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

## Form 10-Q

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

**For the quarterly period ended March 31, 2026**

**or**

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

**Commission file number: 001-32136**

# Arbor Realty Trust, Inc.

*(Exact name of registrant as specified in its charter)*

| **Maryland** | **20-0057959** |
|---|---|
| *(State or other jurisdiction of incorporation)* | *(I.R.S. Employer Identification No.)* |
| **333 Earle Ovington Boulevard, Suite 900, Uniondale, NY** | **11553** |
| *(Address of principal executive offices)* | *(Zip Code)* |

(Registrant's telephone number, including area code): **(516) 506-4200**

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

| Title of each class | Trading symbols | Name of each exchange on which registered |
|---|---|---|
| Common Stock, par value $0.01 per share | ABR | New York Stock Exchange |
| Preferred Stock, 6.375% Series D Cumulative Redeemable, par value $0.01 per share | ABR-PD | New York Stock Exchange |
| Preferred Stock, 6.25% Series E Cumulative Redeemable, par value $0.01 per share | ABR-PE | New York Stock Exchange |
| Preferred Stock, 6.25% Series F Fixed-to-Floating Rate Cumulative Redeemable, par value $0.01 per share | ABR-PF | New York Stock Exchange |

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

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

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

| | | | | | |
|---|---|---|---|---|---|
| Large accelerated filer | ☑ | Accelerated filer | ☐ | Non-accelerated filer | ☐ |
| Smaller reporting company | ☐ | Emerging growth company | ☐ | | |

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

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

Issuer has 192,361,203 shares of common stock outstanding at May 1, 2026.

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**Forward-Looking Statements**

The information contained in this quarterly report on Form 10-Q is not a complete description of our business or the risks associated with an investment in Arbor Realty Trust, Inc. We urge you to carefully review and consider the various disclosures in this report, as well as information in our annual report on Form 10-K for the year ended December 31, 2025 (the "2025 Annual Report") filed with the Securities and Exchange Commission ("SEC") on February 27, 2026 and in our other reports and filings with the SEC.

This report contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relate to, among other things, the operating performance of our investments and financing needs. We use words such as "anticipate," "expect," "believe," "intend," "should," "could," "will," "may" and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results in future periods to differ materially from forecasted results. Factors that could have a material adverse effect on our results of operations, financial condition and future prospects include, but are not limited to, economic, macroeconomic and geopolitical conditions; the real estate market; adverse changes in our status with government-sponsored enterprises affecting our ability to originate loans through such programs; changes in interest rates; the quality and size of the investment pipeline and the rate at which we can invest our cash; impairments in the value of the collateral underlying our loans and investments; inflation; changes in federal and state laws and regulations, including changes in tax laws; the availability and cost of capital for future investments; and competition. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our views as of the date of this report. The factors noted above could cause our actual results to differ significantly from those contained in any forward-looking statement.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We are under no duty to update any of the forward-looking statements after the date of this report to conform these statements to actual results.

## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**($ in thousands, except share and per share data)**

| | March 31, 2026 (Unaudited) | December 31, 2025 |
|---|---|---|
| **Assets:** | | |
| Cash and cash equivalents | $ 407,126 | $ 482,875 |
| Restricted cash | 393,529 | 67,347 |
| Loans and investments, net (allowance for credit losses of $131,223 and $145,971) | 11,835,381 | 11,934,248 |
| Loans held-for-sale, net | 443,218 | 409,081 |
| Capitalized mortgage servicing rights, net | 331,929 | 340,842 |
| Securities held-to-maturity, net (allowance for credit losses of $15,125 and $17,013) | 155,469 | 156,087 |
| Investments in equity affiliates | 56,747 | 57,966 |
| Real estate owned, net | 520,766 | 498,938 |
| Due from related party | 35,251 | 6,534 |
| Goodwill and other intangible assets | 86,161 | 86,553 |
| Other assets | 426,908 | 454,432 |
| Total assets | $ 14,692,485 | $ 14,494,903 |
| | | |
| **Liabilities and Equity:** | | |
| Credit and repurchase facilities | $ 4,967,952 | $ 5,149,651 |
| Securitized debt | 3,931,468 | 3,468,258 |
| Senior unsecured notes | 2,030,947 | 2,029,078 |
| Junior subordinated notes to subsidiary trust issuing preferred securities | 145,707 | 145,497 |
| Notes payable - real estate owned | 253,189 | 222,965 |
| Due to related party | 1,758 | 501 |
| Due to borrowers | 29,992 | 33,451 |
| Allowance for loss-sharing obligations | 106,773 | 97,579 |
| Other liabilities | 245,649 | 280,770 |
| Total liabilities | 11,713,435 | 11,427,750 |
| | | |
| Commitments and contingencies (Note 14) | | |
| | | |
| Equity: | | |
| Arbor Realty Trust, Inc. stockholders' equity: | | |
| Preferred stock, cumulative, redeemable, $0.01 par value: 100,000,000 shares authorized, shares issued and outstanding by period: | 633,683 | 633,683 |
| Special voting preferred shares - 16,170,218 and 16,169,858 shares | | |
| 6.375% Series D - 9,200,000 shares | | |
| 6.25% Series E - 5,750,000 shares | | |
| 6.25% Series F - 11,342,000 shares | | |
| Common stock, $0.01 par value: 500,000,000 shares authorized - 192,370,465 and 195,491,855 shares issued and outstanding | 1,924 | 1,955 |
| Additional paid-in capital | 2,428,500 | 2,454,312 |
| Accumulated deficit | (194,058) | (136,597) |
| Total Arbor Realty Trust, Inc. stockholders' equity | 2,870,049 | 2,953,353 |
| Noncontrolling interest | 109,001 | 113,800 |
| Total equity | 2,979,050 | 3,067,153 |
| Total liabilities and equity | $ 14,692,485 | $ 14,494,903 |

Note: Our consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs,") as we are the primary beneficiary of these VIEs. At March 31, 2026 and December 31, 2025, assets of our consolidated VIEs totaled $5,170,870 and $4,662,021, respectively, and the liabilities of our consolidated VIEs totaled $3,941,156 and $3,477,848, respectively. See Note 15 for discussion of our VIEs.

See Notes to Consolidated Financial Statements.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**
**($ in thousands, except share and per share data)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Interest income | $ 235,047 | $ 240,693 |
| Interest expense | 175,202 | 165,251 |
| Net interest income | 59,845 | 75,442 |
| **Other revenue:** | | |
| Gain on sales, including fee-based services, net | 12,505 | 12,781 |
| Mortgage servicing rights | 9,660 | 8,131 |
| Servicing revenue, net | 25,740 | 25,603 |
| Property operating income | 8,060 | 4,387 |
| (Loss) gain on derivative instruments, net | (493) | 3,400 |
| Other income, net | 2,074 | 4,419 |
| Total other revenue | 57,546 | 58,721 |
| **Other expenses:** | | |
| Employee compensation and benefits | 47,684 | 46,036 |
| Selling and administrative | 16,953 | 16,312 |
| Property operating expenses | 11,964 | 3,474 |
| Depreciation and amortization | 7,104 | 3,744 |
| Impairment loss on real estate owned | 12,500 | — |
| Provision for loss sharing, net | 4,537 | 1,786 |
| Provision for credit losses, net | 5,816 | 9,075 |
| Total other expenses | 106,558 | 80,427 |
| Income before extinguishment of debt, loss on real estate, income (loss) from equity affiliates and income taxes | 10,833 | 53,736 |
| Loss on extinguishment of debt | — | (2,319) |
| Loss on real estate | (2,136) | (2,810) |
| Income (loss) from equity affiliates | 4,411 | (1,634) |
| Provision for income taxes | (2,085) | (3,591) |
| Net income | 11,023 | 43,382 |
| Preferred stock dividends | 10,342 | 10,342 |
| Net income attributable to noncontrolling interest | 52 | 2,602 |
| Net income attributable to common stockholders | $ 629 | $ 30,438 |
| | | |
| Basic earnings per common share | $ 0.00 | $ 0.16 |
| Diluted earnings per common share | $ 0.00 | $ 0.16 |
| | | |
| Weighted average shares outstanding: | | |
| Basic | 194,194,906 | 190,060,776 |
| Diluted | 211,735,731 | 206,862,320 |
| | | |
| Dividends declared per common share | $ 0.30 | $ 0.43 |

See Notes to Consolidated Financial Statements.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)**
**($ in thousands, except shares)**

**Three Months Ended March 31, 2026**

| | Preferred Stock Shares | Preferred Stock Value | Common Stock Shares | Common Stock Par Value | Additional Paid-in Capital | Accumulated Deficit | Total Arbor Realty Trust, Inc. Stockholders' Equity | Noncontrolling Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| Balance – January 1, 2026 | 42,461,858 | $ 633,683 | 195,491,855 | $ 1,955 | $ 2,454,312 | $ (136,597) | $ 2,953,353 | $ 113,800 | $ 3,067,153 |
| Repurchase - common stock | — | — | (4,117,901) | (41) | (30,692) | — | (30,733) | — | (30,733) |
| Stock-based compensation, net | — | — | 996,511 | 10 | 4,880 | — | 4,890 | — | 4,890 |
| Distributions - common stock | — | — | — | — | — | (58,085) | (58,085) | — | (58,085) |
| Distributions - preferred stock | — | — | — | — | — | (10,347) | (10,347) | — | (10,347) |
| Distributions - noncontrolling interest | — | — | — | — | — | — | — | (4,851) | (4,851) |
| Redemption of operating partnership units | 360 | — | — | — | — | — | — | — | — |
| Net income | — | — | — | — | — | 10,971 | 10,971 | 52 | 11,023 |
| Balance – March 31, 2026 | 42,462,218 | $ 633,683 | 192,370,465 | $ 1,924 | $ 2,428,500 | $ (194,058) | $ 2,870,049 | $ 109,001 | $ 2,979,050 |

**Three Months Ended March 31, 2025**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Balance – January 1, 2025 | 42,585,589 | $ 633,684 | 189,259,435 | $ 1,893 | $ 2,375,469 | $ 13,039 | $ 3,024,085 | $ 127,885 | $ 3,151,970 |
| Issuance - common stock | — | — | 2,363,750 | 24 | 29,184 | — | 29,208 | — | 29,208 |
| Stock-based compensation, net | — | — | 538,522 | 5 | 5,846 | — | 5,851 | — | 5,851 |
| Distributions - common stock | — | — | — | — | — | (82,072) | (82,072) | — | (82,072) |
| Distributions - preferred stock | — | — | — | — | — | (10,347) | (10,347) | — | (10,347) |
| Distributions - noncontrolling interest | — | — | — | — | — | — | — | (6,956) | (6,956) |
| Redemption of operating partnership units | (119,828) | (2) | — | — | — | — | (2) | (1,575) | (1,577) |
| Net income | — | — | — | — | — | 40,780 | 40,780 | 2,602 | 43,382 |
| Balance – March 31, 2025 | 42,465,761 | $ 633,682 | 192,161,707 | $ 1,922 | $ 2,410,499 | $ (38,600) | $ 3,007,503 | $ 121,956 | $ 3,129,459 |

See Notes to Consolidated Financial Statements.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**
**(in thousands)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Operating activities: | | |
| Net income | $ 11,023 | $ 43,382 |
| Adjustments to reconcile net income to net cash (used in) provided by operating activities: | | |
| Depreciation and amortization | 7,104 | 3,744 |
| Stock-based compensation | 5,933 | 5,935 |
| Amortization and accretion of interest and fees, net | 3,094 | 2,975 |
| Originations of loans held-for-sale | (707,577) | (608,808) |
| Proceeds from sales of loans held-for-sale, net of gain on sale | 670,972 | 730,854 |
| Payoffs and paydowns of loans held-for-sale | 36 | 487 |
| Mortgage servicing rights | (9,660) | (8,131) |
| Amortization of capitalized mortgage servicing rights | 18,293 | 17,758 |
| Write-off of capitalized mortgage servicing rights from payoffs | 1,047 | 3,106 |
| Provision for loss sharing, net | 4,537 | 1,786 |
| Provision for credit losses, net | 5,816 | 9,075 |
| Charge-offs and advances, net of reimbursements | 4,657 | 579 |
| Deferred tax benefit | (2,580) | (137) |
| (Income) loss from equity affiliates | (4,411) | 1,634 |
| Distributions from operations of equity affiliates | 5,962 | 640 |
| Loss on extinguishment of debt | — | 2,319 |
| Impairment loss on real estate owned | 12,500 | — |
| Change in fair value of held-for-sale loans | 189 | (1,962) |
| Loss (gain) on derivative instruments, net | 493 | (3,400) |
| Loss on real estate | 2,136 | 2,810 |
| Changes in operating assets and liabilities | (37,838) | (54,098) |
| Net cash (used in) provided by operating activities | (8,274) | 150,548 |
| Investing Activities: | | |
| Loans and investments funded, originated and purchased, net | (826,093) | (733,121) |
| Payoffs and paydowns of loans and investments | 893,995 | 418,646 |
| Deferred fees | 6,982 | 8,308 |
| Contributions to equity affiliates | (331) | (4,022) |
| Distributions from equity affiliates | — | 965 |
| Payoffs and paydowns of securities held-to-maturity | — | 50 |
| Investment in real estate, net | (16,209) | (7,671) |
| Change in due to borrowers and reserves | — | 2,027 |
| Net cash provided by (used in) investing activities | 58,344 | (314,818) |
| Financing activities: | | |
| Proceeds from credit and repurchase facilities | 2,355,048 | 2,615,705 |
| Payoffs and paydowns of credit and repurchase facilities | (2,526,042) | (1,392,099) |
| Proceeds from issuance of securitized debt | 754,532 | — |
| Payoffs and paydowns of securitized debt | (287,095) | (1,340,282) |
| Proceeds from notes payable - REO | 17,369 | 98,089 |
| Payoffs and paydowns of notes payable - REO | — | (49,134) |
| Proceeds from issuance of common stock | — | 29,208 |
| Redemption of operating partnership units | — | (1,577) |
| Payments of withholding taxes on net settlement of vested stock | (1,043) | (84) |
| Repurchase of common stock | (30,733) | — |
| Distributions to stockholders and noncontrolling interest | (73,283) | (99,375) |
| Payment of deferred financing costs | (8,390) | (6,955) |
| Net cash provided by (used in) financing activities | 200,363 | (146,504) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 250,433 | (310,774) |
| Cash, cash equivalents and restricted cash at beginning of period | 550,222 | 660,179 |
| Cash, cash equivalents and restricted cash at end of period | $ 800,655 | $ 349,405 |

See Notes to Consolidated Financial Statements.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) (Continued)**
**(in thousands)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Reconciliation of cash, cash equivalents and restricted cash: | | |
| Cash and cash equivalents at beginning of period | $ 482,875 | $ 503,803 |
| Restricted cash at beginning of period | 67,347 | 156,376 |
| Cash, cash equivalents and restricted cash at beginning of period | $ 550,222 | $ 660,179 |
| | | |
| Cash and cash equivalents at end of period | $ 407,126 | $ 308,842 |
| Restricted cash at end of period | 393,529 | 40,563 |
| Cash, cash equivalents and restricted cash at end of period | $ 800,655 | $ 349,405 |
| | | |
| Supplemental cash flow information: | | |
| Cash used to pay interest | $ 165,574 | $ 164,417 |
| Cash used to pay taxes | 132 | 864 |
| | | |
| Supplemental schedule of non-cash investing and financing activities: | | |
| Real estate acquired in settlement of loans and investments, net | 59,017 | 190,814 |
| Settlement of loans and investments, net of real estate | (58,925) | (196,457) |
| Derecognition of real estate owned | 34,811 | 72,044 |
| Loan funded in conjunction with real estate sold | (34,000) | (77,000) |
| Distributions accrued on preferred stock | 7,010 | 7,010 |

See Notes to Consolidated Financial Statements.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**Note 1 — Description of Business**

Arbor Realty Trust, Inc. (“we,” “us,” “our,” or the "Company") is a Maryland corporation formed in 2003. We are a nationwide real estate investment trust (“REIT”) and direct lender, providing loan origination and servicing for commercial real estate assets. We operate through two business segments: our Structured Loan Origination and Investment Business, or “Structured Business,” and our Agency Loan Origination and Servicing Business, or “Agency Business.”

Through our Structured Business, we invest in a diversified portfolio of structured finance assets in the multifamily, single-family rental (“SFR”) and commercial real estate markets, primarily consisting of bridge loans, in addition to mezzanine loans, junior participating interests in first mortgages and preferred equity. We also invest in real estate-related joint ventures and may directly acquire real property and invest in real estate-related notes and certain mortgage-related securities.

Through our Agency Business, we originate, sell and service a range of multifamily finance products through the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac,” and together with Fannie Mae, the government-sponsored enterprises, or “GSEs,”) the Government National Mortgage Association (“Ginnie Mae,”) Federal Housing Authority (“FHA”) and the U.S. Department of Housing and Urban Development (together with Ginnie Mae and FHA, “HUD.”) We retain the servicing rights and asset management responsibilities on substantially all loans we originate and sell under the GSE and HUD programs. We are an approved Fannie Mae Delegated Underwriting and Servicing (“DUS”) lender nationally, a Freddie Mac Optigo® Conventional Loan and Small Balance Loan (“SBL”) lender, seller/servicer nationally and a HUD MAP and LEAN senior housing/healthcare lender nationally. We also originate and retain the servicing rights on permanent financing loans that are generally underwritten using the guidelines of our existing agency loans sold to the GSEs, which we refer to as “Private Label” loans, and originate and sell finance products through conduit/commercial mortgage-backed securities ("CMBS") programs. We either sell the Private Label loans instantaneously or pool and securitize them and sell certificates in the securitizations to third-party investors, while retaining the highest risk bottom tranche certificate of the securitization.

Substantially all of our operations are conducted through our operating partnership, Arbor Realty Limited Partnership (“ARLP”), for which we serve as the indirect general partner, and ARLP’s subsidiaries. We are organized to qualify as a REIT for U.S. federal income tax purposes. A REIT is generally not subject to federal income tax on its REIT-taxable income that is distributed to its stockholders; provided that at least 90% of its taxable income is distributed and provided that certain other requirements are met. Certain of our assets that produce non-qualifying REIT income, primarily within the Agency Business, are operated through taxable REIT subsidiaries (“TRS,”) which are part of our TRS consolidated group (the “TRS Consolidated Group”) and are subject to U.S. federal, state and local income taxes. In general, our TRS entities may hold assets that the REIT cannot hold directly and may engage in real estate or non-real estate-related business.

**Note 2 — Basis of Presentation and Significant Accounting Policies**

***Basis of Presentation***

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), for interim financial statements and the instructions to Form 10-Q. Accordingly, certain information and footnote disclosures normally included in the consolidated financial statements prepared under GAAP have been condensed or omitted. In our opinion, all adjustments considered necessary for a fair presentation of our financial position, results of operations and cash flows have been included and are of a normal and recurring nature. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These financial statements should be read in conjunction with our financial statements and notes thereto included in our 2025 Annual Report.

***Principles of Consolidation***

The consolidated financial statements include our financial statements and the financial statements of our wholly owned subsidiaries, partnerships and other joint ventures in which we have a controlling interest, including VIEs of which we are the primary beneficiary. Entities in which we have a significant influence are accounted for under the equity method. Our VIEs are described in Note 15. All significant intercompany transactions and balances have been eliminated in consolidation.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that could materially affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The uncertainty related to broader economic, market and industry conditions, such as the impact of inflation,

the interest rate environment, capital market conditions, property values, geopolitical events and tariff developments, both globally, and to our business, makes any estimate or assumption at March 31, 2026 inherently less certain.

***Significant Accounting Policies***

See Item 8 – Financial Statements and Supplementary Data in our 2025 Annual Report for a description of our significant accounting policies. There have been no significant changes to our significant accounting policies since December 31, 2025.

**Note 3 — Loans and Investments**

Our Structured Business loan and investment portfolio consists of ($ in thousands):

| | March 31, 2026 | Percent of Total | Loan Count | Wtd. Avg. Pay Rate (1) | Wtd. Avg. Remaining Months to Maturity (2) | Wtd. Avg. First Dollar LTV Ratio (3) | Wtd. Avg. Last Dollar LTV Ratio (4) |
|---|---|---|---|---|---|---|---|
| Bridge loans (5) | $ 11,209,443 | 93 % | 439 | 6.37 % | 14.1 | 0 % | 77 % |
| Mezzanine loans | 295,843 | 3 % | 62 | 8.04 % | 48.6 | 58 % | 79 % |
| Construction - multifamily | 289,889 | 2 % | 10 | 9.12 % | 22.6 | 0 % | 62 % |
| Preferred equity investments | 202,118 | 2 % | 34 | 6.87 % | 43.0 | 62 % | 81 % |
| Total UPB | 11,997,293 | 100 % | 545 | 6.49 % | 15.7 | 2 % | 77 % |
| Allowance for credit losses | (131,223) | | | | | | |
| Unearned revenue | (30,689) | | | | | | |
| Loans and investments, net (6) | $ 11,835,381 | | | | | | |
| | | | | | | | |
| | **December 31, 2025** | | | | | | |
| Bridge loans (5) | $ 11,371,758 | 94 % | 524 | 6.39 % | 12.9 | 0 % | 77 % |
| Mezzanine loans | 290,212 | 2 % | 65 | 7.84 % | 52.3 | 59 % | 78 % |
| Construction - multifamily | 249,019 | 2 % | 9 | 9.13 % | 24.6 | 0 % | 60 % |
| Preferred equity investments | 202,118 | 2 % | 34 | 6.87 % | 46.0 | 62 % | 80 % |
| Total UPB | 12,113,107 | 100 % | 632 | 6.49 % | 14.7 | 2 % | 77 % |
| Allowance for credit losses | (145,971) | | | | | | |
| Unearned revenue | (32,888) | | | | | | |
| Loans and investments, net (6) | $ 11,934,248 | | | | | | |

(1) "Weighted Average Pay Rate" is a weighted average, based on the unpaid principal balance ("UPB") of each loan in our portfolio, of the interest rate required to be paid as stated in the individual loan agreements. Certain loans and investments that require an accrual rate to be paid at maturity are not included in the weighted average pay rate as shown in the table.

(2) Including extension options, the weighted average remaining months to maturity at March 31, 2026 and December 31, 2025 was 20.8 and 19.9, respectively.

(3) The "First Dollar Loan-to-Value ("LTV") Ratio" is calculated by comparing the total of our senior most dollar and all senior lien positions within the capital stack to the fair value of the underlying collateral to determine the point at which we will absorb a total loss of our position.

(4) The "Last Dollar LTV Ratio" is calculated by comparing the total of the carrying value of our loan and all senior lien positions within the capital stack to the fair value of the underlying collateral to determine the point at which we will initially absorb a loss.

(5) At March 31, 2026 and December 31, 2025, bridge loans included 224 and 298, respectively, of SFR loans with a total gross loan commitment of $4.62 billion and $4.73 billion, respectively, of which $3.27 billion and $3.18 billion, respectively, was funded.

(6) Excludes exit fee receivables of $40.6 million and $43.0 million at March 31, 2026 and December 31, 2025, respectively, which is included in other assets on the consolidated balance sheets.

***Concentration of Credit Risk***

We are subject to concentration risk in that, at March 31, 2026, the UPB related to 33 loans with five different borrowers represented 8% of total assets. At December 31, 2025, the UPB related to 65 loans with five different borrowers represented 9% of total assets. During both the three months ended March 31, 2026 and the year ended December 31, 2025, no single loan or investment represented more than 10% of our total assets and no single investor group generated over 10% of our revenue. See Note 18 for details on our concentration of related party loans and investments.

We assign a credit risk rating of pass, pass/watch, special mention, substandard or doubtful to each loan and investment, with a pass rating being the lowest risk and a doubtful rating being the highest risk. Each credit risk rating has benchmark guidelines that pertain to debt-service coverage ratios, LTV ratios, borrower strength, asset quality, payment status in accordance with current contractual terms, and funded cash reserves. Other factors such as guarantees and other forms of recourse, market strength, remaining loan term and borrower equity are also reviewed and considered in determining the credit risk rating assigned to each loan. This metric provides a helpful snapshot of portfolio quality and credit risk. All portfolio assets are subject to, at a minimum, a thorough quarterly financial evaluation in which historical operating performance and forward-looking projections are reviewed; however, we maintain a higher level of scrutiny and focus on loans that we consider "high risk" and that possess deteriorating credit quality.

Generally speaking, given our typical loan profile, risk ratings of pass and pass/watch suggest the loan is performing and that we expect the borrower to make both principal and interest payments according to the contractual terms of the current loan agreement. A risk rating of special mention indicates loans that require closer monitoring given an observed credit weakness or may have been modified, but we currently expect the borrower to make both principal and interest payments according to the terms of the current loan agreement or we expect to fully recover our investment, including accrued interest, through the current value of the collateral and/or the financial strength of the guarantors. A risk rating of substandard indicates we have observed weaknesses or significant deterioration in multiple credit quality factors, we expect the loan to underperform in the near term, and we anticipate the loan will require intervention in the form of a modification or potential foreclosure to avoid or limit a loss of interest and/or principal. A risk rating of doubtful indicates a loss of interest and/or principal is probable and we are actively exploring options to protect our investment including foreclosing on the underlying collateral. Further, while the above are the primary guidelines used in determining a certain risk rating, subjective items such as the financial strength of guarantors, market strength, asset quality, or a borrower's ability to perform under modified loan terms may result in a rating that is higher or lower than might be indicated by any risk rating matrix.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

A summary of the loan portfolio's internal risk ratings and LTV ratios by asset class at March 31, 2026, and charge-offs recorded for the three months ended March 31, 2026 is as follows ($ in thousands):

| | UPB by Origination Year | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Asset Class / Risk Rating** | **2026** | **2025** | **2024** | **2023** | **2022** | **Prior** | **Total** | **Wtd. Avg. First Dollar LTV Ratio** | **Wtd. Avg. Last Dollar LTV Ratio** |
| Multifamily: | | | | | | | | | |
| Pass | $ 430,100 | $ 600,924 | $ 47,468 | $ 38,673 | $ 79,883 | $ 174,014 | $ 1,371,062 | | |
| Pass/Watch | 46,000 | 999,872 | 273,570 | 86,290 | 344,490 | 736,622 | 2,486,844 | | |
| Special Mention | — | 408,273 | 206,869 | 25,654 | 1,547,788 | 1,755,859 | 3,944,443 | | |
| Substandard | — | 4,980 | 22,758 | — | 282,250 | 168,820 | 478,808 | | |
| Doubtful | — | — | 9,460 | 21,100 | 205,533 | 157,101 | 393,194 | | |
| Total Multifamily | $ 476,100 | $ 2,014,049 | $ 560,125 | $ 171,717 | $ 2,459,944 | $ 2,992,416 | $ 8,674,351 | 3 % | 82 % |
| Single-Family Rental: | | | | | | Percentage of portfolio | 72 % | | |
| Pass | $ — | $ 27,000 | $ — | $ — | $ — | $ — | $ 27,000 | | |
| Pass/Watch | 36,400 | 878,166 | 934,628 | 550,457 | 486,043 | 106,080 | 2,991,774 | | |
| Special Mention | 39,510 | 113,755 | 17,079 | 46,183 | 25,900 | 6,891 | 249,318 | | |
| Total Single-Family Rental | $ 75,910 | $ 1,018,921 | $ 951,707 | $ 596,640 | $ 511,943 | $ 112,971 | $ 3,268,092 | 0 % | 64 % |
| Office: | | | | | | Percentage of portfolio | 27 % | | |
| Pass/Watch | $ — | $ — | $ — | $ — | $ — | $ 33,410 | $ 33,410 | | |
| Total Office | $ — | $ — | $ — | $ — | $ — | $ 33,410 | $ 33,410 | 0 % | 88 % |
| Retail: | | | | | | Percentage of portfolio | < 1% | | |
| Substandard | $ — | $ — | $ — | $ — | $ — | $ 16,424 | $ 16,424 | | |
| Doubtful | — | — | — | — | — | 531 | 531 | | |
| Total Retail | $ — | $ — | $ — | $ — | $ — | $ 16,955 | $ 16,955 | 0 % | 100 % |
| Land: | | | | | | Percentage of portfolio | < 1% | | |
| Pass/Watch | $ — | $ — | $ — | $ — | $ — | $ 2,785 | $ 2,785 | | |
| Total Land | $ — | $ — | $ — | $ — | $ — | $ 2,785 | $ 2,785 | 0 % | 14 % |
| Commercial: | | | | | | Percentage of portfolio | < 1% | | |
| Doubtful | $ — | $ — | $ — | $ — | $ — | $ 1,700 | $ 1,700 | | |
| Total Commercial | $ — | $ — | $ — | $ — | $ — | $ 1,700 | $ 1,700 | 0 % | 100 % |
| | | | | | | Percentage of portfolio | < 1% | | |
| Grand Total | $ 552,010 | $ 3,032,970 | $ 1,511,832 | $ 768,357 | $ 2,971,887 | $ 3,160,237 | $ 11,997,293 | 2 % | 77 % |
| Charge-offs | $ — | $ — | $ 3,829 | $ — | $ 11,322 | $ 3,057 | $ 18,208 | | |

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

A summary of the loan portfolio's internal risk ratings and LTV ratios by asset class at December 31, 2025, and charge-offs recorded during 2025 is as follows ($ in thousands):

| | UPB by Origination Year | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Asset Class / Risk Rating** | **2025** | **2024** | **2023** | **2022** | **2021** | **Prior** | **Total** | **Wtd. Avg. First Dollar LTV Ratio** | **Wtd. Avg. Last Dollar LTV Ratio** |
| Multifamily: | | | | | | | | | |
| Pass | $ 556,801 | $ 87,533 | $ 22,253 | $ 9,832 | $ 34,843 | $ 26,758 | $ 738,020 | | |
| Pass/Watch | 1,195,412 | 429,300 | 108,276 | 376,064 | 526,961 | 159,810 | 2,795,823 | | |
| Special Mention | 211,404 | 186,984 | 185,088 | 1,788,580 | 2,028,742 | 44,479 | 4,445,277 | | |
| Substandard | 4,990 | 47,258 | 21,100 | 297,729 | 307,350 | — | 678,427 | | |
| Doubtful | — | 9,460 | — | 153,443 | 28,826 | 24,565 | 216,294 | | |
| Total Multifamily | $ 1,968,607 | $ 760,535 | $ 336,717 | $ 2,625,648 | $ 2,926,722 | $ 255,612 | $ 8,873,841 | 3 % | 81 % |
| Single-Family Rental: | | | | | | Percentage of portfolio | 73 % | | |
| Pass | $ 98,510 | $ — | $ — | $ — | $ — | $ — | $ 98,510 | | |
| Pass/Watch | 859,819 | 1,006,016 | 571,891 | 448,769 | 71,916 | 34,216 | 2,992,627 | | |
| Special Mention | 36,230 | — | — | 52,943 | — | 4,600 | 93,773 | | |
| Total Single-Family Rental | $ 994,559 | $ 1,006,016 | $ 571,891 | $ 501,712 | $ 71,916 | $ 38,816 | $ 3,184,910 | 0 % | 64 % |
| Office: | | | | | | Percentage of portfolio | 26 % | | |
| Pass/Watch | $ — | $ — | $ — | $ — | $ — | $ 33,410 | $ 33,410 | | |
| Total Office | $ — | $ — | $ — | $ — | $ — | $ 33,410 | $ 33,410 | 0 % | 88 % |
| Retail: | | | | | | Percentage of portfolio | < 1% | | |
| Substandard | $ — | $ — | $ — | $ — | $ — | $ 16,424 | $ 16,424 | | |
| Doubtful | — | — | — | — | — | 531 | 531 | | |
| Total Retail | $ — | $ — | $ — | $ — | $ — | $ 16,955 | $ 16,955 | 0 % | 97 % |
| Land: | | | | | | Percentage of portfolio | < 1% | | |
| Pass/Watch | $ — | $ — | $ — | $ — | $ — | $ 2,291 | $ 2,291 | | |
| Total Land | $ — | $ — | $ — | $ — | $ — | $ 2,291 | $ 2,291 | 0 % | 77 % |
| Commercial: | | | | | | Percentage of portfolio | < 1% | | |
| Doubtful | $ — | $ — | $ — | $ — | $ — | $ 1,700 | $ 1,700 | | |
| Total Commercial | $ — | $ — | $ — | $ — | $ — | $ 1,700 | $ 1,700 | 0 % | 100 % |
| | | | | | | Percentage of portfolio | < 1% | | |
| Grand Total | $ 2,963,166 | $ 1,766,551 | $ 908,608 | $ 3,127,360 | $ 2,998,638 | $ 348,784 | $ 12,113,107 | 2 % | 77 % |
| Charge-offs | $ — | $ 3,000 | $ — | $ 24,476 | $ 31,968 | $ 68,893 | $ 128,337 | | |

***Geographic Concentration Risk***

At March 31, 2026 and December 31, 2025, underlying properties in Texas and Florida represented 23% and 17%, respectively, of the outstanding balance of our loan and investment portfolio. No other states represented 10% or more of the total loan and investment portfolio.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

***Allowance for Credit Losses***

A summary of the changes in the allowance for credit losses is as follows ($ in thousands):

| | Three Months Ended March 31, 2026 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Multifamily | Single-Family Rental | Retail | Commercial | Office | Land | Total |
| Allowance for credit losses: | | | | | | | |
| Beginning balance | $ 131,924 | $ 8,817 | $ 2,903 | $ 1,700 | $ 251 | $ 376 | $ 145,971 |
| Provision for credit losses (net of reversals) | 4,746 | (907) | — | — | (3) | (376) | 3,460 |
| Charge-offs | (18,208) | — | — | — | — | — | (18,208) |
| Ending balance | $ 118,462 | $ 7,910 | $ 2,903 | $ 1,700 | $ 248 | $ — | $ 131,223 |

| | Three Months Ended March 31, 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| Allowance for credit losses: | | | | | | | |
| Beginning balance | $ 148,139 | $ 7,524 | $ 3,293 | $ 1,700 | $ 181 | $ 78,130 | $ 238,967 |
| Provision for credit losses (net of reversals) | 6,772 | (1,000) | — | — | 328 | (130) | 5,970 |
| Recoveries | (406) | — | — | — | — | — | (406) |
| Charge-offs, net (1) | (3,594) | — | — | — | — | — | (3,594) |
| Ending balance | $ 150,911 | $ 6,524 | $ 3,293 | $ 1,700 | $ 509 | $ 78,000 | $ 240,937 |

(1) Represents the allowance for credit losses on a bridge loan and a mezzanine loan that were charged-off in connection with the foreclosure of the underlying collateral as REO assets at fair value.

The provision for credit losses during the three months ended March 31, 2026 was primarily attributable to specifically impaired multifamily loans and losses recorded on the foreclosure and sale of a REO asset, partially offset by improved outlook of the macroeconomic commercial real estate market. Our estimate of allowance for credit losses on our structured portfolio, including related unfunded loan commitments, was based on a reasonable and supportable forecast period that reflects recent observable data, including price indices for commercial real estate, unemployment rates, and interest rates.

The expected credit losses over the contractual period of our loans also include the obligation to extend credit through our unfunded loan commitments. Estimates of current expected credit losses (“CECL”) for unfunded loan commitments are adjusted quarterly and correspond with the associated outstanding loans. At March 31, 2026 and December 31, 2025, we had outstanding unfunded commitments of $1.79 billion and $1.92 billion, respectively, that we are obligated to fund as borrowers meet certain requirements. The outstanding unfunded commitments are predominantly related to our SFR build-to-rent ("BTR") business.

At March 31, 2026 and December 31, 2025, accrued interest receivable related to our loans totaling $165.3 million and $165.7 million, respectively, was excluded from the estimate of credit losses, is subject to our revenue recognition policy, and is included in other assets on the consolidated balance sheets.

All of our structured loans and investments are secured by real estate assets or by interests in real estate assets, and, as such, the measurement of credit losses may be based on the difference between the fair value of the underlying collateral and the carrying value of the assets as of the period end. A summary of our specific reserve loans considered impaired by asset class is as follows ($ in thousands):

| | March 31, 2026 | | | | |
|---|---|---|---|---|---|
| Asset Class | UPB (1) | Carrying Value | Allowance for Credit Losses | Wtd. Avg. First Dollar LTV Ratio | Wtd. Avg. Last Dollar LTV Ratio |
| Multifamily | $ 318,709 | $ 316,068 | $ 26,962 | 0 % | 96 % |
| Retail | 16,955 | 16,911 | 2,903 | 0 % | 97 % |
| Commercial | 1,700 | 1,700 | 1,700 | 0 % | 100 % |
| Total | $ 337,364 | $ 334,679 | $ 31,565 | 0 % | 96 % |
| | | | | | |
| | December 31, 2025 | | | | |
| Multifamily | $ 366,275 | $ 363,635 | $ 38,487 | 0 % | 96 % |
| Retail | 16,955 | 16,855 | 2,903 | 0 % | 97 % |
| Commercial | 1,700 | 1,700 | 1,700 | 0 % | 100 % |
| Total | $ 384,930 | $ 382,190 | $ 43,090 | 0 % | 96 % |

(1) Represents the UPB of 17 and 20 impaired loans (less unearned revenue and other holdbacks and adjustments) by asset class at March 31, 2026 and December 31, 2025, respectively.

***Non-performing Loans***

Loans are generally classified as non-performing once the contractual payments exceed 60 days past due, unless past due payments due to us are in the process of being collected or otherwise reasonably certain to be received in the immediate future. Income from non-performing loans is generally recognized on a cash basis when it is received. Full income recognition will resume when the loan becomes contractually current, and performance has recommenced. At March 31, 2026, 19 loans with an aggregate net carrying value of $460.0 million, net of related loan loss reserves of $16.1 million, were classified as non-performing and, at December 31, 2025, 26 loans with an aggregate net carrying value of $545.0 million, net of related loan loss reserves of $10.2 million, were classified as non-performing.

A summary of our non-performing loans by asset class is as follows ($ in thousands):

| | March 31, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | UPB | Carrying Value | UPB | Carrying Value |
| Multifamily | $ 479,219 | $ 473,919 | $ 566,906 | $ 553,016 |
| Commercial | 1,700 | 1,700 | 1,700 | 1,700 |
| Retail | 531 | 531 | 531 | 531 |
| Total | $ 481,450 | $ 476,150 | $ 569,137 | $ 555,247 |

At March 31, 2026 and December 31, 2025, we had loans with a UPB of $20.8 million and $237.0 million, respectively, and accrued interest of $0.2 million and $6.6 million, respectively, that were greater than 60 days past due and classified as performing loans. All past due payments on these loans have been subsequently collected.

***Other Non-accrual Loans***

In this challenging economic environment, we have been experiencing late and partial payments on certain loans in our structured portfolio. Therefore, for loans that are 60 days past due or less, if we have determined there is reasonable doubt about collectability of all principal and interest, we classify those loans as non-accrual and recognize interest income only when cash is received. The table below is a summary of those loans that are 60 days past due or less that we have classified as non-accrual, and changes to those loans for the periods presented ($ in thousands).

| | Three Months Ended March 31, 2026 |
|---|---|
| Beginning balance (3 multifamily bridge loans) | $ 48,311 |
| Loans that progressed to greater than 60 days past due | (1,221) |
| Loans modified or paid off | (47,090) |
| Ending balance | $ — |

| | Three Months Ended March 31, 2025 |
|---|---|
| Beginning balance (9 multifamily bridge loans) | $ 167,428 |
| Loans that progressed to greater than 60 days past due | (82,290) |
| Loans modified or paid off | (38,490) |
| Additional loans classified as non-accrual | 96,175 |
| Ending balance (5 multifamily bridge loans) | $ 142,823 |

At March 31, 2025, there were two loans included in the table above with a UPB of $74.1 million that have specific reserves totaling $7.3 million.

We recorded interest income on non-performing and other non-accrual loans of $6.7 million and $4.5 million during the three months ended March 31, 2026 and 2025, respectively.

***Loan Modifications***

We may agree to amend or modify loans to certain borrowers experiencing financial difficulty based on specific facts and circumstances in order to improve long-term collectability efforts and avoid foreclosure and repossession of the underlying collateral. The loan modifications to borrowers experiencing financial difficulty may include a delay in payments, including payment deferrals, term extensions, principal forgiveness, interest rate reductions, or a combination thereof. We record interest on modified loans on an accrual basis to the extent the modified loan is contractually current and we believe it is ultimately collectible. The allowance for credit losses on loan modifications is measured using the same method as all other loans held for investment.

As part of the modifications of each of these loans, we generally expect borrowers to invest additional capital to recapitalize their projects, which the vast majority have funded in the form of either, or a combination of: (1) reallocation of and/or additional deposits into interest, renovation and/or general reserves; (2) the purchase of a new rate cap; (3) a principal paydown of the loan; and (4) bringing any delinquent loans current by paying past due interest owed.

The following table represents the UPB of loan modifications, as of the modification date, made to borrowers experiencing financial difficulty during the three months ended March 31, 2026 ($ in thousands):

| Asset Class | Payment Deferrals With/Without Term Extensions (1) | Rate Reductions With/Without Term Extensions (2) | Other (3) | Total (4)(5)(6) |
|---|---|---|---|---|
| Multifamily | $ 166,786 | $ 196,594 | $ 115,420 | $ 478,800 |

(1) These loans were modified to a weighted average pay rate and deferred rate of 4.62% and 2.80%, respectively, at March 31, 2026. These loans were also modified to extend the weighted average term by 23.5 months. These modifications also include a loan with a UPB of $65.1 million in which the pay rate increases from time-to-time throughout the loan maturity.
(2) These loans were modified to reduce the interest rate to a weighted average pay rate and deferred rate of 5.26% and 1.08%, respectively, at March 31, 2026, and to extend the weighted average term by 18.7 months.
(3) These loan modifications included amending certain terms, such as reallocating and/or replenishment of reserves, providing for a temporary and conditional forbearance of foreclosure, delaying past due interest payments and replacing the existing property management company.
(4) The total UPB of these loan modifications were $479.3 million at March 31, 2026 and represented 4% of our total Structured Business loan and investment portfolio at March 31, 2026.
(5) At March 31, 2026, modified loans with a UPB of $33.0 million have specific reserves totaling $1.0 million.

(6) Includes loans with a total UPB of $308.1 million which were previously modified in prior years. Using the SOFR rate at March 31, 2026, such loans were modified from a weighted average pay rate and deferred rate of 5.32% and 2.29%, respectively, to a weighted average pay rate and deferred rate of 4.27% and 2.59%, respectively.

The following table represents the UPB of loan modifications, as of the modification date, made to borrowers experiencing financial difficulty during the three months ended March 31, 2025 ($ in thousands):

| Asset Class | Payment Deferrals With/Without Term Extensions (1) | Other (2) | Total (3)(4)(5) |
|---|---|---|---|
| Multifamily | $ 849,365 | $ 83,975 | $ 933,340 |
| Single-Family Rental | — | 16,490 | 16,490 |
| Total UPB | $ 849,365 | $ 100,465 | $ 949,830 |

(1) These loans were modified to a weighted average pay rate and deferred rate of 5.18% and 2.56%, respectively, at March 31, 2025. A portion of these loans (total UPB of $108.7 million) were also modified to extend the weighted average term by 19.6 months. These modifications also include loans with a total UPB of $470.3 million in which the pay rate increases from time-to-time throughout the loans maturities.
(2) These loan modifications included amending certain terms, such as reallocating and/or replenishment of reserves, providing for a temporary and conditional forbearance of foreclosure and temporarily delaying past due interest payments.
(3) The total UPB of these loan modifications were $949.8 million at March 31, 2025 and represented 8% of our total Structured Business loan and investment portfolio at March 31, 2025.
(4) At March 31, 2025, a modified loan with a UPB of $25.5 million had a specific reserve of $5.2 million.
(5) Includes loans with a total UPB of $370.9 million which were previously modified in prior years. Using the SOFR rate at March 31, 2025, such loans were modified from a weighted average pay rate and deferred rate of 6.82% and 1.09%, respectively, to a weighted average pay rate and deferred rate of 4.52% and 3.38%, respectively.

During the three months ended March 31, 2026, we recorded $0.2 million of deferred interest on the loans that we modified during the first quarter of 2026 and $5.4 million for loans previously modified. During the three months ended March 31, 2025, we recorded $3.8 million of deferred interest on the loans that we modified during the first quarter of 2025 and $9.1 million for loans previously modified. During the three months ended March 31, 2025, we reversed through interest income $3.3 million of interest receivable that was previously accrued on modified loans that we deemed the collection of interest to be doubtful.

At March 31, 2026 and December 31, 2025, we have recorded deferred interest totaling $73.1 million and $68.3 million, respectively, on all modified loans to borrowers experiencing financial difficulty. The deferred interest is included in other assets on the consolidated balance sheets.

At March 31, 2026 and December 31, 2025, we had future funding commitments on modified loans with borrowers experiencing financial difficulty of $14.7 million and $17.4 million, respectively, which are generally subject to performance covenants that must be met by the borrower to receive funding.

All loan modifications completed in the past 12 months were performing pursuant to their contractual terms at March 31, 2026, except for two loans with a total UPB of $47.7 million. Since these loans are not performing pursuant to their modified terms, these loans are classified as non-performing loans. One of these loans with a UPB of $25.6 million have specific loan loss reserves totaling $2.2 million. The remaining loan has no specific reserve as the estimated fair value of the property exceeded its carrying value at March 31, 2026.

There were no other material loan modifications, refinancings and/or extensions during the three months ended March 31, 2026 and 2025 for borrowers experiencing financial difficulty.

***Loan Resolutions***

In March 2026, we exercised our right to foreclose on a property in Houston, Texas that was the underlying collateral for a non-performing bridge loan with a UPB of $25.0 million, an interest rate of SOFR plus 3.25% with a SOFR floor of 0.15%, and a net carrying value of $24.8 million. At foreclosure, we recorded a loss of $1.8 million to the provision for credit losses on the consolidated statements of income and charged-off the $1.8 million loan loss reserve. We sold the property in March 2026 for $25.0 million to a new borrower and provided a $24.5 million bridge loan with an interest rate of SOFR plus 2.50% with a SOFR floor of 2.00%.

In October 2025, we exercised our right to foreclose on a property in Joshua, Texas that was the underlying collateral for a non-accruing bridge loan with a UPB of $16.5 million, an interest rate of SOFR plus 4.75% with a SOFR floor of 5.24%, and a net carrying value of

$16.4 million. We sold the property in October 2025 for $16.5 million to a new borrower and provided a $15.5 million bridge loan with an interest rate equal to the greater of 5.68% or SOFR plus 1.70%. The new loan was deemed to be a significant financing component of the transaction and, as a result, we recorded a loss and corresponding liability of $0.2 million as an adjustment to the purchase price, which will be accreted into interest income over the life of the loan.

In October 2025, we exercised our right to foreclose on a property in Houston, Texas that was the underlying collateral for a non-accruing bridge loan with a UPB of $31.2 million, an interest rate of SOFR plus 4.25% with a SOFR floor of 2.51%, and a net carrying value of $25.1 million, which includes a loan loss reserve of $2.5 million. At foreclosure, we recorded a $0.8 million loan loss reversal and charged-off the remaining loan loss reserves of $1.7 million. We sold the property in December 2025 for $30.0 million to a new borrower and provided a $29.5 million bridge loan with an interest rate equal to the greater of 4.50% or SOFR plus 2.50%.

In June 2025, we exercised our right to foreclose on three properties in San Antonio, Texas that were the underlying collateral for a bridge loan with a UPB of $77.7 million, an interest rate of 5.25% with a SOFR floor of 0.50%, and a net carrying value of $66.6 million, which includes loan loss reserves of $3.5 million. At foreclosure, we recorded an additional loss of $5.9 million to the provision for credit losses on the consolidated statements of income and charged-off the $9.4 million loan loss reserve. We simultaneously sold the properties for $65.0 million to a new borrower and provided a $65.0 million bridge loan with an interest rate of SOFR plus 2.00% for years one and two, and SOFR plus 3.00% for year three, subject to SOFR floors of 4.25%, 5.25% and 6.25% in years one, two and three, respectively. The new loan was deemed to be a significant financing component of the transaction and, as a result, we recorded a loss and corresponding liability of $0.8 million as an adjustment to the purchase price, which will be accreted into interest income over the life of the loan.

In April 2025, we exercised our right to foreclose on two properties in Austin, Texas that were the underlying collateral for a non-performing bridge loan with a UPB of $21.2 million, an interest rate of SOFR plus 4.00% with a SOFR floor of 0.25%, and a net carrying value of $21.7 million. At foreclosure, we recorded an additional loss of $1.0 million to the provision for credit losses on the consolidated statements of income. We sold the properties in June 2025 for $20.7 million to a new borrower and provided a $19.2 million bridge loan with an interest rate of SOFR plus 2.00% in year one and SOFR plus 3.00% in year two. The new loan was deemed to be a significant financing component of the transaction and, as a result, we recorded a loss and corresponding liability of $0.1 million as an adjustment to the purchase price, which will be accreted into interest income over the life of the loan.

In April 2025, we exercised our right to foreclose on two properties in Orange Park, Florida that were the underlying collateral for a non-performing bridge loan with a UPB of $17.0 million, an interest rate of SOFR plus 4.38% with a SOFR floor of 2.46%, and a net carrying value of $15.7 million. At foreclosure, we recorded an additional loss of $0.3 million to the provision for credit losses on the consolidated statements of income. We sold the properties in June 2025 for $15.4 million to a new borrower and provided a $14.8 million bridge loan with an interest rate of SOFR plus 1.50%. The new loan was deemed to be a significant financing component of the transaction and, as a result, we recorded a loss and corresponding liability of $0.6 million as an adjustment to the purchase price, which will be accreted into interest income over the life of the loan.

See Note 9 for additional loan resolution details.

***Interest Reserves***

Given the transitional nature of some of our real estate loans, we may require funds to be placed into an interest reserve as required by the loan documents to cover debt service costs. At March 31, 2026 and December 31, 2025, we had total interest reserves of $244.0 million and $259.7 million, respectively, on 382 loans and 444 loans, respectively, with a total UPB of $8.22 billion and $8.68 billion, respectively.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**Note 4 — Loans Held-for-Sale, Net**

Our GSE loans held-for-sale are typically sold within 60 days of loan origination, while our non-GSE loans are generally expected to be sold to third parties or securitized within 180 days of loan origination. Loans held-for-sale, net consists of the following ($ in thousands):

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Fannie Mae | $ 302,433 | $ 303,196 |
| Private Label | 77,762 | 77,798 |
| FHA | 45,507 | 22,390 |
| Freddie Mac | 16,477 | 2,225 |
| SFR - Fixed Rate | 2,777 | 2,777 |
| | 444,956 | 408,386 |
| Fair value of future MSR | 4,994 | 5,921 |
| Unrealized impairment recovery (loss) | 1,224 | 1,414 |
| Unearned discount | (7,956) | (6,640) |
| Loans held-for-sale, net | $ 443,218 | $ 409,081 |

During the three months ended March 31, 2026 and 2025, we sold $671.0 million and $730.9 million, respectively, of loans held-for-sale.

At March 31, 2026 and December 31, 2025, there were no loans held-for-sale that were 90 days or more past due, and there were no loans held-for-sale that were placed on a non-accrual status.

**Note 5 — Capitalized Mortgage Servicing Rights**

Our capitalized mortgage servicing rights ("MSRs") reflect commercial real estate MSRs derived primarily from loans sold in our Agency Business or acquired MSRs. The discount rates used to determine the present value of all our MSRs throughout the periods presented were between 8% - 14% (representing a weighted average discount rate of 12%) based on our best estimate of market discount rates. The weighted average estimated life remaining of our MSRs was 5.9 years and 6.1 years at March 31, 2026 and December 31, 2025, respectively.

A summary of our capitalized MSR activity is as follows ($ in thousands):

| | Three Months Ended March 31, 2026 | | |
|---|---|---|---|
| | Originated | Acquired | Total |
| Beginning balance | $ 338,174 | $ 2,668 | $ 340,842 |
| Additions | 10,427 | — | 10,427 |
| Amortization | (17,953) | (340) | (18,293) |
| Write-downs and payoffs | (1,027) | (20) | (1,047) |
| Ending balance | $ 329,621 | $ 2,308 | $ 331,929 |

| | Three Months Ended March 31, 2025 | | |
|---|---|---|---|
| Beginning balance | $ 363,861 | $ 4,817 | $ 368,678 |
| Additions | 9,406 | — | 9,406 |
| Amortization | (17,195) | (563) | (17,758) |
| Write-downs and payoffs | (3,067) | (39) | (3,106) |
| Ending balance | $ 353,005 | $ 4,215 | $ 357,220 |

We collected prepayment fees totaling $0.9 million and $1.0 million during the three months ended March 31, 2026 and 2025, respectively, which are included as a component of servicing revenue, net on the consolidated statements of income. At March 31, 2026 and December 31, 2025, no MSRs were considered impaired.

The expected amortization of capitalized MSRs recorded at March 31, 2026 is as follows ($ in thousands):

| Year | Amortization |
|---|---|
| 2026 (nine months ending 12/31/2026) | $ 53,739 |
| 2027 | 68,128 |
| 2028 | 61,367 |
| 2029 | 52,504 |
| 2030 | 38,542 |
| Thereafter | 57,649 |
| Total | $ 331,929 |

Based on scheduled maturities, actual amortization may vary from these estimates.

**Note 6 — Mortgage Servicing**

Product and geographic concentrations that impact our servicing revenue are as follows ($ in thousands):

| March 31, 2026 | | | | |
|---|---|---|---|---|
| Product Concentrations | | | Geographic Concentrations | |
| Product | UPB (1) | % of Total | State | UPB % of Total |
| Fannie Mae | $ 24,261,724 | 67 % | New York | 13 % |
| Freddie Mac | 7,368,979 | 20 % | Texas | 10 % |
| Private Label | 2,554,209 | 7 % | North Carolina | 8 % |
| FHA | 1,584,644 | 4 % | California | 7 % |
| Bridge (2) | 277,523 | 1 % | Florida | 6 % |
| SFR - Fixed Rate | 264,008 | 1 % | New Jersey | 6 % |
| Total | $ 36,311,087 | 100 % | Georgia | 5 % |
| | | | Other (3) | 45 % |
| | | | Total | 100 % |

| December 31, 2025 | | | | |
|---|---|---|---|---|
| Fannie Mae | $ 24,085,960 | 66 % | New York | 13 % |
| Freddie Mac | 7,455,088 | 21 % | Texas | 10 % |
| Private Label | 2,558,048 | 7 % | North Carolina | 8 % |
| FHA | 1,549,483 | 4 % | California | 7 % |
| Bridge (2) | 277,738 | 1 % | Florida | 7 % |
| SFR - Fixed Rate | 277,490 | 1 % | Georgia | 5 % |
| Total | $ 36,203,807 | 100 % | New Jersey | 5 % |
| | | | Illinois | 4 % |
| | | | Other (3) | 41 % |
| | | | Total | 100 % |

(1) Excludes loans which we are not collecting a servicing fee.
(2) Represents bridge loans sold by our Structured Business that we are servicing.
(3) No other individual state represented 4% or more of the total.

At March 31, 2026 and December 31, 2025, our weighted average servicing fee was 35.5 basis points and 35.6 basis points, respectively. At March 31, 2026 and December 31, 2025, we held total escrow balances (including unfunded collateralized loan obligation ("CLO") hold backs) of approximately $1.22 billion and $1.35 billion, respectively, of which approximately $1.21 billion and $1.34 billion, respectively, is not included in our consolidated balance sheets. These escrows are maintained in separate accounts at several federally insured depository institutions, which may exceed FDIC insured limits. We earn interest income on the total escrow deposits, which is

generally based on a market rate of interest negotiated with the financial institutions that hold the escrow deposits. Interest earned on total escrows, net of interest paid to the borrower, is included as a component of servicing revenue, net in the consolidated statements of income as noted in the following table.

The components of servicing revenue, net are as follows ($ in thousands):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Servicing fees | $ 33,948 | $ 32,543 |
| Interest earned on escrows | 10,219 | 12,890 |
| Prepayment fees | 913 | 1,034 |
| Write-offs and payoffs of MSRs | (1,047) | (3,106) |
| Amortization of MSRs | (18,293) | (17,758) |
| Servicing revenue, net | $ 25,740 | $ 25,603 |

**Note 7 — Securities Held-to-Maturity**

***Agency Private Label Certificates ("APL certificates").*** In connection with our Private Label securitizations, we retain the most subordinate class of the APL certificates in satisfaction of credit risk retention requirements. At March 31, 2026, we held APL certificates with an initial face value of $192.8 million, which were purchased at a discount for $119.0 million. These certificates are collateralized by 5-year to 10-year fixed rate first mortgage loans on multifamily properties, bear interest at an initial weighted average variable rate of 3.94% and have an estimated weighted average remaining maturity of 5.1 years. The weighted average effective interest rate was 8.84% at both March 31, 2026 and December 31, 2025, including the accretion of a portion of the discount deemed collectible. Approximately $63.6 million is estimated to mature in one to five years and $129.2 million is estimated to mature in five to ten years.

***Agency B Piece Bonds.*** At March 31, 2026, we held 49%, or $106.2 million initial face value, of seven Freddie Mac SBL program B Piece bonds, which were previously purchased at a discount for $74.7 million, and sold the remaining 51% to a third party. These securities are collateralized by a pool of multifamily mortgage loans, had an initial weighted average variable rate of 3.74% and have an estimated weighted average remaining maturity of 11.9 years. The weighted average effective interest rate was 2.32% and 2.00% at March 31, 2026 and December 31, 2025, respectively, including the accretion of a portion of the discount deemed collectible. Approximately $32.7 million is estimated to mature after ten years.

A summary of our securities held-to-maturity is as follows ($ in thousands):

| | Face Value | Net Carrying Value | Unrealized Gain (Loss) | Estimated Fair Value | Allowance for Credit Losses |
|---|---|---|---|---|---|
| **March 31, 2026** | | | | | |
| APL certificates | $ 192,791 | $ 142,427 | $ (15,817) | $ 126,610 | $ 1,473 |
| B Piece bonds | 32,670 | 13,042 | 9,585 | 22,627 | 13,652 |
| Total | $ 225,461 | $ 155,469 | $ (6,232) | $ 149,237 | $ 15,125 |
| **December 31, 2025** | | | | | |
| APL certificates | $ 192,791 | $ 140,682 | $ (15,143) | $ 125,539 | $ 1,664 |
| B Piece bonds | 36,730 | 15,405 | 9,203 | 24,608 | 15,349 |
| Total | $ 229,521 | $ 156,087 | $ (5,940) | $ 150,147 | $ 17,013 |

A summary of the changes in the allowance for credit losses for our securities held-to-maturity is as follows ($ in thousands):

| | Three Months Ended March 31, 2026 | | |
|---|---|---|---|
| | APL Certificates | B Piece Bonds | Total |
| Beginning balance | $ 1,664 | $ 15,349 | $ 17,013 |
| Provision for credit loss expense/(reversal) | (191) | 2,400 | 2,209 |
| Charge-offs | — | (4,097) | (4,097) |
| Ending balance | $ 1,473 | $ 13,652 | $ 15,125 |
| | | | |
| | Three Months Ended March 31, 2025 | | |
| Beginning balance | $ 1,658 | $ 9,188 | $ 10,846 |
| Provision for credit loss expense/(reversal) | 1 | (80) | (79) |
| Ending balance | $ 1,659 | $ 9,108 | $ 10,767 |

The allowance for credit losses on our held-to-maturity securities consists of (1) a general reserve estimated on a collective basis by major security type and was based on a reasonable and supportable forecast period and a historical loss reversion for similar securities, and (2) a specific reserve for underlying loans that are probable of loss. At March 31, 2026, securities held-to-maturity with a carrying value of $12.2 million (before specific allowances of $10.5 million) were on non-accrual status. We continue to accrue interest on all other securities that remain current.

We recorded interest income (including the amortization of discount) related to these investments of $3.7 million, for both the three months ended March 31, 2026 and 2025.

**Note 8 — Investments in Equity Affiliates**

We account for all investments in equity affiliates under the equity method. A summary of these investments is as follows ($ in thousands):

| | Investments in Equity Affiliates at | | UPB of Loans to Equity Affiliates at |
|---|---|---|---|
| Equity Affiliates | March 31, 2026 | December 31, 2025 | March 31, 2026 |
| AWC Real Estate Opportunity Partners I LP | $ 16,782 | $ 17,134 | $ 108,450 |
| Fifth Wall Ventures | 16,765 | 17,260 | — |
| AMAC Holdings III LLC | 12,259 | 12,714 | 33,410 |
| ARSR DPREF I LLC | 5,843 | 5,745 | — |
| Lightstone Value Plus REIT L.P. | 1,895 | 1,895 | — |
| Clarus Berkley | 1,500 | 1,500 | 67,900 |
| The Park at Via Terrossa | 563 | 578 | 21,845 |
| Docsumo Pte. Ltd. | 450 | 450 | — |
| JT Prime | 425 | 425 | — |
| The Cypress at Wesley Park | 265 | 265 | 14,964 |
| Lexford Portfolio | — | — | — |
| East River Portfolio | — | — | — |
| Total | $ 56,747 | $ 57,966 | $ 246,569 |

***AWC Real Estate Opportunity Partners I LP ("AWC").*** During the three months ended March 31, 2026 and 2025, we recorded a loss of $0.4 million and $0.1 million, respectively, related to this investment. Also, during the three months ended March 31, 2025, we made contributions of $2.4 million and received distributions of $1.0 million, which were classified as returns of capital. Certain investments made by AWC are in qualified properties that have outstanding bridge loans originated by us and a Fannie Mae DUS loan we continue to service. Interest income recorded from the bridge loans was $1.8 million and $2.1 million for the three months ended March 31, 2026 and 2025, respectively.

***Fifth Wall Ventures ("Fifth Wall").*** During the three months ended March 31, 2026 and 2025, we recorded a loss of $0.8 million and income of $0.5 million, respectively, and made contributions of $0.3 million and $0.8 million, respectively.

***AMAC Holdings III LLC ("AMAC III").*** During the three months ended March 31, 2026 and 2025, we recorded a loss of $0.5 million and $0.9 million, respectively, and during the three months ended March 31, 2025, we made contributions of $0.9 million.

***Lexford Portfolio.*** During the three months ended March 31, 2026, we received distributions from this investment of $5.8 million.

***Arbor Residential Investor LLC.*** During the three months ended March 31, 2025, we recorded a loss of $1.4 million, and received a distribution of $0.5 million, which was classified as a return of capital. We completed the sale of our interest in this investment in July 2025.

See Note 18 for details of certain investments described above.

**Note 9 — Real Estate Owned**

A summary of our REO assets is as follows ($ in thousands):

| | March 31, 2026 | | | | December 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Multifamily | Office | Land | Total | Multifamily | Office | Land | Total |
| Land | $ 111,566 | $ 13,599 | $ 7,947 | $ 133,112 | $ 109,788 | $ 13,599 | $ 7,947 | $ 131,334 |
| Building and intangible assets | 395,552 | 55,132 | — | 450,684 | 363,281 | 48,882 | — | 412,163 |
| Less: Impairment loss | (33,000) | (2,500) | — | (35,500) | (20,500) | (2,500) | — | (23,000) |
| Less: Accumulated depreciation and amortization | (23,979) | (3,551) | — | (27,530) | (18,015) | (3,544) | — | (21,559) |
| Real estate owned, net | $ 450,139 | $ 62,680 | $ 7,947 | $ 520,766 | $ 434,554 | $ 56,437 | $ 7,947 | $ 498,938 |
| Number of foreclosed loans | 17 | 2 | 2 | 21 | 15 | 2 | 2 | 19 |
| Number of properties | 32 | 2 | 2 | 36 | 31 | 2 | 2 | 35 |

During the three months ended March 31, 2026, we foreclosed on two multifamily bridge loans, each with one property as collateral, with an aggregate net carrying value of $34.0 million and received ownership of the underlying collateral as REO assets. The foreclosed loans did not have any related specific CECL reserves as of the foreclosure dates. There were no gains or losses recognized upon foreclosure.

During the three months ended March 31, 2026, we sold an existing multifamily REO property for $8.0 million, and recognized a loss of $2.0 million, excluding the loss associated with the significant financing component discussed below. Additionally, we provided new bridge loan financing to the new borrowers totaling $9.5 million, inclusive of $2.5 million to fund renovations, that bears interest at the greater of a fixed rate of 5.17% or SOFR plus 1.50% for year one, and a fixed rate of 6.17%, or SOFR plus 2.50% for year two. The new financing provided was deemed to be a significant financing component of the transaction and, as a result, for the three months ended March 31, 2026, we recorded a loss and corresponding liability of $0.1 million, as an adjustment to the purchase price, which will be accreted into interest income over the life of the loan. The losses of the transaction were recorded through loss on real estate on the consolidated statements of income.

See Note 3 for details of properties foreclosed and sold within the same reporting period.

During the three months ended March 31, 2026, we determined that certain of our REO assets exhibited indicators of impairment based on expected disposition strategies, our evaluation of current market conditions and other property-specific assumptions. Based on our impairment analysis performed, we recorded an impairment loss of $12.5 million related to six properties, which represents the extent to which the carrying value of the properties exceeded their estimated fair value.

At March 31, 2026 and December 31, 2025, we had notes payable totaling $253.2 million and $223.0 million, respectively, which are collateralized by our REO assets. Interest rates on the notes range from SOFR plus 2.50% to SOFR plus 3.25%, with maturities spanning from August 2026 to September 2027.

At March 31, 2026 and December 31, 2025, our multifamily REO properties had a weighted average occupancy rate of approximately 49% and 45%, respectively, excluding three and two properties, respectively, that were vacant due to renovations. At March 31, 2026 and December 31, 2025, both our office buildings were vacant.

We recorded depreciation expense related to the REO assets of $6.1 million and $2.7 million for the three months ended March 31, 2026, and 2025, respectively.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**Note 10 — Debt Obligations**

***Credit and Repurchase Facilities***

Borrowings under our credit and repurchase facilities are as follows ($ in thousands):

| | | | March 31, 2026 | | | December 31, 2025 | |
|---|---|---|---|---|---|---|---|
| | Current Maturity | Extended Maturity | Debt Carrying Value (1) | Collateral Carrying Value | Wtd. Avg. Note Rate (2) | Debt Carrying Value (1) | Collateral Carrying Value |
| **Structured Business** | | | | | | | |
| $1.4B joint repurchase facility (3) | Jul. 2027 | Jul. 2028 | $ 1,031,189 | $ 1,569,762 | 6.36% | $ 882,635 | $ 1,468,161 |
| $1.22B repurchase facility | (6) | N/A | 1,175,995 | 1,633,307 | 5.66% | 1,149,944 | 1,555,403 |
| $1B repurchase facility (3) | (5) | N/A | 774,998 | 1,082,767 | 6.47% | 879,499 | 1,207,513 |
| $850M repurchase facility (3) | Dec. 2026 | Dec. 2027 | 356,589 | 624,309 | 6.50% | 443,880 | 725,309 |
| $650M repurchase facility (3) | Oct. 2026 | N/A | 381,913 | 456,439 | 6.19% | 462,694 | 549,069 |
| $400M credit facility | Mar. 2027 | N/A | 59,399 | 117,164 | 7.01% | 66,479 | 125,099 |
| $400M repurchase facility | Jan. 2027 | Jan. 2028 | 279,679 | 379,619 | 5.98% | 291,342 | 383,195 |
| $350M repurchase facility | Mar. 2027 | N/A | 124,215 | 217,645 | 5.73% | 127,199 | 238,422 |
| $300M credit facility | Mar. 2029 | Mar. 2030 | 7,551 | 9,476 | 6.76% | — | — |
| $250M repurchase facility | Sept. 2027 | Sept. 2028 | 85,803 | 132,070 | 6.79% | 73,052 | 113,121 |
| $250M repurchase facility | Oct. 2026 | N/A | — | — | — | 98,186 | 126,340 |
| $250M repurchase facility | Oct. 2027 | N/A | 95,417 | 124,588 | 6.25% | 78,963 | 102,758 |
| $200M credit facility | Mar. 2027 | Mar. 2028 | 48,665 | 65,277 | 6.30% | 41,114 | 59,147 |
| $22M loan specific credit facility | Jul. 2026 | N/A | 20,792 | 26,000 | 5.84% | 63,456 | 87,000 |
| $40M credit facility (7) | Jul. 2026 | N/A | 15,570 | 24,610 | 6.10% | 15,532 | 24,610 |
| $35M working capital facility (7) | Jul. 2026 | N/A | 35,000 | — | 6.66% | 35,000 | — |
| Repurchase facility - securities (3)(4) | N/A | N/A | 50,312 | — | 5.09% | 50,280 | — |
| Structured Business total (8) | | | $ 4,543,087 | $ 6,463,033 | 6.15% | $ 4,759,255 | $ 6,765,147 |
| **Agency Business** | | | | | | | |
| $750M ASAP agreement | N/A | N/A | $ 253,768 | $ 257,537 | 4.88% | $ 91,965 | $ 92,733 |
| $500M repurchase facility | Nov. 2026 | N/A | 23,169 | 23,573 | 5.16% | 89,427 | 89,573 |
| $200M credit facility (7) | Mar. 2027 | N/A | 62,162 | 62,568 | 5.37% | 101,802 | 102,409 |
| $200M credit facility | Jun. 2026 | N/A | 20,549 | 20,738 | 6.07% | 42,887 | 43,096 |
| $100M joint repurchase facility (3) | Jul. 2027 | Jul. 2028 | 65,217 | 77,762 | 6.27% | 64,315 | 77,798 |
| Agency Business total | | | $ 424,865 | $ 442,178 | 5.24% | $ 390,396 | $ 405,609 |
| Consolidated total | | | $ 4,967,952 | $ 6,905,211 | 6.07% | $ 5,149,651 | $ 7,170,756 |

(1) At March 31, 2026 and December 31, 2025, debt carrying value for the Structured Business was net of unamortized deferred finance costs of $9.6 million and $11.7 million, respectively, and for the Agency Business was net of unamortized deferred finance costs of $0.3 million at both March 31, 2026 and December 31, 2025.
(2) At March 31, 2026 and December 31, 2025, all credit and repurchase facilities are variable rate loans.
(3) These facilities are subject to margin call provisions associated with changes in interest spreads.
(4) At March 31, 2026 and December 31, 2025, this facility was collateralized by certificates retained by us from our Freddie Mac Q Series securitization ("Q Series securitization") with a principal balance of $6.0 million and cash and $26.5 million, respectively, and investment grade notes we retained from our BTR CLO 1 securitization with a principal balance of $41.0 million at both March 31, 2026 and December 31, 2025.
(5) The commitment amount under this facility expires six months after the lender provides written notice. We then have an additional six months to repurchase the underlying loans.
(6) This facility matures at the latest maturity date of all purchased assets, which is currently March 2029.
(7) These facilities were extended in 2026.

(8) These amounts exclude outstanding notes payable on our REO assets with a debt carrying value of $253.2 million and $223.0 million at March 31, 2026 and December 31, 2025, respectively.

*Structured Business*

At March 31, 2026 and December 31, 2025, the weighted average interest rate for the credit and repurchase facilities of our Structured Business, including certain fees and costs, such as structuring, commitment, non-use and warehousing fees, was 6.44% and 6.40%, respectively. The leverage on our loan and investment portfolio financed through our credit and repurchase facilities, excluding the securities repurchase facility and the working capital facility, was 69% at both March 31, 2026 and December 31, 2025.

In March 2026, we entered into a $300.0 million credit facility to finance BTR loans that matures in March 2029, with a one-year extension option. The facility may be increased, subject to lender approval, by up to $50.0 million to a maximum of $350.0 million. The facility has an interest rate of SOFR plus 3.00%, with a SOFR floor of 2.50%.

*Agency Business*

In March 2026, we extended the maturity of a $200.0 million credit facility to March 2027 and reduced the interest rate from SOFR plus 1.40% to SOFR plus 1.35%.

***Securitized Debt***

We account for securitized debt transactions on our consolidated balance sheet as financing facilities. These transactions are considered VIEs for which we are the primary beneficiary and are consolidated in our financial statements. The investment grade notes and guaranteed certificates issued to third parties are treated as secured financings and are non-recourse to us.

Borrowings and the corresponding collateral under our securitized debt transactions are as follows ($ in thousands):

| | Debt | | | Collateral (3) | | |
|---|---|---|---|---|---|---|
| | | | | Loans | | Cash |
| March 31, 2026 | Face Value | Carrying Value (1) | Wtd. Avg. Rate (2) | UPB | Carrying Value | Restricted Cash (4) |
| CLO 21 | $ 673,990 | $ 667,860 | 5.47 % | $ 655,335 | $ 652,162 | $ 100,000 |
| CLO 20 | 933,187 | 925,169 | 5.48 % | 971,081 | 966,871 | 75,192 |
| BTR CLO 1 | 567,121 | 559,749 | 6.22 % | 688,888 | 687,341 | 266 |
| CLO 18 (5) | 878,266 | 878,030 | 5.88 % | 1,240,919 | 1,240,675 | 30,000 |
| CLO 17 (5) | 900,659 | 900,660 | 5.73 % | 1,173,927 | 1,173,866 | 104,235 |
| Total CLOs | $ 3,953,223 | $ 3,931,468 | 5.73 % | $ 4,730,150 | $ 4,720,915 | $ 309,693 |
| Q Series securitization (6) | — | — | — | 24,950 | 24,950 | — |
| Total securitized debt | $ 3,953,223 | $ 3,931,468 | 5.73 % | $ 4,755,100 | $ 4,745,865 | $ 309,693 |
| **December 31, 2025** | | | | | | |
| CLO 20 | $ 933,187 | $ 924,504 | 5.50 % | $ 1,045,664 | $ 1,040,984 | $ — |
| BTR CLO 1 | 525,304 | 517,395 | 6.29 % | 685,746 | 683,807 | — |
| CLO 18 (5) | 971,595 | 970,979 | 6.01 % | 1,339,523 | 1,338,395 | 21,469 |
| CLO 17 (5) | 1,055,700 | 1,055,380 | 5.66 % | 1,443,820 | 1,443,845 | — |
| Total CLOs | 3,485,786 | 3,468,258 | 5.81 % | 4,514,753 | 4,507,031 | 21,469 |
| Q Series securitization (6) | — | — | — | 50,600 | 50,600 | — |
| Total securitized debt | $ 3,485,786 | $ 3,468,258 | 5.81 % | $ 4,565,353 | $ 4,557,631 | $ 21,469 |

(1) Debt carrying value is net of $21.8 million and $17.5 million of deferred financing fees at March 31, 2026 and December 31, 2025, respectively.
(2) At March 31, 2026 and December 31, 2025, the aggregate weighted average note rate for our CLOs, including certain fees and costs, was 5.96% and 6.07%, respectively.

(3) At March 31, 2026 and December 31, 2025, 32 and 39 loans, respectively, with a total UPB of $1.39 billion and $1.69 billion, respectively, were deemed a "credit risk" as defined by the CLO indentures. A credit risk asset is generally defined as one that, in the CLO collateral manager's reasonable business judgment, has a significant risk of becoming a defaulted asset.
(4) Represents restricted cash held for principal repayments as well as for reinvestment in the CLOs. Does not include restricted cash related to interest payments, delayed fundings and expenses totaling $10.9 million and $10.1 million at March 31, 2026 and December 31, 2025, respectively.
(5) The replenishment period for CLO 17 and CLO 18 ended in June 2024 and August 2024, respectively.
(6) All third party amounts have been paid down and only our tranches remain.

***CLO 21.*** In March 2026, we completed CLO 21, through a wholly owned subsidiary, issuing nine tranches of CLO notes totaling $762.6 million. Of the total CLO notes issued, $674.0 million consisted of investment grade notes issued to third-party investors. The remaining $88.6 million were below investment grade notes that were retained by us. As of the CLO closing date, the notes were secured by a portfolio of real estate related assets and cash with a face value of $662.6 million, with the real estate related assets primarily comprised of first-lien mortgage bridge loans contributed from our existing loan portfolio. The CLO has an approximate two and a half year replacement period, during which principal payments and sale proceeds from the underlying loans may be reinvested into qualifying replacement loan obligations, subject to conditions outlined in the indenture. Thereafter, the outstanding debt balance will decrease as loans are repaid. The proceeds of the issuance also included $100.0 million for the purpose of acquiring additional loan obligations within 180 days from the CLO closing date, which is expected to be fully utilized, resulting in the issuer owning loan obligations with a face value of $762.6 million, representing leverage of 88%. The notes sold to third parties had an initial weighted average interest rate of 1.73% plus term SOFR, with interest payable monthly.

***Securitization Paydowns.*** During the three months ended March 31, 2026, outstanding notes totaling $248.4 million on our existing CLOs have been paid down.

***Senior Unsecured Notes***

A summary of our senior unsecured notes is as follows ($ in thousands):

| Senior Unsecured Notes | Issuance Date | Maturity | March 31, 2026 UPB | March 31, 2026 Carrying Value (1) | March 31, 2026 Wtd. Avg. Rate (2) | December 31, 2025 UPB | December 31, 2025 Carrying Value (1) | December 31, 2025 Wtd. Avg. Rate (2) |
|---|---|---|---|---|---|---|---|---|
| 8.50% Notes (3) | Dec. 2025 | Dec. 2028 | $ 400,000 | $ 394,762 | 8.50 % | $ 400,000 | $ 394,340 | 8.50 % |
| 7.875% Notes (4) | Jul. 2025 | Jul. 2030 | 500,000 | 489,975 | 7.88 % | 500,000 | 489,397 | 7.88 % |
| 9.00% Notes (3) | Oct. 2024 | Oct. 2027 | 100,000 | 99,078 | 9.00 % | 100,000 | 98,934 | 9.00 % |
| 8.50% Notes (3) | Oct. 2022 | Oct. 2027 | 150,000 | 149,172 | 8.50 % | 150,000 | 149,041 | 8.50 % |
| 5.00% Notes (3) | Dec. 2021 | Dec. 2028 | 180,000 | 178,831 | 5.00 % | 180,000 | 178,725 | 5.00 % |
| 4.50% Notes (3) | Aug. 2021 | Sept. 2026 | 270,000 | 269,650 | 4.50 % | 270,000 | 269,439 | 4.50 % |
| 5.00% Notes (3) | Apr. 2021 | Apr. 2026 | 175,000 | 174,948 | 5.00 % | 175,000 | 174,790 | 5.00 % |
| 4.50% Notes (3) | Mar. 2020 | Mar. 2027 | 275,000 | 274,531 | 4.50 % | 275,000 | 274,412 | 4.50 % |
| | | | $ 2,050,000 | $ 2,030,947 | 6.70 % | $ 2,050,000 | $ 2,029,078 | 6.70 % |

(1) At March 31, 2026 and December 31, 2025, the carrying value is net of deferred financing fees of $19.1 million and $20.9 million, respectively.
(2) At both March 31, 2026 and December 31, 2025, the aggregate weighted average note rate, including certain fees and costs, was 7.06%.
(3) These notes can be redeemed by us prior to three months before the maturity date, at a redemption price equal to 100% of the aggregate principal amount, plus a “make-whole” premium and accrued and unpaid interest. We have the right to redeem the notes within three months prior to the maturity date at a redemption price equal to 100% of the aggregate principal amount, plus accrued and unpaid interest.
(4) These notes can be redeemed by us prior to six months before the maturity date, at a redemption price equal to 100% of the aggregate principal amount, plus a “make-whole” premium and accrued and unpaid interest. We have the right to redeem the notes within six months prior to the maturity date at a redemption price equal to 100% of the aggregate principal amount, plus accrued and unpaid interest.

*Subsequent Event.* In April 2026, we redeemed our 5.00% senior notes totaling $175.0 million at maturity.

***Convertible Senior Unsecured Notes***

In August 2025, our convertible notes matured, and were fully repaid with a portion of the net proceeds received from our 7.875% senior unsecured notes issued in July 2025. During the three months ended March 31, 2025, we incurred interest expense on the notes totaling $6.1 million, of which $5.4 million and $0.7 million related to the cash coupon and deferred financing fees, respectively.

***Junior Subordinated Notes***

The carrying values of borrowings under our junior subordinated notes were $145.7 million and $145.5 million at March 31, 2026 and December 31, 2025, respectively, which is net of a deferred amount of $7.4 million and $7.6 million, respectively, (which is amortized into interest expense over the life of the notes) and deferred financing fees of $1.2 million at both March 31, 2026 and December 31, 2025. These notes have maturities ranging from March 2034 through April 2037 and pay interest quarterly at a floating rate. The weighted average note rate was 6.55% and 6.52% at March 31, 2026 and December 31, 2025, respectively. Including certain fees and costs, the weighted average note rate was 6.64% and 6.61% at March 31, 2026 and December 31, 2025, respectively.

***Debt Covenants***

***Credit and Repurchase Facilities and Unsecured Debt.*** The credit and repurchase facilities and unsecured debt contain various financial covenants, including, but not limited to, minimum liquidity requirements, minimum net worth requirements, minimum unencumbered asset requirements, as well as certain other debt service coverage ratios, debt to equity ratios and minimum servicing portfolio tests. We were in compliance with all financial covenants and restrictions at March 31, 2026.

***CLOs.*** Our CLO vehicles contain interest coverage and asset overcollateralization covenants that must be met as of the waterfall distribution date in order for us to receive such payments. If we fail these covenants in any of our CLOs, all cash flows from the applicable CLO would be diverted to repay principal and interest on the outstanding CLO bonds and we would not receive any residual payments until that CLO regained compliance with such tests. Our CLOs were in compliance with all such covenants at March 31, 2026, as well as on the most recent determination dates in April 2026. In the event of a breach of the CLO covenants that could not be cured in the near-term, we would be required to fund our non-CLO expenses, including employee costs, distributions required to maintain our REIT status, debt costs, and other expenses with (1) cash on hand, (2) income from any CLO not in breach of a covenant test, (3) income from real property and loan assets, (4) sale of assets, or (5) accessing the equity or debt capital markets, if available. We have the right to cure covenant breaches which would resume normal residual payments to us by purchasing non-performing loans out of the CLOs. However, we may not have sufficient liquidity available to do so at such time.

Our CLO compliance tests as of the most recent determination dates in April 2026 are as follows:

| Cash Flow Triggers | CLO 17 | CLO 18 | BTR CLO 1 | CLO 20 | CLO 21 |
|---|---|---|---|---|---|
| **Overcollateralization (1)** | | | | | |
| Current | 136.30 % | 139.84 % | 117.47 % | 112.52 % | 113.15 % |
| Limit | 121.51 % | 123.03 % | 115.47 % | 110.52 % | 111.15 % |
| Pass / Fail | Pass | Pass | Pass | Pass | Pass |
| | | | | | |
| **Interest Coverage (2)** | | | | | |
| Current | 155.42 % | 134.63 % | 151.92 % | 135.00 % | 130.39 % |
| Limit | 120.00 % | 120.00 % | 120.00 % | 120.00 % | 120.00 % |
| Pass / Fail | Pass | Pass | Pass | Pass | Pass |

(1) The overcollateralization ratio divides the total principal balance of all collateral in the CLO by the total principal balance of the bonds associated with the applicable ratio. To the extent an asset is considered a defaulted security, the asset's principal balance for purposes of the overcollateralization test is the lesser of the asset's market value or the principal balance of the defaulted asset multiplied by the asset's recovery rate which is determined by the rating agencies. Rating downgrades of CLO collateral will generally not have a direct impact on the principal balance of a CLO asset for purposes of calculating the CLO overcollateralization test unless the rating downgrade is below a significantly low threshold (e.g., CCC-) as defined in each CLO vehicle.

(2) The interest coverage ratio divides interest income by interest expense for the classes senior to those retained by us.

Our CLO overcollateralization ratios as of the determination dates subsequent to each quarter are as follows:

| Determination (1) | CLO 17 | CLO 18 | BTR CLO 1 | CLO 20 | CLO 21 |
|---|---|---|---|---|---|
| April 2026 | 136.30 % | 139.84 % | 117.47 % | 112.52 % | 113.15 % |
| January 2026 | 127.77 % | 136.54 % | 117.47 % | 112.52 % | N/A |
| October 2025 | 127.02 % | 131.38 % | 117.47 % | 112.52 % | N/A |
| July 2025 | 124.46 % | 130.03 % | 117.47 % | N/A | N/A |
| April 2025 | 122.65 % | 127.91 % | N/A | N/A | N/A |

(1) This table represents the quarterly trend of our overcollateralization ratio, however, the CLO determination dates are monthly and we were in compliance with this test for all periods presented.

The ratio will fluctuate based on the performance of the underlying assets, transfers of assets into the CLOs prior to the expiration of their respective replenishment dates, purchase or disposal of other investments, and loan payoffs. No payment due under the junior subordinated indentures may be paid if there is a default under any senior debt and the senior lender has sent notice to the trustee. The junior subordinated indentures are also cross-defaulted with each other.

**Note 11 — Allowance for Loss-Sharing Obligations**

Our allowance for loss-sharing obligations related to the Fannie Mae DUS program is as follows ($ in thousands):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Beginning balance | $ 97,579 | $ 83,150 |
| Provisions for loss sharing (net of reversals) | 4,537 | 1,786 |
| Charge-offs and advances, net of reimbursements | 4,657 | 579 |
| Ending balance | $ 106,773 | $ 85,515 |

When a loan is sold under the Fannie Mae DUS program, we undertake an obligation to partially guarantee the performance of the loan. A liability is recognized for the fair value of the guarantee obligation undertaken for the non-contingent aspect of the guarantee and is removed only upon either the expiration or settlement of the guarantee. At March 31, 2026 and December 31, 2025, we had $36.1 million and $35.7 million, respectively, of guarantee obligations included in the allowance for loss-sharing obligations.

In addition to and separately from the fair value of the guarantee, we estimate our allowance for loss-sharing under CECL over the contractual period in which we are exposed to credit risk. The general reserve related to loss-sharing was based on a collective pooling basis with similar risk characteristics, a reasonable and supportable forecast and a reversion period based on our average historical losses through the remaining contractual term of the portfolio. In instances where payment under the loss-sharing obligations of a loan is determined to be probable and estimable (as the loan is probable of, or is, in foreclosure), we record a liability for the estimated loss-sharing specific reserve.

When we settle a loss under the DUS loss-sharing model, the net loss is charged-off against the previously recorded loss-sharing obligation. The settled loss is often net of any previously unreimbursed advanced principal and interest payments in accordance with the DUS program, which are reflected as reductions to the proceeds needed to settle losses. At March 31, 2026 and December 31, 2025, we had outstanding advances of $2.5 million and $7.3 million, respectively, which were netted against the allowance for loss-sharing obligations.

At March 31, 2026 and December 31, 2025, our allowance for loss-sharing obligations, associated with expected losses under CECL, was $70.7 million and $61.9 million, respectively, and represented 0.29% and 0.26%, respectively, of our Fannie Mae servicing portfolio.

At March 31, 2026 and December 31, 2025, the maximum quantifiable liability associated with our guarantees under the Fannie Mae DUS agreement was $4.64 billion and $4.60 billion, respectively. The maximum quantifiable liability is not representative of the actual loss we would incur. We would be liable for this amount only if all of the loans we service for Fannie Mae, for which we retain some risk of loss, were to default and all of the collateral underlying these loans was determined to be without value at the time of settlement.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**Note 12 — Derivative Financial Instruments**

We enter into derivative financial instruments to manage exposures that arise from business activities resulting in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates and credit risk. We do not use these derivatives for speculative purposes, but are instead using them to manage our interest rate and credit risk exposure.

***Agency Rate Lock and Forward Sale Commitments.*** We enter into contractual commitments to originate and sell mortgage loans at fixed prices with fixed expiration dates. The commitments become effective when the borrower "rate locks" a specified interest rate within time frames established by us. All potential borrowers are evaluated for creditworthiness prior to the extension of the commitment. Market risk arises if interest rates move adversely between the time of the rate lock by the borrower and the sale date of the loan to an investor. To mitigate the effect of the interest rate risk inherent in providing rate lock commitments to borrowers under the GSE programs, we enter into a forward sale commitment with the investor simultaneously with the rate lock commitment with the borrower. The forward sale contract locks in an interest rate and price for the sale of the loan. The terms of the contract with the investor and the rate lock with the borrower are matched in substantially all aspects, with the objective of eliminating interest rate risk to the extent practical. Sale commitments with the investors have an expiration date that is longer than our related commitments to the borrower to allow, among other things, for closing of the loan and processing of paperwork to deliver the loan into the sale commitment.

These commitments meet the definition of a derivative and are recorded at fair value, including the effects of interest rate movements which are reflected as a component of (loss) gain on derivative instruments, net in the consolidated statements of income. The estimated fair value of rate lock commitments also includes the fair value of the expected net cash flows associated with the servicing of the loan which is recorded as income from MSRs in the consolidated statements of income.

During the three months ended March 31, 2026 and 2025, we recorded net losses of $1.3 million and net gains of $4.7 million, respectively, from changes in the fair value of these derivatives and income from MSRs of $9.7 million and $8.1 million, respectively. See Note 13 for details.

***Treasury Futures and Credit Default Swaps.*** We enter into over-the-counter treasury futures and credit default swaps to hedge our interest rate and credit risk exposure inherent in (1) our held-for-sale Agency Business Private Label loans from the time the loans are rate locked until sale or securitization, and (2) our Agency Business SFR – fixed rate loans from the time the loans are originated until the time they can be financed with match term fixed rate securitized debt. Our treasury futures typically have a three-month maturity and are tied to the five-year and ten-year treasury rates. Our credit default swaps typically have a five-year maturity, are tied to the credit spreads of the underlying bond issuers and we typically hold our position until we price our Private Label loan securitizations. These instruments do not meet the criteria for hedge accounting, are cleared by a central clearing house and variation margin payments made in cash are treated as a legal settlement of the derivative itself. Our agreements with the counterparties provide for bilateral collateral pledging based on the counterparties' market value. The counterparties have the right to re-pledge the collateral posted, but have the obligation to return the pledged collateral as the market value of the treasury futures change. Our policy is to record the asset and liability positions on a net basis. At March 31, 2026, we had no outstanding treasury futures positions. At December 31, 2025, we had $1.6 million included in other assets, which was comprised of cash posted as collateral of $1.6 million and net liability position of less than $0.1 million from the fair value of our treasury futures.

During the three months ended March 31, 2026, we recorded realized gains of $0.8 million to our Agency Business, related to our swaps. During the three months ended March 31, 2025, we recorded realized gains of $0.5 million and unrealized losses of $1.7 million to our Agency Business.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

A summary of our non-qualifying derivative financial instruments in our Agency Business is as follows ($ in thousands):

| | | | | March 31, 2026 | |
|---|---|---|---|---|---|
| | | | | Fair Value | |
| Derivative | Count | Notional Value | Balance Sheet Location | Derivative Assets | Derivative Liabilities |
| Rate lock commitments | 3 | $ 55,904 | Other assets/other liabilities | $ 633 | $ (121) |
| Forward sale commitments | 18 | 420,320 | Other assets/other liabilities | 189 | (2,336) |
| | | $ 476,224 | | $ 822 | $ (2,457) |

| | | | | December 31, 2025 | |
|---|---|---|---|---|---|
| Rate lock commitments | 4 | $ 29,621 | Other assets/other liabilities | $ 473 | $ (66) |
| Forward sale commitments | 32 | 357,432 | Other assets/other liabilities | 112 | (1,016) |
| Treasury futures | 617 | 61,700 | | — | — |
| | | $ 448,753 | | $ 585 | $ (1,082) |

**Note 13 — Fair Value**

Fair value estimates are dependent upon subjective assumptions and involve significant uncertainties resulting in variability in estimates with changes in assumptions. The following table summarizes the principal amounts, carrying values and the estimated fair values of our financial instruments ($ in thousands):

| | March 31, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Principal / Notional Amount | Carrying Value | Estimated Fair Value | Principal / Notional Amount | Carrying Value | Estimated Fair Value |
| **Financial assets:** | | | | | | |
| Loans and investments, net | $ 11,997,293 | $ 11,835,381 | $ 11,821,573 | $ 12,113,107 | $ 11,934,248 | $ 11,964,280 |
| Loans held-for-sale, net | 444,956 | 443,218 | 456,125 | 408,386 | 409,081 | 421,398 |
| Capitalized mortgage servicing rights, net | n/a | 331,929 | 465,856 | n/a | 340,842 | 474,767 |
| Securities held-to-maturity, net | 225,461 | 155,469 | 149,237 | 229,521 | 156,087 | 150,147 |
| Derivative financial instruments | 88,438 | 822 | 822 | 94,319 | 585 | 585 |
| | | | | | | |
| **Financial liabilities:** | | | | | | |
| Credit and repurchase facilities | $ 4,977,857 | $ 4,967,952 | $ 4,961,310 | $ 5,161,707 | $ 5,149,651 | $ 5,143,472 |
| Securitized debt | 3,953,223 | 3,931,468 | 3,954,507 | 3,485,786 | 3,468,258 | 3,487,773 |
| Senior unsecured notes | 2,050,000 | 2,030,947 | 1,968,663 | 2,050,000 | 2,029,078 | 2,009,938 |
| Junior subordinated notes | 154,336 | 145,707 | 112,772 | 154,336 | 145,497 | 111,992 |
| Notes payable - real estate owned | 253,189 | 253,189 | 252,010 | 222,965 | 222,965 | 221,893 |
| Derivative financial instruments | 387,786 | 2,457 | 2,457 | 292,734 | 1,082 | 1,082 |

Assets and liabilities disclosed at fair value are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Determining which category an asset or liability falls within the hierarchy requires judgment and we evaluate our hierarchy disclosures each quarter. Hierarchical levels directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities are as follows:

Level 1—Inputs are unadjusted and quoted prices exist in active markets for identical assets or liabilities, such as government, agency and equity securities.

Level 2—Inputs (other than quoted prices included in Level 1) are observable for the asset or liability through correlation with market data. Level 2 inputs may include quoted market prices for a similar asset or liability, interest rates and credit risk. Examples include non-government securities, certain mortgage and asset-backed securities, certain corporate debt and certain derivative instruments.

Level 3—Inputs reflect our best estimate of what market participants would use in pricing the asset or liability and are based on significant unobservable inputs that require a considerable amount of judgment and assumptions. Examples include certain mortgage and asset-backed securities, certain corporate debt and certain derivative instruments.

The following is a description of the valuation techniques used to measure fair value and the general classification of these instruments pursuant to the fair value hierarchy.

***Loans and investments, net.*** Fair values of loans and investments that are not impaired are estimated using inputs based on direct capitalization rate and discounted cash flow methodology using discount rates, which, in our opinion, best reflect current market interest rates that would be offered for loans with similar characteristics and credit quality (Level 3). Fair values of impaired loans and investments are estimated using inputs that require significant judgments, which include assumptions regarding discount rates, capitalization rates, creditworthiness of major tenants, occupancy rates, availability of financing, exit plans and other factors (Level 3).

***Loans held-for-sale, net.*** Consists of originated loans that are generally expected to be transferred or sold within 60 days to 180 days of loan funding, and are valued using pricing models that incorporate observable inputs from current market assumptions or a hypothetical securitization model utilizing observable market data from recent securitization spreads and observable pricing of loans with similar characteristics (Level 2). Fair value includes the fair value allocated to the associated future MSRs and is calculated pursuant to the valuation techniques described below for capitalized mortgage servicing rights, net (Level 3).

***Capitalized mortgage servicing rights, net.*** Fair values are estimated using inputs based on discounted future net cash flow methodology (Level 3). MSRs are initially recorded at fair value and are carried at amortized cost. The fair value of MSRs is estimated using a process that involves the use of independent third-party valuation experts, supported by commercially available discounted cash flow models and analysis of current market data. The key inputs used in estimating fair value include the discount rate and contractually specified servicing fees, and to a lesser extent the prepayment speed of the underlying loans, annual per loan cost to service loans, delinquency rates, late charges and other economic factors.

***Securities held-to-maturity, net.*** Fair values are approximated using inputs based on current market quotes received from financial sources that trade such securities and are based on prevailing market data and, in some cases, are derived from third-party proprietary models based on well recognized financial principles and reasonable estimates about relevant future market conditions (Level 3).

***Derivative financial instruments.*** Fair values of rate lock and forward sale commitments are estimated using valuation techniques, which include internally-developed models based on changes in the U.S. Treasury rate and other observable market data (Level 2). The fair value of rate lock commitments includes the fair value of the expected net cash flows associated with the servicing of the loans, see capitalized mortgage servicing rights, net above for details on the applicable valuation technique (Level 3). We also consider the impact of counterparty non-performance risk when measuring the fair value of these derivatives.

***Credit facilities, repurchase facilities and notes payable - real estate owned.*** Fair values for credit and repurchase facilities and notes payable - real estate owned of the Structured Business are estimated using discounted cash flow methodology, using discount rates, which, in our opinion, best reflect current market interest rates for financing with similar characteristics and credit quality (Level 3). The majority of our credit and repurchase facilities for the Agency Business bear interest at rates that are similar to those available in the market currently and fair values are estimated using Level 2 inputs. For these facilities, the fair values approximate their carrying values.

***Securitized debt and junior subordinated notes.*** Fair values are estimated based on broker quotations, representing the discounted expected future cash flows at a yield that reflects current market interest rates and credit spreads (Level 3).

***Senior unsecured notes.*** Fair values are estimated at current market quotes received from active markets when available (Level 1). If quotes from active markets are unavailable, then the fair values are estimated utilizing current market quotes received from inactive markets (Level 2).

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We measure certain financial assets and financial liabilities at fair value on a recurring basis. The fair values of these financial assets and liabilities are determined using the following input levels at March 31, 2026 ($ in thousands):

| | | | Fair Value Measurements Using Fair Value Hierarchy | | |
|---|---|---|---|---|---|
| | Carrying Value | Fair Value | Level 1 | Level 2 | Level 3 |
| **Financial assets:** | | | | | |
| Derivative financial instruments | $ 822 | $ 822 | $ — | $ 189 | $ 633 |
| | | | | | |
| **Financial liabilities:** | | | | | |
| Derivative financial instruments | $ 2,457 | $ 2,457 | $ — | $ 2,457 | $ — |

We measure certain financial and non-financial assets at fair value on a nonrecurring basis. The fair values of these financial and non-financial assets, if applicable, were determined using the following input levels at March 31, 2026 ($ in thousands):

| | | | Fair Value Measurements Using Fair Value Hierarchy | | |
|---|---|---|---|---|---|
| | Net Carrying Value | Fair Value | Level 1 | Level 2 | Level 3 |
| **Financial assets:** | | | | | |
| *Impaired loans, net* | | | | | |
| Loans held-for-investment (1) | $ 303,114 | $ 303,114 | $ — | $ — | $ 303,114 |
| Loans held-for-sale (2) | 12,993 | 12,993 | — | 12,993 | — |
| | $ 316,107 | $ 316,107 | $ — | $ 12,993 | $ 303,114 |

(1) We had an allowance for credit losses of $31.6 million relating to 17 impaired loans with an aggregate carrying value, before loan loss reserves, of $334.7 million at March 31, 2026. The fair values of these impaired loans are based on the value of the underlying collateral.
(2) We have an impairment loss of $1.0 million related to 3 loans held-for-sale with an aggregate carrying value, before unrealized impairment losses, of $14.0 million.

***Loan impairment assessments.*** Loans held-for-investment are intended to be held to maturity and, accordingly, are carried at cost, net of unamortized loan origination costs and fees, loan purchase discounts, and net of allowance for credit losses, when such loan or investment is deemed to be impaired. We consider a loan impaired when, based upon current information, it is probable that all amounts due for both principal and interest will not be collected according to the contractual terms of the loan agreement. We evaluate our loans to determine if the value of the underlying collateral securing the impaired loan is less than the net carrying value of the loan, which may result in an allowance, and corresponding charge to the provision for credit losses, or an impairment loss. These valuations require significant judgments, which include assumptions regarding capitalization and discount rates, revenue growth rates, creditworthiness of major tenants, occupancy rates, availability of financing, exit plan and other factors.

Loans held-for-sale are generally expected to be transferred or sold within 60 days to 180 days of loan origination and are reported at lower of cost or market. We consider a loan classified as held-for-sale impaired if, based on current information, it is probable that we will sell the loan below par, or not be able to collect all principal and interest in accordance with the contractual terms of the loan agreement. These loans are valued using pricing models that incorporate observable inputs from current market assumptions or a hypothetical securitization model utilizing observable market data from recent securitization spreads and observable pricing of loans with similar characteristics.

The tables above and below include all impaired loans, regardless of the period in which the impairment was recognized.

Quantitative information about Level 3 fair value measurements at March 31, 2026 is as follows ($ in thousands):

| | Fair Value | Valuation Techniques | Significant Unobservable Inputs | | |
|---|---|---|---|---|---|
| **Financial assets:** | | | | | |
| Impaired loans: | | | | Weighted Average | Minimum / Maximum |
| Multifamily | $ 289,106 | Discounted cash flows | Capitalization rate | 5.89 % | 5.50 % - 7.00 % |
| Retail | $ 14,008 | Sales comparative | Price per acre | $165 | $165 |
| Derivative financial instruments: | | | | | |
| Rate lock commitments | $ 633 | Discounted cash flows | W/A discount rate | 13.82 % | 13.82 % |

The derivative financial instruments using Level 3 inputs are outstanding for short periods of time (generally less than 60 days). A roll-forward of Level 3 derivative instruments is as follows ($ in thousands):

| | Fair Value Measurements Using Significant Unobservable Inputs | |
|---|---|---|
| | Three Months Ended March 31, | |
| | 2026 | 2025 |
| **Derivative assets and liabilities, net** | | |
| Beginning balance | $ 473 | $ — |
| Settlements | (9,500) | (7,822) |
| Realized gains recorded in earnings | 9,027 | 7,822 |
| Unrealized gains recorded in earnings | 633 | 309 |
| Ending balance | $ 633 | $ 309 |

The components of fair value and other relevant information associated with our forward sales commitments and the estimated fair value of cash flows from servicing on loans held-for-sale are as follows ($ in thousands):

| March 31, 2026 | Notional/ Principal Amount | Fair Value of Servicing Rights | Unrealized Impairment Loss | Total Fair Value Adjustment |
|---|---|---|---|---|
| Rate lock commitments | $ 55,904 | $ 633 | $ — | $ 633 |
| Forward sale commitments | 420,320 | — | — | — |
| Loans held-for-sale, net (1) | 444,956 | 4,994 | 1,224 | 6,218 |
| Total | | $ 5,627 | $ 1,224 | $ 6,851 |

(1) Loans held-for-sale, net are recorded at the lower of cost or market on an aggregate basis and includes fair value adjustments related to estimated cash flows from MSRs.

We measure certain assets and liabilities for which fair value is only disclosed. The fair values of these assets and liabilities are determined using the following input levels at March 31, 2026 ($ in thousands):

| | | | Fair Value Measurements Using Fair Value Hierarchy | | |
|---|---|---|---|---|---|
| | Carrying Value | Fair Value | Level 1 | Level 2 | Level 3 |
| **Financial assets:** | | | | | |
| Loans and investments, net | $ 11,835,381 | $ 11,821,573 | $ — | $ — | $ 11,821,573 |
| Loans held-for-sale, net | 443,218 | 456,125 | — | 451,131 | 4,994 |
| Capitalized mortgage servicing rights, net | 331,929 | 465,856 | — | — | 465,856 |
| Securities held-to-maturity, net | 155,469 | 149,237 | — | — | 149,237 |
| | | | | | |
| **Financial liabilities:** | | | | | |
| Credit and repurchase facilities | $ 4,967,952 | $ 4,961,310 | $ — | $ 424,865 | $ 4,536,445 |
| Securitized debt | 3,931,468 | 3,954,507 | — | — | 3,954,507 |
| Senior unsecured notes | 2,030,947 | 1,968,663 | 1,968,663 | — | — |
| Junior subordinated notes | 145,707 | 112,772 | — | — | 112,772 |
| Notes payable - real estate owned | 253,189 | 252,010 | — | — | 252,010 |

**Note 14 — Commitments and Contingencies**

***Agency Business Commitments.*** We must make certain representations and warranties concerning each loan we originate for the GSE or HUD programs. The representations and warranties relate to our practices in the origination and servicing of the loans, the accuracy of the information being provided by us and the conformity of the loans to the terms and conditions required by the GSEs and HUD. In the event of a breach of any representation or warranty, the GSEs or HUD could require us to repurchase a loan, even if the loan is not in default. Our obligation to repurchase the loan is independent of our risk-sharing obligations.

Our Agency Business is subject to supervision by certain regulatory agencies. Among other things, these agencies require us to meet certain minimum net worth, operational liquidity and restricted liquidity collateral requirements, and compliance with reporting requirements. Our adjusted net worth and liquidity required by the agencies for all periods presented exceeded these requirements.

At March 31, 2026, we were required to maintain at least $24.0 million of liquid assets in one of our subsidiaries to meet our operational liquidity requirements for Fannie Mae and we had operational liquidity in excess of this requirement.

We are generally required to share the risk of any losses associated with loans sold under the Fannie Mae DUS program and are required to secure this obligation by assigning restricted cash balances and/or a letter of credit to Fannie Mae. The amount of collateral required by Fannie Mae is a formulaic calculation at the loan level by a Fannie Mae assigned tier, which considers the loan balance, risk level of the loan, age of the loan and level of risk-sharing. Fannie Mae requires restricted liquidity for Tier 2 loans of 75 basis points, 15 basis points for Tier 3 loans and 5 basis points for Tier 4 loans, which is funded over a 48-month period that begins upon delivery of the loan to Fannie Mae. A significant portion of our Fannie Mae DUS serviced loans for which we have risk sharing are Tier 2 loans. At March 31, 2026, the restricted liquidity requirement totaled $102.3 million and was satisfied with a $70.0 million letter of credit and cash issued to Fannie Mae.

At March 31, 2026, reserve requirements for the current Fannie Mae DUS loan portfolio will require us to fund $33.8 million in additional restricted liquidity over the next 48 months, assuming no further principal paydowns, prepayments, or defaults within our at-risk portfolio. Fannie Mae periodically reassesses these collateral requirements and may make changes to these requirements in the future. We generate sufficient cash flow from our operations to meet these capital standards and do not expect any changes to have a material impact on our future operations; however, future changes to collateral requirements may adversely impact our available cash.

We are subject to various capital requirements in connection with seller/servicer agreements that we have entered into with secondary market investors. Failure to maintain minimum capital requirements could result in our inability to originate and service loans for the respective investor and, therefore, could have a direct material effect on our consolidated financial statements. At March 31, 2026, we met all of Fannie Mae's quarterly capital requirements and our Fannie Mae adjusted net worth was in excess of the required net worth. We are not subject to capital requirements on a quarterly basis for Ginnie Mae and FHA, as requirements for these investors are only required on an annual basis.

As an approved designated seller/servicer under Freddie Mac's SBL program, we are required to post collateral to ensure that we are able to meet certain purchase and loss obligations required by this program. Under the SBL program, we are required to post collateral equal to $5.0 million, which is satisfied with a $5.0 million letter of credit.

We enter into contractual commitments with borrowers providing rate lock commitments while simultaneously entering into forward sale commitments with investors. These commitments are outstanding for short periods of time (generally less than 60 days) and are described in more detail in Note 12 and Note 13.

***Debt Obligations and Operating Leases.*** At March 31, 2026, the maturities of our debt obligations and the minimum annual operating lease payments under leases with a term in excess of one year are as follows ($ in thousands):

| Year | Debt Obligations | Minimum Annual Operating Lease Payments | Total |
|---|---|---|---|
| 2026 (nine months ending December 31, 2026) | $ 3,049,470 | $ 8,598 | $ 3,058,068 |
| 2027 | 4,533,279 | 9,912 | 4,543,191 |
| 2028 | 1,654,068 | 9,226 | 1,663,294 |
| 2029 | 1,337,841 | 8,714 | 1,346,555 |
| 2030 | 659,611 | 8,756 | 668,367 |
| 2031 | — | 6,381 | 6,381 |
| Thereafter | 154,336 | 4,543 | 158,879 |
| Total | $ 11,388,605 | $ 56,130 | $ 11,444,735 |

During the three months ended March 31, 2026 and 2025, we recorded lease expense of $2.9 million and $2.8 million, respectively.

***Unfunded Commitments.*** In accordance with certain structured loans and investments, we have outstanding unfunded commitments of $1.79 billion at March 31, 2026 that we are obligated to fund as borrowers meet certain requirements. Specific requirements include, but are not limited to, property renovations, building construction and conversions based on criteria met by the borrower in accordance with the loan agreements.

***Litigation.*** From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Except as set forth below under "Securities Class Action" and "Derivative Actions," we are not currently a party to any material legal proceedings, and we are not aware of any pending or threatened legal proceeding against us that we believe could have an adverse effect on our business, operating results or financial condition. Because the results of legal proceedings are inherently unpredictable and uncertain, we are currently unable to predict whether it will have a material adverse effect on our business, financial condition or results of operations.

*Securities Class Action*

On July 31, 2024, a purported shareholder filed a securities class action lawsuit against us and certain of our executive officers in the United States District Court for the Eastern District of New York (the "Court"), alleging violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The plaintiffs seek to represent a class of shareholders who purchased our shares of common stock between May 7, 2021 and July 11, 2024.

On November 5, 2024, the Court approved the motion appointing the lead plaintiffs and their counsel.

An amended complaint was filed by the lead plaintiffs on January 21, 2025. The amended complaint alleges that we have made false and misleading statements and/or failed to disclose material information in connection with allegedly overriding internal controls, engaging in substandard lending practices and not complying with agency requirements. The plaintiffs are seeking damages in an unspecified amount, as well as attorneys' fees and costs. On April 10, 2025, we served a motion to dismiss the case. On March 31, 2026, the Court granted the motion to dismiss in its entirety, dismissing the amended complaint. The plaintiffs were granted leave to amend within 30 days of the order dismissing the case but ultimately decided not to amend. On May 5, 2026, the Court dismissed the plaintiffs' claims with prejudice and judgment was entered in favor of defendants.

*Derivative Actions*

On February 26, 2025, a purported shareholder filed a verified shareholder derivative suit in the United States District Court for the District of Maryland, derivatively and on behalf of the Company, against certain officers and directors of the Board of Directors, asserting claims for breach of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, violations of Section 14(a) of the Exchange Act, and contribution under the Exchange Act, arising from substantially the same facts and events as

alleged in the above-mentioned Securities Class Action. The complaint seeks unspecified damages, costs and expenses, as well as other relief. On March 17, 2025, another purported shareholder filed a substantially similar verified shareholder derivative complaint, and the derivative actions were consolidated as In re Arbor Realty Trust, Inc. Stockholder Derivative Litigation, No. 1:25-cv-00639. On April 28, 2025, the Court entered a joint stipulation and order to stay the action pending resolution of the motion to dismiss in the Securities Class Action. The action will remain stayed following a dismissal without prejudice until entry of an order resolving a subsequent motion to dismiss in the class action. The consolidated case is in the early stages.

On April 18, 2025, another purported shareholder filed a substantially similar verified shareholder derivative complaint in the District Court for the Eastern District of New York. On May 20, 2025, the Court entered a joint stipulation and order to stay the action pending resolution of the motion to dismiss in the Securities Class Action. On April 14, 2026, the Court lifted the stay. The next day, the parties filed a joint letter to the Court, requesting that the Court reinstate the stay pursuant to its May 20, 2025 order. On April 15, 2026, the Court ordered the parties to file a joint status report by May 5, 2026, which the parties did. On May 5, 2026, the Court ordered the parties to file a joint status report by June 9, 2026. This case is also in the early stages.

On July 18, 2025, a purported shareholder filed a verified shareholder derivative complaint in the Circuit Court for the Baltimore City, Maryland, derivatively and on behalf of the Company, against certain officers and directors of the Board of Directors, asserting demand refusal and a claim for breach of fiduciary duty. On September 15, 2025, the Court entered a joint stipulation and order to stay the action pending resolution of the motion to dismiss in the Securities Class Action. The action will remain stayed following a dismissal without prejudice until entry of an order resolving a subsequent motion to dismiss in the class action. This case is also in the early stages.

On July 29, 2025, two purported shareholders filed a verified shareholder derivative complaint in the United States District Court for the Eastern District of New York, derivatively and on behalf of the Company, against certain officers and directors of the Board of Directors, asserting demand refusal and claims for violation of Section 14(a) of the Exchange Act, breach of fiduciary duty and unjust enrichment. On October 23, 2025, the Court granted a joint motion to change venue and transferred the action to the United States District Court for the District of Maryland. On November 14, 2025, the court entered a joint stipulation and order to stay the action pending resolution of the motion to dismiss in the Securities Class Action. The action will remain stayed following a dismissal without prejudice until entry of an order resolving a subsequent motion to dismiss in the class action. This case is also in the early stages.

On August 5, 2025, a purported shareholder filed a verified shareholder derivative complaint in the United States District Court for the Eastern District of New York, derivatively and on behalf of the Company, against certain officers and directors of the Board of Directors, asserting demand futility and claims for violation of Section 14(a) of the Exchange Act, breach of fiduciary duty, and unjust enrichment. On September 10, 2025, the Court entered a joint stipulation and order to stay the action pending resolution of the motion to dismiss in the Securities Class Action. The action will remain stayed following a dismissal without prejudice until entry of an order resolving a subsequent motion to dismiss in the class action. This case is also in the early stages.

We believe that the allegations in the lawsuits are without merit, and we intend to vigorously defend against the claims. At this time, we are unable to determine whether an unfavorable outcome is probable or to estimate reasonably possible losses.

***Due to Borrowers.*** Due to borrowers represents borrowers' funds held by us to fund certain expenditures or to be released at our discretion upon the occurrence of certain pre-specified events, and to serve as additional collateral for borrowers' loans. While retained, these balances earn interest in accordance with the specific loan terms they are associated with.

**Note 15 — Variable Interest Entities**

Our involvement with VIEs primarily affects our financial performance and cash flows through amounts recorded in interest income, interest expense, provision for loan losses and through activity associated with our derivative instruments.

***Consolidated VIEs.*** We have determined that our operating partnership, ARLP, and our CLO and Q Series securitization entities ("Securitization Entities") are VIEs, which we consolidate.

Our Securitization Entities invest in real estate and real estate-related securities and are financed by the issuance of debt securities. We believe we hold the power necessary to direct the most significant economic activities of those entities. We also have exposure to losses to the extent of our equity interests, and rights to waterfall payments in excess of required payments to bond investors. As a result of consolidation, equity interests have been eliminated, and the consolidated balance sheets reflect both the assets held and debt issued to third parties by the Securitization Entities, prior to the unwind. Our operating results and cash flows include the gross asset and liability amounts related to the Securitization Entities as opposed to our net economic interests in those entities.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
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The assets and liabilities related to these consolidated Securitization Entities are as follows ($ in thousands):

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| **Assets:** | | |
| Restricted cash | $ 359,569 | $ 35,258 |
| Loans and investments, net | 4,745,864 | 4,557,631 |
| Other assets | 65,437 | 69,132 |
| Total assets | $ 5,170,870 | $ 4,662,021 |
| | | |
| **Liabilities:** | | |
| Securitized debt | $ 3,931,468 | $ 3,468,258 |
| Other liabilities | 9,688 | 9,590 |
| Total liabilities | $ 3,941,156 | $ 3,477,848 |

Assets held by the Securitization Entities are restricted and can only be used to settle obligations of those entities. The liabilities of the Securitization Entities are non-recourse to us and can only be satisfied from each respective asset pool. See Note 10 for details. We are not obligated to provide, have not provided, and do not intend to provide financial support to any of the Securitization Entities.

***Unconsolidated VIEs***. We determined that we are not the primary beneficiary of 64 VIEs in which we have a variable interest at March 31, 2026 because we do not have the ability to direct the activities of the VIEs that most significantly impact each entity's economic performance or substantially all of the activities do not involve, or are not conducted on behalf of, the Company.

A summary of our variable interests in identified VIEs, of which we are not the primary beneficiary, at March 31, 2026 is as follows ($ in thousands):

| Type | Carrying Amount (1) |
|---|---|
| Loans | $ 1,484,172 |
| APL certificates | 143,900 |
| Equity investments | 31,477 |
| B Piece bonds | 26,694 |
| Agency interest-only strips | 8 |
| Total | $ 1,686,251 |

(1) Represents the carrying amount of loans and investments before reserves. At March 31, 2026, $91.8 million of loans to VIEs had corresponding specific loan loss reserves of $7.8 million. The maximum loss exposure at March 31, 2026 would not exceed the carrying amount of our investment.

These unconsolidated VIEs have exposure to real estate debt of approximately $4.77 billion at March 31, 2026.

**Note 16 — Equity**

***Preferred Stock.*** The Series D, Series E and Series F preferred stock are not redeemable by us prior to June 2, 2026, August 11, 2026 and October 12, 2026, respectively. Holders of the Series F preferred stock are entitled to receive cumulative dividends at a fixed rate equal to 6.25% from the date of issuance through October 29, 2026 and at a floating rate equal to a benchmark rate (which is expected to be the three-month term SOFR) plus a spread of 5.442% per annum beginning October 30, 2026; provided that in no event should the rate be lower than 6.125%.

***Common Stock.*** We have an equity distribution agreement with Citizens JMP Securities, LLC ("JMP"). In accordance with the terms of the agreement, we may offer and sell up to 30,000,000 shares of our common stock in "At-The-Market" equity offerings through JMP by means of ordinary brokers' transactions or otherwise at market prices prevailing at the time of sale, or at negotiated prices. At March 31, 2026, we had 23,439,335 shares available under the agreement.

We have a share repurchase program providing for the repurchase of up to $150.0 million of our outstanding common stock. The repurchase of our common stock may be made from time to time in the open market, through privately negotiated transactions, or

otherwise in compliance with Rule 10b-18 and Rule 10b5-1 under the Exchange Act, based on our stock price, general market conditions, applicable legal requirements and other factors. The program may be discontinued or modified at any time. During the first quarter of 2026, we repurchased 4,117,901 shares of our common stock under our share repurchase program at a total cost of $30.7 million and an average cost of $7.46 per share. At March 31, 2026, there was $105.9 million available for repurchase under this program.

***Noncontrolling Interest.*** Noncontrolling interest relates to the operating partnership units ("OP Units") issued to satisfy a portion of the purchase price in connection with the acquisition of the agency platform of Arbor Commercial Mortgage, LLC ("ACM") in 2016. Each of these OP Units are paired with one share of our special voting preferred shares having a par value of $0.01 per share and is entitled to one vote each on any matter submitted for stockholder approval. The OP Units are entitled to receive distributions if and when our Board of Directors authorizes and declares common stock distributions. The OP Units are also redeemable for cash, or at our option, for shares of our common stock on a one-for-one basis. At March 31, 2026, there were 16,170,218 OP Units outstanding, which represented 7.8% of the voting power of our outstanding stock.

***Distributions.*** Dividends declared (on a per share basis) during the three months ended March 31, 2026 are as follows:

| Common Stock | | Preferred Stock | | | |
|---|---|---|---|---|---|
| | | | Dividend | | |
| Declaration Date | Dividend | Declaration Date | Series D | Series E | Series F |
| February 24, 2026 | $ 0.30 | March 30, 2026 | $ 0.3984375 | $ 0.390625 | $ 0.390625 |

*Common Stock* – On May 7, 2026, the Board of Directors declared a cash dividend of $0.17 per share of common stock. The dividend is payable on June 5, 2026 to common stockholders of record as of the close of business on May 22, 2026.

***Deferred Compensation.*** During the first quarter of 2026, we granted 1,056,203 shares of restricted common stock to certain employees and Board of Directors members under the Amended Omnibus Stock Incentive Plan with a total grant date fair value of $8.1 million, of which: (1) 369,386 shares with a grant date fair value of $2.8 million vested on the grant date in 2026; (2) 323,963 shares with a grant date fair value of $2.5 million will vest in 2027; (3) 324,199 shares with a grant date fair value of $2.5 million will vest in 2028; (4) 19,331 shares with a grant date fair value of $0.1 million will vest in 2029; and (5) 19,324 shares with a grant date fair value of $0.1 million will vest in 2030.

During the first quarter of 2026, we granted our chief executive officer 281,690 shares of restricted common stock with a grant date fair value of $2.1 million that vest in full in the first quarter of 2029. We also granted our chief executive officer up to 1,126,760 shares of performance-based restricted stock units ("RSUs") with a grant date fair value of $3.1 million that vest at the end of a four-year performance period based on the achievement of certain stockholder return objectives. In addition, we granted our chief operating officer 649,350 shares of performance-based RSUs with a grant date fair value of $0.6 million that vest at the end of a five-year performance period based on the achievement of certain stockholder return objectives.

We also issued 79,652 fully-vested RSUs with a grant date fair value of $0.6 million to certain members of our Board of Directors, who have decided to defer the receipt of the common stock, into which the RSUs are converted, or to defer receipt of cash fees, to a future date pursuant to a pre-established deferral election.

During the first quarter of 2026, we withheld 310,341 shares from the net settlement of restricted common stock by employees for payment of withholding taxes on shares that vested.

***Earnings Per Share ("EPS").*** Basic EPS is calculated by dividing net income (loss) attributable to common stockholders by the weighted average number of shares of common stock outstanding during each period inclusive of unvested restricted stock with full dividend participation rights. Diluted EPS is calculated by dividing net income (loss) by the weighted average number of shares of common stock outstanding, plus the additional dilutive effect of common stock equivalents during each period. Our common stock equivalents include the weighted average dilutive effect of RSUs and OP Units, and for the three months ended March 31, 2025, convertible senior unsecured notes.

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A reconciliation of the numerator and denominator of our basic and diluted EPS computations is as follows ($ in thousands, except share and per share data):

| | Three Months Ended March 31, | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| | Basic | Diluted | Basic | Diluted |
| Net income attributable to common stockholders (1) | $ 629 | $ 629 | $ 30,438 | $ 30,438 |
| Net income attributable to noncontrolling interest (2) | — | 52 | — | 2,602 |
| Net income attributable to common stockholders and noncontrolling interest (3) | $ 629 | $ 681 | $ 30,438 | $ 33,040 |
| Weighted average shares outstanding | 194,194,906 | 194,194,906 | 190,060,776 | 190,060,776 |
| Dilutive effect of OP Units (2) | — | 16,170,218 | — | 16,249,284 |
| Dilutive effect of RSUs (4) | — | 1,370,607 | — | 552,260 |
| Weighted average shares outstanding (3) | 194,194,906 | 211,735,731 | 190,060,776 | 206,862,320 |
| Net income per common share (1) | $ 0.00 | $ 0.00 | $ 0.16 | $ 0.16 |

(1) Net of preferred stock dividends.
(2) We consider OP Units to be common stock equivalents as the holders have voting rights, the right to distributions and the right to redeem the OP Units for the cash value of a corresponding number of shares of common stock or a corresponding number of shares of common stock, at our election.
(3) The three months ended March 31, 2025 excludes interest expense of $6.1 million, and potentially dilutive shares of 17,616,593 attributable to convertible debt since their effect would have been anti-dilutive. In August 2025, our convertible debt matured and was fully settled.
(4) Represents the dilutive effect of performance-based RSUs granted to our chief executive officer and chief operating officer that vest based upon our achievement of total stockholder return objectives and RSUs granted to our chief executive officer and certain directors who have decided to defer the receipt of the common stock into which the RSUs are converted, or to defer receipt of cash fees, to a future date pursuant to a pre-established deferral election.

**Note 17 — Income Taxes**

As a REIT, we are generally not subject to U.S. federal income tax to the extent of our distributions to stockholders and as long as certain asset, income, distribution, ownership and administrative tests are met. To maintain our qualification as a REIT, we must annually distribute at least 90% of our REIT-taxable income to our stockholders and meet certain other requirements. We may also be subject to certain state, local and franchise taxes. Under certain circumstances, federal income and excise taxes may be due on our undistributed taxable income. If we were to fail to meet these requirements, we would be subject to U.S. federal income tax, which could have a material adverse impact on our results of operations and amounts available for distributions to our stockholders. We believe that all of the criteria to maintain our REIT qualification have been met for the applicable periods, but there can be no assurance that these criteria will continue to be met in subsequent periods.

The Agency Business is operated through our TRS Consolidated Group and is subject to U.S. federal, state and local income taxes. In general, our TRS entities may hold assets that the REIT cannot hold directly and may engage in real estate or non-real estate-related business.

On July 4, 2025, the One Big Beautiful Bill Act (the "OBBBA") was enacted into law. The legislation includes significant changes to U.S. tax law. Both our REIT and Agency Business are now subject to the provisions of Section 162(m) of the Internal Revenue Code ("Section 162(m)") which limits the tax deductibility of executive compensation to $1 million per year for each named executive officer ("NEO"). We believe that it is more likely than not a significant portion of our NEO compensation will exceed the $1 million limitation in current and future years resulting in no tax deductibility for the book expense associated with these compensation agreements, including share based compensation.

A summary of our income tax provision is as follows ($ in thousands):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Current income tax provision | $ (4,665) | $ (3,728) |
| Deferred income tax benefit | 2,580 | 137 |
| Total income tax provision | $ (2,085) | $ (3,591) |

**Note 18 — Agreements and Transactions with Related Parties**

***Support Agreement and Employee Secondment Agreement.*** We have a support agreement and a secondment agreement with ACM and certain of its affiliates and certain affiliates of a relative of our chief executive officer ("Service Recipients") where we provide support services and seconded employees to the Service Recipients. The Service Recipients reimburse us for the costs of performing such services and the cost of the seconded employees. During both the three months ended March 31, 2026 and 2025, we incurred $0.9 million of costs for services provided and employees seconded to the Service Recipients, all of which are reimbursable to us and included in due from related party on the consolidated balance sheets.

***Other Related Party Transactions.*** Due from related party was $35.3 million and $6.5 million at March 31, 2026 and December 31, 2025, respectively, which consisted primarily of amounts due from our affiliated servicing operations related to real estate transactions closing at the end of the quarter and amounts due from ACM for costs incurred in connection with the support and secondment agreements described above.

Due to related party was $1.8 million and $0.5 million at March 31, 2026 and December 31, 2025, respectively, and consisted of loan settlements, holdbacks and escrows to be remitted to our affiliated servicing operations related to real estate transactions.

Investments in equity affiliates, which represent related parties under GAAP, and their related disclosures, are included in Note 8.

In certain instances, our business requires our executives to utilize privately owned aircraft in furtherance of our business. We have an aircraft time-sharing agreement with an entity controlled by our chief executive officer that owns a private aircraft. Pursuant to the agreement, we reimburse the aircraft owner for the required costs under Federal Aviation Administration regulations for the flights our executives' take. For certain flights, we also charter the aircraft from a certificated air carrier for use of the same aircraft. The air carrier provides charter revenue back to the aircraft owner when we use the aircraft. During the three months ended March 31, 2026 and 2025, we reimbursed the aircraft owner $0.2 million and $0.3 million, respectively, for flights taken by our executives pursuant the time-sharing agreement. There were no charter flights taken in the three months ended March 31, 2026 and 2025.

In November 2025, we originated a $67.9 million bridge loan for the acquisition of a multifamily property purchased by a joint venture we formed with ACM, an entity owned by an immediate family member of our chief executive officer and a consortium of independent outside investors, we refer to as "Clarus Berkley," which was formed to purchase and operate the property. We contributed $1.5 million, for a 3.6% interest in the borrowing entity, while ACM and the entity owned by an immediate family member of our chief executive officer contributed a combined $1.8 million for a 4.3% interest in the borrowing entity. The loan has an interest rate of SOFR plus 2.50% with a SOFR floor of 2.50% and matures in November 2028. Interest income recorded from this loan was $1.1 million for the three months ended March 31, 2026. See Note 8 for further details.

In November 2025, we committed to fund a $44.8 million bridge loan (none was funded at March 31, 2026) in an SFR BTR construction project. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project, representing less than 1.0% of the total equity invested. The loan has an interest rate of SOFR plus 4.25% with a SOFR floor of 3.50% and matures in November 2028, with a one-year extension option.

In October 2025, we committed to fund a $50.5 million bridge loan (none was funded at March 31, 2026) in an SFR BTR construction project. ACM and an entity owned by an immediate family member of our chief executive officer also made equity investments in the project, representing in the aggregate 4.6% of the total equity invested. The loan has an interest rate of SOFR plus 4.25% with a SOFR floor of 3.50% and matures in October 2028, with a one-year extension option.

In August 2025, we originated a $4.0 million bridge loan for the acquisition of a condominium complex, of which one of our directors is the co-chief executive officer and president of an entity that is an indirect owner of the borrower. The loan has an interest rate of SOFR plus 3.25% with a SOFR floor of 4.32% and matures in August 2026. Interest income recorded from this bridge loan was less than $0.1 million for the three months ended March 31, 2026.

In May 2025, we refinanced a $32.5 million bridge loan with a new $43.0 million bridge loan for an SFR BTR construction project that matures in May 2026. In 2020, we also made a $3.5 million preferred equity investment in the same project, of which $1.2 million was paid off in May 2025. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project and owned a 21.8% equity interest in the borrowing entity that increased to 26.6% in connection with the refinancing. The interest on the old loan was SOFR plus 3.75% with a SOFR floor of 0.75% and the interest rate of the new loan is SOFR plus 3.00% with a SOFR floor of 3.25%. The preferred equity investment has a 12.00% fixed rate and was scheduled to mature in May 2025, which was extended to May 2026. In connection with the extension, the borrower paid deferred interest of $1.9 million. Interest income recorded from these loans was $0.8 million and $1.0 million for the three months ended March 31, 2026 and 2025, respectively.

In May 2025, we refinanced a $30.5 million bridge loan with a new $36.2 million bridge loan, for an SFR BTR construction project. In 2020, we also made a $4.6 million preferred equity investment in the same project. ACM and an entity owned by an immediate family member of our chief executive officer also made equity investments in the project and owned a combined 18.9% equity interest in the borrowing entity that increased to 33.7% in connection with the refinancing. The interest rate on the old loan was SOFR plus 4.25% with a SOFR floor of 1.00% and the interest rate on the new loan is SOFR plus 3.00% with a SOFR floor of 3.25%. The new loan was scheduled to mature in November 2025, which was extended to May 2026. The preferred equity investment has a 12.00% fixed rate and was scheduled to mature in November 2025, which was extended to May 2026. In connection with the extension, the borrower paid deferred interest of $1.3 million. Interest income recorded from these loans was $0.7 million and $1.0 million for the three months ended March 31, 2026 and 2025, respectively.

In May 2025, we refinanced a $56.9 million bridge loan with a new $58.4 million bridge loan for an SFR BTR construction project. Two of our officers made minority equity investments totaling $0.5 million, representing approximately 4% of the total equity invested in the project. Interest on the new loan decreased from SOFR plus 5.50% with a SOFR floor of 3.25% to SOFR plus 2.75% with a SOFR floor of 3.50% and matures in May 2027. Interest income recorded from this loan was $1.0 million and $1.4 million for the three months ended March 31, 2026 and 2025, respectively.

In February 2025, we refinanced a $46.2 million bridge loan we purchased from ACM in 2022 with a new $52.6 million bridge loan ($31.3 million was funded at March 31, 2026) for an SFR BTR construction project. A consortium of investors (which includes, among other unaffiliated investors, certain of our officers with a minority ownership interest) owns 70% of the borrowing entity and an entity indirectly owned and controlled by an immediate family member of our chief executive officer owns 10% of the borrowing entity. Interest on the new loan decreased from SOFR plus 5.50% to SOFR plus 4.75% and matures in February 2027. Interest income recorded from this loan was $0.7 million and $0.2 million for the three months ended March 31, 2026 and 2025, respectively.

In 2024, we committed to fund a $62.4 million bridge loan ($28.5 million was funded at March 31, 2026) in an SFR BTR construction project. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project and owns a 3.34% equity interest in the borrowing entity. The loan has an interest rate of SOFR plus 4.25% with a SOFR floor of 3.50% and matures in July 2027. Interest income recorded from this loan was $0.6 million and $0.1 million for the three months ended March 31, 2026 and 2025, respectively.

In 2024, we committed to fund a $42.5 million bridge loan ($33.1 million was funded at March 31, 2026) in an SFR BTR construction project. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project and owns a 2.28% equity interest in the borrowing entity. The loan has an interest rate of SOFR plus 4.25% with a SOFR floor of 3.50% and matures in May 2027. Interest income recorded from this loan was $0.6 million and $0.2 million for the three months ended March 31, 2026 and 2025, respectively.

In 2022, we committed to fund a $67.1 million bridge loan ($55.0 million was funded at March 31, 2026) in an SFR BTR construction project. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project and owns a 2.25% equity interest in the borrowing entity. The loan has an interest rate of SOFR plus 4.63% with a SOFR floor of 0.25% and was scheduled to mature in May 2026, which was extended to May 2027. Interest income recorded from this loan was $1.2 million and $1.0 million for the three months ended March 31, 2026 and 2025, respectively.

In 2022, we funded a $39.4 million bridge loan in an SFR BTR construction project. An entity owned by an immediate family member of our chief executive officer also made an equity investment in the project and owns a 2.25% equity interest in the borrowing entity. The loan has an interest rate of SOFR plus 4.00% with a SOFR floor of 0.25% and was scheduled to mature in March 2026, which was extended to March 2027. Interest income recorded from this loan was $0.8 million and $0.7 million for the three months ended March 31, 2026 and 2025, respectively.

In 2021, we invested $4.2 million for 49.3% interest in a limited liability company (“LLC”) which purchased a retail property for $32.5 million and assumed an existing $26.0 million CMBS loan. A portion of the property can potentially be converted to office space, of which we have the right to occupy, in part. An entity owned by an immediate family member of our chief executive officer also made an

investment in the LLC for a 10% ownership, is the managing member and holds the right to purchase our interest in the LLC. In April 2026, we sold our interest in the LLC for $4.2 million.

In 2020, we originated a $14.8 million Private Label loan and a $3.4 million mezzanine loan on two multifamily properties owned in part by a consortium of investors (which includes, among other unaffiliated investors, certain of our officers and our chief executive officer) which owns a 50% interest in the borrowing entity. In 2020, we sold the Private Label loan to an unconsolidated affiliate of ours. The mezzanine loan has a fixed interest rate of 9.00% and matures in April 2030. Interest income recorded from the mezzanine loan was less than $0.1 million and $0.1 million for the three months ended March 31, 2026 and 2025, respectively.

In 2019, we, along with ACM, certain executives of ours and a consortium of independent outside investors, formed AMAC III, a multifamily-focused commercial real estate investment fund sponsored and managed by our chief executive officer and one of his immediate family members. We committed to a $30.0 million investment for an 18% interest in AMAC III. In 2019, AMAC III originated a $7.0 million mezzanine loan to a borrower with which we have an outstanding $34.0 million bridge loan. In 2020, for full satisfaction of the mezzanine loan, AMAC III became the owner of the property. Also in 2020, the $34.0 million bridge loan was refinanced with a $35.4 million bridge loan, which has an interest rate of SOFR plus 3.50%, and was scheduled to mature in February 2025. In February 2025, we modified this loan to extend the maturity to February 2028 in exchange for a $2.0 million paydown that was made in the first quarter of 2025. In September 2025, the loan was modified to extend the maturity date to July 2028, adjust the interest rate to SOFR plus 1.00% with an all-in floor of 6.50%, and include a fixed pay rate of 1.00%, effective June 1, 2025, with the remaining balance deferred. Interest income recorded from the bridge loan was less than $0.1 million and $0.7 million for the three months ended March 31, 2026 and 2025, respectively. See Note 8 for further details.

In 2019, we converted an existing bridge loan into a $2.0 million mezzanine loan with a fixed interest rate of 10.00%. The underlying multifamily property is owned in part by a consortium of investors (which includes, among other unaffiliated investors, certain of our officers and our chief executive officer) which owns interests ranging from 10.5% to 12.0% in the borrowing entities. The loan was scheduled to mature in May 2025, which was extended to February 2029. Interest income recorded from this loan was less than $0.1 million and $0.1 million for the three months ended March 31, 2026 and 2025, respectively.

In 2018, we originated a $21.7 million bridge loan on a multifamily property owned in part by a consortium of investors (which includes, among other unaffiliated investors, certain of our officers and our chief executive officer) which owned 75% in the borrowing entity. The loan had an interest rate of SOFR plus 4.75% with a SOFR floor of 0.25%, and was scheduled to mature in February 2025, which was modified to extend the maturity to February 2027 in exchange for $3.0 million of additional collateral and a $2.5 million paydown to be made in February 2026. In 2024, we recorded a $5.5 million specific reserve on this loan. In September 2025, this loan paid off and we fully recovered the specific reserve recorded. Interest income recorded from this loan was $0.5 million for the three months ended March 31, 2025.

In 2017, we originated a $46.9 million Fannie Mae loan on a multifamily property owned in part by a consortium of investors (which includes, among other unaffiliated investors, certain of our officers) which owns a 17.6% interest in the borrowing entity. We carry a maximum loss-sharing obligation with Fannie Mae on this loan of up to 5% of the original UPB. The loan was paid off in October 2025. Servicing revenue recorded from this loan was less than $0.1 million for the three months ended March 31, 2025.

In 2015, we invested $9.6 million for 50% of ACM's indirect interest in a joint venture with a third party that was formed to invest in a residential mortgage banking business. In April 2025, the joint venture entered into an agreement to sell its interest in the residential mortgage banking business for $117.3 million. Based on the terms of this agreement, $22.0 million was allocated to us, which is equivalent to the carrying value of our investment, and therefore, we did not record a gain or loss on the transaction. The transaction closed once the entire sales price was paid, which was due in installments as follows: $15.0 million on or before April 1, 2025; $15.0 million on or before April 30, 2025; and the remaining $87.3 million on or before December 15, 2025. The first two installments were made in April 2025, for which we received $5.6 million as our allocable share, and the final installment was made in July 2025 for which we received $16.4 million as our allocable share.

We, along with an executive officer of ours and a consortium of independent outside investors, hold equity investments in a portfolio of multifamily properties referred to as the "Lexford" portfolio, which is managed by an entity owned primarily by a consortium of affiliated investors, including our chief executive officer and an executive officer of ours. Based on the terms of the management contract, the management company is entitled to 4.75% of gross revenues of the underlying properties, along with the potential to share in the proceeds of a sale or restructuring of the debt. In 2018, the owners of Lexford restructured part of its debt and we originated 12 bridge loans totaling $280.5 million, which were used to repay in full certain existing mortgage debt and to renovate 72 multifamily properties included in the portfolio. The loans were originated in 2018, had interest rates of LIBOR plus 4.00% and were scheduled to mature in June 2021. During 2019, the borrower made payoffs and partial paydowns of principal totaling $250.0 million and in 2020, the remaining balance of the loans were refinanced with a $34.6 million Private Label loan, which has a fixed interest rate of 3.30% and matures in March 2030. In 2020, we sold the Private Label loan to an unconsolidated affiliate of ours. Further, as part of this 2018 restructuring, $50.0 million in unsecured financing was provided by an unsecured lender to certain parent entities of the property owners. ACM owns slightly less than half of the unsecured lender entity and, therefore, provided slightly less than half of the unsecured lender financing.

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Separate from the loans we originated in 2018, we provide limited ("bad boy") guarantees for certain other debt controlled by Lexford. The bad boy guarantees may become a liability for us upon standard "bad" acts such as fraud or a material misrepresentation by Lexford or us. At March 31, 2026, this debt had an aggregate outstanding balance of approximately $296.0 million and is scheduled to mature through 2029. See Note 8 for further details.

Several of our executives, including our chief financial officer, corporate secretary and our chairman, chief executive officer and president, hold similar positions for ACM. Our chief executive officer and his affiliated entities ("the Kaufman Entities") together beneficially own approximately 35% of the outstanding membership interests of ACM and certain of our employees and directors also hold an ownership interest in ACM. Furthermore, one of our directors serves as the trustee and co-trustee of two of the Kaufman Entities that hold membership interests in ACM. At March 31, 2026, ACM holds 2,535,870 shares of our common stock and 10,483,930 OP Units, which represents 6.2% of the voting power of our outstanding stock. Our Board of Directors approved a resolution under our charter allowing our chief executive officer and ACM, (which our chief executive officer has a controlling equity interest in), to own more than the 5% ownership interest limit of our common stock as stated in our amended charter.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

**Note 19 — Segment Information**

As described in Note 1, we operate through two business segments – our Structured Business and our Agency Business. The summarized statements of income and balance sheet data, as well as certain other data, by segment are included in the following tables ($ in thousands). Specifically identifiable costs are recorded directly to each business segment. For items not specifically identifiable, costs have been allocated between the business segments using the most meaningful allocation methodologies, which was predominately direct labor costs (i.e., time spent working on each business segment). Such costs include, but are not limited to, compensation and employee related costs, selling and administrative expenses and stock-based compensation. Intersegment revenue and expenses have been eliminated in the computation of total revenue and operating income.

Our chief operating decision maker ("CODM") is Ivan Kaufman, our chief executive officer. The CODM uses both net interest income and net income for each segment predominantly in the annual budget and forecasting process. The CODM considers both budget and actual results on a quarterly basis for both profit measures when making decisions about the allocation of operating and capital resources to each segment. The CODM also uses segment net interest income and net income to assess the performance of each segment by comparing the results of each segment with one another and in determining the compensation of certain employees.

| | Three Months Ended March 31, 2026 | | | |
|---|---|---|---|---|
| | Structured Business | Agency Business | Other (1) | Consolidated |
| Interest income | $ 224,394 | $ 10,653 | $ — | $ 235,047 |
| Interest expense | 170,814 | 4,388 | — | 175,202 |
| Net interest income | 53,580 | 6,265 | — | 59,845 |
| **Other revenue:** | | | | |
| Gain on sales, including fee-based services, net | — | 12,505 | — | 12,505 |
| Mortgage servicing rights | — | 9,660 | — | 9,660 |
| Servicing revenue | — | 44,033 | — | 44,033 |
| Amortization of MSRs | — | (18,293) | — | (18,293) |
| Property operating income | 8,060 | — | — | 8,060 |
| Loss on derivative instruments, net | — | (493) | — | (493) |
| Other income (loss), net | 2,223 | (149) | — | 2,074 |
| Total other revenue | 10,283 | 47,263 | — | 57,546 |
| **Other expenses:** | | | | |
| Employee compensation and benefits | 18,862 | 24,963 | — | 43,825 |
| Commissions | — | 3,859 | — | 3,859 |
| Selling and administrative | 9,150 | 7,803 | — | 16,953 |
| Property operating expenses | 11,964 | — | — | 11,964 |
| Depreciation and amortization | 6,713 | 391 | — | 7,104 |
| Impairment loss on real estate owned | 12,500 | — | — | 12,500 |
| Provision for loss sharing, net | — | 4,537 | — | 4,537 |
| Provision for credit losses, net | 3,644 | 2,172 | — | 5,816 |
| Total other expenses | 62,833 | 43,725 | — | 106,558 |
| Income before loss on real estate, income from equity affiliates and income taxes | 1,030 | 9,803 | — | 10,833 |
| Loss on real estate | (2,136) | — | — | (2,136) |
| Income from equity affiliates | 4,411 | — | — | 4,411 |
| Benefit from (provision for) income taxes | 83 | (2,168) | — | (2,085) |
| Net income | 3,388 | 7,635 | — | 11,023 |
| Preferred stock dividends | 10,342 | — | — | 10,342 |
| Net income attributable to noncontrolling interest | — | — | 52 | 52 |
| Net (loss) income attributable to common stockholders | $ (6,954) | $ 7,635 | $ (52) | $ 629 |

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
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| | Three Months Ended March 31, 2025 | | | |
|---|---|---|---|---|
| | Structured Business | Agency Business | Other (1) | Consolidated |
| Interest income | $ 230,087 | $ 10,606 | $ — | $ 240,693 |
| Interest expense | 161,579 | 3,672 | — | 165,251 |
| Net interest income | 68,508 | 6,934 | — | 75,442 |
| **Other revenue:** | | | | |
| Gain on sales, including fee-based services, net | — | 12,781 | — | 12,781 |
| Mortgage servicing rights | — | 8,131 | — | 8,131 |
| Servicing revenue | — | 43,361 | — | 43,361 |
| Amortization of MSRs | — | (17,758) | — | (17,758) |
| Property operating income | 4,387 | — | — | 4,387 |
| Gain on derivative instruments, net | — | 3,400 | — | 3,400 |
| Other income, net | 2,078 | 2,341 | — | 4,419 |
| Total other revenue | 6,465 | 52,256 | — | 58,721 |
| **Other expenses:** | | | | |
| Employee compensation and benefits | 18,157 | 23,266 | — | 41,423 |
| Commissions | — | 4,613 | — | 4,613 |
| Selling and administrative | 8,932 | 7,380 | — | 16,312 |
| Property operating expenses | 3,474 | — | — | 3,474 |
| Depreciation and amortization | 3,352 | 392 | — | 3,744 |
| Provision for loss sharing, net | — | 1,786 | — | 1,786 |
| Provision for credit losses, net | 9,154 | (79) | — | 9,075 |
| Total other expenses | 43,069 | 37,358 | — | 80,427 |
| Income before extinguishment of debt, loss on real estate, loss from equity affiliates and income taxes | 31,904 | 21,832 | — | 53,736 |
| Loss on extinguishment of debt | (2,319) | — | — | (2,319) |
| Loss on real estate | (2,810) | — | — | (2,810) |
| Loss from equity affiliates | (1,634) | — | — | (1,634) |
| Benefit from (provision for) income taxes | 639 | (4,230) | — | (3,591) |
| Net income | 25,780 | 17,602 | — | 43,382 |
| Preferred stock dividends | 10,342 | — | — | 10,342 |
| Net income attributable to noncontrolling interest | — | — | 2,602 | 2,602 |
| Net income attributable to common stockholders | $ 15,438 | $ 17,602 | $ (2,602) | $ 30,438 |

(1) Includes income allocated to the noncontrolling interest holders not allocated to the two reportable segments.

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

| | March 31, 2026 | | |
|---|---|---|---|
| | Structured Business | Agency Business | Consolidated |
| **Assets:** | | | |
| Cash and cash equivalents | $ 89,285 | $ 317,841 | $ 407,126 |
| Restricted cash | 359,569 | 33,960 | 393,529 |
| Loans and investments, net | 11,835,381 | — | 11,835,381 |
| Loans held-for-sale, net | — | 443,218 | 443,218 |
| Capitalized mortgage servicing rights, net | — | 331,929 | 331,929 |
| Securities held-to-maturity, net | — | 155,469 | 155,469 |
| Investments in equity affiliates | 56,747 | — | 56,747 |
| Real estate owned, net | 520,766 | — | 520,766 |
| Goodwill and other intangible assets | 12,500 | 73,661 | 86,161 |
| Other assets and due from related party | 387,609 | 74,550 | 462,159 |
| Total assets | $ 13,261,857 | $ 1,430,628 | $ 14,692,485 |
| | | | |
| **Liabilities:** | | | |
| Debt obligations | $ 10,904,398 | $ 424,865 | $ 11,329,263 |
| Allowance for loss-sharing obligations | — | 106,773 | 106,773 |
| Other liabilities and due to related parties | 212,622 | 64,777 | 277,399 |
| Total liabilities | $ 11,117,020 | $ 596,415 | $ 11,713,435 |

| | December 31, 2025 | | |
|---|---|---|---|
| **Assets:** | | | |
| Cash and cash equivalents | $ 124,141 | $ 358,734 | $ 482,875 |
| Restricted cash | 35,258 | 32,089 | 67,347 |
| Loans and investments, net | 11,934,248 | — | 11,934,248 |
| Loans held-for-sale, net | — | 409,081 | 409,081 |
| Capitalized mortgage servicing rights, net | — | 340,842 | 340,842 |
| Securities held-to-maturity, net | — | 156,087 | 156,087 |
| Investments in equity affiliates | 57,966 | — | 57,966 |
| Real estate owned, net | 498,938 | — | 498,938 |
| Goodwill and other intangible assets | 12,500 | 74,053 | 86,553 |
| Other assets and due from related party | 382,735 | 78,231 | 460,966 |
| Total assets | $ 13,045,786 | $ 1,449,117 | $ 14,494,903 |
| | | | |
| **Liabilities:** | | | |
| Debt obligations | $ 10,625,053 | $ 390,396 | $ 11,015,449 |
| Allowance for loss-sharing obligations | — | 97,579 | 97,579 |
| Other liabilities and due to related parties | 241,873 | 72,849 | 314,722 |
| Total liabilities | $ 10,866,926 | $ 560,824 | $ 11,427,750 |

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| **Origination Data:** | | |
| *Structured Business* | | |
| Bridge: | | |
| Multifamily | $ 405,600 | $ 367,750 |
| SFR | 321,122 | 356,294 |
| | 726,722 | 724,044 |
| | | |
| Construction - Multifamily | 40,870 | 18,637 |
| Mezzanine / Preferred Equity | — | 4,440 |
| Total New Loan Originations | $ 767,592 | $ 747,121 |
| | | |
| Number of Loans Originated | 6 | 20 |
| | | |
| Commitments: | | |
| Construction - Multifamily | $ 113,070 | $ 92,000 |
| SFR | 53,000 | 162,400 |
| Total Commitments | $ 166,070 | $ 254,400 |
| | | |
| | | |
| Loan Runoff | $ 861,033 | $ 421,941 |
| | | |
| *Agency Business* | | |
| *Origination Volumes by Investor:* | | |
| Fannie Mae | $ 570,815 | $ 357,811 |
| Freddie Mac | 91,255 | 178,020 |
| FHA | 45,507 | 16,041 |
| Private Label | — | 44,925 |
| SFR - Fixed Rate | — | 9,111 |
| Total New Loan Originations | $ 707,577 | $ 605,908 |
| Total Loan Commitment Volume | $ 733,860 | $ 645,401 |
| | | |
| **Agency Business Loan Sales Data:** | | |
| Fannie Mae | $ 571,579 | $ 355,716 |
| Freddie Mac | 77,003 | 298,485 |
| FHA | 22,390 | 67,542 |
| SFR - Fixed Rate | — | 9,111 |
| Total Loan Sales | $ 670,972 | $ 730,854 |
| Sales Margin (fee-based services as a % of loan sales) | 1.86 % | 1.75 % |
| MSR Rate (MSR income as a % of loan commitments) | 1.32 % | 1.26 % |

**ARBOR REALTY TRUST, INC. AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**

| | March 31, 2026 | | |
|---|---|---|---|
| **Key Servicing Metrics for Agency Business:** | **Servicing Portfolio UPB** | **Wtd. Avg. Servicing Fee Rate (basis points)** | **Wtd. Avg. Life of Portfolio (years)** |
| Fannie Mae | $ 24,261,724 | 44.4 | 5.4 |
| Freddie Mac | 7,368,979 | 18.2 | 5.7 |
| Private Label | 2,554,209 | 18.7 | 4.3 |
| FHA | 1,584,644 | 13.8 | 19.0 |
| Bridge | 277,523 | 10.4 | 2.0 |
| SFR - Fixed Rate | 264,008 | 20.0 | 3.8 |
| Total | $ 36,311,087 | 35.5 | 5.9 |

| | December 31, 2025 | | |
|---|---|---|---|
| Fannie Mae | $ 24,085,960 | 44.7 | 5.5 |
| Freddie Mac | 7,455,088 | 18.3 | 5.9 |
| Private Label | 2,558,048 | 18.7 | 4.5 |
| FHA | 1,549,483 | 13.9 | 19.1 |
| Bridge | 277,738 | 10.4 | 2.2 |
| SFR - Fixed Rate | 277,490 | 20.0 | 4.0 |
| Total | $ 36,203,807 | 35.6 | 6.1 |

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

*You should read the following discussion in conjunction with the unaudited consolidated interim financial statements, and related notes and the section entitled "Forward-Looking Statements" included herein.*

**Overview**

Through our Structured Business, we invest in a diversified portfolio of structured finance assets in the multifamily, SFR and commercial real estate markets, primarily consisting of bridge loans, in addition to mezzanine loans, junior participating interests in first mortgages and preferred equity. We also invest in real estate-related joint ventures and may directly acquire real property and invest in real estate-related notes and certain mortgage-related securities.

Through our Agency Business, we originate, sell and service a range of multifamily finance products through Fannie Mae and Freddie Mac, Ginnie Mae, FHA and HUD. We retain the servicing rights and asset management responsibilities on substantially all loans we originate and sell under the GSE and HUD programs. We are an approved Fannie Mae DUS lender, seller/servicer nationally, a Freddie Mac Optigo® Conventional Loan and SBL lender, seller/servicer nationally and a HUD MAP and LEAN senior housing/healthcare lender nationally. We also originate and retain the servicing rights on permanent financing loans that are generally underwritten using the guidelines of our existing agency loans sold to the GSEs, which we refer to as "Private Label" loans, and originate and sell finance products through CMBS programs. We either sell the Private Label loans instantaneously or pool and securitize them and sell certificates in the securitizations to third-party investors, while retaining the highest risk bottom tranche certificate of the securitization.

We conduct our operations to qualify as a REIT. A REIT is generally not subject to federal income tax on its REIT-taxable income that is distributed to its stockholders; provided that at least 90% of its taxable income is distributed and provided that certain other requirements are met.

Our operating performance is primarily driven by the following factors:

***Net interest income earned on our investments.*** Net interest income represents the amount by which the interest income earned on our assets exceeds the interest expense incurred on our borrowings. If the yield on our assets increases or the cost of borrowings decreases, this will have a positive impact on earnings. However, if the yield earned on our assets decreases or the cost of borrowings increases, this will have a negative impact on earnings. Net interest income is also directly impacted by the size and performance of our asset portfolio. We recognize the bulk of our net interest income from our Structured Business. Additionally, we recognize net interest income from loans originated through our Agency Business, which are generally sold within 60 days of origination.

***Fees and other revenues recognized from originating, selling and servicing mortgage loans through the GSE and HUD programs.*** Revenue recognized from the origination and sale of mortgage loans consists of gains on sale of loans (net of any direct loan origination costs incurred), commitment fees, broker fees, loan assumption fees and loan origination fees. These gains and fees are collectively referred to as gain on sales, including fee-based services, net. We record income from MSRs at the time of commitment to the borrower, which represents the fair value of the expected net future cash flows associated with the rights to service mortgage loans that we originate, with the recognition of a corresponding asset upon sale. We also record servicing revenue which consists of fees received for servicing mortgage loans, net of amortization on the MSR assets recorded. Although we have long-established relationships with the GSE and HUD agencies, our operating performance would be negatively impacted if our business relationships with these agencies deteriorate. Additionally, we also recognize revenue from originating, selling and servicing our Private Label loans.

One of our core business strategies is to generate additional agency lending opportunities by refinancing our multifamily balance sheet bridge loan portfolio when it is practical and appropriate to do so. We execute this strategy by underwriting the multifamily bridge loans we originate to a potential future agency financing. We then continue to work with our borrowers on this execution through the life cycle of the multifamily bridge loan. When effective, this strategy allows us to recapture refinancing opportunities, deleverage our balance sheet, and generate additional income streams through our capital-light Agency Business.

***Income earned from other structured investments.*** Our other structured investments are primarily comprised of investments in equity affiliates, which represent unconsolidated joint venture investments formed to acquire, develop and/or sell real estate-related assets. Operating results from these investments can be difficult to predict and can vary significantly period-to-period. We also periodically receive distributions from our equity investments. It is difficult to forecast the timing of such payments, which can be substantial in any given quarter. We account for structured transactions within our Structured Business.

***Credit quality of our loans and investments, including our servicing portfolio.*** Effective portfolio management is essential to maximize the performance and value of our loan and investment and servicing portfolios. Maintaining the credit quality of the loans in our portfolios is of critical importance. Loans that do not perform in accordance with their terms may have a negative impact on earnings and liquidity.

**Significant Developments During the First Quarter of 2026**

***Financing and Capital Markets Activity***

- Closed a collateralized securitization vehicle (CLO 21) totaling $762.6 million, of which $674.0 million consisted of investment grade notes and $88.6 million of below investment grade notes were retained by us; and
- We repurchased 4,117,901 shares of our common stock under our share repurchase program at a total cost of $30.7 million and an average cost of $7.46 per share.

***Structured Business Activity***

- Balance sheet portfolio of $12.00 billion, as loan runoff totaling $861.0 million outpaced loan originations of $767.6 million;
- We modified 13 loans with a total UPB of $478.8 million (see Note 3 for details); and
- We foreclosed on and took back the underlying collateral on three loans with an aggregate net carrying value of $58.8 million and recorded a loss of $1.8 million through provision for credit losses. We sold one of those foreclosed properties, along with an existing REO asset, for $33.0 million and recognized an aggregate loss of $2.1 million through loss on real estate. See Notes 3 and 9 for details.

***Agency Business Activity.*** Servicing portfolio of $36.31 billion (up $107.3 million) with loan originations totaling $707.6 million, which includes $218.5 million of new Agency loans that were recaptured from our Structured Business runoff.

***Dividend.*** We declared a cash dividend of $0.17 per share, a reduction from our previous quarterly dividend of $0.30 per share.

**Current Market Conditions, Risks and Recent Trends**

During 2025, the Federal Reserve lowered the federal funds rate three times for an aggregate 75-basis point reduction. Current market expectations generally contemplate the potential for an additional rate cut in the fourth quarter of 2026, but those expectations may abate if impacts from recent geopolitical events have a longer lasting effect on the economic environment and inflationary measurements. However, the elevated rate environment has persisted longer than anticipated and could persist even longer if inflation and other key economic indicators do not align with the Federal Reserve's expectations. While short-term rates have declined, long-term rates remain volatile following the current administration's adoption of increased tariffs, related litigation, geopolitical developments, including the conflict involving Iran, and broader macroeconomic uncertainty. Expectations for long-term rates in 2026 remain mixed, reflecting uncertainty around long-term inflation, fiscal policy, increased federal spending and larger deficits, including the effects of the July 2025 enactment of the OBBBA, as described below. Accordingly, it remains difficult to predict where short- and long-term rates will settle during 2026.

This prolonged rate environment has resulted, and may continue to result, in higher payment delinquencies and defaults, more loan modifications and foreclosures and declines in real estate values in certain asset classes, which have adversely affected, and may continue to adversely affect, our results of operations, financial condition, business prospects, liquidity and ability to make distributions to stockholders. It has also made it more difficult to resolve delinquent loans, contributing to additional foreclosures and REO assets on our balance sheet. When we take title to assets through foreclosure, we generally seek to dispose of these assets through third-party sales. However, depending on market conditions and asset-specific factors, we may evaluate other alternatives, such as recapitalizations and joint venture structures, intended to optimize recoveries and reduce our REO exposure. These efforts may include enhanced property management, capital improvements and deferred maintenance, re-leasing vacant space, renewing or restructuring leases and other stabilization initiatives designed to improve occupancy, cash flow and marketability.

We continue to apply disciplined underwriting and risk management practices and work closely with borrowers to protect portfolio quality and mitigate potential losses, including, where appropriate, modifying loan terms. However, given the current interest rate environment, we cannot assure that our loan portfolio will continue to perform in accordance with current contractual terms.

An elevated rate environment generally benefits our net interest income because our structured loan portfolio exceeds our corresponding debt balances, the substantial majority of our loan portfolio is floating rate based on SOFR and a meaningful portion of our debt, including senior unsecured notes, is fixed rate. As a result, increases in interest income generally tends to outpace increases in interest expense, and earnings on our cash and escrow balances also benefit from higher rates. These benefits, however, have been increasingly offset by the adverse effects of a prolonged elevated rate environment, including higher delinquencies, more loan modifications and foreclosures, lower loan originations, reduced cash and escrow balances and pressure on certain commercial real estate values, which can result in higher reserves when collateral values are considered insufficient to fully repay loans.

The recent reductions in short-term interest rates have reduced, and are expected to continue to reduce, net interest income on our floating rate loan portfolio and earnings on our cash and escrow balances. For additional information, see "Quantitative and Qualitative Disclosures about Market Risk" below.

Elevated and volatile interest rates, together with geopolitical uncertainty, including the conflict involving Iran, have also disrupted portions of the financial services, real estate and credit markets. These conditions have contributed to weaker performance in certain of

our legacy assets, leading to increased defaults and delinquencies. If these conditions continue to affect our borrowers and their tenants, or if other risks described in our SEC filings materialize, our liquidity and capital resources could be further adversely affected. Notwithstanding these conditions, we have continued to access capital through a variety of financing vehicles to support our operations and strengthen our business. In addition, while a majority of our cash is held at major financial institutions and balances frequently exceed insured limits, we mitigate this exposure by diversifying deposits across counterparties. Because these deposits are generally demand deposits maintained with institutions with reputable credit, we believe we bear minimal credit risk.

We are a national originator with Fannie Mae and Freddie Mac, and the GSEs continue to be the most significant providers of capital to the multifamily market. FHFA set the 2026 Caps for Fannie Mae and Freddie Mac at $88 billion for each enterprise, or $176 billion in the aggregate, up from $73 billion for each enterprise in 2025. FHFA has stated that it will continue to monitor the market and may increase the 2026 Caps if warranted but will not reduce them if the market is smaller than initially projected. Loans supporting workforce housing, which preserve affordable rents in multifamily properties typically without public subsidies, will continue to be excluded from the 2026 Caps. In addition, at least 50% of multifamily volume must continue to support mission-driven affordable housing, with affordability levels ranging from 80% to 120% of area median income, depending on the market. Our GSE originations remain highly attractive executions because they generate significant gains on sale, non-cash gains related to MSRs and servicing revenues. At the same time, we cannot predict whether FHFA may impose stricter limitations on GSE multifamily production in the future.

On July 4, 2025, the OBBBA was enacted into law. The legislation includes significant changes to U.S. tax law and other policy areas that may affect our business and the broader commercial real estate finance markets. Based on our evaluation to date, we expect certain changes under the OBBBA, including changes affecting the application of Section 162(m), to increase our current tax expense and effective tax rate. In addition, a separate expansion of Section 162(m), enacted under prior law and scheduled to take effect in 2027, could further increase our annual effective tax rate and current tax expense, potentially materially. More broadly, elements of the OBBBA, including changes in federal spending, fiscal priorities and other policy provisions, may also influence capital markets, the interest rate environment and demand for commercial real estate finance. Because implementation of these tax and other provisions remains subject to further interpretation and guidance, the ultimate impact on our business, financial condition, results of operations and the real estate markets in general could differ from our current expectations.

**Changes in Financial Condition**

***Assets — Comparison of balances at March 31, 2026 to December 31, 2025:***

Our Structured loan and investment portfolio balance was $12.00 billion and $12.11 billion at March 31, 2026 and December 31, 2025, respectively. This decrease was primarily due to loan runoff exceeding loan originations by $93.4 million (see below for details) and by loans we foreclosed on and received ownership of the underlying collateral as REO assets.

The portfolio had a weighted average current interest pay rate of 6.49% at both March 31, 2026 and December 31, 2025. Including certain fees earned and costs, the weighted average current interest rate was 7.03% and 7.08% at March 31, 2026 and December 31, 2025, respectively. Our debt that finances our Structured loan and investment portfolio totaled $10.71 billion and $10.46 billion at March 31, 2026 and December 31, 2025, respectively, with a weighted average funding cost of 6.13% and 6.16%, respectively, which excludes financing costs. Including financing costs, the weighted average funding rate was 6.40% and 6.45%, at March 31, 2026 and December 31, 2025. respectively.

Activity from our Structured Business portfolio is comprised of the following ($ in thousands):

| | Three Months Ended March 31, 2026 |
|---|---|
| Loans originated | $ 767,592 |
| Number of loans | 6 |
| Weighted average interest rate | 7.56% |
| | |
| Loan runoff | $ 861,033 |
| Number of loans | 26 |
| Weighted average interest rate | 7.72% |
| | |
| Loans modified | $ 478,800 |
| Number of loans | 13 |
| | |
| Loans extended | $ 1,423,733 |
| Number of loans | 71 |

Loans held-for-sale from the Agency Business increased $34.1 million, primarily from loan originations exceeding sales by $36.6 million as noted in the following table ($ in thousands):

| | Three Months Ended March 31, 2026 | |
|---|---|---|
| | Loan Originations | Loan Sales |
| Fannie Mae | $ 570,815 | $ 571,579 |
| Freddie Mac | 91,255 | 77,003 |
| FHA | 45,507 | 22,390 |
| Total | $ 707,577 | $ 670,972 |

Real estate owned increased $21.8 million, primarily due to the foreclosure of two multifamily bridge loans totaling $34.0 million, through which we took back the underlying collateral, partially offset by the sale of one multifamily property.

Due from related party increased $28.7 million, primarily due to funds from payoffs to be remitted by our affiliated servicing operations related to real estate transactions at the end of the reporting period. These amounts were remitted to us in April 2026.

Other assets decreased $27.5 million, primarily due to the payoff of an unsecured line of credit loan.

***Liabilities – Comparison of balances at March 31, 2026 to December 31, 2025:***

Credit and repurchase facilities decreased $181.7 million, primarily due to the transfer of loans into a CLO and loan runoff in our Structured Business portfolio, partially offset by loan originations exceeding sales in our Agency Business.

Securitized debt increased $463.2 million, primarily due to the closing of CLO 21 where we issued $674.0 million of notes to third-party investors, partially offset by paydowns on our existing securitizations of $248.4 million.

Notes payable — real estate owned increased $30.2 million, due to the addition of notes payable on a new REO asset and financing received on two existing REO assets.

Other liabilities decreased $35.1 million, primarily due to payments of accrued incentive compensation and commissions during the first quarter of 2026, related to 2025 performance.

***Equity***

See Note 16 for details of our issuances of common stock, dividends declared and deferred compensation transactions.

**Agency Servicing Portfolio**

The following table sets forth the characteristics of our loan servicing portfolio collateralizing our mortgage servicing rights and servicing revenue ($ in thousands):

| | March 31, 2026 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Product | Portfolio UPB | Loan Count | Wtd. Avg. Age of Portfolio (years) | Wtd. Avg. Life of Portfolio (years) | Interest Rate Type: Fixed | Interest Rate Type: Adjustable | Wtd. Avg. Note Rate | Annualized Prepayments as a % of Portfolio (1) | Delinquencies as a % of Portfolio (2) |
| Fannie Mae | $ 24,261,724 | 2,690 | 4.3 | 5.4 | 97 % | 3 % | 4.68 % | 2.55 % | 2.75 % |
| Freddie Mac | 7,368,979 | 1,078 | 3.3 | 5.7 | 91 % | 9 % | 4.96 % | 5.02 % | 3.65 % |
| Private Label | 2,554,209 | 159 | 4.6 | 4.3 | 100 % | — | 4.16 % | — | 1.36 % |
| FHA | 1,584,644 | 108 | 4.4 | 19.0 | 100 % | — | 3.94 % | 0.92 % | — |
| Bridge | 277,523 | 3 | 3.3 | 2.0 | 85 % | 15 % | 6.28 % | — | — |
| SFR - Fixed Rate | 264,008 | 49 | 3.5 | 3.8 | 100 % | — | 5.62 % | — | 1.70 % |
| Total | $ 36,311,087 | 4,087 | 4.1 | 5.9 | 96 % | 4 % | 4.68 % | 2.76 % | 2.69 % |
| | December 31, 2025 | | | | | | | | |
| Fannie Mae | $ 24,085,960 | 2,702 | 4.2 | 5.5 | 97 % | 3 % | 4.68 % | 3.58 % | 2.59 % |
| Freddie Mac | 7,455,088 | 1,109 | 3.1 | 5.9 | 90 % | 10 % | 4.98 % | 3.63 % | 3.96 % |
| Private Label | 2,558,048 | 159 | 4.4 | 4.5 | 100 % | — | 4.16 % | 0.44 % | 1.35 % |
| FHA | 1,549,483 | 107 | 4.3 | 19.1 | 100 % | — | 3.91 % | 1.11 % | — |
| Bridge | 277,738 | 3 | 3.0 | 2.2 | 85 % | 15 % | 6.31 % | — | — |
| SFR - Fixed Rate | 277,490 | 51 | 3.3 | 4.0 | 100 % | — | 5.62 % | 2.42 % | 1.62 % |
| Total | $ 36,203,807 | 4,131 | 4.0 | 6.1 | 96 % | 4 % | 4.69 % | 3.22 % | 2.65 % |

(1) Prepayments reflect loans repaid prior to six months from the loan maturity. The majority of our loan servicing portfolio has a prepayment protection term and therefore, we may collect a prepayment fee which is included as a component of servicing revenue, net. See Note 5 for details.

(2) Delinquent loans reflect loans that are contractually 60 days or more past due. At March 31, 2026 and December 31, 2025, delinquent loans totaled $975.4 million and $959.0 million, respectively. At March 31, 2026, there were five loans totaling $56.0 million in bankruptcy and twenty-five loans totaling $313.5 million were foreclosed. At December 31, 2025, there were five loans totaling $56.0 million in bankruptcy and nineteen loans totaling $176.5 million were foreclosed.

Our Agency Business servicing portfolio represents commercial real estate loans, which are generally transferred or sold within 60 days from the date the loan is funded. Primarily all loans in our servicing portfolio are collateralized by multifamily properties. In addition, we are generally required to share in the risk of any losses associated with loans sold under the Fannie Mae DUS program, see Note 11.

**Comparison of Results of Operations for the Three Months Ended March 31, 2026 and 2025**

The following table provides our consolidated operating results ($ in thousands):

| | Three Months Ended March 31, | | Increase / (Decrease) | |
|---|---|---|---|---|
| | 2026 | 2025 | Amount | Percent |
| Interest income | $ 235,047 | $ 240,693 | $ (5,646) | (2)% |
| Interest expense | 175,202 | 165,251 | 9,951 | 6% |
| Net interest income | 59,845 | 75,442 | (15,597) | (21)% |
| **Other revenue:** | | | | |
| Gain on sales, including fee-based services, net | 12,505 | 12,781 | (276) | (2)% |
| Mortgage servicing rights | 9,660 | 8,131 | 1,529 | 19% |
| Servicing revenue, net | 25,740 | 25,603 | 137 | 1% |
| Property operating income | 8,060 | 4,387 | 3,673 | 84% |
| (Loss) gain on derivative instruments, net | (493) | 3,400 | (3,893) | nm |
| Other income, net | 2,074 | 4,419 | (2,345) | (53)% |
| Total other revenue | 57,546 | 58,721 | (1,175) | (2)% |
| **Other expenses:** | | | | |
| Employee compensation and benefits | 47,684 | 46,036 | 1,648 | 4% |
| Selling and administrative | 16,953 | 16,312 | 641 | 4% |
| Property operating expenses | 11,964 | 3,474 | 8,490 | nm |
| Depreciation and amortization | 7,104 | 3,744 | 3,360 | 90% |
| Impairment loss on real estate owned | 12,500 | — | 12,500 | nm |
| Provision for loss sharing, net | 4,537 | 1,786 | 2,751 | 154% |
| Provision for credit losses, net | 5,816 | 9,075 | (3,259) | (36)% |
| Total other expenses | 106,558 | 80,427 | 26,131 | 32% |
| Income before extinguishment of debt, loss on real estate, income (loss) from equity affiliates and income taxes | 10,833 | 53,736 | (42,903) | (80)% |
| Loss on extinguishment of debt | — | (2,319) | 2,319 | nm |
| Loss on real estate | (2,136) | (2,810) | 674 | (24)% |
| Income (loss) from equity affiliates | 4,411 | (1,634) | 6,045 | nm |
| Provision for income taxes | (2,085) | (3,591) | 1,506 | (42)% |
| Net income | 11,023 | 43,382 | (32,359) | (75)% |
| Preferred stock dividends | 10,342 | 10,342 | — | — |
| Net income attributable to noncontrolling interest | 52 | 2,602 | (2,550) | (98)% |
| Net income attributable to common stockholders | $ 629 | $ 30,438 | $ (29,809) | (98)% |

nm— not meaningful

The following table presents the average balance of our Structured Business interest-earning assets and interest-bearing liabilities, associated interest income (expense) and the corresponding weighted average yields ($ in thousands):

| | Three Months Ended March 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2026 | | | 2025 | | |
| | Average Carrying Value (1) | Interest Income / Expense | W/A Yield / Financing Cost (2) | Average Carrying Value (1) | Interest Income / Expense | W/A Yield / Financing Cost (2) |
| *Structured Business interest-earning assets:* | | | | | | |
| Bridge loans | $ 11,281,488 | $ 204,319 | 7.35 % | $ 10,976,779 | $ 219,010 | 8.09 % |
| Mezzanine | 294,285 | 6,301 | 8.68 % | 257,093 | 6,187 | 9.76 % |
| Construction - Multifamily | 267,024 | 6,758 | 10.26 % | 8,115 | 144 | 7.20 % |
| Preferred equity investments | 202,118 | 5,488 | 11.01 % | 148,845 | 3,668 | 9.99 % |
| Other | — | — | — | 3,079 | 73 | 9.62 % |
| Core interest-earning assets | 12,044,915 | 222,866 | 7.50 % | 11,393,911 | 229,082 | 8.15 % |
| Cash equivalents | 194,371 | 1,528 | 3.19 % | 110,338 | 1,005 | 3.69 % |
| Total interest-earning assets | $ 12,239,286 | $ 224,394 | 7.44 % | $ 11,504,249 | $ 230,087 | 8.11 % |
| *Structured Business interest-bearing liabilities:* | | | | | | |
| Credit and repurchase facilities | $ 4,723,770 | $ 79,681 | 6.84 % | $ 3,404,758 | $ 64,339 | 7.66 % |
| CLO | 3,455,807 | 52,209 | 6.13 % | 4,285,662 | 68,480 | 6.48 % |
| Unsecured debt | 2,050,000 | 36,274 | 7.18 % | 1,532,500 | 24,954 | 6.60 % |
| Trust preferred | 154,336 | 2,650 | 6.96 % | 154,336 | 2,938 | 7.72 % |
| Q Series securitization | — | — | — | 41,677 | 868 | 8.45 % |
| Total interest-bearing liabilities | $ 10,383,913 | 170,814 | 6.67 % | $ 9,418,933 | 161,579 | 6.96 % |
| Net interest income | | $ 53,580 | | | $ 68,508 | |

(1) Based on UPB for loans, amortized cost for securities and principal amount of debt.
(2) Weighted average yield calculated based on annualized interest income or expense divided by average carrying value.

*Net Interest Income*

The decrease in interest income was mainly due to a $5.7 million decrease from our Structured Business. The decline was primarily due to a decrease in the average yield on core interest-earning assets, partially offset by an increase in the average balance of our core interest-earning assets (loan originations exceeded runoff in 2025) and, to a lesser extent, higher average bank balances. The decrease in the average yield was mainly from a decrease in SOFR, a reduction in back interest earned on delinquent and modified loans and an increase in new delinquencies and modified loans at lower rates.

The increase in interest expense was mainly due to a $9.2 million increase from our Structured Business, primarily due an increase in the average balance of our interest-bearing liabilities from an increase in the average loan portfolio and the issuance of senior unsecured notes. This was partially offset by note paydowns in our securitizations, the payoff of our 7.50% convertible senior notes and a reduction in the average cost of interest-bearing liabilities (mainly from a decrease in SOFR).

*Agency Business Revenue*

The decrease in gain on sales, including fee-based services, net was primarily due to a 8% decrease in loan sales volume ($59.9 million), partially offset by a 6% increase in the sales margin from 1.75% to 1.86%. The increase in the sales margin was mainly due to the portfolio mix in 2026 that produced higher margins.

The increase in income from MSRs was primarily due to a 14% increase in loan commitment volume ($88.5 million).

*Other Income (Loss)*

The increases in property operating income and expenses were due to the addition of several new REO assets. This is also the reason for the increase in depreciation and amortization.

The gains and losses on derivative instruments in 2026 and 2025 were related to changes in the fair values of our forward sale commitments and swaps held by our Agency Business as a result of changes in market interest rates.

The decrease in other income, net was primarily due to increases in the fair value of our Private Label loans from our Agency Business recognized in 2025.

*Other Expenses*

In 2026, we recorded a $12.5 million impairment loss related to certain REO assets that we acquired through foreclosure in prior periods, which represents the extent to which the carrying value exceeded its estimated fair value at the current period end.

The increase in the provision for loss sharing, net primarily reflects larger specific loan impairment reserves taken in 2026, partially offset by an improved positive outlook for commercial real estate in 2026, compared to 2025.

The decrease in the provision for credit losses, net primarily reflects lower specific loan impairment reserves taken in 2026, partially offset by higher general reserves as a result of an increase in our historical loss and a loss provision recorded upon sale, or expected sale, of an REO asset in 2026.

*Loss on Extinguishment of Debt*

The loss on extinguishment of debt in 2025 reflects deferred financing fees recognized in connection with the unwind of CLOs.

*Loss on Real Estate*

The loss on real estate in 2026 represents a loss incurred on the sale of an existing REO asset; while the loss on real estate in 2025 is comprised of a $1.8 million loss on the foreclosure of loans we took back as REO and a $2.8 million loss on below market debt on the sale of two existing REOs, partially offset by a $1.9 million gain on the REO sales.

*Income (loss) from Equity Affiliates*

Income from equity affiliates in 2026 primarily reflects $5.8 million of income recognized related to a cash distribution received from our Lexford joint venture, partially offset by losses from other investments; while loss from equity affiliates in 2025 primarily reflects losses from our investments in a residential mortgage banking business and our AMAC III investment totaling $2.3 million, partially offset by income from several of our other investments.

*Provision for Income Taxes*

In the three months ended March 31, 2026, we recorded a tax provision of $2.1 million, which consisted of a current tax provision of $4.7 million and a deferred tax benefit of $2.6 million. In the three months ended March 31, 2025, we recorded a tax provision of $3.6 million, which consisted of a current tax provision of $3.7 million and a deferred tax benefit of $0.1 million.

*Net Income Attributable to Noncontrolling Interest*

The noncontrolling interest relates to the outstanding OP Units (see Note 16). There were 16,170,218 and 16,173,761 OP Units outstanding at March 31, 2026 and 2025, respectively, which represented 7.8% of our outstanding stock at both March 31, 2026 and 2025.

**Liquidity and Capital Resources**

***Sources of Liquidity.*** Liquidity is a measure of our ability to meet our potential cash requirements, including ongoing commitments to repay borrowings, satisfaction of collateral requirements under the Fannie Mae DUS risk-sharing agreement and, as an approved designated seller/servicer of Freddie Mac's SBL program, operational liquidity requirements of the GSE agencies, fund new loans and investments, fund operating costs and distributions to our stockholders, fund capital expenditures and other property level costs associated with REO assets (including tenant improvements and rehabilitation/ renovation costs) and to fund draws due under unfunded loan commitments, as well as other general business needs. Our primary sources of funds for liquidity consist of proceeds from equity and debt offerings, proceeds from CLOs and securitizations, debt facilities and cash flows from operations. We closely monitor our liquidity position and believe our existing sources of funds and access to additional liquidity will be adequate to meet our liquidity needs.

The elevated and volatile interest rates, together with geopolitical uncertainty, including the conflict involving Iran, has caused some disruptions in financial services, real estate and credit markets. As stated earlier, these conditions have contributed to weaker performance of certain of our legacy assets, leading to increased defaults, delinquencies and foreclosures. If these conditions continue to affect our borrowers and their tenants, or if other risks described in our SEC filings materialize, our liquidity and capital resources could be further adversely affected.

As described in Note 10, certain of our repurchase facilities include margin call provisions associated with changes in interest spreads which are designed to limit the lenders credit exposure. If we experience significant decreases in the value of the properties serving as

collateral under these repurchase agreements, which is set by the lenders based on current market conditions, the lenders have the right to require us to repay all, or a portion, of the funds advanced, or provide additional collateral. While we expect to extend or renew all of our facilities as they mature, we cannot provide assurance that they will be extended or renewed on as favorable terms.

We had $10.96 billion in total structured debt outstanding at March 31, 2026. Of this total, $6.16 billion, or 56%, does not contain mark-to-market provisions and is comprised of non-recourse securitized debt, senior unsecured debt and junior subordinated notes. The remaining $4.81 billion of debt is in credit and repurchase facilities with several different banks that we have long-standing relationships with. At March 31, 2026, we had $2.66 billion of debt from credit and repurchase facilities that were subject to margin calls related to changes in interest spreads.

In addition to our ability to extend our credit and repurchase facilities and raise funds from equity and debt offerings, we also have a $36.31 billion agency servicing portfolio at March 31, 2026, which is mostly prepayment protected, and escrow/cash balances that generates approximately $129 million per year in recurring gross cash flow.

To maintain our status as a REIT under the Internal Revenue Code, we must distribute annually at least 90% of our REIT-taxable income. These distribution requirements limit our ability to retain earnings and thereby replenish or increase capital for operations. However, we believe that our capital resources and access to financing will provide us with financial flexibility and market responsiveness at levels sufficient to meet current and anticipated capital and liquidity requirements.

***Cash Flows.*** Cash flows used in operating activities totaled $8.3 million during the three months ended March 31, 2026 and consisted primarily of net cash outflows of $36.6 million from loan originations exceeding loan sales in our Agency Business, partially offset by net income (adjusted for the impairment on REO of $12.5 million and an increase in CECL reserves of $10.4 million) of $33.9 million.

Cash flows provided by investing activities totaled $58.3 million during the three months ended March 31, 2026. Loan and investment activity (originations and payoffs/paydowns) comprise the majority of our investing activities. Loan paydowns/payoffs from our Structured Business totaling $894.0 million and originations of $826.1 million, net of payoffs, resulted in net cash inflows of $67.9 million.

Cash flows provided by financing activities totaled $200.4 million during the three months ended March 31, 2026 and consisted primarily of $467.4 million of net securitized debt activity (proceeds exceeded payoffs and paydowns), partially offset by net cash outflows of $171.0 million from debt facility activities (facility paydowns were greater than financed loan originations), $73.3 million of distributions to our stockholders and OP Unit holders and $30.7 million of repurchase of common stock.

***Unencumbered Assets.*** At March 31, 2026, we had total unencumbered assets with a carrying value of $3.23 billion, consisting of cash and cash equivalents of $407.1 million, loans of $792.4 million, securitization investments of $1.28 billion, MSRs of $331.9 million and $423.2 million of other assets not encumbered by any portion of secured indebtedness. Our unencumbered assets to unsecured debt ratio was 1.58x at March 31, 2026, compared to the required minimum of 1.20x.

***Agency Business Requirements.*** The Agency Business is subject to supervision by certain regulatory agencies. Among other things, these agencies require us to meet certain minimum net worth, operational liquidity and restricted liquidity collateral requirements, purchase and loss obligations and compliance with reporting requirements. Our adjusted net worth and operational liquidity exceeded the agencies' requirements at March 31, 2026. Our restricted liquidity and purchase and loss obligations were satisfied with letters of credit totaling $75.0 million and cash. See Note 14 for details about our performance regarding these requirements.

We also enter into contractual commitments with borrowers providing rate lock commitments while simultaneously entering into forward sale commitments with investors. These commitments are outstanding for short periods of time (generally less than 60 days) and are described in Note 12.

***Debt Facilities.*** We maintain various forms of short-term and long-term financing arrangements. Borrowings underlying these arrangements are primarily secured by a significant amount of our loans and investments and substantially all our loans held-for-sale. The following is a summary of our debt facilities ($ in thousands):

| | March 31, 2026 | | | |
|---|---|---|---|---|
| **Debt Instruments** | **Commitment** | **UPB (1)** | **Available** | **Maturity Dates (2)** |
| *Structured Business* | | | | |
| Credit and repurchase facilities (3) | $ 7,738,720 | $ 4,552,686 | $ 3,186,034 | 2026 - 2029 |
| Securitized debt (4) | 3,953,223 | 3,953,223 | — | 2026 - 2030 |
| Senior unsecured notes | 2,050,000 | 2,050,000 | — | 2026 - 2030 |
| Junior subordinated notes | 154,336 | 154,336 | — | 2034 - 2037 |
| Notes payable - real estate owned | 253,189 | 253,189 | — | 2026 - 2027 |
| Structured Business total | 14,149,468 | 10,963,434 | 3,186,034 | |
| *Agency Business* | | | | |
| Credit and repurchase facilities (3)(5) | 1,775,000 | 425,171 | 1,349,829 | 2026 - 2027 |
| Consolidated total | $ 15,924,468 | $ 11,388,605 | $ 4,535,863 | |

(1) Excludes the impact of deferred financing costs.
(2) See Note 14 for a breakdown of debt maturities by year. These maturity dates exclude extension options.
(3) Commitment totals include available overadvances.
(4) Maturity dates represent the weighted average remaining maturity based on the underlying collateral at March 31, 2026.
(5) The $750 million As Soon as Pooled ® Plus ("ASAP") agreement we have with Fannie Mae has no expiration date.

We utilize our credit and repurchase facilities primarily to finance our loan originations on a short-term basis prior to loan securitizations, including through CLOs. The timing, size and frequency of our securitizations impact the balances of these borrowings and produce some fluctuations. The following table provides additional information regarding the balances of our borrowings ($ in thousands):

| **Quarter Ended** | **Quarterly Average UPB** | **End of Period UPB** | **Maximum UPB at Any Month End** |
|---|---|---|---|
| March 31, 2026 | $ 5,005,616 | $ 4,977,857 | $ 5,319,936 |
| December 31, 2025 | 4,917,924 | 5,161,707 | 5,556,285 |
| September 30, 2025 | 4,633,344 | 4,133,965 | 5,553,722 |
| June 30, 2025 | 4,846,239 | 4,730,120 | 4,922,270 |
| March 31, 2025 | 3,609,646 | 4,791,967 | 4,803,572 |

Our debt facilities, including their restrictive covenants, are described in Note 10.

***Off-Balance Sheet Arrangements.*** At March 31, 2026, we had no off-balance sheet arrangements.

***Inflation.*** During 2025, the Federal Reserve lowered the federal funds rate three times for an aggregate 75-basis point reduction. Current market expectations generally contemplate the potential for an additional rate cut in the fourth quarter of 2026, but those expectations may abate if impacts from recent geopolitical events have a longer lasting effect on the economic environment and inflationary measurements. However, the elevated rate environment has persisted longer than anticipated and could persist even longer if inflation and other key economic indicators do not align with the Federal Reserve's expectations. While short-term rates have declined, long-term rates remain volatile following the current administration's adoption of increased tariffs, related litigation, geopolitical developments, including the conflict in Iran, and broader macroeconomic uncertainty. Expectations for long-term rates in 2026 remain mixed, reflecting uncertainty around long-term inflation, fiscal policy, increased federal spending and larger deficits, including the effects of the OBBBA. Accordingly, it remains difficult to predict where short- and long-term rates will settle during 2026.

This prolonged rate environment has resulted, and may continue to result, in higher payment delinquencies and defaults, more loan modifications and foreclosures and declines in real estate values in certain asset classes, which have adversely affected, and may continue to adversely affect, our results of operations, financial condition, business prospects, liquidity and ability to make distributions to stockholders. It has also made it more difficult to resolve delinquent loans, contributing to additional foreclosures and REO assets on our balance sheet, all of which could have a further material adverse effect on our business.

For additional details, see "Current Market Conditions, Risks and Recent Trends" above and "Quantitative and Qualitative Disclosures about Market Risk" below.

***Contractual Obligations.*** During the three months ended March 31, 2026, the following significant changes were made to our contractual obligations disclosed in our 2025 Annual Report:

- Closed CLO 21 totaling $762.6 million of notes issued, of which $88.6 million of notes were retained by us;
- Entered into a new $300.0 million credit facility;
- Paid down outstanding notes on existing securitizations totaling $248.4 million; and
- In April 2026, we redeemed our 5.00% senior notes totaling $175.0 million at maturity.

Refer to Note 14 for a description of our debt maturities by year and unfunded commitments at March 31, 2026.

**Derivative Financial Instruments**

We enter into derivative financial instruments in the normal course of business to manage the potential loss exposure caused by fluctuations of interest rates. See Note 12 for details.

**Critical Accounting Policies**

Refer to Note 2 of the Notes to Consolidated Financial Statements in our 2025 Annual Report for a discussion of our critical accounting policies. During the three months ended March 31, 2026, there were no material changes to these policies.

**Non-GAAP Financial Measures**

***Distributable Earnings.*** We are presenting distributable earnings because we believe it is an important supplemental measure of our operating performance and is useful to investors, analysts and other parties in the evaluation of REITs and their ability to provide dividends to stockholders. Dividends are one of the principal reasons investors invest in REITs. To maintain REIT status, REITs are required to distribute at least 90% of their REIT-taxable income. We consider distributable earnings in determining our quarterly dividend and believe that, over time, distributable earnings is a useful indicator of our dividends per share.

We define distributable earnings as net income (loss) attributable to common stockholders computed in accordance with GAAP, adjusted for accounting items such as depreciation and amortization (adjusted for unconsolidated joint ventures), non-cash stock-based compensation expense, income from MSRs, amortization and write-offs of MSRs, gains/losses on derivative instruments primarily associated with Private Label loans not yet sold and securitized, changes in fair value of GSE-related derivatives that temporarily flow through earnings, deferred tax provision (benefit), CECL provisions for credit losses (adjusted for realized losses as described below), and gains/losses on the receipt of real estate from the settlement of loans (prior to the sale of the real estate). We also add back one-time charges such as acquisition costs and one-time gains/losses on the early extinguishment of debt and redemption of preferred stock.

We reduce distributable earnings for realized losses in the period we determine that a loan is deemed nonrecoverable in whole or in part. Loans are deemed nonrecoverable upon the earlier of: (1) when the loan receivable is settled (i.e., when the loan is repaid, or in the case of foreclosure, when the underlying asset is sold); or (2) when we determine that it is nearly certain that all amounts due will not be collected. The realized loss amount is equal to the difference between the cash received, or expected to be received, and the book value of the asset.

Distributable earnings is not intended to be an indication of our cash flows from operating activities (determined in accordance with GAAP) or a measure of our liquidity, nor is it entirely indicative of funding our cash needs, including our ability to make cash distributions. Our calculation of distributable earnings may be different from the calculations used by other companies and, therefore, comparability may be limited.

Distributable earnings are as follows ($ in thousands, except share and per share data):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2026 | 2025 |
| Net income attributable to common stockholders | $ 629 | $ 30,438 |
| Adjustments: | | |
| Net income attributable to noncontrolling interest | 52 | 2,602 |
| Income from mortgage servicing rights | (9,660) | (8,131) |
| Deferred tax benefit | (2,580) | (137) |
| Amortization and write-offs of MSRs | 19,340 | 20,864 |
| Depreciation and amortization | 7,814 | 4,568 |
| Loss on extinguishment of debt | — | 2,319 |
| Provision for credit losses, net | (20,878) | 756 |
| Loss (gain) on derivative instruments, net | 1,298 | (4,697) |
| Loss on real estate | 12,529 | 2,810 |
| Stock-based compensation | 5,904 | 5,935 |
| Distributable earnings (1) | $ 14,448 | $ 57,327 |
| Diluted weighted average shares outstanding (1)(2) | 211,735,731 | 206,862,320 |
| Diluted distributable earnings per share (1) | $ 0.07 | $ 0.28 |

(1) Amounts are attributable to common stockholders and OP Unit holders. The OP Units are redeemable for cash, or at our option for shares of our common stock on a one-for-one basis.

(2) The diluted weighted average shares outstanding are adjusted to exclude the potential shares issuable upon conversion and settlement of our convertible senior notes principal balance, which were fully settled in the third quarter of 2025. No adjustment was necessary for the three months ended March 31, 2025, as their effect was anti-dilutive and not reflected in the diluted weighted average shares outstanding.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We disclosed a quantitative and qualitative analysis regarding market risk in Item 7A of our 2025 Annual Report. That information is supplemented by the information included above in Item 2 of this report. Other than the developments described thereunder, there have been no material changes in our exposure to market risk since December 31, 2025.

Our operating results are sensitive to fluctuations in interest rates, particularly in our Structured Business. Our structured loan portfolio and investments are primarily floating rate based on SOFR and a meaningful portion of our debt is fixed rate. Additionally, interest rate floors on certain loans, where applicable, may cause changes in interest income and interest expense to occur at different times or by different amounts. Therefore, while increases in interest rates generally benefit our net interest income because our structured loan portfolio and investments exceed our corresponding debt balances, fluctuations in interest rates do not necessarily correlate directly with the impact on our net interest income, particularly depending on the magnitude of such fluctuations and the effect of applicable interest rate floors.

The following table projects the potential impact on interest ($ in thousands) for a 12-month period, assuming a hypothetical instantaneous increase or decrease of 50 basis points and a decrease of 100 basis points in corresponding interest rates. Since it is unlikely that interest rates will significantly increase in the near future as a result of the current high interest rate environment, we have excluded the impact of a 100 basis point increase in corresponding interest rates.

| | Assets (Liabilities) Subject to Interest Rate Sensitivity (1) | 50 Basis Point Increase | 50 Basis Point Decrease | 100 Basis Point Decrease |
|---|---|---|---|---|
| Interest income from loans and investments | $ 11,997,293 | $ 46,532 | $ (39,149) | $ (66,973) |
| Interest expense from debt obligations | (10,963,434) | 44,050 | (42,631) | (84,352) |
| Impact to net interest income from loans and investments | | 2,482 | 3,482 | 17,379 |
| Interest income from cash, restricted cash and escrow balances (2) | 2,007,509 | 10,038 | (10,038) | (20,075) |
| Total impact from hypothetical changes in interest rates | | $ 12,520 | $ (6,556) | $ (2,696) |

(1) Represents the UPB of our structured loan portfolio, the principal balance of our debt and the account balances of our cash, restricted cash and escrows at March 31, 2026.

(2) Our cash, restricted cash and escrows are currently earning interest at a weighted average blended rate of approximately 3.3%, or approximately $66 million annually. Interest income earned on our cash and restricted cash is included as a component of interest income and interest income earned on escrows is included as a component of servicing revenue, net in the consolidated statements of income. The interest earned on our cash, restricted cash and escrows is based on an average daily balance and may be different from the end of period balance.

Our Agency Business originates, sells and services a range of multifamily finance products with Fannie Mae, Freddie Mac and HUD. Our loans held-for-sale to these agencies are not currently exposed to interest rate risk during the loan commitment, closing and delivery process. The sale or placement of each loan to an investor is negotiated prior to closing on the loan with the borrower, and the sale or placement is generally effectuated within 60 days of closing. The coupon rate for the loan is set after we establish the interest rate with the investor.

In addition, the fair value of our MSRs is subject to market risk since a significant driver of the fair value of these assets is the discount rates. A 100 basis point increase in the weighted average discount rate would decrease the fair value of our MSRs by $12.4 million at March 31, 2026, while a 100 basis point decrease would increase the fair value by $13.0 million.

**Item 4. Controls and Procedures**

Management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of our disclosure controls and procedures at March 31, 2026. Based on this evaluation, our chief executive officer and chief financial officer have concluded that our disclosure controls and procedures were effective at March 31, 2026.

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings**

Information with respect to certain legal proceedings is set forth in Note 14 and is incorporated herein by reference.

**Item 1A. Risk Factors**

There have been no material changes to the risk factors set forth in Item 1A of our 2025 Annual Report.

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

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 5. Other Information**

We have a share repurchase program providing for the repurchase of up to $150.0 million of our outstanding common stock. The repurchase of our common stock may be made from time to time in the open market, through privately negotiated transactions, or otherwise in compliance with Rule 10b-18 and Rule 10b5-1 under the Exchange Act, based on our stock price, general market conditions, applicable legal requirements and other factors. At March 31, 2026, there was $105.9 million available for repurchase under this program. The program may be discontinued or modified at any time.

During the period covered by this report, no Arbor director or officer adopted, modified or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

The following table sets forth all common stock purchases made by or on behalf of us and any “affiliated purchaser,” as defined in Rule 10b-18(a)(3) under the Exchange Act, during each of the indicated periods ($ in thousands, except share and per share data).

| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of a Publicly Announced Program | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program [1] |
|---|---|---|---|---|
| January 1 - 31, 2026 | 410,173 | $ 7.67 | 410,173 | $ 133,440 |
| February 1 - 28, 2026 | 2,034,687 | 7.32 | 2,034,687 | $ 118,541 |
| March 1 - 31, 2026 | 1,673,041 | 7.58 | 1,673,041 | $ 105,851 |
| | 4,117,901 | $ 7.46 | 4,117,901 | |

**Item 6. Exhibits**

| Exhibit # | Description | Incorporated by Reference | | |
|---|---|---|---|---|
| | | Form | Exhibit # | Filing Date |
| 3.1 | Articles of Incorporation of Arbor Realty Trust, Inc. | S-11 | 3.1 | 11/13/03 |
| 3.2 | Articles of Amendment to Articles of Incorporation of Arbor Realty Trust, Inc. | 10-Q | 3.2 | 08/07/07 |
| 3.3 | Amended and Restated Bylaws of Arbor Realty Trust, Inc. | 8-K | 3.1 | 12/01/20 |
| 10.1 | Employment Agreement by and between Arbor Realty Trust, Inc. and Yoni Goodman | 8-K | 10.1 | 02/17/26 |
| 10.2 | Amendment to Employment Agreement by and between Arbor Realty Trust, Inc. and Yoni Goodman | 8-K | 10.2 | 02/17/26 |
| 31.1 | Certification of Chief Executive Officer pursuant to Exchange Act Rule 13a-14 | | | |
| 31.2 | Certification of Chief Financial Officer pursuant to Exchange Act Rule 13a-14 | | | |
| 32 | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | | |
| 101 | Financial statements from the Quarterly Report on Form 10-Q of Arbor Realty Trust, Inc. for the quarter ended March 31, 2026, filed on May 8, 2026, formatted in Inline Extensible Business Reporting Language ("XBRL"): (1) the Consolidated Balance Sheets, (2) the Consolidated Statements of Income, (3) the Consolidated Statements of Changes in Equity, (4) the Consolidated Statements of Cash Flows and (5) the Notes to Consolidated Financial Statements. | | | |
| 104 | Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) | | | |

In accordance with Item 601(b)(4)(iii)(A) of Regulation S-K, copies of certain instruments defining the rights of holders of our long-term debt are not filed herewith. Pursuant to this regulation, we hereby agree to furnish a copy of any such instrument to the SEC upon request.

**SIGNATURES**

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

**ARBOR REALTY TRUST, INC.**

Date: May 8, 2026

By: /s/ Ivan Kaufman
Ivan Kaufman
Chief Executive Officer

Date: May 8, 2026

By: /s/ Paul Elenio
Paul Elenio
Chief Financial Officer