# FIRST QUARTER 2018 EARNINGS

*May 2, 2018*

## 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.walkerdunlop.com.

## Non-GAAP Financial Measures

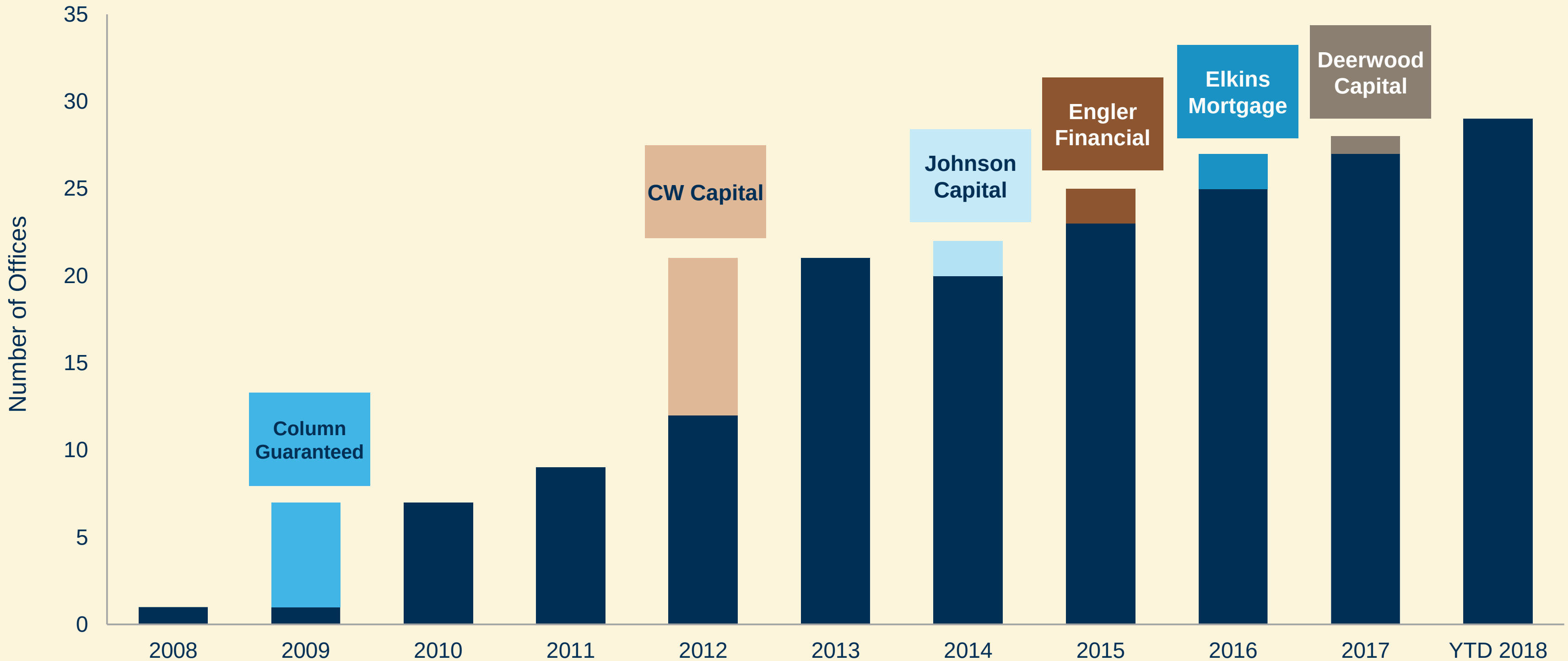
To supplement our financial statements presented in accordance with generally accepted accounting principles in the United States (GAAP), the Company uses adjusted EBITDA, a non-GAAP financial measure, in this presentation. The presentation of adjusted EBITDA is not intended to be considered in isolation 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 (benefit) for credit losses net of write-offs, stock-based incentive compensation charges, and non-cash revenues such as gains attributable to MSRs. 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 this non-GAAP measure, 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 the Company's on-going operating results;
- the ability to better identify trends in the Company's underlying business and perform related trend analyses; and
- a better understanding of how management plans and measures the Company's underlying business.

We believe that adjusted EBITDA has limitations in that it does not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP and that adjusted EBITDA should only be used to evaluate the Company's results of operations in conjunction with net income. For information on adjusted EBITDA, refer to the appendix of this presentation.

# DRAMATIC GROWTH IN NATIONAL FOOTPRINT

*From 1 office to 29 offices in 10 years*

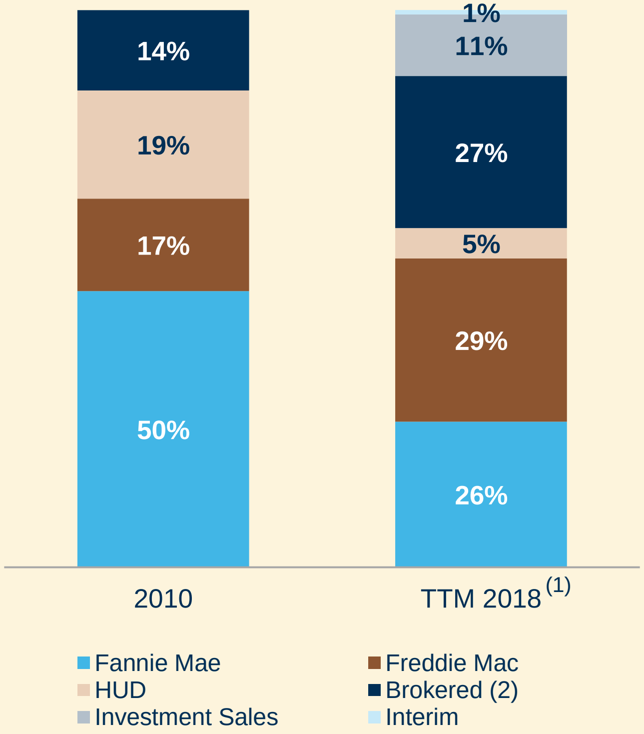



| Office Count | 1 | 7 | 7 | 9 | 21 | 21 | 22 | 25 | 27 | 28 | 29 |
|---|---|---|---|---|---|---|---|---|---|---|---|

Note: YTD 2018 through April 30, 2018

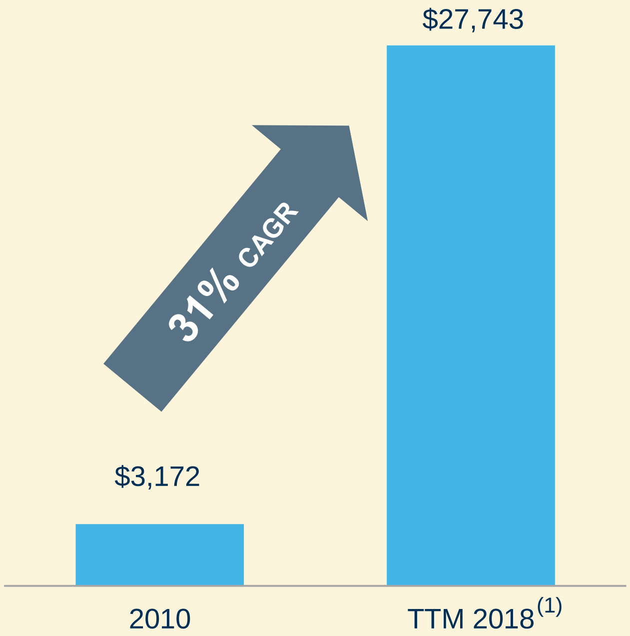
# CHANGE IN TRANSACTION MIX WITH PLATFORM GROWTH

## Mix of Total Transactions




## Total Transaction Volume

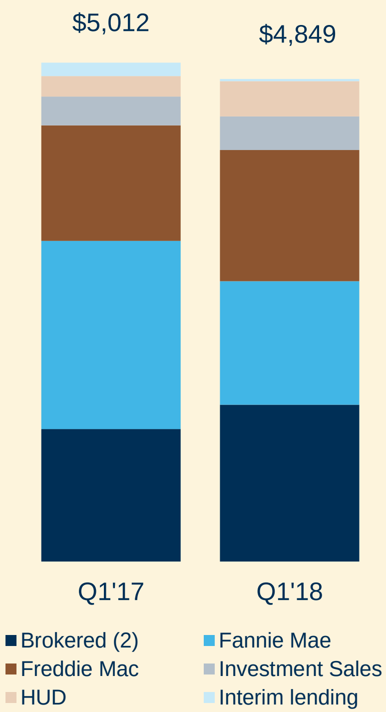
*(in millions)*



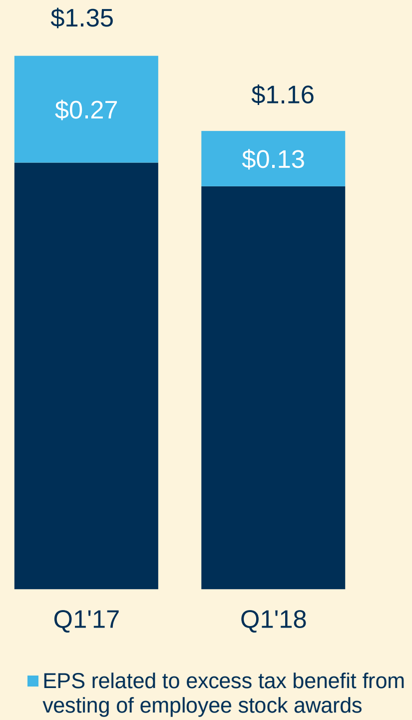

(1) TTM (trailing twelve months) metrics are for the 12 months ended 3/31/18
(2) Brokered transactions for commercial mortgage backed securities, life insurance companies, commercial banks, and other capital sources

# Q1 KEY PERFORMANCE METRICS

**Total Transaction Volume(1)**




**Diluted EPS**




**Adjusted EBITDA(3)(4)**

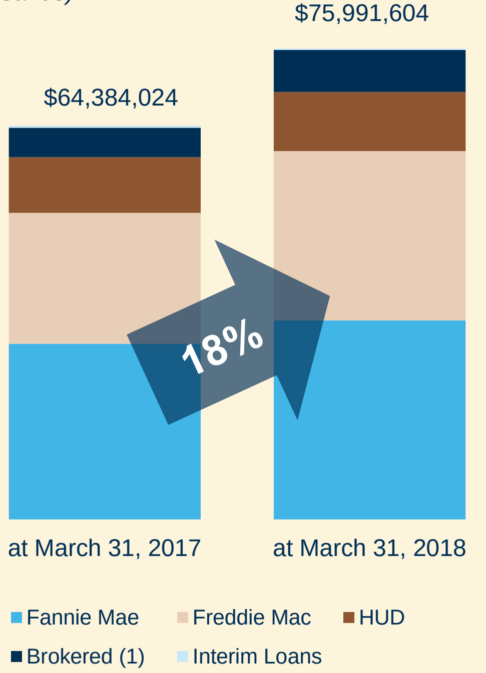

(1) In millions
(2) Brokered transactions for commercial mortgage backed securities, life insurance companies, commercial banks, and other capital sources
(3) In thousands
(4) This is a non-GAAP financial measure. For a reconciliation of the metric to GAAP net income, refer to the appendix of this presentation

# $76 BILLION COMMERCIAL LOAN SERVICING PORTFOLIO

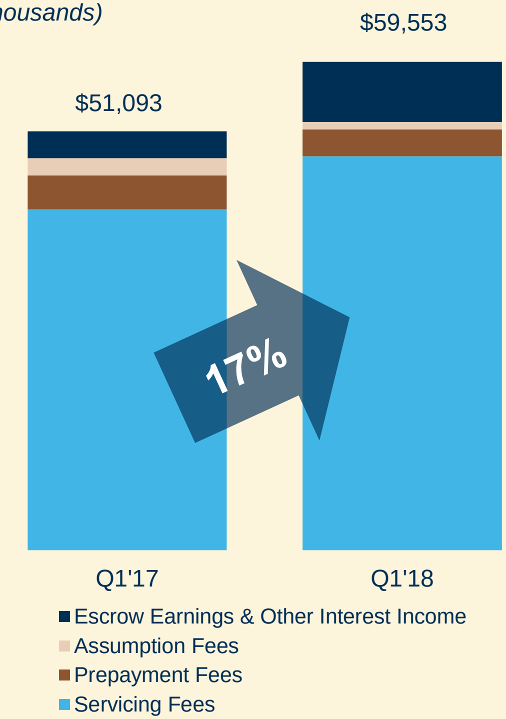
- As of March 31, 2018, the servicing portfolio had a weighted average remaining life of **9.8 years** and a weighted average servicing fee of **25.6 bps**
- Over the next two years, fewer than **$5.0 billion** of Agency loans are scheduled to mature

- Unlike single family loans, multifamily loans are prepayment protected. As of March 31, 2018, **87%** of W&D's servicing fees were protected against prepayments
- Servicing revenues increased **17%** year over year due largely to the growth in the servicing portfolio

**Total Servicing Portfolio**
*(in thousands)*




**Servicing Revenues**
*(in thousands)*




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

# CONSISTENT GROWTH IN NET OPERATING INCOME (NOI)

**W&D Fannie Mae and Freddie Mac Portfolio Historical Averages**

| Year | Average NOI Growth | Debt Service Coverage Ratio |
|---|---|---|
| 2017 | 4.15% | 2.07 |
| 2016 | 6.07% | 2.10 |
| 2015 | 6.49% | 2.04 |
| 2014 | 3.82% | 1.91 |
| 2013 | 4.23% | 1.85 |
| 2012 | 3.30% | 1.75 |
| 2011 | 6.16% | 1.59 |
| 2010 | 2.08% | 1.52 |
| 2009 | -3.41% | 1.44 |
| 2008 | -0.32% | 1.46 |
| 2007 | 4.57% | 1.58 |
| 2006 | 3.43% | 1.48 |
| 2005 | 2.19% | 1.48 |
| 2004 | -1.23% | 1.46 |

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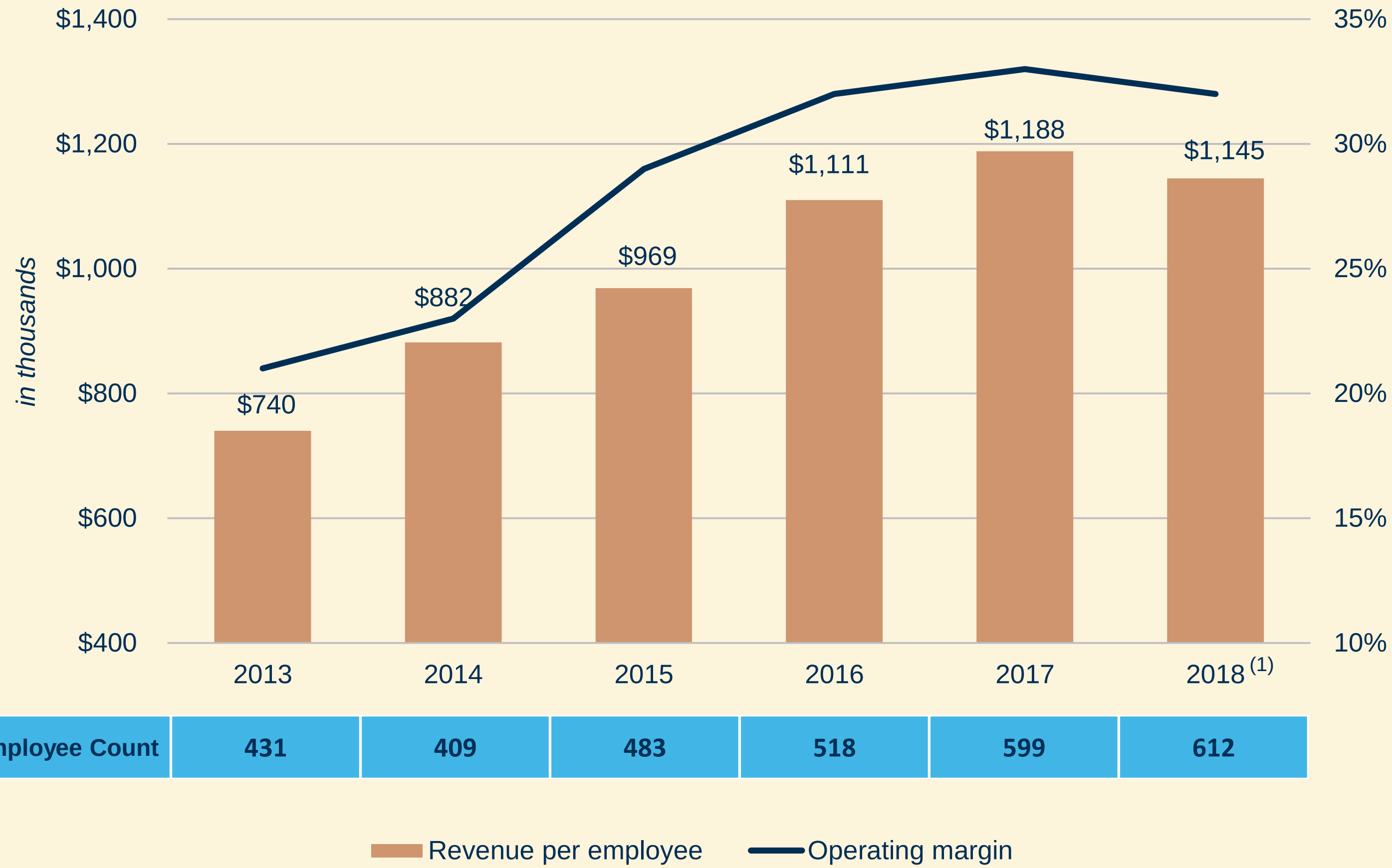
# INCREASED EFFICIENCY DRIVEN BY PLATFORM GROWTH




| Average Employee Count | 431 | 409 | 483 | 518 | 599 | 612 |
|---|---|---|---|---|---|---|

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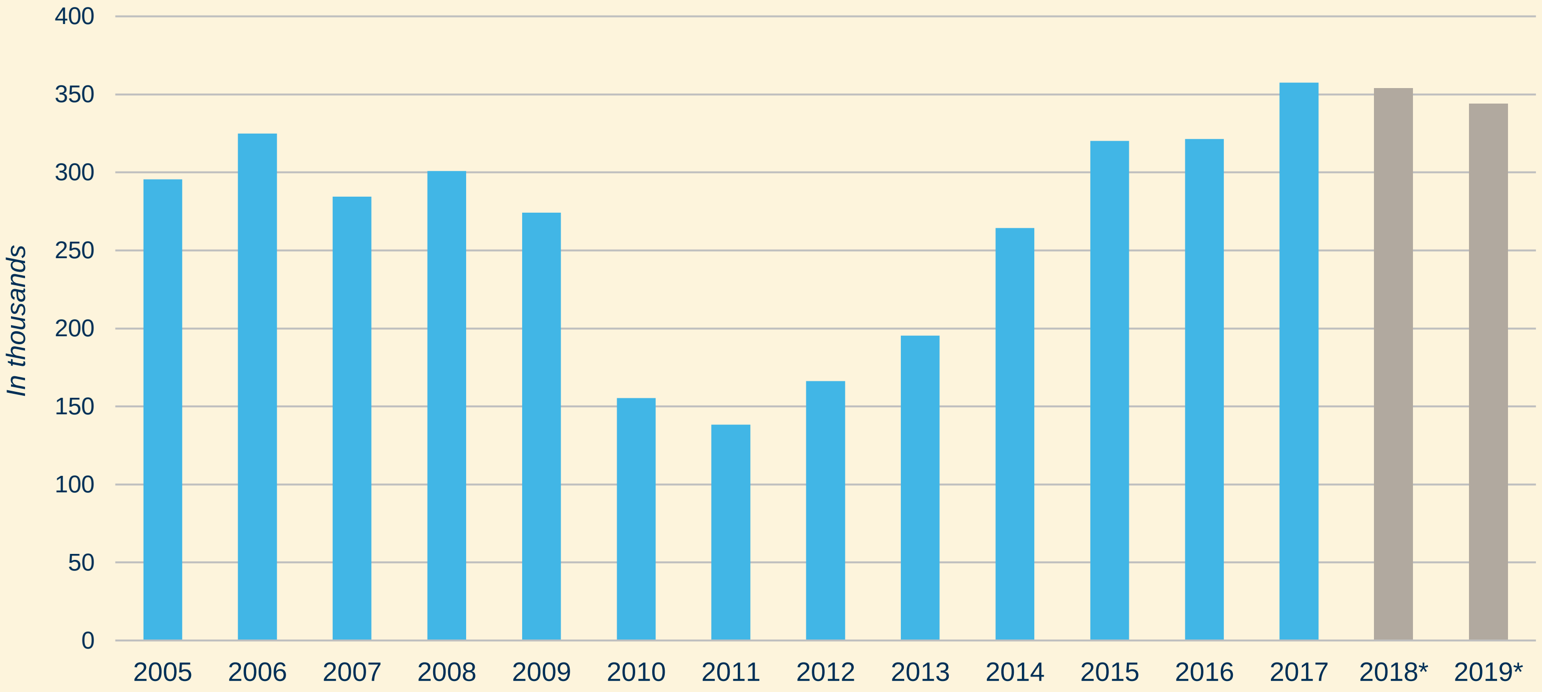
(1) Operating margin, average employee count, and revenue per employee are for the 12 months ended 3/31/18

# MULTIFAMILY SUPPLY PEAKED IN 2017

**New Privately Owned Multifamily Units Completed**




Sources: U.S. Census Bureau and National Home Builders Association (NAHB)
*Forecasts from NAHB

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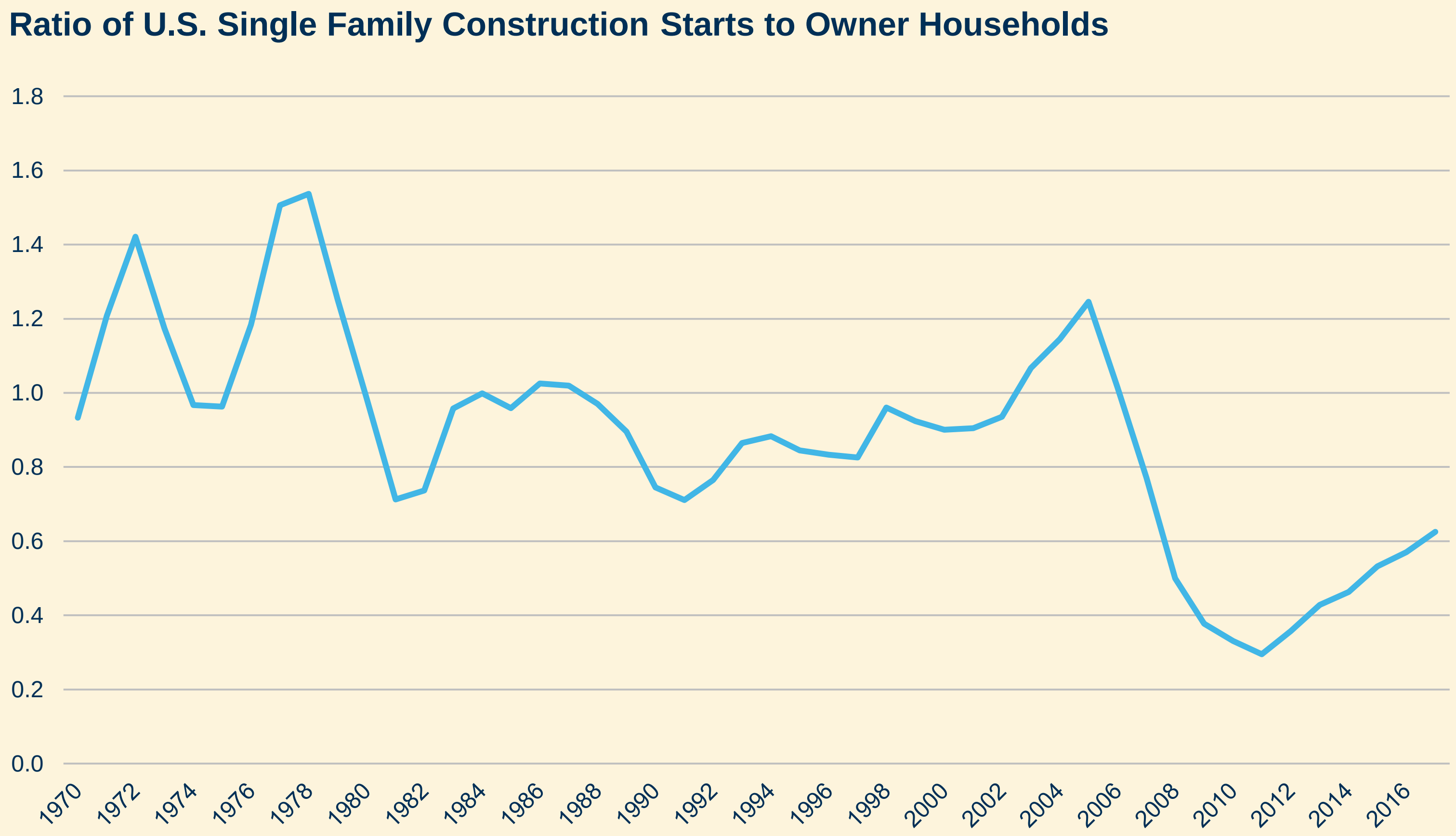
# CONSTRUCTION PER HOUSEHOLD




Source: U.S. Census Bureau

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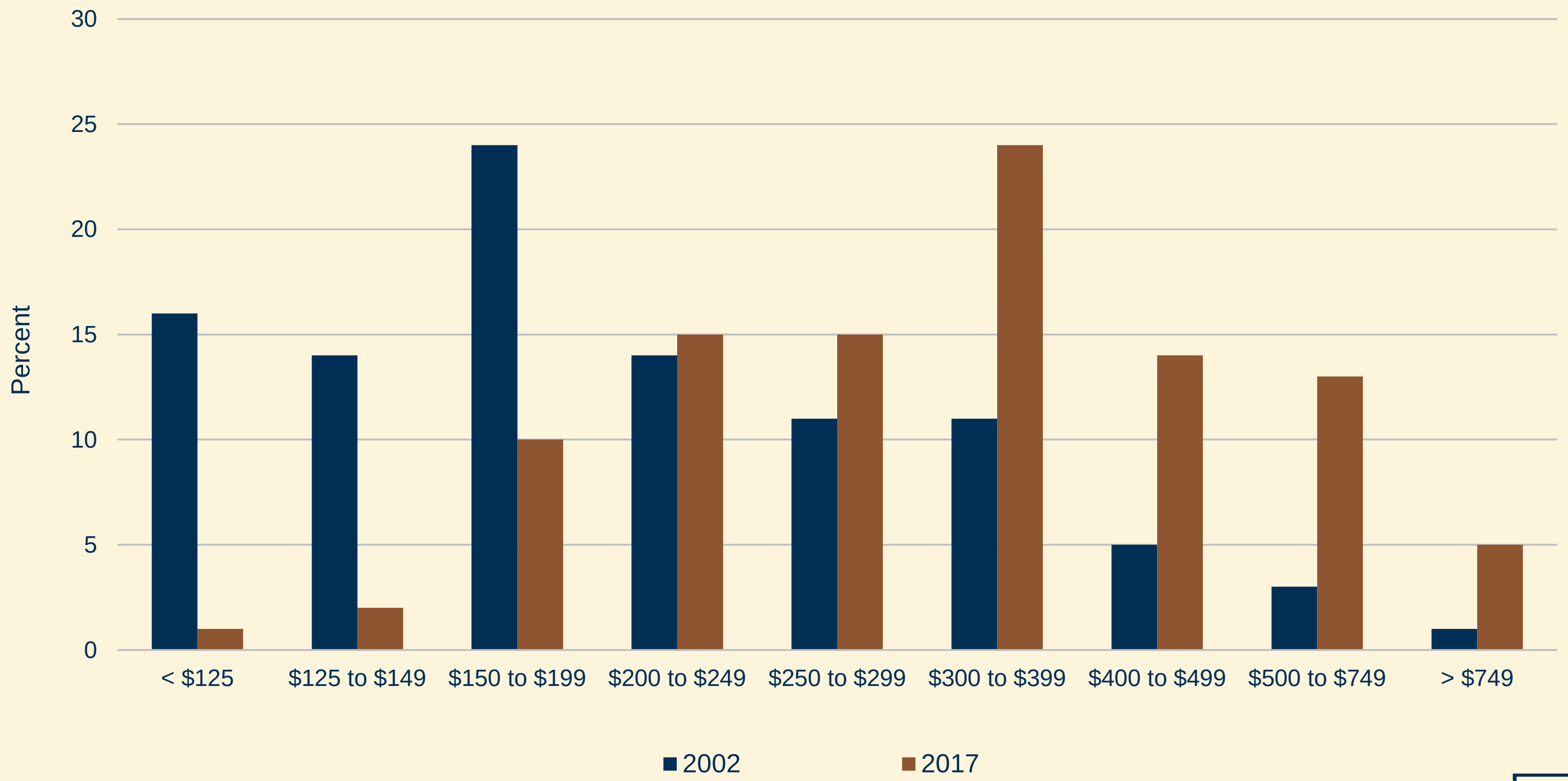
# HOME PRICES CONTINUE TO INCREASE

**Percentage of New Single-Family Houses Sold by Sales Price**
*(dollars in thousands)*




Source: U.S. Census Bureau

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# APPENDIX

# ADJUSTED EBITDA RECONCILIATION TO NET INCOME

| For the three months ended, *(in thousands)* | March 31, 2018 | March 31, 2017 |
|---|---|---|
| **Walker & Dunlop Net Income** | **$36,861** | **$43,221** |
| *Adjustments:* | | |
| Income tax expense | 7,184 | 13,063 |
| Interest expense on corporate debt | 2,179 | 2,403 |
| Amortization and depreciation | 33,635 | 32,338 |
| Provision (benefit) for credit losses | (477) | (132) |
| Net write offs | — | — |
| Stock compensation expense | 5,460 | 4,947 |
| Gains attributable to mortgage servicing rights (1) | (32,693) | (45,535) |
| **Adjusted EBITDA** | **$52,149** | **$50,305** |

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

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