Ladder Capital Corp
Form PRE 14A
December 16, 2014

Use these links to rapidly review the document
TABLE OF CONTENTS

Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

ý Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

o Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

LADDER CAPITAL CORP

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

PRELIMINARY PROXY MATERIALS SUBJECT TO COMPLETION DECEMBER 16, 2014

To the Stockholders of Ladder Capital Corp:

I am pleased to invite you to attend a special meeting of stockholders (the "Special Meeting") of Ladder Capital Corp, a Delaware corporation ("Ladder" or the "Company"), which will be held on , 2015 at 10:00 a.m., Eastern Standard Time. The Special Meeting will be held via live webcast on the Internet. You will be able to attend and submit your questions during the meeting at www.virtualshareholdermeeting.com/LADR2015.

On December 15, 2014, Ladder announced that it was commencing the steps necessary to qualify as a real estate investment trust ("REIT") for the taxable year beginning January 1, 2015. Prior to commencing its operations as a REIT, Ladder intends to complete the steps necessary in order to operate in compliance with the REIT rules. We refer to the completion of these steps and the commencement of Ladder's operations as a REIT as the "REIT Election." On January 1, 2015, Ladder intends to begin operating as a REIT for U.S. federal income tax purposes.

The REIT Election will be implemented through a series of steps including, among other things, the amendment and restatement of Ladder's Amended and Restated Certificate of Incorporation (the "Charter Amendment") to change our business purpose and to impose certain ownership limitations and transfer restrictions on our stockholders pursuant to the REIT rules, among other things, and the amendment and restatement of the Tax Receivable Agreement, dated as of February 11, 2014, among the Company, Ladder Capital Finance Holdings LLLP and each of the TRA Members (as defined therein) (the "TRA Amendment").

The affirmative vote of holders of a majority of our outstanding shares of Class A common stock and Class B common stock is required for the adoption of the Charter Amendment. The affirmative vote of holders of a majority of our outstanding shares of Class A common stock and Class B common stock, excluding shares beneficially owned by holders who are party to, or are an affiliate of a party to, the Tax Receivable Agreement, is required for the adoption of the TRA Amendment.

Although Ladder intends to begin operating as a REIT on January 1, 2015, the Company does not intend to be taxed as a REIT if a significant majority of Ladder's eligible stockholders do not approve the Charter Amendment. In addition, Ladder has agreed, pursuant to the TRA Amendment, that it will not elect to be subject to tax as a REIT if a majority of the disinterested stockholders do not approve the TRA Amendment. The Board reserves the right, notwithstanding stockholder approval of the Charter Amendment and/or the TRA Amendment (if obtained), to elect not to proceed with the REIT Election if, at any time prior to filing the Charter Amendment, the Board determines that it is no longer in the best interest of Ladder and its stockholders to proceed therewith. If this occurs on or before March 13, 2015, the TRA Amendment and the amendment and restatement (the "LLLP Amendment") of the Amended and Restated Limited Liability Limited Partnership Agreement (the "LLLP Agreement") of Ladder Capital Finance Holdings LLLP will be automatically rescinded.

After careful consideration, on December 15, 2014, the board of directors, on a unanimous basis, approved and declared to be advisable the Charter Amendment and the TRA Amendment, and hereby recommends that all holders of Ladder Class A common stock and Class B common stock entitled to vote thereon vote "FOR" the Charter Amendment and the TRA Amendment described herein.

This proxy statement provides you with detailed information about the REIT Election, the Charter Amendment, the TRA Amendment and the special meeting. **We encourage you to carefully read this entire proxy statement, including all its annexes, and we especially encourage you to read the section entitled "Certain Risks Associated with the REIT Election" beginning on page 14.**

Neither the Securities and Exchange Commission nor any state securities commission has passed upon the adequacy or accuracy of this proxy statement. Any representation to the contrary is a criminal offense.

Sincerely,

LADDER CAPITAL CORP

345 Park Avenue
New York, New York 10154

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
, 2015
10:00 a.m., Eastern Standard Time

To the Stockholders of Ladder Capital Corp:

Notice is hereby given that a special meeting of stockholders (the "Special Meeting") of Ladder Capital Corp, a Delaware corporation ("Ladder" or the "Company"), will be held on , 2015 at 10:00 a.m., Eastern Standard Time. The Special Meeting will be held via live webcast on the Internet. You will be able to attend and submit your questions during the meeting at www.virtualshareholdermeeting.com/LADR2015. The Special Meeting will be held for the following purposes, as more fully described in the accompanying proxy statement:

(1) To approve an amendment and restatement of the Company's Amended and Restated Certificate of Incorporation, including provisions that impose certain ownership limitations and transfer restrictions on our stockholders in connection with the Company's potential REIT election.

(2) To approve an amendment and restatement of the Tax Receivable Agreement, dated as of February 11, 2014, among the Company, Ladder Capital Finance Holdings LLLP and each of the TRA Members (as defined therein).

Only holders of our Class A common stock and Class B common stock of record as of the close of business on , 2015 are entitled to receive notice of, to attend, and to vote at, the Special Meeting.

We are pleased to furnish proxy materials over the Internet. We believe doing so allows us to provide our stockholders with the information they need, while lowering the costs of the delivery of the materials and reducing the environmental impact of printing and mailing hard copies.

Your vote is very important. Whether or not you plan to attend the Special Meeting, we encourage you to vote using the procedures described on the notice of internet availability of proxy materials or on the proxy card.

By Order of the Board of Directors,

/s/ ALAN FISHMAN

Alan Fishman
Non-Executive Chairman of the Board of Directors

New York, NY
, 2015

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON , 2015:

The Notice of Internet Availability of Proxy Materials, Notice of Meeting and Proxy Statement are available free of charge at www.proxyvote.com

Table of Contents

TABLE OF CONTENTS

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement (this "proxy statement") includes forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). All statements other than statements of historical fact contained in this proxy statement, including statements regarding our future results of operations and financial position, strategy and plans, and our expectations for future operations, are forward-looking statements. The words "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "might," "will," "should," "can have," "likely," "continue," "design," and other words and terms of similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, strategy, short-term and long-term business operations and objectives and financial needs. Although we believe that the expectations reflected in our forward-looking statements are reasonable, actual results could differ from those expressed in our forward-looking statements. Our future financial position and results of operations, as well as any forward-looking statements are subject to change and inherent risks and uncertainties. You should consider our forward-looking statements in light of a number of factors that may cause actual results to vary from our forward-looking statements including, but not limited to:

- risks discussed under the heading "Certain Risks Associated with the REIT Election";
- changes in general economic conditions, in our industry and in the commercial finance and the real estate markets;
- changes to our business and investment strategy;
- our ability to obtain and maintain financing arrangements;
- the financing and advance rates for our assets;
- our actual and expected leverage;
- the adequacy of collateral securing our loan portfolio and a decline in the fair value of our assets;
- interest rate mismatches between our assets and our borrowings used to fund such investments;
- changes in interest rates and the market value of our assets;
- changes in prepayment rates on our assets;
- the effects of hedging instruments and the degree to which our hedging strategies may or may not protect us from interest rate and credit risk volatility;
- the increased rate of default or decreased recovery rates on our assets;

the adequacy of our policies, procedures and systems for managing risk effectively;

a potential downgrade in the credit ratings assigned to our investments;

the impact of and changes in governmental regulations, tax laws and rates, accounting guidance and similar matters, including rules and regulations relating to our qualification as a REIT;

changes to our business that could disqualify us from REIT status under the Code;

our ability and the ability of our subsidiaries to maintain our and their exemptions from registration under the Investment Company Act of 1940, as amended (the "Investment Company Act");

Table of Contents

potential liability relating to environmental matters that impact the value of properties we may acquire or the properties underlying our investments;

the inability of insurance covering real estate underlying our loans and investments to cover all losses;

the availability of investment opportunities in mortgage-related and real estate-related instruments and other securities;

fraud by potential borrowers;

the availability of qualified personnel;

the degree and nature of our competition;

the market trends in our industry, interest rates, real estate values, the debt securities markets or the general economy; and

the prepayment of the mortgages and other loans underlying our mortgage-backed and other asset-backed securities.

You should not rely upon forward-looking statements as predictions of future events. In addition, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. The forward-looking statements contained in this proxy statement are made as of the date hereof, and the Company assumes no obligation to update or supplement any forward-looking statements.

Table of Contents

LADDER CAPITAL CORP

345 Park Avenue
New York, New York 10154

PROXY STATEMENT
FOR THE SPECIAL MEETING OF STOCKHOLDERS

, 2015

QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING

Why am I receiving these materials?

The accompanying proxy is solicited on behalf of the Board of Directors (the "Board") of Ladder Capital Corp ("Ladder" or the "Company") for use at the special meeting to be held on , 2015, at 10:00 a.m., Eastern Standard Time, and any adjournment or postponement thereof (the "Special Meeting"). The Special Meeting will be conducted via a live webcast on the Internet at www.virtualshareholdermeeting.com/LADR2015.

We are providing you this proxy statement, the enclosed proxy card and the attached notice of internet availability of proxy materials (the "Notice") because the Board is soliciting your proxy to vote at the Special Meeting. You are invited to attend the Special Meeting via the Internet to vote on the proposals described in this proxy statement. However, you do not need to attend the meeting to vote your shares. Instead, you may complete, sign and return the enclosed proxy card, or follow the instructions below to submit your proxy over the Internet, by phone or by mail, if you requested printed copies of the proxy materials.

We intend to distribute this proxy statement on or about , 2015 to all stockholders of record entitled to vote at the Special Meeting.

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

Pursuant to rules adopted by the Securities and Exchange Commission (the "SEC"), the Company uses the Internet as the primary means of furnishing proxy materials to stockholders. Accordingly, the Company is sending the Notice to the Company's stockholders. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. The Company encourages stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of its special meeting and the cost to the Company associated with the physical printing and mailing of materials.

Table of Contents

What matters will be voted on at the Special Meeting?

Stockholders of record will vote on two matters at the Special Meeting in connection with the Company's proposed REIT Election:

1. Approval of an amendment and restatement of the Company's Amended and Restated Certificate of Incorporation (the "Charter Amendment") in connection with the Company's potential REIT Election (as defined below), including provisions that impose certain ownership limitations and transfer restrictions on our stockholders in connection with the Company's potential REIT Election (as defined below).

2. Approval of an amendment and restatement (the "TRA Amendment") of the Tax Receivable Agreement, dated as of February 11, 2014, among the Company, Ladder Capital Finance Holdings LLLP ("LCFH") and each of the TRA Members (as defined therein) (the "Tax Receivable Agreement").

Stockholders entitled to vote may vote "For" or "Against" any of the proposals or may abstain from voting on any of the proposals.

Who may vote at the Special Meeting?

Record Date. Only holders of record of our Class A common stock and Class B common stock at the close of business on , 2015 (the "Record Date") are entitled to receive notice of, to attend and to vote at the Special Meeting as set forth below. As of the Record Date, there were shares of Class A common stock outstanding and shares of Class B common stock outstanding.

Proposal One. Each share of Class A common stock and Class B common stock will entitle the holder thereof to one vote on Proposal One (the approval of the Charter Amendment). Approval of Proposal One will require the affirmative vote of holders of a majority of our outstanding shares of Class A common stock and Class B common stock. The holders of Class A common stock and Class B common stock will vote together on Proposal One as a single class.

Proposal Two. Each share of Class A common stock and Class B common stock will entitle the holder thereof to one vote on Proposal Two (the approval of the TRA Amendment). Approval of Proposal Two will require the affirmative vote of holders of a majority of our outstanding shares of Class A common stock and Class B common stock, excluding shares beneficially owned by holders who are party to, or are an affiliate of a party to, the Tax Receivable Agreement. The holders of Class A common stock and Class B common stock entitled to vote on Proposal Two will vote together on Proposal Two as a single class.

What are the Board's voting recommendations?

The Board recommends that you vote your shares "FOR" the Charter Amendment and "FOR" the TRA Amendment.

What is the difference between a stockholder of record and a beneficial owner of shares held in street name?

If, on the Record Date, your shares were registered directly in your name with Ladder's transfer agent, American Stock Transfer & Trust Company, LLC, then you are a stockholder of record. As a stockholder of record, you may cast your vote at the Special Meeting or vote by proxy. Whether or not you plan to attend the Special Meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy over the telephone or on the Internet as instructed below to ensure your vote is counted.

If, on the Record Date, your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in "street name" and these

Table of Contents

proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Special Meeting. As a beneficial owner, you have the right to direct your broker or other agent on how to vote the shares in your account. You are also invited to attend the Special Meeting. However, since you are not the stockholder of record, you may not vote your shares at the Special Meeting unless you request and obtain a valid proxy from your broker or other agent.

If I am a stockholder of record, how do I vote?

If you are a stockholder of record, you may vote:

Via the Internet. You may vote by proxy via the Internet by following the instructions provided in the Notice.

By Telephone. If you request printed copies of the proxy materials by mail, you may vote by proxy by calling the toll free number found on the proxy card.

By Mail. If you request printed copies of the proxy materials by mail, you will receive a proxy card and you may vote by proxy by filling out the proxy card and returning it in the envelope provided.

At the Meeting. You may also vote at the Special Meeting. For more information, see "What do I need to attend the Special Meeting?"

If I am a beneficial owner of shares held in street name, how do I vote?

If you are a beneficial owner of shares held in street name, you may vote:

Via the Internet. You may vote by proxy via the Internet by visiting www.proxyvote.com and entering the control number found in your Notice. The availability of Internet voting may depend on the voting process of the organization that holds your shares.

By Telephone. If you request printed copies of the proxy materials by mail, you may vote by proxy by calling the toll free number found on the voting instruction form. The availability of telephone voting may depend on the voting process of the organization that holds your shares.

By Mail. If you request printed copies of the proxy materials by mail, you will receive a voting instruction form and you may vote by proxy by filling out the voting instruction form and returning it in the envelope provided.

At the Meeting. You may also vote at the Special Meeting if you obtain a "legal proxy" from the organization that holds your shares. A legal proxy is a written document that will authorize you to vote your shares held in street name at the Special Meeting. Please contact the organization that holds your shares for instructions regarding obtaining a legal proxy

How do I attend the Special Meeting?

We will host the Special Meeting via a live webcast on the Internet at www.virtualshareholdermeeting.com/LADR2015. ***You will not be able to attend the Special Meeting in person.*** Stockholders may vote and submit questions while participating in the Special Meeting via the Internet. Instructions on how to connect to and participate in the Special Meeting are included in the Notice. A summary of the information you need to attend the Special Meeting online is provided below:

Instructions on how to attend and participate via the Internet, including how to demonstrate proof of stock ownership, are posted at www.proxyvote.com

We encourage you to access the Special Meeting online prior to its start time

Table of Contents

The webcast will start at 10:00 a.m., Eastern Standard Time

Assistance with questions regarding how to attend and participate via the Internet will be provided on the day of the Special Meeting by calling +1-

You will need your 16-Digit Control Number to enter the Special Meeting

A webcast replay of the Special Meeting will be available at until 5:00 p.m., Eastern Standard Time, on , 2015

If I am unable to attend the Special Meeting on the Internet, can I listen to the Special Meeting by telephone?

Yes. If you are unable to access the Special Meeting on the Internet, you may call to listen to the Special Meeting. You will be prompted to provide your control number. Although stockholders accessing the Special Meeting by telephone will be able to listen to the Special Meeting and may ask questions during the Special Meeting, you will not be considered present at the Special Meeting and will not be able to vote unless you also attend the Special Meeting via the Internet. If you plan to listen to the Special Meeting by telephone, we encourage you to submit your completed proxy card so your votes may be counted.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority in voting power of our outstanding Class A common stock and Class B common stock entitled to vote at the Special Meeting are present at the meeting or represented by proxy. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, a majority of the votes present at the meeting or the chairman of the meeting may adjourn the meeting to another date.

How many votes are needed to approve each proposal?

Proposal One. To be approved, Proposal One (the adoption of the Charter Amendment) must receive a "For" vote from stockholders holding a majority of our outstanding Class A common stock and Class B common stock, voting together as a single class. The ownership restriction contained in the Charter Amendment will only be binding on shares that are voted "For" adoption of the Charter Amendment. See "Certain Risks Associated with the REIT Election Following implementation of the Charter Amendment there will be REIT-related restrictions on your ownership of, and your ability to transfer, your shares that are voted in favor of the Charter Amendment."

Proposal Two. To be approved, Proposal Two (the adoption of the TRA Amendment) requires a "majority-of-the-disinterested-stockholders" vote. Proposal Two must receive a "For" vote from holders of a majority of our outstanding shares of Class A common stock and Class B common stock, excluding shares beneficially owned by holders who are party to, or are an affiliate of a party to, the Tax Receivable Agreement (the "Majority-of-the-Disinterested-Stockholders Condition"). The Company has agreed to not proceed with the TRA Amendment as currently proposed in the event that the Majority-of-the-Disinterested-Stockholders Condition is not satisfied.

Although Ladder intends to begin operating as a REIT on January 1, 2015, the Company does not intend to be taxed as a REIT if a significant majority of Ladder's eligible stockholders do not approve the Charter Amendment. In addition, Ladder has agreed, pursuant to the TRA Amendment, that it will not elect to be subject to tax as a REIT if a majority of the disinterested stockholders do not approve the TRA Amendment. The Board reserves the right, notwithstanding stockholder approval of the Charter Amendment and/or the TRA Amendment (if obtained), to elect not to proceed with the REIT Election if, at any time prior to filing the Charter Amendment, the Board determines that it is no longer in the best interest of Ladder and its stockholders to proceed therewith. If this occurs on or

Table of Contents

before March 13, 2015, the TRA Amendment and the LLLP Amendment will be automatically rescinded.

If you fail to vote or abstain from voting on Proposal One, the effect will be the same as a vote against the adoption of Proposal One.

If you fail to vote or abstain from voting on Proposal Two, the effect will be the same as a vote against the adoption of Proposal Two.

How will our directors and officers vote on the proposals?

The directors and executive officers of Ladder have informed Ladder that, as of the date of the filing of this proxy statement, they intend to vote all shares of Class A common stock and Class B common stock owned by them "For" Proposal One. As of the Record Date, the directors and executive officers owned, in the aggregate, shares of Class A common stock and shares of Class B common stock entitled to vote at the Special Meeting.

Shares owned by our directors and executive officers party to the Tax Receivable Agreement will not be included in the shares taken into account for purposes of the Majority-of-the-Disinterested-Stockholders Condition described above.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return **each** proxy card to ensure that all of your shares are voted.

How are proxies voted?

All shares represented by valid proxies received prior to the taking of the vote at the Special Meeting will be voted and, where a stockholder specifies by means of the proxy a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the stockholder's instructions.

What happens if I return a proxy card but do not make specific choices? And how are broker non-votes and abstentions treated?

Stockholders of Record. If you are a stockholder of record and you (1) indicate when voting on the Internet or by telephone that you wish to vote as recommended by the Board or (2) sign and return a proxy card without giving specific voting instructions, then the persons named as proxy holders will vote your shares "For" the Charter Amendment and "For" the TRA Amendment.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide your broker with specific voting instructions then, under applicable rules, your broker may generally vote on "routine" matters but cannot vote on "non-routine" matters. This is generally referred to as a "broker non-vote." Proposal One (the approval of the Charter Amendment) and Proposal Two (the approval of the TRA Amendment) are considered non-routine matters and, therefore, your broker will not have discretion to vote on these matters absent direction from you. If you fail to vote or abstain from voting on Proposal One or Proposal Two, the effect will be the same as a vote against the adoption of such proposal.

Broker non-votes and abstentions will, however, be counted towards determining whether or not a quorum is present and the effect of any such non-vote or abstention will be the same as a vote against each proposal.

Table of Contents

Can I change my vote after submitting my proxy?

You may revoke your proxy and change your vote at any time before the taking of the vote at the Special Meeting. Prior to the applicable cutoff time, you may change your vote using the Internet or telephone methods described above, in which case only your latest Internet or telephone proxy submitted prior to the Special Meeting will be counted. You may also revoke your proxy and change your vote by signing and returning a new proxy card or voting instruction form dated as of a later date, or by attending the Special Meeting and voting in person. However, your attendance at the Special Meeting will not automatically revoke your proxy unless you properly vote at the Special Meeting or specifically request that your prior proxy be revoked by delivering a written notice of revocation to the Company's Secretary at Ladder Capital Corp, 345 Park Avenue, 8th Floor, New York, NY 10154 prior to the Special Meeting.

Who will serve as the inspector of election?

A representative from Broadridge Financial Solutions, Inc. ("Broadridge") will serve as the inspector of election.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within the Company or to third parties, except:

As necessary to meet applicable legal requirements.

To allow for the tabulation and certification of votes.

To facilitate a successful proxy solicitation.

Occasionally, stockholders provide written comments on their proxy cards, which may be forwarded to the Company's management and the Board.

Who is paying for this proxy solicitation?

The Company will pay the entire cost of soliciting proxies. We have engaged Broadridge to serve as our proxy solicitor for the Special Meeting at a base fee of $ plus reimbursement of reasonable expenses. The Company may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

Our directors and employees also may solicit proxies in person, by telephone or by other means of communication. However, they will not receive any compensation for soliciting proxies.

How can I find out the results of the voting at the Special Meeting?

Preliminary voting results will be announced at the Special Meeting. Final voting results are expected to be published on a Current Report on Form 8-K filed within four business days after the Special Meeting.

Where are the Company's principal executive offices located and what is the Company's main telephone number?

The Company's principal executive offices are located at 345 Park Avenue, 8th Floor, New York, NY 10154, and the Company's main telephone number is (212) 715-3170.

Whom may I contact with questions?

If you have any questions or require any assistance with voting your shares, please contact our proxy solicitor, Broadridge, at 1-800-579-1639.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE PROPOSED TRANSACTIONS

What is proposed?

The Board of Ladder has unanimously approved a plan to realign our business operations to qualify as a real estate investment trust (a "REIT") for U.S. federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") commencing with the 2015 tax year. We refer to these transactions and the election of REIT status as the "REIT Election."

We are proposing the Charter Amendment in order to help ensure that the Company satisfies the ownership and other requirements for qualification as a REIT and to protect the Company from adverse consequences for REITs related to concentration of ownership. The complete text of the proposed Charter Amendment is included as *Appendix A* to this proxy statement. See "What ownership restrictions are related to qualifying as a REIT?" Although Ladder intends to begin operating as a REIT on January 1, 2015, the Company does not intend to be taxed as a REIT if a significant majority of Ladder's eligible stockholders do not approve the Charter Amendment. In addition, pursuant to the TRA Amendment, if a majority of the disinterested stockholders do not approve the TRA Amendment, Ladder will not elect to be subject to tax as a REIT. The Board may, notwithstanding stockholder approval of the Charter Amendment and the TRA Amendment, elect not to proceed with filing the Charter Amendment if the Board determines that it is no longer in the best interests of Ladder or its stockholders to proceed with the REIT Election.

In order to implement the proposed REIT Election, we, LCFH and a majority of existing limited partners of LCFH (the "TRA Members") have agreed to enter into the LLLP Amendment effective as of December 31, 2014, pursuant to which, among other things, (i) all assets and liabilities of LCFH will be allocated on our books and records to two series of LCFH, consisting of "Series REIT" and "Series TRS," (ii) each outstanding limited partnership interest in LCFH (an "LP Unit") will convert into one limited partnership unit of Series REIT and one limited partnership unit of Series TRS (a "Series TRS LP Unit"), (iii) outstanding Series TRS LP Units will be exchangeable for the same number of limited liability company interests of LC TRS I LLC ("TRS I"), which will be a newly-formed limited liability company that will be a U.S. taxable REIT subsidiary of the Company and the general partner of Series TRS (any such exchanges, the "TRS Exchanges"), (iv) the LCFH transfer restrictions on Series Units will be changed to standard REIT transfer restrictions until the Charter Amendment is approved by our stockholders, at which time the current transfer restrictions in the LLLP Agreement will be reinstated and will become effective on Series Units. Certain other amendments in connection with the REIT Election will be made. If Proposal Two is not approved by a majority of disinterested stockholders or if, for any reason, the Board determines not to elect for the Company to be subject to tax as a REIT for its 2015 taxable year, then, effective automatically, the LLLP Amendment will be rescinded and without any force or effect, and the LLLP Agreement in effect as of February 11, 2014 will automatically be reinstated.

In order to preserve a portion of the potential tax benefits currently existing under the Tax Receivable Agreement that would otherwise be reduced in connection with the proposed REIT Election, the TRA Amendment, if approved, would provide that, in lieu of the existing tax benefit payments under the Tax Receivable Agreement for the 2015 taxable year and beyond, TRS I will pay to the TRA Members 85% of the amount of the benefits, if any, that TRS I realizes or under certain circumstances (such as a change of control) is deemed to realize as a result of (i) the increases in tax basis resulting from the TRS Exchanges by the TRA Members, (ii) any incremental tax basis adjustments attributable to payments made pursuant to the TRA Amendment, and (iii) any deemed interest deductions arising from payments made by TRS I under the TRA Amendment. Ladder will no longer be directly obliged to make any payments under the TRA Amendment, save those for taxable year 2014. However, subject to certain limitations as set forth in the TRA Amendment, as to the maintenance of REIT status, it will guarantee the obligations of TRS I thereunder. Under the TRA

Table of Contents

Amendment, the Company expects to benefit from the remaining 15% of cash savings in income tax that it realizes, which is in the same proportion as in the existing Tax Receivable Agreement. Note that the net effect of the TRA Amendment is to reduce the pool of assets from which a TRA Member will be able to obtain benefits and, as a result, the Company expects that the amount of payments made by TRS I to the TRA Members under the TRA Amendment will be less than would otherwise be required to be made by the Company under the existing Tax Receivable Agreement. The TRA Amendment continues to share such benefits in the same proportions and otherwise has substantially the same terms and provisions as the existing Tax Receivable Agreement. The complete text of the proposed TRA Amendment is included as *Appendix B* to this proxy statement.

Why are we proposing the REIT Election?

We intend to make the REIT Election, subject to the outcome of the votes on Proposal One and Proposal Two, because we believe it will provide numerous benefits to the Company and its stockholders. The anticipated benefits to stockholders include enhancing the Company's ability to create stockholder value given the nature of its assets, returning capital to stockholders, helping lower the Company's cost of capital and drawing a larger base of potential stockholders.

What is a REIT?

A REIT is a corporation or other entity that derives most of its income from real estate loans and real property and whose assets predominantly consist of such loans and real property. The corporation must make a special election under the Code to be treated as a REIT. Subject to a number of significant exceptions, a corporation that qualifies as a REIT generally is not subject to U.S. federal corporate income taxes on income and gain that it distributes to its stockholders.

The Company will continue to be required to pay federal income tax on earnings from its non-REIT assets and operations, which consist primarily of our securitization business. We may also be subject to a variety of taxes, including payroll taxes and state, local and foreign income, property, gross receipts and other taxes on our assets and operations.

What ownership restrictions are related to qualifying as a REIT?

To qualify as a REIT under the Code, Ladder's stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year (other than the first year for which an election to be a REIT has been made). Also, not more than 50% of the value of the outstanding shares of Ladder capital stock may be owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include certain entities such as private foundations) during the last half of a taxable year (other than the first taxable year for which an election to be a REIT has been made). Finally, a person actually or constructively owning 10% or more of the vote or value of the outstanding shares of Ladder capital stock could lead to a level of affiliation between Ladder and one or more of its tenants that could disqualify Ladder's revenues from the affiliated tenants and possibly jeopardize or otherwise adversely impact Ladder's qualification as a REIT.

What is the effect of the TRA Amendment?

In order to preserve a portion of the potential tax benefits currently existing under the Tax Receivable Agreement that would otherwise be reduced in connection with the proposed REIT Election, the TRA Amendment would provide that, in lieu of the existing tax benefit payments under the Tax Receivable Agreement for the 2015 taxable year and beyond, TRS I will pay to the TRA Members 85% of the amount of the benefits, if any, that TRS I realizes or under certain circumstances (such as a change of control) is deemed to realize as a result of (i) the increases in tax basis resulting

Table of Contents

from the TRS Exchanges by the TRA Members, (ii) any incremental tax basis adjustments attributable to payments made pursuant to the TRA Amendment, and (iii) any deemed interest deductions arising from payments made by TRS I under the TRA Amendment. Under the TRA Amendment, TRS I expects to benefit from the remaining 15% of cash savings in income tax that it realizes, which is in the same proportion realized by the Company under the existing Tax Receivable Agreement. Note that the net effect of the TRA Amendment is to reduce the pool of assets from which a TRA Member will be able to obtain benefits and, as a result, the Company expects that the amount of payments made by TRS I to the TRA Members under the TRA Amendment will be less than would otherwise be required to be made by the Company under the existing Tax Receivable Agreement. The TRA Amendment continues to share such benefits in the same proportions and otherwise has substantially the same terms and provisions as the existing Tax Receivable Agreement. The complete text of the proposed TRA Amendment is included as *Appendix B* to this proxy statement.

What alternatives were considered to a REIT Election?

As an alternative to a REIT Election, we considered maintaining the current operating structure. After consulting with legal, financial and other advisors, we determined that the REIT Election would provide greater benefits, as described herein, to Ladder and its stockholders. See "Questions and Answers about the Proposed Transactions Why are we proposing the REIT Election?"

Will our business operations change after the REIT Election?

Subject to compliance with applicable REIT rules and regulations, we plan to operate our business after the REIT Election substantially as it is currently conducted. We do not expect any material change in our business operations as a result of the REIT Election, although we plan to implement certain structural changes to our organization to facilitate compliance with the REIT qualifications.

What other actions were necessary for Ladder to elect REIT status?

In connection with the REIT Election, certain of our subsidiaries, including LCFH, were serialized in order to segregate our REIT assets and operations from our TRS assets and operations. A TRS is a subsidiary of a REIT (or series of a subsidiary) that is treated as a corporation for U.S. federal income tax purposes and is generally subject to regular U.S. federal corporate taxes on its taxable income. See "REIT tructuring Transactions." In connection with the planned REIT Election, we and certain of the TRA Members have agreed to amend and restate the LLLP Agreement to, among other things, effect LCFH's serialization and change transfer restrictions on Series Units effective on December 31, 2014 until such time as the Charter Amendment set forth in Proposal One becomes effective. Such restrictions conform to the transfer restrictions and ownership limitations that would be imposed on the Company's common stock under the Charter Amendment to facilitate compliance with the applicable REIT rules.

When will the REIT Election become effective?

We intend to commence operating as a REIT for U.S. federal income tax purposes on January 1, 2015. Subject to the outcome of the votes on Proposal One and Proposal Two, we intend to formally elect to be subject to tax as a REIT on our 2015 tax return.

Table of Contents

REIT STRUCTURING TRANSACTIONS

In anticipation of the REIT Election, we intend to effect an internal realignment, effective January 1, 2015, that we believe will permit us to successfully elect to be subject to tax as a REIT for our 2015 taxable year, subject to the risk factors described herein. We refer to this internal realignment as the "REIT Structuring Transactions." We believe the REIT Structuring Transactions do not affect in any material respect the rights of our Class A common stockholders or creditors. The REIT Structuring Transactions are comprised of a series of internal transactions that are intended to, among other things, segregate our REIT-qualified assets and income from our non-REIT-qualified assets and income.

The most significant aspect of the REIT Structuring Transactions is the serialization of our operating partnership and certain of its wholly owned subsidiaries. A serialization is comprised of the segregation of assets and liabilities of a partnership into separate series of the partnership pursuant to Section 17-218 of the Delaware Revised Uniform Limited Partnership Act ("DRULPA") or of a limited liability company pursuant to Section 18-215 of the Delaware Limited Liability Company Act ("DLLCA"). Our operating partnership will be serialized into Series REIT and Series TRS as of December 31, 2014, each of which will have its own general partner, board of directors and officers and will have separate allocated assets and liabilities, books, records and bank accounts and taxpayer identification numbers. Certain wholly-owned subsidiaries of our operating partnership that are limited liability companies will be similarly serialized.

Following the REIT Structuring Transactions, we will own, directly and indirectly, an aggregate of 51.9% of Series REIT of our operating partnership and, through such ownership, will have the right to receive 51.9% of the profits and distributions of Series TRS. We will also serve as the general partner of Series REIT of our operating partnership, and Series REIT's wholly-owned subsidiary, LC TRS I, will serve as general partner of Series TRS of our operating partnership. The limited partners in our operating partnership will own the remaining 48.1% of each such series of our operating partnership. Series REIT of our operating partnership, in turn, will own, directly or indirectly, 100% of the REIT series of each of our operating partnership's serialized subsidiaries ("Series REIT") as well as certain wholly-owned REIT subsidiaries. Series TRS of our operating partnership will own, directly or indirectly, 100% of the TRS series of each of our operating partnership's serialized subsidiaries ("Series TRS").

Under Delaware law, the assets of a series are not available to creditors of any other series or of the serialized partnership or limited liability company, as applicable, generally unless separately contracted for. Each series of our operating partnership and of its serialized subsidiaries will, however, (i) agree to assume by contract all liabilities of the serialized entity existing on December 31, 2014 (or incurred under agreements in effect on such date), and (ii) agree to pay such assumed liabilities that are allocated to it and to indemnify its sister series and the partnership or limited liability company, as applicable, of which it forms a part for any losses incurred by such other series or entity due to such series' failure to satisfy its obligations under liabilities allocated to it on the entity's internal books and records.

As a consequence of the REIT Structuring Transactions, our limited partners will become owners of an aggregate 48.1% interest in each of Series REIT and Series TRS of our operating partnership. Because we will hold our 51.9% ownership interest in Series TRS of our operating partnership through a subsidiary of Series REIT of our operating partnership, such continuing partners will not receive any distributions from Series REIT of our operating partnership that are comprised of dividends received by Series REIT from LC TRS I LLC, as they will receive their proportionate share of Series TRS distributions directly from Series TRS of our operating partnership. All distributions from Series TRS of our operating partnership that accrue to Series REIT of our operating partnership as dividends of LC TRS I will be specially allocated to us.

Table of Contents

All of the serialization and related allocations of assets and liabilities described above will be effected as of December 31, 2014 through amendments to the partnership or limited liability company, as applicable, agreements of our operating partnership and its serialized subsidiaries. If Proposal Two is not approved by a majority of disinterested stockholders or if, for any reason, the Board determines not to elect for the Company to be subject to tax as a REIT for its 2015 taxable year, then, effective automatically, the LLLP Amendment and amendments to the organizational documents of our subsidiaries (and the resulting the REIT Structuring Transactions) will be rescinded and without any force or effect, and the LLLP Agreement in effect as of February 11, 2014 will automatically be reinstated.

Table of Contents

CERTAIN RISKS ASSOCIATED WITH THE REIT ELECTION

There are risks associated with the matters related to the REIT Election and our operation and taxation as a REIT that you should consider prior to casting your vote with respect to the Charter Amendment and the TRA Amendment. These risks should also be considered as part of your decision to buy, sell or hold our shares of our Class A common stock in anticipation of the REIT Election and of our operation and taxation as a REIT. You should carefully consider the following risk factors and all other information contained in this proxy statement before casting your vote, whether by proxy or at the special meeting of stockholders, and in determining whether to buy, sell or hold our shares of Class A common stock. If any of the following risks occur, our business, financial condition, liquidity and results of operations could be materially and adversely affected. In that case, the value of our Class A common stock could decline, and you may lose some or all of your investment.

Risks Related to the Charter Amendment

Following implementation of the Charter Amendment there will be REIT-related restrictions on your ownership of, and your ability to transfer, your shares that are voted in favor of the Charter Amendment.

Among other things, the Charter Amendment provides that, subject to the exceptions and the constructive ownership rules described herein, no person may own, or be deemed to own, in excess of (i) 9.8% in value of the outstanding shares of all classes or series of Ladder capital stock or (ii) 9.8% in value or number (whichever is more restrictive) of the outstanding shares of any class of Ladder common stock.

In addition, the Charter Amendment prohibits (i) any person from transferring shares of Ladder capital stock if such transfer would result in shares of Ladder capital stock being beneficially owned by fewer than 100 persons, and (ii) any person from beneficially or constructively owning shares of Ladder capital stock if such ownership would result in Ladder failing to qualify as a REIT.

These ownership limitations and transfer restrictions could have the effect of delaying, deferring or preventing a takeover or other transaction in which stockholders might receive a premium for their shares of Ladder capital stock over the then prevailing market price or which stockholders might believe to be otherwise in their best interest.

Certain existing stockholders that currently hold in excess of 9.8% of the value of the outstanding shares of any class or series of Ladder capital stock will be exempt from the ownership limitations and transfer restrictions.

The Board may elect to not proceed with the REIT Election for any reason, including if it determines that an insufficient number of shares vote "For" the Charter Amendment. In addition, the Company has agreed not to proceed with the proposed TRA Amendment if the Majority-of-the-Disinterested-Stockholders Condition is not satisfied.

Without the approval of a significant majority of the outstanding shares of Ladder common stock for the Charter Amendment, the Board may consider whether the non-binding nature of the Charter Amendment on the shares that are not voted for the proposal should cause it to consider other means of protecting Ladder's REIT status. The Board reserves the right, notwithstanding stockholder approval (if obtained), to elect not to proceed with the REIT Election if, at any time prior to or after the filing of the Charter Amendment, the Board determines that it is no longer in the best interests of Ladder and the best interests of Ladder's stockholders to proceed with the REIT Election. In addition, the Company has agreed not to proceed with the proposed TRA Amendment if the Majority-of-the-Disinterested-Stockholders Condition is not satisfied.

Table of Contents

The Charter Amendment would, among other things, eliminate the present transfer restrictions on the Class B common stock, effectively "decoupling" the voting rights of the Class B common stock from the economic rights of the Series Units.

If approved by stockholders, the Charter Amendment, once effective, would eliminate the transfer restrictions on the shares of Class B common stock that are currently imposed by the Company's Amended and Restated Certificate of Incorporation in order to facilitate compliance with the REIT requirements. As a result, holders of Class B common stock would no longer be required to hold their Class B common stock together with their Series Units. The Charter Amendment would effectively "decouple" the voting rights of the Class B common stock from the economic rights of the LCFH Series Units and as a result, stockholders would be able to purchase or retain shares of Class B common stock and the corresponding voting rights without having any economic stake in the Company or the matters to be voted on. The interests of any such stockholders may not coincide with the interests of the Company or our other stockholders. The holders of Series Units may from time to time cause Ladder to exchange an equal number of Series Units of each series and Class B common stock for Class A common stock of Ladder on a one-for-one basis. Holders of Series Units who sell all or any portion of their Class B common stock would no longer be able to exchange Series Units for a corresponding number of shares of Class A common stock of Ladder.

Risks Related to Our Taxation as a REIT

We have limited experience operating a REIT and we cannot assure you that our past experience will be sufficient to successfully manage our business as a REIT.

We have limited experience operating a REIT. The REIT provisions of the Code are complex, and any failure to comply with those provisions in a timely manner could prevent us from qualifying as a REIT or force us to pay unexpected taxes and penalties. In such event, our net income would be reduced and we could incur a loss.

If we fail to qualify as a REIT, we will be subject to tax as a regular corporation and could face a substantial tax liability, which would reduce the amount of cash available for distribution to our stockholders.

Subject to the outcome of the votes on Proposal One and Proposal Two, we intend to operate in a manner that will allow us to qualify as a REIT for federal income tax purposes commencing with our taxable year ending December 31, 2015. Although we do not intend to request a ruling from the Internal Revenue Service (the "IRS") as to our REIT qualification, we expect to receive an opinion of Skadden, Arps, Slate, Meagher & Flom LLP with respect to our qualification as a REIT. Investors should be aware, however, that opinions of counsel are not binding on the IRS or any court. The opinion of Skadden, Arps, Slate, Meagher & Flom LLP will represent only the view of our counsel based on our counsel's review and analysis of existing law and on certain representations as to factual matters and covenants made by us, including representations relating to the values of our assets and the sources of our income. The opinion will be expressed as of the date issued and will not cover subsequent periods. Skadden, Arps, Slate, Meagher & Flom LLP has no obligation to advise us or the holders of our common stock of any subsequent change in the matters stated, represented or assumed, or of any subsequent change in applicable law. Furthermore, both the validity of the opinion of Skadden, Arps, Slate, Meagher & Flom LLP, and our qualification as a REIT depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis, the results of which are not monitored by Skadden, Arps, Slate, Meagher & Flom LLP. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals. Our compliance with the annual REIT income and quarterly asset requirements also depends upon our ability to successfully manage the composition of our income and assets on an ongoing basis. Moreover, the proper

Table of Contents

classification of an instrument as debt or equity for federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT qualification requirements as described below. Accordingly, there can be no assurance that the IRS will not contend that our interests in subsidiaries or in securities of other issuers will not cause a violation of the REIT requirements.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates, and dividends paid to our stockholders would not be deductible by us in computing our taxable income. Any resulting corporate tax liability could be substantial and would reduce the amount of cash available for distribution to our stockholders, which in turn could have an adverse impact on the value of our common stock. Unless we were entitled to relief under certain provisions of the Code, we also would be disqualified from taxation as a REIT for the four taxable years following the year in which we failed to qualify as a REIT.

Our ownership of and relationship with any TRS that we may form or acquire will be limited, and a failure to comply with the limits would jeopardize our REIT qualification and our transactions with our TRSs may result in the application of a 100% excise tax if such transactions are not conducted on arm's-length terms.

A REIT may own up to 100% of the stock of one or more TRSs. A TRS may earn income that would not be REIT-qualifying income if earned directly by a REIT. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. Overall, no more than 25% of the value of a REIT's assets may consist of stock and securities of one or more TRSs. A domestic TRS will pay U.S. federal, state and local income tax at regular corporate rates on any income that it earns. In addition, the TRS rules impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis.

We intend to elect for certain of our subsidiaries to be treated as TRSs. Our TRS subsidiaries will pay U.S. federal, state and local income tax on their consolidated taxable income, and its after-tax income will be available for distribution to us but will not be required to be distributed to us by such domestic TRS. We have structured the formation transactions such that the aggregate value of the TRS stock and securities owned by us will be less than 25% of the value of our total assets (including the TRS stock and securities). Furthermore, we will monitor the value of our investments in our TRSs to ensure compliance with the rule that no more than 25% of the value of our assets may consist of TRS stock and securities (which is applied at the end of each calendar quarter). In addition, we will scrutinize all of our transactions with TRSs to ensure that they are entered into on arm's-length terms to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with the TRS limitations or to avoid application of the 100% excise tax discussed above.

REIT distribution requirements could adversely affect our ability to execute our business plan.

We generally must distribute annually at least 90% of our taxable income, subject to certain adjustments and excluding any net capital gain, in order for federal corporate income tax not to apply to earnings that we distribute. To the extent that we satisfy this distribution requirement, but distribute less than 100% of our taxable income, we will be subject to federal corporate income tax on our undistributed taxable income. In addition, we will be subject to a non-deductible 4% excise tax if the actual amount distributed to our stockholders in a calendar year is less than a minimum amount specified under federal tax laws. We intend to make distributions to our stockholders to comply with the REIT qualification requirements of the Code.

From time to time, we may generate taxable income greater than our income for financial reporting purposes prepared in accordance with GAAP, or differences in timing between the recognition of taxable income and the actual receipt of cash may occur. For example, if we purchase

Table of Contents

agency securities at a discount, we are generally required to include the discount in taxable income prior to receiving the cash proceeds of the accrued discount at maturity. Additionally, if we incur capital losses in excess of capital gains, such net capital losses are not allowed to reduce our taxable income for purposes of determining our distribution requirement. Such net capital losses may be carried forward for a period of up to five years and applied against future capital gains subject to the limitation of our ability to generate sufficient capital gains, which cannot be assured. If we do not have other funds available in these situations we could be required to borrow funds on unfavorable terms, sell investments at disadvantageous prices or distribute amounts that would otherwise be invested in future acquisitions to make distributions sufficient to maintain our qualification as a REIT, or avoid corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our stockholders' equity. Thus, compliance with the REIT requirements may hinder our ability to grow, which could adversely affect the value of our Class A common stock.

Even if we qualify as a REIT, we may face other tax liabilities that reduce our cash flow.

Even if we qualify for taxation as a REIT, we may be subject to certain federal, state and local taxes on our income and assets, including taxes on any undistributed income, taxes on income from some activities conducted as a result of a foreclosure, excise taxes, state or local income, property and transfer taxes, such as mortgage recording taxes, and other taxes. In addition, in order to meet the REIT qualification requirements, prevent the recognition of certain types of non-cash income, or to avert the imposition of a 100% tax that applies to certain gains derived by a REIT from dealer property or inventory, we intend to hold some of our assets through our U.S. taxable REIT subsidiaries ("TRS") or other subsidiary corporations that will be subject to corporate level income tax at regular rates. In addition, if we lend money to a TRS, the TRS may be unable to deduct all or a portion of the interest paid to us, which could result in an even higher corporate level tax liability. Furthermore, the Code imposes a 100% excise tax on certain transactions between a TRS and a REIT that are not conducted on an arm's length basis. We intend to structure any transaction with a TRS on terms that we believe are arm's length to avoid incurring this 100% excise tax. There can be no assurances, however, that we will be able to avoid application of the 100% excise tax. The payment of any of these taxes would decrease cash available for distribution to our stockholders.

Moreover, the Company will own appreciated assets that it held before it elected to be treated as a REIT. If the Company disposes of any such appreciated assets during the ten-year period following the Company's qualification as a REIT, the Company will be subject to tax at the highest corporate tax rates on any gain from such assets to the extent of the excess of the fair market value of the assets at the time that the Company became a REIT over the adjusted tax basis of such assets on such date, which are referred to as built-in gains. The Company would be subject to this tax liability even if it qualifies and maintains its status as a REIT. Any recognized built-in gain will retain its character as ordinary income or capital gain and will be taken into account in determining REIT taxable income and the Company's distribution requirement. Any tax on the recognized built-in gain will reduce REIT taxable income. The Company may choose not to sell in a taxable transaction appreciated assets it might otherwise sell during the ten-year period in which the built-in gain tax applies in order to avoid the built-in gain tax. However, if the Company sells such assets in a taxable transaction, the amount of corporate tax that the Company will pay will vary depending on the actual amount of net built-in gain or loss present in those assets as of the time the Company became a REIT. The amount of tax could be significant.

Complying with REIT requirements may cause us to forgo otherwise attractive opportunities.

To qualify as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts that we distribute to our stockholders and the ownership of our stock. We may be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily

Table of Contents

available for distribution and may be unable to pursue investments that would be otherwise advantageous to us in order to satisfy the source-of-income or asset-diversification requirements for qualifying as a REIT. Thus, compliance with the REIT requirements may hinder our ability to make and, in certain cases, to maintain ownership of, certain attractive investments.

Complying with REIT requirements may force us to liquidate otherwise attractive investments.

To qualify as a REIT, we must ensure that at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified real estate assets. The remainder of our investment in securities (other than government securities and qualified real estate assets) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our assets (other than government securities and qualified real estate assets) can consist of the securities of any one issuer, and no more than 25% of the value of our total assets can be represented by securities of one or more TRSs. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate otherwise attractive investments from our investment portfolio. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders.

The failure of assets subject to repurchase agreements to qualify as real estate assets could adversely affect our ability to qualify as a REIT.

We enter into certain financing arrangements that are structured as sale and repurchase agreements pursuant to which we nominally sell certain of our assets to a counterparty and simultaneously enter into an agreement to repurchase these assets at a later date in exchange for a purchase price. Economically, these agreements are financings that are secured by the assets sold pursuant thereto. We believe that we will be treated for REIT asset and income test purposes as the owner of the assets that are the subject of any such sale and repurchase agreement notwithstanding that such agreement may transfer record ownership of the assets to the counterparty during the term of the agreement. It is possible, however, that the IRS could assert that we did not own the assets during the term of the sale and repurchase agreement, in which case we could fail to qualify as a REIT.

Distributions to tax-exempt investors may be classified as unrelated business taxable income.

Neither ordinary nor capital gain distributions with respect to our Class A common stock nor gain from the sale of Class A common stock should generally constitute unrelated business taxable income to a tax-exempt investor. However, there are certain exceptions to this rule. In particular:

part of the income and gain recognized by certain qualified employee pension trusts with respect to our common stock may be treated as unrelated business taxable income if shares of our Class A common stock are predominantly held by qualified employee pension trusts, and we are required to rely on a special look-through rule for purposes of meeting one of the REIT ownership tests, and we are not operated in a manner to avoid treatment of such income or gain as unrelated business taxable income;

part of the income and gain recognized by a tax-exempt investor with respect to our Class A common stock would constitute unrelated business taxable income if the investor incurs debt in order to acquire the common stock;

part or all of the income or gain recognized with respect to our Class A common stock by social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and

Table of Contents

qualified group legal services plans which are exempt from federal income taxation under the Code may be treated as unrelated business taxable income; and

to the extent that we are (or a part of us, or a disregarded subsidiary of ours, is) a "taxable mortgage pool," or if we hold residual interests in a real estate mortgage investment conduit ("REMIC"), a portion of the distributions paid to a tax-exempt stockholder that is allocable to excess inclusion income may be treated as unrelated business taxable income.

Liquidation of assets may jeopardize our REIT qualification or create additional tax liability for us.

To qualify as a REIT, we must comply with requirements regarding the composition of our assets and our sources of income. If we are compelled to liquidate our investments to repay obligations to our lenders, we may be unable to comply with these requirements, ultimately jeopardizing our qualification as a REIT, or we may be subject to a 100% tax on any resultant gain if we sell assets that are treated as dealer property or inventory.

Complying with REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code could substantially limit our ability to hedge our liabilities. Any income from a properly designated hedging transaction we enter into to manage risk of interest rate changes with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets generally does not constitute "gross income" for purposes of the 75% or 95% gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of both of the gross income tests. As a result of these rules, we may have to limit our use of advantageous hedging techniques or implement those hedges through our TRS. This could increase the cost of our hedging activities because our TRS would be subject to tax on gains or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in our TRS will generally not provide any tax benefit, except for being carried forward against future taxable income in the TRS.

We may be required to report taxable income for certain investments in excess of the economic income we ultimately realize from them.

We may acquire mortgage-backed securities in the secondary market for less than their face amount. In addition, pursuant to our ownership of certain mortgage-backed securities, we may be treated as holding certain debt instruments acquired in the secondary market for less than their face amount. The discount at which such securities or debt instruments are acquired may reflect doubts about their ultimate collectability rather than current market interest rates. The amount of such discount will nevertheless generally be treated as "market discount" for U.S. federal income tax purposes. Accrued market discount is reported as income when, and to the extent that, any payment of principal of the mortgage-backed security or debt instrument is made. If we collect less on the mortgage-backed security or debt instrument than our purchase price plus the market discount we had previously reported as income, we may not be able to benefit from any offsetting loss deductions. In addition, pursuant to our ownership of certain mortgage-backed securities, we may be treated as holding distressed debt investments that are subsequently modified by agreement with the borrower. If the amendments to the outstanding debt are "significant modifications" under applicable Treasury regulations, the modified debt may be considered to have been reissued to us at a gain in a debt-for-debt exchange with the borrower. In that event, we may be required to recognize taxable gain to the extent the principal amount of the modified debt exceeds our adjusted tax basis in the unmodified debt, even if the value of the debt or the payment expectations have not changed.

Moreover, some of the mortgage-backed securities that we acquire may have been issued with original issue discount. We are required to report such original issue discount based on a constant yield

Table of Contents

method and will be taxed based on the assumption that all future projected payments due on such mortgage-backed securities will be made. If such mortgage-backed securities turn out not to be fully collectable, an offsetting loss deduction will become available only in the later year that uncollectability is provable.

Finally, in the event that mortgage-backed securities or any debt instruments we are treated as holding pursuant to our investments in mortgage-backed securities are delinquent as to mandatory principal and interest payments, we may nonetheless be required to continue to recognize the unpaid interest as taxable income as it accrues, despite doubt as to its ultimate collectability. Similarly, we may be required to accrue interest income with respect to subordinate mortgage-backed securities at the stated rate regardless of whether corresponding cash payments are received or are ultimately collectable. In each case, while we would in general ultimately have an offsetting loss deduction available to us when such interest was determined to be uncollectable, the utility of that deduction could depend on our having taxable income in that later year or thereafter.

Certain apportionment rules may affect our ability to comply with the REIT asset and gross income tests.

The Code provides that a regular or a residual interest in a REMIC is generally treated as a real estate asset for the purpose of the REIT asset tests, and any amount includible in our gross income with respect to such an interest is generally treated as interest on an obligation secured by a mortgage on real property for the purpose of the REIT gross income tests. If, however, less than 95% of the assets of a REMIC in which we hold an interest consist of real estate assets (determined as if we held such assets), we will be treated as holding our proportionate share of the assets of the REMIC for the purpose of the REIT asset tests and receiving directly our proportionate share of the income of the REMIC for the purpose of determining the amount of income from the REMIC that is treated as interest on an obligation secured by a mortgage on real property. In connection with the expanded Federal Housing Finance Agency ("Agency") RMBS-backed Home Affordable Refinance Program loan program in which we may invest, the IRS issued guidance providing that, among other things, if a REIT holds a regular interest in an "eligible REMIC," or a residual interest in an "eligible REMIC" that informs the REIT that at least 80% of the REMIC's assets constitute real estate assets, then the REIT may treat 80% of the interest in the REMIC as a real estate asset for the purpose of the REIT income and asset tests. Although the portion of the income from such a REMIC interest that does not qualify for purposes of the REIT 75% gross income test would likely be qualifying income for the purpose of the 95% REIT gross income test, the remaining 20% of the REMIC interest generally would not qualify as a real estate asset, which could adversely affect our ability to satisfy the REIT asset tests. Accordingly, owning such a REMIC interest could adversely affect our ability to qualify as a REIT.

Qualifying as a REIT involves highly technical and complex provisions of the Code.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which only limited judicial and administrative authorities exist. Even a technical or inadvertent violation could jeopardize our REIT qualification. Our qualification as a REIT depends on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. In addition, our ability to satisfy the requirements to qualify as a REIT depends in part on the actions of third parties over which we have no control or only limited influence, including in cases where we own an equity interest in an entity that is classified as a partnership for federal income tax purposes.

Table of Contents

The tax on prohibited transactions will limit our ability to engage in transactions, including certain methods of structuring collateral mortgage obligations ("CMOs"), which would be treated as prohibited transactions for federal income tax purposes.

Net income that we derive from a prohibited transaction is subject to a 100% tax. The term "prohibited transaction" generally includes a sale or other disposition of property (including agency securities, but other than foreclosure property, as discussed below) that is held primarily for sale to customers in the ordinary course of a trade or business by us or by a borrower that has issued a shared appreciation mortgage or similar debt instrument to us. We could be subject to this tax if we were to dispose of or structure CMOs in a manner that was treated as a prohibited transaction for federal income tax purposes.

We intend to conduct our operations at the REIT level so that no asset that we own (or are treated as owning) will be treated as, or as having been, held for sale to customers, and that a sale of any such asset will not be treated as having been in the ordinary course of our business. As a result, we may choose not to engage in certain transactions at the REIT level, and may limit the structures we utilize for our CMO transactions, even though the sales or structures might otherwise be beneficial to us. In addition, whether property is held "primarily for sale to customers in the ordinary course of a trade or business" depends on the particular facts and circumstances. No assurance can be given that any property that we sell will not be treated as property held for sale to customers, or that we can comply with certain safe-harbor provisions of the Code that would prevent such treatment. The 100% tax does not apply to gains from the sale of property that is held through a TRS or other taxable corporation, although such income will be subject to tax in the hands of the corporation at regular corporate rates. We intend to structure our activities to avoid prohibited transaction characterization.

We have not established a minimum distribution payment level and we cannot assure you of our ability to pay distributions in the future.

To maintain our qualification as a REIT and generally not be subject to U.S. federal income and excise tax, we intend to make regular quarterly cash distributions to our stockholders out of legally available funds therefor. Our intended dividend policy as a REIT will be to pay quarterly distributions which, on an annual basis, will equal all or substantially all of our net taxable income. We have not, however, established a minimum distribution payment level and our ability to pay distributions may be adversely affected by a number of factors, including the risk factors described in this proxy statement. All distributions will be made at the discretion of our Board of Directors and will depend on our earnings, our financial condition, any debt covenants, maintenance of our REIT qualification, restrictions on making distributions under Delaware law and other factors as our Board of Directors may deem relevant from time to time. We may not be able to make distributions in the future and our Board of Directors may change our distribution policy in the future. We believe that a change in any one of the following factors, among others, could adversely affect our results of operations and impair our ability to pay distributions to our stockholders:

the profitability of the assets we hold or acquire;

the allocation of assets between our REIT-qualified and non-REIT-qualified subsidiaries.

our ability to make profitable investments and to realize profit therefrom;

margin calls or other expenses that may reduce our cash flow; and

defaults in our asset portfolio or decreases in the value of our portfolio.

We cannot assure you that we will achieve results that will allow us to make a specified level of cash distributions or any increase in the level of such distributions in the future.

Table of Contents

If we were to make a taxable distribution of shares of our stock, stockholders may be required to sell such shares or sell other assets owned by them in order to pay any tax imposed on such distribution.

We may be able to distribute taxable dividends that are payable in shares of our stock. If we were to make such a taxable distribution of shares of our stock, stockholders would be required to include the full amount of such distribution as income. As a result, a stockholder may be required to pay tax with respect to such dividends in excess of cash received. Accordingly, stockholders receiving a distribution of our shares may be required to sell shares received in such distribution or may be required to sell other stock or assets owned by them, at a time that may be disadvantageous, in order to satisfy any tax imposed on such distribution. If a stockholder sells the shares it receives as a dividend in order to pay such tax, the sale proceeds may be less than the amount included in income with respect to the dividend. Moreover, in the case of a taxable distribution of shares of our stock with respect to which any withholding tax is imposed on a non-U.S. stockholder, we may have to withhold or dispose of part of the shares in such distribution and use such withheld shares or the proceeds of such disposition to satisfy the withholding tax imposed. While the IRS in certain private letter rulings has ruled that a distribution of cash or shares at the election of a REIT's stockholders may qualify as a taxable stock dividend if certain requirements are met, it is unclear whether and to what extent we will be able to pay taxable dividends in cash and shares of common stock in any future period. In addition, if a significant number of our stockholders determine to sell shares of our Class A common stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our Class A common stock.

Distributions payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum tax rate applicable to income from "qualified dividends" payable to domestic stockholders that are individuals, trusts and estates is currently 20%. Distributions of ordinary income payable by REITs, however, generally are not eligible for these reduced rates. The more favorable rates applicable to regular corporate qualified dividends could cause investors who are individuals, trusts and estates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay qualified dividends, which could adversely affect the value of the stock of REITs, including our common stock.

Our taxable income is calculated differently than net income based on U.S. GAAP.

Our taxable income may substantially differ from our net income based on U.S. GAAP. For example, interest income on our mortgage related securities does not necessarily accrue under an identical schedule for U.S. federal income tax purposes as for accounting purposes. Please see the section entitled "U.S. Federal Income Tax Considerations Income Tests Timing differences between receipt of cash and recognition of income."

New legislation or administrative or judicial action, in each instance potentially with retroactive effect, could make it more difficult or impossible for us to qualify as a REIT.

The present federal income tax treatment of REITs may be modified, possibly with retroactive effect, by legislative, judicial or administrative action at any time, which could affect the federal income tax treatment of an investment in us. The federal income tax rules dealing with REITs constantly are under review by persons involved in the legislative process, the IRS and the U.S. Treasury Department, which results in statutory changes as well as frequent revisions to regulations and interpretations. Revisions in federal tax laws and interpretations thereof could affect or cause us to change our investments and commitments and affect the tax considerations of an investment in us.

On February 26, 2014, House Ways and Means Committee Chairman David Camp released a proposal (the "Camp Proposal") for comprehensive tax reform. The Camp Proposal includes a number of provisions that, if enacted, would have an adverse effect on corporations seeking to make an election

Table of Contents

to be taxed as a REIT. These include the following: (i) if a corporation elects to be taxed as a REIT, such corporation will be required to recognize certain built-in gains inherent in its property as if all its assets were sold at their fair market value immediately before the close of the taxable year immediately before the corporation became taxed as a REIT, and (ii) any dividend made to satisfy the REIT requirement that a REIT must not have any earnings and profits accumulated during non-REIT years by the end of its first tax year as a REIT must be made in cash instead of a combination of cash and stock. These provisions, if enacted in their current form, would apply to REIT elections and distributions made on or after February 26, 2014. If enacted in its current form, the Camp Proposal would materially and adversely affect our ability to make an election to be taxed as a REIT. It is uncertain whether the Camp Proposal, in its current form or any other legislation affecting REITs and entities desiring to elect REIT status will be enacted and whether any such legislation will apply to us because of our proposed effective date or otherwise.

The transfer of Series Units could result in LCFH being treated as a publicly traded partnership by the IRS.

In connection with the planned REIT Election, on December 31, 2014, transfer restrictions on Series Units in LCFH's LLLP Agreement were amended to conform to the transfer and ownership restrictions that would be imposed on our common stock under the Charter Amendment. This amendment was necessary to enable REIT status for the 2015 tax year. After the Charter Amendment is effected, assuming it is approved by stockholders, the transfer and ownership restrictions on Series Units in LCFH's LLLP Agreement to conform with the Charter Amendment will no longer be necessary to maintain REIT status. Accordingly, the LLLP Agreement will revert to the transfer and ownership restrictions in effect immediately prior to December 31, 2014, limiting the transfer of Series Units to Affiliates (as defined in the LLLP Agreement) of Series Unit holders without LCFH Board or general partner consent. During the time from January 1, 2015 to the effectiveness of the Charter Amendment, however, the transfer of Series Units could result in LCFH being treated as a publicly traded partnership (a "PTP") by the IRS, assuming it did not have sufficient qualifying income to avoid being treated as a PTP, the effect of which could be LCFH being treated as a corporation.

Rapid changes in the values of our target assets may make it more difficult for us to maintain our qualification as a REIT or our exemption from the 1940 Act.

If the fair market value or income potential of our assets declines as a result of increased interest rates, prepayment rates, general market conditions, government actions or other factors, we may need to increase our real estate assets and income or liquidate our non-REIT-qualifying assets to maintain our REIT qualification or our exemption from the 1940 Act. If the decline in real estate asset values or income occurs quickly, this may be especially difficult to accomplish. We may have to make decisions that we otherwise would not make absent the REIT and 1940 Act considerations.

The Company's qualification as a REIT and exemption from U.S. federal income tax with respect to certain assets may be dependent on the accuracy of legal opinions or advice rendered or given or statements by the issuers of assets that the Company acquires, and the inaccuracy of any such opinions, advice or statements may adversely affect the Company's REIT qualification and result in significant corporate-level tax.

When purchasing securities, the Company may rely on opinions or advice of counsel for the issuer of such securities, or statements made in related offering documents, for purposes of determining whether such securities represent debt or equity securities for U.S. federal income tax purposes, and also to what extent those securities constitute REIT real estate assets for purposes of the REIT asset tests and produce income which qualifies under the 75% REIT gross income test. In addition, when purchasing the equity tranche of a securitization, the Company may rely on opinions or advice of counsel regarding the qualification of the securitization for exemption from U.S. corporate income tax and the qualification of interests in such securitization as debt for U.S. federal income tax purposes. The inaccuracy of any such opinions, advice or statements may adversely affect the Company's REIT qualification and result in significant corporate-level tax.

Table of Contents

PROPOSAL ONE AMENDMENT AND RESTATEMENT OF THE COMPANY'S CHARTER

The Board recommends that Ladder's stockholders adopt the Charter Amendment, including provisions that impose certain ownership limitations and transfer restrictions in connection with Ladder's REIT Election. The Board believes the adoption of the Charter Amendment, and the imposition of the proposed ownership limitations and transfer restrictions, is advisable because the Charter Amendment will help enforce Ladder's compliance with REIT requirements. We believe that the charters of substantially all publicly held, listed REITs contain comparable stock ownership limitations and transfer restrictions. Although Ladder intends to begin operating as a REIT on January 1, 2015, the Company does not intend to be taxed as a REIT if a significant majority of Ladder's eligible stockholders do not approve the Charter Amendment. In addition, Ladder has agreed, pursuant to the TRA Amendment, that it will not elect to be subject to tax as a REIT if a majority of the disinterested stockholders do not approve the TRA Amendment. The Board reserves the right, notwithstanding stockholder approval of the Charter Amendment and/or the TRA Amendment (if obtained), to elect not to proceed with the REIT Election if, at any time prior to filing the Charter Amendment, the Board determines that it is no longer in the best interest of Ladder and its stockholders to proceed therewith. If this occurs on or before March 13, 2015, the TRA Amendment and the LLLP Amendment will be automatically rescinded.

The complete text of the proposed Charter Amendment, which would amend and restate the Charter in its entirety, is set forth in *Appendix A*. The description in this proposal is qualified in its entirety by reference to the complete text of the proposed Charter Amendment.

REIT Qualification

For Ladder to qualify as a REIT under the Code, among other things, not more than 50% of the value of the outstanding shares of Ladder capital stock may be owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include certain entities such as private foundations) during the last half of a taxable year (other than the first taxable year for which an election to be a REIT has been made). In addition, a person actually or constructively owning 10% or more of the vote or value of the outstanding shares of Ladder capital stock could lead to a level of affiliation between Ladder and one or more of its tenants that could disqualify Ladder's revenues from the affiliated tenants and possibly jeopardize or otherwise adversely impact Ladder's qualification as a REIT.

Ownership Limitations and Transfer Restrictions

To satisfy these requirements for qualification as a REIT, the Charter Amendment contains provisions restricting the ownership and transfer of shares of all classes or series of stock of Ladder. Including ownership limitations in a REIT's charter is the most effective mechanism to monitor compliance with the above-described provisions of the Code. In order to proceed with the REIT Election, we must be able to monitor compliance with these requirements effectively. Furthermore, if we elect to be subject to tax as a REIT, any other mechanism to monitor compliance may not be as effective to maintain Ladder's status as a REIT.

The Charter Amendment provides that, subject to the exceptions and the constructive ownership rules described in this proposal, no person may own, or be deemed to own by virtue of the attribution provisions of the Code, in excess of (i) 9.8% in value of the outstanding shares of all classes or series of Ladder capital stock or (ii) 9.8% in value or number (whichever is more restrictive) of the outstanding shares of any class of Ladder common stock. We refer to these restrictions as the "ownership limits."

The applicable constructive ownership rules under the Code are complex and may cause stock owned actually or constructively by a group of related individuals and/or entities to be treated as owned by one individual or entity. As a result, the acquisition of less than 9.8% in value of the outstanding

Table of Contents

shares of any class or series of Ladder capital stock or less than 9.8% in value or number of outstanding shares of any class of Ladder common stock (including through the acquisition of an interest in an entity that owns, actually or constructively, shares of any class or series of Ladder capital stock) by an individual or entity could, because of constructive ownership, nevertheless cause a violation of the ownership limitations described in this proposal.

The Charter Amendment also provides that the Board may, in its sole discretion, with respect to any person (i) exempt such person from the ownership limits and certain other REIT limits on ownership and transfer of Ladder capital stock described in this proposal and (ii) establish a different limit on ownership for any such person. The Board, however, may not exempt from the ownership limits any person whose ownership of outstanding Ladder capital stock in violation of these limits would result in Ladder failing to qualify as a REIT. Pursuant to the terms of the Charter Amendment, in order for a person to be considered by the Board for exemption or a different limit on ownership, such person generally must make such representations and undertakings as the Board may deem appropriate in order to conclude that such person's beneficial or constructive ownership of Ladder capital stock will not cause Ladder to lose its status as a REIT under the Code. As a condition of any waiver of ownership limits and certain other REIT limits on ownership and transfer of Ladder capital stock, the Board may require an opinion of counsel or a ruling by the Internal Revenue Service satisfactory to the Board with respect to Ladder's qualification as a REIT and may impose such other conditions as the Board deems appropriate in connection with the granting of the exemption or a different limit on ownership.

In connection with any waiver of the ownership limits or at any other time, the Charter Amendment permits the Board, from time to time, to increase the ownership limits for one or more persons and decrease the ownership limits for all other persons, provided that the new ownership limits may not, after giving effect to such increase and under certain assumptions set forth in the Charter Amendment, result in Ladder being "closely held" within the meaning of Section 856(h) of the Code (without regard to whether the ownership interests are held during the last half of a taxable year). Reduced ownership limits will not apply to any person whose percentage ownership of total outstanding shares of Ladder capital stock or of the outstanding shares of any class of Ladder common stock, as applicable, is in excess of such decreased ownership limits until such time as such person's percentage of total outstanding shares of capital stock or of the outstanding shares of any class of common stock, as applicable, equals or falls below the decreased ownership limits, but any further acquisition of any Ladder of capital stock resulting in such person's beneficial ownership or constructive ownership thereof creating an increased excess over the decreased ownership limits will be in violation of the decreased ownership limits.

The Charter Amendment further prohibits (i) any person from transferring shares of Ladder capital stock if such transfer would result in shares of Ladder capital stock being beneficially owned by fewer than 100 persons (determined under the principles of Section 856(a)(5) of the Code); and (ii) any person from beneficially or constructively owning shares of Ladder capital stock if such ownership would result in Ladder failing to qualify as a REIT.

The Charter Amendment defines beneficial ownership as ownership of our common stock by a Person (as defined therein), whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 544 of the Code, as modified by Sections 856(h)(1)(B) and 856(h)(3)(A) of the Code, including, without limitation, the number of shares that such Person is deemed to beneficially own pursuant to Rule 13d-3 promulgated under the Exchange Act or that is attributed to such Person pursuant to Section 318 of the Code, as modified by Section 856(d)(5) of the Code. The Charter Amendment defines Person to include a "group" as defined under Section 13(d)(3) of the Exchange Act.

Table of Contents

Pursuant to the terms of the Charter Amendment, any person who acquires or attempts to acquire beneficial or constructive ownership of shares of Ladder capital stock that will or may violate the ownership limits or any of the other foregoing restrictions on transferability and ownership will be required to give notice to Ladder immediately (or, in the case of a proposed or attempted transaction, at least 15 days prior to such transaction) and provide Ladder with such other information as Ladder may request in order to determine the effect, if any, of such transfer on Ladder's qualification as a REIT.

In addition, the terms of the Charter Amendment provide that if there is any purported transfer of shares of Ladder capital stock or other event or change of circumstances that would violate any of the restrictions described in this proposal, then the number of shares causing the violation will be automatically transferred to a trust for the exclusive benefit of a designated charitable beneficiary, except that any transfer that results in the violation of the restriction relating to Ladder capital stock being beneficially owned by fewer than 100 persons will be automatically void and of no force or effect. The automatic transfer will be effective as of the close of business on the business day prior to the date of the purported transfer or other event or change of circumstances that requires the transfer to the trust. The person that would have owned the shares if they had not been transferred to the trust is referred to herein as "the purported transferee." Any ordinary dividend paid to the purported transferee prior to the discovery by Ladder that the shares had been automatically transferred to a trust as described in this proposal must be repaid to the trustee upon demand. If the transfer to the trust as described in this proposal is not automatically effective, for any reason, to prevent violation of the applicable restriction contained in the Charter Amendment, then the transfer of the excess shares will be automatically void and of no force or effect.

Pursuant to the terms of the Charter Amendment, shares of Ladder capital stock transferred to the trustee are deemed to be offered for sale to Ladder, or its designee, at a price per share equal to the lesser of (i) the price per share in the transaction that resulted in such transfer to the trust or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price at the time of such event, and (ii) the market price on the date Ladder or its designee accepts such offer. Ladder has the right to accept such offer until the trustee has sold the shares of Ladder capital stock held in the trust. Upon a sale to Ladder, the interest of the charitable beneficiary in the shares sold terminates and the trustee must distribute the net proceeds of the sale to the purported transferee, except that the trustee may reduce the amount that is payable to the purported transferee by the amount of any ordinary dividends that Ladder paid to the purported transferee prior to the discovery by Ladder that the shares had been transferred to the trust and that is owed by the purported transferee to the trustee as described in this proposal. Any net sales proceeds in excess of the amount payable to the purported transferee shall be immediately paid to the charitable beneficiary, and any ordinary dividends held by the trustee with respect to such stock will be paid to the charitable beneficiary.

If Ladder does not buy the shares, the trustee must within 20 days of receiving notice from Ladder of the transfer of shares to the trust, sell the shares to a person or entity who could own the shares without violating the restrictions described in this proposal. Upon such a sale, the trustee must distribute to the purported transferee an amount equal to the lesser of (i) the price paid by the purported transferee for the shares or, if the purported transferee did not give value for the shares in connection with the event causing the shares to be held in trust (e.g., in the case of a gift, devise or other such transaction), the market price of the shares on the day of the event causing the shares to be held in the trust, and (ii) the sales proceeds (net of commissions and other expenses of sale) received by the trustee for the shares. The trustee may reduce the amount that is payable to the purported transferee by the amount of any ordinary dividends that Ladder paid to the purported transferee before the discovery by Ladder that the shares had been transferred to the trust and that is owed by the

Table of Contents

purported transferee to the trustee as described in this proposal. Any net sales proceeds in excess of the amount payable to the purported transferee will be immediately paid to the charitable beneficiary, together with any ordinary dividends held by the trustee with respect to such stock. In addition, if prior to discovery by Ladder that shares of Ladder capital stock have been transferred to a trust, such shares of stock are sold by a purported transferee, then such shares will be deemed to have been sold on behalf of the trust and, to the extent that the purported transferee received an amount for or in respect of such shares that exceeds the amount that such purported transferee was entitled to receive as described in this proposal, such excess amount shall be paid to the trustee upon demand. The purported transferee has no rights in the shares held by the trustee.

The trustee will be designated by Ladder and must be unaffiliated with Ladder and any purported transferee. Prior to the sale of any shares by the trust, the trustee will receive, in trust for the beneficiary, all distributions paid by Ladder with respect to the shares and may also exercise all voting rights with respect to the shares.

In addition, if the Board determines that a proposed or purported transfer would violate the restrictions on ownership and transfer of Ladder capital stock set forth in the Charter, as amended and restated by the Charter Amendment, the Board may take such action as it deems advisable to refuse to give effect to or to prevent such violation, including but not limited to, causing Ladder to redeem shares of Ladder capital stock, refusing to give effect to the transfer on Ladder's books or instituting proceedings to enjoin the transfer.

The Charter Amendment also deletes Section 4.3(d) relating to the "Retirement of Class B Common Stock." Section 4.3(d) currently provides that upon any outstanding share of Class B common stock ceasing to be held by a holder of a Series Unit, such share of Class B common stock automatically transfers to the Company and is deemed cancelled and retired.

The foregoing ownership limitations, transfer restrictions, and other changes to the Charter will not apply if, after the approval and adoption of the Charter Amendment, the Board determines that it is no longer in the best interests of Ladder to attempt to qualify, or to continue to qualify, as a REIT or that compliance with all or any of the ownership limitations is no longer determined to be advisable by the Board in order for Ladder to qualify as a REIT.

These ownership limitations and transfer restrictions could have the effect of delaying, deferring or preventing a takeover or other transaction in which stockholders might receive a premium for their shares of Ladder capital stock over the then prevailing market price or which stockholders might believe to be otherwise in their best interest.

Disclosure of Stock Ownership by Our Stockholders

Under the Charter Amendment, following the end of each REIT taxable year, every owner of 5% or more (or such lower percentage as required by law) of the outstanding shares of any class or series of Ladder capital stock must, upon request, provide Ladder written notice of certain information as provided in the Charter Amendment. In addition, each beneficial owner or constructive owner of Ladder capital stock, and any person (including the stockholder of record) who holds shares of Ladder capital stock for a beneficial owner or constructive owner will, upon demand, be required to provide Ladder with such information as Ladder may request in good faith in order to determine Ladder's qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

Vote Required; Effect of Voting

The Charter Amendment requires the affirmative vote of stockholders holding a majority of all of our outstanding shares of Class A common stock and Class B common stock, voting together as a

Table of Contents

single class. If the Charter Amendment is approved, then it will become effective upon filing with the Delaware Secretary of State, which filing Ladder expects to make promptly after the Special Meeting, assuming the proposal is approved. If the Charter Amendment set forth in Proposal One becomes effective, it will be binding on the shares voted in favor of this proposal and all shares of Ladder capital stock issued subsequent to the effective time of the Charter Amendment. However, in accordance with Section 202(b) of the General Corporation Law of the State of Delaware, the ownership limitations and transfer restrictions of the Charter Amendment will not be binding on any shares of Ladder capital stock outstanding prior to the effective time of the Charter Amendment that are not voted in favor of the proposal. Without the approval of a significant majority of the shares of Ladder common stock, the Board may consider whether the non-binding nature of the Charter Amendment on the shares not voted for the proposal should cause it to consider other means of protecting Ladder's REIT status. The Board reserves the right, notwithstanding stockholder approval (if obtained), to elect not to proceed with the REIT Election if, at any time prior to or after the filing of the Charter Amendment, the Board determines that it is no longer in the best interests of Ladder and the best interests of Ladder's stockholders to proceed with the REIT Election.

Certain Considerations regarding the Charter Amendment and the REIT Election

As noted, the Charter Amendment is being proposed for approval by Ladder's stockholders in connection with the REIT Election. As previously disclosed, Ladder believes the REIT structure has the potential to create new opportunities for value creation while continuing to support Ladder's internal growth. The anticipated benefits to stockholders include enhancing the Company's ability to create stockholder value given the nature of its assets, returning capital to stockholders, helping lower the Company's cost of capital and drawing a larger base of potential stockholders. Ladder has begun to implement the REIT Election, pursuant to which Ladder intends to elect REIT status for the taxable year beginning January 1, 2015, subject to the outcome of the votes on Proposal One and Proposal Two.

If Ladder elects to, and is able to qualify as, a REIT, it will generally be permitted to deduct from U.S. federal income taxes dividends paid to its stockholders. The income represented by such dividends would not be subject to U.S. federal taxation at the entity level but would be taxed, if at all, at the stockholder level. Nevertheless, the income of Ladder's TRSs will be subject, as applicable, to U.S. federal and state corporate income tax, and Ladder and its subsidiaries will continue to be subject to foreign income taxes in jurisdictions in which they hold assets or conduct operations, regardless of whether held or conducted through TRS or REIT entities. Ladder will also be subject to a separate corporate income tax on any gains recognized during a specified period (generally 10 years) following the REIT Election that are attributable to "built-in" gains with respect to the assets that Ladder owns on the date it converts to a REIT. If Ladder fails to qualify as a REIT, it will be subject to federal income tax at regular corporate rates. Even if Ladder qualifies for taxation as a REIT, it may be subject to some federal, state, local and foreign taxes on its income and property in addition to taxes owed with respect to Ladder's TRS operations.

Ladder's ability to qualify as a REIT will depend upon its compliance with the REIT asset, income, distribution, and organization requirements under the Code following the REIT Election. See "U.S. Federal Income Tax Considerations Requirements for qualification General."

Ladder's distributions of REIT taxable income to its stockholders will generally be treated as ordinary dividend income. Thus, for example, U.S. tax-exempt stockholders will generally be exempt from taxation on such dividend income because dividend income does not generally constitute unrelated business taxable income. However, because Ladder as a REIT will generally not be subject to federal income tax on the portion of its REIT taxable income distributed to stockholders, these dividends to Ladder stockholders will generally be ineligible (or come with restricted eligibility) for a variety of other preferences that apply to the dividends paid by non-REIT corporations. For example,

Table of Contents

Ladder's distribution of REIT taxable income to its stockholders generally (i) cannot qualify for the preferential tax rates on qualified dividend income for noncorporate taxpayers; (ii) cannot qualify for the dividends received deduction for corporate taxpayers; and (iii) can qualify only under restricted circumstances for the otherwise generally applicable treaty-based reductions in U.S. withholding and income taxes on dividends to non-U.S. stockholders. The more preferential treatment of non-REIT dividends may cause investors to perceive that an investment in Ladder as a REIT is less attractive than an investment in a non-REIT entity that pays dividends, thereby reducing the demand and market price for Ladder shares.

In accordance with tax rules applicable to REIT Elections, Ladder expects to issue a special distribution to its stockholders of undistributed C corporation accumulated earnings and profits (the "E&P Distribution"), which Ladder expects to pay in a combination of cash and stock. Ladder expects to make the E&P Distribution only after obtaining approval of its Board of Directors for the E&P Distribution. Ladder anticipates declaring the E&P Distribution during the fourth quarter of 2015 and would pay the E&P Distribution by January 31, 2016. In addition, Ladder intends to declare regular distributions to its stockholders. Generally, Ladder expects the E&P Distribution and other distributions to be taxable as dividends to its stockholders, whether paid in cash or a combination of cash and common stock, and not as a tax-free return of capital or a capital gain. Ladder urges stockholders to consult their tax advisors regarding the specific tax consequences regarding these distributions.

Ladder is in the process of conducting a study of its pre-REIT accumulated earnings and profits as of the close of Ladder's 2014 taxable year using Ladder's historical tax returns and other available information. This is a very involved and complex study, which is not yet complete, and the actual result of the study relating to Ladder's pre-REIT accumulated earnings and profits as of the close of Ladder's 2014 taxable year may be materially different from Ladder's current estimates. The timing of the E&P Distribution, which may or may not occur, may be affected by potential tax law changes and other factors beyond Ladder's control. Any adjustment in the Company's (or certain subsidiary's) pre-REIT taxable income for the years ending on or before the effective date of the Company's REIT Election, including as a result of an examination of its returns or E&P calculation by the IRS, could require the Company to make additional distributions of any undistributed E&P as a deficiency dividend at the time, as well as require the payment of a penalty for having not distributed all of its E&P.

There remain significant implementation and operational complexities to address, including receiving stockholder approval for the Charter Amendment and TRA Amendment. Even if Ladder is able to satisfy the existing REIT requirements or any future REIT requirements, the tax laws, regulations and interpretations governing REITs may change at any time in ways that could be disadvantageous to it. Ladder can provide no assurance that its conversion to a REIT will be successful. In addition, REIT qualification involves the application of highly technical and complex provisions of the Code to Ladder's operations as well as various factual determinations concerning matters and circumstances not entirely within Ladder's control. Although Ladder intends to convert to a REIT and operate in a manner consistent with the REIT qualification rules, Ladder cannot give assurance that it will so qualify or remain so qualified. Further, under the Code, no more than 25% of the value of the assets of a REIT may be represented by securities of one or more TRSs and other nonqualifying assets. This limitation may affect Ladder's ability to make large investments in other non-REIT qualifying operations or assets. As such, compliance with REIT requirements may hinder Ladder's ability to make certain attractive investments, including the purchase of significant nonqualifying assets and the material expansion of non-real estate activities.

Although Ladder intends to begin operating as a REIT on January 1, 2015, the Company does not intend to be taxed as a REIT if a significant majority of Ladder's eligible stockholders do not approve the Charter Amendment. In addition, Ladder has agreed, pursuant to the TRA Amendment, that it will not elect to be subject to tax as a REIT if a majority of the disinterested stockholders do not approve

Table of Contents

the TRA Amendment. The Board reserves the right, notwithstanding stockholder approval of the Charter Amendment and/or the TRA Amendment (if obtained), to elect not to proceed with the REIT Election if, at any time prior to filing the Charter Amendment, the Board determines that it is no longer in the best interest of Ladder and its stockholders to proceed therewith. If this occurs on or before March 13, 2015, the TRA Amendment and the LLLP Amendment will be automatically rescinded. Ladder can provide no assurance if or when conversion to a REIT will be successful.

Even if Ladder elects to be subject to tax as to a REIT, it cannot provide assurance that its stockholders will experience benefits attributable to Ladder's qualification and taxation as a REIT, including its ability to create stockholder value given the nature of its assets, return of capital to stockholders, the Company's lower cost of capital and a larger base of potential stockholders. The realization of the anticipated benefits to stockholders will depend on numerous factors, many of which are outside the control of Ladder. In addition, future cash distributions to stockholders will depend on Ladder's cash flows, as well as the impact of alternative, more attractive investments as compared to dividends.

THE BOARD OF DIRECTORS RECOMMENDS
A VOTE "FOR" PROPOSAL ONE

Table of Contents

PROPOSAL TWO AMENDMENT AND RESTATEMENT OF THE TAX RECEIVABLE AGREEMENT

The Board recommends that Ladder's stockholders adopt the TRA Amendment. This Proposal Two must receive a "For" vote from stockholders holding a majority of Class A Common Stock and Class B Common Stock outstanding and entitled to vote, other than shares beneficially owned by a person who is a party to, or is an affiliate of a party to, the Tax Receivable Agreement. If the requisite vote for Proposal Two is not obtained, the TRA Amendment will not be given effect and the Company agreed not to proceed with the REIT Election if the TRA Amendment is not given effect. If the Board determines that it is no longer in the best interest of Ladder and its stockholders to proceed with the REIT Election on or before March 13, 2015, the TRA Amendment will be automatically rescinded regardless of whether Proposal One or Proposal Two is approved.

The complete text of the proposed TRA Amendment, which would amend and restate the Tax Receivable Agreement in its entirety, is set forth in *Appendix B* to this proxy statement. The description in this proposal is qualified in its entirety by reference to the complete text of the proposed TRA Amendment.

Exchange Rights of the TRA Members

In connection with its initial public offering, the Company amended and restated its then-existing LLLP Agreement to provide, among other things, that each TRA Member has the right to cause the Company and LCFH to exchange an equal number of LCFH's LP Units and the Company's Class B Common Stock for the Company's Class A Common Stock (such exchanges, "LP Exchanges") on a one-for-one basis, subject to equitable adjustment for stock splits, stock dividends and reclassifications. As we expect will be further amended December 31, 2014, the LLLP Agreement will provide that exchanges of LCFH Series Units for Class A Common Stock pursuant to the exchange rights have and, absent the aforementioned REIT Election, are expected to continue to result in increases in the Company's allocable tax basis in the tangible and intangible assets of LCFH. These increases in tax basis have and, absent the aforementioned REIT Election, will continue to increase (for tax purposes) depreciation and amortization deductions allocable to the Company and therefore reduce the amount of tax that the Company would be required to pay in the future. This increase in tax basis may also decrease gain (or increase loss) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

Background of the Tax Receivable Agreement

In connection with the initial public offering, the Company also entered into the Tax Receivable Agreement with TRA Members that provided for the payment from time to time by the Company to such TRA Members of 85% of the amount of cash savings in U.S. federal, state and local income tax or franchise tax, if any, that the Company realizes or under certain circumstances (such as a change of control) is deemed to realize as a result of (i) the increases in tax basis described above, (ii) any incremental tax basis adjustments attributable to payments made pursuant to the tax receivable agreement and (iii) any deemed interest deductions arising from payments made by us under the tax receivable agreement. Under the Tax Receivable Agreement, the Company expected to benefit from the remaining 15% of cash savings in income tax that it realized from the aforementioned exchanges. For purposes of the Tax Receivable Agreement, cash savings in income tax have been computed by comparing the Company's actual income tax liability to the amount of such taxes that the Company would have been required to pay had there been no increase to the tax basis of the assets of LCFH as a result of the exchanges and had it not entered into the Tax Receivable Agreement. Payments to a TRA Member under the Tax Receivable Agreement have been triggered by each exchange and have been payable annually over multiple years commencing following the Company's filing of its income tax return for the year of such exchange. The timing of the payments have been subject to certain

Table of Contents

contingencies, including the Company having sufficient taxable income to utilize all of the tax benefits defined in the Tax Receivable Agreement.

Background of the TRA Amendment

In connection with the evaluation of the potential REIT Election, the Company consulted with its legal, financial and other advisors regarding the potential effect of the REIT Election on the Tax Receivable Agreement, and determined that such transaction would likely result in a reduction of the tax benefits to the Company that result from LP Exchanges and, as a result, the payments to the TRA Members under the Tax Receivable Agreement. As described herein, the Company was able to structure a transaction to preserve the majority of the potential tax benefits currently existing under the Tax Receivable Agreement that would otherwise be reduced in connection with the proposed REIT Election. The Company determined to conduct a formal evaluation of modifying the Tax Receivable Agreement, in part, because each member on the Board and Company's senior management team are TRA Members, and implemented a process to negotiate a modification to the Tax Receivable Agreement in conjunction with the REIT Election, which included, among other things, engaging Park Bridge Lender Services LLC ("Park Bridge Financial"), an independent financial advisor, to represent the Company in the negotiations related to the TRA Amendment and conditioning the implementation of the TRA Amendment on the Majority-of-the-Disinterested-Stockholders Condition.

On October 15, 2014, the Company engaged Park Bridge Financial to assist and represent the Company in negotiating the terms of the TRA Amendment with TRA Members. Park Bridge was granted access to an online data site to which the Company and its representatives had uploaded certain public and non-public information of the Company, and Ladder and its representatives continued to upload due diligence materials and make information available, from time to time, in response to due diligence requests. In evaluating the TRA Amendment, Park Bridge and the TRA Members consulted with the Company's senior management and with legal, financial and other advisors, conducted a comprehensive evaluation of the Tax Receivable Agreement and its legal and financial implications to the Company and the TRA Members, and concluded that amending and restating the Tax Receivable Agreement, when taken together with the proposed LLLP Amendment, would result in the Company and the TRA Members continuing to receive a portion of the potential tax benefits that would otherwise be reduced in connection with the proposed REIT Election, and continuing to share such benefits in the same proportions and otherwise having substantially the same terms and provisions as in the Tax Receivable Agreement.

In connection with the planned REIT Election, the Company, LCFH and the TRA Members proposed to enter into a mutually agreeable LLLP Amendment, pursuant to which, among other things, (i) all assets and liabilities of LCFH will be allocated to two recently established series of LCFH, consisting of "Series REIT" and "Series TRS," (ii) each outstanding LP Unit will convert into one limited partnership unit of Series REIT and one Series TRS LP Unit, (iii) outstanding Series TRS LP Units will be exchangeable for the same number of limited liability company interests of TRS I, and (iv) certain other amendments that are necessary for the REIT Election would be made and to continue to receive a portion of the potential tax benefits described above.

In addition to the TRA Members' willingness to consent to the execution of the LLLP Amendment, the Company, LCFH and the TRA Members also proposed to enter into a mutually agreeable TRA Amendment that provides, in lieu of the existing tax benefit payments under the Tax Receivable Agreement for the 2015 taxable year and beyond, TRS I will pay to the TRA Members 85% of the amount of the benefits, if any, that TRS I realizes or under certain circumstances (such as a change of control) is deemed to realize as a result of (i) the increases in tax basis resulting from the TRS Exchanges by the TRA Members, (ii) any incremental tax basis adjustments attributable to payments made pursuant to the TRA Amendment, and (iii) any deemed interest deductions arising from payments made by TRS I under the TRA Amendment. The net effect of the TRA Amendment is

Table of Contents

to reduce the pool of assets from which a TRA Member will be able to obtain benefits and, as a result, the Company expects that the amount of payments made by TRS I to the TRA Members under the TRA Amendment will be less than would otherwise be required to be made by the Company under the existing Tax Receivable Agreement. The TRA Amendment continues to share such benefits in the same proportions and otherwise has substantially the same terms and provisions as the existing Tax Receivable Agreement. The Company will not be directly obligated to make any payments under the TRA Amendment, except for the 2014 taxable year. However, subject to certain limitations as set forth in the TRA Amendment as to the maintenance of its REIT status, the Company will guarantee the payments required to be made by TRS I pursuant to the TRA Amendment. Under the TRA Amendment, TRS I expects to benefit from the remaining 15% of cash savings in income tax that it realizes.

On December 11, 2014, the Board held a regular meeting during which the Board discussed the potential REIT Election, the TRA Amendment and related transactions, with the participation of the Company's senior management and representatives of Skadden, Arps, Slate, Meagher & Flom LLP and Kirkland & Ellis LLP. Senior management of the Company reported to the Board about progress in negotiating the terms of the transactions and informed the Board that the transaction agreements were nearing substantially final form. Representatives of Skadden, Arps, Slate, Meagher & Flom LLP reviewed with the Board the material terms associated with the REIT Election. Representatives of Kirkland & Ellis LLP summarized for the Board its fiduciary obligations in the context of the proposed TRA Amendment. The Board reviewed how implementing the REIT Election and the TRA Amendment would serve to enhance the continued success of the Company and be responsive to the interests of all stockholders.

On December 15, 2014, the Board held a telephonic meeting during which the Board discussed whether to proceed with the REIT Election and recommend the TRA Amendment to stockholders of the Company. The directors had received copies of the relevant agreements and summaries thereof in advance of the meeting. The Board also received an opinion, dated December 15, 2014, from Houlihan Lokey Financial Advisors, Inc. ("Houlihan Lokey") regarding the fairness, from a financial point of view and as of the date of such opinion, to the Company of the modification of the payments to the TRA Members provided for in the TRA Amendment. Houlihan Lokey's opinion was provided solely for the use and benefit of the Company and the Board (solely in its capacity as such) in connection with its evaluation of the TRA Amendment and may not be relied upon or used by any stockholder or other person or for any other purpose, is subject to various assumptions, qualifications and limitations, and does not constitute advice or a recommendation on how to vote or otherwise act with respect to the TRA Amendment or any other investment decision. The full text of Houlihan Lokey's written opinion is attached as *Appendix C* to this proxy statement. Houlihan Lokey's opinion is included in this proxy statement because it was considered by the Board in its evaluation of the TRA Amendment. After careful consideration, the Board on a unanimous basis approved and declared to be advisable the TRA Amendment and authorized the Company to finalize and execute the TRA Amendment, subject to this stockholder vote.

THE BOARD OF DIRECTORS RECOMMENDS
A VOTE "FOR" PROPOSAL TWO

Table of Contents

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material U.S. federal income tax consequences of an investment in the common stock of Ladder. For purposes of this section under the heading "U.S. Federal Income Tax Considerations," references to "Ladder," "we," "our" and "us" generally mean only Ladder and not its subsidiaries or other lower tier entities, except as otherwise indicated. This summary is based upon the Code, the regulations promulgated by the U.S. Department of the Treasury (the "Treasury"), rulings and other administrative pronouncements issued by the Internal Revenue Service (the "IRS"), and judicial decisions, all as currently in effect, and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. We have not sought and do not intend to seek an advance ruling from the IRS regarding our ability to qualify as a REIT. The summary is also based upon the assumption that we and our subsidiaries and affiliated entities will operate in accordance with our and their applicable organizational documents. This summary is for general information only and is not tax advice. It does not discuss any state, local, or non-U.S. tax consequences relevant to us or an investment in our common stock, and it does not purport to discuss all aspects of U.S. federal income taxation that may be important to a particular investor in light of its investment or tax circumstances or to investors subject to special tax rules, such as:

- financial institutions;
- insurance companies;
- broker-dealers;
- regulated investment companies;
- partnerships and trusts;
- persons who hold our stock on behalf of other persons as nominees;
- persons who receive our stock through the exercise of employee stock options or otherwise as compensation;
- persons holding our stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment;

and, except to the extent discussed below:

- tax-exempt organizations; and
- foreign investors.

This summary assumes that investors will hold their Class A common stock as a capital asset, which generally means as property held for investment.

The U.S. federal income tax treatment of holders of our Class A common stock depends in some instances on determinations of fact and interpretations of complex provisions of U.S. federal income tax law for which no clear precedent or authority may be available. In addition, the tax consequences to any particular stockholder of holding our Class A common stock will depend on the stockholder's particular tax circumstances. You are urged to consult your tax advisor regarding the U.S. federal, state, local, and foreign income and other tax consequences to you in light of your particular investment or tax circumstances of acquiring, holding, exchanging, or

otherwise disposing of our Class A common stock.

Table of Contents

Taxation of Ladder Capital Corp

Assuming the stockholders approve Proposal One and Proposal Two, we intend to elect to be subject to tax as a REIT commencing with our taxable year ending December 31, 2015. We believe that, commencing with such taxable year, we will be organized and operate in such a manner as to qualify for taxation as a REIT under the applicable provisions of the Code. We intend to continue to operate in such a manner to continue to qualify for taxation as a REIT.

The law firm of Skadden, Arps, Slate, Meagher & Flom LLP has acted as our tax counsel in connection with our election to be taxed as a REIT. We will receive an opinion of Skadden, Arps, Slate, Meagher & Flom LLP to the effect that, commencing with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification and taxation as a REIT under the Code, and that our actual method of operation will enable us to meet the requirements for qualification and taxation as a REIT. It must be emphasized that the opinion of Skadden, Arps, Slate, Meagher & Flom LLP will be based on various assumptions relating to our organization and operation, and will be conditioned upon fact-based representations and covenants made by our management regarding our organization, assets, and income, and the present and future conduct of our business operations. While we intend to operate so that we will qualify as a REIT, given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations, and the possibility of future changes in our circumstances, no assurance can be given by Skadden, Arps, Slate, Meagher & Flom LLP or by us that we will qualify as a REIT for any particular year. The opinion will be expressed as of the date issued. Skadden, Arps, Slate, Meagher & Flom LLP will have no obligation to advise us or our stockholders of any subsequent change in the matters stated, represented or assumed, or of any subsequent change in the applicable law. You should be aware that opinions of counsel are not binding on the IRS, and no assurance can be given that the IRS will not challenge the conclusions set forth in such opinions.

Qualification and taxation as a REIT will depend on our ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of stock and asset ownership, various qualification requirements imposed upon REITs by the Code, the compliance with which will not be reviewed by Skadden, Arps, Slate, Meagher & Flom LLP. Our ability to qualify as a REIT also requires that we satisfy certain asset tests, some of which depend upon the fair market values of assets that we own directly or indirectly. Such values may not be susceptible to a precise determination. Accordingly, no assurance can be given that the actual results of our operations for any taxable year will satisfy such requirements for qualification and taxation as a REIT.

Taxation of REITs in general

As indicated above, our qualification and taxation as a REIT depends upon our ability to meet, on a continuing basis, various qualification requirements imposed upon REITs by the Code. The material qualification requirements are summarized below under " Requirements for qualification General." While we intend to operate so that we qualify as a REIT, no assurance can be given that the IRS will not challenge our qualification, or that we will be able to operate in accordance with the REIT requirements in the future. See " Failure to qualify."

Provided that we qualify as a REIT, we will be entitled to a deduction for dividends that we pay and therefore will not be subject to U.S. federal corporate income tax on our taxable income that is currently distributed to our stockholders. This treatment substantially eliminates the "double taxation" at the corporate and stockholder levels that generally results from investment in a corporation. In general, the income that we generate is taxed only at the stockholder level upon a distribution of dividends to our stockholders.

Currently, most U.S. stockholders that are individuals, trusts or estates are taxed on corporate dividends at a maximum U.S. federal income tax rate of 20%. With limited exceptions, however,

Table of Contents

dividends from us or from other entities that are taxed as REITs are generally not eligible for this rate and will continue to be taxed at rates applicable to ordinary income. Under current law, the highest marginal non-corporate U.S. federal income tax rate applicable to ordinary income is 39.6%. See " Taxation of stockholders Taxation of taxable U.S. Holders Distributions."

Any net operating losses, foreign tax credits and other tax attributes generally do not pass through to our stockholders, subject to special rules for certain items such as the capital gains that we recognize. See " Taxation of stockholders Taxation of taxable U.S. Holders Distributions."

Provided we qualify as a REIT, we will nonetheless be subject to U.S. federal tax in the following circumstances:

We will be taxed at regular corporate rates on any undistributed net taxable income, including undistributed net capital gains.

We may be subject to the "alternative minimum tax" on our items of tax preference, including any deductions of net operating losses.

If we have net income from prohibited transactions, which are, in general, sales or other dispositions of inventory or property held primarily for sale to customers in the ordinary course of business, other than foreclosure property, such income will be subject to a 100% tax. See " Prohibited transactions," and " Foreclosure property," below.

If we elect to treat property that we acquire in connection with a foreclosure of a mortgage loan or certain leasehold terminations as "foreclosure property," we may thereby avoid the 100% tax on gain from a resale of that property (if the sale would otherwise constitute a prohibited transaction), but the income from the sale or operation of the property may be subject to corporate income tax at the highest applicable rate (currently 35%).

If we fail to satisfy the 75% gross income test or the 95% gross income test, as discussed below, but nonetheless maintain our qualification as a REIT because we satisfy other requirements, we will be subject to a 100% tax on an amount based on the magnitude of the failure, as adjusted to reflect the profit margin associated with our gross income.

If we violate the asset tests (other than certain *de minimis* violations) or other requirements applicable to REITs, as described below, and yet maintain our qualification as a REIT because there is reasonable cause for the failure and other applicable requirements are met, we may be subject to a penalty tax. In that case, the amount of the penalty tax will be at least $50,000 per failure, and, in the case of certain asset test failures, will be determined as the amount of net income generated by the assets in question multiplied by the highest corporate tax rate (currently 35%) if that amount exceeds $50,000 per failure.

If we fail to distribute during each calendar year at least the sum of: (i) 85% of our REIT ordinary income for such year; (ii) 95% of our REIT capital gain net income for such year; and (iii) any undistributed net taxable income from prior periods, we will be subject to a nondeductible 4% excise tax on the excess of the required distribution over the sum of: (a) the amounts that we actually distributed and (b) the amounts we retained and upon which we paid income tax at the corporate level.

We may be required to pay monetary penalties to the IRS in certain circumstances, including if we fail to meet record-keeping requirements intended to monitor our compliance with rules relating to the composition of a REIT's stockholders, as described below in " Requirements for qualification General."

A 100% tax may be imposed on transactions between us and a TRS that do not reflect arm's-length terms.

Table of Contents

If we sell any of our existing appreciated assets or if we acquire appreciated assets from a corporation that is not a REIT (i.e., a corporation taxable under subchapter C of the Code) in a transaction in which the adjusted tax basis of the assets in our hands is determined by reference to the adjusted tax basis of the assets in the hands of the subchapter C corporation, we may be subject to tax on such appreciation at the highest corporate income tax rate then applicable if we subsequently recognize gain on a disposition of any such assets during the ten-year period following their acquisition from the subchapter C corporation.

The earnings of our TRSs will be subject to U.S. federal corporate income tax to the extent that such subsidiaries are subchapter C corporations.

In addition, we and our subsidiaries may be subject to a variety of taxes, including payroll taxes and state, local, and foreign income, property and other taxes on our assets and operations. We could also be subject to tax in situations and on transactions not presently contemplated.

Requirements for qualification General

The Code defines a REIT as a corporation, trust or association:

1. that is managed by one or more trustees or directors;
2. the beneficial ownership of which is evidenced by transferable shares, or by transferable certificates of beneficial interest;
3. that would be taxable as a domestic corporation but for its election to be subject to tax as a REIT;
4. that is neither a financial institution nor an insurance company subject to specific provisions of the Code;
5. the beneficial ownership of which is held by 100 or more persons;
6. in which, during the last half of each taxable year, not more than 50% in value of the outstanding stock is owned, directly or indirectly, by five or fewer "individuals" (as defined in the Code to include specified tax-exempt entities); and
7. that meets other tests described below, including with respect to the nature of its income and assets.

The Code provides that conditions (1) through (4) must be met during the entire taxable year, and that condition (5) must be met during at least 335 days of a taxable year of 12 months, or during a proportionate part of a shorter taxable year. Conditions (5) and (6) need not be met during a corporation's initial tax year as a REIT (which, in our case, will be 2015). The Charter Amendment provides restrictions regarding the ownership and transfers of our stock, which are intended to assist us in satisfying the stock ownership requirements described in conditions (5) and (6) above.

To monitor compliance with the stock ownership requirements, we generally are required to maintain records regarding the actual ownership of our stock. To do so, we must demand written statements each year from the record holders of significant percentages of our stock pursuant to which the record holders must disclose the actual owners of the stock (i.e., the persons required to include our dividends in their gross income). We must maintain a list of those persons failing or refusing to comply with this demand as part of our records. We could be subject to monetary penalties if we fail to comply with these record-keeping requirements. If you fail or refuse to comply with the demands, you will be required by Treasury regulations to submit a statement with your tax return disclosing your actual ownership of our stock and other information.

Table of Contents

In addition, a corporation generally may not elect to become a REIT unless its taxable year is the calendar year. We adopted December 31 as our year-end, and thereby satisfy this requirement.

Effect of subsidiary entities

Ownership of partnership interests. We are a partner in entities that are treated as partnerships for U.S. federal income tax purposes (e.g., directly in our Series REIT operating partnership and indirectly through our TRS in our Series TRS operating partnership). Treasury regulations provide that we are deemed to own our proportionate share of our Series REIT operating partnership's assets, and to earn our proportionate share of such partnership's income, for purposes of the asset and gross income tests applicable to REITs. Our proportionate share of our Series REIT operating partnership's assets and income is based on our capital interest in the partnership (except that for purposes of the 10% value test, described below, our proportionate share of the partnership's assets is based on our proportionate interest in the equity and certain debt securities issued by the partnership). In addition, the assets and gross income of the partnership are deemed to retain the same character in our hands. Thus, our proportionate share of the assets and items of income of any of our subsidiary partnerships generally will be treated as our assets and items of income for purposes of applying the REIT requirements.

We generally have control of our operating partnerships and the subsidiary partnerships and limited liability companies and intend to operate them in a manner consistent with the requirements for our qualification as a REIT. If we become a limited partner or non-managing member in any partnership or limited liability company and such entity takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. In addition, it is possible that a partnership or limited liability company could take an action which could cause us to fail a gross income or asset test, and that we would not become aware of such action in time to dispose of our interest in the partnership or limited liability company or take other corrective action on a timely basis. In that case, we could fail to qualify as a REIT unless we were entitled to relief, as described below.

Disregarded subsidiaries. If we own a corporate subsidiary that is a "qualified REIT subsidiary," that subsidiary is generally disregarded for U.S. federal income tax purposes, and all of the subsidiary's assets, liabilities and items of income, deduction and credit are treated as our assets, liabilities and items of income, deduction and credit, including for purposes of the gross income and asset tests applicable to REITs. A qualified REIT subsidiary is any corporation, other than a TRS (as described below), that is directly or indirectly wholly-owned by a REIT. Other entities that are wholly-owned by us, including single member limited liability companies that have not elected to be taxed as corporations for U.S. federal income tax purposes, are also generally disregarded as separate entities for U.S. federal income tax purposes, including for purposes of the REIT income and asset tests. Disregarded subsidiaries, along with any partnerships in which we hold an equity interest, are sometimes referred to herein as "pass-through subsidiaries."

In the event that a disregarded subsidiary of ours ceases to be wholly-owned for example, if any equity interest in the subsidiary is acquired by a person other than us or another disregarded subsidiary of ours the subsidiary's separate existence would no longer be disregarded for U.S. federal income tax purposes. Instead, the subsidiary would have multiple owners and would be treated as either a partnership or a taxable corporation. Such an event could, depending on the circumstances, adversely affect our ability to satisfy the various asset and gross income requirements applicable to REITs, including the requirement that REITs generally may not own, directly or indirectly, more than 10% of the securities of another corporation. See " Asset tests" and " Income tests."

Taxable subsidiaries. In general, we may jointly elect with a subsidiary corporation, whether or not wholly-owned, to treat such subsidiary corporation as a TRS. We generally may not own more than 10% of the securities of a taxable corporation, as measured by voting power or value, unless we and

Table of Contents

such corporation elect to treat such corporation as a TRS. The separate existence of a TRS or other taxable corporation is not ignored for U.S. federal income tax purposes. Accordingly, a TRS or other taxable subsidiary corporation generally is subject to corporate income tax on its earnings, which may reduce the cash flow that we and our subsidiaries generate in the aggregate, and may reduce our ability to make distributions to our stockholders.

We are not treated as holding the assets of a TRS or other taxable subsidiary corporation or as receiving any income that the subsidiary earns. Rather, the stock issued by a taxable subsidiary to us is an asset in our hands, and we treat the dividends paid to us from such taxable subsidiary, if any, as income. This treatment can affect our income and asset test calculations, as described below. Because we do not include the assets and income of TRSs or other taxable subsidiary corporations on a look-through basis in determining our compliance with the REIT requirements, we may use such entities to undertake indirectly activities that the REIT rules might otherwise preclude us from doing directly or through pass-through subsidiaries. For example, we may use TRSs or other taxable subsidiary corporations to perform services or conduct activities that give rise to certain categories of income such as management fees or to conduct activities that, if conducted by us directly, would be treated in our hands as prohibited transactions.

The TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on transactions between a TRS and its parent REIT or the REIT's tenants that are not conducted on an arm's-length basis. We intend that all of our transactions with our TRSs, if any, will be conducted on an arm's-length basis.

Income tests

To qualify as a REIT, we must satisfy two gross income requirements on an annual basis. First, at least 75% of our gross income for each taxable year, excluding gross income from sales of inventory or dealer property in "prohibited transactions," discharge of indebtedness and certain hedging transactions, generally must be derived from investments relating to real property or mortgages on real property, including interest income derived from mortgage loans secured by real property (including certain types of mortgage-backed securities), "rents from real property," dividends received from other REITs, and gains from the sale of real estate assets, as well as specified income from temporary investments. Second, at least 95% of our gross income in each taxable year, excluding gross income from prohibited transactions, discharge of indebtedness and certain hedging transactions, must be derived from some combination of income that qualifies under the 75% gross income test described above, as well as other dividends, interest, and gain from the sale or disposition of stock or securities, which need not have any relation to real property. Income and gain from certain hedging transactions will be excluded from both the numerator and the denominator for purposes of both the 75% and 95% gross income tests.

Interest income. Interest income constitutes qualifying mortgage interest for purposes of the 75% gross income test (as described above) to the extent that the obligation upon which such interest is paid is secured by a mortgage on real property. If we receive interest income with respect to a mortgage loan that is secured by both real property and other property, and the highest principal amount of the loan outstanding during a taxable year exceeds the fair market value of the real property on the date that we acquired or originated the mortgage loan, the interest income will be apportioned between the real property and the other collateral, and our income from the arrangement will qualify for purposes of the 75% gross income test only to the extent that the interest is allocable to the real property. Even if a loan is not secured by real property, or is undersecured, the income that it generates may nonetheless qualify for purposes of the 95% gross income test.

Table of Contents

We may invest in Agency and non-Agency mortgage-backed securities that are either mortgage pass-through certificates or CMOs. We expect that such mortgage-backed securities will be treated either as interests in a grantor trust or as interests in a real estate mortgage investment conduit, or REMIC, for U.S. federal income tax purposes. In the case of mortgage-backed securities treated as interests in grantor trusts, we would be treated as owning an undivided beneficial ownership interest in the mortgage loans held by the grantor trust. The interest on such mortgage loans would be qualifying income for purposes of the 75% gross income test to the extent that the obligation is secured by real property, as discussed above. In the case of mortgage-backed securities treated as interests in a REMIC, income derived from REMIC interests will generally be treated as qualifying income for purposes of the 75% gross income tests. If less than 95% of the assets of the REMIC are real estate assets, however, then only a proportionate part of our interest in the REMIC and income derived from the interest will qualify for purposes of the 75% gross income test. In addition, some REMIC securitizations include imbedded interest swap or cap contracts or other derivative instruments that potentially could produce non-qualifying income for the holder of the related REMIC securities. We expect that substantially all of our income from mortgage-backed securities will be qualifying income for purposes of the REIT gross income tests.

Dividend income. We may directly or indirectly receive distributions from TRSs or other corporations that are not REITs or qualified REIT subsidiaries. These distributions generally are treated as dividend income to the extent of the earnings and profits of the distributing corporation. Such distributions will generally constitute qualifying income for purposes of the 95% gross income test, but not for purposes of the 75% gross income test. Any dividends that we receive from a REIT, however, will be qualifying income for purposes of both the 95% and 75% gross income tests.

REMIC interest apportionment. The interest apportionment tax rules provide that, if a mortgage is secured by both real property and other property, the REIT is required to apportion its annual interest income between the portion attributable to a mortgage on the real property and the portion attributable to other property (which is not treated as mortgage interest). The interest apportionment tax regulations apply only if the mortgage loan in question is secured by both real property and other property. We expect that all or most of the mortgage loans that we acquire will be secured only by real property and no other property value is taken into account in our underwriting process.

In addition, the Code provides that a regular or a residual interest in a REMIC is generally treated as a real estate asset for the purpose of the REIT asset tests, and any amount includible in our gross income with respect to such an interest is generally treated as interest on an obligation secured by a mortgage on real property for the purpose of the REIT gross income tests. If, however, less than 95% of the assets of a REMIC in which we hold an interest consist of real estate assets (determined as if we held such assets), we will be treated as receiving directly our proportionate share of the income of the REMIC for the purpose of determining the amount of income from the REMIC that is treated as interest on an obligation secured by a mortgage on real property. In connection with the expanded HARP program, the IRS issued guidance providing that, among other things, if a REIT holds a regular interest in an "eligible REMIC," or a residual interest in an "eligible REMIC" that informs the REIT that at least 80% of the REMIC's assets constitute real estate assets, then the REIT may treat 80% of the gross income received with respect to the interest in the REMIC as interest on an obligation secured by a mortgage on real property for the purpose of the 75% gross income test. For this purpose, a REMIC is an "eligible REMIC" if: (i) the REMIC has received a guarantee from the FNMA or the FHLMC that will allow the REMIC to make any principal and interest payments on its regular and residual interests; and (ii) all of the REMIC's mortgages and pass-through certificates are secured by interests in single-family dwellings. If we were to acquire an interest in an eligible REMIC less than 95% of the assets of which constitute real estate assets, the IRS guidance described above may generally allow us to treat 80% of the gross income derived from the interest as qualifying income for the purposes of 75% REIT gross income test. Although the portion of the income from such a REMIC

Table of Contents

interest that does not qualify would likely be qualifying income for the purpose of the 95% REIT gross income test, the remaining 20% of the REMIC interest generally would not qualify as a real estate asset, which could adversely affect our ability to satisfy the REIT asset tests.

* *