

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **August 8, 2023**

AG Mortgage Investment Trust, Inc.

Maryland
(State or other jurisdiction of incorporation)

(Exact name of registrant as specified in its charter)
001-35151
(Commission File Number)

27-5254382
(IRS Employer Identification No.)

245 Park Avenue, 26th Floor
New York, New York 10167
(Address of principal executive offices)

Registrant's telephone number, including area code: **(212) 692-2000**

Not Applicable
(Former Name or Address, if Changed Since Last Report)

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

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

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

Title of each class:	Trading Symbols:	Name of each exchange on which registered:
Common Stock, \$0.01 par value per share	MITT	New York Stock Exchange (NYSE)
8.25% Series A Cumulative Redeemable Preferred Stock	MITT PrA	New York Stock Exchange (NYSE)
8.00% Series B Cumulative Redeemable Preferred Stock	MITT PrB	New York Stock Exchange (NYSE)
8.000% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	MITT PrC	New York Stock Exchange (NYSE)

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

Emerging growth company

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

Item 7.01 Regulation FD Disclosure.

On August 8, 2023, AG Mortgage Investment Trust, Inc., a Maryland corporation (“MITT”), AGMIT Merger Sub, LLC, a Delaware limited liability company and wholly owned subsidiary of MITT (“Merger Sub”), Western Asset Mortgage Capital Corporation, a Delaware corporation (“WMC”), and, solely for the limited purposes set forth in the Merger Agreement (as defined below), AG REIT Management, LLC, a Delaware limited liability company, entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which, subject to the terms and conditions therein, WMC will be merged with and into Merger Sub, with Merger Sub remaining as a wholly owned subsidiary of MITT (the “Merger”).

On August 8, 2023, MITT and WMC issued a joint press release announcing the execution of the Merger Agreement. On the same day, MITT made available an investor presentation regarding the Merger. A copy of each of the joint press release and the investor presentation is furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K and each is incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.1 and Exhibit 99.2) shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of such section, nor shall such information (including Exhibit 99.1 and Exhibit 99.2) be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Joint Press Release dated August 8, 2023
99.2	Investor Presentation dated August 8, 2023
104	Cover Page Interactive Data File (formatted as Inline XBRL)

Additional Information

This communication relates to the proposed Merger pursuant to the terms of the Merger Agreement. In connection with the proposed Merger, MITT expects to file with the Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4 that will include a prospectus of MITT and a joint proxy statement of MITT and WMC. MITT and WMC also expect to file with the SEC other documents regarding the Merger. The Merger will be submitted to the stockholders of MITT and WMC for their consideration. The definitive joint proxy statement/prospectus will be sent to the stockholders of MITT and WMC, and will contain important information about MITT, WMC, the proposed Merger and related matters. This communication is not a substitute for any proxy statement, registration statement, tender or exchange offer statement, prospectus or other document MITT or WMC may file with the SEC in connection with the proposed Merger and related matters. **INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) AND OTHER RELEVANT DOCUMENTS FILED BY MITT AND WMC WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT MITT, WMC AND THE PROPOSED MERGER.** Investors and security holders may obtain copies of these documents free of charge (if and when they become available) through the website maintained by the SEC at www.sec.gov. Copies of the documents filed by MITT with the SEC are also available free of charge on MITT’s website at www.agmit.com. Copies of the documents filed by WMC with the SEC are also available free of charge on WMC’s website at www.westernassetmcc.com.

Participants in the Solicitation Relating to the Merger

MITT, WMC and certain of their respective directors and executive officers and certain other affiliates of MITT and WMC may be deemed to be participants in the solicitation of proxies from the common stockholders of WMC and MITT in respect of the

proposed Merger. Information regarding WMC and its directors and executive officers and their ownership of common stock of WMC can be found in WMC's annual report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on March 13, 2023, and in its definitive proxy statement relating to its 2023 annual meeting of stockholders, filed with the SEC on May 2, 2023. Information regarding MITT and its directors and executive officers and their ownership of common stock of MITT can be found in MITT's annual report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 27, 2023, and in its definitive proxy statement relating to its 2023 annual meeting of stockholders, filed with the SEC on March 22, 2023. Additional information regarding the interests of such participants in the Merger will be included in the proxy statement/prospectus and other relevant documents relating to the proposed Merger when they are filed with the SEC. These documents are available free of charge on the SEC's website and from MITT or WMC, as applicable, using the sources indicated above.

No Offer or Solicitation

This communication and the information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act. This communication may be deemed to be solicitation material in respect of the proposed Merger.

Forward-Looking Statements

This communication contains certain "forward-looking" statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. MITT and WMC intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with the safe harbor provisions. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "should," "may," "projects," "could," "estimates" or variations of such words and other similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature, but not all forward-looking statements include such identifying words. Forward-looking statements regarding MITT and WMC include, but are not limited to, statements related to the proposed Merger, including the anticipated timing, benefits and financial and operational impact thereof; other statements of management's belief, intentions or goals; and other statements that are not historical facts. These forward-looking statements are based on each of the companies' current plans, objectives, estimates, expectations and intentions and inherently involve significant risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks and uncertainties associated with: MITT's and WMC's ability to complete the proposed Merger on the proposed terms or on the anticipated timeline, or at all, including risks and uncertainties related to securing the necessary stockholder approval from WMC's and MITT's respective stockholders and satisfaction of other closing conditions to consummate the proposed Merger; the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement; risks related to diverting the attention of MITT and WMC management from ongoing business operations; failure to realize the expected benefits of the proposed Merger; significant transaction costs and/or unknown or inestimable liabilities; the risk of stockholder litigation in connection with the proposed Merger, including resulting expense or delay; the risk that MITT's and WMC's respective businesses will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; and effects relating to the announcement of the proposed Merger or any further announcements or the consummation of the proposed Merger on the market price of MITT's or WMC's common stock. Additional risks and uncertainties related to MITT's and WMC's business are included under the headings "Forward-Looking Statements" and "Risk Factors" in MITT's and WMC's annual report on Form 10-K for the year ended December 31, 2022, and in other reports and documents filed by either company with the SEC from time to time. Moreover, other risks and uncertainties of which MITT or WMC are not currently aware may also affect each of the companies' forward-looking statements and may cause actual results and the timing of events to differ materially from those anticipated. The forward-looking statements made in this communication are made only as of the date hereof or as of the dates indicated in the forward-looking statements, even if they are subsequently made available by MITT or WMC on their respective websites or otherwise. Neither MITT nor WMC undertakes any obligation to update or supplement any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made, except as required by law.

SIGNATURES

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

Date: August 8, 2023

AG MORTGAGE INVESTMENT TRUST, INC.

By: /s/ JENNY B. NESLIN
Name: Jenny B. Neslin
Title: General Counsel and Secretary

AG MORTGAGE INVESTMENT TRUST AND WESTERN ASSET MORTGAGE CAPITAL CORPORATION ANNOUNCE DEFINITIVE MERGER AGREEMENT

*Combination Would Establish Leading Residential Mortgage REIT With Increased Scale
and Operational Efficiencies*

Transaction Expected to Drive Earnings Accretion and Long-Term Growth

WMC Stockholders to Receive Cash Consideration as Part of Merger

NEW YORK, NY – August 8, 2023 – AG Mortgage Investment Trust, Inc. (NYSE: MITT) (“MITT”), a publicly traded residential mortgage REIT managed by AG REIT Management, LLC, an affiliate of Angelo, Gordon & Co., L.P. (“Angelo Gordon”), a leading \$73 billion alternative investment firm, and Western Asset Mortgage Capital Corporation (NYSE: WMC) (“WMC”), today announced that they have entered into a definitive merger agreement, pursuant to which MITT will acquire WMC in a fixed exchange ratio stock/cash transaction. WMC has terminated its previously announced acquisition agreement with Terra Property Trust, Inc. in accordance with the terms of such agreement.

MITT’s common stock closing price on the New York Stock Exchange (the “NYSE”) on August 7, 2023, implies a transaction value of \$11.23 per WMC common share, consisting of stock consideration of \$10.11 per share and cash consideration of \$1.12 per share, representing a 34% premium to WMC’s unaffected closing stock price on the NYSE on July 12, 2023.

“We are very pleased to have reached an agreement to acquire WMC in a combination that presents a compelling, value-maximizing opportunity for both MITT and WMC stockholders,” said T.J. Durkin, President, Chief Executive Officer, and board member of MITT. “We are confident that combining these highly complementary portfolios will help scale our platform, generate greater operational efficiencies, cost synergies, and accretive earnings growth, and benefit all stockholders. We look forward to moving swiftly to complete this transaction.”

James W. Hirschmann III, Chairman of WMC’s Board of Directors, stated, “After careful consideration, the Board, in consultation with its outside legal counsel and financial advisors, unanimously concluded that entering into the merger agreement with MITT is in the best interest of WMC’s stockholders. This combination will allow our stockholders to realize compelling value and we are excited about what our companies can achieve together.”

Bonnie Wongtrakool, Chief Executive Officer of WMC, added, “The merger of MITT and WMC delivers immediate cash value to WMC stockholders as well as allows our stockholders to continue to participate in the upside of the combined company. With the support of Angelo Gordon’s deep credit expertise, resources, and proven track record, we believe MITT is well-positioned to drive long-term value for the combined company in the residential mortgage market. We are committed to working closely with the MITT team to quickly complete the acquisition and deliver substantial value for our stockholders.”

Compelling Strategic Rationale for MITT and WMC Stockholders

The merger of MITT and WMC is expected to create numerous operational and financial benefits, including:

- **Cash Consideration for Stockholders:** WMC stockholders will receive a portion of the merger consideration in cash, consisting of a payment from Angelo Gordon, MITT’s external manager, equal to the lesser of \$7.0 million and approximately 9.99% of the aggregate per share merger consideration, or \$6.9 million in total as of August 7, 2023. Any difference between \$7.0 million and the 9.99% will be used to benefit the combined

company post-closing by offsetting reimbursable expenses that would otherwise be payable to MITT's external manager.

- **Strong Financial Rationale:** Expected accretion to earnings within one year of closing and provide the combined company with an attractive growth profile. The combined company will have a reduced G&A expense ratio and an optimized capital structure, with MITT's preferred equity reduced to 42% (down from 49%).
- **Increased Financial Strength and Flexibility:** Strong support and resources from MITT's external manager, Angelo Gordon, a leading alternative investment firm with \$73 billion of assets under management, which includes access to Angelo Gordon's proprietary, best-in-class securitization platform. The combined company is also expected to benefit from an expanded investor base and enhanced trading liquidity and volume. Notably, for the first year following close, Angelo Gordon will waive \$2.4 million of management fees.
- **Compelling Strategic Fit:** Strategically aligned investment strategies focused on securitizing residential mortgage loans brings the combined company's investment portfolio to \$5.7 billion, consisting of approximately 86% of Non-Agency residential mortgage loans, 5% of Agency RMBS, and 6% of other residential investments. WMC's legacy commercial investments will only represent approximately 3% of the total investment portfolio on a pro forma basis.
- **Enhanced Operational Efficiencies:** Significant operating efficiencies of approximately \$5-7 million on an annual basis are expected to be realized in the transaction, which is before taking into account the effective resetting of WMC's management fee and MITT's external manager waiving \$2.4 million in management fees.

Transaction Overview

Each share of WMC common stock will be converted at closing into the right to receive 1.5 shares of MITT common stock for a total of 9.2 million shares, pursuant to a fixed exchange ratio, subject to adjustment based on the companies' respective transaction expenses,¹ and a cash payment from Angelo Gordon equal to approximately 9.99% of the aggregate per share merger consideration (not to exceed \$7 million in total). Upon the closing of the transaction, MITT stockholders are expected to own approximately 69% of the combined company's stock, while WMC stockholders are expected to own approximately 31% of the combined company's stock.

Upon completion of the merger, MITT's President and Chief Executive Officer, T.J. Durkin, will serve as Chief Executive Officer of the combined company, which will continue to operate as "AG Mortgage Investment Trust, Inc." and be managed by AG REIT Management, LLC, an affiliate of Angelo Gordon. MITT's Board of Directors will be increased from six to eight directors to include two WMC-designated directors. The combined company will be headquartered in New York and will continue to trade on the NYSE under MITT's current ticker symbol.

Additional information on the transaction and the anticipated benefits to MITT and WMC stockholders can be found in MITT's investor deck relating to the transaction posted on MITT's website. The investor deck is also being furnished by MITT in a Current Report on Form 8-K being filed by MITT with the Securities and Exchange Commission (the "SEC") on the date hereof.

Timing and Approvals

¹ Exchange ratio is based on 6.150 million outstanding shares of WMC common stock on a fully-diluted basis as of June 30, 2023.

The transaction has been unanimously approved by the Boards of Directors of MITT and WMC and external managers of MITT and WMC. The transaction is expected to close in the fourth quarter of 2023, subject to the respective approvals by the stockholders of MITT and WMC and other customary closing conditions set forth in the merger agreement.

Advisors

Piper Sandler & Co. is acting as exclusive financial advisor and Hunton Andrews Kurth LLP is acting as legal counsel to MITT. BTIG, LLC and JMP Securities, a Citizens Company, are acting as financial advisors, and Skadden, Arps, Slate, Meagher & Flom LLP is acting as legal advisor to WMC.

About AG Mortgage Investment Trust, Inc.

AG Mortgage Investment Trust, Inc. 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. AG Mortgage Investment Trust, Inc. is externally managed and advised by AG REIT Management, LLC, a subsidiary of Angelo, Gordon & Co., L.P., a leading alternative investment firm focusing on credit and real estate strategies.

Additional information can be found on MITT's website at www.agmit.com.

About Angelo, Gordon & Co., L.P.

Angelo, Gordon & Co., L.P. is a leading alternative investment firm founded in November 1988. The firm currently manages approximately \$73 billion* with a primary focus on credit and real estate strategies. Angelo Gordon has over 650 employees, including more than 200 investment professionals, and is headquartered in New York, with associated offices elsewhere in the U.S., Europe and Asia. For more information, visit www.angelogordon.com.

**Angelo Gordon's (the "firm") currently stated assets under management ("AUM") of approximately \$73 billion as of December 31, 2022 reflects fund-level asset-related leverage. Prior to May 15, 2023, the firm calculated its AUM as net assets under management excluding leverage, which resulted in firm AUM of approximately \$53 billion as of December 31, 2022. The difference reflects a change in the firm's AUM calculation methodology and not any material change to the firm's investment advisory business. For a description of the factors the firm considers when calculating AUM, please see the disclosure at www.angelogordon.com/disclaimers/.*

About Western Asset Mortgage Capital Corporation

WMC is a real estate investment trust that invests in, finances, and manages a diverse portfolio of assets consisting of Residential Whole Loans, Non-Agency RMBS, and to a lesser extent GSE Risk Transfer Securities, Commercial Loans, Non-Agency CMBS, Agency RMBS, Agency CMBS, and ABS. WMC is externally managed and advised by Western Asset Management Company, LLC, an investment advisor registered with the Securities and Exchange Commission and a wholly-owned subsidiary of Franklin Resources, Inc.

Additional Information

This communication relates to the proposed merger (the "Merger") pursuant to the terms of a definitive agreement and plan of merger (the "Merger Agreement"). In connection with the proposed Merger, MITT expects to file with the SEC a registration statement on Form S-4 that will include a prospectus of MITT and a joint proxy statement of MITT and WMC. MITT and WMC also expect to file with the SEC other documents regarding the Merger. The Merger will be submitted to the stockholders of MITT and WMC for their consideration. The definitive joint proxy statement/prospectus will be sent to the stockholders of MITT and WMC, and will contain important information about MITT, WMC, the proposed Merger and related matters. This communication is not a substitute for any proxy statement,

registration statement, tender or exchange offer statement, prospectus or other document MITT or WMC may file with the SEC in connection with the proposed Merger and related matters. **INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) AND OTHER RELEVANT DOCUMENTS FILED BY MITT AND WMC WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT MITT, WMC AND THE PROPOSED MERGER.** Investors and security holders may obtain copies of these documents free of charge (if and when they become available) through the website maintained by the SEC at www.sec.gov. Copies of the documents filed by MITT with the SEC are also available free of charge on MITT's website at www.agmit.com. Copies of the documents filed by WMC with the SEC are also available free of charge on WMC's website at www.westernassetmcc.com.

Participants in the Solicitation Relating to the Merger

MITT, WMC and certain of their respective directors and executive officers and certain other affiliates of MITT and WMC may be deemed to be participants in the solicitation of proxies from the common stockholders of WMC and MITT in respect of the proposed Merger. Information regarding WMC and its directors and executive officers and their ownership of common stock of WMC can be found in WMC's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on March 13, 2023, and in its definitive proxy statement relating to its 2023 annual meeting of stockholders, filed with the SEC on May 2, 2023. Information regarding MITT and its directors and executive officers and their ownership of common stock of MITT can be found in MITT's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 27, 2023, and in its definitive proxy statement relating to its 2023 annual meeting of stockholders, filed with the SEC on March 22, 2023. Additional information regarding the interests of such participants in the Merger will be included in the proxy statement/prospectus and other relevant documents relating to the proposed Merger when they are filed with the SEC. These documents are available free of charge on the SEC's website and from MITT or WMC, as applicable, using the sources indicated above.

No Offer or Solicitation

This communication and the information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act, as amended (the "Securities Act"). This communication may be deemed to be solicitation material in respect of the proposed Merger.

Forward-Looking Statements

This communication contains certain "forward-looking" statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, as amended. MITT and WMC intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for purposes of complying with the safe harbor provisions. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "should," "may," "projects," "could," "estimates" or variations of such words and other similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature, but not all forward-looking statements include such identifying words. Forward-looking statements regarding MITT and WMC include, but are not limited to, statements related to the proposed Merger, including the anticipated timing, benefits and financial and operational impact thereof; other statements of management's belief, intentions or goals; and other statements that are not historical facts. These forward-looking statements are based on each of the companies' current plans, objectives, estimates, expectations and intentions and inherently involve significant risks and uncertainties. Actual results and the timing of events could differ materially from

those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks and uncertainties associated with: MITT's and WMC's ability to complete the proposed Merger on the proposed terms or on the anticipated timeline, or at all, including risks and uncertainties related to securing the necessary stockholder approval from WMC's and MITT's respective stockholders and satisfaction of other closing conditions to consummate the proposed Merger; the occurrence of any event, change or other circumstance that could give rise to the termination of the Merger Agreement; risks related to diverting the attention of MITT and WMC management from ongoing business operations; failure to realize the expected benefits of the proposed Merger; significant transaction costs and/or unknown or inestimable liabilities; the risk of stockholder litigation in connection with the proposed Merger, including resulting expense or delay; the risk that MITT's and WMC's respective businesses will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; and effects relating to the announcement of the proposed Merger or any further announcements or the consummation of the proposed Merger on the market price of MITT's or WMC's common stock. Additional risks and uncertainties related to MITT's and WMC's business are included under the headings "Forward-Looking Statements" and "Risk Factors" in MITT's and WMC's Annual Report on Form 10-K for the year ended December 31, 2022, and in other reports and documents filed by either company with the SEC from time to time. Moreover, other risks and uncertainties of which MITT or WMC are not currently aware may also affect each of the companies' forward-looking statements and may cause actual results and the timing of events to differ materially from those anticipated. The forward-looking statements made in this communication are made only as of the date hereof or as of the dates indicated in the forward-looking statements, even if they are subsequently made available by MITT or WMC on their respective websites or otherwise. Neither MITT nor WMC undertakes any obligation to update or supplement any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made, except as required by law.

Contacts

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AC

**AG Mortgage Investment Trust, Inc. to Acquire
Western Asset Mortgage Capital Corp.**

August 8, 2023

Forward Looking Statements

Additional Information: This communication relates to the proposed merger transaction between AG Mortgage Investment Trust, Inc. ("MITT") and Western Asset Mortgage Capital Corporation ("WMC"). In connection with the proposed transaction, MITT and WMC may file one or more registration statements, proxy statements, tender or exchange offer statements, prospectuses or other documents with the United States Securities and Exchange Commission (the "SEC"). This communication is not a substitute for any proxy statement, registration statement, tender or exchange offer statement, prospectus or other document MITT or WMC may file with the SEC in connection with the proposed transaction.

INVESTORS AND SECURITY HOLDERS OF MITT AND WMC ARE URGED TO READ ANY SUCH PROXY STATEMENT, REGISTRATION STATEMENT, TENDER OR EXCHANGE OFFER STATEMENT, PROSPECTUS AND/OR OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Any definitive proxy statement or prospectus (if and when available) will be delivered to shareholders of WMC or MITT, as applicable. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents filed with the SEC by MITT through the website maintained by the SEC at <http://www.sec.gov>.

This communication is neither a solicitation of a proxy nor a substitute for any proxy statement or other filings that may be made with the SEC. Nonetheless, MITT and its directors and executive officers and other members of management and Angelo, Gordon & Co., L.P. employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. You can find information about MITT's executive officers and directors in MITT's definitive proxy statement filed with the SEC on March 22, 2023, and Annual Report on Form 10-K filed with the SEC on February 27, 2023. Additional information regarding the interests of such potential participants will be included in one or more registration statements, proxy statements, tender or exchange offer statements or other documents filed with the SEC if and when they become available. You may obtain free copies of these documents (if and when available) using the sources indicated above.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Forward Looking Statements: This communication may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements regarding MITT's offer to acquire WMC, the consideration in the proposed transaction, its expected future performance (including expected results of operations and financial guidance) and the combined company's future financial condition, operating results, strategy and plans. Forward-looking statements may be identified by the use of the words "anticipates," "expects," "intends," "plans," "should," "could," "would," "may," "will," "believes," "estimates," "potential," "target," "opportunity," "tentative," "positioning," "designed," "create," "predict," "project," "seek," "ongoing," "upside," "increases" or "continue" and variations or similar expressions. These statements are based upon the current expectations and beliefs of management and are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results to differ materially from those described in the forward-looking statements. These assumptions, risks and uncertainties include, but are not limited to, assumptions, risks and uncertainties discussed in MITT's most recent annual or quarterly report filed with the SEC and assumptions, risks and uncertainties relating to the proposed transaction, as detailed from time to time in MITT's and WMC's filings with the SEC, which factors are incorporated herein by reference. Important factors that could cause actual results to differ materially from the forward-looking statements made in this communication are set forth in other reports or documents that MITT may file from time to time with the SEC, and include, but are not limited to: (i) the possibility that the merger is not completed; (ii) the risk that anticipated cost synergies and any other benefits or savings from the transaction may not be fully realized or may take longer to realize than expected; (iii) the amount and impact of the transaction expenses that will be incurred by MITT and WMC; (iv) the ability to meet any closing conditions to any possible transaction, including the necessary shareholder approvals; (v) market volatility in stock prices of MITT and WMC; and (vi) general economic conditions that are less favorable than expected. Additional risks and uncertainties related to MITT's and WMC's business are included under the headings "Forward-Looking Statements" and "Risk Factors" in MITT's and WMC's Annual Report on Form 10-K for the year ended December 31, 2022 and in other reports and documents filed with the SEC from time to time. All forward-looking statements attributable to MITT or any person acting on MITT's behalf are expressly qualified in their entirety by this cautionary statement. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Except as required by law, MITT undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this communication or to reflect actual outcomes.

This presentation may contain statistics and other data that has been obtained or compiled from information made available by third-party service providers. We have not independently verified such statistics or data.

Transaction Overview

Transaction Summary	<ul style="list-style-type: none"> AG Mortgage Investment Trust, Inc. (NYSE: MITT) has entered into an agreement to acquire Western Asset Mortgage Capital Corp. (NYSE: WMC) by issuing new common shares of MITT to WMC's stockholders using an exchange ratio of 1.500x¹ WMC stockholders will also receive additional cash consideration from MITT's external manager, an affiliate of Angelo, Gordon & Co., L.P. ("Angelo Gordon")
Merger Consideration²	<ul style="list-style-type: none"> Exchange ratio would result in 9.225 million new MITT common shares issued to WMC stockholders² Total implied consideration of \$69.1 million, or \$11.23 per share of WMC common stock³ <ul style="list-style-type: none"> Total implied stock consideration of \$62.2 million, or \$10.11 per share of WMC common stock Total implied cash consideration of \$6.9 million, or \$1.12 per share of WMC common stock Total implied consideration represents a purchase price premium of approximately 34% to WMC's closing price on July 12, 2023⁴
External Manager	<ul style="list-style-type: none"> MITT's external manager, an affiliate of Angelo Gordon, will continue to serve as the external manager of the pro forma combined company, following closing MITT's external manager will waive \$2.4 million of management fees in the first year after closing Angelo Gordon will contribute \$7.0 million of cash to the transaction with any difference between \$7.0 million and the cash consideration to WMC stockholders being used to benefit the combined company post-closing by offsetting reimbursable expenses that would otherwise be payable to MITT's external manager
Pro Forma Ownership	<ul style="list-style-type: none"> MITT: ~69% WMC: ~31%
Governance	<ul style="list-style-type: none"> MITT's board of directors will be expanded to include two additional independent board members designated by WMC
Required Approvals	<ul style="list-style-type: none"> Transaction is subject to MITT and WMC shareholder approval and customary closing conditions
Expected Closing	<ul style="list-style-type: none"> Target closing in fourth quarter 2023

(1) Based on estimated transaction expenses for MITT and WMC other than the TPT deal break-up fee, WMC manager termination fee and WMC D&O tail policy. Subject to further adjustment based on final transaction expenses at closing. (2) Based on 6.150 million WMC fully diluted shares outstanding as of June 30, 2023. Fully diluted share count is inclusive of 0.112 million vested and unvested RSUs and phantom stock convertible into shares of WMC common stock, in each case that will vest (if unvested) and be issued in connection with the completion of the merger, assuming a December 2023 close date. (3) Figures reflect MITT's closing share price of \$6.74 as of August 7, 2023. (4) Reflects day prior to the public announcement of MITT's proposal to acquire WMC.

Anticipated Benefits of the Transaction

<p>WMC Shareholders</p>	<ul style="list-style-type: none"> ✓ Represents a 34% premium to WMC's unaffected stock price as of July 12, 2023¹ ✓ Angelo Gordon is contributing \$7.0 million of cash to the transaction with \$6.9 million² going directly to WMC shareholders and the remaining \$0.1 million offsetting reimbursable expenses of the pro forma company that would otherwise be payable to MITT's external manager ✓ Ability to merge with an established publicly traded mREIT with an observable market value and upside potential ✓ Access to a leading securitization shelf to continue recently announced Non-Agency residential mortgage strategy ✓ Resetting the WMC management fee resulting in material expense savings
<p>MITT Shareholders</p>	<ul style="list-style-type: none"> ✓ Transaction is expected to be accretive to earnings in 2024 (assuming transaction is completed in Q4 2023) ✓ 38% growth in adjusted book value ✓ Expenses spread over a larger capital base ✓ Reduction in the preferred equity ratio from 49% to 42% ✓ Continued strong support from Angelo Gordon in the form of \$7 million cash towards completion of transaction ✓ Additional float and trading liquidity expected
<p>Combined Company Shareholders</p>	<ul style="list-style-type: none"> ✓ Access to Angelo Gordon, a \$73 billion leading alternative investment firm ✓ Significant operating expense efficiencies of approximately \$5-7 million annually³ ✓ Waiver of \$2.4 million of management fees in the first year after closing ✓ Two additional WMC independent directors joining to create 75% independence on MITT's board of directors ✓ Enhanced liquidity and trading volume

(1) Reflects day prior to the public announcement of MITT's proposal to acquire WMC.

(2) Based on MITT's closing share price of \$6.74 as of August 7, 2023.

(3) Does not include the resetting of WMC's management fee and MITT's manager waiving \$2.4 million in management fees in first year after closing.

Western Asset Mortgage Capital Corp. Overview

WMC Business Overview

- Non-agency mortgage REIT that primarily invests in residential non-qualified mortgages and other mortgage credit
- Externally managed by Western Asset Management Company, LLC, a global fixed income manager with approximately \$390B in AUM
- Recently pivoted business model to focus on non-agency residential mortgage securitizations

Investment Strategy

Residential Non-Qualified Mortgages:	Other Mortgage Credit:
<ul style="list-style-type: none"> • 7.5%-8.5% target coupons • No cumulative principal losses • 65%-70% target origination LTV • Strategic partnerships with seasoned originators • Non-recourse through securitization 	<ul style="list-style-type: none"> • Low leveraged assets • Commercial loans & securities • Residential securities • 6%-15% target yields • Favoring long term financing utilizing structural leverage & low recourse leverage

Company Statistics

\$14.43
Book Value per Share ¹
\$18.21
Economic Book Value per Share ^{1,2}
\$112.0
Total Equity ² (in millions)
\$17.4
Liquidity ³ (in millions)
\$2.3
Total Assets (in billions)
\$1.9
Securitization Debt (in billions)
2.6x
Recourse Leverage Ratio
4
Non-Agency Securitizations
May '12
IPO Date

Note: Data as of June 30, 2023 except for book value metrics which are adjusted to reflect the vesting of RSUs as a result of the transaction.

(1) Reflects fully diluted share count of 6.150 million shares inclusive of RSUs to vest in accordance with the transaction.

(2) Reflects WMC's economic book value. Economic book value is a non-GAAP metric reflecting the fair value of WMC's assets and liabilities on an unconsolidated basis.

(3) Total liquidity includes \$17.4 million of cash and cash equivalents.

AG Mortgage Investment Trust, Inc. Overview

MITT Business Overview

- Pure-play residential credit mortgage REIT with a focus on acquiring non-agency residential loans
- Managed by Angelo Gordon, a \$73 billion leading alternative investment firm specializing in credit and real estate strategies
- Committed to generating attractive risk adjusted returns over the long-term as a programmatic aggregator and issuer of non-agency residential loan securitizations
- Finance investment portfolio primarily through low cost, non-recourse, non-MTM financing

MITT's Focused Mission

Pure Play Residential	<ul style="list-style-type: none"> • Acquire and aggregate newly originated non-agency loans • Securitizate loans to obtain term non-MTM financing • Retain subordinate bonds from securitization targeting equity yields of 15%-20%
Strategic Advantage	<ul style="list-style-type: none"> • Vertically integrated platform through ownership in multi-channel mortgage lender Arc Home • Active management and monitoring of residential loan portfolios through Red Creek Asset Management, an affiliate of Angelo Gordon
Proven Investment Platform	<ul style="list-style-type: none"> • Seasoned 20+ person investment team • Proprietary "GCAT" securitization shelf • Substantial support & commitment from Angelo Gordon

Company Statistics

\$11.89
Book Value per Share

\$11.52
Adjusted Book Value per Share¹

\$460.7
Total Equity (in millions)

\$80.3
Liquidity² (in millions)

\$4.6
Total Assets (in billions)

\$3.4
Securitization Debt (in billions)

1.6x
Economic Leverage Ratio³

19
Non-Agency Securitizations

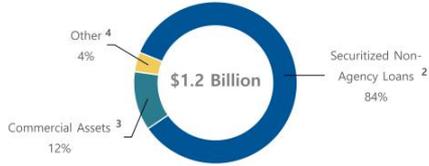
June '11
IPO Date

Note: Data as of June 30, 2023. (1) Reflects difference between carrying value of MITT preferred of \$220.5 million and liquidation preference of \$228.0 million. (2) Total liquidity includes \$80.3 million of cash and cash equivalents. (3) Total Economic Leverage includes recourse financing arrangements 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 financing on certain Non-QM securities held through our investments in debt and equity affiliates.

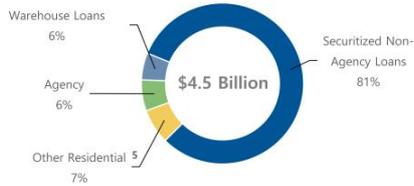
WMC and MITT's Strategic Alignment

WMC and MITT have complementary strategies; existing WMC asset classes are a core competency for MITT's external manager

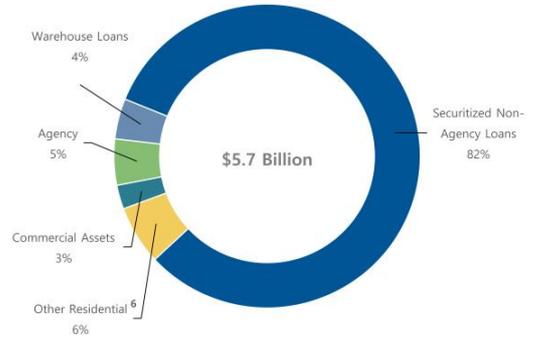
WMC Portfolio Composition by Investment Type¹



MITT Portfolio Composition by Investment Type



Pro Forma Portfolio Composition by Investment Type



Note: Data as of June 30, 2023. (1) WMC Portfolio reflects deconsolidation of CSMC Trust 2014-USA which holds a commercial loan with a fair value of \$1.025 billion. (2) Equivalent to WMC's Residential Whole Loans categorization excluding \$4.4 million of non-QM residential whole loans financed under WMC's residential whole loan facility and residential bridge loan trust. (3) Includes commercial loans, CMBS and WMC's interest in the Class F bond of CSMC 2014-USA. (4) Includes non-QM residential whole loans financed under WMC's residential whole loan facility, non-agency RMBS, agency RMBS, other securities, and residential bridge loans. (5) Includes non-agency bonds, re/non-performing loans, and land related financing. (6) Includes "Other" from WMC and "Other Residential" from MITT with the exception of WMC's agency RMBS which is included in "Agency" and WMC's non-QM residential whole loans financed under WMC's residential whole loan facility and residential bridge loan trust which are included in "Warehouse Loans."

Angelo Gordon At-A-Glance

A leading alternative investment firm specializing in Credit and Real Estate strategies



(1) As of December 31, 2022. Angelo Gordon's (the "Firm") currently stated AUM of approximately \$73 billion as of December 31, 2022 reflects fund-level asset-related leverage. Prior to May 15, 2023, the Firm calculated its AUM as net assets under management excluding leverage, which resulted in Firm AUM of approximately \$53 billion as of December 31, 2022. The difference reflects a change in the Firm's AUM calculation methodology and not any material change to the Firm's investment advisory business. For a description of the factors the Firm considers when calculating AUM, please see the disclosure available at www.angelogordon.com/disclaimers.



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