

NEW YORK MORTGAGE TRUST INC
Form 10-Q
November 05, 2015
Table of Contents

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 September 30, 2015

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)

Maryland	47-0934168
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

275 Madison Avenue, New York, New York 10016
(Address of Principal Executive Office) (Zip Code)

(212) 792-0107
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of the registrant’s common stock, par value \$0.01 per share, outstanding on November 1, 2015 was 109,401,721.

Table of Contents

NEW YORK MORTGAGE TRUST, INC.

FORM 10-Q

PART I. Financial Information

<u>Item 1. Condensed Consolidated Financial Statements</u>	<u>3</u>
<u>Condensed Consolidated Balance Sheets as of September 30, 2015 (Unaudited) and December 31, 2014</u>	<u>3</u>
<u>Unaudited Condensed Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2015 and 2014</u>	<u>4</u>
<u>Unaudited Condensed Consolidated Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2015 and 2014</u>	<u>5</u>
<u>Unaudited Condensed Consolidated Statement of Changes in Stockholders' Equity for the Nine Months Ended September 30, 2015</u>	<u>6</u>
<u>Unaudited Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2015 and 2014</u>	<u>7</u>
<u>Unaudited Notes to the Condensed Consolidated Financial Statements</u>	<u>9</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>50</u>
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk</u>	<u>78</u>
<u>Item 4. Controls and Procedures</u>	<u>83</u>
<u>PART II. OTHER INFORMATION</u>	
<u>Item 1A. Risk Factors</u>	<u>83</u>
<u>Item 6. Exhibits</u>	<u>83</u>
<u>SIGNATURES</u>	<u>84</u>

Table of Contents

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 share data)

	September 30, 2015 (unaudited)	December 31, 2014
ASSETS		
Investment securities, available for sale, at fair value (including pledged securities of \$636,081 and \$702,684, respectively)	\$733,227	\$816,647
Investment securities, available for sale, at fair value held in securitization trusts	40,608	38,594
Residential mortgage loans held in securitization trusts (net)	132,882	149,614
Distressed residential mortgage loans held in securitization trusts (net)	156,062	221,591
Distressed residential mortgage loans	353,357	361,106
Multi-family loans held in securitization trusts, at fair value	7,296,462	8,365,514
Derivative assets	286,913	288,850
Receivables for securities sold	1,480	—
Cash and cash equivalents	123,801	75,598
Receivables and other assets	237,018	222,491
Total Assets ⁽¹⁾	\$9,361,810	\$10,540,005
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Financing arrangements, portfolio investments	\$586,075	\$651,965
Financing arrangements, distressed residential mortgage loans	185,452	238,949
Residential collateralized debt obligations	129,090	145,542
Multi-family collateralized debt obligations, at fair value	7,011,351	8,048,053
Securitized debt	140,946	232,877
Derivative liabilities	6,670	1,463
Payable for securities purchased	283,991	283,537
Accrued expenses and other liabilities (including \$572 and \$6,317 to related parties, respectively)	62,587	74,692
Subordinated debentures	45,000	45,000
Total liabilities ⁽¹⁾	8,451,162	9,722,078
Commitments and Contingencies		
Stockholders' Equity:		
Preferred stock, \$0.01 par value, 7.75% Series B cumulative redeemable, \$25 liquidation preference per share, 6,000,000 and 3,450,000 shares authorized as of September 30, 2015 and December 31, 2014, respectively, 3,000,000 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	72,397	72,397
Preferred stock, \$0.01 par value, 7.875% Series C cumulative redeemable, \$25 liquidation preference per share, 4,140,000 shares authorized as of September 30, 2015, 3,600,000 and 0 shares issued and outstanding as of September 30, 2015 and December 31, 2014, respectively	86,862	—
Common stock, \$0.01 par value, 400,000,000 shares authorized, 109,401,721 and 105,094,565 shares issued and outstanding as of September 30, 2015 and December	1,094	1,051

31, 2014, respectively

Additional paid-in capital	734,381	701,871
Accumulated other comprehensive income	2,222	10,015
Retained earnings	13,692	32,593
Total stockholders' equity	910,648	817,927
Total Liabilities and Stockholders' Equity	\$9,361,810	\$10,540,005

⁽¹⁾ Our 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 September 30, 2015 and December 31, 2014, assets of consolidated VIEs totaled \$7,674,252 and \$8,847,078, respectively, and the liabilities of consolidated VIEs totaled \$7,307,182 and \$8,457,034, respectively. See Note 7 for further discussion.

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

3

Table of ContentsNEW YORK MORTGAGE TRUST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollar amounts in thousands, except per share data)

(unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2015	2014	2015	2014
INTEREST INCOME:				
Investment securities and other	\$6,792	\$12,868	\$28,332	\$42,025
Multi-family loans held in securitization trusts	63,431	75,891	192,715	226,336
Residential mortgage loans held in securitization trusts	875	970	2,950	2,772
Distressed residential mortgage loans	11,489	5,208	31,975	14,590
Total interest income	82,587	94,937	255,972	285,723
INTEREST EXPENSE:				
Investment securities and other	3,432	1,230	10,337	4,102
Multi-family collateralized debt obligations	57,388	69,310	174,475	207,167
Residential collateralized debt obligations	219	223	679	686
Securitized debt	2,782	4,389	8,883	13,350
Subordinated debentures	474	465	1,402	1,390
Total interest expense	64,295	75,617	195,776	226,695
NET INTEREST INCOME	18,292	19,320	60,196	59,028
OTHER INCOME (EXPENSE):				
Provision for loan losses	(1,117) (82))