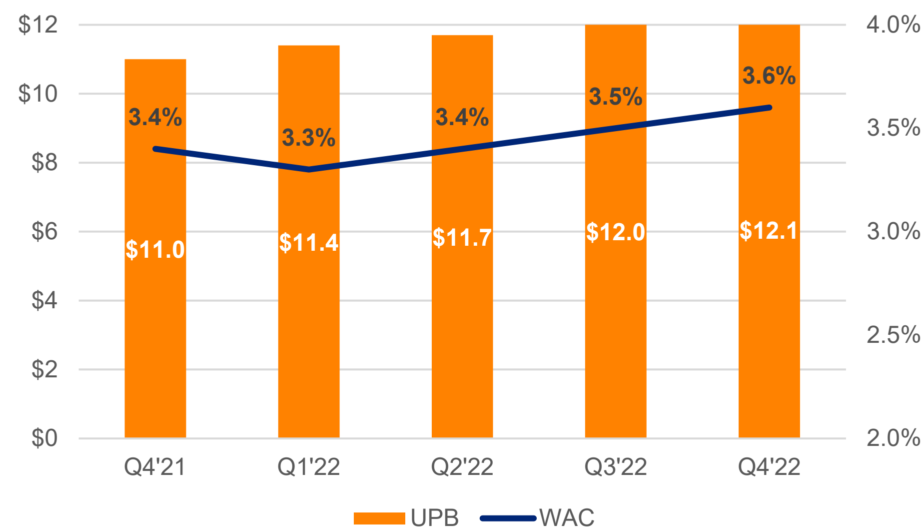




QUARTERLY SALES UPB $351.7M

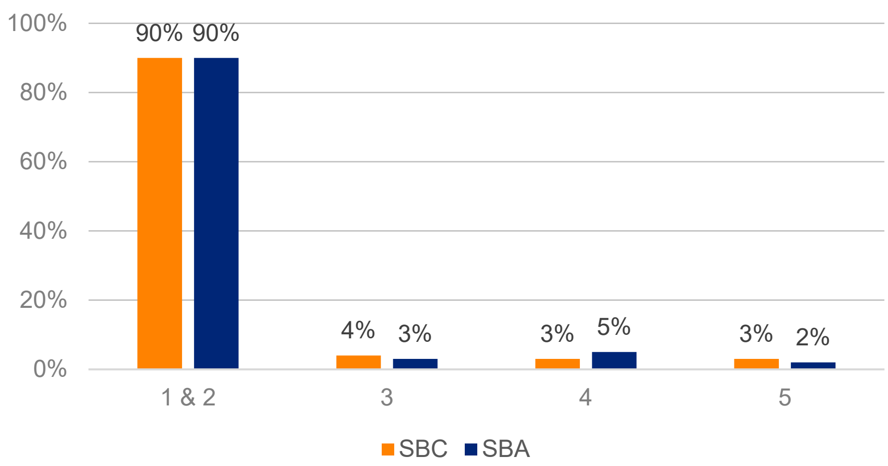


MSR PORTFOLIO UPDATE *($ in billions)*

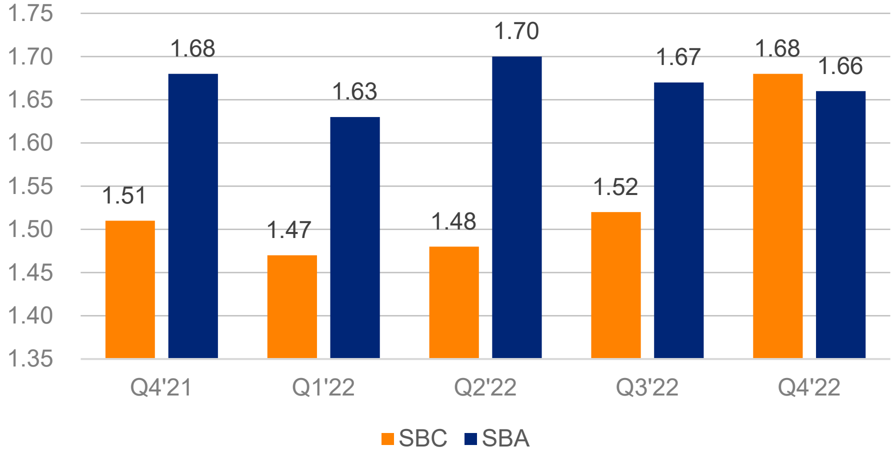


Loan Portfolio – Risk Rating

RISK RATING DISTRIBUTION



AVERAGE RISK RATING



RISK RATING CRITERIA

BUCKET 1:
Very Low Risk of Loss: New origination or current with strong credit metrics (LTV/DSCR/DY). No expected losses.

BUCKET 2:
Low Risk of Loss: Current with maturity > 6 months. Lower credit metrics with possibility of inclusion on CREFC watchlist. No expected losses.

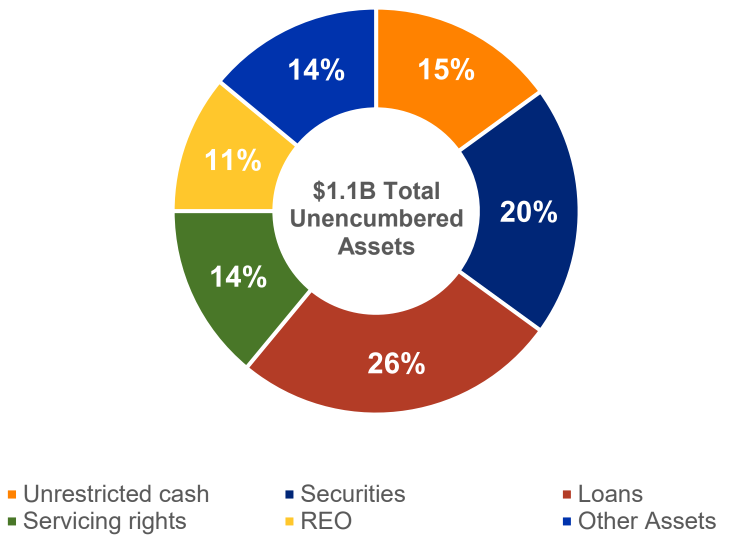
BUCKET 3:
Medium Risk of Loss: Current with near term maturities or in forbearance. Loss unlikely with no specific reserves booked.

BUCKET 4:
Higher Risk: Loan delinquent or in maturity default. Potential issues with sponsor or business plans. Minimal losses possible and adequately reserved in current period.

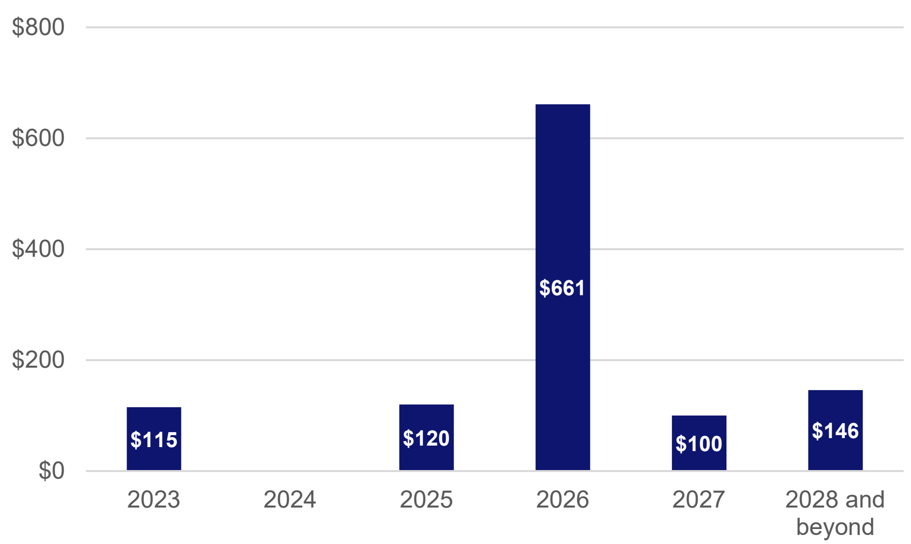
BUCKET 5:
Highest risk: Loan in default or special servicing. Specific losses identified and adequately reserved for in current period.

Financial Flexibility

UNENCUMBERED ASSET POOL



CORPORATE DEBT MATURITY PROFILE *($ in millions)*



HIGHLIGHTS

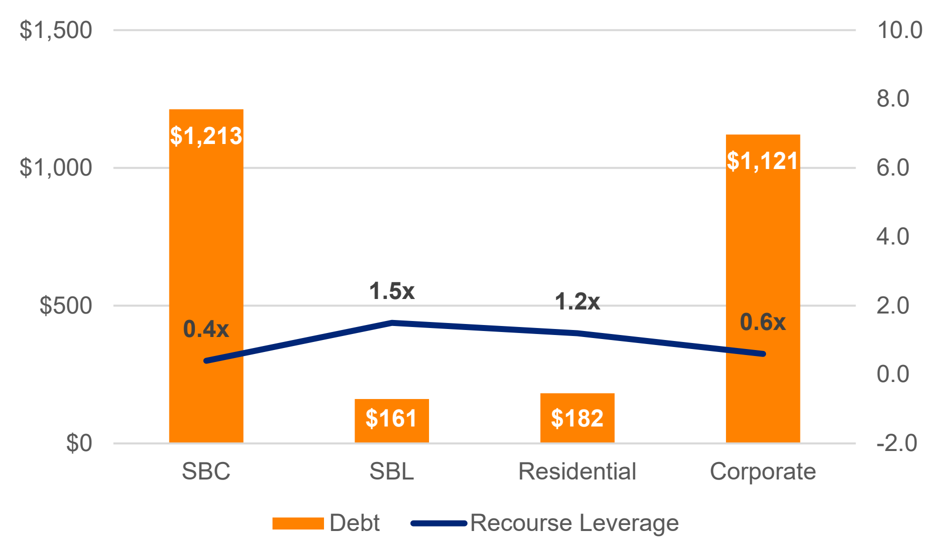
- Diversified unencumbered asset pool of **$1.1 billion**, including $164 million of unrestricted cash
- **1.4x** unencumbered assets to unsecured debt
- **$2.7 billion** in available warehouse borrowing capacity across **20** counterparties
- Limited usage of securities repo financing at **4.7%** of total debt
- Full market to market liabilities and credit mark to market liabilities represent **14%** and **9%** of total debt, respectively
- **90%** of corporate debt maturities in 2025 or later

Debt - Leverage

	Debt Balance	Leverage Ratio
PPPLF	$201	0.1x
Securitized Debt Obligations	$4,903	2.8x
Non-Recourse Secured Borrowings	$1,290	0.7x
Recourse Secured Borrowings	$1,556	0.9x
Corporate Debt	$1,121	0.6x

- Total leverage of **5.1x**
- Recourse leverage ratio of **1.5x**
- Majority of secured borrowings subject to non-recourse or limited recourse terms

Recourse Leverage by Reporting Segment[1] *($ in millions)*



1. Recourse leverage by reporting segment is based on the segment recourse debt balance over invested equity in the segment and excludes guaranteed loan financings

Financial Snapshot

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Investment Type	Average Carrying Value[1]	Gross Yield[2]	Average Debt Balance	Debt Cost [3]	Levered Yield
SBC Lending and Acquisitions	$ 9,820,719	7.6%	$ 7,360,399	6.3%	11.6%
Small Business Lending	$ 332,027	21.6%	$ 204,018	8.7%	42.1%
Total	**$ 10,152,746**	**8.1%**	**$ 7,564,417**	**6.3%**	**12.3%**

Book Equity Value Metrics	
Common Stockholders' equity	$ 1,679,710
Common Stockholders' equity (adjusted)[5]	$ 1,679,516
Total Common Shares outstanding	110,523,641
Net Book Value per Common Share	$ 15.20
Adjusted Net Book Value per Common Share	$ 15.20

Loan Portfolio Metrics [4]	
% Fixed vs Floating Rate	14% / 86%
% Originated vs Acquired	78% / 22%
Weighted Average LTV - SBC	66%
Weighted Average LTV - SBA	90%

Q4 2022 Earnings Data Metrics	
Net income | Distributable earnings	13,682 | $51,581
Earnings per share - Basic and diluted	$0.08 | $0.09
Distributable Earnings per share - Basic and diluted	$0.42 | $0.40
Return on Equity per Common Share	2.7%
Distributable Return on Equity per Common Share	11.4%
Dividend Yield [6]	14.4%

Servicing Portfolio Metrics	
SBA servicing rights - UPB	$ 1,019,770
SBA servicing rights- carrying value	$ 19,756
Multi-family servicing rights - UPB	$ 4,839,028
Multi-family servicing rights - carrying value	$ 67,361
Residential servicing rights - UPB	$ 12,078,020
Residential servicing rights - carrying value	$ 192,203

1. Average carrying value includes average quarterly carrying value of loan and servicing asset balances
2. Gross yields include interest income, accretion of discount, MSR creation, income from our unconsolidated joint venture, realized gains (losses) on loans held for sale, unrealized gains (losses) on loans held for sale and servicing income net of interest expense and amortization of deferred financing costs on an annualized basis.
3. The Company finances the assets included in the Investment Type through securitizations, repurchase agreements, warehouse facilities and bank credit facilities. Interest expense is calculated based on interest expense and deferred financing amortization for the quarter ended 12/31/2022 on an annualized basis.
4. Excludes loans, held for sale, at fair value
5. Excludes the equity component of our 2017 convertible note issuance.
6. Q4 Dividend yield for the period is based on the 12/31/2022 closing share price of $11.14

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APPENDIX

Additional Financial Information

Balance Sheet by Quarter

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(in thousands)	12/31/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022
Assets					
Cash and cash equivalents	$ 229,531	$ 211,369	$ 127,939	$ 208,037	$ 163,041
Restricted cash	51,569	56,963	64,746	57,675	55,927
Loans, net	2,915,446	4,062,335	3,907,321	4,158,807	3,576,310
Loans, held for sale, at fair value	552,935	523,214	469,442	403,609	258,377
Payment protection program loans, net	870,352	554,656	389,189	275,761	186,985
Mortgage backed securities, at fair value	99,496	93,259	40,648	37,895	32,041
Loans eligible for repurchase from Ginnie Mae	94,111	82,975	54,784	65,188	66,193
Investment in unconsolidated joint ventures	141,148	149,475	224,220	119,272	118,641
Investments held to maturity	—	57,285	50,618	40,089	3,306
Purchased future receivables, net	7,872	8,753	8,704	8,593	8,246
Derivative instruments	7,022	36,852	46,530	26,212	12,963
Servicing rights	204,599	244,143	253,511	277,692	279,320
Real estate owned, held for sale	42,288	119,207	119,557	82,977	117,098
Other assets	172,098	186,089	183,887	213,030	189,769
Assets of consolidated VIEs	4,145,564	5,089,669	5,996,219	5,883,374	6,552,760
Total Assets	**$ 9,534,031**	**$ 11,476,244**	**$ 11,937,315**	**$ 11,858,211**	**$ 11,620,977**
Liabilities					
Secured borrowings	2,517,600	3,274,324	3,212,383	3,348,249	2,846,293
Paycheck Protection Program Liquidity Facility (PPPLF) borrowings	941,505	627,445	427,759	305,797	201,011
Securitized debt obligations of consolidated VIEs, net	3,214,303	3,864,150	4,533,789	4,429,846	4,903,350
Convertible notes, net	113,247	113,531	113,818	114,108	114,397
Senior secured notes and Corporate debt, net	783,852	788,572	907,699	1,005,159	1,006,020
Guaranteed loan financing	345,217	332,398	304,158	283,822	264,889
Contingent consideration	16,400	92,148	92,548	33,200	28,500
Liabilities for loans eligible for repurchase from Ginnie Mae	94,111	82,975	54,784	65,188	66,193
Derivative instruments	410	2,620	1,303	4,345	1,586
Dividends payable	34,348	51,161	51,185	51,136	47,177
Loan participations sold	—	56,386	53,544	54,104	54,641
Due to third parties	668	38,846	24,737	14,881	11,805
Accounts payable and other accrued liabilities	183,411	184,592	189,182	171,152	176,520
Total Liabilities	**$ 8,245,072**	**$ 9,509,148**	**$ 9,966,889**	**$ 9,880,987**	**$ 9,722,382**
Preferred stock Series C	8,361	8,361	8,361	8,361	8,361
Stockholders' Equity					
Preferred stock	111,378	111,378	111,378	111,378	111,378
Common stock	8	11	11	11	11
Additional paid-in capital	1,161,853	1,723,099	1,723,580	1,720,019	1,684,074
Retained earnings	8,598	21,661	27,298	40,079	4,994
Accumulated other comprehensive income (loss)	(5,733)	(4,704)	(2,815)	(4,505)	(9,369)
Total Ready Capital Corporation equity	1,276,104	1,851,445	1,859,452	1,866,982	1,791,088
Non-controlling interests	4,494	107,290	102,613	101,881	99,146
Total Stockholders' Equity	**$ 1,280,598**	**$ 1,958,735**	**$ 1,962,065**	**$ 1,968,863**	**$ 1,890,234**
Total Liabilities and Stockholders' Equity	**$ 9,534,031**	**$ 11,476,244**	**$ 11,937,315**	**$ 11,858,211**	**$ 11,620,977**
Adjusted Book Value per Share	**$ 15.35**	**$ 15.21**	**$ 15.28**	**$ 15.40**	**$ 15.20**

Statement of Income by Quarter

READY CAPITAL

(In thousands, except share data)	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Interest income	$ 121,942	$ 124,405	$ 153,671	$ 186,026	$ 207,068
Interest expense	(57,249)	(61,017)	(80,827)	(115,495)	(143,435)
Net interest income before (provision for) recovery of loan losses	**$ 64,693**	**$ 63,388**	**$ 72,844**	**$ 70,531**	**$ 63,633**
Recovery of (provision for) loan losses	(961)	(1,542)	4,390	(3,431)	(33,859)
Net interest income after (provision for) recovery of loan losses	**$ 63,732**	**$ 61,846**	**$ 77,234**	**$ 67,100**	**$ 29,774**
Non-interest income					
Residential mortgage banking activities	$ 21,928	$ 8,424	$ 2,947	$ 12,053	$ 549
Net realized gain (loss) on financial instruments and real estate owned	19,642	8,007	21,114	21,117	3,526
Net unrealized gain (loss) on financial instruments	8,081	45,315	(3,253)	16,460	9,430
Servicing income, net of amortization and impairment	10,209	10,528	14,565	12,189	8,643
Income on purchased future receivables, net	2,323	2,469	1,859	1,162	—
Income (loss) on unconsolidated joint ventures	816	6,563	5,200	(603)	501
Other income	3,452	6,501	8,334	16,150	19,771
Total non-interest income	**$ 66,451**	**$ 87,807**	**$ 50,766**	**$ 78,528**	**$ 42,420**
Non-interest expense					
Employee compensation and benefits	$ (18,481)	$ (27,968)	$ (26,089)	$ (25,941)	$ (19,228)
Allocated employee compensation and benefits from related party	(2,805)	(3,000)	(1,804)	(1,745)	(3,000)
Variable expenses on residential mortgage banking activities	(13,847)	(979)	4,532	(9,061)	1,168
Professional fees	(3,585)	(5,126)	(3,851)	(3,865)	(5,251)
Management fees – related party	(2,867)	(3,196)	(5,465)	(5,410)	(5,224)
Incentive fees – related party	(2,358)	—	—	(949)	(2,156)
Loan servicing expense	(8,904)	(8,920)	(10,296)	(10,697)	(10,123)
Transaction related expenses	(4,080)	(5,699)	(1,372)	(1,535)	(5,027)
Other operating expenses	(12,801)	(12,653)	(14,372)	(15,396)	(12,881)
Total non-interest expense	**$ (69,728)**	**$ (67,541)**	**$ (58,717)**	**$ (74,599)**	**$ (61,722)**
Income before provision for income taxes	$ 60,455	$ 82,112	$ 69,283	$ 71,029	$ 10,472
Income tax provision	(6,867)	(17,849)	(10,318)	(4,776)	3,210
Net income	**$ 53,588**	**$ 64,263**	**$ 58,965**	**$ 66,253**	**$ 13,682**
Less: Dividends on preferred stock	1,999	1,999	1,999	1,999	1,999
Less: Net income attributable to non-controlling interest	371	775	2,874	3,023	2,228
Net income attributable to Ready Capital Corporation	**$ 51,218**	**$ 61,489**	**$ 54,092**	**$ 61,231**	**$ 9,455**
Earnings per common share - basic	**$ 0.69**	**$ 0.70**	**$ 0.47**	**$ 0.53**	**$ 0.08**
Earnings per common share - diluted	**$ 0.68**	**$ 0.66**	**$ 0.45**	**$ 0.50**	**$ 0.09**
Weighted-average shares outstanding - Basic	74,163,951	87,707,281	114,359,026	114,371,160	110,739,644
Weighted-average shares outstanding - Diluted	74,326,672	95,402,494	125,065,851	125,666,609	121,062,323
Dividends declared per share of common stock	**$ 0.42**	**$ 0.42**	**$ 0.42**	**$ 0.42**	**$ 0.40**

Distributable Earnings Reconciliation by Quarter

(In thousands, except share data)		Q4 2021		Q1 2022		Q2 2022		Q3 2022		Q4 2022
Net Income	**$**	**53,588**	**$**	**64,263**	**$**	**58,965**	**$**	**66,253**	**$**	**13,682**
Reconciling items:										
Unrealized (gain) loss on MSR	$	(6,119)	$	(32,599)	$	16	$	(16,649)	$	3,167
Impact of CECL on accrual loans		845		1,968		(2,110)		2,462		30,735
Non-recurring REO impairment		(1,441)		1,567		700		—		—
Non-cash compensation		956		956		1,076		1,392		1,345
Merger transaction costs and other non-recurring expenses		4,080		5,699		2,172		1,535		5,827
Total reconciling items	$	(1,679)	$	(22,409)	$	1,854	$	(11,260)	$	41,074
Distributable earnings before income taxes	**$**	**51,909**	**$**	**41,854**	**$**	**60,819**	**$**	**54,993**	**$**	**54,756**
Income tax adjustments		626		7,009		(717)		3,193		(3,175)
Distributable earnings	**$**	**52,535**	**$**	**48,863**	**$**	**60,102**	**$**	**58,186**	**$**	**51,581**
Less: Distributable earnings attributable to non-controlling interests	$	364	$	589	$	2,929	$	2,655	$	2,711
Less: Income attributable to participating shares		377		413		413		408		331
Less: Dividends on preferred stock		1,999		1,999		1,999		1,999		1,999
Distributable earnings attributable to Common Stockholders	**$**	**49,795**	**$**	**45,862**	**$**	**54,761**	**$**	**53,124**	**$**	**46,540**
DIstributable earnings per share- basic	**$**	**0.67**	**$**	**0.52**	**$**	**0.48**	**$**	**0.46**	**$**	**0.42**
Weighted average common shares outstanding		**74,163,951**		**87,707,281**		**114,359,026**		**114,371,160**		**110,739,644**

The Company believes that this non-U.S. GAAP financial information, in addition to the related U.S. GAAP measures, provides investors greater transparency into the information used by management in its financial and operational decision-making, including the determination of dividends. However, because Distributable Earnings is an incomplete measure of the Company's financial performance and involves differences from net income computed in accordance with U.S. GAAP, it should be considered along with, but not as an alternative to, the Company's net income computed in accordance with U.S. GAAP as a measure of the Company's financial performance. In addition, because not all companies use identical calculations, the Company's presentation of Distributable Earnings may not be comparable to other similarly-titled measures of other companies.

We calculate Distributable earnings as GAAP net income (loss) excluding the following:

i) any unrealized gains or losses on certain MBS not retained by us as part of our loan origination businesses
ii) any realized gains or losses on sales of certain MBS
iii) any unrealized gains or losses on Residential MSRs
iv) any unrealized current non-cash provision for credit losses on accrual loans
v) any unrealized gains or losses on de-designated cash flow hedges
vi) one-time non-recurring gains or losses, such as gains or losses on discontinued operations, bargain purchase gains, or merger related expenses

In calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude unrealized gains and losses on MBS acquired by the Company in the secondary market but is not adjusted to exclude unrealized gains and losses on MBS retained by Ready Capital as part of its loan origination businesses, where the Company transfers originated loans into an MBS securitization and the Company retains an interest in the securitization. In calculating Distributable Earnings, the Company does not adjust Net Income (in accordance with U.S. GAAP) to take into account unrealized gains and losses on MBS retained by us as part of the loan origination businesses because the unrealized gains and losses that are generated in the loan origination and securitization process are considered to be a fundamental part of this business and an indicator of the ongoing performance and credit quality of the Company's historical loan originations. In calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude realized gains and losses on certain MBS securities considered to be non-distributable. Certain MBS positions are considered to be non-distributable due to a variety of reasons which may include collateral type, duration, and size. In 2016, the Company liquidated the majority of its MBS portfolio from distributable earnings to fund recurring operating segments.

In addition, in calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude unrealized gains or losses on residential MSRs, held at fair value. The Company treats its commercial MSRs and residential MSRs as two separate classes based on the nature of the underlying mortgages and the treatment of these assets as two separate pools for risk management purposes. Servicing rights relating to the Company's small business commercial business are accounted for under ASC 860, Transfer and Servicing, while the Company's residential MSRs are accounted for under the fair value option under ASC 825, Financial Instruments. In calculating Distributable Earnings, the Company does not exclude realized gains or losses on either commercial MSRs or residential MSRs, held at fair value, as servicing income is a fundamental part of Ready Capital's business and is an indicator of the ongoing performance.

To qualify as a REIT, the Company must distribute to its stockholders each calendar year at least 90% of its REIT taxable income (including certain items of non-cash income), determined without regard to the deduction for dividends paid and excluding net capital gain. There are certain items, including net income generated from the creation of MSRs, that are included in distributable earnings but are not included in the calculation of the current year's taxable income. These differences may result in certain items that are recognized in the current period's calculation of distributable earnings not being included in taxable income, and thus not subject to the REIT dividend distribution requirement until future years.

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