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Franklin BSP Realty Trust, Inc. Announces Closing of \$120 Million Loan on a Limited-Service Hotel Portfolio

New York City, NY – February 15, 2023 – Franklin BSP Realty Trust, Inc. (NYSE: FBRT) (“FBRT” or the “Company”) today announced the closing of a \$120 million loan facilitating the refinancing of a portfolio of 12 limited-service hotels located in California (7), Connecticut (3) and New Jersey (2). The portfolio totals 1,313 hotel rooms spread across six different hotel chains, including Residence Inn and Hilton Garden Inn. Driftwood Capital (“Driftwood”), a specialty hospitality capital provider, provided a co-terminus mezzanine loan for \$20 million at closing, for a combined loan of \$140 million. Ten of the 12 assets recently received significant renovations and the remaining two assets are completing renovations imminently. The Borrower was represented by JLL and represents the sixth transaction where FBRT and Driftwood have provided a senior/mezzanine loan structure together.

Michael Comparato, Head of Commercial Real Estate for Benefit Street Partners L.L.C., the Company’s advisor (“the Advisor”), commented: “We have had an excellent relationship with both Driftwood and JLL over the years. We continue our focus on originating new loans backed by multifamily and hospitality assets, and this loan represents another strategic addition to our portfolio.”

David Steiner, Managing Director, Capital Markets at Driftwood Capital, added, “We continue to be a significant player in the hotel space and this portfolio is a prime example of the type of transactions we are pursuing. We are also excited to continue our long-standing relationship with both FBRT and JLL.”

The JLL team included Kevin Davis, CEO - Hotels & Hospitality, Claudio Sgobba, Senior Director – London Debt and Structured Finance, and Jeff Bucaro, EVP - Hotel Investment Banking. Bucaro further commented: “FBRT, Driftwood and the Borrower worked tirelessly to put us in a position to close an intricate portfolio of 12 assets in three different states in approximately 30 days. It was a tremendous effort by all parties involved and JLL was thrilled to be a part of it.”

About Franklin BSP Realty Trust, Inc.

Franklin BSP Realty Trust, Inc. (NYSE: FBRT) is a real estate investment trust that originates, acquires and manages a diversified portfolio of commercial real estate debt secured by properties located in the United States. As of September 30, 2022, FBRT had over \$6.3 billion of assets. FBRT is externally managed by Benefit Street Partners L.L.C., a wholly owned subsidiary of Franklin Resources, Inc. For further information, please visit www.fbrtreit.com.

About Driftwood Capital

Driftwood Capital is a vertically integrated commercial real estate investment, development, and lending platform specializing in hospitality. The principals of Driftwood Capital boast a 30+ year track record transacting on more than \$5 billion in hospitality assets through various affiliated management and ownership entities. In 2015, the principals of Driftwood Capital launched a unique syndication model for accredited investors to access otherwise exclusive institutional-quality hotels. Through this innovative syndication model, Driftwood Capital successfully turned \$50 million of initial investment into more than \$1 billion in assets across 18 hotels and 5 development deals with more than 5,100 rooms in 12 states. All Driftwood Capital funds benefit from the principals’ affiliation with Driftwood Hospitality Management, which currently manages over 80 full and limited service hotels with more than 13,000 rooms across 22 states and is regarded as a long-standing industry leader and best-in-class operator.

About JLL

JLL (NYSE: JLL) is a leading professional services firm that specializes in real estate and investment management. JLL shapes the future of real estate for a better world by using the most advanced technology to create rewarding opportunities, amazing spaces and sustainable real estate solutions for our clients, our people and our communities. JLL is a Fortune 500 company with annual revenue of \$19.4 billion, operations in over 80 countries and a global workforce of more than 102,000 as of September 30, 2022. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

For further information, visit jll.com.

Forward-Looking Statements

This communication includes forward-looking statements. These forward-looking statements generally can be identified by phrases such as “will,” “should,” “expects,” “anticipates,” “foresees,” “forecasts,” “estimates” or other words or phrases of similar import. Similarly, statements herein that describe management’s beliefs, intentions or goals also are forward-looking statements. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the Company or the price of FBRT stock. These forward-looking statements involve certain risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those indicated in 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.

Our forward-looking statements are subject to various risks and uncertainties, including but not limited to the risks and important factors contained and identified in FBRT’s filings with the Securities and Exchange Commission (“SEC”), including its Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and its subsequent filings with the SEC, any of which could cause actual results to differ materially from the forward-looking statements. The forward-looking statements included in this communication are made only as of the date hereof.