



# First Quarter 2018 Investor Presentation

# IMPORTANT INFORMATION

## Risk Factors

Investing in and owning our common stock involves a high degree of risk. See the section entitled "Risk Factors" in our Form 10-K filed March 16, 2018 for a discussion of these risks.

## Forward-Looking Statements

Certain statements included in this presentation are forward-looking statements. Those statements include statements regarding the intent, belief or current expectations of Benefit Street Partners Realty Trust, Inc. ("BSP Realty Trust", "BSPRT", "we", "our" or the "Company") and members of our management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Actual results may differ materially from those contemplated by such forward-looking statements. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law.

## Additional Important Information

The summary information provided in this presentation does not purport to be complete and no obligation to update or otherwise revise such information is being assumed. Nothing shall be relied upon as a promise or representation as to the future performance of BSP Realty Trust. This summary is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where the offer or sale is not permitted. This summary is not advice, a recommendation or an offer to enter into any transaction with BSP Realty Trust or any of their affiliated funds. There is no guarantee that any of the goals, targets or objectives described in this summary will be achieved.

The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal, ERISA or tax advice or investment recommendations. Investors should also seek advice from their own independent tax, accounting, financial, ERISA, investment and legal advisors to properly assess the merits and risks associated with their investment in light of their own financial condition and other circumstances. The information contained herein will be superseded by, and is qualified in its entirety by reference to, BSP Realty Trust's Annual Report and Form 10-K, which will contain information about the investment objective, terms and conditions of an investment in BSP Realty Trust. Investors should consider the investment objectives, risks, and charges and expenses of BSP Realty Trust carefully before investing. BSP Realty Trust's Annual Report and Form 10-K contain this and other information about the company. You may obtain a copy of the most recent Annual or Semi-Annual Report by calling (844) 785-4393 and/or visiting [www.bsprealtytrust.com](http://www.bsprealtytrust.com).

Past performance is not indicative of future results. There is no guarantee that any of the estimates, targets or projections illustrated in this summary will be achieved. Any references herein to any of BSP Realty Trust's past or present investments, portfolio characteristics, or performance, have been provided for illustrative purposes only. It should not be assumed that these investments were or will be profitable or that any future investments will be profitable or will equal the performance of these investments. There can be no guarantee that the investment objective of BSP Realty Trust will be achieved. Any investment entails a risk of loss. An investor could lose all or substantially all of his or her investment. Please refer to BSP Realty Trust's Annual Report on Form 10-K for a more complete list of risk factors.

AUM refers to the assets under management for funds and separately managed accounts managed by Providence Equity Partners L.L.C., Providence Equity Capital Markets L.L.C. ("PECM"), Benefit Street Partners L.L.C. ("Benefit Street"), BDCA Adviser, LLC and Merganser Capital Management, LLC (collectively, "Providence". For private debt funds and other drawdown funds and separately managed accounts, AUM generally represents the sum of the total investments at fair value plus available capital (undrawn commitments plus distributions subject to recall). For hedge funds, non-drawdown funds and separately managed accounts, AUM represents the NAV (net asset value) of each fund or separately managed account. For CLOs, AUM represents the total amount of the debt tranches and subordinated notes (equity) at closing. For long-only liquid accounts, AUM represents the gross asset value of the investments managed by Providence. AUM amounts are as of 2/28/2018. Certain amounts are preliminary and remain subject to change.



## **Richard J. Byrne**

### *Chairman and Chief Executive Officer of BSP Realty Trust*

Richard Byrne is president of Benefit Street Partners and is based in BSP's New York office. Mr. Byrne is also Chairman and Chief Executive Officer of Business Development Corporation of America. Prior to joining BSP in 2013, Mr. Byrne was Chief Executive Officer of Deutsche Bank Securities Inc. He was also the Global Head of Capital Markets at Deutsche Bank as well as a member of the Global Banking Executive Committee and the Global Markets Executive Committee. Before joining Deutsche Bank, Mr. Byrne was Global Co-head of the leveraged finance group and Global Head of credit research at Merrill Lynch. He was also a perennially top-ranked credit analyst. Mr. Byrne earned a Masters of Business Administration from the Kellogg School of Management at Northwestern University and a Bachelor of Arts from Binghamton University.



## **Jerome S. Baglien**

### *Chief Financial Officer of BSP Realty Trust*

Jerry Baglien is Chief Financial Officer of Commercial Real Estate with Benefit Street Partners in BSP's New York office. Prior to joining BSP in 2016, Mr. Baglien was Director of Fund Finance for GTIS Partners LP, where he oversaw all finance and operations for GTIS funds. Previously, he was an accounting manager at iStar Inc. with oversight of loans and special investments. Mr. Baglien received a Master of Business Administration from Kellstadt Graduate School of Business at DePaul University and a Bachelor of Science in Accounting from the University of Oregon.

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# Executive Summary

## New Investments

- BSPRT made \$501 million of new investments in Q1 2018, of which, \$381 million were floating rate loans and \$120 million were conduit loans

## Financials

- Adjusted Net Income was \$0.34 per share or \$10.68 million in Q1 2018 vs. \$0.43 per share or \$13.51 million in Q4 2017
- GAAP Net Income was \$0.17 per share or \$5.30 million in Q1 2018 vs. \$0.46 per share or \$14.47 million in Q4 2017

## Dividend and Book Value

- Adjusted Dividend Coverage was 95.0% in Q1 2018 vs. 119.1% in Q4 2017
- Book Value was \$18.99 per share at 3/31/2018 vs. \$19.17 per share at 12/31/2017

## Conduit Loan Sales

- Sold \$79 million of conduit loans for gross profit of \$2.8 million in Q1 2018

## Portfolio

- Our portfolio consisted of 82 floating rate loans and 9 conduit loans as of 3/31/2018 vs. 69 floating rate loans and 3 conduit loans as of 12/31/2017
- There were no investments on non-accrual at either 3/31/2018 or 12/31/2017

**SECTION I**  
**OVERVIEW OF ADVISER — BENEFIT STREET**  
**PARTNERS L.L.C. (“BSP”)**

# Section I – Overview of Adviser

## BSP Overview



**BSP is a leading credit-focused alternative asset management firm with over \$24 billion in assets under management<sup>1</sup>**

<b>Assets / Committed Capital Under Management</b>	\$24 billion <sup>1</sup>
<b>Investment Record</b>	10 years <sup>2</sup>
<b>Dedicated Investment Professionals</b>	90+ investment professionals
<b>Offices</b>	New York, Charlotte, Houston, Providence
<b>Investment Strategies</b>	Private Debt /Opportunistic Credit Long-Short Credit Long-Only Credit <b>Commercial Real Estate Debt</b> Special Situations
<b>Partnership with Providence Equity Partners L.L.C.</b>	Providence Equity Partners L.L.C. is a leading global private equity firm with a combined \$50+ billion in assets under management <sup>3</sup>

**Notes:**

<sup>1</sup> AUM refers to the assets under management for all credit funds and separately managed accounts managed by BSP and its affiliates. AUM amounts are as of February 28, 2018 and are unaudited.

Certain amounts are preliminary and remain subject to change.

<sup>2</sup> BSP's credit business began in 2008 with the launch of Providence Equity Capital Markets L.L.C., an affiliated adviser. BSP launched in 2011.

<sup>3</sup> Includes assets under management (AUM) of affiliate businesses: Providence Equity Partners L.L.C., Merganser Capital Management, LLC, Providence Equity Capital Markets L.L.C., BDCA Adviser LLC and BSP. AUM amounts are as of March, 2018 and are unaudited.

# Section I – Overview of Adviser

## BSP Platform

**BSP senior management team has worked together for 30 years**

**BSP Realty Trust Officers:**

**Richard Byrne**, *Chief Executive Officer and President*

**Jerry Baglien**, *Chief Financial Officer and Treasurer*

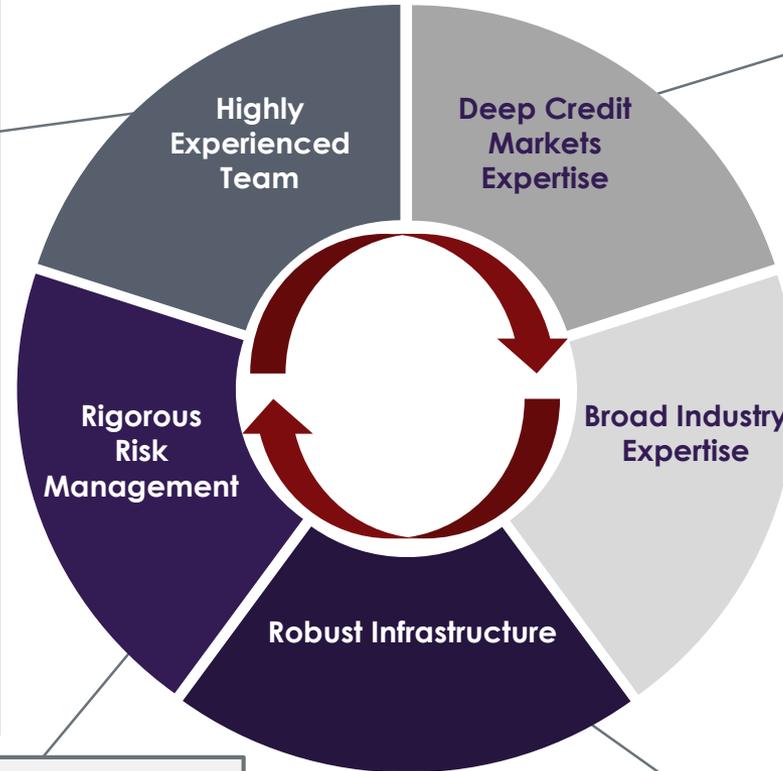
**Micah Goodman**, *Corporate Secretary*

**BSP Senior CRE Team:**

**Michael Comparato**, *Head of Commercial Real Estate*

**Investment Team:**

- **90+ investment professionals with extensive credit experience<sup>1</sup>**



Significant experience in debt financing through multiple business cycles and across the capital structure including: high yield, leveraged loans, private debt, liquid credit, structured credit and real estate

Extensive networks and expertise across numerous sectors; Direct origination and research capabilities

Established, high-quality institutional infrastructure to support all credit activities

Seek to achieve downside protection through lien protection, capital structure priority, covenants, default penalties, call protection and change of control rights

Views expressed are those of BSP.  
1 As of March 2018.

# Section I – Overview of Adviser

## BSP Commercial Real Estate



Parallel to BSP's corporate middle market lending business



Focused on attractive middle market segment which we believe tends to be less competitive



43 person team<sup>1</sup> with ability to originate multiple products. Multiple borrowers have utilized BSP's platform due to the flexibility of capital available; viewing BSP as a strategic partner

Deep relationships with brokers and borrowers sourcing repeat business with "first" and "last look" advantage

Note: Views expressed are those of BSP.

<sup>1</sup> As of March 2018

# SECTION II – FINANCIAL UPDATE

# Section II – Financial Update

## Summary

*Numbers in thousands, except share and per share data*

	<u>1Q'18</u>	<u>4Q'17</u>
Adjusted Net Income <sup>(1)</sup>	\$10,681	\$13,508
Adjusted Net Income, per share <sup>(1)</sup>	\$0.34	\$0.43
GAAP Net Income	\$5,296	\$14,474
GAAP Net Income, per share	\$0.17	\$0.46
Distributions	\$11,246	\$11,340
Distributions, per share	\$0.36	\$0.36
Adjusted Dividend Coverage - Surplus/ (Deficit) - \$'s <sup>(1)</sup>	(\$565)	\$2,168
Adjusted Dividend Coverage - % <sup>(1)</sup>	95.0%	119.1%
Book Value	\$600,174	\$610,339
Book Value, per share	\$18.99	\$19.17
Total Assets	\$1,827,716	\$1,583,661
% of loans originated by BSP	68.6%	56.1%
Debt	\$1,212,648	\$956,573
Debt/Equity Ratio	2.02x	1.57x

Source: SEC filings as of 05/14/18.

Note: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ANY INVESTMENT INVOLVES SIGNIFICANT RISK, INCLUDING LOSS OF THE ENTIRE INVESTMENT.

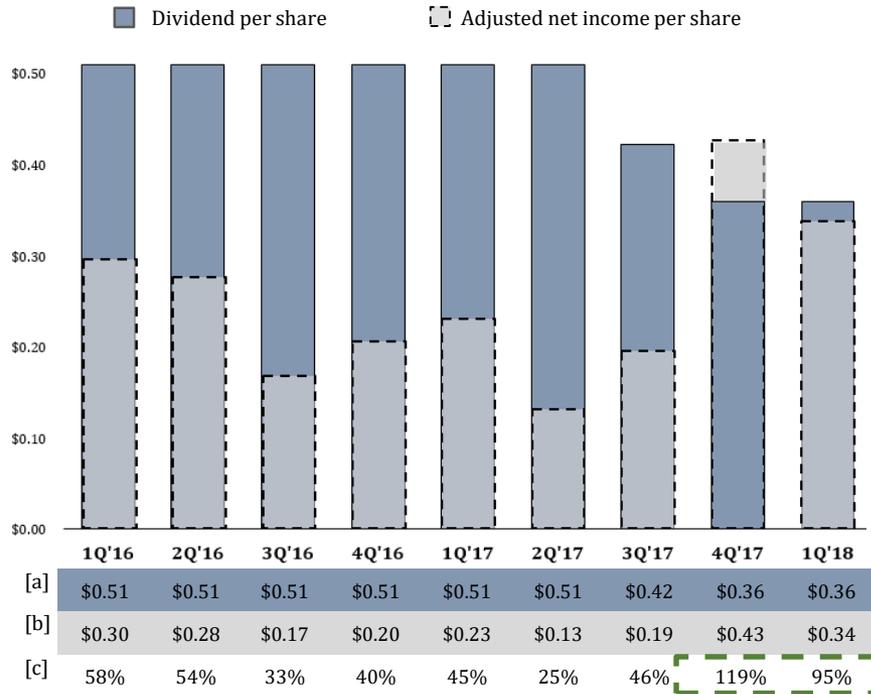
(1) Adjusted for non-cash CLO call and unrealized gain/loss

# Section II – Financial Update

## Historical results

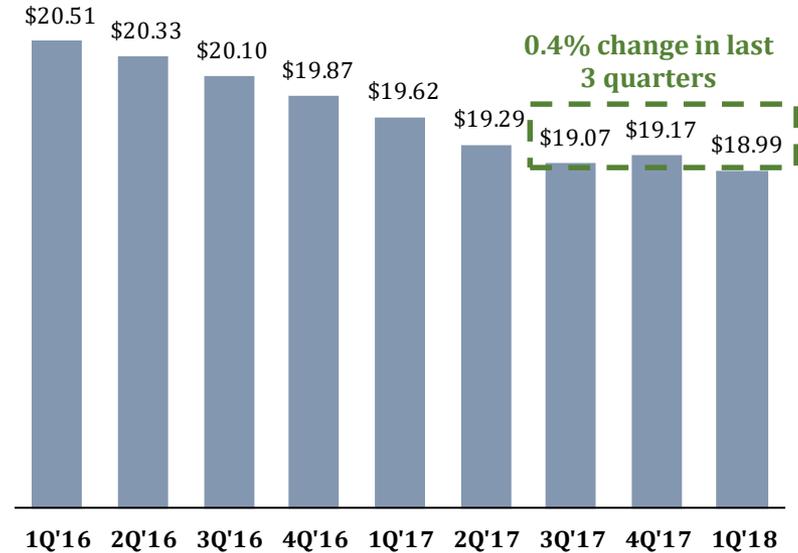
### Improving dividend coverage and stabilizing book value per share

#### Dividend Coverage



[a] Dividend per share  
 [b] Adjusted net income per share  
 [c] Dividend coverage

#### Book Value per Share



Source: SEC filings as of 05/14/18

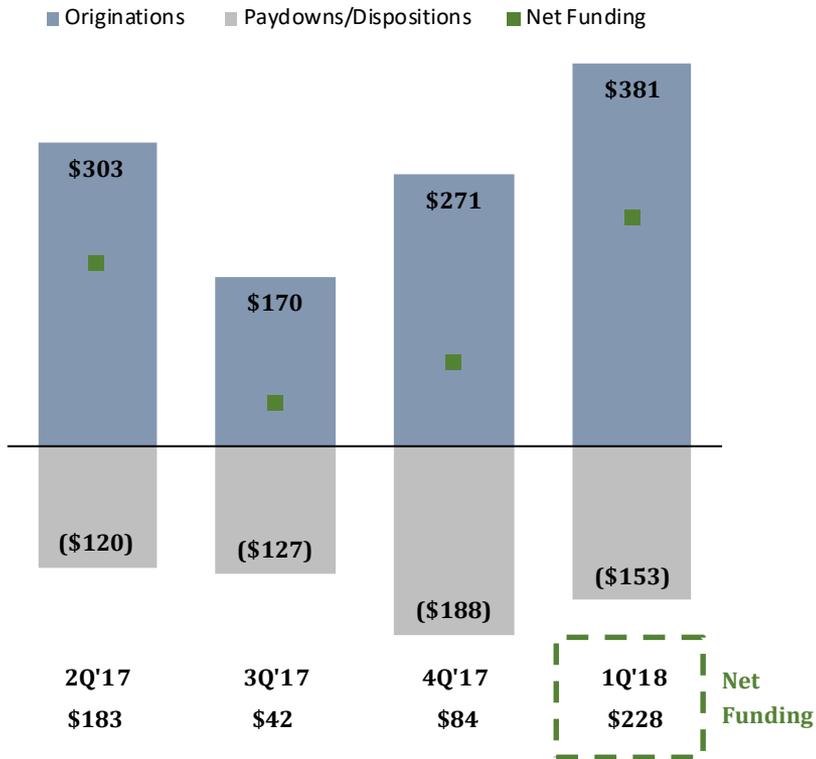
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# Section II – Financial Update

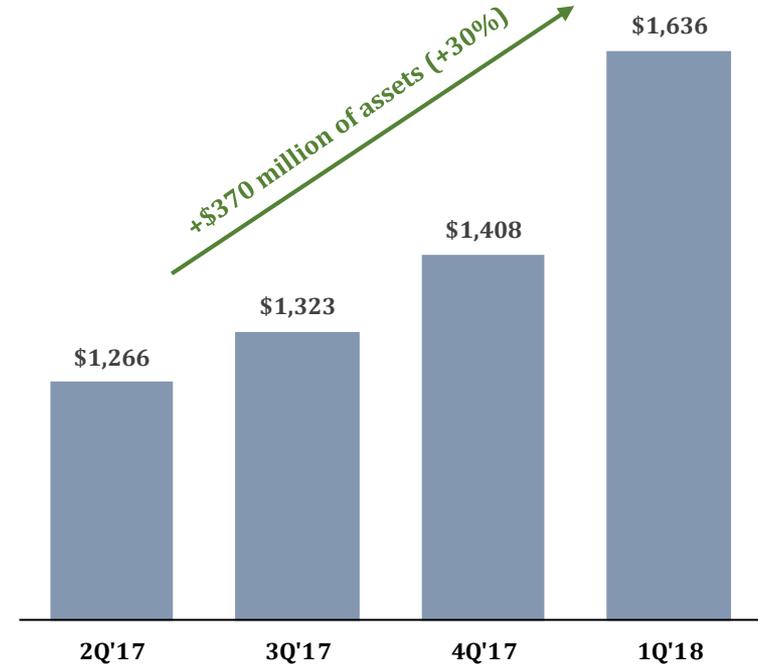
## Origination volume

**\$381 million of floating rate loans were originated in the quarter**

### Net Investments



### Portfolio Growth



Source: SEC filings as of 05/14/18

Numbers are in millions

Note: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ANY INVESTMENT INVOLVES SIGNIFICANT RISK, INCLUDING LOSS OF ENTIRE INVESTMENT.

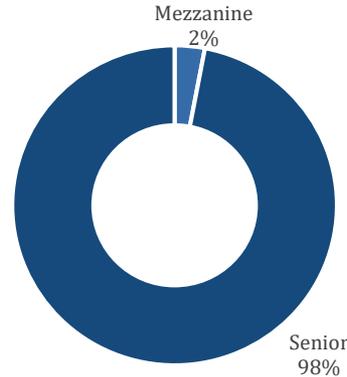
# Section II – Financial Update

## Floating rate portfolio composition at 3/31/2018

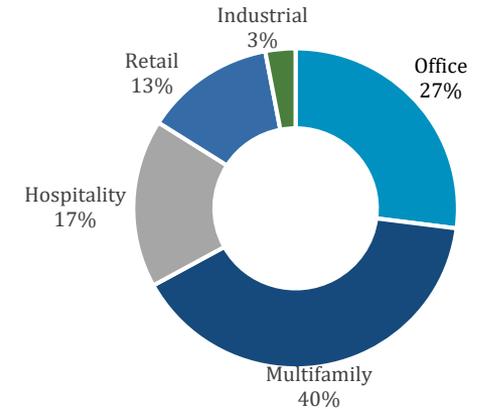
### Portfolio Overview

- Diversified portfolio by geography and property type
- Total portfolio of \$1.6 billion
- 76 senior loans with average size of ~\$21 million
- 6 mezzanine loans with average size of ~\$6 million

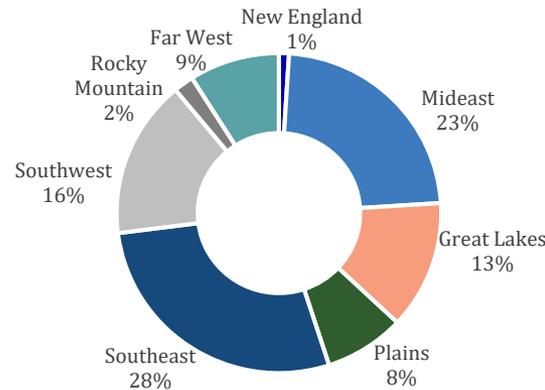
### Portfolio Summary



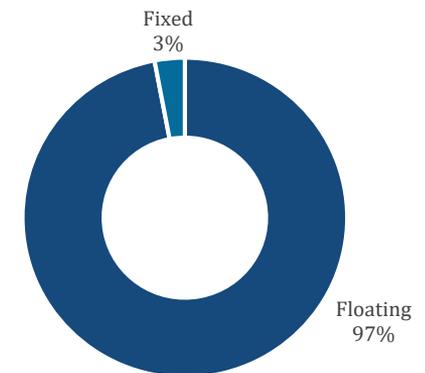
### Collateral Summary



### Collateral by Region



### Rate Type



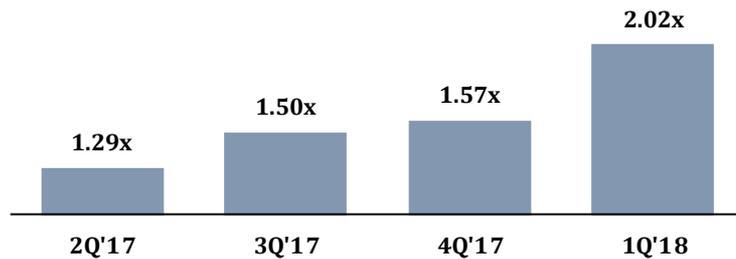
Source: SEC filings as of 05/14/18

# Section II – Financial Update

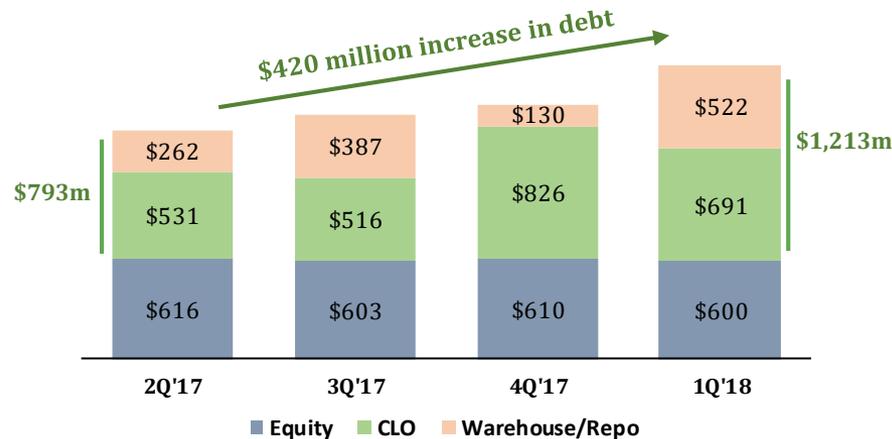
## Debt and leverage

**BSPRT increased leverage to 2.02x, and debt to \$1.2 billion at 3/31/2018**

### Leverage (Debt/Equity)



### Capitalization



### Financing Lines Available

#### Warehouse/Revolver

JP Morgan	\$520 million
Goldman Sachs	\$250 million
Credit Suisse	\$250 million
US Bank	\$100 million
Barclays	\$75 million
<b>Total</b>	<b>\$1,195 million</b>

#### CLOs \*

BSPRT 2017-FL1	\$340 million
BSPRT 2017-FL2	\$361 million
<b>Total</b>	<b>\$701 million</b>

\* BSPRT closed its third CLO "BSPRT 2018-FL3" in April 2018. Total assets of \$610 million and debt of \$488 million resulting in 80% advance rate

Source: SEC filings as of 05/14/18  
Numbers are in millions

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# Section II – Financial Update

## Income Statement

<i>Numbers in millions</i>	<b>Floating Rate</b>	<b>Conduit</b>	<b>Total</b>
Interest Income	\$28.5	\$0.9	\$29.4
Interest Expenses	(17.9)	(0.8)	(18.7)
Gain on Conduit Sale	-	2.8	2.8
Operating Expenses and Other	(6.7)	(2.7)	(9.4)
Realized/Unrealized gain/(loss)	(0.0)	1.2	1.2
<b>GAAP Net Income</b>	<b>\$3.8</b>	<b>\$1.5</b>	<b>\$5.3</b>
Adjustments [a]	5.2	0.1	5.4
<b>Adjusted Net Income</b>	<b>\$9.1</b>	<b>\$1.6</b>	<b>\$10.7</b>

[a] Adjusted for non-cash CLO call, inter-company expenses and unrealized gain/(loss)

# Section II – Financial Update

## Balance Sheet

*Numbers in millions*

	<u>1Q'18</u>	<u>4Q'17</u>	<u>Change</u>
Cash, Cash Equivalents and Restricted Cash	\$67.8	\$91.7	(\$23.9)
Commercial Mortgage Loans	1,697.3	1,430.6	266.7
Other Assets	62.6	61.4	1.2
<b>Total Assets</b>	<b>1,827.7</b>	<b>1,583.7</b>	<b>244.1</b>
Debt	1,212.6	956.6	256.1
Other Liabilities	14.9	16.7	(1.9)
<b>Total Liabilities</b>	<b>1,227.5</b>	<b>973.3</b>	<b>254.2</b>
Total Equity	600.2	610.3	(10.2)
<b>Total Liabilities and stockholders' equity</b>	<b>\$1,827.7</b>	<b>\$1,583.7</b>	<b>\$244.1</b>
Book Value per Share	\$18.99	\$19.17	
NAV per Share	\$19.02	\$19.02	

As disclosed in the 10-Q filed on November 14, 2017, the board of directors unanimously approved an estimated net asset value (“NAV”) per share of \$19.02 as of September 30, 2017

Source: SEC filings as of 05/14/18.

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# Section II – Financial Update

## Portfolio Credit Quality

Investment Rating	Summary Description	1Q'18	4Q'17
1	Investment exceeding fundamental performance expectations and/or capital gain expected. Trends and risk factors since time of investment are favorable.	2	2
2	Performing consistent with expectations and a full return of principal and interest expected. Trends and risk factors are neutral to favorable.	45	44
3	Performing investments requiring closer monitoring. Trends and risk factors show some deterioration.	14	13
4	Underperforming investment with the potential of some interest loss but still expecting a positive return on investment. Trends and risk factors are negative.	1	0
5	Underperforming investment with expected loss of interest and some principal.	0	0
<b>AVERAGE RISK RATING</b>		<b>2.2</b>	<b>2.2</b>
	Loans in non-accrual status	0	0
	Loans on watch list	1	0

Source: SEC filings as of 05/14/18.

Note: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. ANY INVESTMENT INVOLVES SIGNIFICANT RISK, INCLUDING LOSS OF THE ENTIRE INVESTMENT. Investment rating categories and ratings determined by BSP.

# SECTION III

# STRATEGIC INITIATIVES

# Section III – Strategic Initiatives

## Equity Raise

- On February 14, 2018 Benefit Street Partners Realty Trust, Inc. announced that they raised \$97 million of equity from institutional and affiliated shareholders
- Officers and employees of Benefit Street Partners Realty Trust and Benefit Street Partners LLC committed \$32 million of the \$97 million
- The equity raised will allow BSPRT to take advantage of the robust pipeline of new investments

# Section III – Strategic Initiatives

## Objectives

- 1 Establish BSP Realty Trust as a Best-In-Class mortgage REIT
- 2 Position BSP Realty Trust for a liquidity event

Leverage BSP origination platform

Increase scale & optimize balance sheet

Prudently invest capital

Focus on governance

Grow dividend

Conform with public company peers

Stabilize book value

Transparent investor relations

Improve quality of earnings

Robust regulatory compliance

**Our potential risks and uncertainties are presented in the section titled “Item 1A. Risk Factors” disclosed in our Annual Report on Form 10-K for the year ended December 31, 2017. The following are some of the risks and uncertainties, although not all risks and uncertainties, that could cause our actual results to differ materially from those presented in our forward-looking statements:**

- We rely on short-term secured borrowings which creates refinancing risk and the risk that a lender may call for additional collateral, each of which could significantly impact our liquidity position.
- All of our executive officers are also officers or managers Benefit Street Partners L.L.C. (our "Adviser"). As a result, our executive officers, our Adviser and its affiliates face conflicts of interest, including significant conflicts created by our Adviser's compensation arrangements with us and conflicts in allocating time among these entities and us, which could negatively impact our operating results.
- We terminated our primary offering in January 2016 and therefore, absent raising capital from other sources, will have less cash from financing activities with which to make investments, repay indebtedness, fund our operations or pay distributions.
- No public trading market currently exists, or may ever exist, for shares of our common stock and our shares are, and may continue to be, illiquid.
- Increases in interest rates could increase the amount of our debt payments and limit our ability to pay distributions to our stockholders.
- If we and our Adviser are unable to find sufficient suitable investments, then we may not be able to achieve our investment objectives or pay distributions.
- We may be unable to pay or maintain cash distributions or increase distributions over time. Our board of directors may decide that maintaining cash distributions at current levels is not in our best interests given investment opportunities or for other reasons.
- We are obligated to pay substantial fees to our Adviser and its affiliates.
- We may fail to continue to qualify to be treated as a real estate investment trust ("REIT") for U.S. federal income tax purposes.
- We may be deemed to be an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), and thus subject to regulation under the Investment Company Act.
- We update our estimated net asset value per share annually and such estimate may change significantly between these annual calculations.

- Investor and Financial Advisors can call (844) 785-4393 for account information, balances and the status of submitted paperwork
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- Financial Advisors may view client accounts, statements and tax forms at [www.dstvision.com](http://www.dstvision.com)
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- Shareholders may access their accounts at [www.bsprealtytrust.com](http://www.bsprealtytrust.com)



[www.bsprealtytrust.com](http://www.bsprealtytrust.com)