



# Hunt Companies Finance Trust

Q2 2018 Earnings Supplemental

August 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 Hunt Companies Finance Trust, Inc. (NYSE: HCFT) ("HCFT" 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 and the factor described under the section entitled "Risk Factors" in its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2018, 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](http://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 changed its name to **Hunt Companies Finance Trust, Inc.**, effective May 25, 2018. In addition to the new name, the Company changed its ticker symbols on the NYSE to "HCFT" and "HCFT PR A" and began trading under the new name and ticker symbols 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

## Company Overview

Real estate investment trust focused on transitional multi-family and other commercial real estate loans or securitizations

Emphasis on floating rate investments which should be well suited for a rising interest rate environment



Externally managed by Hunt Investment Management, part of Hunt, a diverse real estate organization

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**

**Strong Credit  
and Asset  
Management  
Capabilities**

# Hunt Companies Finance Trust

## Q2 2018 Key Highlights

### FINANCIALS

- GAAP net loss attributable to common stockholders of \$22.4 million or \$0.94 loss per share for the quarter
- GAAP comprehensive income attributable to common stockholders of \$1.1 million or \$0.05 per share, up \$0.02 per share quarter-over quarter
- Core earnings attributable to common stockholders of \$2.0 million or \$0.09 per share, up \$0.04 per share quarter-over-quarter
- Adjusted Book Value Per Share<sup>(1)</sup> of \$4.64, down \$0.01 quarter-over-quarter

### PORTFOLIO HIGHLIGHTS

- During the quarter, the Company divested 100% of its legacy Agency RMBS portfolio, 100% of its Non-Agency RMBS portfolio, 100% of its derivative hedging portfolio, and the majority of its Agency Multifamily MBS positions
- In April, the Company purchased 100% of the equity interests of Hunt CMT Equity, LLC in a related party transaction which resulted in the Company acquiring:
  - \$339 million commercial mortgage loan portfolio financed through Hunt CRE 2017-FL1
  - Eight CRE loan participations with an aggregate UPB of \$6 million
  - Lending licenses which enable the Company to originate CRE mortgage loan investments directly

### INVESTMENT PORTFOLIO OVERVIEW

- Total portfolio consisted of \$327 million of floating-rate CRE loans, \$4 million of Agency Multi-family MBS, and \$4 million of residential MSRs
  - The CRE loan portfolio has a weighted average remaining term of 16 months<sup>(2)</sup> and a weighted average note rate of L + 4.88%
  - Hunt continues to evaluate opportunities to monetize its remaining legacy Agency Multifamily MBS position and residential MSRs

### CAPITALIZATION

- The floating-rate senior loan portfolio is financed with \$291 million of investment-grade notes issued through the Hunt CRE 2017-FL1 transaction
- As of 6/30/2018, the Company had \$73 million of unrestricted cash available for operations and future investments

### SUBSEQUENT EVENTS

- On August 3, 2018, HCFT priced a \$285 million CRE CLO transaction ("Hunt CRE 2018-FL2")



Note: (1) See Appendix for definition of Adjusted Book Value Per Share. Net book value based on GAAP common stockholders' equity was \$4.77 per share as of June 30, 2018.  
(2) If all extensions are exercised by the borrowers, the CRE loan portfolio will have a weighted average remaining term of 37 months.

# Hunt Companies Finance Trust

## Q2 2018 Earnings Summary

Summary Income Statement (thousands)	Three Months Ended June 30, 2018	YTD Through June 30, 2018
Net interest income	\$4,570	\$7,687
Total other income (loss) <sup>(1)</sup>	(23,670)	(12,260)
Operating expenses	(2,390)	(5,602)
Preferred dividends	(871)	(1,751)
<b>Net income attributable to common stockholders</b>	<b>\$(22,361)</b>	<b>\$(11,926)</b>
Reclassification adjustment for net gain (loss) included in net income <sup>(2)</sup>	23,483	12,618
<b>Comprehensive income attributable to common stockholders</b>	<b>\$1,122</b>	<b>\$692</b>
Weighted average shares outstanding during the quarter	23,683,164	23,538,579
<b>Net income per share</b>	<b>\$(0.94)</b>	<b>\$(0.51)</b>
<b>Comprehensive income per share</b>	<b>\$0.05</b>	<b>\$0.03</b>

GAAP Comprehensive Income to Core Earnings Reconciliation (thousands)	Three Months Ended June 30, 2018	YTD Through June 30, 2018
<b>Comprehensive income attributable to common stockholders</b>	<b>\$1,122</b>	<b>\$692</b>
Adjustments:		
Net economic losses (gains) attributable to divested legacy assets <sup>(3)</sup>	\$(859)	\$(2,784)
Net economic losses (gains) attributable to retained legacy assets <sup>(4)</sup>	1,287	2,903
Recognized compensation expense related to restricted stock	5	10
Adjustment for consolidated securities	494	1,776
Adjustment for one-time charges <sup>(5)</sup>	-	379
<b>Core earnings<sup>(6)</sup></b>	<b>\$2,049</b>	<b>\$2,976</b>
Weighted average shares outstanding during the quarter	23,683,164	23,538,579
<b>Core earnings per share</b>	<b>\$0.09</b>	<b>\$0.13</b>
<b>Dividends per share</b>	<b>\$0.06</b>	<b>\$0.16</b>

Note:

(1) Total other income (loss) includes realized and unrealized gain (loss) activity for the period. See Appendix for a more detailed breakdown of YTD gains and losses.

(2) Reclassification adjustments for comprehensive income represent the reversal of previously recorded unrealized gains/losses on divested legacy investments that were held available-for-sale.

(3) Net economic losses (gains) includes unrealized gains/losses, realized gains/losses, and adjustments to comprehensive income attributable to divested legacy assets. A summary schedule of divested legacy assets is shown on Page 12.

(4) Net economic losses (gains) includes unrealized gains/losses and realized gains/losses attributable to retained legacy assets. A summary schedule of retained legacy assets is shown on Page 12.

(5) One-time charges relates to expenses incurred in connection with the Hunt transaction.

(6) See Appendix for definition of Core Earnings per the Management Agreement.



# Hunt Companies Finance Trust

## Net Economic Gains (Losses) Attributable to Divested Legacy Assets

**YTD Through June 30, 2018**  
(thousands)

**Net Economic Gain (Loss)<sup>(1)</sup>**

**Divested Legacy Assets**

Agency RMBS	\$(20,152)
Agency Multifamily MBS	2,503
Non-Agency RMBS	(202)
Derivatives Contracts	20,635

**Net Economic Gain Attributable to Divested Legacy Assets**

**\$2,784**



Note: (1) Net Economic Gain (Loss) reflects the realized gain (loss) on the disposition of the legacy assets net of previously accrued unrealized gains and losses. A summary schedule of divested legacy assets is shown on Page 12. See Appendix for a more detailed breakdown of YTD gains and losses.

# Hunt Companies Finance Trust

## Q2 2018 Balance Sheet Summary

### Balance Sheet (thousands)

**Q2 2018**

Commercial mortgage loans held-for-investment	\$326,884
Multi-family loans held in securitization trusts, at fair value	23,842
Mortgage servicing rights, at fair value	4,106
Cash and cash equivalents	73,381
Restricted cash <sup>(1)</sup>	7,932
Other assets <sup>(2)</sup>	23,388

### Total assets

**\$459,532**

Collateralized loan obligations <sup>(3)</sup>	\$287,739
Multi-family securitized debt obligations	19,482
Other liabilities	2,277

### Total liabilities

**\$309,497**

### Total stockholders' equity

**\$150,035**

### Total liabilities / Total stockholders' equity

**2.1x**

### Adjusted Book Value Per Share<sup>(4)</sup>

**\$4.64**

Note: (1) Restricted cash held by CRE CLO securitization trust and available for reinvestment in eligible mortgage assets.  
 (2) Includes \$20.5 million of receivables attributable to CLO collateral payoffs. Upon receipt of these payoff proceeds, the restricted cash balance will increase, and such funds will be available for reinvestment in eligible mortgage assets.  
 (3) Outstanding notional amount of bonds issues from Hunt CRE 2017-FL1 is \$291 million. For GAAP purposes, these liabilities are carried at their outstanding unpaid principal balances, net of any unamortized discounts.  
 (4) See Appendix for definition of Adjusted Book Value Per Share. Net book value based on GAAP common stockholders' equity was \$4.77 per share as of June 30, 2018.

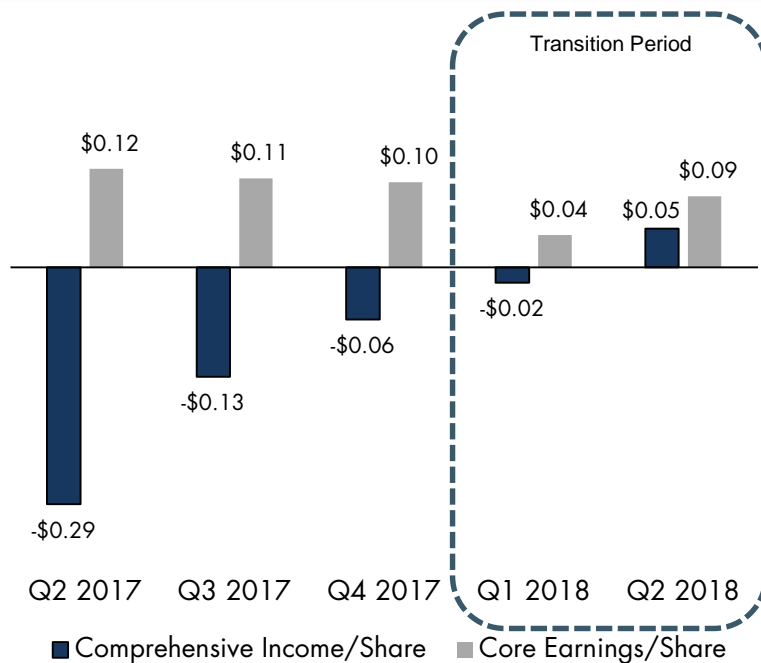


# Hunt Companies Finance Trust

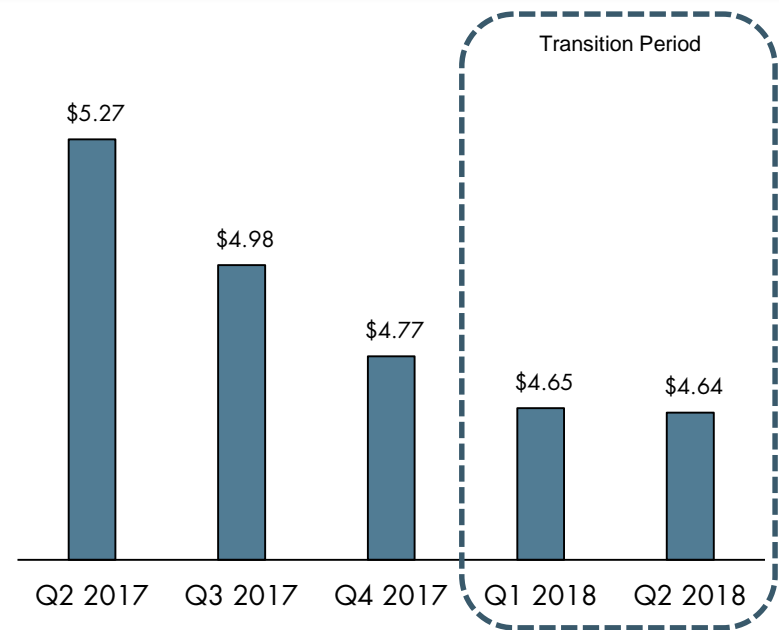
## Operating Performance

The Company continues to reallocate capital into new investment opportunities in the commercial real estate debt space.

### Comprehensive Income & Core Earnings Per Share of Common Stock



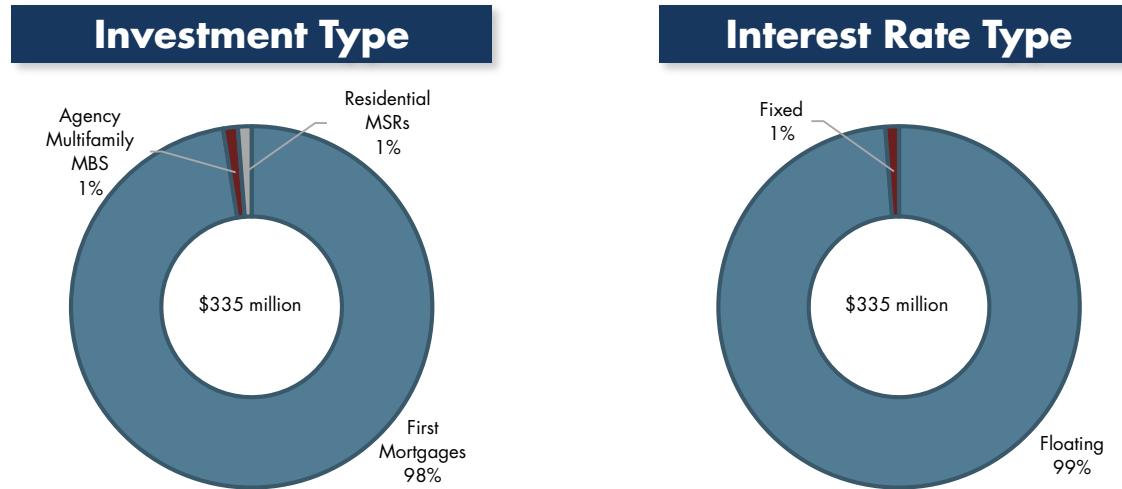
### Adjusted Book Value Per Share<sup>(1)</sup>





# Hunt Companies Finance Trust

## Q2 2018 Summary of Investment Portfolio



Investment Portfolio as of June 30, 2018 (thousands)	UPB / Notional	Net Carrying Value	Weighted Average Coupon	Weighted Average Remaining Term (months)	Weighted Average Initial LTV	Weighted Average Stabilized LTV
First Mortgages <sup>(1)</sup>	\$326,884	\$326,884	L + 4.88%	37	71.21%	65.11%
Agency Multifamily MBS <sup>(2)</sup>	\$8,193	\$4,388	L + 2.25%	12		
Residential MSRs <sup>(3)</sup>	\$428,153	\$4,106	0.25%	302		
<b>Total</b>	<b>\$763,230</b>	<b>\$335,378</b>				

Note:

(1) If all extensions are exercised by the borrowers, the CRE loan portfolio will have a weighted average remaining term of 37 months.

(2) Agency Multifamily MBS shown above on a non-GAAP net equity basis. For GAAP purposes, as of 6/30, the Company determined that it was the primary beneficiary of the VIEs underlying the trusts and met the criteria for consolidation, and therefore consolidated the entire activity of the securitization trust.

(3) The weighted average remaining term of the residential MSR portfolio is based on the maturity dates of the underlying residential loan pool and excludes the impact of potential borrower prepayments. We anticipate that the weighted average remaining life of the portfolio to be less than 302 months.

# Hunt Companies Finance Trust

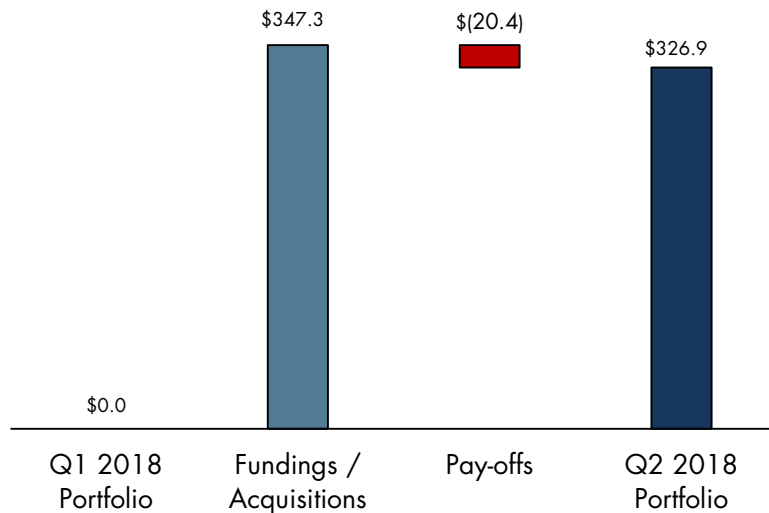
## Q2 2018 CRE Loan Portfolio Activity

In April, the Company purchased 100% of the equity interests of Hunt CMT Equity, LLC in a related party transaction which resulted in the Company acquiring:

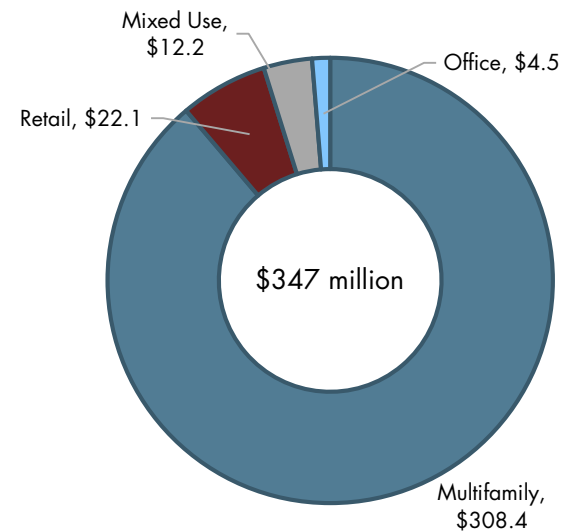
- \$339 million commercial mortgage loan portfolio financed through Hunt CRE 2017-FL1
- Eight CRE loan participations with an aggregate UPB of \$6 million

The Company also funded approximately \$1.6 million future funding participation commitments during the period.

### Net Funding Activity



### Q2 2018 Originations/Acquisitions<sup>(1)</sup>



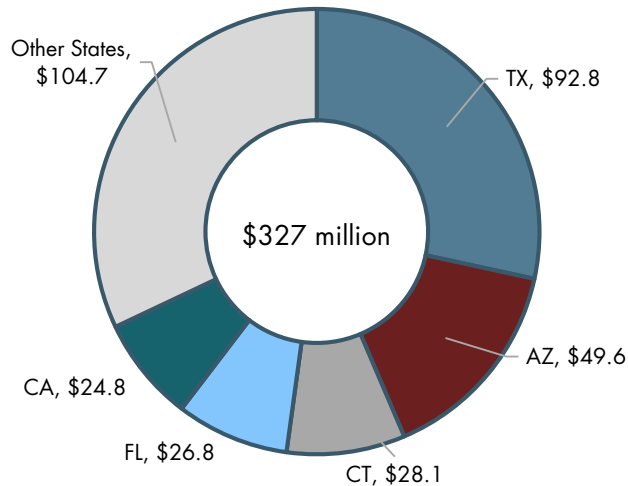
# Hunt Companies Finance Trust

## Q2 2018 CRE Loan Portfolio Snapshot

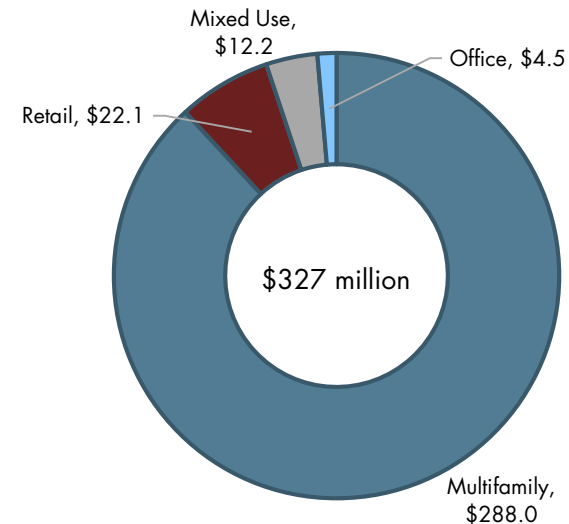
As of 6/30/2018, the Company owned a portfolio of transitional floating-rate commercial mortgage loans with an aggregate UPB of \$327 million.

- As of 6/30, all loans were current.
- One asset (UPB of \$32.8 million) was in Special Servicing as of 6/30 due to a pending maturity default. On July 3, 2018, the loan was paid down to \$23.1 million and the maturity was extended for one year.

### Geographic Concentration



### Property Type



# Hunt Companies Finance Trust

## Q2 2018 CRE Loan Financing Summary

### Highlights of Hunt CRE 2017-FL1 Transaction

#### 1 Attractive financing cost and effective advance rate

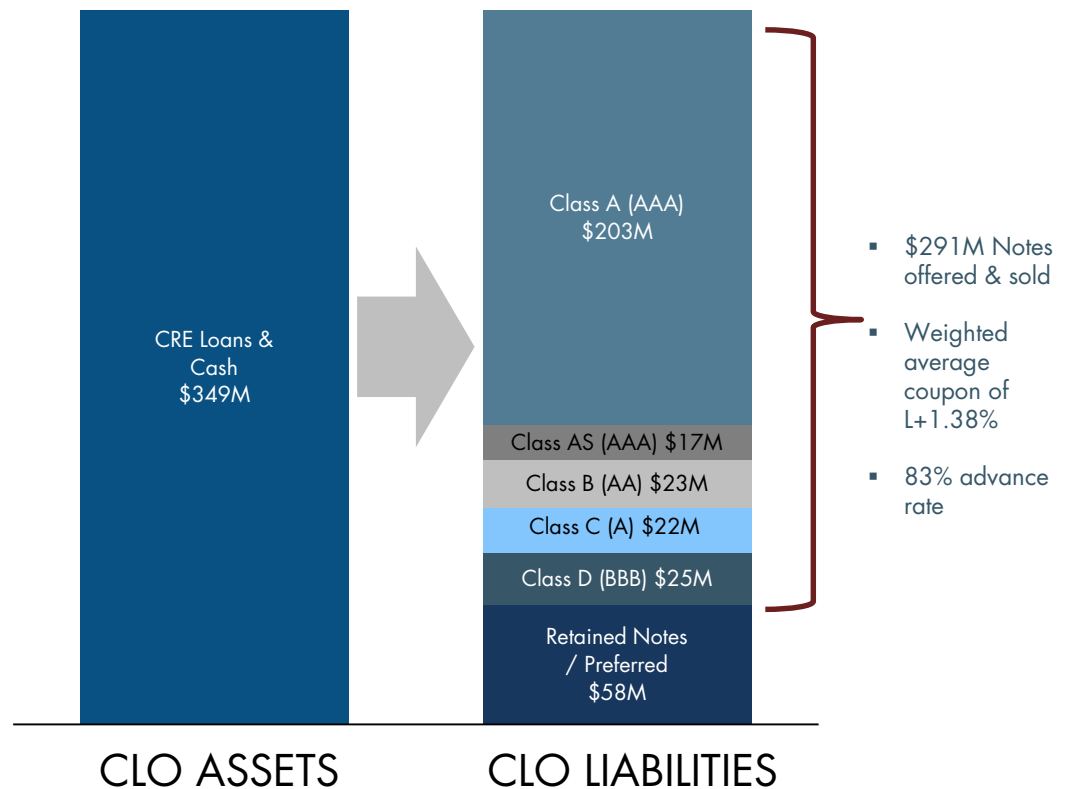
- Weighted average cost of offered notes is L+1.38%. Sold notes provide 83% leverage to the CLO asset portfolio

#### 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 through February 2020
- As of 6/30/2018, the CLO had reinvestment capacity of \$28 million



# Hunt Companies Finance Trust

## Q2 2018 Legacy Asset Portfolio Snapshot

During the quarter, the Company divested of 100% of its Agency RMBS portfolio and its Eurodollar futures contracts. The Company continues to evaluate opportunities to monetize its remaining legacy assets in transactions that are accretive to book value.

<b>Legacy Assets Divested Of During Q2 2018</b> (thousands)	<b>Notional / Portfolio UPB</b>	<b># of Securities / Contracts</b>	<b>Sale Price</b>	<b>Net Proceeds<sup>(1)</sup></b>
Agency RMBS	\$1,299,711	51	99.05	\$44,654
Agency Multifamily MBS	21,940	1	75.68	16,604
Non-Agency RMBS	389,210	4	69.33	1,418
<b>Total</b>	<b>\$1,710,861</b>	<b>56</b>		<b>\$62,676</b>

<b>Remaining Legacy Assets as of Q2 2018</b> (thousands)	<b>Notional / Portfolio UPB</b>	<b>Net Carrying Value as of Q2 2018</b>	<b>Stated pay rate</b>
Agency Multifamily MBS <sup>(2)</sup>	\$8,193	\$4,388	L + 2.25%
Residential MSRs	\$428,153	\$4,106	0.25%
<b>Total</b>	<b>\$436,346</b>	<b>\$8,494</b>	



Note:

(1) Net of repayments of borrowings under the Company's repurchase agreements.

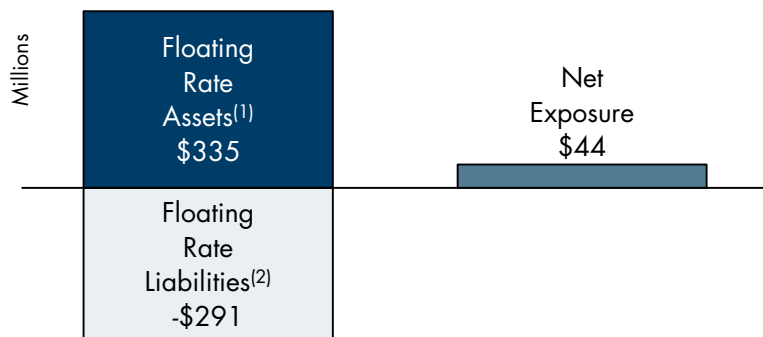
(2) Agency Multifamily MBS shown above on a non-GAAP net equity basis. For GAAP purposes, as of 6/30, the Company determined that it was the primary beneficiary of the VIEs underlying the trusts and met the criteria for consolidation, and therefore consolidated the entire activity of the securitization trust.

# Hunt Companies Finance Trust

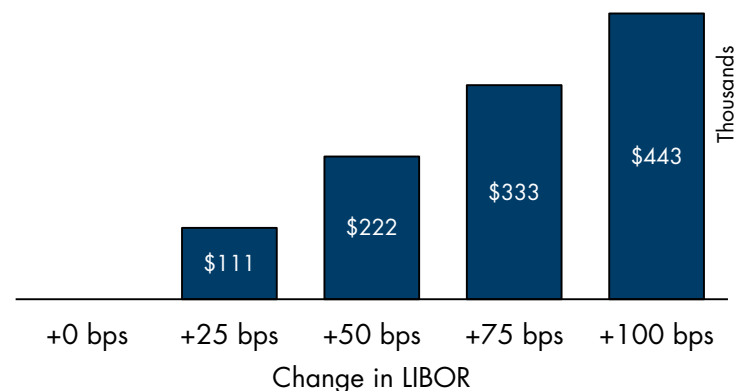
## Interest Rate Sensitivity

The Company's net floating rate exposure is expected to benefit stockholders in a rising rate environment. We expect to continue to increase our net floating rate exposure and reallocate capital into new investment opportunities in the commercial real estate mortgage space.

### Floating Rate Exposure



### Net Interest Income Sensitivity to Shifts in One-Month LIBOR<sup>(3)</sup>



# APPENDIX



# Hunt Companies Finance Trust

## Q2 2018 CRE Loan Portfolio Details

#	Loan Name	Closing Date	Maturity Date	Property Type	City	State	Current Balance	Note Spread <sup>(1)</sup>	Initial Term (months)	As-Is LTV at Origination	Stabilized LTV
1	Loan 1	6/29/2016	7/5/2019	Multifamily	Various	TX	\$32,820,000	5.50%	18	70.60%	66.30%
2	Loan 2	11/15/2017	12/4/2020	Multifamily	Phoenix	AZ	30,505,000	3.75%	36	74.26%	64.36%
3	Loan 3	12/30/2016	1/4/2019	Multifamily	Stamford	CT	28,125,000	4.75%	24	64.50%	61.30%
4	Loan 4	9/1/2016	9/6/2018	Multifamily	Tampa	FL	26,800,000	5.50%	24	70.30%	62.30%
5	Loan 5	8/16/2017	9/6/2019	Multifamily	League City	TX	24,000,000	4.45%	24	76.40%	71.60%
6	Loan 6	4/17/2017	5/6/2020	Multifamily	Brookhaven	GA	23,488,000	4.75%	36	72.80%	72.70%
7	Loan 7	12/1/2017	12/6/2019	Student Housing	Tucson	AZ	19,110,000	4.50%	24	80.28%	73.50%
8	Loan 8	9/6/2017	3/6/2019	Multifamily	Seattle	WA	15,250,000	4.50%	18	54.10%	53.50%
9	Loan 9	10/13/2017	11/6/2020	Multifamily	Hattiesburg	MS	14,715,000	4.75%	36	78.40%	75.60%
10	Loan 10	11/17/2016	12/6/2019	Multifamily	Stockton	CA	15,871,183	5.10%	36	76.50%	68.60%
11	Loan 11	5/9/2017	6/6/2020	Retail	Austin	TX	13,437,757	7.25%	36	67.50%	70.20%
12	Loan 12	9/29/2017	10/6/2020	Multifamily	Austell	GA	11,658,308	4.15%	36	81.59%	71.88%
13	Loan 13	11/4/2016	11/6/2019	Multifamily	Greensboro	NC	10,250,000	5.25%	36	83.80%	75.00%
14	Loan 14	1/15/2016	2/6/2019	Mixed-Use	Akron	OH	12,226,810	5.25%	36	68.70%	37.00%
15	Loan 15	1/9/2018	2/6/2020	Multifamily	North Highlands	CA	8,960,684	3.95%	24	79.03%	65.26%
16	Loan 16	4/19/2017	5/6/2020	Retail	Austin	TX	8,691,382	5.15%	36	31.70%	32.80%
17	Loan 17	10/11/2017	11/6/2020	Multifamily	New Orleans	LA	6,370,000	4.05%	36	75.50%	62.80%
18	Loan 18	11/5/2015	11/5/2018	Multifamily	Pascagoula	MS	6,035,000	4.50%	36	70.70%	70.70%
19	Loan 19	6/16/2017	7/6/2019	Multifamily	Dallas	TX	5,625,170	4.75%	24	75.20%	68.40%
20	Loan 20	6/12/2017	7/6/2019	Multifamily	Winston-Salem	NC	4,675,000	5.95%	24	77.20%	71.40%
21	Loan 21	11/30/2016	12/6/2018	Office	Stafford	TX	4,526,252	5.50%	24	56.40%	61.00%
22	Loan 22 <sup>(2)</sup>	1/30/2017	8/6/2018	Multifamily	Tyler	TX	3,743,000	5.50%	18	58.30%	55.90%
<b>Total/Average</b>							<b>\$326,883,547</b>	<b>4.88%</b>	<b>29</b>	<b>71.21%</b>	<b>65.11%</b>



Note: (1) All note spreads are indexed to one-month LIBOR.  
(2) Subsequent to 6/30/2018, the loan's maturity date was extended to 11/6/2018.



# Hunt Companies Finance Trust

## Detail of Net Gains & Losses on Investments

YTD Through June 30, 2018 (thousands)	Change in Unrealized Gain (Loss) <sup>(1)</sup>	Realized Gain (Loss) <sup>(2)</sup>	Adjustments for Other Comprehensive Income (Loss) <sup>(3)</sup>	Net Economic Gain (Loss)
<b>Sold Assets</b>				
Agency RMBS	\$ -	\$(32,725)	\$12,573	\$(20,152)
Agency Multifamily MBS	(3,793)	6,251	45	2,503
Non-Agency RMBS	6,664	(6,866)	-	(202)
Derivatives Contracts	(5,350)	25,985	-	20,635
<b>Total Attributable to Divested Legacy Assets</b>	<b>\$(2,479)</b>	<b>\$(7,355)</b>	<b>\$12,618</b>	<b>\$2,784</b>
<b>Remaining Legacy Assets</b>				
Agency Multifamily MBS	\$(3,026)	\$(5)	\$ -	\$(3,031)
Residential MSRs <sup>(4)</sup>	128	-	-	128
<b>Total Attributable to Remaining Legacy Assets</b>	<b>\$(2,898)</b>	<b>\$(5)</b>	<b>\$ -</b>	<b>\$(2,903)</b>
<b>Grand Total</b>	<b>\$(5,377)</b>	<b>\$(7,360)</b>	<b>\$12,618</b>	<b>\$(119)</b>

(1) Change in Unrealized Gain (Loss) is included in GAAP net income. In the case of divested legacy assets, the activity during the period represents the reversal of previously recorded unrealized gains/losses.

(2) Realized Gain (Loss) is included in GAAP net income.

(3) Adjustments for Other Comprehensive Income (Loss) is not included in GAAP net income but included in comprehensive income. Activity represents the reversal of previously recorded unrealized gains/losses on divested legacy investments that were held available-for-sale.

(4) Unrealized Gain (Loss) on MSRs reflect change in FV. The GAAP consolidated statement of operations also reflects ~\$1 million reclassification of carrying value from "Residential loans held in securitization trusts, at fair value" to "Mortgage servicing rights, at fair value". As a result of divesting its interests in the CSMC 2014-Oak1 Trust during the period, the Company is no longer required to consolidate the activities of the securitization.

# Hunt Companies Finance Trust

## Consolidated Balance Sheets

	6/30/2018 <sup>(1)</sup> (unaudited)	12/31/2017 <sup>(1)</sup>
<b>ASSETS</b>		
Available-for-sale securities, at fair value (includes pledged securities of \$0 for June 30, 2018 and \$1,295,225,428 for December 31, 2017, respectively)	\$ —	\$ 1,290,825,648
Commercial mortgage loans held-for-investment	326,883,547	—
Multi-family loans held in securitization trusts, at fair value	23,842,220	1,130,874,274
Residential loans held in securitization trusts, at fair value	—	119,756,455
Mortgage servicing rights, at fair value	4,105,613	2,963,861
Cash and cash equivalents	73,380,534	34,347,339
Restricted cash	7,932,233	11,275,263
Deferred offering costs	154,616	179,382
Accrued interest receivable	1,856,506	8,852,036
Investment related receivable	20,505,834	7,461,128
Derivative assets, at fair value	—	5,349,613
Other assets	871,239	656,117
<b>Total assets</b>	<b>\$ 459,532,342</b>	<b>\$ 2,612,541,116</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Repurchase agreements:		
Available-for-sale securities	\$ —	\$ 1,234,522,000
Commercial mortgage collateralized loan obligations	287,738,948	—
Multi-family securitized debt obligations	19,481,546	1,109,204,743
Residential securitized debt obligations	—	114,418,318
Accrued interest payable	526,309	6,194,464
Dividends payable	29,349	39,132
Deferred income	310,250	222,518
Due to broker	—	1,123,463
Fees and expenses payable to Manager	1,185,000	752,000
Other accounts payable and accrued expenses	225,980	273,201
<b>Total liabilities</b>	<b>309,497,382</b>	<b>2,466,749,839</b>
<b>COMMITMENTS AND CONTINGENCIES (NOTE 14)</b>		
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred Stock: par value \$0.01 per share; 50,000,000 shares authorized, 8.75% Series A cumulative redeemable, \$25 liquidation preference, 1,610,000 and 1,610,000 issued and outstanding at June 30, 2018 and December 31, 2017, respectively	37,156,972	37,156,972
Common Stock: par value \$0.01 per share; 450,000,000 shares authorized, 23,683,164 and 22,143,758 shares issued and outstanding, at June 30, 2018 and December 31, 2017, respectively	236,787	221,393
Additional paid-in capital	231,320,638	224,048,169
Accumulated other comprehensive income (loss)	(2,436,690)	(15,054,484)
Cumulative distributions to stockholders	(110,137,146)	(104,650,235)
Accumulated earnings	(6,105,601)	4,069,462
<b>Total stockholders' equity</b>	<b>150,034,960</b>	<b>145,791,277</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 459,532,342</b>	<b>\$ 2,612,541,116</b>

(1) Our consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs") as the Company is the primary beneficiary of these VIEs. As of June 30, 2018 and December 31, 2017, assets of consolidated VIEs totaled \$23,950,000 and \$1,255,404,335 respectively, and the liabilities of consolidated VIEs totaled \$19,562,001 and \$1,228,295,517 respectively.

# Hunt Companies Finance Trust

## Consolidated Statements of Income

	Three Months Ended June 30, 2018	Three Months Ended June 30, 2017	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Revenues:</b>				
Interest income:				
Available-for-sale securities	\$ 3,669,376	\$ 6,658,679	\$ 10,748,966	\$ 13,481,301
Residential mortgage loans held-for-sale	—	28,571	—	57,334
Commercial mortgage loans held-for-investment	5,894,000	—	5,894,000	—
Multi-family loans held in securitization trusts	6,976,930	13,569,574	20,204,118	27,518,328
Residential loans held in securitization trusts	954,711	1,298,520	2,102,352	2,653,958
Cash and cash equivalents	55,936	39,747	116,978	75,481
Interest expense:				
Repurchase agreements - available-for-sale securities	(2,685,705)	(2,873,843)	(7,637,242)	(4,969,317)
Commercial mortgage collateralized loan obligations	(2,889,167)	—	(2,889,167)	—
Multi-family securitized debt obligations	(6,640,264)	(12,862,356)	(19,166,559)	(26,100,080)
Residential securitized debt obligations	(765,914)	(1,030,971)	(1,685,971)	(2,105,323)
Net interest income	4,569,903	4,827,921	7,687,475	10,611,682
<b>Other income:</b>				
Realized gain (loss) on sale of investments, net	(30,497,281)	(151,549)	(33,345,288)	(9,468,552)
Change in unrealized gain (loss) on fair value option securities	—	—	—	9,448,270
Realized gain (loss) on derivative contracts, net	23,192,076	1,453,074	25,984,870	3,686,125
Change in unrealized gain (loss) on derivative contracts, net	(18,132,701)	(5,813,275)	(5,349,613)	(8,890,363)
Realized gain (loss) on mortgage loans held-for-sale	—	(249)	—	(423)
Change in unrealized gain (loss) on mortgage loans held-for-sale	—	(7,358)	—	(11,067)
Change in unrealized gain (loss) on mortgage servicing rights	1,084,063	(228,329)	1,141,752	(354,775)
Change in unrealized gain (loss) on multi-family loans held in securitization trusts	(5,463,148)	803,206	(6,818,922)	2,102,836
Change in unrealized gain (loss) on residential loans held in securitization trusts	5,905,602	(250,079)	5,650,199	(618,422)
Other interest expense	—	—	—	(152,322)
Servicing income	196,404	192,519	416,382	445,257
Other income	44,617	12,735	60,492	24,906
Total other income (loss)	(23,670,368)	(3,989,305)	(12,260,128)	(3,788,530)
<b>Expenses:</b>				
Management fee	604,191	552,882	1,180,326	1,097,392
General and administrative expenses	962,277	1,243,257	2,352,338	2,831,829
Operating expenses reimbursable to Manager	570,833	961,909	1,316,925	2,170,852
Other operating expenses	201,190	324,191	605,659	544,687
Compensation expense	51,107	52,948	147,162	105,822
Total expenses	2,389,598	3,135,187	5,602,410	6,750,582
Net income	(21,490,063)	(2,296,571)	(10,175,063)	72,570
Dividends to preferred stockholders	(870,726)	(870,726)	(1,751,235)	(1,751,235)
Net income attributable to common stockholders	\$ (22,360,789)	\$ (3,167,297)	\$ (11,926,298)	\$ (1,678,665)

# Hunt Companies Finance Trust

## Reconciliation of GAAP to Core Earnings

### Reconciliation of GAAP to Core Earnings

GAAP to Core Earnings Reconciliation	Three Months Ended	Three Months Ended
	June 30, 2018	March 31, 2018
<i>Reconciliation of GAAP to non-GAAP Information</i>		
Net Income (loss) attributable to common shareholders	\$(22,360,401)	\$ 10,434,491
<i>Adjustments for non-core earnings</i>		
Realized (Gain) Loss on sale of investments, net	\$ 30,497,281	\$ 2,848,007
Realized (Gain) Loss on derivative contracts, net	\$(23,192,076)	\$ (2,792,794)
Unrealized (Gain) Loss on derivative contracts, net	\$ 18,132,701	\$ (12,783,088)
Unrealized (Gain) Loss on mortgage servicing rights	\$ (1,084,063)	\$ (57,689)
Unrealized (Gain) Loss on multi-family loans held in securitization trusts	\$ 5,463,148	\$ 1,355,774
Unrealized (Gain) Loss on residential loans held in securitization trusts	\$ (5,905,602)	\$ 255,403
Subtotal	\$ 23,911,389	\$ (11,174,387)
<i>Other Adjustments</i>		
Recognized compensation expense related to restricted common stock	\$ 4,857	\$ 4,804
Adjustment for consolidated securities/securitization costs	\$ 493,498	\$ 1,283,061
Adjustment for one-time charges	\$ -	\$ 378,656
Core Earnings	\$ 2,049,343	\$ 926,625
Weighted average shares outstanding	23,683,164	23,392,387
Core Earnings per weighted average shares outstanding	\$ 0.09	\$ 0.04

# Hunt Companies Finance Trust

## Key Definitions

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**“Adjusted Book Value Per Share”** means a non-GAAP metric of common stockholders’ equity per share calculated as: a) total stockholders’ equity computed in accordance with GAAP less the value of the issued and outstanding preferred stock at its stated liquidation preference of \$25.00 per share, divided by b) the weighted average number of shares of common stock issued and outstanding during the period.

**“Core Earnings”** means the net income (loss) attributable to the holders of Common Shares or, without duplication, owners of the Company’s Subsidiaries, computed in accordance with GAAP, including realized losses not otherwise included in GAAP net income (loss) and excluding (i) non-cash equity compensation expense, (ii) the Incentive Compensation<sup>(1)</sup>, (iii) depreciation and amortization, (iv) any unrealized gains or losses or other similar non-cash items that are included in net income for the applicable reporting period, regardless of whether such items are included in other comprehensive income or loss, or in net income, and (v) one-time events pursuant to changes in GAAP and certain material non-cash income or expense items after discussions between the Manager and the Board and approval by Special Board Approval.

# Hunt Companies Finance Trust

## Key Definitions (Continued)

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“Special Board Approval” means the approval of a majority of the Independent Directors.

“Stockholder’s Equity” means: (a) the sum of the net proceeds from any issuances of the Company’s equity securities (excluding preferred securities solely for purposes of Incentive Compensation but including preferred securities for all other purposes of this Agreement) since inception (allocated on a pro rata daily basis for such issuances during the fiscal quarter of any such issuance; plus (b) the Company’s retained earnings at the end of such fiscal quarter (without taking into account any non-cash equity compensation expense or other non-cash items described below incurred in current or prior periods); less (c) any amount that the Company pays for repurchases of its Common Shares; and (d) excluding (i) any unrealized gains, losses or other non-cash items that have impacted the Company’s Stockholders’ Equity as reported in the Company’s financial statements prepared in accordance with GAAP, regardless of whether such items are included in other comprehensive income or loss, or in net income, and (ii) adjustments relating to one-time events pursuant to changes in GAAP and certain other noncash charges after discussions between the Hunt Investment Management, LLC and the Company’s board of directors and approval by a majority of the Company’s independent directors.



HUNT COMPANIES FINANCE TRUST