

FINANCIAL SUPPLEMENT

2nd Quarter 2020

DISCLAIMER

This presentation includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations, estimates and projections and, consequently, readers should not rely on these forward-looking statements as predictions of future events. Words such as “goal” “expect,” “target,” “assume,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among other things, those described in our most recent Annual Report on Form 10-K, and any subsequent Quarterly Reports on Form 10-Q and Current Report on Form 8-K, under the caption “Risk Factors.” Factors that could cause actual results to differ include, but are not limited to: our business and investment strategy; our ability to accurately forecast the payment of future dividends on our common and preferred stock, and the amount of such dividends; our ability to determine accurately the fair market value of our assets; availability of investment opportunities in real estate-related and other securities, including our valuation of potential opportunities that may arise as a result of current and future market dislocations; effect of the novel coronavirus (or COVID-19) pandemic on real estate market, financial markets and our Company, including the impact on the value, availability, financing and liquidity of mortgage assets; how COVID-19 may affect us, our operations and our personnel; our expected investments; changes in the value of our investments, including negative changes resulting in margin calls related to the financing of our assets; changes in interest rates and mortgage prepayment rates; prepayments of the mortgage and other loans underlying our mortgage-backed securities, or RMBS, or other asset-backed securities, or ABS; rates of default, delinquencies or decreased recovery rates on our investments; general volatility of the securities markets in which we invest; our ability to maintain existing financing arrangements and our ability to obtain future financing arrangements; our ability to effect our strategy to securitize residential mortgage loans; interest rate mismatches between our investments and our borrowings used to finance such purchases; effects of interest rate caps on our adjustable-rate investments; the degree to which our hedging strategies may or may not protect us from interest rate volatility; the impact of and changes to various government programs, including in response to COVID-19; impact of and changes in governmental regulations, tax law and rates, accounting guidance, and similar matters; market trends in our industry, interest rates, the debt securities markets or the general economy; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; availability of qualified personnel; our ability to maintain our classification as a real estate investment trust, or, REIT, for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended, or 1940 Act; our expectations regarding materiality or significance; and the effectiveness of our disclosure controls and procedures.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Chimera does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Additional information concerning these and other risk factors is contained in Chimera’s most recent filings with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning Chimera or matters attributable to Chimera or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above.

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Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company’s independent auditors.

PORTFOLIO COMPOSITION

Net Investment Analysis⁽²⁾

	RESIDENTIAL MORTGAGE CREDIT PORTFOLIO	AGENCY PORTFOLIO	TOTAL PORTFOLIO
GROSS ASSET YIELD:	6.0%	3.5%	5.7%
FINANCING COSTS ⁽³⁾	3.8%	0.5%	3.3%
NET INTEREST SPREAD:	2.2%	3.0%	2.4%
NET INTEREST MARGIN:	2.7%	3.1%	2.8%

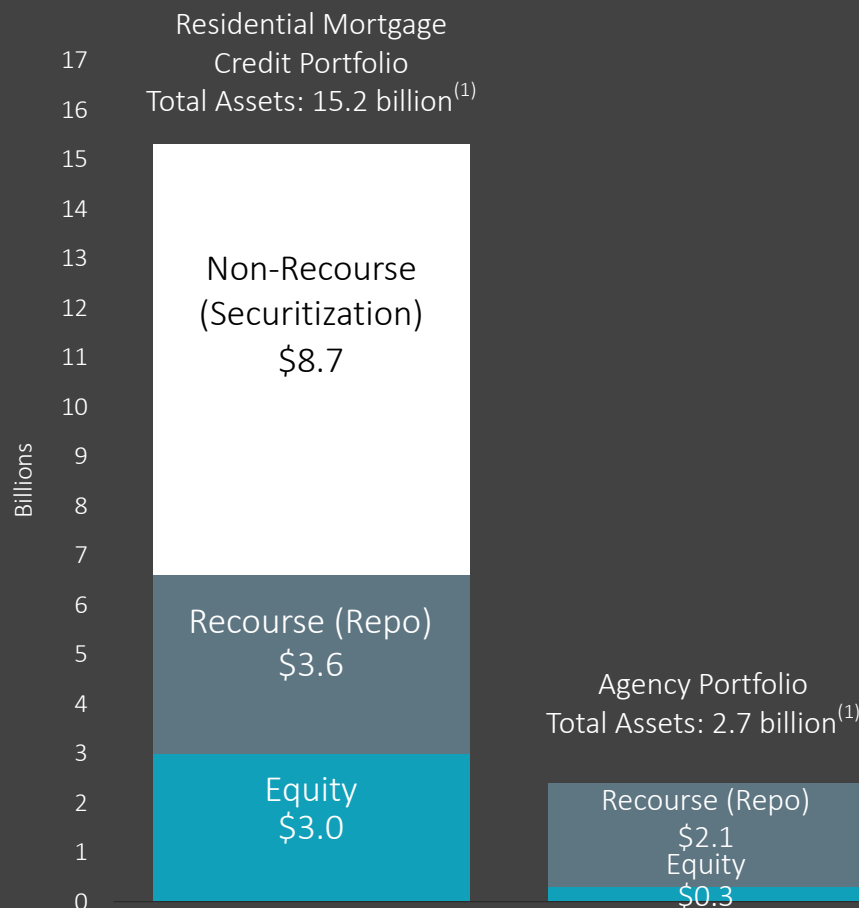
All data as of June 30, 2020

(1) Financing excludes unsettled trades.

(2) Reflects second quarter 2020 average assets, yields, and spreads.

(3) Includes the interest incurred on interest rate swaps.

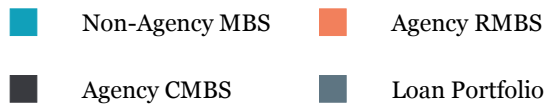
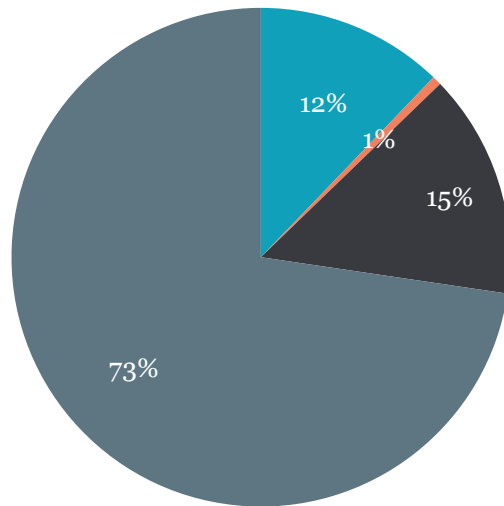
90% of Chimera's equity capital is allocated to mortgage credit



GAAP ASSET ALLOCATION

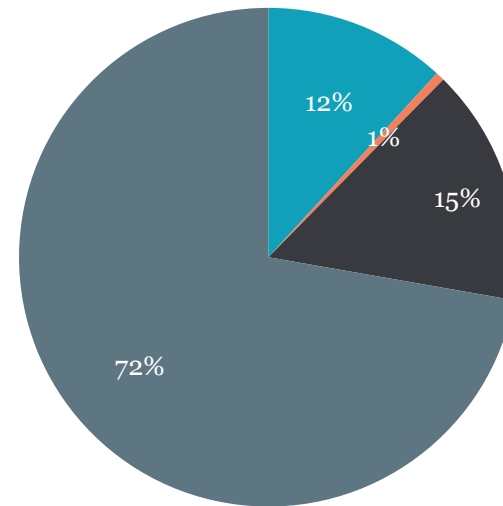
Chimera added to the loan portfolio during the quarter

June 30, 2020



Total Portfolio: \$17.9 billion

March 31, 2020



Total Portfolio: \$18.4 billion

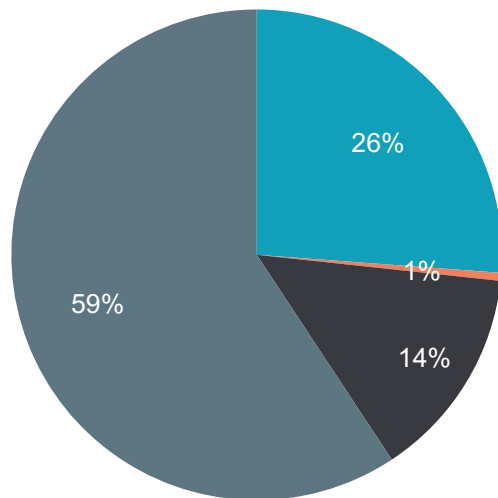
Based on fair value.

Information is unaudited, estimated and subject to change.

GAAP FINANCING SOURCES

Chimera operates at **4.3:1** total leverage and **1.8:1** recourse leverage⁽¹⁾

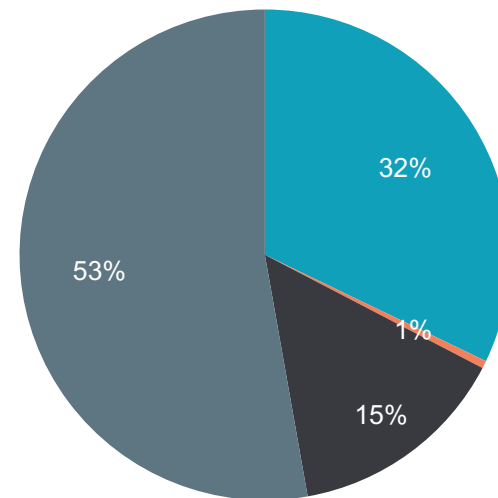
June 30, 2020



- Non-Agency Secured Financing, RMBS
- Agency Secured Financing, RMBS
- Agency Secured Financing, CMBS
- Non-Recourse Debt, Securitized RMBS and Loans (2)

Total Portfolio: \$14.6 billion

March 31, 2020



- Non-Agency Secured Financing, RMBS
- Agency Secured Financing, RMBS
- Agency Secured Financing, CMBS
- Non-Recourse Debt, Securitized RMBS and Loans (2)

Total Portfolio: \$15.1 billion

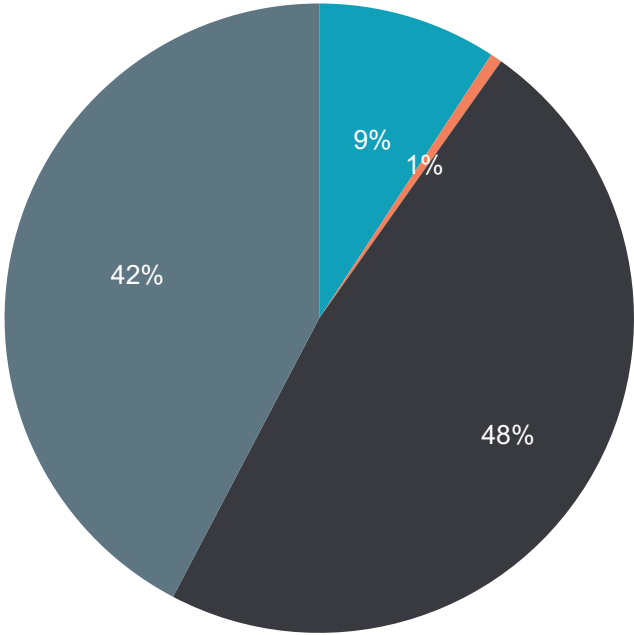
(1) Leverage ratios as of June 30, 2020

(2) Consists of tranches of RMBS and loan securitizations sold to third parties.

NON-AGENCY FINANCING

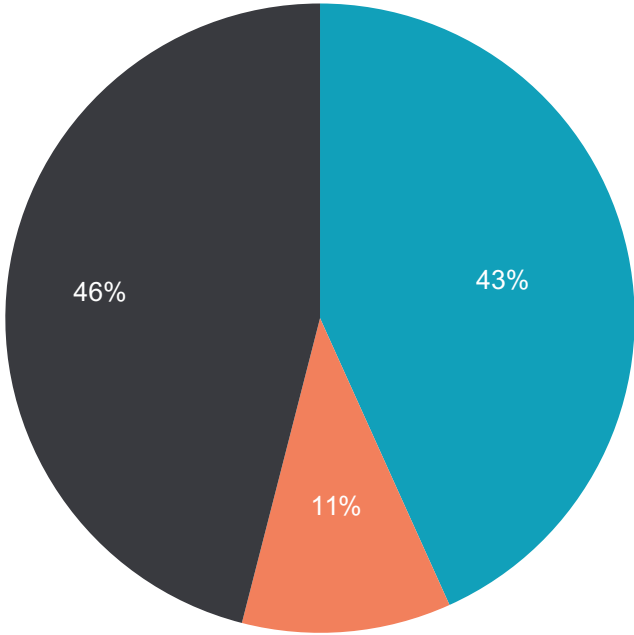
Chimera's focus in the 2nd quarter was extending maturities and securing non-mark-to-market financing

Maturity



- 0 - 3 Months
- 3 - 6 Months
- 6 - 12 Months
- Greater Than 12 Months

Facility Type



- Non Mark-to-Market
- Limited Mark-to-Market
- Mark-to-Market

Data based on secured financing agreements outstanding as of June 30, 2020

CONSOLIDATED LOAN SECURITIZATIONS

VINTAGE	DEAL	TOTAL ORIGINAL FACE	TOTAL OF TRANCHES SOLD	TOTAL OF TRANCHES RETAINED	TOTAL REMAINING FACE	REMAINING FACE OF TRANCHES SOLD	REMAINING FACE OF TRANCHES RETAINED
2020	CIM 2020-R4	\$276,316	\$207,237	\$69,079	\$276,316	\$207,237	\$69,079
2020	CIM 2020-R3	438,228	328,670	109,558	434,872	325,208	109,664
2020	CIM 2020-R2	492,347	351,926	140,421	480,261	404,917	75,344
2020	CIM 2020-R1	390,761	317,608	73,153	381,399	308,529	72,870
2019	CIM 2019-R5	315,039	252,224	62,815	291,593	228,902	62,691
2019	CIM 2019-R4	320,802	200,000	120,802	300,840	236,678	64,162
2019	CIM 2019-R3 ⁽¹⁾	342,633	291,237	51,396	309,727	258,315	51,412
2019	CIM 2019-R2	464,327	358,172	106,155	437,607	332,170	105,437
2019	CIM 2019-R1	371,762	297,409	74,353	343,110	269,130	73,980
2018	CIM 2018-NR1	257,548	—	257,548	164,843	—	164,843
2018	CIM 2018-R6	478,251	334,775	143,476	378,069	236,310	141,759
2018	CIM 2018-R5	380,194	266,136	114,058	289,165	177,077	112,088
2018	CIM 2018-R4	387,222	271,056	116,166	310,395	195,501	114,894
2018	CIM 2018-R3	181,073	146,669	34,404	128,290	94,707	33,583
2018	CIM 2018-R2	380,292	266,204	114,088	276,845	163,171	113,674
2018	CIM 2018-R1	169,032	140,297	28,735	129,786	101,110	28,676
2017	CMLTI 2017-RP2	421,329	341,276	80,053	316,307	281,205	35,102
2017	CIM 2017-8	1,148,050	688,829	459,221	828,022	380,865	447,157
2017	CIM 2017-7	512,446	341,062	171,384	372,316	213,586	158,730
2017	CIM 2017-6	782,725	626,179	156,546	539,532	387,044	152,488
2017	CIM 2017-5	377,034	75,407	301,627	272,860	201,019	71,841
2017	CIM 2017-4	830,510	710,003	120,507	429,982	326,353	103,629
2017	CIM 2017-3	2,434,640	2,113,267	321,373	1,433,208	1,134,004	299,204
2017	CIM 2017-1	526,267	368,387	157,880	325,332	175,177	150,155
2016	CIM 2016-FRE1	185,811	115,165	70,646	113,800	50,910	62,890
2016	CIM 2016-3	1,746,084	1,478,933	267,151	926,584	693,326	233,258
2016	CIM 2016-2	1,762,177	1,492,563	269,614	934,236	696,676	237,560
2016	CIM 2016-1	1,499,341	1,266,898	232,443	788,471	589,361	199,110
2012	CSMC 2012-CIM3	329,886	305,804	24,082	76,148	62,471	13,677
2008	PHHMC 2008-CIM1	619,710	549,142	70,568	21,859	16,040	5,819
	TOTAL	\$18,821,837	\$14,502,535	\$4,319,302	\$12,311,775	\$8,746,999	\$3,564,776

All data as of June 30, 2020

\$ in thousands

(1) Accounted for as a secured borrowing

Information is unaudited, estimated and subject to change.

