

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): March 6, 2023

CHIMERA INVESTMENT CORPORATION

(Exact name of registrant as specified in its charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-33796
(Commission
File Number)

26-0630461
(IRS Employer
Identification No.)

**630 Fifth Avenue,
Suite 2400
New York, New York**
(Address of principal executive offices)

10111
(Zip Code)

Registrant's telephone number, including area code: (888) 895-6557

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.01 per share	CIM	New York Stock Exchange
8.00% Series A Cumulative Redeemable Preferred Stock	CIM PRA	New York Stock Exchange
8.00% Series B Cumulative Fixed-to-Floating Rate Redeemable Preferred Stock	CIM PRB	New York Stock Exchange
7.75% Series C Cumulative Fixed-to-Floating Rate Redeemable Preferred Stock	CIM PRC	New York Stock Exchange
8.00% Series D Cumulative Fixed-to-Floating Rate Redeemable Preferred Stock	CIM PRD	New York Stock Exchange

Registrant's Web site address: www.chimerareit.com

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On March 6, 2023, Chimera Investment Corporation (the “Company”) posted presentation materials (the “Investor Presentation”) on the Investor Relations section of the Company’s website. The Investor Presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

None of the information furnished in this Item 7.01 or Exhibit 99.1 of this Current Report on Form 8-K shall be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Unless expressly set forth by specific reference in such filings, none of the information furnished in this Current Report on Form 8-K shall be incorporated by reference in any filing under the Securities Act of 1933, as amended, whether made before or after the date hereof and regardless of any general incorporation language in such filings.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 [Investor Presentation](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chimera Investment Corporation

By: /s/ Subramaniam Viswanathan

Name: Subramaniam Viswanathan

Title: Chief Financial Officer

Date: March 6, 2023



INVESTOR PRESENTATION

March 6, 2023

DISCLAIMER

This presentation includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations, estimates and projections and, consequently, readers should not rely on these forward-looking statements as predictions of future events. Words such as "goal," "expect," "target," "assume," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believe," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among other things, those described in our most recent Annual Report on Form 10-K, and any subsequent Quarterly Reports on Form 10-Q and Current Report on Form 8-K, under the caption "Risk Factors." Factors that could cause actual results to differ include, but are not limited to: our business and investment strategy; our ability to accurately forecast the payment of future dividends on our common and preferred stock, and the amount of such dividends; our ability to determine accurately the fair market value of our assets; availability of investment opportunities in real estate-related and other securities, including our valuation of potential opportunities that may arise as a result of current and future market dislocations; our expected investments; changes in the value of our investments, including negative changes resulting in margin calls related to the financing of our assets; changes in inflation, interest rates and mortgage prepayment rates; prepayments of the mortgage and other loans underlying our mortgage-backed securities, or MBS, or other asset-backed securities, or ABS; rates of default, delinquencies, forbearance, deferred payments, or decreased recovery rates on our investments; general volatility of the securities markets in which we invest; our ability to maintain existing financing arrangements and our ability to obtain future financing arrangements; our ability to effect our strategy to securitize residential mortgage loans; interest rate mismatches between our investments and our borrowings used to finance such purchases; effects of interest rate caps on our adjustable-rate investments; the degree to which our hedging strategies may or may not protect us from interest rate volatility; the impact of and changes to various government programs; the impact of and changes in governmental regulations, tax law and rates, accounting guidance, and similar matters; market trends in our industry, interest rates, the debt securities markets or the general economy; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; qualified personnel; our ability to maintain our classification as a real estate investment trust, or, REIT, for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended, or 1940 Act; our expectations regarding materiality or significance; and the effectiveness of our disclosure controls and procedures.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Chimera does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Additional information concerning these, and other risk factors is contained in Chimera's most recent filings with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning Chimera or matters attributable to Chimera or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above.

This presentation may include industry and market data obtained through research, surveys, and studies conducted by third parties and industry publications. We have not independently verified any such market and industry data from third-party sources. This presentation is provided for discussion purposes only and may not be relied upon as legal or investment advice, nor is it intended to be inclusive of all the risks and uncertainties that should be considered. This presentation does not constitute an offer to purchase or sell any securities, nor shall it be construed to be indicative of the terms of an offer that the parties or their respective affiliates would accept.

Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company's independent auditors.

CHIMERA IS A HYBRID MORTGAGE REIT

Our Mission Is To Deliver Attractive, Risk-Adjusted Returns.

- Established in 2007.
- Internally managed since August 2015.
- Total Capital \$2.7 Billion.
- Since inception, we have declared \$5.9 billion common and preferred stock dividends.
- Total preferred stock \$930 Million.
- Total leverage ratio 4.0:1 / Recourse leverage ratio 1.3:1.
- Residential Mortgage Loans represent a significant part of our business and growth strategy. Our Residential Mortgage Loan portfolio is comprised of Re-Performing Loans (RPLs), Non-QM & Investor Loans, Business Purpose Loans (BPLs), and Prime Jumbo Loans.
- Leading securitization platforms in the RPL, Investor (INV), and Prime Jumbo residential credit sectors with over \$12 billion of issuance currently outstanding.

CURRENT BUSINESS HIGHLIGHTS

Investment Portfolio		Financing	
<p>Q4 2022</p> <ul style="list-style-type: none"> ✓ Book value of \$7.49 per share up from \$7.44 per share in Q3 2022. ✓ Settled \$463 million of fixed rate Prime Jumbo loans. ✓ Sponsored \$145 million CIM 2022-NR1 securitization. 	<p>Post Q4 2022</p> <ul style="list-style-type: none"> ✓ Book value relatively unchanged from Q4 2022. ✓ Committed to purchasing \$933 million of Residential Mortgage Loans. <ul style="list-style-type: none"> ▪ \$700MM in RPLs, \$200MM in Non-QM loans and \$33MM in BPLs. ▪ The returns on these loans expected to be accretive to future earnings ✓ Collapsed 4 RPL securitizations and issued CIM 2023-R1 and CIM 2023-NR1. <ul style="list-style-type: none"> ▪ Reduced recourse borrowing by approximately \$139MM & released approximately \$90MM in equity. 	<p>Q4 2022</p> <ul style="list-style-type: none"> ✓ Completed \$250 million Non-Mark-to-Market facility backed by Risk-Retention tranches from our securitizations. ✓ Reduced our Mark-to-Market loan warehouse exposure by approximately \$100 million with CIM 22-NR. ✓ Financed \$463 million of Prime Jumbo loans in a five-year Non-Mark-to-Market effective fixed rate facility for \$383 million. ✓ 47% Non-Market-to-Market financing. ✓ Recourse leverage of 1.3x. 	<p>Post Q4 2022</p> <ul style="list-style-type: none"> ✓ Further reduced floating rate and Mark-to-Market exposure by approximately \$400 million. <ul style="list-style-type: none"> ▪ Driven by asset sales and transitioning mark-to-market repo financing to non-mark-to-market. ✓ 53% Non-Market-to-Market financing. ✓ Recourse leverage of 1.1x.
Interest Rate Hedging		Liquidity	
<p>Q4 2022</p> <ul style="list-style-type: none"> ✓ \$2.8 billion of floating rate financing. ✓ \$1.5 billion of Interest Rate Swaps. ✓ \$1 billion of Interest Rate Swaptions. 	<p>Post Q4 2022</p> <ul style="list-style-type: none"> ✓ \$2.4 billion of floating rate financing. ✓ \$1.4 billion of Mark-to-Market financing. ✓ \$1.5 billion of Interest Rate Swaps. ✓ \$2.3 billion of Interest Rate Swaptions. ✓ \$923 million of Treasury Futures to hedge securitization execution risk. 	<p>Q4 2022</p> <ul style="list-style-type: none"> ✓ \$265 million in cash. ✓ \$431 million in unencumbered assets. 	<p>Post Q4 2022</p> <ul style="list-style-type: none"> ✓ \$308 million in cash. ✓ \$524 million in unencumbered assets.

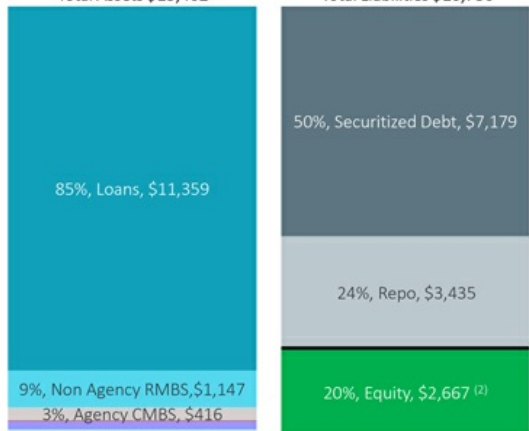
Post Q4 2022 data is as of February 2023 and is unaudited, estimated and subject to change.

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Q4 2022 TOTAL GAAP PORTFOLIO

✓ Our Capital Is Mainly Allocated to Residential Mortgage Loans Financed With Low-Rate, Non-Recourse Financing.

Q4 2022 GAAP Balance Sheet (\$ in Millions)⁽¹⁾
 Total Assets \$13,402 Total Liabilities \$10,736



% of Fixed-Rate Financing

- | | |
|--|---|
| <p>As of Q4 2022:</p> <ul style="list-style-type: none"> 87% Fixed Rate (incl. Sec Debt & Swaps) 79% Non-MtM Financing (incl. Sec Debt & Swaps) | <p>As of Feb 2023:</p> <ul style="list-style-type: none"> 92% Fixed Rate (incl. Sec Debt & Swaps) 83% Non-MtM Financing (incl. Sec Debt & Swaps) |
|--|---|



Securitized Debt
 Repo
 Other Liabilities
 Equity
 Loans
 Non Agency RMBS
 Agency CMBS
 Agency RMBS
 Cash
 Other Assets

February 2023 information is unaudited, estimated and subject to change.
 (1) At fair value. (2) Includes \$930 million of Preferred Equity.

RESIDENTIAL MORTGAGE LOANS OVERVIEW

Loan Process Overview

- Acquires residential mortgage loans from banks, non-bank financial institutions and government sponsored agencies.
- Finances purchases of mortgage loans via warehouse facilities and repurchase agreements (recourse financing).
- Securitize mortgage loans by selling senior securities and retain subordinate and interest-only securities (long-term non-recourse financing).
- Finance retained securities via repurchase agreements (recourse financing) to enhance return on investment.

Key Loan Statistics

Total Current Unpaid Principal Balance (UPB)	\$12.1 Billion
Total Number of Loans	116,876
Weighted Average Loan Size	\$103K
Weighted Average Coupon	5.85%
WA FICO	658
Average Loan Age	180 Months
Loan-to-Value (LTV) at origination	82%
Amortized Loan-to-Value (LTV)	68%
HPI Updated Loan-to-Value (LTV) ⁽³⁾	49%
60+ Days Delinquent	10.7%

Data as of December 31, 2022. (3) Information is unaudited, estimated and subject to change. Source: Bloomberg & IntexCalc.

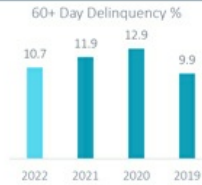
Chimera's loan portfolio is very seasoned with 79% of loans originated prior to 2008.



Chimera's loan portfolio has benefited from historic levels of home equity due to HPA.



Delinquencies on Chimera's loan portfolio have been low.



Chimera's loan portfolio has a WAC of 5.85%.

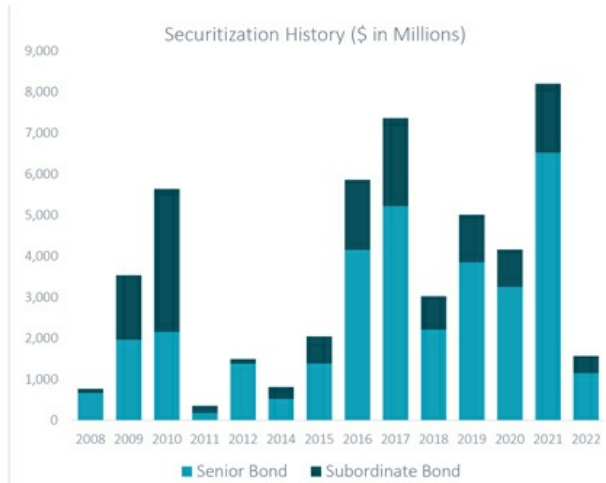


SECURITIZATION ACTIVITY

- Chimera has completed 96 deals and securitized \$49.9 billion of residential mortgage assets which includes Legacy Non-Agency RMBS, Reperforming Loans, Investor Loans, Non-QM, and Prime Jumbo loans, since inception.
- Chimera has over \$12 billion of issuance currently outstanding.
- Chimera has 20 outstanding securitizations, with an unpaid principal balance of \$4.6 billion, callable in 2023.
- Re-securitization is an additional source for future capital re-deployment.

(\$ in thousands)		Deal & Senior/Sub Totals			
Vintage	Type	Number of Deals Issued	Total Original Face	Senior Bond	Subordinate Bond
2008	Loan	2	770,865	670,949	99,916
2009	RMBS	3	3,535,035	1,965,001	1,570,034
2010	RMBS	14	5,638,378	2,156,169	3,482,209
2011	RMBS	2	359,154	177,139	182,015
2012	Loan	3	1,496,917	1,378,409	118,508
2014	Loan & RMBS	2	816,126	522,220	293,906
2015	Loan	4	2,048,483	1,385,162	663,321
2016	Loan	6	5,861,574	4,148,904	1,712,670
2017	Loan	9	7,364,441	5,217,632	2,146,809
2018	Loan	9	3,021,614	2,209,835	811,779
2019	Loan	12	5,007,276	3,850,091	1,157,185
2020	Loan	11	4,163,703	3,254,207	909,496
2021	Loan	14	8,202,315	6,521,955	1,680,360
2022	Loan	5	1,570,674	1,156,067	414,607
	Total	96	49,856,555	34,613,740	15,242,815

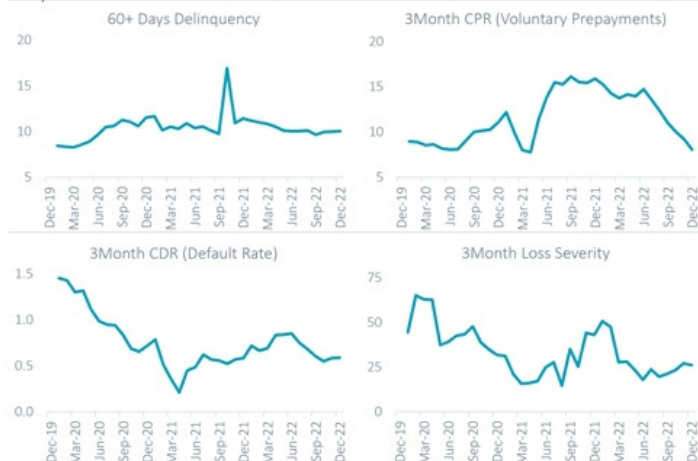
Data as of December 31, 2022. Information is unaudited, estimated and subject to change.



RPL SECURITIZATIONS CREDIT PERFORMANCE

RPL Securitizations Loan Characteristics	
Total Original Unpaid Principal Balance (UPB)	\$16.1 Billion
Total Current Unpaid Principal Balance (UPB)	\$10.9 Billion
Total Number of Loans	109,358
Weighted Average Loan Size	\$118K
Weighted Average Coupon	5.88%
WA FICO	650
Average Loan Age	194 Months
Amortized Loan-to-Value (LTV)	67%
HPI Updated Loan-to-Value (LTV) ⁽⁴⁾	44%
60+ Days Delinquent	10.1%

Reperforming Loans are a cornerstone of our portfolio. Credit performance has been stable given home price appreciation and the fully seasoned nature of our loans.



Data as of December 31, 2022. Information is unaudited, estimated and subject to change. Source: Bloomberg & IntexCalc.

RECOURSE FINANCING & INTEREST RATE HEDGING

Q4 2022 Overview

- \$3.4 billion in repo liabilities.
- 1.3x recourse leverage.
- 47% of repos are Non-Mark-To-Market or Margin Holiday.
- Interest rate swaps hedge 88% of the floating rate liabilities
- Average pay rate of 3.75%.



February 2023 Update

- \$3.0 billion in repo liabilities.
- 1.1x recourse leverage.
- 52% of repos are Non-Mark-To-Market or Margin Holiday.
- Interest rate swaps hedge 66% of the floating rate liabilities.
- Average pay rate of 3.46%.
- \$2.3 billion of Interest Rate Swaptions.
- \$1.4 billion of Mark-to-Market financing.
- \$923 million of Treasury Futures to hedge securitization execution risk on loan purchases.



February 2023 information is unaudited, estimated and subject to change.

OUR POSITIONING IN 2023

<p>Capital</p>	<ul style="list-style-type: none"> ✓ Equity extraction from our existing RPL portfolio serves as a significant source of capital. ✓ 16 deals currently callable, an additional 4 deals before year-end, 4 deals in 2024, and 3 deals in 2025. ✓ The longer these deals are outstanding, the greater the potential equity take-out. ✓ At the current rate of paydowns, estimated equity take-out of approximately \$1 billion if not called through 2025.
<p>Portfolio Investments</p>	<ul style="list-style-type: none"> ✓ Deployed capital into RPL, Non-QM, and BPL sectors in January 2023 and will continue to grow residential credit portfolio as opportunities arise. ✓ Looking to rebuild Agency RMBS, Agency CMBS, and Senior Non-Agency RMBS portfolio given the attractive returns and liquidity profile.
<p>Credit Performance</p>	<ul style="list-style-type: none"> ✓ Our existing portfolio remains stable given low-LTVs (Wavg HPI LTV of 49%) and 180 months of seasoning. ✓ Potential book value increase of \$1.69 per share if the accretable discount (net of premiums) on all assets and securitized debt were to be realized with current loss assumptions. ✓ Potential book value increase of \$2.23 per share assuming all assets and securitized debt were to be repaid at par value.
<p>Financing & Liquidity*</p>	<ul style="list-style-type: none"> ✓ Strong liquidity position. Chimera has \$308 million in cash and \$524 million in unencumbered assets. ✓ Low recourse leverage of 1.1x.
<p>Interest Rate Hedging*</p>	<ul style="list-style-type: none"> ✓ Net positive carry on our interest rate swaps positions. Expected to go higher as Fed increases rates. ✓ Combination of swaps and swaptions to hedge net interest margin and protect against mark-to-market financing.

*Information as of February 2023.
Information is unaudited, estimated and subject to change.

APPENDIX

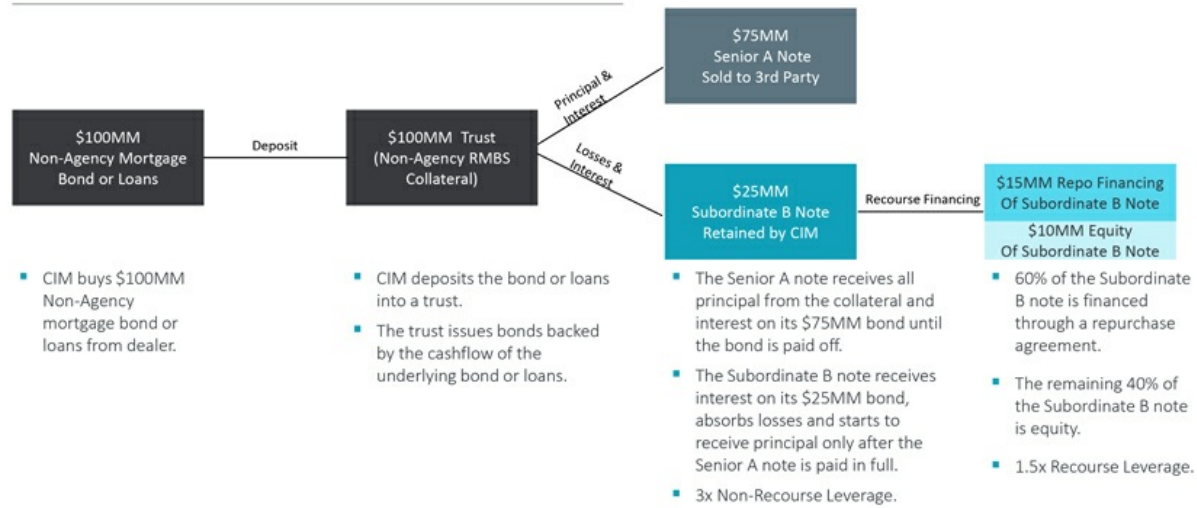


FINANCIAL METRICS



THE SECURITIZATION PROCESS

Chimera has created term-funding through securitization.



EARNINGS AVAILABLE FOR DISTRIBUTION

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, interest expense on long term debt, changes in the provision for credit losses, other gains or losses on equity investments, and transaction expenses incurred. In addition, stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (36 months) rather than reported as an immediate expense.

Earnings available for distribution is the Economic net interest income, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges. Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for interest expense on long term debt, net periodic interest cost of interest rate swaps and excludes interest earned on cash. See a reconciliation of Economic net interest income to the most relevant GAAP measure below.

We view Earnings available for distribution as one measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our Board of Directors uses to determine the amount, if any, of dividends on our common stock. Other metrics that our Board of Directors may consider when determining the amount, if any, of dividends on our common stock include (among others) REIT taxable income, dividend yield, book value, cash generated from the portfolio, reinvestment opportunities and other cash needs. In addition, Earnings available for distribution is different than REIT taxable income and 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 our stockholders in order to maintain qualification as a REIT is not based on Earnings available for distribution.

Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

EARNINGS AVAILABLE FOR DISTRIBUTION (CONTINUED)

The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis. Certain prior period amounts have been reclassified to conform to the current period's presentation.

	December 31, 2022	September 30, 2022	For the Quarters Ended		December 31, 2021
			June 30, 2022	March 31, 2022	
	(dollars in thousands, except per share data)				
GAAP Net income (loss) available to common stockholders	\$78,716	\$ (204,583)	\$ (179,765)	\$ (281,202)	\$ (718)
Adjustments:					
Net unrealized (gains) losses on financial instruments at fair value	(112,026)	239,513	239,246	370,167	108,286
Net realized (gains) losses on sales of investments	39,443	37,031	—	—	—
(Gains) losses on extinguishment of debt	—	—	2,897	—	(980)
Increase (decrease) in provision for credit losses	3,834	(1,534)	4,497	240	92
Net unrealized (gains) losses on derivatives	10,171	(10,307)	1,618	—	—
Realized (gains) losses on terminations of interest rate swaps	561	—	—	—	—
Transaction expenses	3,274	2,341	6,727	3,804	4,241
Stock Compensation expense for retirement eligible awards	(309)	(310)	(309)	723	(363)
Other investment (gains) losses	2,383	462	(980)	—	—
Earnings available for distribution	\$26,047	\$62,613	\$73,931	\$93,732	\$110,558
GAAP net income (loss) per diluted common share	\$0.34	\$(0.88)	\$(0.76)	\$(1.19)	\$ —
Earnings available for distribution per adjusted diluted common share	\$0.11	\$0.27	\$0.31	\$0.39	\$0.46

