

**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): November 6, 2019

Colony Credit Real Estate, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-38377
(Commission
File Number)

38-4046290
(IRS Employer
Identification No.)

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

90071
(Zip Code)

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

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

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

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

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

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

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

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition.

On November 7, 2019, Colony Credit Real Estate, Inc. (the “Company”) issued a press release announcing its financial position as of September 30, 2019 and its financial results for the third quarter ended September 30, 2019. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On November 7, 2019, the Company made available a Portfolio Bifurcation Plan dated November 7, 2019 on the Company’s website at www.clncredit.com. A copy of the Portfolio Bifurcation Plan is furnished herewith as Exhibit 99.2 to this Current Report on Form 8-K, which are incorporated herein by reference.

On November 7, 2019, the Company made available a Supplemental Financial Disclosure Presentation for the quarter ended September 30, 2019 on the Company’s website at www.clncredit.com. A copy of the Supplemental Financial Disclosure Presentation is furnished herewith as Exhibit 99.3 to this Current Report on Form 8-K, which are incorporated herein by reference.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information included in this Current Report on Form 8-K (including Exhibits 99.1, 99.2 and 99.3 hereto), shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 8.01 Other Events.

On November 6, 2019, the independent directors of Colony Credit Real Estate, Inc. (the “Company”) received a non-binding letter from Colony Capital, Inc. (“Colony Capital”), the owner of CLNC Manager, LLC, the Company’s external manager, seeking to explore with the Company the possible internalization of the management of the Company and a transfer of Colony Capital’s credit management business to the Company. The letter provides that an internalization would be subject to, among other things, the negotiation of terms and definitive documentation and approval of the boards of directors of the Company and Colony Capital (or an authorized committee thereof in each case).

A special committee of the Company’s board of directors consisting of independent and disinterested directors has been formed (the “Special Committee”) and, together with the independent legal and financial advisors engaged by the Special Committee, it will review the letter. There can be no assurance that the Company will pursue the transactions contemplated by the letter or any other opportunities or that any of them will be consummated. The Company does not undertake any obligation to provide updates on the letter or any such opportunities or the status thereof.

Use of Website to Distribute Material Company Information

The Company’s website address is www.clncredit.com. The Company uses its website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding the Company, is routinely posted on and accessible on the Shareholders subpage of its website, which is accessible by clicking on the tab labeled “Shareholders” on the website home page. The Company also uses its website to expedite public access to time-critical information regarding the Company in advance of or in lieu of distributing a press release or a filing with the U.S. Securities and Exchange Commission disclosing the same information. Therefore, investors should look to the Shareholders subpage of the Company’s website for important and time-critical information. Visitors to the Company’s website can also register to receive automatic e-mail and other notifications alerting them when new information is made available on the Shareholders subpage of the website.

Item 9.01 Financial Statements and Exhibits.

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

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated November 7, 2019
99.2	Portfolio Bifurcation Plan, dated November 7, 2019
99.3	Supplemental Financial Disclosure Presentation for the quarter ended September 30, 2019
104	Cover Page Interactive Data File (embedded within the Inline XBRL Document)

SIGNATURE

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

Dated: November 7, 2019

COLONY CREDIT REAL ESTATE, INC.

By: /s/ David A. Palamé

Name: David A. Palamé

Title: General Counsel & Secretary



**Colony Credit Real Estate, Inc. Announces
Third Quarter 2019 Financial Results And Significant Corporate Events**

LOS ANGELES, November 7, 2019 – Colony Credit Real Estate, Inc. (NYSE: CLNC) (“Colony Credit Real Estate” or the “Company”) today announced its financial results for the third quarter ended September 30, 2019 and certain updates.

Kevin P. Traenkle, President and Chief Executive Officer of Colony Credit Real Estate commented, “For several reasons, the third quarter has been a landmark period for the Company. First, our Core Portfolio and primary business of providing high-quality commercial real estate loans continues to grow and perform well, as evidenced by over \$480 million of new quarterly originations. Additionally, we successfully closed an accretive \$1 billion CLO financing in October, opening new sources of capital, de-risking our balance sheet and increasing our return on equity.”

Mr. Traenkle added, “However, and more importantly, we made great strides in advancing our strategic plan to bifurcate our Company’s assets into our Core Portfolio, which we plan to grow, and a Legacy, Non-Strategic Portfolio, which we plan to monetize and reinvest into our Core Portfolio. As part of this undertaking and with the full support of our Board, third party valuation experts assisted the Company in a robust strategic reassessment of our entire asset base. During this process we identified and separated a Legacy, Non-Strategic Portfolio and made meaningful changes to the original business plans. Going forward, we plan to report the operations and dispositions from our Core Portfolio and the Legacy, Non-Strategic Portfolio separately.”

Mr. Traenkle continued to add, “Due to the changes we have made to the business plans of investments within our Legacy, Non-Strategic Portfolio, the Company meaningfully reduced its book value to better reflect the market value of such assets and also reset its dividend to a level which is now fully covered by in-place Core Earnings from the Core Portfolio alone. We expect most of the Legacy, Non-Strategic Portfolio to be monetized in the short to medium term and the proceeds of such sales will provide capital to grow our Core Earnings within our Core Portfolio. I strongly encourage all to review our portfolio bifurcation presentation and quarterly financial and supplemental materials, with substantially enhanced details and disclosures. Based on the results of this analysis, we believe the Company’s current net asset value and book value are significantly higher than current trading value.”

Catherine D. Rice, lead independent director for the Company, commented, “On behalf of the Board, we want to thank Kevin and management for leading an extensive portfolio review and strategic assessment process. This resulted in a plan to segment and exit Legacy, Non-Strategic investments in order to provide shareholders greater clarity concerning the Company’s long-term business strategy to grow its Core Portfolio. In addition, the independent directors of the Board recently received a letter from the Company’s manager, Colony Capital, regarding possibly internalizing its credit-focused management team. The Board has established an independent special committee to review the proposal with independent financial and legal advisors.”

Third Quarter 2019 Significant Developments and Subsequent Events

- Third quarter 2019 GAAP net income (loss) attributable to common stockholders of \$(356.0) million, or \$(2.77) per share
- Core Portfolio: Third quarter 2019 GAAP net income (loss) attributable to common stockholders of \$(1.5) million, or \$(0.01) per share, and Core Earnings of \$44.7 million, or \$0.34 per share
- Legacy, Non-Strategic Portfolio: Third quarter 2019 GAAP net income (loss) attributable to common stockholders of \$(354.5) million, or \$(2.76) per share, and Legacy, Non-Strategic Earnings (loss) of \$(120.3) million, or \$(0.91) per share. Legacy, Non-Strategic Earnings excluding gains and losses of \$6.9 million, or \$0.05 per share
- GAAP book value of \$2.2 billion, or \$16.55 per share and undepreciated book value of \$2.3 billion, or \$17.77 per share, as of September 30, 2019. GAAP book value per share and undepreciated GAAP book value per share are 17% and 25%, respectively, higher than the closing trading price on November 5, 2019
- During the third quarter, recorded \$127 million of loan loss provisions at the Company’s ownership share and \$258 million of impairment of real estate and preferred equity at the Company’s ownership share, resulting from reduced hold periods on certain investments determined during the quarter
- Declared and paid a monthly cash dividend of \$0.145 per share of Class A common stock for July, August and September 2019. Subsequent to quarter end, the Company’s Board of Directors declared a monthly cash dividend of \$0.145 per share of common stock for October
- The Company’s Board of Directors subsequently declared a monthly cash dividend of \$0.10 per share of Class A common stock for the months of November and December 2019, targeting an annualized dividend of \$1.20 per share to approximate an annual dividend fully covered by Core Earnings from the Company’s Core Portfolio

- Current core senior loan portfolio of \$2.3 billion is 100% performing and 93% floating-rate with a weighted average Loan-to-Value ratio (“LTV”) of 70% as of September 30, 2019
- During the third quarter, allocated and initially funded approximately \$486 million and \$362 million of capital, respectively, across ten investments with a weighted average Return on Equity (“ROE”) of approximately 12% and an underwritten Internal Rate of Return (“IRR”) of approximately 13%
- During the third quarter, sold a CMBS B-piece at a premium to March 31, 2019 fair market value, which resulted in approximately \$33 million in net proceeds
- Subsequent to quarter end, closed on a \$1 billion managed Commercial Real Estate Collateralized Loan Obligation (“CLO”). The CLO accretively financed interests in 21 floating-rate mortgages with an 83.5% advance rate and weighted average coupon at issuance of L+1.59%, before transaction costs, with a structure that features a two-year reinvestment period. CLO proceeds were used primarily to repay approximately \$770 million of debt under master repurchase facilities
- Subsequent to quarter end, executed a purchase and sale agreement for the sale of an owned hotel asset with a GAAP book value of approximately \$72 million; Closing is expected during the fourth quarter 2019 with capital to be recycled into target investments in the Core Portfolio
- As of November 5, 2019, total corporate liquidity of approximately \$304 million through cash-on-hand and availability under the corporate revolving credit facility
- Subsequent to quarter end, the Company’s manager, a subsidiary of Colony Capital, Inc. and the Company revised the terms of the management agreement in connection with CLNC’s portfolio bifurcation plan and related impairments, which will result in a reduction to the fee base by accumulated unrealized provisions for loan losses and real estate impairments to date. Such reduction will be effective during the fourth quarter 2019 and result in a \$13 million decrease of the annual base management fee paid by the Company
- On November 6, 2019, the Company’s independent directors received a letter from Colony Capital, Inc. to explore internalizing management and transferring Colony Capital’s global credit management business and employees to the Company

Portfolio Performance

As of September 30, 2019, the Core Portfolio consisted of 55 loans held by the Company, including senior loans, mezzanine loans and preferred equity interests, and had an average risk rating of 3.1 (average risk); weighted by total loan exposure on a 1 (Very Low Risk) to 5 (Impaired/Defaulted/Loss Likely) scale. As of September 30, 2019, no loans in the Core Portfolio were rated 5 (Impaired/Defaulted/Loss Likely).

Common Stock and Operating Partnership Units

On February 1, 2019, all Class B-3 common stock converted to Class A common stock (the “common stock”). As of November 6, 2019, the Company had approximately 128.5 million shares of common stock outstanding and the Company’s operating partnership had approximately 3.1 million operating partnership units (“OP units”) outstanding held by members other than the Company or its subsidiaries.

Dividend Announcement

The Company’s Board of Directors declared a monthly cash dividend of \$0.145 per share of common stock (the “common stock”) for: (i) the monthly period ended July 31, 2019, which was paid on August 9, 2019, to stockholders of record on July 31, 2019, (ii) the monthly period ended August 31, 2019, which was paid on September 10, 2019, to stockholders of record on August 31, 2019, and (iii) the monthly period ended September 30, 2019, which was paid on October 10, 2019, to stockholders of record on September 30, 2019.

Subsequent to the end of the third quarter, the Company’s Board of Directors declared a monthly cash dividend of \$0.145 per share of common stock for the monthly period ended October 31, 2019, which will be paid on November 12, 2019 to stockholders of record on October 31, 2019.

Further, the Company has elected to modify its dividend policy in furtherance of its portfolio bifurcation plan, to issue a monthly dividend that is fully covered by and positioned for growth based on the Company’s Core Earnings on its Core Portfolio. Therefore, the Company’s Board of Directors declared a monthly cash dividend of \$0.10 per share of common stock for: (i) the month ending November 30, 2019, which will be paid on December 10, 2019 to stockholders of record on November 30, 2019, and (ii) the month ending December 31, 2019, which will be paid on January 10, 2020 to stockholders of record on December 31, 2019.

Colony Capital, Inc. Internalization Discussions with the Company.

On November 6, 2019, Thomas J. Barrack, Jr., the Executive Chairman and Chief Executive Officer of Colony Capital, Inc. (“Colony Capital”) delivered a non-binding letter to the independent directors of Colony Credit Real Estate seeking to explore with Colony Credit Real Estate the possible internalization of the management of Colony Credit Real Estate and a transfer of Colony Capital’s credit management business to Colony Credit Real Estate. The letter sets forth the main components of a possible internalization, which may include one or more of the following: (i) the internalization of Colony Capital’s credit management business, which may include key senior management, into Colony Credit Real Estate via cancellation of Colony Credit Real Estate’s management agreement and the possible contribution to Colony Credit Real Estate by Colony Capital of the management contracts of some or all of Colony Capital’s existing direct credit funds and the management of related investment and co-investment general partner vehicles, (ii) entering into a new management agreement pursuant to which Colony Credit Real Estate would manage certain existing credit investments that would continue to be held by Colony Capital, (iii) the continuation of Colony Credit Real Estate’s non-exclusive right to use the Colony Capital brand for credit investments for a period of time to be agreed upon by the parties, and/or (iv) certain changes in Colony Credit Real Estate’s board of directors and management. The letter provides that an internalization would be subject to, among other things, the negotiation of terms and definitive documentation and approval of the boards of directors of Colony Credit Real Estate and Colony Capital (or an authorized committee thereof in each case).

There can be no assurance that Colony Credit Real Estate and Colony Capital will reach an agreement with respect to an internalization or any of the other matters described in the letter, that the nature or terms of an internalization or any such other matters will not differ from the description in the letter, or that an internalization or any such other matters will be completed. Colony Credit Real Estate does not undertake any obligation to provide updates with respect to the letter or any such other matters or the status thereof.

On November 7, 2019, Colony Capital filed the letter with the U.S. Securities and Exchange Commission on Schedule 13D.

Non-GAAP Financial Measures and Definitions

Core Earnings/Legacy, Non-Strategic Earnings

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

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

Core Earnings/Legacy, Non-Strategic Earnings does not represent net income or cash generated from operating activities and should not be considered as an alternative to U.S. GAAP net income or an indication of our cash flows from operating activities determined in accordance with U.S. GAAP, a measure of our liquidity, or an indication of funds available to fund our cash needs,

including our ability to make cash distributions. In addition, our methodology for calculating Core Earnings/Legacy, Non-Strategic Earnings may differ from methodologies employed by other companies to calculate the same or similar non-GAAP supplemental financial measures, and accordingly, our reported Core Earnings/Legacy, Non-Strategic Earnings may not be comparable to the Core Earnings/Legacy, Non-Strategic Earnings reported by other companies.

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

Core Portfolio

We present the Core Portfolio, which consists of four business and reportable segments including loans and preferred equity, CRE debt securities, net leased real estate and corporate. Loans and preferred equity consists of CRE debt investments including senior mortgage loans, mezzanine loans, and preferred equity interests as well as participations in such loans. The segment also includes acquisition, development and construction loan arrangements accounted for as equity method investments as well as loans and preferred equity interests held through joint ventures with an affiliate of our Sponsor (Colony Capital, Inc.) which were deconsolidated as a result of our formation transaction and subsequently treated as equity method investments. CRE debt securities include both investment grade and non-investment grade rated CMBS bonds (including “B-pieces” of CMBS securitization pools or “B-Piece” investments). Net leased real estate includes direct investments in commercial real estate principally composed of long-term leases to tenants on a net lease basis, where such tenants are generally responsible for property operating expenses such as insurance, utilities, maintenance capital expenditures and real estate taxes. Corporate includes corporate-level asset management and other fees, related party and general and administrative expenses to the Core Portfolio only.

Legacy, Non-Strategic Portfolio

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

Loan-to-Value

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

Return on Equity

We present Return on Equity (“ROE”), which is a supplemental financial measure that represents the initial net investment-level earnings generated by an investment expressed as a percentage of the net equity capital invested. The Company calculates net investment-level earnings for investments in loans and CRE debt securities as the sum of the stated cash coupon income and any non-cash income (such as payment in-kind income and amortization/accretion of purchase discounts and origination, extension and exit fees) less investment-level financing costs. For investments in net leased real estate, the Company calculates net investment-level earnings by subtracting investment-level financing costs from net operating income. Net equity capital invested is calculated by taking the gross initial invested capital less any financing. With respect to certain loans and investment level financing, the Company assumes the one-month USD LIBOR as of September 30, 2019 when calculating ROE. The Company’s ROE calculation relies on a number of assumptions and estimates that are subject to change, some of which are outside the control of the Company. Actual results may differ materially from the Company’s expectations. As such, there can be no assurance that the actual ROE will be equivalent to the estimated ROE. In addition, the Company’s methodology for calculating ROE may differ from methodologies employed by other companies to calculate the same or similar supplemental financial measures, and accordingly, the presented ROE may not be comparable to the ROE reported by other companies.

Internal Rate of Return

We present Internal Rate of Return (“IRR”), which is a supplemental financial measure that represents the rate of return of an investment over a specific holding period expressed as a percentage of the net equity capital invested. It is the discount rate that makes net present value of all cash outflows equal to the net present value of cash inflows. The weighted average underwritten IRR reflects the returns underwritten and relies on a number of assumptions and estimates that are subject to change. Such assumptions and estimates around hold period, prepayments or defaults, cost of borrowing, cap rates, rent increases, operating costs, and exit assumptions, among many others, may be outside of the control of the Company. With respect to certain loans included in the weighted average underwritten IRR shown, the calculation assumes certain estimates with respect to the timing and magnitude of the initial future fundings for the total loan commitment and associated loan repayments. In addition, the Company’s methodology for calculating IRR involves subjective judgement and discretion and may differ from methodologies used by other companies, when calculating the same or similar supplemental financial measures and may not be comparable with other companies. Actual results may differ materially from the Company’s expectations. As such, there can be no assurance that the actual weighted average IRRs will be equivalent to the underwritten weighted average IRRs presented.

Third Quarter 2019 Conference Call

The Company will conduct a conference call to discuss the financial results on November 7, 2019 at 2:00 p.m. PT / 5:00 p.m. ET. To participate in the event by telephone, please dial (877) 407-0784 ten minutes prior to the start time (to allow time for registration). International callers should dial (201) 689-8560 and use passcode 13695411. The call will also be broadcast live over the Internet and can be accessed on the Shareholders section of the Company’s website at www.clncredit.com. A webcast of the call will be available for 90 days on the Company’s website.

For those unable to participate during the live call, a replay will be available starting November 7, 2019, at 5:00 p.m. PT / 8:00 p.m. ET, through November 14, 2019, at 8:59 p.m. PT / 11:59 p.m. ET. To access the replay, dial (844) 512-2921 (U.S.), and use passcode 13695411. International callers should dial (412) 317-6671 and enter the same conference ID number.

Supplemental Financial Report

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

About Colony Credit Real Estate, Inc.

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

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company’s control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; the Company’s operating results may differ materially from the information presented in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as



well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission; the fair value of the Company's investments may be subject to uncertainties; the Company's use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company's dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company's operating performance and return on stockholder's investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; adverse impacts on the Company's liquidity, including its ability to continue to generate liquidity from sales of Legacy, Non-Strategic assets; the Company's ability to liquidate its Legacy, Non-Strategic assets within the projected timeframe or at the projected values; the timing of and ability to deploy available capital; the Company's ability to maintain or grow the dividend at all in the future; the timing of and ability to complete repurchases of the Company's stock; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; and the impact of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission.

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

Investor Relations

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

ColonyCredit REAL ESTATE

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

	September 30, 2019 (Unaudited)	December 31, 2018
Assets		
Cash and cash equivalents	\$ 60,332	\$ 77,317
Restricted cash	139,549	110,146
Loans and preferred equity held for investment, net	2,516,197	2,020,497
Real estate securities, available for sale, at fair value	255,937	228,185
Real estate, net	1,568,682	1,959,690
Investments in unconsolidated ventures (\$14,323 and \$160,851 at fair value, respectively)	571,365	903,037
Receivables, net	42,559	48,806
Deferred leasing costs and intangible assets, net	125,072	134,068
Assets held for sale	183,895	—
Other assets	76,266	62,006
Mortgage loans held in securitization trusts, at fair value	1,904,003	3,116,978
Total assets	\$ 7,443,857	\$ 8,660,730
Liabilities		
Securitization bonds payable, net	\$ —	\$ 81,372
Mortgage and other notes payable, net	1,245,721	1,173,019
Credit facilities	1,907,556	1,365,918
Due to related party	14,227	15,019
Accrued and other liabilities	138,024	106,187
Intangible liabilities, net	23,916	15,096
Liabilities related to assets held for sale	5,487	—
Escrow deposits payable	87,349	65,995
Dividends payable	19,087	18,986
Mortgage obligations issued by securitization trusts, at fair value	1,793,435	2,973,936
Total liabilities	5,234,802	5,815,528
Commitments and contingencies		
Equity		
Stockholders' equity		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding as of September 30, 2019 and December 31, 2018, respectively	—	—
Common stock, \$0.01 par value per share		
Class A, 950,000,000 and 905,000,000 shares authorized, 128,538,703 and 83,410,376 shares issued and outstanding as of September 30, 2019 and December 31, 2018, respectively	1,285	834
Class B-3, no shares authorized, issued and outstanding as of September 30, 2019 and 45,000,000 shares authorized and 44,399,444 shares issued and outstanding as of December 31, 2018	—	444
Additional paid-in capital	2,905,906	2,899,353
Accumulated deficit	(809,344)	(193,327)
Accumulated other comprehensive income (loss)	28,915	(399)
Total stockholders' equity	2,126,762	2,706,905
Noncontrolling interests in investment entities	31,410	72,683
Noncontrolling interests in the Operating Partnership	50,883	65,614
Total equity	2,209,055	2,845,202
Total liabilities and equity	\$ 7,443,857	\$ 8,660,730

ColonyCredit REAL ESTATE

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

	Three Months Ended September 30,	
	2019	2018
Net interest income		
Interest income	\$ 46,991	\$ 40,139
Interest expense	(23,167)	(13,148)
Interest income on mortgage loans held in securitization trusts	22,586	39,261
Interest expense on mortgage obligations issued by securitization trusts	(20,299)	(36,294)
Net interest income	26,111	29,958
Property and other income		
Property operating income	63,492	51,684
Other income	820	2,253
Total property and other income	64,312	53,937
Expenses		
Management fee expense	11,355	11,877
Property operating expense	29,756	21,217
Transaction, investment and servicing expense	1,433	3,631
Interest expense on real estate	14,281	13,341
Depreciation and amortization	25,934	30,538
Provision for loan losses	110,314	35,059
Impairment of operating real estate	272,722	29,378
Administrative expense (including \$2,910 and \$1,822 of equity-based compensation expense, respectively)	7,732	6,797
Total expenses	473,527	151,838
Other income (loss)		
Unrealized loss on mortgage loans and obligations held in securitization trusts, net	(1,976)	(939)
Realized gain (loss) on mortgage loans and obligations held in securitization trusts, net	2,724	(549)
Other loss, net	(2,688)	(15)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	(385,044)	(69,446)
Equity in earnings (loss) of unconsolidated ventures	(15,905)	8,324
Income tax benefit (expense)	(1,046)	2,456
Net income (loss)	(401,995)	(58,666)
Net (income) loss attributable to noncontrolling interests:		
Investment entities	37,445	4,688
Operating Partnership	8,519	1,275
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (356,031)	\$ (52,703)
Net income (loss) per common share – basic and diluted	\$ (2.77)	\$ (0.42)
Weighted average shares of common stock outstanding – basic and diluted	128,541	127,887

ColonyCredit REAL ESTATE

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

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

	Three Months Ended September 30, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net loss attributable to Colony Credit Real Estate, Inc. common stockholders	\$(356,031)	\$ (354,517)	\$ (1,514)
<i>Adjustments:</i>			
Net loss attributable to noncontrolling interest of the Operating Partnership	(8,519)	(8,483)	(36)
Non-cash equity compensation expense	2,908	1,454	1,454
Depreciation and amortization	26,232	13,800	12,432
Net unrealized loss:			
Impairment of operating real estate and preferred equity ⁽¹⁾	294,677	253,166	41,511
Other unrealized loss	2,458	6	2,452
Adjustments related to noncontrolling interests in investment entities	(37,338)	(25,697)	(11,641)
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	\$ (75,613)	\$ (120,271)	\$ 44,658
Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share ⁽²⁾	\$ (0.57)	\$ (0.91)	\$ 0.34
Weighted average number of common shares and OP units ⁽²⁾	131,616	131,616	131,616

- (1) Includes our \$22.0 million proportionate share of impairment losses recorded on equity participations held in joint ventures. This is recorded in equity in earnings of unconsolidated ventures on our consolidated statements of operations
- (2) The Company calculates Core Earnings (Loss) / Legacy, Non-Strategic Earnings (Loss) per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the third quarter 2019, the weighted average number of common shares and OP units was approximately 131.6 million

GAAP Book Value to Undepreciated Book Value

	As of September 30, 2019	
	Amount	Per Diluted Share ⁽²⁾
GAAP book value (excluding noncontrolling interests in investment entities)	\$2,177,645	\$ 16.55
Accumulated depreciation and amortization ⁽¹⁾	161,117	1.22
Undepreciated book value	\$2,338,762	\$ 17.77
Total common shares and OP units outstanding ⁽²⁾		131,614

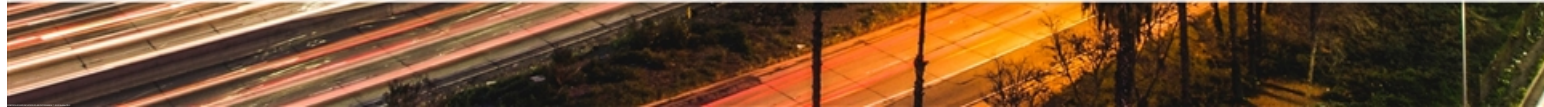
- (1) Represents at-share net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities
- (2) The Company calculates GAAP book value (excluding noncontrolling interests in investment entities) per share and undepreciated book value per share, a non-GAAP financial measure, based on the total number of common shares and OP units (held by members other than the Company or its subsidiaries) outstanding at the end of the reporting period. As of September 30, 2019, the total number of common shares and OP units outstanding was approximately 131.6 million



ColonyCredit REAL ESTATE

PORTFOLIO BIFURCATION PLAN

NOVEMBER 7, 2019



CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the Company's control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; the Company's operating results may differ materially from the information presented in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission; the fair value of the Company's investments may be subject to uncertainties; the Company's use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company's dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company's operating performance and return on stockholder's investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; adverse impacts on the Company's liquidity, including its ability to continue to generate liquidity from sales of Legacy, Non-Strategic assets; the Company's ability to liquidate its Legacy, Non-Strategic assets within the projected timeframe or at the projected values; the timing of and ability to deploy available capital; the Company's ability to maintain or grow the dividend at all in the future; the timing of and ability to complete repurchases of the Company's stock; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; and the impact of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as well as in Colony Credit Real Estate's other filings with the Securities and Exchange Commission.

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

IMPORTANT NOTE REGARDING NON-GAAP FINANCIAL MEASURES AND DEFINITIONS

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

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

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

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

The Company presents return on equity ("ROE"), which is a supplemental financial measure that represents the initial net investment-level earnings generated by an investment expressed as a percentage of the net equity capital invested. The Company calculates net investment-level earnings for investments in loans and CRE debt securities as the sum of the stated cash coupon income and any non-cash income (such as payment in-kind income and amortization/accretion of purchase discounts and origination, extension and exit fees) less investment-level financing costs. For investments in net leased real estate, the Company calculates net investment-level earnings by subtracting investment-level financing costs from net operating income. Net equity capital invested is calculated by taking the gross initial invested capital less any financing. With respect to certain loans and investment-level financing, the Company assumes the one-month USD LIBOR as of September 30, 2019 when calculating ROE. The Company's ROE calculation relies on a number of assumptions and estimates that are subject to change, some of which are outside the control of the Company. Actual results may differ materially from the Company's expectations. As such, there can be no assurance that the actual ROE will be equivalent to the estimated ROE. In addition, the Company's methodology for calculating ROE may differ from methodologies employed by other companies to calculate the same or similar supplemental financial measures, and accordingly, the presented ROE may not be comparable to the ROE reported by other companies.

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

NOTES REGARDING REPORTABLE SEGMENTS

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

Core Portfolio

Loan Portfolio

As of September 30, 2019, the Company's Loan Portfolio included senior mortgage loans, mezzanine loans and preferred equity interests ("preferred equity") as well as participations in such loans. The Loan Portfolio also includes acquisition, development and construction loan arrangements accounted for as equity method investments as well as loans and preferred equity interests held through joint ventures with an affiliate of our Sponsor (Colony Capital, Inc.) which were deconsolidated as a result of the merger and subsequently treated as equity method investments.

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

CRE Debt Securities

As of September 30, 2019, the Company's Commercial Real Estate ("CRE") Debt Securities included both investment grade and non-investment grade rated CMBS bonds (including "B-pieces" of CMBS securitization pools or "B-Piece" investments).

Net Leased Real Estate (or "Net Lease")

As of September 30, 2019, the Company's Net Lease investments included direct investments in commercial real estate principally composed of long-term leases to tenants on a net lease basis, where such tenants are generally responsible for property operating expenses such as insurance, utilities, maintenance capital expenditures and real estate taxes.

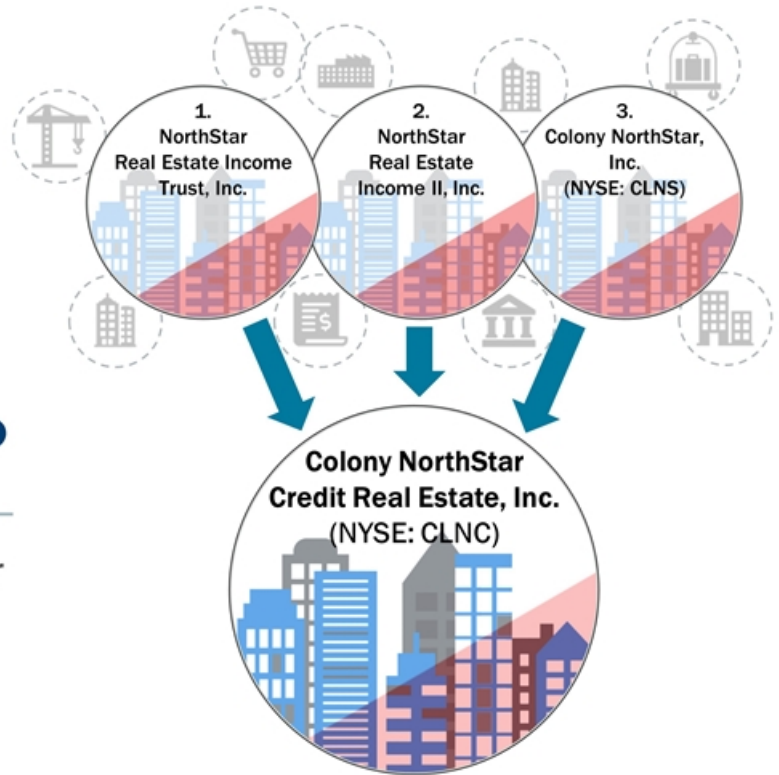
Legacy, Non-Strategic Portfolio

Legacy, Non-Strategic Investments

As of September 30, 2019, the Company's Legacy, Non-Strategic Portfolio consists of direct investments in operating real estate such as multi-tenant office and multifamily residential assets such as real estate acquired in settlement of loans, real estate private equity secondary investments and certain retail and other legacy loans originated prior to the formation of CLNC.

COMPANY FORMATION – How Did We Start?

Creation of Colony NorthStar
Credit Real Estate, Inc.



Merger & Listing - Q1 2018

- NYSE-Listed Commercial Real Estate Credit REIT
- Merged 3 Disparate Legacy Portfolios
- \$5B+ Total Assets
- \$1B+ Other RE / Non-Core Investments



COMPANY HIGHLIGHTS – Where Are We Today?

CLNC's Core Business
and Management are
Producing Strong Results

\$3.7+ Billion Recently Invested

- Over \$3.7 Billion of total transaction volume since February 2018 listing
- Increased total annualized earnings excluding gains and losses since listing by over 20%
- 70%+ in senior loans
- Weighted average return on equity of ~12%

Optimized Leverage

- Prudent leverage and liquidity profile through cash on hand and revolver availability
- Debt to equity leverage of 1.4x, below commercial mortgage REIT peers
- Increased repo lines to \$2.3 billion from \$1.2 billion across six banks including 3 new banks

Diversified Alternative Financing Sources

- Proven access to debt capital markets
- \$1 Billion CLO execution with diversity of institutional investors
- De-risked portfolio and increased return on equity

Launched Portfolio Rationalization

- Segmentation of legacy, non-strategic segment
- Exited ~90% of real estate private equity interests for approximately \$140 million of proceeds
- Redeploying proceeds in core business strategies



THE ROAD AHEAD – Where Are We Going?

Bifurcate the Balance Sheet
into Core and Legacy, Non-
Strategic Portfolios

Grow Core Portfolio

- High quality real estate finance company focused primarily on direct origination and financing solutions for commercial real estate clients:
 - Senior Loans
 - Mezzanine Loans
 - Preferred Equity
 - CRE Debt Securities
 - Net Lease Real Estate

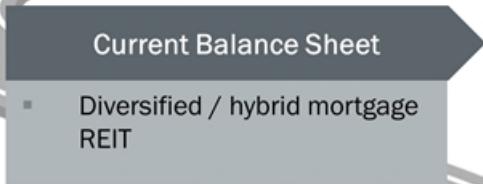
Exit Legacy, Non-Strategic Portfolio

- Operationally intensive owned real estate
- All retail investments
- Investments with positive, though less predictable, cash flows
- Prudently & efficiently maximize value

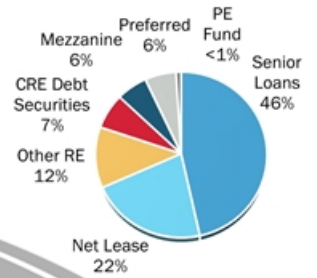


THE ROAD AHEAD – Where Are We Going?

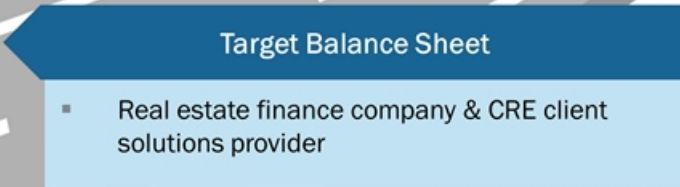
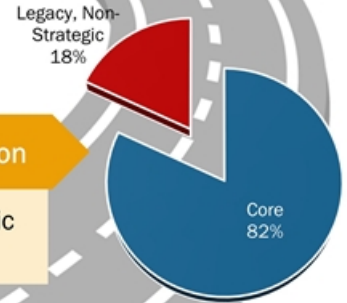
Core Balance Sheet
Investment Strategy and
Greater Transparency
Positions CLNC for Growth ⁽¹⁾



- Diversified / hybrid mortgage REIT



- Sale of Legacy, Non-Strategic assets



- Real estate finance company & CRE client solutions provider

(1) Based on 9/30/19 GAAP gross book value post impairments; at CLNC share



WHAT ARE OUR PRIORITIES?

CLNC's Commitment to Shareholders



Bifurcate the company into Core and Legacy, Non-Strategic Portfolios



Accelerate monetization of Legacy, Non-Strategic Portfolio



Grow Core Portfolio NAV & earnings



Provide segmented and detailed disclosure



Cover dividend based on sustainable Core Portfolio earnings, with growth potential

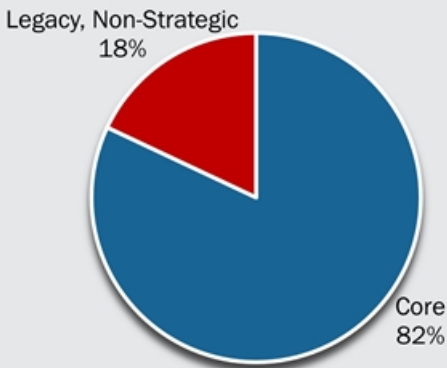


BIFURCATE THE PORTFOLIO

Accelerated Business Plan

- Legacy, Non-Strategic investments identified for disposition; often following the execution of a value-add business plan
- CLNC management completed a full strategic reassessment of the portfolio in Q3 2019 resulting in a one-time reclassification
 - Third-party advisors and valuation experts involved to provide market value and optimal exit timing
- Recognizing approximately \$385 million of impairments primarily due to significant shortening of hold periods compared to legacy business's original plans

Post Bifurcation – Sum of the Parts (9/30/19)



(\$ in millions except for per share data; as of 9/30/19; at CLNC share)

	Core	LNS	Total
No. of Investments	113	70	183
1. Senior Loans	\$2,278	\$170	\$2,448
2. Mezzanine	268	70	338
3. Preferred Equity	287	0	287
4. CRE Debt Securities	367	-	367
5. Net Lease	1,102	60	1,163
6. PE Fund	-	14	14
7. Other RE	-	532	532
8. Asset Under Contract to be Sold	72	-	72
Total Investment-Level Gross Book Value	\$4,373	\$847	\$5,220
Total Investment-Level Net Book Value	\$1,859	\$415	\$2,274
GAAP Net Book Value	\$1,762	\$416	\$2,178
Undepreciated Net Book Value	\$1,838	\$501	\$2,339
Per Share			
GAAP Net Book Value	\$13.39	\$3.16	\$16.55
Undepreciated Net Book Value	\$13.96	\$3.81	\$17.77
YTD Annualized Core Earnings / LNS Earnings Ex. Gains / (Losses)	\$1.28	\$0.26	\$1.54

* Future losses possible if our strategy or timing changes on dispositions or if market conditions deteriorate.



113

Total Investments

\$4.5B

Total At-Share Assets

A HIGH QUALITY CORE PORTFOLIO

Core Portfolio Consists of High-Quality Senior Loans, Mezzanine Loans, Preferred Equity, CRE Debt Securities and Net Lease Real Estate

\$1.28

YTD Annualized
Core Earnings Per Share

\$1.20

Annual Dividend
per Share

9.5%

YTD Annualized Core
Earnings Yield
(after corporate overhead allocation)

94%

Payout Ratio
(107% Dividend Coverage)

Recent Originations



West Coast Multifamily



Northeast Office Property



Northeast Office Property



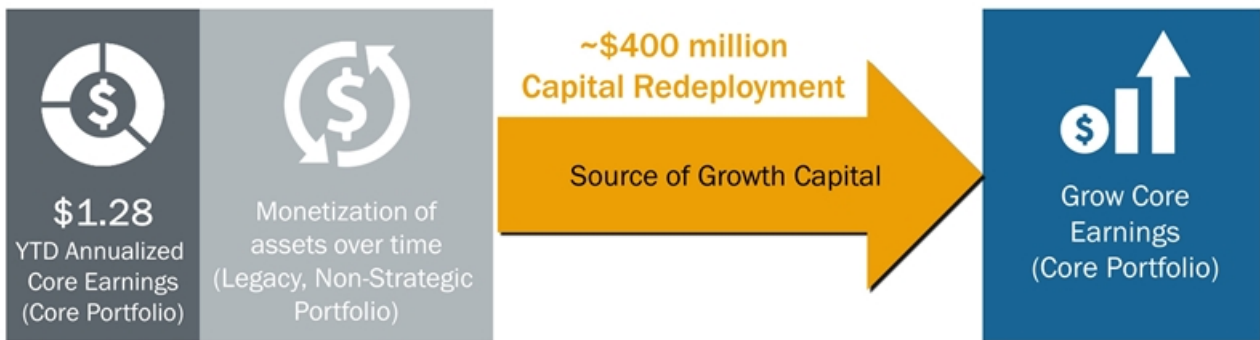
West Coast Luxury Hotel



GROW CORE PORTFOLIO EARNINGS

- Core Portfolio expected to generate high single digit yields after corporate overhead allocation in 2020
- Net proceeds principally deployed into Core Portfolio strategies: senior loans, mezzanine loans, preferred equity, CRE debt securities and net lease investments
- Embedded upside through Legacy, Non-Strategic Portfolio resolutions which are expected to generate approximately \$400 million of net proceeds to grow Core Portfolio
- Targeted redeployment levered yields to average 10%+

Proceeds from Legacy, Non-Strategic Portfolio Will Be Redeployed into Core Portfolio





IN CONCLUSION

A Core Commitment

CLNC Core Portfolio as of Q3 2019



113

Total Investments



9.5%

YTD Annualized
Core Earnings Yield
*(after corporate overhead
allocation)*



\$1.28

YTD Annualized Core
Earnings Per Share



\$1.20

Annual Dividend
Per Share



Monetize Legacy, Non-Strategic Portfolio



Grow Core Portfolio NAV & earnings



Maintain prudent capital structure and liquidity



Provide detailed disclosure and segmented reporting

ColonyCredit
REAL ESTATE



ColonyCredit
REAL ESTATE

**Supplemental Financial Report
Third Quarter 2019**

November 7, 2019

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

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

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

We present Return on Equity ("ROE"), which is a supplemental financial measure that represents the initial net investment-level earnings generated by an investment expressed as a percentage of the net equity capital invested. The Company calculates net investment-level earnings for investments in loans and CRE debt securities as the sum of the stated cash coupon income and any non-cash income (such as payment in-kind income and amortization/accretion of purchase discounts and origination, extension and exit fees) less investment-level financing costs. For investments in net leased real estate, the Company calculates net investment-level earnings by subtracting investment-level financing costs from net operating income. Net equity capital invested is calculated by taking the gross initial invested capital less any financing. With respect to certain loans and investment-level financing, the Company assumes the one-month USD LIBOR as of September 30, 2019 when calculating ROE. The Company's ROE calculation relies on a number of assumptions and estimates that are subject to change, some of which are outside the control of the Company. Actual results may differ materially from the Company's expectations. As such, there can be no assurance that the actual ROE will be equivalent to the estimated ROE. In addition, the Company's methodology for calculating ROE may differ from methodologies employed by other companies to calculate the same or similar supplemental financial measures, and accordingly, the presented ROE may not be comparable to the ROE reported by other companies.

We present Internal Rate of Return ("IRR"), which is a supplemental financial measure that represents the rate of return of an investment over a specific holding period expressed as a percentage of the net equity capital invested. It is the discount rate that makes net present value of all cash outflows equal to the net present value of cash inflows. The weighted average underwritten IRR reflects the returns underwritten and relies on a number of assumptions and estimates that are subject to change. Such assumptions and estimates around hold period, prepayments or defaults, cost of borrowing, cap rates, rent increases, operating costs, and exit assumptions, among many others, may be outside of the control of the Company. With respect to certain loans included in the weighted average underwritten IRR shown, the calculation assumes certain estimates with respect to the timing and magnitude of the initial future fundings for the total loan commitment and associated loan repayments. In addition, the Company's methodology for calculating IRR involves subjective judgement and discretion and may differ from methodologies used by other companies, when calculating the same or similar supplemental financial measures and may not be comparable with other companies. Actual results may differ materially from the Company's expectations. As such, there can be no assurance that the actual weighted average IRRs will be equivalent to the underwritten weighted average IRRs presented.

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

NOTES REGARDING REPORTABLE SEGMENTS

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

Core Portfolio

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

As of September 30, 2019, the Company's Loan Portfolio included senior mortgage loans, mezzanine loans and preferred equity interests ("preferred equity") as well as participations in such loans. The Loan Portfolio also includes acquisition, development and construction loan arrangements accounted for as equity method investments as well as loans and preferred equity interests held through joint ventures with an affiliate of our Sponsor (Colony Capital, Inc.) which were deconsolidated as a result of the merger and subsequently treated as equity method investments.

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

CRE Debt Securities

As of September 30, 2019, the Company's Commercial Real Estate ("CRE") Debt Securities included both investment grade and non-investment grade rated CMBS bonds (including "B-pieces" of CMBS securitization pools or "B-Piece" investments).

Net Leased Real Estate ("Net Lease")

As of September 30, 2019, the Company's Net Lease investments included direct investments in commercial real estate principally composed of long-term leases to tenants on a net lease basis, where such tenants are generally responsible for property operating expenses such as insurance, utilities, maintenance capital expenditures and real estate taxes.

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

Legacy, Non-Strategic Investments

As of September 30, 2019, the Company's Legacy, Non-Strategic Portfolio included direct investments in operating real estate such as multi-tenant office and multifamily residential assets, real estate acquired in settlement of loans ("REO"), real estate private equity interests ("Private Equity Interests" or "PE Interests") and certain retail and other legacy loans originated prior to the formation of CLNC.

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**I. THIRD QUARTER
HIGHLIGHTS**



I. THIRD QUARTER HIGHLIGHTS & SUBSEQUENT EVENTS

<p>Business & Financial Results</p>	<ul style="list-style-type: none"> ▪ Third quarter 2019 GAAP net income (loss) attributable to common stockholders of \$(356.0) million, or \$(2.77) per share ▪ Core Portfolio <ul style="list-style-type: none"> ○ GAAP net income (loss): \$(1.5) million, or \$(0.01) per share ○ Core Earnings (Loss): \$44.7 million, or \$0.34 per share ▪ Legacy, Non-Strategic Portfolio <ul style="list-style-type: none"> ○ GAAP net income (loss): \$(354.5) million, or \$(2.76) per share ○ Legacy, Non-Strategic Earnings (Loss): \$(120.3) million, or \$(0.91) per share ○ Legacy, Non-Strategic Earnings (Loss) excluding gains / (losses): \$6.9 million, or \$0.05 per share ▪ GAAP book value: \$2.2 billion, or \$16.55 per share; Undepreciated book value: \$2.3 billion, or \$17.77 per share ▪ Write-downs: \$385 million; \$258 million real estate and preferred equity impairments and \$127 million loan loss provisions ▪ Dividend: <ul style="list-style-type: none"> ○ Monthly dividend of \$0.145 per share paid for July, August and September 2019, and subsequently for October 2019 ○ Subsequent dividend modification in furtherance of portfolio bifurcation plan: monthly dividend of \$0.10 per share for each of the months ending November and December 2019 ▪ Management Fee: <ul style="list-style-type: none"> ○ Subsequent to quarter end, the Company's manager, a subsidiary of Colony Capital, Inc. and the Company revised the terms of the management agreement in connection with CLNC's portfolio bifurcation plan and related impairments, which will result in a reduction to the fee base by accumulated unrealized provisions for loan losses and real estate impairments to date. Such reduction will be effective during the fourth quarter 2019 and result in a \$13 million decrease of the annual base management fee paid by the Company
<p>Investment Portfolio Activity</p>	<ul style="list-style-type: none"> ▪ Investments: Allocated and initially funded approximately \$486 million and \$362 million of capital, respectively, across 10 investments with a weighted average ROE of approximately 12% and an underwritten IRR of approximately 13% ▪ Dispositions: (i) Received \$38 million in PE sale proceeds (total proceeds received to date of \$140 million with \$2 million remaining to be collected in Q4'19) and (ii) sold a CMBS B-piece at a premium to 3/31/19 fair market value, which resulted in approximately \$33 million of net proceeds <ul style="list-style-type: none"> ○ Subsequent to quarter end, executed a purchase and sale agreement for the sale of an owned hotel asset with a GAAP book value of approximately \$72 million; closing is expected during the fourth quarter 2019 with capital to be recycled into target investments in the Core Portfolio
<p>Capitalization & Liquidity</p>	<ul style="list-style-type: none"> ▪ CLO: Executed \$1 billion Commercial Real Estate Collateralized Loan Obligation in October 2019 ("CLO"). The CLO accretively financed interests in 21 floating-rate mortgages with an 83.5% advance rate and weighted average coupon at issuance of L+1.59%, before transaction costs, with a structure that features a two-year reinvestment period. CLO proceeds were used primarily to repay approximately \$770 million of debt under master repurchase facilities ▪ Corporate liquidity: Approximately \$304 million through cash-on-hand and availability under the corporate revolving credit facility

I. COMPANY SNAPSHOT

(\$ in thousands, unless otherwise stated: as of September 30, 2019; at CLNC share)

Company overview		Portfolio overview			
\$5.6 billion	Total at-share assets ⁽¹⁾		Carrying value ⁽¹⁾	Net carrying value ⁽⁴⁾	Per Share
56%	Debt-to-asset ratio ⁽²⁾	Core Portfolio			
1.4x	Net-debt-to-equity ratio ⁽³⁾	Senior mortgage loans	\$ 2,277,750	\$ 717,143	\$ 5.45
\$2.2 billion / \$16.55 per share	GAAP book value ⁽¹⁾	Mezzanine loans	268,089	268,089	2.04
\$2.3 billion / \$17.77 per share	Undepreciated book value ⁽¹⁾	Preferred equity & other loans ⁽⁵⁾	286,704	286,704	2.18
\$1.20	Annual dividend per share <i>(Based on November 2019 declared monthly dividend of \$0.10 per share)</i>	CRE debt securities ⁽⁶⁾	366,505	161,328	1.23
8.5%	Annual dividend yield <i>(Based on closing share price of \$14.20 as of 11/5/19 and annualized Nov-19 dividend)</i>	Net lease real estate ⁽⁷⁾	1,102,299	353,966	2.69
		Other real estate (under sale contract) ^{(7)*}	71,871	71,871	0.55
		Allocated assets, liabilities & corporate debt ⁽⁸⁾	169,483	(97,399)	(0.74)
		Total Core Portfolio	\$ 4,542,700	\$ 1,761,702	\$ 13.39
		Legacy, Non-Strategic Portfolio			
		Investment-level - LNS Portfolio	\$ 847,085	\$ 414,941	\$ 3.15
		Allocated assets, liabilities & corporate debt ⁽⁸⁾	167,858	1,002	0.01
		Total Legacy, Non-Strategic Portfolio	\$ 1,014,943	\$ 415,943	\$ 3.16
		Total GAAP book value	\$ 5,557,643	\$ 2,177,645	\$ 16.55
		Plus: accumulated depreciation & amortization ⁽⁹⁾		161,117	1.22
		Total undepreciated book value		\$ 2,338,762	\$ 17.77

* Subsequent to quarter end, the Company executed a purchase and sale agreement for the sale of a hotel asset with closing expected in Q419. Capital expected to be redeployed into target investments within the Core Portfolio

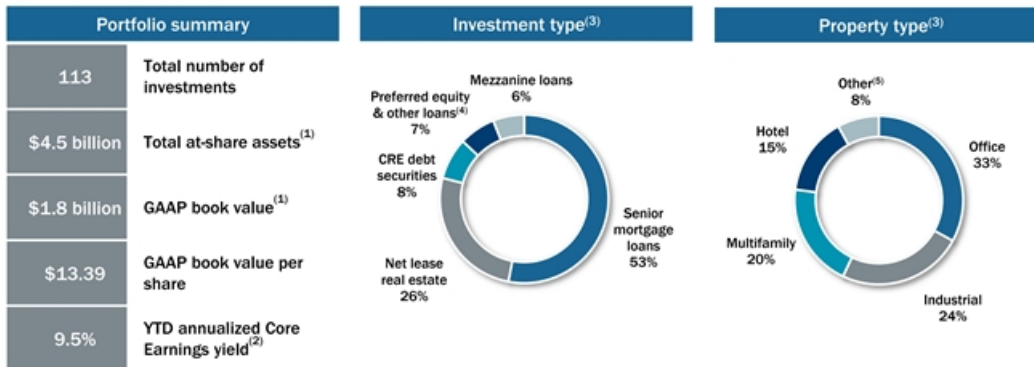
See footnotes in the appendix

II. CORE PORTFOLIO



II. CORE PORTFOLIO – OVERVIEW

(As of September 30, 2019; at CLNC share)



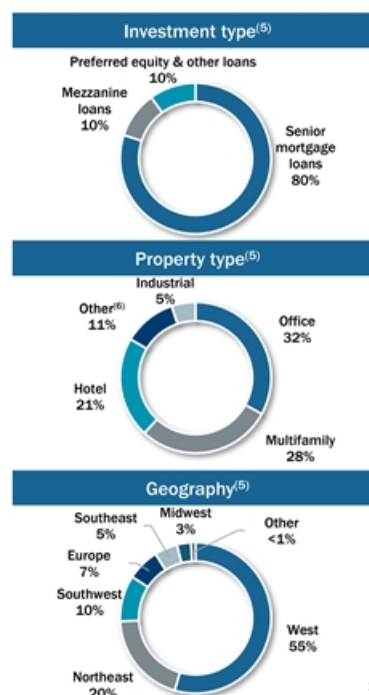
See footnotes in the appendix

II. CORE PORTFOLIO – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW

(As of September 30, 2019; at CLNC share)

Overview	
100%	% of performing loans
\$2.8 billion	Total loans & preferred equity ⁽¹⁾
55	Total number of investments
\$52 million	Average investment size
93%	% Senior loans floating rate <i>(All floating rate senior loans have LIBOR floors in-place)</i>
2.2 years	W.A. remaining term ⁽²⁾
4.5 years	W.A. extended remaining term ⁽³⁾
7.8%	W.A. unlevered all-in yield ⁽⁴⁾
70%	W.A. loan-to-value (senior loans only)
3.1	W.A. risk ranking

See footnotes in the appendix



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

(\$ in thousands; as of September 30, 2019; at CLNC share)

	Number of investments	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	W.A. unlevered all-in yield ⁽³⁾	W.A. remaining term (years) ⁽⁴⁾	W.A. extended term (years) ⁽⁵⁾
Floating rate						
Senior mortgage loans	36	\$ 2,110,368	\$ 549,761	6.0%	1.8	4.4
Mezzanine loans	2	32,120	32,120	11.9%	0.6	2.6
Total / W.A. floating rate	38	2,142,488	581,881	6.1%	1.8	4.4
Fixed rate						
Senior mortgage loans	1	167,382	167,382	15.0%	1.3	4.3
Mezzanine loans	7	235,969	235,969	13.0%	2.0	3.5
Preferred equity & other loans	9	286,704	286,704	12.0%	6.3	6.8
Total / W.A. fixed rate	17	690,055	690,055	13.1%	3.6	5.1
Total / W.A.	55	\$2,832,543	\$1,271,936	7.8%	2.2	4.5

See footnotes in the appendix

II. CORE PORTFOLIO – CRE DEBT SECURITIES

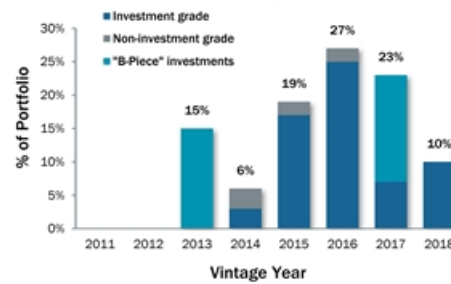
(As of September 30, 2019, unless otherwise stated; at CLNC share)

Overview	
\$469 million	Principal value ⁽¹⁾
\$367 million	Carrying value ⁽¹⁾
\$161 million	Net carrying value ⁽²⁾
51	Total number of investments ⁽³⁾
6.4 years	W.A. remaining term ⁽⁴⁾
7.3%	W.A. unlevered all-in yield ⁽⁵⁾

Ratings Category⁽⁶⁾



Vintage⁽⁶⁾



See footnotes in the appendix

II. CORE PORTFOLIO – NET LEASE REAL ESTATE

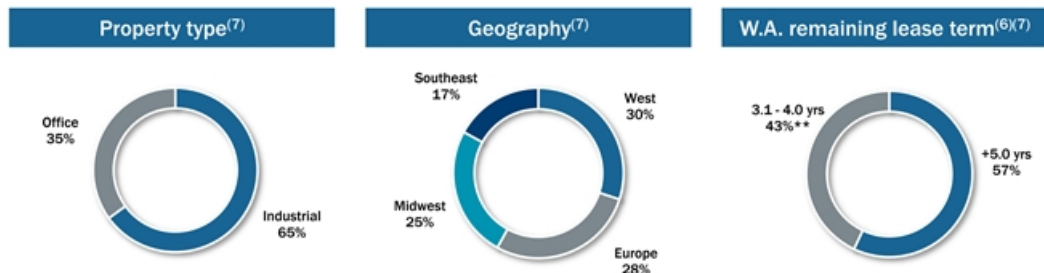
(\$ and square feet in thousands; as of September 30, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF") / keys	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q3 NOI / EBITDA ⁽³⁾	Annualized Q3 NOI / EBITDA ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Industrial	47	47	11,319 RSF	\$ 715,962	\$ 199,924	\$ 12,455	\$ 49,820	96%	9.7
Office	3	28	1,812 RSF	386,337	154,042	5,945	23,780	100%	9.4
Total / W.A.	50	75	13,132 RSF	\$ 1,102,299	\$ 353,966	\$ 18,400	\$ 73,600	98%	9.6

Other real estate (under contract for sale)

Hotel *	1	1	500 Keys	\$ 71,871	\$ 71,871	\$ 1,202	\$ 4,808	n/a	n/a
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* Subsequent to quarter end, the Company executed a purchase and sale agreement for the sale of a hotel asset with closing expected in Q419; Capital expected to be redeployed into target investments within the Core Portfolio



** Approximately 91% is related to industrial net lease properties

See footnotes in the appendix

II. CORE PORTFOLIO – INVESTMENT DETAIL

(\$ in millions; as of September 30, 2019; at CLNC share)

Core Portfolio – loans & preferred equity portfolio

	Collateral type	City, State	Carrying value ⁽¹⁾	Coupon type	Cash coupon	Unlevered all-in yield ⁽²⁾	Extended maturity date ⁽³⁾	LTV ⁽⁴⁾	Risk ranking
Senior loans									
Loan 1	Hotel	San Jose, CA	\$ 173	Floating	L+ 4.3%	6.3%	Jan-23	62%	3
Loan 2	Multifamily	Milpitas, CA	170	Floating	L+ 3.1%	5.5%	Jul-24	72%	3
Loan 3 *	Other	Dublin, Ireland	167	Fixed	8.0%	15.0%	Dec-23	96%	3
Loan 4	Hotel	San Diego, CA	139	Floating	L+ 4.8%	7.1%	Oct-24	71%	4
Loan 5	Hotel	Berkeley, CA	119	Floating	L+ 3.2%	5.4%	Jul-25	66%	3
Loan 6	Industrial	New York, NY	115	Floating	L+ 3.1%	5.8%	Sep-24	76%	3
Loan 7	Office	Carlsbad, CA	113	Floating	L+ 3.7%	6.1%	Dec-23	73%	3
Loan 8	Multifamily	Various - U.S.	91	Floating	L+ 3.0%	5.9%	Apr-24	65%	3
Loan 9 *	Multifamily	Santa Clara, CA	89	Floating	L+ 4.4%	7.3%	Jun-24	64%	3
Loan 10	Office	Stamford, CT	85	Floating	L+ 3.5%	5.8%	Jun-25	71%	3
Loan 11	Hotel	Englewood, CO	73	Floating	L+ 3.5%	5.8%	Jul-23	69%	3
Loan 12	Office	Burlingame, CA	70	Floating	L+ 2.8%	5.2%	Jul-23	61%	3
Loan 13	Office	San Jose, CA	63	Floating	L+ 2.5%	5.0%	Aug-25	66%	3
Loan 14	Office	Long Island City, NY	62	Floating	L+ 3.3%	5.8%	Apr-24	58%	3
Loan 15	Office	Long Island City, NY	59	Floating	L+ 3.5%	6.0%	Jun-24	59%	3
Loan 16	Office	Baltimore, MD	53	Floating	L+ 3.5%	6.2%	Feb-24	74%	3
Loan 17	Office	Washington, D.C.	50	Floating	L+ 2.8%	5.7%	Aug-24	68%	3
Loan 18	Multifamily	Knoxville, TN	50	Floating	L+ 4.0%	6.5%	Dec-22	80%	2
Loan 19	Multifamily	Phoenix, AZ	43	Floating	L+ 2.7%	5.2%	Jul-24	76%	3
Loan 20	Multifamily	Dupont, WA	40	Floating	L+ 3.3%	5.8%	Nov-23	82%	3
Loan 21	Multifamily	Henderson, NV	38	Floating	L+ 3.3%	5.8%	Jun-23	73%	3
Loan 22	Multifamily	Las Vegas, NV	37	Floating	L+ 3.2%	5.9%	Feb-24	71%	3
Loan 23	Multifamily	Onard, CA	37	Floating	L+ 5.2%	8.0%	May-21	71%	3
Loan 24	Office	Salt Lake City, UT	36	Floating	L+ 2.7%	5.0%	Oct-24	72%	3
Loan 25	Hotel	Bloomington, MN	35	Floating	L+ 6.0%	8.0%	Jan-20	59%	4
Loan 26	Multifamily	North Phoenix, AZ	34	Floating	L+ 3.4%	5.9%	May-24	81%	3
Loan 27	Office	Miami, FL	33	Floating	L+ 4.9%	7.2%	Jul-22	66%	3
Loan 28	Office	San Jose, CA	27	Floating	L+ 3.0%	5.9%	Apr-24	64%	3
Loan 29	Multifamily	Tempe, AZ	26	Floating	L+ 2.9%	5.4%	Feb-24	79%	3
Loan 30	Office	Santa Barbara, CA	25	Floating	L+ 3.2%	5.7%	Feb-24	80%	3
Loan 31	Office	San Francisco, CA	23	Floating	L+ 3.4%	6.1%	Oct-24	72%	3
Loan 32	Multifamily	Phoenix, AZ	21	Floating	L+ 2.9%	5.4%	Jan-23	73%	3
Loan 33	Office	San Francisco, CA	20	Floating	L+ 2.8%	5.6%	Sep-24	74%	3
Loan 34	Office	Charlotte, NC	18	Floating	L+ 3.4%	6.0%	Mar-24	56%	3
Loan 35	Office	Los Angeles, CA	17	Floating	L+ 4.7%	6.9%	Jan-23	76%	3
Loan 36	Multifamily	Tempe, AZ	16	Floating	L+ 3.0%	5.5%	Sep-23	70%	3
Loan 37	Multifamily	Las Vegas, NV	13	Floating	L+ 3.2%	5.9%	Feb-24	71%	3
Total / W.A. senior loans			\$ 2,278			6.7%	Feb-24	70%	3.1

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

See footnotes in the appendix.

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

(\$ in millions; rentable square feet in thousands; as of September 30, 2019; at CLNC share)

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

	Collateral type	City, State	Carrying value ⁽¹⁾	Coupon type	Cash coupon	Unlevered all-in yield ⁽²⁾	Extended maturity date ⁽³⁾	LTV ⁽⁴⁾	Risk ranking
Mezzanine loans									
Loan 38 *	Other	Los Angeles, CA	\$ 88	Fixed	10.0%	13.0%	Jul-22	81%	4
Loan 39 *	Multifamily	Santa Clarita, CA	48	Fixed	7.0%	13.8%	Dec-24	84%	3
Loan 40 *	Office	Dublin, Ireland	32	Fixed	n/a	12.5%	Dec-21	98%	3
Loan 41	Hotel	Berkeley, CA	28	Fixed	11.5%	11.5%	Jul-25	81%	3
Loan 42 *	Multifamily	New York, NY	20	Floating	L+ 9.5%	11.0%	Aug-22	84%	3
Loan 43 *	Other	San Rafael, CA	19	Fixed	10.0%	15.0%	Dec-19	73%	3
Loan 44 *	Multifamily	Picoctencia, CA	16	Fixed	8.0%	13.3%	Jul-24	90%	3
Loan 45	Hotel	New York, NY	12	Floating	L+ 11.0%	13.3%	Jan-22	72%	3
Loan 46	Multifamily	Various - TX	5	Fixed	9.5%	9.5%	Aug-24	83%	3
Total / W.A. mezzanine loans			\$ 268			12.9%	Mar-23	83%	3.3
Preferred equity & other loans									
Loan 47	Industrial	Various - U.S.	\$ 101	Fixed	14.1%	14.2%	Sep-27	n/a	3
Loan 48	Office	Various - N.Y.	96	Fixed	7.0%	12.0%	Jun-27	n/a	4
Loan 49 *	Other	Los Angeles, CA	30	Fixed	10.0%	13.0%	Jul-22	n/a	4
Loan 50 **	Industrial	Various - U.S.	24	n/a	n/a	n/a	Sep-27	n/a	3
Loan 51	Office	Las Vegas, NV	20	Fixed	8.0%	15.5%	Sep-23	n/a	3
Loan 52	Other	Various - U.S.	11	Fixed	15.0%	15.3%	May-24	n/a	3
Loan 53 **, **	Office	Dublin, Ireland	3	n/a	n/a	n/a	Dec-21	n/a	3
Loan 54	Other	Various - U.S.	1	n/a	n/a	n/a	n/a	n/a	3
Loan 55 **	Hotel	Austin, TX	0	Fixed	n/a	7.5%	n/a	n/a	3
Total / W.A. preferred equity & other loans			\$ 287			12.0%	Jan-26	n/a	3.4
Total / W.A. loans & preferred equity portfolio			\$ 2,833			7.8%	Mar-24	n/a	3.1

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

** Represents an equity participation interest

Core Portfolio – net lease real estate

	Collateral type	City, State	Carrying value ⁽¹⁾	Annualized Q3 NOI ⁽⁵⁾	# of properties	# of buildings	Rentable square feet ("RSF")	W.A. % leased ⁽⁶⁾	W.A. lease term (yrs) ⁽⁷⁾
Net lease real estate									
Net lease 1	Industrial	Various - U.S.	\$ 328	\$ 21	22	22	6,697 RSF	93%	3.8
Net lease 2	Office	Stavenger, Norway	308	17	1	26	1,291 RSF	100%	10.7
Net lease 3	Industrial	Various - U.S.	282	20	2	2	2,787 RSF	100%	18.8
Net lease 4	Industrial	Various - OH	106	9	23	23	1,834 RSF	98%	3.7
Net lease 5	Office	Aurora, CO	45	4	1	1	184 RSF	100%	3.2
Net lease 6	Office	Indianapolis, IN	33	3	1	1	338 RSF	100%	6.3
Total / W.A. net lease real estate			\$ 1,102	\$ 74	60	75	13,132 RSF	98%	9.6

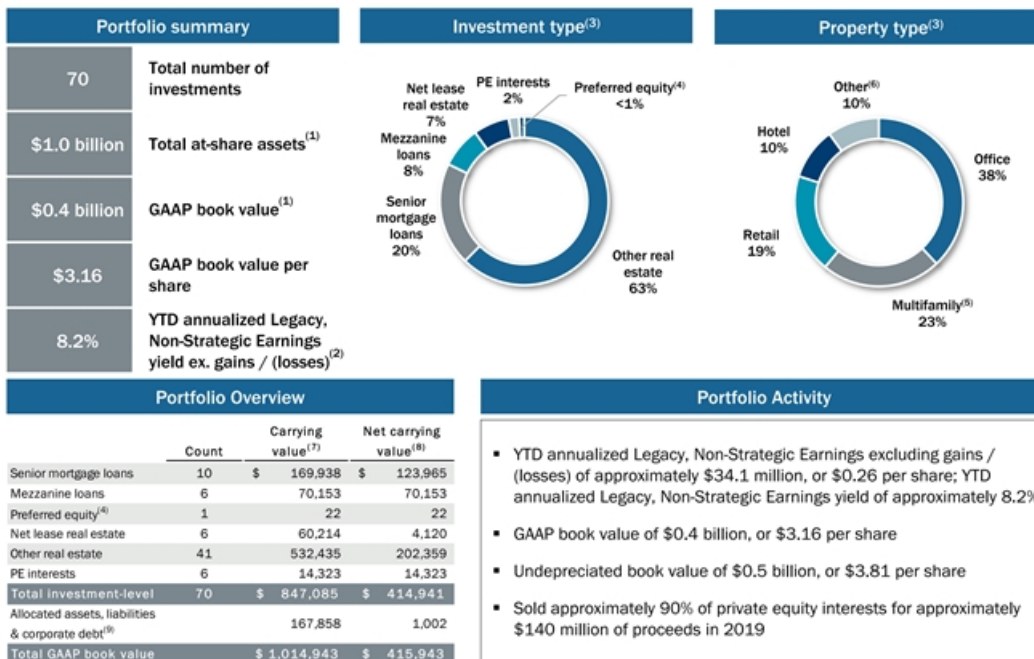
See footnotes in the appendix

**III. LEGACY, NON-
STRATEGIC PORTFOLIO**



III. LEGACY, NON-STRATEGIC – PORTFOLIO OVERVIEW

(\$ in thousands, unless otherwise stated; as of September 30, 2019; at CLNC share)



See footnotes in the appendix

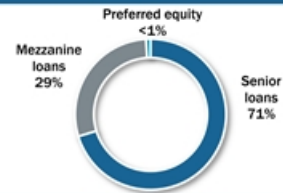
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III. LEGACY, NON-STRATEGIC – LOANS & PREFERRED EQUITY PORTFOLIO OVERVIEW

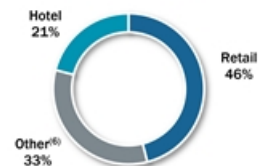
(As of September 30, 2019; at CLNC share)

Overview	
\$240 million	Total loans & preferred equity ⁽¹⁾
17	Total number of investments
\$14 million	Average investment size
85%	% Senior loans floating rate
1.5 years	W.A. remaining term ⁽²⁾
2.2 years	W.A. extended remaining term ⁽³⁾
7.9%	W.A. unlevered all-in yield ⁽⁴⁾

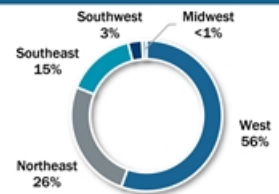
Investment type⁽⁵⁾



Property type⁽⁵⁾



Geography⁽⁵⁾



See footnotes in the appendix

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

(\$ in thousands; as of September 30, 2019; at CLNC share)

	Number of investments	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	W.A. unlevered all-in yield ⁽³⁾	W.A. remaining term (years) ⁽⁴⁾	W.A. extended term (years) ⁽⁵⁾
Floating rate						
Senior mortgage loans	8	\$ 143,938	\$ 97,965	4.6%	1.8	2.6
Mezzanine loans	1	0	0	10.0%	0.5	0.5
Total / W.A. floating rate	9	143,938	97,965	4.6%	1.8	2.6
Fixed rate						
Senior mortgage loans	2	26,000	26,000	9.3%	1.1	1.1
Mezzanine loans	5	70,153	70,153	14.1%	1.0	1.9
Preferred equity *	1	22	22	0.0%	0.0	0.0
Total / W.A. fixed rate	8	96,175	96,175	12.8%	1.0	1.7
Total / W.A.	17	\$ 240,113	\$ 194,140	7.9%	1.5	2.2

* Represents an equity participation interest

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

(\$ and square feet in thousands; as of September 30, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF")	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q3 NOI ⁽³⁾	Annualized Q3 NOI ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Retail	10	10	468 RSF	\$ 32,929	\$ (10,630)	\$ 1,317	\$ 5,268	100%	5.3
Office	2	2	320 RSF	27,285	14,750	560	2,240	72%	5.6
Total / W.A.	12	12	788 RSF	\$ 60,214	\$ 4,120	\$ 1,877	\$ 7,508	87%	5.5

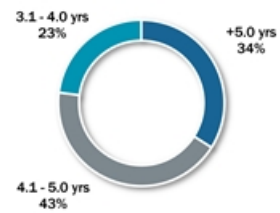
Property type⁽⁷⁾



Geography⁽⁷⁾



W.A. remaining lease term⁽⁶⁾⁽⁷⁾



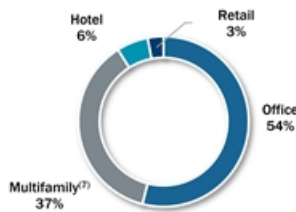
See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – OTHER REAL ESTATE

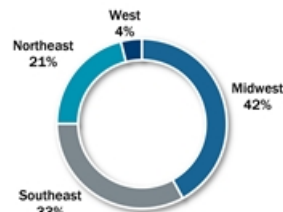
(\$ and square feet in thousands; as of September 30, 2019, unless otherwise stated; at CLNC share)

	Number of properties	Number of buildings	Rentable square feet ("RSF") / units / keys	Carrying value ⁽¹⁾	Net carrying value ⁽²⁾	Q3 NOI / EBITDA ⁽³⁾	Annualized Q3 NOI / EBITDA ⁽⁴⁾	W.A. % leased at end of period ⁽⁵⁾	W.A. remaining lease term (years) ⁽⁶⁾
Office	35	44	3,724 RSF	\$ 287,690	\$ 85,890	\$ 5,711	\$ 22,844	83%	3.4
Multifamily ⁽⁷⁾	8	113	3,327 units	195,171	88,395	3,005	12,020	93%	n/a
Retail	6	8	1,240 RSF	17,733	17,733	610	2,440	79%	2.7
Hotel	2	2	443 keys	31,841	10,341	994	3,976	n/a	n/a
Total / W.A.	51	167	n/a	\$ 532,435	\$ 202,359	\$ 10,320	\$ 41,280	86%	3.4

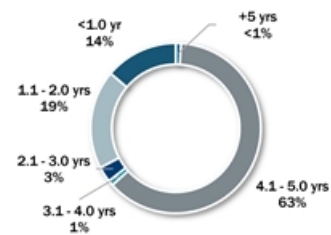
Property type⁽⁸⁾



Geography⁽⁸⁾



W.A. remaining lease term⁽⁶⁾⁽⁸⁾



See footnotes in the appendix

III. LEGACY, NON-STRATEGIC – INVESTMENT DETAIL

(\$ in millions; as of September 30, 2019; at CLNC share)

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

	Collateral type	City, State	Coupon type	Cash coupon	Unlevered all-in yield ⁽¹⁾	Extended maturity date ⁽²⁾
Senior loans						
Loan 1 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Loan 2	Retail	Reno, NV	Floating	L+ 5.3%	7.3%	Aug-21
Loan 3	Retail	Morrow, GA	Floating	L+ 4.0%	6.3%	Jan-24
Loan 4	Retail	Colorado Springs, CO	Floating	L+ 4.9%	6.9%	Apr-20
Loan 5 **	Other	Calimesa, CA	Fixed	12.0%	12.0%	May-20
Loan 6	Retail	Sanford, FL	Fixed	6.0%	6.0%	May-21
Loan 7	Retail	Butler, PA	Floating	L+ 6.5%	8.5%	May-20
Loan 8	Retail	Houston, TX	Floating	L+ 5.8%	7.8%	Jan-20
Loan 9	Retail	Houston, TX	Floating	L+ 5.8%	7.8%	Jan-20
Loan 10 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Mezzanine loans						
Loan 11 **	Other	Rolling Hills Estates, CA	Fixed	8.0%	15.0%	Jun-21
Loan 12	Retail	Various - U.S.	Fixed	10.5%	10.5%	Apr-24
Loan 13 **	Other	Rolling Hills Estates, CA	Fixed	8.0%	8.0%	Feb-20
Loan 14	Retail	Colorado Springs, CO	Floating	L+ 8.0%	10.0%	Apr-20
Loan 15 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Loan 16 *	Hotel	New York, NY	n/a	n/a	n/a	May-23
Preferred equity						
Loan 17 **,***	Other	Rolling Hills Estates, CA	n/a	n/a	n/a	n/a

* Represents loans on nonaccrual status

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

*** Represents an equity participation interest

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

	Carrying value ⁽³⁾	Unlevered all-in yield ⁽¹⁾	Extended maturity date ⁽²⁾
Senior loans	\$ 170	5.3%	Jan-22
Mezzanine loans	70	14.1%	Aug-21
Preferred equity & other loans	0	n/a	n/a
Total / W.A. loans & preferred equity portfolio	\$ 240	7.9%	Dec-21

See footnotes in the appendix

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

(\$ in millions; rentable square feet in thousands; as of September 30, 2019; at CLNC share)

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

	Collateral type	City, State	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Net lease real estate							
Net lease 1	Retail	Various - U.S.	7	7	320 RSF	100%	4.7
Net lease 2	Office	Columbus, OH	1	1	199 RSF	52%	7.3
Net lease 3	Office	Rockaway, NJ	1	1	121 RSF	100%	3.3
Net lease 4	Retail	Keene, NH	1	1	45 RSF	100%	9.3
Net lease 5	Retail	Fort Wayne, IN	1	1	50 RSF	100%	4.9
Net lease 6	Retail	South Portland, ME	1	1	53 RSF	100%	4.0
Other real estate							
Other real estate 1	Office	Creve Coeur, MO	7	7	848 RSF	94%	4.5
Other real estate 2	Multifamily	Farmington Hills, MI	1	65	784 units	94%	n/a
Other real estate 3	Office	Warendale, PA	5	5	496 RSF	100%	4.8
Other real estate 4	Multifamily	New Orleans, LA	1	1	375 units	92%	n/a
Other real estate 5	Office	Vienna, VA	1	1	257 RSF	56%	1.0
Other real estate 6	Hotel	Conspolis, PA	1	1	318 keys	n/a	n/a
Other real estate 7	Office	Vienna, VA	1	1	173 RSF	38%	1.4
Other real estate 8	Multifamily	Kalamazoo, MI	1	24	584 units	93%	n/a
Other real estate 9	Multifamily	Cayce, SC	1	1	466 units	99%	n/a
Other real estate 10	Multifamily	Central, SC	1	10	469 units	89%	n/a
Other real estate 11	Office	Omaha, NE	1	1	405 RSF	67%	1.3
Other real estate 12	Retail	Leominster, MA	1	3	308 RSF	97%	4.1
Other real estate 13	Multifamily	Gillette, WY	1	6	139 units	89%	n/a
Other real estate 14	Office	Greensboro, NC	1	1	130 RSF	89%	2.3
Other real estate 15	Multifamily	Anchorage, AK	1	5	319 units	92%	n/a
Other real estate 16	Office	Greensboro, NC	1	1	86 RSF	88%	1.7
Other real estate 17	Hotel	Minot, ND	1	1	125 keys	n/a	n/a
Other real estate 18	Office	Winston Salem, NC	1	1	140 RSF	43%	1.2
Other real estate 19	Office	Bath, ME	1	1	38 RSF	100%	1.1
Other real estate 20	Retail	Anchorage, AK	1	1	344 RSF	71%	1.2
Other real estate 21	Office	Topeka, KS	1	1	195 RSF	72%	3.1
Other real estate 22	Retail	Columbus, MS	1	1	307 RSF	57%	1.9
Other real estate 23	Office	Greensboro, NC	1	2	59 RSF	22%	0.5
Other real estate 24	Office	Greensboro, NC	1	1	48 RSF	31%	0.2
Other real estate 25	Retail	West Columbia, SC	1	1	52 RSF	58%	1.0
Other real estate 26	Office	Greensboro, NC	1	1	48 RSF	67%	0.7

See footnotes in the appendix

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

(\$ in millions; rentable square feet in thousands; as of September 30, 2019; at CLNC share)

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

	Collateral type	City, State	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Other real estate 27	Office	Greensboro, NC	1	1	47 RSF	36%	0.6
Other real estate 28	Office	Greensboro, NC	1	4	42 RSF	53%	0.5
Other real estate 29	Office	Anchorage, AK	1	5	11 RSF	100%	1.5
Other real estate 30	Office	Lincoln, NE	1	2	124 RSF	98%	4.8
Other real estate 31	Office	Greensboro, NC	1	1	34 RSF	40%	0.2
Other real estate 32	Office	Greensboro, NC	1	1	35 RSF	46%	0.5
Other real estate 33	Office	Greensboro, NC	1	1	27 RSF	58%	0.1
Other real estate 34	Multifamily	Evansville, WY	1	1	191 units	56%	n/a
Other real estate 35	Office	Greensboro, NC	1	1	33 RSF	100%	6.4
Other real estate 36	Office	Greensboro, NC	1	1	35 RSF	50%	0.2
Other real estate 37	Office	Greensboro, NC	1	1	23 RSF	66%	1.5
Other real estate 38	Retail	Dothan, AL	1	1	32 RSF	30%	1.2
Other real estate 39	Retail	Havre, MT	1	1	196 RSF	53%	0.5
Other real estate 40	Office	Lincoln, NE	1	1	194 RSF	34%	1.0
Other real estate 41	Office	Topeka, KS	1	1	195 RSF	72%	3.1

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

	Carrying value ⁽³⁾	Annualized Q3 NOI / EBITDA ⁽⁴⁾	# of properties	# of buildings	Rentable square feet ("RSF") / units / keys	W.A. % leased ⁽¹⁾	W.A. lease term (yrs) ⁽²⁾
Net lease real estate	\$ 60	\$ 8	12	12	788 RSF	87%	5.5
Other real estate	532	41	51	167	n/a	86%	3.4
Total / W.A. net lease & other real estate	\$ 593	\$ 49	63	179	n/a	n/a	n/a

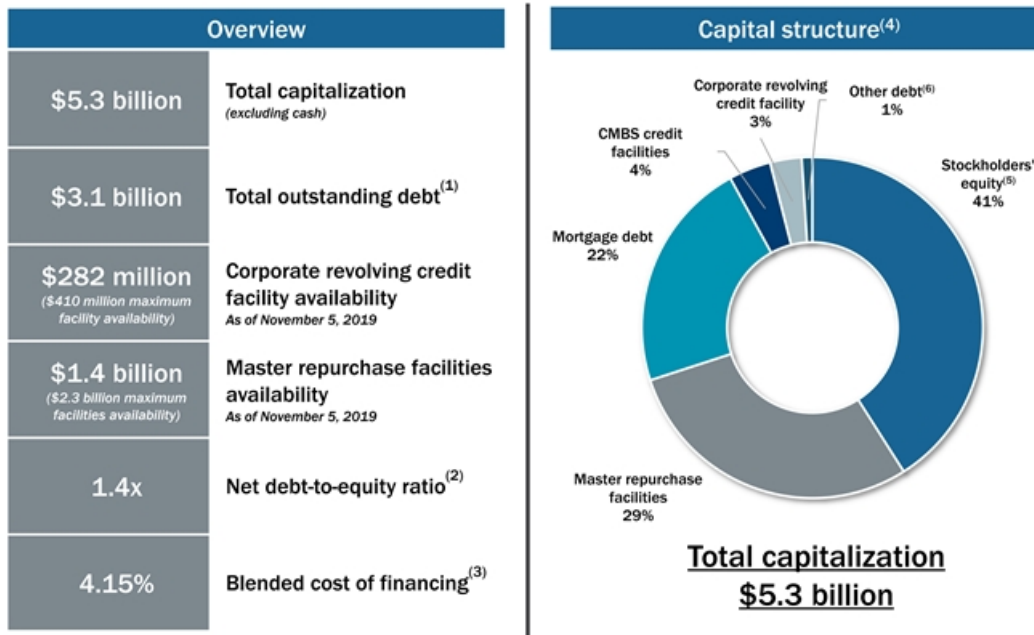
See footnotes in the appendix

IV. CAPITALIZATION



IV. CAPITALIZATION HIGHLIGHTS

(As of September 30, 2019, unless otherwise stated; at CLNC share)



See footnotes in the appendix

IV. CAPITALIZATION OVERVIEW

(\$ in thousands; as of September 30, 2019; at CLNC share)

	Recourse vs. Non-recourse ⁽¹⁾	W.A. extended maturity ⁽²⁾	W.A. contractual interest rate ⁽²⁾	W.A. all-in COF ^{(2),(3)}	Outstanding debt (UPB) ⁽⁴⁾
Corporate debt					
Corporate revolving credit facility	Recourse	Feb-23	L + 2.25%	4.25%	\$ 158,500
Investment-level debt					
Mortgage debt – net lease (fixed)	Non-recourse	Jan-28	4.34%	4.34%	682,295
Mortgage debt – net lease (floating)	Non-recourse	Apr-21	L + 2.50%	4.50%	66,038
Master repurchase facilities	Limited recourse	Jun-22	L + 1.99%	3.99%	1,497,907
CMBS credit facilities ⁽⁵⁾	Recourse	N/A	L + 1.18%	3.18%	205,177
Other debt	Non-recourse	Jun-24	L + 3.00%	5.00%	62,700
Total core portfolio investment-level debt		Feb-24		4.06%	2,514,116
Mortgage debt – net lease (fixed)	Non-recourse	Nov-25	4.33%	4.33%	54,328
Mortgage debt – net lease (floating)	Non-recourse	Jul-23	L + 2.15%	4.15%	1,765
Mortgage debt – other real estate (fixed)	Non-recourse	Jul-24	4.56%	4.56%	277,450
Mortgage debt – other real estate (floating)	Non-recourse	Nov-72	L + 3.57%	5.57%	52,626
Master repurchase facilities	Limited recourse	Apr-21	L + 2.54%	4.54%	45,973
Total legacy, non-strategic portfolio investment-level debt		Jan-18		4.65%	432,142
Total / W.A. debt (CLNC share)		Feb-23		4.15%	\$ 3,104,758
				Book value	
Stockholders' equity					\$ 2,126,762
Noncontrolling interests in the Operating Partnership					50,883
Total book value of common equity (CLNC share)					2,177,645
Total capitalization					\$ 5,282,403

See footnotes in the appendix

V. APPENDIX



V. APPENDIX – CONSOLIDATED BALANCE SHEET

(In thousands, except share and per share data; as of September 30, 2019 unless otherwise stated)

	September 30, 2019 (Unaudited)	December 31, 2018
Assets		
Cash and cash equivalents	\$ 60,332	\$ 77,317
Restricted cash	139,549	110,146
Loans and preferred equity held for investment, net	2,516,197	2,020,497
Real estate securities, available for sale, at fair value	255,937	228,185
Real estate, net	1,568,682	1,959,690
Investments in unconsolidated ventures (\$14,323 and \$160,851 at fair value, respectively)	571,365	903,037
Receivables, net	42,559	48,806
Deferred leasing costs and intangible assets, net	125,072	134,068
Assets held for sale	183,895	-
Other assets	76,266	62,006
Mortgage loans held in securitization trusts, at fair value	1,904,003	3,116,978
Total assets	\$ 7,443,857	\$ 8,660,730
Liabilities		
Securitization bonds payable, net	-	81,372
Mortgage and other notes payable, net	1,245,721	1,173,019
Credit facilities	1,907,556	1,365,918
Due to related party	14,227	15,019
Accrued and other liabilities	138,024	106,187
Intangible liabilities, net	23,916	15,096
Liabilities related to assets held for sale	5,487	-
Escrow deposits payable	87,349	65,995
Dividends payable	19,087	18,986
Mortgage obligations issued by securitization trusts, at fair value	1,793,435	2,973,936
Total liabilities	5,234,802	5,815,528
Commitments and contingencies		
Equity		
Stockholders' equity		
Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued and outstanding as of September 30, 2019 and December 31, 2018, respectively	-	-
Common stock, \$0.01 par value per share		
Class A, 950,000,000 and 905,000,000 shares authorized, 128,538,703 and 83,410,376 shares issued and outstanding as of September 30, 2019 and December 31, 2018, respectively	1,285	834
Class B-3, no shares authorized, issued and outstanding as of September 30, 2019 and 45,000,000 shares authorized and 44,399,444 shares issued and outstanding as of December 31, 2018	-	444
Additional paid-in capital	2,905,906	2,899,353
Accumulated deficit	(809,344)	(193,327)
Accumulated other comprehensive income (loss)	28,915	(399)
Total stockholders' equity	2,126,762	2,706,905
Noncontrolling interests in investment entities	31,410	72,683
Noncontrolling interests in the Operating Partnership	50,883	65,614
Total equity	2,209,055	2,845,202
Total liabilities and equity	\$ 7,443,857	\$ 8,660,730

V. APPENDIX – CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data; as of September 30, 2019, unless otherwise stated) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net interest income				
Interest income	\$ 46,991	\$ 40,139	\$ 127,473	\$ 113,073
Interest expense	(23,167)	(13,148)	(63,505)	(30,266)
Interest income on mortgage loans held in securitization trusts	22,586	39,261	99,718	104,622
Interest expense on mortgage obligations issued by securitization trusts	(20,299)	(36,294)	(91,690)	(97,031)
Net interest income	26,111	29,958	71,996	90,398
Property and other income				
Property operating income	63,492	51,684	191,393	119,706
Other income	820	2,253	1,431	3,152
Total property and other income	64,312	53,937	192,824	122,858
Expenses				
Management fee expense	11,355	11,877	34,070	31,668
Property operating expense	29,756	21,217	86,076	49,186
Transaction, investment and servicing expense	1,433	3,631	3,013	38,212
Interest expense on real estate	14,281	13,341	41,786	29,447
Depreciation and amortization	25,934	30,538	82,853	72,689
Provision for loan losses	110,314	35,059	220,572	34,542
Impairment of operating real estate	272,722	29,378	282,846	29,378
Administrative expense (including \$2,910, \$1,822, \$7,466 and \$3,905 of equity-based compensation expense, respectively)	7,732	6,797	22,395	16,909
Total expenses	473,527	151,838	773,611	302,031
Other income (loss)				
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	(1,976)	(939)	4,602	3,254
Realized gain (loss) on mortgage loans and obligations held in securitization trusts, net	2,724	(549)	2,772	(2,752)
Other gain (loss), net	(2,688)	(15)	(13,829)	460
Loss before equity in earnings of unconsolidated ventures and income taxes	(385,044)	(69,446)	(515,246)	(87,813)
Equity in earnings (loss) of unconsolidated ventures	(15,905)	8,324	17,962	39,773
Income tax benefit (expense)	(1,046)	2,456	(544)	2,847
Net loss	(401,995)	(58,666)	(497,828)	(45,193)
Net loss attributable to noncontrolling interests:				
Investment entities	37,445	4,688	38,623	2,788
Operating Partnership	8,519	1,275	10,741	996
Net loss attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (356,031)	\$ (52,703)	\$ (448,464)	\$ (41,409)
Net loss per common share – basic and diluted	\$ (2.77)	\$ (0.42)	\$ (3.51)	\$ (0.36)
Weighted average shares of common stock outstanding – basic and diluted	128,541	127,887	128,341	118,252

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V. APPENDIX – CONSOLIDATED STATEMENTS OF OPERATIONS BY SEGMENT

(\$ in thousands; as of September 30, 2019) (Unaudited)

	Three Months Ended September 30, 2019				Total Core Portfolio	Legacy, Non-Strategic Portfolio	Total
	Core Portfolio						
	Loans and Preferred Equity Investments	CRE debt securities	Net lease real estate	Corporate			
Net interest income							
Interest income	\$ 39,012	\$ 4,593	\$ -	\$ (533)	\$ 43,072	\$ 3,919	\$ 46,991
Interest expense	(17,717)	(1,778)	-	(1,830)	(21,325)	(1,842)	(23,167)
Interest income on mortgage loans held in securitization trusts	-	24,649	-	(2,063)	22,586	-	22,586
Interest expense on mortgage obligations issued by securitization trusts	-	(22,362)	-	2,063	(20,299)	-	(20,299)
Net interest income	21,295	5,102	-	(2,363)	24,034	2,077	26,111
Property and other income							
Property operating income	-	-	28,316	-	28,316	35,176	63,492
Other income	209	200	-	369	778	42	820
Total property and other income	209	200	28,316	369	29,094	35,218	64,312
Expenses							
Management fee expense	-	-	-	9,084	9,084	2,271	11,355
Property operating expense	-	-	8,340	-	8,340	21,416	29,756
Transaction, investment and servicing expense	512	3	103	245	863	570	1,433
Interest expense on real estate	-	-	8,695	-	8,695	5,586	14,281
Depreciation and amortization	-	-	11,673	-	11,673	14,261	25,934
Provision for loan losses	-	-	-	-	-	110,314	110,314
Impairment of operating real estate	-	-	23,911	-	23,911	248,811	272,722
Administrative expense	312	244	78	3,537	4,171	3,561	7,732
Total expenses	824	247	52,800	12,866	66,737	406,790	473,527
Other income (loss)							
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	-	215	-	(2,191)	(1,976)	-	(1,976)
Realized gain on mortgage loans and obligations held in securitization trusts, net	-	-	-	2,724	2,724	-	2,724
Other gain (loss), net	(15)	(4,683)	2,019	(3)	(2,682)	(6)	(2,688)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	20,665	587	(22,465)	(14,330)	(15,543)	(369,501)	(385,044)
Equity in earnings (loss) of unconsolidated ventures	2,736	-	-	-	2,736	(18,641)	(15,905)
Income tax benefit (expense)	-	-	(201)	-	(201)	(845)	(1,046)
Net income (loss)	23,401	587	(22,666)	(14,330)	(13,008)	(388,987)	(401,995)
Net (income) loss attributable to noncontrolling interests:							
Investment entities	5	-	11,453	-	11,458	25,987	37,445
Operating Partnership	-	-	-	36	36	8,483	8,519
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 23,406	\$ 587	\$ (11,213)	\$ (14,294)	\$ (1,514)	\$ (354,517)	\$ (356,031)

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

(\$ in thousands; as of September 30, 2019) (Unaudited)

	Nine Months Ended September 30, 2019				Total Core Portfolio	Legacy, Non-Strategic Portfolio	Total
	Loans and Preferred Equity Investments	CRE debt securities	Net lease real estate	Corporate			
Net interest income							
Interest income	\$ 101,282	\$ 13,253	\$ 2	\$ (1,291)	\$ 113,246	\$ 14,227	\$ 127,473
Interest expense	(46,205)	(5,425)	-	(6,383)	(58,013)	(5,492)	(63,505)
Interest income on mortgage loans held in securitization trusts	-	106,832	-	(7,114)	99,718	-	99,718
Interest expense on mortgage obligations issued by securitization trusts	-	(98,804)	-	7,114	(91,690)	-	(91,690)
Net interest income	55,077	15,856	2	(7,674)	63,261	8,735	71,996
Property and other income							
Property operating income	-	-	87,882	-	87,882	103,511	191,393
Other income	450	341	185	371	1,347	84	1,431
Total property and other income	450	341	88,067	371	89,229	103,595	192,824
Expenses							
Management fee expense	-	-	-	27,256	27,256	6,814	34,070
Property operating expense	-	-	25,187	-	25,187	60,889	86,076
Transaction, investment and servicing expense	1,325	4	208	(301)	1,236	1,777	3,013
Interest expense on real estate	-	-	26,078	-	26,078	15,708	41,786
Depreciation and amortization	-	-	37,645	-	37,645	45,208	82,853
Provision for loan losses	-	-	-	-	-	220,572	220,572
Impairment of operating real estate	-	-	23,911	-	23,911	258,935	282,846
Administrative expense	614	979	178	10,206	11,977	10,418	22,395
Total expenses	1,939	983	113,207	37,161	153,290	620,321	773,611
Other income (loss)							
Unrealized gain (loss) on mortgage loans and obligations held in securitization trusts, net	-	6,035	-	(1,433)	4,602	-	4,602
Realized gain on mortgage loans and obligations held in securitization trusts, net	-	48	-	2,724	2,772	-	2,772
Other gain (loss), net	(15)	(14,909)	2,399	1	(12,524)	(1,305)	(13,829)
Income (loss) before equity in earnings of unconsolidated ventures and income taxes	53,573	6,388	(22,739)	(43,172)	(5,950)	(509,296)	(515,246)
Equity in earnings (loss) of unconsolidated ventures	39,020	-	-	-	39,020	(21,058)	17,962
Income tax benefit (expense)	(12)	-	1,822	(382)	1,428	(1,972)	(544)
Net income (loss)	92,581	6,388	(20,917)	(43,554)	34,498	(532,326)	(497,828)
Net (income) loss attributable to noncontrolling interests:							
Investment entities	68	-	11,622	-	11,690	26,933	38,623
Operating Partnership	-	-	-	(1,065)	-	(1,065)	(11,806)
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ 92,649	\$ 6,388	\$ (9,295)	\$ (44,619)	\$ 45,123	\$ (493,587)	\$ (448,464)

V. APPENDIX – OUTSTANDING COMMON SHARES AND OP UNITS

	As of September 30, 2019	As of June 30, 2019
Class A common stock	128,538,703	128,545,190
Class B-3 common stock	-	-
OP units	3,075,623	3,075,623
Total common stock and OP units outstanding	131,614,326	131,620,813

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

(In thousands, except per share data; as of September 30, 2019) (Unaudited)

Reconciliation of consolidated balance sheet to at CLNC share balance sheet

	As of September 30, 2019								
	Total			Core Portfolio			Legacy, Non-Strategic Portfolio		
	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾	Consolidated	NCI ⁽¹⁾	At CLNC share ⁽²⁾
Assets									
Loans and preferred equity held for investment, net	\$ 2,516,197	\$ 584	\$ 2,515,613	\$ 2,366,265	\$ -	\$ 2,366,265	\$ 149,932	\$ 584	\$ 149,348
Real estate securities, available for sale, at fair value	255,937	-	255,937	255,937	-	255,937	-	-	-
Real estate, net	1,568,682	57,635	1,511,047	1,044,388	13,808	1,030,580	524,294	43,827	480,467
Investments in unconsolidated ventures	571,365	-	571,365	466,369	-	466,369	104,996	-	104,996
Deferred leasing costs and intangible assets, net	125,072	3,073	121,999	74,261	560	73,701	50,811	2,513	48,298
Assets held for sale	183,895	22,590	161,305	71,871	-	71,871	112,024	22,590	89,434
Mortgage loans held in securitization trusts, at fair value ⁽³⁾	1,904,003	1,793,435	110,568	1,904,003	1,793,435	110,568	-	-	-
Cash, restricted cash, receivables and other assets	318,706	8,897	309,809	171,784	4,375	167,409	146,922	4,522	142,400
Total assets	\$ 7,443,857	\$ 1,886,214	\$ 5,557,643	\$ 6,354,878	\$ 1,812,178	\$ 4,542,700	\$ 1,088,979	\$ 74,036	\$ 1,014,943
Liabilities									
Mortgage and other notes payable, net	\$ 1,245,721	\$ 55,522	\$ 1,190,199	\$ 792,827	\$ 10,266	\$ 782,561	\$ 452,894	\$ 45,256	\$ 407,638
Credit facilities	1,907,556	-	1,907,556	1,798,184	-	1,798,184	109,372	-	109,372
Intangible liabilities, net	23,916	1,675	22,241	2,131	148	1,983	21,785	1,527	20,258
Liabilities related to assets held for sale	5,487	194	5,293	-	-	-	5,487	194	5,293
Mortgage obligations issued by securitization trusts, at fair value ⁽³⁾	1,793,435	1,793,435	-	1,793,435	1,793,435	-	-	-	-
Due to related party, other liabilities, escrow deposits payable and dividends payable	258,687	3,978	254,709	205,037	6,767	198,270	53,650	(2,789)	56,439
Total liabilities	\$ 5,234,802	\$ 1,854,804	\$ 3,379,998	\$ 4,591,614	\$ 1,810,616	\$ 2,780,998	\$ 643,188	\$ 44,188	\$ 599,000
Total equity (including noncontrolling interests in the Operating Partnership)	\$ 2,209,055	\$ 31,410	\$ 2,177,645	\$ 1,763,264	\$ 1,562	\$ 1,761,702	\$ 445,791	\$ 29,848	\$ 415,943
Total liabilities and equity	\$ 7,443,857	\$ 1,886,214	\$ 5,557,643	\$ 6,354,878	\$ 1,812,178	\$ 4,542,700	\$ 1,088,979	\$ 74,036	\$ 1,014,943
Total common shares and OP units outstanding	131,614	131,614	131,614	131,614	131,614	131,614	131,614	131,614	131,614
GAAP book value per share	\$ 16.78	\$ 0.23	\$ 16.55	\$ 13.40	\$ 0.01	\$ 13.39	\$ 3.39	\$ 0.23	\$ 3.16

See footnotes in the appendix

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

(In thousands, except per share data; as of September 30, 2019) (Unaudited)

Reconciliation of GAAP book value to undepreciated book value

	As of September 30, 2019		
	Core Portfolio	Legacy, Non-Strategic Portfolio	Total
GAAP book value (excluding noncontrolling interests in investment entities)	\$ 1,761,702	\$ 415,943	\$ 2,177,645
Accumulated depreciation and amortization ⁽¹⁾	75,699	85,418	161,117
Undepreciated book value	\$ 1,837,401	\$ 501,361	\$ 2,338,762
Undepreciated book value per share	\$ 13.96	\$ 3.81	\$ 17.77
Total common shares and OP units outstanding ⁽²⁾	131,614	131,614	131,614

See footnotes in the appendix

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

(In thousands, except per share data; as of September 30, 2019, unless otherwise stated) (Unaudited)

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

	Three Months Ended September 30, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (356,031)	\$ (354,517)	\$ (1,514)
Adjustments:			
Net income (loss) attributable to noncontrolling interest of the Operating Partnership	(8,519)	(8,483)	(36)
Non-cash equity compensation expense	2,908	1,454	1,454
Depreciation and amortization	26,232	13,800	12,432
Net unrealized loss (gain):			
Impairment of operating real estate and preferred equity ⁽¹⁾	294,677	253,166	41,511
Other unrealized loss (gain)	2,458	6	2,452
Adjustments related to noncontrolling interests in investment entities	(37,338)	(25,697)	(11,641)
Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	\$ (75,613)	\$ (120,271)	\$ 44,658
Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) per share ⁽²⁾	\$ (0.57)	\$ (0.91)	\$ 0.34
Weighted average number of common shares and OP units ⁽²⁾	131,616	131,616	131,616

	Nine Months Ended September 30, 2019		
	Total	Legacy, Non-Strategic Portfolio	Core Portfolio
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (448,464)	\$ (493,587)	\$ 45,123
Adjustments:			
Net income (loss) attributable to noncontrolling interest of the Operating Partnership	(10,741)	(11,806)	1,065
Non-cash equity compensation expense	7,464	3,732	3,732
Transaction costs ⁽³⁾	674	262	412
Depreciation and amortization	83,367	43,464	39,903
Net unrealized loss (gain):			
Impairment of operating real estate and preferred equity ⁽⁴⁾	304,801	263,290	41,511
Other unrealized loss (gain)	6,521	52	6,469
Adjustments related to noncontrolling interests in investment entities	(40,114)	(27,911)	(12,203)
Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) attributable to Colony Credit Real Estate, Inc. common stockholders and noncontrolling interest of the Operating Partnership	\$ (96,492)	\$ (222,504)	\$ 126,012
Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) per share ⁽⁵⁾	\$ (0.73)	\$ (1.69)	\$ 0.96
Weighted average number of common shares and OP units ⁽⁵⁾	131,417	131,417	131,417

See footnotes in the appendix

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

(\$ in thousands; as of September 30, 2019) (Unaudited)

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

	Three Months Ended September 30, 2019						
	Core Portfolio			Legacy, Non-Strategic Portfolio			
	Net lease real estate	Other real estate	Total Core Portfolio	Net lease real estate	Other real estate	Total LNS Portfolio	Total
Net income (loss) attributable to Colony Credit Real Estate, Inc. common stockholders	\$ (12,283)	\$ 1,068	\$ (11,215)	\$ (56,112)	\$ (174,858)	\$ (230,970)	\$ (242,185)
Adjustments:							
Net income (loss) attributable to noncontrolling interests in investment entities	(11,451)	-	(11,451)	-	(23,979)	(23,979)	(35,430)
Amortization of above- and below-market lease intangibles	(85)	-	(85)	24	(769)	(745)	(830)
Interest income	-	-	-	(2)	-	(2)	(2)
Interest expense on real estate	8,695	-	8,695	681	4,905	5,586	14,281
Other income	-	-	-	-	(41)	(41)	(41)
Transaction, investment and servicing expense	99	4	103	-	68	68	171
Depreciation and amortization	11,720	(46)	11,674	1,088	13,172	14,260	25,934
Impairment of operating real estate	23,911	-	23,911	56,186	192,625	248,811	272,722
Administrative expense	70	8	78	5	9	14	92
Other (gain) loss on investments, net	(2,019)	-	(2,019)	6	-	6	(2,013)
Income tax (benefit) expense	33	168	201	1	6	7	208
NOI/EBITDA attributable to noncontrolling interest in investment entities	(290)	-	(290)	-	(818)	(818)	(1,108)
Total NOI/EBITDA, at share	\$ 18,400	\$ 1,202	\$ 19,602	\$ 1,877	\$ 10,320	\$ 12,197	\$ 31,799

V. APPENDIX – FOOTNOTES

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1. Represents CLNC share as of September 30, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Debt-to-asset ratio based on total outstanding secured debt agreements (unpaid principal balance or "UPB") at CLNC share divided by total assets at CLNC share as of September 30, 2019
3. Represents CLNC's share of total outstanding secured debt agreements (UPB) less unrestricted cash at CLNC's share divided by total stockholders' equity as of September 30, 2019; stockholders' equity includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
4. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
5. Preferred equity includes \$27.9 million related to equity participation interests
6. Includes securitization assets which are presented net of the impact from consolidation
7. Net lease real estate and other real estate includes deferred leasing costs and other net intangibles and includes the impact of accumulated depreciation and amortization
8. Represents Core Portfolio's and LNS Portfolio's proportionate share of outstanding debt related to the corporate revolving credit facility as well as other balance sheet assets and liabilities (including cash, restricted cash, net receivables, other assets, due to related party, accrued and other liabilities, escrow deposits payable and dividends payable)
9. Represents net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities

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1. Represents CLNC share as of September 30, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Based on annualized year to date ("YTD") September 30, 2019 Core Earnings at CLNC share divided by GAAP book value at CLNC share as of September 30, 2019
3. Based on carrying values at CLNC share as of September 30, 2019 and excludes one real estate hotel asset which the Company has executed a purchase and sale agreement for its sale; closing is expected in the fourth quarter 2019. Property type excludes CMBS and mortgage loans held in securitization trusts
4. Preferred equity includes \$27.9 million related to equity participation interests
5. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

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1. Represents carrying values at CLNC share as of September 30, 2019
2. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of September 30, 2019
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019
4. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
5. Based on carrying values at CLNC share as of September 30, 2019
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

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1. Represents carrying values at CLNC share as of September 30, 2019
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
4. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of September 30, 2019
5. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019

V. APPENDIX – FOOTNOTES (CONT'D)

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1. Represents principal amounts and carrying values at CLNC share as of September 30, 2019; for securitization assets, carrying values at CLNC share are presented net of the impact from consolidation
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. Investment count represents total number of tranches acquired; two total "B-piece" transactions
4. W.A. calculation based on carrying value at CLNC share as of September 30, 2019
5. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash interest income related to the accretion of purchase discounts and are loss-adjusted for the non-rated CRE debt securities. W.A. calculation based on carrying value at CLNC share as of September 30, 2019
6. Based on carrying values at CLNC share as of September 30, 2019

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1. Represents carrying values at CLNC share as of September 30, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. Represents reported NOI/EBITDA for the third quarter 2019 at CLNC share
4. Annualized NOI/EBITDA is calculated by annualizing reported NOI for the third quarter 2019 at CLNC share
5. Represents the percent leased as of September 30, 2019 and is weighted by carrying value at CLNC share as of September 30, 2019
6. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019
7. Based on carrying values at CLNC share as of September 30, 2019

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1. Represents carrying values at CLNC share as of September 30, 2019
2. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019
4. Reflects initial loan amount divided by the as-is appraised value as of the date the loan was originated, or by the current principal amount divided by the appraisal value as of the date of the most recent as-is appraisal. For construction loans, loan-to-value reflects the total commitment amount of the loan divided by as completed appraised value, or the total commitment amount of the loan divided by projected total cost basis

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1. Represents carrying values at CLNC share as of September 30, 2019
2. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019
4. Reflects initial loan amount divided by the as-is appraised value as of the date the loan was originated, or by the current principal amount divided by the appraisal value as of the date of the most recent as-is appraisal. For construction loans, loan-to-value reflects the total commitment amount of the loan divided by as completed appraised value, or the total commitment amount of the loan divided by projected total cost basis
5. Annualized NOI is calculated by annualizing reported NOI for the third quarter 2019 at CLNC share
6. Represents the percent leased as of September 30, 2019 and is weighted by carrying value at CLNC share as of September 30, 2019
7. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019

V. APPENDIX – FOOTNOTES (CONT'D)

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1. Represents CLNC share as of September 30, 2019. This includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
2. Based on annualized year to date ("YTD") September 30, 2019 Legacy, Non-Strategic Earnings excluding gains/(losses) at CLNC share divided by GAAP book value at CLNC share as of September 30, 2019
3. Based on carrying values at CLNC share as of September 30, 2019 and excludes private equity interests
4. Related to an equity participation interest
5. Multifamily includes: (i) apartments, (ii) student housing and (iii) manufactured housing communities
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets
7. Represents carrying values at CLNC share as of September 30, 2019
8. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
9. Represents Core Portfolio's and LNS Portfolio's proportionate share of outstanding debt related to the corporate revolving credit facility as well as other balance sheet assets and liabilities (including cash, restricted cash, net receivables, other assets, due to related party, accrued and other liabilities, escrow deposits payable and dividends payable)

Page 20

1. Represents carrying values at CLNC share as of September 30, 2019
2. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of September 30, 2019
3. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019
4. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
5. Based on carrying values at CLNC share as of September 30, 2019
6. Other includes: (i) commercial and residential development and predevelopment and (ii) mixed-use assets

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1. Represents carrying values at CLNC share as of September 30, 2019
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
4. Represents the remaining loan term based on the current contractual maturity date of loans and is weighted by carrying value at CLNC share as of September 30, 2019
5. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019

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1. Represents carrying values at CLNC share as of September 30, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. Represents reported NOI for the third quarter 2019 at CLNC share
4. Annualized NOI is calculated by annualizing reported NOI for the third quarter 2019 at CLNC share
5. Represents the percent leased as of September 30, 2019 and is weighted by carrying value at CLNC share as of September 30, 2019
6. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019
7. Based on carrying values at CLNC share as of September 30, 2019

V. APPENDIX – FOOTNOTES (CONT'D)

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1. Represents carrying values at CLNC share as of September 30, 2019; includes deferred leasing costs and other net intangibles; includes the impact of accumulated depreciation and amortization
2. Represents carrying values net of any in-place investment-level financing at CLNC share as of September 30, 2019
3. Represents reported NOI/EBITDA for the third quarter 2019 at CLNC share
4. Annualized NOI/EBITDA is calculated by annualizing reported NOI/EBITDA for the third quarter 2019 at CLNC share
5. Represents the percent leased as of September 30, 2019. W.A. calculation based on carrying value at CLNC share as of September 30, 2019. Excludes hotel properties
6. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019. Includes office and retail properties only
7. Multifamily includes: (i) apartments, (ii) student housing and (iii) manufactured housing communities
8. Based on carrying values at CLNC share as of September 30, 2019

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1. In addition to the stated cash coupon rate, unlevered all-in yield includes non-cash payment in-kind interest income and the accrual of origination, extension and exit fees. Unlevered all-in yield for the loan portfolio assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
2. Represents the remaining loan term based on maximum maturity date assuming all extension options on loans are exercised by the borrower and is weighted by carrying value at CLNC share as of September 30, 2019
3. Represents carrying values at CLNC share as of September 30, 2019

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1. Represents the percent leased as of September 30, 2019 and is weighted by carrying value at CLNC share as of September 30, 2019
2. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019

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1. Represents the percent leased as of September 30, 2019 and is weighted by carrying value at CLNC share as of September 30, 2019
2. Based on in-place leases (defined as occupied and paying leases) as of September 30, 2019 and assumes that no renewal options are exercised. W.A. calculation based on carrying value at CLNC share as of September 30, 2019
3. Represents carrying values at CLNC share as of September 30, 2019
4. Annualized NOI/EBITDA is calculated by annualizing reported NOI/EBITDA for the third quarter 2019 at CLNC share

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1. Represents UPB at CLNC share as of September 30, 2019
2. Represents CLNC's share of total outstanding secured debt agreements (UPB) less unrestricted cash at CLNC's share divided by total stockholders' equity as of September 30, 2019; stockholders' equity includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities
3. Assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations and is weighted on outstanding debt (UPB) at CLNC share as of September 30, 2019
4. Outstanding debt based on UPB at CLNC share as of September 30, 2019
5. Includes noncontrolling interests in the Operating Partnership and excludes noncontrolling interests in investment entities as of September 30, 2019
6. Represents financing on one senior loan investment

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1. Subject to customary non-recourse carve-outs
2. W.A. calculation based on outstanding debt (UPB) at CLNC share as of September 30, 2019. W.A. extended maturity excludes CMBS facilities
3. Assumes the applicable floating benchmark rate as of September 30, 2019 for W.A. calculations
4. Represents UPB at CLNC share as of September 30, 2019
5. Maturity dates are dependent on asset type and typically range from one to two month rolling periods

V. APPENDIX – FOOTNOTES (CONT'D)

Page 36

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

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1. Represents net accumulated depreciation and amortization on real estate investments, including related intangible assets and liabilities
2. The Company calculates GAAP book value (excluding noncontrolling interests in investment entities) per share and undepreciated book value per share, a non-GAAP financial measure, based on the total number of common shares and OP units (held by members other than the Company or its subsidiaries) outstanding at the end of the reporting period. As of September 30, 2019, the total number of common shares and OP units outstanding was approximately 131.6 million

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1. Includes our \$22.0 million proportionate share of impairment losses recorded on equity participations held in joint ventures. This is recorded in equity in earnings of unconsolidated ventures on our consolidated statements of operations
2. The Company calculates Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the third quarter 2019, the weighted average number of common shares and OP units was approximately 131.6 million; includes 3.1 million of OP units
3. Represents transaction costs incurred as a result of the formation of Colony Credit Real Estate, Inc.
4. Includes our \$30.8 million proportionate share of impairment losses recorded on equity participations held in joint ventures. This is recorded in equity in earnings of unconsolidated ventures on our consolidated statements of operations
5. The Company calculates Core Earnings (Loss)/Legacy, Non-Strategic Earnings (Loss) per share, which are non-GAAP financial measures, based on a weighted average number of common shares and OP units (held by members other than the Company or its subsidiaries). For the nine months ended September 30, 2019, the weighted average number of common shares and OP units was approximately 131.4 million; includes 3.1 million of OP units

V. COMPANY INFORMATION

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

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