



KEEFE, BRUYETTE & WOODS 2014 MORTGAGE FINANCE CONFERENCE

JUNE 3, 2014

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. 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; changes in credit spreads; the impact of the downgrade of the long-term credit ratings of the U.S., 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 REIT for federal tax purposes; our ability to maintain our exemption from registration under the Investment Company Act; and risks associated with investing in real estate assets, including changes in business conditions and the general economy.

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, including those described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and our subsequent Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 which has been filed with the Securities and Exchange Commission. If a change occurs, these forward-looking statements may vary materially from those expressed in this presentation. All forward-looking statements speak only as of the date on which they are made. 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.

This presentation may not contain all of the information that is important to you. As a result, the information in this presentation should be read together with the information included in our Annual Report on Form 10-K for the year ended December 31, 2013 and our subsequent Quarterly Report on Form 10-Q for the quarter ended March 31, 2014.





Mission

We are a real estate investment trust, or REIT, in the business of acquiring, investing in, financing and managing primarily mortgage-related assets and financial assets. Our objective is to proactively allocate capital to a diversified portfolio of investments that will deliver attractive and stable net interest margins and net realized capital gains. We utilize dynamic risk management to optimize shareholder returns in a variety of market environments.

In March 2014, for the eighth consecutive quarter, we declared a dividend of \$0.27 per share



NYMT Overview

- NYMT is an internally-managed hybrid mortgage REIT
- The Company invests in mortgage-related and financial assets and targets multi-family CMBS, distressed residential mortgage loans, Agency RMBS, and Agency IOs
- RiverBanc, The Midway Group, and Headlands Asset Management provide investment management services to the Company for certain targeted asset classes

Selected Business Metrics

Share Price (05/30/14)	\$7.96
Total Market Capitalization (\$mm)	\$793
03/31/14 Book Value Per Share	\$6.48
Q1 '14 Annualized Dividend Yield	13.6%
Price / Book Value	1.23X
Debt / Equity (3/31/14)	2.2X



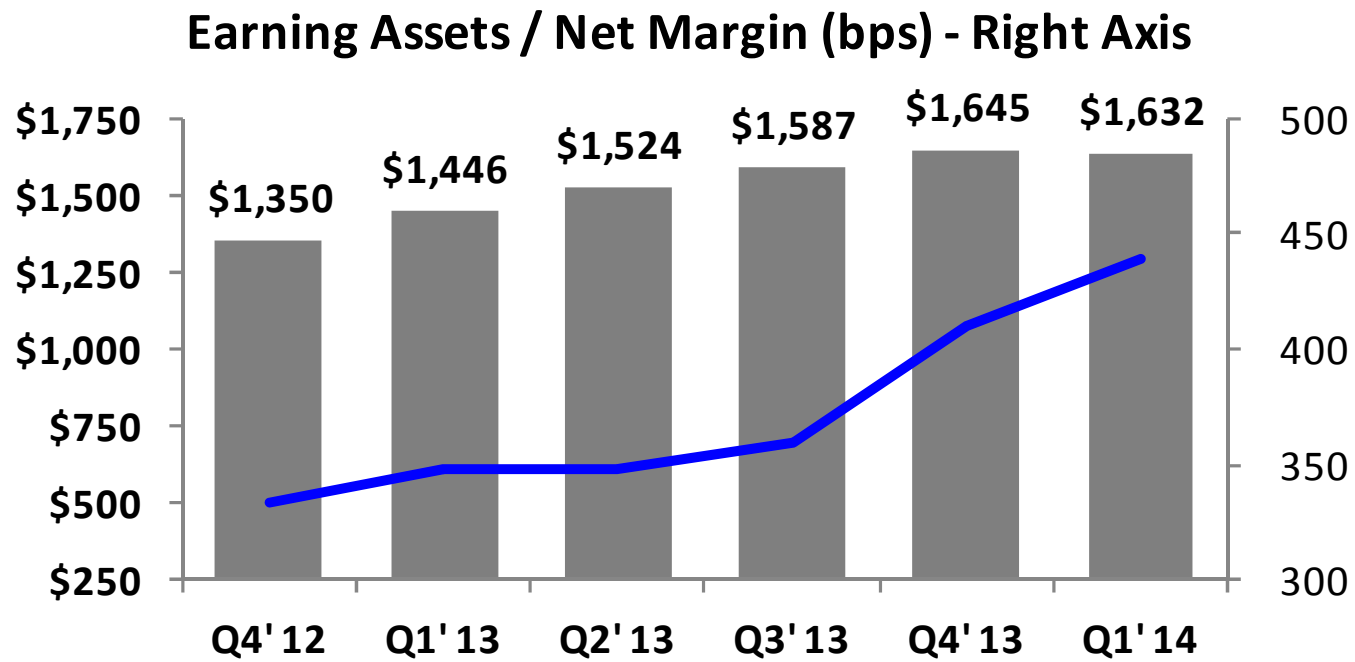


2014 Highlights

- In January, issued 11.5 million common shares for gross proceeds of approximately \$75.8 million;
- In April, issued 15.0 million common shares for gross proceeds of approximately \$109.9 million;
- Completed first substantial sale of distressed loans and, combined with re-financing activities, resulted in gains of approximately \$8.2 million in the first quarter.



Portfolio Growth

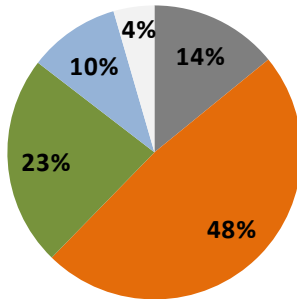


***Growing interest earning assets while
increasing net interest margin***

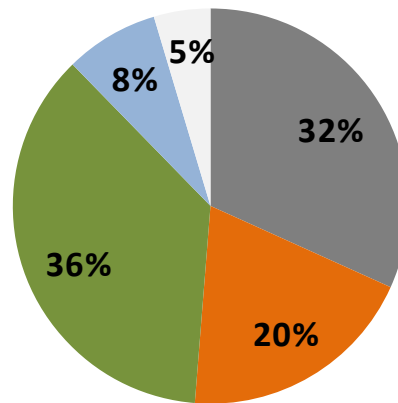


Capital Allocation Transition

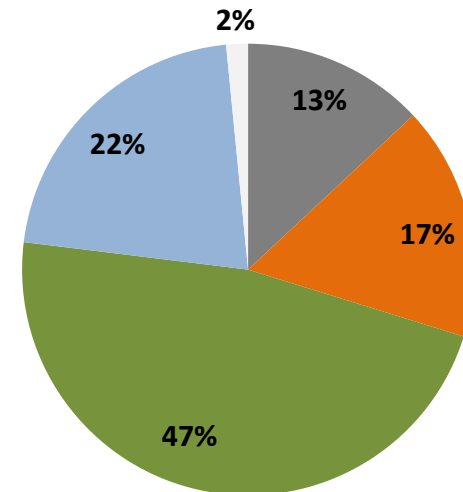
12/31/2011
\$86.3 Million



12/31/2012
\$322.0 Million



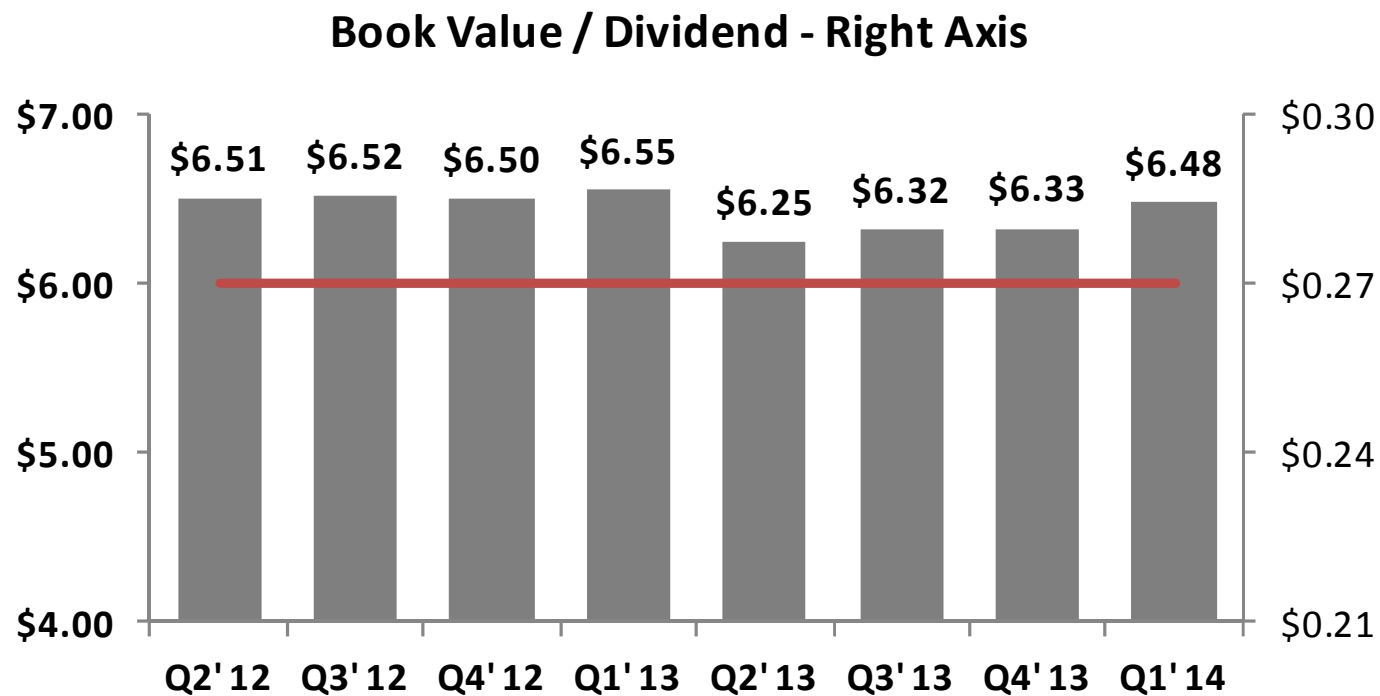
12/31/2013
\$480.7 Million



■ Agency RMBS ■ Agency IOs ■ Multi-Family CMBS ■ Distressed Residential Loans ■ Other



Stability Through Portfolio Diversification

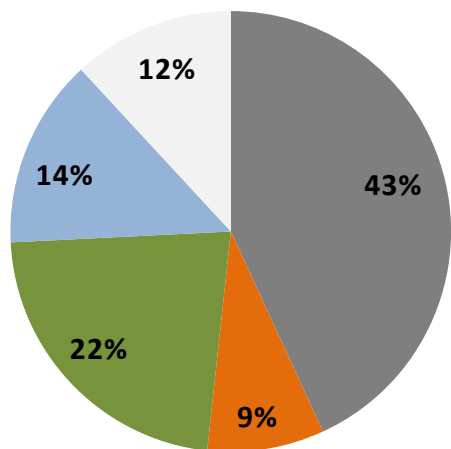




Investment Portfolio Overview: March 31, 2014

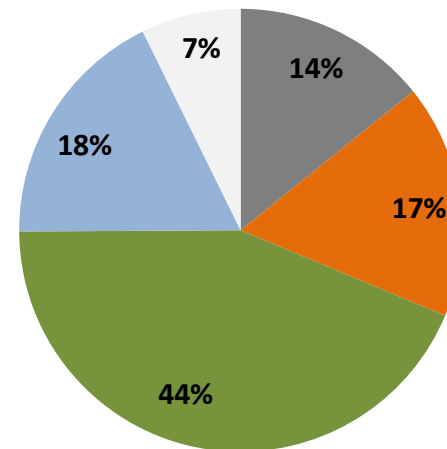
Carrying Value

Total: \$1,691 million



Allocated Capital

Total: \$566 million



■ Agency RMBS ■ Agency IOs ■ Multi-Family CMBS ■ Distressed Residential Loans ■ Other



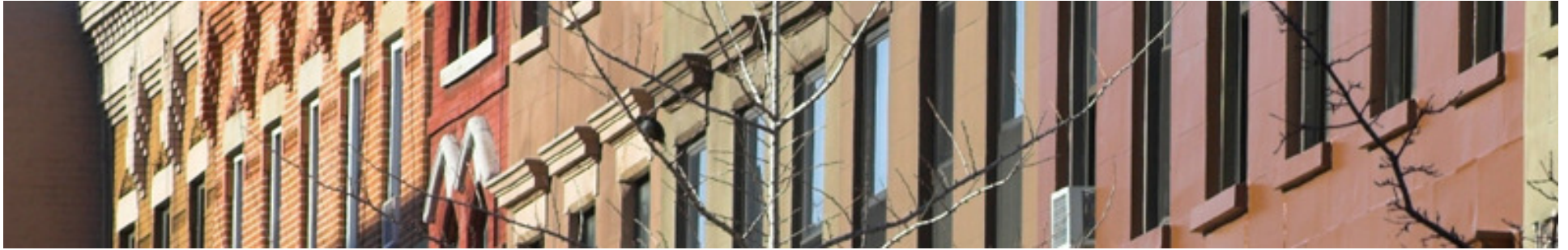
Capital Allocation: March 31, 2014

- Diversified Portfolio => Stable Returns
- Credit Investments => Less Reliance on Leverage
- External Managers => Incentive Based Performance

<i>Dollar amounts in thousands</i>	Agency MBS	Agency IOs	Multi- Family CMBS	Distressed Residential Loans	Residential Securitized Loans	Other	Total
Carrying Value	\$729,377	\$144,978	\$380,606	\$235,265	\$159,512	\$41,221	\$1,690,959
Liabilities							
Callable	(665,139)	(94,238)				(8,450)	(767,827)
Non callable			(135,191)	(163,009)	(154,456)	(45,000)	(497,656)
Hedges, net	3,337	5,241					8,578
Cash	11,000	38,711				65,508	115,219
Other	1,820	2,015	1,295	28,533	1,370	(18,464)	16,569
Net Equity Allocated	<u>\$80,395</u>	<u>\$96,707</u>	<u>\$246,710</u>	<u>\$100,789</u>	<u>\$6,426</u>	<u>\$34,815</u>	<u>\$565,842</u>
External Managers:							
		Midway	RiverBanc	Headlands			
Leverage:							
Current	8.3	1.0	0.5	1.6			Total Debt to Equity: 2.2x
Target	8x - 11x	1x - 2x	1x - 1.5x	1x - 3x			

Note: Multi-Family Carrying Value and Non callable liabilities exclude effects of accounting consolidation requirements





Strategic Investment Priorities

1. **Multifamily Commercial Real Estate Investments (*externally managed by RiverBanc*):**
 - Subordinate CMBS first loss securities and certain interest only securities issued by Freddie Mac K Series securitization trusts
 - Direct lending in the form of mezzanine loans and preferred equity
 - In-Direct participation in multi-family / small balance commercial equity fund
2. **Residential Loans:**
 - Performing and re-performing distressed residential loans (externally managed by Headlands Asset Management)
 - Newly originated jumbo / Non QM loans
3. **Agency Interest-Only RMBS (*externally managed by The Midway Group*):**
 - Prepayment focused strategy invested in residential mortgage-backed securities (RMBS), more specifically interest-only structured RMBS
 - Dynamically hedged with the use of TBAs, futures and options
4. **Agency RMBS:**
 - Hybrid Arms (5,7,10 years)
 - 15 year fixed rate MBS securities



Overview of Management



- Internally Managed
- CEO 25+ years mortgage experience
- Board members – Average 20+ years in capital markets



- Extensive origination and credit underwriting experience
- NYMT owns 20% of RiverBanc



HEADLANDS ASSET MANAGEMENT, LLC

- Experienced management team with 20+ years in residential loan industry



- The Midway Group has a 14-year audited track record managing residential securities
- Among the top rated targeted mortgage hedge fund for 3, 5 and 7 years





Innovative Financing Transactions

Re-Securitization – Subordinate CMBS POs and Certain IOs Securities:

- Permanent financing structure (A/B)
- Cash / non cash interest expense components
- No market to market or margin call risk
- Rated by Fitch – Investment Grade
- Sourced traditional multi-family lender as investor

Long Term Repurchase Agreement- Subordinate CMBS POs and Certain IOs Securities:

- 3 Year repo agreement (55% advance rate)
- Non Bank or Securities Dealer lender
- Independent collateral valuation manager (Arbitration mechanism)

Revolving Trust Financing-Distressed Residential Loans

- Trust Structure (A/B)
- 3 Year Term (extendable for 2 Years – NYMT option)