

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 27, 2020

Colony Credit Real Estate, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-38377
(Commission
File Number)

38-4046290
(IRS Employer
Identification No.)

515 S. Flower Street, 44th Floor
Los Angeles, CA
(Address of principal executive offices)

90071
(Zip Code)

Registrant's telephone number, including area code: (310) 282-8820

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	CLNC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On February 27, 2020, Colony Credit Real Estate, Inc. (the “Company”) issued a press release announcing its financial results for the fourth quarter and full year ended December 31, 2019. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On February 27, 2020, the Company made available a Supplemental Financial Disclosure Presentation for the fourth quarter and full year ended December 31, 2019 on the Company’s website at www.clncredit.com. A copy of the Supplemental Financial Disclosure Presentation is furnished herewith as Exhibit 99.2 to this Current Report on Form 8-K, which are incorporated herein by reference.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information included in this Current Report on Form 8-K (including Exhibits 99.1 and 99.2 hereto), shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being furnished herewith to this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 27, 2020
99.2	Supplemental Financial Disclosure Presentation for the fourth quarter and full year ended December 31, 2019
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 27, 2020

COLONY CREDIT REAL ESTATE, INC.

By: /s/ David A. Palamé

Name: David A. Palamé

Title: General Counsel & Secretary

ColonyCredit REAL ESTATE

Colony Credit Real Estate, Inc. Announces Fourth Quarter and Full Year 2019 Financial Results

Andrew E. Witt Appointed Interim Chief Executive Officer and President

LOS ANGELES, February 27, 2020 – Colony Credit Real Estate, Inc. (NYSE: CLNC) (“Colony Credit Real Estate” or the “Company”) today announced its financial results for the fourth quarter and full year ended December 31, 2019. In addition, Andrew E. Witt, Managing Director and Chief Operating Officer of Global Credit at Colony Capital, Inc. (“Colony Capital”), has been appointed Interim Chief Executive Officer and President, effective February 29, 2020. Mr. Witt will succeed Kevin P. Traenkle, who is stepping down from his position as Chief Executive Officer and President.

Kevin P. Traenkle commented, “2019 was a pivotal year for the Company. In the third quarter, we announced and began executing on the Portfolio Bifurcation Plan and are encouraged by the early disposition activity and results. During 2019, we committed approximately \$1.6 billion of capital to Core Portfolio investments, which were diversified across asset type and geography, and significantly de-risked the balance sheet with our successful \$1 billion managed CLO execution in the third quarter. Lastly, we grew our core earnings by 14% from the prior year and established a go-forward dividend that is 110% covered by Core Earnings from the Company’s Core Portfolio alone.”

Mr. Traenkle concluded, “Now that the Portfolio Bifurcation Plan is in-place and the company is well positioned for future growth, I am going to step down as CEO and President of the Company effective February 29th. I want to thank my team for the tireless work and progress made over the last several quarters.”

Fourth Quarter and Full Year 2019 Significant Developments and Subsequent Events

- Fourth quarter 2019 GAAP net income (loss) attributable to common stockholders of \$34.0 million, or \$0.26 per share. Fiscal year 2019 GAAP net income (loss) attributable to common stockholders of \$(414.5) million, or \$(3.25) per share
- GAAP net book value of \$2.2 billion, or \$16.49 per share and undepreciated book value of \$2.3 billion, or \$17.81 per share, as of December 31, 2019. GAAP net book value per share and undepreciated book value per share represent a premium of 27% and 37% to 30-day VWAP of \$12.98 per share, respectively

Core Portfolio

- Fourth quarter 2019 GAAP net income (loss) attributable to common stockholders of \$30.3 million, or \$0.23 per share, and Core Earnings of \$43.0 million, or \$0.33 per share. Fiscal year 2019 GAAP net income (loss) attributable to common stockholders of \$75.4 million, or \$0.57 per share, and Core Earnings of \$169.0 million, or \$1.29 per share
- GAAP net book value of \$1.8 billion, or \$13.76 per share and undepreciated book value of \$1.9 billion, or \$14.40 per share. GAAP net book value per share and undepreciated book value per share represent a 6% and 11% premium to 30-day VWAP of \$12.98 per share, respectively
- During the fourth quarter, closed a \$1 billion managed Commercial Real Estate Collateralized Loan Obligation (“CLO”). At closing, the CLO accretively financed interests in 21 floating-rate mortgages with an 83.5% advance rate and weighted average coupon at issuance of L+1.59%, before transaction costs, with a structure that features a two-year reinvestment period. CLO proceeds were used primarily to repay approximately \$770 million of borrowings under master repurchase facilities
- During the fourth quarter, allocated and initially funded approximately \$123 million and \$77 million of capital, respectively, across one senior loan and one mezzanine loan with a weighted average Return on Equity (“ROE”) of approximately 12%
- For the full year 2019, allocated approximately \$1.6 billion of capital across 27 investments with a weighted average ROE of approximately 12%
- During the fourth quarter, sold largest owned hotel asset from the Core Portfolio for \$74 million, a slight premium to 9/30/19 GAAP net book value

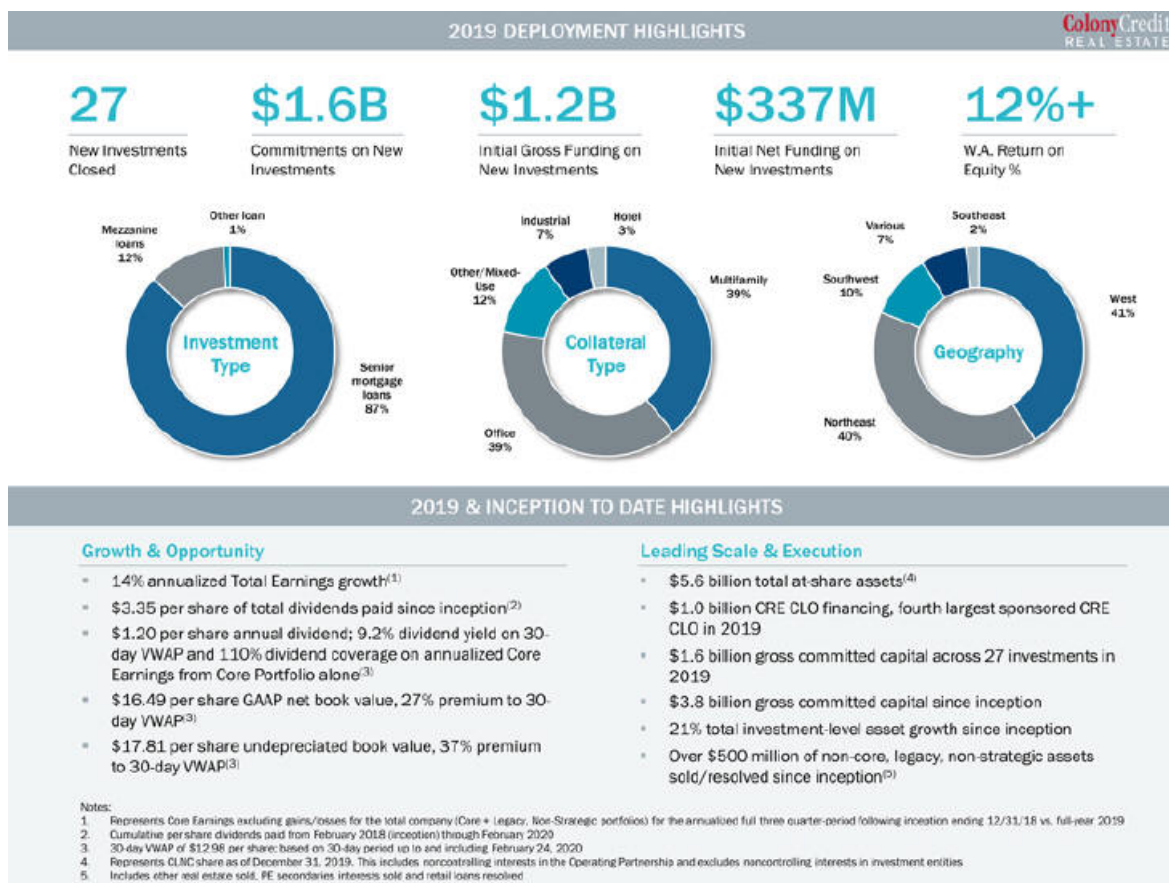
Legacy, Non-Strategic (“LNS”) Portfolio

- Fourth quarter 2019 GAAP net income (loss) attributable to common stockholders of \$3.7 million, or \$0.03 per share, and Legacy, Non-Strategic Earnings (loss) of \$5.3 million, or \$0.04 per share. Fiscal year 2019 GAAP net income (loss) attributable to common stockholders of \$(489.9) million, or \$(3.82) per share, and Legacy, Non-Strategic Earnings (loss) of \$(217.2) million, or \$(1.65) per share. Fiscal year 2019 Legacy, Non-Strategic Earnings (loss) excluding gains and losses of \$31.1 million or \$0.23 per share
- GAAP net book value of \$0.4 billion, or \$2.73 per share

- Cumulative Sales: Subsequent to announcing the Portfolio Bifurcation Plan in November 2019:
 - Seven Sold Assets: Seven LNS assets for a total gross sales price of \$43 million and a net sales price of \$42 million after transaction costs, representing an approximately \$10 million gain and a 29% premium to 9/30/19 GAAP net book value
 - Six Assets Under Binding Contract: Six LNS assets for a total gross sales price of \$126 million and a net sales price of \$75 million after debt repayment and transaction costs, representing an anticipated gain of approximately \$27 million and a 58% premium to 9/30/19 GAAP net book value
 - Twenty-seven Assets Listed For Sale or Expected to Payoff: Twenty-seven LNS assets are listed for sale or expected to payoff, which together with assets sold and under contract, represent approximately 75% of the LNS portfolio that is resolved or in active phases of resolution based on 9/30/19 GAAP net book value

Total Company

- Declared and paid a monthly cash dividend of \$0.145 per share of Class A common stock “common stock” for October and \$0.10 per share for November and December 2019. Subsequent to quarter end, the Company’s Board of Directors declared a monthly cash dividend of \$0.10 per share of common stock for January and February 2020
- During the fourth quarter, the Company’s manager, a subsidiary of Colony Capital, Inc., and the Company revised the terms of the management agreement, which resulted in a reduction to the fee base by accumulated unrealized provisions for loan losses and real estate impairments to date. Such reduction became effective during the fourth quarter 2019 and results in an approximately \$13 million decrease of the annual base management fee paid by the Company to its manager
- As of February 24, 2020, total corporate liquidity of approximately \$378 million through cash-on-hand and availability under the corporate revolving credit facility. In addition, excess capacity under the Company’s master repurchase facilities of approximately \$1.5 billion



Portfolio Performance

As of December 31, 2019, the Core Portfolio consisted of 56 loans held by the Company, including senior loans, mezzanine loans and preferred equity interests, and had an average risk rating of 3.1 (average risk), the same level as of September 30, 2019; weighted by total loan exposure on a 1 (Very Low Risk) to 5 (Impaired/Defaulted/Loss Likely) scale. As of December 31, 2019, no loans in the Core Portfolio were rated 5 (Impaired/Defaulted/Loss Likely).

Common Stock and Operating Partnership Units

As of February 24, 2020, the Company had approximately 128.5 million shares of common stock outstanding and the Company's operating partnership had approximately 3.1 million operating partnership units ("OP units") outstanding held by members other than the Company or its subsidiaries.

Dividend Announcement

The Company's Board of Directors declared a monthly cash dividend of \$0.145 per share of common stock for the monthly period ended October 31, 2019, which was paid on November 12, 2019 to stockholders of record on October 31, 2019.

During the fourth quarter, the Company elected to modify its dividend policy in furtherance of its Portfolio Bifurcation Plan, to issue a monthly dividend that is fully covered by and positioned for growth based on the Company's Core Earnings on its Core Portfolio. Therefore, the Company's Board of Directors declared a monthly cash dividend of \$0.10 per share of common stock for: (i) the month ended November 30, 2019, which was paid on December 10, 2019 to stockholders of record on November 30, 2019, and (ii) the month ended December 31, 2019, which was paid on January 10, 2020 to stockholders of record on December 31, 2019.

Subsequent to the end of the fourth quarter, the Company's Board of Directors declared a monthly cash dividend of \$0.10 per share of common stock for: (i) the month ending January 31, 2020, which was paid on February 10, 2020 to stockholders of record on January 31, 2020, and (ii) the month ending February 29, 2020, which will be paid on March 10, 2020 to stockholders of record on February 29, 2020.

Common Stock Repurchase Plan

The Company's Board of Directors have authorized a stock repurchase program, under which the Company may repurchase up to \$300 million of its outstanding Class A common stock until March 31, 2021 (the "Stock Repurchase Program"), replacing the Company's prior stock repurchase program announced in February 2019. Under the Stock Repurchase Program, the Company may repurchase shares in open market purchases, in privately negotiated transactions or otherwise. The Stock Repurchase Program will be utilized at management's discretion and in accordance with the requirements of the Securities and Exchange Commission. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate requirements and other conditions.

Special Committee Review Process

On November 6, 2019, Colony Capital sent a letter to the Company's independent directors proposing to explore the possible internalization of the management of the Company and a transfer of Colony Capital's credit management business to us. The letter provided that an internalization would be subject to, among other things, the negotiation of terms and definitive documentation and approval of the Company's Board of Directors and the board of directors of Colony Capital (or an authorized committee thereof in each case). In response, the Board of Directors has formed a special committee consisting exclusively of independent and disinterested directors (the "Special Committee") to explore this internalization proposal as well as other strategic alternatives.

On February 27, 2020, Colony Capital publicly reported that it plans to take action to enter into an agreement with the Company and/or one or more third parties with respect to a disposition of Colony Capital's management agreement with the Company, subject to the Company's consent, whether in the form of an internalization of the Company's management (including, but not limited to, the possible internalization set forth in the November 6, 2019 letter), a sale of Colony Capital's management agreement with the Company, or similar transaction the effect of which is to dispose of, in whole or in part, Colony Capital's management agreement with the Company. The scope of any such transaction is focused on Colony Capital's management agreement with the Company, and not on Colony Capital's private credit investment management platform and associated private credit assets.

The Special Committee is committed to taking all appropriate steps to maximize value for the Company and its stockholders, and has been actively engaged in a robust process to explore a range of value-enhancing opportunities, including, but not limited to, the potential transactions proposed by Colony Capital. The Special Committee has engaged both an independent financial advisor and legal advisor. We can give no assurance as to whether the Company and Colony Capital will enter into an agreement with respect to the management of our investments, the terms or scope of such agreement and the timing of closing, or whether we may pursue other strategic alternatives. The Company does not undertake any obligation to provide updates with respect to the Special Committee's review process or any strategic alternatives it may consider.

Non-GAAP Financial Measures and Definitions

Core Earnings/Legacy, Non-Strategic Earnings

We present Core Earnings/Legacy, Non-Strategic Earnings, which are non-GAAP supplemental financial measures of our performance. Our Core Earnings are generated by the Core Portfolio and Legacy, Non-Strategic Earnings are generated by the Legacy, Non-Strategic Portfolio. We believe that Core Earnings/Legacy, Non-Strategic Earnings provides meaningful information to consider in addition to our net income and cash flow from operating activities determined in accordance with accounting principles generally accepted in the United States (“U.S. GAAP” or “GAAP”). These supplemental financial measures help us to evaluate our performance excluding the effects of certain transactions and U.S. GAAP adjustments that we believe are not necessarily indicative of our current portfolio and operations. For information on the fees we pay our Manager, see Note 11, “Related Party Arrangements” to our consolidated financial statements included in Form 10-K to be filed with the U.S. Securities and Exchange Commission (“SEC”). In addition, we believe that our investors also use Core Earnings/Legacy, Non-Strategic Earnings or a comparable supplemental performance measure to evaluate and compare the performance of us and our peers, and as such, we believe that the disclosure of Core Earnings/Legacy, Non-Strategic Earnings is useful to our investors.

We define Core Earnings/Legacy, Non-Strategic Earnings as U.S. GAAP net income (loss) attributable to our common stockholders (or, without duplication, the owners of the common equity of our direct subsidiaries, such as our operating partnership or “OP”) and excluding (i) non-cash equity compensation expense, (ii) the expenses incurred in connection with our formation or other strategic transactions, (iii) the incentive fee, (iv) acquisition costs from successful acquisitions, (v) gains or losses from sales of real estate property and impairment write-downs of depreciable real estate, including unconsolidated joint ventures and preferred equity investments, (vi) depreciation and amortization, (vii) any unrealized gains or losses or other similar non-cash items that are included in net income for the current quarter, regardless of whether such items are included in other comprehensive income or loss, or in net income, (viii) one-time events pursuant to changes in U.S. GAAP and (ix) certain material non-cash income or expense items that in the judgment of management should not be included in Core Earnings/Legacy, Non-Strategic Earnings. For clauses (viii) and (ix), such exclusions shall only be applied after discussions between our Manager and our independent directors and after approval by a majority of our independent directors. U.S. GAAP net income (loss) attributable to our common stockholders and Core Earnings/Legacy, Non-Strategic Earnings include provisions for loan losses.

Prior to the third quarter of 2019, Core Earnings reflected adjustments to U.S. GAAP net income to exclude impairment of real estate and provision for loan losses. During the third quarter of 2019, we revised our definition of Core Earnings to include the provision for loan losses while excluding realized losses of sales of real estate property and impairment write-downs of preferred equity investments. This was approved by a majority of our independent directors. Core Earnings/Legacy, Non-Strategic Earnings for the year ended December 31, 2019 include revisions to the Core Earnings previously disclosed by us in prior periods.

Core Earnings/Legacy, Non-Strategic Earnings does not represent net income or cash generated from operating activities and should not be considered as an alternative to U.S. GAAP net income or an indication of our cash flows from operating activities determined in accordance with U.S. GAAP, a measure of our liquidity, or an indication of funds available to fund our cash needs, including our ability to make cash distributions. In addition, our methodology for calculating Core Earnings/Legacy, Non-Strategic Earnings may differ from methodologies employed by other companies to calculate the same or similar non-GAAP supplemental financial measures, and accordingly, our reported Core Earnings/Legacy, Non-Strategic Earnings may not be comparable to the Core Earnings/Legacy, Non-Strategic Earnings reported by other companies.

The Company calculates Core Earnings/Legacy, Non-Strategic Earnings per share, which are non-GAAP supplemental financial measures, based on a weighted average number of common shares and operating partnership units (held by members other than the Company or its subsidiaries).

Core Portfolio

We present the Core Portfolio, which consists of four business and reportable segments including senior and mezzanine loans and preferred equity, CRE debt securities, net leased real estate and corporate. Senior and mezzanine loans and preferred equity consists of CRE debt investments including senior mortgage loans, mezzanine loans, and preferred equity interests as well as participations in such loans. The segment also includes acquisition, development and construction loan arrangements accounted for as equity method investments as well as loans and preferred equity interests held through joint ventures with an

affiliate of Colony Capital which were deconsolidated as a result of our formation transaction and subsequently treated as equity method investments. CRE debt securities include both investment grade and non-investment grade rated CMBS bonds (including “B-pieces” of CMBS securitization pools or “B-Piece” investments). Net leased real estate includes direct investments in commercial real estate principally composed of long-term leases to tenants on a net lease basis, where such tenants are generally responsible for property operating expenses such as insurance, utilities, maintenance capital expenditures and real estate taxes. Corporate includes corporate-level asset management and other fees, related party and general and administrative expenses related to the Core Portfolio only.

Legacy, Non-Strategic Portfolio

We present the Legacy, Non-Strategic Portfolio, which is a business and reportable segment that consists of direct investments in operating real estate such as multi-tenant office and multifamily residential assets, real estate acquired in settlement of loans, real estate private equity interests and certain retail and other legacy loans originated prior to the combination that created the Company. This segment includes corporate-level asset management and other fees, related party and general and administrative expenses related to the Legacy, Non-strategic Portfolio.

Loan-to-Value

We present loan-to-value which reflects the initial loan amount divided by the as-is appraised value as of the date the loan was originated, or by the current principal amount divided by the appraisal value as of the date of the most recent as-is appraisal. For construction loans, loan-to-value reflects the total commitment amount of the loan divided by the as-completed appraised value, or the total commitment amount of the loan divided by the projected total cost basis.

Return on Equity

We present Return on Equity (“ROE”), which is a supplemental financial measure that represents the initial net investment-level earnings generated by an investment expressed as a percentage of the net equity capital invested. The Company calculates net investment-level earnings for investments in loans and CRE debt securities as the sum of the stated cash coupon income and any non-cash income (such as payment in-kind income and amortization/accretion of purchase discounts and origination, extension and exit fees) less investment-level financing costs. For investments in net leased real estate, the Company calculates net investment-level earnings by subtracting investment-level financing costs from net operating income. Net equity capital invested is calculated by taking the gross initial invested capital less any financing. With respect to certain loans and investment level financing, the Company assumes the one-month USD LIBOR as of December 31, 2019 when calculating ROE. The Company’s ROE calculation relies on a number of assumptions and estimates that are subject to change, some of which are outside the control of the Company. Actual results may differ materially from the Company’s expectations. As such, there can be no assurance that the actual ROE will be equivalent to the estimated ROE. In addition, the Company’s methodology for calculating ROE may differ from methodologies employed by other companies to calculate the same or similar supplemental financial measures, and accordingly, the presented ROE may not be comparable to the ROE reported by other companies.

Fourth Quarter 2019 Conference Call

The Company will conduct a conference call to discuss the financial results on February 27, 2020 at 2:00 p.m. PT / 5:00 p.m. ET. To participate in the event by telephone, please dial (877) 407-0784 ten minutes prior to the start time (to allow time for registration). International callers should dial (201) 689-8560 and use passcode 13698648. The call will also be broadcast live over the Internet and can be accessed on the Shareholders section of the Company’s website at www.clncredit.com. A webcast of the call will be available for 90 days on the Company’s website.

For those unable to participate during the live call, a replay will be available starting February 27, 2020 at 5:00 p.m. PT / 8:00 p.m. ET, through March 5, 2020, at 8:59 p.m. PT / 11:59 p.m. ET. To access the replay, dial (844) 512-2921 (U.S.), and use passcode 13698648. International callers should dial (412) 317-6671 and enter the same conference ID number.

Supplemental Financial Report

A Fourth Quarter 2019 Supplemental Financial Report will be available on the Company’s website at www.clncredit.com. This information will be furnished to the SEC in a Current Report on Form 8-K.

About Colony Credit Real Estate, Inc.

Colony Credit Real Estate (NYSE: CLNC) is one of the largest publicly traded commercial real estate (CRE) credit REITs, focused on originating, acquiring, financing and managing a diversified portfolio consisting primarily of CRE senior mortgage loans, mezzanine loans, preferred equity, debt securities and net leased properties predominantly in the United States. Colony Credit Real Estate is externally managed by a subsidiary of leading global real estate and investment management firm, Colony Capital, Inc. Colony Credit Real Estate is organized as a Maryland corporation that elected to be taxed as a REIT for U.S. federal income tax purposes commencing with our initial taxable year ended December 31, 2018. For additional information regarding the Company and its management and business, please refer to www.clncredit.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, 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 or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; the Company’s operating results may differ materially from the information presented in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in Colony Credit Real Estate’s other filings with the Securities and Exchange Commission; the fair value of the Company’s investments may be subject to uncertainties; the Company’s use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company’s dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company’s operating performance and return on stockholder’s investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; adverse impacts on the Company’s liquidity, including its ability to continue to generate liquidity from sales of Legacy, Non-Strategic assets; the Company’s ability to liquidate its Legacy, Non-Strategic assets within the projected timeframe or at the projected values; the timing of and ability to deploy available capital; the Company’s ability to maintain or grow the dividend at all in the future; the timing of and ability to complete repurchases of the Company’s stock; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; whether Colony Capital will continue to serve as our external manager or whether we will pursue another strategic transaction; and the impact of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in Part I, Item 1A of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in Colony Credit Real Estate’s other filings with the Securities and Exchange Commission.

We caution investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this press release. Colony Credit Real Estate is under no duty to update any of these forward-looking statements after the date of this press release, nor to conform prior statements to actual results or revised expectations, and Colony Credit Real Estate does not intend to do so.

Investor Relations

Colony Credit Real Estate, Inc.
Addo Investor Relations
Lasse Glassen
310-829-5400

ColonyCredit

REAL ESTATE

COLONY CREDIT REAL ESTATE, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Assets		
Cash and cash equivalents	\$ 69,619	\$ 77,317
Restricted cash	126,065	110,146
Loans and preferred equity held for investment, net	2,576,332	2,020,497
Real estate securities, available for sale, at fair value	252,824	228,185
Real estate, net	1,484,796	1,959,690
Investments in unconsolidated ventures (\$10,283 and \$160,851 at fair value, respectively)	595,305	903,037
Receivables, net	46,456	48,806
Deferred leasing costs and intangible assets, net	112,762	134,068
Assets held for sale	189,470	—
Other assets	87,707	62,006
Mortgage loans held in securitization trusts, at fair value	1,872,970	3,116,978
Total assets	\$ 7,414,306	\$ 8,660,730
Liabilities		
Securitization bonds payable, net	\$ 833,153	\$ 81,372
Mortgage and other notes payable, net	1,256,112	1,173,019
Credit facilities	1,099,233	1,365,918
Due to related party	11,016	15,019
Accrued and other liabilities	140,424	106,187
Intangible liabilities, net	22,149	15,096
Liabilities related to assets held for sale	294	—
Escrow deposits payable	74,497	65,995
Dividends payable	13,164	18,986
Mortgage obligations issued by securitization trusts, at fair value	1,762,914	2,973,936
Total liabilities	5,212,956	5,815,528
Commitments and contingencies		
Equity		
Stockholders' equity		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively	—	—
Common stock, \$0.01 par value per share		
Class A, 950,000,000 and 905,000,000 shares authorized, 128,538,703 and 83,410,376 shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively	1,285	834
Class B-3, no shares authorized, issued and outstanding as of December 31, 2019 and 45,000,000 shares authorized and 44,399,444 shares issued and outstanding as of December 31, 2018	—	444
Additional paid-in capital	2,909,181	2,899,353
Accumulated deficit	(819,738)	(193,327)
Accumulated other comprehensive income (loss)	28,294	(399)
Total stockholders' equity	2,119,022	2,706,905
Noncontrolling interests in investment entities	31,631	72,683
Noncontrolling interests in the Operating Partnership	50,697	65,614
Total equity	2,201,350	2,845,202
Total liabilities and equity	\$ 7,414,306	\$ 8,660,730

ColonyCredit REAL ESTATE

COLONY CREDIT REAL ESTATE, INC. CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Net interest income				
Interest income	\$ 47,696	\$ 38,580	\$ 175,169	\$ 151,653
Interest expense	(24,225)	(16,808)	(87,730)	(47,074)
Interest income on mortgage loans held in securitization trusts	20,485	38,749	120,203	143,371
Interest expense on mortgage obligations issued by securitization trusts	(18,274)	(35,380)	(109,964)	(132,411)
Net interest income	25,682	25,141	97,678	115,539
Property and other income				
Property operating income	62,562	58,633	253,955	178,339
Other income	902	499	2,333	3,651
Total property and other income	63,464	59,132	256,288	181,990
Expenses				
Management fee expense	8,320	11,522	42,390	43,190
Property operating expense	26,725	24,430	112,801	73,616
Transaction, investment and servicing expense	4,178	(1,412)	7,191	36,800
Interest expense on real estate	13,629	13,990	55,415	43,437
Depreciation and amortization	20,367	18,297	103,220	90,986
Provision for loan losses	—	79,369	220,572	113,911
Impairment of operating real estate	(97)	2,435	282,749	31,813
Administrative expense (including \$3,344, \$3,208, \$10,810 and \$7,113 of equity-based compensation expense, respectively)	9,541	9,725	31,936	26,634
Total expenses	82,663	158,356	856,274	460,387
Other income (loss)				
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	(512)	1,749	4,090	5,003
Realized gain (loss) on mortgage loans and obligations held in securitization trusts, net	—	(695)	2,772	(3,447)
Other gain (loss), net	12,857	(3,226)	(972)	(2,766)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	18,828	(76,255)	(496,418)	(164,068)
Equity in earnings (loss) of unconsolidated ventures	18,980	(15,999)	36,942	23,774
Income tax expense	(2,628)	(39,906)	(3,172)	(37,059)
Net income (loss)	35,180	(132,160)	(462,648)	(177,353)
Net (income) loss attributable to noncontrolling interests:				
Investment entities	(415)	1,983	38,208	4,771
Operating Partnership	(813)	3,088	9,928	4,084
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 33,952	\$ (127,089)	\$(414,512)	\$(168,498)
Net income (loss) per common share – basic and diluted	\$ 0.26	\$ (1.00)	\$ (3.25)	\$ (1.41)
Weighted average shares of common stock outstanding – basic and diluted	128,539	127,887	128,391	120,677

ColonyCredit REAL ESTATE

COLONY CREDIT REAL ESTATE, INC. RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION (In thousands, except per share data) (Unaudited)

GAAP Net Income (Loss) to Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss)

	Three Months Ended December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 33,952	\$ 3,681	\$ 30,271
<i>Adjustments:</i>			
Net income attributable to noncontrolling interest of the Operating Partnership	813	91	722
Non-cash equity compensation expense	3,344	1,672	1,672
Transaction costs	977	489	488
Depreciation and amortization	20,653	8,499	12,154
<i>Net unrealized gain:</i>			
Impairment of operating real estate and preferred equity	(97)	(97)	—
Other unrealized gain	(1,967)	(4)	(1,963)
Gains on sale of real estate	(8,598)	(8,487)	(111)
Adjustments related to noncontrolling interests in investment entities	(744)	(517)	(227)
Core Earnings / Legacy, Non-Strategic Earnings attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	<u>\$ 48,333</u>	<u>\$ 5,327</u>	<u>\$ 43,006</u>
Core Earnings / Legacy, Non-Strategic Earnings per share ⁽¹⁾	<u>\$ 0.37</u>	<u>\$ 0.04</u>	<u>\$ 0.33</u>
Weighted average number of common shares and OP units ⁽¹⁾	<u>131,614</u>	<u>131,614</u>	<u>131,614</u>

- (1) The Company calculates Core Earnings / Legacy, Non-Strategic Earnings per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the fourth quarter 2019, the weighted average number of common shares and OP units was approximately 131.6 million; includes 3.1 million of OP units

	Year Ended December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$(414,512)	\$ (489,906)	\$ 75,394
<i>Adjustments:</i>			
Net income (loss) attributable to noncontrolling interest of the Operating Partnership	(9,928)	(11,715)	1,787
Non-cash equity compensation expense	10,808	5,404	5,404
Transaction costs	1,651	751	900
Depreciation and amortization	104,020	51,963	52,057
<i>Net unrealized loss:</i>			
Impairment of operating real estate and preferred equity ⁽¹⁾	304,704	263,193	41,511
Other unrealized loss	4,554	48	4,506
Gains on sale of real estate	(8,598)	(8,487)	(111)
Adjustments related to noncontrolling interests in investment entities	(40,858)	(28,428)	(12,430)
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	<u>\$ (48,159)</u>	<u>\$ (217,177)</u>	<u>\$ 169,018</u>
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share ⁽²⁾	<u>\$ (0.36)</u>	<u>\$ (1.65)</u>	<u>\$ 1.29</u>
Weighted average number of common shares and OP units ⁽²⁾	<u>131,467</u>	<u>131,467</u>	<u>131,467</u>

- (1) Includes our \$30.8 million proportionate share of impairment losses recorded on equity participations held in joint ventures. This is recorded in equity in earnings of unconsolidated ventures on our consolidated statements of operations
- (2) The Company calculates Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the year ended December 31, 2019, the weighted average number of common shares and OP units was approximately 131.5 million; includes 3.1 million of OP units

GAAP Net Book Value to Undepreciated Book Value

	As of December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
GAAP net book value (excl. noncontrolling interests in investment entities)	\$2,169,719	\$ 358,972	\$ 1,810,747
Accumulated depreciation and amortization ⁽¹⁾	174,382	90,387	83,995
Undepreciated book value	\$2,344,101	\$ 449,359	\$ 1,894,742
GAAP net book value per share (excl. noncontrolling interests in investment entities)	\$ 16.49	\$ 2.73	\$ 13.76
Accumulated depreciation and amortization per share ⁽¹⁾	1.32	0.68	0.64
Undepreciated book value per share	\$ 17.81	\$ 3.41	\$ 14.40
Total common shares and OP units outstanding⁽²⁾	131,614	131,614	131,614

- (1) Represents at-share net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities
- (2) The Company calculates GAAP net book value (excluding noncontrolling interests in investment entities) per share and undepreciated book value per share, a non-GAAP financial measure, based on the total number of common shares and OP units (held by members other than the Company or its subsidiaries) outstanding at the end of the reporting period. As of December 31, 2019, the total number of common shares and OP units outstanding was approximately 131.6 million

Cumulative Legacy, Non-Strategic Resolutions Since Announcing Portfolio Bifurcation Plan (November 2019)

<i>(\$ in millions; at CLNC share)</i>	Number of Assets	Investment Count	As of September 30, 2019, GAAP		Gross Sales Price	Net Sales Price (1)
			Carrying Value	Net Carrying Value		
Sold	7	7	\$ 32	\$ 32	\$ 43	\$ 42
Under Contract	6	9	97	48	126	75
Expected Loan Payoff	1	1	40	12	n/a	n/a
Listed for Sale	26	32	344	216	n/a	n/a
Preparing for Sale	14	21	331	105	n/a	n/a
Total	54	70	\$ 845	\$ 413	n/a	n/a

- (1) Net sales price represents gross sales price net of any in-place investment-level financing and transaction costs



ColonyCredit
REAL ESTATE

**Supplemental Financial Report
Fourth Quarter 2019**

February 27, 2020

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, 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 or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; the Company's operating results may differ materially from the information presented in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission; the fair value of the Company's investments may be subject to uncertainties; the Company's use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company's dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company's operating performance and return on stockholder's investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; adverse impacts on the Company's liquidity, including its ability to continue to generate liquidity from sales of Legacy, Non-Strategic assets; the Company's ability to liquidate its Legacy, Non-Strategic assets within the projected timeframe or at the projected values; the timing of and ability to deploy available capital; the Company's ability to maintain or grow the dividend at all in the future; the timing of and ability to complete repurchases of the Company's stock; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; whether Colony Capital will continue to serve as our external manager or whether we will pursue another strategic transaction; and the impact of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission.

We caution investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation. Colony Credit Real Estate is under no duty to update any of these forward-looking statements after the date of this presentation, nor to conform prior statements to actual results or revised expectations, and Colony Credit Real Estate does not intend to do so.

IMPORTANT NOTE REGARDING NON-GAAP FINANCIAL MEASURES AND DEFINITIONS

We present Core Earnings/Legacy, Non-Strategic Earnings, which are non-GAAP supplemental financial measures of our performance. Our Core Earnings are generated by the Core Portfolio and Legacy, Non-Strategic Earnings are generated by the Legacy, Non-Strategic Portfolio. We believe that Core Earnings/Legacy, Non-Strategic Earnings provides meaningful information to consider in addition to our net income and cash flow from operating activities determined in accordance with accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP"). These supplemental financial measures help us to evaluate our performance excluding the effects of certain transactions and U.S. GAAP adjustments that we believe are not necessarily indicative of our current portfolio and operations. For information on the fees we pay our Manager, see Note 11, "Related Party Arrangements" to our consolidated financial statements included in Form 10-K to be filed with the U.S. Securities and Exchange Commission ("SEC"). In addition, we believe that our investors also use Core Earnings/Legacy, Non-Strategic Earnings or a comparable supplemental performance measure to evaluate and compare the performance of us and our peers, and as such, we believe that the disclosure of Core Earnings/Legacy, Non-Strategic Earnings is useful to our investors.

We define Core Earnings/Legacy, Non-Strategic Earnings as U.S. GAAP net income (loss) attributable to our common stockholders (or, without duplication, the owners of the common equity of our direct subsidiaries, such as our operating partnership or "OP") and excluding (i) non-cash equity compensation expense, (ii) the expenses incurred in connection with our formation or other strategic transactions, (iii) the incentive fee, (iv) acquisition costs from successful acquisitions, (v) gains or losses from sales of real estate property and impairment write-downs of depreciable real estate, including unconsolidated joint ventures and preferred equity investments, (vi) depreciation and amortization, (vii) any unrealized gains or losses or other similar non-cash items that are included in net income for the current quarter, regardless of whether such items are included in other comprehensive income or loss, or in net income, (viii) one-time events pursuant to changes in U.S. GAAP and (ix) certain material non-cash income or expense items that in the judgment of management should not be included in Core Earnings/Legacy, Non-Strategic Earnings. For clauses (viii) and (ix), such exclusions shall only be applied after discussions between our Manager and our independent directors and after approval by a majority of our independent directors. U.S. GAAP net income (loss) attributable to our common stockholders and Core Earnings/Legacy, Non-Strategic Earnings include provisions for loan losses.

Prior to the third quarter of 2019, Core Earnings reflected adjustments to U.S. GAAP net income to exclude impairment of real estate and provision for loan losses. During the third quarter of 2019, we revised our definition of Core Earnings to include the provision for loan losses while excluding realized losses of sales of real estate property and impairment write-downs of preferred equity investments. This was approved by a majority of our independent directors. Core Earnings/Legacy, Non-Strategic Earnings for the year ended December 31, 2019 include revisions to the Core Earnings previously disclosed by us in prior periods.

Core Earnings/Legacy, Non-Strategic Earnings does not represent net income or cash generated from operating activities and should not be considered as an alternative to U.S. GAAP net income or an indication of our cash flows from operating activities determined in accordance with U.S. GAAP, a measure of our liquidity, or an indication of funds available to fund our cash needs, including our ability to make cash distributions. In addition, our methodology for calculating Core Earnings/Legacy, Non-Strategic Earnings may differ from methodologies employed by other companies to calculate the same or similar non-GAAP supplemental financial measures, and accordingly, our reported Core Earnings/Legacy, Non-Strategic Earnings may not be comparable to the Core Earnings/Legacy, Non-Strategic Earnings reported by other companies.

The Company calculates Core Earnings/Legacy, Non-Strategic Earnings per share, which are non-GAAP supplemental financial measures, based on a weighted average number of common shares and operating partnership units (held by members other than the Company or its subsidiaries).

We believe net operating income ("NOI") and earnings before interest, tax, depreciation and amortization ("EBITDA") are useful measures of operating performance of our net leased and other real estate portfolios as they are more closely linked to the direct results of operations at the property level. NOI and EBITDA excludes historical cost depreciation and amortization, which are based on different useful life estimates depending on the age of the properties, as well as adjusts for the effects of real estate impairment and gains or losses on sales of depreciated properties, which eliminate differences arising from investment and disposition decisions. Additionally, by excluding corporate level expenses or benefits such as interest expense, any gain or loss on early extinguishment of debt and income taxes, which are incurred by the parent entity and are not directly linked to the operating performance of the Company's properties, NOI and EBITDA provide a measure of operating performance independent of the Company's capital structure and indebtedness. However, the exclusion of these items as well as others, such as capital expenditures and leasing costs, which are necessary to maintain the operating performance of the Company's properties, and transaction costs and administrative costs, may limit the usefulness of NOI and EBITDA. NOI and EBITDA may fail to capture significant trends in these components of U.S. GAAP net income (loss) which further limits its usefulness.

NOI and EBITDA should not be considered as an alternative to net income (loss), determined in accordance with U.S. GAAP, as an indicator of operating performance. In addition, the Company's methodology for calculating NOI involves subjective judgment and discretion and may differ from the methodologies used by other companies, when calculating the same or similar supplemental financial measures and may not be comparable with other companies.

IMPORTANT NOTE REGARDING NON-GAAP FINANCIAL MEASURES AND DEFINITIONS (CONT'D)

The Company presents pro rata ("at share" or "at CLNC share") financial information, which is not, and is not intended to be, a presentation in accordance with GAAP. The Company computes pro rata financial information by applying its economic interest to each financial statement line item on an investment-by-investment basis. Similarly, noncontrolling interests' ("NCI") share of assets, liabilities, profits and losses was computed by applying noncontrolling interests' economic interest to each financial statement line item. The Company provides pro rata financial information because it may assist investors and analysts in estimating the Company's economic interest in its investments. However, pro rata financial information as an analytical tool has limitations. Other companies may not calculate their pro rata information in the same methodology, and accordingly, the Company's pro rata information may not be comparable to other companies pro rata information. As such, the pro rata financial information should not be considered in isolation or as a substitute for our financial statements as reported under GAAP, but may be used as a supplement to financial information as reported under GAAP.

We present loan-to-value which reflects the initial loan amount divided by the as-is appraised value as of the date the loan was originated, or by the current principal amount divided by the appraisal value as of the date of the most recent as-is appraisal. For construction loans, loan-to-value reflects the total commitment amount of the loan divided by the as-completed appraised value, or the total commitment amount of the loan divided by the projected total cost basis.

We present Return on Equity ("ROE"), which is a supplemental financial measure that represents the initial net investment-level earnings generated by an investment expressed as a percentage of the net equity capital invested. The Company calculates net investment-level earnings for investments in loans and CRE debt securities as the sum of the stated cash coupon income and any non-cash income (such as payment in-kind income and amortization/accretion of purchase discounts and origination, extension and exit fees) less investment-level financing costs. For investments in net leased real estate, the Company calculates net investment-level earnings by subtracting investment-level financing costs from net operating income. Net equity capital invested is calculated by taking the gross initial invested capital less any financing. With respect to certain loans and investment level financing, the Company assumes the one-month USD LIBOR as of December 31, 2019 when calculating ROE. The Company's ROE calculation relies on a number of assumptions and estimates that are subject to change, some of which are outside the control of the Company. Actual results may differ materially from the Company's expectations. As such, there can be no assurance that the actual ROE will be equivalent to the estimated ROE. In addition, the Company's methodology for calculating ROE may differ from methodologies employed by other companies to calculate the same or similar supplemental financial measures, and accordingly, the presented ROE may not be comparable to the ROE reported by other companies.

We present risk rankings, which is a supplemental financial disclosure, for loans and preferred equity investments within the Core Portfolio. In addition to reviewing loans and preferred equity for impairments on a quarterly basis, the Company evaluates loans and preferred equity to determine if an allowance for loan loss should be established. In conjunction with this review, the Company assesses the risk factors of each loan and preferred equity investment and assigns a risk rating based on a variety of factors, including, without limitation, underlying real estate performance and asset value, values of comparable properties, durability and quality of property cash flows, sponsor experience and financial wherewithal, and the existence of a risk-mitigating loan structure. Additional key considerations include loan-to-value ratios, debt service coverage ratios, loan structure, real estate and credit market dynamics, and risk of default or principal loss. Based on a five-point scale, the Company's loans and preferred equity investments are rated "1" through "5," from less risk to greater risk. At the time of origination or purchase, loans and preferred equity investments are ranked as a "3" and will move accordingly going forward.

NOTES REGARDING REPORTABLE SEGMENTS

Colony Credit Real Estate, Inc. ("CLNC", "Colony Credit Real Estate", the "Company" or "We") currently holds investment interests through the reportable segments below, which are based on how management reviews and manages its business. Each segment also includes corporate-level asset management and other fees, related party and general and administrative expenses related to its respective portfolio.

Core Portfolio

Loans & Preferred Equity Portfolio (or "Loan Portfolio")

As of December 31, 2019, the Company's Loan Portfolio included senior mortgage loans, mezzanine loans and preferred equity interests ("preferred equity") as well as participations in such loans. The Loan Portfolio also includes acquisition, development and construction loan arrangements accounted for as equity method investments as well as loans and preferred equity interests held through joint ventures with an affiliate of Colony Capital which were deconsolidated as a result of the merger and subsequently treated as equity method investments.

- Senior mortgage loans may include junior participations in our originated senior mortgage loans for which we have syndicated the senior participations to other investors and retained the junior participations for our portfolio and contiguous mezzanine loans where we own both the senior and junior loan positions. We believe these investments are more similar to the senior mortgage loans we originate than other loan types given their credit quality and risk profile
- Mezzanine loans include other subordinated loans
- Preferred equity interests include related equity participation interests

CRE Debt Securities

As of December 31, 2019, the Company's Commercial Real Estate ("CRE") Debt Securities included both investment grade and non-investment grade rated CMBS bonds (including "B-pieces" of CMBS securitization pools or "B-Piece" investments).

Net Leased Real Estate ("Net Lease")

As of December 31, 2019, the Company's Net Lease investments included direct investments in commercial real estate principally composed of long-term leases to tenants on a net lease basis, where such tenants are generally responsible for property operating expenses such as insurance, utilities, maintenance capital expenditures and real estate taxes.

Legacy, Non-Strategic Portfolio ("LNS Portfolio" or "LNS")

Legacy, Non-Strategic Investments

As of December 31, 2019, the Company's Legacy, Non-Strategic Portfolio included direct investments in operating real estate such as multi-tenant office and multifamily residential assets, real estate acquired in settlement of loans ("REO"), real estate private equity interests ("Private Equity Interests" or "PE Interests") and certain retail and other legacy loans originated prior to the combination that created the Company.

TABLE OF CONTENTS

	<u>Page</u>
I. Business Developments & Portfolio Highlights	7
II. Core Portfolio	11
▪ Portfolio Overview	12
▪ Loan & Preferred Equity Portfolio	13
▪ CRE Debt Securities	15
▪ Net Lease Real Estate	16
▪ Investment Detail	17
III. Legacy, Non-Strategic Portfolio	19
IV. Capitalization	28
V. Appendix	31



**I. BUSINESS
DEVELOPMENTS &
PORTFOLIO HIGHLIGHTS**

I. BUSINESS DEVELOPMENTS & HIGHLIGHTS

Total Company

- **Andrew E. Witt, Managing Director & Chief Operating Officer of Global Credit at Colony Capital, Inc., Appointed Interim Chief Executive Officer & President**
- **Operating Results**
 - Q4'19 GAAP net income of \$34.0 million, or \$0.26 per share
 - FY'19 GAAP net loss of \$(414.5) million, or \$(3.25) per share
- **Book Value**
 - GAAP net book value of \$2.2 billion, or \$16.49 per share
 - Undepreciated book value of \$2.3 billion, or \$17.81 per share
- **Dividend:** Monthly dividend of \$0.145/share for October and new dividend of \$0.10/share in November and December
- **Liquidity:** As of February 24, 2020, total corporate liquidity of approximately \$378 million through cash-on-hand and availability under the corporate revolving credit facility. In addition, excess capacity under the Company's master repurchase facilities of approximately \$1.5 billion

Core Portfolio

- **Operating Results**
 - Q4'19 GAAP net income of \$30.3 million, or \$0.23 per share and Core Earnings of \$43.0 million, or \$0.33 per share
 - FY'19 GAAP net income of \$75.4 million, or \$0.57 per share, and Core Earnings of \$169.0 million, or \$1.29 per share
- **Book Value**
 - GAAP net book value of \$1.8 billion, or \$13.76 per share
 - Undepreciated book value of \$1.9 billion, or \$14.40 per share
 - GAAP net book value per share and undepreciated book value per share represent a 6% and 11% premium to 30-day VWAP of \$12.98 per share as of February 24, 2020, respectively
- **Capitalization**
 - Closed a \$1 billion managed Commercial Real Estate Collateralized Loan Obligation ("CLO")
 - At closing, the CLO accretively financed interests in 21 floating-rate mortgages with an 83.5% advance rate and weighted average coupon at issuance of L+1.59%, before transaction costs, with a structure that features a two-year reinvestment period. CLO proceeds were used primarily to repay approximately \$770 million of borrowings under master repurchase facilities
- **Investments**
 - Q4'19: Allocated and initially funded approximately \$123 million and \$77 million of capital, respectively, across one senior loan and one mezzanine loan with a weighted average ROE of approximately 12%
 - FY'19: Allocated approximately \$1.6 billion of capital across 27 investments with a weighted average ROE of approximately 12%
- **Sales:** During the fourth quarter, sold largest owned hotel asset from the Core Portfolio for \$74 million, a slight premium to GAAP net book value

I. BUSINESS DEVELOPMENTS & HIGHLIGHTS (CONT'D)

LNS Portfolio

- **Operating Results**
 - Q4'19 GAAP net income of \$3.7 million, or \$0.03 per share and Legacy, Non-Strategic Earnings of \$5.3 million, or \$0.04 per share
 - FY'19 GAAP net loss of \$(489.9) million, or \$(3.82) per share and Legacy, Non-Strategic Earnings (loss) of \$(217.2) million, or \$(1.65) per share. FY'19 Legacy, Non-Strategic Earnings excluding gains and losses of \$31.1 million or \$0.23 per share
- **Book Value**
 - GAAP net book value of \$0.4 billion, or \$2.73 per share
- **Cumulative Sales:** Subsequent to announcing the Portfolio Bifurcation Plan in November 2019:
 - **Seven Sold Assets:** Seven LNS assets for a total gross sales price of \$43 million and a net sales price of \$42 million after transaction costs, representing an approximately \$10 million gain and a 29% premium to 9/30/19 GAAP net book value
 - **Six Assets Under Binding Contract:** Six LNS assets for a total gross sales price of \$126 million and a net sales price of \$75 million after debt repayment and transaction costs, representing an anticipated gain of approximately \$27 million and a 58% premium to 9/30/19 GAAP net book value
 - **Twenty-Seven Assets Listed For Sale or Expected to Payoff:** Twenty-seven LNS assets are listed for sale or expected to payoff, which together with assets sold and under contract, represent approximately 75% of the LNS portfolio that is resolved or in active phases of resolution based on 9/30/19 GAAP net book value
- **Cumulative LNS Resolutions Since Announcing Portfolio Bifurcation Plan (November 2019):**

(\$ in millions; at CLNC share)	As of September 30, 2019, GAAP				Gross sales price	Net sales price ⁽¹⁾
	Number of assets	Number of investments	Carrying value	Net carrying value		
Sold	7	7	\$ 32	\$ 32	\$ 43	\$ 42
Under Contract	6	9	97	48	126	75
Expected Loan Payoff	1	1	40	12	n/a	n/a
Listed for Sale	26	32	344	216	n/a	n/a
Preparing for Sale	14	21	331	105	n/a	n/a
Total	54	70	\$ 845	\$ 413	n/a	n/a



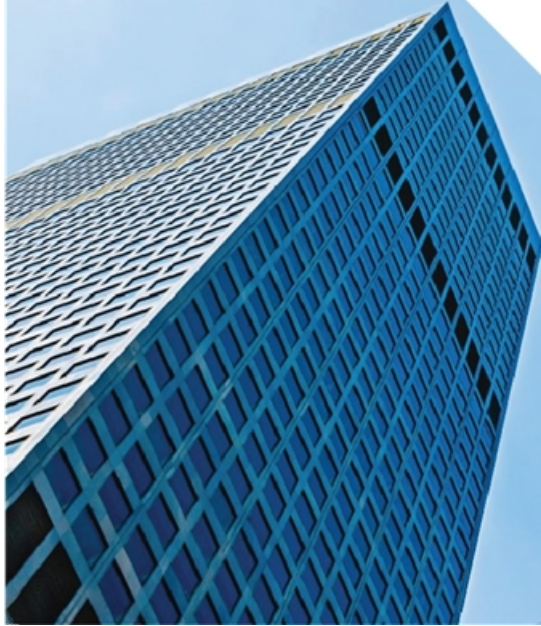
I. COMPANY SNAPSHOT

(\$ in thousands, unless otherwise stated; as of December 31, 2019; at CLNC share)

Company overview		Portfolio overview			
\$5.6 billion	Total at-share assets ⁽¹⁾		Carrying value ⁽¹⁾	Net carrying value ⁽⁴⁾	Per Share
57%	Debt-to-asset ratio ⁽²⁾	Core Portfolio			
1.4x	Net-debt-to-equity ratio ⁽³⁾	Senior mortgage loans	\$ 2,331,998	\$ 691,379	\$ 5.25
\$2.2 billion / \$16.49 per share	GAAP net book value ⁽¹⁾	Mezzanine loans	310,835	310,835	2.36
\$2.3 billion / \$17.81 per share	Undepreciated book value ⁽¹⁾	Preferred equity & other loans ⁽⁵⁾	287,887	287,887	2.19
\$1.20	Annual dividend per share <i>(Based on February 2020 declared monthly dividend of \$0.10 per share)</i>	CRE debt securities ⁽⁶⁾	362,879	157,357	1.20
9.2%	Annual dividend yield <i>(Based on 30-day VWAP of \$12.98 as of 2/24/20 and annualized Feb-20 dividend)</i>	Net lease real estate ⁽⁷⁾	1,103,695	349,767	2.66
		Allocated assets, liabilities & corporate debt ⁽⁸⁾	190,929	13,522	0.10
		Total Core Portfolio	\$ 4,588,223	\$ 1,810,747	\$ 13.76
		Legacy, Non-Strategic Portfolio			
		Investment-level - LNS Portfolio	\$ 820,743	\$ 387,420	\$ 2.94
		Allocated assets, liabilities & corporate debt ⁽⁸⁾	150,750	(28,448)	(0.21)
		Total Legacy, Non-Strategic Portfolio	\$ 971,493	\$ 358,972	\$ 2.73
		Total Company - GAAP	\$ 5,559,716	\$ 2,169,719	\$ 16.49
		Plus: accumulated depreciation & amortization ⁽⁹⁾		174,382	1.32
		Total Company - Undepreciated		\$ 2,344,101	\$ 17.81

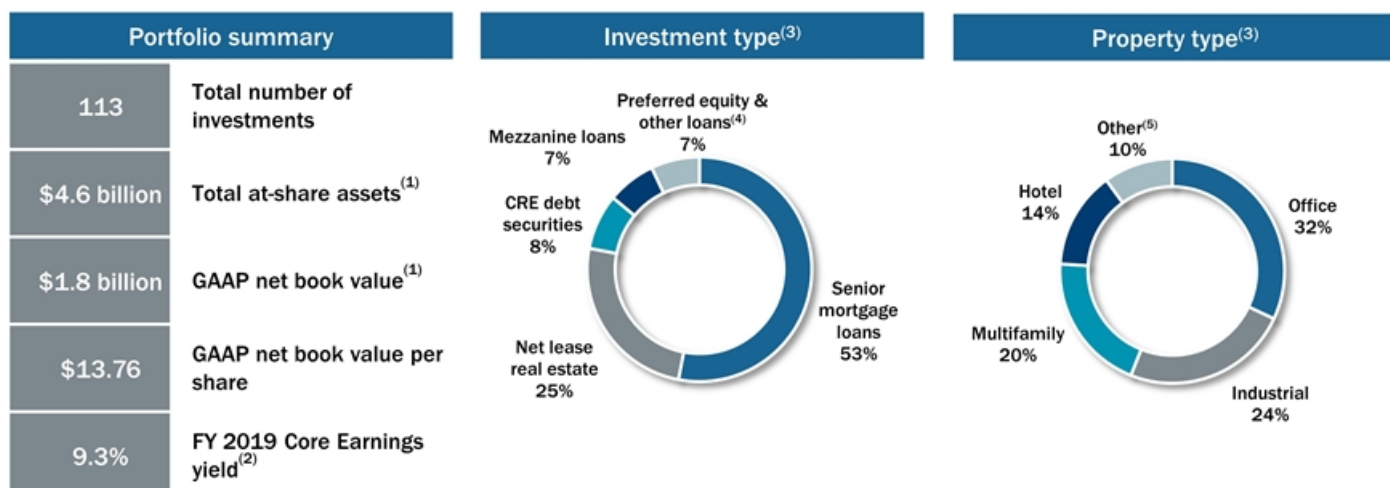
See footnotes in the appendix

II. CORE PORTFOLIO



II. CORE PORTFOLIO – OVERVIEW

(As of December 31, 2019; at CLNC share)



Select Underlying Assets



Los Angeles Mixed-Used Development



Southwest Multifamily Property



Northern California Luxury Hotel



NNN Dublin Office Campus

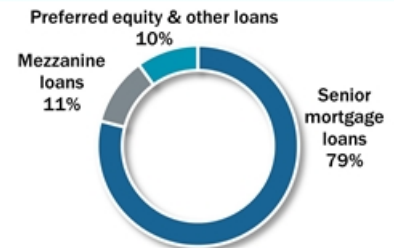
II. CORE PORTFOLIO – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW

(As of December 31, 2019; at CLNC share)

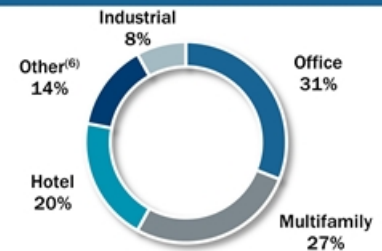
Overview	
\$2.9 billion	Total loans & preferred equity ⁽¹⁾
56	Total number of investments
\$52 million	Average investment size
93%	% Senior loans floating rate <i>(All floating rate senior loans have LIBOR floors in-place)</i>
2.0 years	W.A. remaining term ⁽²⁾
4.3 years	W.A. extended remaining term ⁽³⁾
7.7%	W.A. unlevered all-in yield ⁽⁴⁾
70%	W.A. loan-to-value (senior loans only)
3.1	W.A. risk ranking

See footnotes in the appendix

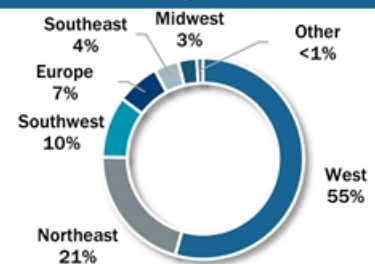
Investment type⁽⁵⁾



Property type⁽⁵⁾



Geography⁽⁵⁾



II. CORE PORTFOLIO – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW (CONT'D)

(\$ in thousands; as of December 31, 2019; at CLNC share)

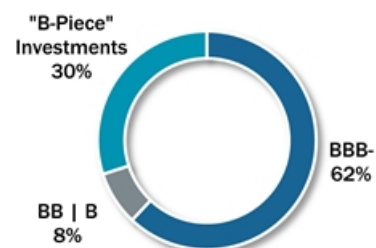
	Number of investments	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	W.A. unlevered all-in yield ⁽³⁾	W.A. remaining term (years) ⁽⁴⁾	W.A. extended term (years) ⁽⁵⁾
Floating rate						
Senior mortgage loans	36	\$ 2,160,581	\$ 519,962	5.8%	1.7	4.2
Mezzanine loans	2	32,120	32,120	11.8%	0.8	2.4
Total / W.A. floating rate	38	2,192,701	552,082	5.9%	1.6	4.2
Fixed rate						
Senior mortgage loans	1	171,417	171,417	15.0%	1.0	4.0
Mezzanine loans	8	278,715	278,715	13.0%	1.7	3.3
Preferred equity & other loans	9	287,887	287,887	12.0%	6.1	6.6
Total / W.A. fixed rate	18	738,019	738,019	13.1%	3.3	4.7
Total / W.A.	56	\$2,930,720	\$1,290,101	7.7%	2.0	4.3

II. CORE PORTFOLIO – CRE DEBT SECURITIES

(As of December 31, 2019, unless otherwise stated; at CLNC share)

Overview	
\$469 million	Principal value ⁽¹⁾
\$363 million	Carrying value ⁽¹⁾
\$157 million	Net carrying value ⁽²⁾
51	Total number of investments ⁽³⁾
6.1 years	W.A. remaining term ⁽⁴⁾
7.3%	W.A. unlevered all-in yield ⁽⁵⁾

Ratings Category⁽⁶⁾



Vintage⁽⁶⁾



II. CORE PORTFOLIO – NET LEASE REAL ESTATE

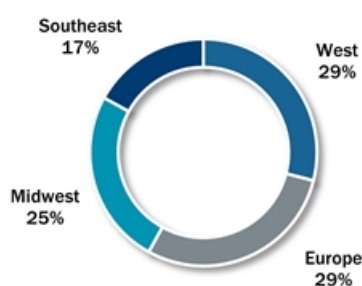
(\$ and square feet in thousands; as of December 31, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF")	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q4'19 NOI ⁽³⁾	FY 2019 NOI ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Industrial	47	47	11,319 RSF	\$ 710,457	\$ 194,419	\$ 12,528	\$ 50,079	96%	9.5
Office	3	28	1,812 RSF	393,237	155,348	6,521	24,856	100%	9.2
Total / W.A.	50	75	13,132 RSF	\$ 1,103,695	\$ 349,767	\$ 19,049	\$ 74,935	98%	9.4
Accumulated depreciation and amortization				83,995	83,995				
Total / W.A. – Undepreciated				\$ 1,187,690	\$ 433,762				

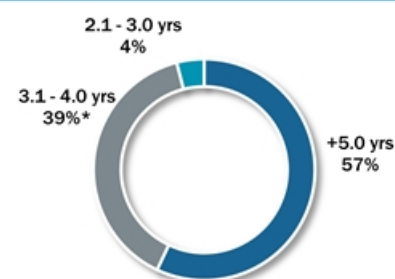
Property type⁽⁷⁾



Geography⁽⁷⁾



W.A. remaining lease term⁽⁶⁾⁽⁷⁾



* 100% is related to industrial net lease properties

See footnotes in the appendix

II. CORE PORTFOLIO – INVESTMENT DETAIL

(\$ in millions; as of December 31, 2019; at CLNC share)

Core Portfolio – loans & preferred equity portfolio

	Origination date	Collateral type	City, State	Carrying value ⁽¹⁾	Coupon type	Cash coupon	Unlevered all-in yield ⁽²⁾	Extended maturity date ⁽³⁾	LTV ⁽⁴⁾	Risk ranking
Senior loans										
Loan 1	Jan-18	Hotel	San Jose, CA	\$ 173	Floating	L+ 4.3%	6.0%	Jan-23	62%	3
Loan 2	Jun-19	Multifamily	Milpitas, CA	173	Floating	L+ 3.1%	5.5%	Jul-24	72%	3
Loan 3 *	Oct-18	Other	Dublin, Ireland	171	Fixed	8.0%	15.0%	Dec-23	96%	3
Loan 4	Oct-18	Hotel	San Diego, CA	140	Floating	L+ 4.8%	6.9%	Oct-24	71%	4
Loan 5	Jun-18	Hotel	Berkeley, CA	119	Floating	L+ 3.2%	5.2%	Jul-25	66%	3
Loan 6	Sep-19	Industrial	New York, NY	115	Floating	L+ 3.1%	5.8%	Sep-24	76%	3
Loan 7	Dec-18	Office	Carlsbad, CA	113	Floating	L+ 3.7%	6.1%	Dec-23	73%	3
Loan 8 *	Jun-19	Multifamily	Santa Clara, CA	93	Floating	L+ 4.4%	7.3%	Jun-24	64%	3
Loan 9	Apr-19	Multifamily	Various - U.S.	92	Floating	L+ 3.0%	5.9%	Apr-24	65%	3
Loan 10	May-19	Office	Stamford, CT	86	Floating	L+ 3.5%	5.8%	Jun-25	71%	3
Loan 11	Jun-18	Hotel	Englewood, CO	73	Floating	L+ 3.5%	5.6%	Jul-23	69%	3
Loan 12	Jun-18	Office	Burlingame, CA	71	Floating	L+ 2.8%	5.1%	Jul-23	61%	3
Loan 13	Oct-19	Other	Brooklyn, NY	65	Floating	L+ 3.4%	5.9%	Nov-24	66%	3
Loan 14	Aug-18	Office	San Jose, CA	64	Floating	L+ 2.5%	4.8%	Aug-25	66%	3
Loan 15	Apr-19	Office	Long Island City, NY	63	Floating	L+ 3.3%	5.8%	Apr-24	58%	3
Loan 16	May-19	Office	Long Island City, NY	61	Floating	L+ 3.5%	6.0%	Jun-24	59%	3
Loan 17	Feb-19	Office	Baltimore, MD	53	Floating	L+ 3.5%	6.2%	Feb-24	74%	3
Loan 18	Jul-19	Office	Washington, D.C.	50	Floating	L+ 2.8%	5.7%	Aug-24	68%	3
Loan 19	Jul-19	Multifamily	Phoenix, AZ	43	Floating	L+ 2.7%	5.0%	Jul-24	76%	3
Loan 20	Oct-18	Multifamily	Dupont, WA	40	Floating	L+ 3.3%	5.6%	Nov-23	82%	3
Loan 21	Feb-19	Multifamily	Las Vegas, NV	38	Floating	L+ 3.2%	5.9%	Feb-24	71%	3
Loan 22	May-18	Multifamily	Henderson, NV	38	Floating	L+ 3.3%	5.5%	Jun-23	73%	3
Loan 23	Apr-18	Multifamily	Oxnard, CA	37	Floating	L+ 5.2%	7.7%	May-21	71%	3
Loan 24	Sep-19	Office	Salt Lake City, UT	36	Floating	L+ 2.7%	5.0%	Oct-24	72%	3
Loan 25	May-19	Multifamily	North Phoenix, AZ	35	Floating	L+ 3.4%	5.7%	May-24	81%	3
Loan 26	Jun-17	Office	Miami, FL	33	Floating	L+ 4.9%	6.9%	Jul-22	68%	3
Loan 27	Nov-13	Hotel	Bloomington, MN	32	Floating	r/a	r/a	Jan-20	98%	4
Loan 28	Nov-17	Multifamily	Knoxville, TN	32	Floating	L+ 4.0%	6.1%	Dec-22	80%	2
Loan 29	Mar-19	Office	San Jose, CA	29	Floating	L+ 3.0%	5.9%	Apr-24	64%	3
Loan 30	Jan-19	Multifamily	Tempe, AZ	26	Floating	L+ 2.9%	5.2%	Feb-24	79%	3
Loan 31	Jan-19	Office	Santa Barbara, CA	26	Floating	L+ 3.2%	5.7%	Feb-24	80%	3
Loan 32	Sep-19	Office	San Francisco, CA	23	Floating	L+ 3.4%	6.1%	Oct-24	72%	3
Loan 33	Dec-18	Multifamily	Phoenix, AZ	21	Floating	L+ 2.9%	5.2%	Jan-23	73%	3
Loan 34	Aug-19	Office	San Francisco, CA	20	Floating	L+ 2.8%	5.6%	Sep-24	73%	3
Loan 35	Feb-19	Office	Charlotte, NC	18	Floating	L+ 3.4%	6.0%	Mar-24	56%	3
Loan 36	Aug-18	Multifamily	Tempe, AZ	16	Floating	L+ 3.0%	5.3%	Sep-23	70%	3
Loan 37	Feb-19	Multifamily	Las Vegas, NV	13	Floating	L+ 3.2%	5.9%	Feb-24	71%	3
Total / W.A. senior loans				\$ 2,332			6.5%	Mar-24	70%	3.1

* Reflects loans and preferred equity interests in which the underlying collateral is related to construction/development projects

See footnotes in the appendix

II. CORE PORTFOLIO – INVESTMENT DETAIL (CONT'D)

(\$ in millions; rentable square feet in thousands; as of December 31, 2019; at CLNC share)

Core Portfolio – loans & preferred equity portfolio (cont'd)

	Origination date	Collateral type	City, State	Carrying value ⁽¹⁾	Coupon type	Cash coupon	Unlevered all-in yield ⁽²⁾	Extended maturity date ⁽³⁾	LTV ⁽⁴⁾	Risk ranking
Mezzanine loans										
Loan 38 *	Jul-17	Other	Los Angeles, CA	\$ 112	Fixed	10.0%	13.0%	Jul-22	55% - 81%	4
Loan 39 *	Dec-18	Multifamily	Santa Clarita, CA	49	Fixed	7.0%	13.8%	Dec-24	56% - 84%	3
Loan 40 *	Jul-18	Office	Dublin, Ireland	36	Fixed	-	12.5%	Dec-21	45% - 68%	2
Loan 41	Sep-19	Hotel	Berkeley, CA	28	Fixed	9.0%	11.5%	Jul-25	66% - 81%	3
Loan 42 *	Oct-18	Multifamily	New York, NY	20	Floating	L+ 9.5%	11.0%	Aug-22	63% - 84%	3
Loan 43 *	Mar-13	Other	San Rafael, CA	19	Fixed	10.0%	15.0%	Jun-20	32% - 86%	4
Loan 44 *	Jul-19	Multifamily	Placentia, CA	17	Fixed	8.0%	13.3%	Jul-24	55% - 90%	3
Loan 45	Jan-17	Hotel	New York, NY	12	Floating	L+ 11.0%	13.1%	Jan-22	63% - 76%	3
Loan 46 *	Dec-19	Multifamily	Milpitas, CA	12	Fixed	8.0%	13.3%	Dec-24	49% - 71%	3
Loan 47	Jul-14	Multifamily	Various - TX	5	Fixed	9.5%	9.5%	Aug-24	71% - 83%	3
Total / W.A. mezzanine loans				\$ 311			12.9%	Mar-23	55% - 79%	3.3
Preferred equity & other loans										
Loan 48	Sep-16	Industrial	Various - U.S.	\$ 101	Fixed	14.1%	14.2%	Sep-27	n/a	3
Loan 49	May-18	Office	Various - N.Y.	98	Fixed	7.0%	12.0%	Jun-27	n/a	4
Loan 50 *	Jul-17	Other	Los Angeles, CA	32	Fixed	10.0%	13.0%	Jul-22	n/a	4
Loan 51 **	Sep-16	Industrial	Various - U.S.	24	n/a	n/a	n/a	Sep-27	n/a	3
Loan 52	Aug-18	Office	Las Vegas, NV	18	Fixed	8.0%	15.5%	Sep-23	n/a	3
Loan 53	Jun-19	Other	Various - U.S.	12	Fixed	10.0%	15.3%	May-24	n/a	3
Loan 54 *,**	Jul-18	Office	Dublin, Ireland	4	n/a	n/a	n/a	Dec-21	n/a	2
Loan 55	May-19	Other	Various - U.S.	1	n/a	n/a	n/a	n/a	n/a	n/a
Loan 56 **	Oct-14	Hotel	Austin, TX	(1)	Fixed	-	7.5%	n/a	n/a	n/a
Total / W.A. preferred equity & other loans				\$ 288			12.0%	Jul-26	n/a	3.4
Total / W.A. loans & preferred equity portfolio				\$ 2,931			7.7%	Apr-24	n/a	3.1

* Reflects loans and preferred equity interests in which the underlying collateral is related to construction/development projects

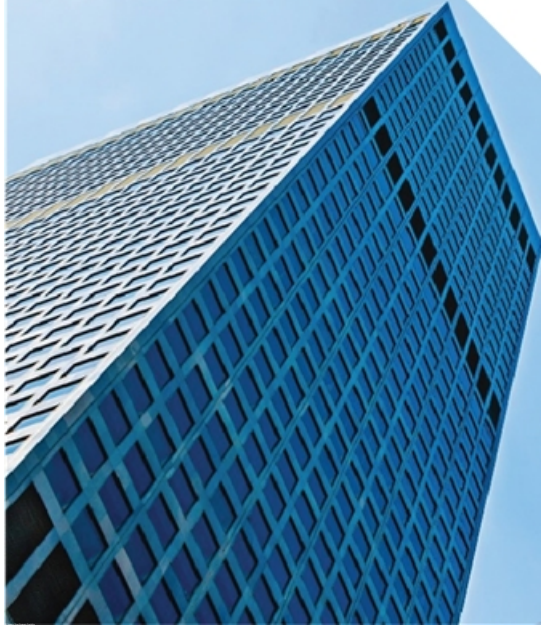
** Represents an equity participation interest

Core Portfolio – net lease real estate

	Origination date	Collateral type	City, State	Carrying value ⁽¹⁾	FY 2019 NOI ⁽⁵⁾	# of properties	# of buildings	Rentable square feet ("RSF")	W.A. % leased ⁽⁶⁾	W.A. lease term (yrs) ⁽⁷⁾
Net lease real estate										
Net lease 1	Jun-15	Industrial	Various - U.S.	\$ 326	\$ 21	22	22	6,697 RSF	93%	3.7
Net lease 2	Jul-18	Office	Stavenger, Norway	316	18	1	26	1,291 RSF	100%	10.4
Net lease 3	Aug-18	Industrial	Various - U.S.	280	20	2	2	2,787 RSF	100%	18.4
Net lease 4	Mar-16	Industrial	Various - OH	105	9	23	23	1,834 RSF	99%	3.5
Net lease 5	Jul-06	Office	Aurora, CO	45	4	1	1	184 RSF	100%	2.9
Net lease 6	Jun-06	Office	Indianapolis, IN	33	3	1	1	338 RSF	100%	6.0
Total / W.A. net lease real estate				\$ 1,104	\$ 75	50	75	13,132 RSF	98%	9.4

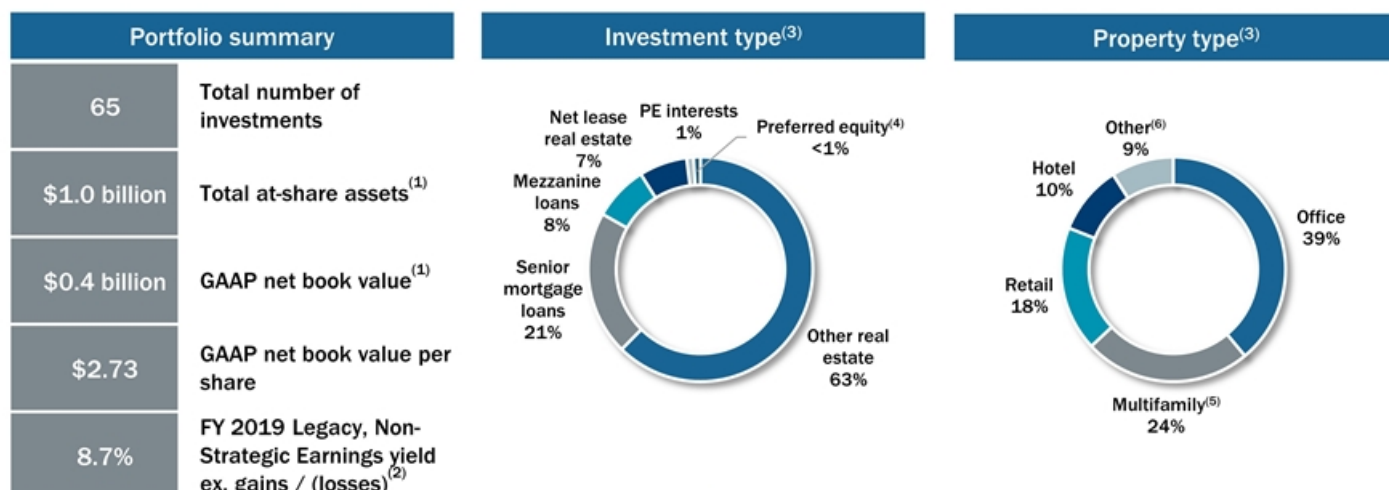
See footnotes in the appendix

III. LEGACY, NON- STRATEGIC PORTFOLIO



III. LEGACY, NON-STRATEGIC – PORTFOLIO OVERVIEW

(\$ in thousands, unless otherwise stated; as of December 31, 2019; at CLNC share)



Portfolio Overview				
	Number of assets	Number of investments	Carrying value ⁽⁷⁾	Net carrying value ⁽⁸⁾
Senior mortgage loans	8	10	\$ 169,964	\$ 123,991
Mezzanine loans	2	6	64,438	64,438
Preferred equity ⁽⁴⁾	-	1	688	688
Net lease real estate	6	6	59,943	4,229
Other real estate	32	36	515,446	183,810
PE interests	1	6	10,263	10,263
Allocated assets, liabilities & corporate debt ⁽⁹⁾			150,750	(28,448)
Total LNS Portfolio – GAAP	49	65	\$ 971,493	\$ 358,972
Plus: accumulated depreciation & amortization ⁽¹⁰⁾				90,387
Total LNS Portfolio – Undepreciated				\$ 449,359

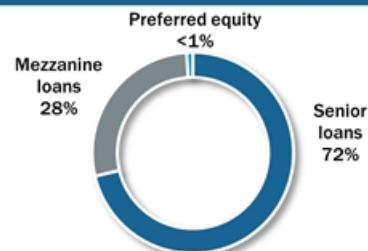
- | Portfolio Activity |
|---|
| <ul style="list-style-type: none"> FY 2019 Legacy, Non-Strategic Earnings excluding gains / (losses) of approximately \$31.1 million, or \$0.23 per share; FY 2019 Legacy, Non-Strategic Earnings yield of approximately 8.7% GAAP net book value of \$0.4 billion, or \$2.73 per share During the fourth quarter 2019, sold five LNS assets totaling \$22 million of gross proceeds Subsequent to the fourth quarter 2019, sold two LNS assets totaling \$21 million of gross proceeds |

III. LEGACY, NON-STRATEGIC – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW

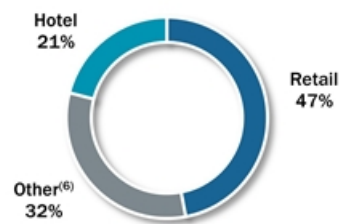
(As of December 31, 2019; at CLNC share)

Overview	
\$235 million	Total loans & preferred equity ⁽¹⁾
17	Total number of investments
\$14 million	Average investment size
85%	% Senior loans floating rate
1.3 years	W.A. remaining term ⁽²⁾
1.9 years	W.A. extended remaining term ⁽³⁾
3.8%	W.A. unlevered all-in yield ⁽⁴⁾

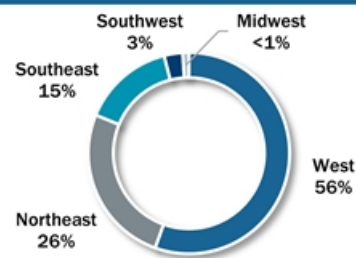
Investment type⁽⁵⁾



Property type⁽⁵⁾



Geography⁽⁵⁾



See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW (CONT'D)

(\$ in thousands; as of December 31, 2019; at CLNC share)

	Number of investments	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	W.A. unlevered all-in yield ⁽³⁾	W.A. remaining term (years) ⁽⁴⁾	W.A. extended term (years) ⁽⁵⁾
Floating rate						
Senior mortgage loans	8	\$ 143,961	\$ 97,988	4.5%	1.6	2.3
Mezzanine loans	1	0	0	9.8%	0.3	0.3
Total / W.A. floating rate	9	143,961	97,988	4.5%	1.6	2.3
Fixed rate						
Senior mortgage loans	2	26,003	26,003	9.3%	0.8	0.8
Mezzanine loans*	5	64,438	64,438	0.0%	0.8	1.6
Preferred equity**	1	688	688	0.0%	0.0	0.0
Total / W.A. fixed rate	8	91,129	91,129	2.7%	0.8	1.4
Total / W.A.	17	\$ 235,090	\$ 189,117	3.8%	1.3	1.9

* During the fourth quarter 2019, placed two mezzanine loans (or three investments) and one preferred equity interest on non-accrual

** Represents an equity participation interest

III. LEGACY, NON-STRATEGIC – NET LEASE REAL ESTATE

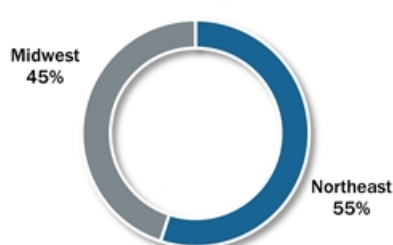
(\$ and square feet in thousands; as of December 31, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF")	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q4'19 NOI ⁽³⁾	Annualized Q4'19 NOI ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Retail	10	10	468 RSF	\$ 32,462	\$ (10,802)	\$ 1,317	\$ 5,268	100%	4.9
Office	2	2	320 RSF	27,481	15,031	630	2,520	72%	5.3
Total / W.A.	12	12	788 RSF	\$ 59,943	\$ 4,229	\$ 1,947	\$ 7,788	87%	5.1
Accumulated depreciation and amortization				14,212	14,212				
Total / W.A. – Undepreciated				\$ 74,156	\$ 18,442				

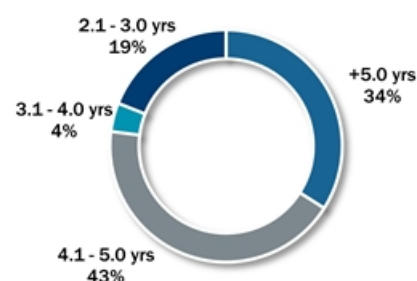
Property type⁽⁷⁾



Geography⁽⁷⁾



W.A. remaining lease term⁽⁶⁾⁽⁷⁾



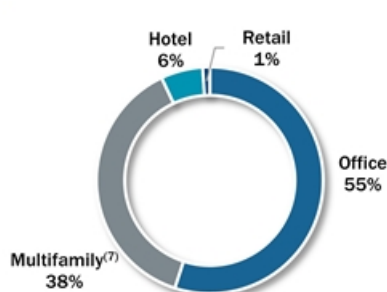
See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – OTHER REAL ESTATE

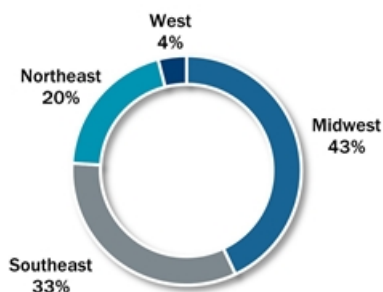
(\$ and square feet in thousands; as of December 31, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF") / units / keys	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q4'19 NOI / EBITDA ⁽³⁾	Annualized Q4'19 NOI / EBITDA ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Office	34	43	3,529 RSF	\$ 284,505	\$ 80,746	\$ 6,713	\$ 26,851	83%	3.5
Multifamily ⁽⁷⁾	8	113	3,327 units	194,703	88,325	3,393	13,571	92%	n/a
Hotel	2	2	443 keys	31,897	10,397	1,180	4,718	n/a	n/a
Retail	2	2	396 RSF	4,342	4,342	(160)	(642)	67%	1.1
Total / W.A.	46	160	n/a	\$ 515,446	\$ 183,810	\$ 11,125	\$ 44,499	86%	3.5
Accumulated depreciation and amortization				76,175	76,175				
Total / W.A. – Undepreciated				\$ 591,621	\$ 259,985				

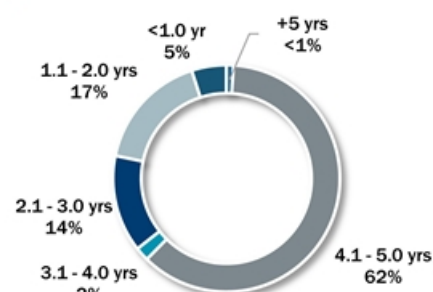
Property type⁽⁸⁾



Geography⁽⁸⁾



W.A. remaining lease term⁽⁶⁾⁽⁸⁾



*During the fourth quarter 2019, the Company sold five Legacy, Non-Strategic assets; four retail assets and one office asset. As a result of the sales, financial results in the above table exclude approximately \$0.6 million and \$2.6 million from Q4 NOI / EBITDA and Annualized Q4 NOI / EBITDA, respectively, related to these assets

III. LEGACY, NON-STRATEGIC – INVESTMENT DETAIL

(\$ in millions; as of December 31, 2019; at CLNC share)

Legacy, Non-Strategic Portfolio – loans & preferred equity portfolio

	Collateral type	City, State	Coupon type	Cash coupon	Unlevered all-in yield ⁽¹⁾	Extended maturity date ⁽²⁾
Senior loans						
Loan 1 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Loan 2	Retail	Reno, NV	Floating	L+ 5.3%	7.1%	Aug-21
Loan 3	Retail	Morrow, GA	Floating	L+ 4.0%	6.3%	Jan-24
Loan 4	Retail	Colorado Springs, CO	Floating	L+ 4.9%	6.6%	Apr-20
Loan 5 **	Other	Calimesa, CA	Fixed	12.0%	12.0%	May-20
Loan 6	Retail	Sanford, FL	Fixed	6.0%	6.0%	May-21
Loan 7	Retail	Butler, PA	Floating	L+ 6.5%	8.3%	May-20
Loan 8	Retail	Houston, TX	Floating	L+ 5.8%	7.5%	Jan-20
Loan 9	Retail	Houston, TX	Floating	L+ 5.8%	7.5%	Jan-20
Loan 10 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Mezzanine loans						
Loan 11 *,**	Other	Rolling Hills Estates, CA	n/a	n/a	n/a	Jun-21
Loan 12 *	Retail	Various - U.S.	n/a	n/a	n/a	Apr-24
Loan 13 *,**	Other	Rolling Hills Estates, CA	n/a	n/a	n/a	Feb-20
Loan 14	Retail	Colorado Springs, CO	Floating	L+ 8.0%	9.8%	Apr-20
Loan 15 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Loan 16 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Preferred equity						
Loan 17 *,**,***	Other	Rolling Hills Estates, CA	n/a	n/a	n/a	n/a

* Represents loans on nonaccrual status

** Reflects loans and preferred equity interests in which the underlying collateral is related to construction/development projects

*** Represents an equity participation interest

Legacy, Non-Strategic Portfolio – loans & preferred equity portfolio summary

	Carrying value ⁽³⁾	Unlevered all-in yield ⁽¹⁾	Extended maturity date ⁽²⁾
Senior loans	\$ 170	5.2%	Jan-22
Mezzanine loans	64	0.0%	Aug-21
Preferred equity	1	n/a	n/a
Total / W.A. loans & preferred equity portfolio	\$ 235	3.8%	Aug-21

See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – INVESTMENT DETAIL (CONT'D)

(\$ in millions; rentable square feet in thousands; as of December 31, 2019; at CLNC share)

Legacy, Non-Strategic Portfolio – net lease & other real estate

	Collateral type	City, State	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Net lease real estate							
Net lease 1	Retail	Various - U.S.	7	7	320 RSF	100%	4.2
Net lease 2	Office	Columbus, OH	1	1	199 RSF	52%	7.0
Net lease 3	Office	Rockaway, NJ	1	1	121 RSF	100%	3.0
Net lease 4	Retail	Keene, NH	1	1	45 RSF	100%	9.1
Net lease 5	Retail	Fort Wayne, IN	1	1	50 RSF	100%	4.7
Net lease 6	Retail	South Portland, ME	1	1	53 RSF	100%	3.7
Other real estate							
Other real estate 1	Office	Creve Coeur, MO	7	7	848 RSF	94%	4.6
Other real estate 2	Multifamily	Farmington Hills, MI	1	65	784 Units	92%	n/a
Other real estate 3	Office	Warrendale, PA	5	5	496 RSF	100%	4.5
Other real estate 4	Multifamily	New Orleans, LA	1	1	375 Units	93%	n/a
Other real estate 5	Office	Vienna, VA	1	1	257 RSF	57%	2.2
Other real estate 6	Hotel	Coraopolis, PA	1	1	318 Keys	n/a	n/a
Other real estate 7	Office	Vienna, VA	1	1	173 RSF	37%	2.0
Other real estate 8	Multifamily	Kalamazoo, MI	1	24	584 Units	92%	n/a
Other real estate 9	Multifamily	Cayce, SC	1	1	466 Units	97%	n/a
Other real estate 10	Multifamily	Central, SC	1	10	469 Units	87%	n/a
Other real estate 11	Office	Omaha, NE	1	1	405 RSF	69%	1.2
Other real estate 12	Office	Greensboro, NC	1	1	130 RSF	88%	2.4
Other real estate 13	Multifamily	Gillette, WY	1	6	139 Units	86%	n/a
Other real estate 14	Multifamily	Anchorage, AK	1	5	319 Units	90%	n/a
Other real estate 15	Office	Greensboro, NC	1	1	86 RSF	85%	1.5
Other real estate 16	Hotel	Minot, ND	1	1	125 Keys	n/a	n/a
Other real estate 17	Office	Winston Salem, NC	1	1	140 RSF	43%	1.3
Other real estate 18	Office	Bath, ME	1	1	38 RSF	100%	0.9
Other real estate 19	Office	Topeka, KS	1	1	195 RSF	72%	3.2
Other real estate 20	Retail	Anchorage, AK	1	1	344 RSF	71%	1.1
Other real estate 21	Office	Greensboro, NC	1	2	59 RSF	22%	0.7
Other real estate 22	Retail	West Columbia, SC	1	1	52 RSF	58%	1.0
Other real estate 23	Office	Greensboro, NC	1	1	48 RSF	31%	0.4
Other real estate 24	Office	Greensboro, NC	1	1	48 RSF	67%	0.8
Other real estate 25	Office	Greensboro, NC	1	1	47 RSF	34%	0.6

See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – INVESTMENT DETAIL (CONT'D)

(\$ in millions; rentable square feet in thousands; as of December 31, 2019; at CLNC share)

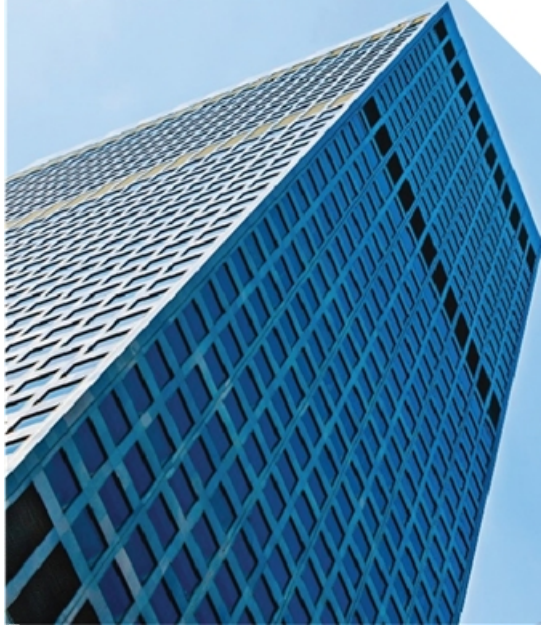
Legacy, Non-Strategic Portfolio – net lease & other real estate (cont'd)

	Collateral type	City, State	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Other real estate 26	Office	Greensboro, NC	1	4	42 RSF	51%	0.5
Other real estate 27	Office	Anchorage, AK	1	5	11 RSF	100%	1.4
Other real estate 28	Office	Lincoln, NE	1	2	124 RSF	98%	4.6
Other real estate 29	Office	Greensboro, NC	1	1	34 RSF	40%	0.3
Other real estate 30	Office	Greensboro, NC	1	1	35 RSF	46%	0.7
Other real estate 31	Office	Greensboro, NC	1	1	27 RSF	55%	0.2
Other real estate 32	Multifamily	Evansville, WY	1	1	191 Units	42%	n/a
Other real estate 33	Office	Greensboro, NC	1	1	33 RSF	100%	6.1
Other real estate 34	Office	Greensboro, NC	1	1	35 RSF	44%	0.3
Other real estate 35	Office	Greensboro, NC	1	1	23 RSF	63%	1.1
Other real estate 36	Office	Topeka, KS	1	1	195 RSF	72%	3.2

Legacy, Non-Strategic Portfolio – net lease & other real estate summary

	Carrying value ⁽³⁾	Annualized Q4'19 NOI / EBITDA ⁽⁴⁾	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Net lease real estate	\$ 60	\$ 8	12	12	788 RSF	87%	5.1
Other real estate	515	44	46	160	n/a	86%	3.5
Total / W.A. net lease & other real estate	\$ 575	\$ 52	58	172	n/a	n/a	n/a

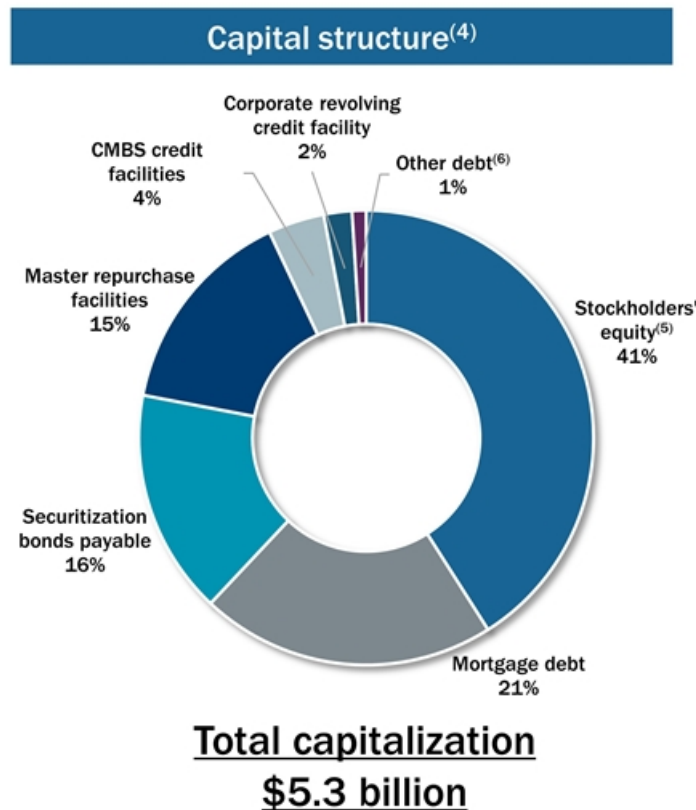
IV. CAPITALIZATION



IV. CAPITALIZATION HIGHLIGHTS

(As of December 31, 2019, unless otherwise stated; at CLNC share)

Overview	
\$5.3 billion	Total capitalization (excluding cash)
\$3.1 billion	Total outstanding debt⁽¹⁾
\$340 million <i>(\$453 million maximum facility availability)</i>	Corporate revolving credit facility availability <i>As of December 31, 2019</i>
\$1.5 billion <i>(\$2.3 billion maximum facilities availability)</i>	Master repurchase facilities availability <i>As of December 31, 2019</i>
1.4x	Net debt-to-equity ratio⁽²⁾
3.89%	Blended cost of financing⁽³⁾



See footnotes in the appendix

IV. CAPITALIZATION OVERVIEW

(\$ in thousands; as of December 31, 2019; at CLNC share)

	Recourse vs. Non-recourse ⁽¹⁾	W.A. extended maturity ⁽²⁾	W.A. contractual interest rate ⁽²⁾	W.A. all-in COF ⁽²⁾⁽³⁾	Outstanding debt (UPB) ⁽⁴⁾
Corporate debt					
Corporate revolving credit facility	Recourse	Feb-23	L + 2.25%	4.01%	\$ 113,500
Investment-level debt					
Mortgage debt – net lease (fixed)	Non-recourse	Dec-27	4.33%	4.33%	687,890
Mortgage debt – net lease (floating)	Non-recourse	Apr-21	L + 2.50%	4.26%	66,038
Securitization bonds payable	Non-recourse	Aug-35	L + 1.59%	3.35%	840,423
Master repurchase facilities	Limited recourse	Jun-22	L + 2.04%	3.80%	734,238
CMBS credit facilities ⁽⁵⁾	Recourse	N/A	L + 1.19%	2.95%	205,522
Other debt ⁽⁶⁾	Non-recourse	Jun-24	L + 3.00%	4.76%	65,958
Total core portfolio investment-level debt		Sep-28		3.76%	2,600,069
Mortgage debt – net lease (fixed)	Non-recourse	Nov-25	4.33%	4.33%	54,056
Mortgage debt – net lease (floating)	Non-recourse	Jul-23	L + 2.15%	3.91%	1,658
Mortgage debt – other real estate (fixed)	Non-recourse	Jul-24	4.56%	4.56%	276,638
Mortgage debt – other real estate (floating)	Non-recourse	Aug-23	L + 3.59%	5.35%	54,998
Master repurchase facilities	Limited recourse	Apr-21	L + 2.54%	4.30%	45,973
Total legacy, non-strategic portfolio investment-level debt		Apr-24		4.60%	433,323
Total / W.A. debt (CLNC share)		Oct-27		3.89%	\$ 3,146,891
				Book value	
Stockholders' equity				\$	2,119,022
Noncontrolling interests in the Operating Partnership					50,697
Total book value of common equity (CLNC share)					2,169,719
Total capitalization				\$	5,316,610

See footnotes in the appendix

V. APPENDIX



V. APPENDIX – CONSOLIDATED BALANCE SHEET

(In thousands, except share and per share data; as of December 31, 2019 unless otherwise stated)

	December 31, 2019	December 31, 2018
Assets		
Cash and cash equivalents	\$ 69,619	\$ 77,317
Restricted cash	126,065	110,146
Loans and preferred equity held for investment, net	2,576,332	2,020,497
Real estate securities, available for sale, at fair value	252,824	228,185
Real estate, net	1,484,796	1,959,690
Investments in unconsolidated ventures (\$10,283 and \$160,851 at fair value, respectively)	595,305	903,037
Receivables, net	46,456	48,806
Deferred leasing costs and intangible assets, net	112,762	134,068
Assets held for sale	189,470	-
Other assets	87,707	62,006
Mortgage loans held in securitization trusts, at fair value	1,872,970	3,116,978
Total assets	\$ 7,414,306	\$ 8,660,730
Liabilities		
Securitization bonds payable, net	\$ 833,153	\$ 81,372
Mortgage and other notes payable, net	1,256,112	1,173,019
Credit facilities	1,099,233	1,365,918
Due to related party	11,016	15,019
Accrued and other liabilities	140,424	106,187
Intangible liabilities, net	22,149	15,096
Liabilities related to assets held for sale	294	-
Escrow deposits payable	74,497	65,995
Dividends payable	13,164	18,986
Mortgage obligations issued by securitization trusts, at fair value	1,762,914	2,973,936
Total liabilities	5,212,956	5,815,528
Commitments and contingencies		
Equity		
Stockholders' equity		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively	-	-
Common stock, \$0.01 par value per share		
Class A, 950,000,000 and 905,000,000 shares authorized, 128,538,703 and 83,410,376 shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively	1,285	834
Class B-3, no shares authorized, issued and outstanding as of December 31, 2019 and 45,000,000 shares authorized and 44,399,444 shares issued and outstanding as of December 31, 2018	-	444
Additional paid-in capital	2,909,181	2,899,353
Accumulated deficit	(819,738)	(193,327)
Accumulated other comprehensive income (loss)	28,294	(399)
Total stockholders' equity	2,119,022	2,706,905
Noncontrolling interests in investment entities		
Noncontrolling interests in the Operating Partnership	50,697	65,614
Total equity	2,201,350	2,845,202
Total liabilities and equity	\$ 7,414,306	\$ 8,660,730

V. APPENDIX – CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data; as of December 31, 2019, unless otherwise stated)

	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Net interest income				
Interest income	\$ 47,696	\$ 38,580	\$ 175,169	\$ 151,653
Interest expense	(24,225)	(16,808)	(87,730)	(47,074)
Interest income on mortgage loans held in securitization trusts	20,485	38,749	120,203	143,371
Interest expense on mortgage obligations issued by securitization trusts	(18,274)	(35,380)	(109,964)	(132,411)
Net interest income	25,682	25,141	97,678	115,539
Property and other income				
Property operating income	62,562	58,633	253,955	178,339
Other income	902	499	2,333	3,651
Total property and other income	63,464	59,132	256,288	181,990
Expenses				
Management fee expense	8,320	11,522	42,390	43,190
Property operating expense	26,725	24,430	112,801	73,616
Transaction, investment and servicing expense	4,178	(1,412)	7,191	36,800
Interest expense on real estate	13,629	13,990	55,415	43,437
Depreciation and amortization	20,367	18,297	103,220	90,986
Provision for loan losses	-	79,369	220,572	113,911
Impairment of operating real estate	(97)	2,435	282,749	31,813
Administrative expense (including \$3,344, \$3,208, \$10,810 and \$7,113 of equity-based compensation expense, respectively)	9,541	9,725	31,936	26,634
Total expenses	82,663	158,356	856,274	460,387
Other income (loss)				
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	(512)	1,749	4,090	5,003
Realized gain (loss) on mortgage loans and obligations held in securitization trusts, net	-	(695)	2,772	(3,447)
Other gain (loss), net	12,857	(3,226)	(972)	(2,766)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	18,828	(76,255)	(496,418)	(164,068)
Equity in earnings (loss) of unconsolidated ventures	18,980	(15,999)	36,942	23,774
Income tax expense	(2,628)	(39,906)	(3,172)	(37,059)
Net income (loss)	35,180	(132,160)	(462,648)	(177,353)
Net (income) loss attributable to noncontrolling interests:				
Investment entities	(415)	1,983	38,208	4,771
Operating Partnership	(813)	3,088	9,928	4,084
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 33,952	\$ (127,089)	\$ (414,512)	\$ (168,498)
Net income (loss) per common share – basic and diluted	\$ 0.26	\$ (1.00)	\$ (3.25)	\$ (1.41)
Weighted average shares of common stock outstanding – basic and diluted	128,539	127,887	128,391	120,677

V. APPENDIX – CONSOLIDATED STATEMENTS OF OPERATIONS BY SEGMENT

(\$ in thousands; as of December 31, 2019)

	Three Months Ended December 31, 2019				Total Core Portfolio	Legacy, Non-Strategic Portfolio	Total
	Core Portfolio						
	Loans and preferred equity	CRE debt securities	Net lease real estate	Corporate			
Net Interest Income							
Interest income	\$ 40,671	\$ 4,490	\$ 7	\$ (397)	\$ 44,771	\$ 2,925	\$ 47,696
Interest expense	(19,796)	(1,589)	-	(1,511)	(22,896)	(1,329)	(24,225)
Interest income on mortgage loans held in securitization trusts	-	22,496	-	(2,011)	20,485	-	20,485
Interest expense on mortgage obligations issued by securitization trusts	-	(20,286)	-	2,012	(18,274)	-	(18,274)
Net interest income	20,875	5,111	7	(1,907)	24,086	1,596	25,682
Property and other income							
Property operating income	-	-	27,245	-	27,245	35,317	62,562
Other income	279	88	330	133	830	72	902
Total property and other income	279	88	27,575	133	28,075	35,389	63,464
Expenses							
Management fee expense	-	-	-	6,656	6,656	1,664	8,320
Property operating expense	-	-	6,546	-	6,546	20,179	26,725
Transaction, investment and servicing expense	817	-	6	1,155	1,978	2,200	4,178
Interest expense on real estate	-	-	8,352	-	8,352	5,277	13,629
Depreciation and amortization	-	-	11,358	-	11,358	9,009	20,367
Provision for loan losses	-	-	-	-	-	-	-
Impairment of operating real estate	-	-	-	-	-	(97)	(97)
Administrative expense	422	229	202	4,061	4,914	4,627	9,541
Total expenses	1,239	229	26,464	11,872	39,804	42,859	82,663
Other income (loss)							
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	-	(908)	-	396	(512)	-	(512)
Other gain, net	45	3,978	31	-	4,054	8,803	12,857
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	19,960	8,040	1,149	(13,250)	15,899	2,929	18,828
Equity in earnings of unconsolidated ventures	17,221	-	-	-	17,221	1,759	18,980
Income tax expense	(869)	-	(1,298)	-	(2,167)	(461)	(2,628)
Net income (loss)	36,312	8,040	(149)	(13,250)	30,953	4,227	35,180
Net (income) loss attributable to noncontrolling interests:							
Investment entities	30	-	10	-	40	(455)	(415)
Operating Partnership	-	-	-	(722)	(722)	(91)	(813)
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 36,342	\$ 8,040	\$ (139)	\$ (13,972)	\$ 30,271	\$ 3,681	\$ 33,952

V. APPENDIX – CONSOLIDATED STATEMENTS OF OPERATIONS BY SEGMENT (CONT'D)

(\$ in thousands; as of December 31, 2019)

	Year Ended December 31, 2019				Total Core Portfolio	Legacy, Non-Strategic Portfolio	Total
	Core Portfolio						
	Loans and preferred equity	CRE debt securities	Net lease real estate	Corporate			
Net Interest Income							
Interest income	\$ 141,952	\$ 17,743	\$ 9	\$ (1,688)	\$ 158,016	\$ 17,153	\$ 175,169
Interest expense	(66,000)	(7,015)	-	(7,893)	(80,908)	(6,822)	(87,730)
Interest income on mortgage loans held in securitization trusts	-	129,329	-	(9,126)	120,203	-	120,203
Interest expense on mortgage obligations issued by securitization trusts	-	(119,090)	-	9,126	(109,964)	-	(109,964)
Net interest income	75,952	20,967	9	(9,581)	87,347	10,331	97,678
Property and other income							
Property operating income	-	-	115,127	-	115,127	138,828	253,955
Other income	729	429	515	504	2,177	156	2,333
Total property and other income	729	429	115,642	504	117,304	138,984	256,288
Expenses							
Management fee expense	-	-	-	33,912	33,912	8,478	42,390
Property operating expense	-	-	31,733	-	31,733	81,068	112,801
Transaction, investment and servicing expense	2,142	4	214	854	3,214	3,977	7,191
Interest expense on real estate	-	-	34,430	-	34,430	20,985	55,415
Depreciation and amortization	-	-	49,003	-	49,003	54,217	103,220
Provision for loan losses	-	-	-	-	-	220,572	220,572
Impairment of operating real estate	-	-	23,911	-	23,911	258,838	282,749
Administrative expense	1,036	1,208	380	14,267	16,891	15,045	31,936
Total expenses	3,178	1,212	139,671	49,033	193,094	663,180	856,274
Other income (loss)							
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	-	5,127	-	(1,037)	4,090	-	4,090
Realized gain on mortgage loans and obligations held in securitization trusts, net	-	48	-	2,724	2,772	-	2,772
Other gain (loss), net	30	(10,931)	2,430	1	(8,470)	7,498	(972)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	73,533	14,428	(21,590)	(56,422)	9,949	(506,367)	(496,418)
Equity in earnings (loss) of unconsolidated ventures	56,241	-	-	-	56,241	(19,299)	36,942
Income tax benefit (expense)	(881)	-	524	(382)	(739)	(2,433)	(3,172)
Net income (loss)	128,893	14,428	(21,066)	(56,804)	65,451	(528,099)	(462,648)
Net (income) loss attributable to noncontrolling interests:							
Investment entities	95	-	11,635	-	11,730	26,478	38,208
Operating Partnership	-	-	-	(1,787)	(1,787)	11,715	9,928
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 128,988	\$ 14,428	\$ (9,431)	\$ (58,591)	\$ 75,394	\$ (489,906)	\$ (414,512)

V. APPENDIX – OUTSTANDING COMMON SHARES AND OP UNITS

	As of December 31, 2019	As of September 30, 2019
Class A common stock	128,538,703	128,538,703
Class B-3 common stock	-	-
OP units	3,075,623	3,075,623
Total common stock and OP units outstanding	131,614,326	131,614,326

V. APPENDIX – RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION

(In thousands, except per share data; as of December 31, 2019) (Unaudited)

Reconciliation of consolidated balance sheet to at CLNC share balance sheet

	As of December 31, 2019								
	Total			Core Portfolio			Legacy, Non-Strategic Portfolio		
	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾
Assets									
Loans and preferred equity held for investment, net	\$ 2,576,332	\$ 530	\$ 2,575,802	\$ 2,431,841	\$ -	\$ 2,431,841	\$ 144,491	\$ 530	\$ 143,961
Real estate securities, available for sale, at fair value	252,824	-	252,824	252,824	-	252,824	-	-	-
Real estate, net	1,484,796	57,023	1,427,773	1,047,167	13,708	1,033,459	437,629	43,315	394,314
Investments in unconsolidated ventures	595,305	-	595,305	498,950	-	498,950	96,355	-	96,355
Deferred leasing costs and intangible assets, net	112,762	2,746	110,016	72,511	494	72,017	40,251	2,252	37,999
Assets held for sale	189,470	22,319	167,151	-	-	-	189,470	22,319	167,151
Mortgage loans held in securitization trusts, at fair value ⁽³⁾	1,872,970	1,762,915	110,055	1,872,970	1,762,915	110,055	-	-	-
Cash, restricted cash, receivables and other assets	329,847	9,057	320,790	193,471	4,394	189,077	136,376	4,663	131,713
Total assets	\$ 7,414,306	\$ 1,854,590	\$ 5,559,716	\$ 6,369,734	\$ 1,781,511	\$ 4,588,223	\$ 1,044,572	\$ 73,079	\$ 971,493
Liabilities									
Securitization bonds payable, net	\$ 833,153	\$ -	\$ 833,153	\$ 833,153	\$ -	\$ 833,153	\$ -	\$ -	\$ -
Mortgage and other notes payable, net	1,256,112	54,784	1,201,328	801,932	9,692	792,240	454,180	45,092	409,088
Credit facilities	1,099,233	-	1,099,233	1,013,535	-	1,013,535	85,698	-	85,698
Intangible liabilities, net	22,149	1,542	20,607	1,914	132	1,782	20,235	1,410	18,825
Liabilities related to assets held for sale	294	9	285	-	-	-	294	9	285
Mortgage obligations issued by securitization trusts, at fair value ⁽³⁾	1,762,914	1,762,914	-	1,762,914	1,762,914	-	-	-	-
Due to related party, other liabilities, escrow deposits payable and dividends payable	239,101	3,710	235,391	143,532	6,766	136,766	95,569	(3,056)	98,625
Total liabilities	\$ 5,212,956	\$ 1,822,959	\$ 3,389,997	\$ 4,556,980	\$ 1,779,504	\$ 2,777,476	\$ 655,976	\$ 43,455	\$ 612,521
Total equity (including noncontrolling interests in the Operating Partnership)	\$ 2,201,350	\$ 31,631	\$ 2,169,719	\$ 1,812,754	\$ 2,007	\$ 1,810,747	\$ 388,596	\$ 29,624	\$ 358,972
Total liabilities and equity	\$ 7,414,306	\$ 1,854,590	\$ 5,559,716	\$ 6,369,734	\$ 1,781,511	\$ 4,588,223	\$ 1,044,572	\$ 73,079	\$ 971,493
Total common shares and OP units outstanding	131,614	131,614	131,614	131,614	131,614	131,614	131,614	131,614	131,614
GAAP net book value per share	\$ 16.73	\$ 0.24	\$ 16.49	\$ 13.78	\$ 0.02	\$ 13.76	\$ 2.95	\$ 0.22	\$ 2.73

See footnotes in the appendix

V. APPENDIX – RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION (CONT'D)

(In thousands, except per share data; as of December 31, 2019) (Unaudited)

Reconciliation of GAAP net book value to undepreciated book value

	As of December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
GAAP net book value (excluding noncontrolling interests in investment entities)	\$ 2,169,719	\$ 358,972	\$ 1,810,747
Accumulated depreciation and amortization⁽¹⁾	174,382	90,387	83,995
Undepreciated book value	\$ 2,344,101	\$ 449,359	\$ 1,894,742
GAAP net book value per share (excluding noncontrolling interests in investment entities)	\$ 16.49	\$ 2.73	\$ 13.76
Accumulated depreciation and amortization per share⁽¹⁾	1.32	0.68	0.64
Undepreciated book value per share	\$ 17.81	\$ 3.41	\$ 14.40
Total common shares and OP units outstanding ⁽²⁾	131,614	131,614	131,614

V. APPENDIX – RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION (CONT'D)

(In thousands, except per share data; as of December 31, 2019) (Unaudited)

Reconciliation of GAAP net income (loss) to Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss)

	Three Months Ended December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 33,952	\$ 3,681	\$ 30,271
Adjustments:			
Net income attributable to noncontrolling interest of the Operating Partnership	813	91	722
Non-cash equity compensation expense	3,344	1,672	1,672
Transaction costs	977	489	488
Depreciation and amortization	20,653	8,499	12,154
Net unrealized gain:			
Impairment of operating real estate and preferred equity	(97)	(97)	-
Other unrealized gain	(1,967)	(4)	(1,963)
Gains on sale of real estate	(8,598)	(8,487)	(111)
Adjustments related to noncontrolling interests in investment entities	(744)	(517)	(227)
Core Earnings / Legacy, Non-Strategic Earnings attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	\$ 48,333	\$ 5,327	\$ 43,006
Core Earnings / Legacy, Non-Strategic Earnings per share ⁽¹⁾	\$ 0.37	\$ 0.04	\$ 0.33
Weighted average number of common shares and OP units ⁽¹⁾	131,614	131,614	131,614

	Year Ended December 31, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (414,512)	\$ (489,906)	\$ 75,394
Adjustments:			
Net income (loss) attributable to noncontrolling interest of the Operating Partnership	(9,928)	(11,715)	1,787
Non-cash equity compensation expense	10,808	5,404	5,404
Transaction costs	1,651	751	900
Depreciation and amortization	104,020	51,963	52,057
Net unrealized loss:			
Impairment of operating real estate and preferred equity ⁽²⁾	304,704	263,193	41,511
Other unrealized loss	4,554	48	4,506
Gains on sale of real estate	(8,598)	(8,487)	(111)
Adjustments related to noncontrolling interests in investment entities	(40,858)	(28,428)	(12,430)
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	\$ (48,159)	\$ (217,177)	\$ 169,018
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share ⁽³⁾	\$ (0.36)	\$ (1.65)	\$ 1.29
Weighted average number of common shares and OP units ⁽³⁾	131,467	131,467	131,467

See footnotes in the appendix

V. APPENDIX – RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL INFORMATION (CONT'D)

(\$ in thousands; as of December 31, 2019) (Unaudited)

Reconciliation of GAAP net income (loss) to NOI/EBITDA

Three Months Ended December 31, 2019

	Core Portfolio			Legacy, Non-Strategic Portfolio			Total
	Net lease real estate	Other real estate	Total Core Portfolio	Net lease real estate	Other real estate	Total LNS Portfolio	
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (1,341)	\$ 1,204	\$ (137)	\$ 672	\$ 7,567	\$ 8,239	\$ 8,102
Adjustments:							
Net income (loss) attributable to noncontrolling interests in investment entities	(10)	-	(10)	-	171	171	161
Amortization of above- and below-market lease intangibles	(42)	-	(42)	23	(462)	(439)	(481)
Interest income	(8)	-	(8)	-	(1)	(1)	(9)
Interest expense on real estate	8,351	-	8,351	675	4,602	5,277	13,628
Other income	(331)	-	(331)	-	(71)	(71)	(402)
Transaction, investment and servicing expense	6	1	7	3	1,298	1,301	1,308
Depreciation and amortization	11,358	-	11,358	578	8,431	9,009	20,367
Impairment of operating real estate	-	-	-	-	(97)	(97)	(97)
Administrative expense	202	-	202	-	24	24	226
Other (gain) loss on investments, net	1,107	(1,138)	(31)	(4)	(8,798)	(8,802)	(8,833)
Income tax (benefit) expense	67	1,231	1,298	-	89	89	1,387
NOI/EBITDA attributable to noncontrolling interest in investment entities	(310)	-	(310)	-	(989)	(989)	(1,299)
Total NOI/EBITDA, at share	\$ 19,049	\$ 1,298	\$ 20,347	\$ 1,947	\$ 11,764	\$ 13,711	\$ 34,058

Year Ended December 31, 2019

	Core Portfolio			Legacy, Non-Strategic Portfolio			Total
	Net lease real estate	Other real estate	Total Core Portfolio	Net lease real estate	Other real estate	Total LNS Portfolio	
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (13,526)	\$ 4,092	\$ (9,434)	\$ (55,840)	\$ (189,625)	\$ (245,465)	\$ (254,899)
Adjustments:							
Net income (loss) attributable to noncontrolling interests in investment entities	(11,630)	-	(11,630)	-	(24,167)	(24,167)	(35,797)
Amortization of above- and below-market lease intangibles	(362)	36	(326)	93	(2,635)	(2,542)	(2,868)
Interest income	(10)	-	(10)	(7)	(1)	(8)	(18)
Interest expense on real estate	34,429	-	34,429	2,712	18,274	20,986	55,415
Other income	(515)	-	(515)	-	(140)	(140)	(655)
Transaction, investment and servicing expense	210	5	215	4	1,877	1,881	2,096
Depreciation and amortization	47,224	1,779	49,003	3,810	50,407	54,217	103,220
Impairment of operating real estate	23,911	-	23,911	56,186	202,652	258,838	282,749
Administrative expense	365	15	380	13	82	95	475
Other (gain) loss on investments, net	(1,292)	(1,138)	(2,430)	36	(8,798)	(8,762)	(11,192)
Income tax (benefit) expense	(2,683)	2,159	(524)	-	285	285	(239)
NOI/EBITDA attributable to noncontrolling interest in investment entities	(1,186)	-	(1,186)	-	(3,736)	(3,736)	(4,922)
Total NOI/EBITDA, at share	\$ 74,935	\$ 6,948	\$ 81,883	\$ 7,007	\$ 44,475	\$ 51,482	\$ 133,365

V. APPENDIX – FOOTNOTES

Page 9

1. Net sales price represents gross sales price net of any in-place investment-level financing and transaction costs

Page 10

1. Represents CLNC share as of December 31, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Debt-to-asset ratio based on total outstanding secured debt agreements (unpaid principal balance or "UPB") at CLNC share divided by total assets at CLNC share as of December 31, 2019
3. Represents CLNC's share of total outstanding secured debt agreements (UPB) less unrestricted cash at CLNC's share divided by total stockholders' equity as of December 31, 2019; stockholders' equity includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
4. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
5. Preferred equity includes \$27.3 million related to equity participation interests
6. Includes securitization assets which are presented net of the impact from consolidation
7. Net lease real estate includes deferred leasing costs and other net intangibles and includes the impact of accumulated depreciation and amortization
8. Represents Core Portfolio's and LNS Portfolio's proportionate share of outstanding debt related to the corporate revolving credit facility as well as other balance sheet assets and liabilities (including cash, restricted cash, net receivables, other assets, due to related party, accrued and other liabilities, escrow deposits payable and dividends payable)
9. Represents net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities

Page 12

1. Represents CLNC share as of December 31, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Based on the fiscal year ended December 31, 2019 Core Earnings at CLNC share divided by GAAP net book value at CLNC share as of December 31, 2019
3. Based on carrying values at CLNC share as of December 31, 2019. Property type excludes CMBS and mortgage loans held in securitization trusts
4. Preferred equity includes \$27.3 million related to equity participation interests
5. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

Page 13

1. Represents carrying values at CLNC share as of December 31, 2019
2. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of December 31, 2019
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019
4. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
5. Based on carrying values at CLNC share as of December 31, 2019
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

Page 14

1. Represents carrying values at CLNC share as of December 31, 2019
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
4. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of December 31, 2019
5. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019

Page 15

1. Represents principal amounts and carrying values at CLNC share as of December 31, 2019; for securitization assets, carrying values at CLNC share are presented net of the impact from consolidation
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. Investment count represents total number of tranches acquired; two total "B-piece" transactions
4. W.A. calculation based on carrying value at CLNC share as of December 31, 2019
5. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash interest income related to the accretion of purchase discounts and are loss-adjusted for the non-rated CRE debt securities. W.A. calculation based on carrying value at CLNC share as of December 31, 2019
6. Based on carrying values at CLNC share as of December 31, 2019

V. APPENDIX – FOOTNOTES (CONT'D)

Page 16

1. Represents carrying values at CLNC share as of December 31, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. Represents reported NOI for the fourth quarter 2019 at CLNC share
4. Represents reported NOI for the fiscal year ended December 31, 2019 at CLNC share
5. Represents the percent leased as of December 31, 2019 and is weighted by carrying value at CLNC share as of December 31, 2019
6. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019
7. Based on carrying values at CLNC share as of December 31, 2019

Page 17

1. Represents carrying values at CLNC share as of December 31, 2019
2. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019
4. Senior loans reflect the initial loan amount divided by the as-is value as of the date the loan was originated, or the principal amount divided by the appraised value as of the date of the most recent as-is appraisal. Construction senior loans' loan-to-value reflect the total commitment amount of the loan divided by the as completed appraised value, or the total commitment amount of the loan divided by the projected total cost basis

Page 18

1. Represents carrying values at CLNC share as of December 31, 2019
2. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019
4. Mezzanine loans include attachment loan-to-value and detachment loan-to-value, respectively. Attachment loan-to-value reflects initial funding of loans senior to our position divided by the as-is value as of the date the loan was originated, or the principal amount divided by the appraised value as of the date of the most recent appraisal. Detachment loan-to-value reflects the cumulative initial funding of our loan and the loans senior to our position divided by the as-is value as of the date the loan was originated, or the cumulative principal amount divided by the appraised value as of the date of the most recent appraisal. Construction mezzanine loans include attachment loan-to-value and detachment loan-to-value, respectively. Attachment loan-to-value reflects the total commitment amount of loans senior to our position divided by as-completed appraised value, or the total commitment amount of loans senior to our position divided by projected total cost basis. Detachment loan-to-value reflect the cumulative commitment amount of our loan and the loans senior to our position divided by as-completed appraised value, or the cumulative commitment amount of our loan and loans senior to our position divided by projected total cost basis
5. Represents reported NOI for the fiscal year ended December 31, 2019 at CLNC share
6. Represents the percent leased as of December 31, 2019 and is weighted by carrying value at CLNC share as of December 31, 2019
7. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019

Page 20

1. Represents CLNC share as of December 31, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Based on the fiscal year ended December 31, 2019 Legacy, Non-Strategic Earnings excluding gains/(losses) at CLNC share divided by GAAP net book value at CLNC share as of December 31, 2019
3. Based on carrying values at CLNC share as of December 31, 2019. Property type excludes private equity interests
4. Related to an equity participation interest
5. Multifamily includes: (i) apartments, (ii) student housing and (iii) manufactured housing communities
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets
7. Represents carrying values at CLNC share as of December 31, 2019
8. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
9. Represents Core Portfolio's and LNS Portfolio's proportionate share of outstanding debt related to the corporate revolving credit facility as well as other balance sheet assets and liabilities (including cash, restricted cash, net receivables, other assets, due to related party, accrued and other liabilities, escrow deposits payable and dividends payable)
10. Represents net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities

V. APPENDIX – FOOTNOTES (CONT'D)

Page 21

1. Represents carrying values at CLNC share as of December 31, 2019
2. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of December 31, 2019
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019
4. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
5. Based on carrying values at CLNC share as of December 31, 2019
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

Page 22

1. Represents carrying values at CLNC share as of December 31, 2019
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
4. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of December 31, 2019
5. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019

Page 23

1. Represents carrying values at CLNC share as of December 31, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. Represents reported NOI for the fourth quarter 2019 at CLNC share
4. Annualized NOI is calculated by annualizing reported NOI for the fourth quarter 2019 at CLNC share
5. Represents the percent leased as of December 31, 2019 and is weighted by carrying value at CLNC share as of December 31, 2019
6. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019
7. Based on carrying values at CLNC share as of December 31, 2019

Page 24

1. Represents carrying values at CLNC share as of December 31, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of December 31, 2019
3. Represents reported NOI/EBITDA for the fourth quarter 2019 at CLNC share
4. Annualized NOI/EBITDA is calculated by annualizing reported NOI/EBITDA for the fourth quarter 2019 at CLNC share
5. Represents the percent leased as of December 31, 2019. W.A. calculation based on carrying value at CLNC share as of December 31, 2019. Excludes hotel properties
6. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019. Includes office and retail properties only
7. Multifamily includes: (i) apartments, (ii) student housing and (iii) manufactured housing communities
8. Based on carrying values at CLNC share as of December 31, 2019

Page 25

1. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
2. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of December 31, 2019
3. Represents carrying values at CLNC share as of December 31, 2019

Page 26

1. Represents the percent leased as of December 31, 2019 and is weighted by carrying value at CLNC share as of December 31, 2019. Excludes hotel properties
2. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019. Includes office and retail properties only

V. APPENDIX – FOOTNOTES (CONT'D)

Page 27

1. Represents the percent leased as of December 31, 2019 and is weighted by carrying value at CLNC share as of December 31, 2019. Excludes hotel properties
2. Based on in-place leases (defined as occupied and paying leases) as of December 31, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of December 31, 2019. Includes office and retail properties only
3. Represents carrying values at CLNC share as of December 31, 2019
4. Annualized NOI/EBITDA is calculated by annualizing reported NOI/EBITDA for the fourth quarter 2019 at CLNC share

Page 29

1. Represents UPB at CLNC share as of December 31, 2019
2. Represents CLNC's share of total outstanding secured debt agreements (UPB) less unrestricted cash at CLNC's share divided by total stockholders' equity as of December 31, 2019; stockholders' equity includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
3. Assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations and is weighted on outstanding debt (UPB) at CLNC share as of December 31, 2019
4. Outstanding debt based on UPB at CLNC share as of December 31, 2019
5. Includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities as of December 31, 2019
6. Represents financing on one senior loan investment in the Core Portfolio

Page 30

1. Subject to customary non-recourse carve-outs
2. W.A. calculation based on outstanding debt (UPB) at CLNC share as of December 31, 2019. W.A. extended maturity excludes CMBS facilities
3. Assumes the applicable floating benchmark rate as of December 31, 2019 for W.A. calculations
4. Represents UPB at CLNC share as of December 31, 2019
5. Maturity dates are dependent on asset type and typically range from one to two month rolling periods
6. Represents financing on one senior loan investment in the Core Portfolio

Page 37

1. Represents interests in assets held by third party partners
2. Represents the proportionate share attributed to CLNC based on CLNC's ownership % by asset
3. Reflects the net impact of securitization assets and related obligations which are consolidated for accounting purposes

Page 38

1. Represents net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities
2. The Company calculates GAAP net book value (excluding noncontrolling interests in investment entities) per share and undepreciated book value per share, a non-GAAP financial measure, based on the total number of common shares and OP units (held by members other than the Company or its subsidiaries) outstanding at the end of the reporting period. As of December 31, 2019, the total number of common shares and OP units outstanding was approximately 131.6 million

Page 39

1. The Company calculates Core Earnings / Legacy, Non-Strategic Earnings per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the fourth quarter 2019, the weighted average number of common shares and OP units was approximately 131.6 million; includes 3.1 million of OP units
2. Includes our \$30.8 million proportionate share of impairment losses recorded on equity participations held in joint ventures. This is recorded in equity in earnings of unconsolidated ventures on our consolidated statements of operations
3. The Company calculates Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the twelve months ended December 31, 2019, the weighted average number of common shares and OP units was approximately 131.5 million; includes 3.1 million of OP units

V. COMPANY INFORMATION

Colony Credit Real Estate, Inc. (NYSE: CLNC) is one of the largest publicly traded commercial real estate credit REITs, focused on originating, acquiring, financing and managing a diversified portfolio consisting primarily of CRE senior mortgage loans, mezzanine loans, preferred equity, debt securities and net leased properties predominantly in the United States. Colony Credit Real Estate is externally managed by a subsidiary of leading global real estate and investment management firm, Colony Capital, Inc. Colony Credit Real Estate is organized as a Maryland corporation that elected to be taxed as a REIT for U.S. federal income tax purposes commencing with our initial taxable year ended December 31, 2018. For additional information regarding the Company and its management and business, please refer to www.clncredit.com.

Shareholder information

Headquarters:

Los Angeles
515 South Flower Street
44th Floor
Los Angeles, CA 90071
310-282-8220

Stock & Transfer Agent:
American Stock & Transfer
Trust Company (AST)
866-751-6317
help@astfinancial.com

Company Website:

www.clncredit.com

NYSE Ticker:
CLNC

Press & Media:

Owen Blicksilver P.R., Inc.
Caroline Luz
203-656-2829
caroline@blicksilverpr.com

Investor Relations:

ADDQ Investor Relations
Lasse Glassen
310-829-5400
lglassen@addoir.com

Analyst Coverage:

Raymond James
Stephen Laws
901-579-4868

B. Riley FBR
Randy Binner
703-312-1890