



Q3 '21
Earnings Results

(NYSE: STAR)

Forward-Looking Statements and Other Matters

Statements in this presentation which are not historical fact may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although iStar believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be attained. The Company undertakes no obligation to update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This presentation should be read in conjunction with our consolidated financial statements and related notes in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 and our Annual Report on Form 10-K for the year ended December 31, 2020. In assessing all forward-looking statements herein, readers are urged to read carefully all cautionary statements in our Form 10-K.

Factors that could cause actual results to differ materially from iStar's expectations include general economic conditions and conditions in the commercial real estate and credit markets, the effect of the COVID-19 pandemic on our business and growth prospects, the performance of SAFE, the Company's ability to grow its ground lease business directly and through SAFE, sales of all or a portion of its net lease portfolio, the Company's ability to generate liquidity and to repay indebtedness as it comes due, additional loan loss provisions and the pricing and timing of any such sales, asset impairments, the market demand for legacy assets the Company seeks to sell and the pricing and timing of such sales, changes in NPLs, repayment levels, the Company's ability to make new investments, the Company's ability to maintain compliance with its debt covenants, the Company's ability to generate income and gains from its portfolio and other risks detailed in "Risk Factors" in our 2020 Annual Report on Form 10-K, and any updates thereto made in our subsequent filings with the SEC.

Important Note re COVID-19: Readers of this presentation are cautioned that, due to the uncertainty created by the COVID-19 pandemic, our results for the first quarter may not be indicative of our future results. Readers are urged to read our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 when it is filed with the SEC for a more fulsome discussion of our first quarter results, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections included therein.

Note: Please refer to the "Glossary" section in the Appendix for a list of defined terms and metrics.



Investor Relations Contact

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I. Q3 '21 Highlights

Highlights

Strong Results

\$1.51

Q3 '21 Diluted EPS

\$125m

Total Gains

Momentum at Safehold

\$321m

New Originations
at Safehold

\$1.4b

Unrealized Gain⁽¹⁾

Legacy Progress

\$246m

Legacy Asset
Sales Proceeds

7%

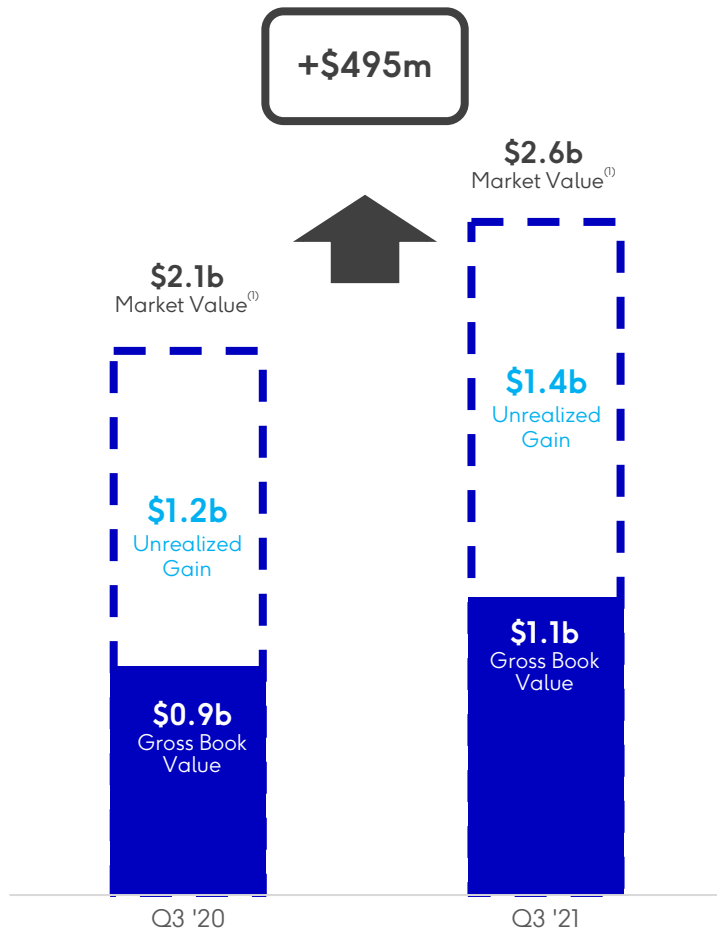
Legacy Asset % of Portfolio



(1) Market value of iStar's investment in Safehold is \$2,585m, calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89. Unrealized gain is calculated as the difference between the \$2,585m market value and the \$1,144m Gross Book Value of iStar's investment in Safehold.

Safehold Progress

iStar's Investment in Safehold



+\$495m

\$321m
Q3 '21 New Originations at Safehold

\$242m
Equity Raised by Safehold at \$76 per share

\$624m
Q3 '21 UCA Growth from New Investments

36%
Quarterly Y/Y EPS Growth at Safehold



Note: Please refer to the SAFE Earnings Presentation dated October 21, 2021, available on SAFE's website for a Glossary of defined terms.
 (1) Q3 '21 market value of iStar's investment in Safehold is \$2,585m calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89. Q3 '20 market value of iStar's investment in Safehold is \$2,090m, calculated as iStar's ownership of 33.7m shares of SAFE at the September 30, 2020 closing stock price of \$62.10.

Legacy Asset Progress

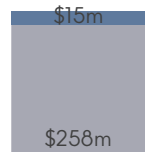
\$246m

Q3 '21 Legacy Asset Sales Proceeds

\$49m

Q3 '21 Gains from Legacy Asset Sales

\$803m



-42%

Year-over-year Legacy Asset Reduction

\$464m

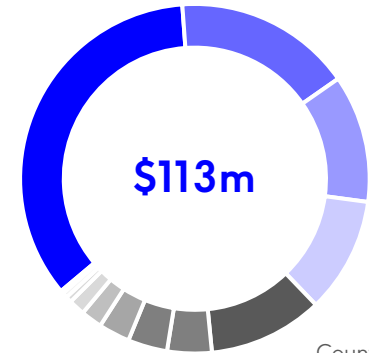


Q3 '20

Q3 '21

■ Land & Development ■ Operating Properties ■ NPLs

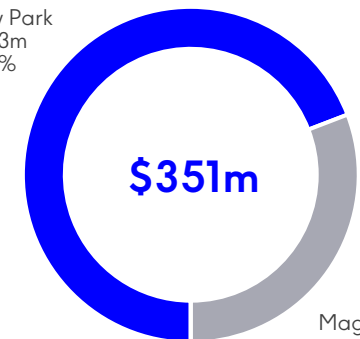
Short-Term Legacy Assets



Count: 14 Assets
Avg. GBV: \$8m

Long-Term Legacy Assets

Asbury Park
\$243m
69%

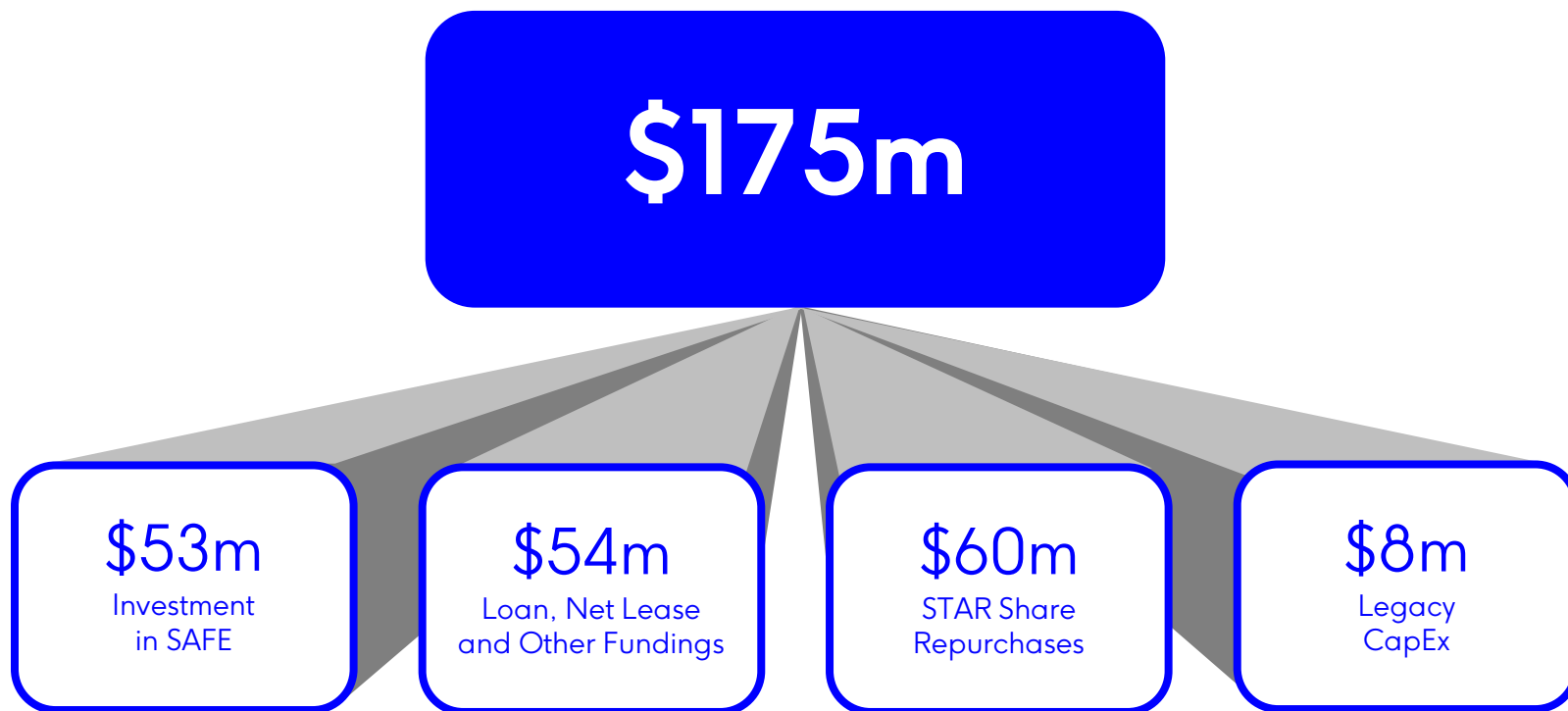


Magnolia Green
\$108m
31%

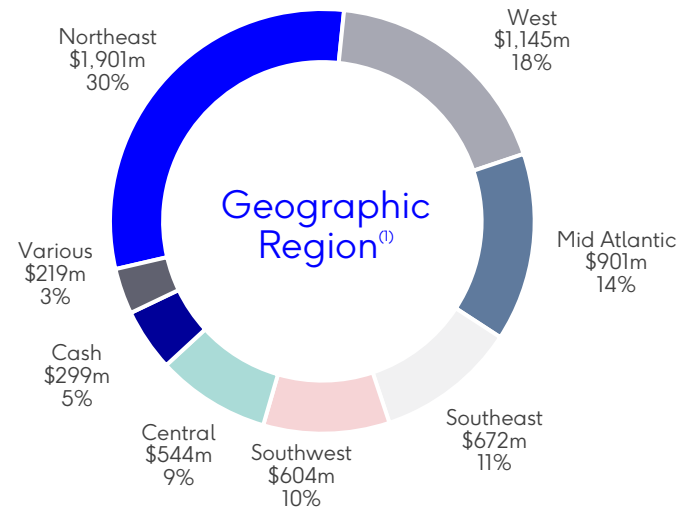
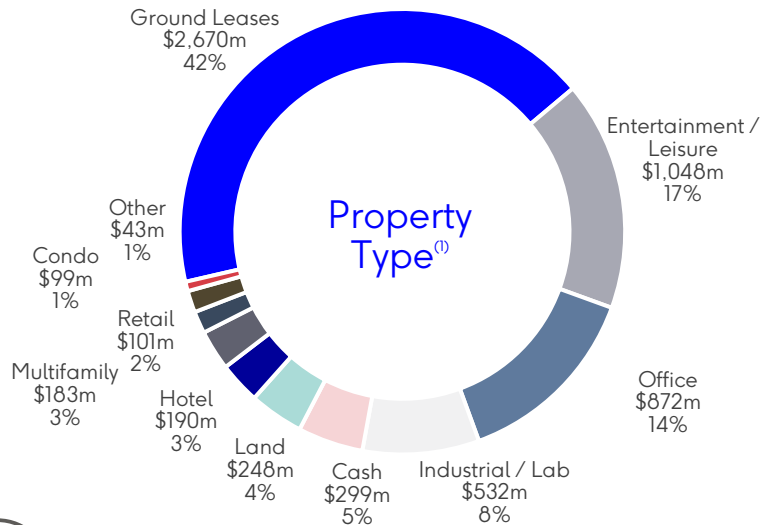
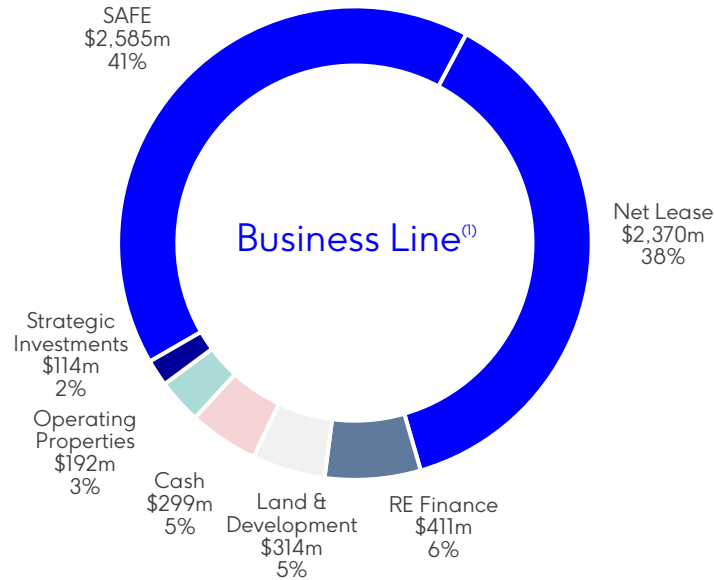


Note: Figures are presented using Gross Book Value. Please refer to the Glossary for more details.

Investment Activity



\$6.3b Diversified Portfolio



Note: Figures based on Gross Book Value of the Company's total investment portfolio, adjusted to present the investment in SAFE at market value, and includes 100% of the assets of iStar's consolidated joint ventures, the carrying value of iStar's investment in non-consolidated joint ventures and affiliates (other than SAFE).

(1) SAFE market value is calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89.

Earnings Results

	Q3 '21	Q3 '20	Y/Y Δ	YTD '21	YTD '20	Y/Y Δ
Net Income (Loss) <i>(Allocable to Common Shareholders)</i>	\$121.9m	(\$2.1m)	+\$123.9m	\$101.9m	(\$46.9m)	+\$148.8m
W.A. Shares <i>(Diluted)</i>	80.5m	75.0m		78.4m	76.2m	
EPS (Loss) <i>(Diluted)</i>	\$1.51	(\$0.03)	+\$1.54	\$1.30	(\$0.61)	+\$1.91

Adj. Earnings <i>(Allocable to Common Shareholders)</i>	\$141.3m	\$22.1m	+\$119.2m	\$176.0m	\$29.8m	+\$146.2m
W.A. Shares <i>(Diluted)</i>	80.5m	75.3m		78.4m	76.4m	
AEPS <i>(Diluted)</i>	\$1.76	\$0.29	+\$1.47	\$2.24	\$0.39	+\$1.85

Earnings results for the quarter include \$125m of gains, comprised of:

- \$60m gain related to SAFE's equity offering⁽¹⁾
- \$49m gain from sales of legacy assets
- \$16m gains from other investments



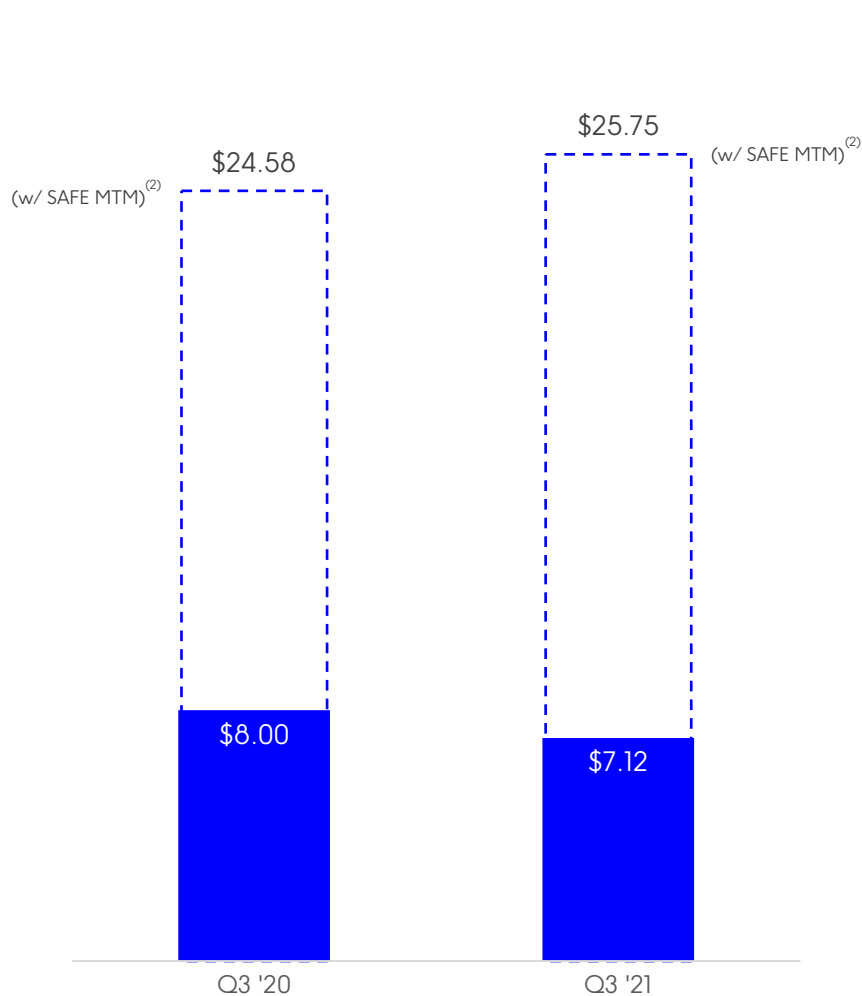
Note: Please refer to the "Adjusted Earnings Reconciliation" section of the Appendix for more information with regard to the calculation of this metric.

(1) Dilution Gain occurs when a Safehold equity issuance results in a decrease in iStar's percentage ownership. This reduction in ownership is treated like a sale of iStar's investment at the offering price and iStar recognizes a non-cash gain above its basis on the proportionate reduction in its ownership. See the Glossary for more information.

Equity Value per Share

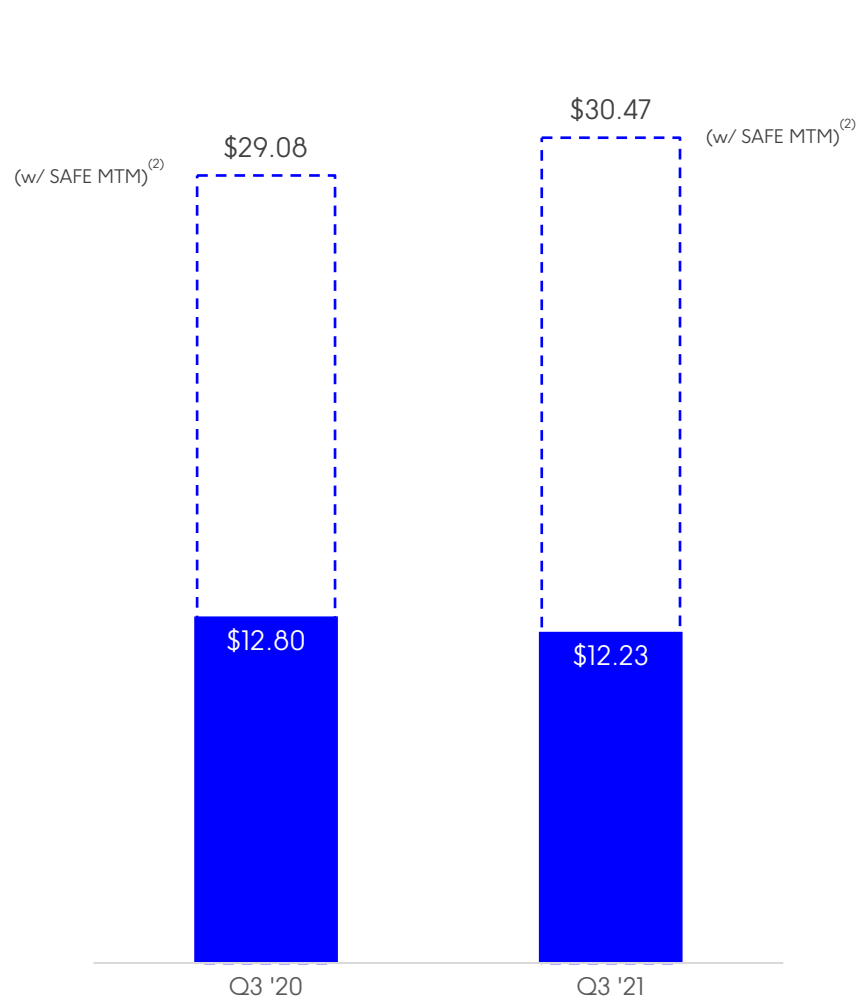
Common Equity per Share⁽¹⁾

(Net of Depreciation, Amortization and CECL Allowance)



Adj. Common Equity per Share⁽¹⁾

(Gross of Depreciation, Amortization and CECL Allowance)



Note: Q3 '21 SAFE mark-to-market value of iStar's investment in Safehold is \$2,585m, calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89. Q3 '20 SAFE mark-to-market value of iStar's investment in Safehold is \$2,090m calculated as iStar's ownership of 33.7m shares of SAFE at the September 30, 2020 closing stock price of \$62.10.

(1) Presented diluted for the 2022 3.125% convertible notes which were "in the money" on September 30, 2021 based on the conversion ratio of 71.5797 shares per \$1,000 of principal (a conversion price of \$13.97 per share) using the Q3 '21 average closing stock price. The convertible notes were "out of the money" on September 30, 2020.

(2) A portion of the profits realized on iStar's investment portfolio, including its investment in SAFE, is allocable to iPip, iStar's shareholder-approved long-term incentive plan. Additional information on iStar's iPip can be found in the 2020 Annual Report on Form 10-K and its 2021 Proxy Statement, both of which are available on our website.



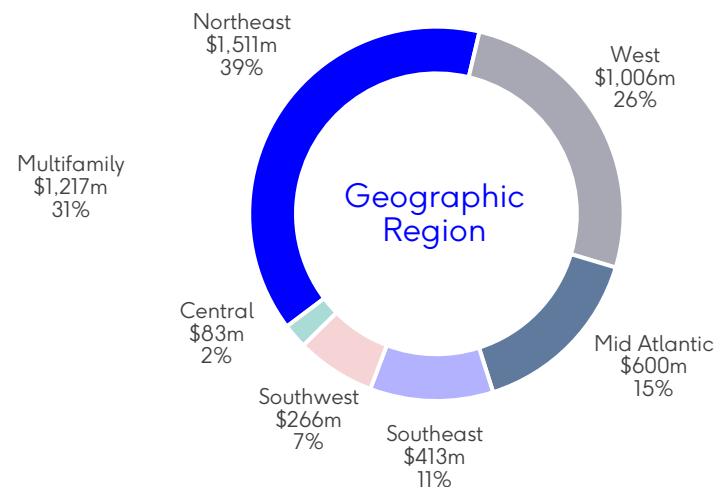
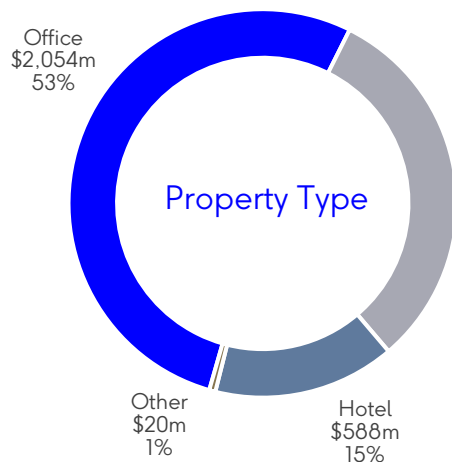
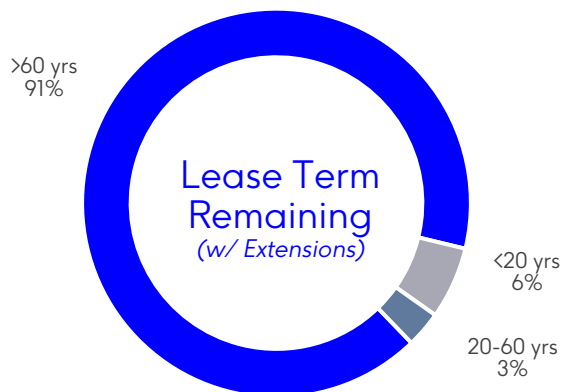
II. Portfolio Overview

Safehold (NYSE: SAFE)

- iStar's investment in SAFE
 - 36.0m shares (63.6% of shares outstanding)⁽¹⁾
 - Gross Book Value of \$1,144m or \$31.82 per share
 - Market value of SAFE shares owned by iStar is \$2.6b based on closing price of \$71.89 per share on September 30, 2021

SAFE Earnings

Q3 '21	
Revenue	\$47.3m
Net Income	\$20.2m
EPS	\$0.38

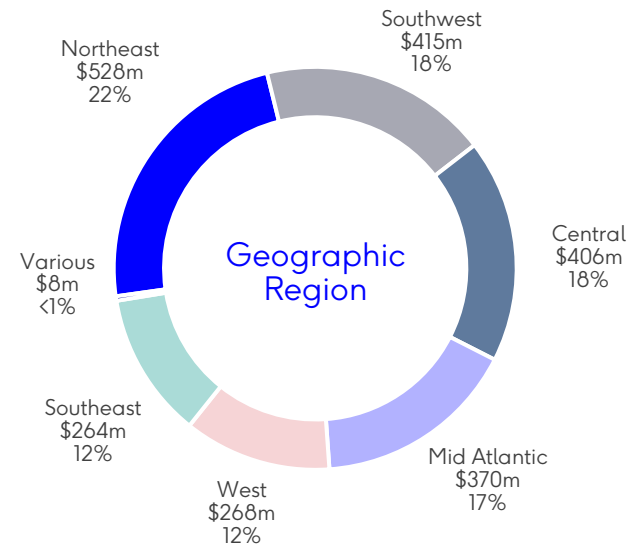
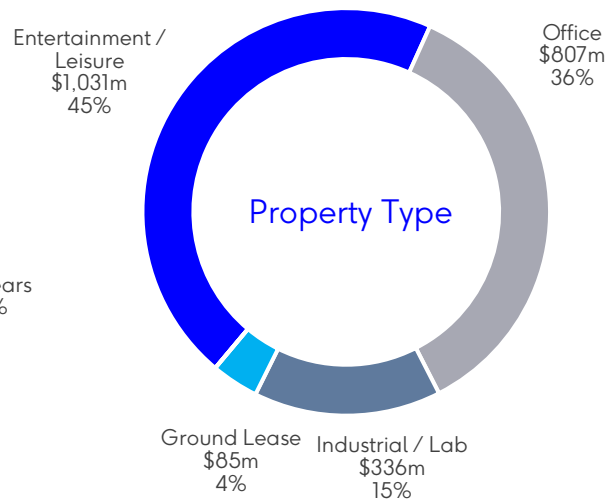
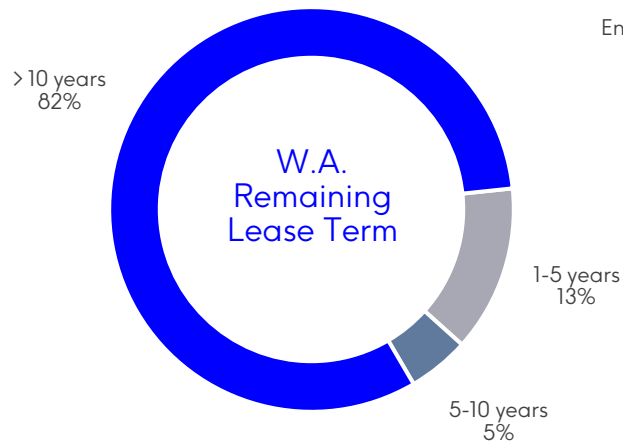


Note: \$ in millions. Graphs of SAFE's underlying portfolio are presented in Gross Book Value totaling \$3.879m and excludes \$94m of forward commitments. Please refer to the SAFE Earnings Presentation dated October 21, 2021, available on SAFE's website for a Glossary of defined terms.

(1) iStar's discretionary voting in SAFE is capped at 41.9% and will vote remaining shares with respect to any matter in the same proportions as SAFE's non-iStar shareholders.

Net Lease Consolidated Assets

	Wholly-Owned <i>(100% Ownership)</i>	Net Lease Venture I <i>(51.9% Ownership)</i>	Total Consolidated
Gross Book Value	\$1,348m	\$911m	\$2,259m
Occupancy	98.9%	100.0%	99.3%
Square Feet (000s)	9,630	5,755	15,385
W.A. Remaining Lease Term	18.8 yrs	16.2 yrs	17.7 yrs
W.A. Yield	7.6%	8.2%	7.8%

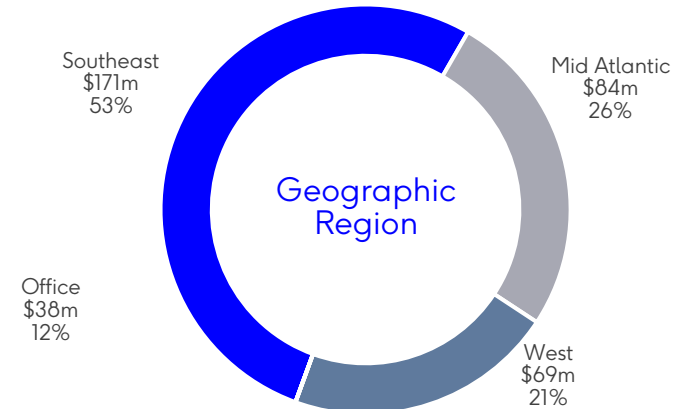
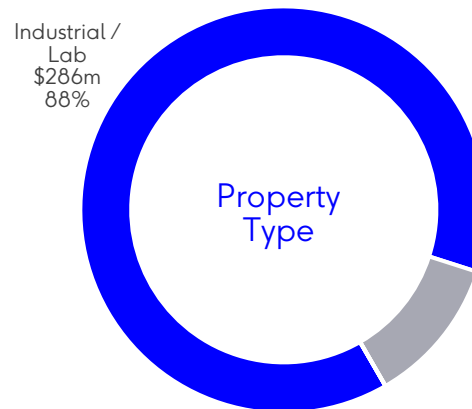
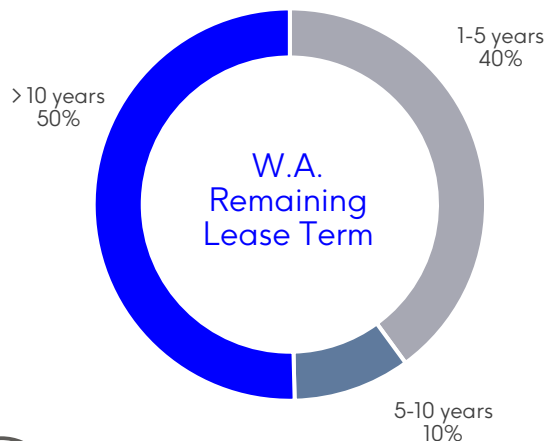


Note: \$ in millions. Please refer to the "Glossary" section of the Appendix for additional details regarding definitions and calculations. The Company previously announced that it intended to explore market interest for possible sales of its net lease assets. That process remains ongoing. There can be no assurance as to whether iStar will sell some, all or none of its net lease assets or as to the timing or terms of any such sales.

Net Lease Venture II

Net Lease Venture II (51.9% Ownership)	
Gross Book Value	\$324m
Occupancy	100.0%
Square Feet (000s)	3,302
W.A. Remaining Lease Term	12.3 yrs
W.A. Yield	9.1%

Net Lease Venture II is unconsolidated and 51.9% owned by iStar. Presented here at the venture level.



Note: \$ in millions. Table and pie charts presented at the venture level. Please refer to the "Glossary" section of the Appendix for additional details regarding definitions and calculations. The Company previously announced that it intended to explore market interest for possible sales of its net lease assets. That process remains ongoing. There can be no assurance as to whether iStar will sell some, all or none of its net lease assets or as to the timing or terms of any such sales.

Top Net Lease Assets

Top 10 net lease assets, which represent a total of \$1.7b of Gross Book Value, or 65% of the aggregate \$2.6b of Gross Book Value of the combined wholly-owned, NLJV I and NLJV II portfolios

Tenant (Sorted by GBV)		Property Type	Location	Portfolio	Inv. Grade	Lease Term Remaining	Annualized Base Rent	Contractual Rent Escalator
Bowlero (2 Master Leases)		Entertainment	147 Locations	Wholly-Owned		25.7 yrs	\$32.6m ⁽¹⁾	Fixed Bumps
Bowlero (Master Lease)		Entertainment	58 Locations	NLJV I		23.0 yrs	\$18.4m	Fixed Bumps
McCormick & Co.		Office	Cockeysville, MD	NLJV I	*	12.6 yrs	\$11.2m	Fixed Bumps
Cox Automotive		Office	North Hills, NY	NLJV I	*	12.8 yrs	\$8.4m	Fixed Bumps w/ CPI Adjustments
Indeed		Office	Austin, TX	Wholly-Owned	*	12.3 yrs	\$10.6m	Fixed Bumps
AMC Theaters (Master Lease)		Entertainment	4 Locations	Wholly-Owned		13.3 yrs	\$8.1m	Fixed Bumps + % Rent
NYSE-Listed Transportation Services Company		Industrial	2 Locations	NLJV II		24.1 yrs	\$8.0m	Fixed Bumps
Leading Financial Services Company		Office	Jersey City, NJ	Wholly-Owned	*	11.3 yrs	\$10.1m	Fixed Bumps
AT&T		Office	Oakton, VA	NLJV I	*	4.2 yrs	\$7.2m	Fixed Bumps
Bellisio Foods		Industrial	Jackson, OH	NLJV I		24.1 yrs	\$7.1m	Capped CPI Adjustments
Total/W.A.						18.7 yrs	\$121.9m	



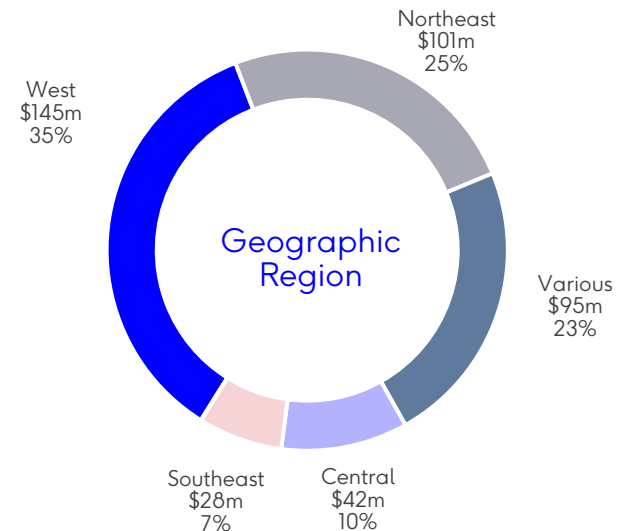
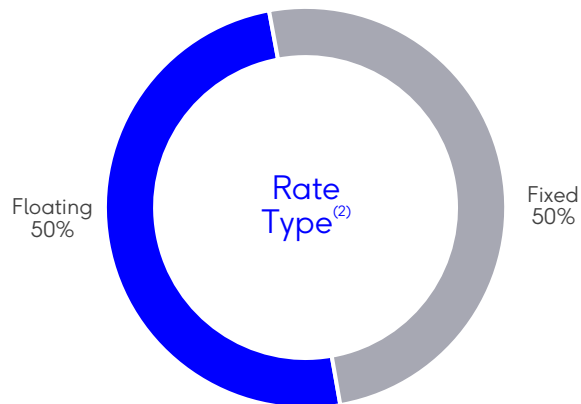
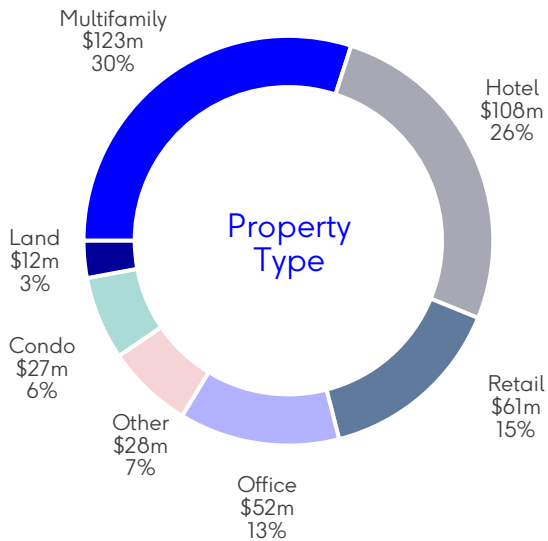
Note: Sorted by Gross Book Value, based on the value of the asset assuming 100% ownership. Annualized Base Rent (ABR) represents annualized cash rent assuming 100% ownership. iStar's equity interest in each of NLJV I and II is 51.9%. The Company previously announced that it intended to explore market interest for possible sales of its net lease assets. That process remains ongoing. There can be no assurance as to whether iStar will sell some, all or none of its net lease assets or as to the timing or terms of any such sales.

(1) iStar reached an agreement with Bowlero to defer a total of \$23 million of rent owed during the period from October 2020 to June 2021. The deferred rent will accrue with interest to be repaid over two years commencing January 1, 2023. The ABR is presented as the next twelve-month rent following the deferral period.

Real Estate Finance

	Loans (\$)	W.A. Last \$ LTV	W.A. Yield	W.A. Maturity (yrs)
First mortgages / Senior debt ⁽¹⁾	\$196m	64%	7.8%	0.7
Mezzanine / Subordinated debt	34m	79%	10.2%	9.2
Other lending investments	123m	-	6.8%	7.0
Total Performing Loans	\$353m	67%	7.7%	3.7
NPL	58m			

Total Real Estate Finance \$411m



Note: \$ in millions. Excludes loan receivable included in other lending investments and CECL allowances. Please refer to the "Glossary" section of the Appendix for additional details regarding definitions and calculations.

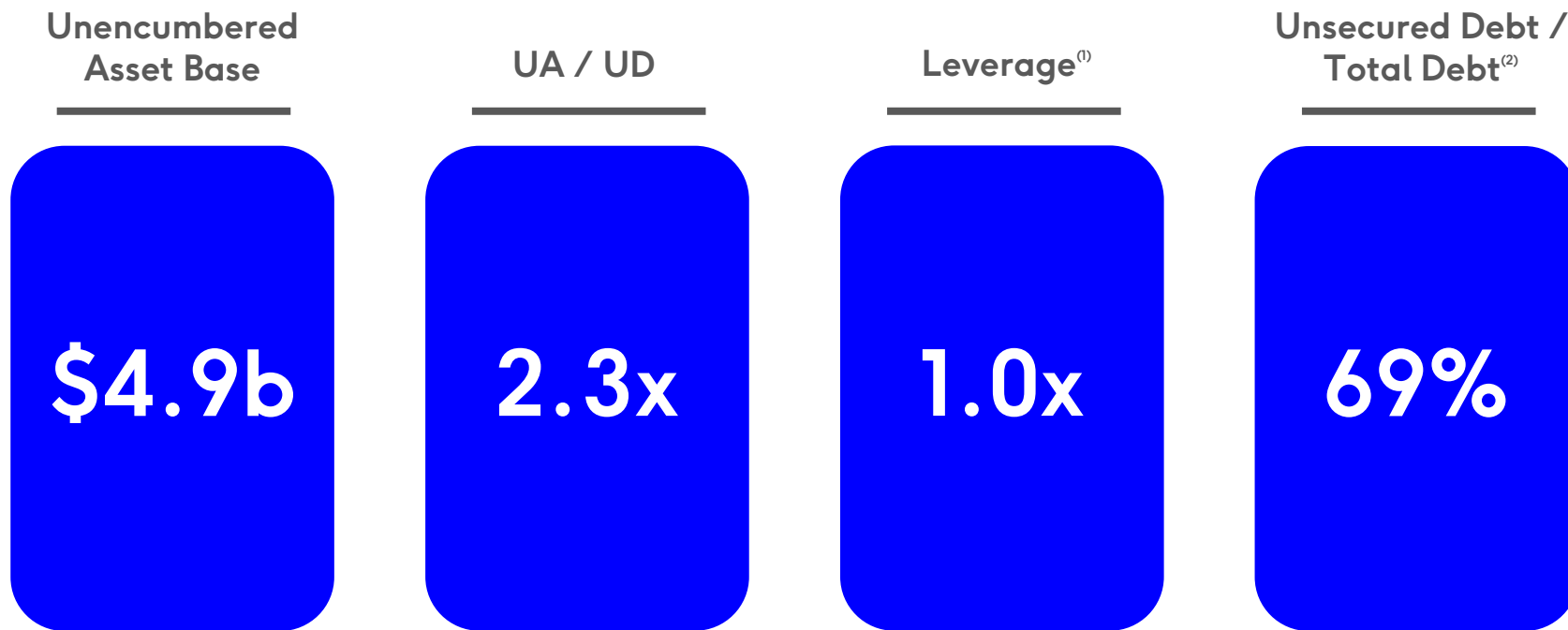
(1) Includes \$48m pro rata share of loans held within a joint venture.

(2) Excludes nonperforming loans.



III. Capital Structure

Credit Metrics



Note: Figures are presented using the SAFE mark-to-market value of iStar's investment in Safehold. Q3 '21 market value is \$2,585m, calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89.

(1) Leverage is calculated as the ratio of debt, net of cash, to adjusted total equity gross of non-controlling interests, or "NCI", and applying the SAFE MTM adjustment. Please refer to the "Capital Structure Overview" section of the presentation for more information.

(2) Includes only iStar's share of NLJV I debt.

Capital Structure Overview

As of 9/30/21

Credit Metrics	9/30/21	SAFE MTM ⁽¹⁾
Cash	\$299m	\$299m
Debt, net of cash	\$2,984m	\$2,984m
Total Equity, gross of NCI	\$1,066m	\$2,538m
Adj. Total Equity, gross of NCI	\$1,514m	\$2,955m
Leverage ⁽²⁾	2.0x	1.0x

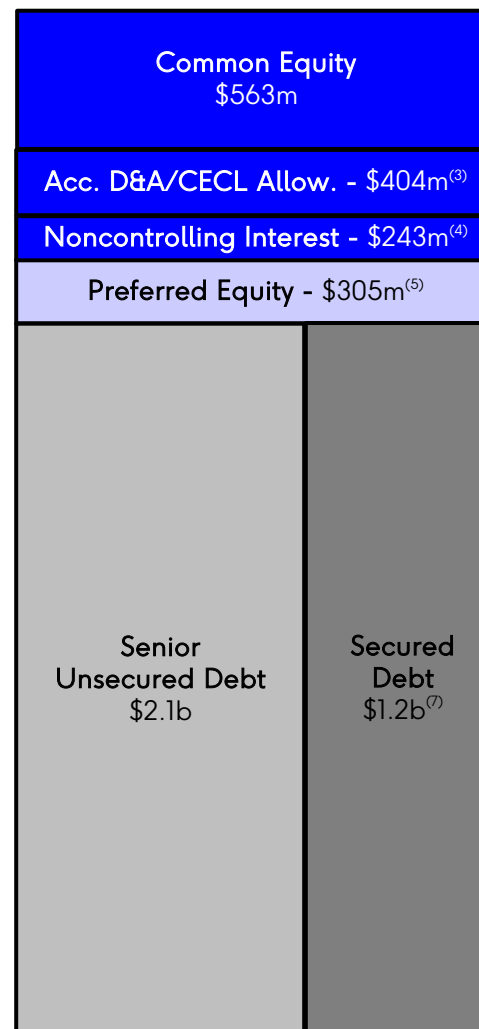
Shares

Shares Outstanding ⁽⁶⁾	79.0m	79.0m
Common Equity	\$563m	\$2,034m
Common Equity per Share	\$7.12	\$25.75
Adj. Common Equity	\$966m	\$2,407m
Adj. Common Equity per Share	\$12.23	\$30.47

Liquidity

Cash	\$299m
Revolving Credit Facility Availability	\$340m
Total Liquidity	\$639m

Adjusted
Total Equity
\$1.5b



Adjusted
Common
Equity
\$1.0b

Total Debt
\$3.3b⁽⁸⁾

Note: Please refer to the "Adjusted Common Equity Reconciliation" section of the Appendix for more information.

(1) SAFE mark-to-market calculations based on the September 30, 2021 closing stock price of \$71.89 with respect to 36.0m shares held by iStar.

(2) Corporate leverage is the ratio of total debt less cash and cash equivalents divided by Adjusted Total Equity, gross of NCI.

(3) Includes accumulated depreciation, amortization, CECL allowance, and iStar's proportionate share of accumulated depreciation and amortization relating to equity method investments.

(4) Includes \$44m of the proportionate share of accumulated depreciation and amortization relating to noncontrolling interests.

(5) Represents liquidation preference of preferred equity.

(6) Presented diluted for the 2022 3.125% convertible notes which were "in the money" on September 30, 2021 based on their current conversion ratio of 71.5797 shares per \$1,000 of principal, which represents a conversion price of \$13.97 per share using the Q3 '21 average closing stock price.

(7) Includes \$479m of consolidated, asset-specific non-recourse mortgage debt of NLJV I.

(8) Debt is presented net of fees and discounts.



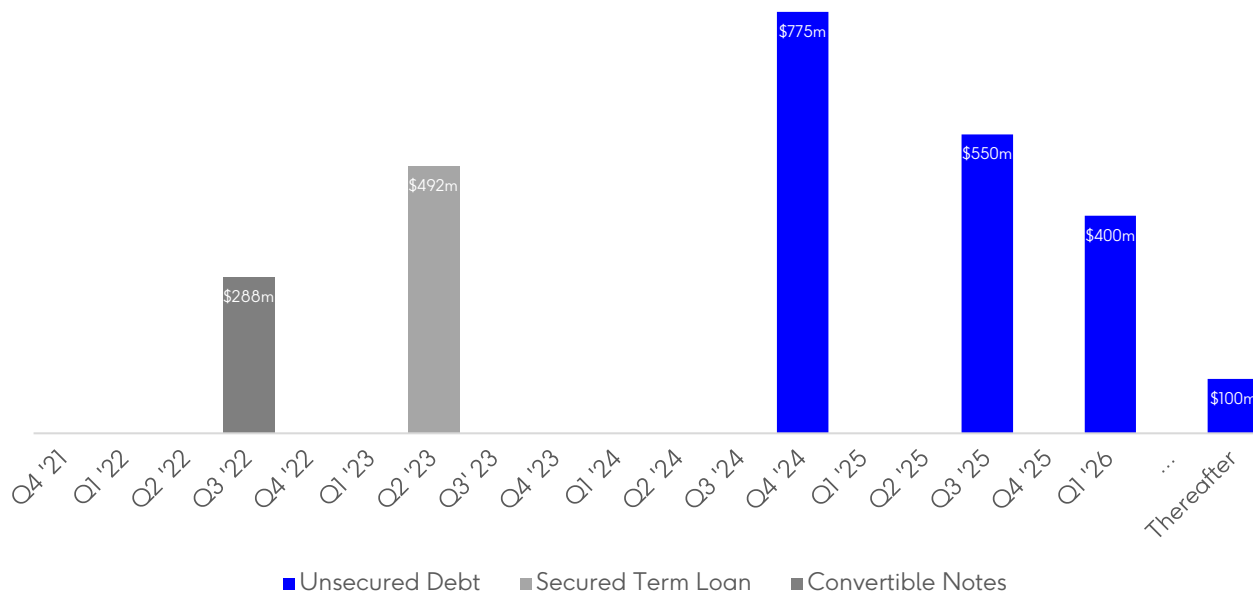
Corporate Debt Maturity Profile

Debt Profile

2022 ⁽¹⁾		
Sep.	\$288m	3.125%
2023		
Jun.	\$492m	L + 275
2024		
Oct.	\$775m	4.75%
2025		
Aug.	\$550m	4.25%
2026		
Feb.	\$400m	5.50%
2035		
Oct.	\$100m	L + 150
Non-Recourse Mortgage Financings ⁽²⁾		
Various / W.A.	\$702m	4.41%
Total / W.A.⁽³⁾	\$3,306m	4.16%

3.6 years

w.a. debt
maturity



Note: \$ in millions. Excludes extension options and revolving credit facility which was undrawn as of September 30, 2021.

(1) The 2022 3.125% convertible notes were "in the money" on September 30, 2021 with a conversion price of \$13.97 per share and a conversion of 71.5797 shares per \$1,000 of principal using the Q3 '21 average closing stock price.

(2) Represents individual non-recourse mortgages on net lease assets, including consolidated mortgage debt on assets held by NLJV I.

(3) Rates presented after giving effect to interest rate hedges.





IV. Appendix

Consolidated Statements of Operations

	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2021	2020	2021	2020
Revenues				
Operating lease income	\$44,392	\$46,370	\$137,381	\$140,529
Interest income	7,951	14,270	27,574	46,925
Interest income from sales-type leases	9,578	8,360	26,895	25,010
Other income	40,195	25,552	64,549	56,212
Land development revenue	93,369	20,502	157,936	116,254
Total revenues	\$195,485	\$115,054	\$414,335	\$384,930
Cost and Expenses				
Interest expense	\$39,471	\$42,407	\$118,451	\$127,748
Real estate expense	18,724	16,935	53,907	53,708
Land development cost of sales	87,380	21,358	147,507	114,704
Depreciation and amortization	14,856	14,621	44,971	43,407
General and administrative	14,120	14,207	45,654	46,463
General and administrative – stock-based compensation	3,001	5,661	23,300	26,675
(Recovery of) provision for loan losses	(1,556)	(1,976)	(7,613)	4,093
Provision for (recovery of) losses on net investment in leases	131	175	(1,735)	2,001
Impairment of assets	1,179	-	2,965	6,491
Other expense	2,011	73	2,475	351
Total costs and expenses	\$179,317	\$113,461	\$429,882	\$425,641
Income from sales of real estate	25,611	6,055	28,433	6,118
Income (loss) from operations before earnings from equity method investments and other items	\$41,779	\$7,648	\$12,886	(\$34,593)
Earnings from equity method investments	89,209	6,805	114,675	26,003
Income tax benefit (expense)	6	(78)	6	(165)
Loss on early extinguishment of debt, net	-	(7,924)	-	(12,038)
Net income (loss)	\$130,994	\$6,451	\$127,567	(\$20,793)
Net (income) attributable to noncontrolling interests	(3,264)	(2,646)	(8,037)	(8,435)
Net income (loss) attributable to iStar	\$127,730	\$3,805	\$119,530	(\$29,228)
Preferred dividends	(5,874)	(5,874)	(17,622)	(17,622)
Net income (loss) allocable to common shareholders	\$121,856	(\$2,069)	\$101,908	(\$46,850)



Note: \$ in thousands.

Earnings per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Earnings Information for Common Shares				
Net income (loss) ⁽¹⁾				
Basic	\$1.71	(\$0.03)	\$1.40	(\$0.61)
Diluted	\$1.51	(\$0.03)	\$1.30	(\$0.61)
Adjusted earnings				
Basic	\$1.98	\$0.29	\$2.42	\$0.39
Diluted	\$1.76	\$0.29	\$2.24	\$0.39
Weighted average shares outstanding				
Basic	71,299	75,033	72,675	76,232
Diluted (for net income)	80,487	75,033	78,402	76,232
Diluted (for adjusted earnings)	80,487	75,271	78,402	76,439
Common shares outstanding at the end of period	70,031	74,433	70,031	74,433

Note: In thousands, except per share data.

(1) Allocable to common shareholders after the effect of preferred dividends, non-controlling interests and income from sales of real estate.



Adjusted Earnings Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net income (loss) allocable to common shareholders	\$121,856	(\$2,069)	\$101,908	(\$46,850)
Add: Depreciation and amortization	16,449	15,795	50,790	46,526
Add: Stock-based compensation expense	3,001	5,661	23,300	26,675
Add: Non-cash loss on early extinguishment of debt/preferred	-	2,672	-	3,470
Adjusted earnings allocable to common shareholders	\$141,306	\$22,059	\$175,998	\$29,821

Note: \$ in thousands.

In 2019, we announced a new business strategy that would focus our management personnel and our investment resources primarily on scaling our Ground Lease platform. As part of this strategy, we accelerated the monetization of legacy assets, reducing our legacy portfolio to approximately 10% of our overall portfolio as of September 30, 2021, and deployed a substantial portion of the proceeds into additional investments in SAFE and new loan and net lease originations relating to the Ground Lease business. Adjusted earnings is a non-GAAP metric management uses to assess our execution of this strategy and the performance of our operations. Adjusted earnings reflects impairment charges and loan provisions in the same period in which they are recognized in net income (loss) prepared in conformity with generally accepted accounting principles in the United States of America ("GAAP").

Adjusted earnings is used internally as a supplemental performance measure adjusting for certain items to give management a view of income more directly derived from operating activities in the period in which they occur. Adjusted earnings is calculated as net income (loss) allocable to common shareholders, prior to the effect of depreciation and amortization, including our proportionate share of depreciation and amortization from equity method investments and excluding depreciation and amortization allocable to noncontrolling interests, stock-based compensation expense, the non-cash portion of loss on early extinguishment of debt and the liquidation preference recorded as a premium above book value on the redemption of preferred stock ("Adjusted Earnings").

Adjusted Earnings should be examined in conjunction with net income (loss) as shown in our consolidated statements of operations. Adjusted Earnings should not be considered as an alternative to net income (loss) (determined in accordance with GAAP), or to cash flows from operating activities (determined in accordance with GAAP), as a measure of our liquidity, nor is Adjusted Earnings indicative of funds available to fund our cash needs or available for distribution to shareholders. Rather, Adjusted Earnings is an additional measure we use to analyze our business performance because it excludes the effects of certain non-cash charges that we believe are not necessarily indicative of our operating performance. It should be noted that our manner of calculating Adjusted Earnings may differ from the calculations of similarly-titled measures by other companies.



Consolidated Balance Sheets

	As of September 30, 2021	As of December 31, 2020
Assets		
Real Estate		
Real estate, at cost	\$1,657,866	\$1,752,053
Less: accumulated depreciation	(300,942)	(267,772)
Real estate, net	1,356,924	1,484,281
Real estate available and held for sale	1,983	5,212
Total real estate	1,358,907	1,489,493
Net investment in leases	477,360	429,101
Land and development, net	302,845	430,663
Loans receivable and other lending investments, net	405,509	732,330
Loan receivable held for sale	42,683	-
Other investments	1,419,766	1,176,560
Cash and cash equivalents	298,886	98,633
Finance lease right of use assets	142,615	143,727
Accrued interest and operating lease income receivable, net	5,046	10,061
Deferred operating lease income receivable, net	66,002	58,128
Deferred expenses and other assets, net	282,546	293,112
Total Assets	\$4,802,165	\$4,861,808
Liabilities and Equity		
Accounts payable, accrued expenses, and other liabilities	\$300,461	\$317,402
Finance lease liabilities	152,629	150,520
Liabilities associated with properties held for sale	252	27
Loan participations payable, net	-	42,501
Debt obligations, net	3,282,598	3,286,975
Total Liabilities	\$3,735,940	\$3,797,425
Total iStar shareholders' equity	\$867,581	\$870,969
Noncontrolling interests	198,644	193,414
Total Equity	\$1,066,225	\$1,064,383
Total Liabilities and Equity	\$4,802,165	\$4,861,808

Note: \$ in thousands.



Adjusted Common Equity Reconciliation

	As of September 30, 2021	As of September 30, 2020
Total shareholders' equity	\$867,581	\$900,760
Less: Liquidation preference of preferred stock	(305,000)	(305,000)
Common shareholders equity	\$562,581	\$595,760
Add: Accumulated depreciation and amortization ⁽¹⁾	325,902	289,019
Add: Proportionate share of depreciation and amortization within equity method investments	62,685	44,278
Add: CECL allowance	14,960	23,640
Adjusted common equity	\$966,127	\$952,697
Common shares outstanding – basic	70,031	74,433
Common shares outstanding – convertible dilution ⁽²⁾	78,998	74,433
Common equity per share with convertible dilution ⁽²⁾	\$7.12	\$8.00
Common equity per share with SAFE MTM and convertible dilution ⁽²⁾	\$25.75	\$24.58
Adjusted common equity per share with convertible dilution ⁽²⁾	\$12.23	\$12.80
Adjusted common equity per share with SAFE MTM and convertible dilution ⁽²⁾	\$30.47	\$29.08

Note: Amounts in thousands, except for per share data. Q3 '21 SAFE mark-to-market value of iStar's investment in Safehold is \$2,585m, calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89. Q3 '20 SAFE mark-to-market value of iStar's investment in Safehold is \$2,090m calculated as iStar's ownership of 33.7m shares of SAFE at the September 30, 2020 closing stock price of \$62.10.

We use adjusted common equity, a non-GAAP financial measure, as a supplemental measure to give management a view of equity allocable to common shareholders prior to the impact of certain non-cash GAAP measures. Management believes that adjusted common equity provides a useful measure for investors to consider in addition to total shareholders equity because cumulative effect of depreciation and amortization expenses and CECL allowances calculated under GAAP may not necessarily reflect an actual reduction in the value of the Company's assets. Adjusted common equity should be examined in conjunction with total shareholders' equity as shown on the Company's consolidated balance sheet. Adjusted common equity should not be considered an alternative to total shareholders' equity (determined in accordance with GAAP), nor is adjusted common equity indicative of funds available for distribution to shareholders. It should be noted that our manner of calculating adjusted common equity may differ from the calculations of similarly-titled measures by other companies.

(1) Net of amounts allocable to non-controlling interests and includes accumulated depreciation and amortization associated with real estate available and held for sale.

(2) Presented diluted for the 2022 3.125% convertible notes which were "in the money" on September 30, 2021 based on their current conversion ratio of 71.5797 shares per \$1,000 of principal, which represents a conversion price of \$13.97 per share using the Q3 '21 average closing stock price. The convertible notes were "out of the money" on September 30, 2020.



Q3 '21 Gross Book Value Reconciliation

	Real Estate Finance	Net Lease	Operating Properties	Land & Development	Corporate / Other	Total
Real estate, net	-	\$1,264	\$93	-	-	\$1,357
Real estate available and held for sale	-	-	2	-	-	2
Net investment in leases	-	477	-	-	-	477
Land and development, net	-	-	-	303	-	303
Loans receivable and other lending investments, net	358	48	-	-	-	405
Loan receivable held for sale	-	43	-	-	-	43
Real estate-related intangibles, net	-	103	2	-	-	105
Other investments	48	1,214	44	1	114	1,420
Net Book Value	\$406	\$3,148	\$141	\$303	\$114	\$4,112
Add: Accumulated depreciation and CECL allowance	5	291	20	11	-	327
Add: Accumulated amortization related to intangibles	-	34	10	-	-	44
Add: Proportionate share of joint venture accumulated depreciation and amortization	-	41	21	-	-	62
Gross Book Value	\$411	\$3,514	\$192	\$314	\$114	\$4,545
Add: Cash	-	-	-	-	299	299
Add: SAFE MTM ⁽¹⁾	-	1,441	-	-	-	1,441
Portfolio Gross Book Value	\$411	\$4,955	\$192	\$314	\$413	\$6,285

Note: \$ in millions. Figures in this table may not foot due to rounding.

(1) Market value of iStar's investment in Safehold is \$2,585m, calculated as iStar's ownership of 36.0m shares of SAFE at the September 30, 2021 closing stock price of \$71.89. Unrealized gain is calculated as the difference between the \$2,585m market value and the \$1,144m Gross Book Value of iStar's investment in Safehold.



Glossary

Annualized Base Rent (ABR)	Contractual cash base rent for the current quarter, annualized.
Dilution Gain	In circumstances where Safehold issues new equity that results in iStar having a smaller percentage ownership after the issuance than before the issuance, iStar shall account for the transaction pursuant to ASC 323-10-40-1; whereby iStar shall account for a share issuance by Safehold as if iStar had sold a proportionate share of its investment. Any gain or loss to iStar resulting from Safehold's share issuance shall be recognized in earnings.
Funding / Capex <i>(Net Lease, Operating Properties, Land & Development)</i>	Acquisition price, capitalized acquisition costs, capital expenditures, contributions to equity method investments, capitalized payroll and capitalized interest.
Funding / Capex <i>(Real Estate Finance)</i>	Cash funded on loans, plus deferred interest capitalized to the loan balance, exclusive of original issued discount, origination and arrangement fees held back at origination.
Gross Book Value <i>(Net Lease, Operating Properties, Land & Development)</i>	Basis assigned to physical real estate property (land & building), net of any impairments taken after acquisition date and net of basis reductions associated with unit / parcel sales, plus our basis in equity method investments, plus lease related intangibles, capitalized leasing costs and excluding accumulated depreciation and amortization, and for equity method investments, excluding the effect of our share of accumulated depreciation and amortization.
Gross Book Value <i>(Real Estate Finance)</i>	Principal funded including any deferred capitalized interest receivable, plus protective advances, exit fee receivables and any unamortized origination / modification costs, plus our basis in equity method investments, less purchase discounts and specific reserves. This amount is not reduced for CECL allowances.
Net Book Value <i>(Net Lease, Operating Properties, Land & Development)</i>	Gross Book Value net of accumulated depreciation and amortization.
Net Book Value <i>(Real Estate Finance)</i>	Gross Book Value for Real Estate Finance less CECL allowances.
Proceeds <i>(Net Lease, Operating Properties, Land & Development)</i>	Includes sales price for assets sold and other proceeds, less selling costs, less seller financing plus return of capital and distributed proceeds arising from sales within our equity method investments.
Proceeds <i>(Real Estate Finance)</i>	Collection of principal, deferred and capitalized interest, exit fees, origination fees previously netted against principal at inception, or original issue discount. Includes proceeds from sales of securities.
Yield <i>(Net Lease)</i>	Calculated as GAAP operating lease income and interest income from sales-type leases less operating expenses for the quarter, annualized, divided by the average Gross Book Value during the quarter.
Yield <i>(Real Estate Finance)</i>	Interest income, for the quarter, annualized, divided by the average Gross Book Value of Real Estate Finance.

Disclaimer: Set forth in the Glossary are the current definitions of certain items that we use in this presentation. This Glossary is intended to facilitate a reader's understanding of this presentation. There can be no assurance that we will not modify these terms in future presentations as we deem necessary or appropriate.

