



# Angel Oak Mortgage REIT, Inc.

First Quarter 2026 Earnings Supplement

# Important Notices

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References herein to our “Company,” “AOMR,” “we,” “us,” or “our” refer to Angel Oak Mortgage REIT, Inc. and its subsidiaries, including Angel Oak Mortgage Operating Partnership, LP (the “Operating Partnership”), unless the context requires otherwise. Unless otherwise indicated, the term “Angel Oak” refers collectively to Angel Oak Capital Advisors, LLC (“Angel Oak Capital”) and its affiliates, including Falcons I, LLC, our external manager (our “Manager”), Angel Oak Companies, LP (“Angel Oak Companies”), and the proprietary mortgage lending platform of its affiliate, Angel Oak Mortgage Solutions LLC (“Angel Oak Mortgage Lending”). References to “AOMT” refer to Angel Oak Mortgage Trust, Angel Oak’s securitization platform, including its subsidiaries and affiliates. References to “MM” mean in millions. References to “UPB” mean unpaid principal balance. References to “Closed End Seconds” mean residential mortgage loans that are subordinate to the primary or first lien mortgage loans on a residential property. References to “HELOCs” are defined as home equity lines of credit, which are lines of credit secured by a residential property owned by the borrower. References to “CLTV” mean combined loan-to-value ratio, which is calculated as the primary or first lien mortgage loan amount plus any additional borrowings secured by the property (such as a Closed-End Second or HELOC) divided by the estimated value of the property.

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This presentation contains certain forward-looking statements that are subject to various risks and uncertainties, including, without limitation, statements relating to the performance of our investments. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “project,” “predict,” “continue” or by the negative of these words and phrases or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe existing or future plans and strategies, contain projections of results of operations, liquidity and/or financial condition or state other forward-looking information. Our ability to predict future events or conditions or their impact or the actual effect of existing or future plans or strategies is inherently uncertain. Although we believe that such forward-looking statements are based on reasonable assumptions, actual results and performance in the future could differ materially from those set forth in or implied by such forward-looking statements. Factors that could have a material adverse effect on future results and performance relative to those set forth in or implied by the related forward-looking statements, as well as on our business, financial condition, liquidity, results of operations and prospects, include, but are not limited to:

(see next page):



# Important Notices

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- the effects of adverse conditions or developments in the financial markets and the economy upon our ability to acquire target assets such as non-qualified residential mortgage (“non-QM”) loans, including those sourced from Angel Oak’s proprietary mortgage lending platform, Angel Oak Mortgage Lending;
- the level and volatility of prevailing interest rates and credit spreads;
- changes in our industry, inflation, interest rates, business strategies, target assets, the debt or equity markets, the general economy (or in specific regions) or the residential real estate finance and real estate markets specifically;
- general volatility of the market;
- changes in the availability of attractive loans and other investment opportunities, including non-QM loans sourced from Angel Oak Mortgage Lending;
- the ability of our Manager to locate suitable investments for us, manage our portfolio, and implement our strategy;
- our ability to profitably execute securitization transactions;
- our ability to obtain and maintain financing arrangements on favorable terms, or at all;
- the adequacy of collateral securing our investments and a decline in the fair value of our investments;
- the timing of cash flows, if any, from our investments;
- the operating performance, liquidity, and financial condition of borrowers;
- increased rates of default and/or decreased recovery rates on our investments;
- changes in prepayment rates on our investments;
- the departure of any of the members of senior management of the Company, our Manager, or Angel Oak;
- the availability of qualified personnel;
- conflicts with Angel Oak, including our Manager and its personnel, including our officers, and entities managed by Angel Oak;
- events, contemplated or otherwise, such as acts of God, including hurricanes, wildfires, earthquakes, and other natural disasters, including those resulting from global climate change, pandemics, acts of war or terrorism, the initiation or escalation of military conflicts, and others that may cause unanticipated and uninsured performance declines, disruptions in markets, volatility in prevailing interest rates, and/or losses to us or the owners and operators of the real estate securing our investments;
- the occurrence of certain geopolitical events (including global trade disputes related to tariffs) that affect the normal and peaceful course of international relations;
- impact of and changes in governmental regulations, tax laws and rates, accounting principles and policies and similar matters;
- the level of governmental involvement in the U.S. mortgage market;
- future changes with respect to the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation in the mortgage market and related events, including the lack of certainty as to the future roles of these entities and the U.S. Government in the mortgage market and changes to legislation and regulations affecting these entities;
- effects of hedging instruments on our target assets and our returns, and the degree to which our hedging strategies may or may not protect us from interest rate volatility;
- our ability to make distributions to our stockholders in the future at the level contemplated by our stockholders or the market generally, or at all;
- our ability to continue to qualify as a real estate investment trust for U.S. federal income tax purposes; and
- our ability to maintain our exclusion from regulation as an investment company under the Investment Company Act of 1940, as amended.

Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our management’s views only as of the date of this presentation. Actual results and performance may differ materially from those set forth in or implied by our forward-looking statements. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by applicable law, we assume no obligation, and do not intend to, update or otherwise revise any of our forward-looking statements, whether as a result of new information, future events or otherwise.





## **Q1 2026 Highlights & Financial Results**

# Financial Results

*Net Interest Income expanded by 20% and 11% versus Q1 2025 and Q4 2025, respectively*

## Q1 26 Net Interest Income (“NII”)

- Q1 2026 NII of \$12.1MM, an expansion of \$2MM, or 20%, versus Q1 2025 NII of \$10.1MM
- Q1 2026 NII expanded \$1.2MM, or 11%, versus Q4 2025 NII of \$10.9MM

## Q1 26 GAAP & Distributable Earnings <sup>1</sup>

- GAAP Net Loss: (\$7.4MM)
- GAAP Diluted EPS: (\$0.30) / common share
- Distributable Earnings: \$4.6MM
- Dist. EPS: \$0.18 / common share

## Q1 26 GAAP / Economic Book Value (“BV”) <sup>1</sup>

- GAAP BV: \$10.31 / common share
- Economic BV: \$12.28 / common share

## Dividend

Declared dividend of \$0.32 / common share to be paid on May 29, 2026

## KEY COMMENTARY

- Q1 2026 interest income of \$40.7MM demonstrates an increase of 24% versus Q1 2025 interest income of \$32.9MM and an increase of 4% versus Q4 2025 interest income of \$39.0MM
- Q1 2026 GAAP net loss of (\$7.4MM), or (\$0.30) per diluted share of common stock; net loss driven by unrealized valuation decreases in residential loan and securitized loan portfolios
- GAAP Book Value decreased **4.0%** and Economic Book Value decreased **3.3%** as of the end of Q1 2026 versus the end of 2025, driven by unrealized valuation headwinds
- Executed the AOMT 2026-2 securitization in March as the sole contributor of loans, contributing loans with a total scheduled unpaid principal balance of \$272.3MM
- Purchased \$246.2MM of loans with a weighted average coupon (“WAC”) of 7.34%, a weighted average combined loan-to-value ratio (“CLTV”) of 67.1%, and a weighted average non-zero credit score of 759 in Q1 2026
- The weighted average 90+ day delinquency rate across residential whole loans, loans in securitization trust, and RMBS portfolios was 2.68%<sup>2</sup> as of the end of Q1 2026, an increase of 49 basis points compared to 2.18% as of the end of 2025 and a decrease of 3bps compared to 2.71% as of the end of Q1 2025

<sup>1</sup> See Appendix for definition and reconciliation to comparable GAAP metrics.

<sup>2</sup> Based on % of unpaid principal balance that is 90+ days delinquent across Whole Loans, RMBS, and Residential Loans In Securitization Trust



# Net Interest Income and Average Asset Balances

	Q1 2026		Q1 2025	
	Interest Income / Expense	Average Balance	Interest Income / Expense	Average Balance
<i>\$000s</i>				
<b>Interest Income</b>				
Residential Mortgage Loans	\$ 5,617	\$ 334,781	\$ 5,281	\$ 304,007
Residential Mortgage Loans in Securitization Trust	30,426	2,100,639	23,104	1,685,423
Commercial Mortgage Loans	102	5,186	108	5,210
RMBS and Majority-Owned Affiliate	3,975	130,632	3,651	145,289
CMBS	226	4,799	269	5,752
US Treasury Securities	-	-	38	4,167
Other Interest Income	349	36,839	416	38,630
<b>Total Interest Income</b>	<b>\$ 40,694</b>		<b>\$ 32,867</b>	
<b>Interest Expense</b>				
Notes Payable	\$ 2,824	\$ 260,637	\$ 3,762	\$ 240,628
Non-Recourse Securitization Obligation	22,541	1,933,249	16,843	1,574,110
Repurchase Facilities	733	56,260	863	62,631
Senior Unsecured Notes	2,486	89,137	1,312	47,803
<b>Total Interest Expense</b>	<b>\$ 28,584</b>		<b>\$ 22,780</b>	
<b>Net Interest Income</b>	<b>\$ 12,110</b>		<b>\$ 10,087</b>	

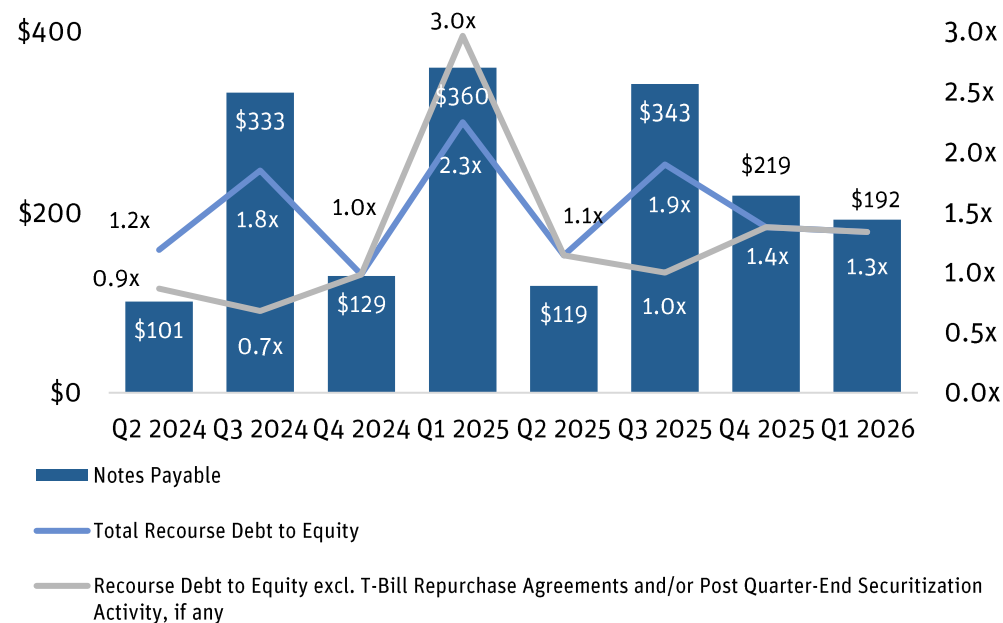


# Recourse Debt to Equity Trend

## KEY COMMENTARY

- As of March 31, 2026, our Recourse Debt to Equity Ratio was approximately 1.3x
  - Our Recourse Debt to Equity Ratio is expected to remain below 2.5x going forward

### Notes Payable vs. Recourse Debt<sup>1</sup> to Equity Trend (\$ millions)



<sup>1</sup> Recourse debt excludes Non-Recourse Financing Obligations, collateralized by residential loans in securitization trusts



# AOMR 2026-2 Securitization

In March 2026, AOMR was the sole participant in the \$272.3MM AOMT 2026-2 securitization and contributed loans with a 7.11% Weighted Average Coupon.

## 2026-2 Securitization Details at Issuance

Class	Total Balance	Balance Sold	Initial Coupon	Fair Market Value
A1	\$156,722,332	\$156,722,332	4.69%	\$156,721,548
A1 - FCF	\$35,000,001	\$35,000,001	4.63%	\$34,999,941
A1 - LCF	\$11,666,667	\$11,666,667	4.80%	\$11,666,269
A2	\$19,059,000	\$19,059,000	5.05%	\$19,058,642
A3	\$26,002,000	\$26,002,000	5.20%	\$26,001,854
M1	\$11,572,000	\$10,211,000	5.45%	\$11,571,710
B1	\$10,483,000		6.63%	\$10,292,086
B2	\$1,497,000		6.63%	\$1,386,020
B3	\$272,936		6.63%	\$236,991
XS	\$272,274,936		N/A	\$10,682,517
A-IO-S	\$272,274,936		N/A	\$1,925,991
<b>Total</b>	<b>\$272,274,936</b>	<b>\$258,661,000</b>		<b>\$284,543,570</b>

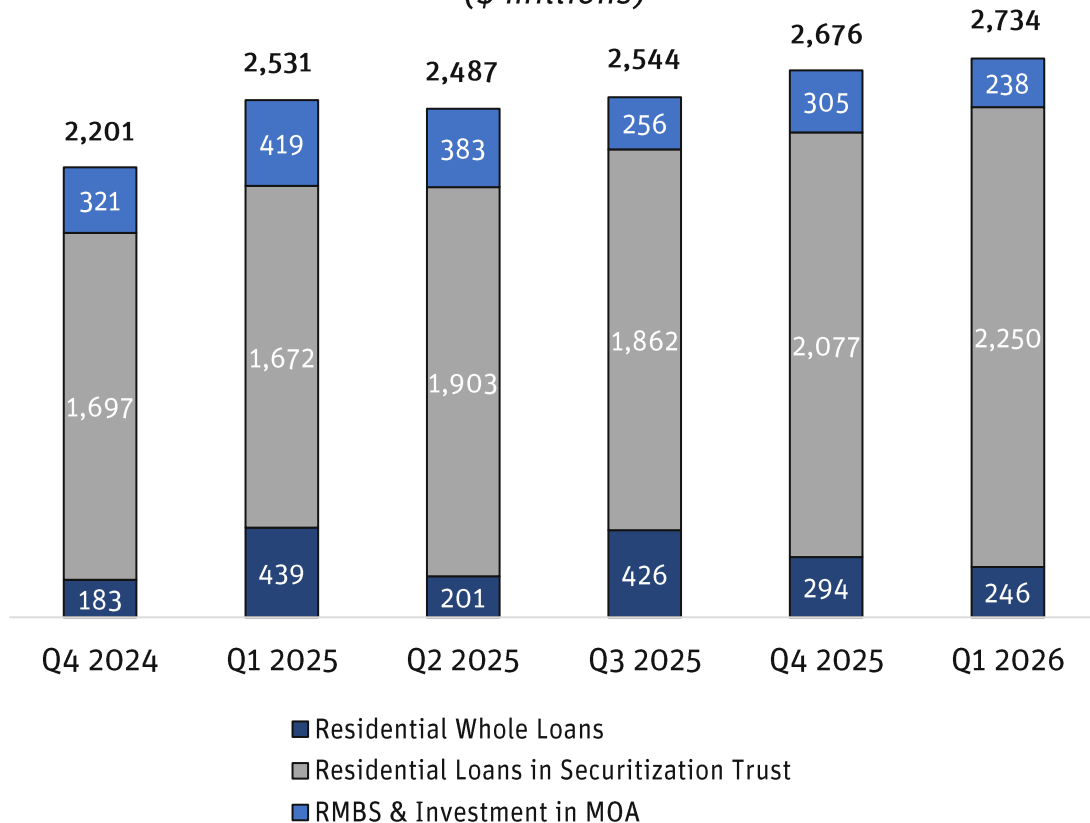
## KEY COMMENTARY

- \$272.3MM Securitization; Face Value of securities sold \$258.7MM
- The AAA rated bonds priced at a 113bps spread over the Treasury yield curve
- 7.11% weighted average coupon of loans
- The A1 through A3 tranches were sold as well as the majority of the M1 tranche; the Company retains the economics of the unsold tranches
- Weighted average non-zero credit score: **757**; weighted average CLTV: **70.7%**



# Target Asset Composition

Target Asset Composition<sup>1</sup>  
(\$ millions)



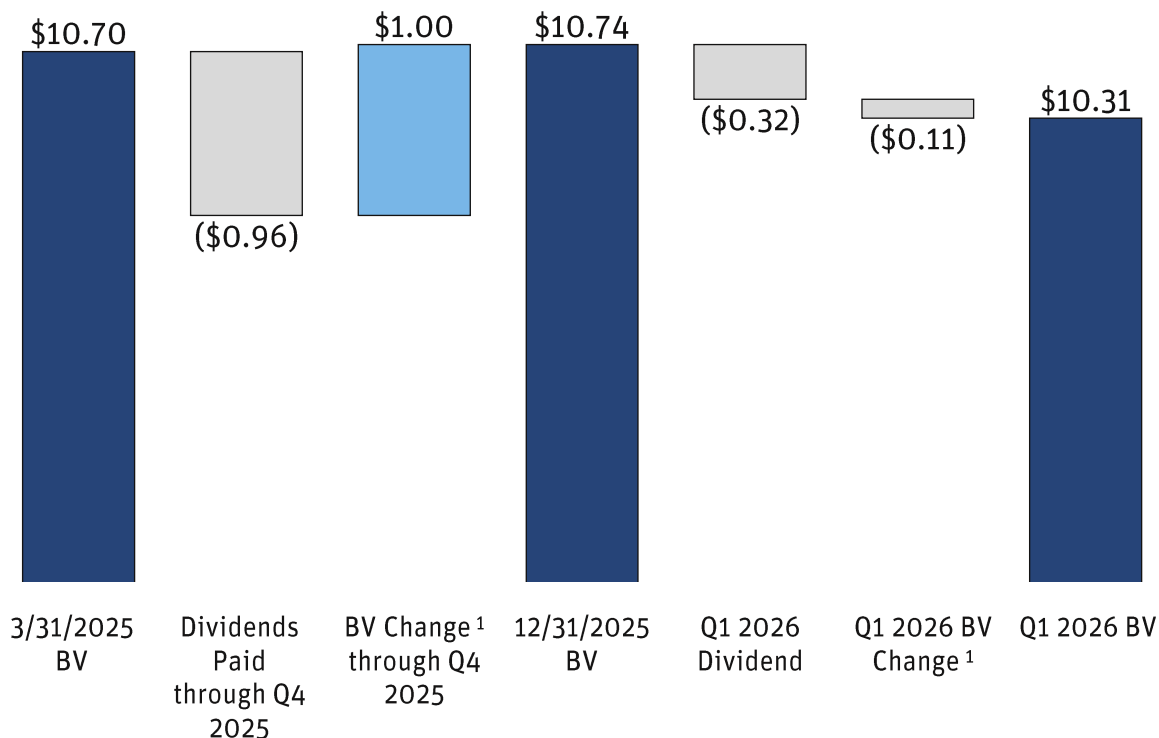
## Key Commentary

- A \$173MM increase in Residential Whole Loans in Securitization Trust, offset by a \$48MM decrease in Residential Whole Loans and a \$67MM decrease in RMBS & Investment in MOA, drove the net \$58MM increase in target assets in Q1 2026 versus Q4 2025
- Residential Whole Loans decreased and Residential Loans in Securitization Trust increased quarter over quarter due to securitization activity, offset by new loan purchases
- The quarter over quarter decrease in RMBS & Investment in MOA is driven by approximately \$70MM less Whole Pool RMBS securities held short term at quarter end in Q1 2026 versus Q4 2025

<sup>1</sup> Reflects Target Asset Balances as of quarter end, which includes Residential Loans, Residential Loans in Securitization Trust, RMBS, and Investment in majority-owned affiliate ("MOA")



# GAAP Book Value per Share



## GAAP Book Value Change Drivers & Highlights

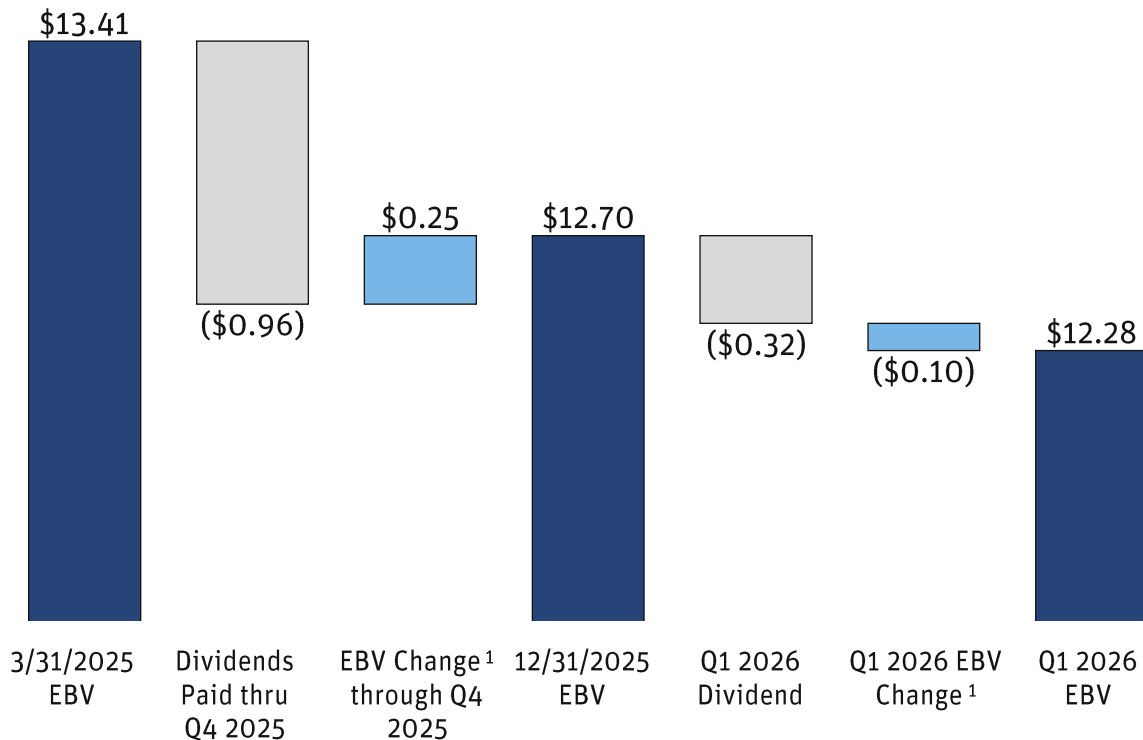
- GAAP Book Value per share decreased by \$0.39, or 3.6%, as of the end of Q1 2026 versus the end of Q1 2025; GAAP Book Value per share decreased by \$0.43, or 4.0%, as of the end of Q1 2026 versus the end of Q4 2025
- GAAP Book Value per Share increased by 8.3% in Q1 2026 versus Q1 2025 excluding our dividend; GAAP Book Value per Share decreased by 1.0% in Q1 2026 versus Q4 2025 excluding our dividend

Note: All Book Value statistics represented on a per share basis

<sup>1</sup> Excluding quarterly dividend impact



# Economic Book Value



## Economic Book Value Growth Drivers & Highlights

- Economic Book Value per Share<sup>2</sup> decreased by \$1.13, or 8.4%, as of the end of Q1 2026 versus the end of Q1 2025; Economic Book Value per Share<sup>2</sup> decreased by \$0.42, or 3.3%, as of the end of Q1 2026 versus the end of Q4 2025
- Economic Book Value per Share increased by 1.1% in Q1 2026 versus Q1 2025 excluding our dividend; Economic Book Value per Share decreased by 0.8% in Q1 2026 versus Q4 2025 excluding our dividend

*Economic Book Value reflects the impact of fair value changes for sold bonds associated with securitized obligations collateralized by loans in securitization trusts*

Note: All Book Value statistics represented on a per share basis

<sup>1</sup>Excluding quarterly dividend impact

<sup>2</sup> See Appendix for definition and reconciliation to comparable GAAP metrics



# Distributable Earnings

	Three Months Ended	
	March 31, 2026	March 31, 2025
	<i>(in thousands)</i>	
<b>Net income (loss) allocable to common stockholders</b>	<b>\$ (7,379)</b>	<b>\$ 20,531</b>
Adjustments:		
Net unrealized (gains) losses on trading securities	2,152	1,032
Net unrealized (gains) losses on derivatives	(3,703)	1,042
Net unrealized (gains) losses on residential loans in securitization trusts and non-recourse securitization obligation	9,164	(15,657)
Net unrealized (gains) losses on residential loans	3,979	(3,041)
Non-cash equity compensation expense	423	237
<b>Distributable Earnings</b>	<b>\$ 4,636</b>	<b>\$ 4,144</b>

## Key Commentary

- Q1 2026 Distributable Earnings exclude a total of \$11.6MM of unrealized losses, primarily driven by valuation decreases to residential loans in securitization trusts and non-recourse securitization obligation, residential loans, and trading securities, offset by unrealized gains on derivatives
- Realized losses associated with interest rate hedges against certain assets are included in Distributable Earnings, but the unrealized gains associated with increases in the valuation of those assets are excluded

Note: Please see Appendix for the Company's definition of Distributable Earnings.





## **Key Portfolio Statistics**

# Key Portfolio Statistics: Residential Loans

## RESIDENTIAL LOAN PORTFOLIO:

Residential Loans represent individual loans awaiting securitization

Total Fair Value: \$245.5MM

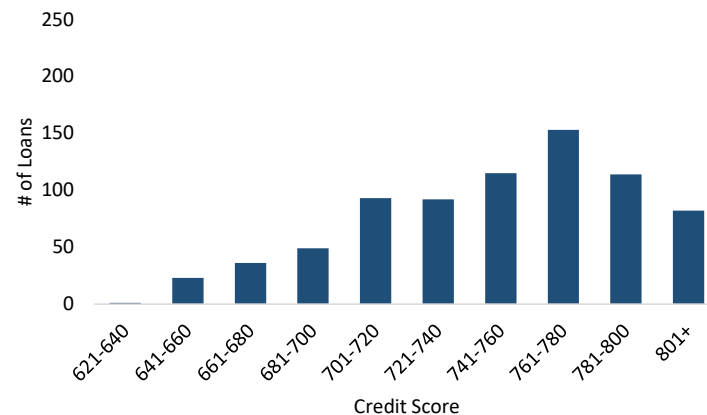
Weighted Average Coupon: 7.62%

Weighted Average CLTV at Origination: 66.6%

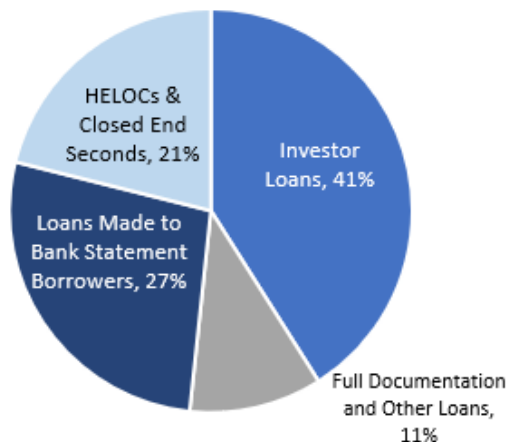
Weighted Average FICO Score at Loan Origination: 757

% of Loans 90+ Days Delinquent (based on Unpaid Principal Balance): 1.1%

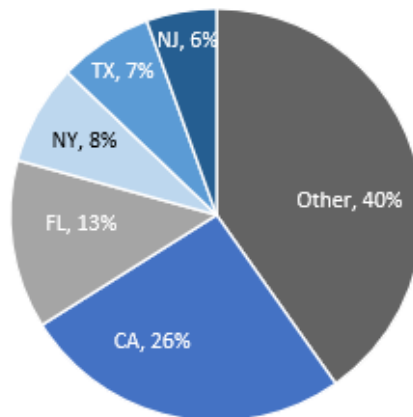
### Residential Loan Portfolio Non-Zero Credit Score Distribution



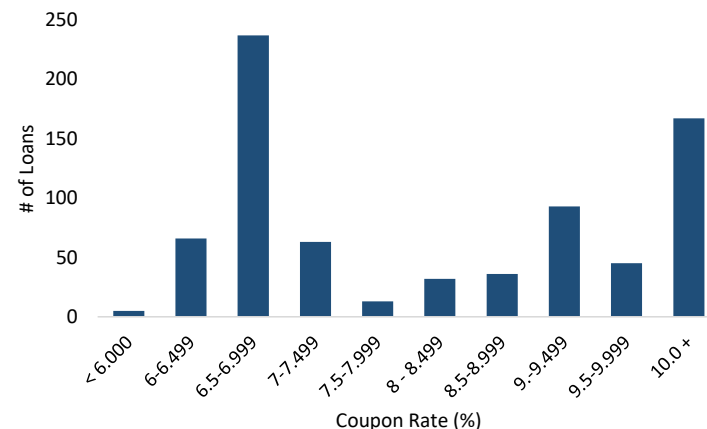
### Residential Loans by Borrower Type



### Residential Loan Geographic Diversification



### Residential Loan Portfolio Coupon Rate Distribution



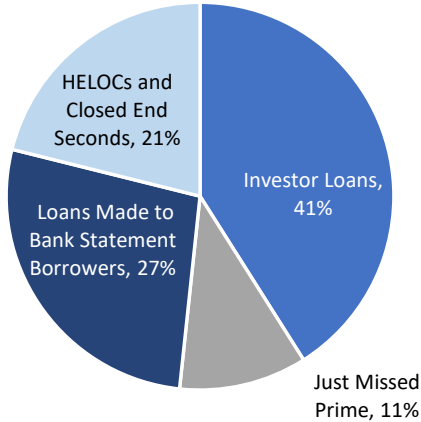
As of March 31, 2026

No state in "Other" represents more than a 3% concentration of the residential mortgage loans that we owned directly as of March 31, 2026; percentages may not total to 100% due to rounding

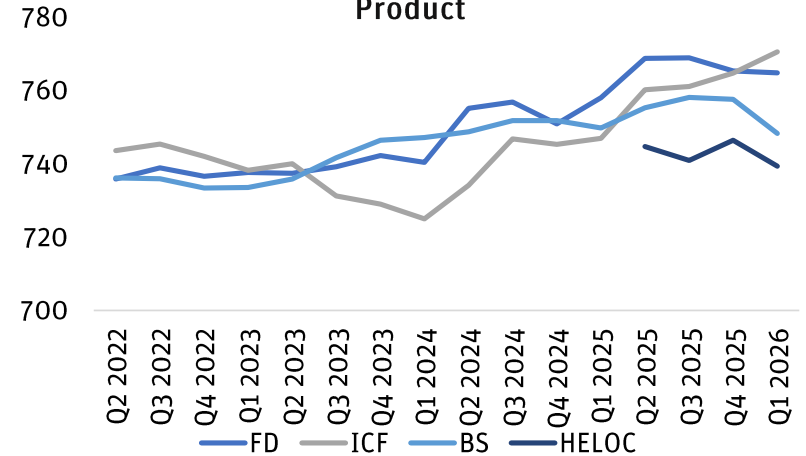


# Key Portfolio Statistics: Residential Loans by Product Type Detail

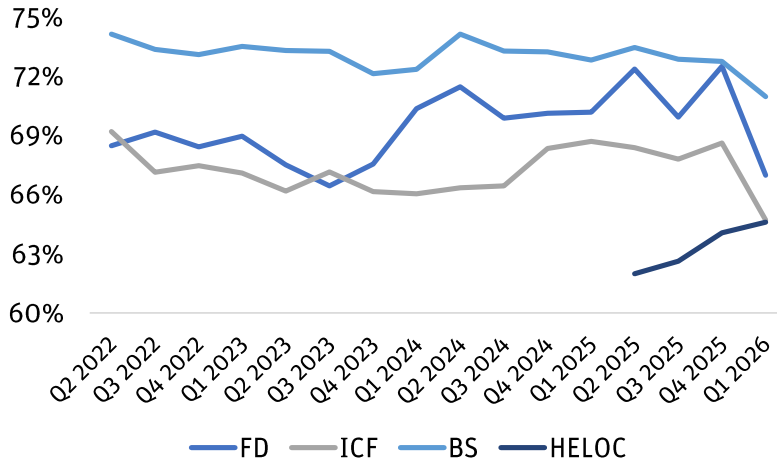
## Residential Loans by Product



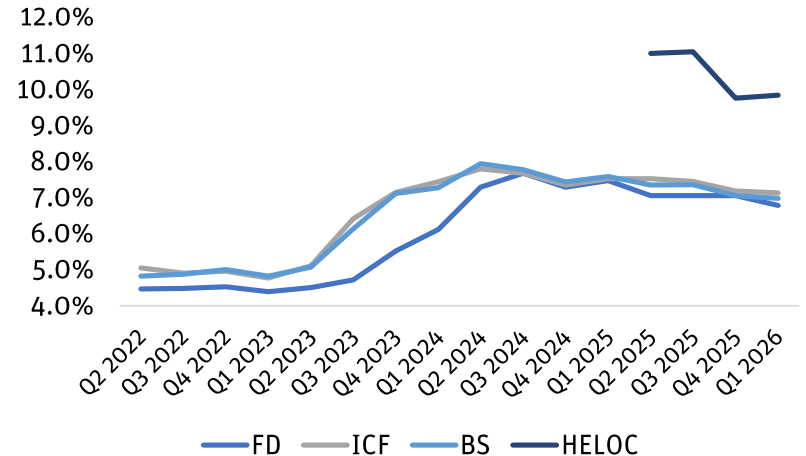
## Weighted Average Non-Zero Credit Score by Product



## Weighted Average CLTV by Product



## Weighted Average Coupon by Product



As of March 31, 2026

FD: Full Documentation, Just Missed Prime

BS: Bank Statement Borrower

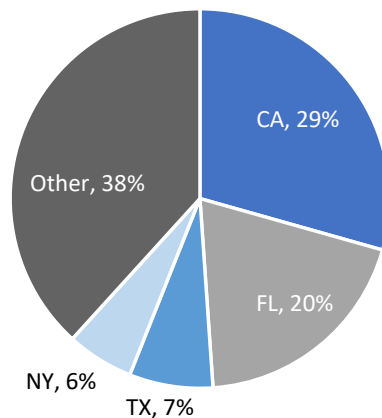
ICF: Investor Loans



# Key Portfolio Statistics: Loans in Securitization Trust

\$000s	Vintage						Total / Weighted Average
	2021	2022	2023	2024	2025	2026	
UPB of loans	\$ 355,557	\$ 491,092	\$ 225,185	\$ 446,037	\$ 489,857	\$ 269,681	\$ 2,277,410
Number of loans	946	1,197	510	1,074	1,086	579	5,392
Weighted Average Loan Coupon	4.74%	4.61%	4.47%	7.43%	7.44%	7.11%	6.07%
Average Loan Amount	\$ 376	\$ 410	\$ 442	\$ 415	\$ 451	\$ 466	\$ 424
Weighted Average CLTV at loan origination and deal date	63.9%	65.0%	65.7%	67.4%	69.5%	70.1%	66.9%
Weighted Average Credit Score at loan origination and deal date	747	744	736	743	757	755	748
Current 3 month CPR <sup>1</sup>	9.1%	4.6%	8.0%	22.8%	18.6%	10.0%	12.8%
90+ Delinquency (as a % of UPB)	2.5%	2.3%	3.0%	2.4%	1.1%	0.0%	1.9%

## Loans in Securitization Trust Geographic Diversification



As of March 31, 2026

No state in "Other" represents more than a 3% concentration in the underlying collateral; percentages may not total to 100% due to rounding

<sup>1</sup>Constant Prepayment Rate ("CPR") is a method of expressing the prepayment rate for a mortgage pool that assumes that a constant fraction of the remaining principal is prepaid each month or year



# Key Portfolio Statistics: RMBS & Residential Loans in Sec. Trust

## RMBS & RESIDENTIAL LOANS IN SECURITIZATION TRUST PORTFOLIO:

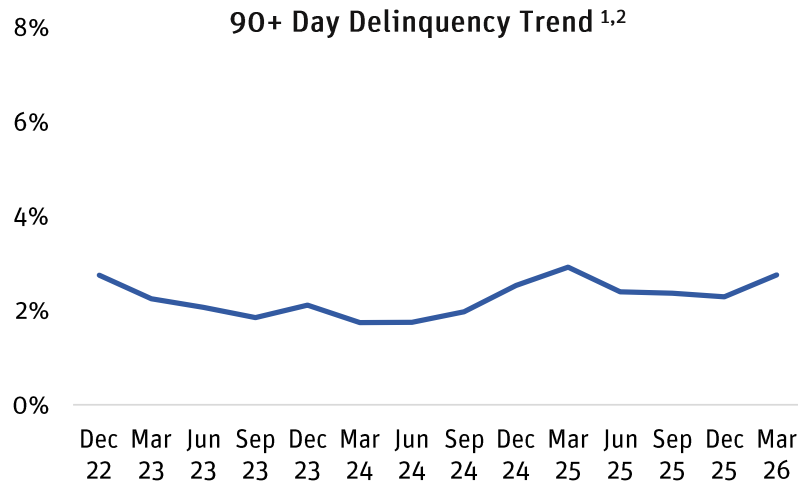
Includes (1) legacy retained tranches of securitizations that AOMR was not a sole contributor to, (2) RMBS purchased in the secondary market (if any), and (3) Residential Loans in Securitization Trust.

Total Fair Value: \$2.335B

Weighted Average Coupon<sup>1</sup>: 6.1%

Weighted Average LTV<sup>1</sup>: 67.1%

90 Day Delinquency (as a % of UPB)<sup>1</sup>: 2.76%

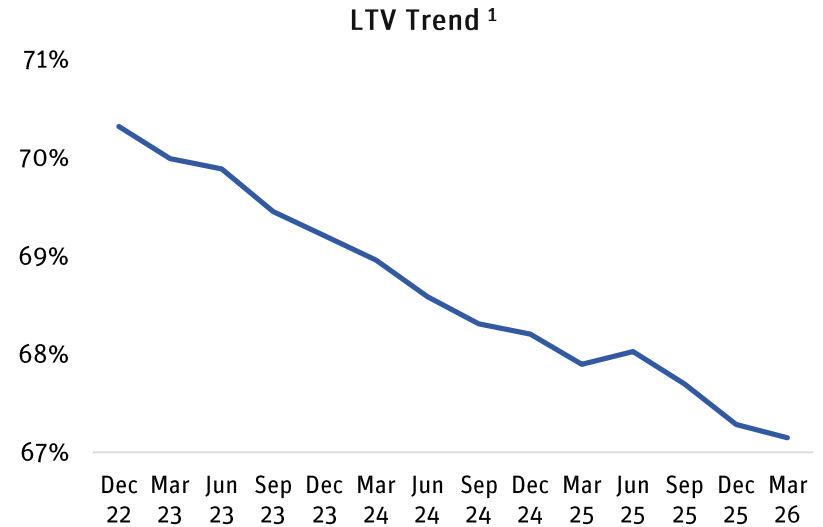


As of March 31, 2026

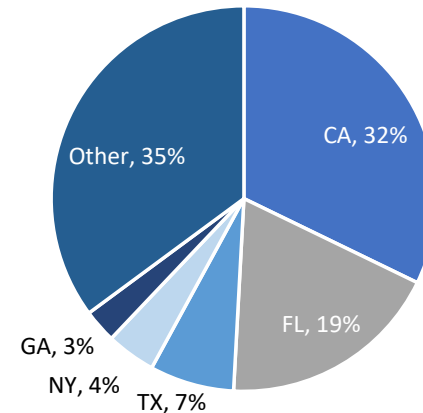
No state in "Other" represents more than a 4% concentration of the underlying collateral

<sup>1</sup> Based on UPB of entire RMBS and Residential Loans In Securitization Trust as of March 31, 2026; does not include Whole Pool RMBS.

<sup>2</sup> As % of Original UPB.



## Portfolio Geographic Diversification<sup>1</sup>





## **Appendix**

# The AOMR Model

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AOMR seeks to generate strong risk-adjusted returns and long-term capital appreciation to deliver attractive total economic return to our shareholders

## Loan Acquisition

Source and purchase high-quality, non-QM loans **leveraging the infrastructure, scale, and expertise of the Angel Oak ecosystem**

## Quarterly Dividend

Intend to declare quarterly dividends that **balance shareholder income and long-term book value appreciation**

## Securitization Financing

Target approximately **one securitization per quarter** to lock in funding term and rates and provide capital for additional loan purchases

## Holistic Portfolio Management

Effectively **identify, assess, and act upon key opportunities and risks** in appropriate markets

## Growing Book Value

Seek to consistently grow asset base of loans and securities to **drive increasing returns**

## Long-Term Focus

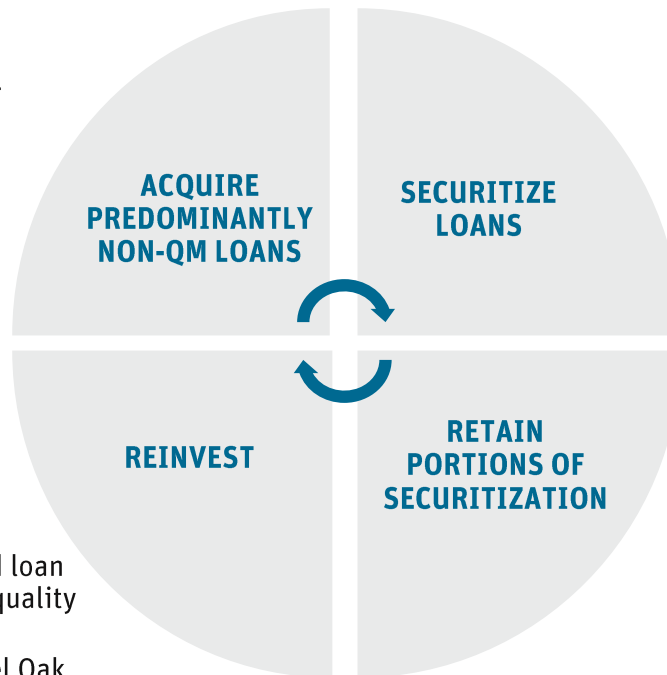
**AOMR is a business, not a trade** – management will make key decisions in the **best long-term interest of our shareholders**



# AOMR Investment Strategy

Our acquisition, securitization, and reinvestment processes enable us to consistently deliver on our business model

- AOMR's relationship with Angel Oak Companies enables AOMR to purchase high-quality loans tailored to its desired profile
- Non-QM loans offer an attractive risk-adjusted return in a growing market segment

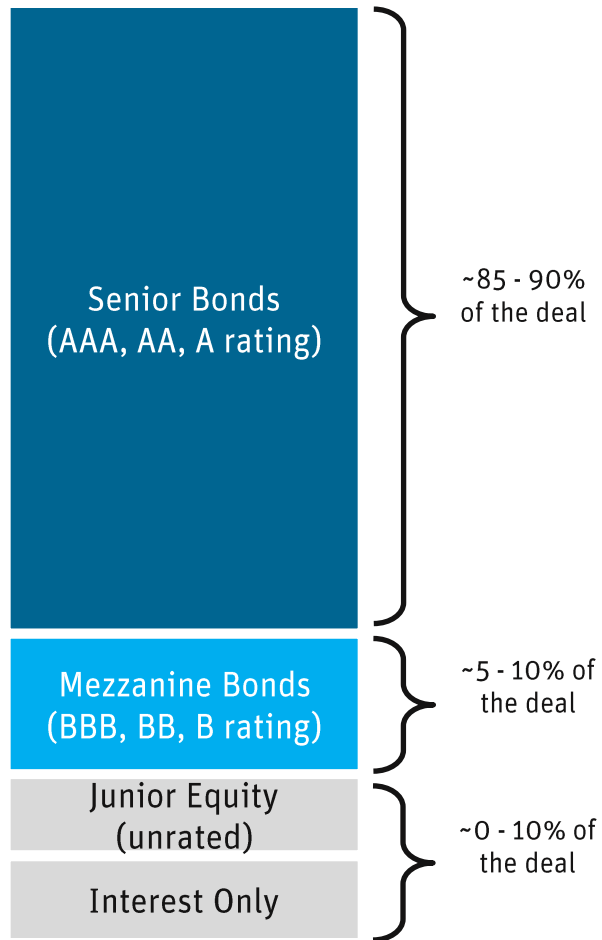


- Utilize structural term leverage from securitizations, portfolio returns, and loan financing facilities to purchase high quality non-QM loans
- Utilize the breadth and depth of Angel Oak to act upon key market opportunities and risks

- Securitization enables us to:
  - Secure a fixed cost of financing
  - Replace largely mark-to-market financial leverage with term structural leverage
- Typically retain the bottom 5-10% of market value of the securitization
- Retention of subordinated and interest-only tranches can drive higher returns without additional financial leverage



# Illustrative Securitization Structure



## KEY CHARACTERISTICS

- Senior and mezzanine bonds receive a fixed coupon
  - Junior bonds receive the net Weighted Average Coupon of collateral
  - Interest-only tranches receive remaining excess spread between the collateral pool and the coupon on the senior, mezzanine, and junior bonds
    - This excess spread is sensitive to prepayments
  - Bonds can typically be called after two to three years
- Angel Oak intends to retain bonds where it finds the best relative value, which may include Subordinated Bonds, Junior Equity (credit sensitive), and IO Bonds (prepayment sensitive)
- Retaining these bonds creates a natural hedge in the portfolio as the B2 and B3 bonds tend to perform well in a faster prepayment environment, whereas the XS and AIOS interest only bonds tend to experience reduced cash flows



# Income Statement (Unaudited)

<i>(in thousands)</i>	For the Three Months Ended:	
	March 31, 2026	March 31, 2025
	(in thousands, except for share and per share data)	
<b>INTEREST INCOME, NET</b>		
Interest income	\$ 40,694	\$ 32,867
Interest expense	28,584	22,780
<b>NET INTEREST INCOME</b>	<b>12,110</b>	<b>10,087</b>
<b>REALIZED AND UNREALIZED GAINS(LOSSES), NET</b>		
Net realized gain (loss) on mortgage loans, derivative contracts, RMBS, and CMBS	(2,721)	(3,182)
Net unrealized gain (loss) on trading securities, mortgage loans, portion of debt at fair value option, and derivative contracts	(11,592)	16,625
<b>TOTAL REALIZED AND UNREALIZED GAINS (LOSSES), NET</b>	<b>(14,313)</b>	<b>13,443</b>
<b>EXPENSES</b>		
Operating expenses	1,657	1,201
Operating expenses incurred with affiliate	565	416
Stock compensation	423	237
Securitization costs	1,402	-
Management fee incurred with affiliate	1,129	1,145
<b>TOTAL OPERATING EXPENSES</b>	<b>5,176</b>	<b>2,999</b>
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	<b>(7,379)</b>	<b>20,531</b>
Income tax expense (benefit)	-	-
<b>NET INCOME (LOSS) ALLOCABLE TO COMMON STOCKHOLDERS</b>	<b>\$ (7,379)</b>	<b>\$ 20,531</b>
Other comprehensive income (loss)	4,398	(695)
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>\$ (2,981)</b>	<b>\$ 19,836</b>



# Consolidated Balance Sheet (Unaudited)

	As of:	
	March 31, 2026	December 31, 2025
(in thousands, except for share data)		
<b>ASSETS</b>		
Residential mortgage loans - at fair value	\$ 245,534	\$ 294,134
Residential mortgage loans in securitization trusts - at fair value	2,249,614	2,076,776
RMBS - at fair value	212,596	280,005
Cash and cash equivalents	41,963	41,619
Restricted cash	1,682	3,666
Principal and interest receivable	11,269	10,354
TBA securities and interest rate futures contracts - at fair value	3,911	240
Other assets	43,412	42,984
Total assets	\$ 2,809,981	\$ 2,749,778
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
Notes payable	\$ 192,230	\$ 218,757
Non-recourse securitization obligations, collateralized by residential loans in securitization trusts	2,079,653	1,915,321
Securities sold under agreements to repurchase	57,000	54,041
Senior unsecured notes	89,251	89,023
TBA securities and interest rate futures contracts - at fair value	-	32
Due to broker	129,359	198,191
Accrued expenses	2,291	2,021
Accrued expenses payable to affiliate	244	783
Interest payable	1,890	3,423
Management fee payable to affiliate	1,161	663
Total liabilities	\$ 2,553,079	\$ 2,482,255
<b>STOCKHOLDERS' EQUITY</b>		
Common stock, \$0.01 par value. As of March 31, 2026: 350,000,000 shares authorized, 24,914,647 shares issued and outstanding. As of December 31, 2025: 350,000,000 shares authorized, 24,914,647 shares issued and outstanding.	\$ 249	\$ 249
Additional paid-in capital	475,000	474,577
Accumulated other comprehensive (loss)	3,084	(1,314)
Retained earnings (deficit)	(221,431)	(205,989)
Total stockholders' equity	\$ 256,902	\$ 267,523
Total liabilities and stockholders' equity	\$ 2,809,981	\$ 2,749,778



## Appendix: GAAP Reconciliation of Distributable Earnings (Unaudited)

	Three Months Ended	
	March 31, 2026	March 31, 2025
	<i>(in thousands)</i>	
<b>Net income (loss) allocable to common stockholders</b>	<b>\$ (7,379)</b>	<b>\$ 20,531</b>
Adjustments:		
Net unrealized (gains) losses on trading securities	2,152	1,032
Net unrealized (gains) losses on derivatives	(3,703)	1,042
Net unrealized (gains) losses on residential loans in securitization trusts and non-recourse securitization obligation	9,164	(15,657)
Net unrealized (gains) losses on residential loans	3,979	(3,041)
Non-cash equity compensation expense	423	237
<b>Distributable Earnings</b>	<b>\$ 4,636</b>	<b>\$ 4,144</b>

Distributable Earnings is a non-GAAP measure and is defined as net income (loss) allocable to common stockholders as calculated in accordance with GAAP, excluding (1) unrealized gains and losses on our aggregate portfolio, (2) impairment losses, (3) extinguishment of debt, (4) non-cash equity compensation expense, (5) the incentive fee earned by our Manager, (6) realized gains or losses on swap terminations and (7) certain other nonrecurring gains or losses. We believe that the presentation of Distributable Earnings provides investors with a useful measure to facilitate comparisons of financial performance among our REIT peers but has important limitations. We believe Distributable Earnings as described above helps evaluate our financial performance without the impact of certain transactions but is of limited usefulness as an analytical tool. Therefore, Distributable Earnings should not be viewed in isolation and is not a substitute for net income computed in accordance with GAAP. Our methodology for calculating Distributable Earnings may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and as a result, our Distributable Earnings may not be comparable to similar measures presented by other REITs.



## Appendix: GAAP Reconciliation of Economic Book Value (Unaudited)

	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
	<i>in thousands, except for share and per share data</i>				
GAAP total stockholders' equity	256,902	267,523	264,165	246,389	251,480
Adjustments:					
Fair value adjustment for securitized debt held at amortized cost	48,958	48,789	52,770	61,846	63,593
Stockholders' equity including economic book value adjustments	<u>\$ 305,860</u>	<u>\$ 316,312</u>	<u>\$ 316,935</u>	<u>\$ 308,235</u>	<u>\$ 315,073</u>
Number of shares of common stock outstanding at period end	24,914,647	24,914,647	24,914,035	23,765,202	23,500,175
GAAP Book value per share of common stock	\$ 10.31	\$ 10.74	\$ 10.60	\$ 10.37	\$ 10.70
Economic book value per share of common stock	\$ 12.28	\$ 12.70	\$ 12.72	\$ 12.97	\$ 13.41

“Economic book value” is a non-GAAP financial measure of our financial position. To calculate our economic book value, the portions of our non-recourse financing obligation held at amortized cost are adjusted to fair value. These adjustments are also reflected in the table above in our end of period total stockholders' equity. Management considers economic book value to provide investors with a useful supplemental measure to evaluate our financial position as it reflects the impact of fair value changes for our legally held retained bonds, irrespective of the accounting model applied for GAAP reporting purposes. Economic book value does not represent and should not be considered as a substitute for book value per share of common stock or stockholders' equity, as determined in accordance with GAAP, and our calculation of this measure may not be comparable to similarly titled measures reported by other companies.



# Condensed Income Statement History (Unaudited)

(in thousands)	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	1Q26
Interest Income	95,953	25,212	25,902	27,444	31,869	110,427	32,867	35,094	36,659	39,034	143,655	40,694
Interest Expense	67,052	16,633	16,439	18,424	22,007	73,502	22,780	25,154	26,479	28,142	102,555	28,584
<b>NET INTEREST INCOME</b>	<b>28,901</b>	<b>8,579</b>	<b>9,463</b>	<b>9,020</b>	<b>9,862</b>	<b>36,925</b>	<b>10,087</b>	<b>9,940</b>	<b>10,180</b>	<b>10,892</b>	<b>41,100</b>	<b>12,110</b>
Net realized gain (loss) on mortgage loans, derivative contracts, RMBS, and CMBS	(37,526)	(1,422)	(6,770)	(6,335)	5,300	(9,228)	(3,182)	(2,499)	(6,557)	1,374	(10,863)	(2,721)
Net unrealized gain (loss) on trading securities, mortgage loans, portion of debt at fair value option, and derivative contracts	63,489	10,684	2,658	35,172	(24,753)	23,761	16,625	(1,576)	11,280	4,429	30,758	(11,592)
<b>TOTAL REALIZED AND UNREALIZED GAINS (LOSSES), NET</b>	<b>25,963</b>	<b>9,262</b>	<b>(4,112)</b>	<b>28,837</b>	<b>(19,453)</b>	<b>14,533</b>	<b>13,443</b>	<b>(4,075)</b>	<b>4,723</b>	<b>5,803</b>	<b>19,895</b>	<b>(14,313)</b>
Operating expenses	9,889	2,563	2,148	2,013	1,906	8,631	1,617	1,787	1,627	1,874	6,905	2,223
Stock compensation	1,689	630	630	604	177	2,041	237	296	398	423	1,354	423
Securitization costs	2,484	174	1,410	-	2,215	3,799	-	1,866	-	1,703	3,569	1,402
Management fee incurred with affiliate	5,842	1,313	1,294	1,204	1,166	4,976	1,145	1,149	1,161	1,157	4,612	1,128
<b>EXPENSES</b>	<b>19,904</b>	<b>4,680</b>	<b>5,482</b>	<b>3,821</b>	<b>5,465</b>	<b>19,447</b>	<b>2,999</b>	<b>5,098</b>	<b>3,186</b>	<b>5,157</b>	<b>16,440</b>	<b>5,176</b>
<b>INCOME (LOSS) BEFORE TAXES</b>	<b>34,960</b>	<b>13,161</b>	<b>(131)</b>	<b>34,036</b>	<b>(15,056)</b>	<b>32,011</b>	<b>20,531</b>	<b>767</b>	<b>11,717</b>	<b>11,539</b>	<b>44,555</b>	<b>(7,379)</b>
Income tax expense (benefit)	1,246	287	142	2,832	-	3,261	-	-	307	224	531	-
<b>NET INCOME (LOSS)</b>	<b>33,714</b>	<b>12,874</b>	<b>(273)</b>	<b>31,204</b>	<b>(15,056)</b>	<b>28,750</b>	<b>20,531</b>	<b>767</b>	<b>11,410</b>	<b>11,315</b>	<b>44,024</b>	<b>(7,379)</b>
Preferred dividends	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS) ALLOCABLE TO COMMON STOCKHOLDERS</b>	<b>33,714</b>	<b>12,874</b>	<b>(273)</b>	<b>31,204</b>	<b>(15,056)</b>	<b>28,750</b>	<b>20,531</b>	<b>767</b>	<b>11,410</b>	<b>11,315</b>	<b>44,024</b>	<b>(7,379)</b>
Other comprehensive income (loss)	16,152	1,703	125	2,706	(3,034)	1,500	(695)	(491)	3,665	(318)	2,161	4,398
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>	<b>49,866</b>	<b>14,577</b>	<b>(148)</b>	<b>33,910</b>	<b>(18,090)</b>	<b>30,250</b>	<b>19,836</b>	<b>276</b>	<b>15,075</b>	<b>10,997</b>	<b>46,185</b>	<b>(2,981)</b>



# Balance Sheet History (Unaudited)

<i>(in thousands)</i>	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
<b>Assets:</b>									
Residential Mortgage Loans - at fair value	368,446	158,940	428,909	183,064	439,460	200,665	425,775	294,134	245,534
Residential mortgage loans in securitization trusts - at fair value	1,201,210	1,447,901	1,452,907	1,696,995	1,672,189	1,902,721	1,862,330	2,076,776	2,249,614
RMBS - at fair value	445,136	266,752	283,105	300,243	398,272	361,884	235,024	280,005	212,596
U.S. Treasury Securities - at fair value	149,805	149,957	49,971	-	74,959	-	-	-	-
Cash and cash equivalents	39,421	43,956	42,052	40,762	38,696	40,500	51,598	41,619	41,963
Restricted cash	2,799	2,146	2,679	2,131	4,774	3,867	1,833	3,666	1,682
Principal and interest receivable	10,591	6,174	6,630	8,141	9,823	6,836	14,781	10,354	11,269
TBA securities and interest rate futures contracts - at fair value	-	1,702	1,651	1,515	1,421	-	1,944	240	3,911
Other assets	34,547	36,246	35,962	36,918	36,941	38,015	44,825	42,984	43,412
<b>Total Assets</b>	<b>2,251,955</b>	<b>2,113,774</b>	<b>2,303,866</b>	<b>2,269,769</b>	<b>2,676,535</b>	<b>2,554,488</b>	<b>2,638,109</b>	<b>2,749,778</b>	<b>2,809,981</b>
<b>Liabilities:</b>									
Notes payable	284,002	101,200	333,042	129,459	360,470	118,619	342,608	218,757	192,230
Non-recourse securitization obligation, collateralized by residential loans in securitization trusts	1,146,641	1,372,272	1,353,758	1,593,612	1,556,075	1,767,929	1,726,657	1,915,321	2,079,653
Securities sold under agreements to repurchase	193,493	201,051	102,876	50,555	148,467	68,062	54,041	54,041	57,000
Senior unsecured notes	-	-	47,616	47,740	47,865	88,601	88,795	89,023	89,251
TBA securities and interest rate futures contracts - at fair value	889	-	-	-	947	4,355	1,309	32	-
Due to broker	359,892	181,847	194,697	201,994	302,619	254,228	153,819	198,191	129,359
Accrued expenses	1,119	653	2,000	2,291	2,539	2,812	1,952	2,021	2,291
Accrued expenses payable to affiliate	257	397	657	766	248	393	588	783	244
Interest payable	800	460	1,312	934	1,865	2,258	2,173	3,423	1,890
Income taxes payable	1,528	78	2,785	2,785	2,785	163	163	-	-
Management fee payable to affiliate	10	10	25	666	1,175	679	1,840	663	1,161
<b>Total Liabilities</b>	<b>1,988,631</b>	<b>1,857,968</b>	<b>2,038,768</b>	<b>2,030,802</b>	<b>2,425,055</b>	<b>2,308,099</b>	<b>2,373,945</b>	<b>2,482,255</b>	<b>2,553,079</b>
<b>Equity:</b>									
Common stock	249	249	234	234	234	238	249	249	249
Additional paid in capital	477,698	478,328	461,249	461,057	461,294	463,580	474,154	474,577	475,000
Accumulated other comprehensive income (loss)	(3,272)	(3,147)	(441)	(3,475)	(4,170)	(4,661)	(996)	(1,314)	3,084
Retained (deficit) earnings	(211,351)	(219,624)	(195,944)	(218,849)	(205,878)	(212,768)	(209,242)	(205,989)	(221,431)
<b>Total Stockholders Equity</b>	<b>263,324</b>	<b>255,806</b>	<b>265,098</b>	<b>238,967</b>	<b>251,480</b>	<b>246,389</b>	<b>264,165</b>	<b>267,523</b>	<b>256,902</b>
<b>Total Liabilities and Equity</b>	<b>2,251,955</b>	<b>2,113,774</b>	<b>2,303,866</b>	<b>2,269,769</b>	<b>2,676,535</b>	<b>2,554,488</b>	<b>2,638,110</b>	<b>2,749,778</b>	<b>2,809,981</b>

