

**READY CAPITAL CORPORATION ANNOUNCES FIRST QUARTER 2019 RESULTS**

- **Net Income of \$0.90 per share of common stock in the first quarter -**
- **Core Earnings of \$0.34 per share of common stock in the first quarter -**
- **Originated and acquired \$465 million of Small Balance Commercial (SBC) loans in first quarter 2019 -**

New York, New York, May 8, 2019 / PRNewswire / – Ready Capital Corporation (“Ready Capital” or the “Company”) (NYSE: RC), a multi-strategy real estate finance company that originates, acquires, finances, and services small- to medium-sized balance commercial loans, today reported financial results for the quarter ended March 31, 2019. A summary of Ready Capital’s operating results for the quarter ended March 31, 2019 is presented below. Ready Capital reported U.S. GAAP Net Income for the three months ended March 31, 2019 of \$30.5 million, or \$0.90 per share of common stock, and Core Earnings (a non-GAAP financial measure) of \$11.3 million, or \$0.34 per share of common stock.

**First Quarter Highlights:**

- U.S. GAAP Net Income of \$30.5 million, or \$0.90 per diluted share of common stock
- Core Earnings of \$11.3 million, or \$0.34 per diluted share of common stock
- Adjusted net book value of \$16.65 per share of common stock as of March 31, 2019
- Originated \$292.0 million and acquired \$128.7 million of small balance commercial (“SBC”) loans
- Originated \$44.1 million of loans guaranteed by the U.S. Small Business Administration (the “SBA”) under its Section 7(a) loan program
- Originated \$344.4 million of residential mortgage loans
- Declared and paid dividend of \$0.40 per share
- Completed the merger with Owens Realty Mortgage, Inc., increasing the capital base to approximately \$760 million
- Subsequent to quarter end, completed the securitization of \$320.8 million of transitional loans and issued \$267.9 million of senior bonds at a weighted average pass-through rate of LIBOR plus 1.33%

“We are proud to have completed our transformational merger with Owens Realty. This combination creates a company with greater scale and additional capital that is well positioned to continue to execute our strategic vision of building a full-service platform with scale,” commented Ready Capital’s Chairman and chief executive officer Thomas Capasse. “With the market volatility we experienced at year end followed immediately by an unprecedented government shutdown that closed the SBA for an extended period of time, we are even more convinced our long-term strategic objectives will yield strong and growing cash flow over-time. As we look ahead we remain focused on the accretive expansion of our platform to drive loan growth that ultimately enhances earnings and increases shareholder value.”

***Use of Non-GAAP Financial Information***

In addition to the results presented in accordance with U.S. GAAP, this press release includes Core Earnings which is a non-U.S. GAAP financial measure. The Company defines Core Earnings as net income adjusted for unrealized gains and losses related to certain mortgage backed securities, realized gains and losses on sales of certain MBS, unrealized gains and losses related to residential mortgage servicing rights, and one-time non-recurring gains or losses, such as gains or losses on discontinued operations, bargain purchase gains or merger related expenses.

The Company believes that providing investors with this non-U.S. GAAP financial information, in addition to the related U.S. GAAP measures, gives investors greater transparency into the information used by management in its financial and operational decision-making. However, because Core Earnings is an incomplete measure of the Company’s financial performance and involves differences from net income computed in accordance with U.S. GAAP, it should be considered along with, but not as an alternative to, the Company’s net income computed in accordance with U.S. GAAP as a measure of the Company’s financial performance. In addition, because not all companies use identical calculations, the Company’s presentation of Core Earnings may not be comparable to other similarly-titled measures of other companies.

In calculating Core Earnings, Net Income (in accordance with GAAP) is adjusted to exclude unrealized gains and losses on MBS acquired by the Company in the secondary market, but is not adjusted to exclude unrealized gains and losses on MBS retained by Ready Capital as part of its loan origination businesses, where the Company transfers originated loans into an MBS securitization and the Company retains an interest in the securitization. In calculating Core Earnings, the Company does not adjust Net Income (in accordance with GAAP) to take into account unrealized gains and losses on MBS retained by us as part of the loan origination businesses because

the unrealized gains and losses that are generated in the loan origination and securitization process are considered to be a fundamental part of this business and an indicator of the ongoing performance and credit quality of the Company's historical loan originations. In calculating Core Earnings, Net Income (in accordance with GAAP) is adjusted to exclude realized gains and losses on certain MBS securities considered to be non-core. Certain MBS positions are considered to be non-core due to a variety of reasons which may include collateral type, duration, and size.

In addition, in calculating Core Earnings, Net Income (in accordance with GAAP) is adjusted to exclude unrealized gains or losses on residential MSRs, held at fair value. The Company treats its commercial MSRs and residential MSRs as two separate classes based on the nature of the underlying mortgages and the treatment of these assets as two separate pools for risk management purposes. Servicing rights relating to the Company's small business commercial business are accounted for under ASC 860, *Transfer and Servicing*, while the Company's residential MSRs are accounted for under the fair value option under ASC 825, *Financial Instruments*. In calculating Core Earnings, the Company does not exclude realized gains or losses on either commercial MSRs or Residential MSRs, held at fair value, as servicing income is a fundamental part of Ready Capital's business and as an indicator of the ongoing performance.

The following table reconciles net income computed in accordance with U.S. GAAP to Core Earnings for the three months ended March 31, 2019:

| (In Thousands)                                | <b>Three Months Ended<br/>March 31, 2019</b> |               |
|---|--|---------------|
| <b>Net Income</b>                             | \$   | 30,450        |
| <b>Reconciling items:</b>                     |  |               |
| Unrealized loss on mortgage-backed securities |  | 14            |
| Unrealized loss on mortgage servicing rights  |  | 7,128         |
| Gain on bargain purchase                      |  | (30,728)      |
| Merger transaction costs                      |  | 5,467         |
| Non-recurring expenses                        |  | 726           |
| <b>Total reconciling items</b>                | \$   | (17,393)      |
| <b>Core earnings before income taxes</b>      | \$   | 13,057        |
| Income tax adjustments                        |  | (1,782)       |
| <b>Core earnings</b>                          | \$   | <b>11,275</b> |

U.S. GAAP Return on Equity is based on U.S. GAAP Net Income, while Core Return on Equity is based on Core Earnings, which adjusts GAAP Net Income for the items in the Core reconciliation above.

### ***Webcast and Earnings Conference Call***

Management will host a webcast and conference call on Thursday, May 9, 2019 at 8:30 am ET to provide a general business update and discuss the financial results for the quarter ended March 31, 2019. A webcast will be available on the Company's website at [www.readycapital.com](http://www.readycapital.com). To listen to a live broadcast, access the site at least 15 minutes prior to the scheduled start time in order to register and download and install any necessary audio software.

### ***To Participate in the Telephone Conference Call:***

Dial in at least five minutes prior to start time.

Domestic: 1-877-407-0792  
International: 1-201-689-8263  
Conference ID #: 13689763

### ***Conference Call Playback:***

Domestic: 1-844-512-2921  
International: 1-412-317-6671  
Replay Pin #: 13689763

The playback can be accessed through May 23, 2019.

### ***Safe Harbor Statement***

*This press release contains statements that constitute "forward-looking statements," as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are*

*intended to be covered by the safe harbor provided by the same. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements; the Company can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, applicable regulatory changes; general volatility of the capital markets; changes in the Company's investment objectives and business strategy; the availability of financing on acceptable terms or at all; the availability, terms and deployment of capital; the availability of suitable investment opportunities; changes in the interest rates or the general economy; increased rates of default and/or decreased recovery rates on investments; changes in interest rates, interest rate spreads, the yield curve or prepayment rates; changes in prepayments of Company's assets; the degree and nature of competition, including competition for the Company's target assets; and other factors, including those set forth in the Risk Factors section of the Company's most recent Annual Report on Form 10-K filed with the SEC, and other reports filed by the Company with the SEC, copies of which are available on the SEC's website, [www.sec.gov](http://www.sec.gov). The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.*

### ***About Ready Capital Corporation***

Ready Capital Corporation (NYSE: RC) is a multi-strategy real estate finance company that originates, acquires, finances and services small- to medium-sized balance commercial loans. Ready Capital specializes in loans backed by commercial real estate, including agency multifamily, investor and bridge as well as SBA 7(a) business loans. Headquartered in New York, New York, Ready Capital employs over 400 lending professionals nationwide. The company is externally managed and advised by Waterfall Asset Management, LLC.

### ***Contact***

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Additional information can be found on the Company's website at [www.readycapital.com](http://www.readycapital.com)

**READY CAPITAL CORPORATION**  
**UNAUDITED CONSOLIDATED BALANCE SHEETS**

| (In Thousands)   | March 31, 2019      | December 31, 2018   |
|--|---------------------|---------------------|
| <b>Assets</b>  |                     |                     |
| Cash and cash equivalents  | \$ 47,597           | \$ 54,406           |
| Restricted cash  | 29,979              | 28,921              |
| Loans, net (including \$22,595 and \$22,664 held at fair value)  | 1,057,023           | 1,193,392           |
| Loans, held for sale, at fair value  | 115,778             | 115,258             |
| Mortgage backed securities, at fair value  | 91,435              | 91,937              |
| Loans eligible for repurchase from Ginnie Mae  | 73,057              | 74,180              |
| Investment in unconsolidated joint ventures  | 39,025              | 33,438              |
| Derivative instruments   | 2,483               | 2,070               |
| Servicing rights (including \$88,218 and \$93,065 held at fair value)  | 115,652             | 120,062             |
| Receivable from third parties  | 718                 | 8,888               |
| Real estate acquired in settlement of loans, held for sale   | 75,517              | 7,787               |
| Other assets   | 68,886              | 55,447              |
| Assets of consolidated VIEs  | 1,561,864           | 1,251,057           |
| <b>Total Assets</b>  | <b>\$ 3,279,014</b> | <b>\$ 3,036,843</b> |
| <b>Liabilities</b>   |                     |                     |
| Secured borrowings   | 848,225             | 834,547             |
| Securitized debt obligations of consolidated VIEs, net   | 1,140,919           | 905,367             |
| Convertible notes, net   | 110,241             | 109,979             |
| Senior secured notes, net  | 178,979             | 178,870             |
| Corporate debt, net  | 48,629              | 48,457              |
| Guaranteed loan financing  | 34,047              | 229,678             |
| Liabilities for loans eligible for repurchase from Ginnie Mae  | 73,057              | 74,180              |
| Derivative instruments   | 3,392               | 3,625               |
| Dividends payable  | 13,396              | 13,346              |
| Accounts payable and other accrued liabilities   | 67,240              | 74,719              |
| <b>Total Liabilities</b>   | <b>\$ 2,518,125</b> | <b>\$ 2,472,768</b> |
| <b>Stockholders' Equity</b>  |                     |                     |
| Common stock, \$0.0001 par value, 500,000,000 shares authorized, 44,395,713 and 32,105,112 shares issued and outstanding, respectively | 4                   | 3                   |
| Additional paid-in capital   | 720,680             | 540,478             |
| Retained earnings  | 21,790              | 5,272               |
| Accumulated other comprehensive loss   | (1,328)             | (922)               |
| Total Ready Capital Corporation equity   | 741,146             | 544,831             |
| Non-controlling interests  | 19,743              | 19,244              |
| <b>Total Stockholders' Equity</b>  | <b>\$ 760,889</b>   | <b>\$ 564,075</b>   |
| <b>Total Liabilities and Stockholders' Equity</b>  | <b>\$ 3,279,014</b> | <b>\$ 3,036,843</b> |

**READY CAPITAL CORPORATION**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

| (In Thousands, except share data)   | Three Months Ended March 31, |                    |
|---|------------------------------|--------------------|
|   | 2019                         | 2018               |
| Interest income   | \$ 48,753                    | \$ 37,150          |
| Interest expense  | (35,775)                     | (22,666)           |
| <b>Net interest income before provision for loan losses</b>                 | <b>\$ 12,978</b>             | <b>\$ 14,484</b>   |
| Provision for loan losses   | (518)                        | (167)              |
| <b>Net interest income after provision for loan losses</b>                  | <b>\$ 12,460</b>             | <b>\$ 14,317</b>   |
| <b>Non-interest income</b>  |                              |                    |
| Residential mortgage banking activities                                     | 14,587                       | 14,024             |
| Net realized gain on financial instruments and real estate owned            | 7,282                        | 12,232             |
| Net unrealized gain (loss) on financial instruments                         | (6,912)                      | 3,008              |
| Other income  | 900                          | 1,334              |
| Servicing income, net of amortization and impairment of \$1,763 and \$1,350 | 6,752                        | 6,410              |
| Income on unconsolidated joint ventures                                     | 2,929                        | 5,739              |
| Gain on bargain purchase  | 30,728                       | —                  |
| <b>Total non-interest income</b>  | <b>\$ 56,266</b>             | <b>\$ 42,747</b>   |
| <b>Non-interest expense</b>   |                              |                    |
| Employee compensation and benefits  | (11,448)                     | (15,320)           |
| Allocated employee compensation and benefits from related party             | (853)                        | (1,200)            |
| Variable expenses on residential mortgage banking activities                | (9,176)                      | (2,290)            |
| Professional fees   | (1,829)                      | (2,648)            |
| Management fees – related party   | (1,997)                      | (2,013)            |
| Incentive fees – related party  | —                            | (408)              |
| Loan servicing expense  | (3,648)                      | (4,093)            |
| Merger related expenses   | (5,467)                      | —                  |
| Other operating expenses  | (6,861)                      | (8,011)            |
| <b>Total non-interest expense</b>   | <b>\$ (41,279)</b>           | <b>\$ (35,983)</b> |
| Income before provision for income taxes                                    | \$ 27,447                    | \$ 21,081          |
| Provision for income (taxes) benefit  | 3,003                        | (2,563)            |
| <b>Net income</b>   | <b>\$ 30,450</b>             | <b>\$ 18,518</b>   |
| Less: Net income attributable to non-controlling interest                   | 983                          | 664                |
| <b>Net income attributable to Ready Capital Corporation</b>                 | <b>\$ 29,467</b>             | <b>\$ 17,854</b>   |
| <b>Earnings per common share - basic</b>                                    | <b>\$ 0.90</b>               | <b>\$ 0.56</b>     |
| <b>Earnings per common share - diluted</b>                                  | <b>\$ 0.90</b>               | <b>\$ 0.56</b>     |
| <b>Weighted-average shares outstanding</b>                                  |                              |                    |
| Basic   | 32,556,875                   | 32,036,504         |
| Diluted   | 32,563,644                   | 32,045,844         |
| <b>Dividends declared per share of common stock</b>                         | <b>\$ 0.40</b>               | <b>\$ 0.37</b>     |

**READY CAPITAL CORPORATION**  
**UNAUDITED SEGMENT REPORTING**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2019**

| (In Thousands)  | Loan<br>Acquisitions | SBC<br>Originations | SBA Originations,<br>and Servicing | Residential<br>Mortgage<br>Banking | Corporate-<br>Other | Consolidated        |
|---|----------------------|---------------------|------------------------------------|------------------------------------|---------------------|---------------------|
| Interest income   | \$ 10,674            | \$ 28,188           | \$ 9,109                           | \$ 782                             | \$ —                | \$ 48,753           |
| Interest expense  | (7,705)              | (20,666)            | (6,490)                            | (914)                              | —                   | (35,775)            |
| <b>Net interest income before provision for loan losses</b>     | <b>\$ 2,969</b>      | <b>\$ 7,522</b>     | <b>\$ 2,619</b>                    | <b>\$ (132)</b>                    | <b>\$ —</b>         | <b>\$ 12,978</b>    |
| Provision for loan losses                                       | (133)                | 41                  | (426)                              | —                                  | —                   | (518)               |
| <b>Net interest income after provision for loan losses</b>      | <b>\$ 2,836</b>      | <b>\$ 7,563</b>     | <b>\$ 2,193</b>                    | <b>\$ (132)</b>                    | <b>\$ —</b>         | <b>\$ 12,460</b>    |
| <b>Non-interest income</b>                                      |                      |                     |                                    |                                    |                     |                     |
| Residential mortgage banking activities                         | \$ —                 | \$ —                | \$ —                               | \$ 14,587                          | \$ —                | \$ 14,587           |
| Net realized gain on financial instruments                      | (49)                 | 3,540               | 3,791                              | —                                  | —                   | 7,282               |
| Net unrealized gain on financial instruments                    | (19)                 | 810                 | (575)                              | (7,128)                            | —                   | (6,912)             |
| Other income  | 68                   | 786                 | 14                                 | 17                                 | 15                  | 900                 |
| Servicing income  | 1                    | 436                 | 1,015                              | 5,300                              | —                   | 6,752               |
| Income from unconsolidated joint venture                        | 2,929                | —                   | —                                  | —                                  | —                   | 2,929               |
| Gain on bargain purchase  | —                    | —                   | —                                  | —                                  | 30,728              | 30,728              |
| <b>Total non-interest income</b>                                | <b>\$ 2,930</b>      | <b>\$ 5,572</b>     | <b>\$ 4,245</b>                    | <b>\$ 12,776</b>                   | <b>\$ 30,743</b>    | <b>\$ 56,266</b>    |
| <b>Non-interest expense</b>                                     |                      |                     |                                    |                                    |                     |                     |
| Employee compensation and benefits                              | (1)                  | (2,260)             | (3,768)                            | (4,595)                            | (824)               | (11,448)            |
| Allocated employee compensation and benefits from related party | (85)                 | —                   | —                                  | —                                  | (768)               | (853)               |
| Variable expenses on residential mortgage banking activities    | —                    | —                   | —                                  | (9,176)                            | —                   | (9,176)             |
| Professional fees   | (170)                | (301)               | (187)                              | (236)                              | (935)               | (1,829)             |
| Management fees – related party                                 | —                    | —                   | —                                  | —                                  | (1,997)             | (1,997)             |
| Loan servicing expense  | (801)                | (1,215)             | 143                                | (1,740)                            | (35)                | (3,648)             |
| Merger related expenses   | —                    | —                   | —                                  | —                                  | (5,467)             | (5,467)             |
| Other operating expenses  | (421)                | (2,117)             | (1,050)                            | (2,073)                            | (1,200)             | (6,861)             |
| <b>Total non-interest expense</b>                               | <b>\$ (1,478)</b>    | <b>\$ (5,893)</b>   | <b>\$ (4,862)</b>                  | <b>\$ (17,820)</b>                 | <b>\$ (11,226)</b>  | <b>\$ (41,279)</b>  |
| <b>Net income (loss) before provision for income taxes</b>      | <b>\$ 4,288</b>      | <b>\$ 7,242</b>     | <b>\$ 1,576</b>                    | <b>\$ (5,176)</b>                  | <b>\$ 19,517</b>    | <b>\$ 27,447</b>    |
| <b>Total assets</b>   | <b>\$ 864,881</b>    | <b>\$ 1,823,166</b> | <b>\$ 251,778</b>                  | <b>\$ 277,727</b>                  | <b>\$ 61,462</b>    | <b>\$ 3,279,014</b> |