EARN

ELLINGTON RESIDENTIAL MORTGAGE REIT

August 11, 2022

Earnings Conference Call

Q2 2022

Important Notice

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Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Actual results may differ from the Company's beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "believe," "expect," "anticipate," "estimate," "project," "plan," "continue," "intend," "should," "would," "could," "goal," "objective," "will," "may," "seek," or similar expressions or their negative forms, or by references to strategy, plans, or intentions.

The Company's results can fluctuate from month to month and from quarter to quarter depending on a variety of factors, some of which are beyond the Company's control and/or are difficult to predict, including, without limitation, changes in interest rates and the market value of the Company's securities, changes in mortgage default rates and prepayment rates, the Company's ability to borrow to finance its assets, changes in government regulations affecting the Company's business, the Company's ability to maintain its exclusion from registration under the Investment Company Act of 1940 and other changes in market conditions and economic trends including changes resulting from the ongoing spread and economic effects of the novel coronavirus (COVID-19) pandemic and associated responses to the pandemic. Furthermore, forward-looking statements are subject to risks and uncertainties, including, among other things, those described under Item 1A of our Annual Report on Form 10-K, which can be accessed through the link to our SEC filings under "For Our Shareholders" on our website (www.earnreit.com) or at the SEC's website (www.sec.gov). Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected may be described from time to time in reports we file with the SEC, including reports on Forms 10-Q, 10-K and 8-K. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Modeling

Some statements in this presentation may be derived from proprietary models developed by Ellington Management Group, L.L.C. ("Ellington"). Some examples provided may be based upon the hypothetical performance of such models. Models, however, are inherently imperfect and subject to a number of risks, including that the underlying data used by the models is incorrect, inaccurate, or incomplete, or that the models rely upon assumptions that may prove to be incorrect. The utility of model-based information is highly limited. The information is designed to illustrate Ellington's current view and expectations and is based on a number of assumptions and limitations, including those specified herein. Certain models make use of discretionary settings or parameters which can have a material effect on the output of the model. Ellington exercises discretion as to which settings or parameters to use in different situations, including using different settings or parameters to model different securities. Actual results and events may differ materially from those described by such models.

Projected Yields and Spreads

Projected yields and spreads discussed herein are based upon Ellington models and rely on a number of assumptions, including as to prepayment, default and interest rates and changes in home prices. Such models are inherently imperfect and there is no assurance that any particular investment will perform as predicted by the models, or that any such investment will be profitable. Projected yields are presented for the purposes of (i) providing insight into the strategy's objectives, (ii) detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments, (iii) illustrating Ellington's current views and expectations, and (iv) aiding future evaluations of performance. They are not a guarantee of future performance. They are based upon assumptions regarding current and future events and conditions, which may not prove to be accurate. There can be no assurance that the projected yields will be achieved. Investments involve risk of loss.

Financial Information

All financial information included in this presentation is as of June 30, 2022 unless otherwise indicated. We undertake no duty or obligation to update this presentation to reflect subsequent events or developments.

Second Quarter Market Update

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Quarter Ended	6/30/2022	Q2/Q1	3/31/2022	Q1/Q4	12/31/2021	Q4/Q3	9/30/2021	Q3/Q2	6/30/2021
UST (%)[1]									
3M UST	1.63	+1.14	0.48	+0.45	0.03	-0.00	0.03	-0.01	0.04
2Y UST	2.95	+0.62	2.33	+1.60	0.73	+0.46	0.28	+0.03	0.25
5Y UST	3.04	+0.58	2.46	+1.20	1.26	+0.30	0.96	+0.08	0.89
10Y UST	3.01	+0.67	2.34	+0.83	1.51	+0.02	1.49	+0.02	1.47
30Y UST	3.18	+0.74	2.45	+0.54	1.90	-0.14	2.04	-0.04	2.09
3M10Y Spread	1.39	-0.47	1.86	+0.38	1.48	+0.03	1.45	+0.03	1.43
2Y10Y Spread	0.06	+0.06	0.00	-0.77	0.78	-0.43	1.21	-0.01	1.22
US Dollar Swaps (%)[1]									
2Y SWAP	3.28	+0.72	2.55	+1.61	0.94	+0.56	0.38	+0.05	0.33
5Y SWAP	3.08	+0.55	2.52	+1.15	1.37	+0.32	1.05	+0.09	0.97
10Y SWAP	3.09	+0.69	2.41	+0.83	1.58	+0.07	1.51	+0.06	1.44
SOFR (%)[1]									
1M	1.69	+1.38	0.30	+0.25	0.05	-0.00	0.06	+0.01	0.05
3M	2.12	+1.44	0.68	+0.58	0.09	+0.03	0.06	+0.01	0.05
1M3M Spread	0.43	+0.06	0.37	+0.34	0.04	+0.04	0.00	-0.00	0.00
LIBOR (%)[1]									
1M	1.79	+1.33	0.45	+0.35	0.10	+0.02	0.08	-0.02	0.10
3M	2.29	+1.32	0.96	+0.75	0.21	+0.08	0.13	-0.02	0.15
1M3M Spread	0.50	-0.01	0.51	+0.40	0.11	+0.06	0.05	+0.00	0.05
Mortgage Rates (%)[2]									
15Y	4.96	+0.85	4.11	+1.51	2.60	+0.15	2.45	-0.11	2.56
30Y	5.70	+1.03	4.67	+1.56	3.11	+0.10	3.01	+0.03	2.98
FNMA Pass-Thrus[1]									
30Y2.5	$89.89	-$5.51	$95.40	-$6.70	$102.09	-$1.13	$103.22	-$0.20	$103.41
30Y3.5	$96.17	-$3.95	$100.13	-$5.20	$105.32	-$0.51	$105.83	+$0.56	$105.27
30Y4.5	$100.39	-$3.28	$103.67	-$3.55	$107.22	-$0.95	$108.16	+$0.54	$107.63
Libor-based OAS (bps)[3] [4]									
FNMA30Y2.5 OAS	42.7	+26.6	16.1	+20.2	-4.1	-0.2	-3.9	-7.4	3.5
FNMA30Y3.5 OAS	34.3	+9.6	24.7	+43.7	-19	-5.5	-13.5	-31.0	17.5
FNMA30Y4.5 OAS	27.9	-3.3	31.2	+46.5	-15.3	+7.0	-22.3	-27.3	5.0
Libor-based ZSpread (bps)[3] [5]									
FNMA30Y2.5 ZSpread	71.8	+1.9	69.9	+8.6	61.3	+7.9	53.4	-5.6	59.0
FNMA30Y3.5 ZSpread	92.7	-8.3	101.0	+77.3	23.7	-5.7	29.4	-33.4	62.8
FNMA30Y4.5 ZSpread	124.5	+37.0	87.5	+79.4	8.1	+6.8	1.3	-24.8	26.1

Second Quarter Highlights

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Results	• Net Loss: $(10.7) million or $(0.82) per share • Economic Return: (8.0)% for the quarter • Adjusted Distributable Earnings[(1)]: $3.7 million, or $0.28 per share • Net Interest Margin[(2)]: 1.66%
Shareholders' Equity & BVPS[(3)]	• Shareholders' Equity: $118.6 million • Book Value Per Share: $9.07

Investment Portfolio	• Agency RMBS Portfolio: $922.0 million[(3)]
	  ◦ Weighted average prepayment speed on our fixed-rate specified pools[(4)] decreased quarter over quarter to 13.9% CPR from 17.0% CPR
	  ◦ Average pay-ups on our fixed-rate specified pools increased to 1.09% from 0.94%
	• Interest-only Securities: $17.7 million[(3)]
	• Non-Agency RMBS Portfolio: $8.0 million[(3)]

Leverage[(3)]	• Debt-to-Equity Ratio: 8.0:1, and 7.9:1 adjusted for unsettled purchases and sales • Net Mortgage Assets-to-Equity Ratio of 6.8:1[(5)] • Cash and cash equivalents of $37.5 million, in addition to other unencumbered assets of $3.4 million
Dividends	• Dividend yield of 11.0% based on 8/9/2022 closing price of $8.73, and monthly dividend of $0.08 per common share declared on 8/4/2022
Share Repurchase Program	• Repurchased 30,532 shares during the quarter at an average price of $6.57 per share.

Summary of Financial Results

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(in thousands except per share amounts)	Quarter Ended 6/30/2022		Quarter Ended 3/31/2022	
Interest Income	$	9,087	$	6,535
Interest Expense		(1,972)		(1,103)
Total Net Interest Income	**$**	**7,115**	**$**	**5,432**
Total Other Gain (Loss)[1]		(560)		(659)
Total Expenses		(1,306)		(1,321)
Add back: Catch-up Premium Amortization Adjustment[2]		(1,595)		488
Adjusted Distributable Earnings[3]	**$**	**3,654**	**$**	**3,940**
Per Share[4]	**$**	**0.28**	**$**	**0.30**
Net Realized and Unrealized Gain (Loss):				
RMBS	$	(42,810)	$	(69,163)
Long TBAs Held for Investment		(1,922)		(7,901)
Interest Rate Hedges and Other Activities, Net		28,743		56,145
Total Net Realized and Unrealized Gain (Loss)	**$**	**(15,989)**	**$**	**(20,919)**
Deduct: Catch-up Premium Amortization Adjustment[2]		1,595		(488)
Net Income (Loss)	**$**	**(10,740)**	**$**	**(17,467)**
Per Share[4]	**$**	**(0.82)**	**$**	**(1.33)**
Weighted Average Yield[5]		2.57%		2.38%
Cost of Funds		-0.91%		-0.62%
Net Interest Margin[6]		1.66%		1.76%
Average Pay-Ups		1.09%		0.94%
Shareholders' Equity	**$**	**118,630**	**$**	**132,901**
Book Value Per Share[4]	**$**	**9.07**	**$**	**10.14**

Consolidated Balance Sheet (Unaudited)

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(in thousands except share amounts and per share amounts)		June 30, 2022		March 31, 2022
Assets				
Cash and cash equivalents	$	37,472	$	16,206
Mortgage-backed securities, at fair value		947,647		1,094,183
Other investments, at fair value		7,648		21,277
Due from brokers		45,643		88,441
Financial derivative-assets, at fair value		34,527		36,566
Reverse repurchase agreements		11,005		27,348
Receivable for securities sold		34,217		218,812
Interest receivable		3,009		3,530
Other assets		650		782
Total Assets	**$**	**1,121,818**	**$**	**1,507,145**
Liabilities and Shareholders' Equity				
Liabilities				
Repurchase agreements	$	950,339	$	1,211,163
Payable for securities purchased		15,579		119,792
Due to brokers		19,320		23,052
Financial derivatives-liabilities, at fair value		2,938		3,277
U.S. Treasury securities sold short, at fair value		10,989		13,461
Dividend Payable		1,046		1,311
Accrued expenses		1,216		976
Management fee payable to affiliate		447		500
Interest payable		1,314		712
Total Liabilities	**$**	**1,003,188**	**$**	**1,374,244**
Shareholders' Equity				
Preferred shares, par value $0.01 per share, 100,000,000 shares authorized; (0 shares issued and outstanding, respectively)		-		-
Common shares, par value $0.01 per share, 500,000,000 shares authorized; (13,079,394 and 13,109,926 shares issued and outstanding, respectively)		131		131
Additional paid-in-capital		238,816		238,941
Accumulated deficit		(120,317)		(106,171)
Total Shareholders' Equity		**118,630**		**132,901**
Total Liabilities and Shareholders' Equity	**$**	**1,121,818**	**$**	**1,507,145**
Supplemental Per Share Information				
Book Value Per Share	$	9.07	$	10.14

Portfolio Summary

ELLINGTON RESIDENTIAL MORTGAGE REIT

	June 30, 2022					March 31, 2022				
(in thousands)	Current Principal	Fair Value	Average Price[1]	Cost	Average Cost[1]	Current Principal	Fair Value	Average Price[1]	Cost	Average Cost[1]
Agency RMBS[2]										
15-year fixed rate mortgages	$ 104,064	$ 100,513	$ 96.59	$ 106,445	$102.29	$ 102,119	$ 102,089	$ 99.97	$ 105,707	$103.51
20-year fixed rate mortgages	33,430	30,409	90.96	34,840	104.22	34,244	32,539	95.02	35,665	104.15
30-year fixed rate mortgages	795,468	762,304	95.83	824,015	103.59	890,736	888,007	99.69	925,998	103.96
ARMs	9,266	9,416	101.62	9,964	107.53	10,307	10,579	102.64	10,856	105.33
Reverse mortgages	18,781	19,381	103.19	20,665	110.03	33,238	34,437	103.61	35,500	106.81
Total Agency RMBS	**961,009**	**922,023**	**95.94**	**995,929**	**103.63**	**1,070,644**	**1,067,651**	**99.72**	**1,113,726**	**104.02**
Non-Agency RMBS[2]	10,622	7,969	75.02	7,369	69.37	10,654	8,650	81.19	7,307	68.58
Total RMBS[2]	**971,631**	**929,992**	**95.71**	**1,003,298**	**103.26**	**1,081,298**	**1,076,301**	**99.54**	**1,121,033**	**103.67**
Agency Interest Only RMBS	n/a	9,450	n/a	11,096	n/a	n/a	9,694	n/a	11,804	n/a
Non-Agency Interest Only RMBS	n/a	8,205	n/a	6,570	n/a	n/a	8,188	n/a	6,722	n/a
Total mortgage-backed securities		**$ 947,647**		**$ 1,020,964**			**$ 1,094,183**		**$ 1,139,559**	

- Agency RMBS holdings decreased by 14% to $922.0 million as of June 30th, as compared to $1.068 billion as of March 31, 2022
    - Agency RMBS portfolio turnover was 24% for the quarter
- Interest-only holdings decreased to slightly to $17.7 million from $17.9 million
- Non-Agency RMBS holdings decreased to $8.0 million from $8.7 million

Interest Rate Hedging Portfolio

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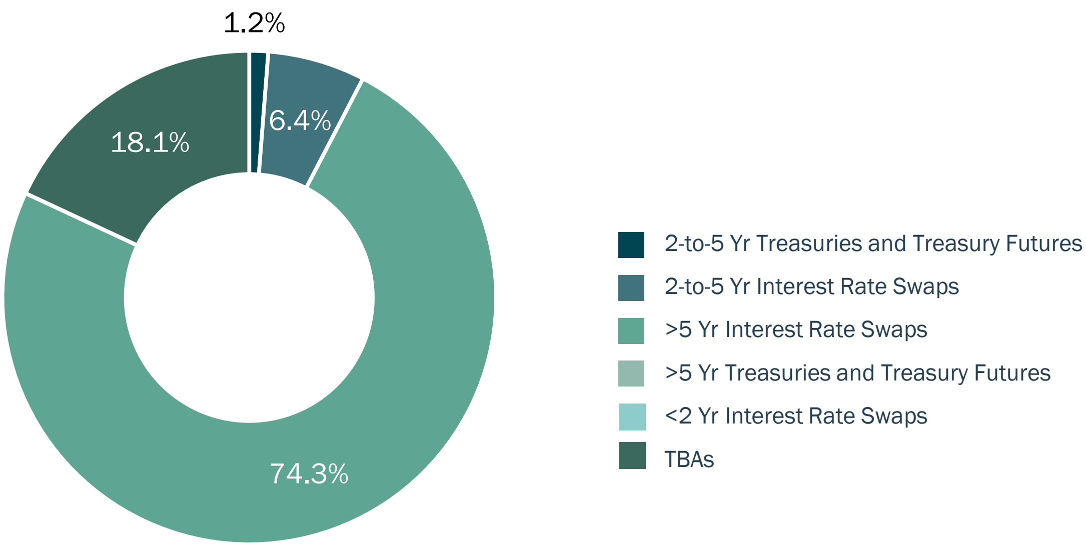
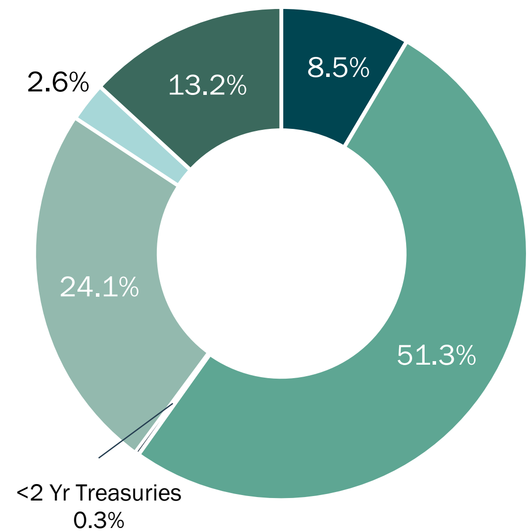
Short $546.5MM 10-yr equivalents(1)
As of 6/30/2022



Short $536.1MM 10-yr equivalents(1)
As of 3/31/2022



We hedge along the entire yield curve to manage interest rate risk and protect book value

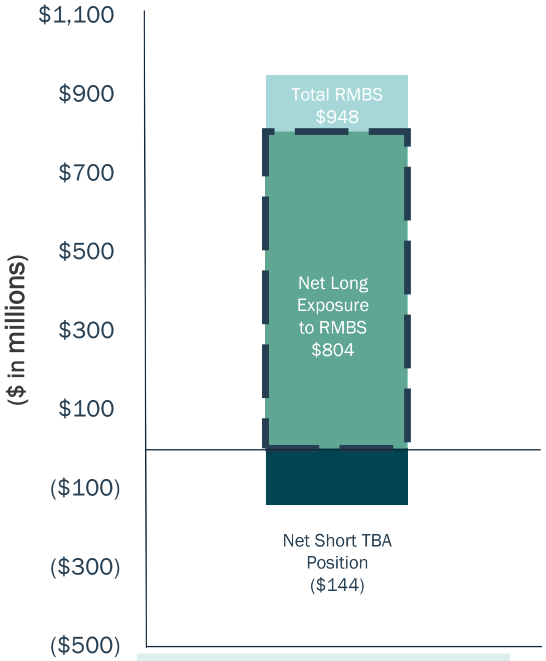
Shorting "generic" pools (or TBAs) allows EARN to significantly reduce interest rate risk and basis risk in its Agency portfolio

At June 30th we had a net short TBA position, both on a notional basis and as measured by 10-yr equivalents

We also hedge interest rate risk with swaps, U.S. Treasury securities, futures, and swaptions

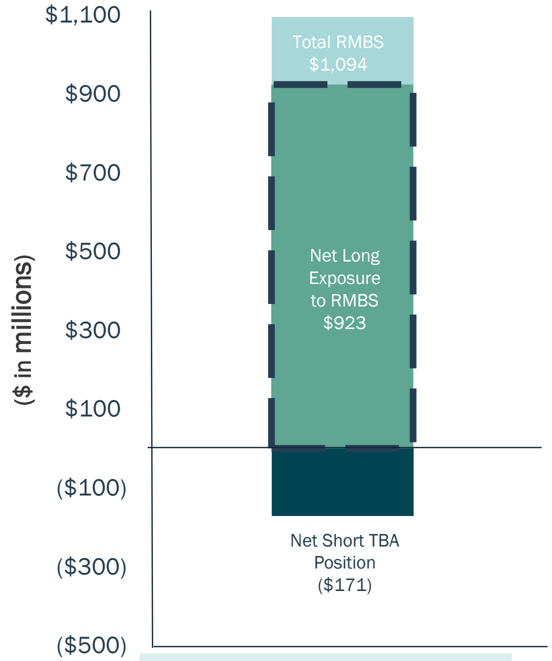
Net RMBS Exposure Based on Fair Value[1]

As of 6/30/2022



Net mortgage assets-to-equity: 6.8:1

As of 3/31/2022



Net mortgage assets-to-equity: 6.9:1

- EARN often carries significantly lower net effective mortgage exposure than our "headline" leverage suggests, due to our net short TBA position
- Our net mortgage assets-to-equity[2] ratio decreased quarter over quarter, due to lower Agency RMBS holdings, partially offset by a smaller net short TBA position and lower shareholders' equity
- Use of TBA short positions as hedges helps drive outperformance in especially volatile quarters, such as the first and second quarters of 2020.
- When interest rates spike, TBA short positions not only extend with specified pool assets, but they tend to extend more than specified pool assets, which dynamically and automatically hedges a correspondingly larger portion of our specified pool portfolio

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As of June 30, 2022[1]

	24 Mo Tights	As of June 30, 2022	24 Mo Wides
Securitized Products			
US Agency MBS TOAS	-62	29	64
US Agency MBS TZV	12	126	136
US Agency FN 3 OAS	0	14	71
US Agency G2 3 OAS	-13	27	103
US Spec HLB 3	-17	40	44
Non-QM AAA	50	210	235
Legacy Resi	125	200	225
CRT OTR M1	56	324	324
Subprime Auto BBB	33	170	257
US CLO 2.0 AAA	101	184	184
US CLO 2.0 BBB	311	452	470
EUR CLO 2.0 AAA	98	185	185
US CMBS AAA	65	128	130
US CMBS BBB	345	575	735
US Corporate Credit			
US IG Corp A OAS	68	124	127
US IG Corp BBB OAS	102	189	202
US HY Corp BB STW	237	382	493
US HY Corp B STW	374	597	733
Lev Loans	398	525	578

Source: Morgan Stanley

- Yield spreads on virtually all fixed-income assets widened significantly during the quarter, as implied interest rate volatility reached its highest level since the 2020 COVID liquidity crisis
- Yield spreads on CRT OTR M1, US CLO 2.0 AAA, and EUR CLO 2.0 AAA ended the quarter at 24-month wides

Commitment to ESG

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Ellington is committed to corporate social responsibility. We recognize the importance of environmental, social and governance ("ESG") factors, and believe that the implementation of ESG policies will benefit our employees, support long-term stockholder performance, and make a positive impact on the environment and society as a whole. Our Manager has a standing ESG Committee to address a variety of issues, including its impact on the environment, increasing the diversity of its workforce, employee engagement, and community involvement.

Environmental

- Our offices are conveniently located near mass transportation.
- We provide financial support and incentives to our employees who use public transit.
- To reduce energy usage, we use Energy Star® certified desktops, monitors and printers; and utilize motion sensor lighting and cooling to reduce energy usage in non-peak hours.
- To reduce waste and promote a cleaner environment, we use green cleaning supplies and kitchen products; recycle electronics, ink cartridges, and packaging; provide recycling containers to employees; and use water coolers to reduce waste.
- We have reduced the number of single use cups and plastic water bottles in our offices.

Social

- We invest in home mortgage loans, which support homeownership and stability within communities.
- Ellington and senior members of management sponsor numerous charitable causes, including several devoted to diversity and children in need. We also support employee charitable contributions through matching gift programs, hosting food drives, and other community events.
- Our employees have access to robust health and wellness programs. Ellington also supports various events that support health and wellness.
- We provide opportunities for personal growth with training, including facilitating a lunch & learn series, and reimbursing professional continuing education. We also support professional development through mentorship programs and affinity groups, such as a women's networking group.
- We are committed to enhancing gender, racial, and ethnic diversity throughout our organization, as stated in our Manager's Diversity and Inclusion Policy. We have engaged a women-owned recruiting firm focused exclusively on women and minority recruiting on college campuses.
- We are in compliance with applicable employment codes and guidelines, including ADA, Equal Opportunity Employment, Non-Discrimination, Anti-Harassment and Non-Retaliation codes.

Governance

- Our Manager has a Responsible Investment policy incorporating ESG factors into its investment processes for applicable strategies.
- We operate under a Code of Business Conduct and Ethics.
- EARN has a separate independent Chairman, and the majority of Board members are independent.
- We hold annual elections of Trustees.
- We are committed to significant disclosure and transparency, including an established quarterly book value disclosure and monthly dividend policy.
- We have an established Whistleblower policy to encourage transparency and accountability.
- Robust process for shareholder engagement.

2022 Objectives

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1. Capitalize on investment opportunities driven by market volatility and uncertainty, including around hiking cycle and quantitative tightening

2. Rely on disciplined interest rate hedging and liquidity management to manage future volatility and protect book value

3. Dial up and down our MBS exposure opportunistically in response to market conditions

4. Rotate portfolio to take advantage of relative value discrepancies between Agency RMBS, and capitalize on higher asset yields, in order to drive Net Interest Margin and Adjusted Distributable Earnings

5. Changes in the prepayment landscape should favor our core strengths of prepayment modeling, asset selection, and dynamic interest rate hedging, while also providing meaningful trading opportunities

6. Vary capital allocations to non-Agency RMBS as market opportunities change over time

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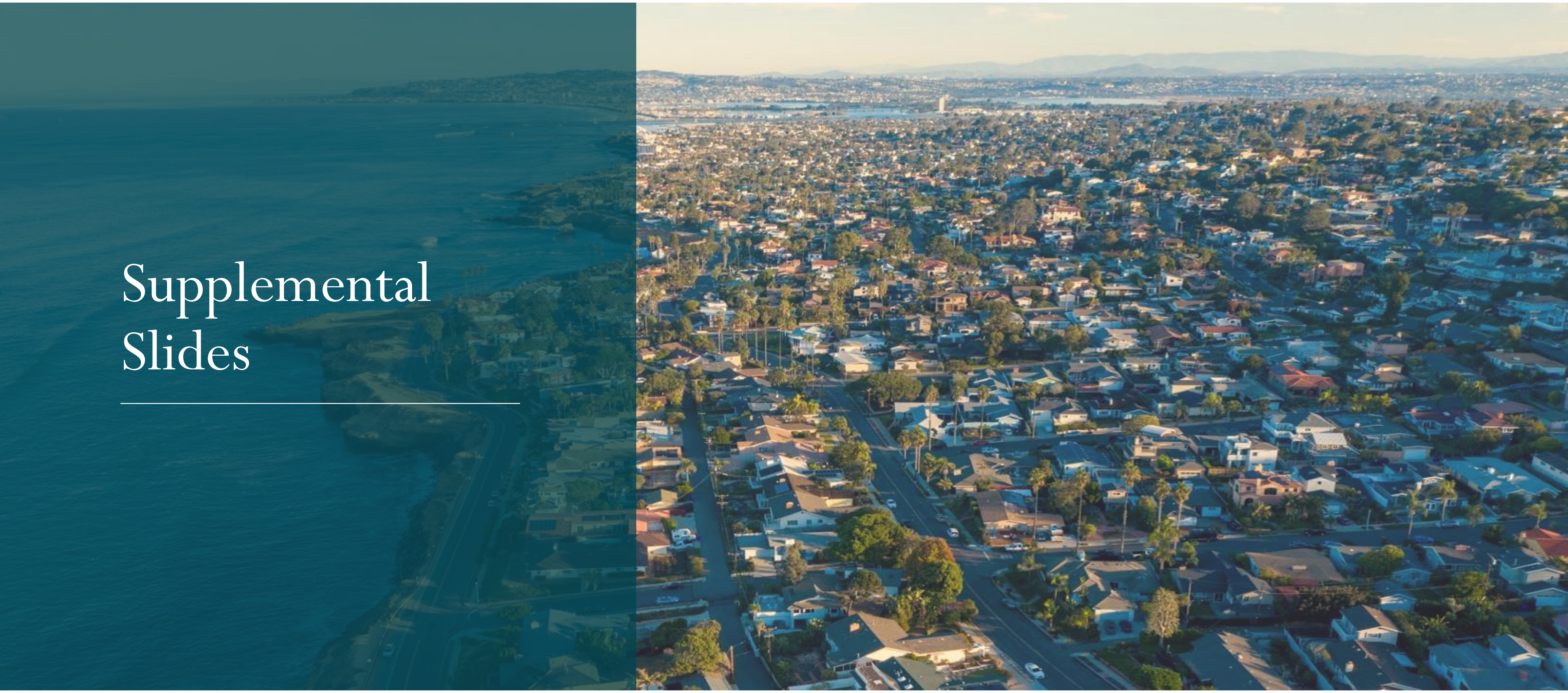
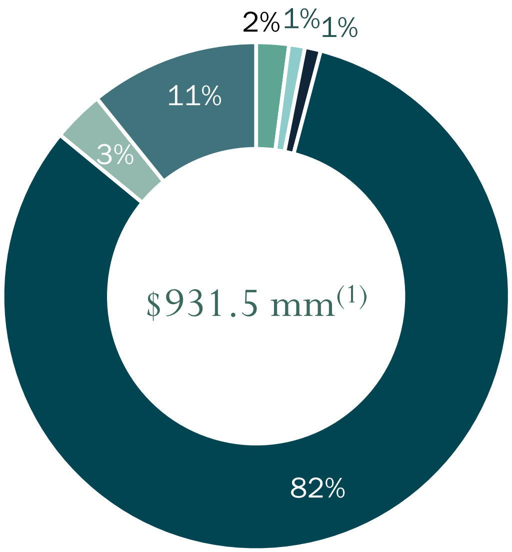
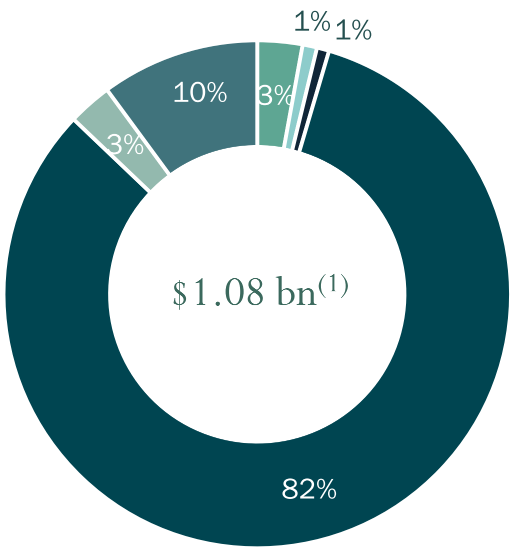
Supplemental Slides



Agency Portfolio Summary



As of 6/30/2022



As of 3/31/2022

Category	Fair Value[1][2]	Wtd. Avg. Coupon[3]
30-Year Fixed	$762.3	3.30
20-Year Fixed	30.4	2.29
15-Year Fixed	100.5	2.63
RM Fixed	19.4	3.65
Subtotal - Fixed	**912.6**	**3.19**
ARMs	9.4	
IOs	9.5	
Total	**$931.5**	

Category	Fair Value[1][2]	Wtd. Avg. Coupon[3]
30-Year Fixed	$888.0	3.22
20-Year Fixed	32.5	2.30
15-Year Fixed	102.1	2.76
RM Fixed	34.4	3.33
Subtotal - Fixed	**1,057.0**	**3.15**
ARMs	10.6	
IOs	9.7	
Total	**$1,077.3**	

CPR Breakout of Agency Fixed Long Portfolio

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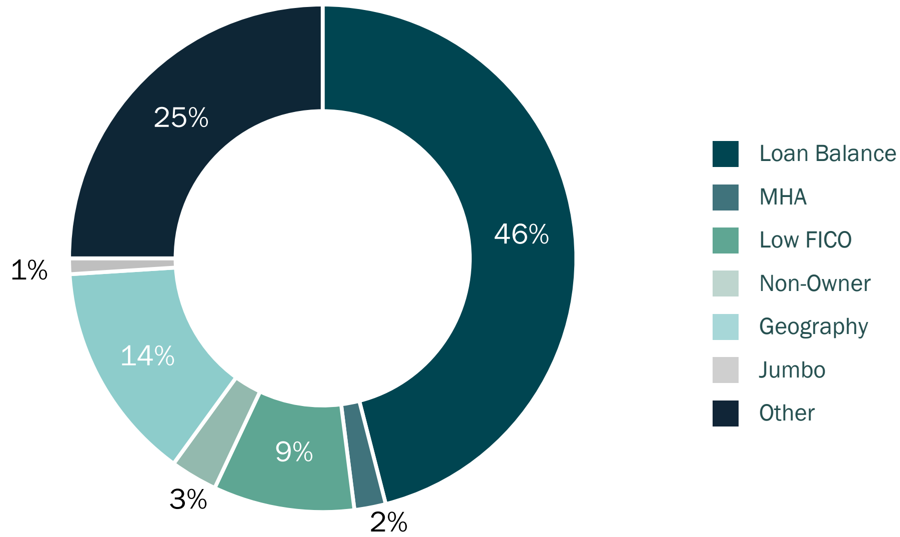
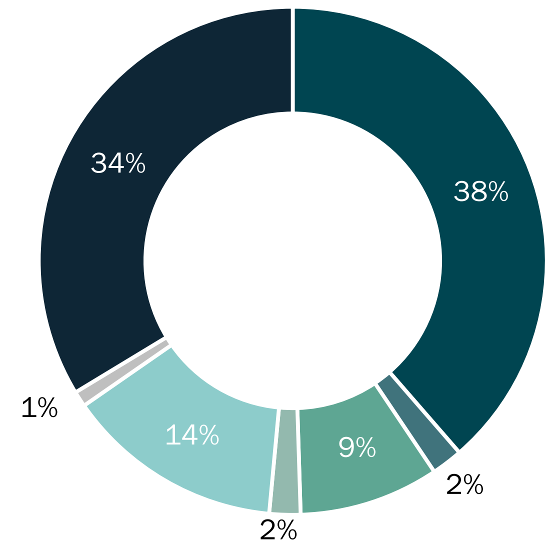


Average for Quarter Ended 6/30/2022[1]



Average for Quarter Ended 3/31/2022[1]

Collateral Characteristics and Historical 3-Mo CPR

Characteristic[2]	Fair Value[1][3]	3-Month CPR %[5]
Loan Balance	$453.7	15.7
MHA[4]	19.2	19.4
Low FICO	88.1	19.1
Non-Owner	25.5	27.9
Geography	138.1	8.6
Jumbo	7.5	29.2
Other	242.1	9.0
Total	**$974.3**	**13.9**

Collateral Characteristics and Historical 3-Mo CPR

Characteristic[2]	Fair Value[1][3]	3-Month CPR %[5]
Loan Balance	$473.0	18.1
MHA[4]	21.7	22.3
Low FICO	106.2	29.2
Non-Owner	27.9	19.0
Geography	170.9	10.8
Jumbo	8.8	21.4
Other	407.1	14.4
Total	**$1,215.5**	**17.0**

Non-Agency Portfolio as of 6/30/2022

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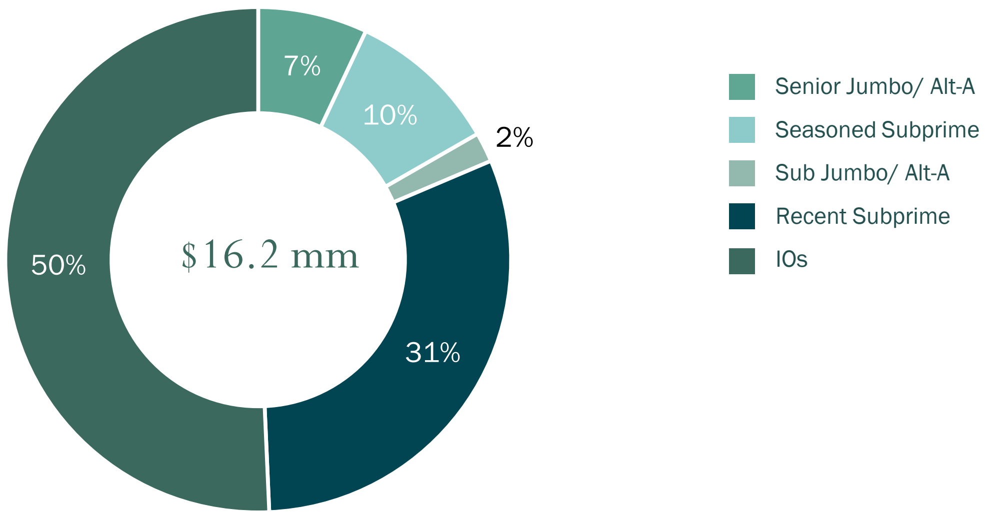

Total Non-Agency Avg Mkt Px[1]: 75.0

- We expect to vary our allocation of non-Agency RMBS as market opportunities change over time

Repo Borrowings[1]

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	June 30, 2022			March 31, 2022		
		Weighted Average			Weighted Average	
Remaining Days to Maturity	Borrowings Outstanding	Interest Rate	Remaining Days to Maturity	Borrowings Outstanding	Interest Rate	Remaining Days to Maturity
	(in thousands)			*(in thousands)*		
30 days or less	$ 340,069	1.08%	14	$ 371,532	0.31%	14
31-60 days	200,860	0.82%	44	251,268	0.35%	43
61-90 days	163,855	0.87%	76	131,226	0.35%	74
91-120 days	73,891	0.87%	108	76,414	0.19%	115
121-150 days	45,516	1.33%	135	133,757	0.44%	135
151-180 days	45,403	2.13%	166	96,752	0.45%	166
181-364 days	80,745	1.04%	217	150,214	0.68%	273
Total	$ 950,339	1.03%	69	$ 1,211,163	0.39%	90

- Outstanding borrowings with 15 counterparties as of June 30th
- The weighted average interest rate on our repo borrowings increased to 1.03% as of June 30th, from 0.39% as of March 31st, driven by sharply higher short-term interest rates

Interest Rate Sensitivity Analysis[1]

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($ in thousands)	Estimated Change in Fair Value			
	50 Basis Point Decline in Interest Rates		50 Basis Point Increase in Interest Rates	
	Market Value	% of Total Equity	Market Value	% of Total Equity
Agency RMBS – ARM Pools	$ 222	0.19%	$ (238)	-0.20%
Agency RMBS Fixed Pools and IOs	23,453	19.77%	(24,872)	-20.97%
Long TBAs	1,189	1.00%	(1,287)	-1.08%
Short TBAs	(5,178)	-4.36%	5,382	4.53%
Non-Agency RMBS	(405)	-0.34%	238	0.20%
Interest Rate Swaps	(19,116)	-16.12%	18,223	15.36%
U.S. Treasury Securities	23	0.02%	(18)	-0.02%
U.S. Treasury Futures	224	0.19%	(206)	-0.17%
Repurchase and Reverse Repurchase Agreements	(868)	-0.73%	992	0.84%
Total	$ (456)	-0.38%	$ (1,786)	-1.51%

Financial Derivatives as of June 30, 2022

(In thousands)

Fixed Payer Interest Rate

Maturity		Notional Amount		Fair Value	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity
2022-2025	$	152,780	$	4,212	1.58%	1.53%	2.06
2026-2028		42,133		3,894	1.37%	1.79%	6.00
2029-2031		271,059		12,262	2.18%	1.52%	8.19
2032-2052		133,326		12,687	1.79%	1.47%	12.58
Total	$	599,298	$	33,055	1.88%	1.53%	7.45

Fixed Receiver Interest Rate

Maturity		Notional Amount		Fair Value	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity
2022-2025		(18,200)		216	1.27%	1.37%	0.68
2029-2052		(750)		(139)	1.50%	1.48%	15.50
Total	$	(18,950)	$	77	1.28%	1.37%	1.26

TBA Securities

Coupon		Notional Amount[1]		Cost Basis[2]		Market Value[3]		Net Carrying Value[4]
1.5	$	(3,990)	$	(3,594)	$	(3,637)	$	(43)
2		(99,600)		(87,161)		(88,008)		(848)
2.5		8,531		7,154		7,250		95
3		(39,132)		(36,672)		(37,284)		(612)
3.5		(31,890)		(31,023)		(31,029)		(6)
4		(7,524)		(7,407)		(7,471)		(64)
4.5		(13,259)		(13,389)		(13,265)		124
5		25,000		25,684		25,536		(147)
5.5		3,750		3,863		3,861		(1)
Total TBAs net	$	(158,114)	$	(142,545)	$	(144,047)	$	(1,502)

Futures

Maturity		Notional Amount		Fair Value	Remaining Months to Expiration
2yr	$	(5,400)	$	33	3.07
30yr		3,300		(74)	2.77
Total	$	(2,100)	$	(41)	3.54

Consolidated Statement of Operations (Unaudited)

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	Three-Month Period Ended	
(in thousands except share amounts and per share amounts)	June 30, 2022	March 31, 2022
Interest Income (Expense)		
Interest income	$ 9,087	$ 6,535
Interest expense	(1,972)	(1,103)
Total net interest income	**$ 7,115**	**$ 5,432**
Expenses		
Management fees to affiliate	447	500
Professional fees	211	206
Compensation expense	191	162
Insurance expense	101	98
Other operating expenses	356	355
Total expenses	**$ 1,306**	**$ 1,321**
Other Income (Loss)		
Net realized gains (losses) on securities	(15,464)	(14,170)
Net realized gains (losses) on financial derivatives	30,477	15,353
Change in net unrealized gains (losses) on securities	(28,134)	(50,515)
Change in net unrealized gains (losses) on financial derivatives	(3,428)	27,754
Total other income (loss)	(16,549)	(21,578)
Net Income (Loss)	**$ (10,740)**	**$ (17,467)**
Net Income (Loss) per Common Share:		
Basic and Diluted	$ (0.82)	$ (1.33)
Weighted Average Shares Outstanding	13,106,585	13,109,926
Cash Dividends Declared per Share	$ 0.26	$ 0.30

Consolidated Balance Sheet (Unaudited)

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ELLINGTON RESIDENTIAL MORTGAGE REIT

(in thousands except share amounts and per share amounts)		June 30, 2022		March 31, 2022
Assets				
Cash and cash equivalents	$	37,472	$	16,206
Mortgage-backed securities, at fair value		947,647		1,094,183
Other investments, at fair value		7,648		21,277
Due from brokers		45,643		88,441
Financial derivative-assets, at fair value		34,527		36,566
Reverse repurchase agreements		11,005		27,348
Receivable for securities sold		34,217		218,812
Interest receivable		3,009		3,530
Other assets		650		782
Total Assets	**$**	**1,121,818**	**$**	**1,507,145**
Liabilities and Shareholders' Equity				
Liabilities				
Repurchase agreements	$	950,339	$	1,211,163
Payable for securities purchased		15,579		119,792
Due to brokers		19,320		23,052
Financial derivatives-liabilities, at fair value		2,938		3,277
U.S. Treasury securities sold short, at fair value		10,989		13,461
Dividend Payable		1,046		1,311
Accrued expenses		1,216		976
Management fee payable to affiliate		447		500
Interest payable		1,314		712
Total Liabilities	**$**	**1,003,188**	**$**	**1,374,244**
Shareholders' Equity				
Preferred shares, par value $0.01 per share, 100,000,000 shares authorized; (0 shares issued and outstanding, respectively)		-		-
Common shares, par value $0.01 per share, 500,000,000 shares authorized; (13,079,394 and 13,109,926 shares issued and outstanding, respectively)		131		131
Additional paid-in-capital		238,816		238,941
Accumulated deficit		(120,317)		(106,171)
Total Shareholders' Equity		**118,630**		**132,901**
Total Liabilities and Shareholders' Equity	**$**	**1,121,818**	**$**	**1,507,145**
Supplemental Per Share Information				
Book Value Per Share	$	9.07	$	10.14

Reconciliation of Adjusted Distributable Earnings to Net Income (Loss)[1]

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	Three-Month Period Ended	
(in thousands except share amounts and per share amounts)	June 30, 2022	March 31, 2022
Net Income (Loss)	$ (10,740)	$ (17,467)
Adjustments:		
Net realized (gains) losses on securities	15,464	14,170
Change in net unrealized (gains) losses on securities	28,134	50,515
Net realized (gains) losses on financial derivatives	(30,477)	(15,353)
Change in net unrealized (gains) losses on financial derivatives	3,428	(27,754)
Net realized gains (losses) on periodic settlements of interest rate swaps	(232)	(616)
Change in net unrealized gains (losses) on accrued periodic settlements of interest rate swaps	(328)	(43)
Negative (positive) component of interest income represented by Catch-up Premium Amortization Adjustment	(1,595)	488
Subtotal	14,394	21,407
Adjusted Distributable Earnings	$ 3,654	$ 3,940
Weighted Average Shares Outstanding	13,106,585	13,109,926
Adjusted Distributable Earnings Per Share	$ 0.28	$ 0.30

About Ellington Management Group

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ELLINGTON RESIDENTIAL MORTGAGE REIT

Ellington Profile

As of 6/30/2022

Founded:	1994
Employees:	>170
Investment Professionals:	73
Global offices:	3

$11.5

Billion in assets under management as of 6/30/2022[1]

12

Employee-partners own the firm[2]

27

Years of average industry experience of senior portfolio managers

25%

Employees dedicated to research and information technology

Ellington and its Affiliated Management Companies

- Our external manager Ellington Residential Mortgage Management LLC is part of the Ellington family of SEC-registered investment advisors[3].
- Ellington Management Group and its affiliates manage Ellington Residential Mortgage REIT (EARN), Ellington Financial Inc. (EFC), multi-investor hedge funds, separately managed accounts, and opportunistic private funds
- Time-tested infrastructure and proprietary resources in trading, research, risk management, and operational support

Industry-Leading Research & Trading Expertise

- Sophisticated proprietary models for prepayment and credit analysis
- Approximately 25% of employees dedicated to research and information technology
- Structured credit trading experience and analytical skills developed since the firm's founding 27 years ago
- Ellington's portfolio managers are among the most experienced in the MBS sector

Endnotes

Slide 3 – Second Quarter Market Update

(1) Source: Bloomberg
(2) Source: Mortgage Bankers Association via Bloomberg
(3) Source: J.P. Morgan Markets
(4) LIBOR-based Option Adjusted Spread measures the additional yield spread over LIBOR that an asset provides at its current market price after taking into account any interest rate options embedded in the asset.
(5) LIBOR-based Zero-volatility spread (Z-spread) measures the additional yield spread over LIBOR that the projected cash flows of an asset provide at the current market price of the asset.

Slide 4 – Second Quarter Highlights

(1) Adjusted Distributable Earnings (previously referred to as Core Earnings) is a non-GAAP financial measure. See slide 22, endnote 1 for an explanation regarding the renaming and calculation of Adjusted Distributable Earnings, and the definition of the Catch-up Premium Amortization Adjustment.
(2) Net interest margin excludes the effect of the Catch-up Premium Amortization Adjustment.
(3) As of June 30, 2022.
(4) Excludes recent purchases of fixed rate Agency specified pools with no prepayment history.
(5) We define our net mortgage assets-to-equity ratio as the net aggregate market value of our mortgage-backed securities (including the underlying market values of our long and short TBA positions) divided by total shareholders' equity. As of June 30, 2022 the market value of our mortgage-backed securities and our net short TBA position was $947.6 million and $(144.0) million, respectively, and total shareholders' equity was $118.6 million.

Slide 5 – Summary of Financial Results

(1) Total Other Gain (Loss) represents net realized and unrealized gains (losses) on periodic settlements of interest rate swaps.
(2) See slide 22, endnote 1 for definition of Catch-up Premium Amortization Adjustment.
(3) Adjusted Distributable Earnings, previously referred to as Core Earnings, is a non-GAAP financial measure. See slide 22 for a reconciliation of Adjusted Distributable Earnings to Net Income (Loss).
(4) Shareholders' Equity per share is calculated using shares outstanding at the end of the period. All other per share amounts are calculated using the weighted average shares outstanding for the quarter.
(5) Weighted Average Yield excludes the effect of the Catch-up Premium Amortization Adjustment.
(6) Net interest margin excludes the effect of the Catch-up Premium Amortization Adjustment.

Slide 7 – Portfolio Summary

(1) Represents the dollar amount (not shown in thousands) per $100 of current principal of the price or cost for the security.
(2) Excludes IOs.

Slide 8 – Interest Rate Hedging Portfolio

(1) "10-year equivalents" for a group of positions represent the amount of 10-year U.S. Treasury securities that would be expected to experience a similar change in market value under a standard parallel move in interest rates.

Endnotes

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Slide 9 – Dynamic Hedging Strategy

(1) Net short TBA positions represents the current market value of the underlying Agency RMBS (on a forward delivery basis) as of June 30, 2022 and March 31, 2022 . The net carrying value of the TBA positions as of June 30, 2022 and March 31, 2022 on the Consolidated Balance Sheet was ($1.5) million and $1.5 million, respectively.
(2) We define our net mortgage assets-to-equity ratio as the net aggregate market value of our mortgage-backed securities (including the underlying market values of our long and short TBA positions) divided by total shareholders' equity.

Slide 10 – Relative Yield Spreads

(1) As of date is as set forth below:
6/20/2022 for CRT OTR M1;
6/24/2022 for US Agency MBS TOAS, US Agency FN 3 OAS, US Spec HLB3, Non-QM AAA, Legacy Resi, Subprime Auto BBB, US CMBS AAA, US CMBS BBB, US IG Corp A OAS, US IG Corp BBB OAS, US HY Corp BB STW , US HY Corp B STW, and Lev Loans;
6/27/2022 for US Agency MBS TZV, US Agency G2 3 OAS, US CLO 2.0 AAA, US CLO 2.0 BBB, EUR CLO 2.0 AAA

Slide 14 – Agency Portfolio Summary

(1) Does not include long TBA positions with a notional value of $53.0 million and a market value of $51.9 million as of June 30, 2022. Does not include long TBA positions with a notional value of $65.3 million and a market value of $65.2 million as of March 31, 2022.
(2) Fair value shown in millions.
(3) Represents weighted average net pass-through rate.

Slide 15 – CPR Breakout of Agency Fixed Long Portfolio

(1) Does not include long TBA positions, reverse mortgage pools, or fixed rate IOs. Fair values reflect the average of fair values at the beginning of each month during the quarter.
(2) Classification methodology may change over time as market practices change.
(3) Fair value shown in millions.
(4) "MHA" indicates those pools where underlying borrowers have participated in the Making Homes Affordable program.
(5) Excludes recent purchases of fixed rate Agency pools with no prepayment history.

Slide 16 – Non-Agency Portfolio as of June 30, 2022

(1) Excludes IOs

Slide 17 – Repo Borrowings

(1) As of June 30, 2022 and March 31, 2022, the Company had no outstanding borrowings other than under repurchase agreements.

Endnotes

Slide 18 – Interest Rate Sensitivity Analysis

(1) Based on the market environment as of June 30, 2022. Results are based on forward-looking models, which are inherently imperfect, and incorporate various simplifying assumptions. Therefore, the table above is for illustrative purposes only and actual changes in interest rates would likely cause changes in the actual value of our portfolio that would differ from those presented above, and such differences might be significant and adverse.

Slide 19 – Financial Derivatives as of June 30, 2022

(1) Notional amount represents the principal balance of the underlying Agency RMBS.
(2) Cost basis represents the forward price to be paid for the underlying Agency RMBS.
(3) Market value represents the current market value of the underlying Agency RMBS (on a forward delivery basis) as of June 30, 2022.
(4) Net carrying value represents the difference between the market value of the TBA contract as of June 30, 2022 and the cost basis, and is included in Financial derivatives-assets, at fair value and Financial derivatives-liabilities, at fair value on the Consolidated Balance Sheet.

Slide 22 – Reconciliation of Adjusted Distributable Earnings to Net Income (Loss)

(1) Beginning with the financial results for the quarter ended June 30, 2022, the supplemental non-GAAP financial measure that we previously referred to as "Core Earnings," we now refer to as "Adjusted Distributable Earnings." We calculate Adjusted Distributable Earnings (formerly referred to as Core Earnings) as net income (loss), excluding realized and change in net unrealized gains and (losses) on securities and financial derivatives, and excluding, if applicable, any non-recurring items of income or loss. Adjusted Distributable Earnings also excludes the effect of the Catch-up Premium Amortization Adjustment on interest income. The Catch-up Premium Amortization Adjustment is a quarterly adjustment to premium amortization triggered by changes in actual and projected prepayments on our Agency RMBS (accompanied by a corresponding offsetting adjustment to realized and unrealized gains and losses). The adjustment is calculated as of the beginning of each quarter based on our then-current assumptions about cashflows and prepayments, and can vary significantly from quarter to quarter. Adjusted Distributable Earnings includes net realized and change in net unrealized gains (losses) associated with periodic settlements on interest rate swaps. Adjusted Distributable Earnings is a supplemental non-GAAP financial measure. We believe that the presentation of Adjusted Distributable Earnings provides information useful to investors, because: (i) we believe that it is a useful indicator of both current and projected long-term financial performance, in that it excludes the impact of certain current period earnings components that we believe are less useful in forecasting long-term performance and dividend-paying ability; (ii) we use it to evaluate the effective net yield provided by our portfolio, after the effects of financial leverage; and (iii) we believe that presenting Adjusted Distributable Earnings assists our investors in measuring and evaluating our operating performance, and comparing our operating performance to that of our residential mortgage REIT peers. Please note, however, that: (I) our calculation of Adjusted Distributable Earnings may differ from the calculation of similarly titled non-GAAP financial measures by our peers, with the result that these non-GAAP financial measures might not be directly comparable; and (II) Adjusted Distributable Earnings excludes certain items, such as most realized and unrealized gains and losses, that may impact the amount of cash that is actually available for distribution. In addition, because Adjusted Distributable Earnings is an incomplete measure of our financial results and differs from net income (loss) computed in accordance with U.S. GAAP, it should be considered supplementary to, and not as a substitute for, net income (loss) computed in accordance with U.S. GAAP. Furthermore, Adjusted Distributable Earnings is different than REIT taxable income. As a result, the determination of whether we have met the requirement to distribute at least 90% of our annual REIT taxable income (subject to certain adjustments) to its shareholders, in order to maintain qualification as a REIT, is not based on whether we have distributed 90% of our Adjusted Distributable Earnings. The table above reconciles, for the three-month periods ended June 30, 2022, and March 31, 2022, Adjusted Distributable Earnings to the line on the Consolidated Statement of Operations entitled Net Income (Loss), which we believe is the most directly comparable GAAP measure.

Slide 23 – About Ellington Management Group

(1) $11.5 billion in assets under management includes approximately $1.1 billion in Ellington-managed CLOs. For these purposes, the Ellington-managed CLO figure represents the aggregate outstanding balance of CLO notes and market value of CLO equity, excluding any notes and equity held by other Ellington-managed funds and accounts.
(2) Does not include partners formerly employed by Ellington who may have residual capital balances but who no longer have voting rights in the partnership.
(3) Registration with the SEC does not imply that the firm or any of its principals or employees possess a particular level of skill or training in the investment advisory or any other business.

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