

STARWOOD PROPERTY TRUST, INC.

Form S-4/A

November 16, 2018

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As filed with the Securities and Exchange Commission on November 16, 2018

Registration No. 333-227954

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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Amendment No. 1  
to

**FORM S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933**

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**Starwood Property Trust, Inc.**

(Exact name of registrant as specified in its charter)

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**Maryland**  
(State or other jurisdiction of  
incorporation or organization)

**6798**  
(Primary Standard Industrial  
Classification Code Number)  
**591 West Putnam Avenue**  
**Greenwich, Connecticut 06830**  
**(203) 422-7700**

**27-0247747**  
(IRS Employer  
Identification Number)

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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**Andrew J. Sossen**  
**Chief Operating Officer, Executive Vice President,**  
**General Counsel and Chief Compliance Officer**  
**Starwood Property Trust, Inc.**  
**591 West Putnam Avenue**  
**Greenwich, Connecticut 06830**  
**(203) 422-7700**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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with copies to:

Michael A. Gordon  
Sidley Austin LLP  
One South Dearborn Street  
Chicago, Illinois 60603  
(312) 853-7000

J. Gerard Cummins  
Sidley Austin LLP  
787 Seventh Avenue  
New York, New York 10019  
(212) 839-5300

**Approximate date of commencement of proposed sale of the securities to the public:**

**As soon as practicable after this registration statement becomes effective.**

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED NOVEMBER 16, 2018**

**Prospectus**

**Starwood Property Trust, Inc.**

**OFFER TO EXCHANGE**

**\$500,000,000 aggregate principal amount of its 3.625% Senior Notes due 2021 that have been registered under the Securities Act of 1933 (which we refer to as the "New Notes") for any and all of its outstanding 3.625% Senior Notes due 2021 (which we refer to as the "Old Notes")**

*This exchange offer will expire at 5:00 p.m., New York City time, on December , 2018, unless extended.*

We will exchange New Notes for any and all outstanding Old Notes that are validly tendered and not validly withdrawn prior to the expiration or termination of the exchange offer being made by this prospectus and the related letter of transmittal (the "exchange offer").

You may withdraw, no later than 5:00 p.m., New York City time, on the expiration date of the exchange offer, any Old Notes that you have tendered in the exchange offer.

The exchange offer is subject to customary conditions that may be waived by us.

The terms of the New Notes are substantially identical to those of the Old Notes, except that the New Notes are registered under the Securities Act of 1933, as amended (the "Securities Act"), the transfer restrictions, registration rights and additional interest provisions relating to the Old Notes will not apply to the New Notes, and the first interest payment date for and date from which interest will accrue on the New Notes will be different from those applicable to the Old Notes. The New Notes will also have a separate CUSIP number from that of the Old Notes.

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The exchange of Old Notes for New Notes will not be a taxable event for U.S. federal income tax purposes. See "Material United States Federal Income Tax Considerations" for more information.

We will not receive any proceeds from the exchange offer.

If you do not exchange your Old Notes for New Notes in the exchange offer, your Old Notes will remain outstanding and will continue to accrue interest but will remain subject to restrictions on transfers.

No public market exists for the New Notes or the Old Notes. Neither the New Notes nor the Old Notes will be listed on any securities exchange or included in any quotation system.

**Exchanging your outstanding Old Notes for New Notes involves risks, including those described in the "Risk Factors" section beginning on page 15 of this prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is November , 2018.

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You should rely only on the information contained in or incorporated by reference into this prospectus. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus does not constitute an offer to exchange, or a solicitation of an offer to tender or exchange, Old Notes for New Notes in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or exchange in such jurisdiction. You should assume that the information appearing in this prospectus and the documents incorporated by reference herein is accurate only as of the respective dates of such documents or on the date or dates which are specified in such documents. Our business, financial condition, results of operations, liquidity and prospects may have changed since those dates.

Neither the Old Notes nor the New Notes have been recommended by any federal, state or foreign securities authorities and they have not determined that this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

We are not providing you with any legal, business, regulatory, accounting, tax or other advice in this prospectus. You should consult with your own advisors to assist you in making your investment decision and to advise you whether you are legally permitted to exchange your outstanding Old Notes for New Notes in the exchange offer.

**This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. We will provide this information to you at no charge upon written or oral request directed to: Starwood Property Trust, Inc., 591 West Putnam Avenue, Greenwich, Connecticut 06830, Attention: Investor Relations, Telephone: (203) 422-7700.**

This prospectus contains descriptions of certain provisions of some of the documents relating to the New Notes and the exchange offer, including the 2018 Registration Rights Agreement (as defined below) and the indenture pursuant to which the Old Notes were issued and the New Notes will be issued. These summaries are not and do not purport to be complete and are qualified in their entirety by reference to the provisions of such documents, copies of which have been filed or incorporated by reference as exhibits to the registration statement of which this prospectus is a part or as exhibits to documents incorporated by reference herein and which may be obtained as described under "Where You Can Find More Information" and "Incorporation by Reference."

Unless otherwise indicated or the context requires otherwise, references in this prospectus to "our company," "the Company," "we," "us" and "our" and other similar references mean Starwood Property Trust, Inc. and its consolidated subsidiaries and variable interest entities ("VIEs").

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference herein contain certain forward-looking statements, including, without limitation, statements concerning our operations, economic performance and financial condition. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are developed by combining information available at the respective times such forward-looking statements were made with our beliefs, assumptions and expectations at those times and are generally identified by the words "believe," "expect," "anticipate" and other similar expressions. Forward-looking statements do not guarantee future performance, which may be materially different from that expressed in, or implied by, any such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the respective dates of the documents in which those forward-looking statements appear. These forward-looking statements are based largely on our beliefs, assumptions and expectations of our future performance as of the respective dates of those statements, taking into account information available to us at those dates. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or within our control, and which could materially affect actual results, performance or achievements. Factors that may cause actual results to vary from our forward-looking statements include, but are not limited to:

factors described in the section captioned "Risk Factors" in this prospectus, as well as factors described in our Annual Report on Form 10-K for the year ended December 31, 2017 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018, including those set forth under the captions "Risk Factors" and "Business," and in the other documents that are incorporated by reference into this prospectus;

defaults by borrowers in paying debt service on outstanding indebtedness;

impairment in the value of real estate property securing our loans or in which we invest;

availability of mortgage origination and acquisition opportunities acceptable to us;

potential mismatches in the timing of asset repayments and the maturity of the associated financing agreements;

our ability to integrate our recently completed acquisition of the project finance origination, underwriting and capital markets business of GE Capital Global Holdings, LLC ("GE Capital") into our business and to achieve the benefits that we anticipate from the acquisition;

national and local economic and business conditions;

general and local commercial and residential real estate property conditions;

changes in federal government policies;

changes in federal, state and local governmental laws and regulations;

increased competition from entities engaged in mortgage lending and securities investing activities;

changes in interest rates; and

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the availability of, and costs associated with, sources of liquidity.

In light of these risks and uncertainties, there can be no assurances that the results referred to in the forward-looking statements contained in this prospectus and the documents incorporated by reference herein will in fact occur. Except to the extent required by applicable law or regulation, we undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, changes to future results over time or otherwise.

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**SUMMARY**

*This summary highlights information about us, the New Notes being offered by this prospectus and the exchange offer being made hereby. This summary is not complete and does not contain all of the information that you should consider prior to deciding whether or not to exchange your Old Notes for New Notes. For a more complete understanding of our company, the New Notes and the exchange offer being made hereby, we encourage you to read this prospectus and the related letter of transmittal (the "letter of transmittal"), as well as the documents incorporated by reference into this prospectus, in their entirety.*

**Overview**

We are a Maryland corporation that commenced operations in August 2009, upon the completion of our initial public offering. We are focused primarily on originating, acquiring, financing and managing commercial mortgage loans and other commercial real estate debt investments, commercial mortgage-backed securities ("CMBS"), and other commercial real estate investments in both the U.S. and Europe. We refer to the following as our target assets: commercial real estate mortgage loans, preferred equity interests, CMBS and other commercial real estate-related debt investments. Our target assets may also include residential mortgage-backed securities, certain residential mortgage loans, distressed or non-performing commercial loans, infrastructure debt investments, commercial properties subject to net leases and equity interests in commercial real estate. As market conditions change over time, we may adjust our strategy to take advantage of changes in interest rates and credit spreads as well as economic and credit conditions.

Our objective is to provide attractive risk-adjusted returns to our investors over the long-term, primarily through dividends and secondarily through capital appreciation. We intend to achieve our objective by originating and acquiring target assets to create a diversified investment portfolio that is financed in a manner that is designed to deliver attractive returns across a variety of market conditions and economic cycles. We are focused on our three core competencies: transaction access, asset analysis and selection, and identification of attractive relative values within the real estate debt and equity markets.

On September 19, 2018, we acquired the project finance origination, underwriting and capital markets business of GE Capital for approximately \$2.0 billion. The business includes \$1.9 billion of funded senior secured project finance loans and investment securities and \$466.3 million of unfunded lending commitments which are secured primarily by natural gas and renewable power facilities. The loans are predominantly denominated in U.S. dollars and backed by long term power purchase agreements primarily with investment grade counterparties. We hired a team of professionals from GE Capital's project finance division in connection with the acquisition to manage and expand the portfolio.

We are organized and conduct our operations to qualify as a real estate investment trust (a "REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). We also operate our business in a manner that will permit us to maintain our exemption from registration under the Investment Company Act of 1940, as amended.

We are organized as a holding company and conduct our business primarily through our various wholly-owned subsidiaries. We are externally managed and advised by SPT Management, LLC (our "manager") pursuant to the terms of a management agreement. Our manager is controlled by Barry Sternlicht, our Chairman and Chief Executive Officer. Our manager is an affiliate of Starwood Capital Group Global, L.P., a privately-held private equity firm founded and controlled by Mr. Sternlicht.

Our corporate headquarters office is located at 591 West Putnam Avenue, Greenwich, Connecticut 06830, and our telephone number is (203) 422-7700.

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**Summary Description of the Exchange Offer**

*The following is a description of some of the terms of the exchange offer. The following information is provided solely for your convenience, is not complete and does not contain all of the information that you need to consider in deciding whether or not to exchange your Old Notes for New Notes. You should read the information appearing in this prospectus under the captions "Risk Factors," "The Exchange Offer," "Description of the New Notes," "Material United States Federal Income Tax Considerations" and "Plan of Distribution," as well as the other information contained in and incorporated by reference into this prospectus and in the letter of transmittal relating to the exchange offer, for additional information concerning the terms of the exchange offer and the New Notes and the risks of investing in the New Notes. As used herein, the term "exchange offer" means the exchange offer being made pursuant to this prospectus and the related letter of transmittal.*

*For purposes of the information appearing under this caption "Summary Description of the Exchange Offer," references to "Starwood Property Trust, Inc.," "the Company," "we," "our," "us" and similar references refer only to Starwood Property Trust, Inc. and not its subsidiaries or any entities that are consolidated with it for financial reporting purposes, unless otherwise expressly stated or the context otherwise requires.*

**Background; Old Notes**

On January 29, 2018, we completed a private offering of \$500 million aggregate principal amount of our 3.625% Senior Notes due 2021 which were not registered under the Securities Act of 1933, as amended (the "Securities Act"), and which we sometimes refer to as the "Old Notes." In connection with that offering, we entered into a registration rights agreement dated January 29, 2018 (the "2018 Registration Rights Agreement") with a representative of the initial purchasers of the Old Notes. We are making the exchange offer as required by the 2018 Registration Rights Agreement.

**New Notes**

Up to \$500 million aggregate principal amount of our 3.625% Senior Notes due 2021 that have been registered under the Securities Act (the "New Notes"). The terms of the New Notes are substantially identical to those of the Old Notes, except that the New Notes have been registered under the Securities Act, will not be subject to the transfer restrictions applicable to the Old Notes, will not be entitled to payment of Additional Interest (as defined under "Description of 2018 Registration Rights Agreement"), will not be entitled to registration rights or (subject to possible limited exceptions) other rights under the 2018 Registration Rights Agreement, and the first interest payment date for and date from which interest will accrue on the New Notes will be different from those applicable to the Old Notes. The New Notes will also have a separate CUSIP number from the Old Notes. We sometimes refer to the New Notes and Old Notes as, collectively, the "Notes" or, individually, a "Note." The Old Notes were issued and the New Notes will be issued under the Indenture dated as of January 29, 2018 (the "Indenture") between us and The Bank of New York Mellon, as trustee (the "Trustee"), and the New Notes and any Old Notes that remain outstanding after the exchange offer will constitute a single class of Notes under the Indenture.

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**Exchange Offer**

On the terms and subject to the conditions set forth herein and in the letter of transmittal, we are offering to issue up to \$500 million aggregate principal amount of New Notes in exchange for a like aggregate principal amount of Old Notes that are validly tendered and not validly withdrawn prior to the expiration or termination of the exchange offer. In exchange for each \$1,000 aggregate principal amount of Old Notes validly tendered and not validly withdrawn by the holder thereof prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer and accepted for exchange by us, all on the terms and subject to the conditions set forth in the letter of transmittal and this prospectus, the tendering holder will receive \$1,000 aggregate principal amount of New Notes.

**Expiration Date**

The exchange offer will expire at 5:00 p.m., New York City time, on December 1, 2018 (which is the 20th business day following the date of this prospectus), unless extended or terminated in our sole and absolute discretion. The term "expiration date" means December 1, 2018, except that if we, in our sole and absolute discretion, extend the period of time during which the exchange offer is open, "expiration date" shall mean the latest date to which the exchange offer has been extended. For further information, see "The Exchange Offer Terms of the Exchange Offer; Period for Tendering Old Notes."

**Representations by Tendering Owners**

By tendering your Old Notes, you will acknowledge, represent and warrant to and agree with us that, among other things:

- you are not our "affiliate" (as defined in Rule 405 under the Securities Act);
- any New Notes you receive in the exchange offer will be acquired by you in the ordinary course of your business;
- you have no arrangement or understanding with any person to engage in, and you are not engaged in and do not intend to engage in, the distribution (within the meaning of the Securities Act) of the New Notes in violation of the Securities Act;
- you are not a broker-dealer that will receive New Notes in the exchange offer in exchange for Old Notes that you purchased from us for resale pursuant to Rule 144A under the Securities Act or any other available exemption from registration under the Securities Act; and

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if you are a broker-dealer that will receive New Notes for your own account in the exchange offer in exchange for Old Notes that you acquired for your own account as a result of your market-making or other trading activities, you will deliver (or, to the extent permitted by applicable law, make available) a prospectus meeting the requirements of the Securities Act to purchasers in connection with any resale of the New Notes you receive. For further information, see "Plan of Distribution."

You will be required to make these and other acknowledgements, representations, warranties and agreements in order to tender Old Notes in the exchange offer. For further information, see "Description of Exchange Offer Representations by Tendering Owners" and "Resales of New Notes."

**Conditions to the Exchange Offer**

The exchange offer is subject to customary conditions, which we may waive. For further information, see "The Exchange Offer Conditions to the Exchange Offer."

**Procedures for Tendering the Old Notes**

The Old Notes currently are in book-entry form and represented by one or more global Old Notes (the "Global Old Notes") registered in the name of The Depository Trust Company ("DTC") or its nominee. You will not be entitled to receive Old Notes in definitive certificated form ("Certificated Old Notes") in exchange for your beneficial interest in the Global Old Notes except under the limited circumstances described under "Book-Entry, Delivery and Form." Accordingly, so long as your Old Notes are in book-entry form represented by one or more Global Old Notes, you must tender your Old Notes pursuant to DTC's Automated Tender Offer Program ("ATOP") and the other procedures described in this prospectus and in the related letter of transmittal.

If you wish to tender your Old Notes pursuant to the exchange offer, you must, among other things, deliver or cause to be delivered to the Exchange Agent (as defined below) prior to 5:00 p.m., New York City time, on the expiration date either:

- a properly completed and duly executed letter of transmittal, with any required signature guarantees, together with any other required documentation, all of which must be delivered to the Exchange Agent in the manner and at the address set forth in this prospectus; or

- so long as your Old Notes are in book-entry form, a computer-generated message transmitted by DTC to and received by the Exchange Agent and forming a part of the Book-Entry Confirmation (as defined below) stating that the holder of the Old Notes acknowledges and agrees to be bound by the terms of the letter of transmittal (an "Agent's Message").

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In addition, you must also deliver or cause to be delivered to the Exchange Agent prior to 5:00 p.m., New York City time, on the expiration date either:

so long as your Old Notes are in book-entry form, an electronic confirmation from DTC of the book-entry transfer of your Old Notes into the Exchange Agent's account at DTC (a "Book-Entry Confirmation"); or

in the event certificated Notes are issued, the Certificated Old Notes you are tendering, in proper form for transfer and with any required signature guarantees and any other required documentation, all of which must be delivered to the Exchange Agent, together with your signed letter of transmittal and other required documents, in the manner and at the address set forth in this prospectus.

You may tender any or all of your Old Notes; provided that Old Notes may only be tendered in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof and, if any Old Note is tendered in part, the untendered portion of such Old Note must be a denomination of \$2,000 or an integral multiple of \$1,000 in excess thereof. For further information, see "The Exchange Offer Procedures for Tendering Old Notes" and " Book-Entry Transfers."

If you are the beneficial owner of Old Notes in book-entry form that are held through or registered in the name of a broker, dealer, bank or other financial institution or nominee and you wish to tender those Old Notes in the exchange offer, you must promptly instruct such broker, dealer, bank or other financial institution or nominee, as the case may be, to tender those Old Notes on your behalf prior to the expiration of the exchange offer or, if you are a direct participant in DTC, you may give those instructions directly to DTC. So long as the Old Notes are in book-entry form represented by one or more Global Old Notes, this is the only manner in which you will be able to tender your Old Notes. If Certificated Old Notes are issued and you are the beneficial owner of Certificated Old Notes that are held through or registered in the name of a broker, dealer, bank or other financial institution or nominee and you wish to tender those Certificated Old Notes in the exchange offer, you must promptly instruct such broker, dealer, bank or other financial institution or nominee, as the case may be, to tender those Certificated Old Notes on your behalf prior to the expiration of the exchange offer or, if you wish to tender those Certificated Old Notes yourself, then, prior to completing and executing the letter of transmittal and delivering your Certificated Old Notes, you must either make appropriate arrangements to register ownership of those Certificated Old Notes in your own name or obtain a properly completed bond power (with any required signature guarantee) from the registered holder of those Certificated Old Notes. The transfer of registered ownership may take considerable time.

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**Withdrawal; Non-Acceptance**

You may withdraw, no later than 5:00 p.m., New York City time, on the expiration date of the exchange offer, any Old Notes that you have tendered in the exchange offer by following the procedures described in this prospectus and the related letter of transmittal. Any Old Notes which have been tendered for exchange but which are withdrawn or otherwise are not exchanged for any reason will be returned to the holders thereof (or, in the case of Old Notes tendered by book-entry transfer, will be credited to the accounts at DTC of the applicable DTC participants) without cost of such holders promptly after withdrawal of such Old Notes or expiration or termination of the exchange offer, as the case may be. For further information, see "The Exchange Offer Withdrawal Rights."

**No Guaranteed Delivery**

There are no guaranteed delivery procedures available in connection with the exchange offer. Accordingly, holders of Old Notes must deliver or cause to be delivered their Old Notes and all other required documentation to the Exchange Agent in accordance with the procedures described in this prospectus and the letter of transmittal prior to 5:00 p.m., New York City time, on the expiration date.

**No Appraisal or Dissenters' Rights**

Holders of the Old Notes do not have any appraisal or dissenters' rights in connection with the exchange offer.

**Material United States Federal Income Tax Considerations**

The exchange of the Old Notes for New Notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. For further information regarding some of the U.S. federal tax considerations that you should take into account in deciding whether or not to exchange Old Notes for New Notes, see "Material United States Federal Income Tax Considerations."

**Use of Proceeds**

We will not receive any proceeds from the exchange offer.

**Exchange Agent**

The Bank of New York Mellon is the exchange agent (the "Exchange Agent") for the exchange offer. You can find the address and telephone number of the Exchange Agent under the caption "The Exchange Offer Exchange Agent."

**Resales of New Notes**

Based on interpretations by the staff of the Securities and Exchange Commission (the "SEC") contained in no-action letters issued to third parties, we believe that, except as provided in the next sentence and in the second succeeding paragraph, the New Notes you receive in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act unless:

- (1) you are our "affiliate" (as defined in Rule 405 under the Securities Act);
- (2) the New Notes you receive in the exchange offer will not be acquired by you in the ordinary course of your business; or

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- (3) you have an arrangement or understanding with any person to engage in, or you are engaged in or intend to engage in, the distribution (within the meaning of the Securities Act) of the New Notes in violation of the Securities Act.

However, if you are a broker-dealer holding Old Notes acquired for your own account as a result of market-making or other trading activities and who receives New Notes in exchange for such Old Notes pursuant to the exchange offer (a "participating broker-dealer"), you may be an "underwriter" within the meaning of the Securities Act and you must (and must acknowledge that you will) deliver (or, to the extent permitted by applicable law, make available) a prospectus meeting the requirements of the Securities Act to purchasers and other transferees in connection with any resale or other transfer of such New Notes. However, by so acknowledging and delivering a prospectus, a participating broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. A participating broker-dealer may use this prospectus, as amended or supplemented from time to time, in connection with resales and other transfers of New Notes received for its own account in exchange for such Old Notes in the exchange offer for a period ending on the earlier of (i) 180 days after the registration statement of which this prospectus is a part becomes effective and (ii) the date on which such participating broker-dealer is no longer required to deliver a prospectus in connection with resales of New Notes (subject, in either case, to our right to suspend the use of the prospectus under the circumstances described under "Plan of Distribution"), so long as such participating broker-dealer has notified us in the letter of transmittal that it will be using this prospectus for such purpose. For further information, see "Plan of Distribution."

If you fall into one or more of categories (1) through (3) of the second preceding paragraph, if you are participating in the exchange offer for the purpose of participating in a distribution (within the meaning of the Securities Act) of the New Notes to be acquired in the exchange offer, or if you are a broker-dealer that will receive New Notes in the exchange offer in exchange for Old Notes that you acquired from us for resale pursuant to Rule 144A under the Securities Act or any other available exemption from registration under the Securities Act, (i) you will not be able to rely on the interpretations of the SEC staff enunciated in the no-action letters mentioned above or in other interpretive letters of similar effect, (ii) you may not tender your Old Notes in the exchange offer, (iii) in the absence of an applicable exemption, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any offer, sale or other transfer of Notes, and (iv) any registration statement used in connection with such offer, sale or other

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**Registration Rights Agreement**

transfer of Notes must contain the selling security holder information required by Item 507 of Regulation S-K under the Securities Act. Failure to comply with such registration and prospectus delivery requirements may result in liability under the Securities Act and we will not be responsible for, or indemnify you against, any such liability. When we issued the Old Notes, we entered into the 2018 Registration Rights Agreement pursuant to which we agreed, on the terms and subject to the conditions set forth therein, to use our commercially reasonable efforts to (1) complete an offer to exchange the Old Notes for New Notes that have been registered under the Securities Act no later than 360 days after January 29, 2018 (which was the date of original issuance of the Old Notes) or (2) if such exchange offer is not consummated by such date, to file and keep effective for a specified period of time a shelf registration with respect to resales of the Old Notes. If we fail to satisfy certain of our registration obligations under the 2018 Registration Rights Agreement, we will be required to pay Additional Interest to the holders of the Old Notes (other than any Old Note that has ceased to be a Registrable Security (as defined under "Description of 2018 Registration Rights Agreement")). No Additional Interest will be payable on New Notes. For additional information, see "Description of 2018 Registration Rights Agreement."

**Risk Factors**

An investment in the New Notes involves risks, and you should carefully consider the matters discussed under "Risk Factors" in this prospectus and in the reports we file with the SEC pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are incorporated by reference into this prospectus and which may be obtained as described below under "Where You Can Find More Information" and "Incorporation by Reference" before making a decision to exchange Old Notes for New Notes.



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**Consequences of Not Exchanging Old Notes**

If you do not exchange your Old Notes for New Notes in the exchange offer, your Old Notes will remain outstanding and will continue to accrue interest but will remain subject to the restrictions on transfer set forth in the Indenture and in the legend on the certificates evidencing the Old Notes, as well as the restrictions on transfer arising under the Securities Act and any other applicable laws, and you will not be entitled to receive any Additional Interest on your Old Notes and will not be entitled (subject to possible limited exceptions) to any registration rights or other rights under the 2018 Registration Rights Agreement. In general, you may offer or sell your Old Notes only if:

they are offered and sold pursuant to a registration statement which is effective under, and otherwise in compliance with the registration and prospectus delivery requirements of, the Securities Act, or

they are offered and sold under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act,

subject, in each of the foregoing cases, to compliance with the securities laws of any other applicable jurisdiction and with the procedures specified in the Indenture, including the delivery of any certificate, opinion of counsel or other information that may be required by the Indenture or by us. We do not intend to register the Old Notes under the Securities Act or to make a prospectus available to enable you to sell or otherwise transfer your Old Notes.

In addition, the exchange offer may have a material adverse effect on the market price and liquidity of any Old Notes that remain outstanding following the exchange offer. See "Risk Factors - Risks Related to the Exchange Offer. If you choose not to exchange your Old Notes in the exchange offer, the transfer restrictions currently applicable to your Old Notes will remain in force and the market price and liquidity of your Old Notes may decline."

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**Summary Description of the New Notes**

*The following is a description of some of the terms of the New Notes. The following information is provided solely for your convenience, is not complete and does not contain all of the information that you need to consider in deciding whether or not to exchange your Old Notes for New Notes. You should read the information appearing in this prospectus under the captions "Risk Factors," "Description of the New Notes" and "Material United States Federal Income Tax Considerations," as well as the other information contained in and incorporated by reference into this prospectus and in the letter of transmittal relating to the exchange offer, for additional information concerning the terms of the New Notes and the risks of investing in the New Notes.*

*For purposes of the information appearing under this caption "Summary Description of the New Notes," references to "Starwood Property Trust, Inc.," "the Company," "we," "our," "us" and similar references refer only to Starwood Property Trust, Inc. and not its subsidiaries or any entities that are consolidated with it for financial reporting purposes, unless otherwise expressly stated or the context otherwise requires. Certain capitalized terms used under this caption "Summary Description of the New Notes" are defined under "Description of the New Notes."*

<b>Issuer</b>	Starwood Property Trust, Inc.
<b>New Notes Offered</b>	Up to \$500 million aggregate principal amount of 3.625% Senior Notes due 2021 that have been registered under the Securities Act. The New Notes will be issued under the same Indenture as the Old Notes and the New Notes and any Old Notes that remain outstanding after the exchange offer will constitute a single class of Notes under the Indenture. Old Notes that are exchanged for New Notes in the exchange offer will be retired and, as a result, the aggregate principal amount of Notes outstanding under the Indenture will not be increased as a result of the exchange offer.
<b>Maturity</b>	Unless redeemed earlier, the New Notes will mature on February 1, 2021.
<b>Interest Rate</b>	The New Notes will bear interest at the rate of 3.625% per year (calculated on the basis of a 360-day year comprised of twelve 30-day months), accruing from August 1, 2018. Additional Interest will not be payable on the New Notes.
<b>Interest Payment Dates</b>	Interest on the New Notes will be paid semi-annually in arrears on each February 1 and August 1, commencing February 1, 2019.

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**Possible Future Guarantees**

The Old Notes are not, and, when the New Notes are first issued, the New Notes will not be, guaranteed by any of our subsidiaries and none of our subsidiaries will be required to guarantee the New Notes or any Old Notes that remain outstanding after the exchange offer in the future, except that, under the circumstances and subject to the exceptions set forth in the covenant described under the caption "Description of the New Notes Possible Future Guarantees," one or more of our Domestic Subsidiaries (excluding Domestic Subsidiaries that are Excluded Subsidiaries or Securitization Entities) may be required to guarantee the payment of both the New Notes and any outstanding Old Notes. Any such guarantees ("Guarantees") of the Notes will be the senior unsecured obligations of the respective Domestic Subsidiary guarantors (the "Guarantors"). You should review the definitions of Domestic Subsidiary, Excluded Subsidiary, Foreign Subsidiary and Securitization Entity appearing under the caption "Description of the New Notes Certain Definitions" for information about which of our subsidiaries will not be subject to the foregoing covenant to guarantee the Notes. In that regard, although certain of our subsidiaries guarantee our borrowings under our New Credit Agreement, those subsidiaries are not required to guarantee the Notes.

If any of our Domestic Subsidiaries guarantees the Notes, such Guarantor's Guarantee of the Notes and all other obligations of such Guarantor under the Indenture will automatically terminate and such Guarantor will automatically be released from all of its obligations under such Guarantee and the Indenture under certain circumstances described under the caption "Description of the New Notes Possible Future Guarantees," which may include the permanent termination and release of such Guarantee and obligations under the circumstances described below under "Covenant Termination." For additional information, see "Description of the New Notes Possible Future Guarantees" and "Description of the New Notes Certain Covenants Covenant Termination."

**Ranking**

The Old Notes are and the New Notes will be:

our senior unsecured obligations;

*pari passu* in right of payment with all of our existing and future senior unsecured indebtedness and senior unsecured guarantees;

effectively subordinated in right of payment to all of our existing and future secured indebtedness and secured guarantees to the extent of the value of the assets securing such indebtedness and guarantees;

senior in right of payment to any of our future subordinated indebtedness and subordinated guarantees; and

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effectively subordinated in right of payment to all existing and future indebtedness, guarantees and other liabilities (including trade payables) and any preferred equity of our subsidiaries (other than any Domestic Subsidiaries that may become Guarantors of the Notes). If any of our Subsidiaries becomes a Guarantor of the Notes, its Guarantee of the Notes will be:

a senior unsecured obligation of such Guarantor;

*pari passu* in right of payment with all existing and future senior unsecured indebtedness and senior unsecured guarantees of such Guarantor;

effectively subordinated in right of payment to all existing and future secured indebtedness and secured guarantees of such Guarantor to the extent of the value of the assets securing such indebtedness and guarantees; and

senior in right of payment to any future subordinated indebtedness and subordinated guarantees of such Guarantor.

As of September 30, 2018, we had approximately \$10.6 billion of total consolidated indebtedness (excluding accounts payable, accrued expenses, other liabilities, VIE liabilities and unfunded commitments), of which approximately \$8.6 billion was secured indebtedness. Of that \$10.6 billion of total consolidated indebtedness, approximately \$8.2 billion was indebtedness of our subsidiaries, all of which was secured indebtedness.

**Optional Redemption**

Prior to November 1, 2020, we may redeem some or all of the Notes, at our option, at any time and from time to time at a price equal to 100% of the principal amount thereof, plus the applicable "make-whole" premium as of, and accrued but unpaid interest, if any, to, but excluding, the applicable date of redemption. On and after November 1, 2020, we may redeem some or all of the Notes, at our option, at any time and from time to time at a price equal to 100% of the principal amount thereof plus accrued but unpaid interest, if any, to, but excluding, the applicable date of redemption. In addition, prior to February 1, 2020, we may, at our option and on one or more occasions, redeem up to 40% of the aggregate principal amount of Notes using the proceeds of certain equity offerings at a price equal to 103.625% of the principal amount thereof, plus accrued but unpaid interest, if any, to, but excluding, the applicable date of redemption.

**Change of Control Offer**

If a Change of Control Triggering Event occurs, we will be required (unless we have exercised our right to redeem all of the Notes by sending a notice of redemption) to offer to repurchase all of the outstanding Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the applicable Change of Control Payment Date.

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**Indenture; Certain Covenants**

The Old Notes were issued and the New Notes will be issued under the Indenture dated as of January 29, 2018 between us and the Trustee. The Indenture contains covenants that, among other things:

limit the ability of us and our subsidiaries to incur additional indebtedness;

require that we maintain Total Unencumbered Assets of not less than 120% of the aggregate principal amount of the outstanding Unsecured Indebtedness of us and our subsidiaries, in each case determined on a consolidated basis; and

impose certain requirements in order for us to merge or consolidate with or transfer all or substantially all of our assets to another person.

These covenants are subject to a number of important exceptions and limitations, and we and our subsidiaries have the ability to incur substantial amounts of additional secured and unsecured indebtedness notwithstanding these covenants. See "Description of the New Notes Certain Covenants."

**Covenant Termination**

The covenants in the Indenture limiting our and our subsidiaries' ability to incur additional indebtedness, as well as the covenant described above under "Possible Future Guarantees" (other than the portions of such covenant limiting the obligations of each Guarantor, if any, under its Guarantee of the Notes to prevent such obligations from constituting a fraudulent conveyance or fraudulent transfer under applicable law and the portions of such covenant relating to the release of any Guarantor from its Guarantee of the Notes), certain portions of the covenant limiting our ability to merge or consolidate with or transfer all or substantially all of our assets to another person and, if any of our subsidiaries has guaranteed the Notes, all of such Guarantees and all of the obligations of the Guarantors under the Indenture, will automatically and permanently terminate and will be of no further force or effect, and we will be automatically and permanently released from our obligations under such covenants (and the Guarantors, if any, will be automatically and permanently released from their Guarantees of the Notes and all of their obligations under the Indenture) on and after any date that (a) the Notes have Investment Grade Ratings from each of two specified rating agencies and (b) no Default or Event of Default has occurred and is continuing. See "Description of the New Notes Certain Covenants Covenant Termination."

**No Prior Market**

The New Notes will be new securities for which there is no market. Accordingly, we cannot assure you that a liquid market for the New Notes will develop or be maintained.

**No Listing**

The New Notes will not be listed on any securities exchange or included in any quotation system.

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**Book-Entry Form**

The New Notes will be issued in book-entry form and will be represented by one or more global certificates ("Global New Notes") deposited with, or on behalf of, DTC and registered in its name or in the name of its nominee. Beneficial interests in the Global New Notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and such interests may not be exchanged for New Notes in definitive certificated form except under the limited circumstances described under "Book-Entry, Delivery and Form."

**Risk Factors**

An investment in the New Notes involves risks, and you should carefully consider the matters discussed under "Risk Factors" in this prospectus and in the reports we file with the SEC pursuant to the Exchange Act that are incorporated by reference into this prospectus and which may be obtained as described below under "Where You Can Find More Information" and "Incorporation by Reference" before making a decision to exchange Old Notes for New Notes.

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**RISK FACTORS**

*Investing in the New Notes involves risks. You should carefully read and consider the risks described below as well as the risks described in the sections entitled "Item 1. Business" and "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2017 and "Item 1A. Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, which are incorporated by reference into this prospectus. You should also carefully read and consider the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2017 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018, and other information contained in the documents incorporated by reference into this prospectus, including the risks and uncertainties described above under "Cautionary Statement Regarding Forward-Looking Statements," before making a decision to exchange Old Notes for New Notes. Each of these risks could materially and adversely affect our business, financial condition, results of operations, liquidity and prospects, and could result in a partial or complete loss of your investment. Certain capitalized terms used in this "Risk Factors" section and not defined previously in this prospectus are defined under the caption "Description of the New Notes."*

**Risks Related to the Exchange Offer**

***If you choose not to exchange your Old Notes in the exchange offer, the transfer restrictions currently applicable to your Old Notes will remain in force and the market price and liquidity of your Old Notes may decline.***

If you do not exchange your Old Notes for New Notes in the exchange offer, then your Old Notes will remain outstanding and will continue to accrue interest but will remain subject to the transfer restrictions set forth in the Indenture and in the legend on the certificates evidencing the Old Notes, as well as the restrictions on transfer arising under the Securities Act and any other applicable securities laws, and you will not be entitled to receive any Additional Interest on your Old Notes and will not be entitled to any registration rights or other rights under the 2018 Registration Rights Agreement (subject to possible limited exceptions). In general, you may offer or sell your Old Notes only if:

they are offered and sold pursuant to a registration statement which is effective under, and otherwise in compliance with the registration and prospectus delivery requirements of, the Securities Act, or

they are offered and sold under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act,

subject, in each of the foregoing cases, to compliance with the securities laws of any other applicable jurisdiction and with the procedures specified in the Indenture, including the delivery of any certificate, opinion of counsel or other information that may be required by the Indenture or by us. We do not intend to register the Old Notes under the Securities Act or to make a prospectus available to enable you to sell or otherwise transfer your Old Notes.

Any Old Notes exchanged for New Notes in the exchange offer will be cancelled and, as a result, the aggregate principal amount of outstanding Old Notes will be reduced, which may have a material adverse effect on the market price and liquidity of any Old Notes that remain outstanding after the exchange offer and may increase the volatility of the market price of such Old Notes.

***You must follow the exchange offer procedures carefully in order to receive the New Notes.***

If you do not follow the procedures described in this prospectus and the related letter of transmittal, you will not receive any New Notes. The New Notes will be issued to you in exchange for Old Notes only if you properly tender the Old Notes and deliver all other required documentation (including, in the case of Old Notes tendered through DTC's ATOP procedures, Agent's Messages,

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Book-Entry Confirmations and any other documents delivered electronically through the DTC system) to the Exchange Agent in the manner and at the address specified in this prospectus and in the letter of transmittal prior to the expiration of the exchange offer. If you want to tender your Old Notes in exchange for New Notes, you should allow sufficient time to ensure timely delivery. No one is under any obligation to notify you of defects or irregularities with respect to tenders of your Old Notes for exchange or if your Old Notes or any other required documentation are received by the Exchange Agent. If you are the beneficial holder of Old Notes that are held through a broker, dealer, bank or other financial institution or nominee and you wish to tender such Old Notes in the exchange offer, you should promptly contact the entity through which you hold your Old Notes and instruct that entity to tender on your behalf. There are no guaranteed delivery procedures available in connection with the exchange offer. Accordingly, you must deliver your Old Notes and all other required documentation to the Exchange Agent in accordance with the procedures described in this prospectus and the letter of transmittal prior to the expiration of the exchange offer.

***Certain persons who participate in the exchange offer must deliver a prospectus in connection with resales of the New Notes.***

If you are participating in the exchange offer for the purpose of participating in a distribution (within the meaning of the Securities Act) of the New Notes to be acquired in the exchange offer, if you are a broker-dealer who will receive New Notes in the exchange offer in exchange for Old Notes that you acquired from us for resale pursuant to Rule 144A under the Securities Act or any other available exemption under the Securities Act, or if you fall into one or more of categories (1) through (3) appearing in the first paragraph under "The Exchange Offer Resales of New Notes," you will not be permitted to tender your Old Notes in the exchange offer and, in the absence of an applicable exemption, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any offer, sale or other transfer of your Notes. Failure to comply with such registration and prospectus delivery requirements may result in liability under the Securities Act and we will not be responsible for, or indemnify you against, any such liability.

In addition, a broker-dealer that receives New Notes for its own account in the exchange offer in exchange for Old Notes that it acquired for its own account as a result of its market making or other trading activities (a "participating broker-dealer") must deliver (or, to the extent permitted by applicable law, make available) a prospectus meeting the requirements of the Securities Act to purchasers and other transferees in connection with any resale or other transfer of New Notes received in exchange for such Old Notes in the exchange offer. Although a participating broker-dealer (and not any other broker-dealer) is permitted to use this prospectus, as it may be amended or supplemented from time to time, in connection with the resale or other transfer of any such New Notes, it may do so only if it notifies us as provided in the letter of transmittal and may only use this prospectus for such purpose for a period ending on the earlier of (i) 180 days after the registration statement of which this prospectus is a part becomes effective and (ii) the date on which such participating broker-dealer is no longer required to deliver a prospectus in connection with resales of New Notes (subject, in each case, to our right to suspend use of the prospectus under the circumstances described under "Plan of Distribution").

**Risks Related to the New Notes**

***Our substantial indebtedness could adversely affect our business, financial condition or results of operations and prevent us from fulfilling our obligations under the New Notes.***

We currently have and will continue to have a significant amount of indebtedness. As of September 30, 2018, our total consolidated indebtedness was approximately \$10.6 billion (excluding accounts payable, accrued expenses, other liabilities, VIE liabilities and unfunded commitments). This



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substantial level of indebtedness increases the risk that we may be unable to generate enough cash to pay amounts due in respect of our indebtedness, including the New Notes.

Our substantial indebtedness could have important consequences to you and significant effects on our business. For example, it could:

make it more difficult for us to satisfy our obligations with respect to the New Notes;

increase our vulnerability to general adverse economic and industry conditions;

require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, our strategic growth initiatives and development efforts and other general corporate purposes;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

restrict us from exploiting business opportunities;

place us at a competitive disadvantage compared to our competitors that have less indebtedness; and

limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

Moreover, the financial covenants in the Indenture are subject to numerous exceptions and permit us to incur indebtedness subject to, among other exceptions, compliance with certain financial ratios and we and our subsidiaries will likely be able to incur substantial additional secured and unsecured indebtedness without violating such covenants. In addition, the Indenture does not impose any limitation on the incurrence or issuance by us or our subsidiaries of liabilities that are not considered Indebtedness and the financial covenants in the Indenture do not apply to VIEs because, under the Indenture, they are not considered to be our Subsidiaries, and the Indenture allows us to deconsolidate VIEs for purposes of, among other things, determining compliance with the financial covenants and the amount of our Indebtedness.

In addition, the agreements that govern our current indebtedness contain, and the agreements that may govern any future indebtedness that we may incur may contain, financial and other restrictive covenants that limit or may limit our ability to engage in activities that may be in our long-term best interests. Furthermore, the Indenture does not restrict us or our subsidiaries from paying dividends or making other distributions on our securities, repurchasing capital stock or indebtedness or making investments, which could adversely impact our ability to make payments on the New Notes. For information regarding the amount of secured and unsecured indebtedness of us and certain of our subsidiaries, see " The New Notes and any Guarantees will be unsecured and effectively subordinated in right of payment to our existing and future secured indebtedness and secured guarantees to the extent of the value of the assets securing such indebtedness and guarantees" and " The New Notes will be effectively subordinated in right of payment to the indebtedness, guarantees and other liabilities (including trade payables) and preferred equity of our subsidiaries that do not guarantee the New Notes and any of our subsidiaries that guarantees the New Notes will also be required to guarantee certain debt in addition to the New Notes" below.

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***Despite our current indebtedness levels, we may still be able to incur substantially more indebtedness, including secured debt. This could exacerbate the risks associated with our substantial leverage.***

We may be able to incur substantial additional indebtedness in the future, including debt under the Existing Revolving Credit Agreement, the New Credit Agreement, the Acquisition Credit Agreement, the Advances Agreement, the credit agreement, dated as of September 19, 2018, between certain of our subsidiaries and MUFG Bank, Ltd., as administrative agent, issuing lender and a lender, and the other lenders from time to time party thereto (the "MUFG Credit Agreement"), certain terms of which are described in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, which is incorporated by reference herein, our existing repurchase agreements, and any future credit and repurchase agreements that we or our subsidiaries may enter into. In particular, as of September 30, 2018, approximately \$490.5 million, \$100.0 million, \$33.3 million, \$590.8 million and \$3.5 billion were available, subject to certain conditions, to be borrowed under the Existing Revolving Credit Agreement, the New Credit Agreement, the Acquisition Credit Agreement, the MUFG Credit Agreement and our existing repurchase agreements, respectively. In addition, we may be able to incur additional indebtedness under the Advances Agreement from time to time with the approval of the Federal Home Loan Bank of Chicago (the "FHLB Chicago"). We and our subsidiaries may also be able to incur additional secured debt, which would be effectively senior in right of payment to the New Notes and, in the case of any subsidiaries that guarantee the Notes, their Guarantees of the Notes to the extent of the value of the assets securing such indebtedness. Our organizational documents contain no limitations regarding the maximum level of indebtedness that we may incur. The Indenture restricts us and our subsidiaries from incurring additional debt, but these restrictions are subject to numerous exceptions and permit us and our subsidiaries to incur indebtedness subject to compliance with certain financial ratios and under other exceptions to these restrictions, and we and our subsidiaries retain the ability to incur substantial amounts of secured and unsecured indebtedness without violating these restrictions. In addition, the Indenture does not prevent us or our subsidiaries from incurring liabilities that do not constitute Indebtedness and the financial covenants in the Indenture do not apply to VIEs because, under the Indenture, they are not considered to be our Subsidiaries and the Indenture allows us to deconsolidate VIEs for purposes of, among other things, determining compliance with the financial covenants and the amount of our Indebtedness. See "Description of the New Notes." If new debt or other liabilities are added to our current debt levels, the related risks that we now face could intensify.

***If we default in our obligations under the instruments governing our other indebtedness, we may not be able to make payments on the New Notes.***

A failure by us to comply with our contractual obligations (including restrictive, financial and other covenants), to pay our indebtedness and fixed costs or to post collateral (including under hedging arrangements) could result in a variety of material adverse consequences, including a default under our indebtedness (including the New Notes) and the exercise of remedies by our creditors, lessors and other contracting parties, and such defaults could trigger additional defaults under other indebtedness or agreements.

In the event of such default, the holders of such indebtedness could, in general, elect to declare all of such indebtedness to be immediately due and payable, together with accrued and unpaid interest, and, in the case of secured indebtedness, seize and sell the collateral securing that indebtedness. If our operating performance declines, we may need to seek waivers from the holders of our indebtedness to avoid being in default under the instruments governing such indebtedness. If we breach our covenants under our indebtedness, we may not be able to obtain a waiver from the holders of such indebtedness on terms acceptable to us or at all. If this occurs, we would be in default under such indebtedness, and the holders of such indebtedness and lenders could exercise their rights as described above, and we could be forced into bankruptcy or liquidation. A default under the agreements governing our existing or future indebtedness and the remedies sought by the holders of such indebtedness could make us

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unable to pay principal of, or premium, if any, and interest on the New Notes, which may result in the loss of some or all of your investment.

***Our ability to repay our debt, including the New Notes, depends on the performance of our subsidiaries and their ability to make distributions to us.***

As a holding company, substantially all of our business is conducted through our subsidiaries, which are separate and distinct legal entities and, except in the case of our subsidiaries, if any, that may guarantee the New Notes in the future under the circumstances described under "Description of the New Notes Possible Future Guarantees," have no contractual or other obligations to make payments due on the New Notes or to provide funds to us for that purpose. Therefore, our ability to service our indebtedness, including the New Notes, and to meet our other cash needs is dependent on the earnings of, and the distribution of funds (whether by dividend, distribution, loan or otherwise) to us by, our subsidiaries. The availability of funds from our subsidiaries will depend upon, among other things, their operating results, financial condition and legal or contractual restrictions on their ability to pay dividends and distributions or make loans to us. We cannot assure you that our subsidiaries will have sufficient funds, or that the agreements governing the existing and future indebtedness of our subsidiaries will not restrict or prevent our subsidiaries from providing us with sufficient funds, to make payments on the New Notes when due and to meet our other cash needs, and the Indenture does not restrict our subsidiaries from entering into such restrictive agreements. In addition, any payment of dividends, distributions or loans to us by our subsidiaries that may be organized or doing business outside of the United States could be subject to restrictions on dividends or repatriation of earnings under applicable local law and monetary transfer restrictions in the jurisdictions in which our subsidiaries operate and, even if we are able to repatriate funds from foreign subsidiaries, the repatriation of those funds may be subject to significant taxes. Furthermore, we guarantee many of the obligations of our subsidiaries and such guarantees may require us to provide substantial funds or assets to our subsidiaries or their creditors at a time when we need liquidity to fund our own obligations, such as the New Notes.

In addition, any right that we have to receive any assets of or distributions from any subsidiary upon its bankruptcy, insolvency, liquidation, reorganization, dissolution or winding-up, or to realize proceeds from the sale of the assets of any subsidiary, would be junior to the claims of that subsidiary's creditors, including trade creditors, and to holders of any preferred equity issued by that subsidiary or any indebtedness or other liabilities guaranteed by that subsidiary.

***The New Notes will be effectively subordinated in right of payment to the indebtedness, guarantees and other liabilities (including trade payables) and preferred equity of our subsidiaries that do not guarantee the New Notes and any of our subsidiaries that guarantees the New Notes will also be required to guarantee certain debt in addition to the New Notes.***

The Old Notes are not and, when the New Notes are first issued, the New Notes will not be, guaranteed by any of our subsidiaries and none of our subsidiaries will be required to guarantee the New Notes or any Old Notes that remain outstanding after the exchange offer in the future, except under the circumstances set forth in the covenant described in "Description of the New Notes Possible Future Guarantees." Moreover, certain classes of our subsidiaries (namely Excluded Subsidiaries, Securitization Entities and Foreign Subsidiaries) are excluded from any requirement to guarantee the Notes and any subsidiary that does guarantee the Notes may be released from its guarantee of the Notes under the circumstances described under "Description of the New Notes Possible Future Guarantees" or its guarantee of the Notes may automatically and permanently terminate under the circumstances described under "Description of the New Notes Certain Covenants Covenant Termination." See, also, the definitions of Excluded Subsidiary, Securitization Entity and Foreign Subsidiary under the caption "Description of the New Notes Certain Definitions."

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Our Non-Guarantor Subsidiaries will have no obligation, contingent or otherwise, to pay amounts due on the New Notes or to make any funds available to us to pay these amounts, whether by dividend, distribution, loan or otherwise. Accordingly, the Notes are and will be effectively subordinated in right of payment to all existing and future indebtedness, guarantees and other liabilities (including trade payables) and preferred equity of our Non-Guarantor Subsidiaries. As a result, in the event of bankruptcy, insolvency, liquidation, reorganization, dissolution or winding-up of any such Non-Guarantor Subsidiary, all of its creditors (including trade creditors) and all holders of its preferred equity and any indebtedness or other liabilities guaranteed by such Non-Guarantor Subsidiary would be entitled to payment in full out of its assets before we would be entitled to any payment.

If any of our subsidiaries guarantees the Notes, the terms of the Existing Convertible Senior Notes require that such subsidiary also guarantee the Existing Convertible Senior Notes, and, if any of our subsidiaries guarantees the Notes or the Existing Senior Notes, the terms of the New Credit Agreement require that such subsidiary also guarantee our borrowings under the New Credit Agreement, and we may in the future enter into other debt instruments with similar requirements. In addition, the Existing Senior Notes include a covenant substantially similar to the covenant described under "Description of the New Notes Possible Future Guarantees," which could require any of our Domestic Subsidiaries (other than Excluded Subsidiaries and Securitization Entities) that guarantees the Notes to also guarantee the Existing Senior Notes. As of September 30, 2018, approximately \$355.9 million in aggregate principal amount of our Existing Convertible Senior Notes were outstanding, approximately \$300.0 million was outstanding and approximately \$100.0 million was available for borrowing, subject to certain conditions, under the New Credit Agreement, and approximately \$1.7 billion aggregate principal amount of Existing Senior Notes were outstanding. Subsequent to the Issue Date of the Old Notes, (i) we repaid in full our 4.55% Convertible Senior Notes due 2018 and (ii) we redeemed \$263.4 million of our 4.00% Convertible Senior Notes due 2019 through the issuance of 12.4 million shares of common stock and cash payments of \$25.5 million, leaving \$78.0 million outstanding as of October 31, 2018.

As of September 30, 2018, our subsidiaries had approximately \$8.2 billion of indebtedness (excluding accounts payable, accrued expenses, other liabilities, VIE liabilities and unfunded commitments).

***The New Notes and any Guarantees will be unsecured and effectively subordinated in right of payment to our existing and future secured indebtedness and secured guarantees to the extent of the value of the assets securing such indebtedness and guarantees.***

The Old Notes are, and the New Notes and any Guarantees of the Notes by our subsidiaries will be, unsecured and therefore will not have the benefit of any collateral. Accordingly, the Notes and any Guarantees of the Notes will be effectively subordinated in right of payment to all existing and future secured indebtedness and secured guarantees of us and any Guarantors, respectively, to the extent of the value of the assets securing such secured indebtedness and secured guarantees. In that event, the assets securing such secured indebtedness and secured guarantees would first be used to repay in full all indebtedness, guarantees and other obligations secured by them, resulting in all or a portion of our assets or the assets of any Guarantor being unavailable to satisfy the claims of the holders of the Notes and other unsecured indebtedness. Therefore, in the event of any distribution or payment of our assets or the assets of any Guarantor in any insolvency, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of the Notes will participate in our remaining assets or the remaining assets of such Guarantor, as applicable, ratably with all holders of unsecured indebtedness, unsecured guarantees or other unsecured obligations (including trade payables) of us or such Guarantor, as applicable. In any of the foregoing events, we cannot assure you that there will be sufficient assets, or any assets, to pay amounts due on the Notes. As a result, holders of the Notes may

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receive less, ratably, than holders of our or our subsidiaries' secured indebtedness or secured guarantees or may receive no payments whatsoever.

As of September 30, 2018, we had total consolidated indebtedness of approximately \$10.6 billion (excluding accounts payable, accrued expenses, other liabilities, VIE liabilities and unfunded commitments), of which approximately \$8.6 billion was secured indebtedness (including approximately \$8.2 billion of secured indebtedness of our subsidiaries). In addition, the Indenture permits us to incur additional secured indebtedness subject to, among other things, our maintenance of Total Unencumbered Assets in an amount that is not less than 120% of the aggregate principal amount of our outstanding Unsecured Indebtedness and our compliance with the covenant described under the caption "Description of the New Notes Certain Covenants Limitation on Incurrence of Additional Indebtedness." As of September 30, 2018, we had a ratio of unencumbered assets to unsecured debt of 1.4x.

Certain of our subsidiaries (the "Existing Revolving Credit Agreement Borrowers") are borrowers under the Existing Revolving Credit Agreement, and our borrowings under the Existing Revolving Credit Agreement are guaranteed by us and certain other of our subsidiaries. Our borrowings under the Existing Revolving Credit Agreement are secured by each loan that is financed thereunder, together with mezzanine loans and other subordinated commercial real estate debt investments that are pledged by the Existing Revolving Credit Agreement Borrowers to provide additional collateral support, the equity interests in the Existing Revolving Credit Agreement Borrowers holding such loans and the equity interests in certain of our other wholly-owned indirect subsidiaries created to, and which may from time to time, hold interests or ground lease interests in commercial real estate in respect of which the Existing Revolving Credit Agreement Borrowers receive borrowing base credit. The Existing Revolving Credit Agreement permits, subject to certain conditions, borrowings of up to \$300.0 million and includes an accordion feature that contemplates the Existing Revolving Credit Agreement Borrowers obtaining up to \$350.0 million in additional commitments thereunder, subject to the consent of the banks thereunder. As of September 30, 2018, \$159.4 million in borrowings were outstanding under the Existing Revolving Credit Agreement and \$490.5 million was available, subject to certain conditions, to be borrowed thereunder.

Starwood Property Trust, Inc. is the borrower under the New Credit Agreement, and our borrowings under the New Credit Agreement are guaranteed by certain of our subsidiaries. Our borrowings under the New Credit Agreement are generally secured by all of the assets of each guarantor thereunder that holds borrowing base assets, and all equity interests in each such guarantor and in any direct subsidiary of such guarantor. The New Credit Agreement permits, subject to certain conditions, borrowings of up to \$400.0 million under a \$300.0 million term loan and a \$100.0 million revolving credit facility and includes an accordion feature that contemplates that we may obtain up to \$200.0 million in additional commitments thereunder, subject to the consent of the banks thereunder. As of September 30, 2018, \$300.0 million of borrowings were outstanding under the New Credit Agreement and \$100.0 million was available, subject to certain conditions, to be borrowed thereunder.

Certain of our subsidiaries ("Acquisition Credit Agreement Borrowers") are borrowers, and certain of our subsidiaries guarantee borrowings, under the Acquisition Credit Agreement. In addition, we provide a guarantee for recourse obligations under the Acquisition Credit Agreement under certain limited circumstances. Borrowings under the Acquisition Credit Agreement are secured by certain medical office properties and all other assets of the Acquisition Credit Agreement Borrowers, and the obligations of the guarantors under the Acquisition Credit Agreement are secured by all of the assets of those guarantors, other than capital stock in any Acquisition Credit Agreement Borrower. The Acquisition Credit Agreement permits term loan borrowings of up to \$524.5 million. As of September 30, 2018, \$491.2 million was outstanding under the Acquisition Credit Agreement and \$33.3 million was available, subject to certain conditions, to be borrowed thereunder.

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One of Starwood Property Trust, Inc.'s subsidiaries (the "Advances Agreement Borrower") is a borrower under the Advances Agreement, and Starwood Property Trust, Inc. guarantees certain of the borrowings under the Advances Agreement. Borrowings under the Advances Agreement are secured by the Advances Agreement Borrower's capital stock in the FHLB Chicago, which is the lender under the Advances Agreement, the Advances Agreement Borrower's deposit accounts maintained with FHLB Chicago, and the Advances Agreement Borrower's mortgage loans and mortgage-backed securities. The FHLB Chicago is not under any obligation to make loans or other credit extensions under the Advances Agreement. Borrowings under the Advances Agreement may only be made with the approval of the FHLB Chicago, among other conditions. As of September 30, 2018, \$500.0 million of borrowings were outstanding under the Advances Agreement.

Certain of our subsidiaries are parties to repurchase agreements, and these and other of our subsidiaries will likely enter into similar repurchase agreements in the future. The obligations of our subsidiaries under our existing repurchase agreements are secured by the assets sold to the respective financial institutions party thereto and are wholly or partially guaranteed by us, and it is likely that any repurchase agreements that our subsidiaries enter into in the future will be structured with similar collateral and may have guarantees from us. As of September 30, 2018, our subsidiaries had approximately \$3.6 billion of borrowings outstanding under repurchase agreements that, in the aggregate, permitted them to incur total borrowings of up to approximately \$7.1 billion outstanding at any time and, in addition, had approximately \$365.8 million of borrowings outstanding under other repurchase agreements that do not impose limitations on the amount of borrowings that may be incurred thereunder but require that any assets purchased with the proceeds of those borrowings be approved by the relevant lending banks.

Certain of our subsidiaries (the "MUFG Credit Agreement Borrowers") are borrowers under the MUFG Credit Agreement, and a subsidiary of ours that is the direct parent of the MUFG Credit Agreement Borrowers guarantees borrowings under the MUFG Credit Agreement. Borrowings under the MUFG Credit Agreement are secured by all of the assets of the MUFG Credit Agreement Borrowers, as well as by the equity interests of the MUFG Credit Agreement Borrowers. As of September 30, 2018, \$1.5 billion was outstanding under the MUFG Credit Agreement and an additional \$590.8 million was available, subject to certain conditions, to be borrowed thereunder.

***Our ability to repurchase Notes upon a Change of Control Triggering Event may be limited.***

Upon the occurrence of a Change of Control Triggering Event, we will be required (unless we have exercised our right to redeem all of the Notes by sending a notice of redemption) to offer to repurchase all of the Notes at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the applicable Change of Control Payment Date. See "Description of the New Notes Change of Control." We may be unable to repurchase the Notes upon a Change of Control Triggering Event because we may not have sufficient funds available or we may be prohibited from doing so by the terms of our other indebtedness. In that regard, the Existing Senior Notes include a covenant substantially similar to the covenant applicable to the Notes as described under the caption "Description of the New Notes Change of Control." In addition, a transaction constituting a Change of Control Triggering Event, Change of Control or similar event and certain other events or transactions relating to, for example, the composition of our board of directors, our adoption of a plan for liquidation or dissolution, a change of control in our manager or our manager ceasing to be our manager, constitute or may constitute events of default or require or may require us to repay or offer to repurchase or repay outstanding indebtedness under other existing or future credit agreements, repurchase agreements, indentures or other instruments or agreements relating to Indebtedness to which we or any of our subsidiaries is or becomes a party. Accordingly, we cannot assure you that we will have sufficient financial resources available to repurchase or repay Notes or other indebtedness should we be required to do so upon the occurrence of a Change of Control Triggering Event, Change

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of Control or other event or transaction. Any failure to repurchase or repay any existing or future indebtedness, should it become due and payable as the result of a Change of Control Triggering Event, Change of Control or other event, would likely have a material adverse effect on our business, results of operations and financial condition and could result in the acceleration of other indebtedness of us and our subsidiaries pursuant to cross-default and cross-acceleration provisions. In addition, certain existing or future indebtedness of ours and our subsidiaries requires or may require us or our subsidiaries to repay or offer to repurchase such indebtedness upon the occurrence of certain changes of control or similar events which may not constitute a Change of Control or Change of Control Triggering Event with respect to the Notes.

Moreover, we will be required to offer to repurchase Notes only if both a Change of Control and certain declines in the credit ratings on the Notes occur. By contrast, any requirement that we repurchase or repay or offer to repurchase or repay, as applicable, indebtedness outstanding under the Existing Revolving Credit Agreement, the New Credit Agreement, the Acquisition Credit Agreement, the MUFG Credit Agreement, our existing repurchase agreements or the Existing Convertible Senior Notes will arise upon the occurrence of a Change of Control or similar event or certain other events relating to, for example, certain changes in the composition of our board of directors, our adoption of a plan of liquidation or dissolution, a change of control in our manager or our manager ceasing to be our manager, in each case without any requirement that there also be a decline in our credit rating, and other existing and future instruments and agreements relating to indebtedness of us and our subsidiaries may have similar provisions. As a result, we may be required to repay or repurchase or offer to repay or repurchase indebtedness outstanding under the Existing Revolving Credit Agreement, the New Credit Agreement, the Acquisition Credit Agreement, the MUFG Credit Agreement, our existing repurchase agreements, the Existing Convertible Senior Notes and other existing and future instruments and agreements relating to indebtedness before we are required, or without our being required, to repurchase or offer to repurchase the Notes.

***The Change of Control Triggering Event provisions of the Notes may not provide protection in the event of certain transactions or in certain other circumstances.***

The provisions of the Notes which may require us to make an offer to repurchase the Notes upon the occurrence of a Change of Control Triggering Event as described under "Description of the New Notes Change of Control" may not provide Holders of Notes protection in the event of highly leveraged transactions, reorganizations, restructurings, takeovers, acquisitions, mergers, recapitalizations or similar transactions involving us that might adversely affect Holders of Notes. In particular, any such transaction may not give rise to a Change of Control Triggering Event, in which case we would not be required to make an offer to repurchase the Notes. Except as described under "Description of the New Notes Change of Control," neither the Indenture nor the Notes contain provisions that permit the holders of the Notes to require that the Company repurchase or redeem the Notes in the event of highly leveraged transactions, reorganizations, restructurings, takeovers, acquisitions, mergers, recapitalizations or similar transactions involving us.

In addition, the definition of "Change of Control" includes a disposition of "all or substantially all" of the assets (subject to certain exceptions) of us and our subsidiaries taken as a whole to any person. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of such assets of us and our subsidiaries. As a result, it may be unclear as to whether a Change of Control or Change of Control Triggering Event has occurred and whether we are required to make an offer to repurchase the Notes as described above, in which case, the ability of a holder of the Notes to obtain the benefit of the offer for repurchase of all or a portion of the Notes held by such holder may be adversely impacted.

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More generally, courts interpreting change of control provisions under New York law (which is the governing law of the Notes and the Indenture) have not provided a clear and consistent meaning of such change of control provisions, and no assurance can be given as to how or if a court would enforce the Change of Control Triggering Event provisions applicable to the Notes or how those provisions would be impacted were we to become a debtor in a bankruptcy case.

***If the Notes are rated investment grade by each of two specified rating agencies, certain covenants contained in the Indenture and any Guarantees of the Notes will be automatically and permanently terminated and released, and you will permanently lose the protection of these covenants and any such Guarantees.***

The Indenture contains a covenant that, subject to exceptions, limits the incurrence of additional Indebtedness by us and our subsidiaries. If at any time the Notes receive Investment Grade Ratings from Moody's Investors Service, Inc. and S&P Global Ratings and no Default or Event of Default has occurred and is continuing, (i) the foregoing covenant limiting the incurrence of Indebtedness, as well as a portion of the covenant limiting our ability to merge, consolidate or transfer all or substantially all of our assets, (ii) the covenant described under "Description of the New Notes Possible Future Guarantees" that may require, under certain circumstances, one or more of our Domestic Subsidiaries (subject to exceptions) to guarantee the Notes (other than the portions of such covenant limiting the obligations of each Guarantor, if any, under its Guarantee of the Notes to prevent such obligations from constituting a fraudulent conveyance or fraudulent transfer under applicable law and the portions of such covenant relating to the release of any Guarantor from its Guarantee of the Notes), and (iii) the Guarantees, if any, of the Notes and all of the obligations of the Guarantors, if any, under the Indenture, will be automatically and permanently terminated and released and will be of no further force or effect. After such termination, we may incur other indebtedness and take other actions that would have been prohibited if these covenants had been in effect. Accordingly, if these covenants are terminated, holders of the Notes will have less covenant protection than at the respective times the Old Notes and New Notes were first issued and will also lose the benefit of any Guarantees of the Notes. There can be no assurance that the Notes will ever receive any Investment Grade Ratings.

***The credit ratings assigned to the Notes may not reflect all risks of an investment in the New Notes.***

The credit ratings assigned to the Notes reflect the rating agencies' assessments of our ability to make payments on the Notes when due. Consequently, real or anticipated changes in these credit ratings will generally affect the market values of the New Notes. These credit ratings, however, may not reflect the potential impact of risks related to the structure, market or other factors related to the values of the New Notes.

***Changes in our credit rating could adversely affect the market prices or liquidity of the New Notes.***

Credit rating agencies continually revise their ratings for the companies that they follow, including us. The credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of the industry in which we operate. Any credit rating agencies may lower their ratings on the Notes or place the Notes on watch list for a possible downgrade. A negative change in our ratings could have an adverse effect on the market prices or liquidity of the New Notes.

***Federal and state laws may permit courts, under specific circumstances, to void the New Notes and/or any Guarantees as a fraudulent transfer or conveyance, subordinate claims in respect of the New Notes and/or any Guarantees and require you to return payments received. If that occurs, you may not receive any payments on the New Notes or any Guarantees.***

Federal and state creditor-protection related laws, including fraudulent transfer and fraudulent conveyance statutes, may apply to the Notes and any Guarantees. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or fraudulent conveyance laws, which may vary from



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state to state, the Notes or any Guarantees thereof could be voided as fraudulent transfers or conveyances if we or any Guarantors, as applicable, (i) issued the Notes or incurred any Guarantees with the actual intent of hindering, delaying or defrauding current or future creditors or (ii) received less than reasonably equivalent value or fair consideration in return for either issuing the Notes or incurring any Guarantees and, in the case of (ii) only, one of the following is also true at the time thereof:

we or any such Guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the Notes or the incurrence of any such Guarantees;

the issuance of the Notes or the incurrence of any such Guarantees left us or any such Guarantors, as applicable, with an unreasonably small amount of capital or assets to carry on business; or

we or any such Guarantors intended to, or believed that we or such Guarantor would, incur debts beyond our or any Guarantor's ability to pay as they mature.

To the extent that any Old Notes are found to be voidable as fraudulent transfers or conveyances, then any New Notes issued upon exchange of such Old Notes may likewise be voidable as fraudulent transfers or conveyances.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or a valid antecedent debt is secured or satisfied. A court could find that we or any Guarantor did not receive reasonably equivalent value or fair consideration for the Notes or any Guarantees, as applicable, to the extent that we or any Guarantor did not obtain a reasonably equivalent benefit directly or indirectly from the issuance of the Notes or the applicable Guarantees.

The bankruptcy code defines "insolvent" as to an entity other than a partnership or a municipality as the sum of its debts, including contingent and unliquidated liabilities, being greater than the fair value of all of its assets. We cannot be certain as to the standards a court would use to determine whether or not we or any Guarantors were insolvent at the relevant time.

If a court were to find that the issuance of the Notes or the incurrence of a Guarantee of the Notes was a fraudulent transfer or conveyance, the court could void the payment obligations under the Notes or that Guarantee (the effect being that holders of the Notes would cease to have a claim under the Notes or such Guarantee) or could require the holders of the Notes to repay any amounts received with respect to the Notes or that Guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the New Notes. Further, the voiding of the Notes or any Guarantees could result in an event of default with respect to the Notes or our and our subsidiaries' other debt that could result in acceleration of the Notes or that debt.

Although the Indenture contains a provision intended to limit any Guarantor's liability under its Guarantee of the Notes to the maximum amount as will not result in the obligations of such Guarantor under its Guarantee of the Notes constituting a fraudulent conveyance or fraudulent transfer under applicable federal, foreign or state law, this provision may not be effective to protect any Guarantees of the Notes from being voided under fraudulent conveyance, fraudulent transfer or similar laws, or prevent that Guarantor's obligation from being reduced to an amount that effectively makes its Guarantee worthless. For example, in 2009, the U.S. Bankruptcy Court for the Southern District of Florida in *Official Committee of Unsecured Creditors of TOUSA, Inc. v. Citicorp N. Am., Inc.* voided certain secured guarantees issued by certain subsidiary guarantors notwithstanding the existence of a similar provision which the court found to be ineffective in that case; this decision was affirmed by the Eleventh Circuit Court of Appeals on May 15, 2012. If any Guarantees of the Notes by any Guarantors were held to be unenforceable, the Notes would be effectively subordinated to all indebtedness, guarantees and other liabilities, including trade payables, and preferred equity of such Guarantor.

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Finally, the bankruptcy court may subordinate the claims in respect of the Notes or the Guarantees of the Notes to other claims against us or any Guarantors under the principle of equitable subordination if the court determines that (i) the holder of Notes engaged in some type of inequitable conduct, (ii) the inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holders of Notes and (iii) equitable subordination is not inconsistent with the provisions of the bankruptcy code.

***If any of our subsidiaries guarantees the Notes, such Guarantor's liability under its Guarantee of the Notes may be reduced to zero, voided or released under certain circumstances and you may not receive any payments from some or all of the Guarantors.***

The Old Notes are not and, when the New Notes are first issued, the New Notes will not be, guaranteed by any of our subsidiaries and none of our subsidiaries will be required to guarantee the Notes in the future, except under the circumstances described in "Description of the New Notes Possible Future Guarantees," subject to release of any such subsidiary from its obligations under such Guarantee as described in "Description of the New Notes Possible Future Guarantees" and to the automatic and permanent release and termination of all such Guarantees as described in "Description of the New Notes Certain Covenants Covenant Termination." If the Notes are ever guaranteed, the obligations of each Guarantor under its Guarantee of the Notes will be limited to the maximum amount as will not result in the obligations of such Guarantor under such Guarantee constituting a fraudulent conveyance or fraudulent transfer under applicable federal, foreign or state laws. By virtue of this limitation, a Guarantor's obligation under its Guarantee of the Notes could be significantly less than amounts due and payable with respect to the Notes, or a Guarantor may have no obligation under its Guarantee of the Notes. Moreover, this limitation may not be effective to protect any Guarantees from being voided under fraudulent conveyance, fraudulent transfer or similar laws or to prevent that Guarantor's obligation from being reduced to an amount that effectively makes its Guarantee worthless. Furthermore, the Notes will lose the benefit of a particular Guarantee thereof if it is released under the circumstances described in "Description of the New Notes Possible Future Guarantees" or permanently released and terminated under the circumstances described in "Description of the New Notes Certain Covenants Covenant Termination." You will not have a claim as a creditor against any subsidiary that does not guarantee the Notes or whose Guarantee of the Notes has been released or terminated, and the indebtedness, guarantees and other liabilities, including trade payables, whether secured or unsecured, and preferred equity of those subsidiaries will effectively be senior to claims of holders of the Notes.

***There is no public market for the New Notes.***

Prior to this offering, there was no trading market for the New Notes and we cannot assure you that an active trading market will develop for the New Notes or, if one does develop, that it will be maintained. If the New Notes are traded after their initial issuance, they may trade at a discount to the price you paid for the Old Notes that you exchanged for such New Notes depending upon prevailing interest rates, the market for similar securities, our performance and other factors. Historically, there has been substantial volatility in the prices of corporate debt securities, and the price of the New Notes is likely to be affected by factors which affect the price of corporate debt securities generally. In addition, the trading prices of fixed rate debt securities like the New Notes generally tend to decline as interest rates rise and governmental action, economic conditions or other factors that cause an increase in interest rates generally may have an adverse effect on the trading price of the New Notes. We do not intend to apply for listing of the New Notes on any securities exchange or for inclusion of the New Notes on any automated quotation system. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.

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***Redemption may adversely affect your return on the Notes.***

We have the right to redeem some or all of the Notes, at any time in whole or from time to time in part prior to their maturity, as described under "Description of New Notes Optional Redemption." We may redeem Notes at times when market interest rates may be lower than market interest rates as of the date of original issuance of the Old Notes. Accordingly, if we redeem Notes, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that on the Notes.

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#### **USE OF PROCEEDS**

We will not receive any proceeds from the exchange offer. Any Old Notes that are properly tendered and exchanged pursuant to the exchange offer will be cancelled.

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**THE EXCHANGE OFFER**

On January 29, 2018, we completed a private offering of \$500 million aggregate principal amount of Old Notes in a transaction that was not registered under the Securities Act. The Old Notes may not be reoffered, resold or otherwise transferred except pursuant to a registration statement which is effective under, and otherwise in compliance with the registration and prospectus delivery requirements of, the Securities Act, or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and subject, in each of the foregoing cases, to compliance with the securities laws of any other applicable jurisdiction and with the procedure specified in the Indenture, including the delivery of any certificate, opinion of counsel or other information that may be required by the Indenture or by us. Accordingly, in connection with the offering of the Old Notes, we entered into the 2018 Registration Rights Agreement in which we agreed, among other things and on the terms and subject to the conditions set forth therein, to use our commercially reasonable efforts to (1) file with the SEC a registration statement covering the exchange of Old Notes for New Notes, (2) complete such exchange offer no later than 360 days after January 29, 2018 (which was the date of original issuance of the Old Notes) and (3) cause the registration statement for the exchange offer to remain effective until the earlier of (i) 180 days after such registration statement becomes effective and (ii) the date on which a participating broker-dealer (as defined below) is not required to deliver a prospectus in connection with resales of New Notes. The exchange offer is being made pursuant to the 2018 Registration Rights Agreement.

For purposes of the information appearing under this caption "The Exchange Offer," references to "Starwood Property Trust, Inc.," "the Company," "we," "our," "us" and similar references refer only to Starwood Property Trust, Inc. and not its subsidiaries or any entities that are consolidated with it for financial reporting purposes, unless otherwise expressly stated or the context otherwise requires.

**Terms of the Exchange Offer; Period for Tendering Old Notes**

On the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we are offering to issue up to \$500 million aggregate principal amount of New Notes in exchange for a like aggregate principal amount of Old Notes. We will accept for exchange Old Notes which are validly tendered and not validly withdrawn prior to 5:00 p.m., New York City time, on the expiration date unless we terminate the exchange offer. As used herein, the term "expiration date" means December 1, 2018 (which is the 20th business day following the date of this prospectus), except that if we, in our sole and absolute discretion, extend the period of time during which the exchange offer is open, "expiration date" shall mean the latest date to which the exchange offer has been extended. In exchange for each \$1,000 aggregate principal amount of Old Notes validly tendered and not validly withdrawn by the holder thereof prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer and accepted for exchange by us, all on the terms and subject to the conditions set forth in the letter of transmittal and in this prospectus, the tendering holder will receive \$1,000 aggregate principal amount of New Notes.

As of the date of this prospectus, \$500 million aggregate principal amount of Old Notes are outstanding. This prospectus, together with the letter of transmittal and related documentation, is first being sent on the date hereof to all registered holders of Old Notes whose names appear in the registry books maintained by the registrar for the Old Notes.

We expressly reserve the right, at any time and from time to time in our sole and absolute discretion, to extend the period of time during which the exchange offer is open by giving written notice of such extension to the registered holders of the Old Notes as described below, and to delay acceptance for exchange of any Old Notes. During any such extension or delay, all Old Notes previously tendered will remain subject to the exchange offer and may be accepted for exchange by us.

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We expressly reserve the right, in our sole and absolute discretion, to amend the exchange offer and, upon the occurrence of any of the conditions to the exchange offer specified under "Conditions to the Exchange Offer," to not accept for exchange any Old Notes and to terminate the exchange offer. We will give prompt notice of any extension of the exchange offer, any such amendment that we determine, in our sole and absolute discretion, to constitute a material change in the exchange offer, and of any such termination to registered holders of Old Notes in such manner as we may elect, which may include, without limitation, by means of a press release or other public announcement or by means of electronic notification through DTC's procedures; provided that, in the case of any extension of the exchange offer, we will give such notice by means of a press release or other public announcement no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

**Procedures for Tendering Old Notes**

The tender to us of Old Notes by you as set forth in this prospectus and the letter of transmittal and our acceptance of such Old Notes will constitute a binding agreement between us and you upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

The Old Notes currently are in book-entry form and represented by one or more Global Old Notes registered in the name of DTC or its nominee. You will not be entitled to receive Certificated Old Notes in exchange for your beneficial interest in Global Old Notes except under the limited circumstances described under "Book-Entry, Delivery and Form." Accordingly, so long as your Old Notes are in book-entry form represented by one or more Global Old Notes, you must tender your Old Notes pursuant to DTC's ATOP procedures and the other procedures described in this prospectus and the related letter of transmittal.

So long as the Old Notes are in book-entry form represented by one or more Global Old Notes, you need not deliver a signed letter of transmittal to the Exchange Agent so long as your Old Notes are tendered in accordance with DTC's ATOP procedures and the Exchange Agent receives an Agent's Message prior to 5:00 p.m., New York City time, on the expiration date. In all other cases, a letter of transmittal must be manually executed and delivered as described in this prospectus and the letter of transmittal.

If you wish to tender your Old Notes pursuant to the exchange offer, you must, among other things, deliver or cause to be delivered to the Exchange Agent prior to 5:00 p.m., New York City time, on the expiration date either:

a properly completed and duly executed letter of transmittal, with any required signature guarantees, together with any other required documentation, all of which must be delivered to the Exchange Agent in the manner and at the address set forth in this prospectus; or

so long as your Old Notes are in book-entry form, a computer generated message transmitted by DTC to and received by the Exchange Agent and forming a part of the Book Entry Confirmation (as defined below) stating that the holder of the Old Notes acknowledges and agrees to be bound by the terms of the letter of transmittal (an "Agent's Message").

In addition, you must also deliver or cause to be delivered to the Exchange Agent prior to 5:00 p.m., New York City time, on the expiration date either:

so long as your Old Notes are in book-entry form, an electronic confirmation from DTC of the book entry transfer of your Old Notes into the Exchange Agent's account at DTC (a "Book-Entry Confirmation"); or

in the event certificated Notes are issued, the Certificated Old Notes you are tendering, in proper form for transfer and with any required signature guarantees and any other required

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documentation, all of which must be delivered to the Exchange Agent, together with your signed letter of transmittal and other required documents, in the manner and at the address set forth in this prospectus.

You may tender any or all of your Old Notes; provided that Old Notes may only be tendered in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof and, if any Old Note is tendered in part, the untendered portion of such Old Note must be a denomination of \$2,000 or an integral multiple of \$1,000 in excess thereof. For further information, see " Book-Entry Transfers."

To receive confirmation of a tender of Old Notes, you should contact the Exchange Agent at the telephone number listed under " Exchange Agent."

If you are the beneficial owner of Old Notes in book-entry form that are held through or registered in the name of a broker, dealer, bank or other financial institution or nominee and you wish to tender those Old Notes in the exchange offer, you must promptly instruct such broker, dealer, bank or other financial institution or nominee, as the case may be, to tender those Old Notes on your behalf prior to the expiration of the exchange offer or, if you are a direct participant in DTC, you may give those instructions directly to DTC. So long as the Old Notes are in book-entry form represented by one or more Global Old Notes, this is the only manner in which you will be able to tender your Old Notes.

If Certificated Old Notes are issued and you are the beneficial owner of Certificated Old Notes that are held through or registered in the name of a broker, dealer, bank or other financial institution or nominee and you wish to tender those Certificated Old Notes in the exchange offer, you must promptly instruct such broker, dealer, bank or other financial institution or nominee, as the case may be, to tender those Certificated Old Notes on your behalf prior to the expiration of the exchange offer or, if you wish to tender those Certificated Old Notes yourself, then, prior to completing and executing the letter of transmittal and delivering your Certificated Old Notes, you must either make appropriate arrangements to register ownership of those Certificated Old Notes in your own name or obtain a properly completed bond power (with any required signature guarantee) from the registered holder of those Certificated Old Notes. The transfer of registered ownership may take considerable time.

If a holder completing a letter of transmittal tenders less than all of the Old Notes held by such holder, the tendering holder should indicate the aggregate principal amount of Old Notes it is tendering by filling in the applicable box of the letter of transmittal. All Old Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated.

The method of delivery (whether physical or electronic) of Old Notes, letters of transmittal, Agent's Messages, Book-Entry Confirmations and all other required documents is at your risk and election, provided that Old Notes in book-entry form must be tendered through DTC's ATOP procedures. If such delivery is by mail, it is recommended that you use registered mail, properly insured, with return receipt requested. In all cases, you should allow sufficient time to insure delivery to the Exchange Agent before 5:00 p.m., New York City time, on the expiration date. You may request the broker, dealer, bank or other financial institution or nominee through which you may hold Old Notes to effect these transactions for you. No letter of transmittal, Old Notes or other documents should be sent to us.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed unless the Old Notes surrendered for exchange are tendered:

by a holder of the Old Notes who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal, or

for the account of an Eligible Institution (as defined below).

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In the event that signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, such guarantees must be by a firm which is a member of the Securities Transfer Agent Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange Medallion Program (each such entity being hereinafter referred to as an "Eligible Institution").

When a letter of transmittal is signed by the registered holder or holders of the Old Notes being tendered, no endorsements of the certificates evidencing such Old Notes or separate bond powers are required. If, however, the New Notes are to be issued, or any untendered Old Notes are to be reissued, in the name of a person other than such registered holder or holders, then such certificates must be endorsed or accompanied by appropriate bond powers (satisfactory to the Company and the Exchange Agent in their sole and absolute discretion), in each case signed exactly as the name or names of the registered holder or holders, as the case may be, appear on the applicable certificates and the signatures on such certificates or bond powers, as the case may be, must be guaranteed by an Eligible Institution.

If a letter of transmittal is signed by a person or persons other than the registered holder or holders, as the case may be, of the certificates evidencing the Old Notes being tendered, such certificates must be endorsed or accompanied by appropriate bond powers (satisfactory to the Company and the Exchange Agent in their sole and absolute discretion), in each case signed exactly as the name or names of the registered holder or holders, as the case may be, appear on the applicable certificates and the signatures on such certificates or bond powers, as the case may be, must be guaranteed by an Eligible Institution.

We in our sole and absolute discretion will make a final and binding determination on all questions as to the validity, form, eligibility (including time of receipt) and acceptance of Old Notes tendered for exchange. We reserve the absolute right to reject any and all tenders of any Old Notes not properly tendered and to not accept any Old Notes which acceptance might, in our judgment or our counsel's, be unlawful. We also reserve the right, in our sole and absolute discretion, to waive any defects or irregularities or conditions of the exchange offer as to any Old Notes either before or after the expiration of the exchange offer (including the right to waive the ineligibility of any holder or beneficial owner who seeks to tender Old Notes in the exchange offer). Our interpretation of the terms and conditions of the exchange offer (including the letter of transmittal and instructions thereto) as to any particular tender of Old Notes or holder or beneficial owner thereof either before or after the expiration of the exchange offer will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Old Notes for exchange must be cured within a reasonable period of time, as we in our sole and absolute discretion may determine. We are not, nor is the Exchange Agent or any other person, under any duty to notify you or any other person of any defect or irregularity with respect to your tender of Old Notes for exchange, or if any Old Notes, letters of transmittal, Agent's Messages, Book-Entry Confirmations or other documents are or are not received by the Exchange Agent, and no one will be liable for failing to provide such notification.

If any letter of transmittal, Old Note, bond powers or other instruments of transfer or other documents are signed by or on behalf of trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing. Unless waived by us or the Exchange Agent, proper evidence satisfactory to us and the Exchange Agent of their authority to so act must be submitted with the letter of transmittal.

**Representations by Tendering Owners**

By tendering Old Notes, you will acknowledge, represent and warrant to and agree with us that, among other things, (i) you are not our "affiliate" (as defined in Rule 405 under the Securities Act), (ii) any New Notes you receive in the exchange offer will be acquired by you in the ordinary course of your business, (iii) you have no arrangement or understanding with any person to engage in, and you



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are not engaged in and do not intend to engage in, the distribution (within the meaning of the Securities Act) of the New Notes in violation of the Securities Act, (iv) you are not a broker-dealer that will receive New Notes in the exchange offer in exchange for Old Notes that you purchased from us for resale pursuant to Rule 144A under the Securities Act or any other available exemption from registration under the Securities Act, and (v) if you are a broker-dealer holding Old Notes acquired for your own account as a result of your market making or other trading activities (a "participating broker-dealer"), you will deliver (or, to the extent permitted by applicable law, make available) a prospectus meeting the requirements of the Securities Act to purchasers and other transferees in connection with any resale or other transfer of the New Notes you receive in exchange for such Old Notes pursuant to the exchange offer (provided, however, by so acknowledging and by delivering (or making available as aforesaid) a prospectus, you will not be deemed to admit that you are an "underwriter" within the meaning of the Securities Act). For additional information, see " Resales of New Notes" and "Plan of Distribution" below.

By tendering Old Notes, you will also acknowledge, represent and warrant to and agree with us that you have full right, power and authority to tender, sell, assign and transfer all right, title and interest in and to the Old Notes tendered and to acquire New Notes issuable upon the exchange of such tendered Old Notes and that, if and when such Old Notes are validly tendered and accepted by us for exchange, we will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim.

If you are unable to make these and other acknowledgements, representations, warranties and agreements in the letter of transmittal, or if you are participating in the exchange offer for the purpose of participating in a distribution (within the meaning of the Securities Act) of the New Notes to be acquired in the exchange offer, or if you are a broker-dealer that will receive New Notes in the exchange offer in exchange for Old Notes that you acquired from us for resale pursuant to Rule 144A under the Securities Act or any other available exemption from registration under the Securities Act, you will not be permitted to exchange your Old Notes in the exchange offer and you will be subject to other consequences described below under " Resales of New Notes."

**Acceptance of Old Notes for Exchange; Delivery of New Notes**

Upon satisfaction or waiver of all of the conditions to the exchange offer, we will accept, promptly after the expiration of the exchange offer, all Old Notes validly tendered and not validly withdrawn and, promptly after acceptance of the Old Notes, we will issue New Notes in an aggregate principal amount equal to the aggregate principal amount of Old Notes so accepted. See " Conditions to the Exchange Offer." For purposes of the exchange offer, we will be deemed to have accepted validly tendered Old Notes for exchange if and when we give oral (confirmed in writing) or written notice to the Exchange Agent.

A holder of Old Notes accepted for exchange will receive New Notes in an aggregate principal amount equal to the aggregate principal amount of such Old Notes. Persons who are the registered holders of the New Notes at the close of business on the record date for the first interest payment date following the consummation of the exchange offer will be entitled to receive interest accrued on the New Notes from and including the most recent date to which interest has been paid on the Old Notes (or, if no interest has been paid on the Old Notes, from and including January 29, 2018) to but excluding such interest payment date; provided that, notwithstanding the foregoing, if such record date occurs prior to the consummation of the exchange offer, then the interest payable on the first interest payment date following the consummation of the exchange offer will instead be paid to the persons who were the registered holders of the Old Notes that were exchanged for such New Notes at the close of business on such record date. Interest will cease to accrue on Old Notes that are exchanged for New Notes pursuant to the exchange offer and holders and beneficial owners of Old Notes will not be

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entitled to receive any payments in respect of accrued and unpaid interest on Old Notes that are exchanged for New Notes except as described in the immediately preceding sentence.

In all cases, issuance of New Notes for Old Notes that are accepted for exchange will be made only after timely receipt by the Exchange Agent of:

certificates for such Old Notes or a Book-Entry Confirmation of the transfer of such Old Notes into the Exchange Agent's account at DTC,

a properly completed and duly executed letter of transmittal (with the signature on such letter of transmittal guaranteed by an Eligible Institution if the letter of transmittal so requires) or an Agent's Message in lieu thereof, and

all other required documents.

Any Old Notes which have been tendered for exchange but which are not exchanged for any reason (including, without limitation, because the tender of those Old Notes has been properly withdrawn, because we do not accept those Old Notes for exchange or terminate the exchange offer, or if the tendering holders properly indicate that only a portion of the Old Notes being tendered are to be exchanged for New Notes), such Old Notes will be returned to the holders thereof (or, in the case of Old Notes tendered by book-entry transfer, will be credited to the accounts at DTC of the applicable DTC participants), unless any such holders completed the box entitled "Special Delivery Instructions" in the letter of transmittal, in which case such Old Notes shall be returned to the person specified in such instructions, without cost to such holders, promptly after withdrawal of such Old Notes or expiration or termination of the exchange offer, as the case may be.

**Book-Entry Transfers**

For purposes of the exchange offer, the Exchange Agent will request that an account be established with respect to the Old Notes at DTC, unless the Exchange Agent has already established an account with DTC suitable for the exchange offer. Any financial institution that is a direct participant in DTC (a "participant") may make book-entry delivery of Old Notes by causing DTC to transfer such Old Notes into the Exchange Agent's account at DTC in accordance with DTC's procedures for transfer and by causing DTC to deliver an Agent's Message and a Book-Entry Confirmation complying with the terms of the exchange offer to the Exchange Agent through DTC.

Any DTC participant wishing to tender Old Notes in the exchange offer (whether on its own behalf or on behalf of the beneficial owner of Old Notes) should transmit its acceptance to DTC sufficiently far in advance of the expiration of the exchange offer so as to permit DTC to take the following actions prior to 5:00 p.m., New York City time, on the expiration date. DTC will verify such acceptance, execute a book-entry transfer of the tendered Old Notes into the Exchange Agent's account at DTC and then send to the Exchange Agent a Book-Entry Confirmation of such book-entry transfer. The Book-Entry Confirmation of such book-entry transfer will include an Agent's Message confirming that such DTC participant acknowledges and agrees (on behalf of itself and on behalf of any beneficial owner of the applicable Old Notes) to be bound by the letter of transmittal. All of the foregoing, together with any other required documents, must be delivered to and received by the Exchange Agent prior to 5:00 p.m., New York City time, on the expiration date.

**Withdrawal Rights**

You may withdraw, no later than 5:00 p.m., New York City time, on the expiration date of the exchange offer, any Old Notes that you have tendered in the exchange offer. For a withdrawal of tendered Old Notes to be effective, the Exchange Agent must receive, in the case of Old Notes tendered pursuant to DTC's ATOP procedures, an electronic notice of withdrawal transmitted by DTC on behalf of the DTC participant that tendered such Old Notes or, in the case of Certificated Old

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Notes, if any, tendered by physical delivery, a written (which may be given by letter or telegram) or facsimile notice of withdrawal at the address or facsimile number set forth below under " Exchange Agent," in each case no later than 5:00 p.m., New York City time, on the expiration date. The notice of withdrawal must:

specify the name of the person having tendered the Old Notes to be withdrawn and, if different, the name of the registered holder of such Old Notes (or, in the case of Old Notes tendered by book-entry transfer, the name and DTC account number of the DTC participant that tendered such Old Notes),

identify the Old Notes to be withdrawn (including the CUSIP numbers and, in the case of Certificated Old Notes, the certificate numbers thereof) and principal amount of such Old Notes,

in the case of Old Notes tendered through DTC's ATOP procedures, specify the name and account number at DTC to which your withdrawn Old Notes should be credited,

in the case of Certificated Old Notes physically delivered to the Exchange Agent, be signed by the same person and in the same manner as the original letter of transmittal, including any signature guarantees (or, in the case of Old Notes tendered by book-entry transfer, be signed by or transmitted on behalf of the same DTC participant that tendered such Old Notes), or be accompanied by evidence satisfactory to us and the Exchange Agent that the person withdrawing the tender has succeeded to the beneficial ownership of those Old Notes,

contain a statement that the holder is withdrawing its election to have the Old Notes exchanged, and

if the letter of transmittal was executed by a person other than the registered holder, be accompanied by a properly completed irrevocable proxy authorizing such person to effect such withdrawal on behalf of such registered holder.

The signature on a notice of withdrawal must be guaranteed by an Eligible Institution unless the applicable Old Notes were tendered by an Eligible Institution and the notice of withdrawal is being signed by the same Eligible Institution, and the signature on any such irrevocable proxy must be guaranteed by an Eligible Institution unless the signatory to such proxy is an Eligible Institution.

Properly withdrawn Old Notes may be retendered by following the procedures described under " Procedures for Tendering Old Notes" above and in the letter of transmittal at any time prior to 5:00 p.m., New York City time, on the expiration date.

All questions as to the validity, form and eligibility (including time of receipt) of such notices of withdrawal and all other documents submitted and procedures followed in connection therewith will be determined by us in our sole and absolute discretion (which power may be delegated to the Exchange Agent), which determination shall be final and binding on all parties. Any Old Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer and no New Notes will be issued with respect thereto unless the Old Notes so withdrawn are validly retendered and not validly withdrawn and are accepted by us.

### **Conditions to the Exchange Offer**

Notwithstanding any other term of the exchange offer, the exchange offer will be subject to customary conditions, including that (i) the exchange offer does not, in our judgment, violate any applicable law or any applicable interpretation of the staff of the SEC, (ii) no action or proceeding shall have been instituted or threatened by any governmental agency or other person or entity and no material adverse development shall have occurred in any existing action or proceeding with respect to us and our subsidiaries which, in either case, in our judgment, might materially impair our ability to

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proceed with the exchange offer and (iii) all governmental consents and approvals that, in our judgment, are necessary in connection with the exchange offer shall have been obtained and shall be in full force and effect.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any condition and any or all such conditions may be waived by us at any time or from time to time in our sole and absolute discretion. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right and each such right will be deemed an ongoing right which may be asserted at any time.

In addition, we will not accept for exchange any Old Notes tendered, and no New Notes will be issued in exchange for any such Old Notes, if at such time any stop order suspending the effectiveness of the registration statement of which this prospectus is a part is threatened or in effect. In any such event, we must use commercially reasonable efforts to obtain the withdrawal of such stop order.

**No Guaranteed Delivery**

There are no guaranteed delivery procedures available in connection with the exchange offer. Accordingly, holders of Old Notes must deliver or cause to be delivered their Old Notes and all other required documentation to the Exchange Agent in accordance with the procedures described in this prospectus and the letter of transmittal prior to 5:00 p.m., New York City time, on the expiration date.

**No Appraisal or Dissenters' Rights**

Holders of the Old Notes do not have any appraisal or dissenters' rights in connection with the exchange offer.

**Exchange Agent**

We have appointed The Bank of New York Mellon as the Exchange Agent for the exchange offer. All executed letters of transmittal, Certificated Old Notes (if any), and other documents must be delivered to the address or the facsimile number set forth below, except that Old Notes in book-entry form, Book-Entry Confirmations, Agent's Messages, notices of withdrawal given through ATOP procedures and other electronic messages delivered through DTC must be delivered to the Exchange Agent through DTC's systems and procedures. Questions, requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal should be directed to the Exchange Agent addressed as follows:

*By Hand, Overnight Delivery or Mail  
(Registered or Certified Mail Recommended):*

The Bank of New York Mellon, as Exchange Agent  
c/o The Bank of New York Mellon Corporation  
Corporate Trust Operations Reorganization Unit  
111 Sanders Creek Parkway  
East Syracuse, New York 13057  
Attention: Eric Herr

*By Facsimile Transmission:*

(732) 667-9408  
Attention: Eric Herr

Your fax cover sheet should provide a call-back  
number and request a call back, upon receipt.

To confirm receipt or for more information, call:  
(315) 414-3362  
Or use email:  
CT\_REORG\_UNIT\_INQUIRIES@bnymellon.com

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**DELIVERY OF A LETTER OF TRANSMITTAL, NOTICE OF WITHDRAWAL, CERTIFICATED OLD NOTES (IF ANY) AND OTHER DOCUMENTS TO AN ADDRESS OR BY FACSIMILE TRANSMISSION TO A FACSIMILE NUMBER OTHER THAN AS SHOWN ABOVE, AND ELECTRONIC DELIVERY OF OLD NOTES IN BOOK-ENTRY FORM, BOOK-ENTRY CONFIRMATIONS, AGENT'S MESSAGES, NOTICES OF WITHDRAWAL GIVEN THROUGH THE ATOP PROCEDURES AND OTHER ELECTRONIC DOCUMENTS TRANSMITTED TO THE EXCHANGE AGENT OTHER THAN THROUGH DTC'S SYSTEMS AND PROCEDURES, DOES NOT CONSTITUTE A VALID DELIVERY.**

**Fees and Expenses**

We will pay the Exchange Agent's customary fees for its services, reimburse the Exchange Agent for its reasonable out-of-pocket expenses incurred in connection with the provision of these services and generally pay other registration expenses, including fees and expenses of the Trustee under the Indenture, SEC filing fees, and printing and distribution expenses. We will not pay any discounts, fees or commissions, or make any other payments, to brokers, dealers or others soliciting acceptances of the exchange offer. We will, however, upon written request, reimburse brokers, dealers, commercial banks, trust companies and other nominees for their reasonable and documented out-of-pocket expenses incurred in mailing copies of this prospectus, the letter of transmittal and any related documents to beneficial owners of Old Notes.

Additional solicitation may be made by telephone, facsimile or in person by our and our affiliates' officers and employees and by persons so engaged by us.

**Transfer Taxes**

We will pay all transfer taxes, if any, applicable to the transfer of Old Notes to us or upon our order pursuant to the exchange offer. If, however, New Notes and/or Old Notes not exchanged are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the tendered Old Notes, if tendered Old Notes are registered in the name of any person other than the person signing the letter of transmittal, or if a transfer tax is imposed for any reason other than the transfer of Old Notes to us or upon our order pursuant to the exchange offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of the payment of such taxes or an exemption therefrom is not submitted to the Exchange Agent with the delivery of the applicable letter of transmittal to the Exchange Agent or, in the case of Old Notes in book-entry form, contemporaneously with the tender of such Old Notes, the amount of such transfer taxes will be billed to such tendering holder or we may refuse to accept the Old Notes tendered by such holder.

**Accounting Treatment**

We will record the New Notes at the same carrying value as the Old Notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes. The costs of the exchange offer will be expensed as they are incurred.

**Consequences of Not Exchanging Old Notes**

If you do not exchange your Old Notes for New Notes in the exchange offer, your Old Notes will remain outstanding and will continue to accrue interest but will remain subject to the restrictions on transfer set forth in the Indenture and in the legend on the certificates evidencing the Old Notes, as well as the restrictions on transfer arising under the Securities Act and any other applicable laws, and you will not be entitled to receive any Additional Interest on your Old Notes and will not be entitled to