

**CAPITAL MARKETS FORECAST
2016**

FEBRUARY 17, 2016



**JAY R. THOMAS
MANAGING DIRECTOR
MULTIFAMILY FINANCE**

Company Overview

Walker & Dunlop is a commercial real estate finance company headquartered in Bethesda, Maryland with 25 offices nationwide. Founded in 1937, the company **went public in 2010**, gaining access to the capital markets. Since then, the firm has grown each year by **expanding into different business lines** to meet the needs of our clients, changing economies, and rapidly fluctuating real estate and capital markets.



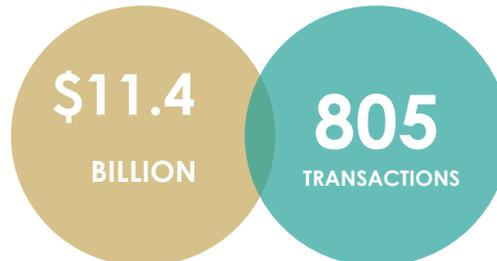
From January 2010 through December 31, 2015, Walker & Dunlop completed a total of **\$50.0 billion in loan originations**. The firm has been able to consistently grow its volume of loans year over year.

Walker & Dunlop has **over 500 professionals** in the United States **dedicated to providing structured financing and loan servicing**. In the first half of 2015, Walker & Dunlop completed 569 transactions totaling \$7.8 billion.



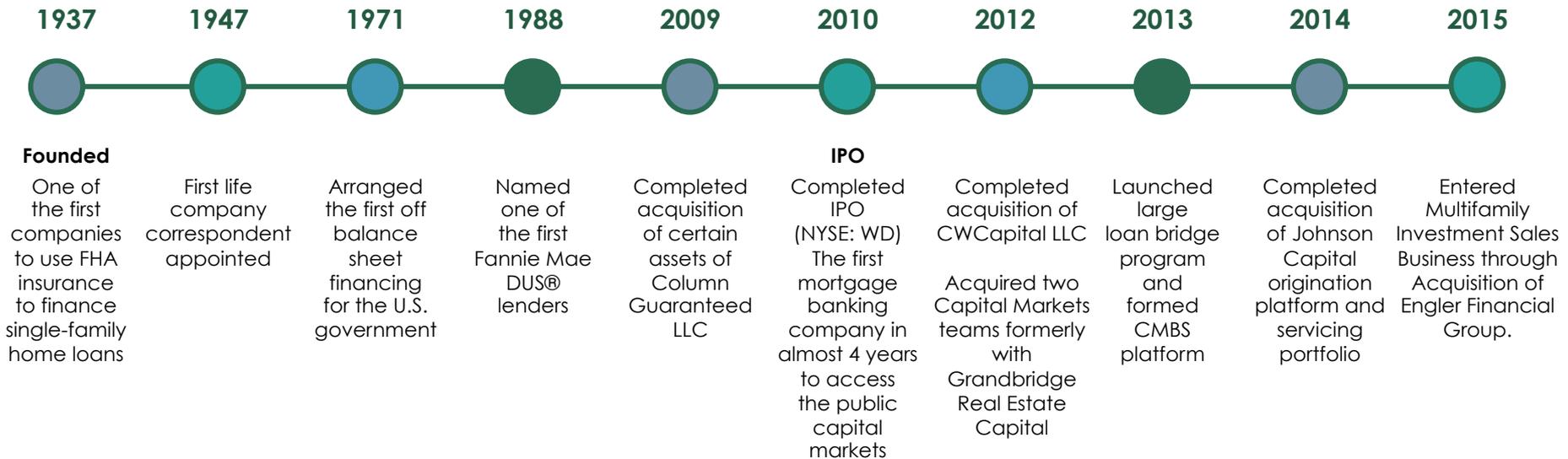
2015 transactions were completed with **over 150 different capital sources**, including securitized lenders (CMBS), life insurance companies, commercial banks, Fannie Mae, Freddie Mac, FHA, and other third party sources of capital.

2014 HIGHLIGHTS



Distinguished 78-Year History

KEY HISTORICAL MILESTONES



\$46.0
IN LOAN ORIGINATIONS*
2010 – 9/30/15

Financing Solutions – Multifamily & Healthcare

Walker & Dunlop offers a **comprehensive suite** of financing solutions which allows us to originate loans for our balance sheet, our CMBS conduit or for sale to Fannie Mae, Freddie Mac and HUD, and broker loans to life insurance companies, banks and other CMBS providers.

Positive property fundamentals, coupled with **historically low interest rates**, are driving huge market demand for multifamily assets.

Walker & Dunlop finances a wide **variety of multifamily** and **healthcare property types** including student housing, manufactured housing, seniors housing, independent living, assisted living, skilled nursing, hospital facilities, medical office and condominiums.

The firm also has a **dedicated loan servicing staff**. Walker & Dunlop is a primary-servicer and has a **servicing portfolio of \$50.0 billion** as of December 31, 2015, with over 4,800 loans.

FANNIE MAE FREDDIE MAC HUD



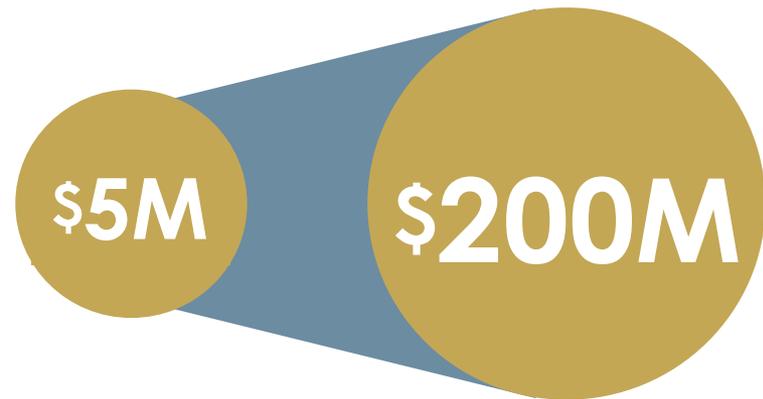
Proprietary Capital Sources

Walker & Dunlop's proprietary bridge loan program offers short-term non-recourse loans to borrowers seeking to acquire or reposition multifamily, student, manufactured, or seniors housing properties that do not currently qualify for permanent financing. Financing is available from \$5 million up to \$200+ million and can be structured with funding built in for planned capital expenditures. Once your property is ready for permanent financing, Walker & Dunlop can facilitate a **seamless transition** to Fannie Mae, Freddie Mac, HUD, life company or CMBS financing.

Walker & Dunlop Commercial Property Funding is our proprietary CMBS lending platform that provides first mortgage loans, high yield whole loans, mezzanine debt and preferred equity for properties located nationwide. Additionally, Walker & Dunlop works with 20 CMBS providers as an intermediary on transactions for all commercial property types.

The Bridge Loan Program

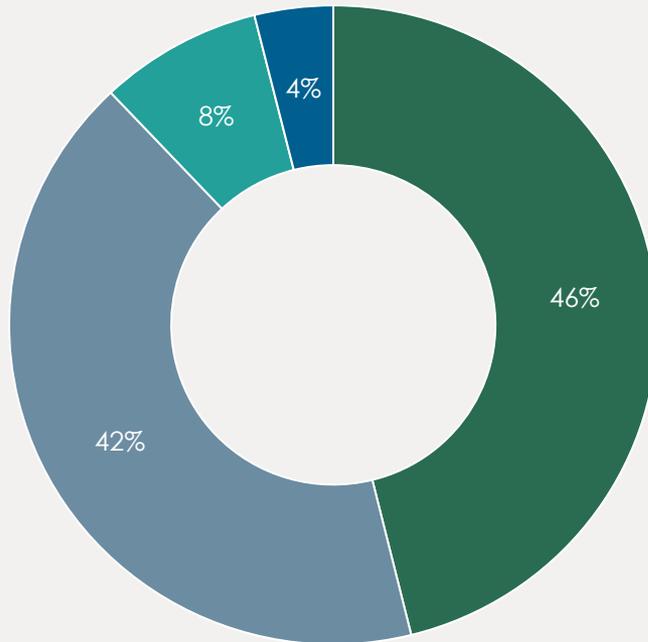
FUNDING BUILT IN FOR
PLANNED CAPITAL EXPENDITURES



SEAMLESS TRANSITION TO
**Fannie Mae, Freddie Mac, HUD,
Life Company or CMBS**

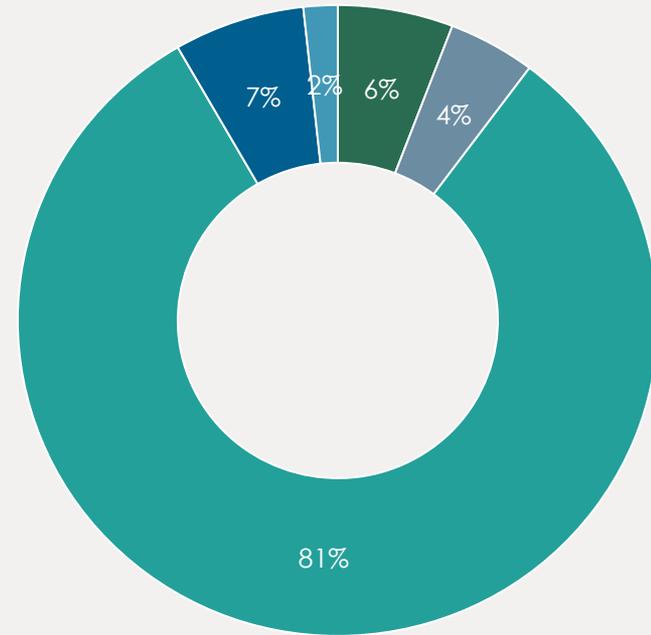
2014 Agency and ILP Volume: \$8.7 Billion

BY CAPITAL SOURCE



■ Fannie ■ Freddie ■ HUD ■ ILP

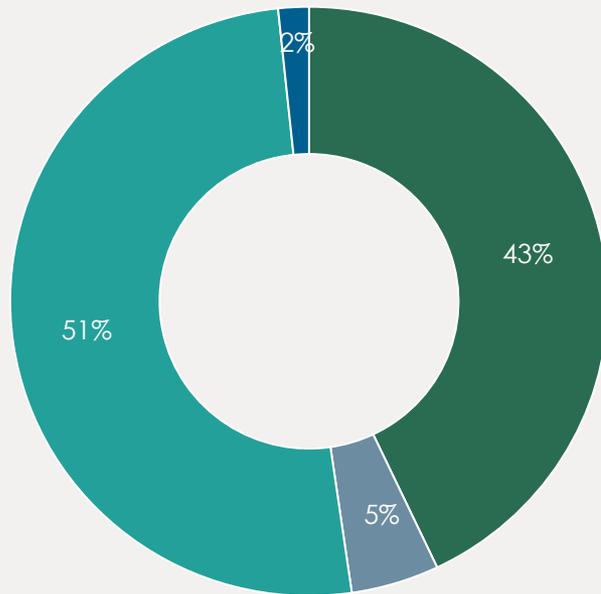
BY PROPERTY TYPE



■ Affordable ■ Manufactured Housing
■ Market Rate ■ Student
■ Other

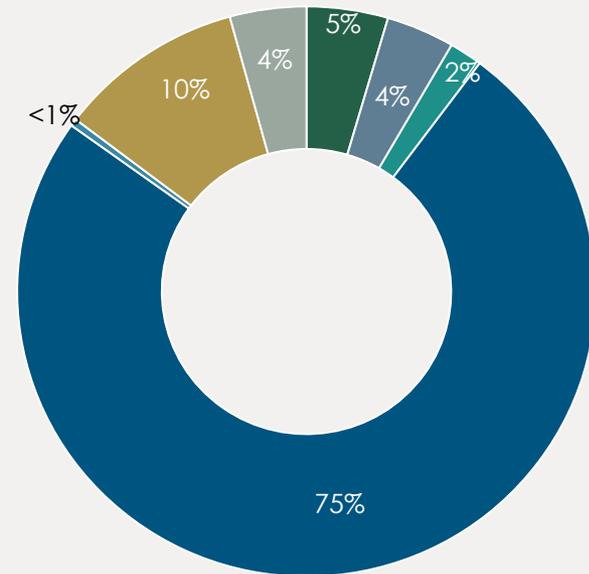
YTD 2015* Agency and ILP Volume: \$8.8 Billion

BY CAPITAL SOURCE



■ Fannie ■ FHA ■ Freddie ■ Other

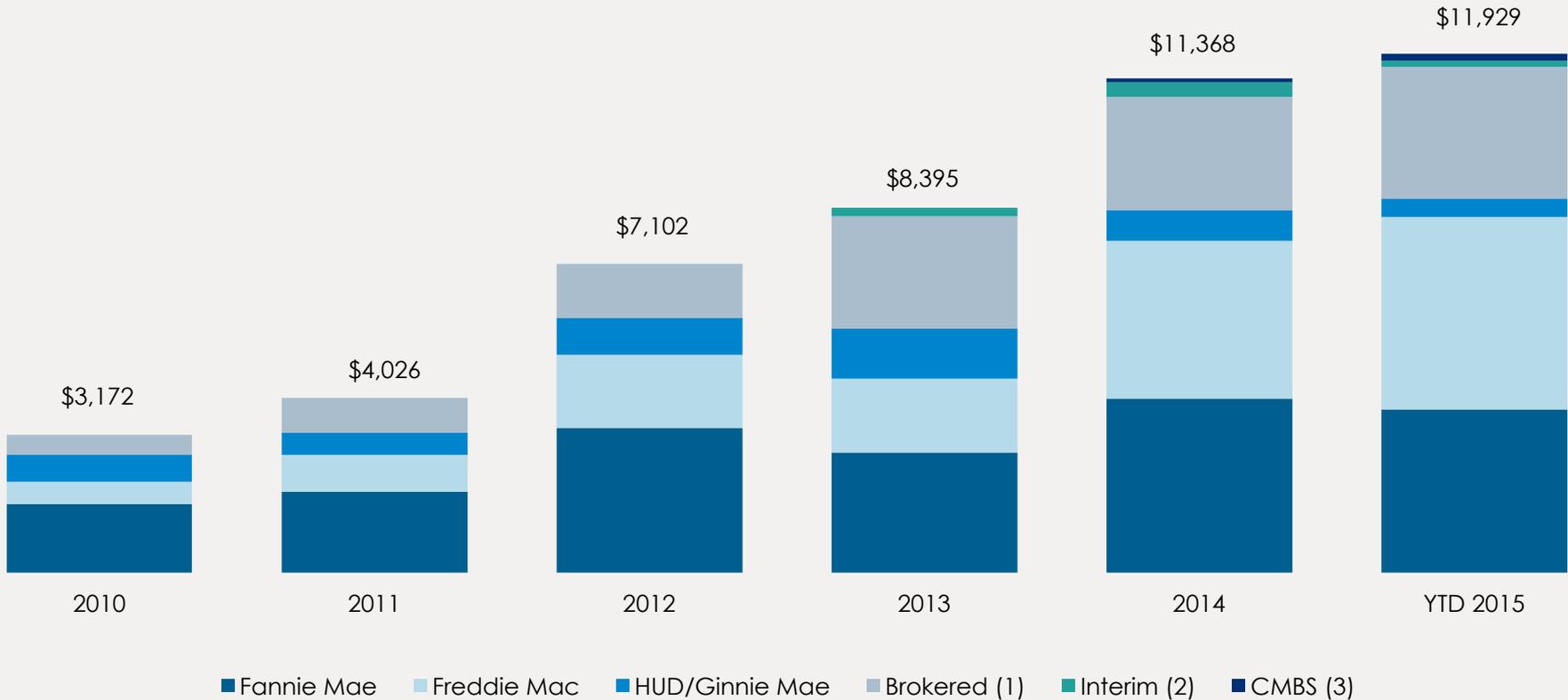
BY PROPERTY TYPE



■ Affordable ■ Manufactured Housing ■ Military ■ Student
■ Healthcare ■ Market Rate Apt ■ Seniors

* January 1 – September 30, 2015

Historical Loan Originations

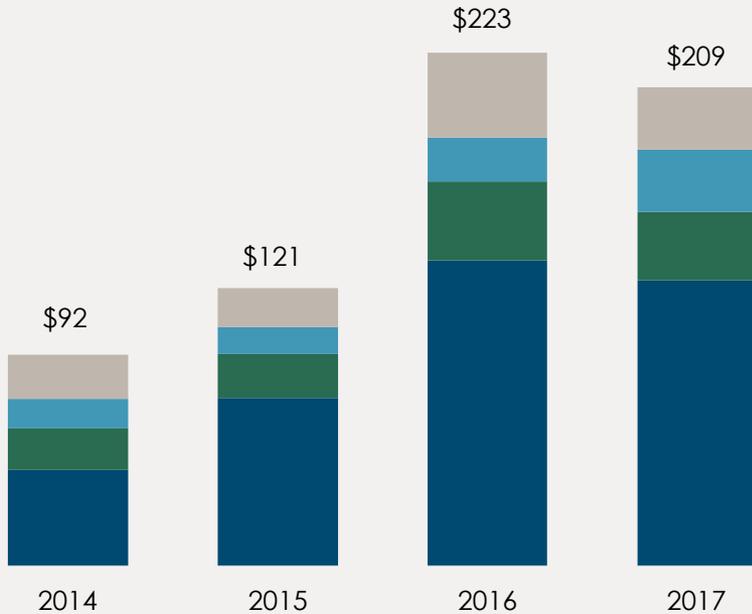


- (1) Includes loans brokered to other CMBS originators, life insurance companies and commercial banks
- (2) Includes our on-balance sheet interim loans and loans made through our large loan bridge program
- (3) Brokered transactions for our CMBS partnership

Commercial Real Estate Debt Maturities

MATURING NON-BANK COMMERCIAL/MULTIFAMILY MORTGAGES BY LENDER (1)

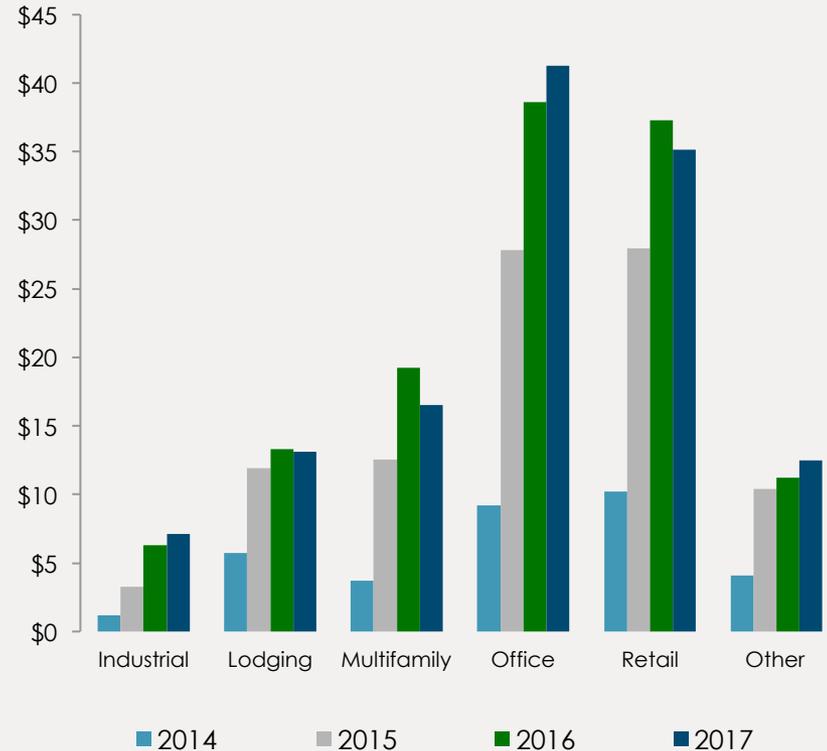
(\$ in billions)



- Credit Companies, Warehouse, and Other
- Fannie, Freddie, FHA, and Ginnie Mae
- Life Insurance Companies
- CMBS, CDO or other ABS

MATURING CMBS LOANS 2014 -2017 BY PROPERTY TYPE (2)

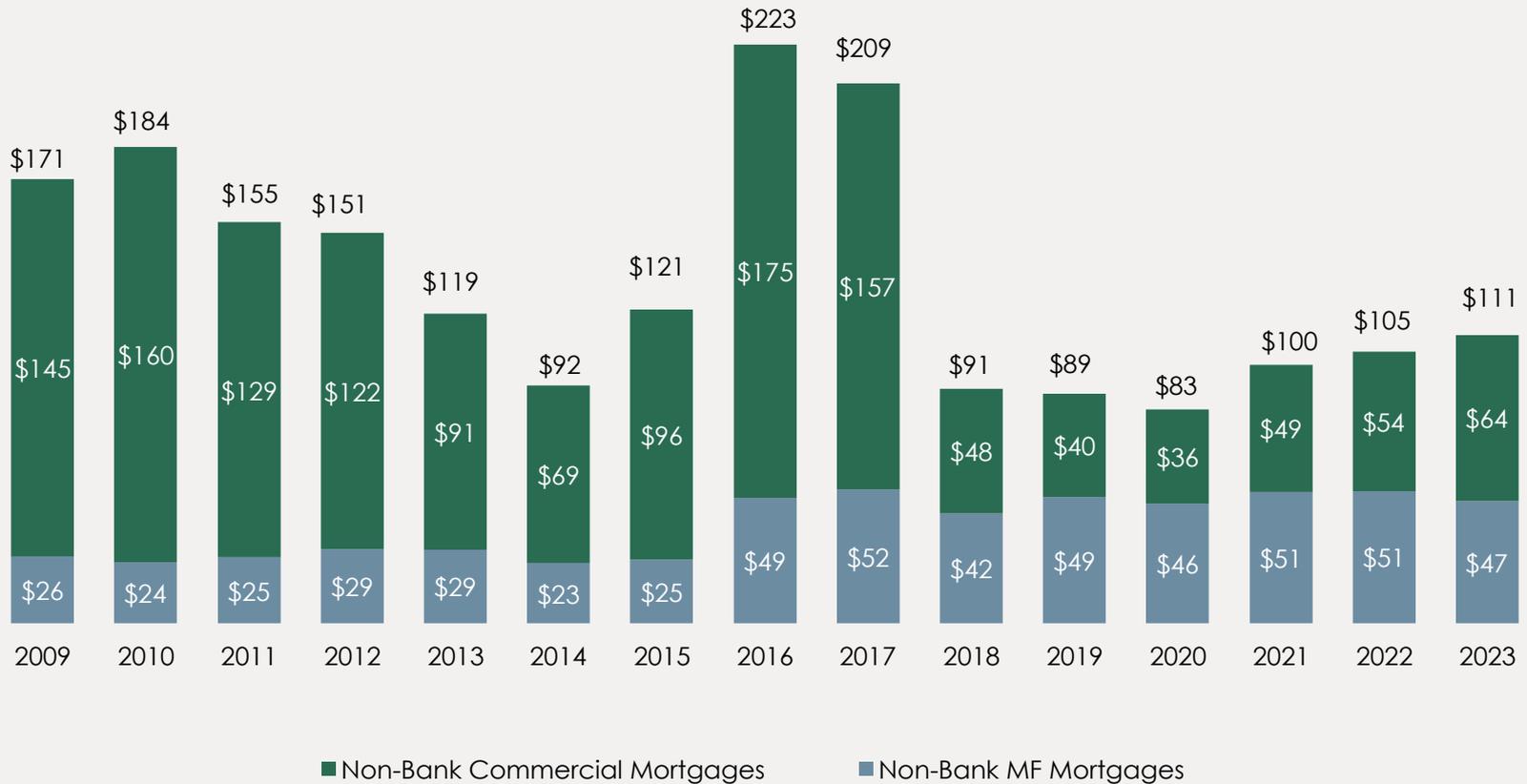
(\$ in billions)



(1) Mortgage Bankers Association Commercial Real Estate/Multifamily Finance Loan Maturity Volumes as of December 31, 2014
 (2) Trepp, LLC

Increase in Multifamily Loan Maturities After 2015

UNPAID PRINCIPAL BALANCE OF NON-BANK COMMERCIAL/MULTIFAMILY MORTGAGES, BY YEAR OF MATURITY
(\$ in billions)



Source: Mortgage Bankers Association Commercial Real Estate/Multifamily Finance Loan Maturity Volumes as of December 31, 2014