



Five Oaks Investment Corp.

Investor Presentation

May 2018



Disclaimer & Name Change

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which reflect the current views of Five Oaks Investment Corp. (NYSE: OAKS) ("Five Oaks" or the "Company") with respect to, among other things, the Company's operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "indicator," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. The Company believes these factors include but are not limited to those described under the section entitled "Risk Factors" in its Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as such factors may be updated from time to time in its periodic filings with the Securities and Exchange Commission ("SEC") which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in the filings. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events or circumstances.

Name Change

On January 18, 2018, Hunt Investment Management, LLC assumed management of Five Oaks Investment Corp. (NYSE: OAKS) ("Five Oaks" or the "Company"). Five Oaks previously announced that it will change its name to **Hunt Companies Finance Trust, Inc.**, effective May 25, 2018. The new name has been chosen to better reflect the Company's new strategic direction and management by Hunt Investment Management. In addition to the new name, the Company will change its ticker symbols on the NYSE to "HCFT" and "HCFT PR A" and anticipates that trading under the new name and ticker symbols will commence on May 29, 2018.

Hunt Companies, Inc. is the parent to several Hunt entities, including Hunt Investment Management, the company's external manager. Collectively, Hunt, its affiliated entities, and underlying owned subsidiary entities shall be hereinafter referred to as "Hunt" unless specifically noted otherwise.



Hunt Companies Finance Trust

Overview



ON JANUARY 18, 2018

- ▶ Hunt assumed management of Five Oaks Investment Corp.

EFFECTIVE MAY 25, 2018

- ▶ Five Oaks Investment Corp. will be renamed Hunt Companies Finance Trust, Inc.

Hunt Companies, Inc.

An Integrated and Diversified Real Estate Platform

▶ **Hunt Companies, Inc.** is a diversified global real estate organization dedicated to creating value through the development, construction, investment, management, and financing of real estate assets

- Privately owned and founded in **1947**
- Over **1,700 direct employees** among 46 offices nationwide. Including affiliates, the companies employ over **6,000 additional employees** across 80 offices
- Hunt and its affiliated companies own, service, or manage **over \$30 billion** in real estate and infrastructure assets
- Broad platform with expertise across the real estate industry
- Significant information advantage with visibility into expansive real estate portfolio

- **Largest** owner of privatized military housing units in the U.S.
- **3rd largest** U.S. apartment property management portfolio
- **4th largest** U.S. affordable housing developer
- **7th largest** U.S. multifamily owner
- **Top 10** non-bank originator of agency multifamily loans
- **Top 30** mortgage servicing portfolio

Hunt Companies, Inc.

An Integrated and Diversified Real Estate Platform



Hunt Real Estate Finance

Deep Expertise and National Presence

Hunt's Real Estate Finance platform has national origination capabilities with local market expertise

HIGHLIGHTS

1 National Platform

- Focus on multifamily and commercial real estate lending across all 50 states

2 Strong Originations Track Record

- Over \$22 billion of originations since inception

3 Experienced origination, credit, and asset management professionals

- Established regional footprint with 60+ originations staff
- Four senior credit officers with more than 25 average years of experience and 60+ underwriting staff

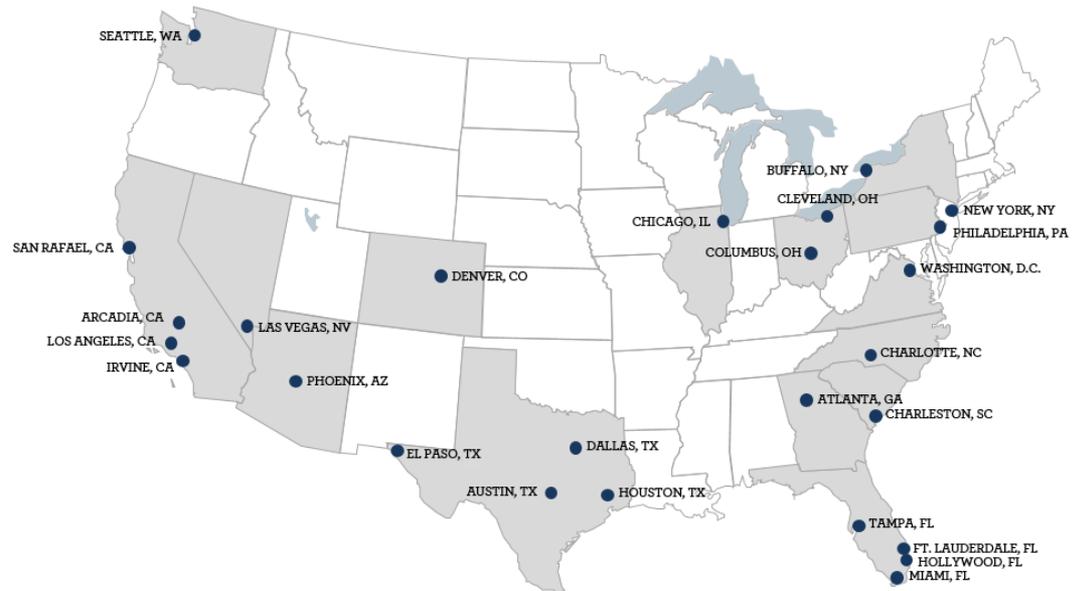
4 Direct relationships with borrowers

- Majority of Hunt's origination volume is sourced through direct relationships with borrowers

5 Diverse suite of commercial lending products

- Experience in all agency products as well as customized balance sheet financing solutions

NATIONAL PRODUCTION PLATFORM



Experienced Leadership Team

Hunt Real Estate Finance

CHRIS HUNT



CEO, Hunt Companies
Chairman, Hunt Companies
Finance Trust

JAMES FLYNN



CEO, Hunt Companies
Finance Trust
President, Hunt Mortgage Group

MICHAEL LARSEN



President, Hunt Companies
Finance Trust
CFO & COO, Hunt Mortgage Group

DAVID OSTON



CFO, Hunt Companies
Finance Trust

**MEGAN
GOODFELLOW**



Chief Credit Officer, Hunt
Mortgage Group

TOM DUDA



President, Hunt Investment
Management

JUSTIN SHORT



Head of Capital Markets, Hunt
Mortgage Group

JEFFREY DODSON



Head of Asset Management, Hunt
Mortgage Group

Hunt Real Estate Finance

Recent Transactions¹

MULTIFAMILY



Portland, Oregon
\$14,500,000

OFFICE



Stafford, Texas
\$4,400,000

MULTIFAMILY



Stamford, Connecticut
\$28,125,000

RETAIL



Austin, Texas
\$11,200,000

MIXED USE



Akron, Ohio
\$13,500,000

MULTIFAMILY



Fort Worth, Texas
\$14,750,000

MULTIFAMILY



Dallas, Texas
\$9,405,000

STUDENT HOUSING



Kalamazoo, Michigan
\$9,800,000



¹: Transactions above were originated by Hunt

Benefits of a Hunt Affiliation

Leveraging the Breadth and Depth of the Hunt Platform

 **The Company** expects to leverage Hunt's vertically integrated real estate platform and expertise across construction, development, property management, and finance when originating and underwriting investments



Hunt Companies Finance Trust

Company Overview

Real Estate Investment Trust focused on commercial and non-commercial real estate debt investments

Emphasis on floating rate investments well suited for rising interest rate environment



Externally managed by Hunt, a diverse real estate company

Strong focus on middle-market multifamily sector

KEY INVESTMENT HIGHLIGHTS

Access to Extensive Loan Origination Platform

Experienced Management Team

Strength of Ownership / Sponsorship

Strategy Well Positioned for Rising Interest Rates

Proven Credit and Asset Management Capabilities

Hunt Companies Finance Trust

Target Investments

LOAN SIZE	\$5 million to \$50+ million
COLLATERAL	Primarily first lien real estate debt on stabilized or transitional assets
PROPERTY TYPE	Multifamily, retail, office, industrial, and self storage
GEOGRAPHIES	Within the United States
LOAN TO VALUE	Typically up to 80% LTC / up to 75% of stabilized value
RATE	LIBOR + 3.00% and higher
TERM	3 to 5 years
AMORTIZATION	Typically interest only
RECOURSE	Typically non-recourse except for standard carve-outs

Hunt CMT Equity Acquisition – April 2018

Transaction Summary

▶ **On April 30, 2018, the Company acquired 100% of the equity interests of Hunt CMT Equity LLC (“HCMT”) from Hunt for an aggregate purchase price of approximately \$68 million**

- Assets of HCMT include the junior retained notes and preferred shares of a commercial real estate loan securitization (“CLO”) secured by a portfolio of commercial loans, a licensed commercial mortgage lender, and eight loan participations
- The Transaction is part of the Company's previously announced reallocation of capital into new investment opportunities in the commercial real estate debt space
- The Company believes that it is a significant positive step in directing its strategy toward transitional commercial real estate loans, which are expected to be positive to stockholder returns while lowering overall leverage

▶ **Highlights of HCMT loan portfolio and CLO financing:**

- Assets consist of performing transitional floating rate commercial real estate loans collateralized by a diverse mix of property types, including multifamily, retail, office, mixed-use, industrial and student housing, with a weighted-average spread of 492 basis points over one-month LIBOR
- Financed by match-term securitization with non-retained investment-grade notes that bear a weighted-average cost of 138 basis points over one-month LIBOR, excluding fees and transaction costs
- Securitization financing includes a replenishment period that allows principal proceeds from repayments of the portfolio assets to be reinvested in qualifying replacement assets, subject to certain conditions

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Commercial Loan Portfolio Profile

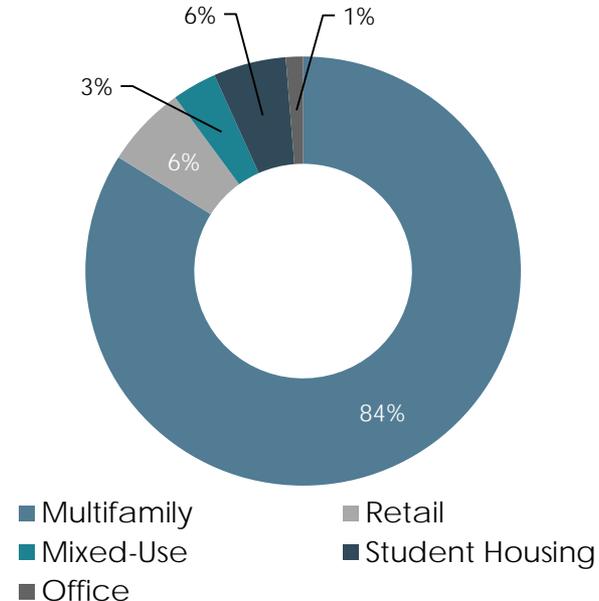
▶ PORTFOLIO HIGHLIGHTS AS OF APRIL 30, 2018

The Company's newly acquired commercial loan portfolio consists of performing transitional floating rate commercial real estate loans collateralized by a diverse mix of property types

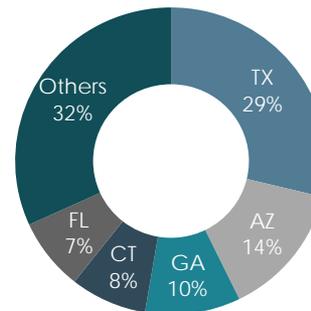
- Portfolio balance: **\$353.8 million**
- Weighted average unlevered yield: **6.83%**¹
- Weighted average as-is LTV at origination: **71%**
- Weighted average underwritten as-stabilized LTV: **66%**
- No delinquencies and no loans on watch list



PORTFOLIO BY PROPERTY TYPE



PORTFOLIO BY GEOGRAPHIC CONCENTRATION



PORTFOLIO BY LOAN TYPE



¹Represents a 4.92% spread to one-month LIBOR. One-month LIBOR was 1.91% as of April 30, 2018

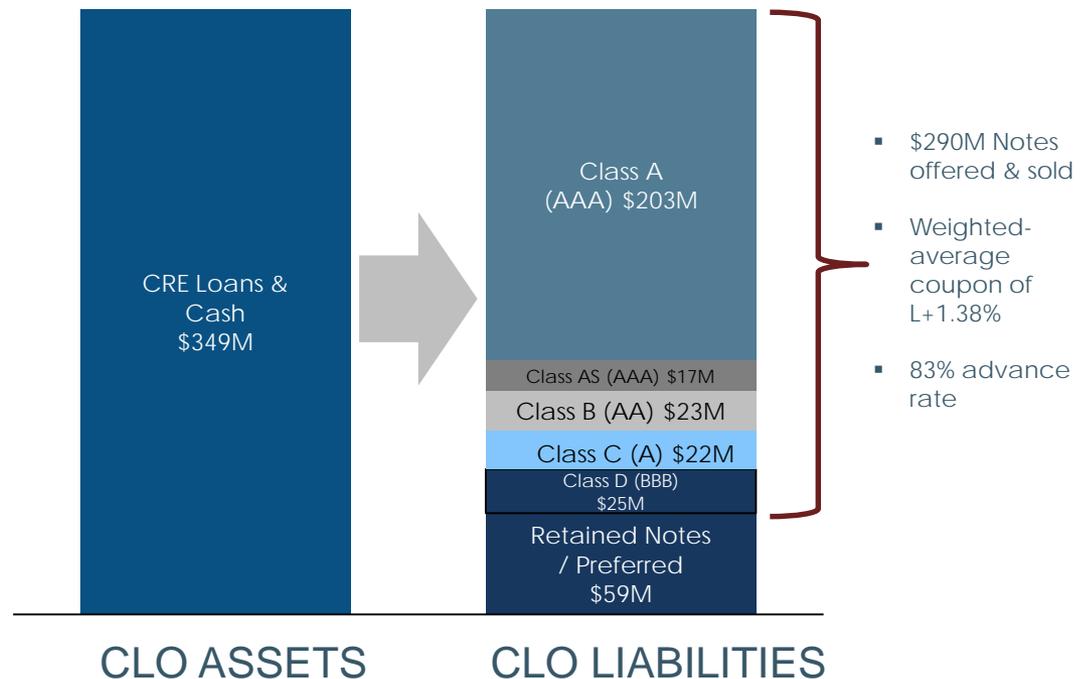
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Commercial Loan Portfolio Financing

- ▶ The Company anticipates financing its commercial loan portfolio using longer term repurchase facilities and commercial loan securitization structures (CLOs)
- ▶ CLOs represent a way to finance the portfolio as an alternative to repo and provide significant benefits

Highlights of the CLO Financing Currently Utilized by the Company

- 1 Attractive financing cost and effective advance rate**
 - Weighted average cost of offered notes is L+1.38%. Sold notes provide 83% leverage to the CLO asset portfolio
- 2 Stable, long term source of non-recourse debt capital**
 - Offered notes are non-recourse and provide match-term financing against the CLO's commercial real estate assets
- 3 Managed structure allows for reinvestment of repayments**
 - 30-month reinvestment period from August 2017 through February 2020



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Capital Deployment

- ▶ Hunt intends to continue to liquidate the legacy Agency MBS assets of HCFT and their related hedges to generate capital to redeploy in commercial real estate debt assets
- ▶ Market value of the Agency MBS portfolio as of April 30, 2018 was \$651 million
- ▶ \$720 million of Agency MBS have been sold since March 31, 2018
 - Capital generated utilized, in part, to fund the HCMT acquisition



Hunt Companies Finance Trust

Summary

► IN SUMMARY

- **Real Estate Investment Trust** focused on commercial and non-commercial real estate investments
- **Externally managed** by Hunt as part of its Real Estate Finance platform
- **Focused** on floating rate investments well suited for rising interest rate environment
- **Strong** focus on middle-market multifamily sector

► KEY INVESTMENT HIGHLIGHTS

- **Access to** attractive & sustainable market opportunities
- **Experienced** management team
- **Strength** of ownership / sponsorship
- **Strategy** well-positioned for rising interest rates
- **Access to** extensive loan origination platform



HUNT COMPANIES FINANCE TRUST