

**THIRD QUARTER 2016
EARNINGS RESULTS**

NOVEMBER 2, 2016



Forward Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

Some of the statements contained in this presentation may constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause actual results to differ significantly from those expressed or contemplated in any forward-looking statement. While forward-looking statements reflect our good faith projections, assumptions and expectations, they are not guarantees of future results. Furthermore, we disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes, except as required by applicable law. Factors that could cause our results to differ materially include, but are not limited to: (1) general economic conditions and multifamily and commercial real estate market conditions, (2) regulatory and or legislative changes to Freddie Mac, Fannie Mae or HUD, (3) our ability to retain and attract loan originators and other professionals, and (4) changes in federal government fiscal and monetary policies, including any constraints or cuts in federal funds allocated to HUD for loan originations.

For a further discussion of these and other factors that could cause future results to differ materially from those expressed or contemplated in any forward-looking statements, see the section titled "Risk Factors" in our most recent Annual Report on Form 10-K, as it may be updated or supplemented by our subsequent Quarterly Reports on Form 10-Q and our other SEC filings. Such filings are available publicly on our Investor Relations web page at www.walkeranddunlop.com.

Non-GAAP Financial Measures

To supplement our financial statements presented in accordance with GAAP, we use adjusted EBITDA, a non-GAAP financial measure. The presentation of adjusted EBITDA is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. When analyzing our operating performance, readers should use adjusted EBITDA in addition to, and not as an alternative for, net income. Adjusted EBITDA represents net income before income taxes, interest expense on our term loan facility, and amortization and depreciation, adjusted for provision for credit losses net of write-offs, stock-based incentive compensation charges, and non-cash revenues such as gains attributable to MSRs and unrealized gains and losses from CMBS activities. Furthermore, adjusted EBITDA excludes certain costs associated with our 2012 acquisition of CWC Capital LLC, integration and restructuring costs, severance and lease restructuring charges relating to our fourth quarter 2013 expense reduction efforts, early extinguishment of our term debt in 2013 and revenues from the termination fee related to the transfer of servicing for a portion of the small loan portfolio, all of which are not part of our ongoing operations. Because not all companies use identical calculations, our presentation of adjusted EBITDA may not be comparable to similarly titled measures of other companies. Furthermore, adjusted EBITDA is not intended to be a measure of free cash flow for our management's discretionary use, as it does not reflect certain cash requirements such as tax and debt service payments. The amounts shown for adjusted EBITDA may also differ from the amounts calculated under similarly titled definitions in our debt instruments, which are further adjusted to reflect certain other cash and non-cash charges that are used to determine compliance with financial covenants. We use adjusted EBITDA to evaluate the operating performance of our business, for comparison with forecasts and strategic plans, and for benchmarking performance externally against competitors. We believe that adjusted EBITDA, when read in conjunction with our GAAP financials, provides useful information to investors by offering:

- the ability to make more meaningful period-to-period comparisons of our on-going operating results;
- the ability to better identify trends in our underlying business and perform related trend analyses; and
- a better understanding of how management plans and measures our underlying business.

We believe that adjusted EBITDA has limitations in that it does not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP and that adjusted EBITDA should only be used to evaluate our results of operations in conjunction with net income.

For more information on adjusted EBITDA refer to the appendix of this presentation.

Q3'16 Quarter in Review

\$5.0_B

Transaction
Volume

\$154.8_M

Total
Revenues

\$29.6_M

Net
Income

\$0.96

Earnings Per
Diluted Share

\$59.1_B

Servicing
Portfolio

237_{bps}

Gain on Sale
Margin

22%

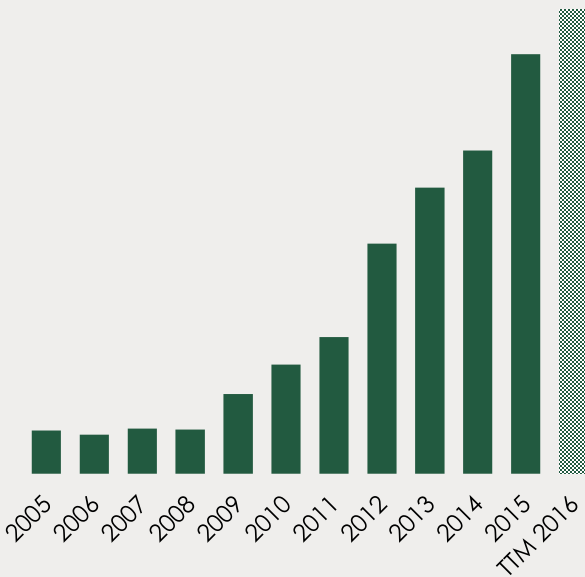
Return on
Equity

31%

Operating
Margin

Track Record of Growth

TOTAL REVENUES



22%

3-year
CAGR

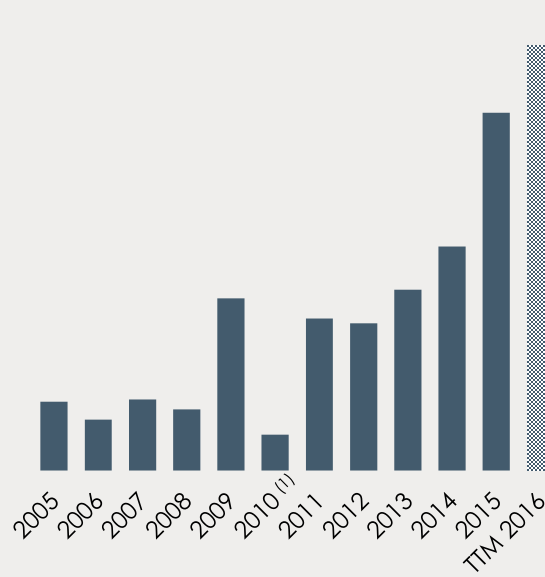
31%

5-year
CAGR

26%

10-year
CAGR

NET INCOME



34%

3-year
CAGR

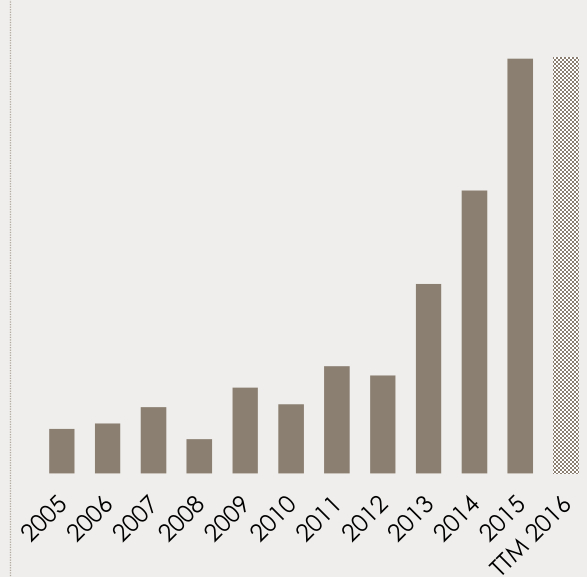
58%

5-year
CAGR

18%

10-year
CAGR

ADJUSTED EBITDA⁽²⁾



62%

3-year
CAGR

43%

5-year
CAGR

25%

10-year
CAGR

Note: All CAGR calculations are through 2015; Trailing Twelve Month (TTM) 2016 calculations include Q4 2015 through Q3 2016

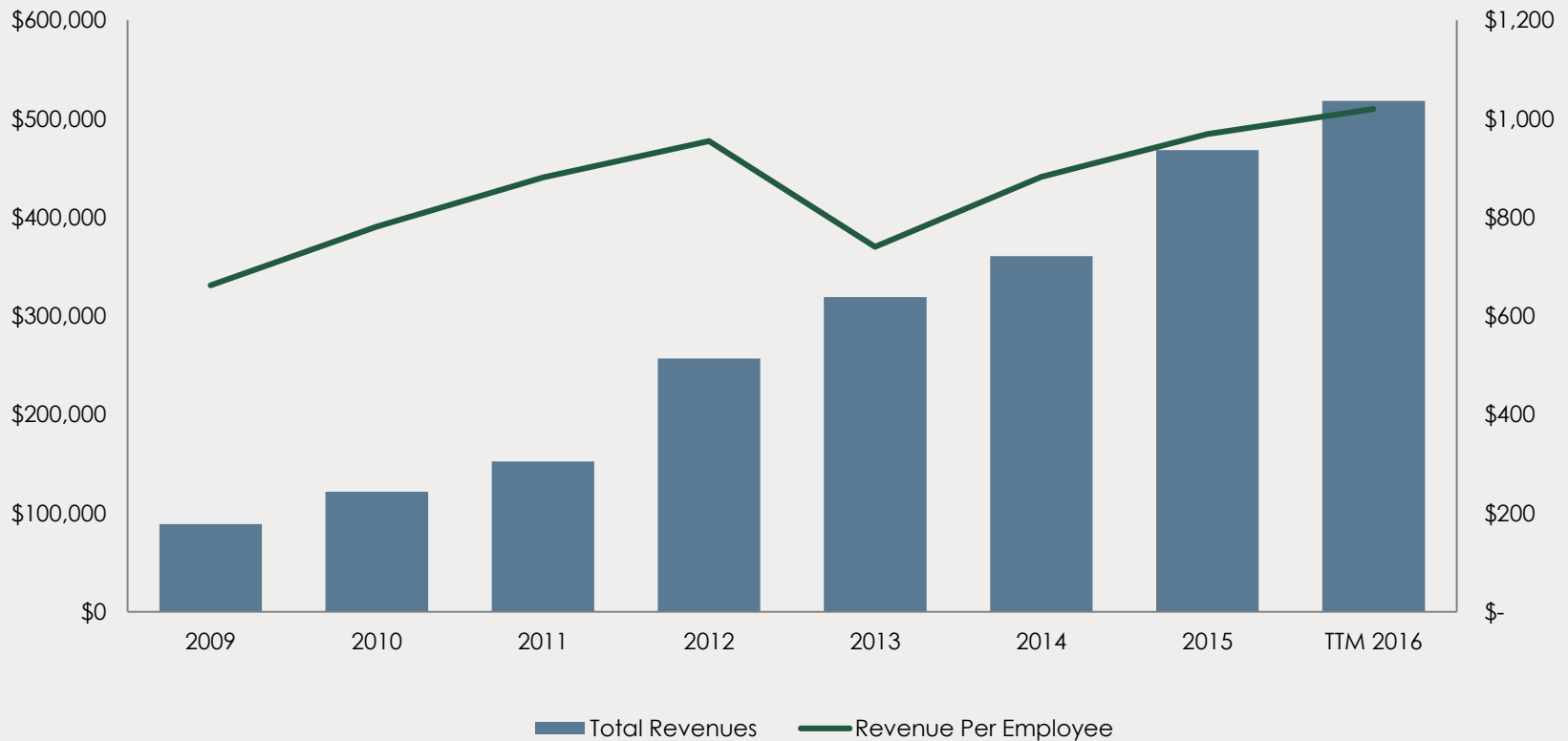
⁽¹⁾ 2010 net income includes a charge of \$31.9 million for the cumulative federal and state corporate income tax impact of converting from a partnership to a C-Corporation concurrent with the closing of our initial public offering on December 20, 2010.

⁽²⁾ This is a non-GAAP financial measure. For a reconciliation of the metric to net income, refer to the appendix of this presentation.

Efficient & Profitable Business

Total Revenues
(\$ in thousands)

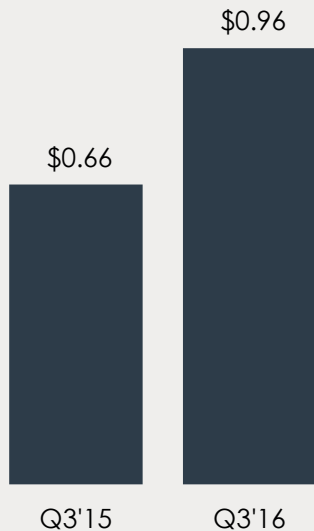
Revenue Per Employee
(\$ in thousands)



Note: Calculation uses average employee headcount over the period. TTM 2016 calculations include Q4 2015 through Q3 2016.

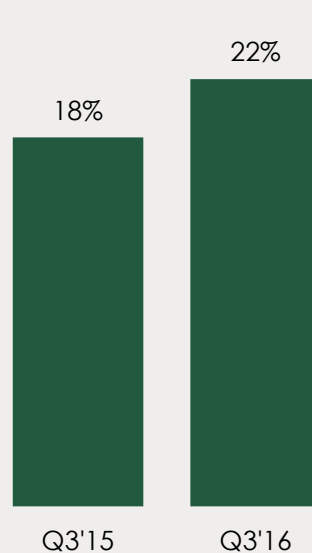
Q3'16 Key Metrics

DILUTED EPS



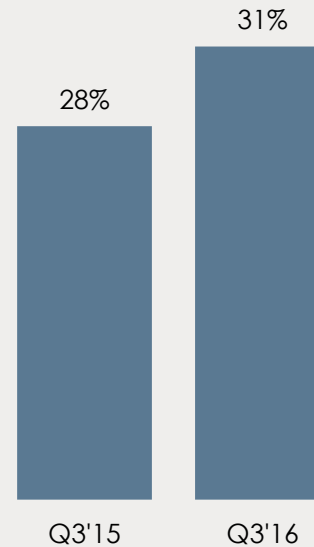
- ▶ 45% increase in diluted EPS per share on net income of \$29.6 million driven by higher gain on sale margin and continued growth in revenues from servicing
- ▶ On pace to achieve goal of double digit earnings growth in 2016

ANNUALIZED RETURN ON EQUITY



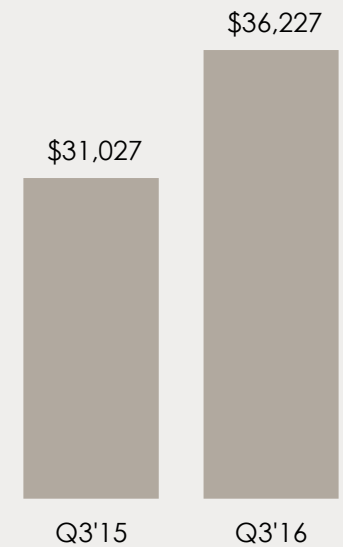
- ▶ ROE benefitted from the increase in net income
- ▶ Well above our established mid-teens target

OPERATING MARGIN



- ▶ Higher operating margin is the result of increased scale of the business and running an efficient operation where growth in revenues is outpacing growth in expenses
- ▶ Above our mid-to-upper 20% target

ADJUSTED EBITDA⁽¹⁾ (\$ in thousands)



- ▶ Reflects significant growth in cash revenues from servicing and loan originations
- ▶ Though adjusted EBITDA can fluctuate on a quarterly basis, consistent long-term growth in adjusted EBITDA has enhanced financial flexibility

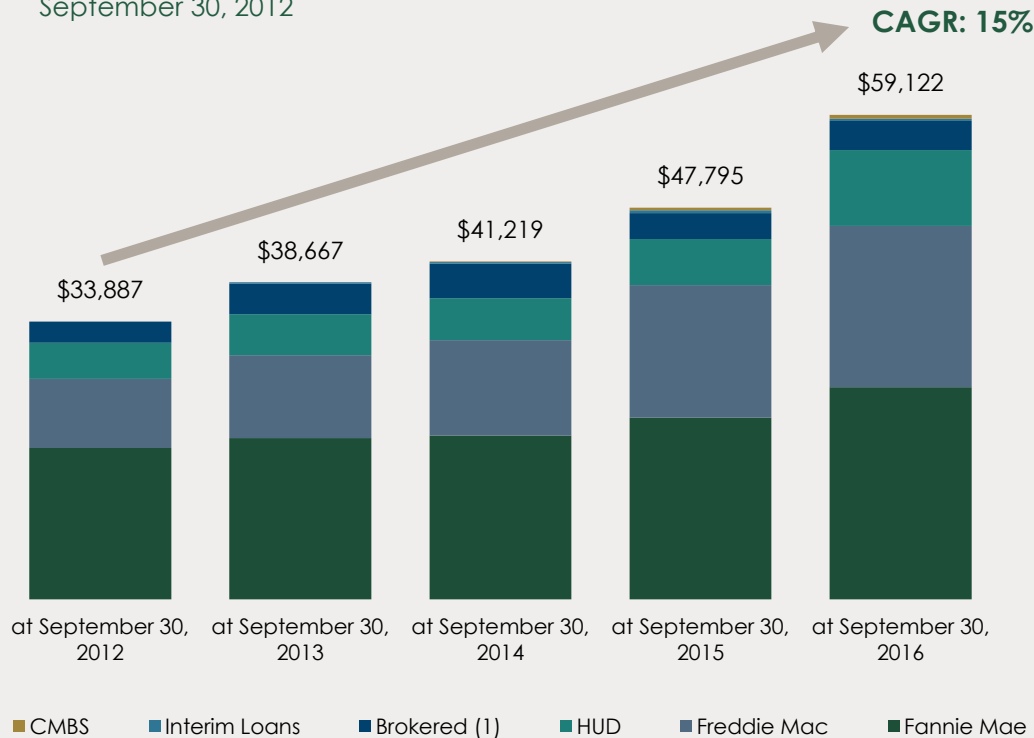
⁽¹⁾ This is a non-GAAP financial measure. For a reconciliation of the metric to net income, refer to the appendix of this presentation

Servicing Portfolio Grows to \$59 Billion

TOTAL SERVICING PORTFOLIO

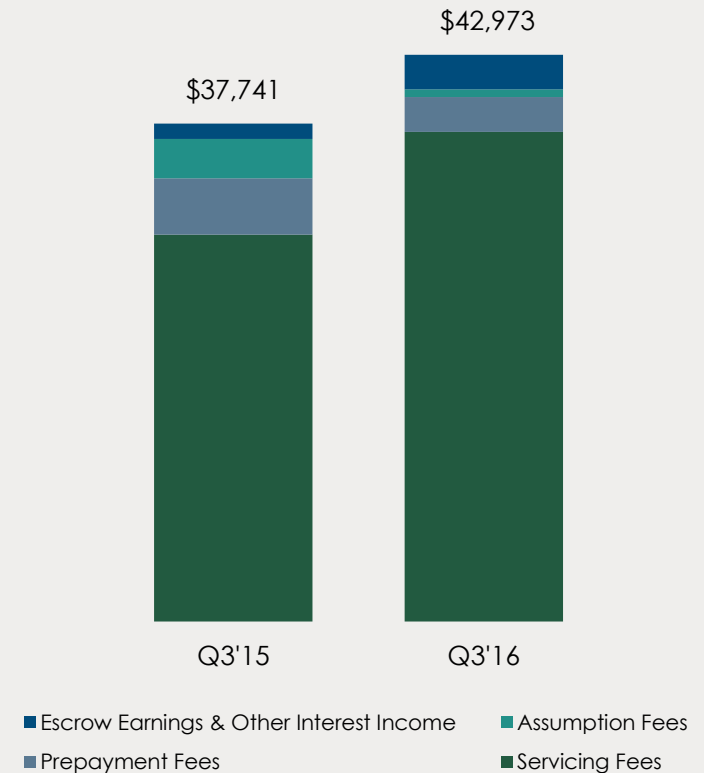
(\$ in millions)

- ▶ The servicing portfolio at September 30, 2016:
 - Weighted average remaining life of 10.5 years
 - Weighted average servicing fee of 26 bps, up from 23 bps at September 30, 2012



REVENUE FROM SERVICING

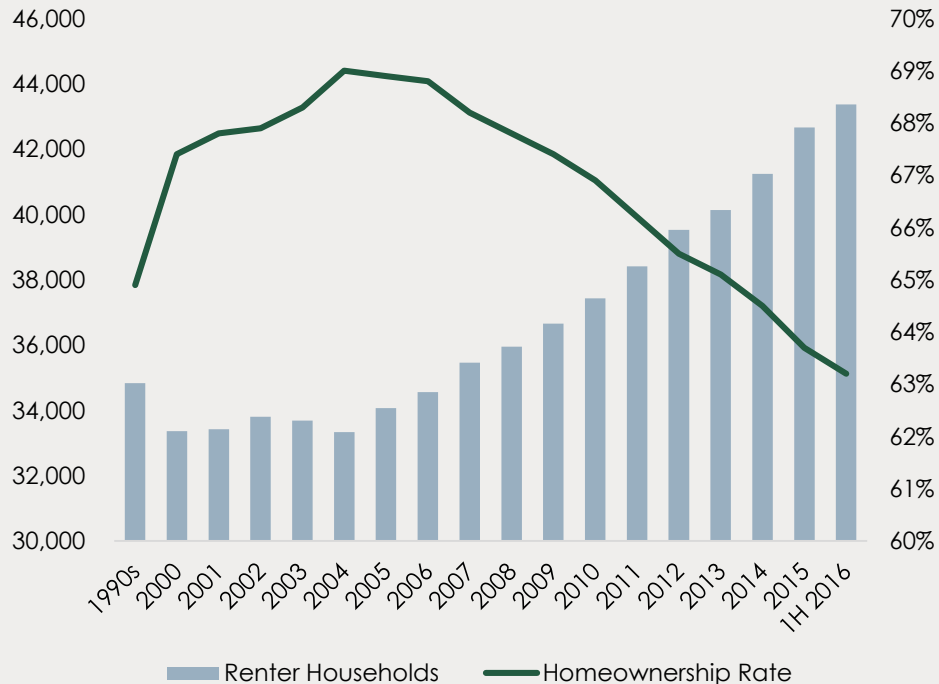
(\$ in thousands)



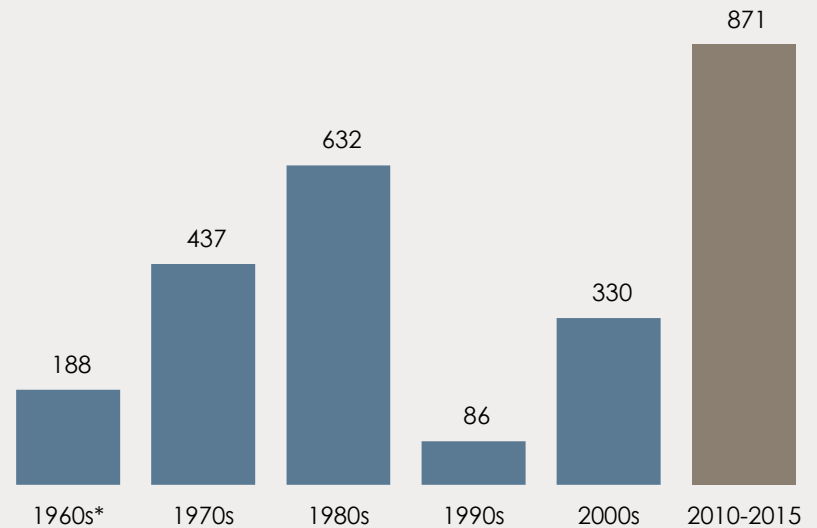
(1) Includes loans brokered to other CMBS originators, life insurance companies and commercial banks

U.S. Moving Towards Renter Population

**HOMEOWNERSHIP RATE AND
NUMBER OF U.S. RENTAL HOUSHOULDS⁽¹⁾**
(households in thousands)



**AVERAGE ANNUAL CHANGE IN
NUMBER OF U.S. RENTAL HOUSHOULDS⁽¹⁾**
in thousands



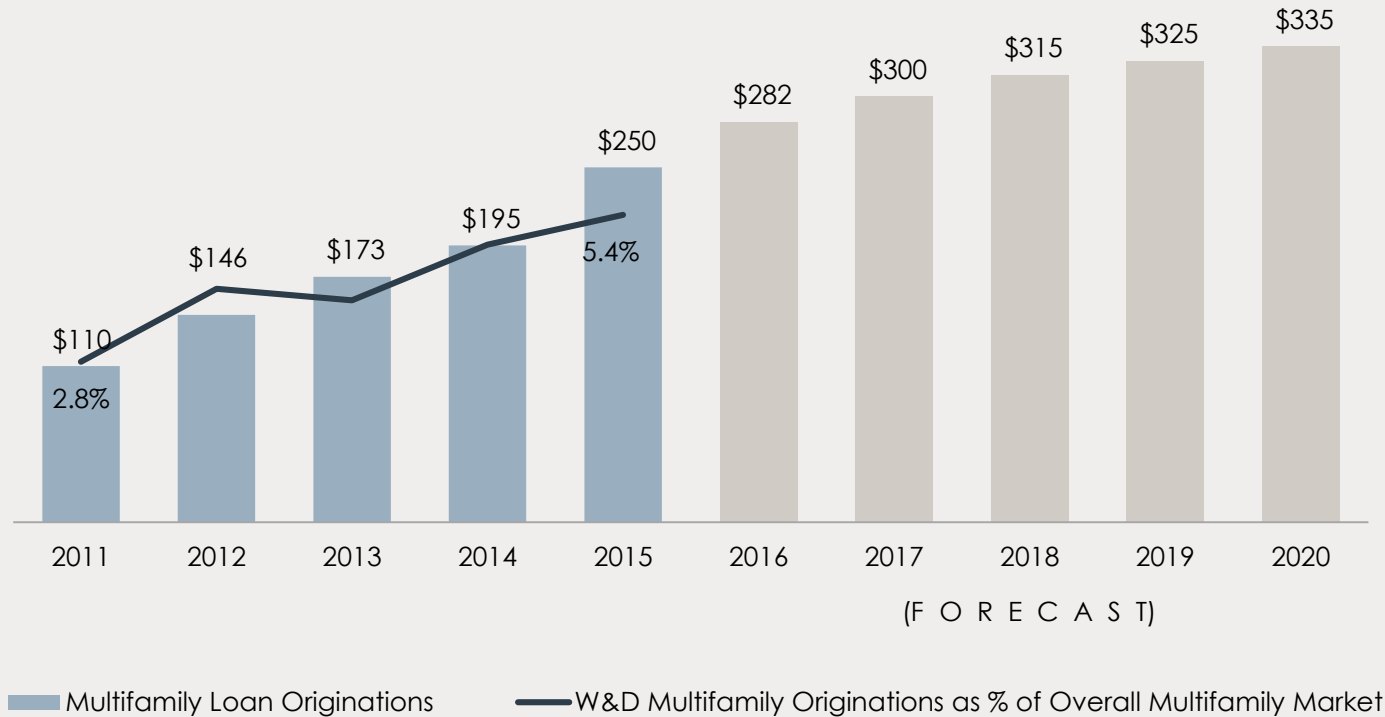
⁽¹⁾ U.S. Census Bureau

*Includes rental household data from 1965-1969

Continued Growth of Multifamily Market

TOTAL MULTIFAMILY LOAN ORIGINATIONS⁽¹⁾

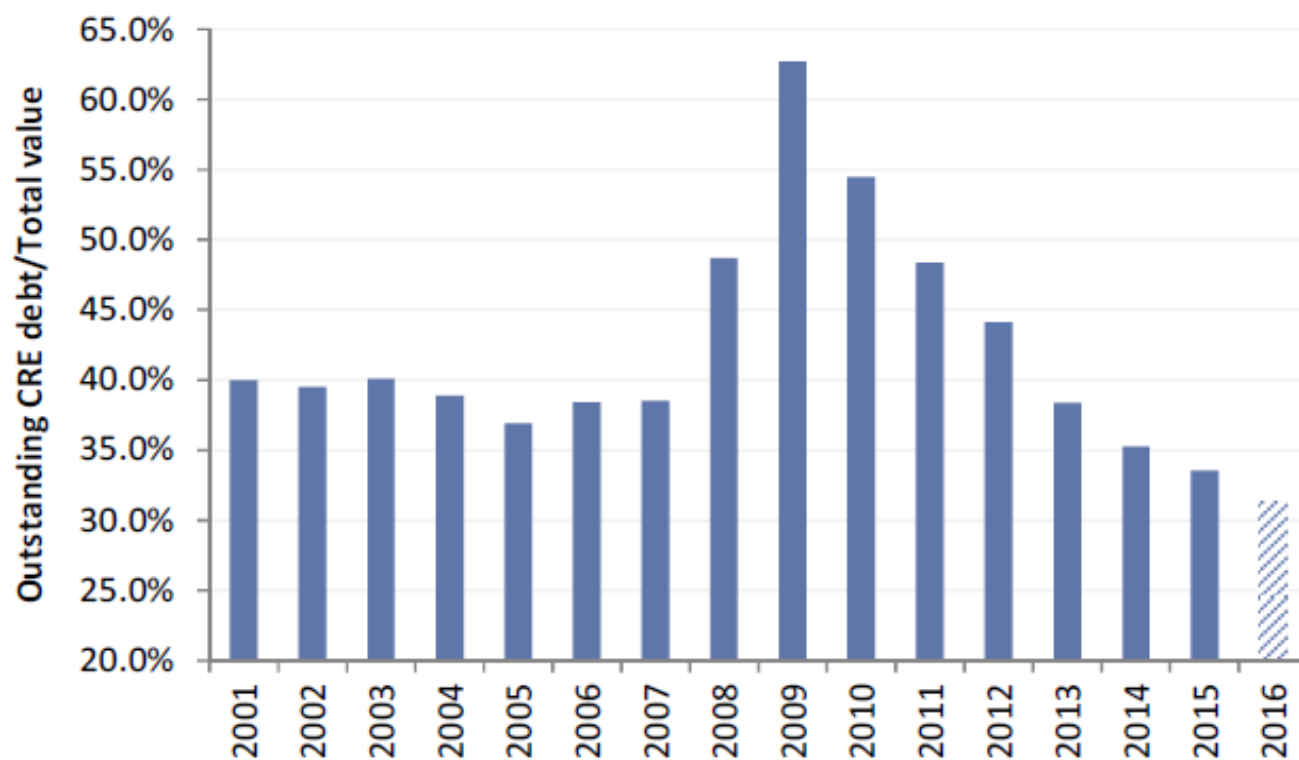
In billions



⁽¹⁾ MBA Annual Report on Multifamily Lending & Freddie Mac Origination Forecast

Estimated U.S. CRE Leverage at 15-Year Lows

OUTSTANDING CRE DEBT AS % OF TOTAL CRE VALUE⁽¹⁾



⁽¹⁾ Goldman Sachs Global Investment Research; Equity Research report published on September 23, 2016; Exhibit 23, Source: Federal Reserve, RCA, Goldman Sachs Global Investment Research

Multifamily Real Estate Market Highlights

62.9%

Average U.S. home ownership rate as of Q2'16, the lowest rate since the 1960s

(Current Population Survey/Housing Vacancy Survey, U.S. Census Bureau)

\$37
billion

Total apartment transaction volume in Q3'16

(US Capital Trends: Apartment, Real Capital Analytics)

\$1.1
trillion

Total multifamily mortgage debt outstanding as of Q2 2016

(Commercial/MF Mortgage Debt Outstanding Report, MBA)

\$136
billion

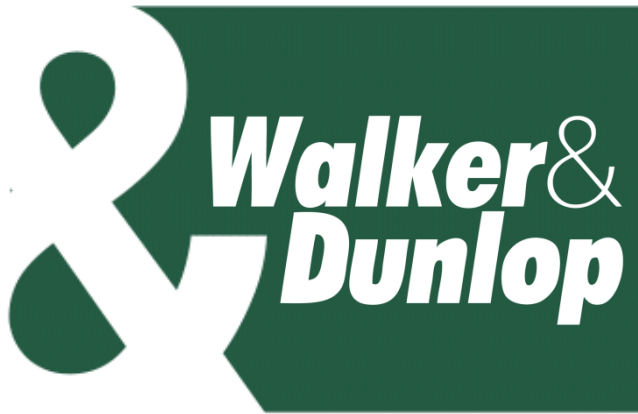
Projected multifamily loan maturities from 2017-2019

(Commercial/MF Real Estate Finance Forecast, MBA)

\$282
billion

Projected multifamily loan originations in 2016

(Freddie Mac)



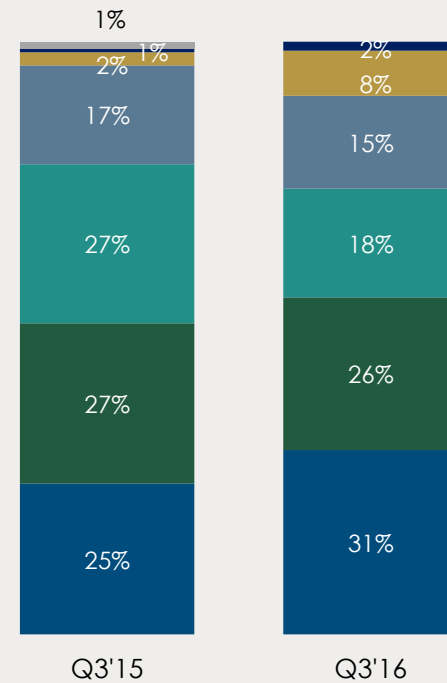
APPENDIX

Strong Volume Drives Profitability

QUARTERLY TOTAL TRANSACTION VOLUME
(in millions)



QUARTERLY MIX OF TOTAL TRANSACTION VOLUME (%)

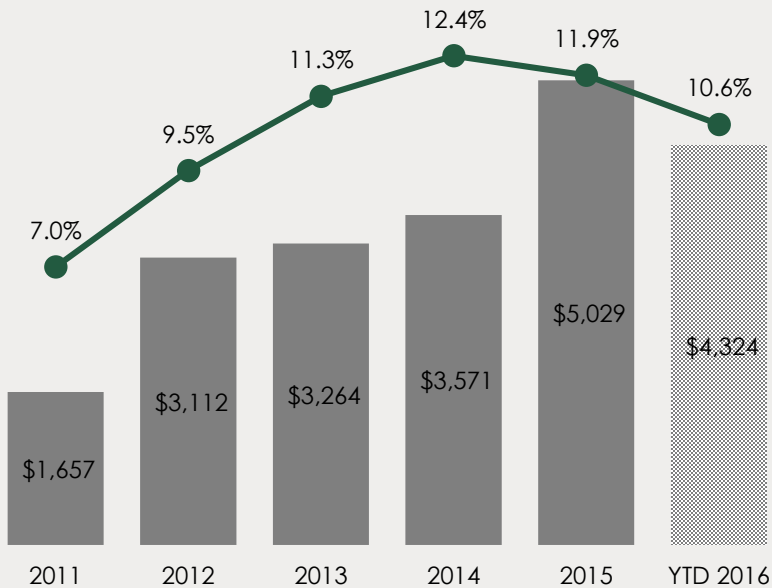


■ Fannie Mae ■ Freddie Mac ■ Brokered (1) ■ Investment Sales ■ HUD ■ Interim lending (2) ■ CMBS (3)

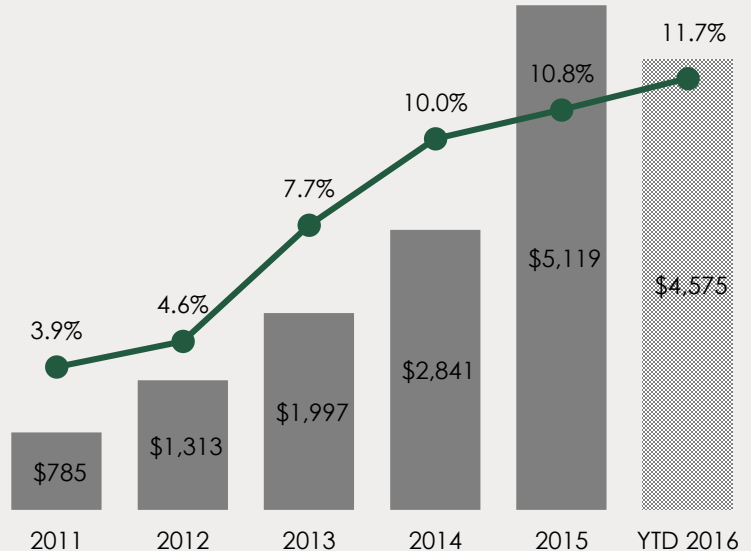
(1) Includes loans brokered to other CMBS originators, life insurance companies and commercial banks
 (2) Includes our on-balance sheet interim loans
 (3) Represents CMBS loans brokered by Walker & Dunlop to the Company's CMBS platform

Market Share with Fannie Mae and Freddie Mac

FANNIE MAE
(\$ in millions)



FREDDIE MAC
(\$ in millions)



■ W&D Deliveries

● W&D Market Share

Note: Market share is calculated using loan delivery data for Walker & Dunlop, Fannie Mae and Freddie Mac. Fannie Mae and Freddie Mac disclose delivery data on a monthly basis.

Adjusted EBITDA Reconciliation to Net Income

	For the three months ended		For the nine months ended	For the Trailing Twelve Months (TTM) ended
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2016
<i>(in thousands)</i>				
Walker & Dunlop Net Income	\$ 29,628	\$ 20,251	\$ 77,107	\$ 97,518
Income tax expense	18,851	12,735	47,295	60,887
Interest expense	2,485	2,484	7,419	9,904
Amortization and depreciation	29,244	25,644	80,824	105,209
Provision for credit losses	283	94	166	1,234
Net write-offs	(2,567)	—	(2,567)	(2,567)
Stock compensation expense	5,270	3,635	12,784	15,971
Gains attributable to mortgage servicing rights (1)	(48,229)	(33,816)	(127,724)	(163,864)
Unrealized (gains) losses from CMBS activities	1,262	—	430	430
Adjusted EBITDA	\$ 36,227	\$ 31,027	\$ 95,734	124,722

⁽¹⁾ Represents the fair value of the expected net cash flows from servicing recognized at commitment, net of the expected guaranty obligation

Adjusted EBITDA Reconciliation to Net Income

For the year ended December 31,

(in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
GAAP Net Income	\$ 82,128	\$ 51,422	\$ 41,530	\$ 33,772	\$ 34,864	\$ 8,227	\$ 39,526	\$ 14,032	\$ 16,333	\$ 11,701	\$ 10,980
Recurring Adjustments:											
Income tax expense	52,771	32,490	25,257	21,998	21,797	31,915	-	-	-	-	-
Interest expense	9,918	10,311	3,743	1,649	823	1,334	1,684	2,679	3,853	1,059	42
Amortization and depreciation	98,173	80,138	75,955	53,925	22,514	16,959	12,917	7,804	9,067	7,264	8,495
Provision for credit losses	1,644	2,206	1,322	3,140	4,724	7,469	2,265	1,101	-	-	1,331
Net write-offs	(808)	(5,242)	(9,188)	(6,450)	(680)	(2,148)	(498)	-	(888)	-	(298)
Stock compensation expense	14,084	9,994	9,194	5,176	2,422	49	-	-	-	-	-
Gains attributable to mortgage servicing rights (1)	(133,631)	(96,515)	(91,972)	(92,594)	(54,301)	(43,052)	(30,212)	(15,315)	(9,101)	(5,271)	(7,438)
Other Adjustments:											
Severance costs (2)	-	-	429	2,223	-	-	-	-	-	-	-
Deal-related expenses (3)	-	-	-	6,538	-	-	-	-	-	-	-
Lease modification and exit charges	-	-	1,137	-	-	-	-	-	-	-	-
Loss on extinguishment of debt	-	-	1,214	-	-	-	-	-	-	-	-
Gain on termination of servicing (4)	-	-	(1,838)	-	-	-	-	-	-	-	-
Adjusted EBITDA	\$ 124,279	\$ 84,804	\$ 56,783	\$ 29,377	\$ 32,163	\$ 20,753	\$ 25,682	\$ 10,301	\$ 19,264	\$ 14,753	\$ 13,112

(1) Represents the fair value of the expected net cash flows from servicing recognized at commitment, net of the expected guaranty obligation

(2) Severance costs incurred in connection with a cost reduction plan

(3) Includes legal, advisory fees, other professional fees, and a transition services agreement incurred in connection with the CWC Capital acquisition

(4) Gain attributable to the termination of the servicing rights associated with a portion of our Fannie Mae small loan portfolio.