



Sachem Capital Corp.

Investor Presentation – November 2024

NYSE - American: SACH

SACHEM | CAPITAL

Safe Harbor

This presentation includes forward-looking statements. All statements in this presentation, other than statements of historical facts, including statements regarding our future results of operations and financial position, strategy and plans, and our expectations for future operations, are forward-looking statements. The words “anticipate,” “estimate,” “expect,” “project,” “plan,” “seek,” “intend,” “believe,” “may,” “might,” “will,” “should,” “could,” “likely,” “continue,” “design,” “expectation,” and the negative of such terms and other words and terms of similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, some of which cannot be quantified and some of which are beyond our control. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur, and our actual operating and financial results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. In addition, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We disclaim any duty to update any of these forward-looking statements after the date of this presentation to confirm these statements in relationship to actual results or revised expectations.

All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in this presentation. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties. You should also see other factors which may impact our operating results set forth in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 and other periodic reports filed with the Securities and Exchange Commission.

This presentation shall not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any sale of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. An offering will only be made by a prospectus supplement and accompanying prospectus.

Mission Statement

“Sachem Capital Corp. empowers real estate investors through innovative financing solutions, offering tailored products and support to build vibrant communities and fuel project success.

With integrity and expertise, we drive industry growth, create value for stakeholders, and maximize returns through sustainable strategies.”



Executive Summary



- Sachem Capital Corp. (NYSE:SACH) is non-bank real estate finance company focused on originating, servicing and managing a portfolio of short-term loans secured by first mortgage liens on commercial real estate property
- Clients are real estate investors or developers seeking to fund acquisitions, renovations, and/or development of an array of different property types
- Revenue is generated from interest on portfolio, fee income from both loan originations and extensions, and a construction management fee on certain loans
- \$556mm of total assets, including 226 loans, totaling \$457mm net of reserves
- Underwriting and in-house comprehensive asset management capabilities provide the company with a competitive advantage in its target eastern seaboard market
- Founded in 2010, and its shares were listed on NYSE American in February of 2017. Sachem qualifies for and operates as a Mortgage REIT under the federal tax code

Strategy



Targeted Market Strategy

Addressing Market Gaps Left by Traditional Lenders

SACHEM CAPITAL

Developers, Builders, and Investors

- Demand for property has outstripped supply
- SBA can take 6+ months or longer to close on a large loan
- Competitors have tightened lending criteria
- Value add development being underserved by traditional lending sources

Flexibility in Structuring Loans to Better Meet Borrower Needs

- Ability to close loans quicker than most financial institutions and non-banking real estate lenders
- Due diligence is more centered around the value of the collateral rather than the property cash flows or borrower's credit
- Combination of speed and flexibility enables us to adapt to new market conditions

Larger Loans with Financially Stable, Experienced Developers

- Offsets rate compression and helps us maintain a low foreclosure rate
- Collateral less susceptible to value swings in the residential market
- Term is generally limited to one year to mitigate interest rate risk

Strategic Approach to Drive Sustained Growth

Results in Strong Performance and Minimal Realized Loan Losses

SACHEM CAPITAL

Disciplined, Highly-Scalable Originations Platform

- Virtual lead-generation platform
- Significant repeat business
- Expanding into new states with favorable demographics and lending laws
- Acquisition of Urbane New Haven provides significant efficiency in construction management oversight and moves asset protection in-house

Strict Underwriting Requirements

- Maximum LTV (loan-to-value) of 70%
- Maximum LTC (loan-to-cost) of 85%
- Personal level audits and guarantees required, and often cross collateralized
- Comprehensive reviews of all permits, plans, budgets, records and property information
- All loans approved by the loan committee
- Board-level review for loans greater than \$5 million
- Third-party corroborated appraisal required

Process-Oriented

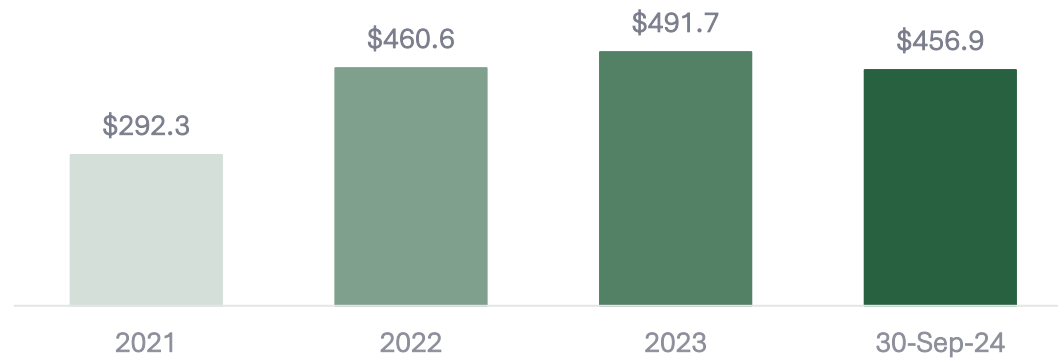
- Review and prepare loan documents
- In-house legal counsel review
- Internal compliance review
- Active asset management
- Periodic inspections
- In house construction management
- Internal loan servicing

Portfolio Overview

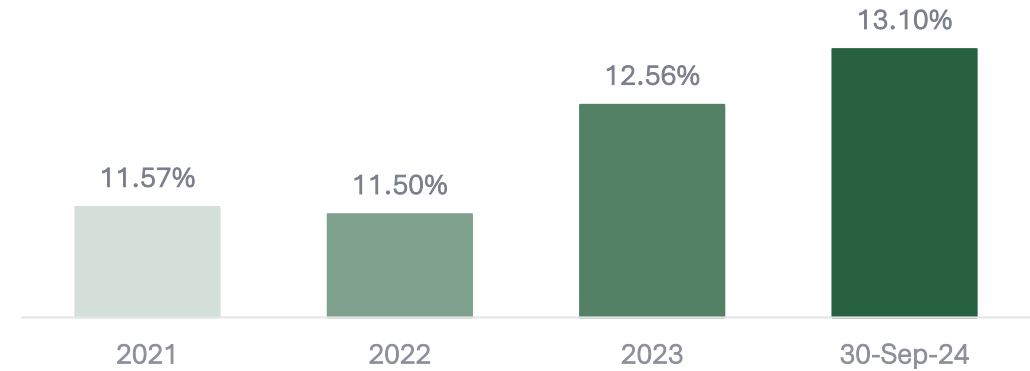


Portfolio Summary

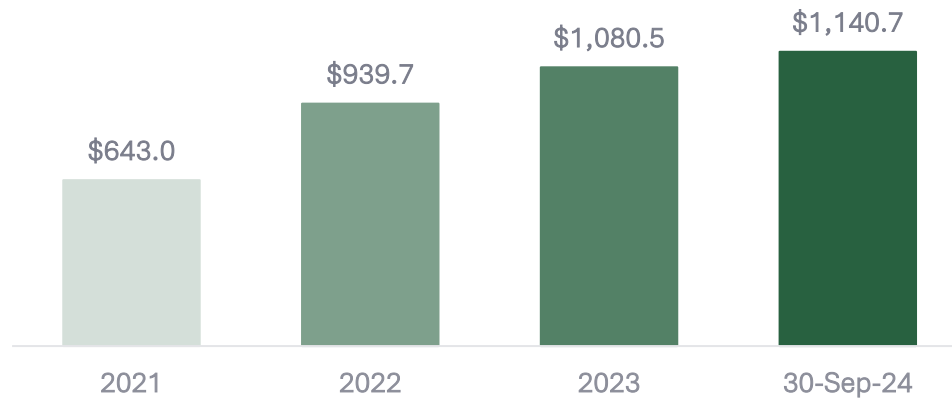
Total Mortgages Receivable, Net (\$ in millions)



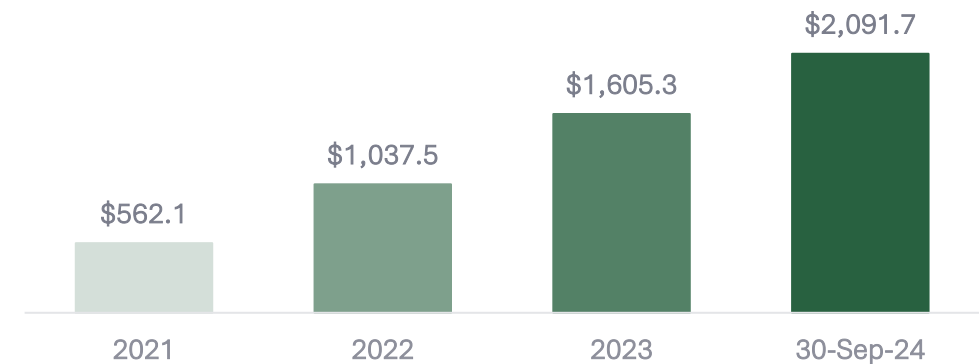
Average Yield¹ Percentage



Cumulative Loan Originations (\$ in millions)



Average Loan Size (\$ in thousands)



(1) Average yield does not include origination fee income

*All data as of September 30, 2024

Portfolio Summary Continued

Loans funded in
15 states

\$2.1MM
Average loan size

> 2,000+
Transactions completed

\$1.1BN in
Origination since
inception

13.1%
Average yield⁽¹⁾

\$555MM
Total assets

91% of Loans
have term of less than
one year

226
Mortgage loans

\$81.8MM
Net foreclosure unpaid
balance⁽²⁾

\$16.5MM
Dividends Paid on
Common Shares in FY24

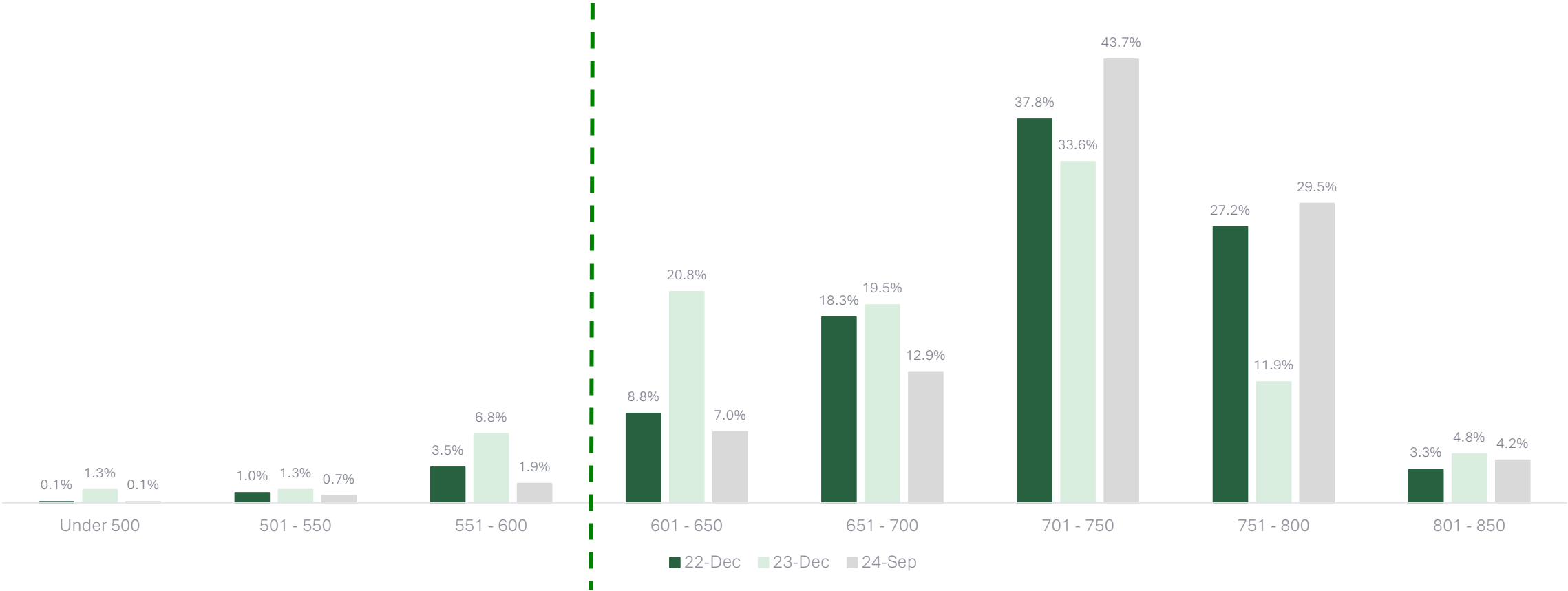
\$4.3MM
Real estate owned

\$27.2MM
Total CECL Allowance

(1) Average Yield does not include origination fee income
(2) Inclusive of unpaid principal balance, interest, charges, and taxes
*All data as of September 30, 2024

Strong Credit Profile

Over 90% of underlying borrowers have a FICO score above 600 and the majority of loans have an LTV below 50%, demonstrating the strength of the underlying loan and borrower

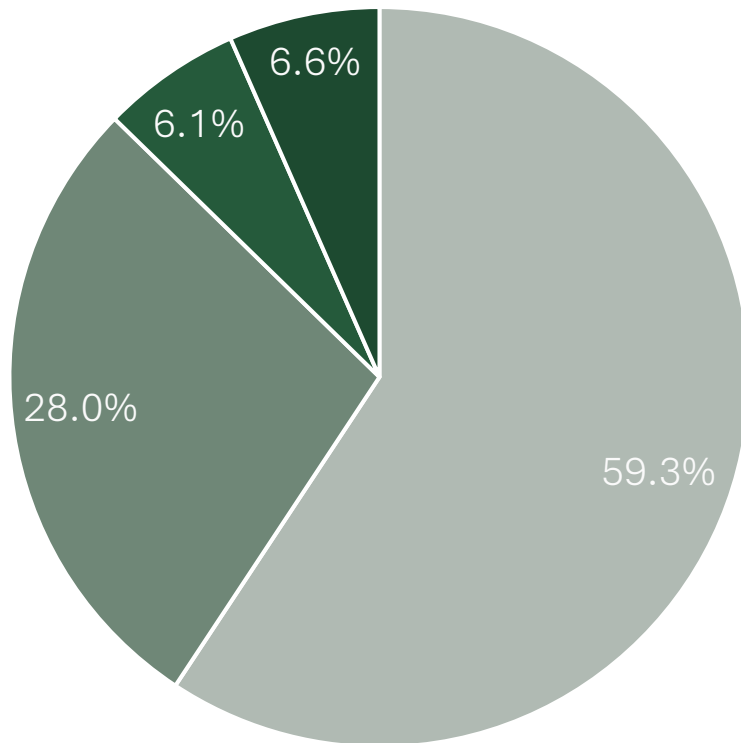


*Data was not tracked before 2022

Loan Portfolio Overview

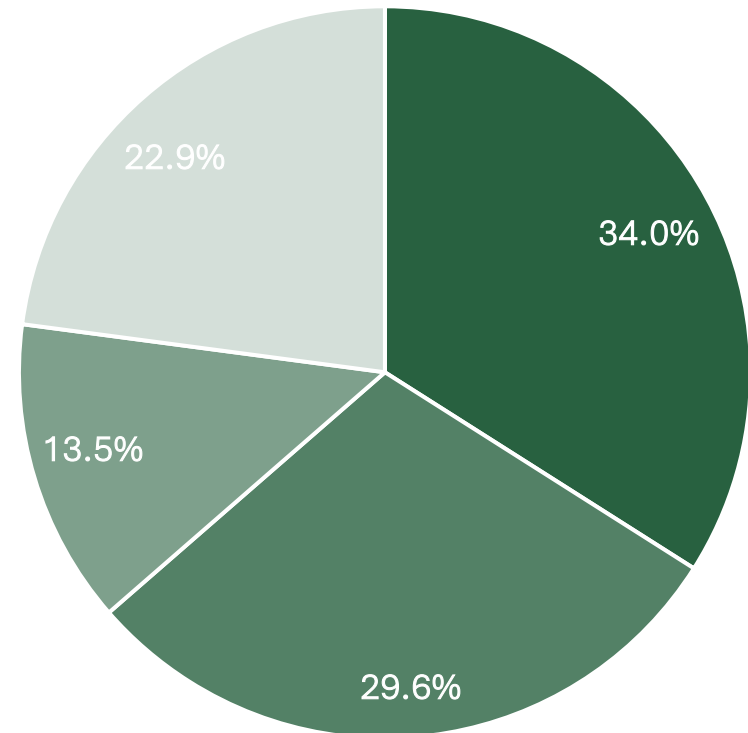
Distribution by Property Type

■ Residential ■ Commercial ■ Land ■ Mixed Use



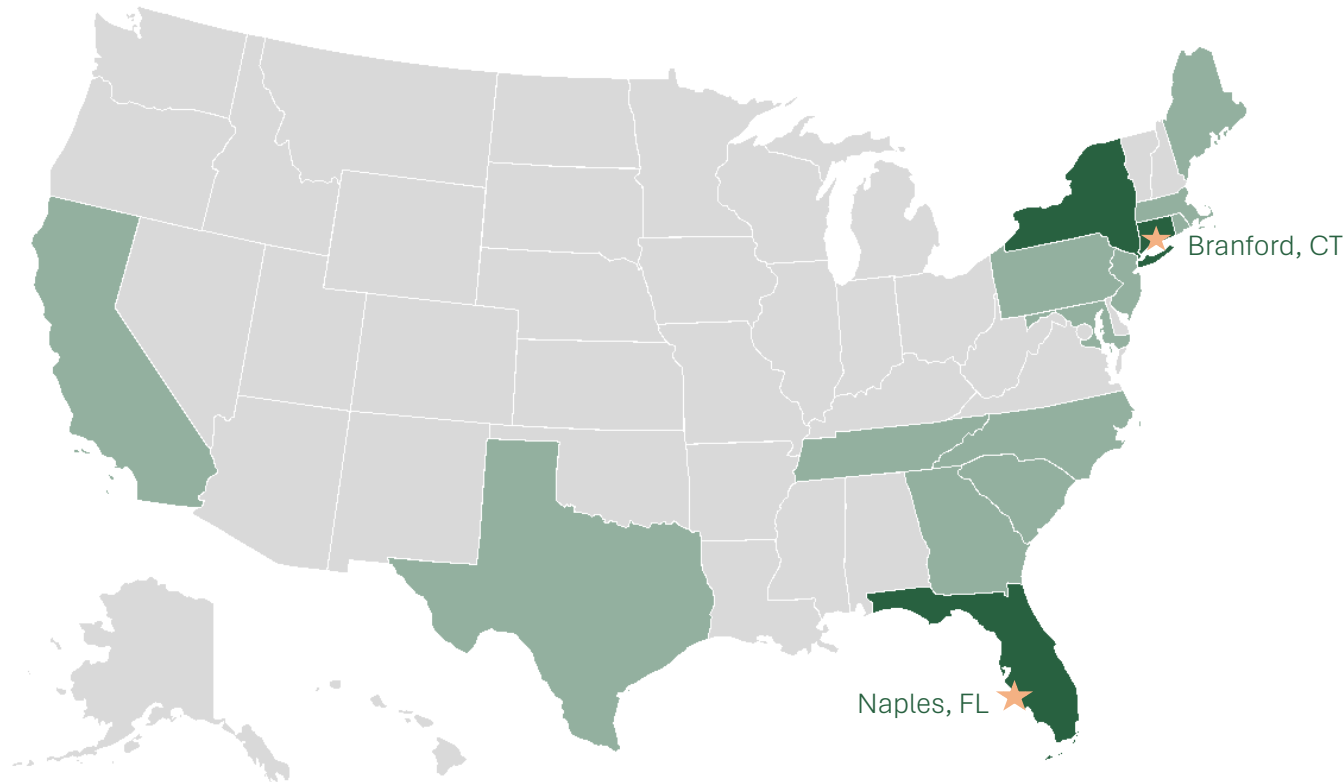
Distribution by State

■ CT ■ FL ■ NY ■ Other



Origination Locations

Strong Eastern Coastal & Sunbelt Presence Complemented by Local Market Knowledge



- California
- Connecticut
- Florida
- Georgia
- Massachusetts
- Maryland
- Maine
- North Carolina
- New Jersey
- New York
- Pennsylvania
- Rhode Island
- South Carolina
- Tennessee
- Texas

★ Sales Presence

Loan Products



Construction Loans



Acquisition/Bridge



Refinance



Specialty Finance

Loan Diversification and Expansion



Select Case Studies

- \$7.0 million loan to experienced sponsors purchase, renovate and stabilize a storage facility in Columbia, SC. The loan provided the borrowers the ability to expand their storage facility.
- \$13.4 million loan to an experienced developer converting a hotel property in Fairfield County, CT, to a mixed-use multifamily and retail building containing 97 luxury residential units and 33,490 sqft of ground floor retail/restaurant space. The loan provided flexibility to meet the unique needs of the borrower.
- \$19.5 million loan for the purchase and conversion of a warehouse in Brighton, MA, into a 28-unit condominium complex within an up-and-coming residential community. The loan was cross-collateralized with other properties owned by the borrower.

Strategic diversification into other commercial real estate segments provides portfolio balance and capitalization on projects traditional lender's overlook.

Recently Completed Projects



PROJECT DETAILS:

LOAN AMOUNT : \$1,663,000

RATE: 12.90%

ORIGINATION: 2.00%

LIEN: 1st POSITION

LTARV: 69%

LOCATION: WESTPORT, CT

PROP. TYPE: SINGLE FAMILY RESIDENCE

LOAN TYPE: NEW CONSTRUCTION



PROJECT DETAILS:

LOAN AMOUNT : \$6,810,000

RATE: 13.5%

ORIGINATION: 3.00%

LIEN: 1st POSITION

LTARV: 67%

LOCATION: CHARLOTTE, NC

PROP. TYPE: PRE-DEVELOPMENT LAND

LOAN TYPE: ACQUISITION



PROJECT DETAILS:

LOAN AMOUNT : \$22,094,000

RATE: 10.90%

ORIGINATION: 1.75%

LIEN: 1st POSITION

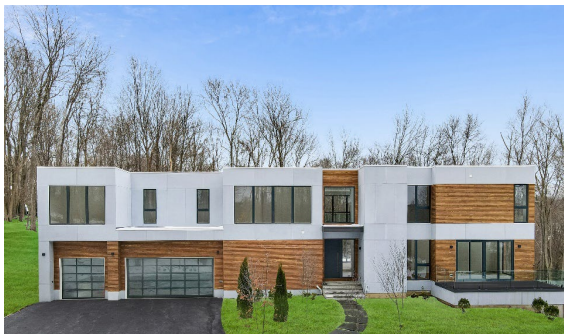
LTARV: 63%

LOCATION: SARASOTA, FL

PROP. TYPE: ASSISTED LIVING FACILITY

LOAN TYPE: NEW CONSTRUCTION

Active Projects



PROJECT DETAILS:

LOAN AMOUNT: \$2,775,416

RATE: 12.00%

ORIGINATION: 1.00%

LIEN: 1st POSITION

LTARV: 61%

LOCATION: BEDFORD, NY

PROP. TYPE: SINGLE FAMILY RESIDENCE

LOAN TYPE: NEW CONSTRUCTION



PROJECT DETAILS:

LOAN AMOUNT: \$10,477,000

RATE: 10.50%

ORIGINATION: 1.00%

LIEN: 1st POSITION

LTARV: 40%

LOCATION: CHARLOTTE, NC

PROP. TYPE: PREDEVELOPMENT - LAND

LOAN TYPE: BRIDGE



PROJECT DETAILS:

LOAN AMOUNT: \$17,425,000

RATE: 12.90%

ORIGINATION: 2.00%

LIEN: 1st POSITION

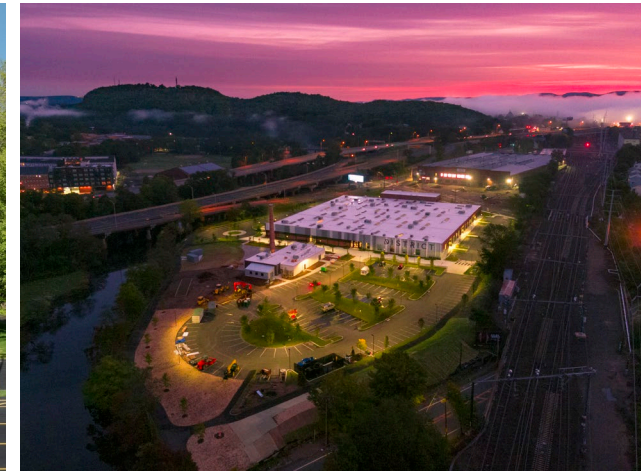
LTARV: 47%

LOCATION: SALEM, MA

PROP. TYPE: MULTI-FAMILY RESIDENTIAL

LOAN TYPE: NEW CONSTRUCTION

Strategic Partnerships



Shem Creek Investment

SACHEM CAPITAL



Shem Creek Capital is a commercial real estate finance company with a focus on providing debt capital solutions to commercial real estate owners, with a portfolio diversified across the Northeastern United States

Partnership Interest

- As of September 30, 2024, the Company had invested an aggregate of \$51.6 million in seven limited liability companies managed by Shem Creek Capital, LLC
- For the three and nine months ended September 30, 2024, these investments generated in the aggregate, \$1.5 million and \$3.9 million, respectively, which is an attractive double-digit yield.
- The Company's ownership interest in six of the limited liability companies range from 7% to 49%, and one entity is owned 100% by Sachem.
- In September 2024, the Company acquired a seventh ownership interest of 20% membership interest in Shem
- These investments are categorized into three fund structures: fund investments, direct loan investments (co-invest vehicles) and the manager investment.

Vertical Integration of Urbane Capital, LLC



Company: Urbane Capital, LLC

Acquisition Date: 2022

Industry Type: Construction and Development

Specialties: Residential, Design, Ground-up Development, Construction Management, Multi-family, Construction Oversight, Restoration, Commercial, Design-Build.

Oversight: Asset and construction management expertise.



Select Case Study I

\$22 million Loan: Enhanced Loan Workout & Modification Capabilities

- Negotiated and modified a \$17 million loan increasing the size to \$22 million,
 - Lead on-site meetings with Sponsor and General Contractor
 - Conducted detailed project and market analyses
 - Strategically negotiated terms benefiting both Sponsor and Sachem Capital



Select Case Study II

\$17 million Phase 1 Project Optimization

- Expanded a Phase 1 project from 16 to 24 units
 - Conducted comprehensive evaluation of business plan shift
 - Considered milestones and project viability
 - Aligned interests and ensured holistic benefits for the project and Sachem

Sachem & Urbane Past Collaboration

Bankside House

PROPERTY HIGHLIGHTS

Units: 12

Acres: 1.02

Avg Unit Size: 2,609

Total SQFT: 31,306

FINANCIAL HIGHLIGHTS

Total Sale Amount: \$41,052,480

Avg. Price Per SQFT: \$1,311



Current Collaborations



PROPERTY DETAILS

PROPERTY LOCATION: MIAMI, FLORIDA
PROPERTY TYPE: SINGLE FAMILY HOME
LOAN TYPE: NEW CONSTRUCTION
SQUARE FEET: 5,046



PROPERTY DETAILS

PROPERTY LOCATION: MIAMI, FLORIDA
PROPERTY TYPE: SINGLE FAMILY HOME
LOAN TYPE: REHAB/RENOVATION
SQUARE FEET: 4,600



PROPERTY DETAILS

PROPERTY LOCATION: MIAMI, FLORIDA
PROPERTY TYPE: SINGLE FAMILY HOME
LOAN TYPE: NEW CONSTRUCTION
SQUARE FEET: 4,470

Current Collaborations Continued

1 Glendinning Place

PROPERTY HIGHLIGHTS

Property Location: Westport, CT

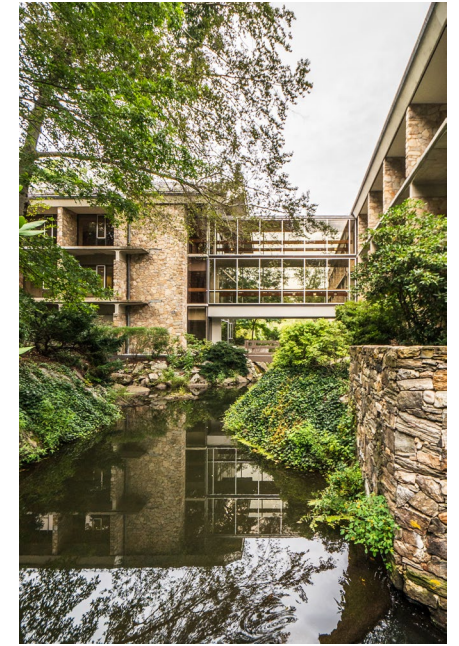
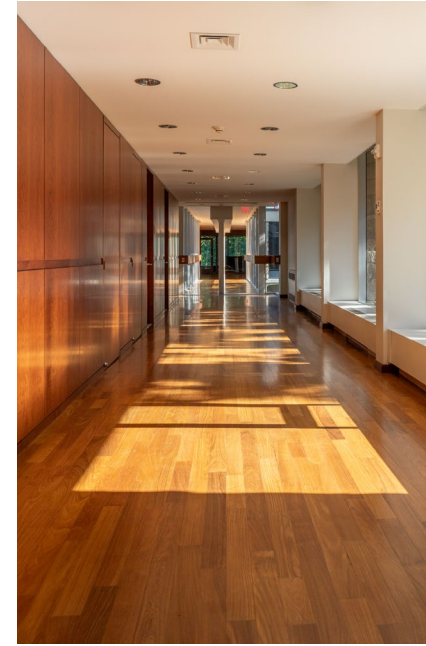
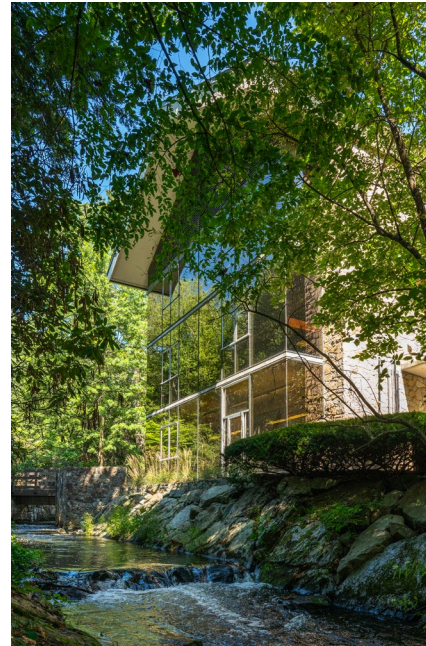
Property Type: Class A – Commercial Office

Acres: 15

Total SQFT: ~ 50,000 (50% pre-leased upon acquisition)

CONSTRUCTION HIGHLIGHTS

- All building core currently being fully renovated, expected completion date is set for Q1' 2025
- Carving out ~ 4 acres general development plan approved for 10 residential luxury single family homes



SACHEM CAPITAL

Executive Management





John L. Villano, CPA

Chairman, Chief Executive Officer, President & Treasurer

- Chairman and Chief Executive Officer since the company's inception in 2010
- Previously engaged in the private practice of accounting and auditing for almost 30 years
- Certified Public Accountant and holds a Bachelor's Degree in Accounting from the University of Rhode Island



Jeffery C. Walraven

Interim Chief Financial Officer

- Over 20 years of public accounting experience, serving many public REIT clients since 1999
- Chief Operating Officer, Director and Co-Founder of Freehold Properties, Inc
- Independent Director and member of the Audit Committee of Broad Steet Realty, Inc
- Worked extensively with publicly traded companies on all aspects of compliance with Securities Act and Exchange Act filings, including quarterly, annual and special reports, and compliance relating to acquisitions, dispositions and securities offerings



Eric O'Brien

Senior Vice President – Asset Management at Sachem Capital Corp. and Managing Director at Urbane Capital, LLC

- Senior Vice President of Asset Management at Sachem Capital Corp. since 2022. An accomplished executive with over 30 years of experience in construction management, design and development
- Prior to joining Sachem, Eric was the president and founder of Urbane Capital, LLC (formerly known as Urbane NewHaven, LLC)
- Bachelor of Arts in Political Science from the University of Rhode Island



Ralph Sylvester

Vice President of Asset Management, Director at Urbane Capital, LLC

- Expertise in development planning, financial modeling, property acquisitions, construction management and formulation of major contracts
- Prior to joining Sachem in 2022, Ralph was the Director of Operations at Urbane Capital, LLC (formerly known as Urbane NewHaven, LLC)
- B.A. in Political Science from Villanova University

Consolidated Financial Summary



Financial Statements Summary

Financial Summary	12 Months Ended / As of:			3 Months Ended / As of:	
	12/31/2021	12/31/2022	12/31/2023	9/30/2023	9/30/2024
(US\$ Mn's)					
Operating Metrics					
Total assets	\$ 418.0	\$ 565.7	\$ 625.5	\$ 637.8	\$ 555.5
Mortgages receivable, net	292.3	460.6	491.7	495.9	456.9
Real estate owned	6.6	5.2	3.5	3.5	4.3
Total liabilities	237.9	348.0	395.5	402.3	334.9
Notes payable (net of deferred financing costs)	160.5	280.0	282.4	281.8	260.5
Total shareholders' equity	180.1	217.7	230.1	235.5	220.6
Summary Income Statement					
Interest income from loans	\$ 22.3	\$ 42.6	\$ 49.3	\$ 14.3	\$ 11.4
Fee income from loans	4.3	7.3	5.9	2.4	1.8
Other income	3.8	2.3	10.4	1.1	1.5
Total Revenue	\$ 30.4	\$ 52.3	\$ 65.6	\$ 17.8	\$ 14.8
Total operating costs and expenses	17.1	31.4	49.7	11.3	19.6
Total other income (loss), net	(0.3)	2.5	(0.9)	(0.2)	(0.2)
Net Income	\$ 13.3	\$ 20.9	\$ 15.9	\$ 6.2	\$ (5.1)
Preferred stock dividend	(1.8)	3.7	3.8	(1.0)	(1.1)
Net income attributable to common shareholders	11.5	17.2	12.1	5.2	(6.1)

Financial Summary – CECL Impact

	Balance as of December 31, 2023	Provision for credit losses related to loans	Balance as of September 30, 2024
	(in thousands)		
Mortgage receivable	\$7,523	\$12,689	\$20,212
Interest and fees receivable	902	2,710	3,612
Due from borrower	352	1,798	2,150
Unfunded commitments	509	713	1,222
Total allowance for credit losses	\$9,286	\$17,910	\$27,196

- The Company adopted the current expected credit loss (“CECL”) standard effective January 1, 2023 in accordance with ASU 2016-13, “Financial Instruments – Credit Losses”
- This table represents the financial statement line items that have been impacted by the allowance for credit losses in-line with the CECL model

	Allowance for credit losses as of December 31, 2023	Provision for credit losses related to loans	Allowance for credit losses as of September 30, 2024
	(in thousands)		
Geographical Location			
New England	\$5,764	\$2,469	\$8,233
Mid-Atlantic	1,324	4,886	6,210
South	435	3,761	4,196
West	-	1,573	1,573
Total allowance for credit losses	\$7,523	\$12,689	\$20,212

- The following table summarizes the activity in mortgages receivable allowance for credit losses related to loans from December 31, 2023 through September 30, 2024:

SACHEM / ***C A P I T A L***