

# Q4 2023 – Supplemental Information

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January 26, 2024

# Forward-Looking Statements



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the current views of BankUnited, Inc. (“BankUnited,” “BKU” or the “Company”) with respect to, among other things, future events and financial performance. The Company generally identifies forward-looking statements by terminology such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “could,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “forecasts” or the negative version of those words or other comparable words. Any forward-looking statements contained in this presentation are based on the historical performance of the Company and its subsidiaries or on the Company’s current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the Company that the future plans, estimates or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions, including (without limitation) those relating to the Company’s operations, financial results, financial condition, business prospects, growth strategy and liquidity, including as impacted by external circumstances outside the Company’s direct control, such as but not limited to adverse events or conditions impacting the financial services industry. If one or more of these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, the Company’s actual results may vary materially from those indicated in these statements. These factors should not be construed as exhaustive. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. Information on these factors can be found in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K, which are available at the SEC’s website ([www.sec.gov](http://www.sec.gov)).



# Quarterly Highlights

1

## Improve Funding Profile

- Wholesale funding down \$228 million
- Non-brokered deposits grew by \$604 million
- NIDDA at 26% of deposits
- Period end decline in NIDDA of \$521 million mostly due to seasonality in residential real estate sector
- Paid down FHLB advances by \$2.4 billion since since Q1

2

## Improve Asset Mix

- Resi declined by \$172 million
- Amortized cost of securities down \$106 million
- Core C&I and CRE loans grew by \$476 million

3

## Improve Net Interest Margin

- Net interest margin expanded to 2.60% from 2.56%

4

## Maintain Robust Liquidity and Capital

- Same day available liquidity \$13.6 billion
- Available liquidity 152% of uninsured, uncollateralized deposits
- CET 1 ratio of 11.4%; TCE/TA increased to 7.0%
- AOCI improved by \$50 million.

5

## Manage Expenses

- Q4 Includes \$35.4 million FDIC special assessment, \$6.5 million loss on railcar sales
- Compensation impacted by value of share based awards

6

## Manage credit

- ACL/Loans increased to 0.82%
- Net charge-offs 0.09%
- NPA ratio down to 0.37% from 0.40%

## Net Interest Margin

- Net interest margin **expanded** to 2.60% from 2.56%
- Cost of deposits up 22bps to 2.96%; rate of increase continues to decline
- Yield on interest earning assets increased to 5.70%

## Deposits and Funding

- Total deposits grew by \$426 million
- Non-brokered deposits grew by **\$604 million**
- Non-interest bearing DDA 26% of total deposits; impacted by residential real estate sector seasonality
- Wholesale funding down by \$228 million

## High Quality CRE Portfolio

- High quality CRE portfolio; wtd average DSCR 1.80; wtd average LTV 56.0%; 58% Florida
- CRE office wtd average DSCR 1.67; wtd average LTV 65.0%; 60% Florida
- Substantially all CRE loans are performing
- CRE to total loans 24%
- CRE to total risk based capital 169%

## Asset Quality

- Low NPA ratio of 0.37% at December 31; **0.25%** excluding guaranteed portion of non-accrual SBA loans
- Net charge-off rate of **0.09%**

## Capital

- CET1 ratios of **11.4%** at the holding company and **13.1%** at the bank
- Pro-forma holding company CET1 of **10.0%** including AOCI
- AOCI improved \$50 million quarter-over-quarter
- Book value and tangible book value per share of \$34.66 and \$33.62

# Highlights from Fourth Quarter Earnings



(\$ in millions, except per share data)	Q4'23	Q3'23	Q4'22	Change From		Key Highlights
				Q3'23	Q4'22	
Net Interest Income	\$217	\$215	\$243	\$2	\$(26)	
Provision for Credit Losses	\$19	\$33	\$40	\$(14)	\$(21)	
Total Non-interest Income	\$17	\$28	\$27	\$(11)	\$(10)	Includes \$6.5 million loss on sale of lease equipment
Total Non-interest Expense	\$191	\$147	\$148	\$44	\$43	Includes \$35.4 million FDIC special assessment
Net Income	\$21	\$47	\$64	\$(26)	\$(43)	
EPS	\$0.27	\$0.63	\$0.82	\$(0.36)	\$(0.55)	
Period-end Core C&I and CRE loans	\$14,727	\$14,251	\$14,008	\$476	\$719	
Period-end Loans	\$24,634	\$24,356	\$24,886	\$277	\$(252)	Strategic runoff in residential and equipment/franchise lending
Period-end Non-interest DDA	\$6,835	\$7,357	\$8,038	\$(521)	\$(1,203)	Seasonality in residential real estate sector related deposits
Period-end Deposits	\$26,538	\$26,113	\$27,509	\$426	\$(971)	
Loans to Deposits	92.8%	93.3%	90.5%	(0.5)%	2.3%	
CET1	11.4%	11.4%	11.0%	—%	0.4%	
Total Capital	13.4%	13.4%	12.7%	—%	0.7%	
Yield on Loans	5.69%	5.54%	4.72%	0.15%	0.97%	
Yield on Securities	5.73%	5.48%	4.33%	0.25%	1.40%	
Cost of Deposits	2.96%	2.74%	1.42%	0.22%	1.54%	Declining rate of increase in cost of deposits
Net Interest Margin	2.60%	2.56%	2.81%	0.04%	(0.21)%	
Non-performing Assets to Total Assets <sup>(1)</sup>	0.37%	0.40%	0.29%	(0.03)%	0.08%	
Allowance for Credit Losses to Total Loans	0.82%	0.80%	0.59%	0.02%	0.23%	
Net Charge-offs to Average Loans <sup>(2)</sup>	0.09%	0.07%	0.22%	0.02%	(0.13)%	

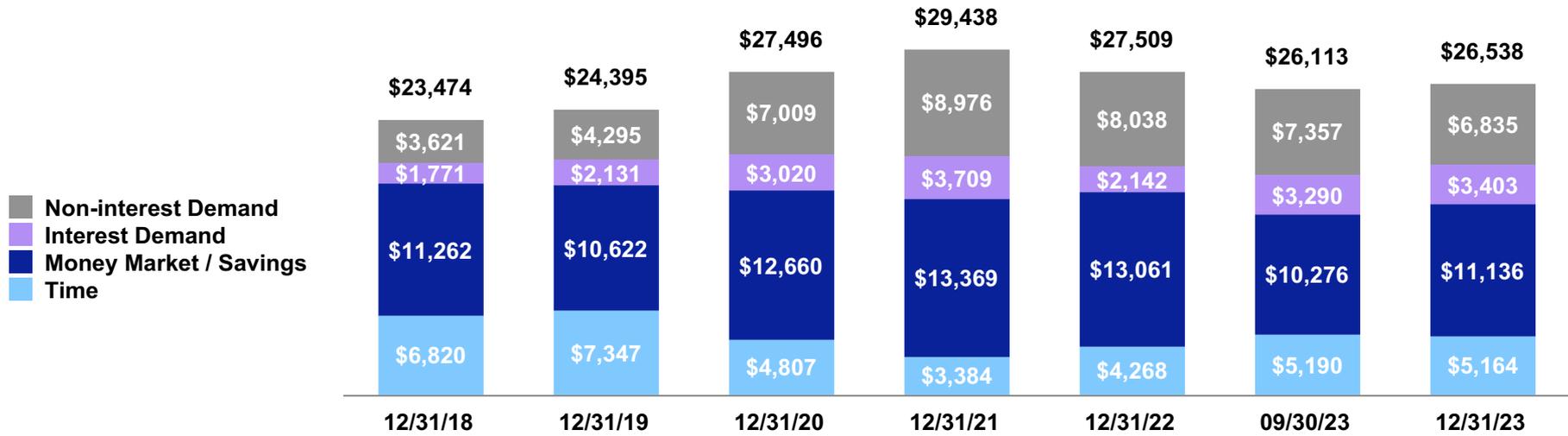
1. Includes guaranteed portion of non-accrual SBA loans.

2. Annualized for the period ended September 30, 2023.



# Deposits

# Deposit Mix and Cost of Deposits Impacted by Current Rate Environment (\$ in millions)



Quarterly Cost of Deposits	1.52%	1.48%	0.43%	0.19%	1.42%	2.74%	2.96%
Non-interest bearing as a % of Total Deposits	15.4%	17.6%	25.5%	30.5%	29.2%	28.2%	25.8%

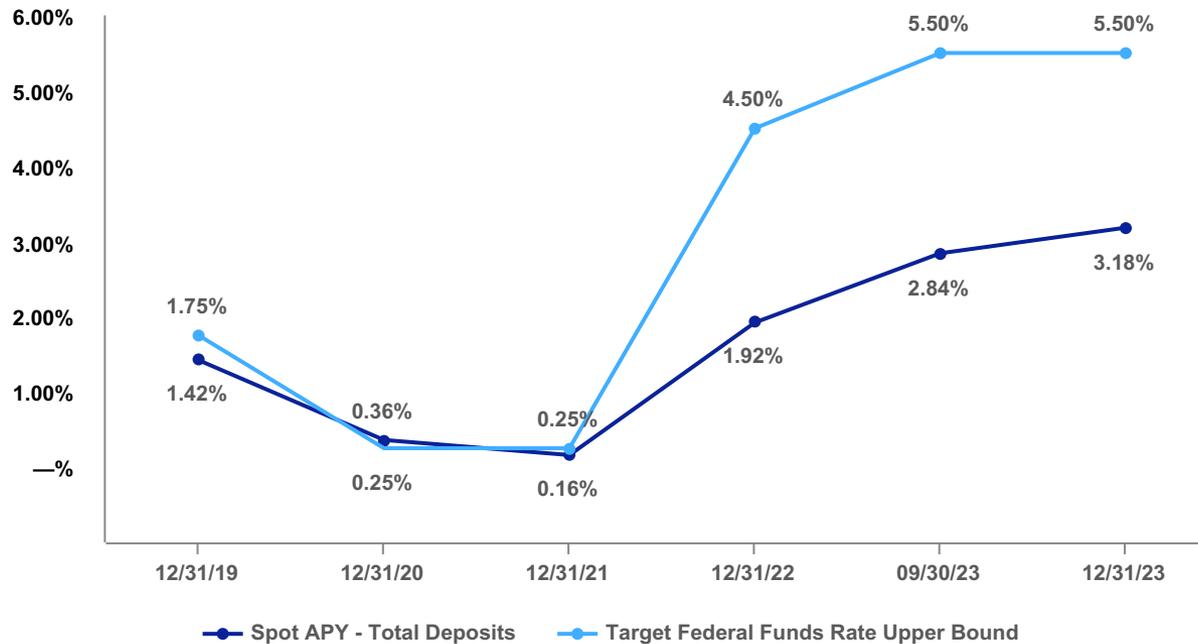
- 61% of deposits commercial or municipal
- Diverse deposit book by industry sector; largest commercial segment title solutions at \$2.5 billion
  - Approximately 77% of deposits in this segment are in operating accounts

# Cost of Funds Trend



Spot Average Annual Percentage Yield ("APY")	At December 31, 2019	At December 31, 2020	At December 31, 2021	At December 31, 2022	At September 30, 2023	At December 31, 2023
Total non-maturity deposits	1.11%	0.29%	0.14%	1.83%	2.54%	2.87%
Total interest-bearing deposits	1.71%	0.48%	0.23%	2.66%	3.87%	4.20%
Total deposits	1.42%	0.36%	0.16%	1.92%	2.84%	3.18%

Spread Between Fed Funds Upper Bound and Spot APY of Total Deposits





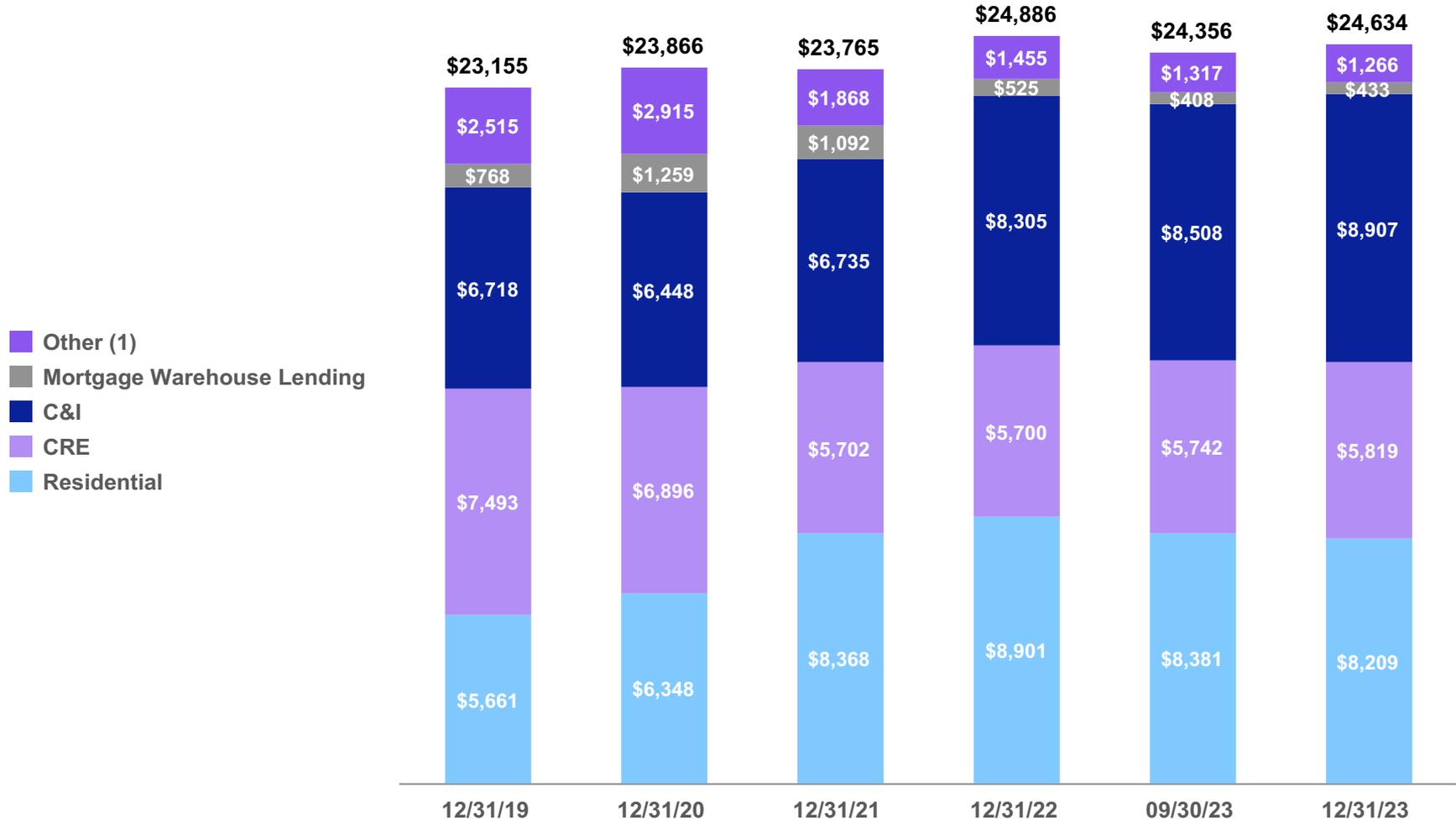
# Loans and the Allowance for Credit Losses

# Prudently Underwritten and Well-Diversified Loan Portfolio

At December 31, 2023 (\$ in millions)



## Loan Portfolio Over Time



1. Includes Pinnacle municipal finance, franchise and equipment finance, and PPP.

# High Quality CRE Portfolio

At December 31, 2023 (\$ in millions)



Insignificant amount of non-performing CRE loans (other than non-accrual SBA guaranteed loans of \$13 million)

Total office exposure declined by \$78 million this quarter

Property Type	Balance	% of Total CRE	FL	NY Tri State	Other	Wtd. Avg. DSCR	Wtd. Avg. LTV
Office	\$ 1,753	30 %	60 %	24 %	16 %	1.67	65.0 %
Warehouse/Industrial	1,341	24 %	56 %	8 %	36 %	2.04	52.0 %
Multifamily	839	14 %	50 %	50 %	— %	1.98	45.5 %
Retail	818	14 %	54 %	29 %	17 %	1.67	58.8 %
Hotel	492	8 %	78 %	3 %	19 %	1.89	49.0 %
Construction and Land	496	9 %	56 %	42 %	2 %	NA	NA
Other	80	1 %	71 %	13 %	16 %	1.94	47.4 %
	<b>\$ 5,819</b>	<b>100 %</b>	<b>58 %</b>	<b>25 %</b>	<b>17 %</b>	<b>1.80</b>	<b>56.0 %</b>

Property Type	Florida		NY Tri State	
	Wtd. Avg. DSCR	Wtd. Avg. LTV	Wtd. Avg. DSCR	Wtd. Avg. LTV
Office	1.68	64.5 %	1.62	62.9 %
Warehouse/Industrial	2.19	50.5 %	1.91	37.0 %
Multifamily	2.68	42.1 %	1.36	48.5 %
Retail	1.86	56.2 %	1.26	63.6 %
Hotel	1.95	46.9 %	1.83	20.2 %
Other	2.17	44.3 %	1.24	66.3 %
	<b>1.96</b>	<b>55.0 %</b>	<b>1.46</b>	<b>54.1 %</b>

# Manageable CRE Maturity Risk

At December 31, 2023 (\$ in millions)



Just 8% of total CRE portfolio fixed and maturing in the next 12 months

Property Type	Maturing in the Next 12 Months	% Maturing in the Next 12 Months	Fixed Rate or Swapped Maturing in the Next 12 Months	Fixed Rate to Borrower as a % of Total Portfolio
Office	\$ 314	18 %	\$ 187	11 %
Warehouse/Industrial	171	13 %	81	6 %
Multifamily	111	13 %	64	8 %
Retail	121	15 %	64	8 %
Hotel	43	9 %	43	9 %
Construction and Land	180	36 %	1	— %
Other	13	16 %	13	16 %
	<b>\$ 953</b>	<b>16 %</b>	<b>\$ 453</b>	<b>8 %</b>

## Maturity Distribution of CRE Loans

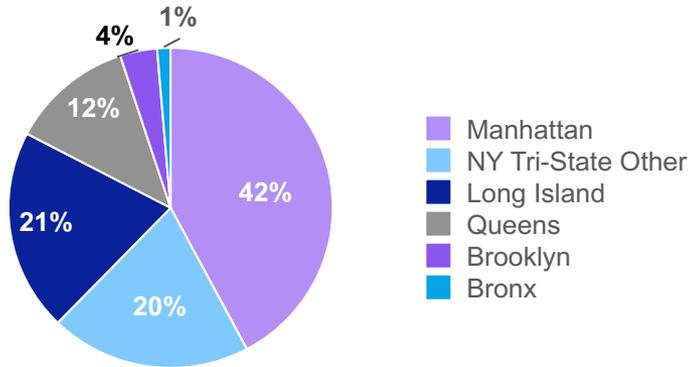
Property Type	2024	2025	2026	2027	2028	Thereafter	Total
Office	\$ 314	\$ 401	\$ 359	\$ 224	\$ 145	\$ 310	\$ 1,753
Warehouse/Industrial	171	155	382	262	160	211	1,341
Multifamily	111	80	165	134	129	220	839
Retail	121	136	232	67	187	75	818
Hotel	43	44	218	30	55	102	492
Construction and Land	180	115	66	34	—	101	496
Other	13	7	27	10	1	22	80
	<b>\$ 953</b>	<b>\$ 938</b>	<b>\$ 1,449</b>	<b>\$ 761</b>	<b>\$ 677</b>	<b>\$ 1,041</b>	<b>\$ 5,819</b>

# CRE Office Portfolio - Additional Information

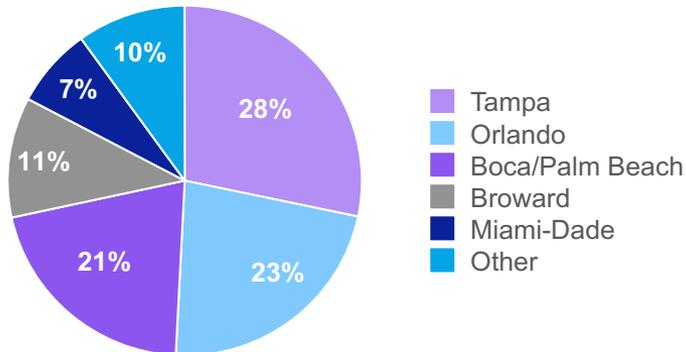
At December 31, 2023



## NY Tri-State by Sub-Market



## Florida by Sub-Market



- 18% of the total office portfolio is medical office
- \$88 million in office payoffs this quarter; total exposure declined by \$78 million
- Rent rollover in next 12 months approximately 11% of the total office portfolio; 14% for FL and 5% in NY Tri State
- Manhattan portfolio has approximately 96% occupancy and rent rollover in the next 12 months of 3%
- Substantially all of the Florida portfolio is suburban

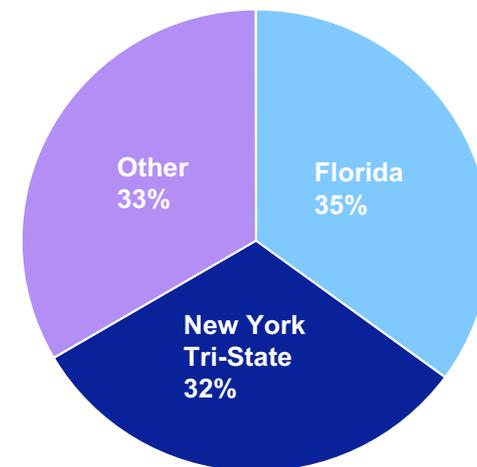
# Granular, Diversified Commercial & Industrial Portfolio

At December 31, 2023 (\$ in millions)



Industry	Balance <sup>(1)</sup>	% of Portfolio
Finance and Insurance	\$ 1,695	19.0 %
Manufacturing	875	9.8 %
Educational Services	753	8.5 %
Wholesale Trade	694	7.8 %
Utilities	654	7.3 %
Health Care and Social Assistance	605	6.8 %
Information	590	6.6 %
Real Estate and Rental and Leasing	539	6.0 %
Transportation and Warehousing	420	4.7 %
Construction	382	4.3 %
Retail Trade	320	3.6 %
Professional, Scientific, and Technical Services	300	3.4 %
Public Administration	245	2.8 %
Other Services (except Public Administration)	231	2.6 %
Administrative and Support and Waste Management	194	2.2 %
Arts, Entertainment, and Recreation	188	2.1 %
Accommodation and Food Services	155	1.7 %
Other	68	0.8 %
	<b>\$ 8,908</b>	<b>100.0 %</b>

## Geographic Distribution



1. Includes \$1.9 billion of owner-occupied real estate

# Drivers of Change in the ACL - Current Quarter

(\$ in millions)



\$196.1



Risk Rating Migration and Specific Reserves \$13.4



Economic Forecast

\$(1.6)

- Current market adjustment
- Changes to forward path of economic forecast

Net Charge-Offs



\$(9.6)

New Loans net of Paydowns

\$3.6



Other

\$0.8

- Portfolio and assumption changes
- Qualitative overlay

\$202.7



ACL  
09/30/23

ACL  
12/31/23

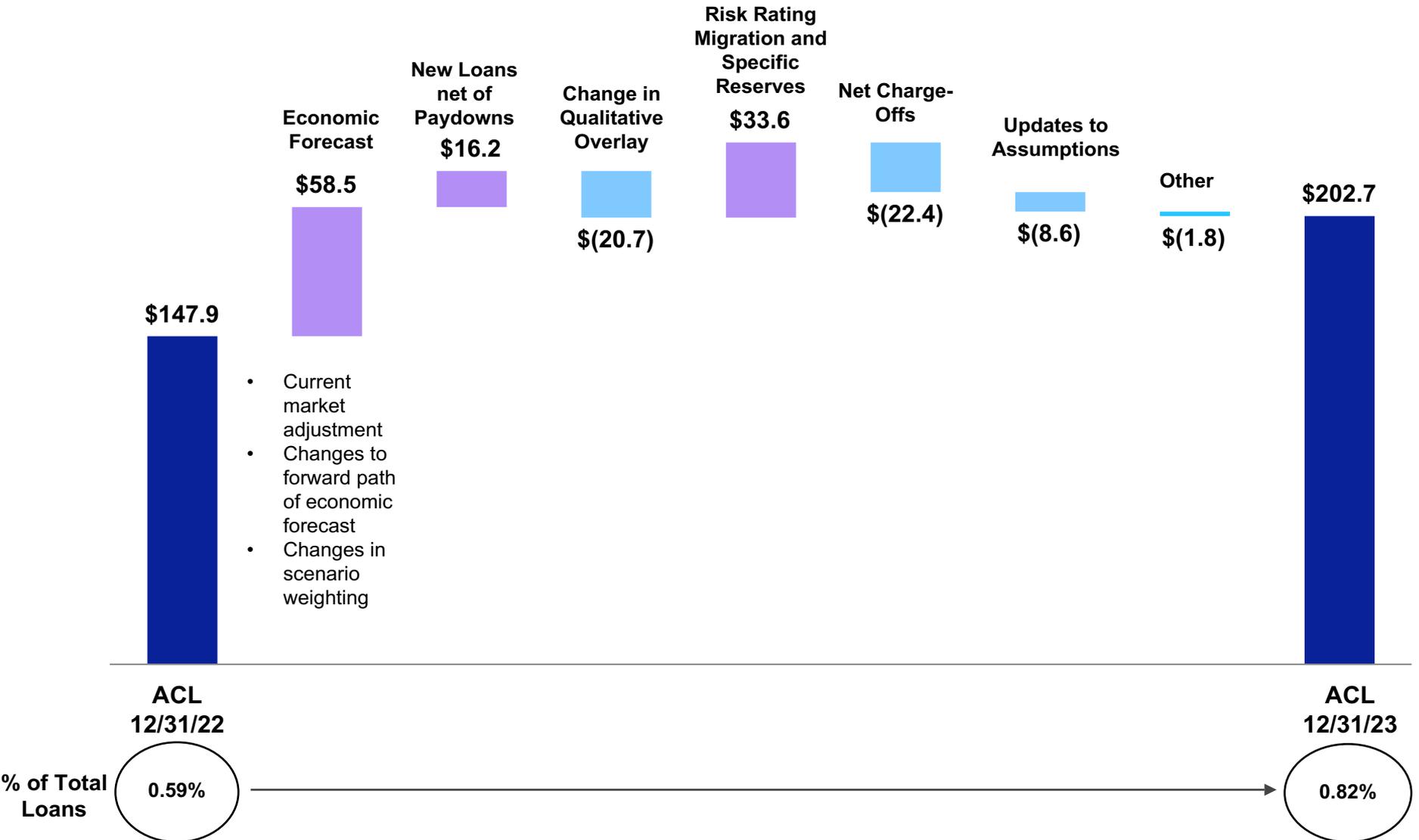
% of Total Loans

0.80%

0.82%

# Drivers of Change in the ACL - Year to Date

(\$ in millions)



- Current market adjustment
- Changes to forward path of economic forecast
- Changes in scenario weighting

# Allocation of the ACL

(\$ in millions)



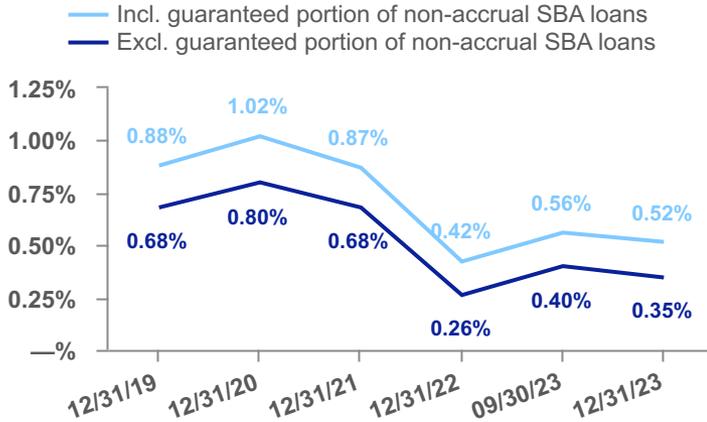
	December 31, 2022		September 30, 2023		December 31, 2023	
	Balance	% of Loans	Balance	% of Loans	Balance	% of Loans
Residential	\$ 11.7	0.13 %	\$ 8.0	0.10 %	\$ 7.6	0.09 %
Commerical:						
Commercial real estate	24.8	0.43 %	34.8	0.61 %	41.3	0.71 %
Commercial and industrial	97.2	1.10 %	140.5	1.58 %	142.7	1.53 %
Pinnacle - municipal finance	0.2	0.02 %	0.2	0.03 %	0.2	0.03 %
Franchise finance	11.7	4.63 %	9.0	4.56 %	7.9	4.31 %
Equipment finance	2.3	0.82 %	3.6	1.63 %	3.0	1.52 %
Total commercial	136.2	0.85 %	188.1	1.18 %	195.1	1.19 %
Allowance for credit losses	<u>\$ 147.9</u>	0.59 %	<u>\$ 196.1</u>	0.80 %	<u>\$ 202.7</u>	0.82 %

**Office Portfolio ACL: 1.10% at December 31, 2023 compared to 0.99% at September 30, 2023 and 0.45% at December 31, 2022**

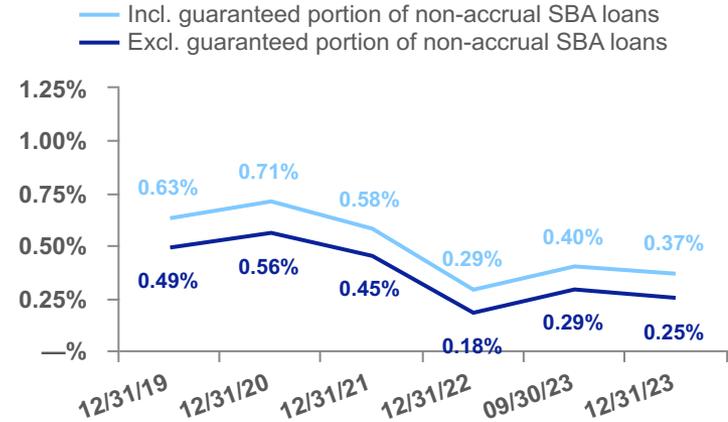
Asset Quality Ratios	December 31, 2022	September 30, 2023	December 31, 2023
Non-performing loans to total loans <sup>(1)</sup>	0.42 %	0.56 %	0.52 %
Non-performing assets to total assets <sup>(1)</sup>	0.29 %	0.40 %	0.37 %
Allowance for credit losses to non-performing loans <sup>(1)</sup>	140.88 %	143.22 %	159.54 %
Net charge-offs to average loans <sup>(2)</sup>	0.22 %	0.07 %	0.09 %

1. Non-performing loans and assets include the guaranteed portion of non-accrual SBA loans totaling \$41.8 million, \$37.8 million and \$40.3 million or 0.17%, 0.16% and 0.16% of total loans and 0.12%, 0.11% and 0.11% of total assets at December 31, 2023, September 30, 2023 and December 31, 2022, respectively.
2. Annualized for the period ended September 30, 2023.

## Non-Performing Loans to Total Loans



## Non-Performing Assets to Total Assets



## Net Charge-offs to Average Loans

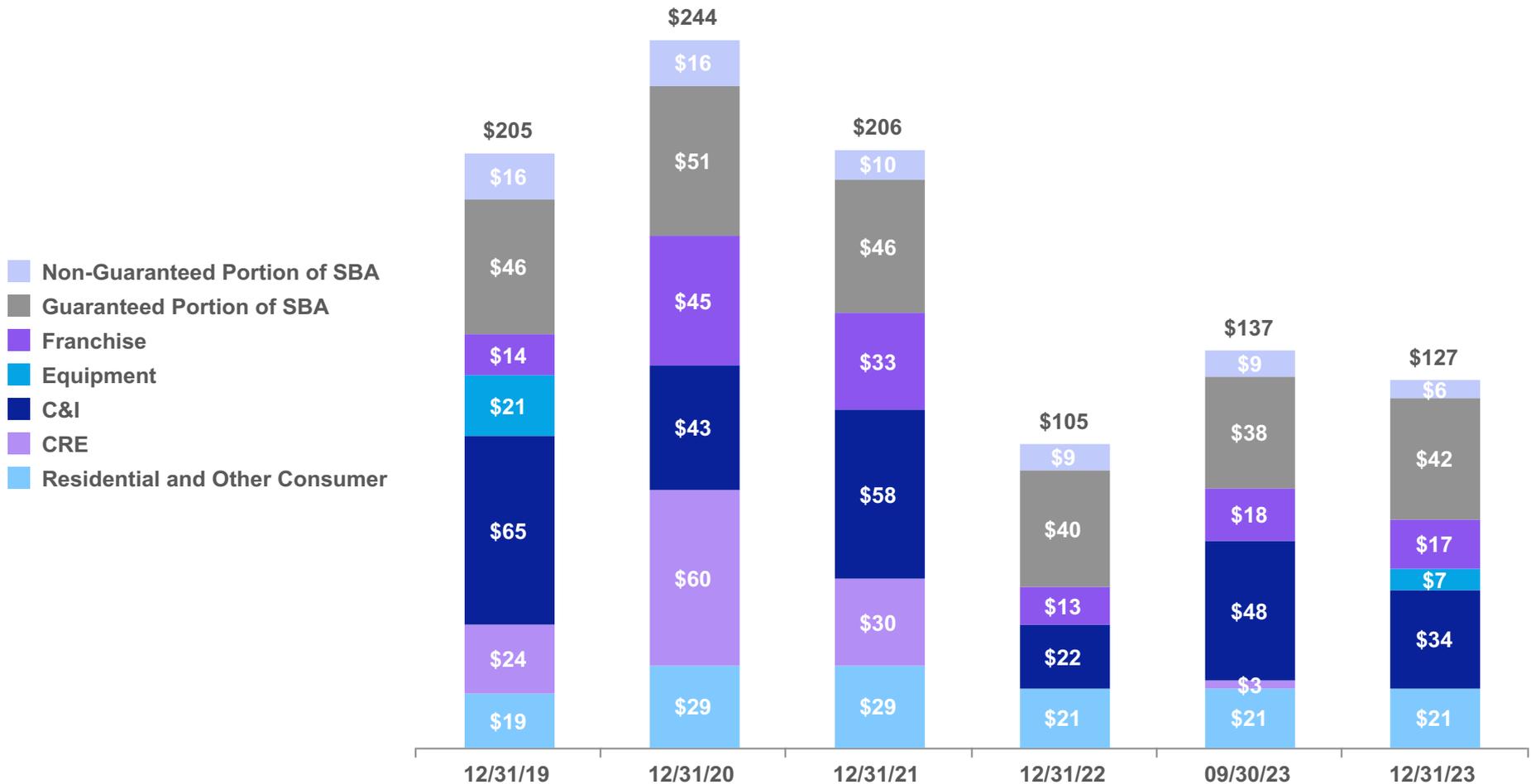


# Non-Performing Loans by Portfolio Segment

(\$ in millions)



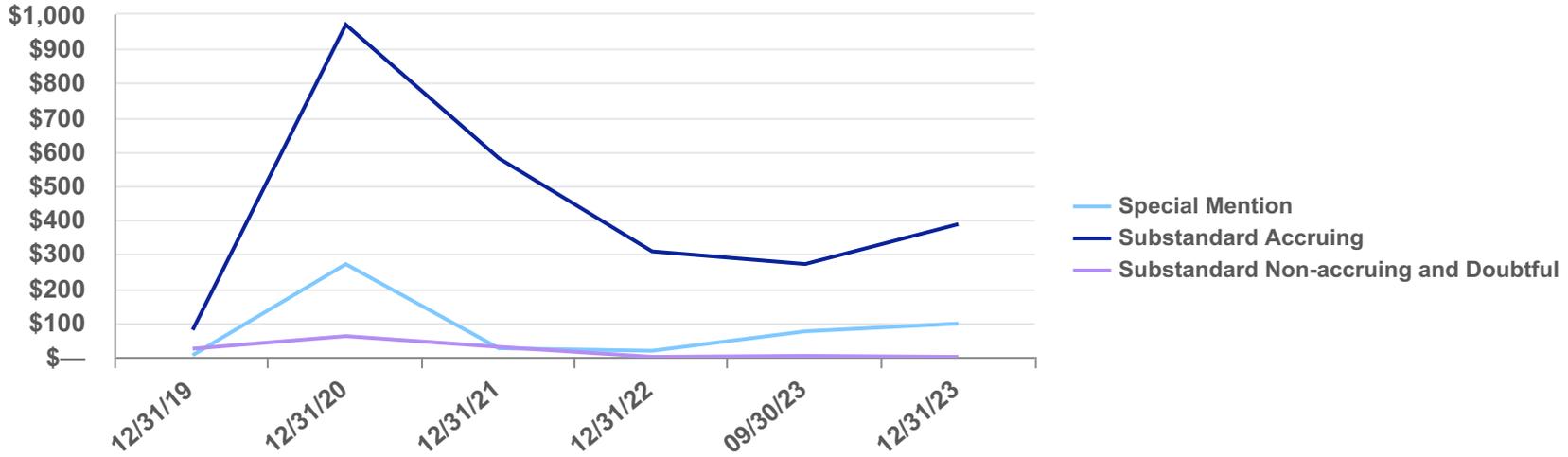
NPLs Declined This Quarter - Remain Below Pre-Pandemic Levels



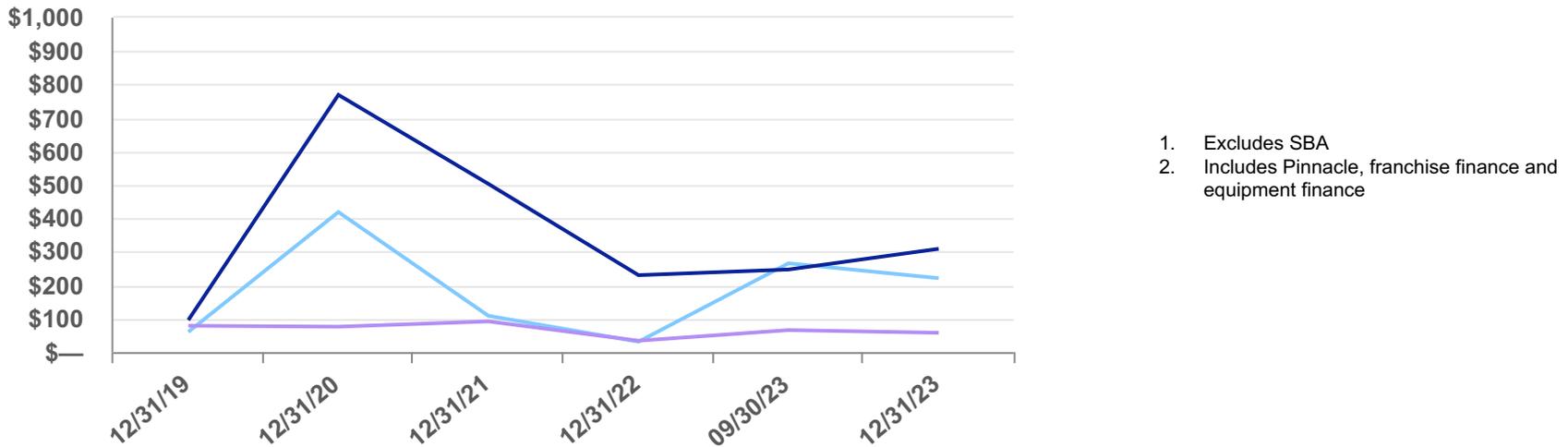
# Criticized and Classified Loans (\$ in millions)



## Commercial Real Estate<sup>(1)</sup>



## Commercial<sup>(1)(2)</sup>



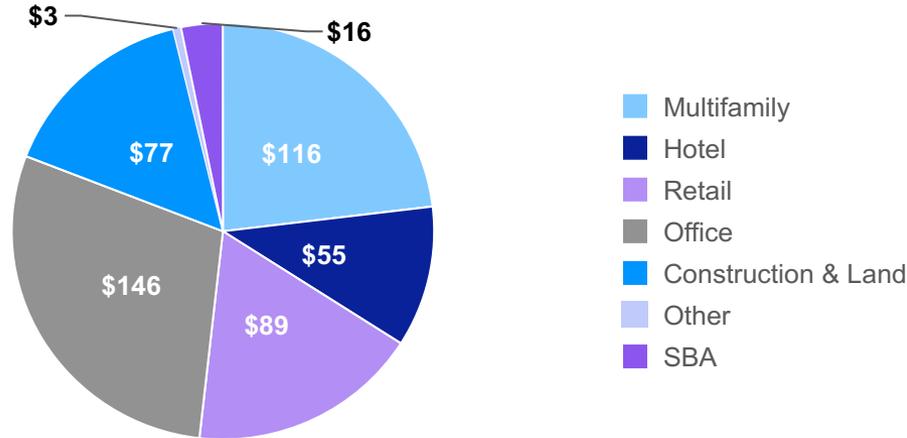
- 1. Excludes SBA
- 2. Includes Pinnacle, franchise finance and equipment finance

# Criticized and Classified CRE Loans by Property Type

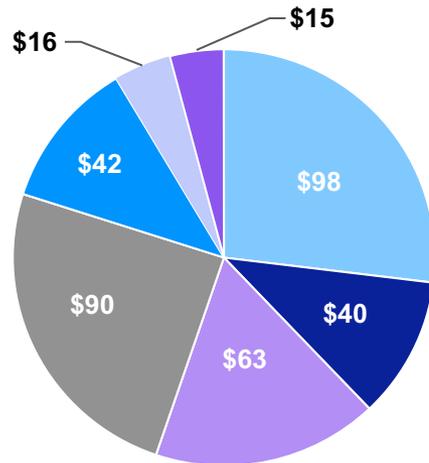
(\$ in millions)



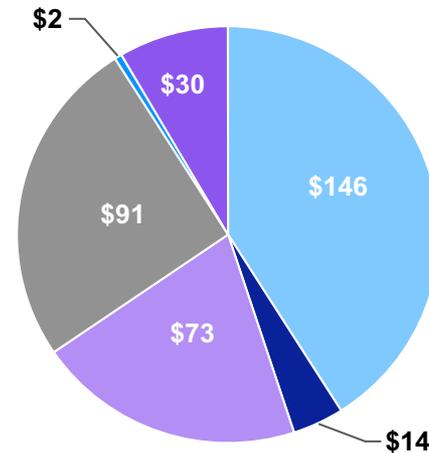
December 31, 2023



September 30, 2023



December 31, 2022

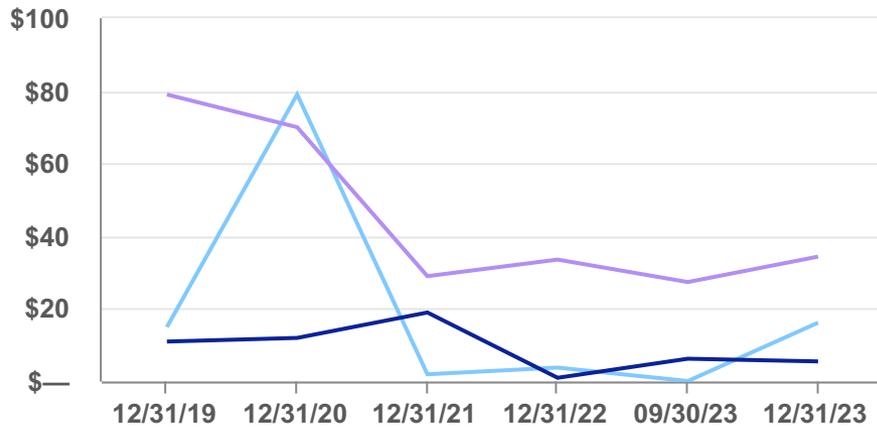


# Asset Quality - Delinquencies

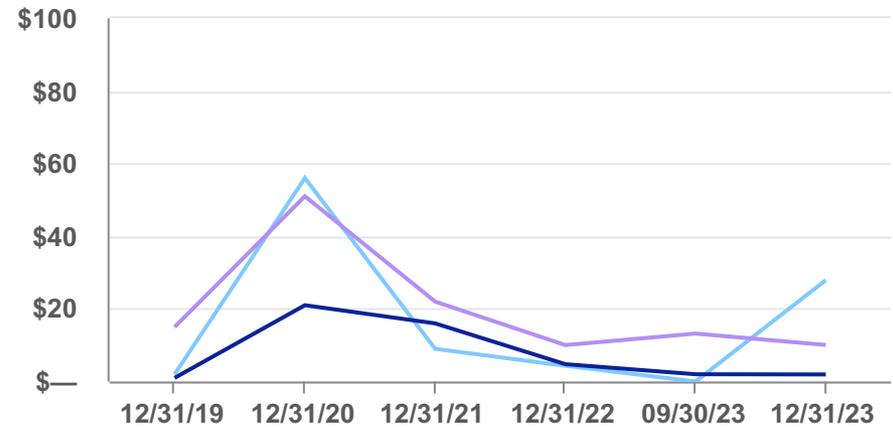
(\$ in millions)



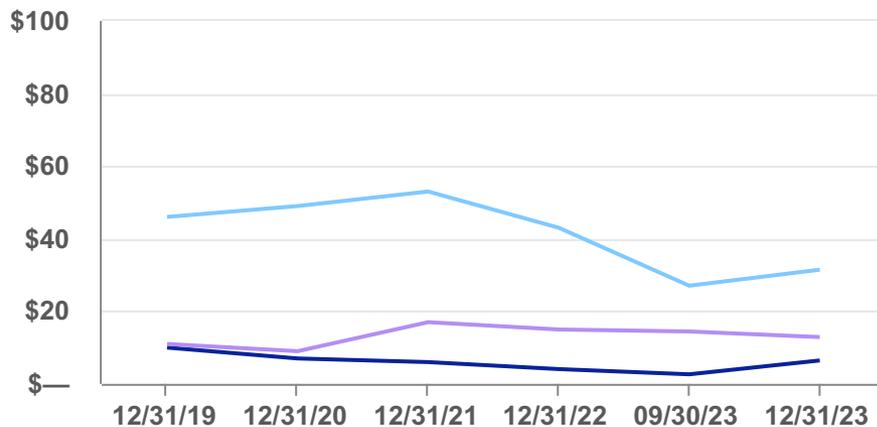
## Commercial<sup>(1)</sup>



## CRE<sup>(3)</sup>



## Residential<sup>(2)</sup>



— 30-59 Days PD  
 — 60-89 Days PD  
 — 90 Days+ PD

1. Includes Pinnacle, franchise finance and equipment finance
2. Excludes government insured residential loans
3. Q4 increase in 30-59 Days PD relates to one maturing loan with a renewal processed in January 2024. The loan is now current.

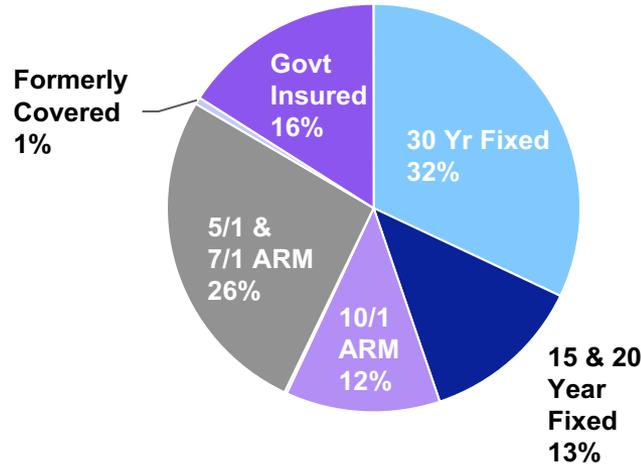
# Residential Portfolio Overview

At December 31, 2023

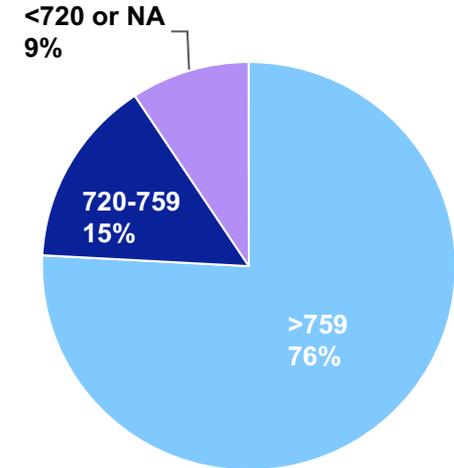


High quality residential portfolio consists primarily of high FICO, low LTV, prime jumbo mortgages with de-minimis charge-offs since inception as well as government insured loans

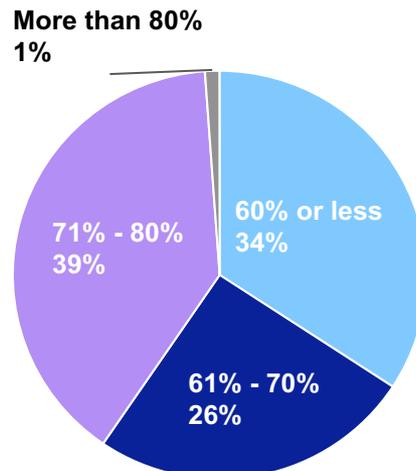
### Residential Loan Product Type



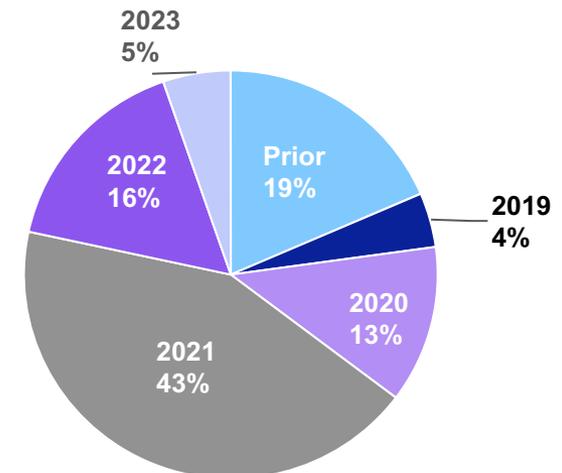
### FICO Distribution<sup>(1)</sup>



### Breakdown by LTV



### Breakdown by Vintage<sup>(1)</sup>



1. Excludes government insured residential loans. FICOs are refreshed routinely. LTVs are typically based on valuation at origination



# Investment Portfolio

# High Quality, Short-Duration Securities Portfolio

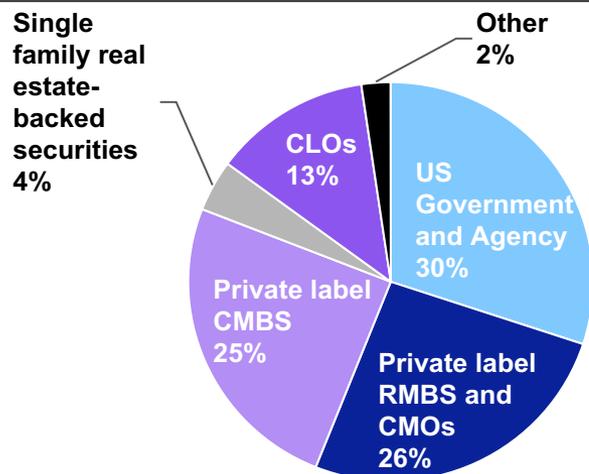
(\$ in millions)



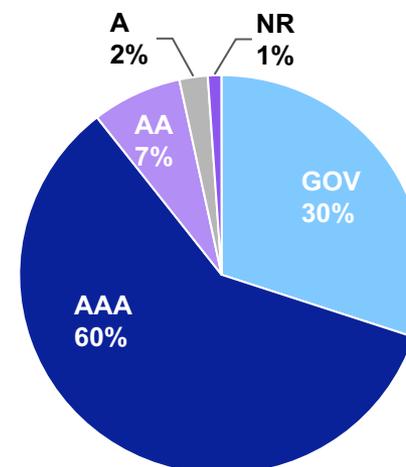
- Unrealized losses continue to decline
- No expected credit losses on AFS securities
- AFS portfolio duration of 1.96; approximately 68% of the portfolio floating rate
- HTM securities totaling \$10 million with unrealized loss of \$0.1 million

Portfolio	December 31, 2022		September 30, 2023		December 31, 2023	
	Net Unrealized Loss	Fair Value	Net Unrealized Loss	Fair Value	Net Unrealized Loss	Fair Value
US Government and Agency	\$ (146)	\$ 2,780	\$ (144)	\$ 2,642	\$ (115)	\$ 2,656
Private label RMBS and CMOs	(334)	2,531	(353)	2,290	(301)	2,296
Private label CMBS	(121)	2,524	(95)	2,256	(84)	2,199
Single family real estate-backed securities	(32)	470	(25)	393	(18)	366
CLOs	(30)	1,136	(12)	1,048	(10)	1,113
Other	(11)	213	(15)	202	(7)	205
	<u>\$ (674)</u>	<u>\$ 9,654</u>	<u>\$ (644)</u>	<u>\$ 8,831</u>	<u>\$ (535)</u>	<u>\$ 8,835</u>

**Portfolio Composition**



**Rating Distribution**

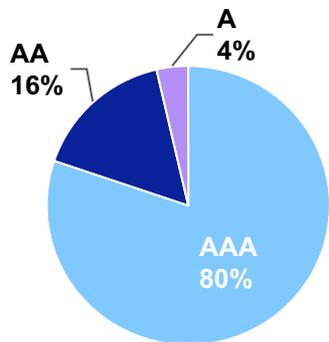
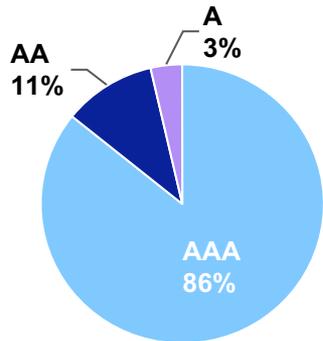
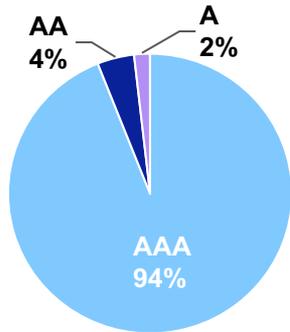


# High Quality, Short-Duration Securities Portfolio

At December 31, 2023



## Strong credit enhancement levels



### Private Label RMBS

Rating	Subordination			Wtd. Avg. Stress Scenario Loss
	Min	Max	Avg.	
AAA	3.0	92.0	17.7	2.2
AA	20.2	34.2	24.8	5.3
A	27.3	28.2	27.7	5.7
<b>Wtd. Avg.</b>	<b>4.2</b>	<b>88.4</b>	<b>18.2</b>	<b>2.4</b>

### Private Label CMBS

Rating	Subordination			Wtd. Avg. Stress Scenario Loss
	Min	Max	Avg.	
AAA	30.2	99.9	43.9	7.1
AA	29.5	74.4	37.0	7.7
A	25.1	51.5	37.3	9.1
<b>Wtd. Avg.</b>	<b>29.9</b>	<b>95.5</b>	<b>43.0</b>	<b>7.2</b>

### CLOs

Rating	Subordination			Wtd. Avg. Stress Scenario Loss
	Min	Max	Avg.	
AAA	40.2	74.2	47.1	15.7
AA	30.8	47.0	37.3	13.0
A	31.5	33.2	32.2	14.4
<b>Wtd. Avg.</b>	<b>38.4</b>	<b>68.3</b>	<b>45.0</b>	<b>15.2</b>

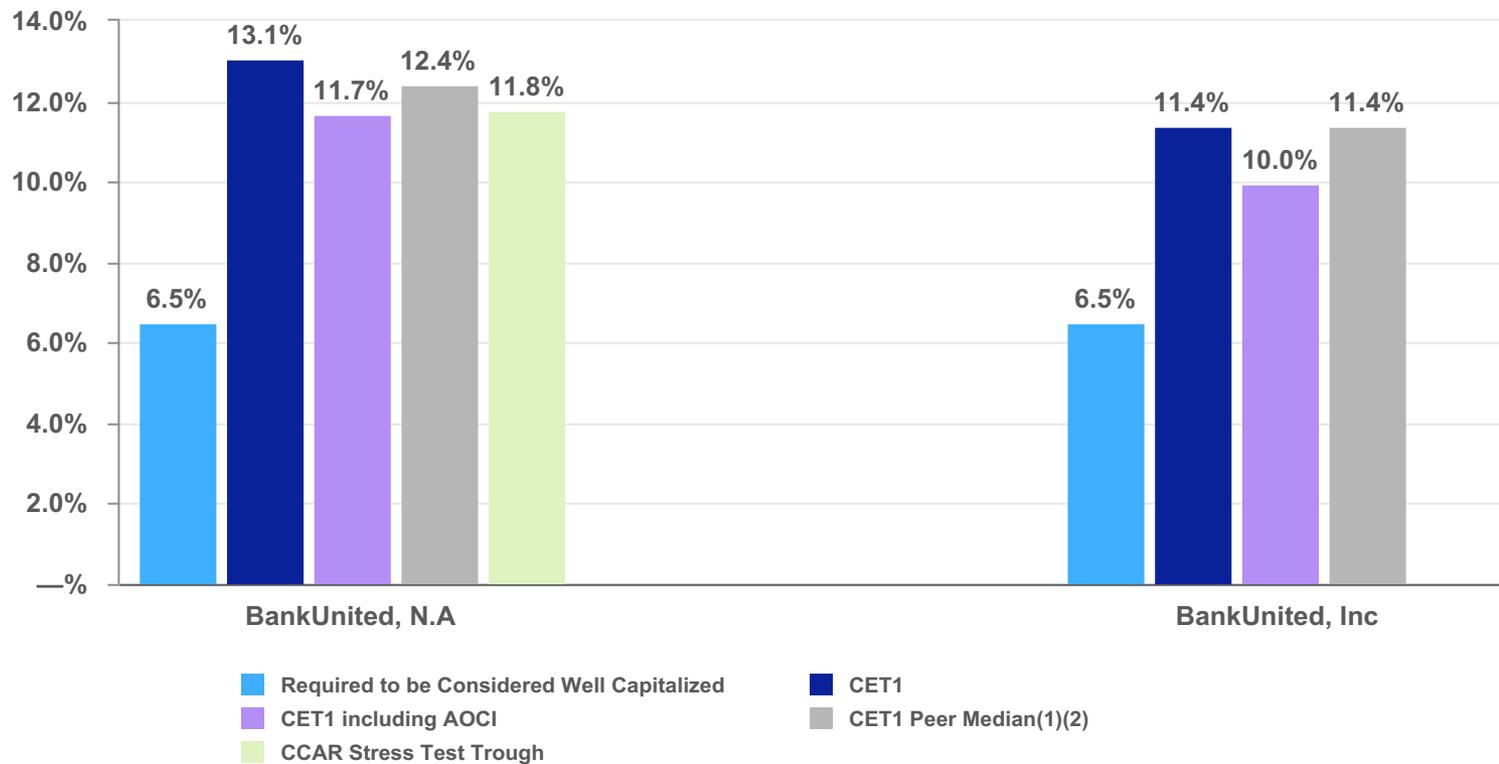


# Appendix - Additional Information

# Strong Capital Position



At December 31, 2023



1. Peer information based on September 30 Call Report data for banks with total assets between \$20 billion and \$100 billion
2. Peer information for comparison to BankUnited, Inc. is based on September 30 data for publicly traded companies between \$20 billion and \$100 billion.



# Liquidity

# Ample Liquidity Coverage of Uninsured Deposits (\$ in millions)



At December 31, 2023

## Insured Deposits

Total Deposits	\$	26,538
Estimated Uninsured Deposits	\$	12,360
Less: Collateralized deposits		(3,048)
Less: Affiliate deposits		(318)
Adjusted Uninsured Deposits	\$	8,994
Estimated Insured and Collateralized Deposits	\$	17,544

Insured and Collateralized Deposits to Total Deposits

**66%**

Available Liquidity<sup>(1)</sup>

\$ 13,644

Available Liquidity to Uninsured, Uncollateralized Deposits Ratio

**152%**

1. Cash + Capacity at FHLB + Capacity at FRB + Unencumbered securities



# Non-GAAP Financial Measures

Tangible book value per common share is a non-GAAP financial measure. Management believes this measure is relevant to understanding the capital position and performance of the Company. Disclosure of this non-GAAP financial measure also provides a meaningful basis for comparison to other financial institutions as it is a metric commonly used in the banking industry. The following table reconciles the non-GAAP financial measurement of tangible book value per common share to the comparable GAAP financial measurement of book value per common share at December 31, 2023 (in thousands except share and per share data):

	<b>December 31, 2023</b>
Total stockholders' equity (GAAP)	\$ 2,577,921
Less: goodwill	77,637
Tangible stockholders' equity (non-GAAP)	\$ 2,500,284
Common shares issued and outstanding	74,372,505
Book value per common share (GAAP)	\$ 34.66
Tangible book value per common share (non-GAAP)	\$ 33.62