

NEW YORK MORTGAGE TRUST INC  
Form 10-Q  
August 07, 2014

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, DC 20549**

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-32216

**NEW YORK MORTGAGE TRUST, INC.**

(Exact Name of Registrant as Specified in Its Charter)



The number of shares of the registrant's common stock, par value \$0.01 per share, outstanding on August 1, 2014 was 90,684,546.

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**NEW YORK MORTGAGE TRUST, INC.**

**FORM 10-Q**

**PART I. Financial Information**

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**PART I. FINANCIAL INFORMATION****Item 1. Condensed Consolidated Financial Statements****NEW YORK MORTGAGE TRUST, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

(Dollar amounts in thousands, except per share data)

|  | <b>June 30,</b>      | <b>December</b>     |
|--|----------------------|---------------------|
|  | <b>2014</b>          | <b>31,</b>          |
|  | <b>(unaudited)</b>   | <b>2013</b>         |
| <b>ASSETS</b>  |                      |                     |
| Investment securities, available for sale, at fair value (including pledged securities of \$733,162 and \$853,223, respectively) | \$ 889,220           | \$ 912,443          |
| Investment securities, available for sale, at fair value held in securitization trusts   | 104,291              | 92,578              |
| Residential mortgage loans held in securitization trusts (net)   | 156,129              | 163,237             |
| Distressed residential mortgage loans held in securitization trusts (net)  | 233,078              | 254,721             |
| Multi-family loans held in securitization trusts, at fair value  | 8,389,084            | 8,111,022           |
| Derivative assets  | 207,306              | 197,590             |
| Cash and cash equivalents  | 71,133               | 31,798              |
| Receivables and other assets   | 187,823              | 135,286             |
| <b>Total Assets</b> <sup>(1)</sup>   | <b>\$ 10,238,064</b> | <b>\$ 9,898,675</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                      |                     |
| <b>Liabilities:</b>  |                      |                     |
| Financing arrangements, portfolio investments  | \$ 668,428           | \$ 791,125          |
| Residential collateralized debt obligations  | 151,097              | 158,410             |
| Multi-family collateralized debt obligations, at fair value  | 8,114,270            | 7,871,020           |
| Securitized debt   | 294,312              | 304,964             |
| Derivative liabilities   | 3,140                | 1,432               |
| Payable for securities purchased   | 204,580              | 191,592             |
| Accrued expenses and other liabilities (including \$684 and \$951 to related parties, respectively)                              | 62,989               | 54,466              |

|   |           |           |
|---|-----------|-----------|
| Subordinated debentures                 | 45,000    | 45,000    |
| <b>Total liabilities</b> <sup>(1)</sup> | 9,543,816 | 9,418,009 |

### Commitments and Contingencies

#### Stockholders' Equity:

|   |                     |                    |
|---|---------------------|--------------------|
| Preferred stock, \$0.01 par value, 7.75% Series B cumulative redeemable, \$25 liquidation preference per share, 3,450,000 shares authorized, 3,000,000 shares issued and outstanding as of June 30, 2014 and December 31, 2013. | 72,397              | 72,397             |
| Common stock, \$0.01 par value, 400,000,000 shares authorized, 90,684,546 and 64,102,029 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively  | 907                 | 641                |
| Additional paid-in capital  | 590,666             | 404,555            |
| Accumulated other comprehensive income  | 23,620              | 3,073              |
| Retained earnings   | 6,658               | -                  |
| Total stockholders' equity  | 694,248             | 480,666            |
| <b>Total Liabilities and Stockholders' Equity</b>   | <b>\$10,238,064</b> | <b>\$9,898,675</b> |

(1) Our condensed consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs") as the Company is the primary beneficiary of these VIEs. As of June 30, 2014 and December 31, 2013, assets of consolidated VIEs totaled \$8,942,214 and \$8,665,829, respectively, and the liabilities of consolidated VIEs totaled \$8,589,402 and \$8,365,345, respectively. See Note 7 for further discussion.

The accompanying notes are an integral part of the consolidated financial statements.

**NEW YORK MORTGAGE TRUST, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Dollar amounts in thousands, except per share data)

(unaudited)

|  | <b>For the Three<br/>Months</b> |             | <b>For the Six Months</b> |             |
|--|---------------------------------|-------------|---------------------------|-------------|
|  | <b>Ended June 30,</b>           |             | <b>Ended June 30,</b>     |             |
|  | <b>2014</b>                     | <b>2013</b> | <b>2014</b>               | <b>2013</b> |
| <b>INTEREST INCOME:</b>                                  |                                 |             |                           |             |
| Investment securities and other                          | \$14,193                        | \$10,553    | \$29,157                  | \$21,619    |
| Multi-family loans held in securitization trusts         | 75,501                          | 54,484      | 150,445                   | 99,802      |
| Distressed residential mortgage loans                    | 4,858                           | 2,550       | 9,201                     | 3,989       |
| Residential mortgage loans held in securitization trusts | 996                             | 1,229       | 1,983                     | 2,535       |
| Total interest income                                    | 95,548                          | 68,816      | 190,786                   | 127,945     |
| <b>INTEREST EXPENSE:</b>                                 |                                 |             |                           |             |
| Investment securities and other                          | 1,402                           | 1,818       | 2,872                     | 3,447       |
| Multi-family collateralized debt obligations             | 69,110                          | 50,249      | 137,857                   | 91,908      |
| Residential collateralized debt obligations              |                                 |             |                           |             |