READY CAPITAL®

INVESTOR PRESENTATION

April 2021

RC
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NYSE

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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, 2020, unless otherwise noted.

This presentation includes certain non-GAAP financial measures, including Core 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.

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COMPANY OVERVIEW



WHO IS READY CAPITAL?



CREATIVE SOLUTIONS. RELIABLE RESULTS.

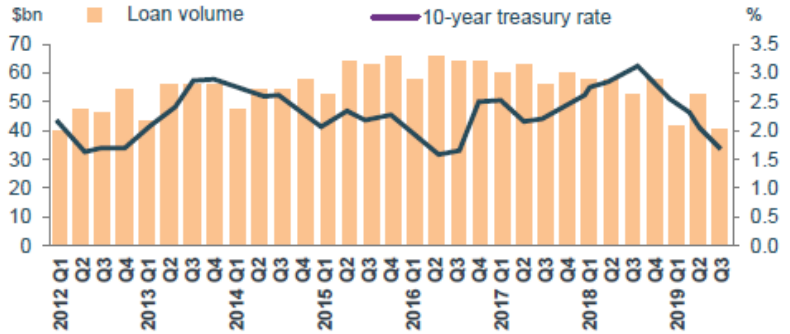
- Only nationwide specialty finance company focused on the SBC market
- Compelling risk-adjusted returns due to fragmentation in the SBC market
- Dual strategy of acquisitions and originations with extensive track record
- Cost-effective financing through securitization and bank markets

SBC Market Opportunities

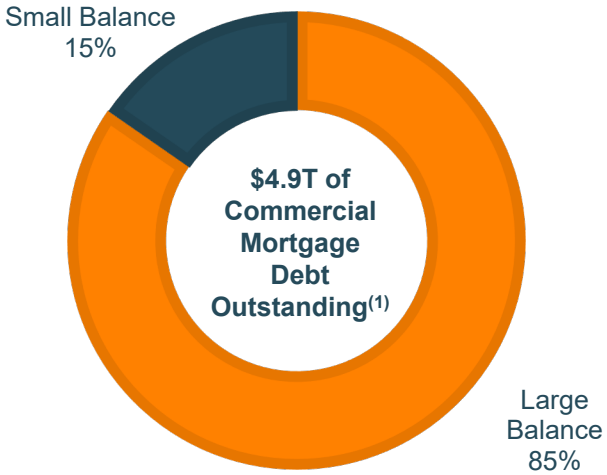
SBC Loans

- First lien on commercial real estate
  - Investor
  - Owner-occupied
- Appraised value generally $5M or less
- 50,000 square ft or less
- Highly fragmented origination market

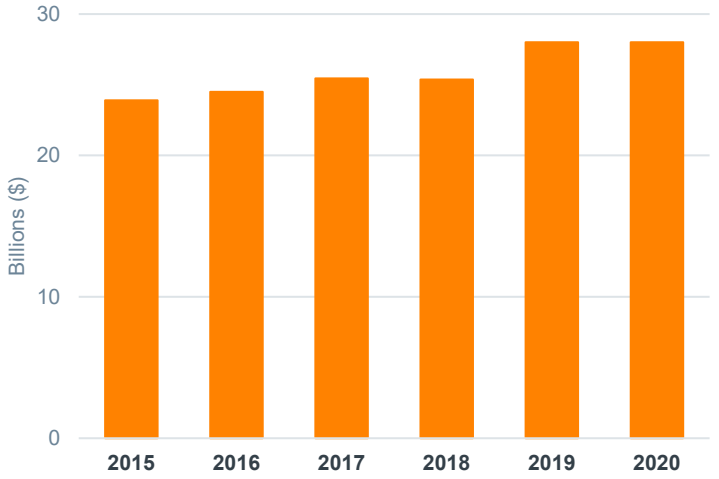
SBC Originations (2)



SBC Market Size



SBA Originations (3)



Source: SBA

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1) As of June 30, 2020
2) Source: Boxwood Means, LLC, FRB
3) Excludes loans guaranteed through the CARES act

PURSUING SBC OPPORTUNITIES



Investor owned retail strip mall
Tempe, AZ

Core loan originated by RCC

Type	Loan Amount	Rate	Term	LTV
Retail	$5,587,500	5.38%	10 years	75%



Investor multi-family
Kenedy, TX

Freddie Mac loan originated by RCC

Type	Loan Amount	Rate	Term	LTV
Multifamily	$5,135,000	5.28%	10 years	65%



Office building
Chicago, IL

Transitional loan originated by RCC

Type	Loan Amount	Rate	Term	LTV
Office	$7,848,475	L + 5.6%	36 months	68%



Private School
Berkeley Heights, NJ

SBA 7(a) loan originated by RCL;
Pari Passu conventional loan originated by RCC

Type	Loan Amount	Rate	Term	LTV
School	$5,300,000	P + 1.50%	25 years	81%

A Multidimensional Platform To Drive Growth

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	SBC Originations	SBA Origination, Acquisitions, and Servicing	Loan Acquisitions	Residential Mortgage Banking
Products	SBC Investor Property originator; stabilized and transitional 1 of 11 Freddie Mac SBC multi-family lenders	SBC Owner-Occupied; 1 of 14 SBA non-bank lender/servicers	Acquisitions of non-and-re-performing loans from banks	Residential mortgage loan originations and servicing
Invested Equity Allocation	60%	6%	28%	6%
Employees	87	82	316*	301

Ready Capital's business is supported by over 700 professionals across five offices in New York, New Jersey, Texas, Florida, and Louisiana, across a variety of functions including:

- Originations
- Surveillance
- Underwriting
- Finance / Inv. Relations
- Asset Management
- Capital Markets/ Trading
- Loan Servicing
- Treasury/ Risk Management

*Employees of Waterfall Asset Management. Includes 168 employees of Knight Capital.

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FINANCIAL OVERVIEW



2020 Results

Earnings / Dividends	▪ Net income of $46.1 million(1), or $0.81 per common share ▪ Distributable earnings of $101.4 million(1), or $1.82 per common share ▪ Declared dividend of $1.30 per share; 13.1% dividend yield over average RC share price
Returns	▪ Return on Equity(2) of 5.6% ▪ Distributable Return on Equity(3) of 12.3% ▪ Dividend Yield(4) of 10.4%
Loan Originations(5) / Acquisitions	▪ CRE originations and acquisitions of $1.4 billion ▪ SBA loan originations of $214.3 million ▪ Residential mortgage loan originations of $4.2 billion
COVID Response	▪ Successfully met 100% of margin calls totaling $96 million on day of call ▪ Renewed 6 warehouse facilities at term extensions into 2021 and 2022 ▪ Facilitated the origination of $2.7 billion of Paycheck Protection Program loans

1) Inclusive of non-controlling interest
2) Return on Equity is an annualized percentage equal to quarterly net income over the average monthly total stockholders' equity for the period
3) 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" slide for a reconciliation of GAAP Net Income to Distributable Earnings
4) Q4 Dividend yield for the period based on the 12/31/2020 closing share price of $12.45
5) Represents fully committed amounts

Company Update

2021 Business Activities	▪ Successful re-launch of small balance commercial lending operation with $625.7 million in loans originated year-to-date ▪ Elevated activity in residential mortgage banking operations with $758.0 million in year-to-date originations ▪ The increase in SBA 7a guarantee to 90% from 75% is expected to drive increased volume and profitability
Liquidity	▪ Current cash and available liquidity of $172 million ▪ Executed a 5-year $201 million senior unsecured bond offering pricing at 5 ¾
Book Value Preservation	▪ Stable portfolio of $4.2 billion in loans with a weighted average coupon of 5.4% and duration of 7 years as well as a $11.7 billion servicing asset ▪ 60+ day delinquencies remain low at 2.7% in the commercial real estate portfolio and 1.8% in the SBA 7a portfolio
Other Items	▪ Active participant in second round of Paycheck Protection Program with over $1 billion funded year-to-date ▪ Continued to increase scale with the announcement of the $350 million ANH merger

RETURN ON EQUITY

Segment	Levered Yield [1]	Distributable Levered Yield [1]	Equity Allocation	Q4'20	Q3'20	FY 2020	Q4'20	Q3'20	FY 2020
Loan Acquisitions	15.6 %	15.6 %	27.0 %						
SBC Originations	14.5 %	14.5 %	60.3 %						
SBA Originations, Acquisitions, & Servicing	63.0 %	63.0 %	6.8 %	**24.9 %**	**24.0 %**	**19.7 %**	**26.6 %**	**26.0 %**	**23.6 %**
Residential Mortgage Banking [3]	130.9 %	159.2 %	5.9 %						
Corporate leverage, net of non-earning assets				0.6	(1.0)	(0.7)	0.9	(0.6)	-
Gross return on equity				**25.5 %**	**23.0 %**	**19.0 %**	**27.5 %**	**25.4 %**	**23.6 %**
Realized & unrealized gains, net				2.2	3.5	(0.1)	2.2	3.5	(0.1)
Loan loss recovery (provision)				0.1	2.1	(4.2)	(1.6)	(1.5)	(1.8)
PPP revenue, net of direct expenses				(1.2)	1.3	2.8	(1.2)	1.3	2.8
Non-recurring gains, losses and expenses				(0.2)	0.1	(0.7)	-	-	-
Operating expenses				(12.1)	(10.5)	(11.3)	(11.5)	(10.0)	(10.9)
Investment advisory fees				(2.0)	(1.9)	(0.5)	(2.0)	(1.9)	(0.5)
Benefit (Provision) for income taxes				1.0	(0.3)	0.6	0.5	(1.1)	(0.8)
Return on equity				**13.3 %**	**17.3 %**	**5.6 %**	**13.9 %**	**15.7 %**	**12.3 %**

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.

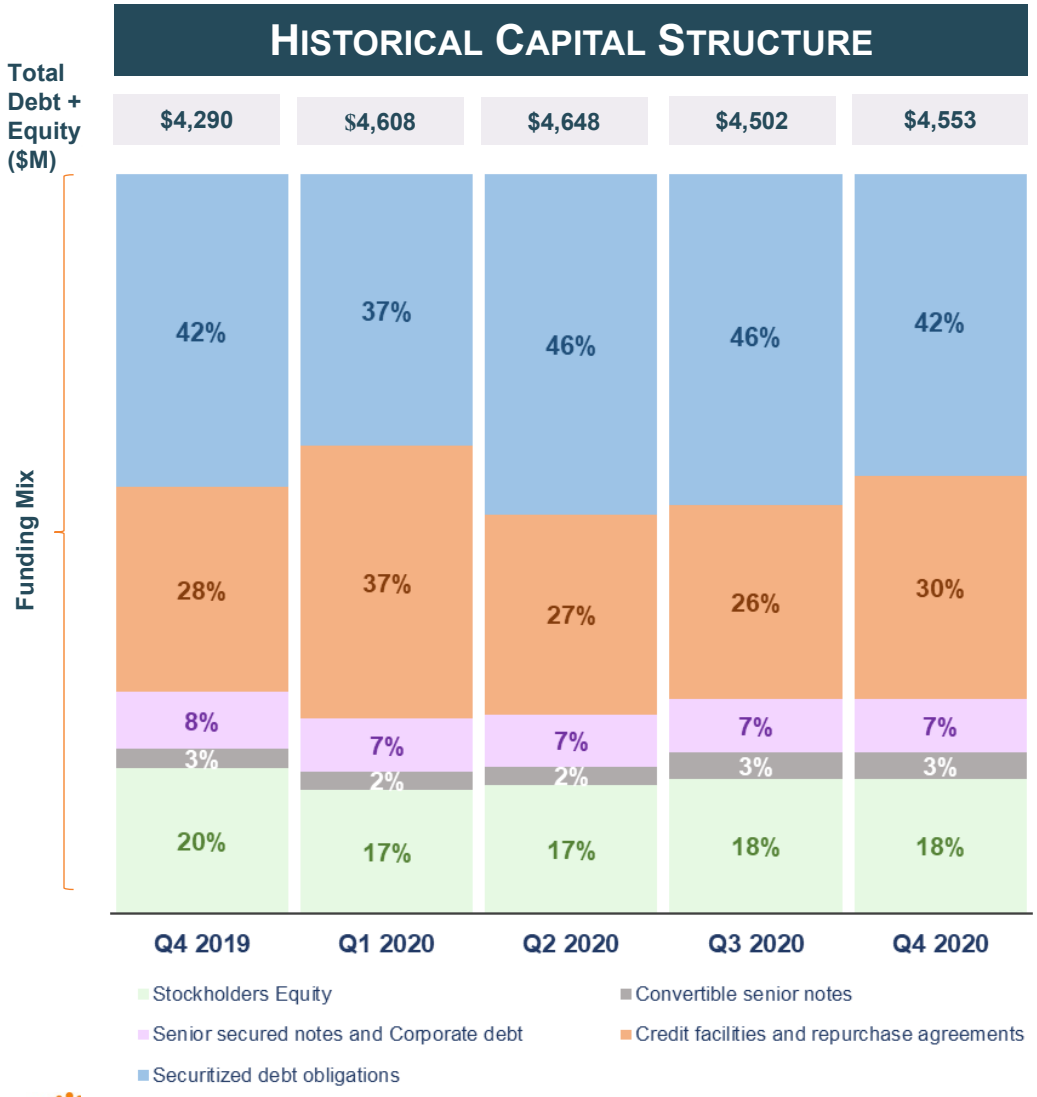
2) GAAP ROE is based on GAAP Net Income, while Distributable ROE is based on Distributable Earnings, which adjusts GAAP Net Income for certain items detailed on the "Distributable Earnings Reconciliation" slide.

3) ROE based on net income before tax of the Residential Mortgage Banking business line divided by the business line's average monthly equity.

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Capital Structure

Historical Capital Structure



Liquidity Update

- Current cash and available liquidity of $172 million
- Closed $201 million in senior unsecured notes in Q1 with 5-year maturity and 5 ¾ coupon

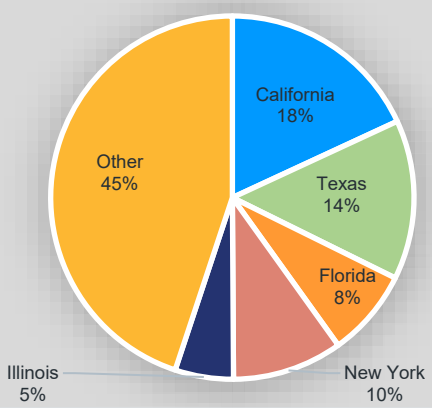
As of December 31, 2020

Corporate Financing ($ in millions)	Principal Balance	Coupon	YTM
Convertible Notes	$ 115.0	7.0%	7.0%
Senior Secured Notes	$ 180.0	7.5%	7.0%
Baby Bonds	$ 154.3	6.3%	6.2%
Total	**$ 449.3**	7.0%	6.7%

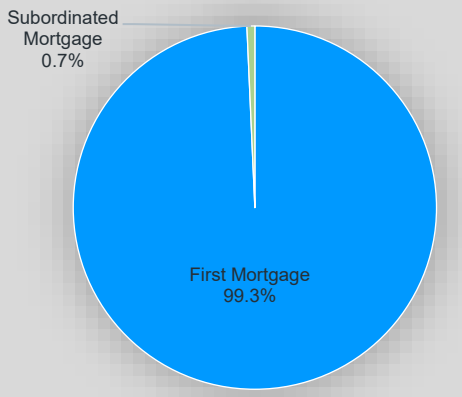
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Loan Portfolio Composition as of December 31, 2020[1][2]

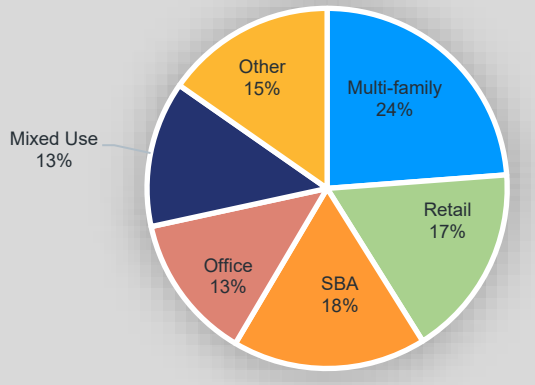
Geographic Location



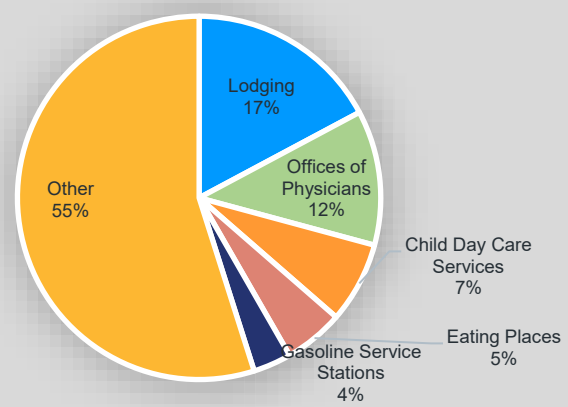
Lien Position



Collateral Type



SBA Collateral Type



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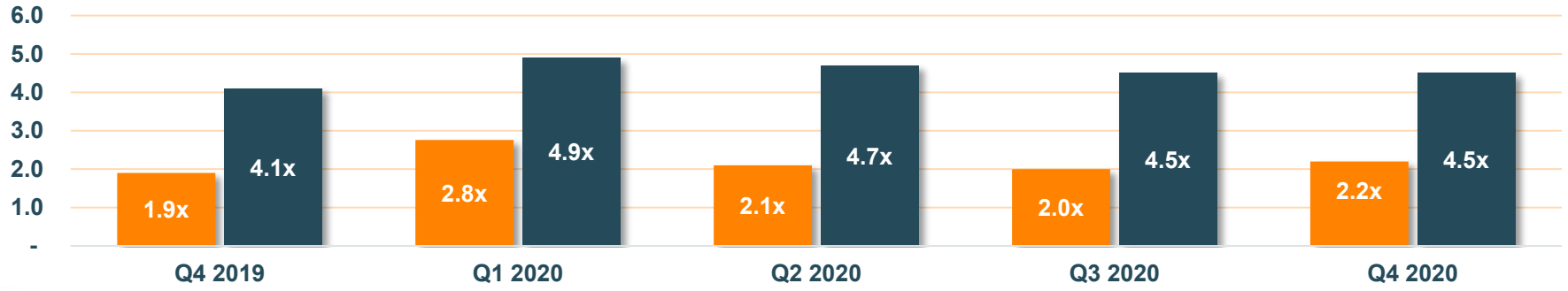
(1) As a percent of unpaid principal balance
(2) Excludes loans held-for-sale, at fair value

FINANCING AND LEVERAGE

$ in millions		
Total debt-to-equity ratio		**December 2020**
Secured borrowings (warehouse credit facilities and borrowings under repo transactions)	$	1,371
Securitized debt obligations		1,906
Senior secured notes and corporate bonds		331
Convertible notes		112
Total debt	**$**	**3,719**
Total stockholders' equity	**$**	**834**
Total debt-to-equity ratio		**4.5**
Total recourse debt-to-equity ratio		
Total debt	**$**	**3,719**
Less: Securitized debt obligations		(1,906)
Total recourse debt	**$**	**1,813**
Total stockholders' equity	**$**	**834**
Total recourse debt-to-equity ratio		**2.2**

- $372 million of secured debt financing agency production

HISTORICAL LEVERAGE

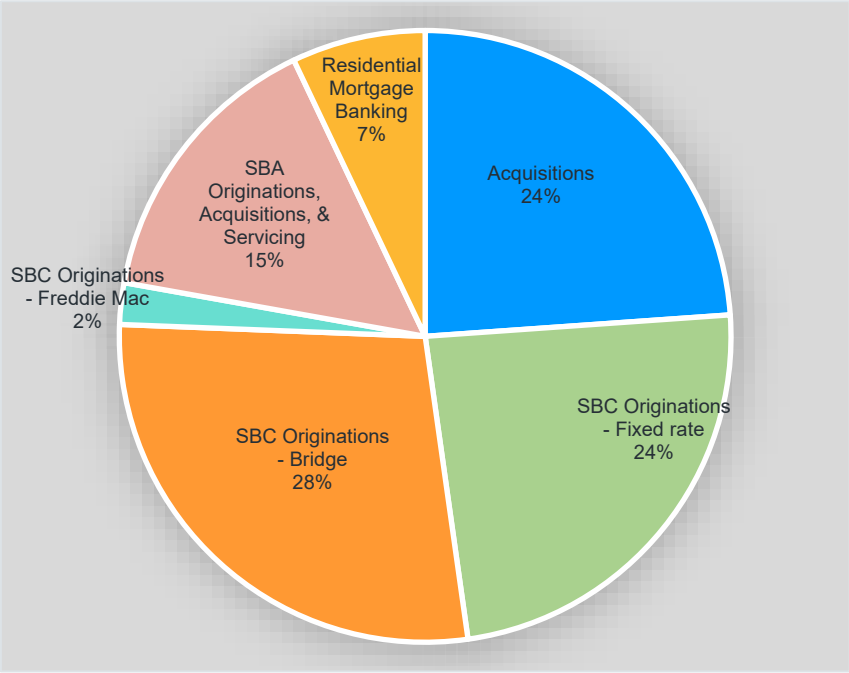


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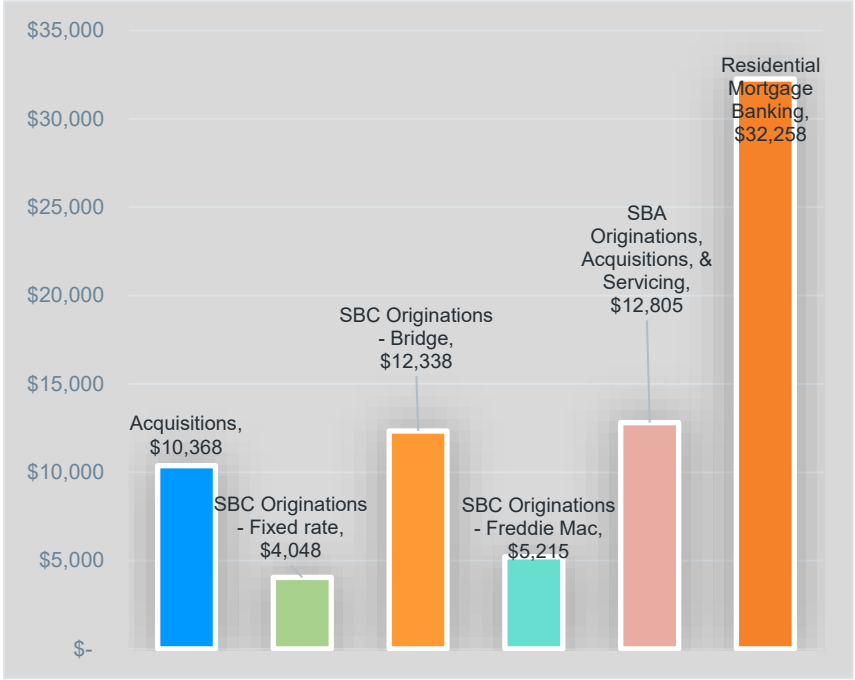
APPENDIX 1
ADDITIONAL FINANCIAL INFORMATION

Diversified, Complementary, and Scalable Platforms

Portfolio Breakdown(1)



Revenue Breakdown(2)



(1) Assets include loans, MBS, servicing assets, JV investments, real estate owned, and purchased future receivables.
(2) Based on QTD Distributable Earnings. Distributable earnings 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.

FINANCIAL SNAPSHOT ($ in thousands, except per share data)

Investment Type	Average Carrying Value[1]	Gross Yield[2]	Average Debt Balance	Debt Cost [3]	Levered Yield
Loan Acquisitions	$ 1,041,590	6.8%	$ 775,536	3.8%	15.6%
SBC Originations	$ 2,471,071	6.4%	$ 1,876,240	3.8%	14.5%
SBA Originations, Acquisitions, & Servicing	$ 332,125	14.9%	$ 264,688	2.6%	63.0%
Total	**$ 3,844,786**	**7.2%**	**$ 2,916,464**	**3.7%**	**24.9%**

Book Equity Value Metrics		
Common Stockholders' equity	$	815,396
Common Stockholders' equity (adjusted)[5]	$	814,337
Total Common Shares outstanding		54,368,999
Net Book Value per Common Share	$	15.00
Adjusted Net Book Value per Common Share	$	14.98

Loan Portfolio Metrics [4]	
% Fixed vs Floating Rate	43% / 57%
% Originated vs Acquired	71% / 29%
Weighted Average LTV - SBC	64%
Weighted Average LTV - SBA	82%
Weighted Average LTV - Acquired	37%

Q4 2020 Earnings Data Metrics			
Net income (loss) | Distributable earnings	$27,559	|	$28,804
Earnings per share - Basic and diluted	$		0.49
Distributable Earnings per Common Share	$		0.51
Return on Equity per Common Share			13.3%
Distributable Return on Equity per Common Share			13.9%
Dividend Yield			11.2%

Servicing Portfolio Metrics		
SBA servicing rights - UPB	$	643,135
SBA servicing rights- carrying value	$	18,764
Freddie Mac servicing rights - UPB	$	1,501,998
Freddie Mac servicing rights - carrying value	$	19,059
Residential servicing rights - UPB	$	9,528,886
Residential servicing rights - carrying value	$	76,840

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 12/31/2020 on an annualized basis.
4) Excludes loans, held for sale, at fair value
5) Excludes the equity component of our 2017 convertible note issuance.

BALANCE SHEET BY QUARTER

(In Thousands)	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020
Assets					
Cash and cash equivalents	$ 67,928	$ 122,265	$ 257,017	$ 149,847	$ 138,975
Restricted cash	51,728	93,164	91,539	46,204	47,697
Loans, net	1,727,984	1,969,052	1,432,807	1,393,139	1,625,555
Loans, held for sale, at fair value	188,077	306,328	297,669	348,719	340,288
Mortgage backed securities, at fair value	92,466	78,540	75,411	90,427	88,011
Loans eligible for repurchase from Ginnie Mae	77,953	77,605	186,197	237,542	250,132
Investment in unconsolidated joint ventures	58,850	53,379	53,939	69,204	79,509
Purchased future receivables, net	43,265	49,150	27,190	16,659	17,308
Derivative instruments	2,814	17,756	19,037	20,849	16,363
Servicing rights	121,969	110,111	107,761	110,045	114,663
Real estate, held for sale	58,573	48,292	47,009	45,063	45,348
Other assets	106,925	114,891	103,701	98,614	89,503
Assets of consolidated VIEs	2,378,486	2,229,517	2,761,655	2,691,198	2,518,743
Total Assets	**$ 4,977,018**	**$ 5,270,050**	**$ 5,460,932**	**$ 5,317,510**	**$ 5,372,095**
Liabilities					
Secured borrowings	1,189,392	1,698,937	1,253,895	1,176,621	1,370,519
Securitized debt obligations of consolidated VIEs, net	1,815,154	1,692,074	2,140,009	2,059,114	1,905,749
Convertible notes, net	111,040	111,310	111,581	111,855	112,129
Senior secured notes and Corporate debt, net	329,275	329,461	329,868	330,230	330,648
Guaranteed loan financing	485,461	457,032	436,532	421,183	401,705
Liabilities for loans eligible for repurchase from Ginnie Mae	77,953	77,605	186,197	237,542	250,132
Derivative instruments	5,250	16,585	9,106	7,774	11,604
Dividends payable	21,302	21,747	14,524	16,934	19,746
Accounts payable and other accrued liabilities	97,407	89,740	166,174	132,087	135,655
Total Liabilities	**$ 4,132,234**	**$ 4,494,491**	**$ 4,647,886**	**$ 4,493,340**	**$ 4,537,887**
Stockholders' Equity					
Common stock	5	5	5	5	5
Additional paid-in capital	822,837	837,064	854,222	846,960	849,541
Retained earnings	8,746	(69,605)	(49,755)	(31,779)	(24,203)
Accumulated other comprehensive loss	(6,176)	(9,536)	(9,876)	(9,916)	(9,947)
Total Ready Capital Corporation equity	825,412	757,928	794,596	805,270	815,396
Non-controlling interests	19,372	17,631	18,450	18,900	18,812
Total Stockholders' Equity	**$ 844,784**	**$ 775,559**	**$ 813,046**	**$ 824,170**	**$ 834,208**
Total Liabilities and Stockholders' Equity	**$ 4,977,018**	**$ 5,270,050**	**$ 5,460,932**	**$ 5,317,510**	**$ 5,372,095**
Adjusted Book Value per Share	**$ 16.12**	**$ 14.52**	**$ 14.46**	**$ 14.84**	**$ 14.98**

STATEMENT OF INCOME BY QUARTER

(In thousands, except share data)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Interest income	$ 64,406	$ 69,551	$ 63,211	$ 61,074	$ 64,810
Interest expense	(40,962)	(46,930)	(43,408)	(43,823)	(41,319)
Net interest income before provision for loan losses	$ 23,444	$ 22,621	$ 19,803	$ 17,251	$ 23,491
(Provision for) Recovery of loan losses	(1,125)	(39,804)	591	4,231	258
Net interest income after (provision for) recovery of loan losses	$ 22,319	$ (17,183)	$ 20,394	$ 21,482	$ 23,749
Non-interest income					
Residential mortgage banking activities	$ 18,918	$ 36,669	$ 80,564	$ 75,524	$ 59,963
Net realized gain on financial instruments and real estate owned	8,044	7,172	7,438	7,507	9,795
Net unrealized gain (loss) on financial instruments	3,009	(33,434)	(13,744)	3,420	(4,339)
Servicing income, net of amortization and impairment	8,653	8,097	8,982	10,115	11,401
Income on purchased future receivables, net	2,362	3,483	5,586	4,848	1,794
Income (loss) on unconsolidated joint ventures	29	(3,537)	507	1,996	3,439
Other income	4,407	4,073	31,594	4,496	1,353
Total non-interest income	$ 45,422	$ 22,523	$ 120,927	$ 107,906	$ 83,406
Non-interest expense					
Employee compensation and benefits	(13,842)	(18,936)	(27,288)	(27,612)	(18,084)
Allocated employee compensation and benefits from related party	(1,870)	(1,250)	(1,250)	(2,250)	(2,250)
Variable expenses on residential mortgage banking activities	(11,765)	(20,129)	(36,446)	(30,918)	(27,016)
Professional fees	(1,989)	(2,556)	(1,919)	(4,158)	(4,728)
Management fees – related party	(2,591)	(2,561)	(2,666)	(2,714)	(2,741)
Incentive fees – related party	(106)	—	(3,506)	(1,134)	(1,333)
Loan servicing expense	(4,891)	(5,570)	(10,327)	(8,231)	(6,734)
Merger related expenses	(1,629)	(47)	(11)	(6)	—
Other operating expenses	(10,070)	(13,744)	(17,745)	(10,448)	(12,442)
Total non-interest expense	$ (48,753)	$ (64,793)	$ (101,158)	$ (87,471)	$ (75,328)
Income (loss) before provision for income taxes	$ 18,988	$ (59,453)	$ 40,163	$ 41,917	$ 31,827
Income tax (provision) benefit	1,948	7,937	(5,500)	(6,554)	(4,268)
Net income (loss)	$ 20,936	$ (51,516)	$ 34,663	$ 35,363	$ 27,559
Less: Net income (loss) attributable to non-controlling interest	508	(1,064)	810	805	648
Net income (loss) attributable to Ready Capital Corporation	**$ 20,428**	**$ (50,452)**	**$ 33,853**	**$ 34,558**	**$ 26,911**
Earnings (loss) per common share - basic	**$ 0.43**	**$ (0.98)**	**$ 0.62**	**$ 0.63**	**$ 0.49**
Earnings (loss) per common share - diluted	**$ 0.43**	**$ (0.98)**	**$ 0.62**	**$ 0.63**	**$ 0.49**
Weighted-average shares outstanding - Basic	46,446,573	51,984,040	53,980,451	54,626,995	54,338,209
Weighted-average shares outstanding - Diluted	46,482,470	51,990,013	54,013,958	54,704,611	54,420,064
Dividends declared per share of common stock	**$ 0.40**	**$ 0.40**	**$ 0.25**	**$ 0.30**	**$ 0.35**

DISTRIBUTABLE EARNINGS RECONCILIATION BY QUARTER

(In thousands, except share data)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Net Income	$ 20,936	$ (51,516)	$ 34,663	$ 35,363	$ 27,559
Reconciling items:					
Unrealized (gain) loss on mortgage servicing rights	$ (2,482)	$ 16,437	$ 12,044	$ 4,688	$ 4,087
Change in CECL reserve on accrual loans	—	35,438	(5,076)	(7,248)	(3,587)
Non-recurring REO impairment	—	2,969	106	(114)	445
Merger transaction costs and other non-recurring expenses	1,938	1,255	967	998	1,323
Unrealized loss on mortgage-backed securities	29	230	(45)	—	—
Unrealized loss on de-designated cash flow hedges	—	2,118	—	—	—
Total reconciling items	$ (515)	$ 58,447	$ 7,996	$ (1,676)	$ 2,268
Distributable earnings before income taxes	$ 20,421	$ 6,931	$ 42,659	$ 33,687	$ 29,827
Income tax adjustments	544	(5,706)	(3,436)	(1,561)	(1,023)
Distributable earnings	**$ 20,965**	**$ 1,225**	**$ 39,223**	**$ 32,126**	**$ 28,804**
Less: Distributable earnings attributable to non-controlling interests	$ 509	$ 25	$ 917	$ 731	$ 677
Less: Income attributable to participating shares	413	463	285	339	305
Distributable earnings attributable to Common Stockholders	$ 20,043	$ 736	$ 38,021	$ 31,056	$ 27,822
DIstributable earnings per share	**$ 0.43**	**$ 0.01**	**$ 0.70**	**$ 0.57**	**$ 0.51**
Weighted average common shares outstanding	46,446,573	51,984,040	53,980,451	54,626,995	54,338,209

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
ii) any realized gains or losses on sales of certain MBS
iii) any unrealized gains or losses on Residential MSRs
iv) any unrealized gains or losses resulting from a change in CECL impairment reserves on accrual loans
v) 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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APPENDIX 2
BUSINESS SEGMENT INFORMATION

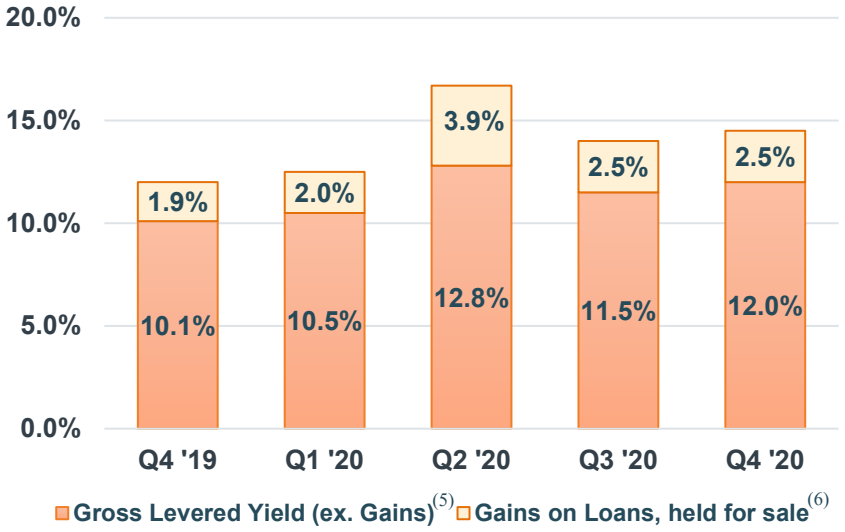
SBC Originations - Segment Snapshot

Portfolio Metrics (Balance Sheet)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Number of loans	537	593	568	552	561
Unpaid Principal Balance [1]	$ 2,298	$ 2,581	$ 2,479	$ 2,338	$ 2,463
Carrying Value [1]	$ 2,300	$ 2,580	$ 2,478	$ 2,308	$ 2,460
Weighted Average LTV	61%	64%	64%	62%	64%
Weighted Average Coupon	6.2%	5.4%	5.5%	5.6%	5.4%
Weighted Average Maturity	5 years	5 years	4 years	4 years	4 years
Weighted Average Principal Balance [1]	$ 4.3	$ 4.4	$ 4.4	$ 4.2	$ 4.4
Percentage of loans fixed / floating	53% / 47%	58% / 42%	48% / 52%	48% / 52%	45% / 55%
Percentage of fixed, match funded [2]	84.9%	80.9%	80.9%	83.0%	81.2%
Percentage of loans 60+ days delinquent [4]	1.1%	1.3%	2.9%	3.4%	3.0%

Current Quarter Highlights

- Freddie Mac loan originations of $132.1 million[3] driven by continued low rates averaging 3.4%
  - Current money up pipeline of $208.4 million
- Successful relaunch of CRE originations, with $243.2 million closed in the quarter
  - Current money up pipeline of $303.9 million
- CRE originations of $600.1 million as of February 2021

Gross Levered Yield



1) $ in millions, as of quarter end.
2) Represents fixed rate loans that have been securitized.
3) Represents fully committed amounts.
4) Calculated on unpaid principal balance
5) Includes interest income, accretion of discount, and servicing income net of interest expense and amortization of deferred financing costs.
6) Includes realized and unrealized gains (losses) on loans held for sale and MSR creation.

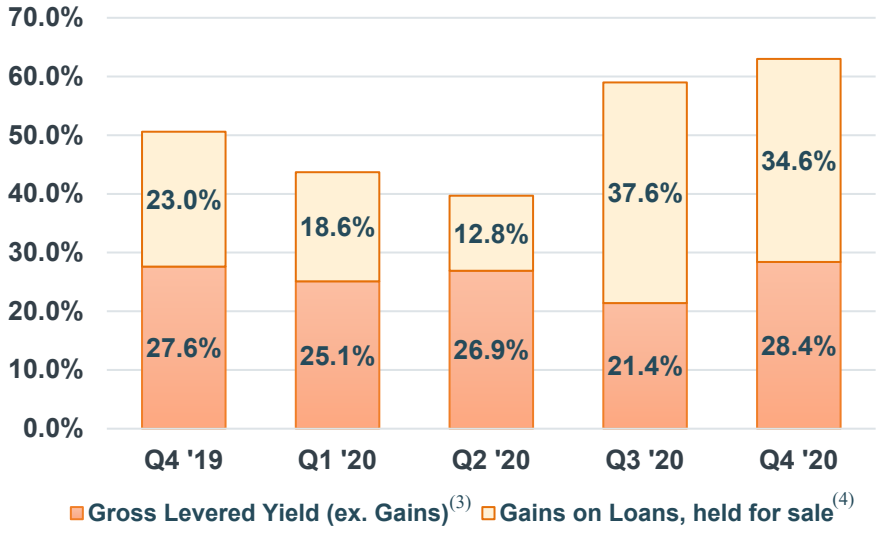
SBA Originations, Acquisitions, & Servicing - Segment Snapshot

Portfolio Metrics (Balance Sheet)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Number of loans	1,880	1,813	1,804	1,836	1,771
Unpaid Principal Balance [1]	$ 804	$ 701	$ 678	$ 701	$ 659
Carrying Value [1]	$ 770	$ 664	$ 641	$ 668	$ 624
Weighted Average LTV	83%	84%	83%	85%	82%
Weighted Average Coupon	6.9%	6.7%	5.2%	5.5%	5.5%
Weighted Average Maturity	15 years	17 years	17 years	16 years	16 years
Weighted Average Principal Balance [1]	$ 0.4	$ 0.4	$ 0.4	$ 0.4	$ 0.4
Percentage of loans fixed / floating	3.3% / 96.7%	0.3% / 99.7%	0.3% / 99.7%	0.7% / 99.3%	0.7% / 99.3%
Percentage of loans 60+ days delinquent [2]	4.7%	5.7%	5.4%	4.2%	2.7%

Current Quarter Highlights

- SBA 7(a) loans originations of $65.0 million
- SBA net sales premiums peaking at 15.0% and averaging 12.0%, net
- Total SBA originations of $25.6 million as of February 2021
  - current money up pipeline of $103.4 million

Gross Levered Yield



1) $ in millions, as of quarter end.
2) Calculated on unpaid principal balance and excludes assets offset by guaranteed loan financing liabilities
3) Includes interest income, accretion of discount, and servicing income net of interest expense and amortization of deferred financing costs.
4) Includes realized and unrealized gains (losses) on loans held for sale and MSR creation.

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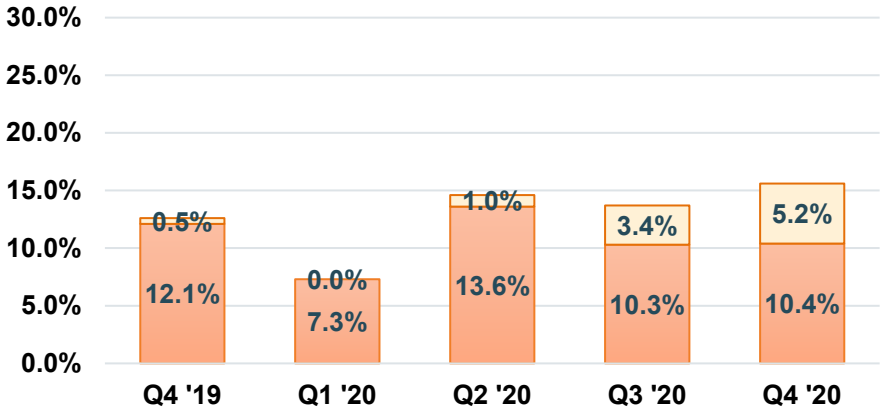
Loan Acquisitions - Segment Snapshot

Portfolio Metrics[1] (Balance Sheet)	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Number of loans	2,231	2,212	2,126	2,065	2,082
Unpaid Principal Balance [2]	$ 1,048	$ 1,073	$ 1,010	$ 1,003	$ 1,054
Carrying Value [2]	$ 1,039	$ 1,066	$ 1,002	$ 985	$ 1,047
Weighted Average LTV	43%	40%	38%	37%	37%
Weighted Average Coupon	6.1%	6.1%	6.0%	6.0%	5.9%
Weighted Average Maturity	9 years	9 years	9 years	8 years	8 years
Weighted Average Principal Balance [2]	$ 0.5	$ 0.5	$ 0.5	$ 0.5	$ 0.5
Percentage of loans fixed / floating	45% / 55%	49% / 51%	49% / 51%	51% / 49%	50% / 50%
Percentage of fixed, match funded [3]	52.3%	43.3%	74.5%	74.7%	55.2%
Percentage of loans 60+ days delinquent [4]	2.3%	4.6%	6.6%	6.1%	6.3%

Current Quarter Highlights

- Continued acquisition flow from CMBS collapse arrangements
- Increased opportunities emerging post year end with $187.2 million pipeline

Gross Levered Yield



1) Excludes joint venture investments.
2) $ in millions, as of quarter end.
3) Represents fixed rate loans that have been securitized.
4) Calculated on unpaid principal balance
5) Includes interest income, accretion of discount, and servicing income net of interest expense and amortization of deferred financing costs.
6) Includes realized and unrealized gains (losses) on loans held for sale and MSR creation.

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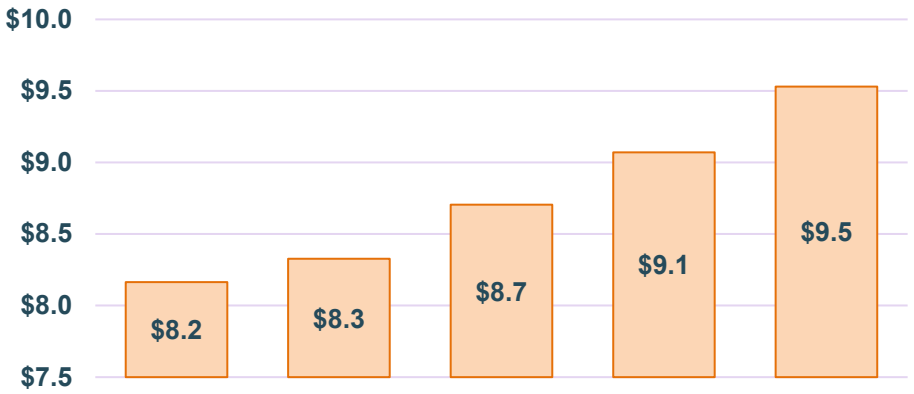
Residential Mortgage Banking – Segment Snapshot

Portfolio Metrics (quarterly activity)		Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Originations	Unpaid principal balance [1]	$ 586.3	$ 691.3	$ 1,192.9	$ 1,184.9	$ 1,179.4
	% of Originations - Purchased	54.7%	51.2%	37.4%	44.3%	41.3%
	% of Originations - Refinanced	45.3%	48.8%	62.6%	55.7%	58.7%
	Channel - % Correspondent	37.9%	34.4%	32.6%	38.0%	37.0%
	Channel - % Retail	46.8%	50.3%	49.9%	45.9%	45.3%
	Channel - % Wholesale	15.3%	15.3%	17.5%	16.1%	17.7%
Sales	Unpaid principal balance [1]	$ 601.6	$ 643.9	$ 1,150.6	$ 1,172.9	$ 1,203.1
	% of UPB - Fannie/ Freddie securitizations	66.6%	72.4%	78.8%	77.8%	79.4%
	% of UPB - Ginnie Mae securitizations	26.8%	17.3%	20.2%	22.2%	20.3%
	% of UPB - Other investors	6.6%	10.3%	1.0%	0.0%	0.3%

Current Quarter Highlights

- Elevated originations of $1.2 billion
- Recapture rates of 35%
- Average margin of 275bps for the quarter

MSR Portfolio (UPB in $ Billions)



Fair Value ($ mm)	Q4' 19	Q1' 20	Q2' 20	Q3' 20	Q4' 20
	$ 91.2	$ 78.6	$ 73.6	$ 74.4	$ 76.8

1) $ in millions. Represents activity during the quarter.

SUPPORTED BY DIVERSITY IN ASSET TYPES

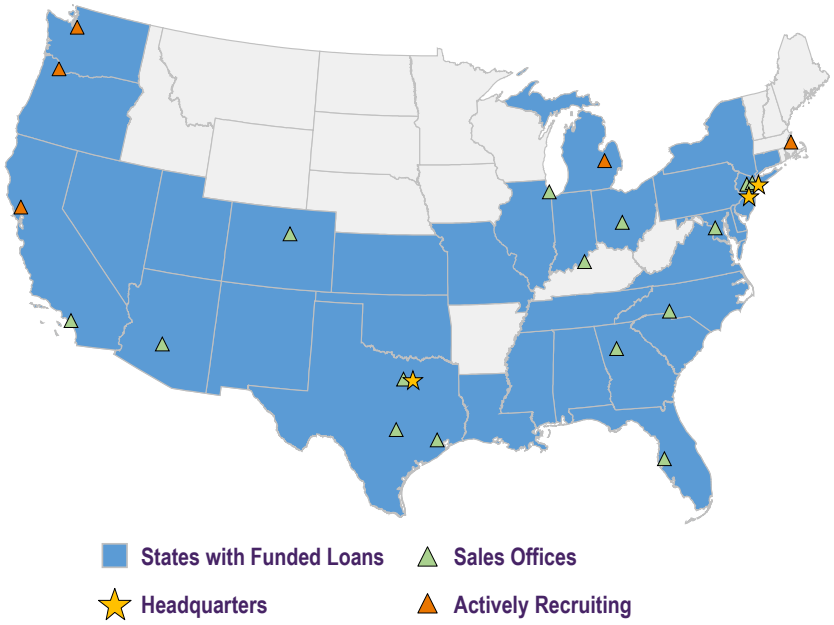
	HEAVY TRANSITIONAL	LIGHT TRANSITIONAL		STABILIZING	STABILIZED		
PRODUCT	**BRIDGE**	**BRIDGE-TO-PERM**	**BRIDGE-TO-AGENCY**	**STRUCTURED FIXED RATE**	**CMBS DIRECT**	**CORRESPONDENT AGENCY***	**FREDDIE MAC SBL**
LOAN PURPOSE	Vacant Rehabilitation Adaptive Re-Use Renovation Value Add	Renovation Lease Up Rent Optimization Event Driven Bridge to Near Term Refinance		Final Lease Up Seasoning Lease Expiration Prepay Flexibility Mid-Term Refinance	Cash Out Term Refinance Interest Rate Arbitrage Bridge Refinance Permanent Acquisition/Recapitalization		
LOAN SIZE	$5-45MM $45MM+ Portfolios	$2-45MM $45MM+ Portfolios	$1-100MM	$2-45MM	$2-45MM	$1-100MM	$1 - $7.5MM
MAX LEVERAGE	80% LTC	80% LTC	80% LTC	80% LTV	80% LTV	80% LTV	80% LTV
TERM	Typically 3 Years Plus Extensions	Up to 3 Years Plus Extensions	Up to 2 Years Plus Extensions	2 – 10 Years	5, 7, 10 Years	Up to 30 Years	5, 7, 10 Years Hybrid: 20 Years
PREPAYMENT	Minimum Interest	Minimum Interest	Minimum Interest	Customized Declining Yield Maintenance	Defeasance Yield Maintenance	Declining Yield Maintenance	Declining Yield Maintenance
RATE TYPE	Floating Rate Hybrid (Fix/Float)	Floating Rate Hybrid (Fix/Float)	Floating Rate Fixed Rate	Fixed Rate (Rate Burn Down By Deal)	Fixed Rate	Floating Rate Fixed Rate	Fixed Rate Hybrid
FUTURE FUNDING	Interest, Carry, CapEx, TI, LC	Earn-Outs, CapEx, TI, LC	Earn-Outs, CapEx	Earn-Outs, CapEx, TI, LC	TI, LC	CapEx	None
PROPERTY TYPE	Core+: Multifamily, Industrial Core: Office, Self-Storage, Essential Retail Non-Core: Deal Specific		Multifamily	All Property Types	Multifamily	Multifamily	Multifamily
FINAL CREDIT DECISION	Ready Capital **RETAINS B-PIECE** for Duration of Loan **ONLY CREDIT DECISION-MAKER** on Loans – Execution LOIs Issued – No Re-Trades Directing Certificate Holder, Ultimate Decision-Maker and Servicer Liaison for **LIFE OF LOAN** Ready Capital possesses **ULTIMATE CONTROL** on Loans Inclusive of Mid-Term Refinance Prepay Waivers (Except CMBS Direct) Broad Suite of Products across Property Types provide **UNLIMITED LENDING SOLUTIONS**					Freddie Mac Fannie Mae	Freddie Mac

All loan products are available nationwide and non-recourse

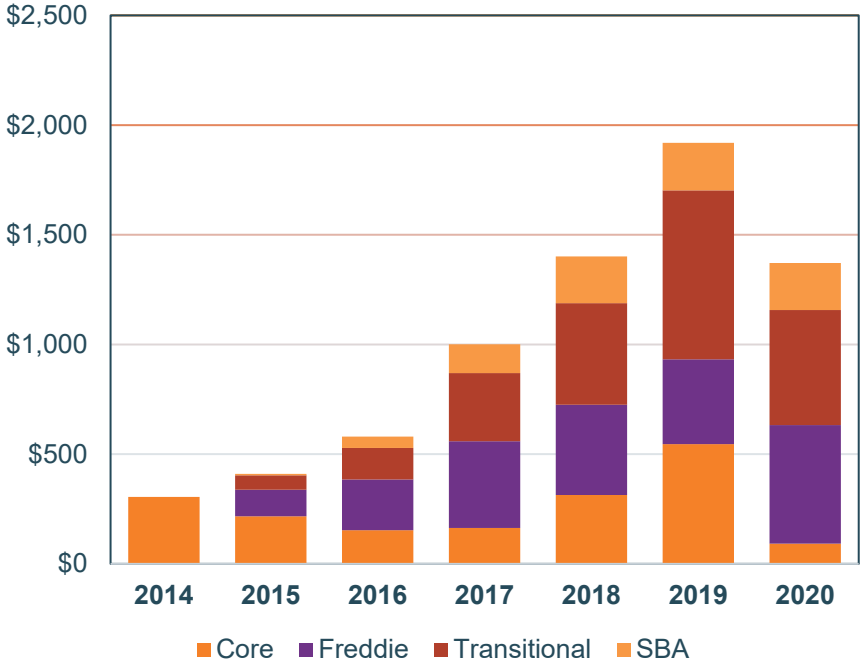
*Ready Capital has established relationships with 3rd party correspondent lenders that possess licenses for various agency lending programs. Ready Capital is an approved Freddie Mac Optigo SBL Lender.

Robust SBC Origination Platform

Nationwide Presence



Origination Volumes



The ReadyCap origination platform is currently the only non-bank SBC lender focused on both investor and owner-occupied (small business) property. The SBC investor business is headquartered in Dallas and the SBA in New Jersey.

ReadyCap's staff of 175 employees includes 43 loan officers focused on a loan origination strategy involving direct-to-borrower, broker and affinity channels.

In mid-2014, ReadyCap acquired CIT's Small Business Lending Platform, along with a SBA license, $570 million portfolio, $1.2 billion of SBA 7(a) servicing rights, and technology licenses for both the origination and servicing systems

READY CAPITAL®

Freddie Mac Offers Compelling Risk-adjusted Returns

- In 2014, Freddie Mac launched its Small Balance Loan (SBL) program for approved SBL Sellers/Servicers to originate and sell loans on smaller rental properties (under 50 units)
- Ready Capital is one of 11 approved Seller/Servicers under the program
- Loan amounts: $1 million - $7.5 million
- Average sale premium of 1.5%
- Creation of servicing asset valued at a 4x servicing multiple
- Average net annual servicing fee of 25 bps

Meaningful Competitive Advantage In SBA 7(a) Loans

- The SBA (1953) is an independent federal agency which provides secured financing to small businesses
- Eligible participants are banks except for 14 non-bank licenses approved in the 1980s
- Eligible small businesses have under $15M net worth and $5M net profit
- The SBA Section 7(a) Program is the SBA's primary program
- The SBA typically guarantees 75% of qualified loans up to $5M maximum size at Prime + 275bps
- Originator sells 75% pro-rata interest in loan in pooled SBA Certificates at ~9%+ premium retaining 25% and servicing rights

Attractive Market Opportunity

Compelling Risk-adjusted Returns(1)
- SBA approved capacity has grown 17% average annually since the 2009 crisis bottom to $28 billion in FY 2019

…With Fewer Lender Participants
- Fragmented market with ~1700 lenders (mostly community banks) with participation at lowest level in 8 years

…As Guaranteed Premiums Hit Record Levels
- Low constant prepayment rates and record demand for 0% risk-weighted fixed income securities has resulted in premiums near historic highs

Illustrative SBA 7(a) Loan Economics

Assumptions		Economic Return		Annual Return on Equity (excluding sale premium)
Loan Amount	$ 1,000,000	Gain on Sale of Guaranteed Balance	$ 75,000	20.7%
Guaranteed Balance (75%) (1)	$ 750,000	Income on Retained Portion (6%)	$ 15,000	
Unguaranteed Balance (25%)	$ 250,000	Debt on Securitized Portion (4%)	$ (7,000)	
Sales Premium (2)	$ 75,000	Servicing Fee on Guaranteed Balance (1%)	$ 7,500	
Securitization Advance Rate (70%)	$ 175,000	Annual Net Interest Income (ex. Gain)	$ 15,500	

Source: SBA.gov; Windsor Advantage

(1) The above example is presented for illustrative purposes and should not be relied upon for any investment decision. The generation of net income at the hypothetical level illustrated in the above table is based on certain assumptions, including those related to loan size, sales premium, retained portion, asset yield and servicing income. Actual results will vary from the hypothetical returns illustrated in the above table based on the timing of asset originations or purchases and/or asset sales. Such actual returns will also be impacted by economic and market factors and will be subject to a variety of risks and uncertainties. In no circumstances should the hypothetical returns illustrated in the above table be regarded as a representation, warranty or prediction that any interest earning assets will reflect any particular performance or that they will achieve or are likely to achieve any particular result or that stockholders will be able to avoid losses, including total loss of their investment.

(2) Credit losses are shared pari passu with SBA guaranteed versus unguaranteed %.

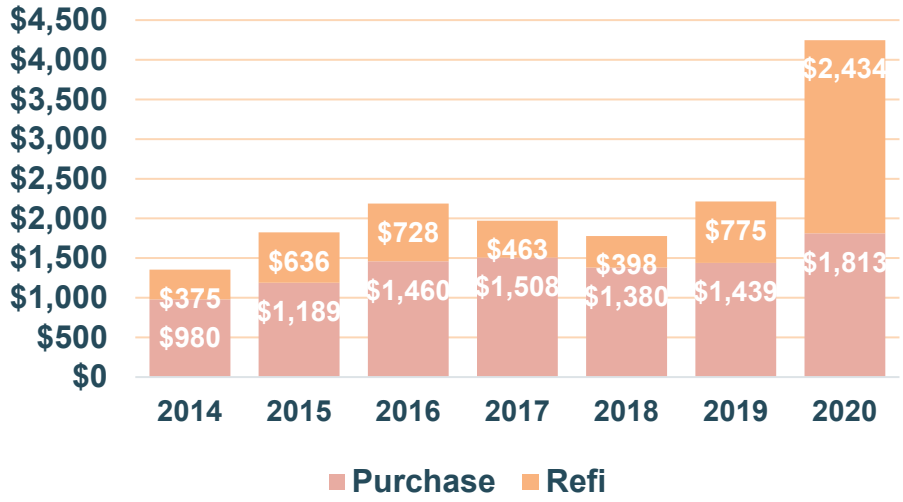
(3) Premiums above 10% split 50/50 with SBA.

Enhanced Residential Mortgage Origination Platform

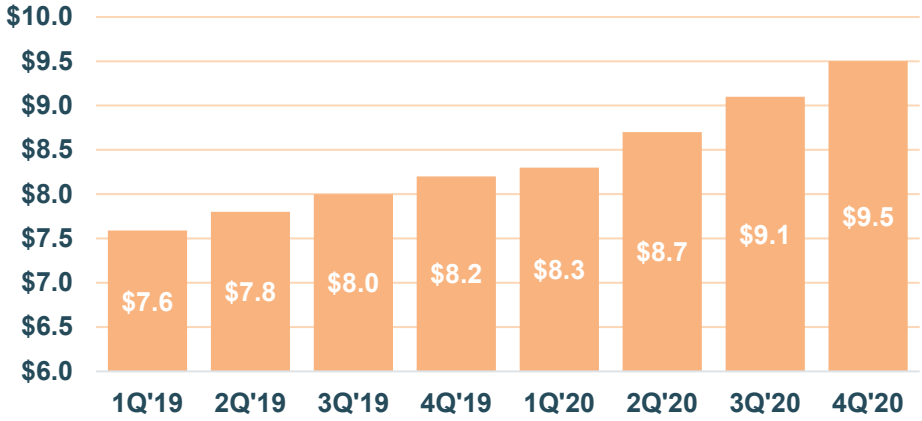
Business Description

- GMFS, founded in 1999, has a leading Southeast market share and acquired via the ZFC merger in 2016
- GMFS provides a wide range of residential mortgage services, including home purchase financing and refinancing and other mortgage products
- Licensed in 18 states, approved FNMA and FHLMC seller-servicer, GNMA issuer, HUD / FHA / USDA originator and VA lender
- Operates through 13 retail branches located in Louisiana (9), Georgia (1), Mississippi (1), South Carolina (1) and Alabama (1)
- Retains 85-90% mortgage servicing rights from current production

Origination Volume by Purpose ($MM)



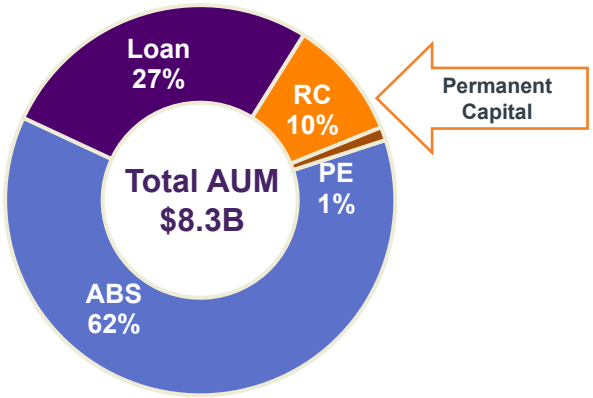
MSR Servicing UPB ($B)



WATERFALL – A SUCCESSFUL & PROVEN ASSET MANAGER

▶ **Waterfall consists of a dedicated team of 64 investment professionals who have extensive experience in small balance commercial (SBC) distressed asset acquisition, loan origination, asset management and capital markets.**

WATERFALL Asset Management



- SEC-registered credit investment advisor founded in 2005
- Top 10 global manager with focus on real estate loans & ABS
- Principals were early pioneers of the ABS industry with 60+ years combined experience
  - Co-founders started Merrill Lynch ABS business in 1980s and worked together for 20 years
- RC has the right of first refusal on all SBC loans sourced by WAM(1)

Key Management

Thomas Capasse
Managing Partner, Co-founder

Jack Ross
Managing Partner, Co-founder

Group	Employees* (#)
Investment Professionals	64
Finance and Operations	69
Legal/Compliance/HR/Business Development	15

* As of December 3, 2020

(1) Waterfall has agreed in the side letter agreement that, for so long as the management agreement is in effect, neither it nor any of its affiliates will (i) sponsor or manage any additional investment vehicle where the Company does not participate as an investor whose primary investment strategy will involve SBC mortgage loans, unless Waterfall obtains the prior approval of a majority of the Company's board of directors (including a majority of its independent directors), or (ii) acquire a portfolio of assets, a majority of which (by value or UPB) are SBC mortgage loans on behalf of another investment vehicle (other than acquisitions of SBC ABS), unless the Company is first offered the investment opportunity and a majority of its board of directors (including a majority of its independent directors) decide not to acquire such assets.



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RC
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NYSE