

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
May 5, 2022

CHIMERA INVESTMENT CORPORATION  
(Exact name of registrant as specified in its charter)

<u>Maryland</u>	<u>1-33796</u>	<u>26-0630461</u>
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

630 Fifth Avenue, STE 2400  
New York, New York  
(Address of principal executive offices)  
10111  
(Zip Code)

Registrant's telephone number, including area code: (212) 626-2300

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.01 per share	CIM	New York Stock Exchange
8.00% Series A Cumulative Redeemable Preferred Stock	CIM PRA	New York Stock Exchange
8.00% Series B Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRB	New York Stock Exchange
7.75% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRC	New York Stock Exchange
8.00% Series D Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRD	New York Stock Exchange

Registrant's Web site address: [www.chimerareit.com](http://www.chimerareit.com)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
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Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 2.02. Results of Operations and Financial Condition

On May 5, 2022, the registrant issued a press release announcing its financial results for the quarter ended March 31, 2022. A copy of the press release is furnished as Exhibit 99.1 to this report.

On May 5, 2022, the registrant posted supplemental financial information on the News & Events - Press Releases section of its website (www.chimerareit.com). A copy of the supplemental financial information is furnished as Exhibit 99.2 to this report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release, dated May 5, 2022, issued by Chimera Investment Corporation](#)

99.2 [Supplemental Financial Information for the quarter ended March 31, 2022.](#)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chimera Investment Corporation

By: /s/ Subramaniam Viswanathan  
Name: Subramaniam Viswanathan  
Title: Chief Financial Officer

Date: May 5, 2022



## PRESS RELEASE

NYSE: CIM

CHIMERA INVESTMENT CORPORATION  
630 Fifth Ave, Ste 2400  
New York, New York 10111

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Investor Relations  
888-895-6557  
[www.chimerareit.com](http://www.chimerareit.com)

### FOR IMMEDIATE RELEASE

#### CHIMERA INVESTMENT CORPORATION REPORTS 1ST QUARTER 2022 EARNINGS

- 1ST QUARTER GAAP NET LOSS OF \$1.19 PER DILUTED COMMON SHARE
- 1ST QUARTER EARNINGS AVAILABLE FOR DISTRIBUTION<sup>(1)</sup> OF \$0.39 PER DILUTED COMMON SHARE WHICH INCLUDES \$0.07 OF INCOME FROM AGENCY CMBS SECURITIES THAT HAVE BEEN CALLED
- GAAP BOOK VALUE OF \$10.15 PER COMMON SHARE

NEW YORK - (BUSINESS WIRE) - Chimera Investment Corporation (NYSE:CIM) today announced its financial results for the first quarter ended March 31, 2022. The Company's GAAP net loss for the first quarter was \$281 million, or \$1.19 per diluted common share. Earnings available for distribution<sup>(1)</sup> for the first quarter ended March 31, 2022 was \$94 million, or \$0.39 per diluted common.

"We began to prepare for a higher rate environment in 2021 by maintaining low leverage and optimizing our liability structure which included the re-securitizing \$6 billion of our loans with long-term fixed-rate coupons. As rates began to rise this year, we have begun implementation of the next leg our strategy; to acquire higher yielding residential loans while continuing to obtain long-term financing through securitization", said Mohit Marria, CEO and Chief Investment Officer. "This quarter we committed to acquire \$807 million of residential re-performing loans and sponsored our first securitization of 2022 with \$328 million CIM 2022-R1. We expect these actions to be accretive to earnings immediately."

(1) Earnings available for distribution per adjusted diluted common share is a non-GAAP measure. See additional discussion on page 5.

(2) Economic return on book value is based on the change in GAAP book value per common share plus the dividend declared per common share.

**Other Information**

Chimera Investment Corporation is a publicly traded real estate investment trust, or REIT, that is primarily engaged in the business of investing directly or indirectly through its subsidiaries, on a leveraged basis, in a diversified portfolio of mortgage assets, including residential mortgage loans, Non-Agency RMBS, Agency CMBS, Agency RMBS, and other real estate related securities.

**CHIMERA INVESTMENT CORPORATION**  
**CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 165,728	\$ 385,741
Non-Agency RMBS, at fair value (net of allowance for credit losses of \$453 thousand and \$213 thousand, respectively)	1,458,887	1,810,208
Agency RMBS, at fair value	74,104	60,487
Agency CMBS, at fair value	503,231	761,208
Loans held for investment, at fair value	12,905,280	12,261,926
Accrued interest receivable	72,418	69,513
Other assets	61,531	58,320
<b>Total assets <sup>(1)</sup></b>	<b>\$ 15,241,179</b>	<b>\$ 15,407,403</b>
Liabilities:		
Secured financing agreements (\$4.5 billion and \$4.4 billion pledged as collateral, respectively)	\$ 3,424,405	\$ 3,261,613
Securitized debt, collateralized by Non-Agency RMBS (\$337 million and \$365 million pledged as collateral, respectively)	84,188	87,999
Securitized debt at fair value, collateralized by Loans held for investment (\$11.4 billion and \$11.0 billion pledged as collateral, respectively)	8,010,170	7,726,043
Payable for investments purchased	259,796	477,415
Accrued interest payable	21,422	20,416
Dividends payable	86,560	86,152
Accounts payable and other liabilities	17,910	11,574
<b>Total liabilities <sup>(1)</sup></b>	<b>\$ 11,904,451</b>	<b>\$ 11,671,212</b>
Stockholders' Equity:		
Preferred Stock, par value of \$0.01 per share, 100,000,000 shares authorized:		
8.00% Series A cumulative redeemable: 5,800,000 shares issued and outstanding, respectively (\$145,000 liquidation preference)	\$ 58	\$ 58
8.00% Series B cumulative redeemable: 13,000,000 shares issued and outstanding, respectively (\$325,000 liquidation preference)	130	130
7.75% Series C cumulative redeemable: 10,400,000 shares issued and outstanding, respectively (\$260,000 liquidation preference)	104	104
8.00% Series D cumulative redeemable: 8,000,000 shares issued and outstanding, respectively (\$200,000 liquidation preference)	80	80
Common stock: par value \$0.01 per share; 500,000,000 shares authorized, 237,044,792 and 236,951,266 shares issued and outstanding, respectively	2,370	2,370
Additional paid-in-capital	4,360,340	4,359,045
Accumulated other comprehensive income	364,099	405,054
Cumulative earnings	4,289,214	4,552,008
Cumulative distributions to stockholders	(5,679,667)	(5,582,658)
<b>Total stockholders' equity</b>	<b>\$ 3,336,728</b>	<b>\$ 3,736,191</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 15,241,179</b>	<b>\$ 15,407,403</b>

(1) The Company's consolidated statements of financial condition include assets of consolidated variable interest entities, or VIEs, that can only be used to settle obligations and liabilities of the VIE for which creditors do not have recourse to the primary beneficiary (Chimera Investment Corporation). As of March 31, 2022, and December 31, 2021, total assets of consolidated VIEs were \$11,025,170 and \$10,666,591, respectively, and total liabilities of consolidated VIEs were \$7,564,121 and \$7,223,655, respectively.

**CHIMERA INVESTMENT CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	For the Quarters Ended	
	March 31, 2022	March 31, 2021
<b>Net interest income:</b>		
Interest income <sup>(1)</sup>	\$ 202,175	\$ 243,127
Interest expense <sup>(2)</sup>	64,473	108,066
<b>Net interest income</b>	<b>137,702</b>	<b>135,061</b>
<b>Increase/(decrease) in provision for credit losses</b>	<b>240</b>	<b>(126)</b>
<b>Other investment gains (losses):</b>		
Net unrealized gains (losses) on financial instruments at fair value	(370,167)	270,012
Net realized gains (losses) on sales of investments	—	37,796
Gains (losses) on extinguishment of debt	—	(237,137)
<b>Total other gains (losses)</b>	<b>(370,167)</b>	<b>70,671</b>
<b>Other expenses:</b>		
Compensation and benefits	11,353	13,439
General and administrative expenses	5,711	5,198
Servicing and asset manager fees	9,291	9,281
Transaction expenses	3,804	16,437
<b>Total other expenses</b>	<b>30,159</b>	<b>44,355</b>
<b>Income (loss) before income taxes</b>	<b>(262,864)</b>	<b>161,503</b>
Income tax expense (benefit)	(70)	3,912
<b>Net income (loss)</b>	<b>\$ (262,794)</b>	<b>\$ 157,591</b>
<b>Dividends on preferred stock</b>	<b>18,408</b>	<b>18,438</b>
<b>Net income (loss) available to common shareholders</b>	<b>\$ (281,202)</b>	<b>\$ 139,153</b>
<b>Net income (loss) per share available to common shareholders:</b>		
Basic	\$ (1.19)	\$ 0.60
Diluted	\$ (1.19)	\$ 0.54
<b>Weighted average number of common shares outstanding:</b>		
Basic	237,012,702	230,567,231
Diluted	237,012,702	261,435,081

(1) Includes interest income of consolidated VIEs of \$131,066 and \$158,100 for the quarters ended March 31, 2022 and 2021, respectively.

(2) Includes interest expense of consolidated VIEs of \$42,491 and \$65,205 for the quarters ended March 31, 2022 and 2021, respectively.

CHIMERA INVESTMENT CORPORATION  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	For the Quarters Ended	
	March 31, 2022	March 31, 2021
<b>Comprehensive income (loss):</b>		
Net income (loss)	\$ (262,794)	\$ 157,591
<b>Other comprehensive income:</b>		
Unrealized gains (losses) on available-for-sale securities, net	(40,955)	(38,652)
Reclassification adjustment for net realized losses (gains) included in net income	—	(25,793)
Other comprehensive income (loss)	(40,955)	(64,445)
<b>Comprehensive income (loss) before preferred stock dividends</b>	<b>\$ (303,749)</b>	<b>\$ 93,146</b>
Dividends on preferred stock	\$ 18,408	\$ 18,438
<b>Comprehensive income (loss) available to common stock shareholders</b>	<b>\$ (322,157)</b>	<b>\$ 74,708</b>



### Earnings available for distribution

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, interest expense on long term debt, changes in the provision for credit losses, and transaction expenses incurred. In addition, stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (36 months) rather than reported as an immediate expense.

As defined, Earnings available for distribution is the Economic net interest income, as defined previously, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges. We view Earnings available for distribution as a consistent measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our board of directors uses to determine the amount, if any, of dividends on our common stock. In addition, Earnings available for distribution is different than REIT taxable income and the determination of whether we have met the requirement to distribute at least 90% of our annual REIT taxable income (subject to certain adjustments) to our stockholders in order to maintain qualification as a REIT is not based on Earnings available for distribution. Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay, because Earnings available for distribution excludes certain items that impact our cash needs. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis. Certain prior period amounts have been reclassified to conform to the current period's presentation.

	March 31, 2022	December 31, 2021	For the Quarters Ended		
			September 30, 2021	June 30, 2021	March 31, 2021
	(dollars in thousands, except per share data)				
<b>GAAP Net income (loss) available to common stockholders</b>	\$ (281,202)	\$ (718)	\$ 313,030	\$ 144,883	\$ 139,153
Adjustments:					
Net unrealized (gains) losses on financial instruments at fair value	370,167	108,286	(239,524)	(36,108)	(270,012)
Net realized (gains) losses on sales of investments	—	—	—	(7,517)	(37,796)
(Gains) losses on extinguishment of debt	—	(980)	25,622	21,777	237,137
Interest expense on long term debt	—	—	238	959	1,076
Increase (decrease) in provision for credit losses	240	92	(386)	453	(126)
Transaction expenses	3,804	4,241	3,432	5,745	16,437
Stock Compensation expense for retirement eligible awards	723	(363)	(365)	(361)	661
<b>Earnings available for distribution</b>	<b>\$ 93,732</b>	<b>\$ 110,558</b>	<b>\$ 102,047</b>	<b>\$ 129,831</b>	<b>\$ 86,530</b>
<b>GAAP net income (loss) per diluted common share</b>	<b>\$ (1.19)</b>	<b>\$ (0.00)</b>	<b>\$ 1.30</b>	<b>\$ 0.60</b>	<b>\$ 0.54</b>
<b>Earnings available for distribution per adjusted diluted common share</b>	<b>\$ 0.39</b>	<b>\$ 0.46</b>	<b>\$ 0.42</b>	<b>\$ 0.54</b>	<b>\$ 0.36</b>

(1) We note that earnings available for distribution and taxable earnings will typically differ, and may materially differ, due to differences on realized gains and losses on investments and related hedges, credit loss recognition, timing differences in premium amortization, accretion of discounts, equity compensation and other items.

The following tables provide a summary of the Company's MBS portfolio at March 31, 2022 and December 31, 2021.

	March 31, 2022				
	Principal or Notional Value at Period-End (dollars in thousands)	Weighted Average Amortized Cost Basis	Weighted Average Fair Value	Weighted Average Coupon	Weighted Average Yield at Period-End <sup>(1)</sup>
Non-Agency RMBS					
Senior	\$ 1,250,785	\$ 47.25	74.28	4.5 %	17.7 %
Subordinated	512,981	67.98	76.88	4.6 %	7.1 %
Interest-only	3,644,165	4.97	3.72	1.7 %	12.2 %
Agency RMBS					
Interest-only	1,501,720	8.13	4.93	1.1 %	1.3 %
Agency CMBS					
Project loans	329,515	102.01	108.10	4.4 %	4.2 %
Interest-only	2,779,083	5.55	5.29	0.7 %	4.0 %

(1) Bond Equivalent Yield at period end.

	December 31, 2021				
	Principal or Notional Value at Period-End (dollars in thousands)	Weighted Average Amortized Cost Basis	Weighted Average Fair Value	Weighted Average Coupon	Weighted Average Yield at Period-End <sup>(1)</sup>
Non-Agency RMBS					
Senior	\$ 1,283,788	\$ 48.02	\$ 76.78	4.5 %	18.0 %
Subordinated	845,432	68.10	77.12	3.8 %	7.1 %
Interest-only	3,904,665	4.90	4.42	1.7 %	13.2 %
Agency RMBS					
Interest-only	992,978	10.37	6.09	1.3 %	0.3 %
Agency CMBS					
Project loans	560,565	101.77	109.61	4.3 %	4.1 %
Interest-only	2,578,640	5.70	5.69	0.7 %	4.6 %

(1) Bond Equivalent Yield at period end.

At March 31, 2022 and December 31, 2021, the secured financing agreements collateralized by MBS and Loans held for investment had the following remaining maturities and borrowing rates.

	March 31, 2022			December 31, 2021		
	Principal <sup>(1)</sup>	Weighted Average Borrowing Rates	Range of Borrowing Rates	Principal <sup>(1)</sup>	Weighted Average Borrowing Rates	Range of Borrowing Rates
Overnight	\$ —	NA	NA	\$ —	NA	NA
1 to 29 days	1,561,598	1.57%	0.30% - 2.35%	1,018,670	0.73%	0.11% - 1.95%
30 to 59 days	162,097	1.44%	0.95% - 1.67%	379,031	1.66%	1.55% - 1.70%
60 to 89 days	146,974	2.48%	1.49% - 2.71%	342,790	1.86%	0.90% - 2.35%
90 to 119 days	78,400	1.50%	1.50% - 1.50%	67,840	1.66%	1.66% - 1.66%
120 to 180 days	847,135	3.64%	1.73% - 4.38%	157,944	1.38%	0.95% - 1.45%
180 days to 1 year	406,705	2.95%	0.94% - 3.45%	895,210	3.70%	1.95% - 4.38%
1 to 2 years	—	NA	NA	143,239	3.05%	3.05% - 3.05%
Greater than 3 years	221,496	5.56%	5.56% - 5.56%	256,889	5.56%	5.56% - 5.56%
<b>Total</b>	<b>\$ 3,424,405</b>	<b>2.53%</b>		<b>\$ 3,261,613</b>	<b>2.30%</b>	

(1) The principal balance for secured financing agreements in the table above is net of \$3 million of deferred financing cost as of March 31, 2022 and December 31, 2021.

The following table summarizes certain characteristics of our portfolio at March 31, 2022 and December 31, 2021.

	March 31, 2022		December 31, 2021	
GAAP Leverage at period-end		3.5:1		3.0:1
GAAP Leverage at period-end (recourse)		1.0:1		0.9:1

Portfolio Composition	March 31, 2022		December 31, 2021	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Non-Agency RMBS	7.8 %	9.7 %	10.1 %	12.1 %
Senior	4.1 %	6.2 %	4.5 %	6.5 %
Subordinated	2.4 %	2.6 %	4.2 %	4.4 %
Interest-only	1.3 %	0.9 %	1.4 %	1.2 %
Agency RMBS	0.8 %	0.5 %	0.8 %	0.4 %
Pass-through	— %	— %	— %	— %
Interest-only	0.8 %	0.5 %	0.8 %	0.4 %
Agency CMBS	3.4 %	3.4 %	5.3 %	5.2 %
Project loans	2.3 %	2.4 %	4.2 %	4.2 %
Interest-only	1.1 %	1.0 %	1.1 %	1.0 %
Loans held for investment	88.0 %	86.4 %	83.8 %	82.3 %
Fixed-rate percentage of portfolio	95.8 %	94.9 %	95.4 %	94.4 %
Adjustable-rate percentage of portfolio	4.2 %	5.1 %	4.6 %	5.6 %

### Economic Net Interest Income

Our Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for interest expense on long term debt and any interest earned on cash. We believe this presentation is useful to investors because it depicts the economic value of our investment strategy by showing all components of interest expense and net interest income of our investment portfolio. However, Economic net interest income should not be viewed in isolation and is not a substitute for net interest income computed in accordance with GAAP. Where indicated, interest expense, adjusting for interest payments on long term debt and any interest earned on cash, is referred to as Economic interest expense. Where indicated, net interest income reflecting interest payments on long term debt and any interest earned on cash, is referred to as Economic net interest income.

The following table reconciles the Economic net interest income to GAAP net interest income and Economic interest expense to GAAP interest expense for the periods presented.

	GAAP Interest Income	GAAP Interest Expense	Interest Expense on Long Term Debt	Economic Interest Expense	GAAP Net Interest Income	Other <sup>(1)</sup>	Economic Net Interest Income
For the Quarter Ended March 31, 2022	\$ 202,175	\$ 64,473	\$ —	\$ 64,473	\$ 137,702	\$ (18)	\$ 137,684
For the Quarter Ended December 31, 2021	\$ 221,162	\$ 66,598	\$ —	\$ 66,598	\$ 154,564	\$ (12)	\$ 154,552
For the Quarter Ended September 30, 2021	\$ 220,579	\$ 71,353	\$ (239)	\$ 71,114	\$ 149,226	\$ 220	\$ 149,446
For the Quarter Ended June 30, 2021	\$ 252,677	\$ 80,610	\$ (959)	\$ 79,651	\$ 172,067	\$ 936	\$ 173,003
For the Quarter Ended March 31, 2021	\$ 243,127	\$ 108,066	\$ (1,076)	\$ 106,990	\$ 135,061	\$ 1,065	\$ 136,126

(1) Primarily interest expense on Long term debt and interest income on cash and cash equivalents.

The table below shows our average earning assets held, interest earned on assets, yield on average interest earning assets, average debt balance, economic interest expense, economic average cost of funds, economic net interest income, and net interest rate spread for the periods presented.

	For the Quarter Ended					
	March 31, 2022			December 31, 2021		
	(dollars in thousands)					
	Average Balance	Interest	Average Yield/Cost	Average Balance	Interest	Average Yield/Cost
<b>Assets:</b>						
<b>Interest-earning assets<sup>(1)</sup>:</b>						
Agency RMBS	\$ 113,723	\$ 253	0.9 %	\$ 104,684	\$ 71	0.3 %
Agency CMBS	559,478	22,870	16.4 %	851,886	27,711	13.0 %
Non-Agency RMBS	1,310,359	45,675	13.9 %	1,406,876	51,644	14.7 %
Loans held for investment	11,599,206	133,359	4.6 %	11,498,173	141,724	4.9 %
<b>Total</b>	<b>\$ 13,582,766</b>	<b>\$ 202,157</b>	<b>6.0 %</b>	<b>\$ 13,861,619</b>	<b>\$ 221,150</b>	<b>6.4 %</b>
<b>Liabilities and stockholders' equity:</b>						
<b>Interest-bearing liabilities:</b>						
Secured financing agreements collateralized by:						
Agency RMBS	\$ 20,342	\$ 31	0.6 %	\$ 23,824	\$ 40	0.7 %
Agency CMBS	435,545	270	0.2 %	731,577	346	0.2 %
Non-Agency RMBS	817,261	5,448	2.7 %	839,898	5,837	2.8 %
Loans held for investment	1,948,974	12,839	2.6 %	1,872,915	13,281	2.8 %
Securitized debt	7,870,127	45,885	2.3 %	8,009,117	47,094	2.4 %
<b>Total</b>	<b>\$ 11,092,249</b>	<b>\$ 64,473</b>	<b>2.3 %</b>	<b>\$ 11,477,331</b>	<b>\$ 66,598</b>	<b>2.3 %</b>
<b>Economic net interest income/net interest rate spread</b>		<b>\$ 137,684</b>	<b>3.7 %</b>		<b>\$ 154,552</b>	<b>4.1 %</b>
<b>Net interest-earning assets/net interest margin</b>	<b>\$ 2,490,517</b>		<b>4.1 %</b>	<b>\$ 2,384,288</b>		<b>4.5 %</b>
<b>Ratio of interest-earning assets to interest bearing liabilities</b>		<b>1.22</b>			<b>1.21</b>	

(1) Interest-earning assets at amortized cost

The table below shows our Net Income and Economic net interest income as a percentage of average stockholders' equity and Earnings available for distribution as a percentage of average common stockholders' equity. Return on average equity is defined as our GAAP net income (loss) as a percentage of average equity. Average equity is defined as the average of our beginning and ending stockholders' equity balance for the period reported. Economic Net Interest Income and Earnings available for distribution are non-GAAP measures as defined in previous sections.

	Return on Average Equity	Economic Net Interest Income/Average Equity *	Earnings available for distribution/Average Common Equity
	(Ratios have been annualized)		
For the Quarter Ended March 31, 2022	(29.72)%	15.57 %	14.38 %
For the Quarter Ended December 31, 2021	1.87 %	16.30 %	15.45 %
For the Quarter Ended September 30, 2021	35.47 %	15.99 %	14.54 %
For the Quarter Ended June 30, 2021	18.16 %	19.24 %	19.47 %
For the Quarter Ended March 31, 2021	17.16 %	14.82 %	12.62 %

\* Excludes long term debt expense.

The following table presents changes to Accretable Discount (net of premiums) as it pertains to our Non-Agency RMBS portfolio, excluding premiums on IOs, during the previous five quarters.

Accretable Discount (Net of Premiums)	For the Quarters Ended				
	(dollars in thousands)				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Balance, beginning of period	\$ 333,546	\$ 352,545	\$ 338,024	\$ 358,562	\$ 409,690
Accretion of discount	(19,470)	(22,172)	(21,820)	(37,986)	(24,023)
Purchases	—	—	1,995	(3,453)	—
Sales	—	—	—	(17,123)	(41,651)
Elimination in consolidation	(60,361)	—	—	—	—
Transfers from/(to) credit reserve, net	4,779	3,173	34,346	38,024	14,546
Balance, end of period	\$ 258,494	\$ 333,546	\$ 352,545	\$ 338,024	\$ 358,562

#### Disclaimer

This press release 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 “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 Reports 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.

Readers are advised that the financial information in this press release 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.



# FINANCIAL SUPPLEMENT

1st Quarter 2022

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This presentation may include industry and market data obtained through research, surveys, and studies conducted by third parties and industry publications. We have not independently verified any such market and industry data from third-party sources. This presentation is provided for discussion purposes only and may not be relied upon as legal or investment advice, nor is it intended to be inclusive of all the risks and uncertainties that should be considered. This presentation does not constitute an offer to purchase or sell any securities, nor shall it be construed to be indicative of the terms of an offer that the parties or their respective affiliates would accept.

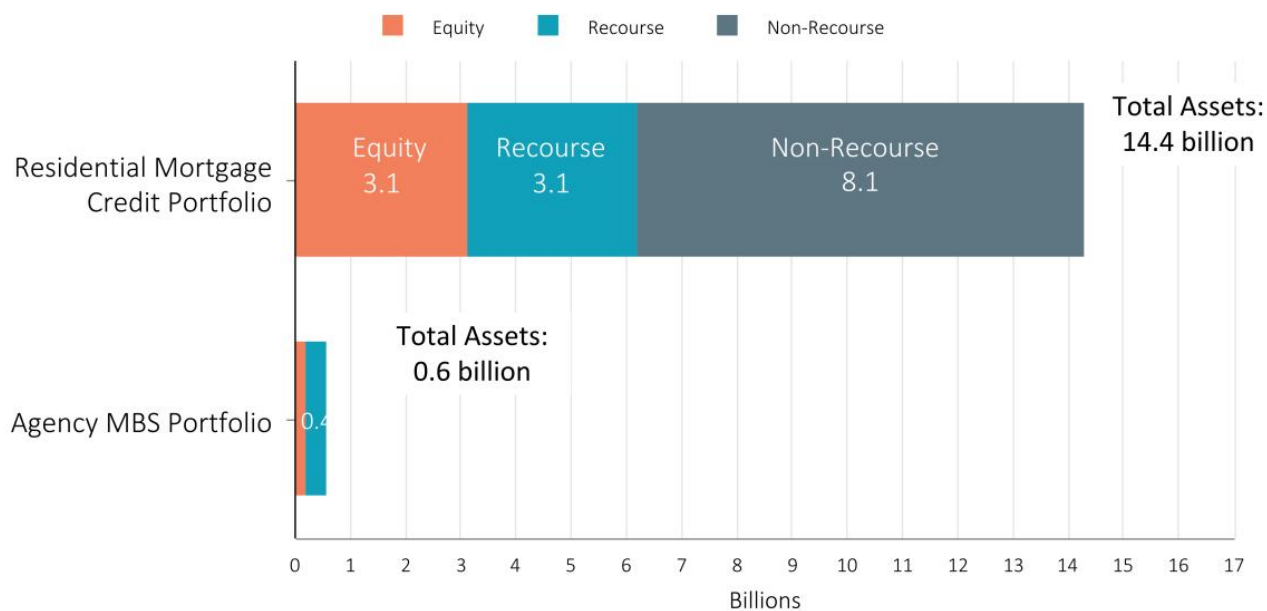
Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company’s independent auditors.

Information is unaudited, estimated and subject to change.



# PORTFOLIO COMPOSITION

94% of Chimera's equity capital is allocated to mortgage credit



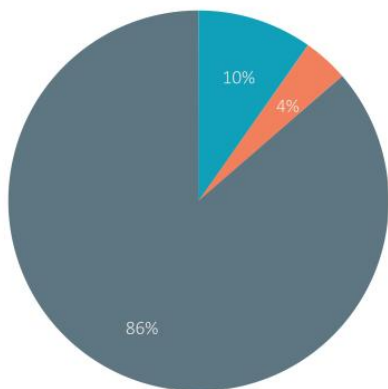
All data is shown at carrying value as of March 31, 2022

Information is unaudited, estimated and subject to change.

# GAAP ASSET ALLOCATION

Chimera continues to focus on its Residential Credit portfolios

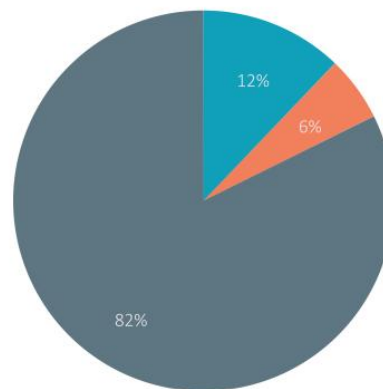
March 31, 2022



■ Non-Agency MBS    ■ Agency CMBS and RMBS  
■ Loan Portfolio

Total Portfolio: \$14.9 billion

December 31, 2021



■ Non-Agency MBS    ■ Agency CMBS and RMBS  
■ Loan Portfolio

Total Portfolio: \$14.9 billion

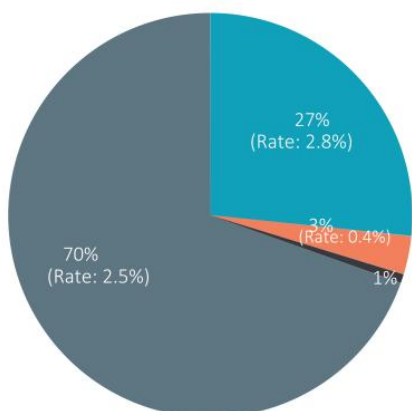
Based on fair value.

Information is unaudited, estimated and subject to change.

# GAAP FINANCING SOURCES

Securitized debt provides optimal long-term non-recourse financing for Chimera's loan portfolio

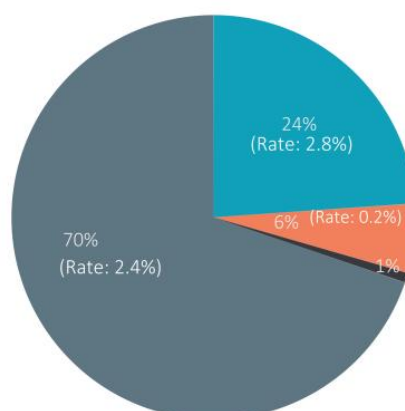
March 31, 2022



- Non-Agency and Loans Secured Financing (1)
- Agency Secured Financing
- Non-Recourse Debt, Securitized RMBS
- Non-Recourse Debt, Securitized Loans

Total Portfolio: \$11.5 billion

December 31, 2021



- Non-Agency and Loans Secured Financing (1)
- Agency Secured Financing
- Non-Recourse Debt, Securitized RMBS
- Non-Recourse Debt, Securitized Loans

Total Portfolio: \$11.1 billion

(1) Includes secured financing of retained tranches from loan securitizations that are eliminated in consolidation.

# NON-AGENCY FINANCING

Chimera continues to focus on longer term and non-mark-to-market financing for its non-agency portfolio

March 31, 2022

Total Non-Agency Secured Financing:  
\$1.9 billion<sup>(1)</sup>



(1) Excludes secured financing on residential mortgage loans.

December 31, 2021

Total Non-Agency Secured Financing:  
\$2.0 billion<sup>(1)</sup>



Information is unaudited, estimated and subject to change.

# NET INVESTMENT ANALYSIS

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Continued strong net interest spread

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	RESIDENTIAL MORTGAGE CREDIT PORTFOLIO	AGENCY PORTFOLIO <sup>(1)</sup>	TOTAL PORTFOLIO
GROSS ASSET YIELD:	5.5%	13.7%	6.0%
FINANCING COSTS	2.4%	0.3%	2.3%
NET INTEREST SPREAD:	3.1%	13.4%	3.7%
NET INTEREST MARGIN:	3.6%	13.6%	4.1%

All data based on the quarter ended March 31, 2022

(1) Includes \$18 million of additional income received from prepayment penalties. Gross Asset Yield is approximately 3.8% excluding these items.

## NET ASSET BREAKDOWN

Chimera invests in RMBS securities and securities created through the CIM Sponsored securitizations. Loans are financed through Financing Trusts.

<b>Investments</b>	<b>Chimera Subsidiaries</b>	<b>Securitization Trusts</b>	<b>Financing Trusts (1)</b>	<b>Total (1)</b>
Non-Agency RMBS, at fair value	\$ 1,122,329	\$ 336,558	\$ —	\$ 1,458,887
Agency RMBS, at fair value	74,104	—	—	74,104
Agency CMBS, at fair value	503,231	—	—	503,231
Residential Mortgage Loans	—	11,366,524	1,296,568	12,663,092
<b>Total Invested Assets</b>	<b>\$ 1,699,664</b>	<b>\$ 11,703,082</b>	<b>\$ 1,296,568</b>	<b>\$ 14,699,314</b>
<b>Securitized Debt (Non-Recourse), collateralized by:</b>				
Non-Agency RMBS	\$ —	\$ 84,188	\$ —	\$ 84,188
Residential Mortgage Loans	—	8,010,170	—	8,010,170
<b>Total Securitized Debt (Non-recourse)</b>	<b>\$ —</b>	<b>\$ 8,094,358</b>	<b>\$ —</b>	<b>\$ 8,094,358</b>
<b>Invested Assets less Securitized Debt</b>	<b>\$ 1,699,664</b>	<b>\$ 3,608,724</b>	<b>\$ 1,296,568</b>	<b>\$ 6,604,956</b>
<b>Secured Financing Agreements (Recourse):</b>				
Non-Agency RMBS	\$ 701,721	\$ 98,503	\$ —	\$ 800,224
Agency RMBS	18,210	—	—	18,210
Agency CMBS	336,593	—	—	336,593
Residential Mortgage Loans	—	1,136,295	1,133,083	2,269,378
<b>Total Secured Financing Agreements</b>	<b>\$ 1,056,524</b>	<b>\$ 1,234,798</b>	<b>\$ 1,133,083</b>	<b>\$ 3,424,405</b>
<b>Net Assets</b>	<b>\$ 643,140</b>	<b>\$ 2,373,926</b>	<b>\$ 163,485</b>	<b>\$ 3,180,551</b>

All data as of March 31, 2022

\$ in thousands

(1) Excludes approximately \$242 million of Loans held for investment for March 31, 2022, which were purchased prior to that reporting date and settled subsequent to that reporting period.

Information is unaudited, estimated and subject to change.

# 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	Call Date
2022	CIM 2022-R1	\$328,226	\$263,729	\$64,497	\$322,785	\$258,309	\$64,476	February 2027
2019	CMLTI 2019-E	231,205	178,490	\$52,716	196,592	144,289	52,716	November 2021
2019	SLST 2019-1	1,217,441	941,719	\$275,722	906,101	634,811	267,363	May 2023
2021	CIM 2021-NR4	167,596	125,747	41,849	156,697	115,832	40,865	November 2022
2021	CIM 2021-R6	353,797	336,284	17,513	305,541	288,028	17,513	September 2026
2021	CIM 2021-R5	450,396	382,836	67,560	413,698	346,337	67,360	August 2024
2021	CIM 2021-R4	545,684	463,831	81,853	462,751	380,577	81,853	June 2024
2021	CIM 2021-R3	859,735	730,775	128,960	689,960	559,979	128,960	April 2024
2021	CIM 2021-NR3	117,373	82,161	35,212	97,570	62,827	34,743	April 2022
2021	CIM 2021-R2	1,497,213	1,272,631	224,582	1,156,851	929,589	224,582	March 2025
2021	CIM 2021-NR2	240,425	180,318	60,107	198,300	136,804	61,496	March 2022
2021	CIM 2021-R1	2,098,584	1,783,797	314,787	1,619,553	1,299,513	314,787	February 2025
2021	CIM 2021-NR1	232,682	162,877	69,805	184,804	112,786	72,018	February 2022
2020	CIM 2020-NR1	131,860	79,115	52,745	112,769	59,931	52,612	November 2021
2020	CIM 2020-R7	653,192	562,023	91,169	503,696	412,465	91,168	November 2023
2020	CIM 2020-R6	418,390	334,151	84,239	327,920	243,736	84,142	October 2023
2020	CIM 2020-R5	338,416	257,027	81,389	219,581	138,013	81,389	Clean-up Call
2020	CIM 2020-R4	276,316	207,237	69,079	221,762	152,587	69,079	June 2022
2020	CIM 2020-R3	438,228	328,670	109,558	318,252	208,934	109,318	May 2022
2020	CIM 2020-R2	492,347	416,761	74,414	358,043	283,778	74,525	Clean-up Call
2020	CIM 2020-R1	390,761	317,608	73,153	304,428	231,200	72,753	February 2023
2019	CIM 2019-R5	315,039	252,224	62,663	205,512	142,797	61,981	Clean-up Call
2019	CIM 2019-R4	320,802	256,641	64,161	217,678	154,476	63,201	November 2022
2019	CIM 2019-R3	342,633	291,237	51,396	214,447	162,735	51,316	October 2022
2019	CIM 2019-R2	464,327	358,172	105,482	346,940	241,652	104,693	Clean-up Call
2019	CIM 2019-R1	371,762	297,409	74,353	267,272	193,666	73,606	August 2022
2018	CIM 2018-R6	478,251	334,775	143,476	270,214	129,342	140,872	October 2021
2018	CIM 2018-R5	380,194	266,136	114,058	197,243	86,947	110,295	July 2021
2018	CIM 2018-R3	181,073	146,669	34,404	85,508	52,568	32,696	April 2023
2017	CIM 2017-7	512,446	348,719	163,727	270,570	114,821	155,749	September 2022
2016	CIM 2016-FRE1	185,811	115,165	70,646	83,673	25,921	57,752	November 2021
2008	PHHMC 2008-CIM1	619,710	549,142	70,568	10,137	7,458	2,656	Clean-up Call
	<b>TOTAL</b>	<b>\$15,651,918</b>	<b>\$12,624,076</b>	<b>\$3,025,845</b>	<b>\$11,246,850</b>	<b>\$8,312,710</b>	<b>\$2,918,536</b>	

All data as of March 31, 2022  
\$ in thousands

Information is unaudited, estimated and subject to change.





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