Safehold

STONEGATE CAPITAL PARTNERS

April 11, 2022

Marco Rodriguez, CFA
marco@stonegateinc.com
214-987-4121

COMPANY DESCRIPTION

Safehold Inc. is real estate ownership company that acquires, manages, and capitalizes a portfolio of ground leases throughout the United States. Safehold is seeking to disrupt the $7 trillion real estate industry by delivering a more efficient solution to the conventional real estate ownership model through its use of ground lease capital and aims to deliver a unique combination of safety, excess returns, and capital appreciation to its shareholders. The Company targets top metropolitan areas across property types, operates as a real estate investment trust (REIT) for tax purposes and is managed by its largest shareholder iStar Inc. SAFE held its IPO on June 22, 2017, and is headquartered in New York, NY.

SUMMARY

- **Disruptive solution to a large market -** Safehold has formulated a new approach to ownership in the over $7 trillion US real estate industry by reinventing ground leases. The Company seeks to invest in long-term ground leases with values at ~30 – 40% of the combined land, building and improvements value; SAFE structures its deals so that buildings/improvements are separated from the land beneath them, offering tenants flexible options for financing with less costly terms.
- **More efficient solution for real estate owners** – Safehold adds value to real estate owners and investors by separating the lower returning land asset from the higher returning operating asset, the building. This separation increases returns for developers and property investors. Safehold ground leases also reduce the frictional costs associated with selling a building such as taxes and fees as well as decreasing debt maturity risk to the building operator by replacing short term debt with 99-year capital.
- **What is a ground lease** – A ground lease is an agreement between a landowner and tenant in which the tenant agrees to pay rent to the landowner in exchange for developing and operating a commercial property. These leases are generally very long term between 30 and 99 years in length with reversion rights of the property to landowner in the event of non-payment or failure to renew the lease.
- **Unique investment characteristics** - We note several benefits to SAFE's portfolio of ground lease assets including safety, growing income, and capital appreciation potential. The Company's ground leases hold senior positions in the real estate capital structure, and rent escalations are included in each lease. The land underlying the lease holds capital appreciation potential, as well as the buildings and improvements upon the land which ultimately revert to SAFE upon lease termination.
- **Exponential growth** - SAFE has demonstrated its ability to deliver exponential yet low-risk growth for investors through its ground lease portfolio. Safehold most recently reported more than $3.6B in total assets.
- **Partnership with iStar** – Safehold is an externally managed REIT under an agreement with SFTY Manager, LLC, which is a wholly-owned subsidiary of iStar Inc. (NYSE: STAR). iStar is presently the largest shareholder of SAFE, and thus its interests are heavily aligned with those of SAFE shareholders. iStar's organization of ~170 team members have a long history in the industry as well as extensive connections with brokers, corporate tenants, and developers.
- **Valuation** - We believe that SAFE offers a unique and risk-adjusted real estate investment opportunity for the marketplace. Using an adjusted DCF framework we come to a range of $70.00 to $96.75 with a mid-point of $82.00. Additional details can be found on page 7.

MARKET STATISTICS

Exchange / Symbol	NYSE: SAFE
Price:	$52.04
Market Cap ($mm):	$3,223.4
Enterprise Value ($mm):	$5,899.9
Common Shares (mm):	56.6
Float:	33.8%
Volume (3 Month Avg):	112,718
52 Week Range:	$53.90-$95.29
Industry:	REIT - Specialized

BALANCE SHEET

($mm, except per sh data)	12/31/21
Total Cash:	$29.6
Total Assets:	$4,515.7
Debt:	$2,703.1
Equity:	$1,685.2
Equity per share:	$29.76

INCOME STATEMENT

($mm, except per sh data)

FY - 12/31	Rev	Net Inc	Div/sh	EPS
FY20	$155.4	$59.3	$0.64	$1.17
FY21	$187.0	$73.1	$0.67	$1.35
FY22E	$240.2	$102.1	$0.68	$1.76

LARGEST INSTITUTIONAL HOLDERS

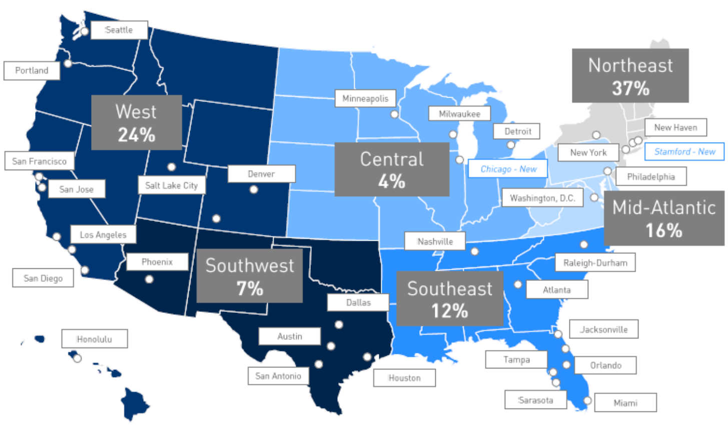
iStar Inc.	40,059,402
The Vanguard Group	2,812,227
Black Rock, Inc	2,808,137
GIC Real Estate Inc	2,125,000
GIC Pte. Ltd	2,123,435
New Edge Wealth LLC	1,429,722
T. Rowe Price Group	1,176,743
Alliance Bernstein LP	1,082,534
State Street Global Advisors	808,972
Uniplan Investment Counsel, Inc	517,270

STOCK CHART

BUSINESS OVERVIEW

Safehold has designed a unique approach to ownership in the US real estate industry. The Company seeks to invest in long-term ground leases with values at ~30– 40% of the combined land, building and improvements value. SAFE structures its deals so that buildings and improvements are separated from the land beneath them; typically, the Company purchases the land or rights to lease the land, and then executes a ground lease with the tenant. Lease terms are generally 90+ years and are structured with the contractual base rent escalating per a schedule over time, either by a certain percentage or according to CPI. Terms are like those of triple net leases that require the tenant to cover operating costs such as maintenance, real estate taxes, insurance, and all improvements/CAPEX spending.

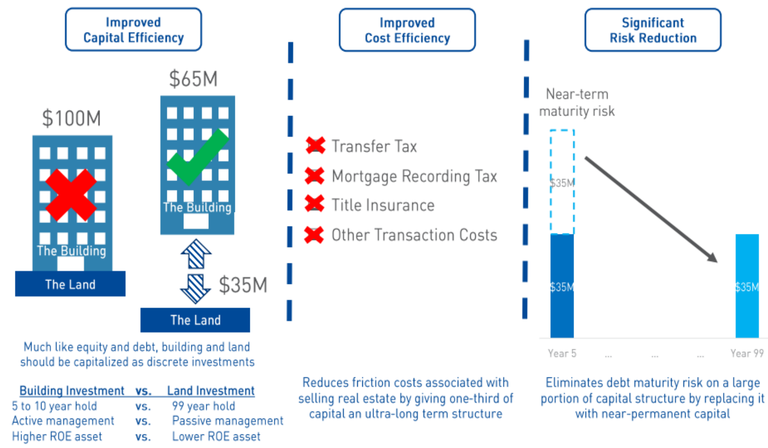
Exhibit 1: Geographic Diversification



Source: Company Reports

Safehold is offering a novel concept on what the Company considers a historically inefficient and archaic forced relationship. Safehold's unique approach brings to the table numerous benefits for building owners and property investors. Many corporations in the United States create a sale-leaseback of its real estate so that they may focus its efforts on the higher returning core operating business and avoid tying up capital in a lower returning real estate asset. Safehold believes the same rationale applies for commercial property owners and developers who would rather focus its capital investments into its higher returning core operating business, the building, as opposed to the lower returning asset, the land. In this way, real estate operators can focus its capital budget into designing, developing, and operating the actual buildings to generate a larger return. SAFE believes that by removing the lower returning underlying land the building sits on, this will create greater capital efficiencies and cash returns for developers, as well as provide a consistent, stable return for Safehold.

Exhibit 2: Improved Capital Efficiencies



Source: Company Reports

Safehold believes an additional benefit to its approach is the elimination of future transaction costs when the property is sold or refinanced. Wherein a typical transaction a property owner would need to pay transfer taxes, mortgage recording taxes, and other transaction costs on the whole property those with a Safehold ground lease would avoid paying those fees on the land, or approximately 30%-40% of the total value of the property. The elimination of these fees would increase returns for developers and investors in the building for the entirety of the lease.

Another strong benefit to Safehold's ground leases is the reduction in overall credit risk to the owner of the building. As buildings and property are traditionally financed by debt, most insolvencies do not come from the inability to pay interest, but the inability to pay the principal upon maturity of the debt. In partnering with Safehold, building operators effectively eliminate 35-50% of its near-term maturity risk by replacing it with near-permanent capital from the ground lease. By reducing the amount of debt owed to creditors of the building, overall credit risk is reduced.

Safehold is seeking to benefit off structuring deals with long-term leases containing gradual rent escalation (vs. FMV resets) and sized to ~35% of the property's value (vs. 100%). SAFE also emphasizes that its ground lease options tend to come with lower rates than the alternatives, no hidden fees, flexible structures that can be custom-tailored for construction, recapitalization, or acquisition capital needs. Lastly, the ground leases can be applied across office, multifamily, hotel and other properties. As Safehold increases its asset mix and geographic diversification, the Company's safety of cash flows will be increased, likening returns to the security of a 100-year bond.

ATTRIBUTES OF A GROUND LEASE

Safehold has chosen to create a portfolio of long-term ground leases, an asset class that performs like a AAA-rated fixed income investment, providing many notable benefits over alternative investment options.

Safety - Because these are typically long-term ground leases around 99-years in length, there is minimal reinvestment risk given the duration of the term. Additionally, the ground leases are structured to give SAFE a senior position in the line of stakeholders with senior priority of rental payments as well. Safehold aligns themselves with a AAA-rated fixed income investment as both tend to have a very low default rate. Importantly, Safehold's ground leases contain reversion rights. What this means, is at the end of the ground lease term or earlier termination, Safehold typically takes the title of the building(s) and all improvements at no additional costs.

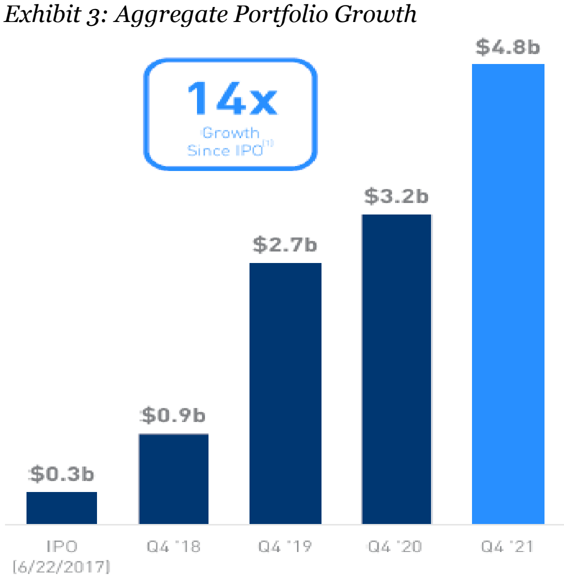
Excess returns – The typical 90+ year term of the leases with periodic rent escalations included in the agreements in essence provides call protection on this income-generating investment, resulting in superior risk-adjusted returns.

Compounded growth – The expectation is that property values underlying the ground leases will compound over the lifespan of the lease, adding significant appreciation to the asset; additionally, while lease agreements frequently outline renewal terms, building and improvements reversion rights can offer the potential for additional capital appreciation in the event of default or upon termination of the lease.

GROWTH STRATEGY

The Company's primary avenue for growth is through the addition of new ground leases to the real estate portfolio. Since inception, SAFE has shown exponential growth and has grown its portfolio from $2.7B in Q420 to over $4.8B in Q421. Based on recently reported transaction activity, Safehold will have seen its portfolio grow over 100% per year on average over the last 3 years.

Exhibit 3: Aggregate Portfolio Growth

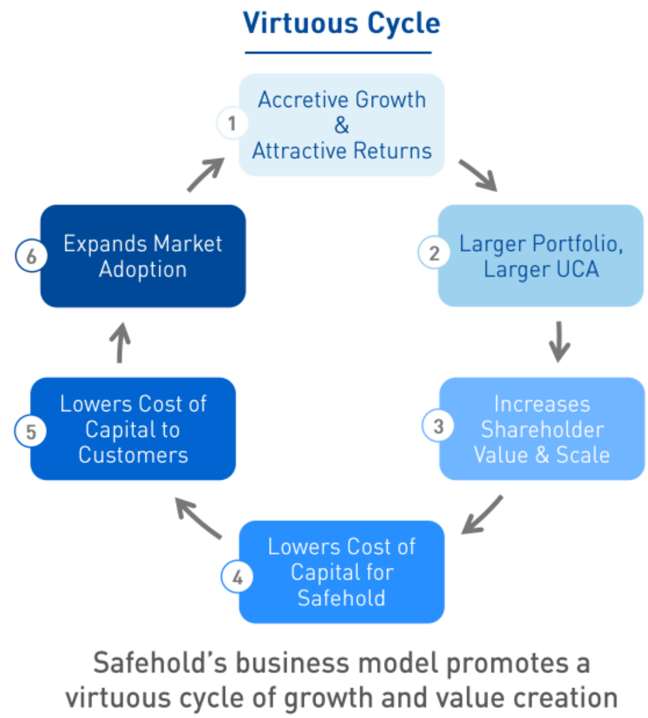


Source: Company Reports

Since its IPO in June 2017, has primarily funded its growth through various capital raises of both equity and debt. In the past when SAFE has raised equity via a public offering, iStar (SAFE's external manager and largest shareholder) has also participated via a private placement.

Given the Company's partnership and financial backing with iStar, Safehold has the ability to close much larger transaction sizes, which will help rapidly grow the portfolio value and thus cash flows. In addition, the company has begun to see adoption with owners of "trophy assets" in major markets. In 2019 SAFE saw penetration into two of these major markets by acquiring several first-rate properties in Manhattan and replacing an existing ground lease via a SAFE x SWAP on Waikiki Beach in Honolulu.

Exhibit 4: Safehold's Growth Model



Source: Company Reports

We note that Safehold is currently the only public company executing ground leases. Because of its first mover advantage, it has had a long runway to make its footprint on the addressable $7T commercial real estate market. However, given the current growth and success, we anticipate further entrants into the space in the future. While future entrants into the market will increase price competition, new competitors will also further solidify Safehold's novel approach to the real-estate market.

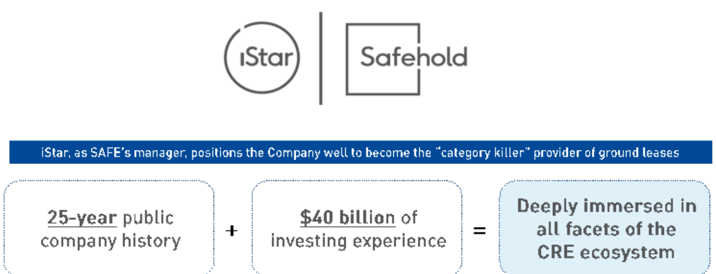
PARTNERSHIP WITH ISTAR

Safehold is an externally managed REIT under an agreement with SFTY Manager, LLC, which is a wholly owned subsidiary of iStar Inc. (NYSE: STAR). iStar is presently the largest shareholder of SAFE.

Because of the management agreement, Safehold has no employees and relies on the manager for all its internal operating functions, including investment origination. However, given that iStar's equity investment in SAFE is currently 64.7% of total ownership, interests are aligned towards the success of the Company. As mentioned, iStar typically participates in public equity offerings via concurrent private placement to maintain its ownership. However, due to restricted voting rights on part of the equity investment, iStar maintains only 41.9% voting power rights.

Given iStar's long history in the industry as well as its extensive connections with brokers, corporate tenants, and developers, as a manager it can offer SAFE access to an expansive pipeline and employs ~170 team members to execute upon SAFE's long-term growth strategy. iStar has participated in several of the Company's investment deals by providing a source of capital to the ground lease tenants.

Exhibit 5: SAFE Partnering with iStar



Source: Company Reports

The SAFE/STAR relationship is marketed as a one-stop shop for capital sourcing in the marketplace. The program combines iStar's flexible financing capabilities with Safehold's innovative ground lease offerings to provide a comprehensive source of funding that can be efficiently structured to beat out the options offered by independent competitors. Benefits of the program include:

- Uniquely structured offerings/options
- Expedited closing processes
- Simplicity
- Lower blended rates in comparison to those of the competition
- Certainty of close

An example of a deal has been provided below.

Exhibit 6: One-stop Shop Example - 515 22nd St. NW, Washington, DC

515 22nd St. NW Washington, D.C.	
Closing Date:	January 18, 2019
Customer Need:	Customer seeking to acquire a well-located property in the Foggy Bottom neighborhood of Washington, D.C. with plans to convert from an office to a 153-unit multifamily building. Required a partner with flexibility to capitalize project throughout redevelopment stages.
Solution:	SAFE/STAR One-Stop Capital - SAFE provided Safehold™ capital - iStar provided 1st mortgage leasehold loan
Result:	Addressed complex customer need through one-of-a-kind capital structure. Customer received lower blended rate in comparison to other offers, more efficient capital, and the certainty provided by a quick, one-stop capital source.

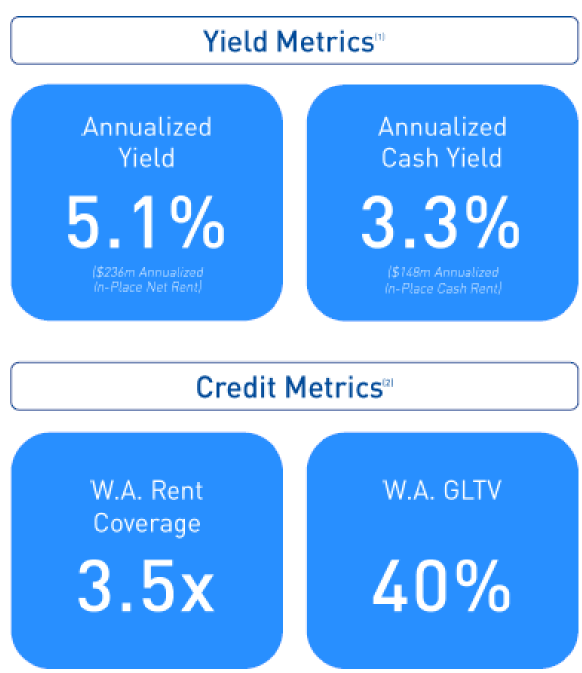
Source: Company Reports

PORTFOLIO OVERVIEW

The Company's goal is to create a portfolio that is geographically and property diverse enough to produce a long term steadily growing cash flow stream with credit metrics akin to a triple A rated bond. While we believe the current assets of the business are important, we believe long term cash flow and coverage of liabilities will be the most important metrics as the portfolio grows. Safehold calculates its last dollar exposure as a percent of combined property value (CPV) at 37%. This is to say that unlike most triple net lease companies that can have impaired value after any decline in property value, Safehold would not see capital at risk until a 63% reduction in property value.

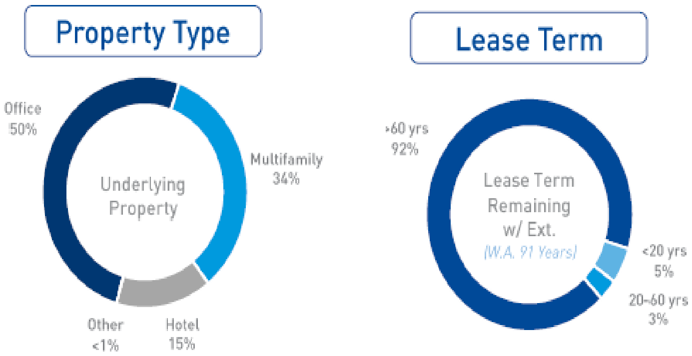
Exhibit 7: Portfolio Metrics as of 12/31/21

(Current Portfolio Gross Book Value: $4,599m)



Source: Company Reports

Exhibit 8: Additional Portfolio Metrics as of 12/31/21



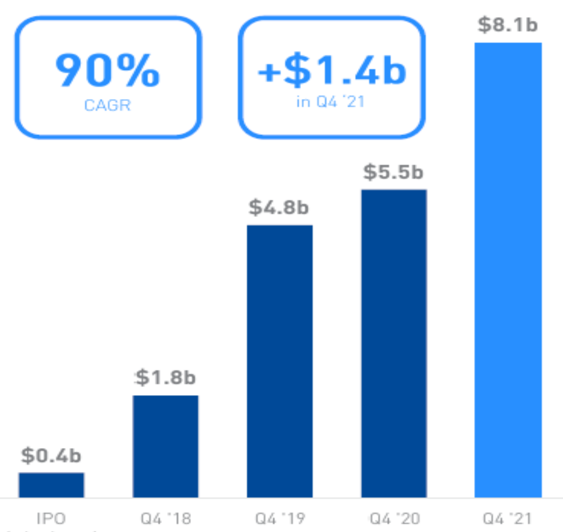
Source: Company Reports

UNREALIZED CAPITAL APPRECIATION (UCA)

As a result of this unique feature for ground leases, Safehold also tracks and publishes what it calls its "Unrealized Capital Appreciation." As mentioned, the Company targets ground lease investments at 30% to 40% of the combined value of the land and buildings as if there were no ground lease. This is called combined property value (CPV). If Safehold initiates a ground lease at 40% of CPV, the remaining 60% of the CPV represents potential value accretion to Safehold upon reversion of the property. As noted previously, if the owner of the building is not able to pay rent on the land or the two parties are not able to agree on terms when a contract renewal is up, the landowner (Safehold) would retain the building. Importantly, Safehold retains an independent third party to provide initial CPV reports and to update these reports on a periodic basis.

Given the above discussion, Safehold's Unrealized Capital Appreciation (UCA) is estimated by the CPV value less the aggregate cost basis of Safehold's portfolio. Safehold's portfolio and subsequent UCA have grown rapidly since inception. As illustrated in Exhibit 9, Safehold has grown its UCA a 90% CAGR from $0.4B at the 6/22/17 IPO to $8.1B in Q421.

Exhibit 9: Unrealized Capital Appreciation



Source: Company Reports

Caret Transaction

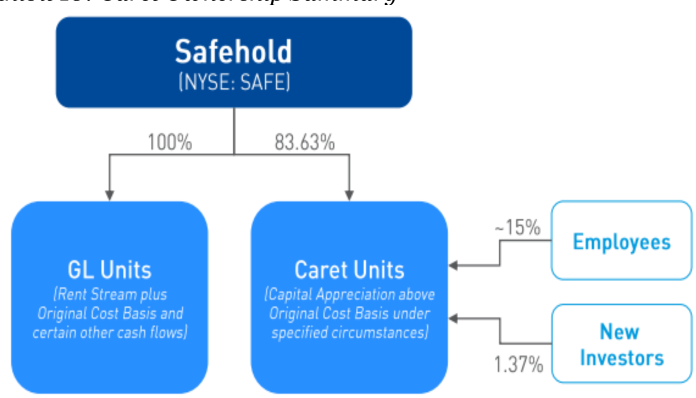
In an effort to potentially unlock the UCA value, Safehold created a subsidiary called Caret Ventures LLC. Caret is structured to track and capture the value of UCA in Safehold's portfolio, to the extent UCA is realized upon expiration of its ground leases, sale of the land and ground leases, or other specified events. As a result, Caret enables the Company to split its portfolio of ground leases into two components:

1. the right to the rent stream, the original cost basis, and other cash flows from the ground lease units, and
2. the right to the capital appreciation above the original cost basis under specified circumstances.

In Q1 2022, Safehold sold and received commitments to purchase 1.37% of the total authorized Caret Units for $24.0M, implying a valuation of the UCA of $1.75B. Importantly, the Care Units were sold to a group of leading private equity, sovereign wealth, and high net worth investors. Additionally, Safehold is obligated to seek a public market listing for the Caret Units within the next two years. If Safehold is unable to achieve a public market liquidity event at a value in excess of the initial investors' basis, the investors have a put option to Safehold to redeem their Care Units at their original purchase price.

Importantly, Safehold owns approximately 84% of the Caret Units following the sale. Additionally, Safehold's management team owns approximately 15% of the Caret Unit, which were earned through a long-term incentive plan.

Exhibit 10: Caret Ownership Summary



Source: Company Reports

Lastly, an advisory board was established and is comprised some of the new investors in the Caret Units. This advisory board will help strategize on ways to maximize the value of Caret over time.

Exhibit 11: New Advisory Board

Source: Company Reports

RECENT RESULTS

Safehold reported Q421 financial results that showed revenue growth of 30% Y/Y to $52.0M, an increase in net income of 39% Y/Y to $21.3M, and an EPS increase of 29% Y/Y to $0.38 per share. For F21, revenue increased 20% Y/Y to $187M, net income increased 23% Y/Y to $73.1M, and EPS was up 23% to $1.35 per share.

Investment activity was solid in Q421 as the Company closed on a record 17 ground leases totaling $777M in Q421, bringing the total portfolio to 106 ground leases with an aggregate gross book value of $4.8B. Of the $777M in transactions, $686M was funded during the quarter, with an additional $20M of fundings from prior investments. Apart from this activity, Safehold closed on its fourth Ground Lease+ transaction on a multifamily property in Brooklyn, NY, which could be an incremental $91M in Safehold's future pipeline.

The in-place portfolio generated an annualized yield of 5.1% and an annualized cash yield of 3.3%. Portfolio credit metrics include a weighted average ground lease to value of 40% and weighted average rent coverage ratio of 3.5x. Additionally, Safehold portfolio consists of 50% office, 34% multifamily, and 16% hotel. It's weighted average lease term is 91 years.

RISKS

Ground lease transaction opportunities - Because SAFE believes that it is the first public company to primarily invest in ground lease assets, management cannot be certain that its strategic growth plans will be successful or that its market size estimates are accurate.

Access to capital - Because of SAFE's classification as a REIT, the company is required to distribute annually at least 90% of its taxable income to maintain its elected tax status. This leaves the Company with the need to finance its asset purchases with outside capital at times. Availability and terms for future credit needs might not be favorable, and those as well as any future equity offerings could cause potential dilution.

Significant insider ownership - As of 12/31/21, iStar owned approximately 64.7% of the Company's outstanding shares and voting power; this concentration of power can be seen as a risk by current and future investors given that iStar's goals for the investment might not always align with those of others.

Conflicts of interest - There are various potential conflicts of interest in Safehold's relationship with iStar and its affiliates, including SAFE's manager, SAFE's executive officers and/or directors who are also officers and/or directors of iStar, which could result in decisions that are not in the best interest of shareholders.

Competition levels - Intense competition could limit SAFE's ability to continue originating successful ground leases in its target markets; the Company faces competition from a variety of industry players including commercial developers, other REITS, real estate companies, financial institutions, and other investor types.

Ground lease UCA value – Certain rights under the Company's ground leases may limit the value it is able to realize upon lease expiration, sale of its land, or other events. The existence of these rights in existing and future leases may adversely affect the value of the UCA Safehold is able to realize.

VALUATION

Safehold notes that its unique business model contains three avenues for value creation.

First, is the existing portfolio and its cash flows over the subsequent 90+ years (the terms of the ground leases). Given, Safehold's superiority and diversification of cash flows, we have chosen to illustrate the valuation using a bond-like discount rate driven by the 100-year HQM Corporate Bond Spot Rate from the St Louis Fed.

Second, Safehold is seeking to grow its portfolio on an annual basis, and as such, create additional 99-year cash flow streams. Due to the uncertainty of the amount of cash deployed, yield on deployed capital and costs associated with raising additional capital, we have chosen to employ a more equity-like discount rate of 6.5% on this valuation.

Third, the Company has the opportunity for additional capital appreciation via its "Unrealized Capital Appreciation" or UCA which we discussed in more detail on page 5. We believe this part of the valuation is more theoretical in nature given the 90 years+ to realize the value (reversion of assets to Safehold). We note that given the unpredictability of reversion to Safehold, we are not including a valuation to the UCA. However, we do note the Caret Unit transaction in Q121 had an implied ~$1.5B value (Safehold's ~84% ownership of $1.75B transaction), or ~$26/share. The potential value would represent upside to our valuation framework.

As a result, we calculated two separate valuation buckets. We use many of Safehold's published assumptions.

For the current portfolio's cash flows, assuming no growth, our assumptions include:

(1) Cash rent growth rate of 2.0%
(2) Contract terms of 90 years
(3) Current discount rate of 3.70% driven by the 100-year HQM Corporate Bond Spot Rate from the St Louis Fed
(4) Annualized cash rents of $148.0M in year 1
(5) S/O of 56.6M
(6) Net debt outstanding at $2.7B

For the growth of the portfolio, we make the following assumptions:

(1) Anticipated capital deployed of $1.35B annually to hit $7.5B target in 2023, and $1.35B in subsequent years
(2) Capital is raised at a 67% debt to 33% equity mix
(3) 5.1% yield on capital deployed
(4) We assume Safehold ceases capital deployment after 10 years
(5) For equity raises, we use the current share price to calculate additional shares
(6) Median discount rate of 6.25%, which we believe reflects the risk of acquiring additional properties

We employed a sensitivity analysis to discount rates to arrive at a value range. As seen in exhibit 12, our valuation range is from ~$75.00 to ~$110.00.

Exhibit 12: Bond-like Valuation Range

Current Portfolio (static):

		Discount Rates		
		3.45%	3.70%	3.95%
Rent Grw Rt	2.00%	$ 85.02	$ 74.17	$64.63

Growing Porfolio:

		Discount Rates		
		6.00%	6.25%	6.50%
Rent Grw Rt	2.00%	$ 22.53	$ 16.97	$11.93

Combined Value:

$ 107.55	$ 91.14	$ 76.56

Source: Stonegate Capital Partners

However, given that the Company is still an equity and not a true fixed income investment, we feel it is conservative to discount this range further. We believe as the company continues to scale and diversify its portfolio, the discount should continue to reduce over time. For now, we apply an additional 10% discount to our range, which we believe represents the additional risk of owning the equity.

Exhibit 13: Equity Valuation Range

Combined Value:

$ 107.55	$ 91.14	$ 76.56

Additional 10% Equity Discount

$ 96.80	$ 82.03	$ 68.90

Source: Stonegate Capital Partners

Upside to our valuation includes higher annual capital deployment, better cash rent growth rates, higher yield on deployed capital and UCA value recognition.

STONEGATE CAPITAL PARTNERS

BALANCE SHEETS

Safehold, Inc. (NYSE: SAFE)
Consolidated Balance Sheets ($Ms)
Fiscal Year: December

ASSETS	**FY 2019**	**FY 2020**	**FY 2021**
Assets			
Real estate			
Real estate, at cost	$ 687.9	$ 752.4	$ 741.0
Accumulated depreciation	(16.3)	(22.3)	(28.3)
Real estate, net	671.6	730.1	712.6
Real estate-related intangible assets, net	242.8	242.2	224.2
Total real estate, net & real estate-related intangible assets, net	914.5	972.3	936.8
Net investment in leases	984.6	1,305.5	2,412.7
Ground Lease Receivables	397.1	577.5	796.3
Equity Investments in Ground Leases	127.5	129.6	173.4
Cash and cash equivalents	22.7	56.9	29.6
Restricted cash	24.1	39.5	8.9
Deferred operating lease income receivable, net	58.3	93.3	117.3
Deferred expenses and other assets, net	37.8	34.3	40.7
Total Assets	**$2,566.6**	**$3,209.0**	**$ 4,515.7**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Accounts payable, accrued expenses, and other liabilities	$ 43.0	$ 76.7	$ 67.6
Real estate-related intangible liabilities, net	57.3	66.3	65.4
Debt obligations, net	1,372.9	1,684.7	2,697.5
Total Liabilities	**1,473.3**	**1,827.7**	**2,830.5**
Shareholders' Equity			
Common stock - par value	0.5	0.5	0.6
Additional paid-in capital	1,132.6	1,412.1	1,663.3
Reatained Earnings (Deficit)	(2.1)	23.9	59.4
Accumulated other comprehensive loss	(39.1)	(57.5)	(41.0)
Total Safehold Shareholders' Equity (deficit)	**1,091.8**	**1,379.1**	**1,682.3**
Non-controlling interests	1.5	2.2	2.9
Total Liabilities and Shareholders' Equity	**$2,566.6**	**$3,209.0**	**$ 4,515.7**

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENTS

Safehold, Inc. (NYSE: SAFE)
Consolidated Statements of Income (in $Ms, except per share amounts)
Fiscal Year: December

	FY 2020	FY 2021	FY 2022E
Revenues			
Operating lease income	72.3	67.7	70.4
Interest income from sales-type leases	81.8	118.8	189.3
Other income	1.2	0.5	0.5
Total revenues	**155.4**	**187.0**	**260.2**
Costs and expenses			
Interest expense	64.4	79.7	115.7
Real estate expense	2.5	2.7	2.8
Depreciation and amortization	9.4	9.6	9.7
General and administrative	22.7	28.8	35.1
Other expense	0.2	0.9	1.0
Total costs and expenses	99.2	121.6	164.4
Income from operations	**56.2**	**65.5**	**95.9**
Loss on Early Extingiuishment of debt	-	(0.2)	-
Earnings (losses) from equity method investments	3.3	6.3	6.5
Net income	**59.5**	**73.4**	**102.3**
Net income allocable to noncontrolling interests	(0.2)	(0.2)	(0.2)
Net income to Safehold, Inc. common shrhldrs	**59.3**	**73.1**	**102.1**
Basic EPS (loss)	**$ 1.17**	**$ 1.35**	**$ 1.76**
Diluted EPS (loss)	**$ 1.17**	**$ 1.35**	**$ 1.76**
WTD avg basic shares outstanding	**50.7**	**54.2**	**58.1**
WTD avg diluted shares outstanding	**50.7**	**54.2**	**58.1**
Dividends & distributions declared per common sh	$0.64	$0.67	$0.68
Payout ratio	54.7%	49.6%	38.7%
EBITDA	133.3	162.6	227.7
EBITDA per basic weighted average share	$ 2.63	$ 3.00	$ 3.92
EBITDA per diluted weighted average share	$ 2.63	$ 3.00	$ 3.92
EBITDA/Interest Expense	2.1x	2.0x	2.0x

Source: Company Reports, Stonegate Capital Partners

IN THE NEWS

March 21, 2022 – Safehold Declares First Quarter 2022 Common Stock Dividend.

March 7, 2022 – Safehold to Present at 2022 Citi Global Property CEO Conference.

March 2, 2022 – Safehold Announces Upsizing and Pricing of Public Offering and Concurrent Private Placement.

March 2, 2022 – Safehold Announces Public Offering and Concurrent Private Placement.

February 15, 2022 – Safehold Reports Fourth Quarter and Fiscal Year 2021 Results.

February 15, 2022 – Safehold Executes Private Sale of Caret Units at a Valuation of $1.75 Billion.

February 11, 2022 – Safehold Closes Third Ground Lease in Phoenix Area for $54 Million.

February 10, 2022 – Safehold Fourth Ground Lease in Nashville Area to Capitalize $128.4 Million Multifamily Development.

February 7, 2022 – Safehold Names Brett Asnas as Chief Financial Officer.

February 7, 2022– Safehold Names Theresa Ulyatt as Chief People Officer.

January 31, 2022 – Safehold Closes $475 Million Private Placement of 3.980% Senior Unsecured Notes Due 2052.

January 18, 2022 – Safehold Announces Expansion into Chicago Market.

January 13, 2022 – Safehold Announces Tax Treatment of 2021 Dividends.

December 17, 2021 – Safehold Appoints Jesse Hom to Board of Directors.

December 15, 2021 – Safehold Upsizes Revolving Credit Facility to $1.35 Billion.

December 15, 2021– Safehold Declares Fourth Quarter 2021 Common Stock Dividend.

December 8, 2021 – Safehold Celebrates the Closing of its 100th Ground Lease.

December 2, 2021 – Safehold to Present at Goldman Sachs U.S. Financial Services Conference.

November 8, 2021 – Safehold Announces Pricing of $350 Million of 2.850% Senior Unsecured Notes Due 2032.

October 21, 2021 – Safehold Reports Third Quarter 2021 Results.

CORPORATE GOVERNANCE

Jay Sugarman, Chairman and Chief Executive Officer

Mr. Jay S. Sugarman has been the Chairman of the Board and Chief Executive Officer of iStar Inc. since October 2016 and has served as a director of iStar since 1996. Before forming iStar and Safehold, Mr. Sugarman managed investment funds on behalf of the Burden and Ziff families. Mr. Sugarman graduated summa cum laude from Princeton University, where he was nominated for valedictorian and received the Paul Volcker Award in Economics. He received his M.B.A. with high distinction from Harvard Business School, graduating as a Baker Scholar and recipient of the school's academic prizes for both finance and marketing.

Brett Asnas, Chief Financial Officer

Mr. Asnas currently serves as Chief Financial Officer. Mr. Asnas is responsible for overseeing capital markets, investor relations, treasury, finance, and strategy. He manages relationships across investment banks, investors and lenders, rating agencies and analysts. He directs the finance group's budgeting, forecasting, management and performance reporting and strategic analysis. Mr. Asnas has vast experience in debt and equity capital markets across single asset, portfolio and corporate transactions via term loans, unsecured and secured notes, credit facilities, mortgage and mezzanine financing, preferred equity, convertible notes, IPO's, and secondary offerings. Mr. Asnas joined the Company in 2008 and previously held positions in the real estate private equity business at Fortress Investment Group, the real estate investment banking division at Nomura Securities, as well as structured finance advisory at Ernst & Young LLP. Mr. Asnas holds a B.S. degree in Finance from the School of Management at Binghamton University.

Marcos Alvarado, President and Chief Investment Officer

Mr. Marcos Alvarado has been Chief Investment Officer at iStar Inc. since February 2018 and has been its President since July 2, 2018. Mr. Alvarado is responsible for overseeing originations across the Company's $5 billion investment portfolio. Mr. Alvarado served as the Head of Acquisitions & Business Operations at Cadre. He served as a Senior Vice President and Managing Director of Starwood Capital Group and served as its Vice President. He was responsible for the origination, underwriting, structuring and execution of investments in all property types across the capital stack with a geographic focus on New York City and sector focus on gaming and the financial services. Prior to joining Starwood Capital in 2008, Mr. Alvarado served as a Vice President in Lehman Brothers' Global Real Estate Group and served in Morgan Stanley's CMBS group. Mr. Alvarado holds a BA from Dartmouth College.

Douglas Heitner, Chief Legal Officer

Mr. Douglas Heitner serves as Chief Legal Officer at iStar Inc. & Safehold Inc. since March 11, 2019. Prior to joining iStar Inc., Mr. Heitner was a partner in Kasowitz Benson Torres' Real Estate Transactions group, where he represented the nation's leading real estate companies in a wide range of real estate matters. Before this, Mr. Heitner was an associate in Skadden, Arps, Slate, Meagher & Flom LLP's real estate group. Mr. Heitner is ranked in Chambers USA and has also been named to Law360's "Rising Stars" list four times, making him one of only 156 lawyers nationwide selected for inclusion in the prestigious listing. He received his J.D. from New York University School of Law and a B.A. from Dartmouth College.

Jason Fooks, SVP of Investor Relations

Mr. Jason Fooks is the Senior Vice President of Investor Relations & Marketing since Safehold's IPO in June 2017. He is also the Senior Vice President of Investor Relations & Marketing at iStar, SAFE's external manager, and has worked there since 2006. Fooks is responsible for communicating the company's strategy, growth opportunities, and business initiatives to shareholders and the investor community. Prior to that, he worked in Capital Markets Intelligence at Thomson Financial (now NASDAQ) from 2003 to 2006. Fooks received an MBA from the Columbia Business School at Columbia University and received a BA in Economics from Brandeis University. Fooks has worked in the financial markets for the entirety of his career and is a long-standing member of the National Institute of Investor Relations (NIRI).

Board of Directors:

Jay S. Sugarman – *Chairman of the Board*
Dean S. Alder – *Director*
Jesse Hom –*Director*
Robin Josephs - *Director*
Jay S. Nydick –*Director*
Stefan M. Selig – *Director*

IMPORTANT DISCLOSURES AND DISCLAIMERS

The following disclosures are related to Stonegate Capital Partners "SCP" research reports.

The information used for the creation of this report has been obtained from sources we considered to be reliable, but we can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice and SCP does not undertake to advise you of any such changes. In preparing this research report, SCP analysts obtain information from a variety of sources, including to but not limited to, the issuing Company, a variety of outside sources, public filings, the principals of SCP and outside consultants. SCP and its analyst may engage outside contractors with the preparation of this report. The information contained in this report by the SCP analyst is believed to be factual, but we can neither guarantee nor represent the completeness or accuracy of the information herewith. While SCP endeavors to update the information contained herein on a reasonable basis, there may be regulatory, compliance, or other reasons that prevent us from doing so. The opinions or information expressed are believed to be accurate as of the date of this report; no subsequent publication or distribution of this report shall mean or imply that any such opinions or information remains current at any time after the date of this report. Reproduction or redistribution of this report without the expressed written consent of SCP is prohibited. Additional information on any securities mentioned is available on request. SCP does not rate the securities covered in its research. SCP does not have, nor has previously had, a rating for any securities of the Company. SCP does not have a price target for any securities of the Company.

Recipients of this report who are not market professionals or institutional investors should seek the advice of their independent financial advisor prior to making any investment decision based on this report or for any necessary explanation of its contents. Because the objectives of individual clients may vary, this report is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This report is the independent work of SCP and is not to be construed as having been issued by, or in any way endorsed or guaranteed by, any issuing companies of the securities mentioned herein.

SCP does not provide, nor has it received compensation for investment banking services on the securities covered in this report. SCP does not expect to receive compensation for investment banking services on the securities covered in this report. SCP has a non-exclusive Advisory Services agreement to provide research coverage, retail and institutional awareness, and overall Investor Relations support and for which it is compensated $5,000 per month. SCP's equity affiliate, Stonegate Capital Markets (SCM) - member FINRA/SIPC - may seek to provide investment banking services on the securities covered in this report for which it could be compensated.

SCP Analysts are restricted from holding or trading securities in the issuers which they cover. Research Analyst and/or a member of the Analyst's household do not own shares of this security. Research Analyst, employees of SCP, and/or a member of the Analyst's household do not serve as an officer, director, or advisory board member of the Company. SCP and SCM do not make a market in any security, nor do they act as dealers in securities.

SCP Analysts are paid in part based on the overall profitability of SCP and SCM. Such profitability is derived from a variety of sources and includes payments received from issuers of securities covered by SCP for services described above. No part of Analyst compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in any report or article. This security is eligible for sale in one or more states. This security may be subject to the Securities and Exchange Commission's Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities.

CONTACT INFORMATION

Safehold Inc.
Jason Fooks, SVP of Investor Relations
1114 Avenue of the Americas, 39th Floor
New York, NY 10036
Phone: (212) 930-9400
www.safeholdinc.com

Investor Relations
Stonegate Capital Partners
8201 Preston Road, Ste. 325
Dallas, TX 75225
Phone: (214) 987-4121
www.stonegateinc.com