AG Mortgage Investment Trust, Inc. (NYSE: MITT)

12/31/2023 Financial Position

Book Value per Share[1]	$10.46
Adjusted Book Value per Share[1]	$10.20
Equity (in mm's)	$528.4
Liquidity (in mm's)[2]	$112.3
GAAP Leverage Ratio	10.5x
Economic Leverage Ratio[3]	1.5x
Convertible Notes (in mm's)	$86.3

Q4 2023 Performance

Net Interest Income (in mm's)	$14.4
Earnings per Share[4]	$1.35
EAD per Share[5]	$0.17
Common Dividend per Share	$0.18

Common Stock Information

Price*	$6.35
Dividend Yield	11.3%
Price* per Book Value	60.7%

** as of 12/31/2023*

Listed Preferred Stock and Debt

NYSE: MITT PrA*	8.25%
NYSE: MITT PrB*	8.00%
NYSE: MITT PrC^	8.000%
NYSE: MITN*	9.500%

** Fixed rate*
^ Fixed-to-floating rate 9/2024

Analyst Coverage

BTIG	Keefe, Bruyette & Woods
JMP Securities	UBS
JonesTrading	

Contact

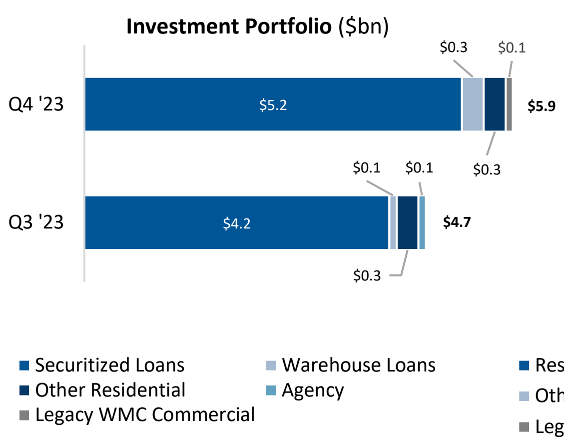
245 Park Avenue, 26th Floor
New York, NY 10167
Phone: (212) 692-2110
ir@agmit.com
www.agmit.com

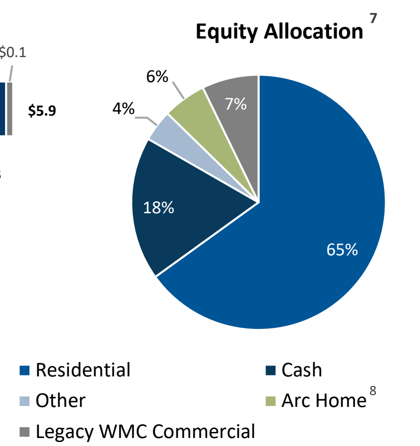
AG Mortgage Investment Trust, Inc. (NYSE: MITT) is a residential mortgage REIT with a focus on investing in a diversified risk-adjusted portfolio of residential mortgage-related assets in the U.S. mortgage market. We are externally managed by AG REIT Management, LLC, a subsidiary of Angelo, Gordon & Co., L.P. ("TPG Angelo Gordon"), a diversified credit and real estate investing platform within TPG.

We focus our investment activities primarily on acquiring and securitizing newly-originated residential mortgage loans within the non-agency segment of the housing market. We finance our acquired loans through various financing lines on a short-term basis and utilize TPG Angelo Gordon's proprietary, best in class, securitization platform to secure long-term, non-recourse, non-mark-to-market financing. MITT is committed to generating attractive risk-adjusted returns to our stockholders over the long-term, as a programmatic aggregator and issuer of Non-Agency residential loan securitizations.

Investment Portfolio[6]

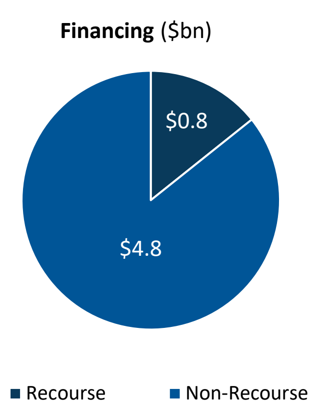
$5.9bn Investment Portfolio as of 12/31/2023 yielding 6.1%

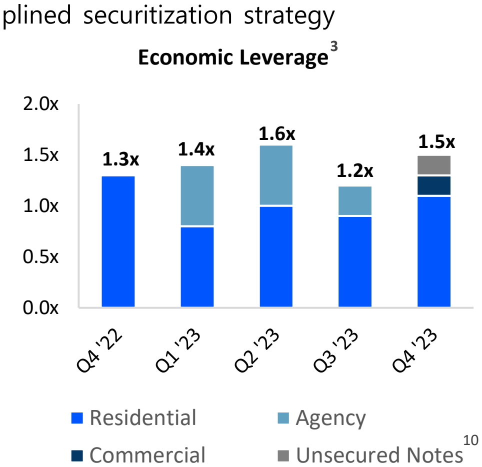




Financing Profile[6,9]

$5.6bn of Financing as of 12/31/2023 with a cost of 5.1%; Economic Leverage Ratio[3] of 1.5x, resulting from our disciplined securitization strategy





Please see page three for footnote disclosures.

Programmatic issuer of Non-Agency securitizations throughout 2023 generating attractive equity returns on our investment portfolio

Investing and Funding Lifecycle

Acquire and Aggregate Loans

Current production yields ranging from 7.5% to 8.5% targeting returns of 15 – 20% while on warehouse

Securitize Loans

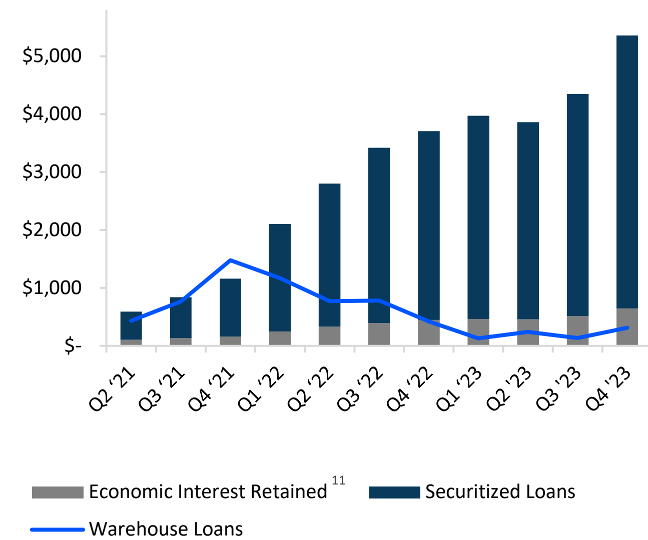
Targeting returns on equity of 18% to 25% while reducing warehouse risk through issuance of term, non-MTM financing

Retain Portions of Securitization

Retaining approximately 5% to 10% of securitization; borrowing against retained bonds using 1x to 2x turns of leverage

Reinvest Securitization Proceeds

Securitized Loan Portfolio Growth ($mm)



Reconciliation of Non-GAAP Metrics

Reconciliation of Book Value to Adjusted Book Value[1]

	Amount (000's)	Per Share
12/31/2023 Book Value	$307,896	$10.46
Net proceeds less liquidation preference of preferred stock	(7,519)	(0.26)
12/31/2023 Adjusted Book Value	$300,377	$10.20

Reconciliation of GAAP Leverage Ratio to Economic Leverage Ratio[3]

As of 12/31/2023	Leverage (000's)	Stockholders' Equity (000's)	Leverage Ratio
Securitized debt, at fair value	$4,711,623		
GAAP Financing arrangements	767,592		
Convertible senior unsecured notes	85,266		
Restricted cash posted on Financing arrangements	(1,696)		
GAAP Leverage	$5,562,785	$528,368	10.5x
Financing arrangements through affiliated entities	3,605		
Non-recourse financing arrangements	(4,774,595)		
Net TBA receivable/(payable) adjustment	(9,163)		
Economic Leverage	$782,632	$528,368	1.5x

Reconciliation of GAAP Net Income to Earnings Available for Distribution[5]

Three Months Ended 12/31/2023	Amount (000's)	Per Share[4]
Net Income/(loss) available to common stockholders	$30,767	$1.35
Add (Deduct):		
Net realized (gain)/loss	1,474	0.06
Net unrealized (gain)/loss	(1,707)	(0.07)
Transaction related expenses and deal related performance fees	1,376	0.06
Equity in (earnings)/loss from affiliates	2,032	0.08
EAD from equity method investments	196	0.01
Bargain purchase gain	(30,190)	(1.32)
Earnings Available for Distribution	$3,948	$0.17

Forward-Looking Statements

This material includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 related to dividends, book value, adjusted book value, our investments, our business and investment strategy, investment returns, return on equity, liquidity, financing, taxes, our assets, our interest rate sensitivity, and our views on certain macroeconomic trends and conditions, among others. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of our company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results could differ materially from those projected in these forward-looking statements due to a variety of factors, including, our ability to execute our investment strategy, changes in general economic or market conditions in our industry and in the finance and real estate markets, and other risks and uncertainties, including those described in Part I – Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and in Part II - Item 1A "Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, as such factors may be updated from time to time in our filings with the SEC. Copies are available free of charge on the SEC's website, http://www.sec.gov/. All forward looking statements in this material speak only as of the date of this material. We undertake no duty to update any forward-looking statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based. All financial information in this material is as of December 31, 2023, unless otherwise indicated.

Footnotes

(1) Book value is calculated using stockholders' equity less net proceeds of our cumulative redeemable preferred stock ($220.5 million) as the numerator. Adjusted book value is calculated using stockholders' equity less the liquidation preference of our cumulative redeemable preferred stock ($228.0 million) as the numerator.
(2) Total liquidity includes $111.5 million of cash and cash equivalents and $0.8 million of unencumbered Agency RMBS.
(3) The Economic Leverage Ratio is calculated by dividing total Economic Leverage, including any net TBA position, by our GAAP stockholders' equity at period-end. Total Economic Leverage at period-end includes recourse financing arrangements recorded within "Investments in debt and equity of affiliates" exclusive of any financing utilized through AG Arc LLC, plus the payable on all unsettled buys less the financing on all unsettled sells and any net TBA position (at cost). Total Economic Leverage excludes any non-recourse financing arrangements. Non-recourse financing arrangements include securitized debt, as well as certain financing arrangements. Our obligation to repay our non-recourse financing arrangements is limited to the value of the pledged collateral thereunder and does not create a general claim against us as an entity.
(4) Diluted per share figures are calculated using diluted weighted average outstanding shares in accordance with GAAP.
(5) We define EAD, a non-GAAP financial measure, as Net Income/(loss) available to common stockholders excluding (i) (a) unrealized gains/(losses) on loans, real estate securities, derivatives and other investments, inclusive of our investment in AG Arc, and (b) net realized gains/(losses) on the sale or termination of such instruments, (ii) any transaction related expenses incurred in connection with the acquisition, disposition, or securitization of our investments as well as transaction related expenses incurred in connection with the WMC acquisition, (iii) accrued deal-related performance fees payable to third party operators to the extent the primary component of the accrual relates to items that are excluded from EAD, such as unrealized and realized gains/(losses), (iv) realized and unrealized changes in the fair value of Arc Home's net mortgage servicing rights and the derivatives intended to offset changes in the fair value of those net mortgage servicing rights, (v) deferred taxes recognized at our taxable REIT subsidiaries, if any, (vi) any gains/(losses) associated with exchange transactions on our common and preferred stock, and (vii) any bargain purchase gains recognized. Items (i) through (vii) above include any amount related to those items held in affiliated entities. Management considers the transaction related expenses referenced in (ii) above to be similar to realized losses incurred at the acquisition, disposition, or securitization of an asset and does not view them as being part of its core operations. Management views the exclusion described in (iv) above to be consistent with how it calculates EAD on the remainder of its portfolio. Management excludes all deferred taxes because it believes deferred taxes are not representative of current operations. EAD includes the net interest income and other income earned on our investments on a yield adjusted basis, including TBA dollar roll income/(loss) or any other investment activity that may earn or pay net interest or its economic equivalent.
(6) Our Investment Portfolio consists of Residential Investments, Agency RMBS, and WMC Legacy Commercial Investments, all of which are held at fair value. Our financing is inclusive of Securitized Debt, which is held at fair value, Financing Arrangements and Convertible Senior Unsecured Notes. Throughout this material where we disclose our Investment Portfolio and the related financing, we have presented this information inclusive of (i) securities owned through investments in affiliates that are accounted for under GAAP using the equity method and, where applicable, (ii) long positions in TBAs, which are accounted for as derivatives under GAAP, but exclusive of our Convertible Senior Unsecured Notes. This presentation excludes investments through AG Arc LLC unless otherwise noted.
(7) Equity allocation represents the fair value of the asset class less any related outstanding financing, inclusive of securitized debt and financing arrangements, as the numerator and total equity as the denominator, excluding the convertible senior unsecured notes.
(8) We invest in Arc Home LLC, a licensed mortgage originator, through AG Arc LLC, one of our equity method investees. Our investment in AG Arc LLC is $33.6 million as of December 31, 2023, representing a 44.6% ownership interest.
(9) The cost of funds at quarter-end is calculated as the sum of (i) the weighted average funding costs on recourse financing arrangements outstanding at quarter end, (ii) the weighted average funding costs on non-recourse financing arrangements outstanding at quarter end, and (iii) the weighted average of the net pay or receive rate on our interest rate swaps outstanding at quarter end. The cost of funds at quarter-end are weighted by the outstanding financing arrangements at quarter-end, including any non-recourse financing arrangements.
(10) Includes convertible senior unsecured notes assumed by MITT's subsidiary in the WMC acquisition as of December 31, 2023.
(11) Economic interest retained represents the fair market value of retained tranches from securitizations which are consolidated in the "Securitized residential mortgage loans, at fair value" line item on the Company's consolidated balance sheets.