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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-38377

BRIGHTSPIRE CAPITAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	**38-4046290**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**

590 Madison Avenue, 33rd Floor
New York, NY 10022
(Address of Principal Executive Offices, Including Zip Code)

(212) 547-2631
(Registrant's Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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	**BRSP**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

As of October 27, 2026, BrightSpire Capital, Inc. had 124,676,733 shares of Class A common stock, par value $0.01 per share, outstanding.

BRIGHTSPIRE CAPITAL, INC.

FORM 10-Q

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Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q 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;
- we depend on borrowers and tenants for a substantial portion of our revenue and, accordingly, our revenue and our ability to make distributions to stockholders will be dependent upon the success and economic viability of such borrowers and tenants;
- higher interest rates may adversely impact the value of our variable-rate investments, resulting in higher interest expense, materially impacting our borrowers' ability to refinance existing loans, and creating disruptions to our borrowers' and tenants' ability to finance their activities, on whom we depend for a substantial portion of our revenue;
- lower interest rates may materially impact earnings as a result of generating less income on our loans and our ability to redeploy funds in a timely manner or to supplement earnings loss;
- our ability to manage and stabilize properties;
- deterioration in the performance of the properties securing our investments (including the impact of higher interest expense, depletion of interest and other reserves or payment-in-kind concessions in lieu of current interest payment obligations, population shifts and migration, or reduced demand for office, multifamily, hospitality or retail space) may cause deterioration in the performance of our investments and, potentially, principal losses to us;
- the fair value of our investments may be subject to uncertainties including impacts associated with inflationary trends, decisions, actions and inactions of the Federal government that cause instability, the volatility of interest rates and credit spreads increased market volatility affecting commercial real estate businesses and public securities;
- our use of leverage and interest rate mismatches between our assets and borrowings could hinder our ability to make distributions and may significantly impact our liquidity position;
- the ability to realize expected returns on equity and/or yields on investments;
- adverse impacts on our corporate revolver, including covenant compliance and borrowing base capacity;
- adverse impacts on our liquidity, including available capacity under and margin calls on master repurchase facilities, debt service or lease payment defaults or deferrals, demands for protective advances and capital expenditures;
- our real estate investments are relatively illiquid and we may not be able to vary our portfolio in response to changes in economic and other conditions, which may result in losses to us;
- our inability to refinance existing mortgage debt on our real estate portfolio;
- the timing of and ability to deploy available capital;
- our lack of an established minimum distribution payment level, and whether we can continue to pay distributions in the future;
- the timing of and ability to complete repurchases of our common stock;
- the risks associated with obtaining mortgage financing on our real estate, which could materially adversely affect our business, financial condition and results of operations and our ability to make distributions to stockholders; and
- the impact of legislative, regulatory, tax and competitive changes, regime changes and the actions of governmental authorities, and in particular those affecting the commercial real estate finance and mortgage industry or our business.

The foregoing list of factors is not exhaustive. We urge you to carefully review the disclosures we make concerning risks in the sections entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025, "Risk Factors" in this Form 10-Q for the quarter ended September 30, 2026 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein.

We caution investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. The Company is under no duty to update any of these forward-looking statements after the date of this Quarterly Report on Form 10-Q, nor to conform prior statements to actual results or revised expectations, and the Company does not intend to do so.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED BALANCE SHEETS
(in Thousands, Except Share and Per Share Data)
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 63,601	$ 66,789
Restricted cash	113,996	107,046
Loans and preferred equity held for investment	3,082,324	2,678,315
Current expected credit loss reserve	(106,317)	(87,401)
Loans and preferred equity held for investment, net	2,976,007	2,590,914
Real estate, net	413,044	679,779
Receivables, net	39,495	45,591
Deferred leasing costs and intangible assets, net	3,744	27,646
Assets held for sale	32,012	—
Other assets	25,674	47,065
Total assets	$ 3,667,573	$ 3,564,830
Liabilities		
Securitization bonds payable, net	$ 1,362,731	$ 977,082
Mortgage and other notes payable, net	210,988	414,060
Credit facilities	1,059,853	1,078,098
Accrued and other liabilities	54,257	64,098
Escrow deposits payable	88,139	82,511
Dividends payable	21,812	20,576
Total liabilities	2,797,780	2,636,425
Commitments and contingencies (Note 12)		
Equity		
Stockholders' equity		
Preferred stock, $0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Common stock, $0.01 par value per share		
Class A, 950,000,000 shares authorized, 124,676,733 and 128,627,246 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	1,247	1,286
Additional paid-in capital	2,838,885	2,863,377
Accumulated deficit	(1,957,040)	(1,926,231)
Total stockholders' equity	883,092	938,432
Noncontrolling interests in investment entities	(13,299)	(10,027)
Total equity	869,793	928,405
Total liabilities and equity	$ 3,667,573	$ 3,564,830

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED BALANCE SHEETS
(in Thousands)

The following table presents assets and liabilities of securitization vehicles and certain real estate properties that have noncontrolling interests as variable interest entities for which the Company is determined to be the primary beneficiary.

	September 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	$ 1,861	$ 1,461
Restricted cash	15,341	9,149
Loans and preferred equity held for investment, net	1,565,318	1,151,496
Real estate, net	114,866	149,343
Receivables, net	19,183	16,053
Deferred leasing costs and intangible assets, net	3,597	3,544
Other assets	21,501	23,970
Total assets	$ 1,741,667	$ 1,355,016
Liabilities		
Securitization bonds payable, net	$ 1,362,731	$ 977,082
Mortgage and other notes payable, net	94,666	96,348
Credit facilities	25,866	45,145
Accrued and other liabilities	11,613	8,074
Escrow deposits payable	4,224	3,354
Total liabilities	$ 1,499,100	$ 1,130,003

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in Thousands, Except Per Share Data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net interest income				
Interest income	$ 56,168	$ 48,889	$ 157,760	$ 145,638
Interest expense	(37,905)	(31,364)	(106,146)	(95,510)
Net interest income	18,263	17,525	51,614	50,128
Property and other income				
Property operating income	30,837	32,536	93,923	95,063
Other income	350	2,513	4,360	6,724
Total property and other income	31,187	35,049	98,283	101,787
Expenses				
Property operating expense	19,161	19,675	57,750	46,293
Transaction, investment and servicing expense	1,380	854	3,719	2,046
Interest expense on real estate	4,655	5,170	14,868	18,499
Depreciation and amortization	4,084	7,188	20,897	28,346
Increase of current expected credit loss reserve	15,039	8,215	30,286	8,562
Impairment of operating real estate	5,986	2,509	15,256	53,636
Compensation and benefits (including $3,581, $2,794, $9,942, and $9,920 of equity-based compensation expense, respectively)	9,197	8,077	27,242	26,700
Operating expense	3,055	2,857	9,308	9,048
Total expenses	62,557	54,545	179,326	193,130
Other income (loss)				
Other gain (loss), net	60,322	538	60,291	(3,065)
Income (loss) before equity in earnings of unconsolidated ventures and income (loss) taxes	47,215	(1,433)	30,862	(44,280)
Equity in earnings (loss) of unconsolidated ventures	—	—	(602)	—
Income tax benefit (expense)	19	129	(85)	21,511
Net income (loss)	47,234	(1,304)	30,175	(22,769)
Net income (loss) attributable to noncontrolling interests in investment entities	(300)	2,288	3,272	5,976
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 46,934	$ 984	$ 33,447	$ (16,793)
Net income (loss) per common share - basic (Note 14)	$ 0.37	$ 0.00	$ 0.25	$ (0.14)
Net income (loss) per common share - diluted (Note 14)	$ 0.37	$ 0.00	$ 0.25	$ (0.14)
Weighted average shares of common stock outstanding - basic (Note 14)	122,318	126,940	124,974	127,089
Weighted average shares of common stock outstanding - diluted (Note 14)	122,900	129,845	125,953	127,089

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in Thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 47,234	$ (1,304)	$ 30,175	$ (22,769)
Other comprehensive income (loss)				
Reclassification of net investment hedges to other gain (loss)	—	—	—	(18,603)
Foreign currency translation gain	—	—	—	24,940
Total other comprehensive income	—	—	—	6,337
Comprehensive income (loss)	47,234	(1,304)	30,175	(16,432)
Comprehensive (income) loss attributable to noncontrolling interests:				
Investment entities	(300)	2,288	3,272	5,976
Comprehensive income (loss) attributable to common stockholders	$ 46,934	$ 984	$ 33,447	$ (10,456)

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(in Thousands)
(Unaudited)

	Common Stock Class A							
	Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interests in Investment Entities	Total Equity
Balance as of December 31, 2024	129,685	$ 1,297	$ 2,865,341	$ (1,812,083)	$ (6,337)	$ 1,048,218	$ (2,407)	$ 1,045,811
Issuance and amortization of equity-based compensation	1,619	$ 16	$ 4,197	$ —	$ —	$ 4,213	$ —	$ 4,213
Other comprehensive income	—	—	—	—	1,831	1,831	—	1,831
Dividends and distributions declared ($0.16 per share)	—	—	—	(20,802)	—	(20,802)	—	(20,802)
Shares canceled for tax withholding on vested stock awards	(646)	(6)	(3,872)	—	—	(3,878)	—	(3,878)
Net income (loss)	—	—	—	5,342	—	5,342	(1,634)	3,708
Balance as of March 31, 2025	130,658	$ 1,307	$ 2,865,666	$ (1,827,543)	$ (4,506)	$ 1,034,924	$ (4,041)	$ 1,030,883
Issuance and amortization of equity-based compensation	93	$ 1	$ 2,912	$ —	$ —	$ 2,913	$ —	$ 2,913
Repurchase of common stock	(757)	(8)	(4,000)	—	—	(4,008)	—	(4,008)
Other comprehensive income	—	—	—	—	4,506	4,506	—	4,506
Dividends and distributions declared ($0.16 per share)	—	—	—	(20,862)	—	(20,862)	—	(20,862)
Net loss	—	—	—	(23,118)	—	(23,118)	(2,054)	(25,172)
Balance as of June 30, 2025	129,994	$ 1,300	$ 2,864,578	$ (1,871,523)	$ —	$ 994,355	$ (6,095)	$ 988,260
Issuance and amortization of equity-based compensation	—	$ —	$ 2,927	$ —	$ —	$ 2,927	$ —	$ 2,927
Share forfeitures	(80)	—	(133)	—	—	(133)	—	(133)
Repurchase of common stock	(181)	(3)	(961)	—	—	(964)	—	(964)
Dividends and distributions declared ($0.16 per share)	—	—	—	(20,756)	—	(20,756)	—	(20,756)
Net income (loss)	—	—	—	984	—	984	(2,288)	(1,304)
Balance as of September 30, 2025	129,733	$ 1,297	$ 2,866,411	$ (1,891,295)	$ —	$ 976,413	$ (8,383)	$ 968,030

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF EQUITY (Continued)
(in Thousands)
(Unaudited)

	Common Stock Class A						
	Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity	Noncontrolling Interests in Investment Entities	Total Equity
Balance as of December 31, 2025	128,627	$ 1,286	$ 2,863,377	$ (1,926,231)	$ 938,432	$ (10,027)	$ 928,405
Issuance and amortization of equity-based compensation	2,511	$ 26	$ 2,892	$ —	$ 2,918	$ —	$ 2,918
Dividends and distributions declared ($0.16 per share)	—	—	—	(23,487)	(23,487)	—	(23,487)
Shares canceled for tax withholding on vested stock awards	(860)	(9)	(4,781)	—	(4,790)	—	(4,790)
Net income (loss)	—	—	—	4,845	4,845	(1,722)	3,123
Balance as of March 31, 2026	130,278	$ 1,303	$ 2,861,488	$ (1,944,873)	$ 917,918	$ (11,749)	$ 906,169
Issuance and amortization of equity-based compensation	88	$ 1	$ 3,442	$ —	$ 3,443	$ —	$ 3,443
Repurchase of common stock	(3,576)	(36)	(19,459)	—	(19,495)	—	(19,495)
Dividends and distributions declared ($0.16 per share)	—	—	—	(20,552)	(20,552)	—	(20,552)
Net loss	—	—	—	(18,334)	(18,334)	(1,850)	(20,184)
Balance as of June 30, 2026	126,790	$ 1,268	$ 2,845,471	$ (1,983,759)	$ 862,980	$ (13,599)	$ 849,381
Issuance and amortization of equity-based compensation	—	$ —	$ 3,581	$ —	$ 3,581	$ —	$ 3,581
Repurchase of common stock	(2,063)	(20)	(9,917)	—	(9,937)	—	(9,937)
Dividends and distributions declared ($0.16 per share)	—	—	—	(20,215)	(20,215)	—	(20,215)
Shares canceled for tax withholding on vested stock awards	(50)	(1)	(250)	—	(251)	—	(251)
Net income	—	—	—	46,934	46,934	300	47,234
Balance as of September 30, 2026	124,677	$ 1,247	$ 2,838,885	$ (1,957,040)	$ 883,092	$ (13,299)	$ 869,793

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in Thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income (loss)	$ 30,175	$ (22,769)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Equity in (earnings) losses of unconsolidated ventures	602	—
Depreciation and amortization	20,897	28,346
Straight-line rental income	(199)	(1,033)
Origination fees received, net of discount accretion and fee amortization	4,627	(133)
Amortization of deferred financing costs	7,767	6,198
Paid-in-kind interest added to loan principal	(1,667)	(1,787)
Designated hedges and foreign currency translation reclassified to earnings	—	3,362
Realized (gain) loss on sale of real estate	(60,291)	764
Increase of current expected credit loss reserve	30,286	8,562
Impairment of operating real estate	15,256	53,636
Amortization of equity-based compensation	9,942	9,920
Non-cash adjustments	72	164
Deferred income tax (benefit) expense	94	(21,781)
Changes in assets and liabilities:		
Receivables, net	(10,814)	(2,654)
Deferred costs and other assets	12,144	1,219
Other liabilities	(1,902)	(4,214)
Net cash provided by operating activities	56,989	57,800
Cash flows from investing activities:		
Acquisition, origination and funding of loans and preferred equity held for investment, net	(835,024)	(356,578)
Repayment on loans held for investment	372,061	243,630
Proceeds from sale of real estate	148,638	39,554
Cash and restricted cash received related to consolidation of loans held for investment and real estate owned	2,433	6,141
Cash and restricted cash relinquished in deconsolidation of subsidiaries	(1,194)	(5,638)
Acquisition of and additions to real estate and related intangibles	(4,041)	(10,837)
Change in escrow deposits payable	5,628	(4,338)
Net cash used in investing activities	(311,499)	(88,066)
Cash flows from financing activities:		
Distributions paid on common stock	(63,021)	(62,412)
Shares canceled for tax withholding on vested stock awards	(5,041)	(3,878)
Repurchase of common stock	(29,432)	(4,972)
Repayment of mortgage notes	(4,096)	(4,184)
Borrowings from master repurchase and credit facilities	1,243,981	229,285
Repayment of master repurchase and credit facilities	(1,262,226)	(235,798)
Borrowing from securitization bonds	833,237	—
Repayment of securitization bonds	(444,305)	(111,734)
Payment of deferred financing costs	(10,825)	(4,990)
Net cash provided by (used in) financing activities	258,272	(198,683)
Effect of exchange rates on cash, cash equivalents and restricted cash	—	(180)
Net increase (decrease) in cash, cash equivalents and restricted cash	3,762	(229,129)
Cash, cash equivalents and restricted cash - beginning of period	173,835	450,696
Cash, cash equivalents and restricted cash - end of period	$ 177,597	$ 221,567

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(in Thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Reconciliation of cash, cash equivalents and restricted cash to consolidated balance sheets		
Beginning of the period		
Cash and cash equivalents	$ 66,789	$ 302,173
Restricted cash	107,046	148,523
Total cash, cash equivalents and restricted cash, beginning of period	$ 173,835	$ 450,696
End of the period		
Cash and cash equivalents	$ 63,601	$ 113,378
Restricted cash	113,996	108,189
Total cash, cash equivalents and restricted cash, end of period	$ 177,597	$ 221,567

	Nine Months Ended September 30,	
	2026	**2025**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 113,604	$ 111,638
Income taxes paid (refunded)	(10,179)	(1,879)
Supplemental disclosure of non-cash investing and financing activities:		
Deconsolidation of assets following foreclosure (refer to Note 4)	$ (7,885)	$ (264,170)
Deconsolidation of liabilities following foreclosure (refer to Note 4)	5,829	241,332
Accrual of distribution payable	21,812	20,756
Assets transferred to held for sale	32,012	34,284
Mortgage notes payable assumed by buyer in connection with sale of real estate	(200,000)	—
Assumption of accounts payable, accrued expenses and other liabilities related to consolidation of VIE and assumption of real estate	(2,267)	(10,633)
Assumption of receivables and other assets related to consolidation of VIE and assumption of real estate	443	12,591
Assumption of real estate and consolidation of VIE (refer to Note 4)	44,791	226,964

The accompanying notes are an integral part of these consolidated financial statements.

BRIGHTSPIRE CAPITAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Business and Organization

BrightSpire Capital, Inc. (the "Company") is an internally-managed commercial real estate ("CRE") credit real estate investment trust ("REIT") focused on originating, acquiring, financing and managing a diversified portfolio consisting primarily of CRE debt investments. CRE debt investments primarily consist of senior mortgage loans, which is the Company's primary investment strategy. Additionally, the Company may selectively originate mezzanine loans and make preferred equity investments, which may include profit participations. The mezzanine loans and preferred equity investments may be in conjunction with the Company's origination of corresponding senior mortgages on the same properties.

The Company was organized in the state of Maryland on August 23, 2017 and maintains key offices in New York, New York and Los Angeles, California. The Company elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, beginning with the taxable year ended December 31, 2018. The Company conducts all activities and holds substantially all assets and liabilities through the Company's operating subsidiary, BrightSpire Capital Operating Company, LLC (the "OP").

2. Summary of Significant Accounting Policies

The significant accounting policies of the Company are described below. The accounting policies of the Company's unconsolidated ventures are substantially similar to those of the Company.

Basis of Presentation

The accompanying unaudited interim financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all information and footnotes required by generally accepted accounting principles in the United States of America ("GAAP") for complete financial statements. These statements reflect all normal and recurring adjustments which, in the opinion of management, are necessary to present fairly the financial position, results of operations and cash flows of the Company for the interim periods presented. However, the results of operations for the interim period presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2026, or any other future period. These interim financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in, or presented as exhibits to, the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as certain disclosures that would substantially duplicate those contained in the audited consolidated financial statements have not been included in this interim report.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates and assumptions.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its controlled subsidiaries. All intercompany accounts and transactions have been eliminated. The portions of equity, net income and other comprehensive income of consolidated subsidiaries that are not attributable to the parent are presented separately as amounts attributable to noncontrolling interests in the consolidated financial statements.

The Company consolidates entities in which it has a controlling financial interest by first considering if an entity meets the definition of a variable interest entity ("VIE") for which the Company is deemed to be the primary beneficiary, or if the Company has the power to control an entity through a majority of voting interest or through other arrangements.

Variable Interest Entities

Variable Interest Entities—A VIE is an entity that either (i) lacks sufficient equity to finance its activities without additional subordinated financial support from other parties; (ii) whose equity holders as a group lack the characteristics of a controlling financial interest; or (iii) is established with non-substantive voting rights. A VIE is consolidated by its primary beneficiary, which is defined as the party who has a controlling financial interest in the VIE through (a) power to direct the activities of the VIE that most significantly affect the VIE's economic performance, and (b) obligation to absorb losses or right to receive benefits of the VIE that could be significant to the VIE.

Voting Interest Entities—Unlike VIEs, voting interest entities have sufficient equity to finance their activities and equity investors exhibit the characteristics of a controlling financial interest through their voting rights. The Company consolidates such entities when it has the power to control these entities through ownership of a majority of the entities' voting interests or through other arrangements.

At each reporting period, the Company reassesses whether changes in facts and circumstances cause a change in the status of an entity as a VIE or voting interest entity, and/or a change in the Company's consolidation assessment.

As of September 30, 2026 and December 31, 2025, the Company has identified certain consolidated and unconsolidated VIEs. Assets of each of the VIEs, other than the OP, may only be used to settle obligations of the respective VIE. Creditors of each of the VIEs have no recourse to the general credit of the Company.

Consolidated VIEs

Consolidated VIEs include the entities which issue securitization bonds payable, net, the entities holding the Arlington, Texas multifamily property and certain operating real estate properties that have noncontrolling interests. The noncontrolling interests in the operating real estate properties represent a third party joint venture partner with an ownership of 5.0% at September 30, 2026 and December 31, 2025. The noncontrolling interest does not have substantive kick-out nor participating rights. Arlington, Texas is a multifamily loan in which we also hold a preferred equity interest.

Unconsolidated VIEs

As of September 30, 2026, the Company held additional interests in 11 unconsolidated VIEs relating to 11 preferred equity investments. The table below shows key characteristics of these unconsolidated VIEs.

	Fixed Preferred Return[2]	Maximum Exposure to Loss[3]	Carrying Value	Commitment
Preferred Equity Investments 6 pack[1]	14%	$173.5 million	$12.8 million	$15.1 million
Preferred Equity Investments 7-11	10-20%	$169.8 million	$6.7 million	$12.5 million

(1) The preferred equity investments were funded in relation to six senior loans that were originated prior to the second quarter of 2025, all with the same sponsor. The preferred equity investments are cross-collateralized. If there is a shortfall upon resolution of any of the six preferred equity investments, the Company will receive proceeds from the resolution of the other six remaining preferred equity investments.
(2) The Company does not hold any upside above the Fixed Preferred Returns.
(3) The Maximum Exposure to Loss represents the unpaid principal balances of the senior loans and preferred equity investments at September 30, 2026.

The Company has determined that it is not the primary beneficiary of the VIEs noted in the table above as it does not have power over decisions that most significantly affect the VIEs and has not consolidated these VIEs. The Company accounts for these investments as debt investments due to the mandatory redemption features within the preferred equity investment agreements. The mandatory redemption date is the same as the maturity date for the corresponding senior loans. The investments are included in loans and preferred equity held for investment, net on the Company's consolidated balance sheets.

Noncontrolling Interests

Noncontrolling interests in investment entities represents interests in consolidated investment entities held by third party joint venture partners, including the operations of the Arlington, Texas and Mesa, Arizona multifamily properties collateralizing the senior loans. As of September 30, 2026, the Company no longer holds the Mesa, Arizona multifamily property.

Allocation of net income or loss is generally based upon relative ownership interests held by equity owners in each investment entity or based upon contractual arrangements that may provide for disproportionate allocation of economic returns among equity interests, including using a hypothetical liquidation at book value ("HLBV") basis, where applicable and substantive. HLBV uses a balance sheet approach, which measures each party's capital account at the end of a period, assuming that the subsidiary was liquidated or sold at book value. Each party's share of the subsidiary's earnings or loss is calculated by measuring the change in the party's capital account from the beginning of the period in question to the end of period, adjusting for effects of distributions and new investments.

Fair Value Measurement

Fair value is based on an exit price, defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Where appropriate, the Company makes adjustments to estimated fair values to appropriately reflect counterparty credit risk as well as the Company's own creditworthiness.

The estimated fair value of financial assets and financial liabilities are categorized into a three-tier hierarchy, prioritized based on the level of transparency in inputs used in the valuation techniques, as follows:

Level 1—Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in non-active markets, or valuation techniques utilizing inputs that are derived principally from or corroborated by observable data directly or indirectly for substantially the full term of the financial instrument.

Level 3—At least one assumption or input is unobservable, and it is significant to the fair value measurement, requiring significant management judgment or estimate.

Where the inputs used to measure the fair value of a financial instrument fall into different levels of the fair value hierarchy, the financial instrument is categorized within the hierarchy based on the lowest level of input that is significant to its fair value measurement.

Fair Value Option

The fair value option provides an option to elect fair value as an alternative measurement for selected financial instruments. Gains and losses on items for which the fair value option has been elected are reported in earnings. The fair value option may be elected only upon the occurrence of certain specified events, including when the Company enters into an eligible firm commitment, at initial recognition of the financial instrument, as well as upon a business combination or consolidation of a subsidiary. The election is applied on an instrument-by-instrument basis and is irrevocable unless a new election event occurs.

Business Combinations

Definition of a Business—The Company evaluates each purchase transaction to determine whether the acquired assets meet the definition of a business. If substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets, then the set of transferred assets and activities is not a business. If not, for an acquisition to be considered a business, it would have to include an input and a substantive process that together significantly contribute to the ability to create outputs (i.e., there is a continuation of revenue before and after the transaction). A substantive process is not ancillary or minor, cannot be replaced without significant costs, effort or delay or is otherwise considered unique or scarce. To qualify as a business without outputs, the acquired assets would require an organized workforce with the necessary skills, knowledge and experience that performs a substantive process.

Asset Acquisitions—For acquisitions that are not deemed to be businesses, the assets acquired are recognized based on their cost to the Company as the acquirer and no gain or loss is recognized. The cost of assets acquired in a group is allocated to individual assets within the group based on their relative fair values and does not give rise to goodwill. Transaction costs related to the acquisition of assets are included in the cost basis of the assets acquired. Such valuations require management to make significant estimates and assumptions.

Business Combinations—The Company accounts for acquisitions that qualify as business combinations by applying the acquisition method. Transaction costs related to the acquisition of a business are expensed as incurred and excluded from the fair value of consideration transferred. The identifiable assets acquired, liabilities assumed and noncontrolling interests in an acquired entity are recognized and measured at their estimated fair values. The excess of the fair value of consideration transferred over the fair values of identifiable assets acquired, liabilities assumed and noncontrolling interests in an acquired entity, net of fair value of any previously held interest in the acquired entity, is recorded as goodwill. Such valuations require management to make significant estimates and assumptions.

Cash and Cash Equivalents

Short-term, highly liquid investments with original maturities of three months or less at the time of acquisition are considered to be cash equivalents. The Company's cash is held with major financial institutions. Certain cash account balances exceed Federal Deposit Insurance Corporation insurance limits of $250,000 per account and as a result, there is a concentration of credit risk related to amounts in excess of the insurance limits. The Company monitors the financial stability of these financial institutions and believes it is not exposed to any significant credit risk in cash and cash equivalents.

Restricted Cash

Restricted cash consists primarily of borrower escrow deposits, tenant escrow deposits and real estate capital expenditure reserves.

Loans and Preferred Equity Held for Investment

The Company originates and purchases loans and preferred equity held for investment. The accounting framework for loans and preferred equity held for investment depends on the Company's strategy whether to hold or sell the loan and preferred equity or whether the loan was credit-impaired at the time of acquisition.

Loans and Preferred Equity Held for Investment

Loans and preferred equity that the Company has the intent and ability to hold for the foreseeable future are classified as held for investment. Originated loans and preferred equity are recorded at amortized cost, or outstanding unpaid principal balance plus exit fees less net deferred loan fees. Net deferred loan fees include unamortized origination and other fees charged to the borrower less direct incremental loan origination costs incurred by the Company. Purchased loans and preferred equity are recorded at amortized cost, or unpaid principal balance plus purchase premium or less unamortized discount. Costs to purchase loans and preferred equity are expensed as incurred. Preferred equity investments included in loans and preferred equity held for investment, net have fixed interest rates and mandatory redemption dates.

Interest Income—Interest income is recognized based upon contractual interest rate and unpaid principal balance of the loans and preferred equity. Net deferred loan fees on originated loans are deferred and amortized as adjustments to interest income over the expected life of the loans and preferred equity using the effective yield method. Premium or discount on purchased loans and preferred equity are amortized as adjustments to interest income over the expected life of the loans and preferred equity using the effective yield method. When a loan or preferred equity is prepaid, prepayment fees and any excess of proceeds over the carrying amount of the loan and preferred equity is recognized as additional interest income.

The Company has debt investments in its portfolio that contain a payment-in-kind ("PIK") provision. Contractual PIK interest, which represents contractually deferred interest added to the loan or preferred equity balance that is due at the end of the loan term, is generally recorded on an accrual basis to the extent such amounts are expected to be collected. The Company will generally cease accruing PIK interest if there is insufficient value to support the accrual or management does not expect the borrower to be able to pay all principal and interest due.

Nonaccrual—Accrual of interest income is suspended on nonaccrual loans and preferred equity. Loans and preferred equity that are past due 90 days or more as to principal or interest, or where reasonable doubt exists as to timely collection, are generally considered nonperforming and placed on nonaccrual status. Interest receivable is reversed against interest income when loans and preferred equity are placed on nonaccrual status. Interest collected is recognized on a cash basis by crediting income when received; or if ultimate collectability of loan or preferred equity principal is uncertain, interest collected is recognized using a cost recovery method by applying interest collected as a reduction to loan and preferred equity carrying value. Loans and preferred equity may be restored to accrual status when all principal and interest are current and full repayment of the remaining contractual principal and interest are probable.

Loans Held for Sale

Loans that the Company intends to sell or liquidate in the foreseeable future are classified as held for sale. Loans held for sale are carried at the lower of amortized cost or fair value less disposal cost, with valuation changes recognized as impairment loss. Loans held for sale are not subject to Current Expected Credit Losses ("CECL") reserves. Net deferred loan origination fees and loan purchase premiums or discounts are deferred and capitalized as part of the carrying value of the held for sale loan until the loan is sold, and therefore are included in the periodic valuation adjustments based on lower of cost or fair value less disposal cost. At September 30, 2026 and December 31, 2025, there were no loans held for sale.

Operating Real Estate

Real Estate Acquisitions—Real estate acquired in acquisitions that are deemed to be business combinations is recorded at the fair values of the acquired components at the time of acquisition, allocated among land, buildings, improvements, equipment and lease-related tangible and identifiable intangible assets and liabilities, including forgone leasing costs, in-place lease values and above- or below-market lease values and assumed debt, if any. Real estate acquired in acquisitions that are deemed to be asset acquisitions is recorded at the total value of consideration transferred, including transaction costs, and allocated to the acquired components based upon relative fair value. The estimated fair value of acquired land is derived from recent comparable sales of land and listings within the same local region based on available market data. The estimated fair value of acquired buildings and building improvements is derived from comparable sales, discounted cash flow analysis using market-based assumptions, or replacement cost, as appropriate. The fair value of site and tenant improvements is estimated based upon current market replacement costs and other relevant market rate information.

Real Estate Held for Investment

Real estate held for investment is carried at cost less accumulated depreciation.

Costs Capitalized or Expensed—Expenditures for ordinary repairs and maintenance are expensed as incurred, while expenditures for significant renovations that improve or extend the useful life of the asset are capitalized and depreciated over their estimated useful lives.

Depreciation—Real estate held for investment, other than land, is depreciated on a straight-line basis over the estimated useful lives of the assets, as follows:

Real Estate Assets	Term
Building (fee interest)	28 to 47 years
Building leasehold interests	Lesser of remaining term of the lease or remaining life of the building
Building improvements	Lesser of the useful life or remaining life of the building
Land improvements	1 to 15 years
Tenant improvements	Lesser of the useful life or remaining term of the lease
Furniture, fixtures and equipment	2 to 9 years

Impairment—The Company evaluates its real estate held for investment for impairment periodically or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Company evaluates real estate for impairment on the lowest level of identifiable cash flows, which is generally on an individual property basis. If an impairment indicator exists, the Company evaluates the undiscounted future net cash flows that are expected to be generated by the property, including any estimated proceeds from the eventual disposition of the property. If multiple outcomes are under consideration, the Company may apply a probability-weighted approach to the impairment analysis. Another key consideration in this assessment is the Company's assumptions about the highest and best use of its real estate investments and its intent and ability to hold them for a reasonable period that would allow for the recovery of their carrying values. If such assumptions change and the Company shortens its expected hold period, this may result in the recognition of impairment losses. Based upon the analysis, if the carrying value of a property exceeds its undiscounted future net cash flows, an impairment loss is recognized for the excess of the carrying value of the property over the estimated fair value of the property. In evaluating and/or measuring impairment, the Company considers, among other things, current and estimated future cash flows associated with each property, market information for each sub-market, including, where applicable, capitalization rates, discount rates, leasing trends, occupancy trends, lease or room rates, and the market prices of similar properties recently sold or currently being offered for sale, and other quantitative and qualitative factors. Refer to Note 4, "Real Estate, net" and Note 11, "Fair Value" for further detail.

Real Estate Held for Sale

Real estate is classified as held for sale in the period when (i) management approves a plan to sell the asset, (ii) the asset is available for immediate sale in its present condition, subject only to usual and customary terms, (iii) a program is initiated to locate a buyer and actively market the asset for sale at a reasonable price, and (iv) completion of the sale is probable within one year. Real estate held for sale is stated at the lower of its carrying amount or estimated fair value less disposal cost, with any write-down to fair value less disposal cost recorded as an impairment loss. For any increase in fair value less disposal cost subsequent to classification as held for sale, the impairment loss may be reversed, but only up to the amount of cumulative loss previously recognized. Depreciation is not recorded on assets classified as held for sale. At the time a sale is consummated, the excess, if any, of sale price less selling costs over carrying value of the real estate is recognized as a gain.

If circumstances arise that were previously considered unlikely and, as a result, the Company decides not to sell the real estate asset previously classified as held for sale, the real estate asset is reclassified as held for investment. Upon reclassification, the real estate asset is measured at the lower of (i) its carrying amount prior to classification as held for sale, adjusted for depreciation expense that would have been recognized had the real estate been continuously classified as held for investment, and (ii) its estimated fair value at the time the Company decides not to sell.

At September 30, 2026, there was one property classified as held for sale. At December 31, 2025, the Company classified one property as held for sale. Refer to Note 4, "Real Estate, net" and Note 11, "Fair Value" for further detail.

Foreclosed Properties

The Company receives foreclosed properties in full or partial settlement of loans held for investment by taking legal title or physical possession of the properties. Foreclosed properties are generally recognized at the time the real estate is received at foreclosure sale or upon execution of a deed-in-lieu of foreclosure. Foreclosed properties are initially measured at fair value. If the fair value of the property is lower than the carrying value of the loan, the difference is recognized through CECL reserves and the cumulative reserve on the loan is charged off prior to recording the loan as real estate. Fair value of foreclosed properties is generally based on a discounted cash flow, third party appraisals, broker price opinions, comparable sales, direct capitalization method or a combination thereof. At September 30, 2026, the Company held three foreclosed properties in other real estate, net with a combined carrying value of $220.1 million. At September 30, 2026, the Company held one foreclosed property in assets held for sale, with a carrying value of $32.0 million. At December 31, 2025, the Company held four foreclosed properties in other real estate, net with a combined carrying value of $237.0 million.

Identifiable Intangibles

Identifiable intangibles recognized in acquisitions of operating real estate properties generally include in-place leases, above- or below-market leases and deferred leasing costs, all of which have finite lives. In-place leases generate value over and above tangible real estate because a property that is occupied with leased space is typically worth more than a vacant building without an operating lease contract in place. The estimated fair value of acquired in-place leases is derived based on management's assessment of costs avoided from having tenants in place, including lost rental income, rent concessions and tenant allowances or reimbursements, that hypothetically would be incurred to lease a vacant building to its actual existing occupancy level on the valuation date. The net amount recorded for acquired in-place leases is included in intangible assets and amortized on a straight-line basis as an increase to depreciation and amortization expense over the remaining term of the applicable leases. If an in-place lease is terminated, the unamortized portion is charged to depreciation and amortization expense.

The estimated fair value of the above- or below-market component of acquired leases represents the present value of the difference between contractual rents of acquired leases and market rents at the time of the acquisition for the remaining lease term, discounted for tenant credit risks. Above- or below-market operating lease values are amortized on a straight-line basis as a decrease or increase to rental income, respectively, over the applicable lease terms. This includes fixed rate renewal options in acquired leases that are below market, which are amortized to decrease rental income over the renewal period. Above- or below-market ground lease obligations are amortized on a straight-line basis as a decrease or increase to rent expense, respectively, over the applicable lease terms. If the above- or below-market operating lease values or above- or below-market ground lease obligations are terminated, the unamortized portion of the lease intangibles are recorded in rental income or rent expense, respectively.

Deferred leasing costs represent management's estimate of the avoided leasing commissions and legal fees associated with an existing in-place lease. The net amount is included in intangible assets and amortized on a straight-line basis as an increase to depreciation and amortization expense over the remaining term of the applicable lease.

Transfers of Financial Assets

Sale accounting for transfers of financial assets requires the transfer of an entire financial asset, a group of financial assets in its entirety or if a component of the financial asset is transferred, that the component meets the definition of a participating interest with characteristics that mirror the original financial asset.

Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. If the Company has any continuing involvement, rights or obligations with the transferred financial asset (outside of standard representations and warranties), sale accounting requires that the transfer meets the following sale conditions: (1) the transferred asset has been legally isolated; (2) the transferee has the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred asset; and (3) the Company does not maintain effective control over the transferred asset through an agreement that provides for (a) both an entitlement and an obligation by the Company to repurchase or redeem the asset before its maturity, (b) the unilateral ability by the Company to reclaim the asset and a more than trivial benefit attributable to that ability, or (c) the transferee requiring the Company to repurchase the asset at a price so favorable to the transferee that it is probable the repurchase will occur.

If sale accounting is met, the transferred financial asset is removed from the balance sheet and a net gain or loss is recognized upon sale, taking into account any retained interests. Transfers of financial assets that do not meet the criteria for sale are accounted for as financing transactions, or secured borrowing, including the Company's Master Repurchase Facilities (as defined herein).

Financing Costs

Financing costs primarily include debt discounts and premiums as well as deferred financing costs. Deferred financing costs represent commitment fees, legal and other third-party costs associated with obtaining financing. Costs related to revolving credit facilities, including master repurchase facilities, are recorded in other assets and are amortized to interest expense using the straight-line basis over the term of the facility. Costs related to other borrowings are recorded net against the carrying value of such borrowings and are amortized to interest expense using the effective interest method. The Company expenses unamortized deferred financing costs to other gain (loss), net when the associated facility is repaid before maturity. Costs incurred in seeking financing transactions, which do not close, are expensed in the period in which it is determined that the financing will not occur.

Revenue Recognition

Property Operating Income

Property operating income includes the following:

Rental Income—Rental income is recognized on a straight-line basis over the non-cancellable term of the related lease, together with renewal options that are reasonably certain of being exercised, which includes the effects of minimum rent increases and rent abatements under the lease. Rents received in advance are deferred.

When it is determined that the Company is the owner of tenant improvements, the cost to construct the tenant improvements, including costs paid for or reimbursed by the tenants, is capitalized. For tenant improvements owned by the Company, the amount funded by or reimbursed by the tenants are recorded as deferred revenue, which is amortized on a straight-line basis as additional rental income over the term of the related lease. Rental income recognition commences when the leased space is substantially ready for its intended use and the tenant takes possession of the leased space.

When it is determined that the tenant is the owner of tenant improvements, the Company's contribution towards those improvements is recorded as a lease incentive, included in deferred leasing costs and intangible assets on the balance sheet, and amortized as a reduction to rental income on a straight-line basis over the term of the lease. Rental income recognition commences when the tenant takes possession of the leased space.

Tenant Reimbursements—In net lease arrangements, the tenant is generally responsible for operating expenses related to the property, including real estate taxes, property insurance, maintenance, repairs and improvements. Costs reimbursable from tenants and other recoverable costs are recognized as revenue in the period the recoverable costs are incurred. When the Company is the primary obligor with respect to purchasing goods and services for property operations and has discretion in selecting the supplier and retains credit risk, tenant reimbursement revenue and property operating expenses are presented on a gross basis in the statements of operations. For certain triple net leases where the lessee self-manages the property, hires its own service providers and retains credit risk for routine maintenance contracts, no reimbursement revenue and expense are recognized.

Hotel Operating Income—Hotel operating income includes room revenue, food and beverage sales and other ancillary services. Revenue is recognized upon occupancy of rooms, consummation of sales and provision of services.

Foreign Currency

Assets and liabilities denominated in a foreign currency for which the functional currency is a foreign currency are translated using the exchange rate in effect at the balance sheet date and the corresponding results of operations for such entities are translated using the average exchange rate in effect during the period. The resulting foreign currency translation adjustments are recorded as a component of accumulated other comprehensive income or loss in stockholders' equity. Upon sale, complete or substantially complete liquidation of a foreign subsidiary, or upon partial sale of a foreign equity method investment, the translation adjustment associated with the investment, or a proportionate share related to the portion of equity method investment sold, is reclassified from accumulated other comprehensive income or loss into earnings. Refer to Note 10, "Stockholders' Equity" for further discussion.

Assets and liabilities denominated in a foreign currency for which the functional currency is the U.S. dollar are remeasured using the exchange rate in effect at the balance sheet date and the corresponding results of operations for such entities are remeasured using the average exchange rate in effect during the period. The resulting foreign currency remeasurement adjustments are recorded in other gain (loss), net on the consolidated statements of operations.

Disclosures of non-U.S. dollar amounts to be recorded in the future are translated using exchange rates in effect at the date of the most recent balance sheet presented. As of June 30, 2025, the Company no longer had any assets or liabilities denominated in a foreign currency. Refer to Note 4, "Real Estate, net" for further detail.

Equity-Based Compensation

Equity-classified stock awards granted to executive officers and non-employee directors are based on the closing price of the Class A common stock on the grant date and recognized on a straight-line basis over the requisite service period of the awards for restricted stock awards. For performance stock units ("PSUs") the fair value is based on a Monte Carlo simulation as of the grant date and the expense is generally recognized on a straight-line basis over the measurement period, except when certain performance metrics are achieved. Refer to Note 9, "Equity-Based Compensation" for further discussion.

The compensation expense is adjusted for actual forfeitures upon occurrence. Equity-based compensation is classified within compensation and benefits in the consolidated statements of operations.

Earnings Per Share

The Company presents both basic and diluted earnings per share ("EPS") using the two-class method. Basic EPS is calculated by dividing earnings allocated to common shareholders, as adjusted for unallocated earnings attributable to certain participating securities, if any, by the weighted-average number of common shares outstanding during the period. Diluted EPS is based on the weighted-average number of common shares and the effect of potentially dilutive common share equivalents outstanding during the period. The two-class method is an allocation formula that determines earnings per share for each share of common stock and participating securities according to dividends declared and participation rights in undistributed earnings. Under this method, all earnings (distributed and undistributed) are allocated to common shares and participating securities based on their respective rights to receive dividends. The Company has certain share-based payment awards that contain nonforfeitable rights to dividends, which are considered participating securities for the purposes of computing EPS pursuant to the two-class method.

Income Taxes

For U.S. federal income tax purposes, the Company elected to be taxed as a REIT beginning with its taxable year ended December 31, 2018. To qualify as a REIT, the Company must continually satisfy tests concerning, among other things, the real estate qualification of sources of its income, the real estate composition and values of its assets, the amounts it distributes to stockholders and the diversity of ownership of its stock.

To the extent that the Company qualifies as a REIT, it generally will not be subject to U.S. federal income tax to the extent of its distributions to stockholders. The Company believes that all of the criteria to maintain the Company's REIT qualification have been met for the applicable periods, but there can be no assurance that these criteria will continue to be met in subsequent periods. If the Company were to fail to meet these requirements, it would be subject to U.S. federal income tax and potential interest and penalties, which could have a material adverse impact on its results of operations and amounts available for distributions to its stockholders. The Company's accounting policy with respect to interest and penalties is to classify these amounts as a component of income tax expense, where applicable.

The Company may also be subject to certain state, local and franchise taxes. Under certain circumstances, U.S. federal income and excise taxes may be due on its undistributed taxable income. The Company previously held an investment in Europe which was subject to tax in its local jurisdiction.

The Company made joint elections to treat certain subsidiaries as taxable REIT subsidiaries ("TRSs") which may be subject to taxation by U.S. federal, state and local authorities. In general, a TRS of the Company may perform non-customary services for tenants, hold assets that the Company cannot hold directly and engage in most real estate or non-real estate-related business.

Certain subsidiaries of the Company are subject to taxation by U.S. federal, state and local authorities for the periods presented. Income taxes are accounted for by the asset/liability approach in accordance with GAAP. Deferred taxes, if any, represent the expected future tax consequences when the reported amounts of assets and liabilities are recovered or paid. Such amounts arise from differences between the financial reporting and tax bases of assets and liabilities and are adjusted for changes in tax laws and tax rates in the period during which such changes are enacted. A provision for income tax represents the total of income taxes paid or payable for the current period, plus the change in deferred taxes. Current and deferred taxes are recorded on the portion of earnings (losses) recognized by the Company with respect to its interest in TRSs. Deferred income tax assets and liabilities are calculated based on temporary differences between the Company's GAAP consolidated financial statements and the U.S. federal, state and local tax basis of assets and liabilities as of the consolidated balance sheet date. The Company evaluates the realizability of its deferred tax assets (e.g., net operating loss and capital loss carryforwards) and recognizes a

valuation allowance if, based on the available evidence, it is more likely than not that some portion or all of its deferred tax assets will not be realized. When evaluating the realizability of its deferred tax assets, the Company considers estimates of expected future taxable income, existing and projected book/tax differences, tax planning strategies available and the general and industry-specific economic outlook. This realizability analysis is inherently subjective, as it requires the Company to forecast its business and general economic environment in future periods. Changes in estimate of deferred tax asset realizability, if any, are included in income tax expense in the consolidated statements of operations.

For the three months ended September 30, 2026 and 2025, the Company recorded a de minimis income tax benefit and income tax expense of $0.1 million, respectively. For the nine months ended September 30, 2026 and 2025, the Company recorded an income tax benefit of $0.1 million and $21.5 million, respectively.

The income tax benefit for the nine months ended September 30, 2025 includes a benefit of $22.1 million, which is the result of the reversal of a deferred tax liability associated with a European investment subsidiary that the lenders acquired control of following a maturity default on its bond financing. Refer to Note 4, “Real Estate, net” for further information.

Current Expected Credit Loss (“CECL”) reserve

The CECL reserve for the Company’s financial instruments carried at amortized cost and off-balance sheet credit exposures, such as loans, loan commitments and trade receivables, represents a lifetime estimate of expected credit losses. Factors considered by the Company when determining the CECL reserve include loan-specific characteristics such as loan-to-value (“LTV”) ratio, vintage year, loan term, property type, occupancy and geographic location, financial performance of the borrower, expected payments of principal and interest, as well as internal or external information relating to past events, current conditions and reasonable and supportable forecasts.

The CECL reserve is measured on a collective (pool) basis when similar risk characteristics exist for multiple financial instruments. If similar risk characteristics do not exist, the Company measures the CECL reserve on an individual instrument basis. The determination of whether a particular financial instrument should be included in a pool can change over time. If a financial asset’s risk characteristics change, the Company evaluates whether it is appropriate to continue to keep the financial instrument in its existing pool or evaluate it individually.

In measuring the CECL reserve for financial instruments that share similar risk characteristics, the Company primarily applies a probability of default (“PD”)/loss given default (“LGD”) model for instruments that are collectively assessed, whereby the CECL reserve is calculated as the product of PD, LGD and exposure at default. The Company’s model principally utilizes historical loss rates derived from a commercial mortgage-backed securities database with historical losses from 1998 through September 2026 provided by a third party, Trepp LLC, forecasting the loss parameters using a scenario-based statistical approach over a reasonable and supportable forecast period of twelve months, followed by a straight-line reversion period of twelve-months back to average historical losses. Where management has determined that the credit loss model does not fully capture certain external factors, including portfolio trends or loan specific factors, a qualitative adjustment to the reserve may be recorded.

For loans that do not share similar risk characteristics, the Company evaluates the CECL reserve on an individual basis. The Company considers loans to be collateral dependent when the borrower is experiencing financial difficulty and repayment of the loan is expected to be provided substantially through the operation or sale of the underlying collateral or foreclosure is probable. For such loans, the Company estimates the CECL reserve based on the difference between the fair value of the underlying collateral, net of selling costs, as applicable, and the amortized cost basis of the loan.

The Company applies broadly accepted and standard real estate valuation techniques, such as a discounted cash flow (“DCF”), direct capitalization methodology, or sales comparables to determine the fair value of the collateral. Determining fair value of the collateral, including utilization of a practical expedient, may take into account a number of assumptions including, but not limited to, market rents and cash flow projections, market capitalization rates, discount rates and sales comps. Such assumptions are generally based on current market conditions and are subject to economic and market uncertainties.

Management only expects to charge-off the CECL reserves in the consolidated financial statements if and when such amounts are deemed non-recoverable. This is generally at the time a loan is repaid or foreclosed. However, non-recoverability may also be concluded if, management determines, it is nearly certain that all amounts will not be collected.

In connection with developing the CECL reserve for its loans and preferred equity held for investment, the Company determines the risk ranking of each loan and preferred equity investment as a key credit quality indicator. The risk rankings are 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 held for investment are rated "1" through "5", from less risk to greater risk, and the ratings are updated quarterly. At the time of origination or purchase, loans and preferred equity held for investment are ranked as a "3" and will move accordingly going forward based on the ratings which are defined as follows:

1. *Very Low Risk*
2. *Low Risk*
3. *Medium Risk*
4. *High Risk/Potential for Loss*—A loan that has a high risk of realizing a principal loss.
5. *Impaired/Loss Likely*—A loan that has a very high risk of realizing a principal loss or has otherwise incurred a principal loss.

The Company also considers qualitative factors, including, but not limited to, economic and business conditions, borrower actions, nature and volume of the loan portfolio, lending terms, volume and severity of past due loans, concentration of credit and changes in the level of such concentrations in its determination of the CECL reserve.

The Company has elected to not measure a CECL reserve for accrued interest receivable as it is reversed against interest income when a loan or preferred equity investment is placed on nonaccrual status. Loans and preferred equity investments are charged off when all or a portion of the principal amount is determined to be uncollectible. Refer to "Nonaccrual" in "Loans and Preferred Equity Held for Investment" above for further detail.

Changes in the CECL reserve for the Company's financial instruments are recorded in increase/decrease in current expected credit loss reserve on the consolidated statement of operations with a corresponding offset to the loans and preferred equity held for investment or as a component of other liabilities for future loan fundings recorded on the Company's consolidated balance sheets. Refer to Note 3, "Loans and Preferred Equity Held for Investment, net" for further detail.

Future Application of Accounting Standards

Disaggregation of Income Statement Expenses—In November 2024, the FASB issued ASU No. 2024-03, *Income Statement- Reporting Comprehensive Income- Expense Disaggregation Disclosures (Subtopic 220-40)*, and in January 2025, the FASB issued ASU No. 2025-01, *Income Statement- Reporting Comprehensive Income- Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date.* ASU 2024-03 requires disclosures on certain costs and expenses for each interim and annual reporting period. ASU No. 2024-03, as clarified by ASU No. 2025-01, is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company does not expect the adoption of ASU No. 2024-03 to have a material impact on its consolidated financial statements.

Business Combinations and Consolidation—In May 2025, the FASB issued ASU No. 2025-03, *Business Combinations and Consolidation: Determining The Accounting Acquirer In The Acquisition of a Variable Interest Entity.* The ASU requires reporting entities involved in a business combination effected primarily by the exchange of equity interests to consider the new guidance to determine which entity is the accounting acquirer regardless of whether the legal acquiree is a VIE. As a result, a reporting entity can determine that a transaction in which the legal acquiree is a VIE represents a reverse acquisition and the acquirer is identified as the acquiree for accounting purposes. This ASU is effective for periods beginning after December 15, 2026, with early adoption permitted. The Company does not expect the adoption of ASU No. 2025-03 to have a material impact on its consolidated financial statements.

Interim Reporting—In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow Scope Improvements.* The guidance is intended to improve the literature surrounding interim disclosures and when such disclosures are required. The amendment also adds a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The guidance is not intended to change current requirements and is intended to provide clarity on current requirements. This ASU is effective for periods beginning after December 15, 2027, with early adoption permitted. The Company does not expect the adoption of ASU No. 2025-11 to have a material impact on its consolidated financial statements.

Any new accounting standards that have not been disclosed that have been issued or proposed by FASB and that do not require adoption until a future date are being evaluated and not expected to have a material impact on the financial statements.

3. Loans and Preferred Equity Held for Investment, net

The following table provides a summary of the Company's loans and preferred equity held for investment, net (dollars in thousands):

	September 30, 2026					December 31, 2025				
	Unpaid Principal Balance	Carrying Value	Weighted Average Coupon[1]	Weighted Average of Contractual Maturity[2]	Weighted Average Maturity in Years[3]	Unpaid Principal Balance	Carrying Value	Weighted Average Coupon[1]	Weighted Average of Contractual Maturity[2]	Weighted Average Maturity in Years[3]
Variable rate										
Senior loans	$ 1,442,147	$ 1,440,197	7.1 %	1.2	2.4	$ 1,422,235	$ 1,420,199	6.9 %	1.2	2.6
Securitized loans[4]	1,583,910	1,578,753	6.9 %	1.1	2.7	1,172,999	1,173,495	7.0 %	0.7	1.3
	3,026,057	3,018,950				2,595,234	2,593,694			
Fixed rate										
Senior loans	28,781	28,781	20.0 %	0.0 [5]	0.0	24,139	24,139	20.0 %	0.1	0.4
Mezzanine loans	15,105	15,105	— %	0.4	0.4	49,069	49,069	8.4 %	0.1	1.1
Preferred equity interests	19,488	19,488	14.3 %	0.3	0.4	11,467	11,413	14.3 %	0.4	1.0
	63,374	63,374				84,675	84,621			
Loans and preferred equity held for investment	3,089,431	3,082,324				2,679,909	2,678,315			
CECL reserve	—	(106,317)				—	(87,401)			
Loans and preferred equity held for investment, net	$ 3,089,431	$ 2,976,007	7.1 %	1.1	2.5	$ 2,679,909	$ 2,590,914	7.1 %	0.9	2.0

(1) Calculated based on contractual interest rate, except for nonaccrual loans. As of September 30, 2026 and December 31, 2025, all variable rate loans utilize Term Secured Overnight Financing Rate ("Term SOFR").
(2) Calculated using current maturity date.
(3) Calculated using extended maturity date.
(4) Represents loans transferred into securitization trusts that are consolidated by the Company.
(5) The contractual maturity of the fixed rate senior loan was October 9, 2026 at September 30, 2026. The loan was extended subsequent to September 30, 2026.

The Company had $12.7 million and $10.8 million of interest receivable related to its loans and preferred equity held for investment, net as of September 30, 2026, and December 31, 2025, respectively. This is included in receivables, net on the Company's consolidated balance sheets.

Activity relating to the Company's loans and preferred equity held for investment, net was as follows (dollars in thousands):

	Carrying Value	
	Nine Months Ended September 30,	
	2026	2025
Balance at January 1	$ 2,590,914	$ 2,352,993
Acquisitions/originations/additional funding[1]	835,024	356,578
Loan maturities/principal repayments[1]	(372,061)	(243,630)
Increase of CECL reserve[2]	(30,033)	(8,144)
Discount accretion and fee amortization, net	(4,304)	458
Capitalized interest, net of repayments	1,667	1,787
Transfer to Real Estate, net[3][4]	(45,200)	(243,956)
Charge-off of CECL reserve-transfer to Real Estate, net[3][4]	—	20,224
Charge-off of loan held for investment[5][6]	(11,116)	(27,366)
Charge-off of CECL reserve-other[5][6]	11,116	27,366
Balance at September 30	$ 2,976,007	$ 2,236,310

(1) During the first quarter of 2025, the Company amended a senior mixed-use loan as part of the resolution of a senior mixed-use loan with the same sponsor. In relation to this amendment, there was a transfer of principal of $8.8 million. This transfer is not included within these captions as it was neither additional funding nor a repayment. Refer to "Loan Modifications" below for more detail. During the nine months ended September 30, 2026, the Company originated 26 loans and preferred equity with a total of $874.4 million in committed principal balance.

(2) Increase of CECL reserve excludes $0.3 million for the nine months ended September 30, 2026 and $0.4 million for the nine months ended September 30, 2025 as determined by the Company's PD/LGD model for unfunded commitments reported on the consolidated statements of operations, with a corresponding offset to accrued and other liabilities recorded on the Company's consolidated balance sheets.

(3) During the first quarter of 2026, the Company acquired legal title to one multifamily property through foreclosure. As a result, the property was consolidated as real estate and removed from loans held from investment, net. The CECL reserve related to this loan was charged off in 2025. There was no gain or loss recorded as part of the consolidation. Refer to Note 4, "Real Estate, net" for further discussion.

(4) During the first quarter of 2025, the Company eliminated a multifamily loan in Mesa, Arizona as part of the consolidation of the Mesa, Arizona property as the primary beneficiary. During the second quarter of 2025, the Company foreclosed on a hotel loan in San Jose, California. During the third quarter of 2025, the Company acquired legal title to an office property in Tualatin, Oregon and a multifamily construction/development project in Santa Clara, California. As a result, the properties were consolidated as real estate and removed from loans held from investment, net. The CECL reserve related to these loans were charged off and the net amount is reflected as an addition to real estate, net. There was no gain or loss recorded as part of the consolidation. Refer to Note 4, "Real Estate, net" for further discussion.

(5) During the nine months ended September 30, 2026, the Company charged off uncollectible amounts of $12.2 million relating to three multifamily and one office loan based on resolution of the loans. In addition, the Company had a reversal of charge-offs of $1.1 million based on additional proceeds received upon resolution of an office loan, one industrial loan and one multifamily loan.

(6) During the nine months ended September 30, 2025, the Company charged off uncollectible amounts of $27.4 million relating to two multifamily loans based on resolution of the loans.

Loan Modifications

The Company may amend or modify a loan depending on the loan's specific facts and circumstances. These loan modifications typically include additional time for the borrower to refinance or sell the collateral property, adjustment or waiver of performance tests that are prerequisite to the extension of a loan's maturity, and/or deferral of scheduled principal payments. In exchange for a modification, the Company may receive a partial repayment of principal, a short-term accrual of capitalized interest for a portion of interest due, a cash infusion to replenish interest or capital improvement reserves, termination of all or a portion of the remaining unfunded loan commitment, additional call protection, and/or increase the loan coupon.

During the first quarter of 2025, the Company amended a senior mixed-use loan ("Loan A") as part of the resolution of a senior mixed-use loan ("Loan B") with the same sponsor. The sponsor obtained new financing on Loan B collateral that was $8.8 million short of a full principal payoff. The $8.8 million of principal was transferred to Loan A as part of the full resolution of Loan B. A joint venture agreement was entered into with the sponsor with respect to the Loan B collateral providing that (i) any available cash after Loan B debt service is paid is distributed to the Company to pay down Loan A and (ii) if, at any time after two years, Loan A is not paid off, the Company may unilaterally force a sale of the collateral for Loan B. During the fourth quarter of 2025, Loan A was further modified to allow funds to be used to pay for architecture, design, and permitting fees to better position the collateral for a sale. The maturity of Loan A and the venture agreement were also shortened by nine months. In the second quarter of 2026, the total commitment of Loan A was increased by $0.5 million. In the third quarter of 2026, Loan A was extended to October 9, 2026. Subsequent to September 30, 2026, Loan A was extended to November 9, 2026.

Preferred Equity Investment Originations

During the nine months ended September 30, 2026, the Company originated two preferred equity investments. During the year ended December 31, 2025, the Company originated nine preferred equity investments. Refer to "Unconsolidated VIEs" in Note 2, "Summary of Significant Accounting Policies" for more details on these originations.

Nonaccrual and Past Due Loans

Loans that are 90 days or more past due as to principal or interest, or where reasonable doubt exists as to timely collection, are generally considered nonperforming and placed on nonaccrual status.

The following table provides an aging summary of loans held for investment at carrying values before CECL reserve (dollars in thousands):

	Current or Less Than 30 Days Past Due	30-59 Days Past Due[1]	60-89 Days Past Due	90 Days or More Past Due [2][3]	Total Loans
September 30, 2026	$ 3,003,248	$ 63,971	$ —	$ 15,105	$ 3,082,324
December 31, 2025	2,641,623	—	—	36,692	2,678,315

(1) At September 30, 2026, includes two multifamily senior loans with a carrying value of $64.0 million which were in maturity default. In October 2026, the loans were extended to August 2027.
(2) At September 30, 2026, includes one office mezzanine loan which was placed on nonaccrual status on April 1, 2024, with a carrying value of $15.1 million.
(3) At December 31, 2025, includes one industrial senior loan which was placed on nonaccrual status on September 9, 2025, with a carrying value of $22.0 million and an office mezzanine loan which was placed on nonaccrual status on April 1, 2024, with a carrying value of $14.7 million. Subsequent to December 31, 2025, the industrial loan was resolved.

As of September 30, 2026, all loans were performing in accordance with the contractual terms of their governing documents and were categorized as performing loans, except one nonaccrual office mezzanine loan and two multifamily senior loans. The multifamily senior loans in maturity default were extended in October 2026. As of December 31, 2025, all loans were performing in accordance with the contractual terms of their governing documents and were categorized as performing loans, except for one nonaccrual industrial senior loan and one nonaccrual office mezzanine loan. For the nine months ended September 30, 2026, and September 30, 2025, no debt investment individually contributed more than 10.0% of interest income.

Current Expected Credit Loss Reserve

The following table provides details on the changes in CECL reserves (dollars in thousands):

CECL reserve at December 31, 2025	$	87,401
Decrease in general CECL reserve[1]		(2,085)
Increase in specific CECL reserve[2]		2,639
Charge-off of CECL reserve - other[2]		(2,639)
CECL reserve at March 31, 2026	$	85,316
Increase in general CECL reserve[1]	$	13,342
Increase in specific CECL reserve[2]		987
Charge-offs of CECL reserve - other[2]		(987)
CECL reserve at June 30, 2026	$	98,658
Increase in general CECL reserve[1]	$	7,659
Increase in specific CECL reserve[2]		7,490
Charge-offs of CECL reserve - other[2]		(7,490)
CECL reserve at September 30, 2026	$	106,317
CECL reserve at December 31, 2024	$	165,932
Decrease in general CECL reserve[1]		(9,524)
Increase in specific CECL reserve[2]		9,174
Charge-offs of CECL reserve - other[2]		(9,174)
Charge-offs of CECL reserve - transfer to Real Estate, net and Real Estate Held for Sale[3]		(1,043)
CECL reserve at March 31, 2025	$	155,365
Decrease in general CECL reserve	$	(18,798)
Increase in specific CECL reserve[2]		19,482
Charge-offs of CECL reserve - other[2]		(18,192)
Charge-offs of CECL reserve - transfer to Real Estate, net and Real Estate Held for Sale[4]		(1,290)
CECL reserve at June 30, 2025	$	136,567
Decrease in general CECL reserve[1]	$	(9,662)
Increase in specific CECL reserve[2]		17,891
Charge-offs of CECL reserve-transfer to Real Estate, net and Real Estate Held for Sale[4]		(17,891)
CECL reserve at September 30, 2025	$	126,905

(1) Excludes CECL reserves related to unfunded commitments reported on the consolidated statement of operations for the three months ended March 31, 2026: $1.2 million, June 30, 2026: $(0.8) million and September 30, 2026: $(0.1) million, March 31, 2025: $0.5 million, June 30, 2025: $(0.1) million and September 30, 2025: a de minimis amount.

(2) During the nine months ended September 30, 2026, the Company recorded specific CECL reserves totaling $7.8 million relating to one office senior loan, $2.9 million for one multifamily mezzanine loan, $0.9 million for one multifamily senior loan and $0.6 million for one multifamily senior loan and had reversals of $0.6 million relating to one industrial loan, $0.3 million relating to one multifamily mezzanine loan and $0.2 million relating to one office senior loan. The CECL reserves were charged off during the period. During the nine months ended September 30, 2025, the Company recorded specific CECL reserves totaling $46.5 million for one multifamily loan, one multifamily construction/development loan, one office loan and one hotel loan, all of which were charged off during the nine months ended September 30, 2025. As of September 30, 2025, these properties were classified as real estate, net.

(3) During the first quarter of 2025, the Company consolidated a multifamily loan as the primary beneficiary. As a result, the property was consolidated as real estate. The CECL reserve related to this loan was charged off.

(4) During the second quarter of 2025, the Company consolidated one hotel loan upon foreclosure and during the third quarter of 2025, the Company consolidated one office upon foreclosure. As a result, the property was consolidated as real estate. The CECL reserve related to this loan was charged off.

Loans are typically secured by direct senior priority liens on real estate properties or by interests in entities that directly own real estate properties, which serve as the primary source of cash for the payment of principal and interest. The Company evaluates its loans at least quarterly and differentiates the relative credit quality principally based on: (i) whether the borrower is currently paying contractual debt service in accordance with its contractual terms; and (ii) whether the Company believes the borrower will be able to perform under its contractual terms in the future, as well as the Company's expectations as to the ultimate recovery of principal at maturity.

BRIGHTSPIRE CAPITAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

The following tables provide a summary by carrying values before any CECL reserves of the Company's loans and preferred equity held for investment by year of origination and credit quality risk ranking as of September 30, 2026, and December 31, 2025 (dollars in thousands). Refer to Note 2, "Summary of Significant Accounting Policies" for loan risk ranking definitions.

At September 30, 2026, the weighted average risk ranking for loans and preferred equity held for investment was 3.1.

	September 30, 2026					
	Year of Origination					
Risk Rankings	2026	2025	2024	2023	2022 and earlier	Total
Senior loans						
3	$ 788,517	$ 659,669	$ 85,888	$ —	$ 1,331,831	$ 2,865,905
4	—	—	—	—	181,826	181,826
Total Senior loans	788,517	659,669	85,888	—	1,513,657	3,047,731
Mezzanine loans						
3	—	—	—	15,105	—	15,105
Total Mezzanine loans	—	—	—	15,105	—	15,105
Preferred Equity						
3	728	13,628	—	—	—	14,356
4	913	4,219	—	—	—	5,132
Total Preferred Equity	1,641	17,847	—	—	—	19,488
Total Loans and preferred equity held for investment	$ 790,158	$ 677,516	$ 85,888	$ 15,105	$ 1,513,657	$ 3,082,324
Current period gross write-offs	$ —	$ —	$ —	$ —	$ 11,116	$ 11,116

As of December 31, 2025, the weighted average risk ranking for loans and preferred equity held for investment was 3.1.

	December 31, 2025					
	Year of Origination					
Risk Rankings	2025	2024	2023	2022	2021 and earlier	Total
Senior loans						
3	$ 723,723	$ 79,019	$ —	$ 630,338	$ 965,963	$ 2,399,043
4	—	—	—	—	65,123	65,123
5	—	—	—	88,880	64,787	153,667
Total Senior loans	723,723	79,019	—	719,218	1,095,873	2,617,833
Mezzanine loans						
3	—	—	14,692	34,377	—	49,069
Total Mezzanine loans	—	—	14,692	34,377	—	49,069
Preferred Equity						
3	10,327	—	—	—	—	10,327
4	1,086	—	—	—	—	1,086
Total Preferred Equity	11,413	—	—	—	—	11,413
Total Loans and preferred equity held for investment	$ 735,136	$ 79,019	$ 14,692	$ 753,595	$ 1,095,873	$ 2,678,315
Current period gross write-offs[(1)]	$ —	$ —	$ —	$ 25,137	$ 77,307	$ 102,444

(1) Current period gross write-offs exclude all transfers to real estate, net.

Lending Commitments

The Company has lending commitments to borrowers pursuant to certain loan and preferred equity agreements in which the borrower may submit a request for funding contingent on achieving certain criteria, which must be approved by the Company as lender, such as leasing, performance of capital expenditures and construction in progress with an approved budget. Assuming the terms to qualify for future advances, if any, had been met, total gross unfunded lending commitments were $145.2 million and $112.2 million at September 30, 2026 and December 31, 2025, respectively. Refer to Note 12, "Commitments and Contingencies" for further details. The Company recorded $0.9 million and $0.7 million for allowance for lending commitments in accrued and other liabilities on its consolidated balance sheets in accordance with CECL at September 30, 2026 and December 31, 2025, respectively. Refer to Note 2, "Summary of Significant Accounting Policies" for further details.

4. Real Estate, net

The following table presents the Company's net lease portfolio, net, as of September 30, 2026 and December 31, 2025 (dollars in thousands):

	September 30, 2026	December 31, 2025
Land and improvements	$ 11,273	$ 78,805
Buildings, building leaseholds, and improvements	93,386	287,767
Tenant improvements	7,876	13,781
Subtotal	$ 112,535	$ 380,353
Less: Accumulated depreciation	(34,403)	(86,871)
Net lease portfolio, net	$ 78,132	$ 293,482

The following table presents the Company's portfolio of other real estate, net as of September 30, 2026 and December 31, 2025 (dollars in thousands):

	September 30, 2026	December 31, 2025
Land and improvements	$ 117,697	$ 127,614
Buildings, building leaseholds, and improvements	226,221	262,451
Tenant improvements	19,662	18,097
Furniture, fixtures and equipment	14,149	13,938
Construction-in-progress	5,279	7,972
Subtotal	$ 383,008	$ 430,072
Less: Accumulated depreciation	(48,096)	(43,775)
Other portfolio, net	$ 334,912	$ 386,297

Depreciation Expense

Depreciation expense on real estate was $3.3 million and $6.8 million for the three months ended September 30, 2026 and 2025, respectively. Depreciation expense on real estate was $14.9 million and $20.3 million for the nine months ended September 30, 2026 and 2025, respectively.

Property Operating Income

For the three and nine months ended September 30, 2026 and 2025 the components of property operating income were as follows (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Lease revenues				
Minimum lease revenue	$ 16,308	$ 17,276	$ 50,594	$ 65,397
Variable lease revenue	1,877	2,012	3,549	7,980
	$ 18,185	$ 19,288	$ 54,143	$ 73,377
Hotel operating income	12,657	13,428	39,777	21,926
Total property operating income[(1)]	$ 30,842	$ 32,716	$ 93,920	$ 95,303

(1) Excludes de minimis net amortization expense for the three months ended September 30, 2026 and de minimis income for the nine months ended September 30, 2026 related to above and below-market leases. Excludes net amortization expense related to above and below-market leases of $0.2 million and $0.2 million for the three and nine months ended September 30, 2025, respectively.

For the nine months ended September 30, 2026, the Company had one property with property operating income equal to or greater than 10% of the Company's total revenue. The property had property operating income of $39.8 million or 16% of the Company's total revenue. For the nine months ended September 30, 2025, the Company had no single property with property operating income equal to or greater than 10% of total revenue of the Company.

Real Estate Acquisitions

During the nine months ended September 30, 2026, the Company acquired legal title to one multifamily property through foreclosure, which is included in real estate, net on the Company's consolidated balance sheets.

During the year ended December 31, 2025, the Company acquired legal title to one multifamily construction/development project and one office property through deeds-in-lieu of foreclosure, and one hotel property via foreclosure, all of which are included in real estate, net on the Company's consolidated balance sheets. The office property was subsequently sold. Refer to "Real Estate Sales" below for further detail on the gain on sale.

The Company previously held an investment in a senior loan collateralized by a multifamily property in Mesa, Arizona that was determined to be a VIE. The Company was determined to be the primary beneficiary of the VIE and consolidated the assets and liabilities as well as the operations of the multifamily property in February 2025. The multifamily property was included as real estate, net on the Company's consolidated balance sheets. During the three months ended September 30, 2026, the multifamily property was sold, resulting in the deconsolidation of the associated assets and liabilities. Refer to "Real Estate Sales" below for further details.

In accordance with ASC 805-50, the Company allocated the fair value of the assumed assets and liabilities on the respective acquisition dates for each property acquired.

The following table summarizes the Company's real estate acquisitions for the nine months ended September 30, 2026 and year ended December 31, 2025 (dollars in thousands):

				Purchase Price Allocation						
Acquisition Date	Property Type and Location	Number of Buildings/Units[1]	Purchase Price	Land and Improvements[2]	Building and Improvements[2]	Furniture and Fixtures[2]	Lease Intangible Assets[2]	Other Assets	Lease Intangible Liabilities[2]	Other Liabilities
Nine Months Ended September 30, 2026										
January 2026	Multifamily - Texas[3]	624	$ 45,400	$ 13,486	$ 25,944	$ 1,235	$ 4,126	$ 2,876	$ —	$ (2,267)
Year Ended December 31, 2025										
September 2025	Office - Oregon[3]	8	21,100	10,913	5,105	—	4,567	1,849	(298)	(1,036)
July 2025	Multifamily/Pre-dev - California[3][4]	n/a	39,760	39,760	—	—	—	—	—	—
May 2025	Hotel - California[3]	541	139,126	36,166	91,719	10,197	80	10,034	—	(9,070)
February 2025	Multifamily - Arizona[5]	285	31,965	9,007	21,051	270	1,456	708	—	(527)
			$ 277,351	$ 109,332	$ 143,819	$ 11,702	$ 10,229	$ 15,467	$ (298)	$ (12,900)

(1) For multifamily properties, represents number of units. For hotels, it represents number of rooms.
(2) Useful life of real estate acquired is 28 to 40 years for buildings, four to 15 years for tenant improvements, four to nine for furniture and fixtures, and one to 12 years for lease intangibles.
(3) Represents assets acquired by the Company through foreclosure or a deed-in-lieu of foreclosure.
(4) Represents a multifamily construction/development project located in California.
(5) Represents a multifamily property held in a VIE for which the Company was deemed the primary beneficiary. The Company consolidated the assets, liabilities and the property's operations on the acquisition date in accordance with ASC 810.

Impairment

The Company recorded $15.3 million of impairment of operating real estate during the nine months ended September 30, 2026.

The Company recorded $6.4 million of impairment related to two multifamily properties, which was due to a reduction in the current expected holding period of the properties. One property is classified as held for sale as of September 30, 2026. The estimated Level 2 fair value of $32.0 million is based on the execution of a purchase and sale agreement during the three months ended September 30, 2026. Refer to "Real Estate Held for Sale" below for further details. One property was sold during the three months ended September 30, 2026, and the impairment recorded was based on the sales proceeds received. Refer to "Real Estate Sales" below for further details.

During the nine months ended September 30, 2026, the Company received notice that it was in default on mortgage notes payable cross-collateralized by five retail properties. In connection with the foreclosure process for one Indiana retail property, one Illinois retail property and one Kansas retail property, receivers were appointed and took possession and full control, requiring deconsolidation of the assets and liabilities from the Company's consolidated balance sheet, and resulting in impairment of operating real estate of $8.8 million. The Company has no further involvement in the retail properties, and the lender is not a related party.

The Company expects the lender to continue to pursue remedies, and accordingly, will thereby lose control over the two remaining retail properties. At such time, the Company will deconsolidate the mortgage notes payable. The combined carrying value of the two remaining retail properties is $7.9 million, and the unpaid principal balance of the mortgage notes payable is $25.1 million.

In May 2025, an investment subsidiary reached a maturity default on its bond financing collateralized by the Company's Norwegian net lease office campus. Following the maturity default, the lenders exercised remedies and took control by equity pledge of the underlying investment subsidiary, requiring deconsolidation of the assets and liabilities from the Company's consolidated balance sheet. The deconsolidation resulted in impairment of operating real estate of $49.3 million. The Company has no further involvement in the Norwegian net lease office campus, and the lenders are not a related party.

In January 2025, an investment subsidiary defaulted on its mortgage note payable collateralized by one Pennsylvania office property included in the Company's other real estate, net portfolio. In July 2025, a receiver was appointed and took possession and full control of the property, requiring deconsolidation of the assets and liabilities from the Company's consolidated balance sheet in the third quarter of 2025. The deconsolidation resulted in impairment of operating real estate of $4.3 million. The Company has no further involvement in the Pennsylvania office property, and the lenders are not a related party.

Real Estate Held for Sale

During the three months ended September 30, 2026, a purchase and sale agreement was executed for one multifamily property for a gross sale price of $32.5 million. As of September 30, 2026, the carrying value of the multifamily property is $32.0 million. Subsequent to September 30, 2026, the property was sold.

The following table summarizes the Company's assets held for sale related to real estate (dollars in thousands):

	September 30, 2026
Assets	
Land and improvements	$ 5,665
Buildings, building leaseholds, and improvements	23,241
Furniture, fixtures and equipment	775
Construction-in-progress	4,517
Subtotal	34,198
Less: Accumulated depreciation	(2,186)
Total assets held for sale	$ 32,012

Real Estate Sales

During the nine months ended September 30, 2026, the Company sold one industrial portfolio, one office property and one multifamily property for a total gross sale price of $351.4 million. As part of the sale of the industrial portfolio, the purchaser assumed the $200.0 million mortgage note payable. The net gain of $60.4 million on the industrial portfolio and one office property is included in other gain, net on the Company's consolidated statement of operations. Refer to "Impairment" above for the impairment recorded on the one multifamily property.

During the year ended December 31, 2025, the Company sold three office properties and one multifamily property previously acquired through deeds-in-lieu of foreclosure for a total gross sales price of $85.6 million. Prior to the sale of one office property, the Company recorded an impairment loss of $6.3 million due to shortening the expected hold period. The impairment loss was based on the net proceeds received from the sale. This is included in impairment of operating real estate in the Company's consolidated statement of operations. The net gain of $1.1 million on three office properties and one multifamily property is included in other gain (loss), net on the Company's consolidated statement of operations.

5. Deferred Leasing Costs and Other Intangibles

The Company's deferred leasing costs, other intangible assets and intangible liabilities, excluding those related to assets held for sale at September 30, 2026 and December 31, 2025 are as follows (dollars in thousands):

	September 30, 2026		
	Carrying Amount	Accumulated Amortization	Net Carrying Amount
Deferred Leasing Costs and Intangible Assets			
In-place lease values	$ 21,165	$ (20,977)	$ 188
Deferred leasing costs	12,853	(9,359)	3,494
Above-market lease values	7,324	(7,262)	62
	$ 41,342	$ (37,598)	$ 3,744

	December 31, 2025		
	Carrying Amount	Accumulated Amortization	Net Carrying Amount
Deferred Leasing Costs and Intangible Assets			
In-place lease values	$ 52,028	$ (32,762)	$ 19,266
Deferred leasing costs	20,499	(12,836)	7,663
Above-market lease values	8,517	(7,800)	717
	$ 81,044	$ (53,398)	$ 27,646
Intangible Liabilities			
Below-market lease values	$ 776	$ (387)	$ 389

The following table summarizes the amortization of deferred leasing costs, intangible assets and intangible liabilities for the three and nine months ended September 30, 2026 and 2025 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Above-market lease values	$ (5)	$ (200)	$ (1)	$ (878)
Below-market lease values	—	20	2	639
Net increase (decrease) to property operating income	$ (5)	$ (180)	$ 1	$ (239)
In-place lease values	$ 469	$ 978	$ 5,044	$ 6,376
Deferred leasing costs	236	429	875	1,665
Amortization expense	$ 705	$ 1,407	$ 5,919	$ 8,041

6. Restricted Cash, Other Assets and Accrued and Other Liabilities

The following table presents a summary of restricted cash as of September 30, 2026, and December 31, 2025 (dollars in thousands):

	September 30, 2026	December 31, 2025
Restricted cash:		
Borrower escrow deposits	$ 88,139	$ 82,511
Capital expenditure reserves	9,915	7,668
Real estate escrow reserves	7,356	8,288
Working capital and other reserves	6,617	6,637
Tenant lockboxes	1,969	1,942
Total	$ 113,996	$ 107,046

The following table presents a summary of other assets as of September 30, 2026, and December 31, 2025 (dollars in thousands):

	September 30, 2026	December 31, 2025
Other assets:		
Right-of-use lease asset	$ 11,698	$ 19,833
Deferred financing costs, net - credit facilities	5,518	5,716
Prepaid expenses and other	5,146	7,154
Tax receivable and deferred tax assets	1,889	12,247
Investments in unconsolidated ventures at fair value	1,423	2,115
Total	$ 25,674	$ 47,065

The following table presents a summary of accrued and other liabilities as of September 30, 2026 and December 31, 2025 (dollars in thousands):

	September 30, 2026	December 31, 2025
Accrued and other liabilities:		
Accounts payable, accrued expenses and other liabilities	$ 29,240	$ 25,962
Operating lease liability	12,121	20,703
Prepaid rent and unearned revenue	5,948	9,664
Interest payable	5,456	6,239
Unfunded CECL loan allowance	927	669
Tenant security deposits	565	861
Total	$ 54,257	$ 64,098

7. Debt

The following table presents debt as of September 30, 2026, and December 31, 2025 (dollars in thousands):

	Capacity ($)	Recourse vs. Non-Recourse[1]	Final Maturity	Contractual Interest Rate		September 30, 2026 Principal Amount[2]	September 30, 2026 Carrying Value[2]	December 31, 2025 Principal Amount[2]	December 31, 2025 Carrying Value[2]
Securitization bonds payable, net									
BRSP 2026-FL3[3]		Non-recourse	Aug-43	SOFR + 1.69%		$ 833,237	$ 828,132	$ —	$ —
BRSP 2024-FL2[3]		Non-recourse	Aug-37	SOFR + 2.51%		537,785	534,599	583,875	578,879
BRSP 2021-FL1[3]		Non-recourse	[4]	[4]		—	—	398,215	398,203
Subtotal securitization bonds payable, net						1,371,022	1,362,731	982,090	977,082
Mortgage and other notes payable, net									
Net lease 1		Non-recourse	[5]	[5]		—	—	200,000	199,068
Net lease 3[6]		Non-recourse	Aug-26	4.08%		27,465	27,465	27,958	27,928
Net lease 4		Non-recourse	Oct-27	4.45%		20,221	20,221	20,730	20,730
Net lease 5[7][8]		Non-recourse	Nov-26	4.45%		15,878	15,857	16,222	16,153
Net lease 5[9]		Non-recourse	Mar-28	7.25%		10,651	10,214	10,800	10,362
Net lease 6[8]		Non-recourse	Nov-26	4.45%		6,308	6,302	6,445	6,418
Net lease 8[8]		Non-recourse	Nov-26	4.45%		2,924	2,916	2,987	2,975
Other real estate 1		Non-recourse	Dec-28[10]	4.47%		95,413	94,666	97,082	96,348
Loan 1[11]		Non-recourse	Jul-28[11]	5.50%		33,347	33,347	34,078	34,078
Subtotal mortgage and other notes payable, net						212,207	210,988	416,302	414,060
Bank credit facility									
Bank credit facility	$ 120,000	Recourse	Dec-28 [12]	SOFR + 2.25%		45,000	45,000	—	—
Subtotal bank credit facility						45,000	45,000	—	—
Master repurchase facilities									
Bank 1	600,000	Limited Recourse[13]	Oct-28	SOFR + 1.98%	(14)	405,216	405,216	433,642	433,642
Bank 2	600,000	Limited Recourse[13]	Apr-30[15]	n/a	(14)	—	—	135,550	135,550
Bank 3	500,000	Limited Recourse[16]	June-30[17]	SOFR + 1.74%	(14)	223,793	223,793	427,899	427,899
Bank 4	400,000	Limited Recourse[13]	Nov-29[18]	SOFR + 1.45%	(14)	224,752	224,752	81,007	81,007
Bank 5	250,000	Limited Recourse[13]	Mar-31[19]	SOFR + 1.92%	(14)	161,092	161,092	—	—
Subtotal master repurchase facilities	$ 2,350,000					1,014,853	1,014,853	1,078,098	1,078,098
Subtotal credit facilities						1,059,853	1,059,853	1,078,098	1,078,098
Total						$ 2,643,082	$ 2,633,572	$ 2,476,490	$ 2,469,240

(1) Subject to customary non-recourse carveouts.
(2) Difference between principal amount and carrying value of securitization bonds payable, net and mortgage and other notes payable, net is attributable to deferred financing costs, net and premium/discount on mortgage notes payable.
(3) The Company, through indirect Cayman subsidiaries, securitized commercial mortgage loans originated by the Company. Senior notes issued by the securitization trusts were generally sold to third parties and subordinated notes were retained by the Company. These securitizations are accounted for as secured financings with the underlying mortgage loans pledged as collateral. Principal payments from underlying collateral loans must be applied to repay the notes until fully paid off, irrespective of the contractual maturities on the notes. Underlying collateral loans have initial terms of two to three years.
(4) On February 19, 2026, the Company redeemed the outstanding securities under BRSP 2021-FL1, including the 2021-FL1 Notes, at a redemption price of $310.7 million.
(5) During the third quarter of 2026, the Company completed the sale of an industrial portfolio and the purchaser assumed the associated mortgage note payable collateralized by Net lease 1. Refer to Note 4,“Real Estate, net” for further discussion.
(6) The mortgage note payable collateralized by Net Lease 3 is in maturity default. As a result, the mortgage note payable is currently accruing default interest at a per annum rate of 4.00% in addition to the contractual interest rate. The Company is currently negotiating an extension with the lender.

(7) Payment terms are periodic payment of principal and interest for debt on two properties and periodic payment of interest only with principal at maturity (except for principal repayments to release collateral properties disposed) for debt on one property.
(8) During the nine months ended September 30, 2026, the Company received notice that it was in default on the mortgage notes payable cross-collateralized by Net Lease 5, Net Lease 6 and Net Lease 8. The Company deconsolidated two properties collateralizing Net Lease 5 and the property collateralizing Net Lease 8 during the nine months ended September 30, 2026. The Company expects the lender to continue to pursue remedies and thereby lose control over the two remaining retail properties, at which time the Company will deconsolidate the cross-collateralized mortgage notes payable. Refer to Note 4, "Real estate, net" for further detail.
(9) Represents a mortgage note collateralized by three properties. In April 2025, the contractual interest rate on Net lease 5 was modified to 7.25%.
(10) The current maturity date is December 2027, with a one-year extension available, subject to satisfaction of certain customary conditions set forth in the governing documents.
(11) During the third quarter of 2025, the Company acquired legal title to the multifamily construction/development project collateralizing the note payable through a deed-in-lieu of foreclosure. Additionally, the Company refinanced the note payable, with a two-year initial term plus one one-year extension option. The principal balance and spread of the note payable did not change. Refer to Note 4, “Real Estate, net” for further discussion.
(12) On December 9, 2025, the Company, through its subsidiaries, including the OP, entered into an Amendment No. 1 to the Restated Credit Agreement. Refer to “Bank Credit Facility” within this note for more details.
(13) Recourse solely with respect to 25.0% of the financed amount.
(14) Represents the weighted average spread as of September 30, 2026. The contractual interest rate depends upon asset type and characteristics and ranges from SOFR plus 1.30% to 2.75%.
(15) The current maturity date is April 2028, with two one-year extensions available at the option of the Company, which may be exercised upon the satisfaction of certain customary conditions set forth in the governing documents.
(16) Recourse is either 25.0% or 50.0% depending on loan metrics.
(17) The current maturity date is June 2028, with two one-year extensions available at the option of the Company, which may be exercised upon the satisfaction of certain customary conditions set forth in the governing documents. In December 2025, the maximum facility size was increased to $500.0 million.
(18) The current maturity date is November 2026, with three one-year extensions available at the option of the Company, which may be exercised upon the satisfaction of certain customary conditions set forth in the governing documents.
(19) The Company entered into a Master Repurchase Agreement with Bank 5 which provides up to $250.0 million to finance first mortgage loans, senior loan participations and related mezzanine loans secured by commercial real estate. The current maturity date is March 2029, with two one-year extensions available at the option of the Company, which may be exercised upon the satisfaction of certain customary conditions set forth in the governing documents.

Future Minimum Principal Payments

The following table summarizes future scheduled minimum principal payments at September 30, 2026 based on initial maturity dates or extended maturity dates to the extent criteria are met and the extension option is at the borrower’s discretion (dollars in thousands):

	Total	Securitization Bonds Payable, Net	Mortgage and Other Notes Payable, Net	Credit Facilities
Remainder of 2026[1]	$ 52,875	$ —	$ 52,875	$ —
2027	20,298	—	20,298	—
2028	589,250	—	139,034	450,216
2029	224,752	—	—	224,752
2030	223,793	—	—	223,793
2031 and thereafter	1,532,114	1,371,022	—	161,092
Total	$ 2,643,082	$ 1,371,022	$ 212,207	$ 1,059,853

(1) Mortgage and other notes payable, net includes Net lease 5, Net lease 6 and Net lease 8, which are in default as of September 30, 2026.

Bank Credit Facility

The Company uses bank credit facilities (including term loans and revolving facilities) to finance the business. These financings may be collateralized or non-collateralized and may involve one or more lenders. Credit facilities typically have maturities ranging from one to five years and may accrue interest at either fixed or floating rates.

The OP (together with certain subsidiaries of the OP from time-to-time party thereto as borrowers, collectively, the “Borrowers”) is party to an Amended and Restated Credit Agreement (as amended to date, the “Amended Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent (the “Administrative Agent”), and the several lenders from time to time party thereto (the “Lenders”). The Amended Credit Agreement provides for a revolving credit facility in the aggregate principal amount of up to $120.0 million, of which up to $25.0 million is available as letters of credit.

Loans under the Amended Credit Agreement may be advanced in U.S. dollars and certain foreign currencies, including euros, pounds sterling and Swiss francs.

The Amended Credit Agreement also includes an option for the Borrowers to increase the maximum available principal amount to up to $180.0 million, subject to one or more new or existing Lenders agreeing to provide such additional loan commitments and satisfaction of other customary conditions.

Advances under the Amended Credit Agreement accrue interest at a per annum rate equal to, at the applicable Borrower's election, either (x) a Term SOFR rate plus a margin of 2.25%, or (y) a base rate equal to the highest of (i) the Wall Street Journal's prime rate, (ii) the federal funds rate plus 0.50% and (iii) the Term SOFR rate plus 1.00%, plus a margin of 1.25%. An unused commitment fee at a rate of 0.25% or 0.35%, per annum, depending on the amount of facility utilization, applies to unutilized borrowing capacity under the Amended Credit Agreement. Amounts owed under the Amended Credit Agreement may be prepaid at any time without premium or penalty, subject to customary breakage costs in the case of borrowings with respect to which a Term SOFR rate election is in effect.

The maximum amount available for borrowing at any time under the Amended Credit Agreement is limited to a borrowing base valuation of certain investment assets, with the valuation of such investment assets generally determined according to a percentage of adjusted net book value. As of September 30, 2026, the borrowing base valuation is sufficient to permit borrowings of up to the entire $120.0 million commitment. If any borrowing is outstanding for more than 180 days after its initial draw, the borrowing base valuation will be reduced by 50% until all outstanding borrowings are repaid in full. The ability to borrow new amounts under the Amended Credit Agreement terminates and any outstanding revolving loans will mature on December 8, 2028.

The obligations of the Borrowers under the Amended Credit Agreement are guaranteed pursuant to a Guarantee and Collateral Agreement by substantially all material wholly owned subsidiaries of the OP (the "Guarantors") in favor of the Administrative Agent (the "Guarantee and Collateral Agreement") and, subject to certain exceptions, secured by a pledge of substantially all equity interests owned by the Borrowers and the Guarantors, as well as by a security interest in deposit accounts of the Borrowers and the Guarantors (as such terms are defined in the Guarantee and Collateral Agreement) in which the proceeds of investment asset distributions are maintained.

The Amended Credit Agreement contains various affirmative and negative covenants, including, among other things, the obligation of the Company to maintain REIT status and be listed on the New York Stock Exchange or any other U.S. national or international securities exchange, and limitations on debt, liens and restricted payments. In addition, the Amended Credit Agreement includes the following financial covenants applicable to the OP and its consolidated subsidiaries: (a) minimum consolidated tangible net worth of the OP to be greater than or equal to the sum of (i) $900,000,000 and (ii) 70% of the net cash proceeds received by the OP from any offering of its common equity after December 9, 2025 and of the net cash proceeds from any offering by the Company of its common equity to the extent such proceeds are contributed to the OP, excluding any such proceeds that are contributed to the OP within ninety (90) days of receipt and applied to acquire capital stock of the OP; (b) the OP's EBITDA plus lease expenses to fixed charges for any period of four consecutive fiscal quarters not less than 1.40 to 1.00; (c) the OP's minimum interest coverage ratio not less than 3.00 to 1.00; and (d) the OP's ratio of consolidated total debt to consolidated total assets must not exceed 0.80 to 1.00. The Amended Credit Agreement also includes customary events of default, including, among other things, failure to make payments when due, breach of covenants or representations, cross default to material indebtedness, material judgment defaults, bankruptcy matters involving any Borrower or any Guarantor and certain change of control events. The occurrence of an event of default will limit the ability of the OP and its subsidiaries to make distributions and may result in the termination of the credit facility, acceleration of repayment obligations and the exercise of remedies by the Lenders with respect to the collateral.

As of September 30, 2026, the Company was in compliance with all of its financial covenants under the Amended Credit Agreement.

Securitization Financing Transactions

Securitization bonds payable, net represent debt issued by securitization vehicles consolidated by the Company. Senior notes issued by these securitization trusts were generally sold to third parties and subordinated notes retained by the Company. Following expiration of the reinvestment period, payments from underlying collateral loans must be applied to repay the notes until fully paid off, irrespective of the contractual maturities of the loans.

The Company evaluated the key terms in the collateralized loan obligation ("CLO") governing documents of the issuers of the CRE CLOs ("CRE CLO Issuers"), which are wholly owned subsidiaries of the Company, to determine if they were VIEs and, if

so, whether the Company was the primary beneficiary and therefore consolidate the CRE CLOs. The Company concluded that the CRE CLO Issuers are VIEs and the Company is the primary beneficiary because it has the ability to control the most significant activities of the CRE CLO Issuers, the obligation to absorb losses to the extent of its equity investments, and the right to receive benefits that could potentially be significant to these entities.

As of September 30, 2026, the Company had $1.6 billion carrying value of CRE debt investments financed with $1.4 billion of securitization bonds payable, net. As of December 31, 2025, the Company had $1.2 billion carrying value of CRE debt investments financed with $982.1 million of securitization bonds payable, net.

BRSP 2026-FL3

In February 2026, the Company executed a $955.0 million securitization transaction through wholly-owned subsidiaries, BRSP 2026-FL3, Ltd. and BRSP 2026-FL3, LLC (collectively, "BRSP 2026-FL3"), which resulted in the sale of $833.2 million of investment grade notes (the "2026-FL3 Notes").

BRSP 2026-FL3 includes a six-month ramp-up acquisition period that allows the Company to contribute existing or newly originated loan investments in exchange for $98.3 million in unused proceeds held in BRSP 2026-FL3, subject to the satisfaction of certain conditions set forth in the indenture. At September 30, 2026, the unused proceeds have been fully utilized. BRSP 2026-FL3 also includes a 30-month reinvestment feature that allows the Company to contribute existing or newly originated loan investments in exchange for proceeds from repayments of loans held in BRSP 2026-FL3, subject to the satisfaction of certain conditions set forth in the indenture.

At September 30, 2026, the Company had $955.0 million of unpaid principal balance of CRE debt investments financed with BRSP 2026-FL3. As of September 30, 2026, the securitization reflects an advance rate of 87.3% at a weighted average cost of funds of Term SOFR plus 1.69% (before transaction costs), and is collateralized by a pool of 32 senior loan investments.

Additionally, BRSP 2026-FL3 contains note protection tests that can be triggered as a result of contributed loan defaults, losses, and certain other events outlined in the indenture, beyond established thresholds. A note protection test failure that is not remedied can result in the redirection of interest proceeds from the below investment grade tranches to amortize the most senior outstanding tranche. The Company did not fail any note protection tests during the nine months ended September 30, 2026. While the Company continues to closely monitor all loan investments contributed to BRSP 2026-FL3, a deterioration in the performance of an underlying loan could negatively impact its liquidity position.

BRSP 2024-FL2

BRSP 2024-FL2 is a $675.0 million securitization vehicle operated through wholly-owned subsidiaries, BRSP 2024-FL2, Ltd. and BRSP 2024-FL2, LLC (collectively, "BRSP 2024-FL2"), which have issued $583.9 million of investment grade notes (the "2024-FL2 Notes").

BRSP 2024-FL2 includes a two-year reinvestment feature that allows the Company to contribute existing or newly originated loan investments in exchange for proceeds from repayments of loans held in BRSP 2024-FL2, subject to the satisfaction of certain conditions set forth in the indenture. At September 30, 2026, the Company had $628.9 million of unpaid principal balance of CRE debt investments and other assets financed with BRSP 2024-FL2. As of September 30, 2026, the securitization reflects an advance rate of 85.5% at a weighted average cost of funds of Term SOFR plus 2.51% (before transaction costs), and is collateralized by a pool of 26 senior loan investments.

Additionally, BRSP 2024-FL2 contains note protection tests that can be triggered as a result of contributed loan defaults, losses, and certain other events outlined in the indenture, beyond established thresholds. A note protection test failure that is not remedied can result in the redirection of interest proceeds from the below investment grade tranches to amortize the most senior outstanding tranche. The Company did not fail any note protection tests during the nine months ended September 30, 2026. While the Company continues to closely monitor all loan investments contributed to BRSP 2024-FL2, a deterioration in the performance of an underlying loan could negatively impact its liquidity position.

On October 19, 2026, the Company redeemed the outstanding securities under the BRSP 2024-FL2 securitization vehicle, including the investment grade bonds, which totaled $537.8 million.

BRSP 2021-FL1

On February 19, 2026, the Company redeemed the outstanding securities under the securitization vehicle operated through wholly-owned subsidiaries, BRSP 2021-FL1, Ltd and BRSP 2021-FL1, LLC (collectively, "BRSP 2021-FL1") including the investment grade notes issued thereunder, at a redemption price of $310.7 million. The 17 senior loan investments, with an

aggregate unpaid principal balance of $440.8 million, held by BRSP 2021-FL1 were refinanced by the issuance of securities under BRSP 2026-FL3 and with existing Master Repurchase Facilities.

BRSP 2026-FL4

On October 16, 2026, the Company executed a $960.0 million securitization transaction through wholly-owned subsidiaries, BRSP 2026-FL4, Ltd. and BRSP 2026-FL4, LLC (collectively, "BRSP 2026-FL4"), which resulted in the sale of $844.8 million of investment grade notes (the "2026-FL4 Notes"). The securitization reflects an initial advance rate of 88.0% at a weighted average coupon at issuance of Term SOFR+1.54% (before transaction costs) and is collateralized by a pool of 29 first-lien floating-rate mortgages secured by 38 properties.

Master Repurchase Facilities

As of September 30, 2026, the Company, through subsidiaries, had entered into repurchase agreements with multiple global financial institutions to provide an aggregate principal amount of up to $2.4 billion to finance the origination of first mortgage loans and senior loan participations secured by senior loan investments (each, a "Master Repurchase Facility" and collectively, the "Master Repurchase Facilities"). The Company agreed to guarantee certain obligations under the Master Repurchase Facilities, which contain representations, warranties, covenants, conditions precedent to funding, events of default and indemnities that are customary for agreements of this type. The Master Repurchase Facilities act as revolving loan facilities that can be paid down as assets are repaid or sold and re-drawn upon for new investments. As of September 30, 2026, the Company was in compliance with all of its financial covenants under the Master Repurchase Facilities.

As of September 30, 2026, the Company had $1.6 billion carrying value of CRE debt investments financed with $1.0 billion under the Master Repurchase Facilities. As of December 31, 2025, the Company had $1.5 billion carrying value of CRE debt investments financed with $1.1 billion under the Master Repurchase Facilities.

As of September 30, 2026, the Company had three counterparties, Bank 1, Bank 3 and Bank 5, with net exposure (collateral that exceeded amounts borrowed) totaling more than 10% of the Company's total equity. As of September 30, 2026, the Company's net exposure to Bank 1, Bank 3 and Bank 5 was $281.7 million, $98.8 million and $96.8 million, respectively.

As of December 31, 2025, the Company had three counterparties, Bank 1, Bank 2 and Bank 3, with net exposure totaling more than 10% of the Company's total equity. As of December 31, 2025, the Company's net exposure to Bank 1, Bank 2 and Bank 3 was $216.4 million, $100.0 million and $122.0 million, respectively.

8. Related Party Arrangements

The Company had no related party transactions as of and for the nine months ended September 30, 2026 and 2025.

9. Equity-Based Compensation

On March 30, 2026, the Company's board of directors adopted, and at the annual meeting of stockholders held on May 13, 2026, the stockholders approved the second amendment to the 2022 Equity Incentive Plan (as amended, the "2022 Plan"), which was effective as of May 13, 2026 and increases the total number of shares of the Class A common stock issuable by 10.0 million shares (subject to adjustment pursuant to the terms of the 2022 Plan). The 2022 Plan terminates on May 4, 2032. Awards may be granted under the 2022 Plan to (x) any employee, officer, director, consultant or advisor (who is a natural person) providing services to the Company, or its affiliates and (y) any other individual whose participation in the 2022 Plan is determined to be in the best interests of the Company. The following types of awards may be made under the 2022 Plan, subject to the limitations set forth in the plan: (i) stock options (which may be either incentive stock options or non-qualified stock options); (ii) stock appreciation rights; (iii) restricted stock awards; (iv) stock units; (v) unrestricted stock awards; (vi) dividend equivalent rights; (vii) performance awards; (viii) annual cash incentive awards; (ix) long-term incentive units; and (x) other equity-based awards.

Shares subject to an award granted under the 2022 Plan will be counted against the maximum number of shares of Class A common stock available for issuance thereunder as one share of Class A common stock for every one share of Class A common stock subject to such an award. Shares subject to an award granted under the 2022 Plan will again become available for issuance under the 2022 Plan if the award terminates by expiration, forfeiture, cancellation, or otherwise without the issuance of such shares (except as set forth in the following sentence). The number of shares of Class A common stock available for issuance under the 2022 Plan will not be increased by (i) any shares tendered or withheld in connection with the purchase of shares upon exercise of a stock option, (ii) any shares deducted or delivered in connection with the Company's tax withholding obligations, or (iii) any shares purchased by the Company with proceeds from stock option exercises. Shares granted to non-

independent directors, officers and employees, if applicable, generally vest ratably in three annual installments following the grant date.

On March 16, 2026, the Company granted 1,907,157 shares of Class A common stock to certain of its employees, including executive officers. The shares vest in one-third increments on March 15, 2027, March 15, 2028 and March 15, 2029.

On May 20, 2026, the Company granted 88,340 shares of Class A common stock to the non-employee directors of the Company which vest on May 20, 2027.

Equity-Based Compensation Expense

In connection with the share grants, the Company recognized share-based compensation expense of $3.6 million and $9.9 million within compensation and benefits in the consolidated statements of operations for the three and nine months ended September 30, 2026, respectively. In connection with the share grants, the Company recognized share-based compensation expense of $2.8 million and $9.9 million within compensation and benefits in the consolidated statements of operations for the three and nine months ended September 30, 2025, respectively.

Restricted Stock—Restricted stock awards relating to the Company's Class A common stock are granted to non-employee directors of the Company and generally vest within one year. Restricted stock awards are granted to certain employees of the Company, with service conditions only and are generally subject to annual time-based vesting in equal tranches over a three-year period. Restricted stock is entitled to dividends declared and paid on the Company's Class A common stock and such dividends are not forfeitable prior to vesting of the award. Restricted stock awards are valued based on the Company's Class A common stock price on grant date and equity-based compensation expense is recognized on a straight-line basis over the requisite three-year service period.

Performance Stock Units ("PSU")—PSUs are granted to certain employees of the Company and are subject to both a service condition and a market condition. Following the end of the measurement period for the PSUs, the recipients of PSUs may be eligible to vest in all or a portion of PSUs granted, and be issued a number of shares of the Company's Class A common stock, ranging from 0% to 200% of the number of PSUs granted and eligible to vest, to be determined based upon the Company's total shareholder return relative to certain peer group companies at the end of a three-year measurement period for the 2024 PSU grant (the "2024 Grant"), the 2025 PSU grant (the "2025 Grant") and the 2026 PSU grant (the "2026 Grant"). PSUs also contain dividend equivalent rights which entitle the recipients to a payment equal to the amount of dividends that would have been paid on the shares that are ultimately issued at the end of the measurement period.

Fair value of PSUs, including dividend equivalent rights, was determined using a Monte Carlo simulation, with the following assumptions.

	2026 Grant	2025 Grant	2024 Grant
Expected volatility[1]	30.5 %	35.7 %	35.6 %
Risk free rate[2]	4.0 %	4.0 %	4.3 %
Expected dividend yield[3]	—	—	—

(1) Based upon the Company's historical stock volatility.
(2) Based upon the continuously compounded zero-coupon U.S. Treasury yield for the term coinciding with the measurement period of the award as of valuation date.
(3) Based upon award holders being entitled to dividends paid during the measurement period on any shares earned.

Fair value of PSU awards, excluding dividend equivalent rights, is generally recognized on a straight-line basis over their measurement period as compensation expense, except when certain performance metrics are achieved. Following the completion of the measurement period for the 2023 Grant, the Company issued 603,478 shares of Class A common stock to certain of its employees in March 2026.

The table below summarizes the Company's awards granted, forfeited or vested under the 2022 Plan during the nine months ended September 30, 2026 and 2025:

	Number of Shares			Weighted Average Grant Date Fair Value	
	Restricted Stock	PSUs	Total	Restricted Stock	PSUs
Unvested shares at December 31, 2024	2,742,917	918,434	3,661,351	$ 6.92	$ 8.60
Granted	1,618,509	542,789	2,161,298	5.97	6.78
Vested	(1,428,999)	—	(1,428,999)	7.21	—
Unvested shares at March 31, 2025	2,932,427	1,461,223	4,393,650	6.25	7.93
Granted	92,940	—	92,940	5.27	—
Vested	(79,495)	—	(79,495)	5.27	—
Unvested shares at June 30, 2025	2,945,872	1,461,223	4,407,095	6.25	7.93
Forfeited	(80,473)	—	(80,473)	5.54	—
Unvested shares at September 30, 2025	2,865,399	1,461,223	4,326,622	6.27	7.93
Unvested shares at December 31, 2025	2,865,399	1,461,223	4,326,622	$ 6.27	$ 7.93
Granted	1,907,157	588,839	2,495,996	5.61	7.08
Vested	(1,222,270)	(384,378)	(1,606,648)	6.50	9.69
Unvested shares at March 31, 2026	3,550,286	1,665,684	5,215,970	5.83	7.22
Granted	88,340	—	88,340	5.70	—
Vested	(92,940)	—	(92,940)	5.38	—
Unvested shares at June 30, 2026	3,545,686	1,665,684	5,211,370	5.84	7.22
Vested	(138,640)	—	(138,640)	5.59	—
Unvested shares at September 30, 2026	3,407,046	1,665,684	5,072,730	5.85	7.22

Fair value of equity awards that vested during the nine months ended September 30, 2026 and September 30, 2025, determined based on their respective fair values at vesting date, was $11.4 million and $9.0 million, respectively. Fair value of granted awards is determined based on the closing price of the Class A common stock on the date of vesting of the awards. Equity-based compensation is classified within compensation and benefits in the consolidated statement of operations.

At September 30, 2026, aggregate unrecognized compensation cost for all unvested equity awards was $20.7 million, which is expected to be recognized over a weighted-average period of 2.0 years.

10. Stockholders' Equity

Authorized Capital

As of September 30, 2026, the Company had the authority to issue up to 1.0 billion shares of stock, at $0.01 par value per share, consisting of 950.0 million shares of Class A common stock and 50.0 million shares of preferred stock.

The Company had no shares of preferred stock issued and outstanding as of September 30, 2026 and December 31, 2025.

Dividends

During the nine months ended September 30, 2026 and 2025, the Company declared the following dividends on its common stock:

Declaration Date	Record Date	Payment Date	Per Share
March 16, 2026	March 31, 2026	April 15, 2026	$0.16
June 15, 2026	June 30, 2026	July 15, 2026	$0.16
September 14, 2026	September 30, 2026	October 14, 2026	$0.16
March 17, 2025	March 31, 2025	April 15, 2025	$0.16
June 16, 2025	June 30, 2025	July 14, 2025	$0.16
September 15, 2025	September 30, 2025	October 15, 2025	$0.16

Share Repurchases

In April 2026, the Company's board of directors have authorized a stock repurchase program ("Stock Repurchase Program") under which the Company may repurchase up to $50.0 million of its outstanding Class A common stock until April 30, 2027. The Stock Repurchase Program replaces the prior repurchase program authorization which expired on April 30, 2026. Under the Stock Repurchase Program, the Company may repurchase shares in open market purchases, in privately negotiated transactions or otherwise. The Company has a written trading plan as part of the Share Repurchase Program that provides for share repurchases in open market transactions that is intended to comply with Rule 10b-18 under the Exchange Act. The Stock Repurchase Program will be utilized at management's discretion and in accordance with the requirements of the SEC. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate requirements and other conditions.

During the three months ended September 30, 2026, the Company repurchased 2.1 million shares of Class A common stock at a weighted average price of $4.81 per share for an aggregate cost of $9.9 million.

As of September 30, 2026, there was $20.5 million remaining available to make repurchases under the Stock Repurchase Program.

Accumulated Other Comprehensive Income (Loss)

The following tables present the changes in each component of Accumulated Other Comprehensive Income (Loss) ("AOCI") attributable to stockholders, net of immaterial tax effect. During the nine months ended September 30, 2026, there was no AOCI.

Changes in Components of AOCI - Stockholders

(dollars in thousands)	Unrealized gain on net investment hedges	Foreign currency translation gain (loss)	Total
AOCI at December 31, 2024	$ 18,603	$ (24,940)	$ (6,337)
Other comprehensive gain	—	1,831	1,831
AOCI at March 31, 2025	$ 18,603	$ (23,109)	$ (4,506)
Other comprehensive income before reclassification	—	1,144	1,144
Amounts reclassified from AOCI	(18,603)	21,965	3,362
Net OCI activity	(18,603)	23,109	4,506
AOCI at June 30, 2025	$ —	$ —	$ —
Other comprehensive income	—	—	—
AOCI at September 30, 2025	$ —	$ —	$ —

11. Fair Value

Fair Value Option

The Company may elect to apply the fair value option of accounting for certain of its financial assets or liabilities due to the nature of the instrument at the time of the initial recognition of the investment. As of September 30, 2026, the Company has elected not to apply the fair value option for any other eligible financial assets or liabilities.

Fair Value of Financial Instruments

In addition to the above disclosures regarding financial assets or liabilities which are recorded at fair value, GAAP requires disclosure of fair value about all financial instruments. The following disclosure of estimated fair value of financial instruments was determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is necessary to interpret market data and develop estimated fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize on disposition of the financial instruments. The use of different market assumptions and/or estimation methodologies may have a material effect on estimated fair value.

The following table presents the principal amount, carrying value and fair value of certain financial assets and liabilities as of September 30, 2026 and December 31, 2025 (dollars in thousands):

	September 30, 2026			December 31, 2025		
	Principal Amount	Carrying Value	Fair Value	Principal Amount	Carrying Value	Fair Value
Financial assets:[1]						
Loans and preferred equity held for investment, net[2][3]	$ 3,089,431	$ 3,082,324	$ 2,741,020	$ 2,679,909	$ 2,678,315	$ 2,657,083
Financial liabilities:[1]						
Securitization bonds payable, net	$ 1,371,022	$ 1,362,731	$ 1,371,022	$ 982,090	$ 977,082	$ 982,090
Mortgage and other notes payable, net	212,207	210,988	206,061	416,302	414,060	394,819
Credit facilities	1,059,853	1,059,853	1,059,853	1,078,098	1,078,098	1,078,098

(1) The fair value of other financial instruments not included in this table is estimated to approximate their carrying value.
(2) Excludes future funding commitments of $145.2 million and $112.2 million as of September 30, 2026 and December 31, 2025, respectively.
(3) Carry value excludes CECL reserves of $106.3 million and $87.4 million as of September 30, 2026 and December 31, 2025, respectively.

Disclosure about fair value of financial instruments is based on pertinent information available to management as of September 30, 2026. Although management is not aware of any factors that would significantly affect fair value, such amounts have not been comprehensively revalued for purposes of these consolidated financial statements since that date and current estimates of fair value may differ significantly from the amounts presented herein.

Loans and Preferred Equity Held for Investment, Net

For loans and preferred equity held for investment, net, fair values were determined: (i) primarily by using rates currently available with similar terms and remaining maturities to estimate fair value. These measurements are determined using comparable U.S. Treasury rates as of the end of the reporting period; or (ii) in some cases, based on discounted cash flow projections or similar analysis of principal and interest expected to be collected, which includes consideration of the financial standing of the borrower or sponsor as well as operating results of the underlying collateral. Since some fair value measurements are based on unobservable inputs, they are classified as Level 3 of the fair value hierarchy.

Securitization Bonds Payable, Net

The Company's securitization bonds payable, net bear floating rates of interest. As of September 30, 2026, the Company believes the unpaid principal balance approximates fair value given the floating rate nature of the bonds and significant level of subordination within the securitization. These fair value measurements are based on observable inputs, and as such, are classified as Level 2 of the fair value hierarchy.

Mortgage and Other Notes Payable, Net

For mortgage and other notes payable, net, the Company primarily uses rates currently available with similar terms and remaining maturities to estimate fair value. These measurements are determined using comparable U.S. Treasury rates as of the

end of the reporting period. These fair value measurements are based on observable inputs, and as such, are classified as Level 2 of the fair value hierarchy.

Master Repurchase Facilities

The Company has amounts outstanding under Master Repurchase Facilities. The Master Repurchase Facilities bear floating rates of interest. As of September 30, 2026, the Company believes the carrying value approximates fair value due to the short-term nature of the debt, and as a result, contractual rates should equate to market rates. These fair value measurements are based on observable inputs, and as such, are classified as Level 2 of the fair value hierarchy.

Other

The carrying values of cash and cash equivalents, restricted cash, receivables, and accrued and other liabilities approximate fair value due to their short term nature and credit risks, if any, are negligible.

Nonrecurring Fair Values

The Company measures fair value of certain assets on a nonrecurring basis when events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Adjustments to fair value generally result from the application of lower of amortized cost or fair value accounting for assets held for sale or write-down of asset values due to impairment.

CECL

During the nine months ended September 30, 2026, the Company recorded specific CECL reserves of $11.1 million related to three multifamily loans, two office loans and one industrial loan. The specific CECL reserves were also charged off during the nine months ended September 30, 2026 following resolution of the loans.

Impairment of Operating Real Estate

During the nine months ended September 30, 2026, the Company recorded $15.3 million of impairment related to three retail properties and two multifamily properties. Refer to Note 4, “Real Estate, net” for further discussion.

12. Commitments and Contingencies

Lending Commitments

The Company has lending commitments to borrowers pursuant to certain loan agreements in which the borrower may submit a request for funding contingent on achieving certain criteria, which must be approved by the Company as lender, such as leasing, performance of capital expenditures and construction in progress with an approved budget. At September 30, 2026, assuming the terms to qualify for future fundings, if any, had been met, total unfunded lending commitments for loans and preferred equity held for investment were $135.7 million for senior loans, $1.7 million for mezzanine loans and $7.8 million for preferred equity. At December 31, 2025, total unfunded lending commitments for loans held for investment were $101.9 million for senior loans, $2.1 million for mezzanine loans and $8.2 million for preferred equity.

Ground Lease Obligation

In connection with real estate acquisitions, the Company assumed certain non-cancellable operating ground leases as lessee or sublessee with expiration dates through 2050. Rent on certain ground leases are paid directly by tenants.

At September 30, 2026 and December 31, 2025, the weighted average remaining lease term was 4.6 years and 11.8 years for ground leases, respectively.

The following table presents ground lease expense, included in property operating expense, for the three and nine months ended September 30, 2026 and 2025 (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating lease expense:				
Minimum lease expense	$ 604	$ 797	$ 2,123	$ 2,395
Variable lease expense	—	—	—	—
	$ 604	$ 797	$ 2,123	$ 2,395

The operating lease liability for ground leases was determined using a weighted average discount rate of 5.3%.

For these ground leases, the Company has elected the practical expedient to combine lease and related nonlease components as a single lease component.

Office Lease

At September 30, 2026 and December 31, 2025, the weighted average remaining lease term was 2.7 years and 3.4 years for office leases, respectively. The office leases are located in New York, New York and Los Angeles, California.

For the three and nine months ended September 30, 2026 and 2025, the following table summarizes lease expense, included in operating expense (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Corporate Offices				
Operating lease expense:				
Fixed lease expense	$ 331	$ 328	$ 990	$ 979
Variable lease expense	—	—	—	—
	$ 331	$ 328	$ 990	$ 979

Total cash paid for office leases was $1.2 million for the nine months ended September 30, 2026.

The operating lease liability for the office leases was determined using a weighted average discount rate of 2.4%.

For these office leases, the Company has elected the practical expedient to combine lease and related nonlease components as a single lease component.

Litigation and Claims

The Company may be involved in litigation and claims in the ordinary course of the business. As of September 30, 2026, the Company was not involved in any legal proceedings that are expected to have a material adverse effect on the Company's results of operations, financial position, or liquidity.

13. Segment Reporting

The Company presents its business through three operating and reportable segments described below and is how management views the business activities of the Company.

- Senior and Mezzanine Loans and Preferred Equity—CRE debt investments including senior and mezzanine loans, and preferred equity interests as well as participations in such loans.
- Net Leased and Other Real Estate—direct investments in CRE with long-term leases to tenants on a net lease basis, where such tenants generally will be responsible for property operating expenses such as insurance, utilities, maintenance, capital expenditures and real estate taxes. It also includes other real estate, currently consisting of one investment with direct ownership in commercial real estate and four additional properties that the Company acquired through foreclosure or deed-in-lieu of foreclosure and one property that the Company consolidates as the primary beneficiary.
- Corporate and Other—includes corporate-level asset management and other fees including expenses related to the Company's secured revolving credit facility (the "Bank Credit Facility") and compensation and benefits. It also includes money market income on its cash balances and a sub-portfolio of private equity funds.

U.S. GAAP defines the Chief Operating Decision Maker ("CODM") as the person or persons who perform the function of allocating resources to and assessing the performance of segments of a public entity. The Company has identified the CODM as its Chief Executive Officer, who is responsible for making key operating decisions of the Company. The CODM reviews net income (loss) for each of the three operating segments on the Company's consolidated statements of operations to make decisions, allocate resources, and assess segment performance.

The Company primarily generates revenue from net interest income on the loan portfolio and rental and other income from its net leased, multi-tenant office and hotel assets. The Company's income is primarily derived through the difference between revenue and the cost at which the Company is able to finance its investments. The Company may also acquire investments which generate attractive returns without any leverage.

The following tables present the relevant financial information for the reportable segments for the three and nine months ended September 30, 2026 and 2025 (dollars in thousands):

	Senior and Mezzanine Loans and Preferred Equity	Net Leased and Other Real Estate	Corporate and Other	Total
Three Months Ended September 30, 2026				
Interest income	$ 56,179	$ (11)	$ —	$ 56,168
Interest expense	(36,346)	(13)	(1,546)	(37,905)
Property and other income	77	30,737	373	31,187
Property operating expense	—	(19,161)	—	(19,161)
Transaction, investment and servicing expense	(1,346)	(53)	19	(1,380)
Interest expense on real estate	—	(4,655)	—	(4,655)
Depreciation and amortization	—	(4,052)	(32)	(4,084)
Increase of current expected credit loss reserve	(15,039)	—	—	(15,039)
Impairment of operating real estate	—	(5,986)	—	(5,986)
Compensation and benefits	—	—	(9,197)	(9,197)
Operating expense	3	—	(3,058)	(3,055)
Other gain, net	—	60,322	—	60,322
Income (loss) before income taxes	3,528	57,128	(13,441)	47,215
Income tax benefit (expense)	(4)	(4)	27	19
Net income (loss)	$ 3,524	$ 57,124	$ (13,414)	$ 47,234

BRIGHTSPIRE CAPITAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

	Senior and Mezzanine Loans and Preferred Equity	Net Leased and Other Real Estate	Corporate and Other	Total
Three Months Ended September 30, 2025				
Interest income	$ 48,889	$ —	$ —	$ 48,889
Interest expense	(31,046)	(11)	(307)	(31,364)
Property and other income	—	32,748	2,301	35,049
Property operating expense	—	(19,675)	—	(19,675)
Transaction, investment and servicing expense	(616)	(23)	(215)	(854)
Interest expense on real estate	—	(5,170)	—	(5,170)
Depreciation and amortization	—	(7,155)	(33)	(7,188)
Increase of current expected credit loss reserve	(8,215)	—	—	(8,215)
Impairment of operating real estate	—	(2,509)	—	(2,509)
Compensation and benefits	—	—	(8,077)	(8,077)
Operating expense	9	(1)	(2,865)	(2,857)
Other gain, net	—	538	—	538
Income (loss) before income taxes	9,021	(1,258)	(9,196)	(1,433)
Income tax benefit (expense)	(86)	244	(29)	129
Net income (loss)	$ 8,935	$ (1,014)	$ (9,225)	$ (1,304)

	Senior and Mezzanine Loans and Preferred Equity	Net Leased and Other Real Estate	Corporate and Other	Total
Nine Months Ended September 30, 2026				
Interest income	$ 157,798	$ (38)	$ —	$ 157,760
Interest expense	(103,238)	(37)	(2,871)	(106,146)
Property and other income	190	94,014	4,079	98,283
Property operating expense	—	(57,750)	—	(57,750)
Transaction, investment and servicing expense	(2,912)	(162)	(645)	(3,719)
Interest expense on real estate	—	(14,868)	—	(14,868)
Depreciation and amortization	—	(20,799)	(98)	(20,897)
Increase of current expected credit loss reserve	(30,286)	—	—	(30,286)
Impairment of operating real estate	—	(15,256)	—	(15,256)
Compensation and benefits	—	—	(27,242)	(27,242)
Operating expense	33	(2)	(9,339)	(9,308)
Other gain, net	—	60,291	—	60,291
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	21,585	45,393	(36,116)	30,862
Equity in earnings (loss) of unconsolidated ventures	—	—	(602)	(602)
Income tax expense	(6)	(4)	(75)	(85)
Net income (loss)	$ 21,579	$ 45,389	$ (36,793)	$ 30,175

BRIGHTSPIRE CAPITAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

	Senior and Mezzanine Loans and Preferred Equity	Net Leased and Other Real Estate	Corporate and Other	Total
Nine Months Ended September 30, 2025				
Interest income	$ 145,461	$ 42	$ 135	$ 145,638
Interest expense	(94,453)	(146)	(911)	(95,510)
Property and other income	—	95,423	6,364	101,787
Property operating expense	—	(46,293)	—	(46,293)
Transaction, investment and servicing expense	(1,455)	(73)	(518)	(2,046)
Interest expense on real estate	—	(18,499)	—	(18,499)
Depreciation and amortization	—	(28,249)	(97)	(28,346)
Increase of current expected credit loss reserve	(8,562)	—	—	(8,562)
Impairment of operating real estate	—	(53,636)	—	(53,636)
Compensation and benefits	—	—	(26,700)	(26,700)
Operating expense	—	(4)	(9,044)	(9,048)
Other gain (loss), net	55	(3,132)	12	(3,065)
Income (loss) before income taxes	41,046	(54,567)	(30,759)	(44,280)
Income tax benefit (expense)	(220)	21,760	(29)	21,511
Net income (loss)	$ 40,826	$ (32,807)	$ (30,787)	$ (22,769)

The following table presents total assets by segment as of September 30, 2026 and December 31, 2025 (dollars in thousands):

Total Assets	Senior and Mezzanine Loans and Preferred Equity	Net Leased and Other Real Estate	Corporate and Other[1]	Total
September 30, 2026	$ 3,084,747	$ 522,872	$ 59,954	$ 3,667,573
December 31, 2025	2,689,862	800,394	74,574	3,564,830

(1) Includes cash, unallocated receivables and deferred costs and other assets, net.

Geography

Geography is generally defined as the location in which the income producing assets reside or the location in which income generating services are performed. Geography information on total income includes equity in earnings of unconsolidated ventures. Geography information on total income and long-lived assets are presented as follows (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Total income by geography:				
United States	$ 87,355	$ 83,938	$ 256,043	$ 237,928
Norway	—	—	—	9,497
Total[1]	$ 87,355	$ 83,938	$ 256,043	$ 247,425

(1) Includes interest income and property and other income.

14. Earnings Per Share

The Company's net loss and weighted average shares outstanding for the three and nine months ended September 30, 2026 and 2025 consist of the following (dollars in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 47,234	$ (1,304)	$ 30,175	$ (22,769)
Net income (loss) attributable to noncontrolling interests:				
Investment Entities	(300)	2,288	3,272	5,976
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 46,934	$ 984	$ 33,447	$ (16,793)
Numerator:				
Dividends and undistributed earnings allocated to participating securities (non-vested shares)	$ (1,291)	$ (458)	$ (1,680)	$ (1,398)
Numerator for basic income (loss) per common share	$ 45,643	$ 526	$ 31,767	$ (18,191)
Impact of assumed conversion of dilutive unvested PSUs	124	—	—	—
Numerator for diluted income (loss) per common share	$ 45,767	$ 526	$ 31,767	$ (18,191)
Denominator:				
Weighted average shares outstanding - basic[(1)]	122,318	126,940	124,974	127,089
Unvested PSUs	582	—	979	—
Unvested restricted stock	—	2,905	—	—
Weighted average shares outstanding - diluted[(2)]	122,900	129,845	125,953	127,089
Net income (loss) per common share - basic	$ 0.37	$ 0.00	$ 0.25	$ (0.14)
Net income (loss) per common share - diluted	$ 0.37	$ 0.00	$ 0.25	$ (0.14)

(1) The outstanding shares used to calculate the weighted average basic shares outstanding exclude 3,407,046 and 2,865,399 of restricted stock awards as of September 30, 2026 and September 30, 2025, net of forfeitures, respectively, as those shares were issued but were not vested and therefore, not considered outstanding for purposes of computing basic net income (loss) per common share.

(2) The calculation of diluted earnings per share for the nine months ended September 30, 2025, excludes the effect of weighted average unvested restricted shares of 2,874,546 as the effect would be antidilutive.

15. Subsequent Events

BRSP 2026-FL4

On October 16, 2026, the Company executed a $960.0 million securitization transaction, BRSP 2026-FL4, which resulted in the sale of $844.8 million of investment grade notes. The securitization reflects an initial advance rate of 88.0% at a weighted average coupon at issuance of Term SOFR+1.54% (before transaction costs) and is collateralized by a pool of 29 first-lien floating-rate mortgages secured by 38 properties. On October 19, 2026, the Company also redeemed the outstanding securities under BRSP 2024-FL2, including the investment grade bonds, which totaled $537.8 million.

Dividends

In October 2026, the Company paid a quarterly cash dividend of $0.16 per share of its Class A common stock for the quarter ended September 30, 2026, to stockholders of record as of September 30, 2026.

Loan Originations

Subsequent to September 30, 2026, the Company originated one senior mortgage loan with a total commitment of $43.0 million.

Real Estate Sale

In October 2026, the Company sold one multifamily property for total gross proceeds of $32.5 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our unaudited consolidated financial statements and the accompanying notes thereto, which are included in Item 1 of this Quarterly Report, as well as the information contained in our Annual Report on Form 10-K for the year ended December 31, 2025, which is accessible on the SEC's website at www.sec.gov.

Introduction

We are an internally-managed commercial real estate ("CRE") credit real estate investment trust ("REIT") focused on originating, acquiring, financing and managing a diversified portfolio consisting primarily of CRE debt investments. CRE debt investments primarily consist of senior mortgage loans, which is our primary investment strategy. Additionally, we may also selectively originate mezzanine loans and preferred equity investments, which may include profit participations. The mezzanine loans and preferred equity investments may be in conjunction with our origination of corresponding senior mortgages on the same properties.

We were organized in the state of Maryland on August 23, 2017 and maintain key offices in New York, New York and Los Angeles, California. We elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, beginning with our taxable year ended December 31, 2018. We conduct all our activities and hold substantially all our assets and liabilities through our operating subsidiary, BrightSpire Capital Operating Company, LLC (the "OP").

Our Target Assets

Our investment strategy is to originate and selectively acquire our target assets, which consist of the following:

- ***Senior Loans.*** Our primary focus is originating and selectively acquiring senior loans that are backed by CRE assets. These loans are secured by a first mortgage lien on a commercial property and provide mortgage financing to a commercial property developer or owner. The loans may vary in duration, bear interest at a fixed or floating rate and amortize, if at all, over varying periods, often with a balloon payment of principal at maturity. Senior loans may include junior participations in our originated senior loans for which we have syndicated the senior participations to other investors and retained the junior participations for our portfolio. We believe these junior participations are more like the senior loans we originate than other loan types given their credit quality and risk profile.

- ***Mezzanine Loans.*** We may originate or acquire mezzanine loans, which are structurally subordinate to senior loans, but senior to the borrower's equity position. Generally, we will originate or acquire these loans if we believe we have the ability to protect our position and fund the first mortgage, if necessary. Mezzanine loans may be structured such that our return accrues and is added to the principal amount rather than paid on a current basis. We may also pursue equity participation opportunities in instances when the risk-reward characteristics of the investment warrant additional upside participation in the possible appreciation in value of the underlying assets securing the investment.

- ***Preferred Equity.*** We may make investments that are subordinate to senior and mezzanine loans, but senior to the common equity in the mortgage borrower. Preferred equity investments may be structured such that our return accrues and is added to the principal amount rather than paid on a current basis. We also may pursue equity participation opportunities in preferred equity investments, like such participations in mezzanine loans.

Our operating and reportable segments are Senior and Mezzanine Loans and Preferred Equity, and Net Leased and Other Real Estate and Corporate and Other.

The allocation of our capital among our target assets will depend on prevailing market conditions at the time we invest and may change over time in response to different prevailing market conditions. In addition, in the future, we may invest in assets other than our target assets or change our target assets. With respect to all our investments, we invest so as to maintain our qualification as a REIT for U.S. federal income tax purposes and our exclusion or exemption from regulation under the Investment Company Act of 1940, as amended (the "Investment Company Act").

We believe that events in the financial markets from time to time have created and will continue to create dislocation between price and intrinsic value in certain asset classes as well as a supply and demand imbalance of available credit to finance these assets. We believe that our in-depth understanding of CRE and real estate-related investments, in-house underwriting, asset management, special servicing and resolution capabilities, provides an extensive platform to regularly evaluate our investments and determine primary, secondary or alternative disposition strategies. This includes intermediate servicing and negotiating, restructuring of non-performing investments, foreclosure considerations, management or development of owned real estate, in each case to reposition and achieve optimal value realization for us and our stockholders. Depending on the nature of the underlying investment, we may pursue repositioning strategies through judicious capital investment in order to extract

maximum value from the investment or recognize unanticipated losses to reinvest resulting liquidity in higher-yielding performing investments.

Our Business Segments

We present our business through three operating and reportable segments:

- Senior and Mezzanine Loans and Preferred Equity—CRE debt investments including senior and mezzanine loans, and preferred equity interests as well as participations in such loans.
- Net Leased and Other Real Estate—direct investments in commercial real estate with long-term leases to tenants on a net lease basis, where such tenants generally will be responsible for property operating expenses such as insurance, utilities, maintenance, capital expenditures and real estate taxes. It also includes other real estate, currently consisting of one investment with direct ownership in commercial real estate, four additional properties that we acquired through foreclosure or deed-in-lieu of foreclosure and one property that we consolidate as the primary beneficiary.
- Corporate and Other—includes corporate-level asset management and other fees including expenses related to our secured revolving credit facility (the "Bank Credit Facility") and compensation and benefits. It also includes money market income on our cash balances and a sub-portfolio of private equity funds.

Significant Developments

During the three months ended September 30, 2026, and through October 27, 2026, significant developments affecting our business and results of operations of our portfolio included the following:

Capital Resources

- On October 16, 2026, we closed a $960.0 million securitization transaction, BRSP 2026-FL4. We placed $844.8 million of investment grade securities with institutional investors providing term financing on a non-mark-to-market, non-recourse basis. BRSP 2026-FL4 is collateralized by interests in 29 first-lien floating rate mortgages secured by 38 properties, with an 88.0% initial advance rate at a weighted average coupon at issuance of Term SOFR + 1.54%, before transaction costs;
- On October 19, 2026, we redeemed the outstanding securities under BRSP 2024-FL2, including the investment grade bonds, which totaled $537.8 million. The 26 senior loan investments, with an aggregate unpaid principal balance of $628.9 million, held by BRSP 2024-FL2 were refinanced by the issuance of securities under BRSP 2026-FL4 and with existing Master Repurchase Facilities;
- Declared and paid a third quarter dividend of $0.16 per share on October 14, 2026; and
- Under our Stock Repurchase Program, we have repurchased 2.1 million shares of our Class A common stock at an aggregate cost of $9.9 million.

Our Portfolio

- We originated eight senior mortgage loans for a total commitment of $315.5 million;
- We received loan repayment proceeds of $78.8 million from four loans;
- As of October 27, 2026, our watchlist (loans with a risk ranking of 4 or 5) consisted of the following (refer to "Our Portfolio" for further discussion):
  - Five loans with a risk ranking of 4 and total carrying value of $187.0 million;
- Our general CECL reserve increased by $7.5 million from June 30, 2026 to September 30, 2026. At September 30, 2026, our general CECL reserve for our outstanding loans and future loan funding commitments is $107.2 million, which is 3.32% of the aggregate commitment amount of our loan portfolio;
- We recorded specific CECL reserves of $7.8 million related to one office loan that was also charged off during the three months ended September 30, 2026. At September 30, 2026, there were no specific CECL reserves on our consolidated balance sheets;
- Sold one industrial portfolio and one multifamily property for a total gross sales price of $325.1 million. In connection with the sales, we recognized a gain of $60.3 million on the industrial portfolio and recorded impairment of operating real estate of $1.8 million on the multifamily property;
- In October 2026, we sold one multifamily property with a carry value of $32.0 million and recorded impairment of operating real estate of $0.8 million during the three months ended September 30, 2026; and
- Deconsolidated the assets and liabilities of one retail property following the loss of control and recorded impairment of operating real estate of $3.4 million.

Financial Results

- Generated GAAP net income of $46.9 million, or $0.37 per basic and diluted share, Distributable Earnings of $10.3 million or $0.08 per share and Adjusted Distributable Earnings of $17.8 million or $0.14 per share for the three months ended September 30, 2026. Distributable Earnings and Adjusted Distributable Earnings are non-GAAP financial measures. A reconciliation of these measures to net income attributable to the Company's common stockholders is in the section "Non-GAAP Supplemental Financial Measures" below.

Trends Affecting Our Business

Global Markets

Commercial real estate markets continue to be influenced by elevated interest rates, reduced transaction activity, uncertainty from the Administration's tariff initiative and trade policy, ongoing geopolitical conflict in the Middle East, and persistent inflationary pressure, particularly in energy prices. In September 2026, the Federal Reserve raised the target range for the federal funds rate by 25 basis points to 3.75% - 4.00%, its first increase since 2023. Minutes of the September meeting indicate that most participants assessed that another increase would likely be appropriate by year-end, although future decisions are expected to depend on incoming information; it is uncertain as to if, when, in which direction, how many and by how much any subsequent changes in the federal funds rate will occur. Higher borrowing costs and conservative lending practices have pressured property valuations and refinancing activity, particularly for loans originated in prior low-rate environments. To the extent certain of our borrowers are experiencing significant financial dislocation as a result of economic conditions, we have and may continue to use interest and other reserves and/or replenishment obligations of the borrower and/or guarantors to meet current interest payment obligations for a limited period.

Property fundamentals remain mixed by sector and geography. Multifamily and industrial assets have generally demonstrated more resilient performance, though rent growth has moderated in select markets. Other than in select cities such as Manhattan, NY, Dallas, TX and San Francisco, CA, office properties continue to face structural and demand-related challenges, which may adversely affect occupancy, cash flows, and valuations, particularly for older or less competitive assets. Given the continuing uncertainty in the office market, there is risk of future valuation impairment or investment loss on our loans secured by office properties. Similarly, these trends may impact our ability to manage debt covenant tests, maturity dates and/or seek suitable refinancing opportunities on certain of our office property equity investments, which may adversely impact valuation assessments and cash flow generated by such investments.

While macroeconomic conditions continue to be challenged, we cannot predict whether they will in fact improve or even intensify. Due to the inherent uncertainty of these conditions, their impact on our business is difficult to predict and quantify.

Factors Impacting Our Operating Results

Our results of operations are affected by a number of factors and depend primarily on, among other things, the ability of the borrowers of our assets to service their debt as it is due and payable, the ability of our tenants to pay rent and other amounts due under their leases, our ability to actively and effectively service any sub-performing and non-performing loans and other assets we may have from time to time in our portfolio, the market value of our assets and the supply of, and demand for, CRE senior loans, mezzanine loans, preferred equity, net leased properties and our other assets, and the level of our net operating income ("NOI"). Our net interest income, which includes the amortization of origination and exit fees, varies primarily as a result of changes in market interest rates, prepayment rates and frequency on our CRE loans and the ability of our borrowers to make scheduled interest payments. Interest rates and prepayment rates vary according to the type of investment, conditions in the financial markets, creditworthiness of our borrowers, competition and other factors, none of which can be predicted with any certainty. Our net property operating income depends on our ability to maintain the historical occupancy rates of our real estate equity investments, lease currently available space and continue to attract new tenants.

Changes in fair value of our assets

We consider and treat our assets as long-term investments. As a result, we do not expect that changes in market value will impact our operating results. However, at least on a quarterly basis, we assess both our ability and intent to hold such assets for the long-term. As part of this process, we monitor our assets for impairment. In addition, we maintain an allowance for credit losses on our financial assets in accordance with the CECL methodology, which requires us to estimate expected credit losses over the life of our loans and recognize provisions for loan losses earlier in the lending cycle. A change in our ability and/or intent to continue to hold any of our assets, which includes the inability to modify, extend or refinance existing mortgage debt on our real estate portfolio, may result in our recognizing an impairment charge, an increase in our CECL reserves or realizing losses upon the sale of such investments.

Changes in market interest rates

With respect to our business operations, increases in interest rates, in general, may over time cause:

- the value of our fixed-rate investments to decrease;
- prepayments on certain assets in our portfolio to slow, thereby slowing the amortization of origination and exit fees;
- coupons on our floating and adjustable-rate mortgage loans to reset, although on a delayed basis, to higher interest rates;
- interest rate caps required by our borrowers to increase in cost;
- borrowers' unwillingness to purchase new interest rate caps at loan maturity to qualify for an extension;
- financial hardship to our borrowers, whose ability to service their debt as it is due and payable and to pass maturity extension tests may be materially adversely impacted, resulting in foreclosures;
- to the extent we use leverage to finance our assets, the interest expense associated with our borrowings to increase; and
- to the extent we enter into interest rate swap agreements as part of our hedging strategy, the value of these agreements to increase.

Conversely, decreases in interest rates, in general, may over time cause:

- the value of the fixed-rate assets in our portfolio to increase;
- prepayments on certain assets in our portfolio to increase, thereby accelerating the amortization of origination and exit fees;
- to the extent we enter into interest rate swap agreements as part of our hedging strategy, the value of these agreements to decrease;
- coupons on our floating and adjustable-rate mortgage loans to reset, although on a delayed basis, to lower interest rates; and
- to the extent we use leverage to finance our assets, the interest expense associated with our borrowings to decrease.

Credit risk

We are subject to varying degrees of credit risk in connection with our target assets. We seek to mitigate this risk by seeking to acquire high quality assets, at appropriate prices given anticipated and unanticipated losses and by employing a comprehensive review and asset selection process and by careful ongoing monitoring of acquired assets. Nevertheless, unanticipated credit losses could occur, which could adversely impact our operating results.

Size of investment portfolio

The size of our portfolio, as measured by the aggregate principal balance of our commercial mortgage loans, other commercial real estate-related debt investments and the other assets we own, is also a key revenue driver. Generally, as the size of our portfolio grows, the amount of interest income we earn increases, but the amount of our expenses also increases to the extent that we incur additional interest expense to finance our assets.

Our Portfolio

As of September 30, 2026, our portfolio consisted of 123 investments representing approximately $3.5 billion in carrying value (based on our share of ownership and excluding cash, cash equivalents and certain other assets). Our senior and mezzanine loans and preferred equity consisted of 111 investments with a weighted average cash coupon of 3.3% and a weighted average all-in unlevered yield of 7.4%. Our net leased and other real estate consisted of approximately 1.7 million total square feet of space and total third quarter 2026 NOI of that portfolio was approximately $6.9 million. Refer to "Non-GAAP Supplemental Financial Measures" below for further information on NOI.

As of September 30, 2026, our portfolio consisted of the following investments (dollars in thousands):

	Count[1]	Carrying value (Consolidated)	Carrying value (at BRSP share)[2]	Net carrying value (Consolidated)[3]	Net carrying value (at BRSP share)[4]
Our Portfolio					
Senior loans	99	$ 3,047,731	$ 3,047,731	$ 693,161	$ 693,161
Mezzanine loans	1	15,105	15,105	15,105	15,105
Preferred equity	11	19,488	19,488	19,488	19,488
Subtotal	111	3,082,324	3,082,324	727,754	727,754
Net leased real estate	5	78,265	78,265	(5,182)	(5,182)
Other real estate	6	370,535	366,270	210,472	210,978
Private equity interests	1	1,414	1,414	1,414	1,414
Total	123	$ 3,532,538	$ 3,528,273	$ 934,458	$ 934,964

(1) Count for net leased real estate and other real estate represents number of investments.
(2) Carrying value at our share represents the proportionate carrying value based on ownership by asset as of September 30, 2026.
(3) Net carrying value represents carrying value less any associated financing as of September 30, 2026.
(4) Net carrying value at our share represents the proportionate carrying value based on asset ownership less any associated financing based on ownership as of September 30, 2026.

Underwriting Process

We use an investment and underwriting process that has been developed by our senior management team leveraging their extensive commercial real estate expertise over many years and real estate cycles. The underwriting process focuses on some or all of the following factors designed to ensure each investment is evaluated appropriately: (i) macroeconomic conditions that may influence operating performance; (ii) fundamental analysis of underlying real estate, including tenant rosters, lease terms, zoning, necessary licensing, operating costs and the asset's overall competitive position in its market; (iii) real estate market factors that may influence the economic performance of the investment, including leasing conditions and overall competition; (iv) the operating expertise and financial strength and reputation of a tenant, operator, partner or borrower; (v) the cash flow in place and projected to be in place over the term of the investment and potential return; (vi) the appropriateness of the business plan and estimated costs associated with tenant buildout, repositioning or capital improvements; (vii) an internal and third-party valuation of a property, investment basis relative to the competitive set and the ability to liquidate an investment through a sale or refinancing; (viii) review of third-party reports including appraisals, engineering and environmental reports; (ix) physical inspections of properties and markets; (x) the overall legal structure of the investment, contractual implications and the lenders' rights; and (xi) the tax and accounting impact.

Loan Risk Rankings

In connection with developing the CECL reserve for our loans and preferred equity held for investment, we determine the risk ranking of each loan and preferred equity investment as a key credit quality indicator. The risk rankings are 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, borrower/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, our loans and preferred equity held for investment are rated "1" through "5," from less risk to greater risk, and the ratings are updated quarterly. At the time of origination or purchase, loans and preferred equity held for investment are ranked as a "3" and will move accordingly going forward based on the ratings which are defined as follows:

1. *Very Low Risk*
2. *Low Risk*
3. *Medium Risk*

4. *High Risk/Potential for Loss*—A loan that has a high risk of realizing a principal loss.

5. *Impaired/Loss Likely*—A loan that has a very high risk of realizing a principal loss or has otherwise incurred a principal loss.

At September 30, 2026, our weighted average risk ranking increased to 3.1 compared to 3.0 at June 30, 2026. During the third quarter of 2026, we had the following risk ranking activity for risk ranked 4 and 5 assets:

- One office loan with a risk ranking of 4 was repaid;
- Downgrades: Two office loans were downgraded to a risk ranking of 4 from a risk ranking of 3.

Senior and Mezzanine Loans and Preferred Equity

The following tables provide a summary of our senior and mezzanine loans and preferred equity based on our internal risk rankings, collateral property type and geographic distribution as of September 30, 2026 (dollars in thousands):

		Carrying Value (at BRSP share)[1]				
Risk Ranking	**Count**	**Senior loans**	**Mezzanine loans**	**Preferred equity**	**Total**	**% of Total**
3	103	$ 2,865,905	$ 15,105	$ 14,356	$ 2,895,366	93.9 %
4[2]	8	181,826	—	5,132	186,958	6.1 %
	111	$ 3,047,731	$ 15,105	$ 19,488	$ 3,082,324	100.0 %
Weighted average risk ranking						3.1

(1) Carrying value at our share represents the proportionate carrying value based on ownership by asset as of September 30, 2026.
(2) Count includes three preferred equity investments where we are also the senior lender.

		Carrying value (at BRSP share)[1]				
Collateral property type	**Count**	**Senior loans**	**Mezzanine loans**	**Preferred equity**	**Total**	**% of Total**
Multifamily	84	$ 2,203,063	$ —	$ 15,924	$ 2,218,987	71.9 %
Office	18	553,229	15,105	3,564	571,898	18.6 %
Other (Mixed-use)[2]	5	184,357	—	—	184,357	6.0 %
Industrial	3	82,591	—	—	82,591	2.7 %
Hotel	1	24,491	—	—	24,491	0.8 %
Total	111	$ 3,047,731	$ 15,105	$ 19,488	$ 3,082,324	100.0 %

(1) Carrying value at our share represents the proportionate carrying value based on ownership by asset as of September 30, 2026.
(2) Other includes commercial and residential development assets.

		Carrying value (at BRSP share)[1]				
Region	**Count**	**Senior loans**	**Mezzanine loans**	**Preferred equity**	**Total**	**% of Total**
US West	40	$ 1,230,306	$ —	$ 1,758	$ 1,232,064	39.9 %
US Southwest	46	1,060,415	—	17,730	1,078,145	35.0 %
US Northeast	9	299,094	15,105	—	314,199	10.2 %
US Southeast	12	325,844	—	—	325,844	10.6 %
US Midwest	4	132,072	—	—	132,072	4.3 %
Total	111	$ 3,047,731	$ 15,105	$ 19,488	$ 3,082,324	100.0 %

(1) Carrying value at our share represents the proportionate carrying value based on ownership by asset as of September 30, 2026.

The following table provides asset level detail for our senior and mezzanine loans and preferred equity as of September 30, 2026 (dollars in thousands):

	Loan Type	Origination Date	City, State	Carrying value[1]	Principal balance	Coupon type	Cash Coupon[2]	Unlevered all-in yield[3]	Extended maturity date	Loan-to-value[4]	Q3 Risk ranking[5]
Multifamily											
Loan 1	Senior	12/12/2025	Los Angeles, CA	$ 70,262	$ 70,800	Floating	2.4%	6.6%	1/9/2031	76%	3
Loan 2	Senior	5/17/2022	Las Vegas, NV	56,855	54,867	Floating	2.0%	5.9%	6/9/2027	74%	4
Loan 3	Senior	8/28/2026	Torrance, CA	53,836	54,400	Floating	2.3%	6.5%	9/9/2031	75%	3
Loan 4	Senior	12/10/2025	St. Louis, MO	52,660	53,000	Floating	2.5%	6.9%	1/9/2031	68%	3
Loan 5	Senior	9/25/2026	Austin, TX	51,335	51,860	Floating	2.4%	6.8%	10/9/2031	70%	3
Loan 6	Senior	5/26/2021	Las Vegas, NV	48,225	47,380	Floating	3.0%	6.9%	6/9/2028	80%	3
Loan 7	Senior	5/29/2026	Cypress, TX	47,130	47,579	Floating	2.3%	6.7%	6/9/2031	75%	3
Loan 8	Senior	3/17/2026	San Diego, CA	46,639	47,000	Floating	2.4%	6.8%	4/9/2031	65%	3
Loan 9	Senior	3/16/2026	Sunnyvale, CA	46,036	46,461	Floating	2.4%	6.6%	4/9/2031	68%	3
Loan 10	Senior	1/8/2026	San Bernadino, CA	41,963	42,300	Floating	2.7%	6.9%	2/9/2031	71%	3
Subtotal top 10 multifamily				$ 514,941	$ 515,647	17% of total loans					
Loan 11	Senior	11/6/2025	Mesa, AZ	$ 41,751	$ 42,086	Floating	2.6%	6.8%	11/9/2030	68%	3
Loan 12	Senior	3/31/2022	Louisville, KY	41,206	41,095	Floating	2.8%	6.7%	4/9/2027	72%	3
Loan 13	Senior	12/30/2025	Madison, AL	41,176	41,500	Floating	2.5%	6.7%	1/9/2031	75%	3
Loan 14	Senior	1/8/2026	Tucson, AZ	40,572	40,947	Floating	2.6%	6.8%	1/9/2031	74%	3
Loan 15	Senior	3/31/2022	Long Beach, CA	40,558	40,507	Floating	3.4%	7.3%	4/9/2027	74%	3
Loan 16	Senior	7/15/2021	Dallas, TX	40,338	40,338	Floating	3.2%	7.1%	10/9/2026	77%	3
Loan 17	Senior	7/15/2021	Jersey City, NJ	40,108	40,000	Floating	3.1%	7.0%	8/9/2027	66%	3
Loan 18	Senior	7/13/2026	Buena Park, CA	39,632	40,103	Floating	2.4%	5.5%	8/9/2031	75%	3
Loan 19	Senior	7/12/2022	Irving, TX	38,475	38,379	Floating	3.6%	7.5%	8/9/2027	73%	3
Loan 20	Senior	12/21/2020	Austin, TX	37,000	37,000	Floating	3.1%	7.0%	1/9/2029	54%	3
Subtotal top 20 multifamily				$ 915,757	$ 917,602	30% of total loans					

	Loan Type	Origination Date	City, State	Carrying value[1]	Principal balance	Coupon type	Cash Coupon[2]	Unlevered all-in yield[3]	Extended maturity date	Loan-to-value[4]	Q3 Risk ranking[5]
Loan 21	Senior	1/12/2022	Los Angeles, CA	$ 36,550	$ 36,550	Floating	3.4%	7.3%	2/9/2027	65%	3
Loan 22	Senior	5/15/2026	Las Vegas, NV	34,951	35,250	Floating	2.4%	6.7%	6/9/2031	61%	3
Loan 23	Senior	5/21/2026	Tucson, AZ	34,070	34,416	Floating	2.5%	6.8%	6/9/2031	70%	3
Loan 24	Senior	7/29/2021	Phoenix, AZ	33,325	33,325	Floating	3.4%	7.3%	1/9/2027	75%	3
Loan 25	Senior	2/20/2025	Las Vegas, NV	32,930	33,000	Floating	3.4%	7.8%	3/9/2030	59%	3
Loan 26	Senior	12/23/2025	Jackson, TN	32,743	33,000	Floating	3.0%	7.2%	1/9/2031	62%	3
Loan 27	Senior	10/14/2025	New Braunfels, TX	32,158	32,340	Floating	2.6%	7.0%	11/9/2030	68%	3
Loan 28	Senior	4/29/2021	Las Vegas, NV	31,678	31,678	Floating	3.2%	7.1%	5/9/2027	76%	3
Loan 29	Senior	2/17/2022	Long Beach, CA	31,563	31,522	Floating	3.4%	7.3%	3/9/2027	67%	3
Loan 30	Senior	4/28/2026	Birmingham, AL	31,038	31,325	Floating	2.8%	7.2%	5/9/2031	67%	3
Loan 31	Senior	7/20/2026	Los Angeles, CA	30,989	31,300	Floating	2.8%	7.0%	8/9/2031	78%	3
Loan 32	Senior	4/15/2022	Mesa, AZ	30,160	30,160	Floating	3.4%	7.3%	5/9/2027	75%	3
Loan 33	Senior	2/13/2025	Las Vegas, NV	29,765	29,827	Floating	2.7%	7.0%	3/9/2030	70%	3
Loan 34	Senior	9/18/2025	Nashville, TN	29,506	29,715	Floating	2.6%	6.8%	10/9/2030	68%	3
Loan 35	Senior	8/31/2021	Glendale, AZ	28,942	28,855	Floating	3.3%	7.2%	3/9/2027	75%	3
Loan 36	Senior	4/23/2026	Raleigh, NC	28,756	29,043	Floating	2.8%	7.0%	5/9/2031	72%	3
Loan 37	Senior	5/7/2026	Austin, TX	28,654	28,948	Floating	2.6%	6.8%	5/9/2031	74%	3
Loan 38	Senior	9/26/2025	Nashville, TN	27,852	28,000	Floating	2.7%	7.1%	10/9/2030	65%	3
Loan 39	Senior	1/22/2026	Costa Mesa, CA	27,806	28,000	Floating	2.4%	6.8%	2/9/2031	63%	3
Loan 40	Senior	2/25/2025	Denver, CO	25,687	25,687	Floating	3.3%	7.7%	3/9/2028	68%	3
Loan 41	Senior	12/21/2021	Phoenix, AZ	25,596	25,596	Floating	3.6%	7.5%	1/9/2027	75%	3
Loan 42	Senior	11/4/2025	Santa Rosa, CA	25,509	25,724	Floating	2.8%	7.0%	12/9/2030	74%	3
Loan 43	Senior	7/12/2022	Irving, TX	25,496	25,433	Floating	3.6%	7.5%	8/9/2027	72%	3
Loan 44	Senior	3/8/2022	Glendale, AZ	25,347	25,347	Floating	3.5%	7.4%	3/9/2027	73%	3
Loan 45	Senior	8/17/2026	Los Angeles, CA	24,849	25,095	Floating	2.5%	6.8%	9/9/2031	75%	3
Loan 46	Senior	3/31/2022	Phoenix, AZ	24,001	24,001	Floating	3.7%	7.6%	4/9/2027	75%	3
Loan 47	Senior	11/4/2021	Austin, TX	23,590	23,529	Floating	3.4%	7.3%	11/9/2026	71%	4

	Loan Type	Origination Date	City, State	Carrying value[1]	Principal balance	Coupon type	Cash Coupon[2]	Unlevered all-in yield[3]	Extended maturity date	Loan-to-value[4]	Q3 Risk ranking[5]
Loan 48	Senior	12/10/2024	Seattle, WA	23,502	23,534	Floating	2.8%	7.1%	1/9/2030	65%	3
Loan 49	Senior	8/14/2025	Dallas, TX	22,556	22,676	Floating	3.0%	7.3%	9/9/2030	59%	3
Loan 50	Senior	6/22/2021	Phoenix, AZ	22,292	22,292	Floating	3.3%	7.2%	1/9/2027	75%	3
Loan 51	Senior	5/8/2026	Dallas, TX	21,833	22,050	Floating	2.4%	6.6%	5/9/2031	69%	3
Loan 52	Senior	12/19/2025	Shakopee, MN	21,361	21,500	Floating	2.5%	6.9%	1/9/2031	65%	3
Loan 53	Senior	7/1/2021	Aurora, CO	21,342	21,305	Floating	3.2%	7.1%	7/9/2028	73%	3
Loan 54	Senior	10/18/2024	Garland, TX	20,690	20,805	Floating	3.7%	7.9%	11/9/2029	70%	3
Loan 55	Senior	1/12/2022	Austin, TX	20,403	20,403	Floating	3.4%	7.3%	2/9/2027	75%	3
Loan 56	Senior	12/21/2021	Gresham, OR	20,235	20,235	Floating	2.8%	6.7%	7/9/2028	74%	3
Loan 57	Senior	9/10/2026	Owings Mils, MD	19,878	20,085	Floating	2.4%	6.6%	9/9/2031	68%	3
Loan 58	Senior	8/6/2021	La Mesa, CA	19,787	19,787	Floating	2.8%	6.7%	8/9/2028	70%	3
Loan 59	Senior	9/1/2021	Bellevue, WA	19,308	19,308	Floating	3.4%	7.3%	3/8/2027	64%	3
Loan 60	Senior	7/14/2021	Salt Lake City, UT	18,830	18,783	Floating	2.8%	6.7%	8/9/2028	73%	3
Loan 61	Senior	11/20/2025	Whittier, CA	17,707	17,815	Floating	2.5%	6.9%	12/9/2030	59%	3
Loan 62	Senior	10/23/2025	Huntsville, AL	17,595	17,700	Floating	2.8%	7.2%	11/9/2030	55%	3
Loan 63	Senior	5/5/2022	Charlotte, NC	17,250	17,250	Floating	3.5%	7.4%	5/9/2028	61%	3
Loan 64	Senior	9/16/2025	Glendale, AZ	17,038	17,160	Floating	2.6%	6.8%	10/9/2030	73%	3
Loan 65	Senior	9/18/2025	Mobile, AL	15,889	16,000	Floating	2.8%	7.0%	10/9/2030	73%	3
Loan 66	Senior	6/25/2026	Phoenix, AZ	15,775	15,932	Floating	2.9%	7.3%	7/9/2031	73%	3
Loan 67	Senior	1/10/2025	Lebanon, TN	15,750	15,750	Floating	3.6%	7.5%	2/9/2030	71%	3
Loan 68	Senior	5/27/2026	San Francisco, CA	15,693	15,900	Floating	2.6%	7.0%	6/9/2031	64%	3
Loan 69	Senior	5/5/2025	Dallas, TX	13,702	13,750	Floating	2.9%	7.3%	5/9/2030	65%	3
Loan 70	Senior	8/19/2025	Phoenix, AZ	13,677	13,771	Floating	2.7%	6.9%	9/9/2030	75%	3
Loan 71	Senior	7/3/2025	Northridge, CA	13,196	13,250	Floating	3.3%	7.7%	7/3/2030	74%	3
Loan 72	Senior	11/22/2024	Garland, TX	12,916	12,983	Floating	3.5%	7.7%	12/9/2029	63%	3
Loan 73	Senior	11/20/2025	Hoboken, NJ	12,424	12,500	Floating	2.4%	6.8%	12/9/2030	61%	3
Loan 74	Senior	3/8/2022	Glendale, AZ	11,664	11,664	Floating	3.5%	7.4%	3/9/2027	73%	3

	Loan Type	Origination Date	City, State	Carrying value[1]	Principal balance	Coupon type	Cash Coupon[2]	Unlevered all-in yield[3]	Extended maturity date	Loan-to-value[4]	Q3 Risk ranking[5]
Loan 75	Senior	12/19/2025	Mesa, AZ	11,504	11,605	Floating	2.8%	7.0%	1/9/2031	70%	3
Loan 76[6]	Preferred	5/9/2025	Phoenix, AZ	2,349	2,349	Fixed	n/a[6]	14.0%	4/9/2027	n/a	3
Loan 77[6]	Preferred	5/9/2025	Mesa, AZ	2,328	2,328	Fixed	n/a[6]	14.0%	5/9/2027	n/a	3
Loan 78[6]	Preferred	5/9/2025	Glendale, AZ	2,228	2,228	Fixed	n/a[6]	14.0%	3/9/2027	n/a	3
Loan 79[6]	Preferred	5/9/2025	Phoenix, AZ	2,059	2,059	Fixed	n/a[6]	14.0%	1/9/2027	n/a	3
Loan 80[6]	Preferred	5/9/2025	Phoenix, AZ	2,001	2,001	Fixed	n/a[6]	14.0%	1/9/2027	n/a	3
Loan 81[6]	Preferred	5/9/2025	Phoenix, AZ	1,817	1,817	Fixed	n/a[6]	14.0%	1/9/2027	n/a	3
Loan 82[7]	Preferred	12/23/2025	Austin, TX	1,500	1,500	Fixed	n/a[7]	15.0%	11/9/2026	n/a	4
Loan 83[8]	Preferred	7/7/2026	Las Vegas, NV	912	912	Fixed	n/a[8]	10.0%	6/9/2027	n/a	4
Loan 84[7]	Preferred	2/18/2026	Austin, TX	728	728	Fixed	n/a[7]	15.0%	2/9/2027	n/a	3
Total/Weighted average multifamily loans				$ 2,218,987	$ 2,225,983	72% of total loans	2.8%	7.0%	2.9 years		3.0
					Office						
Loan 85	Senior	1/19/2021	Phoenix, AZ	$ 78,118	$ 77,715	Floating	3.7%	7.6%	10/9/2026	70%	3
Loan 86	Senior	8/28/2018	San Jose, CA	73,571	73,571	Floating	4.9%	8.8%	3/9/2028	69%	3
Loan 87	Senior	2/13/2019	Baltimore, MD	58,606	58,606	Floating	3.6%	7.5%	2/9/2027	74%	3
Loan 88	Senior	11/17/2021	Dallas, TX	41,533	41,533	Floating	4.0%	7.9%	12/9/2026	61%	4
Loan 89	Senior	5/23/2022	Plano, TX	38,633	38,524	Floating	4.3%	8.2%	6/9/2027	64%	3
Loan 90	Senior	4/27/2022	Plano, TX	38,542	38,438	Floating	4.1%	8.0%	5/9/2027	70%	3
Loan 91	Senior	4/7/2022	San Jose, CA	32,435	32,406	Floating	4.2%	8.3%	4/9/2027	70%	3
Loan 92	Senior	10/21/2021	Blue Bell, PA	30,259	30,259	Floating	3.8%	7.7%	4/9/2027	67%	4
Loan 93	Senior	3/31/2022	Blue Bell, PA	29,590	29,590	Floating	4.2%	8.1%	4/9/2027	59%	4
Loan 94	Senior	2/26/2019	Charlotte, NC	27,084	27,084	Floating	4.3%	8.2%	7/9/2027	56%	3
Subtotal top 10 office loans				$ 448,371	$ 447,726	15% of total loans					
Loan 95	Senior	12/7/2018	Carlsbad, CA	26,668	26,290	Floating	3.9%	7.8%	12/9/2026	74%	3
Loan 96	Senior	7/30/2021	Denver, CO	23,896	23,896	Floating	5.0%	8.9%	8/9/2027	72%	3

	Loan Type	Origination Date	City, State	Carrying value[1]	Principal balance	Coupon type	Cash Coupon[2]	Unlevered all-in yield[3]	Extended maturity date	Loan-to-value[4]	Q3 Risk ranking[5]
Loan 97	Senior	8/27/2019	San Francisco, CA	22,716	22,716	Floating	2.9%	6.9%	9/9/2027	74%	3
Loan 98	Senior	10/13/2021	Burbank, CA	18,216	18,216	Floating	4.0%	7.9%	11/9/2026	65%	3
Loan 99[9]	Mezzanine	2/13/2023	Baltimore, MD	15,105	15,105	n/a[9]	n/a[9]	n/a[9]	2/9/2027	84% - 85%	3
Loan 100	Senior	11/10/2021	Richardson, TX	13,362	13,320	Floating	4.1%	8.0%	12/9/2026	71%	3
Loan 101[10]	Preferred	12/12/2025	Dallas, TX	2,719	2,719	Fixed	n/a[10]	15.0%	12/9/2026	n/a	4
Loan 102[11]	Preferred	9/9/2025	San Francisco, CA	845	845	Fixed	n/a[11]	20.0%	9/9/2027	n/a	3
Total/Weighted average office loans				$ 571,898	$ 570,833	19% of total loans	3.9%	7.8%	0.6 years		3.2
						Other (Mixed-use)					
Loan 103	Senior	10/24/2019	Brooklyn, NY	$ 79,308	$ 79,308	Floating	4.2%	8.1%	11/9/2027	66%	3
Loan 104	Senior	5/3/2022	Brooklyn, NY	28,923	28,923	Floating	4.4%	8.3%	11/9/2028	68%	3
Loan 105	Senior	4/3/2024	South Pasadena, CA	28,781	28,781	Fixed	20.0%	20.0%	10/9/2026	84%	3
Loan 106	Senior	10/8/2025	Venice, CA	25,275	25,422	Floating	4.8%	9.2%	10/9/2030	67%	3
Loan 107	Senior	8/31/2021	Los Angeles, CA	22,070	22,070	Floating	4.6%	8.5%	9/9/2027	66%	3
Total/Weighted average other (mixed-use) loans				$ 184,357	$ 184,504		6.8%	10.2%	1.5 years		3.0
						Industrial					
Loan 108	Senior	3/25/2026	Oklahoma City, OK	$ 33,560	$ 33,841	Floating	2.8%	7.2%	4/9/2031	56%	3
Loan 109	Senior	7/2/2026	Hawthorne, CA	29,628	29,945	Floating	2.5%	6.9%	7/9/2031	50%	3
Loan 110	Senior	5/4/2026	Wilmer, TX	19,402	19,625	Floating	2.7%	6.9%	5/9/2031	44%	3
Total/Weighted average industrial loans				$ 82,591	$ 83,411		2.6%	7.0%	4.6 years		3.0
						Hotel					
Loan 111	Senior	3/12/2026	Chicago, IL	$ 24,491	$ 24,700	Floating	3.2%	7.6%	4/9/2031	50%	3
Total/Weighted average hotel loans				$ 24,491	$ 24,700		3.2%	7.6%	4.5 years		3.0
Total/Weighted average senior and mezzanine loans and preferred equity - Our Portfolio				$ 3,082,324	$ 3,089,431		3.3%	7.4%	2.5 years		3.1

(1) Represents carrying values at our share as of September 30, 2026 and excludes general CECL reserves.
(2) Represents the stated coupon rate for loans; for floating rate loans, does not include Secured Overnight Financing Rate ("SOFR"), which was 3.91% as of September 30, 2026.
(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 and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2026 for weighted average calculations.
(4) Senior loans reflect the initial loan amount divided by the as-is appraised value as of the date the loan was originated. 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 appraised value as of the date the loan was originated. Detachment loan-to-value reflects the cumulative initial funding of our loan and the loans senior to our position divided by the as-is appraised value as of the date the loan was originated.
(5) On a quarterly basis, our senior and mezzanine loans are rated "1" through "5," from less risk to greater risk. Represents risk ranking as of September 30, 2026.
(6) Loans 76-81 have payment-in-kind provisions and accrue interest at 14%.
(7) Loans 82 and 84 have payment-in-kind provisions and accrue interest at 15%.
(8) Loan 83 has a payment-in-kind provision and accrues interest at 10%
(9) Loan 99 was placed on nonaccrual status in April 2024; as such, no income is being recognized.
(10) Loan 101 has a payment-in-kind provision and accrues interest at 15%.
(11) Loan 102 has a payment-in-kind provision and accrues interest at 20%.

At September 30, 2026, our general CECL reserve for our outstanding loans and future loan funding commitments is $107.2 million, which is 3.32% of the aggregate commitment amount of our loan portfolio. This represents an increase of $7.5 million from $99.7 million or 3.27% of the aggregate commitment amount of our loan portfolio at June 30, 2026. The increase in our general CECL reserves was primarily driven by macroeconomic conditions, originations activity and other model inputs.

Net Leased and Other Real Estate

We have five direct investments in CRE with long-term leases to tenants on a net lease basis, where such tenants generally will be responsible for property operating expenses such as insurance, utilities, maintenance, capital expenditures and real estate taxes. Additionally, we have one other real estate investment through a joint venture with one partner. We also own four properties included in other real estate that were acquired through deeds-in-lieu of foreclosure and foreclosure and consolidated one property after being deemed the primary beneficiary of the variable interest entity holding it.

As of September 30, 2026, $444.5 million or 12.6% of our assets were invested in net leased and other real estate properties. The following table presents our net leased and other real estate investments as of September 30, 2026 (dollars in thousands):

	Count[1]	Carrying Value[2]	NOI for the three months ended September 30, 2026[3][4]
Net leased real estate	5	$ 78,265	$ 2,636
Other real estate	6	366,270	4,279
Total/Weighted average net leased and other real estate	11	$ 444,535	$ 6,915

(1) Count represents the number of investments.
(2) Represents carrying values at our share as of September 30, 2026; includes real estate tangible assets, deferred leasing costs and other intangible assets.
(3) Refer to "Non-GAAP Supplemental Financial Measures" for further information on NOI.
(4) Excludes $4.6 million of NOI related to an industrial portfolio and multifamily property sold during the third quarter of 2026.

The following table provides asset-level detail of our net leased and other real estate as of September 30, 2026:

	Collateral type	City, State	Number of properties	Rentable square feet ("RSF") / units/keys[1]	Weighted average % leased[2]	Weighted average lease term (yrs)[3]	Undepreciated net book value[4]	SL Rent Receivable [5]	Principal amount of debt[6]	Final debt maturity date
Net leased real estate										
Net lease 1[7]	Office	Aurora, CO	1	183,529 RSF	100%	1.2	$ 27,154	$ 231	$ 27,465	Aug-26
Net lease 2	Office	Indianapolis, IN	1	338,000 RSF	100%	4.3	19,165	595	20,221	Oct-27
Net lease 3[8][9][10]	Retail	Various - U.S.	4	269,600 RSF	100%	3.0	—	54	26,529	Nov-26 & Mar-28
Net lease 4[8]	Retail	Keene, NH	1	45,471 RSF	100%	2.3	—	27	6,308	Nov-26
Net lease 5	Retail	South Portland, ME	1	52,900 RSF	100%	5.3	4,730	105	—	—
Net lease 6[8][10]	n/a	n/a	—	n/a	n/a	n/a	—	—	2,924	Nov-26
Total/Weighted average net leased real estate			8	889,500 RSF	100%	2.6	$ 51,049	$ 1,012	$ 83,447	
Other real estate										
Other real estate 1[11]	Hotel	San Jose, CA	1	541 Keys	81%	n/a	$ 144,634	$ —	$ —	—
Other real estate 2[8][12]	Office	Creve Coeur, MO	7	847,604 RSF	80%	3.0	—	2,747	90,642	Dec-28
Other real estate 3[11]	Multifamily	Dallas, TX	1	624 Units	55%	n/a	45,429	—	—	—
Other real estate 4[11]	Multifamily/Pre-dev[13]	Santa Clara, CA	1	n/a	n/a	n/a	6,413	—	33,347	Jul-28
Other real estate 5	Multifamily	Arlington, TX	1	436 Units	89%	n/a	39,383	—	—	—
Other real estate 6[8][11]	Multifamily	Fort Worth, TX	1	354 Units	90%	n/a	31,984	—	—	—
Total/Weighted average other real estate			12	n/a	79%	3.0	$ 267,843	$ 2,747	$ 123,989	
Total net leased and other real estate			20							

(1) Rentable square feet based on carrying value at our share as of September 30, 2026.
(2) Represents the percent leased as of September 30, 2026. Weighted average calculation based on carrying value at our share as of September 30, 2026.
(3) Based on in-place leases (defined as occupied and paying leases) as of September 30, 2026, and assumes that no renewal options are exercised. Weighted average calculation based on carrying value at our share as of September 30, 2026.
(4) Represents undepreciated book value at our share net of associated principal amounts of debt at our share as of September 30, 2026. Undepreciated book value per share is a non-GAAP financial measure. Refer to "Undepreciated Book Value Per Share" in "Non-GAAP Supplemental Measures" for further information.
(5) Represents straight line rent receivable as of September 30, 2026. This is included in "Receivables, net" on our consolidated balance sheet.
(6) Represents principal amount of debt at our share as of September 30, 2026.
(7) The mortgage payable collateralized by Net lease 1 is in maturity default. We are currently negotiating an extension with our lender.
(8) Represents a property where we previously recorded impairment. For Net lease 3, three individual properties were impaired.
(9) Net lease 3 consists of two separate mortgage notes.
(10) During the second quarter of 2026, we received notice that we were in default on the mortgage notes payable cross-collateralized by five properties included in Net Lease 3, Net Lease 4 and Net Lease 6. As a result, we deconsolidated two properties collateralizing Net Lease 3 and the property collateralizing Net Lease 6.
(11) Property was acquired through foreclosure or deed-in-lieu of foreclosure.
(12) The current maturity date is December 2027, with a one-year extension available, subject to satisfaction of certain customary conditions set forth in the governing documents.
(13) Represents a multifamily construction/development project.

Results of Operations

The following table summarizes our portfolio results of operations for the three months ended September 30, 2026 and June 30, 2026, (dollars in thousands):

	Three Months Ended September 30, 2026	Three Months Ended June 30, 2026	Q3 '26 vs Q2 '26 Change
Net interest income			
Interest income	$ 56,168	$ 52,077	$ 4,091
Interest expense	(37,905)	(34,848)	(3,057)
Net interest income	18,263	17,229	1,034
Property and other income			
Property operating income	30,837	30,432	405
Other income	350	1,039	(689)
Total property and other income	31,187	31,471	(284)
Expenses			
Property operating expense	19,161	18,511	650
Transaction, investment and servicing expense	1,380	1,507	(127)
Interest expense on real estate	4,655	5,121	(466)
Depreciation and amortization	4,084	8,187	(4,103)
Increase of current expected credit loss reserve	15,039	13,502	1,537
Impairment of operating real estate	5,986	9,270	(3,284)
Compensation and benefits	9,197	8,989	208
Operating expense	3,055	3,158	(103)
Total expenses	62,557	68,245	(5,688)
Other income			
Other gain (loss), net	60,322	(27)	60,349
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	47,215	(19,572)	66,787
Equity in earnings (loss) of unconsolidated ventures	—	(602)	602
Income tax benefit (expense)	19	(10)	29
Net income (loss)	$ 47,234	$ (20,184)	$ 67,418

Comparison of Three Months Ended September 30, 2026 and Three Months Ended June 30, 2026

Net Interest Income

Interest income

Interest income increased by $4.1 million to $56.2 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The increase was primarily due to $4.6 million related to loan originations offset by $1.6 million related to loan repayments.

Interest expense

Interest expense increased by $3.1 million to $37.9 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The increase was primarily due to $2.6 million related to the financing of newly originated loans and higher draws on the Bank Credit Facility of $1.0 million. This was partially offset by $0.9 million from paydowns on our Master Repurchase Facilities.

Property and other income

Property operating income

Property operating income increased by $0.4 million to $30.8 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The increase was primarily driven by $1.3 million in one time termination

fee income from an office property, offset by $1.0 million in lower income from the industrial portfolio sold during the third quarter of 2026.

Other income

Other income decreased by $0.7 million to $0.3 million during the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The decrease was primarily due to lower miscellaneous refunds of $0.6 million related to resolved investments and lower interest income of $0.1 million on a one-time tax refund.

Expenses

Property operating expense

Property operating expense increased by $0.7 million to $19.2 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The increase was primarily driven by $0.4 million in higher property taxes and utilities at an office property and $0.4 million higher expenses from a multifamily property, offset by $0.2 million of lower utility expenses at a multifamily/pre-development property.

Transaction, investment and servicing expense

Transaction, investment and servicing expense decreased by $0.1 million to $1.4 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The decrease was primarily due to lower franchise tax expense of $0.4 million partially offset by higher deal-level expenses of $0.2 million during the three months ended September 30, 2026.

Interest expense on real estate

Interest expense on real estate decreased by $0.5 million to $4.7 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The decrease was primarily driven by $0.6 million related to the industrial portfolio sold during the third quarter of 2026.

Depreciation and amortization

Depreciation and amortization expense decreased by $4.1 million to $4.1 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026. The decrease was primarily driven by $2.6 million lower expense related to three assets classified as held for sale during the second and third quarters of 2026 and $1.4 million related to fully amortized intangible assets at a multifamily property.

Increase of current expected credit loss reserve

During the three months ended September 30, 2026, we recorded an increase in CECL reserves of $15.0 million. The increase was due to a net increase in general reserves of $7.5 million driven by macroeconomic conditions, originations activity and other model inputs. We also recorded $7.5 million of specific reserves primarily related to one office loan that was resolved in the third quarter of 2026 and the specific reserves were charged off during the three months ended September 30, 2026.

During the three months ended June 30, 2026, we recorded an increase in CECL reserves of $13.5 million. The increase was due to a net increase in general reserves of $12.5 million driven by macroeconomic conditions and other model inputs. We also recorded $1.0 million of specific reserves related to three multifamily loans that were resolved in the second quarter of 2026, all of which were charged off during the three months ended June 30, 2026.

Impairment of operating real estate

During the three months ended September 30, 2026, we recorded impairment of $6.0 million related to one retail property which was deconsolidated following the loss of control over the property and two multifamily properties.

During the three months ended June 30, 2026, we recorded impairment of $5.5 million related to two retail properties, one of which was deconsolidated following the loss of control over the property. We also recorded $3.8 million related to a multifamily property classified as real estate held for sale.

Compensation and benefits

Compensation and benefits increased by $0.2 million to $9.2 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026 due to higher stock compensation expense.

Operating expense

Operating expense decreased by $0.1 million to $3.1 million for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026 due to lower third-party costs incurred.

Other income

Other gain (loss), net

We recorded other gain, net of $60.3 million during the three months ended September 30, 2026 related to the sale of an industrial portfolio. We recorded a de minimis other loss, net during the three months ended June 30, 2026.

Equity in earnings (loss) of unconsolidated ventures

There was no equity in earnings (loss) recognized during the three months ended September 30, 2026. We recorded equity in earnings (loss) of $0.6 million during the three months ended June 30, 2026 related to the fair value loss on one investment held in an unconsolidated venture.

Income tax benefit (expense)

Income tax expense decreased by a de minimis amount to an income tax benefit for the three months ended September 30, 2026, as compared to the three months ended June 30, 2026.

The following table summarizes our portfolio results of operations for the nine months ended September 30, 2026 and September 30, 2025 (dollars in thousands):

	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	YTD 2026 vs YTD 2025 Amount
Net interest income			
Interest income	$ 157,760	$ 145,638	$ 12,122
Interest expense	(106,146)	(95,510)	(10,636)
Net interest income	51,614	50,128	1,486
Property and other income			
Property operating income	93,923	95,063	(1,140)
Other income	4,360	6,724	(2,364)
Total property and other income	98,283	101,787	(3,504)
Expenses			
Property operating expense	57,750	46,293	11,457
Transaction, investment and servicing expense	3,719	2,046	1,673
Interest expense on real estate	14,868	18,499	(3,631)
Depreciation and amortization	20,897	28,346	(7,449)
Increase of CECL reserve	30,286	8,562	21,724
Impairment of operating real estate	15,256	53,636	(38,380)
Compensation and benefits	27,242	26,700	542
Operating expense	9,308	9,048	260
Total expenses	179,326	193,130	(13,804)
Other income			
Other gain (loss), net	60,291	(3,065)	63,356
Income (loss) before equity in earnings (loss) of unconsolidated ventures and income taxes	30,862	(44,280)	75,142
Equity in earnings (loss) of unconsolidated ventures	(602)	—	(602)
Income tax benefit (expense)	(85)	21,511	(21,596)
Net income (loss)	$ 30,175	$ (22,769)	$ 52,944

Comparison of Nine Months Ended September 30, 2026 and Nine Months Ended September 30, 2025

Net Interest Income

Interest income

Interest income increased by $12.1 million to $157.8 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily due to $49.3 million in loan originations. This was partially offset by $26.5 million related to loan repayments, $6.5 million from loans now classified as real estate and $5.5 million due to lower interest rates.

Interest expense

Interest expense increased by $10.6 million to $106.1 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily due to $13.6 million related to the net impact of the BRSP 2026-FL3 issuance and the unwinding of the BRSP 2021-FL1 securitization trust following the redemption of all outstanding securities thereunder, $10.5 million related to financing on new originations and $2.0 million relating to draws on the Bank Credit Facility. This was partially offset by $11.0 million related to repayments and $3.7 million related to lower interest rates.

Property and other income

Property operating income

Property operating income decreased by $1.1 million to $93.9 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The decrease was primarily due to $16.9 million from four subsidiaries deconsolidated during 2025 and 2026 and $6.9 million from properties sold during 2025 and 2026, partially offset by $20.3 million from properties acquired during 2025 and 2026 and $2.4 million in higher income at two multifamily and one office property.

Other income

Other income decreased by $2.4 million to $4.4 million during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The decrease was primarily due to lower money market interest of $4.1 million and lower miscellaneous refunds of $0.7 million related to resolved investments, partially offset by $2.4 million of interest income on a one-time tax refund that was recognized in the first quarter of 2026.

Expenses

Property operating expense

Property operating expense increased by $11.5 million to $57.7 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily due to $20.8 million from properties acquired during 2025 and 2026, partially offset by $4.5 million from four subsidiaries deconsolidated during 2025 and 2026 and $4.2 million from properties sold during 2025 and 2026.

Transaction, investment and servicing expense

Transaction, investment and servicing expense increased by $1.7 million to $3.7 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The increase was primarily due to higher deal-level legal expenses of $1.3 million and higher loan service fees of $0.2 million.

Interest expense on real estate

Interest expense on real estate decreased by $3.6 million to $14.9 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. This decrease was primarily due to $4.0 million from two subsidiaries deconsolidated during 2025 and 2026 and $0.7 million from an industrial portfolio sold during the third quarter of 2026, partially offset by $1.0 million from one property acquired in 2025.

Depreciation and amortization

Depreciation and amortization expense decreased by $7.4 million to $20.9 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025. The decrease was primarily due to $5.1 million from five subsidiaries deconsolidated during 2025 and 2026, $3.9 million from properties sold during 2025 and 2026, $3.6 million from fully amortized in-place leases at two multifamily properties and $0.9 million from fully depreciated improvements at two net lease properties, partially offset by $6.3 million from properties acquired during 2025 and the first quarter of 2026.

Increase of current expected credit loss reserve

During the nine months ended September 30, 2026, we recorded an increase in CECL reserves of $30.3 million. The increase was driven by a net increase in general reserves of $19.2 million and a net increase in specific CECL reserves of $11.1 million. The increase in general reserves was driven by macroeconomic conditions and other model inputs. The increase in specific reserves was related to three multifamily loans, two office loans and one industrial loan that were resolved during the nine months ended September 30, 2026. As a result, all specific reserves were charged off during the nine months ended September 30, 2026.

During the nine months ended September 30, 2025, we recorded a net increase in CECL reserves of $8.6 million. The increase was driven by a net increase in specific CECL reserves of $46.2 million partially offset by a net decrease in general reserves of $37.6 million. The increase in specific CECL reserves was attributable to two multifamily loans, one office loan and one hotel loan, all of which were charged off during the nine months ended September 30, 2025.

Impairment of operating real estate

During the nine months ended September 30, 2026, we recorded impairment of $8.8 million on three retail properties that were deconsolidated following the loss of control over the properties. We also recorded $6.4 million related to two multifamily properties that were sold or classified as held for sale during the nine months ended September 30, 2026.

During the nine months ended September 30, 2025, we recorded $53.6 million of impairment related to our Norwegian net lease office campus and our Pennsylvania office property. We deconsolidated the assets and liabilities of both properties during the nine months ended September 30, 2025.

Compensation and benefits

Compensation and benefits increased by $0.5 million to $27.2 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to higher employee compensation and benefit expense.

Operating expense

Operating expense increased by $0.3 million to $9.3 million for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, primarily due to higher third-party costs incurred.

Other income (loss)

Other gain (loss), net

We recorded other gain, net of $60.3 million during the nine months ended September 30, 2026 related to the gain on the sale of an industrial portfolio in the third quarter of 2026. We recorded other loss, net of $3.1 million during the nine months ended September 30, 2025 related to the reclassification of $22.0 million of foreign currency translation loss offset by $18.6 million of designated hedge gains from accumulated other comprehensive income following the resolution of our Norwegian net lease office campus in the second quarter of 2025.

Equity in earnings (loss) of unconsolidated ventures

We recorded equity in earnings (loss) of $0.6 million during the nine months ended September 30, 2026 related to the fair value loss on one investment held in an unconsolidated venture. There was no equity in earnings (loss) recognized during the nine months ended September 30, 2025.

Income tax benefit (expense)

We recorded income tax expense of $0.1 million during the nine months ended September 30, 2026 and we recorded an income tax benefit of $21.5 million during the nine months ended September 30, 2025. The tax benefit was primarily due to a $22.1 million deferred tax liability write-off when an investment subsidiary reached a maturity default on its bond financing collateralized by our Norwegian net lease office campus. Following the maturity default, the lenders exercised remedies and took control by equity pledge of the underlying investment subsidiary.

Non-GAAP Supplemental Financial Measures

Distributable Earnings

We present Distributable Earnings, which is a non-GAAP supplemental financial measure of our performance. We believe that Distributable Earnings provides meaningful information to consider in addition to our net income and cash flow from operating activities determined in accordance with GAAP, and this metric is a useful indicator for investors in evaluating and comparing our operating performance to our peers and our ability to pay dividends. We elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, beginning with our taxable year ended December 31, 2018. As a REIT, we are required to distribute substantially all of our taxable income, and we believe that dividends are one of the principal reasons investors invest in credit or commercial mortgage REITs such as our company. Over time, Distributable Earnings has been a useful indicator of our dividends per share and we consider that measure in determining the dividend, if any, to be paid. This supplemental financial measure also helps us to evaluate our performance, excluding the effects of certain transactions and GAAP adjustments that we believe are not necessarily indicative of our current portfolio and operations.

We define Distributable Earnings as 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 OP) and excluding (i) non-cash equity compensation expense, (ii) the expenses incurred in connection with our formation or other strategic transactions, (iii) acquisition costs from successful acquisitions, (iv) 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, (v) general CECL reserves, (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 GAAP and (ix) certain material non-cash income or expense items that in the judgment of management should not be included in Distributable Earnings. For clauses (viii) and (ix), such exclusions shall only be applied after approval by a majority of our independent directors. Distributable Earnings include specific CECL reserves.

Additionally, we define Adjusted Distributable Earnings as Distributable Earnings excluding (i) realized gains and losses on asset sales, (ii) fair value adjustments, which represent mark-to-market adjustments to investments in unconsolidated ventures based on an exit price, defined as the estimated price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants, (iii) unrealized gains or losses, (iv) specific CECL reserves and (v) one-time gains or losses that in the judgement of management should not be included in Adjusted Distributable Earnings. We believe Adjusted Distributable Earnings is a useful indicator for investors to further evaluate and compare our operating performance to our peers and our ability to pay dividends, net of the impact of any gains or losses on assets sales or fair value adjustments, as described above.

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

The following tables present a reconciliation of net income attributable to our common stockholders to Distributable Earnings and Adjusted Distributable Earnings attributable to our common stockholders (dollars and share amounts in thousands, except per share data) for the three months ended September 30, 2026, June 30, 2026 and March 31, 2026 and the three months ended September 30, 2025, June 30, 2025 and March 31, 2025:

	Three Months Ended		
	September 30, 2026	**June 30, 2026**	**March 31, 2026**
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 46,934	$ (18,334)	$ 4,845
Net income (loss) per common share - basic	$ 0.37	$ (0.15)	$ 0.03
Net income (loss) per common share - diluted	$ 0.37	$ (0.15)	$ 0.03
Adjustments:			
Non-cash equity compensation expense	3,581	3,443	2,918
Depreciation and amortization	4,228	8,340	8,763
Net unrealized loss (gain):			
Impairment of operating real estate, net and unconsolidated ventures	5,986	9,872	—
General CECL reserves	7,548	12,515	(889)
(Gain) loss on sales of real estate, preferred equity and investments in unconsolidated joint ventures	(60,322)	25	4
Adjustments related to noncontrolling interests	2,320	(67)	(73)
Distributable Earnings attributable to BrightSpire Capital, Inc. common stockholders	$ 10,275	$ 15,794	$ 15,568
Distributable Earnings per share[1]	$ 0.08	$ 0.12	$ 0.12
Adjustments:			
Specific CECL reserves	$ 7,490	$ 987	$ 2,634
Adjusted Distributable Earnings attributable to BrightSpire Capital, Inc. common stockholders	$ 17,765	$ 16,781	$ 18,202
Adjusted Distributable Earnings per share[1]	$ 0.14	$ 0.13	$ 0.14
Weighted average number of shares of Class A common stock[1]	125,796	130,258	128,921

(1) We calculate Distributable Earnings per share, and Adjusted Distributable Earnings per share, non-GAAP financial measures, based on a weighted-average number of common shares. The weighted average number of common shares includes unvested restricted stock.

	Three Months Ended		
	September 30, 2025	June 30, 2025	March 31, 2025
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 984	$ (23,118)	$ 5,342
Net income (loss) per common share - basic	$ 0.00	$ (0.19)	$ 0.04
Net income (loss) per common share - diluted	$ 0.00	$ (0.19)	$ 0.04
Adjustments:			
Non-cash equity compensation expense	2,794	2,913	4,213
Depreciation and amortization	7,514	10,676	10,748
Net unrealized loss (gain):			
Impairment of operating real estate, net of associated income tax benefit	2,509	28,820	—
Other unrealized loss on investments	—	3,361	2
General CECL reserves	(9,676)	(18,900)	(9,018)
(Gain) loss on sales of real estate, preferred equity and investments in unconsolidated joint ventures	(538)	—	239
Adjustments related to noncontrolling interests	(266)	(358)	(172)
Distributable Earnings attributable to BrightSpire Capital, Inc. common stockholders	$ 3,321	$ 3,394	$ 11,354
Distributable Earnings per share[1]	$ 0.03	$ 0.03	$ 0.09
Adjustments:			
Specific CECL reserves	$ 17,891	$ 19,482	$ 8,782
Adjusted Distributable Earnings attributable to BrightSpire Capital, Inc. common stockholders	$ 21,212	$ 22,876	$ 20,136
Adjusted Distributable Earnings per share[1]	$ 0.16	$ 0.18	$ 0.16
Weighted average number of shares of Class A common stock[1]	129,845	130,186	129,860

(1) We calculate Distributable Earnings per share, and Adjusted Distributable Earnings per share, non-GAAP financial measures, based on a weighted-average number of common shares. The weighted average number of common shares includes unvested restricted stock.

Undepreciated Book Value Per Share

We believe that presenting Undepreciated Book Value per share is a more useful and consistent measure of the value of our current portfolio and operations for our investors as it enhances the comparability to our peers who do not hold similar real estate investments. Undepreciated Book Value per share excludes our share of accumulated depreciation and amortization on real estate investments (including related intangible assets and liabilities) and as of the quarter ended June 30, 2024, includes non-GAAP impairment of real estate and any related foreign currency translation. Non-GAAP impairment of real estate is a non-GAAP measure that reflects our share of a property's carrying value on certain net leased and other real estate office properties whose non-recourse mortgages have matured or who have been placed in a cash flow sweep by their lender. Our ability to refinance at their maturity dates is burdened by the current interest rate environment, lenders' aversion to finance or refinance office properties and/or associated improvements or paydowns potentially demanded at such properties. Loan maturity defaults can and have led to foreclosures. Cash flow sweeps restrict our ability to utilize earnings generated by a property. As such, we believe it is prudent to recognize impairments and exclude our share of the carrying value related to these properties.

The following table calculates our GAAP book value per share and Undepreciated Book Value per share ($ in thousands, except per share data):

	September 30, 2026	December 31, 2025
Stockholders' equity excluding noncontrolling interests in investment entities	$ 883,092	$ 938,432
Accumulated depreciation and amortization	121,826	180,937
Non-GAAP impairment of real estate	(23,482)	(33,617)
Undepreciated Book Value	$ 981,436	$ 1,085,752
GAAP book value per share	$ 7.08	$ 7.30
Accumulated depreciation and amortization per share	0.98	1.41
Non-GAAP impairment of real estate	(0.19)	(0.26)
Undepreciated Book Value per share[1]	$ 7.87	$ 8.44
Total outstanding shares - Class A common stock	124,677	128,627

(1) Per share data may differ due to rounding.

	September 30, 2026	December 31, 2025
Impairment attributable to BrightSpire Capital, Inc.	$ 15,256	$ 61,620
Adjustments:		
Current year non-GAAP impairment of operating real estate	(10,135)	(100,961)
Non-GAAP impairment as of prior fiscal year-end	33,617	134,578
Impairment attributable to BrightSpire Capital, Inc.	(15,256)	(61,620)
Non-GAAP impairment of real estate	$ 23,482	$ 33,617

NOI

We believe NOI to be a useful measure 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 excludes historical cost depreciation and amortization, which are based on different useful life estimates depending on the age of the properties, as well as adjustments 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 provides 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. NOI may fail to capture significant trends in these components of GAAP net income (loss) which further limits its usefulness.

NOI should not be considered as an alternative to net income (loss), determined in accordance with GAAP, as an indicator of operating performance. In addition, our 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.

The following tables present a reconciliation of net income on our net leased and other real estate portfolios attributable to our common stockholders to NOI attributable to our common stockholders (dollars in thousands) for the three months ended September 30, 2026, June 30, 2026 and March 31, 2026 and the three months ended September 30, 2025, June 30, 2025 and March 31, 2025:

	Three Months Ended		
	September 30, 2026	**June 30, 2026**	**March 31, 2026**
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 46,934	$ (18,334)	$ 4,845
Adjustments:			
Net (income) loss attributable to non-net leased and other real estate portfolios[(1)]	9,895	9,567	(4,218)
Net income (loss) attributable to noncontrolling interests in investment entities	300	(1,850)	(1,722)
Amortization of above-and below-market lease intangibles	5	3	(12)
Net interest expense	24	39	12
Interest expense on real estate	4,655	5,121	5,091
Other income	100	(153)	(38)
Transaction, investment and servicing expense	53	79	29
Depreciation and amortization	4,052	8,154	8,594
Impairment of operating real estate	5,986	9,270	—
Operating expense	—	1	3
Other (gain) loss on investments, net	(60,322)	27	(19)
NOI attributable to noncontrolling interest in investment entities	(178)	(123)	(122)
Total NOI attributable to BrightSpire Capital, Inc. common stockholders	$ 11,504	$ 11,801	$ 12,443

(1) Net income attributable to non-net leased and other real estate portfolios includes net (income) loss on our senior and mezzanine loans and preferred equity and corporate and other business segments.

	Three Months Ended		
	September 30, 2025	June 30, 2025	March 31, 2025
Net income (loss) attributable to BrightSpire Capital, Inc. common stockholders	$ 984	$ (23,118)	$ 5,342
Adjustments:			
Net (income) loss attributable to non-net leased and other real estate portfolios[1]	292	(5,917)	(6,287)
Net loss attributable to noncontrolling interests in investment entities	(2,288)	(2,054)	(1,634)
Amortization of above- and below-market lease intangibles	180	1	59
Net interest expense	11	53	39
Interest expense on real estate	5,170	6,765	7,940
Other income	(213)	(86)	(34)
Transaction, investment and servicing expense	22	14	38
Depreciation and amortization	7,154	10,575	10,519
Impairment of operating real estate	2,509	51,127	—
Operating expense	1	1	1
Other (gain) loss on investments, net	(538)	3,428	742
Income tax (benefit) expense	(245)	(21,770)	254
NOI attributable to noncontrolling interest in investment entities	(103)	(277)	(267)
Total NOI, at share	$ 12,936	$ 18,742	$ 16,712

(1) Net income attributable to non-net leased and other real estate portfolios includes net (income) loss on our senior and mezzanine loans and preferred equity and corporate and other business segments.

Liquidity and Capital Resources

Overview

Our material cash commitments include commitments to repay borrowings, finance our assets and operations, meet future funding obligations, make distributions to our stockholders and fund other general business needs. We use significant cash to make investments, meet commitments to existing investments, repay the principal of and interest on our borrowings and pay other financing costs, make distributions to our stockholders and fund our operations.

Our primary sources of liquidity include cash on hand, cash generated from our operating activities and cash generated from asset sales and investment maturities. However, subject to maintaining our qualification as a REIT and our Investment Company Act exclusion, we may use several sources to finance our business, including bank credit facilities (including term loans and revolving facilities), Master Repurchase Facilities and securitizations, as described below. In addition to our current sources of liquidity, there may be opportunities from time to time to access liquidity through public offerings of debt and equity securities. We have sufficient sources of liquidity to meet our material cash commitments for the next 12 months and the foreseeable future.

Financing Strategy

We have a multi-pronged financing strategy that includes an up to $120.0 million secured revolving credit facility, up to approximately $2.4 billion in secured revolving repurchase facilities, $1.4 billion in non-recourse securitization financing, $178.9 million in commercial mortgages and $33.3 million in other asset-level financing structures, in each case, as of September 30, 2026.

In addition, we may use other forms of financing, including warehouse facilities, public and private secured and unsecured debt issuances and equity or equity-related securities issuances by us or our subsidiaries. We may also finance a portion of our investments through the syndication of one or more interests in a whole loan. We will seek to match the nature and duration of the financing with the underlying asset's cash flow, including using hedges, as appropriate.

Debt-to-Equity Ratio

The following table presents our debt-to-equity ratio:

	September 30, 2026	December 31, 2025
Debt-to-equity ratio[1][2]	2.9x	2.6x

(1) Represents (i) total consolidated outstanding secured debt less cash and cash equivalents of $63.6 million and $66.8 million at September 30, 2026 and December 31, 2025, respectively to (ii) total equity, in each case, at period end.

(2) Excluding the impact of accumulated depreciation and amortization on real estate investments and including the impact of non-GAAP impairment of real estate, the debt-to-equity ratio was 2.6x and 2.3x at September 30, 2026 and December 31, 2025, respectively.

Potential Sources of Liquidity

As discussed in greater detail above under "Trends Affecting our Business," and "Factors Impacting Our Operating Results" overall market uncertainty coupled with rising inflation and high interest rates have tempered the loan financing markets recently. A high interest rate environment will result in increased interest expense on our variable rate debt that is not hedged and may result in disruptions to our borrowers' and tenants' ability to finance their activities, which would similarly adversely impact their ability to make their monthly mortgage payments and meet their loan obligations. Additionally, due to the current market conditions, warehouse lenders may take a more conservative stance by increasing funding costs, which may lead to margin calls.

Our primary sources of liquidity include borrowings available under our credit facilities, Master Repurchase Facilities and monthly mortgage payments from our borrowers.

Bank Credit Facilities

We use bank credit facilities (including term loans and revolving facilities) to finance our business. These financings may be collateralized or non-collateralized and may involve one or more lenders. Credit facilities typically have maturities ranging from two to five years and may accrue interest at either fixed or floating rates.

The OP (together with certain subsidiaries of the OP from time-to-time party thereto as borrowers, collectively, the "Borrowers") is party to an Amended and Restated Credit Agreement (as amended to date, the "Amended Credit Agreement") with JPMorgan Chase Bank, N.A., as administrative agent (the "Administrative Agent"), and the several lenders from time to time party thereto (the "Lenders"). The Amended Credit Agreement provides for a revolving credit facility in the aggregate principal amount of up to $120.0 million, of which up to $25.0 million is available as letters of credit.

Loans under the Amended Credit Agreement may be advanced in U.S. dollars and certain foreign currencies, including euros, pounds sterling and Swiss francs.

The Amended Credit Agreement also includes an option for the Borrowers to increase the maximum available principal amount to up to $180.0 million, subject to one or more new or existing Lenders agreeing to provide such additional loan commitments and satisfaction of other customary conditions.

Advances under the Amended Credit Agreement accrue interest at a per annum rate equal to, at the applicable Borrower's election, either (x) a Term SOFR rate plus a margin of 2.25%, or (y) a base rate equal to the highest of (i) the Wall Street Journal's prime rate, (ii) the federal funds rate plus 0.50% and (iii) the Term SOFR rate plus 1.00%, plus a margin of 1.25%. An unused commitment fee at a rate of 0.25% or 0.35%, per annum, depending on the amount of facility utilization, applies to unutilized borrowing capacity under the Amended Credit Agreement. Amounts owed under the Amended Credit Agreement may be prepaid at any time without premium or penalty, subject to customary breakage costs in the case of borrowings with respect to which a Term SOFR rate election is in effect.

The maximum amount available for borrowing at any time under the Amended Credit Agreement is limited to a borrowing base valuation of certain investment assets, with the valuation of such investment assets generally determined according to a percentage of adjusted net book value. As of September 30, 2026, the borrowing base valuation is sufficient to permit borrowings of up to the entire $120.0 million commitment. If any borrowing is outstanding for more than 180 days after its initial draw, the borrowing base valuation will be reduced by 50% until all outstanding borrowings are repaid in full. The ability to borrow new amounts under the Amended Credit Agreement terminates and any outstanding revolving loans will mature on December 8, 2028.

The obligations of the Borrowers under the Amended Credit Agreement are guaranteed pursuant to a Guarantee and Collateral Agreement by substantially all material wholly owned subsidiaries of the OP (the "Guarantors") in favor of the Administrative Agent (the "Guarantee and Collateral Agreement") and, subject to certain exceptions, secured by a pledge of substantially all equity interests owned by the Borrowers and the Guarantors, as well as by a security interest in deposit accounts of the

Borrowers and the Guarantors (as such terms are defined in the Guarantee and Collateral Agreement) in which the proceeds of investment asset distributions are maintained.

The Amended Credit Agreement contains various affirmative and negative covenants, including, among other things, the obligation of the Company to maintain REIT status and be listed on the New York Stock Exchange or any other U.S. national or international securities exchange, and limitations on debt, liens and restricted payments. In addition, the Amended Credit Agreement includes the following financial covenants applicable to the OP and its consolidated subsidiaries: (a) minimum consolidated tangible net worth of the OP to be greater than or equal to the sum of (i) $900,000,000 and (ii) 70% of the net cash proceeds received by the OP from any offering of its common equity after December 9, 2025 and of the net cash proceeds from any offering by the Company of its common equity to the extent such proceeds are contributed to the OP, excluding any such proceeds that are contributed to the OP within ninety (90) days of receipt and applied to acquire capital stock of the OP; (b) the OP's EBITDA plus lease expenses to fixed charges for any period of four consecutive fiscal quarters not less than 1.40 to 1.00; (c) the OP's minimum interest coverage ratio to be not less than 3.00 to 1.00; and (d) the OP's ratio of consolidated total debt to consolidated total assets must not exceed 0.80 to 1.00. The Amended Credit Agreement also includes customary events of default, including, among other things, failure to make payments when due, breach of covenants or representations, cross default to material indebtedness, material judgment defaults, bankruptcy matters involving any Borrower or any Guarantor and certain change of control events. The occurrence of an event of default will limit the ability of the OP and its subsidiaries to make distributions and may result in the termination of the credit facility, acceleration of repayment obligations and the exercise of remedies by the Lenders with respect to the collateral.

As of September 30, 2026, the Company was in compliance with all of its financial covenants under the Amended Credit Agreement.

Master Repurchase Facilities

Currently, our primary sources of financing the origination of first mortgage loans and senior loan participations secured by senior loan investments are our repurchase agreements with multiple global financial institutions (each, a "Master Repurchase Facility" and collectively, the "Master Repurchase Facilities"). The Master Repurchase Facilities, effectively allow us to borrow against loans that we own in an amount generally equal to (i) the market value of such loans multiplied by (ii) the applicable advance rate. Under these agreements, we sell our loans to a counterparty and agree to repurchase the same loans from the counterparty at a price equal to the original sales price plus an interest factor. During the term of a repurchase agreement, we receive the principal and interest on the related loans and pay interest to the lender under the master repurchase agreement. We intend to maintain formal relationships with multiple counterparties to obtain master repurchase financing.

The following table presents a summary of our Master Repurchase Facilities and Bank Credit Facility as of September 30, 2026 (dollars in thousands):

	Maximum Facility Size	Current Borrowings	Weighted Average Final Maturity (Years)	Weighted Average Interest Rate[1]
Master Repurchase Facilities				
Bank 1	$ 600,000	$ 405,216	2.0	SOFR + 1.98%
Bank 2	600,000	—	3.5	n/a
Bank 3	500,000	223,793	3.7	SOFR + 1.74%
Bank 4	400,000	224,752	3.1	SOFR + 1.45%
Bank 5	250,000	161,092	4.4	SOFR + 1.92%
Total Master Repurchase Facilities	2,350,000	1,014,853		
Bank Credit Facility	120,000	45,000	2.2	SOFR + 2.25%
Total Facilities	$ 2,470,000	$ 1,059,853		

(1) All facilities utilize Term SOFR at September 30, 2026.

The following table presents the quarterly average unpaid principal balance ("UPB"), end of period UPB and the maximum UPB at any month-end related to our Master Repurchase Facilities and Bank Credit Facility (dollars in thousands):

Quarter Ended	Quarterly Average UPB	End of Period UPB	Maximum UPB at Any Month-End
September 30, 2026	$ 958,039	$ 1,059,853	$ 1,074,723
June 30, 2026	814,276	856,225	926,225
March 31, 2026	925,213	772,327	1,190,049

December 31, 2025	928,385	1,078,098	1,078,098
September 30, 2025	784,202	778,671	823,583
June 30, 2025	761,613	789,729	791,532
March 31, 2025	759,339	733,494	818,603

The increase in our end of period UPB from June 30, 2026 to September 30, 2026 was driven by financing draws.

Securitizations

We may seek to utilize non-recourse long-term securitizations of our investments in mortgage loans, especially loan originations, to the extent consistent with the maintenance of our REIT qualification and exclusion from the Investment Company Act in order to generate cash for funding new investments. This would involve conveying a pool of assets to a special purpose vehicle (or the issuing entity), which would issue one or more classes of non-recourse notes pursuant to the terms of an indenture. The notes would be secured by the pool of assets. In exchange for the transfer of assets to the issuing entity, we would receive the cash proceeds on the sale of non-recourse notes and a 100% interest in the equity of the issuing entity. The securitization of our portfolio investments might magnify our exposure to losses on those portfolio investments because any equity interest we retain in the issuing entity would be subordinate to the notes issued to investors and we would, therefore, absorb all of the losses sustained with respect to a securitized pool of assets before the owners of the notes experience any losses.

BRSP 2021-FL1

On February 19, 2026, we redeemed the outstanding securities under the securitization vehicle operated through wholly-owned subsidiaries, BRSP 2021-FL1, Ltd and BRSP 2021-FL1, LLC (collectively, "BRSP 2021-FL1") including the investment grade notes issued thereunder, at a redemption price of $310.7 million. The 17 senior loan investments, with an aggregate unpaid principal balance of $440.8 million, held by BRSP 2021-FL1 were refinanced by the issuance of securities under BRSP 2026-FL3 and with existing Master Repurchase Facilities.

BRSP 2024-FL2

BRSP 2024-FL2 is a $675.0 million securitization vehicle operated through wholly-owned subsidiaries, BRSP 2024-FL2, Ltd. and BRSP 2024-FL2, LLC (collectively, "BRSP 2024-FL2"), which have issued $583.9 million of investment grade notes (the "2024-FL2 Notes").

BRSP 2024-FL2 includes a two-year reinvestment feature that allows us to contribute existing or newly originated loan investments in exchange for proceeds from repayments of loans held in BRSP 2024-FL2, subject to the satisfaction of certain conditions set forth in the indenture. At September 30, 2026, we had $628.9 million of unpaid principal balance of CRE debt investments and other assets financed with BRSP 2024-FL2. As of September 30, 2026, the securitization reflects an advance rate of 85.5% at a weighted average cost of funds of Term SOFR plus 2.51% (before transaction costs), and is collateralized by a pool of 26 senior loan investments.

Additionally, BRSP 2024-FL2 contains note protection tests that can be triggered as a result of contributed loan defaults, losses, and certain other events outlined in the indenture, beyond established thresholds. A note protection test failure that is not remedied can result in the redirection of interest proceeds from the below investment grade tranches to amortize the most senior outstanding tranche. We did not fail any note protection tests during the nine months ended September 30, 2026. While we continue to closely monitor all loan investments contributed to BRSP 2024-FL2, a deterioration in the performance of an underlying loan could negatively impact its liquidity position.

On October 19, 2026, we redeemed the outstanding securities under the BRSP 2024-FL2 securitization vehicle, including the investment grade notes issued thereunder, at a redemption price of $537.8 million.

BRSP 2026-FL3

In February 2026, we executed a $955.0 million securitization transaction through wholly-owned subsidiaries, BRSP 2026-FL3, Ltd. and BRSP 2026-FL3, LLC (collectively, "BRSP 2026-FL3"), which resulted in the sale of $833.2 million of investment grade notes (the "2026-FL3 Notes").

BRSP 2026-FL3 includes a six-month ramp-up acquisition period that allows us to contribute existing or newly originated loan investments in exchange for $98.3 million in unused proceeds held in BRSP 2026-FL3, subject to the satisfaction of certain conditions set forth in the indenture. At September 30, 2026, the unused proceeds have been fully utilized. BRSP 2026-FL3 also includes a 30-month reinvestment feature that allows us to contribute existing or newly originated loan investments in

exchange for proceeds from repayments of loans held in BRSP 2026-FL3, subject to the satisfaction of certain conditions set forth in the indenture.

At September 30, 2026, we had $955.0 million of unpaid principal balance of CRE debt investments financed with BRSP 2026-FL3. As of September 30, 2026, the securitization reflects an advance rate of 87.3% at a weighted average cost of funds of Term SOFR plus 1.69% (before transaction costs), and is collateralized by a pool of 32 senior loan investments.

Additionally, BRSP 2026-FL3 contains note protection tests that can be triggered as a result of contributed loan defaults, losses, and certain other events outlined in the indenture, beyond established thresholds. A note protection test failure that is not remedied can result in the redirection of interest proceeds from the below investment grade tranches to amortize the most senior outstanding tranche. We did not fail any note protection tests during the nine months ended September 30, 2026. While we continue to closely monitor all loan investments contributed to BRSP 2026-FL3, a deterioration in the performance of an underlying loan could negatively impact its liquidity position.

BRSP 2026-FL4

On October 16, 2026, we executed a $960.0 million securitization transaction through wholly-owned subsidiaries, BRSP 2026-FL4, Ltd. and BRSP 2026-FL4, LLC (collectively, "BRSP 2026-FL4"), which resulted in the sale of $844.8 million of investment grade notes (the "2026-FL4 Notes"). The securitization reflects an initial advance rate of 88.0% at a weighted average coupon at issuance of Term SOFR+1.54% (before transaction costs) and is collateralized by a pool of 29 first-lien floating-rate mortgages secured by 38 properties.

Other potential sources of financing

In the future, we may also use other sources of financing to fund the acquisition of our target assets, including secured and unsecured forms of borrowing and selective wind-down and dispositions of assets. We may also seek to raise equity capital or issue debt securities in order to fund our future investments.

Liquidity Needs

In addition to our loan origination activity and general operating expenses, our primary liquidity needs include interest and principal payments under our Bank Credit Facility, securitization bonds, and secured debt. Information concerning our contractual obligations and commitments to make future payments, including our commitments to repay borrowings, is included in the following table as of September 30, 2026. This table excludes our obligations that are not fixed and determinable (dollars in thousands):

	Payments Due by Period				
	Total	**Less than a Year**	**1-3 Years**	**3-5 Years**	**More than 5 Years**
Bank credit facility[1]	$ 50,547	$ 2,774	$ 47,773	$ —	$ —
Secured debt[2]	1,351,208	609,052	742,156	—	—
Securitization bonds payable[3]	1,494,861	740,123	754,738	—	—
Ground lease obligations[4]	9,956	2,174	4,450	2,848	484
Office leases	3,400	1,198	2,057	145	—
	$ 2,909,972	$ 1,355,321	$ 1,551,174	$ 2,993	$ 484
Lending commitments[5]	145,217				
Total	$ 3,055,189				

(1) Future interest payments were estimated based on the applicable index at September 30, 2026 and unused commitment fee of 0.25% per annum, assuming principal is repaid on the current maturity date of January 2027.

(2) Amounts include minimum principal and interest obligations through the initial maturity date of the collateral assets. Interest on floating rate debt was determined based on Term SOFR at September 30, 2026.

(3) The timing of future principal payments was estimated based on expected future cash flows of underlying collateral loans. Repayments are estimated to be earlier than contractual maturity only if proceeds from underlying loans are repaid by the borrowers.

(4) The amounts represent minimum future base rent commitments through initial expiration dates of the respective noncancellable operating ground leases, excluding any contingent rent payments. Rents paid under ground leases are recoverable from tenants.

(5) Future lending commitments may be subject to certain conditions that borrowers must meet to qualify for such fundings. Commitment amount assumes future fundings meet the terms to qualify for such fundings.

Share Repurchases

In April 2026, our board of directors authorized a stock repurchase program ("Stock Repurchase Program") under which we may repurchase up to $50.0 million of our outstanding Class A common stock until April 30, 2027. The Stock Repurchase Program replaced the prior stock repurchase program authorization which expired on April 30, 2026. Under the Stock

Repurchase Program, we may repurchase shares in open market purchases, in privately negotiated transactions or otherwise. We have a written trading plan as part of the Share Repurchase Program that provides for share repurchases in open market transactions that is intended to comply with Rule 10b-18 under the Exchange Act. The Stock Repurchase Program will be utilized at our discretion and in accordance with the requirements of the SEC. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate requirements and other conditions.

During the nine months ended September 30, 2026, we repurchased 5.6 million shares of Class A common stock at a weighted average price of $5.23 per share for an aggregate cost of $29.5 million. As of September 30, 2026, there was $20.5 million remaining available to make repurchases under the Stock Repurchase Program.

Cash Flows

The following presents a summary of our consolidated statements of cash flows for the nine months ended September 30, 2026 and 2025 (dollars in thousands):

	Nine Months Ended September 30,		
Cash flow provided by (used in):	**2026**	**2025**	**Change**
Operating activities	$ 56,989	$ 57,800	$ (811)
Investing activities	(311,499)	(88,066)	(223,433)
Financing activities	258,272	(198,683)	456,955

Operating Activities

Cash inflows from operating activities are generated primarily through interest received from loans and preferred equity held for investment, and property operating income from our real estate portfolio. This is partially offset by payment of interest expenses for master repurchase and credit facilities and mortgages payable, and operating expenses supporting our various lines of business, including property management and operations, loan servicing and workout of loans in default, investment transaction costs, as well as general administrative costs.

Our operating activities provided net cash inflows of $57.0 million and $57.8 million for the nine months ended September 30, 2026 and 2025, respectively. Net cash provided by operating activities decreased for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 primarily due to resolutions on net lease office properties offset by higher expenses on real estate acquisitions.

We believe cash flows from operations, available cash balances and our ability to generate cash through short and long-term borrowings are sufficient to fund our operating liquidity needs.

Investing Activities

Investing activities include cash outlays for disbursements on new and/or existing loans, which are partially offset by repayments of loans held for investment.

Investing activities used net cash of $311.5 million for the nine months ended September 30, 2026. Net cash used in investing activities during the nine months ended September 30, 2026 resulted primarily from origination and fundings on our loans and preferred equity held for investment, net of $835.0 million, partially offset by repayments on loans and preferred equity held for investment, net of $372.1 million and proceeds from the sale of real estate of $148.6 million.

Investing activities used net cash inflows of $88.1 million for the nine months ended September 30, 2025. Net cash used in investing activities for the nine months ended September 30, 2025 resulted primarily from origination and fundings on our loans and preferred equity held for investment, net of $356.6 million, partially offset by repayments on loans and preferred equity held for investment, net of $243.6 million and proceeds from the sale of real estate $39.6 million.

Financing Activities

We finance our investing activities largely through borrowings secured by our investments along with capital from third party investors. We also have the ability to raise capital in the public markets through issuances of common stock, as well as draws upon our corporate credit facility and master repurchase facilities, to finance our investing and operating activities. Accordingly, we incur cash outlays for payments on third party debt and dividends to our common stockholders.

Financing activities generated net cash of $258.3 million for the nine months ended September 30, 2026, which resulted primarily from borrowings from master repurchase and credit facilities of $1.2 billion and borrowings from securitization bonds of $833.2 million, partially offset by repayment of master repurchase and credit facilities of $1.3 billion, repayment of securitization bonds of $444.3 million and distributions paid on common stock of $63.0 million.

Financing activities used net cash of $198.7 million for the nine months ended September 30, 2025, which resulted primarily from repayment of master repurchase and credit facilities of $235.8 million, repayment of securitization bonds of $111.7 million and distributions paid on common stock of $62.4 million, partially offset by borrowings from master repurchase and credit facilities of $229.3 million.

Our Investment Strategy

Our objective is to generate consistent and attractive risk-adjusted returns to our stockholders. We seek to achieve this objective primarily through cash distributions and the preservation of invested capital. We believe our investment strategy provides flexibility through economic cycles to achieve attractive risk-adjusted returns. This approach is driven by a disciplined investment strategy, focused on:

- leveraging long standing relationships, our organizational structure and the experience of our team;
- the underlying real estate and market dynamics to identify investments with attractive risk-return profiles;
- primarily originating and structuring CRE senior loans and selective investments in mezzanine loans and preferred equity with attractive return profiles relative to the underlying value and financial operating performance of the real estate collateral, given the strength and quality of the sponsorship;
- structuring transactions with a prudent amount of leverage, if any, given the risk of the underlying asset's cash flows, attempting to match the structure and duration of the financing with the underlying asset's cash flows, including through the use of hedges, as appropriate; and
- operating our net leased real estate investments in an efficient and profitable manner, enhancing property value through proactive capital improvements and leasing strategies, and pursuing sale transactions to capture appreciation.

The period for which we intend to hold our investments will vary depending on the type of asset, interest rates, investment performance, micro and macro real estate environment, capital markets and credit availability, among other factors. We generally expect to hold debt investments until the stated maturity and equity investments in accordance with each investment's proposed business plan. We may sell all or a partial ownership interest in an investment before the end of the expected holding period if we believe that market conditions have maximized its value to us, or the sale of the asset would otherwise be in the best interests of our stockholders.

Our investment strategy is flexible, enabling us to adapt to shifts in economic, real estate and capital market conditions and to exploit market inefficiencies. We may expand or change our investment strategy or target assets over time in response to opportunities available in different economic and capital market conditions. This flexibility in our investment strategy allows us to employ a customized, solutions-oriented approach, which we believe is attractive to borrowers and tenants. We believe that our diverse portfolio, our ability to originate, acquire and manage our target assets and the flexibility of our investment strategy positions us to capitalize on market inefficiencies and generate attractive long-term risk-adjusted returns for our stockholders through a variety of market conditions and economic cycles.

Underwriting, Asset and Risk Management

We closely monitor our portfolio and actively manage risks associated with, among other things, our assets and interest rates. Prior to investing in any particular asset, the underwriting team, in conjunction with third party providers, undertakes a rigorous asset-level due diligence process, involving intensive data collection and analysis, to ensure that we understand fully the state of the market and the risk-reward profile of the asset. Our investment and portfolio management and risk assessment practices diligence the sustainability and other standards of our business counterparties, including borrowers, sponsors and that of our investment assets and underlying collateral, which may include sustainability initiatives, recycling, energy efficiency and water management, volunteer and charitable efforts, anti-money laundering and know-your-client policies, and engagement and belonging practices in workforce leadership, composition and hiring practices. Prior to making a final investment decision, we focus on portfolio diversification to determine whether a target asset will cause our portfolio to be too heavily concentrated with, or cause too much risk exposure to, any one borrower, real estate sector, geographic region, source of cash flow for payment or other geopolitical issues. If we determine that a proposed acquisition presents excessive concentration risk, we may determine not to acquire an otherwise attractive asset.

For each asset that we acquire, our asset management team engages in active management of the asset, the intensity of which depends on the attendant risks. The asset manager works collaboratively with the underwriting team to formulate a strategic plan for the particular asset, which includes evaluating the underlying collateral and updating valuation assumptions to reflect changes in the real estate market and the general economy. This plan also generally outlines several strategies for the asset to extract the maximum amount of value from each asset under a variety of market conditions. Such strategies may vary depending on the type of asset, the availability of refinancing options, recourse and maturity, but may include, among others, the restructuring of non-performing or sub-performing loans, the negotiation of discounted payoffs or other modification of the terms governing a loan, and the foreclosure and management of assets underlying non-performing loans in order to reposition

them for profitable disposition. We continuously track the progress of an asset against the original business plan to ensure that the attendant risks of continuing to own the asset do not outweigh the associated rewards. Under these circumstances, certain assets will require intensified asset management in order to achieve optimal value realization.

Our asset management team engages in a proactive and comprehensive on-going review of the credit quality of each asset it manages. In particular, for debt investments on at least an annual basis, the asset management team will evaluate the financial wherewithal of individual borrowers to meet contractual obligations as well as review the financial stability of the assets securing such debt investments. Further, there is ongoing review of borrower covenant compliance including the ability of borrowers to meet certain negotiated debt service coverage ratios and debt yield tests. For equity investments, the asset management team, with the assistance of third-party property managers, monitors and reviews key metrics such as occupancy, same-store sales, tenant payment rates, property budgets and capital expenditures. If through this analysis of credit quality, the asset management team encounters declines in credit quality not in accordance with the original business plan, the team evaluates the risks and determines what changes, if any, are required to the business plan to ensure that the attendant risks of continuing to hold the investment do not outweigh the associated rewards.

In addition, the audit committee of our board of directors, in consultation with management, periodically reviews our policies with respect to risk assessment and risk management, including key risks to which we are subject, including credit risk, liquidity risk and market risk, and the steps that management has taken to monitor and control such risks.

Inflation

Virtually all of our assets and liabilities are interest rate sensitive in nature. As a result, interest rates and other factors influence our performance significantly more than inflation does. A change in interest rates may correlate with the inflation rate. Substantially all of the leases at our multifamily properties allow for monthly or annual rent increases which provide us with the opportunity to achieve increases, where justified by the market, as each lease matures. Such types of leases generally minimize the risks of inflation on our multifamily properties.

Refer to Item 3, “Quantitative and Qualitative Disclosures About Market Risk” for additional details.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP, which requires the use of estimates and assumptions that involve the exercise of judgment and that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. There have been no material changes to our critical accounting estimates described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Recent Accounting Updates

For recent accounting updates, refer to Note 2, “Summary of Significant Accounting Policies” in our accompanying consolidated financial statements included in Part I, Item 1, “Financial Statements.”

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our primary market risks are interest rate risk, prepayment risk, extension risk, credit risk, real estate market risk, capital market risk and foreign currency risk, either directly through the assets held or indirectly through investments in unconsolidated ventures.

Interest Rate Risk

Interest rate risk relates to the risk that the future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, international conflicts, inflation and other factors beyond our control. Credit curve spread risk is highly sensitive to the dynamics of the markets for loans and securities we hold. Excessive supply of these assets combined with reduced demand will cause the market to require a higher yield. This demand for higher yield will cause the market to use a higher spread over the U.S. Treasury securities yield curve, or other benchmark interest rates, to value these assets.

As U.S. Treasury securities are priced to a higher yield and/or the spread to U.S. Treasuries used to price the assets increases, the price at which we could sell some of our fixed rate financial assets may decline. Conversely, as U.S. Treasury securities are priced to a lower yield and/or the spread to U.S. Treasuries used to price the assets decreases, the value of our fixed rate financial assets may increase. Fluctuations in SOFR may affect the amount of interest income we earn on our floating rate

borrowings and interest expense we incur on borrowings indexed to SOFR, including under credit facilities and investment-level financing.

We have utilized, and in the future may utilize, a variety of financial instruments on some of our investments, including interest rate swaps, caps, floors and other interest rate exchange contracts, in order to limit the effects of fluctuations in interest rates on our operations. The use of these types of derivatives to hedge interest-earning assets and/or interest-bearing liabilities carries certain risks, including the risk that losses on a hedge position will reduce the funds available for distribution and that such losses may exceed the amount invested in such instruments. A hedge may not perform its intended purpose of offsetting losses of rising interest rates. Moreover, with respect to certain of the instruments used as hedges, there is exposure to the risk that the counterparties may cease making markets and quoting prices in such instruments, which may inhibit the ability to enter into an offsetting transaction with respect to an open position. Our profitability may be adversely affected during any period as a result of changing interest rates. At September 30, 2026, we held no derivative instruments.

As of September 30, 2026, a hypothetical 100 basis point increase or decrease in the applicable interest rate benchmark on our loan portfolio would increase interest income by $6.7 million or decrease interest income by $4.3 million annually, net of interest expense.

Refer to the “Factors Impacting Our Operating Results” section in “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations” for further discussion on interest rates.

Prepayment risk

Prepayment risk is the risk that principal will be repaid at a different rate than anticipated, resulting in a less than expected return on an investment. As prepayments of principal are received, any premiums paid on such assets are amortized against interest income, while any discounts on such assets are accreted into interest income. Therefore, an increase in prepayment rates has the following impact: (i) accelerates amortization of purchase premiums, which reduces interest income earned on the assets; and conversely, (ii) accelerates accretion of purchase discounts, which increases interest income earned on the assets.

Extension risk

The weighted average life of assets is projected based on assumptions regarding the rate at which borrowers will prepay or extend their mortgages. If prepayment rates decrease or extension options are exercised by borrowers at a rate that deviates significantly from projections, the life of fixed rate assets could extend beyond the term of the secured debt agreements. This in turn could negatively impact liquidity to the extent that assets may have to be sold and losses may be incurred as a result.

Credit risk

Investment in loans held for investment is subject to a high degree of credit risk through exposure to loss from loan defaults. Default rates are subject to a wide variety of factors, including, but not limited to, borrower financial condition, property performance, property management, supply/demand factors, construction trends, consumer behavior, regional economics, interest rates, the strength of the U.S. economy and other factors beyond our control. All loans are subject to a certain probability of default. We manage credit risk through the underwriting process, acquiring investments at the appropriate discount to face value, if any, and establishing loss assumptions. We carefully monitor performance of all loans, including those held through joint venture investments, as well as the external factors that may affect their value.

We are also subject to the credit risk of the tenants in our properties, including business closures, occupancy levels, meeting rent or other expense obligations, lease concessions, and sustainability standards and practices among other factors. We seek to undertake a rigorous credit evaluation of the tenants prior to acquiring properties. This analysis includes an extensive due diligence investigation of the tenants’ businesses, as well as an assessment of the strategic importance of the underlying real estate to the respective tenants’ core business operations. Where appropriate, we may seek to augment the tenants’ commitment to the properties by structuring various credit enhancement mechanisms into the underlying leases. These mechanisms could include security deposit requirements or guarantees from entities that are deemed credit worthy.

Our in-depth understanding of CRE and real estate-related investments, and in-house underwriting, asset management and resolution capabilities, provides us and management with a sophisticated full-service platform to regularly evaluate our investments and determine primary, secondary or alternative strategies to manage the credit risks described above. This includes intermediate servicing and complex and creative negotiating, restructuring of non-performing investments, foreclosure considerations, intense management or development of owned real estate, in each case to manage the risks faced to achieve value realization events in our interests and our stockholders. Solutions considered may include defensive loan or lease modifications, temporary interest or rent deferrals or forbearances, converting current interest payment obligations to payment-in-kind, repurposing reserves and/or covenant waivers. Depending on the nature of the underlying investment and credit risk,

we may pursue repositioning strategies through judicious capital investment in order to extract value from the investment or limit losses.

There can be no assurance that the measures we take will be sufficient to address or mitigate the impact of credit risk on our future operating results, liquidity and financial condition.

Real estate market risk

We are exposed to the risks generally associated with the commercial real estate market. The market values of commercial real estate are subject to volatility and may be affected adversely by a number of factors, including, but not limited to, national, regional, and local economic conditions, as well as changes or weakness in specific industry segments, and other macroeconomic factors beyond our control which have and may continue to affect occupancy rates, capitalization rates and absorption rates. This in turn could impact the performance of tenants and borrowers. We seek to manage these risks through our underwriting due diligence and asset management processes and the solutions-oriented process described above.

Capital markets risk

We are exposed to risks related to the debt capital markets, specifically the ability to finance our business through borrowings under secured revolving repurchase facilities, secured and unsecured warehouse facilities or other debt instruments. We seek to mitigate these risks by monitoring the debt capital markets to inform our decisions on the amount, timing and terms of our borrowings.

Our Master Repurchase Facilities are partial recourse, and margin call provisions do not permit valuation adjustments based on capital markets events; rather they are limited to collateral-specific credit marks generally determined on a commercially reasonable basis. For the nine months ended September 30, 2026, and through October 27, 2026, we have not received any margin calls under our Master Repurchase Facilities.

We have amended our Bank Credit Facility and Master Repurchase Facilities to adjust certain covenants (such as the tangible net worth covenant), reduce advance rates on certain financed assets, obtain margin call holidays and permitted modification flexibilities, in an effort to mitigate the risk of future compliance issues, including margin calls, under our financing arrangements.

Foreign Currency Risk

We previously had foreign currency rate exposures related to our prior foreign currency-denominated investments held by our foreign subsidiaries. Changes in foreign currency rates could have adversely affected the fair values and earning of our non-U.S. holdings. We generally mitigated this foreign currency risk by utilizing currency instruments to hedge our prior net investments in our foreign subsidiaries. The type of hedging instruments that we employed on our foreign subsidiary investments were put options.

We had no foreign exchange contracts in place at September 30, 2026. The maturity dates of the prior instruments approximated the projected dates of related cash flows for specific investments. Termination or maturity of currency hedging instruments may have resulted in an obligation for payment to or from the counterparty to the hedging agreement. We were exposed to credit loss in the event of non-performance by counterparties for these contracts. To manage this risk, we selected major international banks and financial institutions as counterparties and performed a quarterly review of the financial health and stability of our trading counterparties. No counterparty defaulted on its obligations when we held foreign exchange contracts.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rule 13a-15(b) under the Exchange Act, our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2026, our disclosure controls and procedures were effective at providing reasonable assurance regarding the

reliability of the information required to be disclosed by us in reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the most recent fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—Other Information

Item 1. Legal Proceedings

The Company is not currently subject to any material legal proceedings. We anticipate that we may from time to time be involved in legal actions arising in the ordinary course of business, the outcome of which we would not expect to have a material adverse effect on our financial position, results of operations or cash flow.

Item 1A. Risk Factors

An investment in our common stock involves a high degree of risk. You should carefully consider the risks included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 before deciding to purchase shares of our common stock. If any of the events, contingencies, circumstances or conditions described in the risks therein actually occurs, they could have a material adverse effect in our business, results of operations and financial conditions or cause our stock price to decline.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of unregistered securities of our Company during the nine months ended September 30, 2026.

Purchases of Equity Securities by Issuer

The following table summarizes the repurchase of common stock for the three months ended September 30, 2026 (in thousands, except per share data):

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs[1]
July 1 - 31, 2026[2]	266	$ 5.40	266	$ 29,018
August 1 - 31, 2026[3]	793	5.06	793	25,000
September 1 - 30, 2026	1,004	4.46	1,004	20,520
Total	2,063	$ 4.81	2,063	$ 20,520

(1) In April 2025, the Company's board of directors authorized the prior stock repurchase program under which the Company may repurchase up to $50.0 million of its outstanding Class A common stock until April 30, 2026. A new Stock Repurchase Program was entered into in April 2026 under which the Company may repurchase up to $50.0 million of its outstanding Class A common stock until April 30, 2027.
(2) Includes 265,811 shares which were repurchased in June 2026 and settled in July 2026, in accordance with the Company's policy.
(3) Includes 409,782 shares which were repurchased in July 2026 and settled in August 2026, in accordance with the Company's policy.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
3.1	Articles of Amendment and Restatement of BrightSpire Capital, Inc., as amended (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q (No. 001-38377) for the quarter ended June 30, 2021 filed on August 5, 2021)
3.2	Fifth Amended and Restated Bylaws of BrightSpire Capital, Inc., as amended (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q (No. 001-38377) for the quarter ended March 31, 2023 filed on May 3, 2023)
31.1*	Certification by the Chief Executive Officer pursuant to 17 CFR 240.13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification by the Chief Financial Officer pursuant to 17 CFR 240.13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification by the Chief Executive Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification by the Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

† Denotes a management contract or compensatory plan, contract or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: October 28, 2026

BRIGHTSPIRE CAPITAL, INC.

By: /s/ Michael J. Mazzei

Michael J. Mazzei
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Frank V. Saracino

Frank V. Saracino
Chief Financial Officer
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO
17 CFR 240.13a-14(a)/15(d)-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Mazzei, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BrightSpire Capital, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Michael J. Mazzei
Michael J. Mazzei
Chief Executive Officer
Date: October 28, 2026

Exhibit 31.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER PURSUANT TO
17 CFR 240.13a-14(a)/15(d)-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Frank V. Saracino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BrightSpire Capital, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Frank V. Saracino
Frank V. Saracino
Chief Financial Officer
Date: October 28, 2026

Exhibit 32.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of BrightSpire Capital, Inc. (the "Company") for the three months ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael J. Mazzei, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section §1350, as adopted pursuant to Section §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Michael J. Mazzei
Michael J. Mazzei
Chief Executive Officer
Date: October 28, 2026

The foregoing certification is being furnished solely pursuant to 18 U.S.C §1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or incorporated by reference in any registration statement of the Company filed under the Securities Act of 1933, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of BrightSpire Capital, Inc. (the "Company") for the three months ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Frank V. Saracino, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section §1350, as adopted pursuant to Section §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Frank V. Saracino
Frank V. Saracino
Chief Financial Officer
Date: October 28, 2026

The foregoing certification is being furnished solely pursuant to 18 U.S.C §1350 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or incorporated by reference in any registration statement of the Company filed under the Securities Act of 1933, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.