

Investor 1-4

Mixed-Use

Commercial

Multi-Family



4Q24 Results Presentation
March 6, 2025



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.



4Q24 Highlights

Earnings

- Net income of \$20.6 million, up 18.6% from \$17.4 million for 4Q23. Diluted EPS of \$0.57, up \$0.07 from \$0.50 per share for 4Q23
- Core net income⁽¹⁾ of \$21.8 million, an increase of 34.6% from \$16.2 million for 4Q23. Core diluted EPS⁽¹⁾ of \$0.60, up from \$0.46 per share for 4Q23
- Full year diluted EPS of \$1.91, up \$0.39 from \$1.52 for 2023. Core EPS⁽¹⁾ of \$2.03, up \$0.49 from \$1.54 for 2023

Production & Loan Portfolio

- Loan production of \$563.5 million in UPB, an 18.2% and 60.0% increase from 3Q24 and 4Q23, respectively
- Velocity's total loan portfolio was \$5.1 billion in UPB as of December 31, 2024, an increase of 24.1% from \$4.1 billion in UPB as of December 31, 2023
- Nonperforming Loans (NPL) were 10.7% of HFI loans, up slightly from 10.6% and 9.7% as of September 30, 2024, and December 31, 2023, respectively
- 4Q24 NPL resolutions realized gains of \$5.6 million, or 107.0%, of UPB resolved

Financing & Capital

- Completed the VCC 2024-5 and VCC 2024-6 securitizations totaling \$292.9 million and 293.9 million, respectively, of securities issued
- Issued \$7.3 million in new common equity through Velocity At The Market (ATM) program
- Liquidity⁽²⁾ of \$95.9 million and total available warehouse line capacity of \$435.0 million as of December 31, 2024

⁽¹⁾ "Core net income" and "Core EPS" are non-GAAP measures which excludes non-recurring, non-operating, and/or unusual activities from GAAP net income

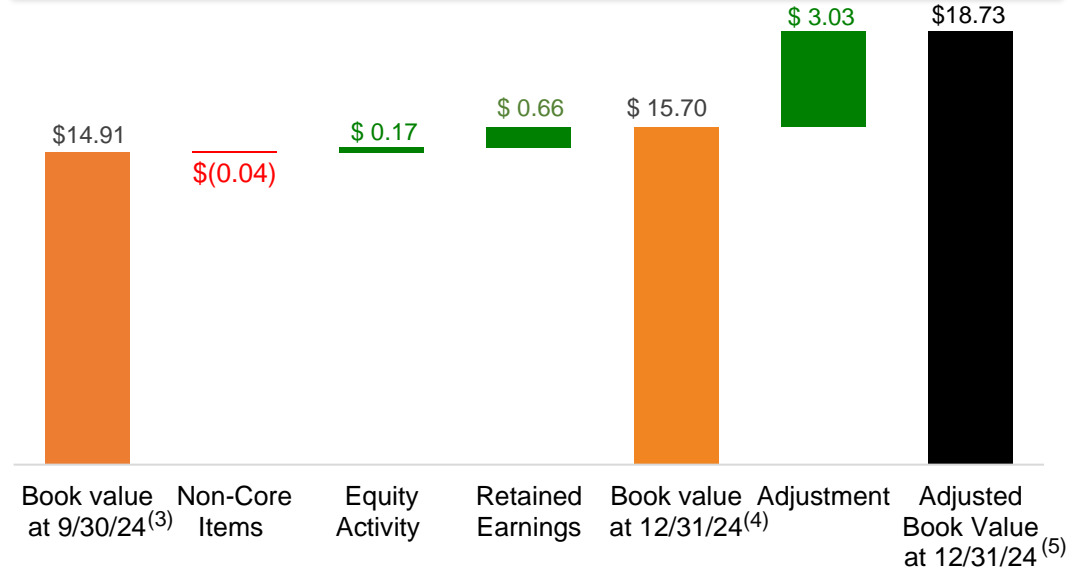
⁽²⁾ Liquidity includes unrestricted cash and cash equivalents of \$49.9 million and available liquidity in unfinanced loans of \$46.0 million.³

Core Income, Book Value and Adjusted Book Value Per Share

Core Income⁽¹⁾

GAAP Net Income	\$20,587
Equity award & ESPP costs	\$1,167
Core Net Income	\$21,754

Book Value and Adjusted Book Value Per Share⁽²⁾



- Core net income totaled \$21.8 million in 4Q24, an increase of 28.4% from 3Q24 and reflects a 4Q24 Core pre-tax ROE of 26.8%
- GAAP book value per share as of December 31, 2024, was \$15.70⁽⁴⁾, a 5.3% increase from \$14.91⁽³⁾ as of September 30, 2024
- Adjusted book value per share as of December 31, 2024, was \$18.73⁽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 \$3.27 million as of December 31, 2024, \$3.05 million as of September 30, 2024, and \$3.43. Adjusted book value per share includes the fair value component of the Company's loans and securitizations carried at amortized cost.

⁽³⁾ Based on 32,711,910 common shares outstanding as of September 30, 2024, Excludes 402,935 of unvested shares authorized for incentive compensation.

⁽⁴⁾ Based on 33,142,650 common shares outstanding as of December 31, 2024, Excludes 402,935 of unvested shares authorized for incentive compensation.

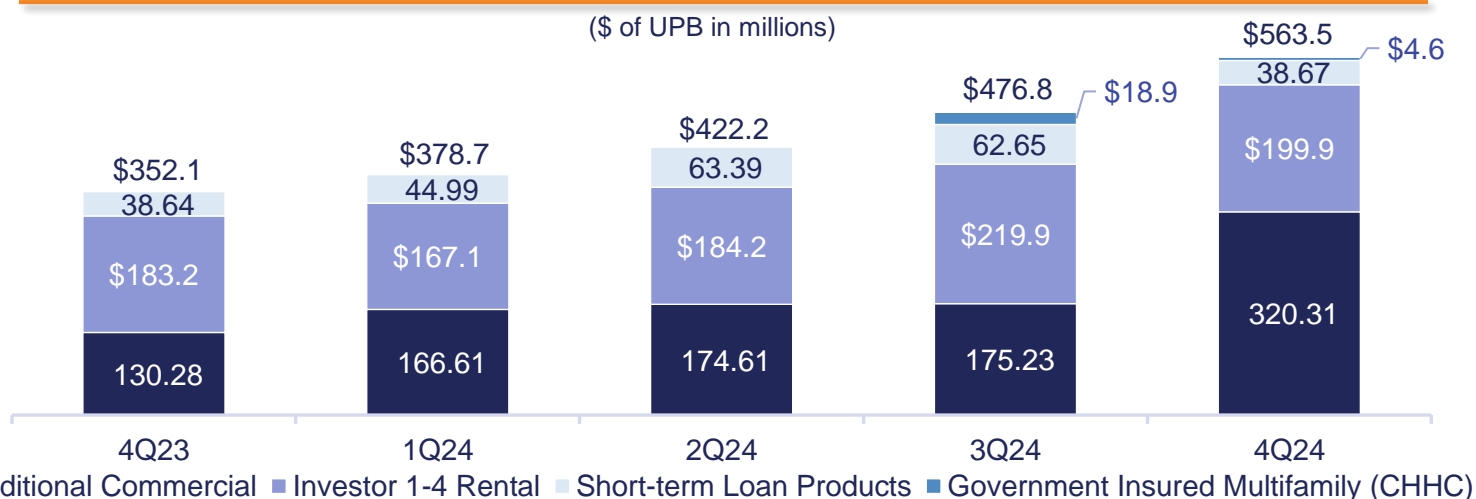
⁽⁵⁾ For additional information Please see Note 27 – Fair Value Measurements in the Company's 10-K for the period ended December 31, 2024.

Loan Production

4Q24 Production 2nd Highest Quarter in Company's History

- Loan production in 4Q24 totaled \$563.5 million in UPB, an 18.2% increase from \$476.8 million for 3Q24 and a 60.0% increase from \$352.1 million for 4Q23
 - Driven by 82% Q/Q growth in Traditional Commercial volume across a wide variety of property types
 - Year-to-date loan production through February of \$429.4 million
- The WAC⁽¹⁾ on 4Q24 HFI loan production was 10.8%, consistent with 3Q24 and down modestly from 4Q23

Loan Production Volume



HFI Production Metrics

HFI Production	352.1	378.7	422.2	457.8	558.9
WAC ⁽¹⁾	11.2%	11.1%	11.0%	10.8%	10.8%
LTV ⁽²⁾	65.3%	63.8%	64.7%	63.0%	62.9%
Units	883	958	1,109	1,180	1,285
Average loan balance	\$ 398.2	\$ 395.3	\$ 380.7	\$ 388.0	\$ 434.9

⁽¹⁾ Weighted Average Coupon on HFI production.

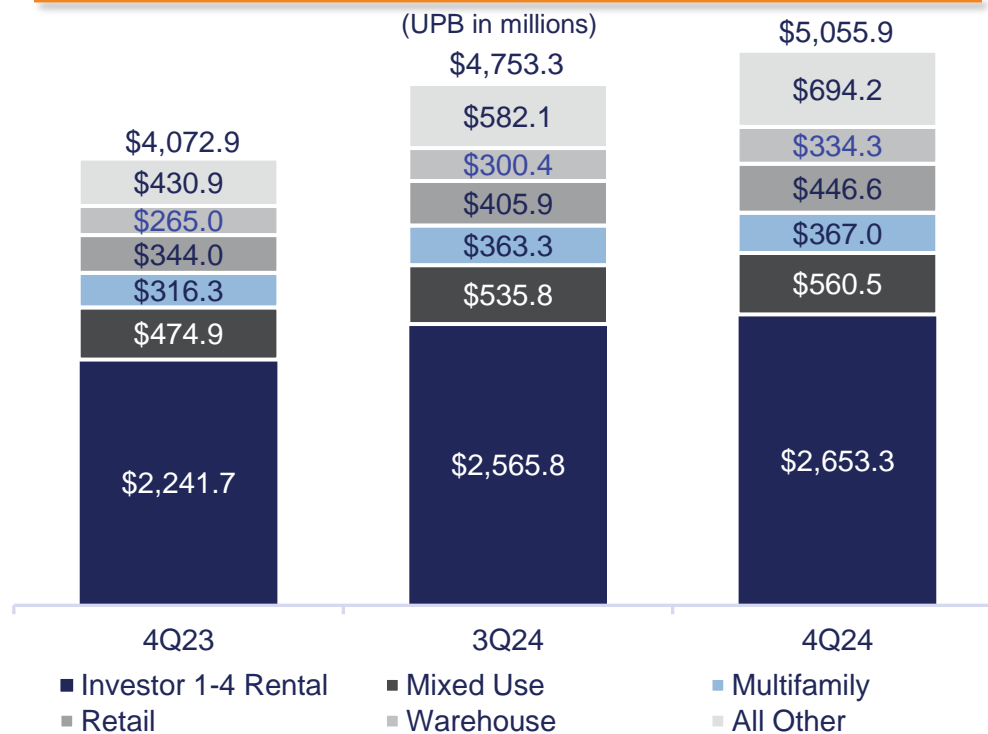
⁽²⁾ Loan to Value

Loan Portfolio

Portfolio Exceeds \$5 billion Target Driven By Record Production Volume

- The total loan portfolio was \$5.1 billion in UPB as of December 31, 2024, an increase of 6.4% from \$4.7 billion as of September 30, 2024, and 24.1% from \$4.1 billion as of December 31, 2023
 - Loan prepayments totaled \$203.2 million in UPB, an increase from \$173.9 million for 3Q24, and \$118.1 million for 4Q23
- The WAC⁽¹⁾ of the portfolio was 9.53% as of December 31, 2024, an increase from 8.88% as of December 31, 2023
- The UPB of fair value option (FVO) loans was \$2.7 billion, or 52.5% of total loans, as of December 31, 2024, an increase from \$1.3 billion in UPB, or 31.1% as of December 31, 2023

Loan Portfolio by Property Type



Loan to Value	67.78%	67.00%	66.60%
Loan Count	10,477	12,235	12,932
WAC ⁽¹⁾	8.88%	9.37%	9.53%
Average Loan Balance ⁽²⁾	\$388.7	\$388.5	\$391.0
FVO %	31.14%	47.27%	52.52%

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

⁽²⁾ \$ in thousands.

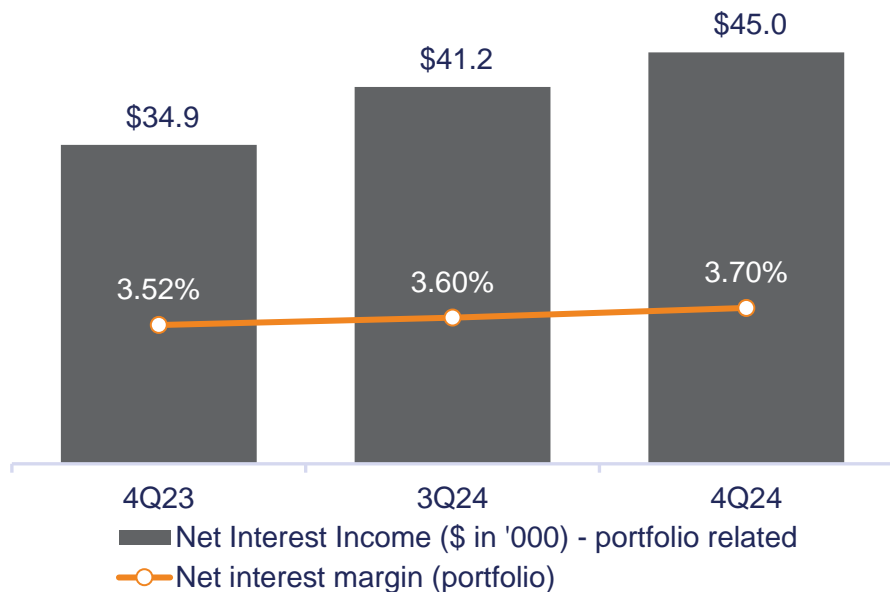
Net Interest Margin

NIM Growth Driven By Continued Focus On Loan Production Rate Discipline

- Portfolio NIM⁽¹⁾ in 4Q24 was 3.70%, an increase of 10 bps from 3.60% for 3Q24 and 18 bps from 3.52% for 4Q23
 - The Q/Q and Y/Y increases are the result of strong production-driven HFI portfolio growth and average loan coupons of 10.9% on 2024 loan production
- Portfolio Yield: Increased 16 bps from 3Q24 and 64 bps from 4Q23, driven by a 64 bps increase in weighted average loan coupons from 4Q23
- Cost of Funds: Decreased 1 bps from 3Q24 and increased 39 bps from 4Q23, driven by an increase in the weighted average securitized debt cost

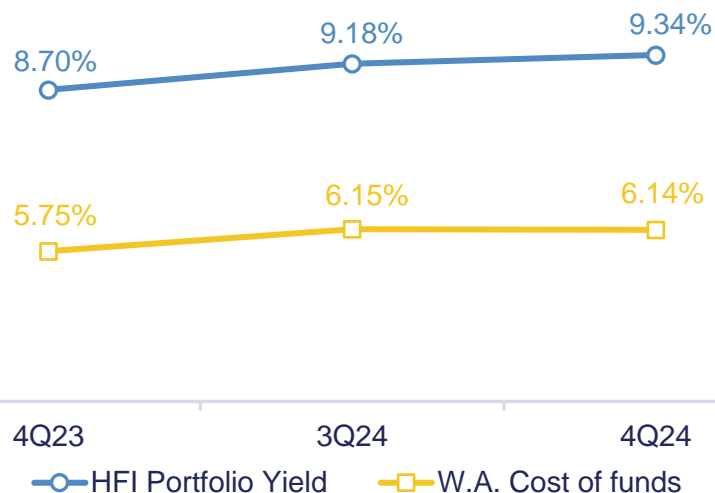
Portfolio Net Interest Income & NIM⁽¹⁾

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.

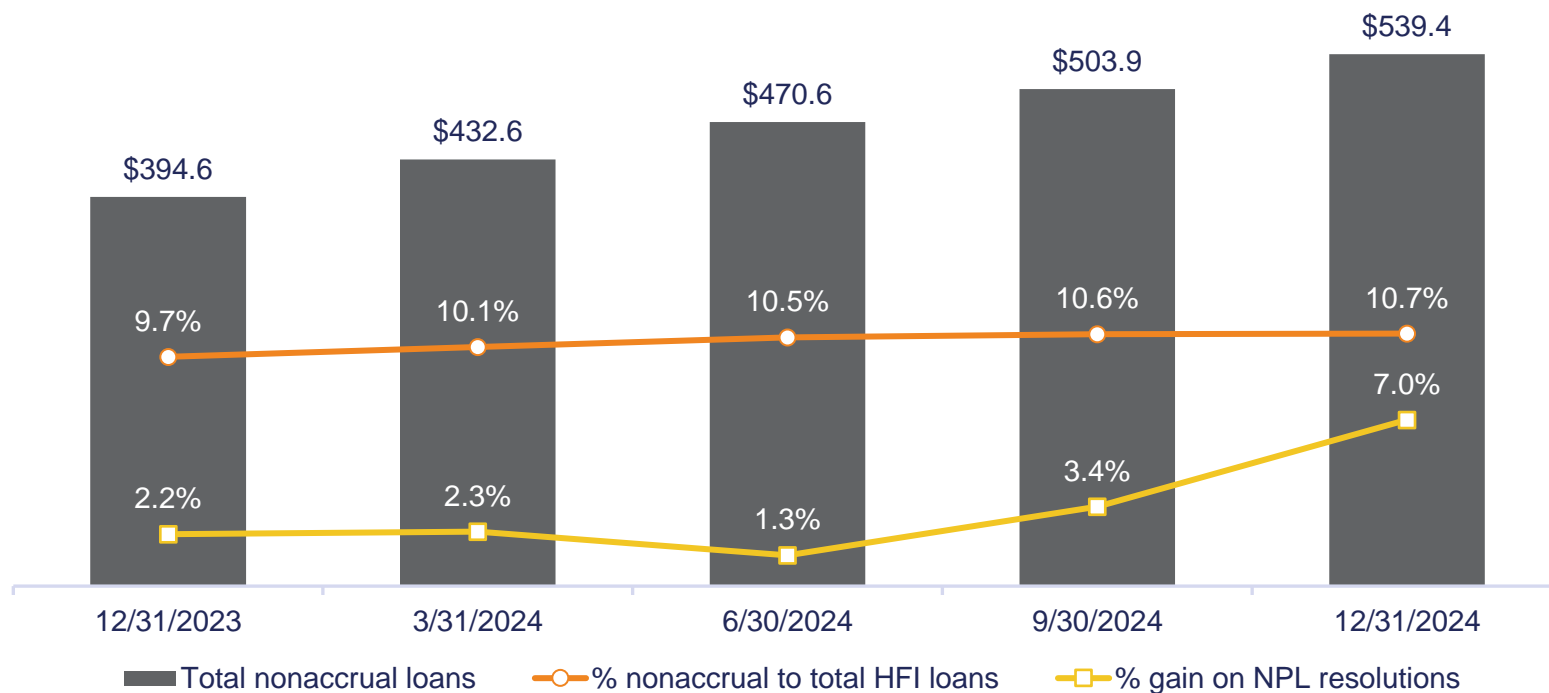
Loan Investment Portfolio Performance

Strong Gains on Nonperforming Loan Resolutions

- Gains on NPL resolutions in 4Q24 of 7.0%, an increase from 3.4% for 3Q24 and 2.2% for 4Q23
- Total nonperforming loans (NPL) as a percentage of total HFI loans was 10.7% as of December 31, 2024, consistent with 10.6% as of September 30, 2024, and 9.7% as of December 31, 2023

Nonperforming Loans⁽¹⁾

\$ UPB in millions



⁽¹⁾ For additional detail, please see page 17 in the Appendix of this presentation.



Asset Resolution Activity

NPL Realization Activity and Gains Reached New High in 4Q24

Resolution Activity

RESOLUTION ACTIVITIES						
LONG-TERM LOANS						
RESOLUTION ACTIVITY	FOURTH QUARTER 2024		THIRD QUARTER 2024		FOURTH QUARTER 2023	
	Gain / (Loss)		Gain / (Loss)		Gain / (Loss)	
(\$ in thousands)	UPB \$	\$	UPB \$	\$	UPB \$	(Loss) \$
Paid in full	\$ 32,078.3	\$ 1,810.0	\$ 23,874.5	\$ 965.2	\$ 22,341.8	\$ 826.2
Paid current	19,830.3	182.4	34,956.6	567.0	36,025.9	206.0
REO sold (a)	4,821.4	3,243.0	1,431.4	290.0	1,588.1	140.4
Total resolutions	\$ 56,730	\$ 5,235	\$ 60,262.6	\$ 1,822.2	\$ 59,955.8	\$ 1,172.5
Resolutions as a % of nonperforming UPB	109.2%		103.0%		102.0%	
SHORT-TERM AND FORBEARANCE LOANS						
RESOLUTION ACTIVITY	FOURTH QUARTER 2024		THIRD QUARTER 2024		FOURTH QUARTER 2023	
	Gain / (Loss)		Gain / (Loss)		Gain / (Loss)	
(\$ in thousands)	UPB \$	\$	UPB \$	\$	UPB \$	(Loss) \$
Paid in full	\$ 9,858.1	\$ 170.9	\$ 4,974.1	\$ 151.0	\$ 2,770.0	\$ 37.0
Paid current	7,536.0	1.2	2,122.0	7.3	7,560.3	12.9
REO sold	5,233.2	168.1	1,260.3	325.1	603.8	315.9
Total resolutions	\$ 22,627	\$ 340.2	\$ 8,356.3	\$ 483.5	\$ 10,934.1	\$ 365.8
Resolutions as a % of nonperforming UPB	101.5%		105.8%		103.3%	
Grand total resolutions	\$ 79,357.3	\$ 5,575.6	\$ 68,618.9	\$ 2,305.6	\$ 70,889.8	\$ 1,538.3
Grand total resolutions as a % of nonperforming UPB	107.0%		103.4%		102.2%	

- NPL resolution totaled \$79.4 million in UPB, realizing 107.0% of UPB resolved compared to \$70.1 million in UPB and realization of 102.2% of UPB resolved for 4Q23
- The UPB of loans resolved in 4Q24 represented 15.7% of nonperforming loan UPB as of September 30, 2024
- The UPB of loan resolutions in 4Q24 was in line with the recent five-quarter resolution average of \$70.8 million in UPB and above the average of 103.3% of UPB resolved

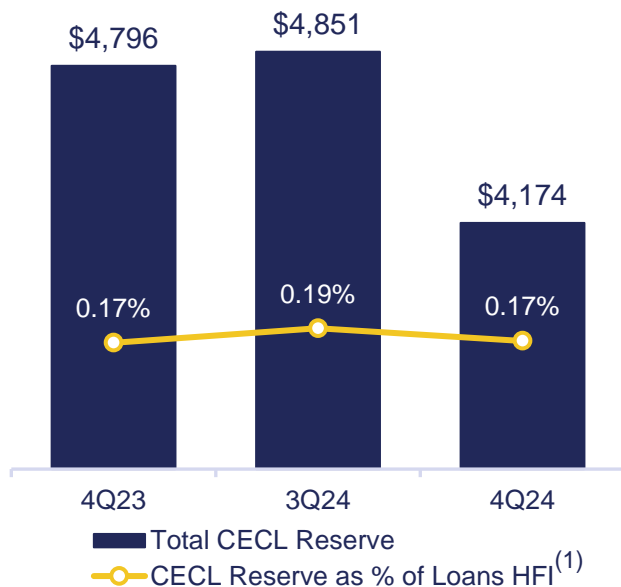
CECL Reserve, Charge-Offs and REO

Net Charge-off and REO Gains Increased In 4Q24; Slight Decrease in CECL Reserve

- The reserve balance was \$4.2 million as of December 31, 2024, a decrease of 14.0% from \$4.9 million as of September 30, 2024, and a 12.5% decrease from \$4.8 million as of December 31, 2023
 - The Q/Q decrease was from the individually assessed component of the CECL reserve driven by higher valuations on the real estate underlying loans in the reserve
 - The CECL reserve as a % of loan HFI rate was 0.17% compared to 0.19% for 3Q24 and the recent five-quarter average rate of 0.19%
- Charge-offs for 4Q24 totaled \$698.8 thousand, up from \$319.6 for 3Q24 and a decrease from \$743.5 thousand for 4Q23
- For 4Q24, total gain on REO was \$3.6 million, up from a gain of \$1.2 million for 3Q24 and \$0.4 million for 4Q23. 4Q24 gains were driven by sale of REO and loans transferred to REO

Loan Loss Reserve

At period end, \$ in thousands



Charge-offs, Gain (Loss) on REO

(\$ in thousands)	12/31/2024	9/30/2024	12/31/2023
Average nonperforming loans for the period ⁽²⁾	\$ 314,510.7	\$ 320,135.3	\$ 332,971.0
Charge-offs	698.8	319.6	743.5
Charge-offs / Average nonperforming loans for the period ⁽²⁾	0.89%	0.40%	0.89%
Gain on REO:			
Gain on transfer to REO	2,381.7	2,248.6	1,403.0
Gain (loss) on sale of REO	3,411.2	615.1	456.0
REO valuations, net	(2,217.3)	(1,642.0)	(1,417.0)
Total gain on REO ⁽³⁾	\$ 3,575.5	\$ 1,221.7	\$ 442.0

⁽¹⁾ Amortized cost

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

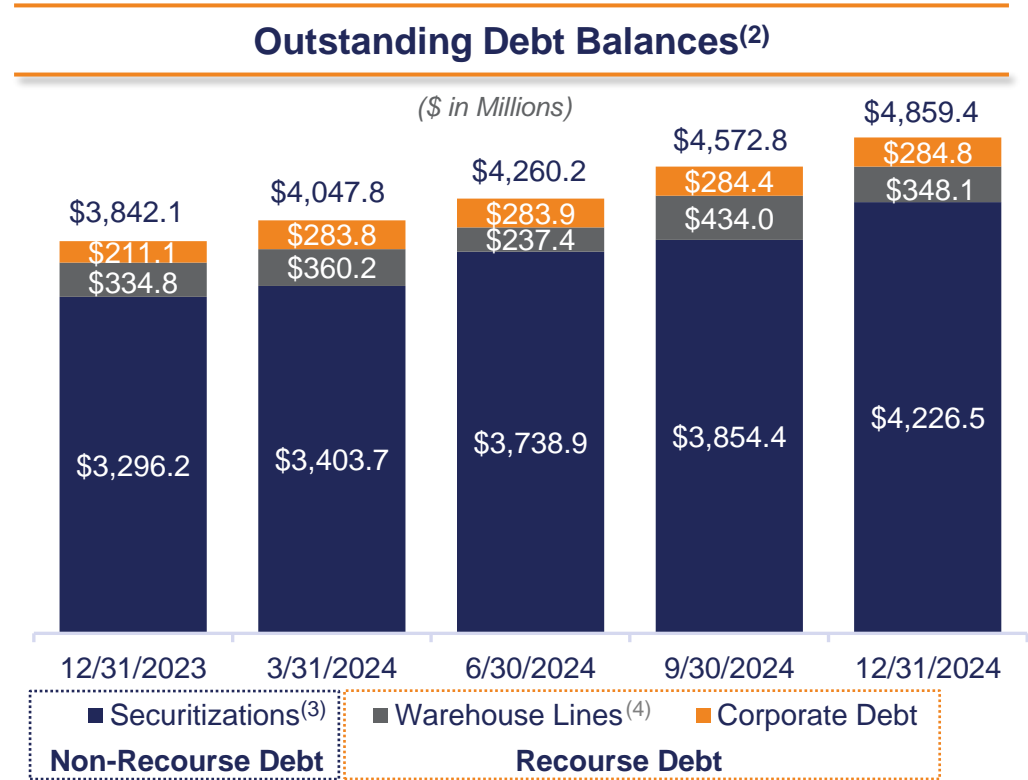
⁽³⁾ Total gain on REO excludes charge-offs.



Durable Funding and Liquidity Strategy

Two Securitizations in 4Q24⁽¹⁾; Continued Improvement In Securitization Market Execution

- Cash reserves and unfinanced collateral of \$95.9 million as of December 31, 2024
- Available warehouse line capacity of \$435.0 million as of December 31, 2024
- Two securitization completed during 4Q24, totaling \$586.8 million of securities issued with a weighted average rate of 6.0%
- Recourse debt to equity of 1.2X, down from 1.5X as of September 30, 2024
 - Driven by a reduction in warehouse utilization from the issuance of a 6th securitization in early December



Debt / Equity	8.8X	8.9X	9.0X	9.4X	9.3X
Recourse Debt / Equity	1.2X	1.4X	1.1X	1.5X	1.2X
Securitizations Issued	1	1	2	1	2
Max. Warehouse Line Capacity	\$891	\$885	\$885	\$785	\$785

⁽¹⁾ Through December 31, 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 December 31, 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 slow but remain positive
- Outlook for the diverse universe of small balance commercial properties remains broadly positive
- Demand for investor properties to remain strong

CREDIT

- U.S. economic outlook is uncertain; heightened volatility anticipated throughout 2025
- Higher for longer interest rate outlook supportive of our model
- Strong NPL's resolutions trends (UPB volume & gains) expected to continue

CAPITAL

- Next long-term loan securitization targeted for April 2025
- Very strong securitization market tailwind
- Liquidity to support future growth

EARNINGS

- Rate discipline on new production to continue, driving stable NIM and strong interest income growth
- Production growth to continue
- Optimistic about future earnings growth



Appendix



Velocity Financial, Inc. Balance Sheet

	Quarter Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<i>(In thousands)</i>					
Assets					
Cash and cash equivalents	\$ 49,901	\$ 44,094	\$ 47,366	\$ 34,829	\$ 40,566
Restricted cash	20,929	23,167	32,293	24,216	21,361
Loans held for sale, at fair value	-	19,231	-	-	17,590
Loans held for investment, at fair value	2,766,951	2,354,718	1,971,683	1,649,540	1,306,072
Loans held for investment, at amortized cost	2,420,116	2,526,320	2,619,619	2,727,518	2,828,123
Total loans, net	5,187,067	4,900,269	4,591,302	4,377,058	4,151,785
Accrued interest receivables	35,235	32,944	31,124	29,374	27,028
Receivables due from servicers	123,494	93,681	82,359	87,523	85,077
Other receivables	1,359	4,265	6,566	2,113	8,763
Real estate owned, net	68,000	62,361	50,757	46,280	44,268
Property and equipment, net	1,650	1,693	1,912	2,013	2,785
Deferred tax asset	13,612	14,501	1,144	1,580	2,339
Mortgage Servicing Rights, at fair value	13,712	12,416	12,229	9,022	8,578
Derivative assets	-	-	-	1,967	-
Goodwill	6,775	6,775	6,775	6,775	6,775
Other assets	5,674	6,308	9,566	5,468	5,248
Total Assets	\$ 5,527,408	\$ 5,202,474	\$ 4,873,393	\$ 4,628,218	\$ 4,404,573
Liabilities and members' equity					
Accounts payable and accrued expenses	\$ 147,814	\$ 140,534	\$ 138,033	\$ 123,988	\$ 121,969
Secured financing, net	284,833	284,371	283,909	283,813	211,083
Securitized debt, at amortized cost	2,019,056	2,105,099	2,228,941	2,329,906	2,418,811
Securitized debt, at fair value	2,207,408	1,749,268	1,509,952	1,073,843	877,417
Warehouse & repurchase facilities	348,082	434,027	237,437	360,216	334,755
Derivative liability	-	1,486	374	-	3,665
Total Liabilities	5,007,193	4,714,785	4,398,646	4,171,766	3,967,700
Stockholders' Equity					
Stockholders' equity	516,944	484,636	471,323	452,941	433,444
Noncontrolling interest in subsidiary	3,271	3,053	3,424	3,511	3,429
Total equity	520,215	487,689	474,747	456,452	436,873
Total Liabilities and members' equity	\$ 5,527,408	\$ 5,202,474	\$ 4,873,393	\$ 4,628,218	\$ 4,404,573
Book value per share	\$ 15.70	\$ 14.91	\$ 14.52	\$ 14.01	\$ 13.49
Shares outstanding	33,143 ⁽¹⁾	32,712 ⁽²⁾	32,701 ⁽³⁾	32,574 ⁽⁴⁾	32,395 ⁽⁵⁾

⁽¹⁾ Based on 33,142,650 common shares outstanding as of December 31, 2024, and excludes unvested shares of common stock authorized for incentive compensation totaling 402,935.

⁽²⁾ 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.

Velocity Financial, Inc. Income Statement (Quarters)

(\$ in thousands)

	Quarter Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Revenues					
Interest income	\$ 113,484	\$ 105,070	\$ 97,760	\$ 90,529	\$ 86,269
Interest expense - portfolio related	68,484	63,871	59,188	55,675	51,405
Net interest income - portfolio related	45,000	41,199	38,572	34,854	34,864
Interest expense - corporate debt	6,143	6,143	6,155	5,380	4,140
Net interest income	38,857	35,056	32,417	29,474	30,724
Provision for loan losses	22	(69)	218	1,002	827
Net interest income after provision for loan losses	38,835	35,125	32,199	28,472	29,897
Other operating income					
Gain on disposition of loans	2,784	2,291	3,168	1,699	1,482
Unrealized gain (loss) on fair value loans	(15,723)	35,530	17,123	18,925	39,367
Unrealized gain (loss) on fair value securitized debt	34,539	(24,995)	(4,643)	(2,318)	(24,085)
Unrealized gain/(loss) on mortgage servicing rights	1,297	(993)	(373)	444	(1,208)
Origination fee income	7,245	6,704	5,072	4,986	3,981
Interest income on cash balance	1,451	1,676	1,731	1,631	1,716
Other income (expense)	736	519	483	408	418
Total other operating income	32,330	20,732	22,561	25,775	21,670
Net revenue	71,165	55,857	54,760	54,247	51,567
Operating expenses					
Compensation and employee benefits	20,084	17,586	16,562	15,357	15,143
Origination expenses	816	867	749	646	173
Securitizations expenses	7,103	3,186	6,232	2,874	2,709
Rent and occupancy	296	519	617	498	551
Loan servicing	6,749	5,656	5,160	4,824	4,636
Professional fees	1,477	2,305	1,718	2,115	1,733
Real estate owned, net	268	1,951	1,355	2,455	2,068
Other operating expenses	2,335	2,543	2,494	2,242	2,248
Total operating expenses	39,127	34,613	34,887	31,011	29,260
Income before income taxes	32,038	21,244	19,873	23,236	22,307
Income tax expense	11,233	5,627	5,162	5,903	5,141
Net income	20,805	15,617	14,711	17,333	17,166
Net income attributable to noncontrolling interest	218	(186)	(67)	82	(189)
Net income attributable to Velocity Financial, Inc.	20,587	15,803	14,778	17,251	17,355
Less undistributed earnings attributable to participating sec	253	191	182	217	225
Net earnings attributable to common shareholders	\$ 20,334	\$ 15,612	\$ 14,596	\$ 17,034	\$ 17,130
Basic earnings (loss) per share	\$ 0.62	\$ 0.48	\$ 0.45	\$ 0.52	\$ 0.53
Diluted earnings (loss) per common share	\$ 0.57	\$ 0.44	\$ 0.42	\$ 0.49	\$ 0.50
Basic weighted average common shares outstanding	32,771	32,711	32,585	32,541	32,326
Diluted weighted average common shares outstanding	36,097	35,895	35,600	35,439	34,991



Velocity Financial, Inc. Income Statement (Years)

	Year Ended	
	12/31/2024	12/31/2023
	Audited	Audited
(\$ in thousands)		
Revenues		
Interest income	\$ 406,843	\$ 310,776
Interest expense - portfolio related	247,218	186,468
Net interest income - portfolio related	159,625	124,307
Interest expense - corporate debt	23,821	16,556
Net interest income	135,804	107,751
Provision for loan losses	1,173	1,914
Net interest income after provision for loan losses	134,631	105,836
Other operating income		
Gain on disposition of loans	9,940	8,238
Unrealized gain (loss) on fair value loans	55,857	47,850
Unrealized gain (loss) on fair value securitized debt	2,581	(9,002)
Unrealized gain/(loss) on mortgage servicing rights	375	(660)
Origination fee income	24,007	12,450
Interest income on cash balance	6,490	5,194
Other income (expense)	2,148	1,840
Total other operating income	101,398	65,910
Net revenue	236,029	171,746
Operating expenses		
Compensation and employee benefits	69,589	48,344
Origination expenses	3,077	518
Securitizations expenses	19,396	12,923
Rent and occupancy	1,929	1,927
Loan servicing	22,388	17,631
Professional fees	7,616	4,599
Real estate owned, net	6,030	6,153
Other operating expenses	9,613	8,524
Total operating expenses	139,638	100,619
Income before income taxes	96,391	71,127
Income tax expense	27,925	18,834
Net income	68,466	52,293
Net income attributable to noncontrolling interest	47	20
Net income attributable to Velocity Financial, Inc.	68,419	52,273
Less undistributed earnings attributable to participating securities	834	753
Net earnings attributable to common shareholders	\$ 67,585	\$ 51,520
Basic earnings (loss) per share	\$ 2.07	\$ 1.60
Diluted earnings (loss) per common share	\$ 1.91	\$ 1.52
Basic weighted average common shares outstanding	32,653	32,206
Diluted weighted average common shares outstanding	35,760	34,484



HFI Portfolio Delinquency Trends

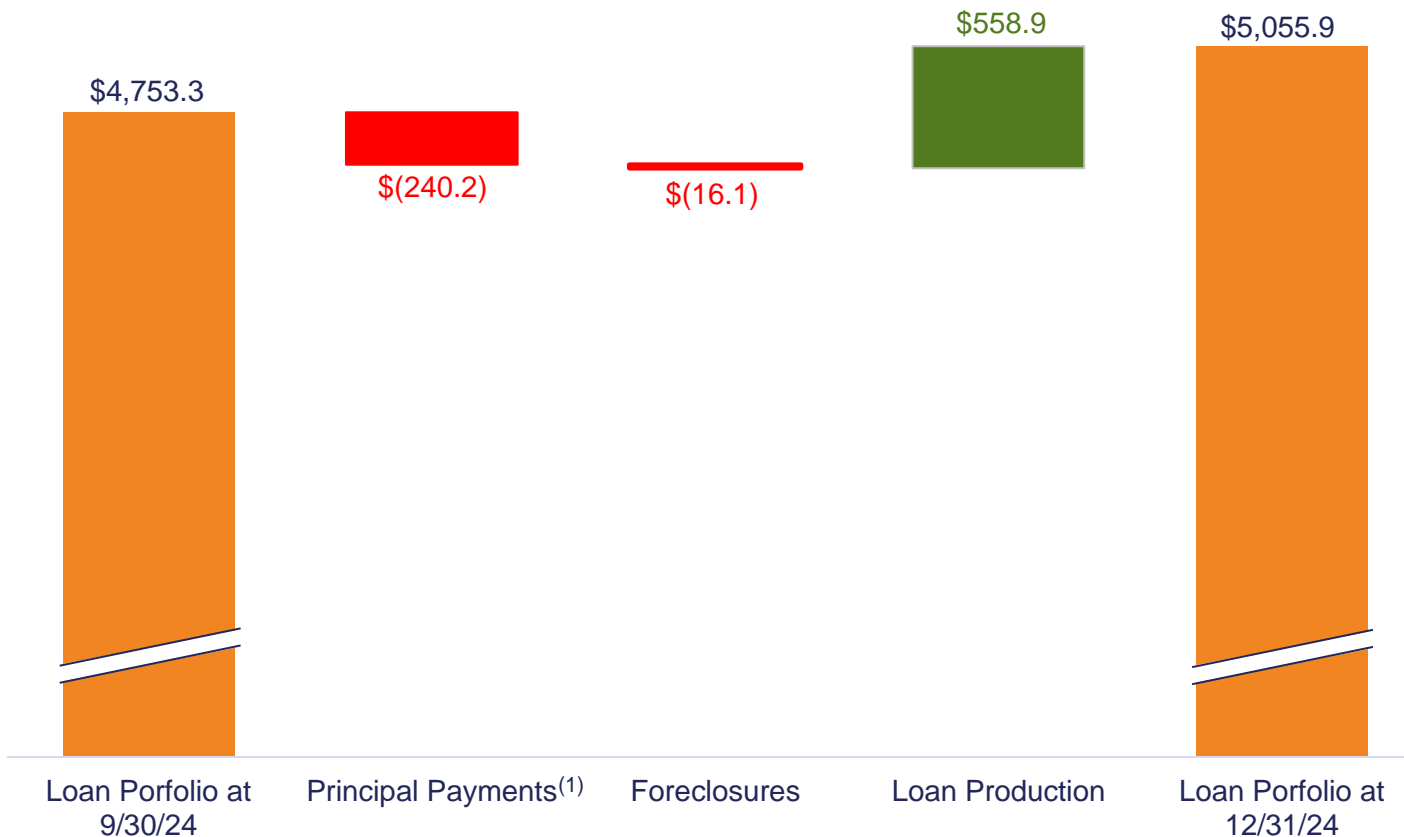
(\$ in thousands)

	December 31, 2023		March 31, 2024		June 30, 2024		September 30, 2024		December 31, 2024	
	\$	%	\$	%	\$	%	\$	%	\$	%
Performing/Accruing:										
Current	\$ 3,354,197	82.7%	\$ 3,517,715	82.2%	\$ 3,669,659	81.9%	\$ 3,921,488	82.8%	\$ 4,169,830	82.5%
30-59 days past due	231,590	5.7%	239,493	5.6%	247,100	5.5%	197,890	4.2%	241,300	4.7%
60-89 days past due	75,587	1.9%	91,765	2.1%	92,494	2.1%	111,002	2.4%	105,369	2.1%
90+ days past due	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total performing loans HFI	3,661,374	90.3%	3,848,973	89.9%	4,009,253	89.5%	4,230,380	89.5%	4,516,499	89.3%
Nonperforming/Nonaccrual:										
<90 days past due	17,746	0.4%	20,473	0.5%	19,347	0.5%	20,055	0.4%	23,697	0.5%
90+ days past due	24,398	0.6%	27,919	0.7%	37,161	0.8%	46,584	1.0%	51,144	1.0%
Bankruptcy	35,993	0.9%	45,471	1.1%	47,011	1.0%	54,087	1.1%	60,042	1.2%
In foreclosure	316,425	7.8%	338,697	7.9%	367,129	8.2%	383,213	8.1%	404,555	8.0%
Total nonperforming loans HFI	394,562	9.7%	432,560	10.1%	470,648	10.5%	503,939	10.6%	539,438	10.7%
Total loans held for investment	\$ 4,055,936	100%	\$ 4,281,533	100%	\$ 4,479,901	100%	\$ 4,734,319	100%	\$ 5,055,937	100%

Loan Portfolio Rollforward

HFI Loan Portfolio UPB Rollforward

(UPB in millions)



⁽¹⁾ Includes \$0.44 million in UPB of repurchased loans.

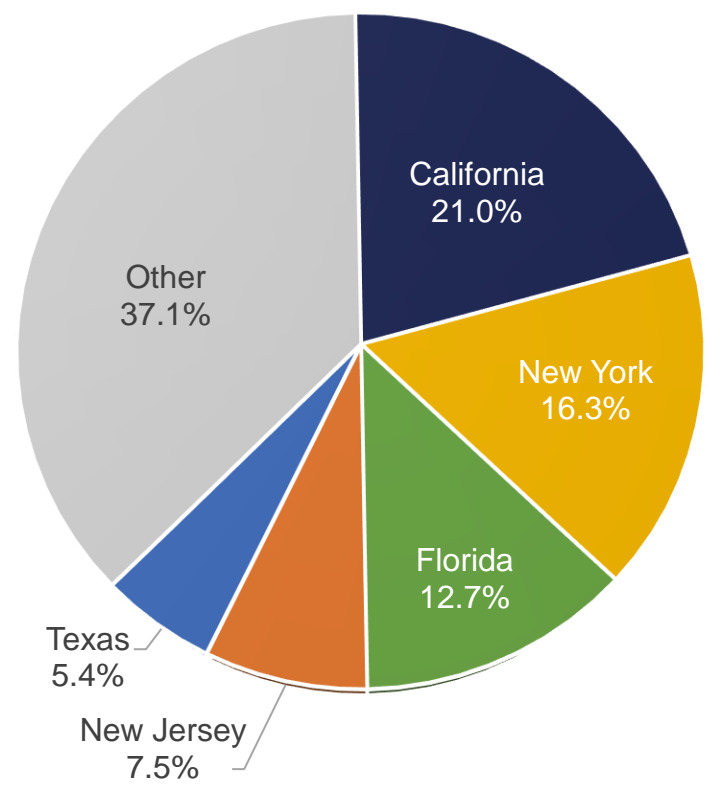
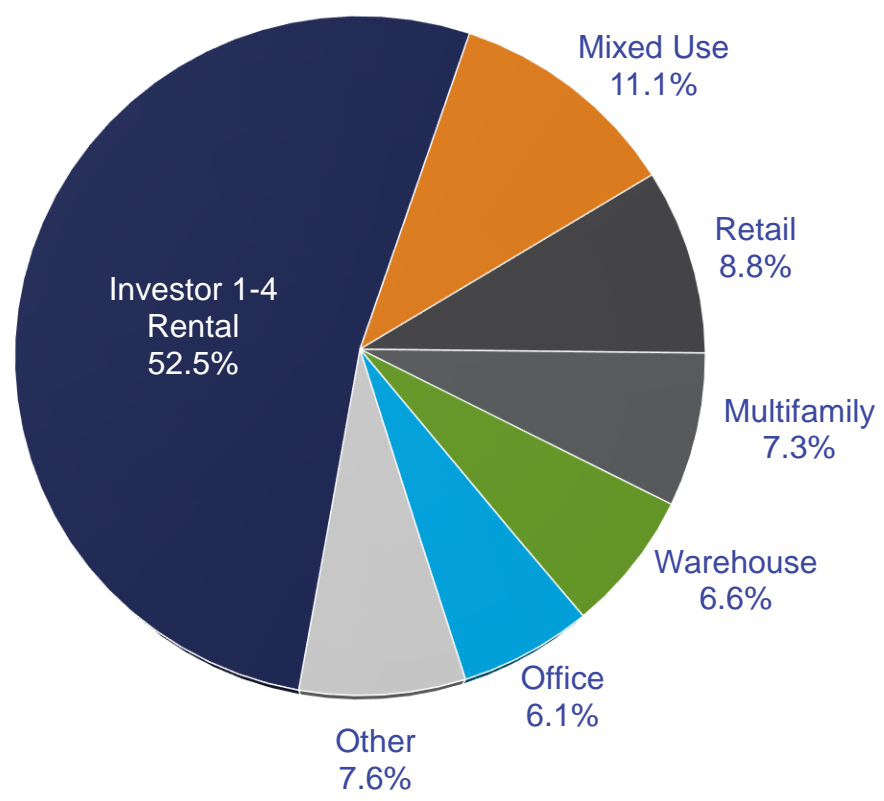


HFI Loan Portfolio

Portfolio by Property Type

Portfolio by State

(100% = \$5.06 billion UPB)⁽¹⁾



⁽¹⁾ As of December 31, 2024

Adjusted Financial Metric Reconciliation:

Adjusted Financial Metric Reconciliation to GAAP Net Income

Quarters:

Core Net Income	Quarter Ended				
	12/31/20234	9/30/2024	6/30/2024	3/31/2024	12/31/2023
	Net Income	\$ 20,587	\$ 15,803	\$ 14,778	\$ 17,251
Tax liability reduction			-	-	(1,866)
Equity award & ESPP costs	1,167	1,146	1,140	998	673
Core Net Income	\$ 21,754	\$ 16,949	\$ 15,918	\$ 18,249	\$ 16,161
Diluted weighted average common shares outstanding	36,097	35,895	35,600	35,439	34,991
Core diluted earnings per share	\$ 0.60	\$ 0.47	\$ 0.45	\$ 0.51	\$ 0.46

Years:

Core Net Income	Year Ended	
	12/31/2024	12/31/2023
Net Income	\$ 68,419	\$ 52,273
Tax liability reduction	-	(1,866)
Equity award & ESPP costs	4,452	2,977
Core Net Income	\$ 72,871	\$ 53,384
Diluted weighted average common shares outstanding	\$ 35,760	\$ 34,484
Core diluted earnings per share	\$ 2.03	\$ 1.54