

Investor 1-4

Mixed-Use

Commercial

Multi-Family



3Q24 Results Presentation
November 7, 2024



Forward-looking statements

Some of the statements contained in this presentation may constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, projections, plans and strategies, positioning, anticipated events or trends, and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases. You can also identify forward-looking statements by discussions of strategy, plans, or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause actual results to differ significantly from those expressed or contemplated in any forward-looking statement.

While forward-looking statements reflect our good faith projections, assumptions and expectations, they are not guarantees of future results. Furthermore, we disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes, except as required by applicable law. Factors that could cause our results to differ materially include but are not limited to: (1) the continued course and severity of COVID-19 variants and subvariants and their direct and indirect impacts (2) general economic conditions and real estate market conditions, such as a possible recession, (3) regulatory and/or legislative changes, (4) our customers' continued interest in loans and doing business with us, (5) market conditions and investor interest in our contemplated securitizations and (6) changes in federal government fiscal and monetary policies and (7) the continued conflict in Ukraine and Israel.

For a further discussion of these and other factors that could cause future results to differ materially from those expressed or contemplated in any forward-looking statements, see the section titled "Risk Factors" previously disclosed in our Form 10-Q filed with the SEC on May 14, 2020, as well as other cautionary statements we make in our current and periodic filings with the SEC. Such filings are available publicly on our Investor Relations web page at www.velfinance.com.



3Q24 Highlights

Earnings

- Net income of \$15.8 million, up 30.8% from \$12.1 million for 3Q23. Diluted EPS of \$0.44 per share, up \$0.09 from \$0.35 for 3Q23
- Core net income⁽¹⁾ of \$16.9 million, up 31.2% from \$12.9 million for 3Q23. Core diluted EPS⁽¹⁾ of \$0.47, up from \$0.37 per share for 3Q23
- Portfolio net interest margin (NIM) of 3.60%, up 26 bps from 3.34% for 3Q23

Production & Loan Portfolio

- Loan production of \$476.8 million in UPB, a 12.9% and 64.1% increase from 2Q24 and 3Q23, respectively
- Total loan portfolio of \$4.8 billion in UPB, an increase of 22.6% from September 30, 2023
- Nonperforming Loans (NPL)⁽²⁾ were 10.6% of HFI loans, up slightly from 10.5% and 10.1% as of June 30, 2024, and September 30, 2023, respectively
- 3Q24 NPL resolutions realized gains of \$2.3 million, or 103.4%, of UPB resolved

Financing & Capital

- Completed the VCC 2024-4 securitization totaling \$253.6 million of securities issued
- Collapsed the 2020-2 securitization allowing us to redeploy \$25.1 million in retained equity more efficiently
- Liquidity⁽³⁾ of \$92.8 million and total available warehouse line capacity was \$349.3 million as of September 30, 2024

Subsequent to quarter-end

- Completed the VCC 2024-5 securitization totaling \$300.4 million of securities issued. Improved securitization market resulted in strong execution and investor demand

⁽¹⁾ "Core net income" is a non-GAAP measure which excludes non-recurring, non-operating, and/or unusual activities from GAAP net income

⁽²⁾ Held for Investment (HFI) includes the unpaid principal balance of loans carried on an amortized cost basis and loan carried at fair value (FVO).

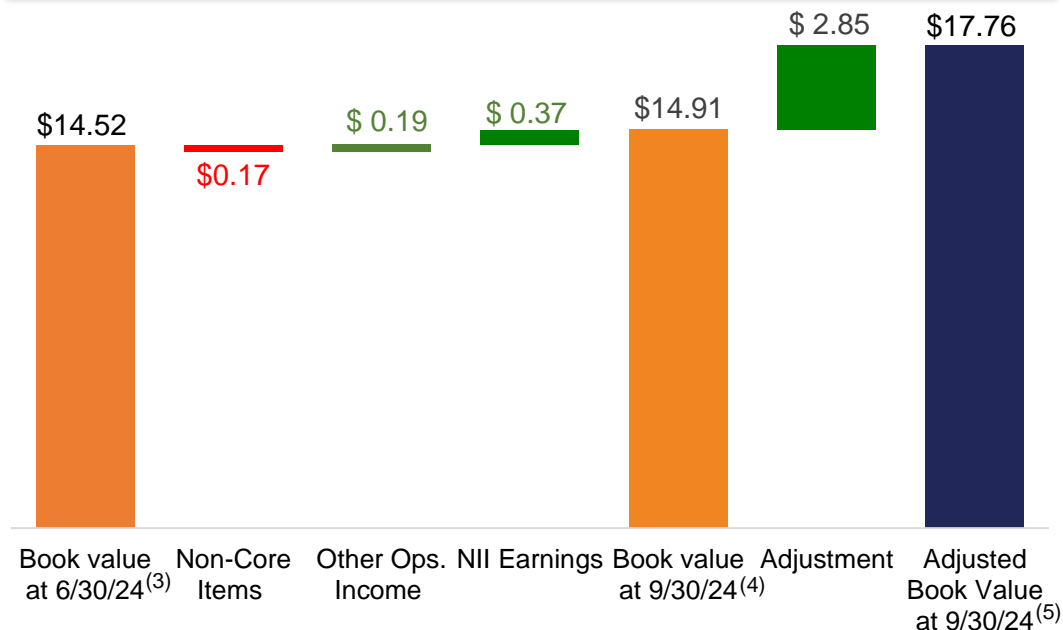
⁽³⁾ Liquidity includes unrestricted cash and cash equivalents of \$44.1 million and available liquidity in unfinanced loans of \$48.7 million.

Core Income, Book Value and Adjusted Book Value Per Share

Core Income⁽¹⁾

GAAP Net Income	\$15,803
Equity award & ESPP costs	\$1,146
Core Net Income	\$16,949

Book Value and Adjusted Book Value Per Share⁽²⁾



- Core net income totaled \$16.9 million in 3Q24, an increase of 31.2% from 3Q23 and reflects a Core pre-tax ROE of 19.0%
- Book value per share as of September 30, 2024, was \$14.91⁽⁴⁾, a 2.7% increase from \$14.52⁽³⁾ as of June 30, 2024
- Adjusted book value per share as of September 30, 2024, was \$17.76⁽⁵⁾ and reflects the net incremental estimated fair value of loans carried at amortized cost and related securitized debt over GAAP book value

⁽¹⁾ Core net income" is a non-GAAP measure which excludes non-recurring and/or unusual activities from GAAP net income. Non-core adjustments include incentive compensation expenses and costs related to the Company's employee stock purchase plan (ESPP)

⁽²⁾ Book value per share is the ratio of total GAAP equity divided by total shares outstanding. Total equity includes non-controlling interest of \$3.05 million as of September 30, 2024, and \$3.42 million as of June 30, 2024. Adjusted book value per share includes the fair value component of the Company's loans and securitizations carried at amortized cost.

⁽³⁾ Based on 32,701,185 common shares outstanding as of June 30, 2024, Excludes 397,450 of unvested shares authorized for incentive compensation.

⁽⁴⁾ Based on 32,711,910 common shares outstanding as of September 30, 2024, Excludes 402,935 of unvested shares authorized for incentive compensation.

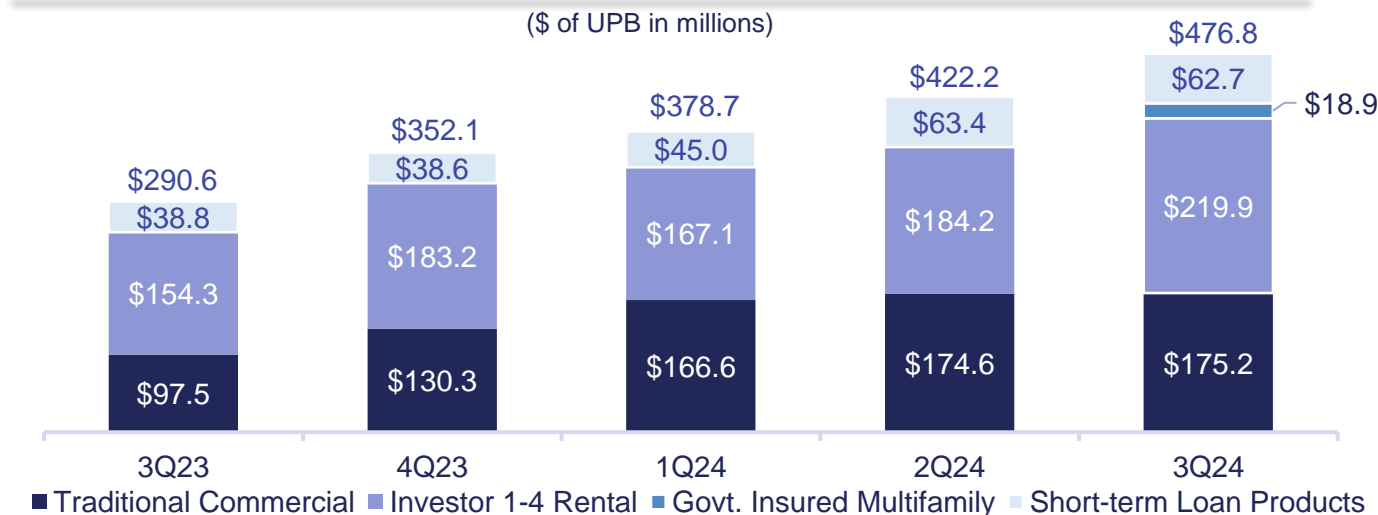
⁽⁵⁾ For additional information Please see Note 18 – Fair Value Measurement in the Company's 10-Q for the period ended September 30, 2024.

Loan Production

Production Growth Trend Continues With YTD Production Up Over 60% From Prior Year

- Strong production growth trends continued in 3Q24, driven by strong demand from investors to own real estate and tight bank lending standards
- Loan production in 3Q24 totaled \$476.8 million in UPB, a 12.9% increase from \$422.2 million for 2Q24 and a 64.1% increase from \$290.6 million for 3Q23
- The WAC⁽¹⁾ on 3Q24 HFI loan production was 10.8%, a modest decrease from 2Q24 and 3Q23

Loan Production Volume



HFI Production Metrics

WAC ⁽¹⁾	11.0%	11.2%	11.1%	11.0%	10.8%
LTV ⁽²⁾	65.3%	65.3%	63.8%	64.7%	63.0%
Units	773	883	958	1,109	1,180
Average loan balance	\$ 375.9	\$ 398.2	\$ 395.3	\$ 380.7	\$ 388.0

⁽¹⁾ Weighted Average Coupon on HFI production.

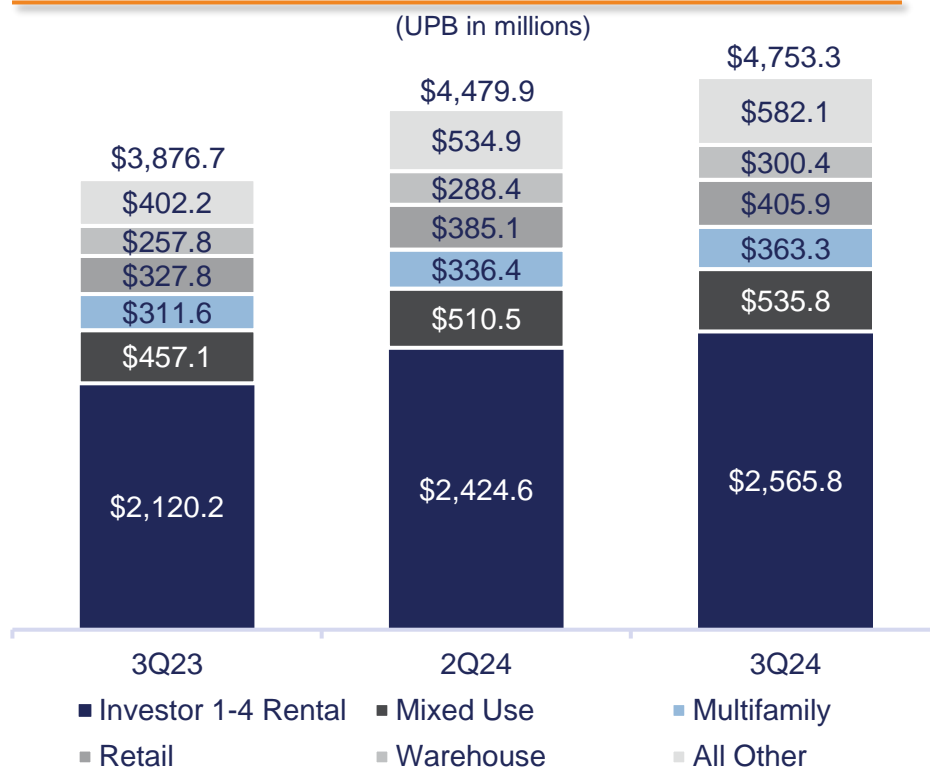
⁽²⁾ Loan to Value

Loan Portfolio

Portfolio On-Track to Reach \$5 billion by Year-End Driven By Strong Production Volume

- The total loan portfolio was \$4.8 billion in UPB as of September 30, 2024, an increase of 6.1% from \$4.5 billion as of June 30, 2024, and 22.6% from \$3.9 billion as of September 30, 2023
 - Loan prepayments totaled \$173.9 million in UPB, an increase from \$165.8 million for 2Q24, and \$104.6 million for 3Q23
- The WAC⁽¹⁾ of the portfolio was 9.37% as of September 30, 2024, an increase from 8.63% as of September 30, 2023
- The UPB of fair value option (FVO) loans was \$2.2 billion, or 47.3% of total loans, as of September 30, 2024, an increase from \$955.6 million in UPB, or 24.7% as of September 30, 2023

Loan Portfolio by Property Type



Loan to Value	67.96%	67.38%	67.00%
Loan Count	9,953	11,582	12,235
WAC ⁽¹⁾	8.63%	9.25%	9.37%
Average Loan Balance ⁽²⁾	\$389.5	\$386.8	\$388.5
FVO %	24.65%	41.98%	47.27%

⁽¹⁾ Weighted Average Coupon on the total loan portfolio.

⁽²⁾ \$ in thousands.

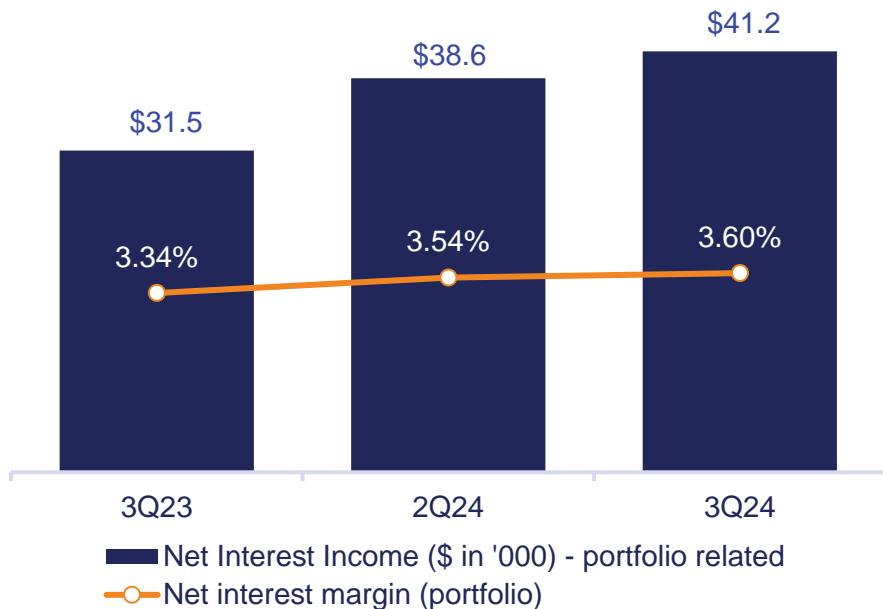
Net Interest Margin

NIM Stability Supports Strong Interest Income Growth

- Portfolio NIM⁽¹⁾ in 3Q24 was 3.60%, an increase of 6 bps from 3.54% for 2Q24 and an increase of 26 bps from 3.34% for 3Q23
 - The Q/Q and Y/Y increases are the result of solid loan production growth while maintaining 11.0% rates
- Portfolio Yield: Increased 20 bps from 2Q24 and 80 bps from 3Q23, driven by a 74 bps increase in weighted average loan coupons from 3Q23
- Cost of Funds: Increased 14 bps from 2Q24 and 52 bps from 3Q23, driven by the higher warehouse utilization and rates on recent securitizations

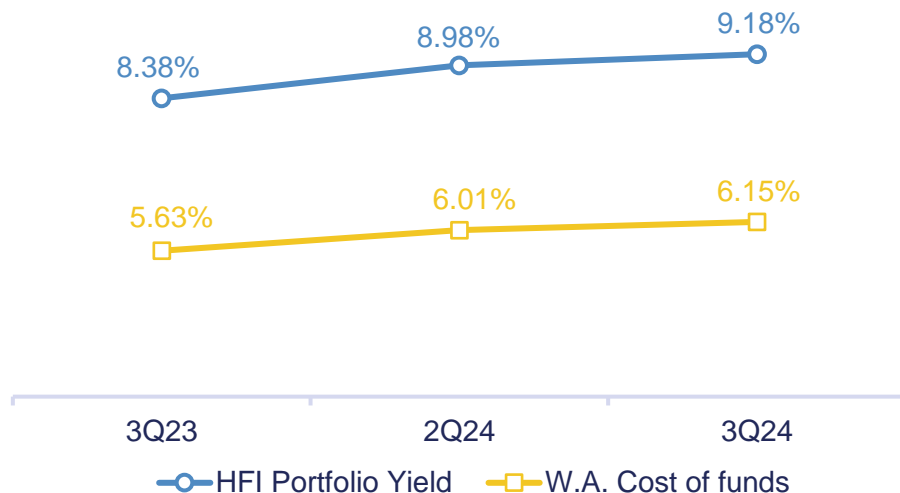
Portfolio Net Interest Income & NIM⁽¹⁾

Portfolio Related (\$ in millions)



Portfolio Yield and Cost of Funds

Portfolio Related



⁽¹⁾ Net Interest Income and Net Interest Margin related to the loan portfolio only; excludes corporate debt.



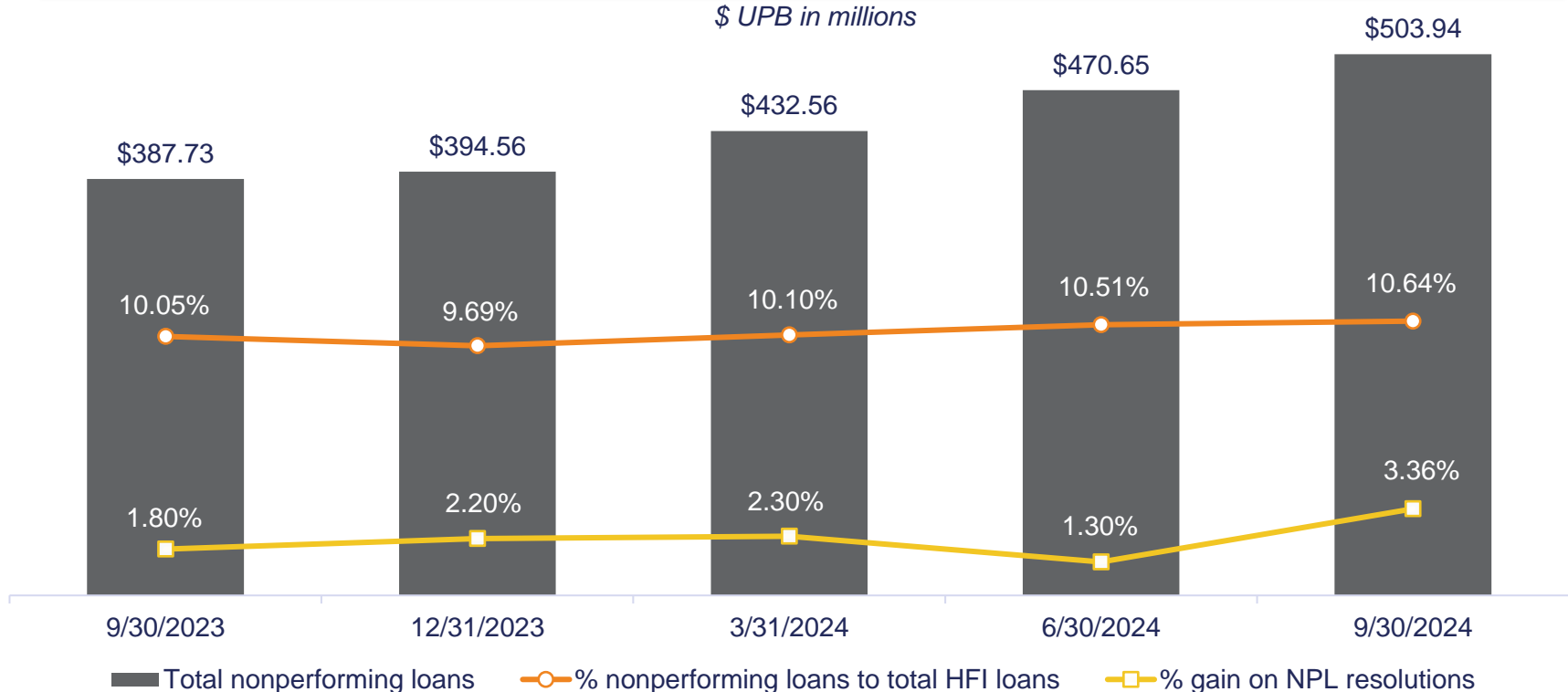
Loan Investment Portfolio Performance

Nonperforming Loans Modestly Higher; Resolution Gains Up Significantly

- Total nonperforming loans (NPL) as a percentage of total HFI loans was 10.6% as of September 30, 2024, a modest increase from 10.5% as of June 30, 2024, and 10.1% as of September 30, 2023
- Gains on NPL resolutions in 3Q24 of 3.4%, an increase from 1.3% for 2Q24 and 1.8% for 3Q23

Nonperforming Loans⁽¹⁾

\$ UPB in millions



⁽¹⁾ For additional detail, please see page 16 in the Appendix of this presentation.



Asset Resolution Activity

NPL Realization Activity and Gains Show Strong Growth

Resolution Activity

RESOLUTION ACTIVITIES

LONG-TERM LOANS

RESOLUTION ACTIVITY	THIRD QUARTER 2024		SECOND QUARTER 2024		THIRD QUARTER 2023	
	Gain / (Loss)		Gain / (Loss)		Gain / (Loss)	
(\$ in thousands)	UPB \$	\$	UPB \$	\$	UPB \$	\$
Paid in full	\$ 23,875	\$ 965	\$ 26,119	\$ 793	\$ 20,668	\$ 758
Paid current	34,957	567	35,292	188	26,950	206
REO sold (a)	1,431	290	7,859	(202)	6,341	162
Total resolutions	\$ 60,263	\$ 1,822	\$ 69,270	\$ 779	\$ 53,959	\$ 1,126
Resolutions as a % of nonperforming UPB	103.0%		101.1%		102.1%	

SHORT-TERM AND FORBEARANCE LOANS

RESOLUTION ACTIVITY	THIRD QUARTER 2024		SECOND QUARTER 2024		THIRD QUARTER 2023	
	Gain / (Loss)		Gain / (Loss)		Gain / (Loss)	
(\$ in thousands)	UPB \$	\$	UPB \$	\$	UPB \$	\$
Paid in full	\$ 4,974	\$ 151	\$ 4,545	\$ 93	\$ 2,967	\$ 38
Paid current	2,122	7	2,689	1	6,292	-
REO sold	1,260	325	4,176	165	2,434	(11)
Total resolutions	\$ 8,356	\$ 483	\$ 11,410	\$ 259	\$ 11,693	\$ 27
Resolutions as a % of nonperforming UPB	105.8%		102.3%		100.2%	
Grand total resolutions	\$ 68,619	\$ 2,306	\$ 80,680	\$ 1,037	\$ 65,652	\$ 1,153
Grand total resolutions as a % of nonperforming UPB	103.4%		101.3%		101.8%	

- 3Q24 NPL resolutions gains were \$2.3 million, or 3.4% of UPB resolved, an increase of 122.3% Q/Q and 100.0% Y/Y
 - Reflects focus of in-house team on strategies to optimize resolution outcomes
- The UPB of loans resolved in 3Q24 represented 14.6% of nonperforming loan UPB as of June 30, 2024
- The UPB of loan resolutions in 3Q24 was in line with the recent five-quarter resolution average of \$68.1 million in UPB and 102.1% of UPB resolved

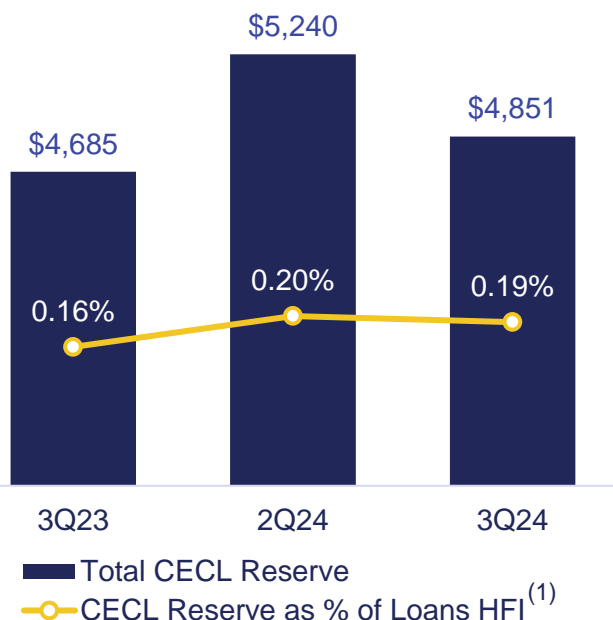
CECL Reserve and Charge-Offs

Reserve Reduction Q/Q; Net Charge-off and REO Gains Continued for 3Q24

- The reserve balance was \$4.9 million as of September 30, 2024, a decrease of 7.4% from \$5.2 million as of June 30, 2024, and a 3.6% increase from \$4.7 million as of September 30, 2023
 - Driven by the paydown of the amortized cost HFI loan portfolio
 - The CECL reserve rate was 0.19% compared to 0.20% for 2Q24 and the recent five-quarter average rate of 0.18%. The Q/Q decrease primarily resulted from a reduction of the baseline reserve component.
- Net charge-off and REO activity for 3Q24 resulted in a net gain of \$0.9 million compared to a net gain of \$2.1 million for 2Q24 and \$1.5 million for 3Q23, primarily driven by gains on transfer to REO

Loan Loss Reserve

At period end, \$ in thousands



Charge-offs, Gain (Loss) on REO

(\$ in thousands)	9/30/2024	6/30/2024	9/30/2023
Average nonperforming loans for the period ⁽²⁾	\$ 320,135	\$ 319,342	\$ 351,848
Charge-offs	(320)	(245)	(95)
Charge-offs / Average nonperforming loans for the period ⁽²⁾	0.40%	0.31%	0.11%
Gain on transfer to REO	2,249	2,914	1,935
Gain (loss) on sale of REO	615	(37)	(137)
REO valuations, net	(1,642)	(539)	(225)
Total gain/(loss) on charge-offs & REO	\$ 902	\$ 2,092	\$ 1,479

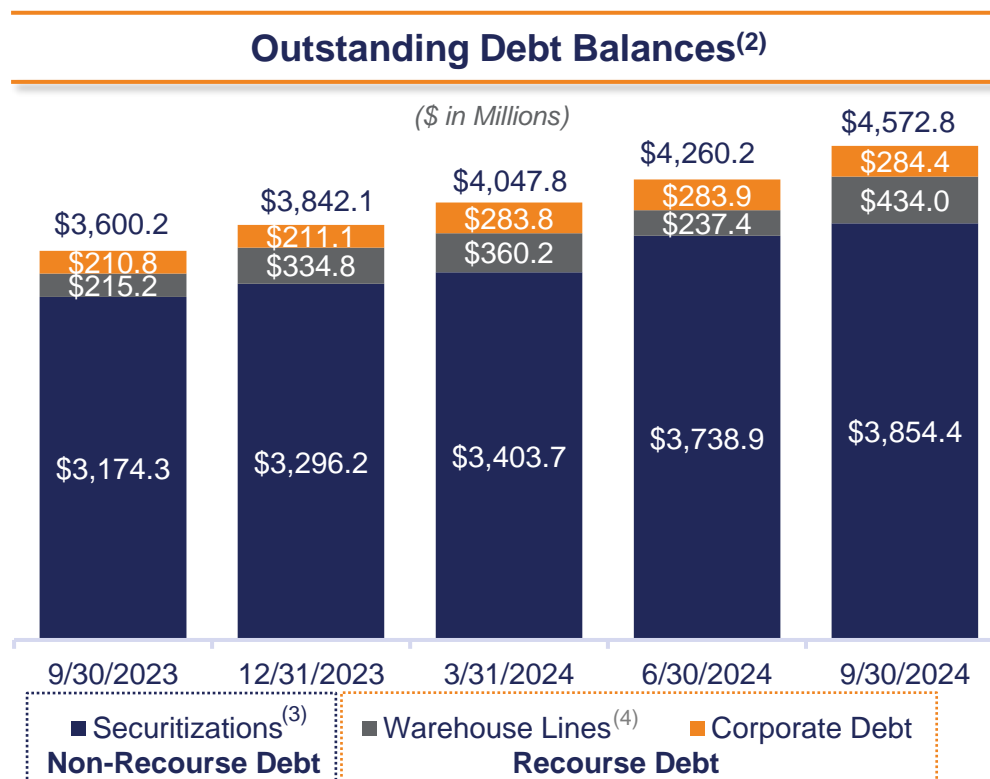
⁽¹⁾ Amortized cost

⁽²⁾ Reflects the monthly average of nonperforming loans held for investment, excluding FVO loans, during the period.

Durable Funding and Liquidity Strategy

One Securitization in 3Q24⁽¹⁾ With Improved Securitization Market Execution

- Cash reserves and unfinanced collateral of \$92.8 million as of September 30, 2024
- Available warehouse line capacity of \$349.3 million as of September 30, 2024
- Collapsed the VCC 2020-2 totaling \$39.4 million in 3Q24 unlocking \$25.1 million of equity
 - The collateral from the collapsed securitization was refinanced on warehouse lines and will be securitized in future periods
- Higher recourse debt to equity of 1.5X
 - Driven by increased warehouse utilization in advance of our securitization in early October
- One securitization completed during 3Q24 at a weighted average coupon of 6.9%
- Sold two retained tranches during 3Q24



Debt / Equity	8.1X	8.8X	8.9X	9.0X	9.4X
Recourse Debt / Equity	1.1X	1.2X	1.4X	1.1X	1.5X
Securitized Issued	2	1	1	2	1
Max. Warehouse Line Capacity	\$810	\$891	\$885	\$885	\$785

⁽¹⁾ Through September 30, 2024.

⁽²⁾ Debt balances are net of issuance costs and discounts as reported in the consolidated balance sheet.

⁽³⁾ Represents the remaining balance of securitization outstanding net of issuance costs, discounts and fair value marks as of period end.

⁽⁴⁾ As of September 30, 2024, five of six warehouse lines had non-mark-to-market features and staggered maturities.



Outlook for Velocity's Key Business Drivers

Improving Outlook for Markets and Growth

MARKET

- Residential property value appreciation (Single and Multifamily) to continue and remain well-supported
- Commercial properties value outlook varies based on property type, but is generally positive
- Demand for investor properties to remain strong

CREDIT

- U.S. economic outlook continues to be mixed
- Market outlook unclear regarding Fed rate path
- Expect continued positive resolutions of NPL's

CAPITAL

- Next long-term loan securitization targeted for December 2024
- Securitization market improvement evident in VCC 2024-5 execution
- Healthy liquidity to support future growth

EARNINGS

- Strong origination volumes and rate discipline to continue and to result in stable NIM and strong interest income growth
- Pursuing opportunities to further diversify product offerings and revenue streams



Appendix



Velocity Financial, Inc. Balance Sheet

	Quarter Ended				
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023
	Unaudited	Unaudited	Unaudited	Audited	Unaudited
<i>(In thousands)</i>					
Assets					
Cash and cash equivalents	\$ 44,094	\$ 47,366	\$ 34,829	\$ 40,566	\$ 29,393
Restricted cash	23,167	32,293	24,216	21,361	17,703
Loans held for sale, at fair value	19,231	-	-	17,590	19,536
Loans held for investment, at fair value	2,354,718	1,971,683	1,649,540	1,306,072	951,990
Loans held for investment, at amortized cost	2,526,320	2,619,619	2,727,518	2,828,123	2,945,840
Total loans, net	4,900,269	4,591,302	4,377,058	4,151,785	3,917,366
Accrued interest receivables	32,944	31,124	29,374	27,028	24,756
Receivables due from servicers	93,681	82,359	87,523	85,077	70,139
Other receivables	4,265	6,566	2,113	8,763	236
Real estate owned, net	62,361	50,757	46,280	44,268	29,299
Property and equipment, net	1,693	1,912	2,013	2,785	2,861
Deferred tax asset	14,501	1,144	1,580	2,339	705
Mortgage Servicing Rights, at fair value	12,416	12,229	9,022	8,578	9,786
Derivative assets	-	-	1,967	-	1,261
Goodwill	6,775	6,775	6,775	6,775	6,775
Other assets	6,308	9,566	5,468	5,248	7,028
Total Assets	\$ 5,202,474	\$ 4,873,393	\$ 4,628,218	\$ 4,404,573	\$ 4,117,308
Liabilities and members' equity					
Accounts payable and accrued expenses	\$ 140,534	\$ 138,033	\$ 123,988	\$ 121,969	\$ 97,869
Secured financing, net	284,371	283,909	283,813	211,083	210,774
Securitized debt, at amortized cost	2,105,099	2,228,941	2,329,906	2,418,811	2,504,334
Securitized debt, at fair value	1,749,268	1,509,952	1,073,843	877,417	669,139
Warehouse & repurchase facilities	434,027	237,437	360,216	334,755	215,176
Derivative liability	1,486	374	-	3,665	0
Total Liabilities	4,714,785	4,398,646	4,171,766	3,967,700	3,697,292
Stockholders' Equity					
Stockholders' equity	484,636	471,323	452,941	433,444	416,398
Noncontrolling interest in subsidiary	3,053	3,424	3,511	3,429	3,618
Total equity	487,689	474,747	456,452	436,873	420,016
Total Liabilities and members' equity	\$ 5,202,474	\$ 4,873,393	\$ 4,628,218	\$ 4,404,573	\$ 4,117,308
Book value per share	\$ 14.91	\$ 14.52	\$ 14.01	\$ 13.49	\$ 13.00
Shares outstanding	32,712 ⁽¹⁾	32,701 ⁽²⁾	32,574 ⁽³⁾	32,395 ⁽⁴⁾	32,314 ⁽⁵⁾

⁽¹⁾ Based on 32,711,910 common shares outstanding as of September 30, 2024, and excludes unvested shares of common stock authorized for incentive compensation totaling 402,935.

⁽²⁾ Based on 32,701,185 common shares outstanding as of June 30, 2024, and excludes unvested shares of common stock authorized for incentive compensation totaling 397,450.

⁽³⁾ Based on 32,574,498 common shares outstanding as of March 31, 2024, and excludes unvested shares of common stock authorized for incentive compensation totaling 411,296.

⁽⁴⁾ Based on 32,395,423 common shares outstanding as of December 31, 2023, and excludes unvested shares of common stock authorized for incentive compensation totaling 470,413.

⁽⁵⁾ Based on 32,313,744 common shares outstanding as of September 30, 2023, and excludes unvested shares of common stock authorized for incentive compensation totaling 589,634.



Velocity Financial, Inc. Income Statement (Quarters)

(\$ in thousands)

	Quarter Ended				
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Revenues					
Interest income	\$ 105,070	\$ 97,760	\$ 90,529	\$ 86,269	\$ 79,088
Interest expense - portfolio related	63,871	59,188	55,675	51,405	47,583
Net interest income - portfolio related	41,199	38,572	34,854	34,864	31,505
Interest expense - corporate debt	6,143	6,155	5,380	4,140	4,138
Net interest income	35,056	32,417	29,474	30,724	27,367
Provision for loan losses	(69)	218	1,002	827	154
Net interest income after provision for loan losses	35,125	32,199	28,472	29,897	27,213
Other operating income					
Gain on disposition of loans	2,291	3,168	1,699	1,482	3,606
Unrealized gain (loss) on fair value loans	35,530	17,123	18,925	39,367	(1,284)
Unrealized gain (loss) on fair value securitized debt	(24,995)	(4,643)	(2,318)	(24,085)	9,692
Unrealized gain/(loss) on mortgage servicing rights	(993)	(373)	444	(1,208)	341
Origination income	6,704	5,072	4,986	3,981	3,323
Bank interest income	1,676	1,731	1,631	1,716	1,342
Other income (expense)	519	483	408	418	340
Total other operating income	20,732	22,561	25,775	21,670	17,360
Net revenue	55,857	54,760	54,247	51,567	44,573
Operating expenses					
Compensation and employee benefits	17,586	16,562	15,357	15,143	12,523
Origination expenses	867	749	646	173	273
Securizations expenses	3,186	6,232	2,874	2,709	4,930
Rent and occupancy	519	617	498	551	472
Loan servicing	5,656	5,160	4,824	4,636	4,901
Professional fees	2,305	1,718	2,115	1,733	854
Real estate owned, net	1,951	1,355	2,455	2,068	1,239
Other operating expenses	2,543	2,494	2,242	2,248	2,142
Total operating expenses	34,613	34,887	31,011	29,260	27,334
Income before income taxes	21,244	19,873	23,236	22,307	17,239
Income tax expense	5,627	5,162	5,903	5,141	5,070
Net income	15,617	14,711	17,333	17,166	12,169
Net income attributable to noncontrolling interest	(186)	(67)	82	(189)	83
Net income attributable to Velocity Financial, Inc.	15,803	14,778	17,251	17,355	12,086
Less undistributed earnings attributable to participating securities	191	182	217	225	183
Net earnings attributable to common shareholders	\$ 15,612	\$ 14,596	\$ 17,034	\$ 17,130	\$ 11,903
Basic earnings (loss) per share	\$ 0.48	\$ 0.45	\$ 0.52	\$ 0.53	\$ 0.37
Diluted earnings (loss) per common share	\$ 0.44	\$ 0.42	\$ 0.49	\$ 0.50	\$ 0.35
Basic weighted average common shares outstanding	32,711	32,585	32,541	32,326	32,275
Diluted weighted average common shares outstanding	35,895	35,600	35,439	34,991	34,731



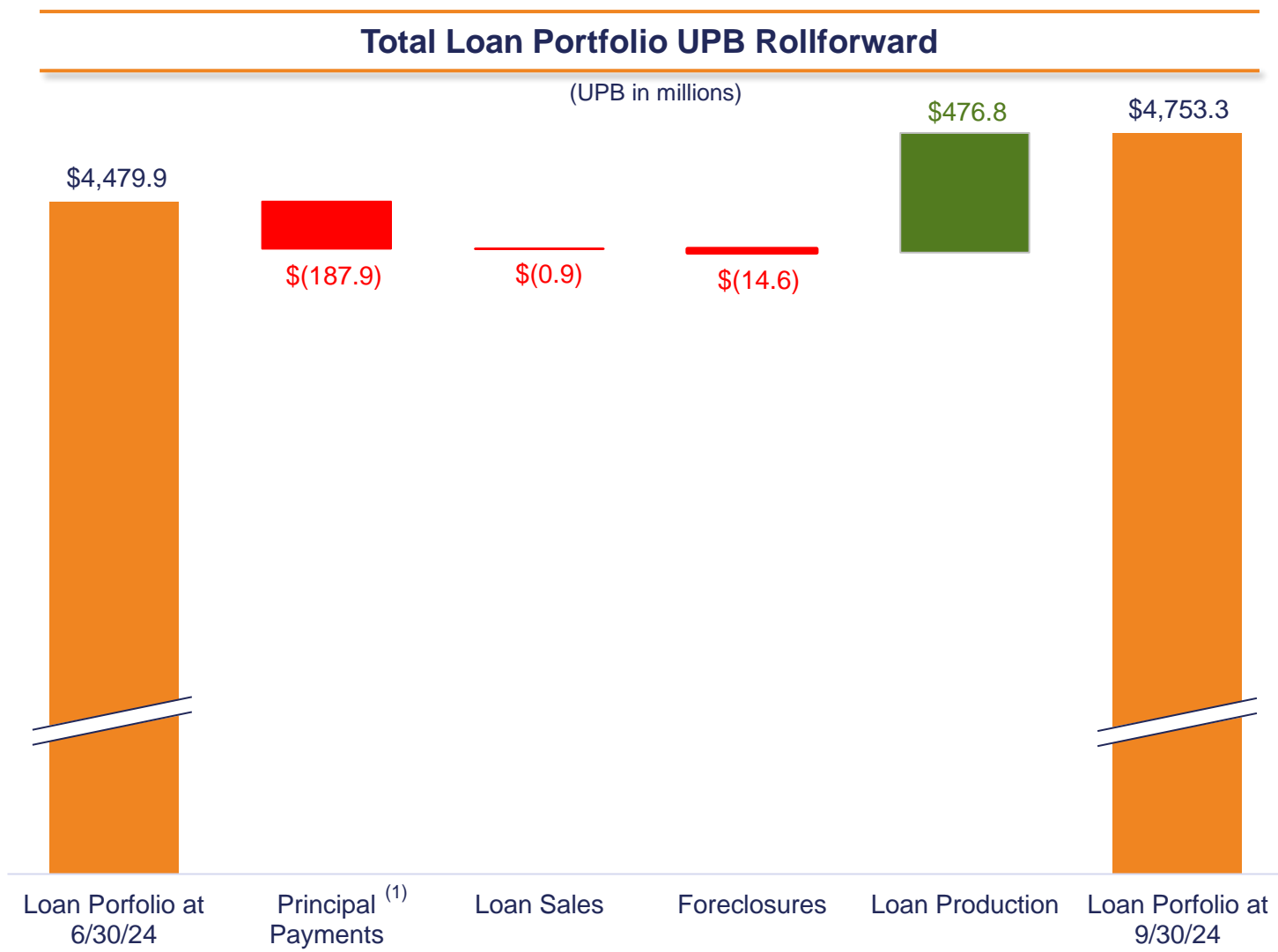
HFI Portfolio Delinquency Trends

(\$ in thousands)

	September 30, 2023		December 31, 2023		March 31, 2024		June 30, 2024		September 30, 2024	
	\$	%	\$	%	\$	%	\$	%	\$	%
Performing/Accruing:										
Current	\$ 3,188,015	82.6%	\$ 3,354,197	82.7%	\$ 3,517,715	82.2%	\$ 3,669,659	81.9%	\$ 3,921,488	82.8%
30-59 days past due	197,242	5.1%	231,590	5.7%	239,493	5.6%	247,100	5.5%	197,890	4.2%
60-89 days past due	84,797	2.2%	75,587	1.9%	91,765	2.1%	92,494	2.1%	111,002	2.4%
90+ days past due	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total performing loans HFI	3,470,054	89.9%	3,661,374	90.3%	3,848,973	89.9%	4,009,253	89.5%	4,230,380	89.5%
Nonperforming/Nonaccrual:										
<90 days past due	17,969	0.5%	17,746	0.4%	20,473	0.5%	19,347	0.5%	20,055	0.4%
90+ days past due	36,426	0.9%	24,398	0.6%	27,919	0.7%	37,161	0.8%	46,584	1.0%
Bankruptcy	19,323	0.5%	35,993	0.9%	45,471	1.1%	47,011	1.0%	54,087	1.1%
In foreclosure	314,007	8.2%	316,425	7.8%	338,697	7.9%	367,129	8.2%	383,213	8.1%
Total nonperforming loans HFI	387,725	10.1%	394,562	9.7%	432,560	10.1%	470,648	10.5%	503,939	10.6%
Total loans held for investment	\$ 3,857,779	100%	\$ 4,055,936	100%	\$ 4,281,533	100%	\$ 4,479,901	100%	\$ 4,734,319	100%



Loan Portfolio Rollforward

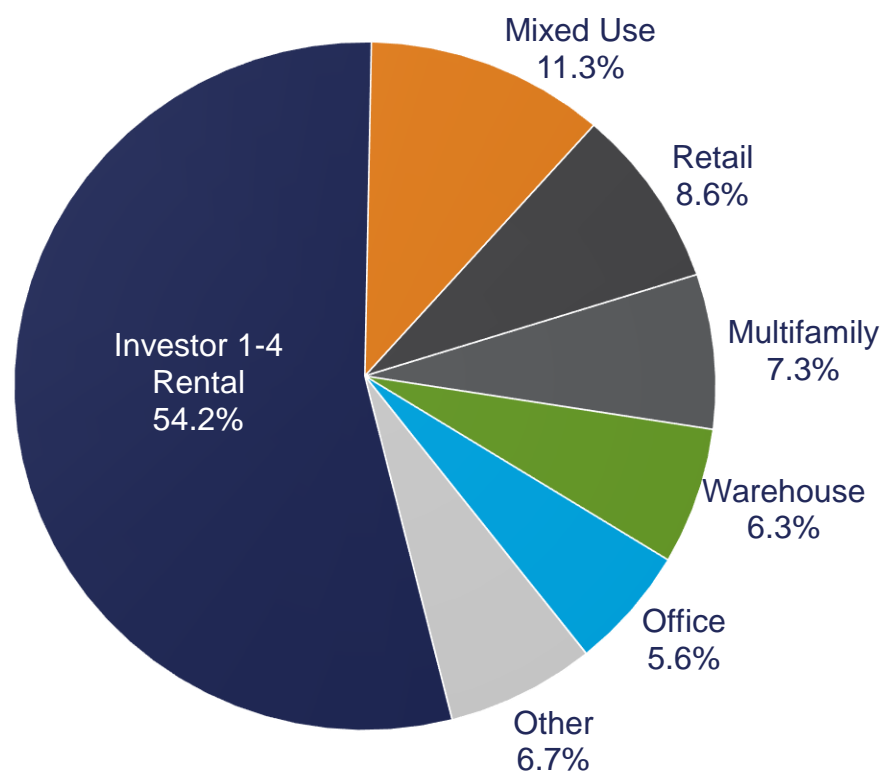


⁽¹⁾ Includes \$1.0 million in UPB of repurchased loans.

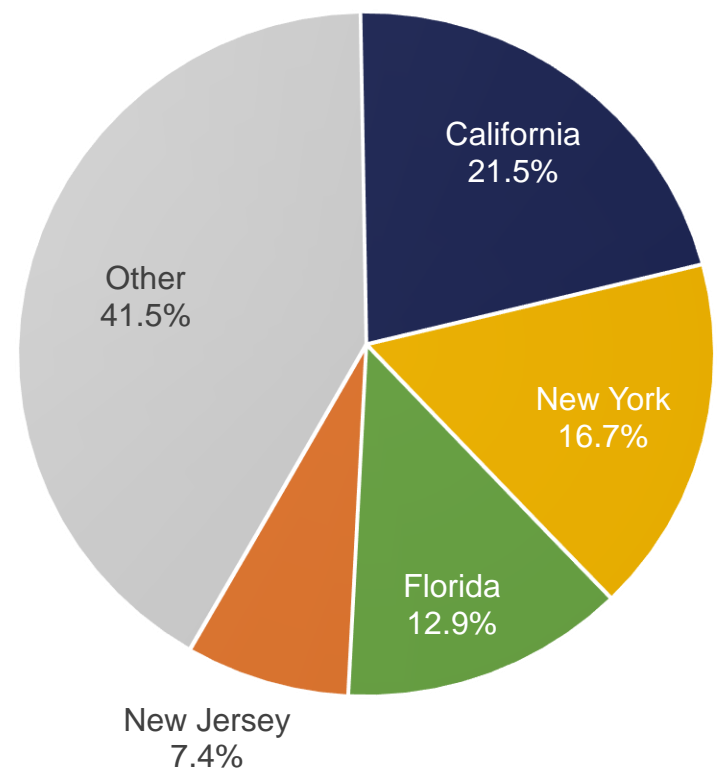


HFI Loan Portfolio

Portfolio by Property Type



Portfolio by State



⁽¹⁾ As of September 30, 2024



Adjusted Financial Metric Reconciliation:

Adjusted Financial Metric Reconciliation to GAAP Net Income

Core Net Income

	Quarter Ended				
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023
Net Income	\$ 15,803	\$ 14,778	\$ 17,251	\$ 17,355	\$ 12,086
Tax liability reduction		-	-	(1,866)	-
Equity award & ESPP costs	1,146	1,140	998	673	832
Core Net Income	\$ 16,949	\$ 15,918	\$ 18,249	\$ 16,161	\$ 12,918
Diluted weighted average common shares outstanding	35,895	35,600	35,439	34,991	34,731
Core diluted earnings per share	\$ 0.47	\$ 0.45	\$ 0.51	\$ 0.46	\$ 0.37