

ARBOR REALTY TRUST INVESTOR PRESENTATION

Year Ended December 31, 2017



FORWARD-LOOKING STATEMENTS

Certain items in this presentation may constitute forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Arbor can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Arbor’s expectations include, but are not limited to, continued ability to source new investments, changes in interest rates and/or credit spreads, changes in the real estate markets, and other risks detailed in Arbor’s Annual Report on Form 10-K for the year ended December 31, 2017 and its other reports filed with the SEC. Such forward-looking statements speak only as of the date of this presentation. Arbor expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Arbor’s expectations with regard thereto or change in events, conditions, or circumstances on which any such statement is based.

OVERVIEW OF OUR FRANCHISE – BUSINESS PLATFORMS

Senior management team with 30 plus years of successful operating capability in the financial services industry that are fully aligned with over 30% ownership

Balance Sheet Loan Origination & Structured Investment Platform

- Specialized real estate finance platform that invests in a diversified portfolio of structured finance assets in the multifamily and commercial real estate markets, with a focus on bridge and mezzanine loans
- Primary focus is multifamily, senior loans, which generate strong leveraged returns in a secure part of the capital stack
- \$2.7 billion investment portfolio at December 31, 2017
- 91% of investment portfolio in bridge loans, with 73% of bridge loans to multifamily properties
- Small balance lending strategy is differentiated from peers – average size of ~\$15.6 million per loan
- Industry leader in non-recourse floating rate securitization vehicles (“CLOs”)
- Consistent track record of producing significant earnings from equity kickers and structured transactions

GSE (Agency) Loan Origination and Servicing Platform

- One of only 25 Fannie Mae DUS[®] licensed lenders nationwide, and a top 10 DUS lender for 11 straight years
- One of only 22 Freddie Mac Multifamily Conventional Loan lenders, and the number one Freddie small balance lender as well as an Affordable Housing, and HUD originator
- Leading national multifamily agency loan origination and servicing platform with over 400 employees, including 20 originators in ten states with more than 20 years of experience on average
- Primary focus on small balance loans with ~\$5 million average loan size
- Servicing portfolio of ~\$16.2 billion as of December 31, 2017 (~48 bps servicing fee), prepayment protected, stable, long-dated income stream
- Originated \$6.3 billion in loans in 2017 (of which \$4.5 billion were agency loans) with a 6-year average growth rate of more than 26%

SIGNIFICANT RECENT ACCOMPLISHMENTS

- Acquired the agency platform of our manager on July 14, 2016 and fully internalized the management structure on May 31, 2017
- The acquisition was immediately accretive to core earnings and dividends
- Increased dividend run rate to \$0.84 per share, a 40% increase in less than two years, reflecting five increases over that time
- Total shareholder return of 25% in 2017, 13% in 2016, and 14% annually for the last five years
- Record originations in 2017 of \$6.3 billion, \$4.5 billion from the agency business, a 19% increase over 2016 agency volume¹
- Grew our servicing portfolio to \$16.2 billion, with a w/a servicing fee of ~48 basis points, representing a 20% increase from 2016, a 4% increase from the third quarter of 2017 and a 36% increase since the agency business acquisition¹
- Increased our transitional balance sheet portfolio 48% in 2017 and 27% during the fourth quarter of 2017
- Continued focus on new and improved non-recourse securitization vehicles closing nine CLOs since 2012, with \$1.4 billion in non-recourse debt outstanding with replenishment rights¹
- Effectively accessed accretive capital raising \$244 million of 3 year convertible notes and \$76 million of common equity with attractive terms

¹ See growth charts and capitalization table on pages 8, 9 and 12.

SUBSTANTIAL VALUE PLAY

ABR's stock price trades below the Commercial Mortgage REIT peer group average:

Arbor Realty Trust (ABR)

- Price to book value of 0.90% ¹
- Price to tangible book value of 1.00% ¹
- ~10% dividend yield ¹

VS.

Peer Group Avg. ^{1,2}

- Price to book value of 0.95%
- ~8% dividend yield

- **We believe ABR should be viewed and valued consistent with an operating franchise rather than a traditional mortgage REIT, resulting in a higher trading premium due to our significant GSE origination and servicing platform which:**
 - Generates a substantial recurring, predictable long-dated income stream through a large, mostly prepayment protected, servicing portfolio of over \$16.2 billion with a w/a servicing fee of 48 basis points
 - Significantly diversifies and increases the stability and duration of our income streams, with GSE income representing ~70% of our income sources, over 50% of which is comprised of servicing income
 - Provides a very durable growth platform, while minimizing the impact of capital market and interest rate volatility
 - Contains significant escrow balances of ~\$500 million earning approximately LIBOR, which will generate significant additional earnings power as interest rates rise
 - And is operated through an efficient corporate tax structure that we expect to realize a benefit from the recently enacted Tax Reform, which has reduced the corporate federal income tax rate from 35% to 21%

Conclusion: We believe ABR's stock price should be in excess of \$10.00 a share, due to our significant operating agency platform that generates a more predictable, stable earnings base to support the dividend, which should be valued based on similar P/E ratios as other public GSE platforms.

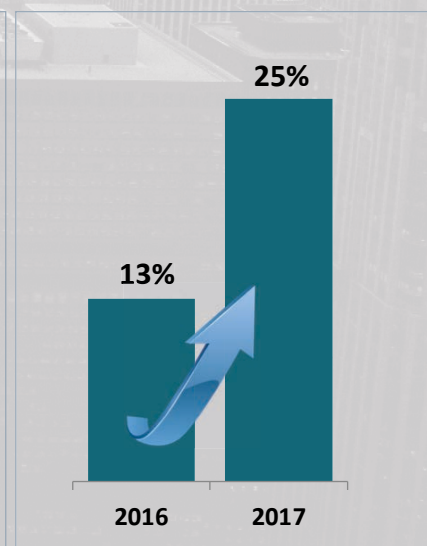
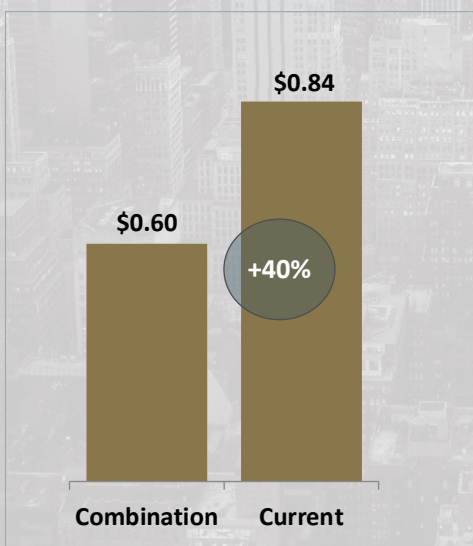
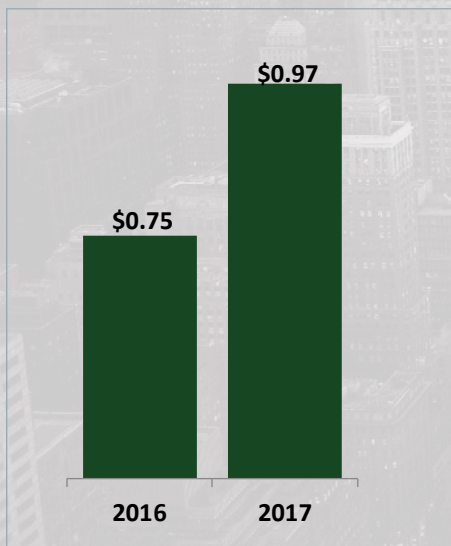
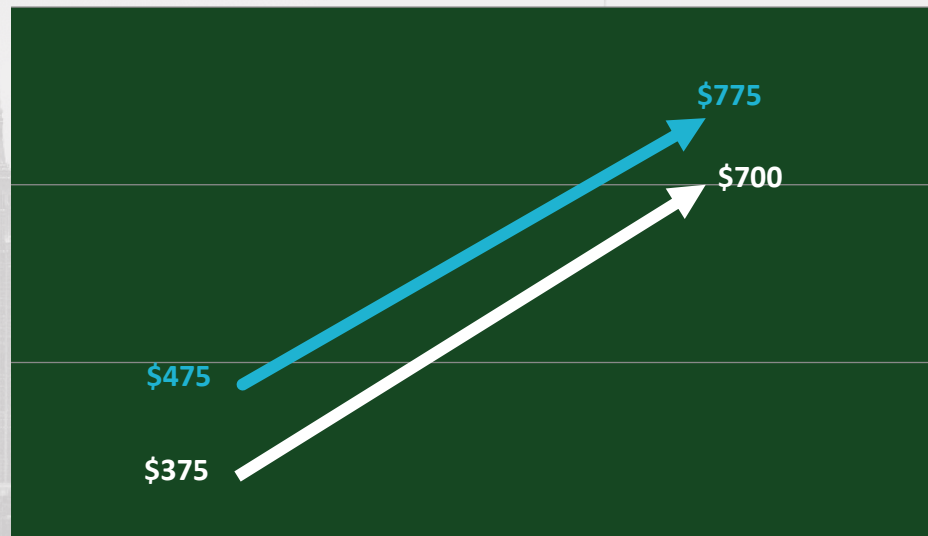
BENEFITS OF THE COMBINATION TO ART

Immediately accretive

Larger, more efficient company

More stable & diversified earnings

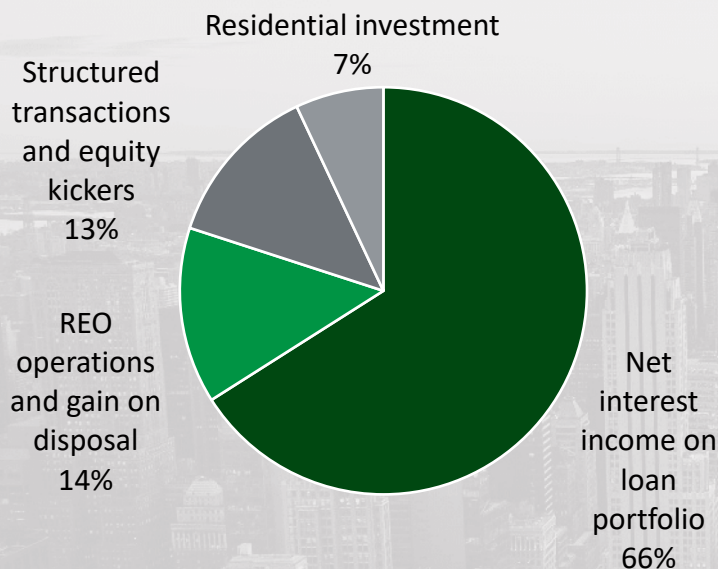
Greater access to capital



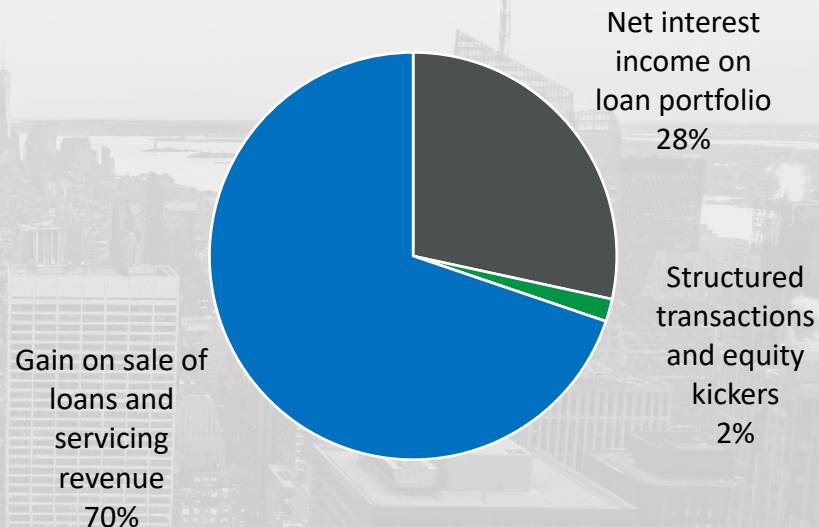
1 Amount reflects the annualized results of the first six months of 2016 prior to the combination.

DIVERSIFICATION & DURATION OF INCOME SOURCES

2015 income sources



2017 income sources

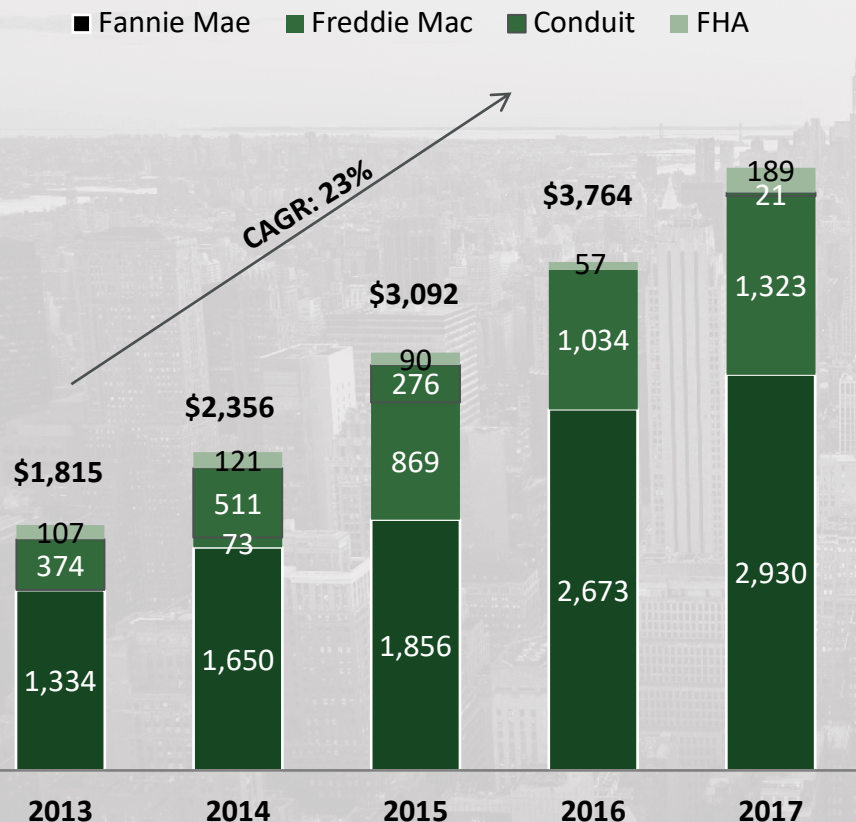


- ABR significantly diversified its income sources while creating a long-dated, prepayment protected revenue stream
- Potential for additional benefit from increase in interest income on escrow balances due to future increases in LIBOR

GSE platform expands our product offerings and adds diversity, duration, and stability to our earnings streams

LEADING NATIONWIDE ORIGINATION AND SERVICING PLATFORM

Total Originations – GSE (Agency) Business (\$ in millions)

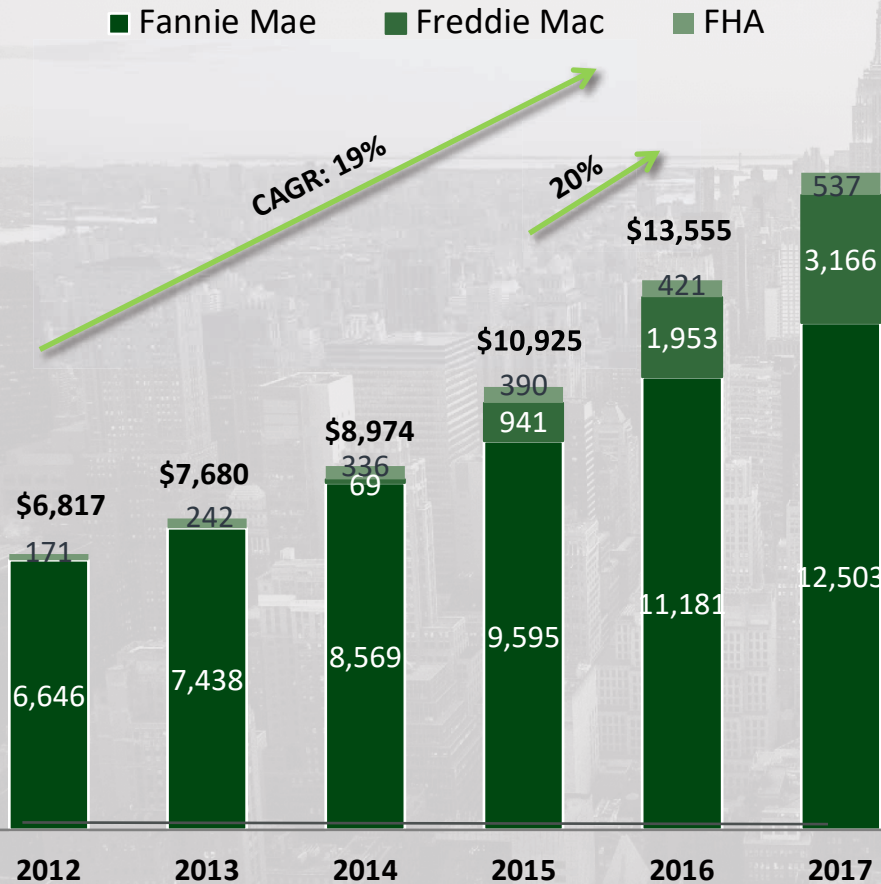


Overview of origination platform

- Operating since 1995, with originations of nearly \$28 billion since inception
- \$17.3 billion in aggregate originations from 2012 – 2017 producing a 23% six year annual growth rate
- Record 2016 originations of \$3.8 billion
- 44% growth in Fannie Mae originations in 2016
- Another record year in 2017 with originations of \$4.5 billion, a 19% increase from 2016
- One of only 25 licensed Fannie Mae DUS® lenders
- Top 10 multifamily DUS® lender for 11 consecutive years
- Top small balance lender for Fannie Mae in 2014, 2015, 2016 and 2017
- Top three small balance lender for Freddie Mac in 2015, 2016 and 2017
- 20 originators in eight states with more than 20 years average experience

LEADING NATIONWIDE ORIGINATION AND SERVICING PLATFORM

Servicing platform – servicing portfolio growth (\$ in millions)



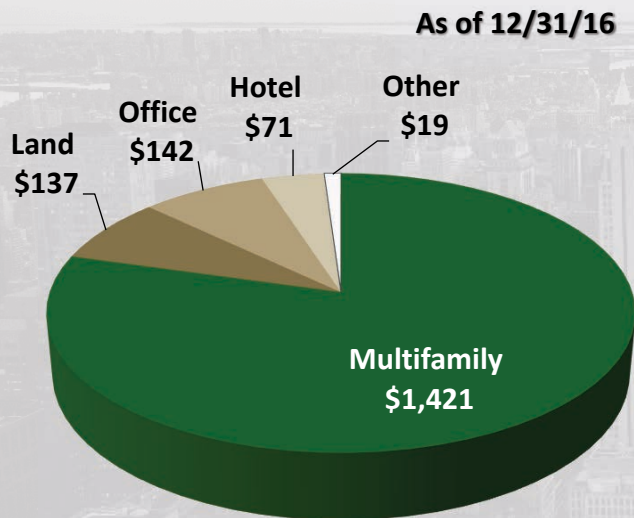
Note: All metrics shown as of 12/31/17 unless noted.

Overview of servicing platform

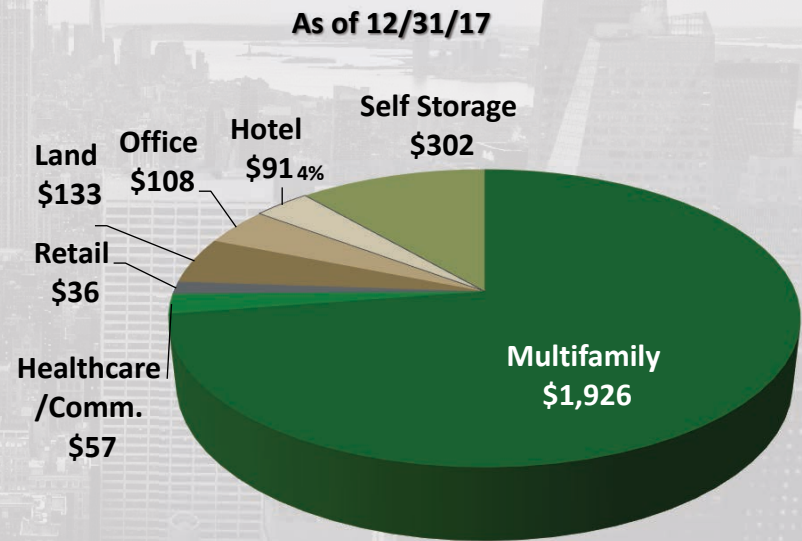
- ~\$16.2 billion servicing portfolio at 12/31/17
 - 19% five year annual growth rate
 - 20% growth in 2017
- ~48 bps weighted average servicing fee
- Annual annuity income of approximately \$77 million
- 8 years weighted average remaining life
 - Prepayment protection in commercial MSR has structural advantages compared to residential MSR
- Average loan size of ~\$5 million
 - Focus on small balance (\$1 - \$5 million)
- 100% multifamily-focused servicing platform
- Nearly \$500 million in escrow balances; a 1% increase in LIBOR would generate in excess of \$0.04 a share in additional earnings
- Estimated fair market value of MSRs of ~\$285 million

BALANCE SHEET LOAN PORTFOLIO COMPOSITION

Composition by Asset Type (\$ in millions)



Portfolio Totals: \$1,790



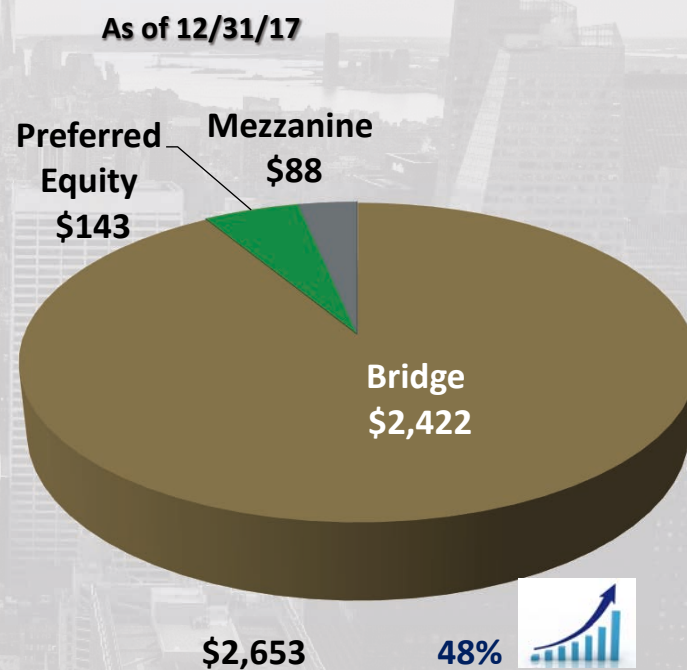
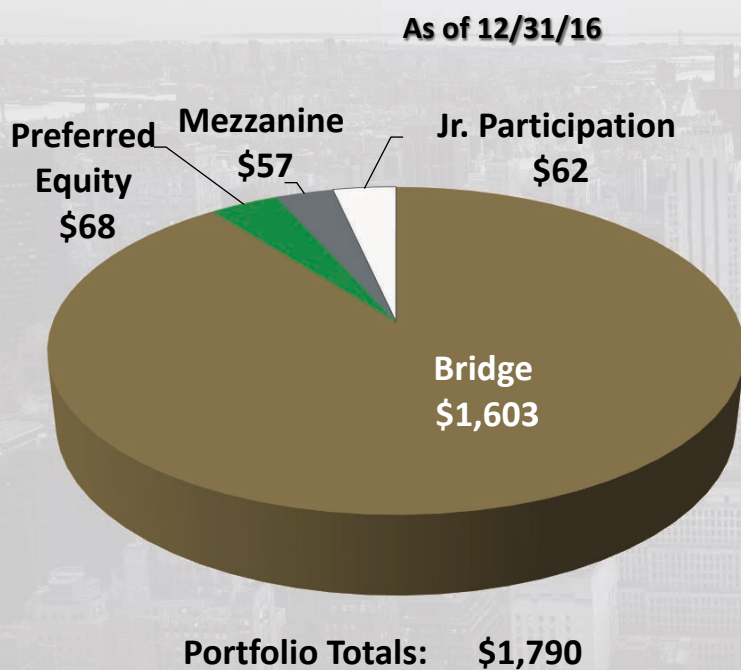
\$2,653

48%



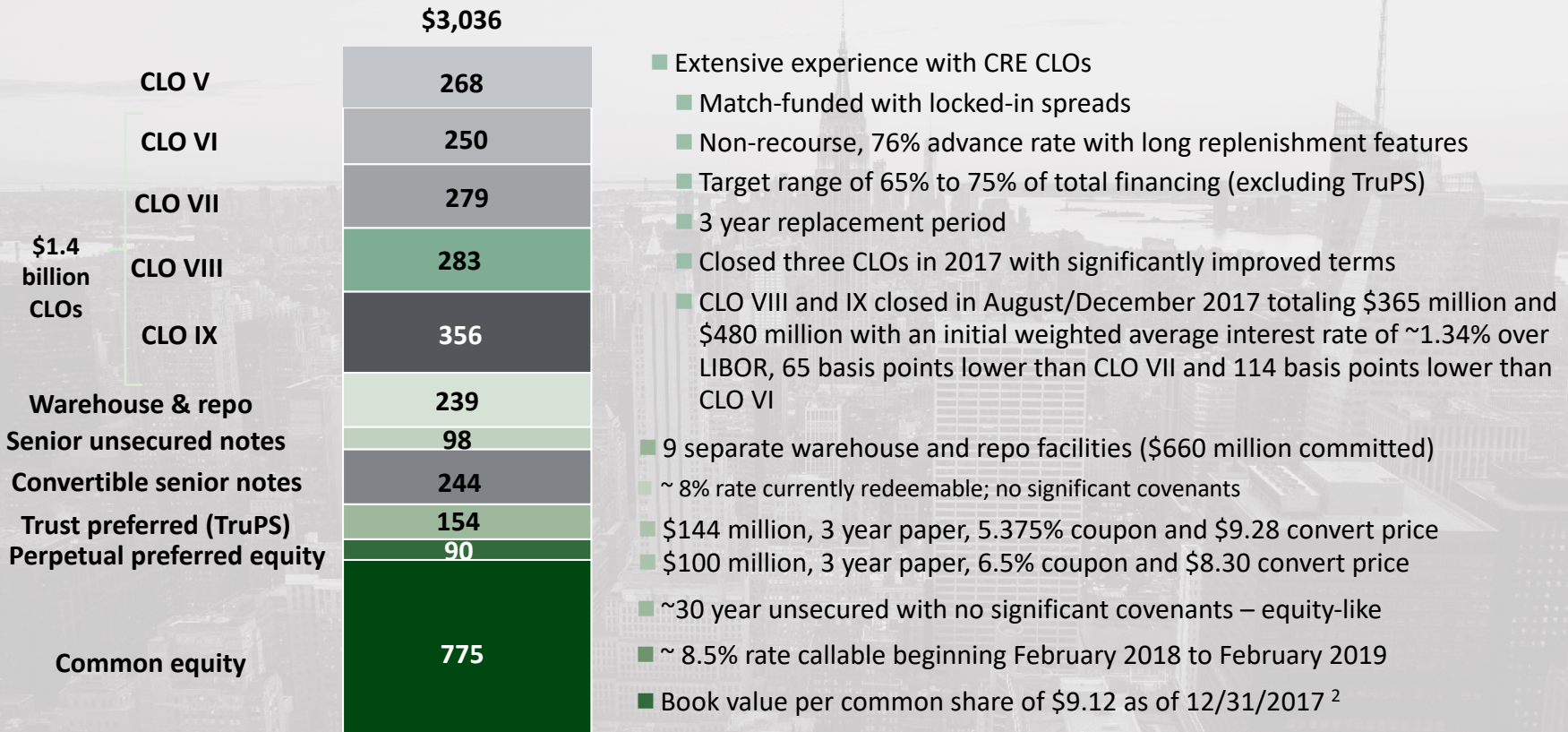
BALANCE SHEET LOAN PORTFOLIO COMPOSITION

Composition by Loan Type (\$ in millions)



CAPITAL STRUCTURE

Capital structure (\$ in millions) ¹




Notes:

1 The table is as of 12/31/17 pro forma to give effect to the payment of \$50 million in full satisfaction of the seller financing related to the acquisition of the Agency Business in January 2018. The table excludes short term debt related to our agency business as this debt is repaid within 30-45 days.

2 Based on common equity of \$775 million and 82.9 million shares outstanding consisting of 61.7 million common shares and 21.2 million operating partnership units.

FINANCIAL PERFORMANCE

(Amounts in 000s except per share amounts)	For the year ended December 31,		3 mos. ended				Year ended
	2015	2016	Mar. 2017	Jun. 2017	Sep. 2017	Dec. 2017	Dec. 2017
Net interest income	\$59,185	\$53,505	\$14,088	\$14,057	\$19,374	\$19,670	\$67,189
Servicing revenue	-	30,759	20,075	21,541	24,447	26,181	92,244
Gain on sale, including fee based services, net	-	24,594	19,171	18,830	17,126	17,672	72,799
REO assets NOI, impairment and gains from disposals	12,212	1,811	(615)	(1,258)	85	(920)	(2,708)
Structured transactions and equity kickers	11,437	5,934	701	716	2,253	683	4,353
Residential mortgage banking JV income (loss)	6,600	9,600	62	(719)	(1,258)	(5,389)	(7,304)
Other income	270	542	111	731	540	701	2,083
Total net revenues	\$89,704	\$126,745	\$53,593	\$53,898	\$62,567	\$58,598	\$228,656
Total operating expenses	36,601	70,199	34,167	34,420	38,640	36,027	143,254
Preferred stock dividends	7,554	7,554	1,888	1,889	1,889	1,888	7,554
Core AFFO	\$45,549	\$48,992	\$17,538	\$17,589	\$22,038	\$20,683	\$77,848
Core earnings ROE on common equity	9.9%	9.0%	10.6%	9.9%	11.7%	10.8%	10.8%
Core AFFO per common share	\$0.89	\$0.79	\$0.24	\$0.22	\$0.26	\$0.25	\$0.97
Dividend per common share	\$0.60	\$0.64	\$0.18	\$0.18	\$0.19	\$0.21	\$0.76
Core earnings per share in excess of dividends	\$0.29	\$0.15	\$0.06	\$0.04	\$0.07	\$0.04	\$0.21
Stockholders annual return	14.2%	13.0%					25.5%
Stockholders five year return	 14.1%						

Earnings in excess of dividends

Predictable annuity of income streams



APPENDIX



ARBOR'S BACKGROUND AND HISTORY

1993

Arbor Commercial Mortgage "ACM" is established as the commercial real estate finance subsidiary of Arbor National Holdings (a top residential lending business established in 1983)

1995

ACM obtains Fannie Mae DUS[®] Seller/Servicer license; one of 25 granted in the county

2003

ACM's structured business spins off into Arbor Realty Trust ("ABR") through a 144A offering

2004

Arbor Realty Trust (NYSE: ABR) completes \$135MM capital raise and IPO (\$20.00 per share)

2012 - 2016

ACM becomes a Top Ten Fannie Mae DUS[®] Multifamily Lender

ACM is first commercial REIT to access securitization market post-2008 recession with a collateralized loan obligation (CLO)

ACM receives Freddie Mac Seller/Servicer designation and becomes one of three nationwide lenders to offer the Freddie Mac Small Balance Loan (SBL) product

Arbor receives Fannie Mae and Freddie Mac Seniors Housing licenses

Arbor becomes a Top Fannie Mae Small Loans Lender and the Top Freddie Mac Small Balance Lender

2016 - 2017

Arbor named a Top Fannie Mae DUS[®] Lender for ten years in a row, one of only two lenders to achieve this tenure

Arbor Realty Trust, Inc. completes the acquisition of ACM's agency lending platform, integrating both the structured and agency business platforms into one public entity and subsequently internalizes its management team

2017 - 2018

Arbor is first Freddie Mac SBL Lender to Cross \$2B Threshold

Arbor is the Top Freddie Mac Small Balance Loan Lender (2016) and the Top Fannie Mae Small Loan Lender (2017)

Arbor closes its 8th CLO

Arbor closed its 11th Freddie Mac SBL Securitization

Arbor's servicing volume reaches \$16B

IVAN KAUFMAN

**Chairman, President and
Chief Executive Officer**



Ivan Kaufman has extensive experience operating a diverse array of real estate finance companies that spans four decades and numerous real estate cycles. He is currently the Founder, Chairman, President and CEO of Arbor Realty Trust (NYSE:ABR), a leading multifamily and commercial real estate lender and real estate investment trust that became publicly traded in April 2004.

The foundation for the present-day Arbor was established in 1983, when Mr. Kaufman founded Arbor National Holdings, Inc. to focus on the origination and servicing of residential mortgage loans. The company became the leading provider of residential mortgage loans in the New York tristate region and went public in 1992 at \$9 per share. In 1995, the company was sold to Bank of America for \$17.50 per share. In conjunction with the sale of Arbor National Holdings, Arbor Commercial Mortgage was formed, creating the eventual platform of Arbor Realty Trust. In 2016, the two companies merged, creating one comprehensive real estate finance franchise. In addition to leading Arbor Realty Trust, Mr. Kaufman also serves as a Principal for Arbor Multifamily Acquisition Company (AMAC), an acquirer of multifamily properties which he established in 2012, and as the CEO of ArborCrowd, an online real estate investment platform which he formed in 2016.

Today, Arbor Realty Trust is a leading provider of direct financing for multifamily and other commercial real estate properties. Arbor is a Top 10 Fannie Mae DUS[®] Multifamily Lender by volume; a Top Fannie Mae Small Loan Lender; a Freddie Mac Multifamily Lender; a Top Freddie Mac Small Balance Loan Lender; a Fannie Mae and Freddie Mac Seniors Housing Lender; an FHA Multifamily Accelerated Processing (MAP)/LEAN Lender; a HUD-approved LIHTC Lender as well as a CMBS, Bridge, Mezzanine and Preferred Equity Lender. With a multibillion-dollar servicing portfolio, Arbor is a primary commercial loan servicer and a special servicer rated by Standard & Poor's with an Above Average rating. Arbor is also on the Standard & Poor's Select Servicer List and is a primary commercial loan servicer and loan level special servicer rated by Fitch Ratings.

Mr. Kaufman has served on the National and Regional Advisory Boards of Fannie Mae and on the Board of Directors of the Empire State Mortgage Bankers Association. He was previously named regional "Entrepreneur of the Year" by Inc. Magazine for his outstanding achievements in financial services. Mr. Kaufman has guest lectured at Harvard Business School's Real Estate Club and is a featured presenter at Columbia University and Wharton Business School.

Mr. Kaufman earned a J.D. from Hofstra University School of Law and a B.A. in Business Administration from Boston University.

JOHN G. CAULFIELD

**Chief Operating Officer,
Agency Lending**



John Caulfield is Arbor's Chief Operating Officer, Agency Lending. Mr. Caulfield has extensive experience in the mortgage financing industry and a tenured track record of more than three decades with Arbor and its family of companies.

As Arbor's COO, he has helped develop a unique sales and operations model that has supported Arbor's growth into a leading multifamily finance company. His responsibilities include managing the national sales team as well as the operational infrastructure that supports the firms' Fannie Mae, Freddie Mac, FHA and CMBS originations and servicing platforms. Mr. Caulfield oversees the end-to-end life of a loan process, from originations to screening through servicing. In addition, he oversees Arbor's capital markets division. He is a member of Arbor's DUS® Loan Committee and Arbor's Executive Committee.

Mr. Caulfield graduated from State University of New York with a Bachelor of Science in Finance.

PAUL ELENIO

Chief Financial Officer



As Chief Financial Officer, Mr. Elenio is responsible for overseeing all aspects of Arbor's financial operations. This includes financial reporting, tax planning, budgeting and the appropriate utilization of Arbor's capital. He is also in charge of Investor Relations for Arbor Realty Trust.

Mr. Elenio joined Arbor National Holdings, the predecessor company of Arbor Commercial Mortgage, in 1991. As the Financial Reporting and Tax Supervisor, he was involved in Arbor National Holding's 1992 Initial Public Offering. In 1995, he was promoted to Vice President, Controller and in 2002 assumed the position of Vice President of Finance. In that role, he implemented the necessary financial planning and analysis required to successfully transition Arbor Realty Trust to a public company in April 2004. He was named Senior Vice President of Finance shortly thereafter.

Prior to joining Arbor, Mr. Elenio was employed with Ernst & Young from 1989 to 1990 in the auditing department. He graduated with a Bachelor of Business Administration in Accounting from St. Bonaventure University.

GENE KILGORE

**Executive Vice President,
Structured Securitization**



Gene Kilgore joined Arbor in October 2004 and is responsible for overseeing the development, marketing and implementation of Arbor Realty Trust's collateralized debt obligation (CDO) structures. He has a unique and strategic expertise and brings a wealth of professional experience from his work in the structured finance and real estate industries. Prior to joining Arbor, Mr. Kilgore was a portfolio manager at ZAIS Group LLC with a CDO and real estate focus. Previously, he structured CDOs as a director in the risk finance group at Barclays Capital; rated CDOs and CMBS as a director with Standard & Poor's; and served as a vice president at Wachovia Bank with positions in commercial real estate and corporate lending.

Mr. Kilgore earned a Master of Science in Real Estate from the Massachusetts Institute of Technology. He also earned a Master of Business Administration from Emory University and a Bachelor's of Science in Economics from the University of Tennessee at Chattanooga.

FRED WEBER

**Executive Vice President,
Managing Director of
Structured Finance & Principal
Transactions**



With more than 25 years of experience, Mr. Weber has earned a distinguished reputation for professional excellence and leadership in the mortgage banking and commercial real estate industries. He has extensive real estate finance and acquisition experience as well as substantial expertise in the restructuring and workouts of troubled loans.

Mr. Weber currently leads a team that serves the highly specialized and complex financing needs for clients of Arbor Realty Trust. As the Executive Vice President, Managing Director of Structured Finance & Principal Transactions, he manages a group that originates, underwrites and implements debt and equity transactions for various asset types and classes of commercial real estate nationwide. During his tenure, Mr. Weber has structured in excess of \$50 billion of sophisticated real estate and finance transactions.

Mr. Weber is a member of the Real Estate Finance Committee of the Real Estate Board of New York, the International Council of Shopping Centers and the Mortgage Bankers Association of New York. He is also a member of the National Association of Real Estate Investment Trusts, the Real Estate Lenders Association, the Urban Land Institute, the Commercial Real Estate Finance Council and the RealShare Structured Finance Advisory Board. He has lectured at the International Council of Shopping Centers and other industry conferences. Before joining Arbor, he was a partner and co-head of the real estate department with Kronish, Lieb, Weiner & Hellman. He was also a partner with the law firm of Weil, Gotshal & Manges.



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