BankUnited, Inc.

Q4 2020 – Supplemental Information

January 21, 2021

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the current views of BankUnited, Inc. (“BankUnited,” “BKU” or the “Company”) with respect to, among other things, future events and financial performance. The Company generally identifies forward-looking statements by terminology such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “could,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” "forecasts" or the negative version of those words or other comparable words. Any forward-looking statements contained in this presentation are based on the historical performance of the Company and its subsidiaries or on the Company’s current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the Company that the future plans, estimates or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions, including (without limitations) those relating to the Company’s operations, financial results, financial condition, business prospects, growth strategy and liquidity, including as impacted by the COVID-19 pandemic. If one or more of these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, the Company’s actual results may vary materially from those indicated in these statements. These factors should not be construed as exhaustive. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. Information on these factors can be found in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019 and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are available at the SEC’s website (www.sec.gov).

Financial Highlights

Strong Quarterly Results in a Challenging Environment

Operating results	• EPS for the quarter of $0.89 • Annualized ROE for the quarter of 11.6% and ROA of 0.96% • Net interest income grew by $6 million linked quarter and $8 million compared to Q4 2019 • NIM of 2.33% compared to 2.32% linked quarter • Lower provision for credit losses reflecting an improving economic forecast
Continued improvement in deposit mix	• Average non-interest DDA up $966 million linked quarter and $2.9 billion compared to Q4 2019 • Non-interest DDA grew by $219 million for the quarter to 25% of total deposits from 18% a year ago • Average total cost of deposits continued to decline, to 0.43% for the quarter, lowest in the Company's history • "Spot" APY on total deposits was 0.36% at December 31, 2020

Loan deferrals and modifications	• Loans on deferral totaled $207 million or less than 1% of total loans at December 31, 2020
	    • Commercial: $63 million or less than 1% of commercial loans
	    • Residential: $144 million or 2% of residential loans
	
	• CARES Act modifications totaled $587 at December 31, 2020
	    • Commercial: $575 million or 3% of commercial loans
	    • Residential: $12 million or less than 1% of residential loans

Robust capital levels	• CET1 ratios of 12.6% at the holding company and 13.9% at the bank at December 31, 2020 • Book value per share grew to $32.05 and tangible book value grew to $31.22 at December 31, 2020 • Reinstated our share repurchase program with authorization to repurchase approximately $44.9 million in shares of common stock

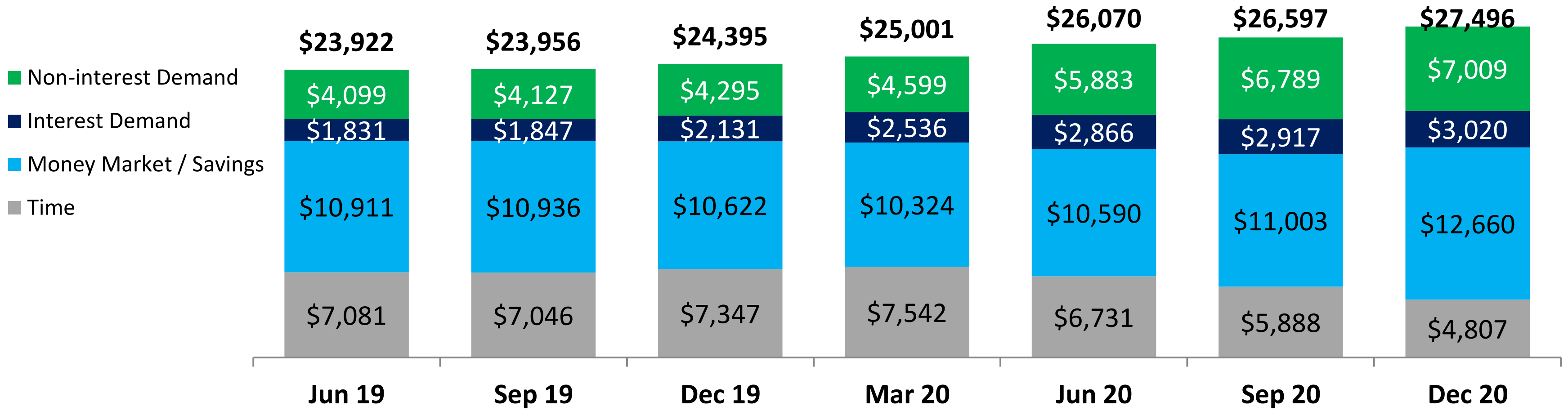
Highlights from Fourth Quarter Earnings

($ in millions, except per share data)	Q4 20	Q3 20	Q4 19	Change From Q3 20	Change From Q4 19	Key Highlights
Net Interest Income	$ 193	$ 187	$ 185	6	8	
Provision for Credit Losses	$ (2)	$ 29	$ -	(31)	(2)	Continuing stabilization of reserves as economic forecast improves.
Total Non-interest Income	$ 35	$ 36	$ 38	(1)	(3)	
Total Non-interest Expense	$ 123	$ 109	$ 119	14	4	Q4 20 impacted by variable compensation accrual adjustments.
Net Income	$ 86	$ 67	$ 89	19	(3)	
EPS	$ 0.89	$ 0.70	$ 0.91	0.19	(0.02)	
Pre-Provision, Net Revenue (PPNR) [1]	$ 105	$ 115	$ 104	(10)	1	
Period-end Loans	$ 23,866	$ 23,779	$ 23,155	87	711	3.0% YoY loan growth.
Period-end Deposits	$ 27,496	$ 26,597	$ 24,395	899	3,101	13.0% YoY deposit growth, primarily from non-interest bearing.
CET1	12.6 %	12.2 %	12.3 %	0.4 %	0.3 %	
Total Capital	14.7 %	14.3 %	12.8 %	0.4 %	1.9 %	Reflects $300 million in subordinated notes issued in Q2 20.
Yield on Loans	3.55 %	3.61 %	4.27 %	(0.06)%	(0.72)%	Turnover of portfolio at lower prevailing rates.
Cost of Deposits	0.43 %	0.57 %	1.48 %	(0.14)%	(1.05)%	Spot APY on total deposits declined to 0.36% at December 31, 2020.
Net Interest Margin	2.33 %	2.32 %	2.41 %	0.01 %	(0.08)%	
Non-performing Assets to Total Assets [2]	0.71 %	0.58 %	0.63 %	0.19 %	0.14 %	
Allowance for Credit Losses to Total Loans	1.08 %	1.15 %	0.47 %	(0.07)%	0.61 %	Decline from Q3 20 primarily due to charge-offs taken.
Net Charge-offs to Average Loans [3]	0.26 %	0.25 %	0.05 %	0.01 %	0.21 %	

(1) PPNR is a non-GAAP financial measure. See section entitled "Non-GAAP Financial Measures" on page 32
(2) Includes guaranteed portion of non-accrual SBA loans.
(3) YTD net charge-offs, annualized for Q3 20

Continuing to Transform our Deposit Mix
($ in millions)

Non-interest bearing demand deposits have grown at a compound annual growth rate of 39% since December 31, 2018



Cost of Deposits	**1.70%**	**1.67%**	**1.48%**	**1.36%**	**0.80%**	**0.57%**	**0.43%**
Non-interest bearing	**17.1%**	**17.2%**	**17.6%**	**18.4%**	**22.6%**	**25.5%**	**25.5%**

We have consistently priced down our deposit portfolio since the Fed began lowering interest rates in late 2019

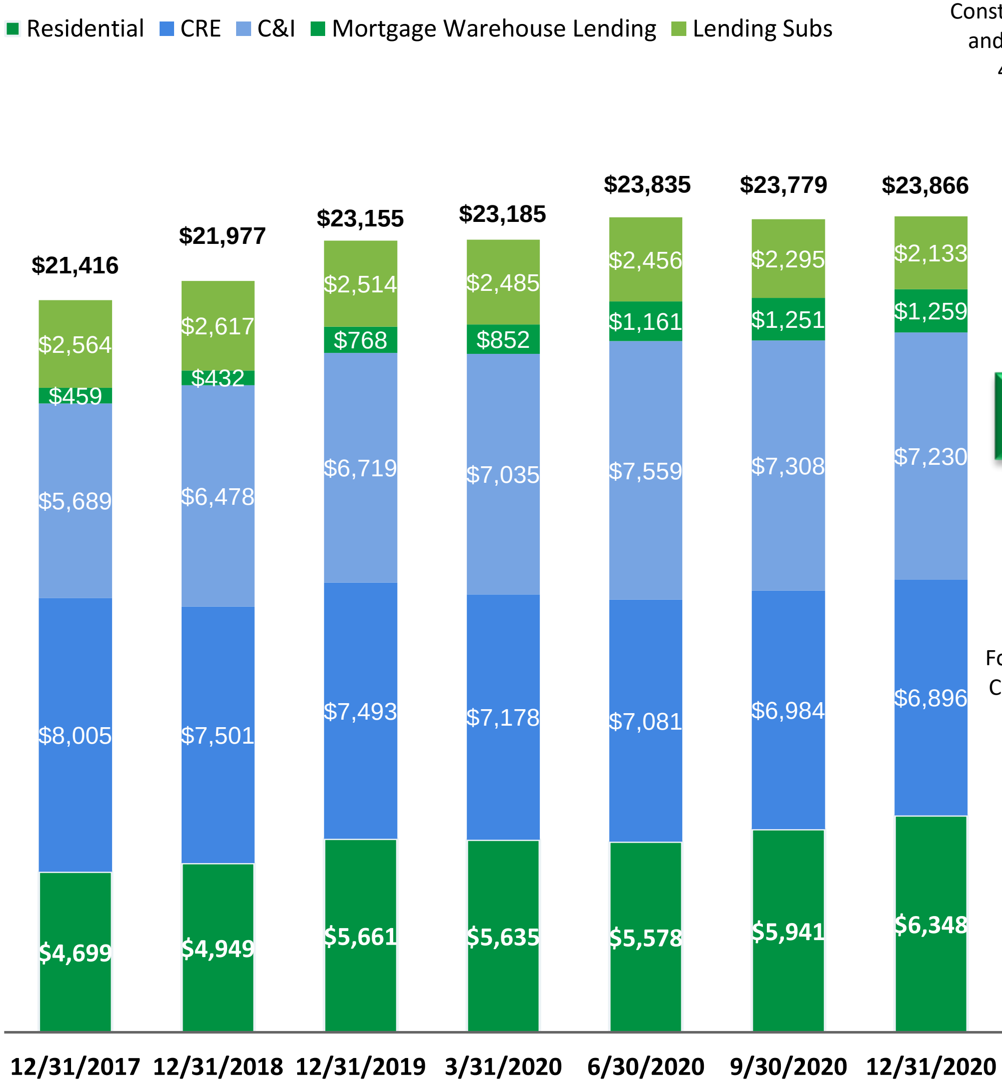
Spot Average Annual Percentage Yield (“APY”)	At December 31, 2019	At March 31, 2020	At June 30, 2020	At September 30, 2020	At December 31, 2020
Total non-maturity deposits	1.11%	0.83%	0.44%	0.37%	0.29%
Total interest-bearing deposits	1.71%	1.35%	0.82%	0.65%	0.48%
Total deposits	1.42%	1.12%	0.65%	0.49%	0.36%

Prudently Underwritten and Well-Diversified Loan Portfolio

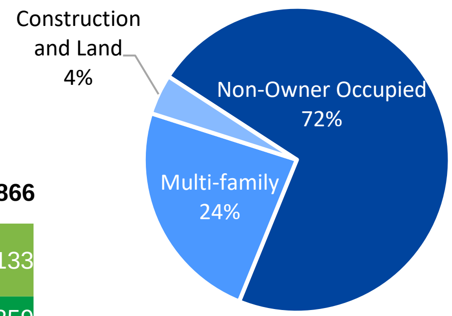
At December 31, 2020

($ in millions)

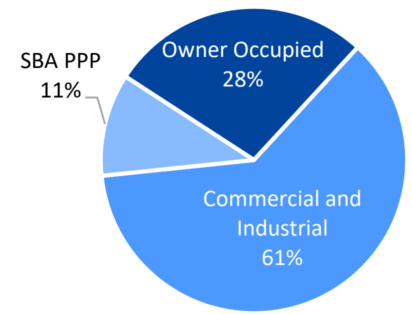
Loan Portfolio Over Time



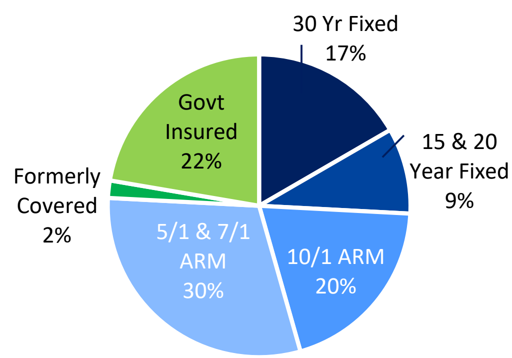
CRE



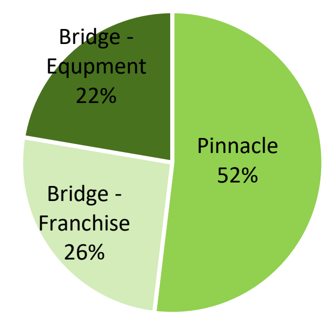
C&I



Residential Loan Product Type



Lending Subs



Allowance for Credit Losses

CECL Methodology

Underlying Principles

- The ACL under CECL represents management's best estimate at the balance sheet date of expected credit losses over the life of the loan portfolio.
- Required to consider historical information, current conditions and a reasonable and supportable economic forecast.
- For most portfolio segments, BankUnited uses econometric models to project PD, LGD and expected losses at the loan level and aggregates those expected losses by segment.
- Qualitative adjustments may be applied to the quantitative results.
- Accounting standard requires an estimate of expected prepayments which may significantly impact the lifetime loss estimate.

Economic Forecast

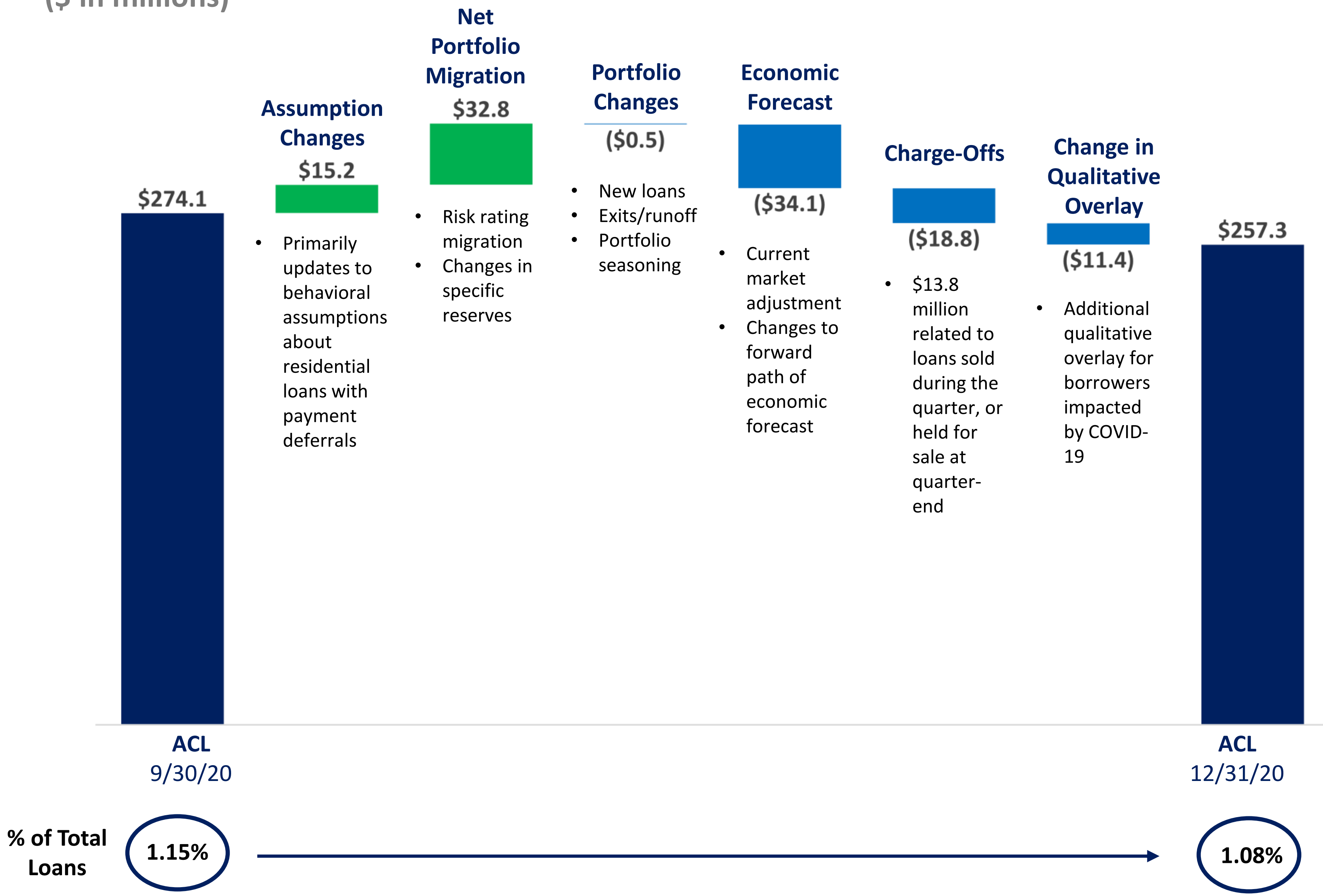
- Our ACL estimate was informed by Moody's economic scenarios published in December 2020.
    - Unemployment at 6.7% for Q1 2021, stable through end of 2021, declining to 5.4% by end of 2022.
    - Annualized growth in GDP 4% for Q1 2021, increasing to 4.1% by end of 2021 and 4.7% by end of 2022.
    - VIX trending down to stabilized levels through the forecast horizon.
    - S&P 500 stable near 3500, through the R&S period.
- 2 year reasonable and supportable forecast period.

Key Variables

- The models ingest numerous national, regional and MSA level economic variables and data points. Economic data and variables to which portfolio segments are most sensitive:
    - Commercial
        - Market volatility index
        - S&P 500 index
        - Unemployment rate
        - A variety of interest rates and spreads
    - CRE
        - Unemployment
        - CRE property forecast
        - 10-year treasury
        - Baa corporate yield
        - Real GDP growth
    - Residential
        - HPI
        - Unemployment rate
        - Real GDP growth
        - Freddie Mac 30-year rate

Drivers of Change in the ACL

($ in millions)



Allocation of the ACL

($ in millions)

	January 1, 2020		September 30, 2020		December 31, 2020	
	Balance	% of Loans	Balance	% of Loans	Balance	% of Loans
Residential and other consumer	$ 19.3	0.34%	$ 16.0	0.27%	$ 18.7	0.29%
Commercial:						
Commercial real estate	16.7	0.22%	113.3	1.62%	104.6	1.52%
Commercial and industrial	83.6	1.12%	114.4	1.34%	91.0	1.07%
Pinnacle	0.4	0.03%	0.4	0.03%	0.3	0.03%
Franchise finance	9.0	1.44%	24.4	4.03%	36.3	6.61%
Equipment finance	7.0	1.02%	5.6	1.05%	6.4	1.34%
Total commercial	116.7	0.67%	258.1	1.45%	238.6	1.36%
Allowance for credit losses	**$ 136.0**	0.59%	**$ 274.1**	1.15%	**$ 257.3**	1.08% (2)

Asset Quality Ratios	December 31, 2019	September 30, 2020	December 31, 2020
Non-performing loans to total loans (1)	0.88%	0.84%	1.02%
Non-performing assets to total assets	0.63%	0.58%	0.71%
Allowance for credit losses to non-performing loans (1)	53.07%	136.86%	105.26%
Net charge-offs to average loans	0.05%		0.26%

(1) Non-performing loans and assets include the guaranteed portion of non-accrual SBA loans totaling $51.3 million, $43.6 million, and $45.7 million or 0.22%, 0.18%, and 0.20% of total loans and 0.15%, 0.12%, and 0.14% of total assets, at December 31, 2020, September 30, 2020, and December 31, 2019.

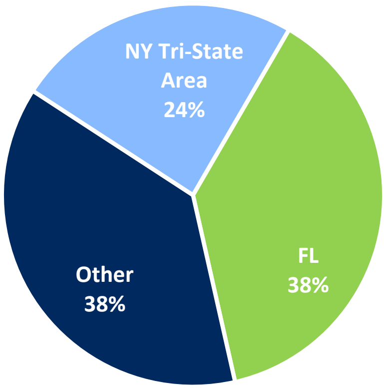
(2) ACL to total loans, excluding government insured residential loans, PPP loans and MWL, which carry nominal or no reserves, was 1.26% at December 31, 2020. See section entitled “Non-GAAP Financial Measures” on page 33.

Loan Portfolio and Credit

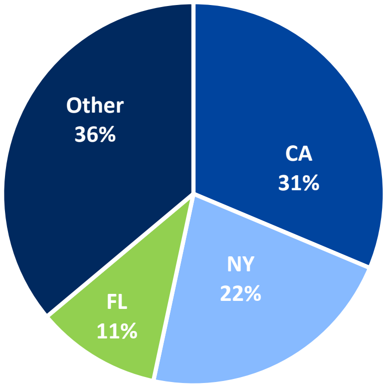
Loan Portfolio – Geographic Distribution

At December 31, 2020

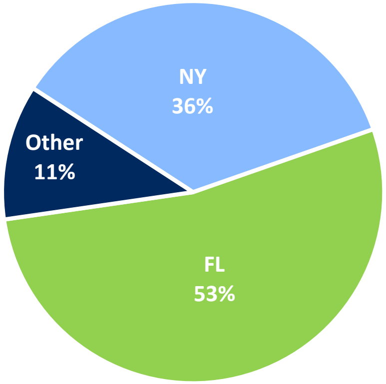
Commercial [1]



Residential



CRE



(1) Includes PPP, MWL, BFG and Pinnacle

Loan Portfolio – Granular, Diversified Commercial & Industrial Portfolio

At December 31, 2020

($ in millions)

- Includes $2 billion of owner-occupied real estate
- Some key observations:
  - Educational services – well established private colleges, universities and high schools
  - Transportation and warehousing – cruise lines, aviation authorities, logistics
  - Health care – larger physician practice management companies, HMO's, mental health & substance abuse; no small practices
  - Arts and entertainment – stadiums, professional sports teams, gaming
  - Accommodation and food services – time share, direct food services businesses and concessionaires

Industry	Balance [1]	Commitment	% of Portfolio
Finance and Insurance	$1,054	$1,775	16.4%
Educational Services	654	696	10.1%
Wholesale Trade	652	1,022	10.1%
Transportation and Warehousing	472	594	7.3%
Health Care and Social Assistance	443	610	6.9%
Manufacturing	343	460	5.3%
Information	330	515	5.1%
Real Estate and Rental and Leasing	309	497	4.8%
Accommodation and Food Services	300	400	4.7%
Retail Trade	298	416	4.6%
Professional, Scientific, and Technical Services	273	361	4.2%
Construction	252	431	3.9%
Public Administration	238	254	3.7%
Other Services (except Public Administration)	230	280	3.6%
Administrative and Support and Waste Management	199	263	3.1%
Arts, Entertainment, and Recreation	186	232	2.9%
Utilities	174	228	2.7%
Other	41	52	0.6%
	$6,448	**$9,086**	**100.0%**

(1) Excludes PPP loans

Loan Portfolio – Commercial Real Estate by Property Type

At December 31, 2020

($ in millions)

Property Type	Balance	FL	NY	Other	Wtd. Avg. DSCR	Wtd. Avg. LTV	Non-Performing
Office	$ 2,117	60%	24%	16%	2.24	58.7%	$ 9
Multifamily	1,800	31%	62%	7%	1.62	57.5%	24
Retail	1,369	52%	40%	8%	1.39	61.0%	17
Warehouse/Industrial	841	64%	19%	17%	2.34	56.4%	-
Hotel	622	74%	16%	10%	1.13	64.5%	35
Other	147	82%	11%	7%	1.79	54.1%	7
	$ 6,896	**53%**	**36%**	**11%**	**1.81**	**59.0%**	**$ 92**

- Commercial real estate loans are secured by income-producing, non-owner occupied properties, typically with well capitalized middle market sponsors
- 74% of the CRE portfolio, 79% of the retail segment and 55% of the hotel segment have LTVs less than 65%
- Construction and land loans, included in the table above by property type, represent only 1% of the total loan portfolio.
- Average rent collections for the fourth quarter, based on a sample of borrowers:
  - Office – 90% NY, 97% FL
  - Multi-family – 90% NY, 96% FL
  - Retail – 94% NY, 98% FL
- Hotel occupancy – averaging 46% in Florida, over 50% for December.
- NY commercial Real Estate portfolio contains $264 million of mixed-used properties; $194 million included in the table above in multi-family, $51 million in retail and $19 million in office

Loan Portfolio – Deferrals and Modifications

At December 31, 2020

($ in millions)

- Loans subject to COVID related deferral or modification under the CARES Act totaled $794 million or 3% of the total loan portfolio at December 31, 2020. By comparison, at the end of Q2, we reported that we had granted 90-day payment deferrals on $3.6 billion of loans or 15% of the total loan portfolio.
- Commercial CARES Act modifications are most often 9 to 12-month interest only periods.
- Commercial deferrals remained consistent quarter over quarter at 4% of the commercial portfolio
- Residential deferrals and modifications declined to 2% of the residential portfolio at December 31, 2020 from 8% at September 30

	Currently Under Short-Term Deferral	CARES Act Modifications	Total	% of Portfolio
Residential - excluding government insured	$ 144	$ 12	$ 156	2%
CRE - Property Type:				
Retail	$ 29	$ 19	$ 48	4%
Hotel	1	343	344	55%
Office	-	48	48	2%
Multifamily	-	16	16	1%
Other	2	-	2	1%
Total CRE	$ 32	$ 426	$ 458	7%
C&I - Industry:				
Accomm. and Food Services	$ -	$ 15	$ 15	5%
Retail Trade	1	17	18	6%
Manufacturing	2	11	13	4%
Transportation and Warehousing (cruise lines)	-	48	48	10%
Finance and Insurance	-	18	18	2%
Other	7	15	22	1%
Total C&I	$ 10	$ 124	$ 134	2%
BFG - Franchise	$ 21	$ 25	$ 46	8%
Total Commercial	$ 63	$ 575	$ 638	4%
Total Loans	**$ 207**	**$ 587**	**$ 794**	**3%**
% of Total Loans	**<1%**	**2%**	**3%**	

Residential – Excluding Government Insured

Through December 31, 2020, a total of $525 million of residential loans, excluding government insured loans, had been granted an initial short-term payment deferral. The status of those loans at December 31, 2020 is presented in the table below:

Loans Still Under Short-Term Deferral		Loans That Have Rolled Off of Short-Term Deferral: Paying as Agreed		Loans That Have Rolled Off of Short-Term Deferral: Not Resumed Regular Payments	
Balance	% of Loans Initially Granted Short-Term Deferral (1)	Balance	% of Loans Rolled Off Short-Term Deferral	Balance	% of Loans Rolled Off Short-Term Deferral
$144	27%	$362	95%	$19	5%

(1) Includes $23 million of loans continuing to make payments.

Loan Portfolio – Segments Identified for Heightened Monitoring

At December 31, 2020

Moderate exposure to sectors most impacted by the pandemic
($ in millions)

Portfolio	Balance	% of Total Loans	Short-Term Deferral or CARES Modification	% of Portfolio Segment	Non-Performing Loans	Special Mention	Classified
Retail - CRE	$ 1,369	6%	$ 48	4%	$ 17	$ 87	$ 301
Retail - C&I	298	1%	18	6%	8	12	50
BFG - franchise finance	550	2%	46	8%	45	72	287
Hotel	622	3%	344	55%	35	69	440
Airlines and aviation authorities	120	1%	-	-	-	35	43
Cruise line	71	-	48	67%	-	-	71
Total	**$ 3,030**	**13%**	**$ 504**	**17%**	**$ 105**	**$ 275**	**$ 1,192**

- 79% of commercial loans deferred or modified and 55% of criticized and classified assets are in these sub-segments

Loan Portfolio – Retail

At December 31, 2020

($ in millions)

Retail - Commercial Real Estate

Property Type	Balance	Currently Under Short-Term Deferral	CARES Act Modification
Retail - Anchored	$ 699	$ -	$ 6
Retail - Unanchored	615	24	13
Construction to Perm	24	-	-
Gas station	24	-	-
Restaurant	7	5	-
	$ 1,369	**$ 29**	**$ 19**

- No significant mall or "big box" exposure
- $46 million and $19 million of Retail-Unanchored and Retail-Anchored, respectively, are mixed-used properties

Retail – Commercial & Industrial

Industry	Not Secured by Real Estate	Owner Occupied Real Estate	Total Balance	Currently Under Short-Term Deferral	CARES Act Modification
Gasoline Stations	$ 1	$ 86	$ 87	$ -	$ -
Health and Personal Care Stores	18	6	24	-	17
Furniture Stores	17	6	23	-	-
Vending Machine Operators	20	1	21	-	-
Specialty Food Stores	1	18	19	-	-
Grocery Stores	1	17	18	-	-
Automobile Dealers	7	7	14	-	-
Clothing Stores	1	11	12	-	-
Office Supplies, Stationery, and Gift Stores	11	1	12	-	-
Other	19	49	68	1	-
	$ 96	**$ 202**	**$ 298**	**$ 1**	**$ 17**

Loan Portfolio – BFG Franchise Finance

At December 31, 2020

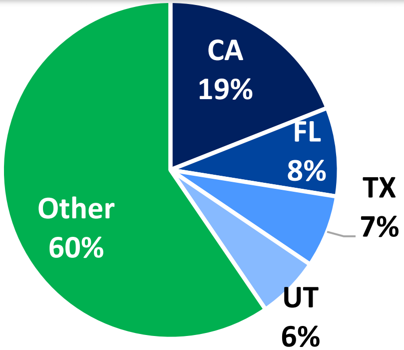
($ in millions)

Portfolio Breakdown by Concept

Restaurant Concepts	Balance	% of BFG Franchise	Currently Under Short-Term Deferral	CARES Act Modifications
Burger King	$ 63	11%	$ -	$ -
Dunkin Donuts	28	5%	-	-
Popeyes	28	5%	-	-
Jimmy John's	20	4%	-	-
Domino's	18	3%	-	-
Other	170	32%	-	-
	$ 327	**60%**	**$ -**	**$ -**

Non-Restaurant Concept	Balance	% of BFG Franchise	Currently Under Short-Term Deferral	CARES Act Modifications
Planet Fitness	$ 98	18%	$ -	$ 25
Orange Theory Fitness	85	15%	19	-
Other	40	7%	2	-
	$ 223	**40%**	**$ 21**	**$ 25**

Portfolio Breakdown by Geography

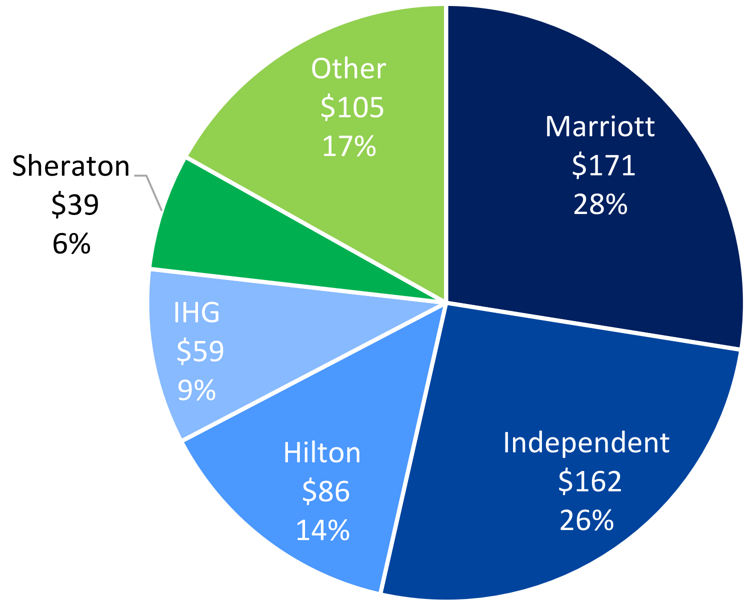


Loan Portfolio – Hotel
At December 31, 2020

($ in millions)

- 74% of our exposure is in Florida, followed by 16% in New York
- Includes $61.8 million in SBA loans
- All hotel properties in Florida and two of three properties in New York are now open

Exposure by Flag

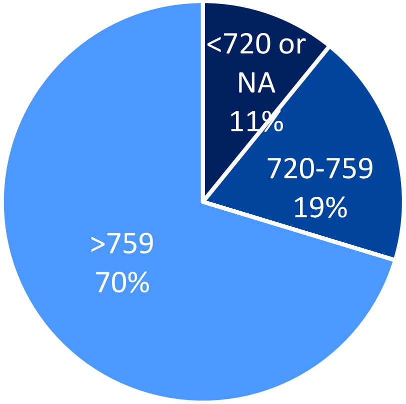


Total Portfolio: $622mm

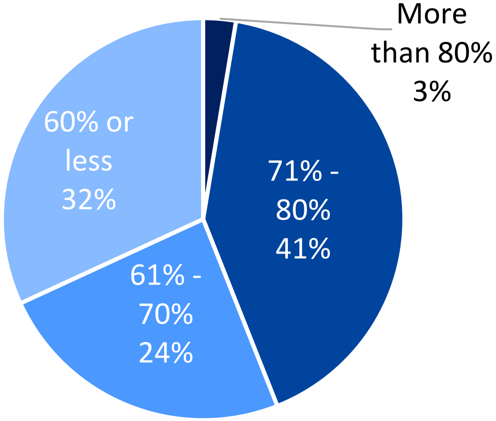
Credit Quality – Residential
At December 31, 2020

High quality residential portfolio consists of primarily prime jumbo mortgages with de-minimis charge-offs since inception as well as fully government insured assets

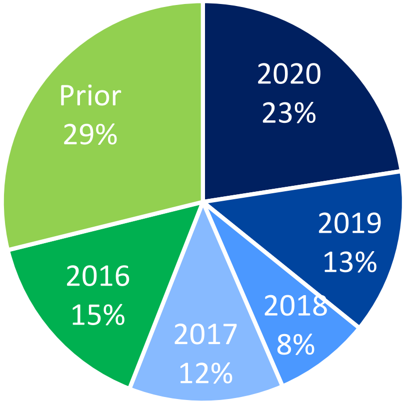
FICO Distribution(1)



Breakdown by LTV(1)



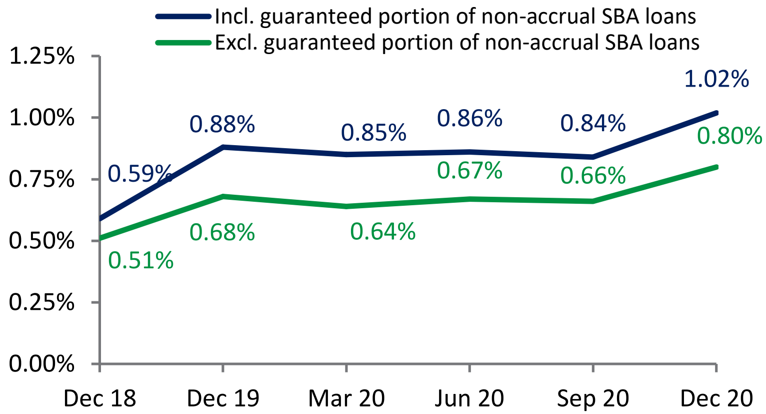
Breakdown by Vintage(1)



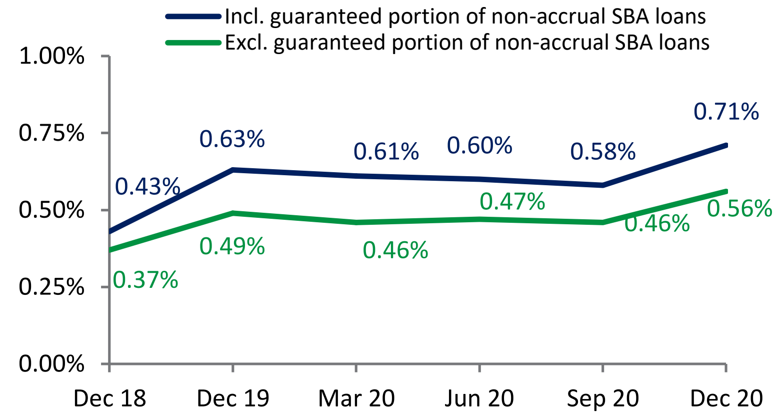
(1) Excludes government insured residential loans. FICOs are refreshed routinely. LTVs are typically based on valuation at origination.

Asset Quality Metrics

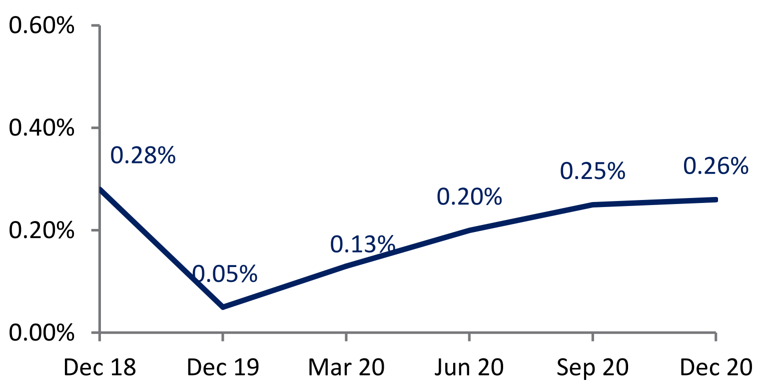
Non-performing Loans to Total Loans



Non-performing Assets to Total Assets



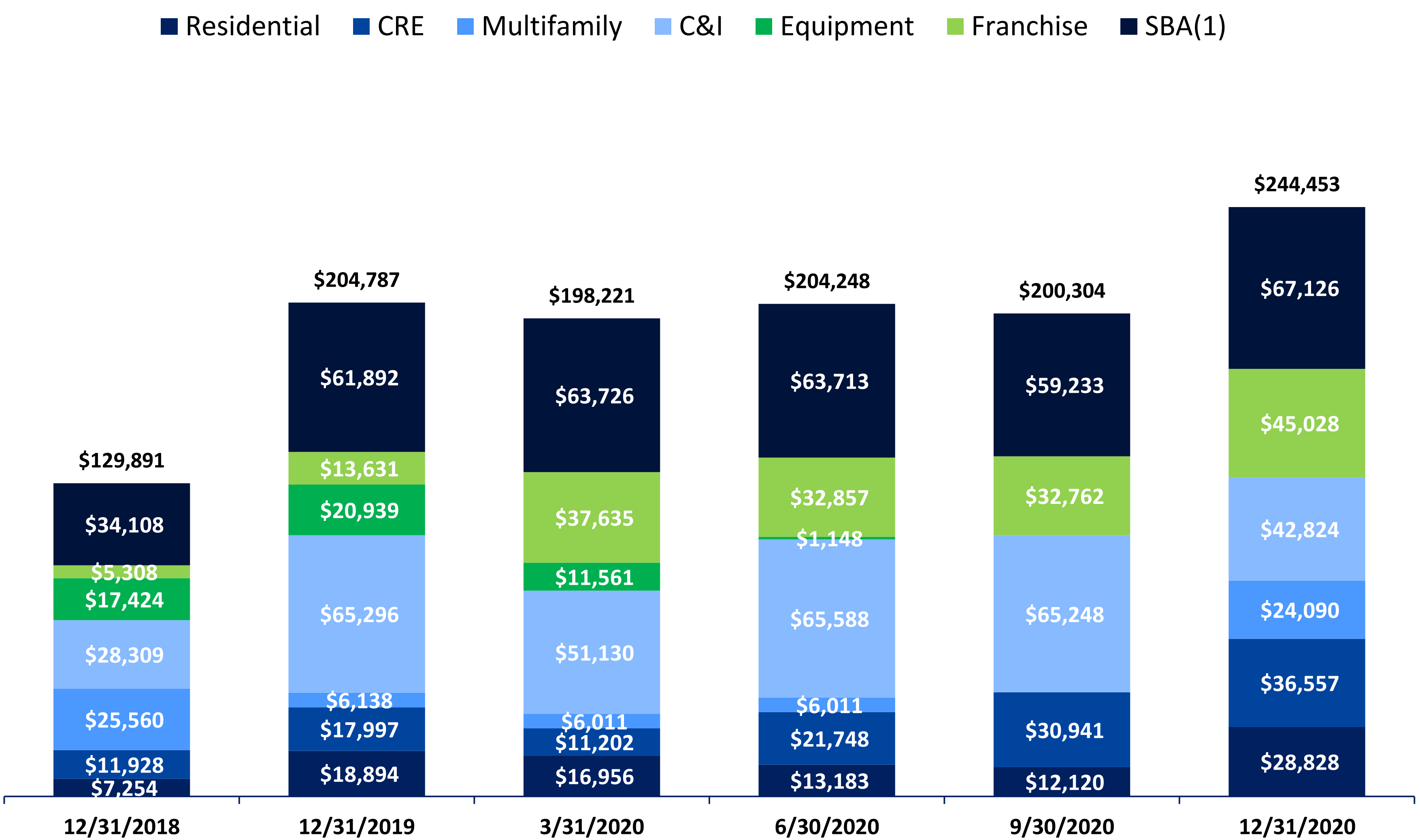
Net Charge-offs to Average Loans(1)



(1) YTD net charge-offs, annualized at September 30, 2020, June 30, 2020 and March 31, 2020.

Non-Performing Loans by Portfolio Segment

($ in thousands)

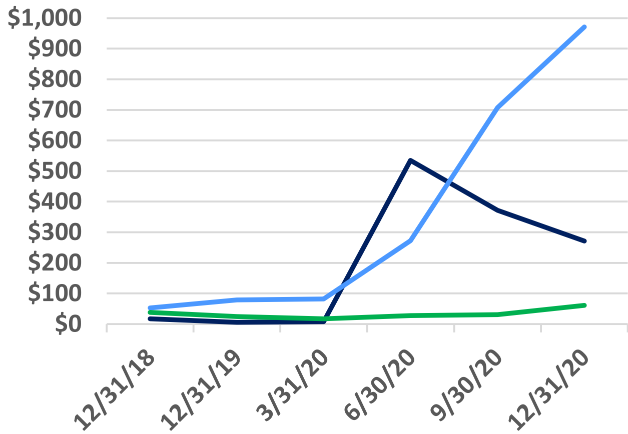


(1) Includes the guaranteed portion of non-accrual SBA loans totaling $51.3 million, $43.6 million, $45.7 million, $49.1 million, $45.7 million and $17.8 at December 31, 2020, September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019 and December 31, 2018, respectively.

Criticized and Classified Loans

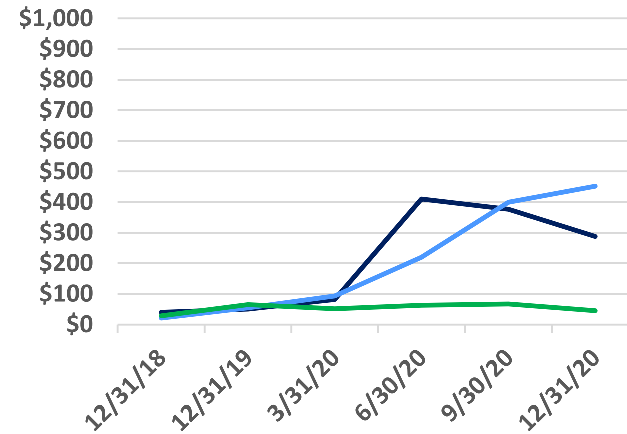
($ in millions)

Commercial Real Estate

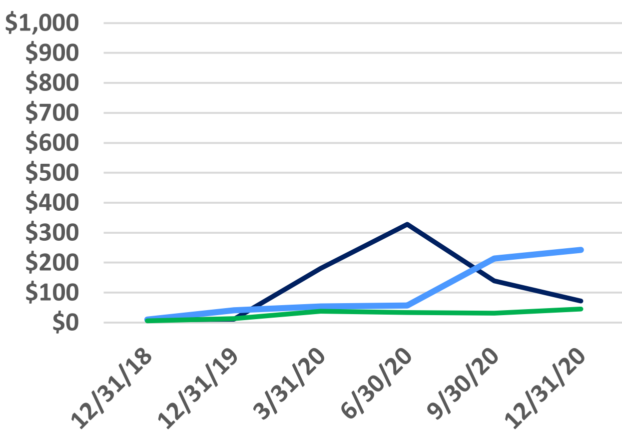


Special Mention
Substandard Accruing
Substandard Non-accruing and Doubtful

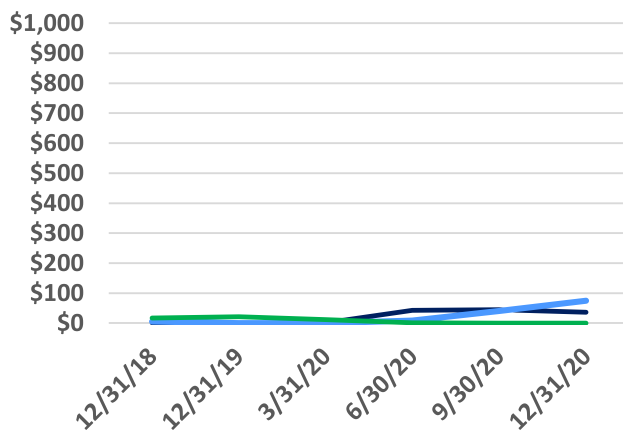
Commercial & Industrial (2)



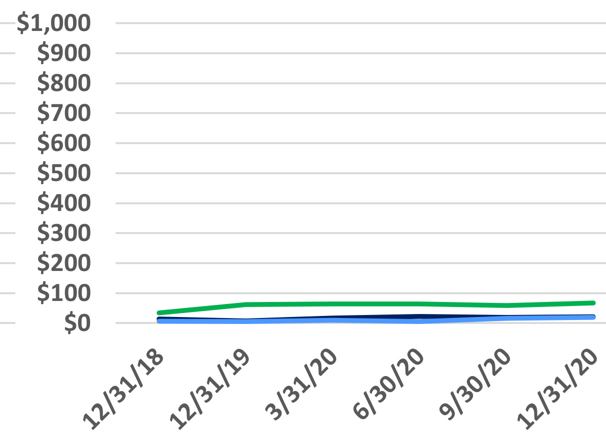
Franchise Finance(1)



Equipment Finance



SBA(3)

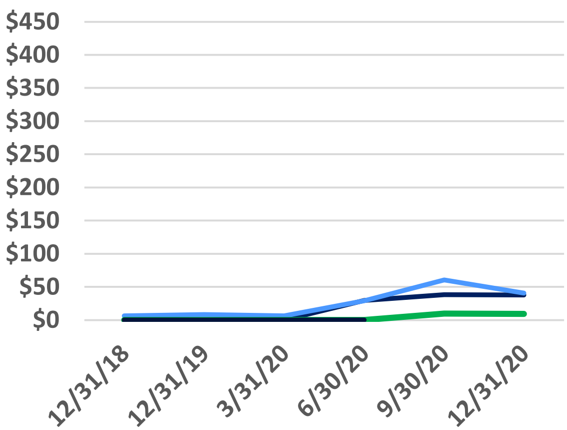


(1) Substandard non-accruing and doubtful includes $11.7 million of loans rated doubtful at December 31, 2020.
(2) Substandard non-accruing and doubtful includes $0.2 million of loans rated doubtful at December 31, 2020.
(3) Includes the guaranteed portion of non-accrual SBA loans totaling $51.3 million, $43.6 million, $45.7 million, $49.1 million, $45.7 million and $17.8 at December 31, 2020, September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019 and December 2018, respectively.

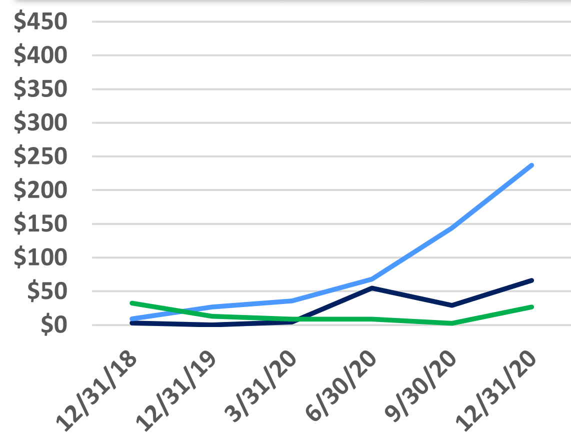
Criticized and Classified - CRE by Property Type

($ in millions)

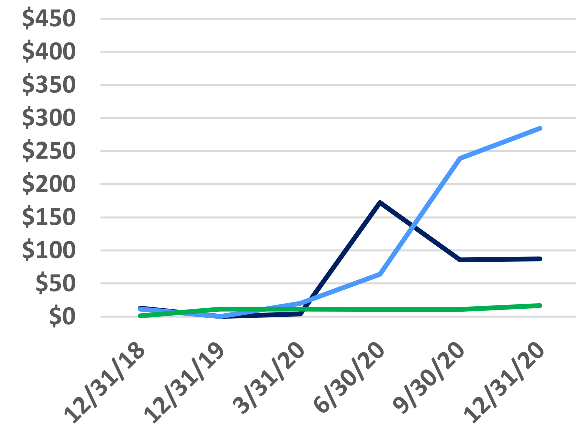
Office



Multifamily

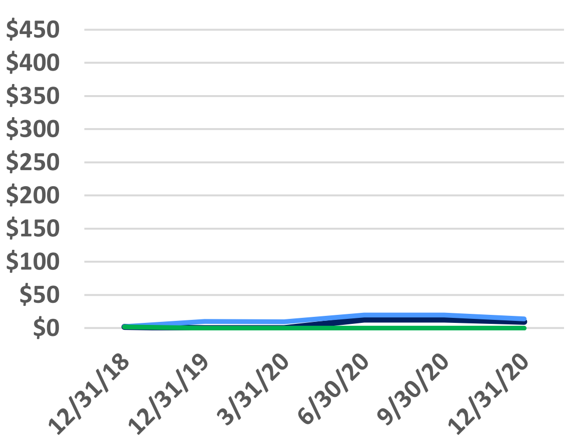


Retail

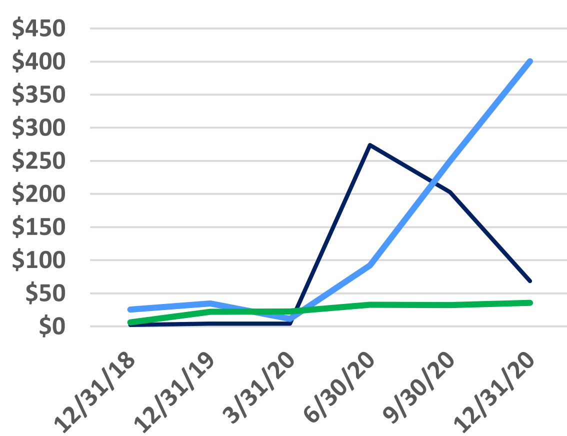


Special Mention | Substandard Accruing | Substandard Non-accruing

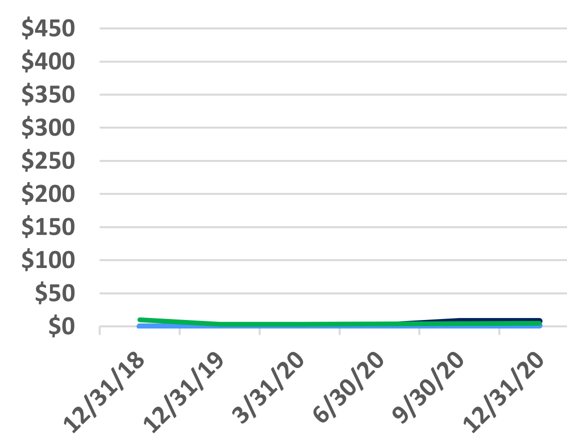
Warehouse/Industrial



Hotel



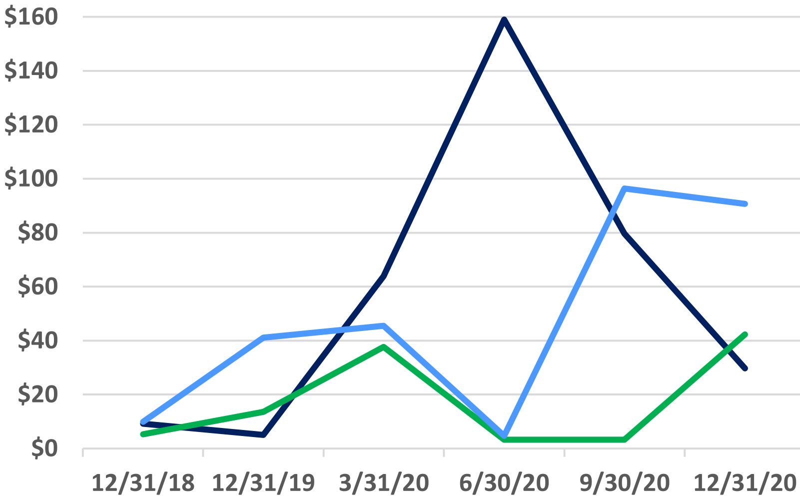
Other



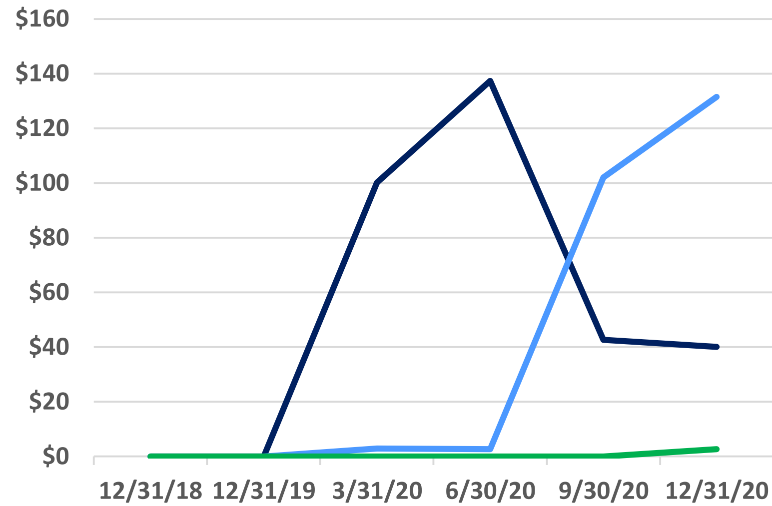
Criticized and Classified – BFG Franchise Finance

($ in millions)

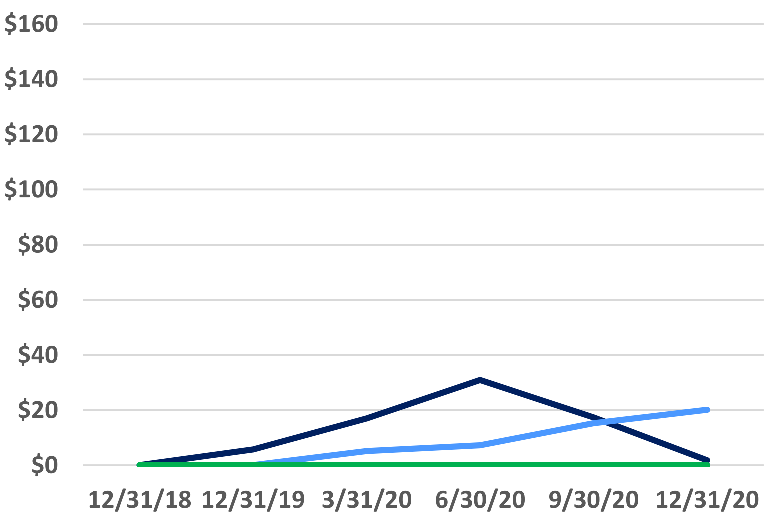
Restaurant Concepts [1]



Fitness Concepts



Other



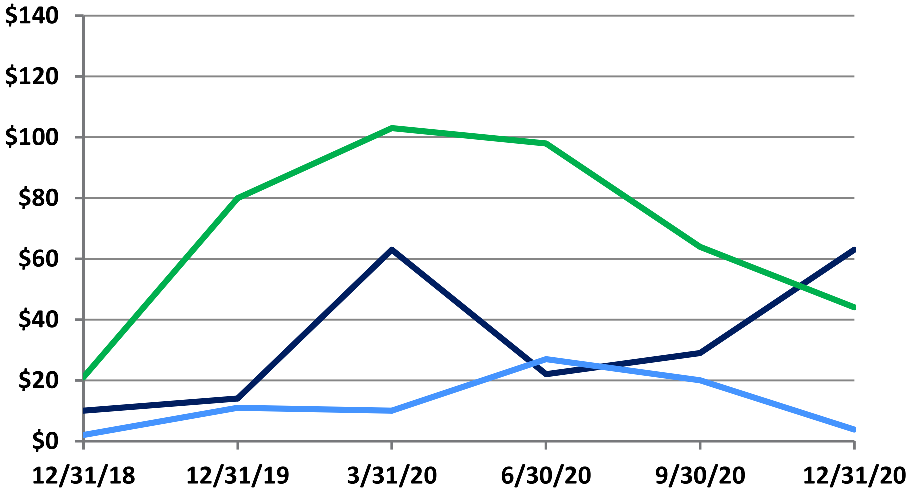
- Special Mention
- Substandard Accruing
- Substandard Non-accruing and Doubtful

(1) Substandard non-accruing and doubtful includes $11.7 million of loans rated doubtful at December 31, 2020.

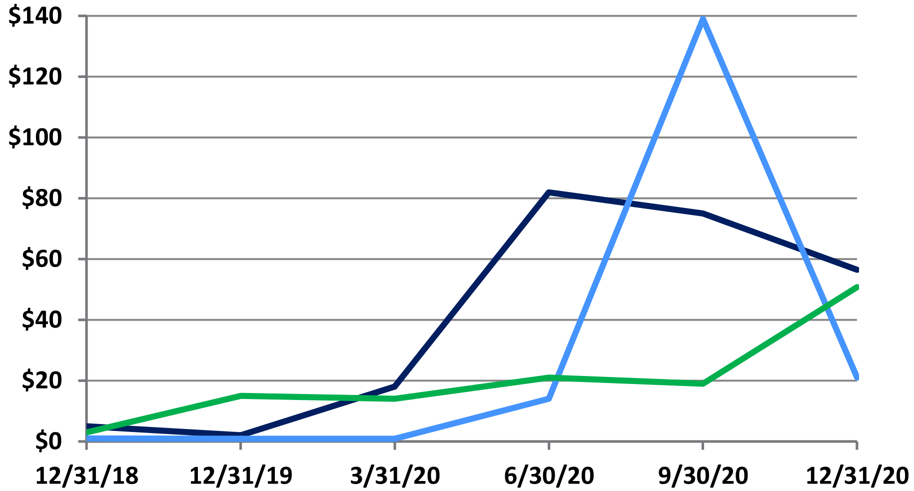
Asset Quality - Delinquencies

($ in millions)

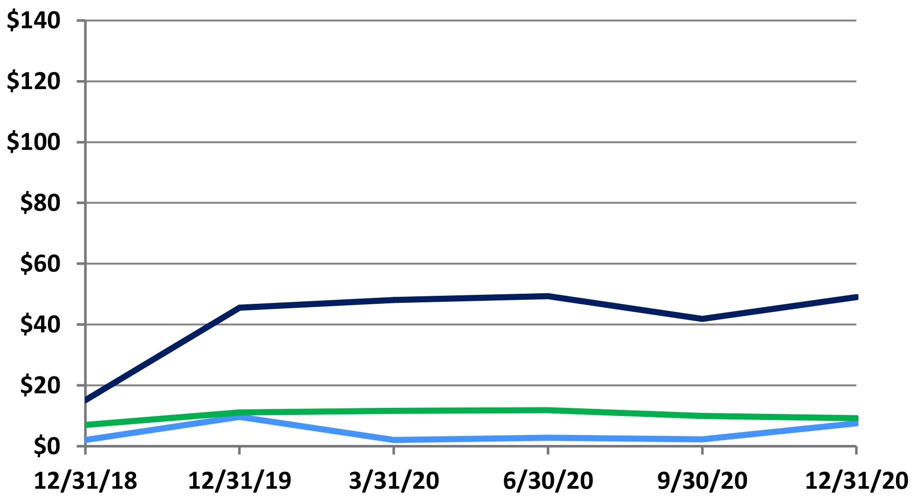
Commercial



CRE (1)



Residential (2)



(1) Increase in 60-89 Days PD at 9/30/20 impacted by $70MM of In Process CARES Act Modifications.

(2) Excludes government insured residential loans.

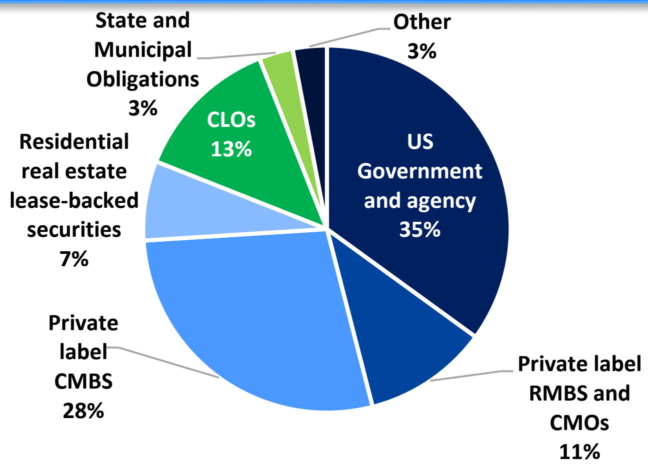
Investment Portfolio

Investment Securities AFS

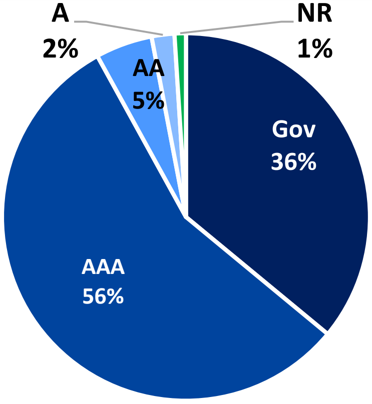
($ in thousands)

The AFS debt securities portfolio of $9.1 billion was in a net unrealized gain position of $85.6 million at December 31, 2020

Portfolio Composition



Ratings Distribution

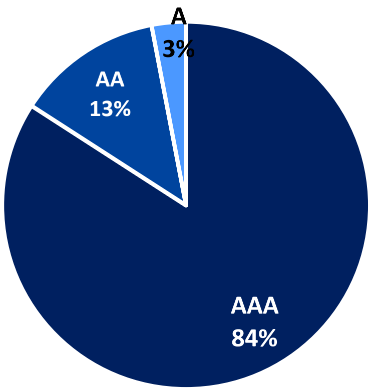


Portfolio	December 31, 2019 Net Unrealized Gain (Loss)	December 31, 2019 Fair Value	March 31, 2020 Net Unrealized Gain (Loss)	March 31, 2020 Fair Value	September 30, 2020 Net Unrealized Gain (Loss)	September 30, 2020 Fair Value	December 31, 2020 Net Unrealized Gain (Loss)	December 31, 2020 Fair Value
US Government and agency	$ 10,516	$ 2,826,207	$ (23,649)	$ 2,893,932	$ 22,342	$ 3,174,959	$ 23,752	$ 2,944,924
Private label RMBS and CMOs	10,840	1,012,177	(11,659)	1,173,880	17,135	1,167,706	15,713	998,603
Private label CMBS	5,456	1,724,684	(123,796)	1,604,814	(1,859)	2,440,550	12,083	2,526,354
Residential real estate lease-backed securities	2,566	470,025	(21,188)	528,793	13,745	768,898	14,819	650,888
CLOs	(7,539)	1,197,366	(74,676)	1,094,793	(16,010)	1,142,404	(8,449)	1,140,274
State and Municipal Obligations	15,774	273,302	15,431	271,033	19,962	242,921	21,966	235,709
Other	733	194,904	(10,283)	255,161	6,660	251,839	5,755	565,657
Total	**$ 38,346**	**$ 7,698,665**	**$ (249,820)**	**$ 7,822,406**	**$ 61,975**	**$ 9,189,277**	**$ 85,639**	**$ 9,062,409**

Investment Securities – Asset Quality of Select Non-Agency Securities

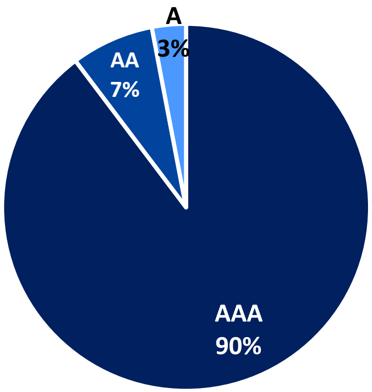
At December 31, 2020

Strong credit enhancement levels on CLOs and CMBS



Collateralized Loan Obligations (CLOs)

Rating	Subordination Min	Subordination Max	Subordination Avg	Wtd. Avg. Stress Scenario Loss
AAA	36.0	48.4	43.3	20.4
AA	26.9	40.7	32.5	23.0
A	24.5	29.9	26.5	23.0
Wtd. Avg.	**34.5**	**46.8**	**41.3**	**20.8**



Private Label Commercial Mortgage-Backed Securities (CMBS)

Rating	Subordination Min	Subordination Max	Subordination Avg	Wtd. Avg. Stress Scenario Loss
AAA	27.9	96.3	41.9	12.0
AA	19.1	52.2	34.5	11.2
A	21.5	80.9	38.0	10.9
Wtd. Avg.	**27.1**	**92.7**	**41.3**	**11.9**

Non-GAAP Financial Measures

Non-GAAP Financial Measures

PPNR is a non-GAAP financial measure. Management believes this measure is relevant to understanding the performance of the Company attributable to elements other than the provision for credit losses and the ability of the Company to generate earnings sufficient to cover estimated credit losses, particularly in view of the adoption of the CECL accounting methodology, which may impact comparability of operating results to prior periods. This measure also provides a meaningful basis for comparison to other financial institutions and is a measure frequently cited by investors. The following table reconciles the non-GAAP financial measurement of PPNR to the comparable GAAP financial measurement of income before income taxes for the three months ended December 31, 2020 and 2019 and the three months ended September 30, 2020 (in thousands):

	Three Months Ended December 31, 2020	Three Months Ended September 30, 2020	Three Months Ended December 31, 2019
Income before income taxes (GAAP)	$ 106,965	$ 85,912	$ 104,528
Plus: Provision for (recovery of) credit losses	(1,643)	29,232	(469)
PPNR (non-GAAP)	$ 105,322	$ 115,144	$ 104,059

Non-GAAP Financial Measures (continued)

ACL to total loans, excluding government insured residential loans, PPP loans and MWL is a non-GAAP financial measure. Management believes this measure is relevant to understanding the adequacy of the ACL coverage, excluding the impact of loans which carry nominal or no reserves. Disclosure of this non-GAAP financial measure also provides a meaningful basis for comparison to other financial institutions. The following table reconciles the non-GAAP financial measurement of ACL to total loans, excluding government insured residential loans, PPP loans and MWL to the comparable GAAP financial measurement of ACL to total loans at December 31, 2020 (dollars in thousands):

Total loans (GAAP)	$ 23,866,042
Less: Government insured residential loans	1,419,074
Less: PPP loans	781,811
Less: MWL	1,259,408
Total loans, excluding government insured residential loans, PPP loans and MWL (non-GAAP)	$ 20,405,749
ACL	$ 257,323
ACL to total loans (GAAP)	1.08 %
ACL to total loans, excluding government insured residential loans, PPP loans and MWL (non-GAAP)	1.26 %