Velocity Announces Pricing of $249 Million Securitization

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Thirteenth Securitization in Since 2011

WESTLAKE VILLAGE, Calif.--(BUSINESS WIRE)--Velocity Financial, Inc. (NYSE: VEL), a leading originator of investor loans secured by 1-4 unit residential rental and small commercial properties, today announced the pricing of its first securitization transaction of 2020. The VCC 2020-1 Mortgage-Backed certificates (the "Certificates") are rated by KBRA (Kroll Bond Rating Agency) and are backed by a portfolio of loans originated through Velocity's operating platform.

"We are pleased with the strong market reception of our first securitization of 2020 and our 13th transaction overall," said President and CEO, Chris Farrar. "Velocity's track record of outstanding collateral performance has resulted in our ability to consistently access the capital markets for term financing, allowing us to successfully grow the business while continuing to reduce funding costs. The quality of Velocity's originations drives our practice of retaining at least 5 percent of our securitizations and creates a strong alignment of interests with investors."

The Certificates will be issued by VCC Mortgage Securities, LLC, a wholly owned subsidiary of Velocity Financial, Inc., through Velocity Commercial Capital, LLC, and each certificate will bear a fixed rate of interest. The transaction is expected to close on February 14, 2020.

About Velocity Financial, Inc.

Based in Westlake Village, California, Velocity is a vertically integrated real estate finance company that originates and manages investor loans secured by 1-4 unit residential rental and small commercial properties. Velocity originates loans nationwide across an extensive network of independent mortgage brokers it has built and refined over 15 years.

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