

NEW YORK MORTGAGE TRUST INC

Form 424B5

August 15, 2012

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale thereof is not permitted.

Subject to Completion

Preliminary Prospectus Supplement, dated August 15, 2012

FILED PURSUANT TO RULE 424(b)(5)

SEC FILE NO. 333-179314

PROSPECTUS SUPPLEMENT

(To prospectus dated April 11, 2012)

10,000,000 Shares

Common Stock

This is a public offering of common stock of New York Mortgage Trust, Inc. We are selling 10,000,000 shares of common stock. Our common stock is listed on The Nasdaq Capital Market, or Nasdaq, under the symbol "NYMT." On August 14, 2012, the last reported sale price of our common stock on Nasdaq was \$6.91 per share.

To preserve our status as a real estate investment trust for federal income tax purposes, we impose restrictions on the ownership and transfer of our common stock. See "Summary—Change in Ownership Limit under Our Charter" in this prospectus supplement and "Description of Common Stock—Restrictions on Ownership and Transfer" in the accompanying prospectus.

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described under "Risk Factors" on page S-3 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2011, as updated by our Quarterly Reports on Form 10-Q for the periods ended March 31, 2012 and June 30, 2012, before making an investment decision.

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

	Price to Public	Underwriting Discount and Commission	Proceeds to Us (1)
Per Share	\$	\$	\$
Total	\$	\$	\$

(1) Before deducting approximately \$175,000 in estimated expenses payable by us.

We have granted the underwriters an option to purchase a maximum of 1,500,000 additional shares of common stock from us at the public offering price, less the underwriting discount, within 30 days after the date of this prospectus supplement.

The underwriters expect to deliver the shares of common stock to investors in this offering on or about August , 2012.

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Sole Bookrunning Manager  
Deutsche Bank Securities

The date of this prospectus supplement is August , 2012.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If any one provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer of the common stock covered by this prospectus supplement and the accompanying prospectus in any jurisdiction where the offer thereof is not permitted.

You should assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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## ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is the prospectus supplement, which describes the specific terms of the offering, and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. Before you buy any shares of our common stock, it is important for you to read and consider the information contained in this prospectus supplement and the accompanying prospectus together with additional information described under the headings “Incorporation by Reference of Information Filed with the SEC” and “Where You Can Find More Information.”

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement.

In this prospectus supplement, we refer to New York Mortgage Trust, Inc., together with its consolidated subsidiaries, as “we,” “us,” “the Company,” or “our,” unless we specifically state otherwise or the context indicates otherwise. In addition, the following defines certain of the commonly used terms in this prospectus supplement.

- “RMBS” refers to residential mortgage-backed securities that are adjustable-rate, hybrid adjustable-rate, fixed-rate, interest only and inverse interest only or principal only securities;
- “Agency RMBS” refers to RMBS representing interests in or obligations backed by pools of residential mortgage loans issued or guaranteed by a federally chartered corporation, such as the Federal National Mortgage Association (“Fannie Mae”) or the Federal Home Loan Mortgage Corporation (“Freddie Mac”), or an agency of the U.S. government, such as the Government National Mortgage Association (“Ginnie Mae”);
- “IOs” refers collectively to interest only and inverse interest only mortgage-backed securities that represent the right to the interest component of the cash flow from a pool of mortgage loans;
- “POs” refers to mortgage-backed securities that represent the right to the principal component of the cash flow from a pool of mortgage loans;
- “ARMs” refers to adjustable-rate residential mortgage loans;
  - “prime ARM loans” refers to prime credit quality residential ARM loans held in securitization trusts; and
- “CMBS” refers to commercial mortgage-backed securities comprised of commercial mortgage pass-through securities, as well as IO or PO securities that represent the right to a specific component of the cash flow from a pool of commercial mortgage loans.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

When used in this prospectus supplement and in the accompanying prospectus, in future filings with the Securities and Exchange Commission, or SEC, or in press releases or other written or oral communications, statements which are not historical in nature, including those containing words such as “believe,” “expect,” “anticipate,” “estimate,” “plan,” “continue,” “intend,” “should,” “would,” “could,” “goal,” “objective,” “will,” “may” or similar expressions, are intended to identify “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or Exchange Act, and, as such, may involve known and unknown risks, uncertainties and assumptions.

Forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations are subject to risks and uncertainties and can change as a result of many possible events or factors, not all of which are known to us. If a change occurs, our business, financial condition, liquidity and results of operations may vary materially from those expressed in our forward-looking statements. The following factors are examples of those that could cause actual results to vary from our forward-looking statements: changes in interest rates and the market value of our securities; the impact of the downgrade of the long-term credit ratings of the United States, Fannie Mae, Freddie Mac and Ginnie Mae; market volatility; changes in the prepayment rates on the mortgage loans underlying our investment securities; increased rates of default and/or decreased recovery rates on our assets; our ability to borrow to finance our assets; changes in government regulations affecting our business; our ability to maintain our qualification as a real estate investment trust for federal tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended; and risks associated with investing in real estate assets, including changes in business conditions and the general economy. These and other risks, uncertainties and factors, including the risk factors described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2011, as updated by those risk factors included in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012 and June 30, 2012 and our subsequent filings under the Exchange Act, could cause our actual results to differ materially from those projected in any forward-looking statements we make. All forward-looking statements speak only as of the date on which they are made. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## SUMMARY

The following summary is qualified in its entirety by the more detailed information included elsewhere or incorporated by reference into this prospectus supplement and the accompanying prospectus. Because this is a summary, it may not contain all of the information that is important to you. You should read the entire prospectus supplement and the accompanying prospectus, including the section entitled “Risk Factors” and the documents incorporated by reference herein before making an investment decision.

We are a real estate investment trust, or REIT, in the business of acquiring, investing in, financing and managing primarily mortgage-related assets and, to a lesser extent, financial assets. Our objective is to manage a portfolio of investments that will deliver stable distributions to our stockholders over diverse economic conditions. We intend to achieve this objective through a combination of net interest margin and net realized capital gains from our investment portfolio. Our investment portfolio includes investments sourced from distressed markets over recent years that create the potential for capital appreciation, as well as more traditional types of mortgage-related investments, such as Agency RMBS consisting of adjustable-rate and hybrid adjustable-rate RMBS, which we sometimes refer to as Agency ARMs, and Agency RMBS comprised of IOs, which we sometimes refer to as Agency IOs, that generate interest income.

Under our investment strategy, our targeted assets currently include Agency ARMs, Agency IOs and CMBS backed by commercial mortgage loans on multi-family properties, which we sometimes refer to as multi-family CMBS. Subject to maintaining our qualification as a REIT, we also may opportunistically acquire and manage various other types of mortgage-related and financial assets that we believe will compensate us appropriately for the risks associated with them, including, without limitation, non-Agency RMBS (which may include IOs and POs), collateralized mortgage obligations, residential mortgage loans and certain commercial real estate-related debt investments.

As part of our investment strategy, we are a party to separate investment management agreements with The Midway Group, L.P., or Midway, and RiverBanc, LLC, or RiverBanc, pursuant to which Midway and RiverBanc provide investment management services with respect to our investments in Agency IOs and multi-family CMBS, respectively.

We have elected to be taxed as a REIT and have complied, and intend to continue to comply, with the provisions of the Internal Revenue Code of 1986, as amended, or the Code, with respect thereto. Accordingly, we do not expect to be subject to federal income tax on our REIT taxable income that we currently distribute to our stockholders if certain asset, income and ownership tests and recordkeeping requirements are fulfilled. Even if we maintain our qualification as a REIT, we expect to be subject to some federal, state and local taxes on our income generated in our taxable REIT subsidiaries, or TRSs.

Our principal executive offices are located at 52 Vanderbilt Avenue, Suite 403, New York, New York 10017, and our telephone number is (212) 792-0107. Our website address is [www.nymtrust.com](http://www.nymtrust.com). Our website and the information contained at or connected to our website do not constitute a part of this prospectus supplement or the accompanying prospectus

### Change in Ownership Limit under Our Charter

On May 4, 2012, our Board of Directors, pursuant to Section 7.2.8 of Article VII of our charter, approved (i) an increase in the Common Stock Ownership Limit (as defined in our charter) to 9.9% (in value or number of shares, whichever is more restrictive), of the aggregate of the outstanding shares of Common Stock (as defined in our charter), and (ii) an increase in the Aggregate Stock Ownership Limit (as defined in our charter) to 9.9% in value of the aggregate of the outstanding shares of Capital Stock (as defined in our charter). The change in the Common Stock

Ownership Limit and the Aggregate Stock Ownership Limit became effective on the same day it was approved by our Board of Directors. Each of the Common Stock Ownership Limit and the Aggregate Stock Ownership Limit was previously set at 5.0%.

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## THE OFFERING

Common Stock Offered	10,000,000 shares
Shares Outstanding After the Offering(1)	32,544,374 shares
Use of Proceeds	We intend to use the net proceeds of this offering to acquire certain of our target assets, including multi-family CMBS and Agency RMBS. With respect to the net proceeds that will be used to acquire Agency RMBS, we expect to borrow against the Agency RMBS through repurchase agreements and to use the proceeds of the borrowings to acquire additional Agency RMBS. We may also use net proceeds for general working capital purposes, including the repayment of indebtedness. See “Use of Proceeds.”
Listing	Our common stock is listed on Nasdaq under the symbol “NYMT.”
Dividend Policy	We intend to pay quarterly dividends and to make distributions to our common stockholders in amounts such that all or substantially all of our REIT taxable income in each year, subject to certain adjustments, is distributed. We have not, however, established a minimum dividend payment level for shares of our common stock. All distributions to holders of our common stock will be made at the discretion of our Board of Directors and will depend on our earnings, our financial condition, maintenance of our REIT status and such other factors as our Board of Directors may deem relevant from time to time. There are no assurances of our ability to pay dividends in the future at the current rate or at all. See “Risk Factors.”
Ownership Restrictions	Our charter provides that generally no person may own, or be deemed to own by virtue of the attribution provisions of the Code, either (i) more than 9.9% in value of the aggregate of our outstanding shares of capital stock or (ii) more than 9.9% in value or in number of shares, whichever is more restrictive, of the aggregate of our outstanding common stock. Our Board of Directors has discretion to grant exemptions from the 9.9% ownership limitation, subject to such terms and conditions as it deems appropriate. These restrictions on ownership of our common stock and capital stock are intended to preserve our qualification as a REIT for federal income tax purposes. See “Summary—Change in Ownership Limit under Our Charter” in this prospectus supplement and “Description of Common Stock—Restrictions on Ownership and Transfer”

and “Material Federal Income Tax Considerations” in the accompanying prospectus.

Risk Factors

An investment in our common stock is subject to a high degree of risk. Please refer to “Risk Factors” and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before investing in shares of our common stock.

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(1) Assumes no exercise of the underwriters’ option to purchase additional shares of common stock. Based on 22,544,374 shares of common stock outstanding as of August 13, 2012.

## RISK FACTORS

Investing in our shares of common stock involves a high degree of risk. Please see the risks described under the caption “Risk Factors” beginning on page 18 of our Annual Report on Form 10-K for the year ended December 31, 2011, on page 62 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 and on page 70 of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, which documents are incorporated by reference into this prospectus supplement. Such risks are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect us and the market value of our common stock. The risks described could affect our business, financial condition, liquidity, results of operations and the market value of our common stock. In such a case, you may lose all or part of your original investment. You should carefully consider the risks described in these reports, as well as other information and data set forth in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein before making an investment decision with respect to the shares of our common stock.

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## USE OF PROCEEDS

We estimate that the net proceeds of this offering will be approximately \$      million (or approximately \$      million if the underwriters exercise their option to purchase additional shares in full) after deducting the underwriting discount and commissions, as well as estimated offering expenses of approximately \$175,000 payable by us.

We expect to use the net proceeds of this offering to acquire certain of our targeted assets, including multi-family CMBS and Agency RMBS. With respect to the net proceeds that will be used to acquire Agency RMBS, we expect to borrow against the Agency RMBS through repurchase agreements and to use the proceeds of the borrowings to acquire additional Agency RMBS. We may also use net proceeds for general working capital purposes, including the repayment of indebtedness.

Pending these uses, we intend to maintain the net offering proceeds in interest-bearing, short-term, marketable investment grade securities or money market accounts or (interest or non-interest bearing) checking (or escrow) accounts that are consistent with our intention to maintain our qualification as a REIT. These investments may include, for example, government securities other than agency securities, certificates of deposit and interest-bearing bank deposits. These investments are expected to provide a lower net return than we will seek to achieve from our targeted assets.

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## CAPITALIZATION

The following table sets forth our cash and cash equivalents and total capitalization and total liabilities and equity as of June 30, 2012 (1) on an actual basis (2) on an as adjusted basis to give effect to our sale of common stock on July 17, 2012, and (3) on a pro forma as adjusted basis to give effect to our sale of common stock on July 17, 2012, and the consummation of this offering. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our condensed consolidated financial statements and the notes thereto incorporated by reference in this prospectus supplement.

	As of June 30, 2012		
	Actual	As Adjusted(1)	Pro Forma As Adjusted(1)(2)
	(Dollars in thousands) unaudited		
Cash and cash equivalents	\$8,621	\$ 41,757	\$
Debt:			
Financing arrangements, portfolio investments	\$138,871	\$ 138,871	\$ 138,871
Residential collateralized debt obligations(3)	190,637	190,637	190,637
Multi-family collateralized debt obligations, at fair value(4)	3,768,116	3,768,116	3,768,116
Securitized debt	26,044	26,044	26,044
Subordinated debentures	45,000	45,000	45,000
Total debt	\$4,168,668	\$ 4,168,668	\$ 4,168,668
Stockholders’ equity			
Common stock, \$0.01 par value, 400,000,000 shares authorized, 17,369,374 shares issued and outstanding actual; 22,544,374 as adjusted and 32,544,374 pro forma as adjusted shares issued and outstanding	\$174	\$ 225	\$ 325
Additional paid-in capital	165,785	198,870	