



KBW Mortgage Finance Conference

June 2, 2015

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 under the caption “Risk Factors” and elsewhere in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and our subsequent filings 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, 2014 and our subsequent filings with the Securities and Exchange Commission.



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 the following:

- Dividend Stability
- Book Value Stability
- Opportunistic Growth

In March 2015, for the twelfth consecutive quarter, we declared a dividend of \$0.27 per common share



NYMT Overview

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

Selected Business Metrics

Share Price	\$7.94
Total Market Capitalization (\$bil) ⁽¹⁾	\$1.0
Dividend per share	\$0.27
Annualized Dividend Yield	13.6%
Price to Book Value	1.13
Book Value per Share	\$7.03
Debt-to-Equity	1.5X
2015 Annualized Economic Return	13.0%
2015 Annualized Total Rate of Return	12.5%
2014 Economic Return	28.8%
2014 Total Rate of Return	25.8%

As of March 31, 2015, except market data as of May 28, 2015

(1) Includes preferred Stock



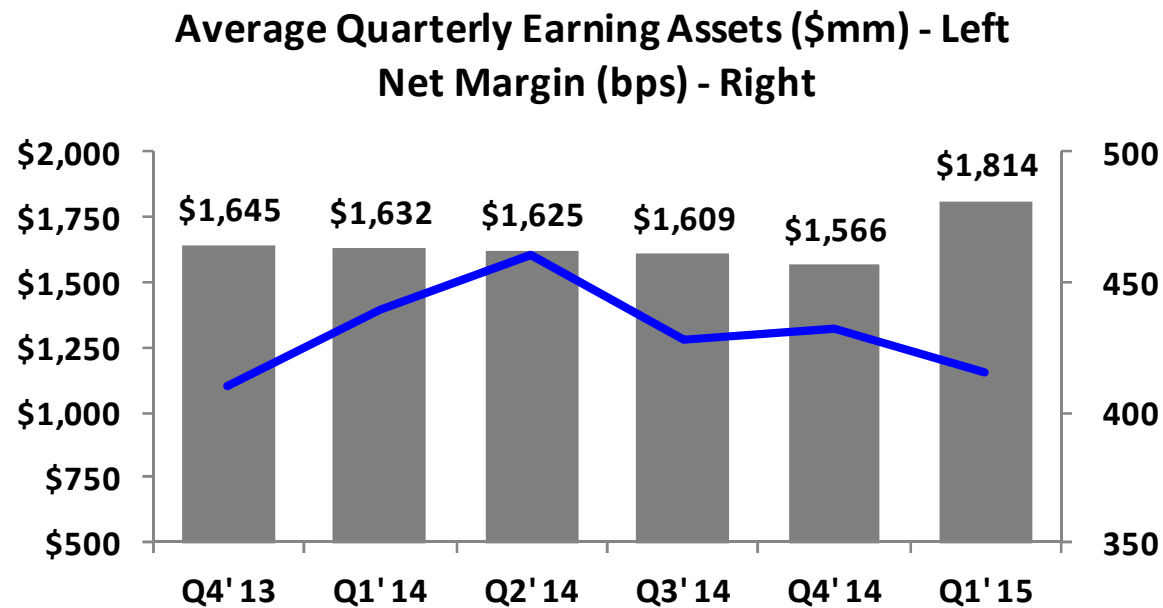


2015 Highlights

- Issued and sold 4,116,115 shares of its common stock at an average price of \$7.91 per share under its at-the-market offering programs to date, resulting in net proceeds to the Company of approximately \$31.9 million;
- Completed public offering of 3,600,000 shares of the Company's 7.875% Series C Cumulative Redeemable Preferred Stock on April 22, 2015, resulting in net proceeds to the Company of approximately \$87.0 million after deduction of underwriting discounts and commissions and estimated offering expenses;
- The Company's wholly-owned subsidiary, Great Lakes Insurance Holdings LLC ("GLIH"), became a member of the Federal Home Loan Bank of Indianapolis ("FHLBI"). Through GLIH, the Company has access to a variety of products and services offered by the FHLBI, including secured advances.



Portfolio: Credit vs Leverage

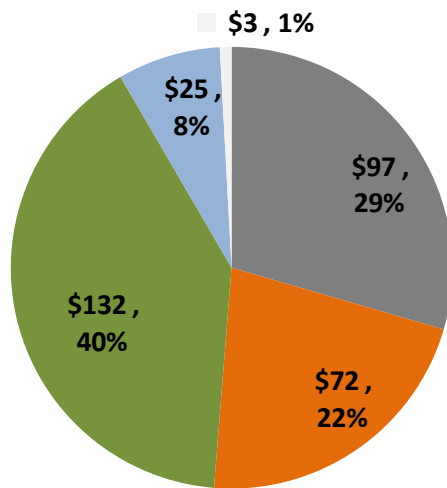


Total Debt Leverage Ratio at 3/31/15: 1.5 X
Callable Debt Leverage Ratio at 3/31/15: 1.0 X

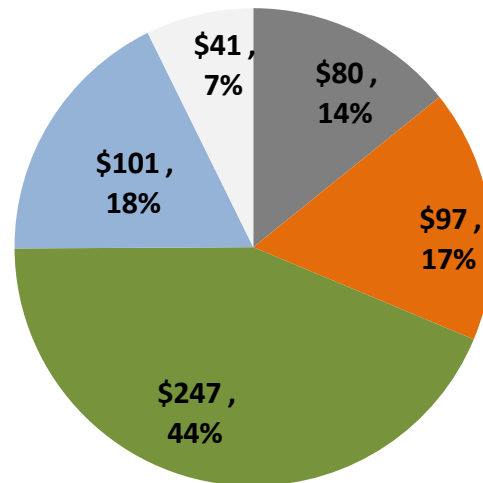


Opportunistic Capital Growth

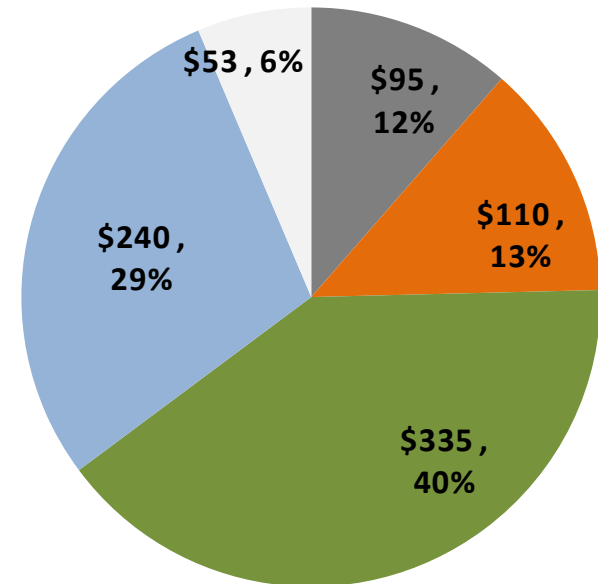
3/31/2013
\$328.4 Million



3/31/2014
\$565.8 Million



3/31/2015
\$833.8 Million



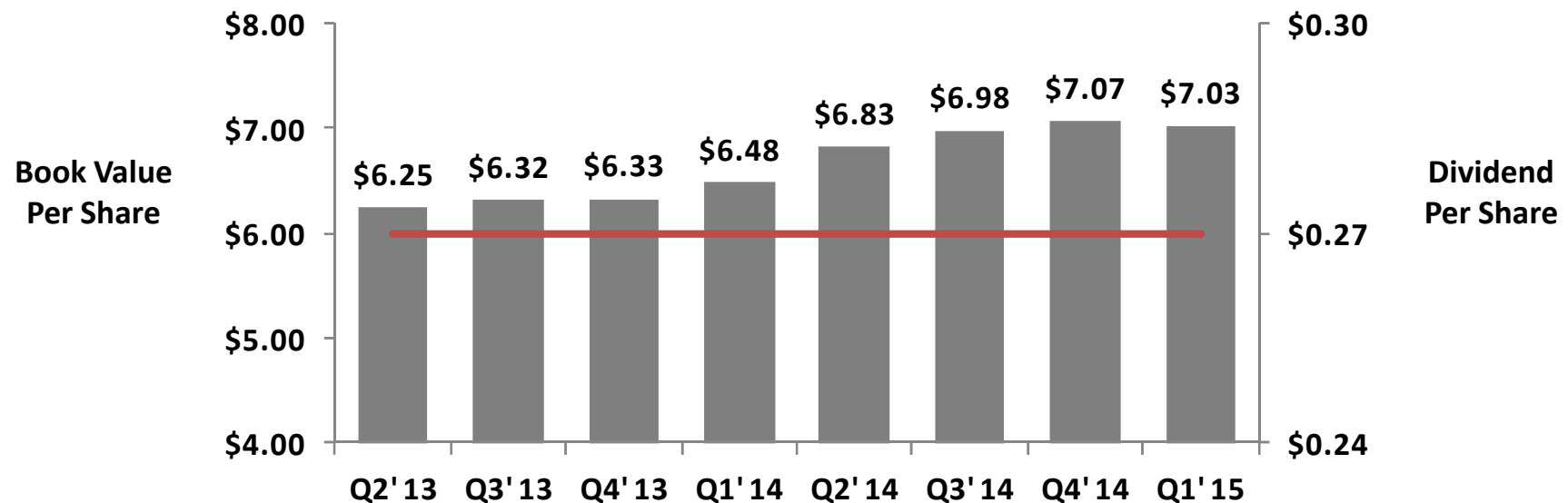
■ Agency RMBS ■ Agency IOs ■ Multi-Family CMBS ■ Distressed Residential Loans ■ Other





Stability Through Portfolio Diversification

2014 Economic Return (Change in Book Value plus Dividends) : 28.8%

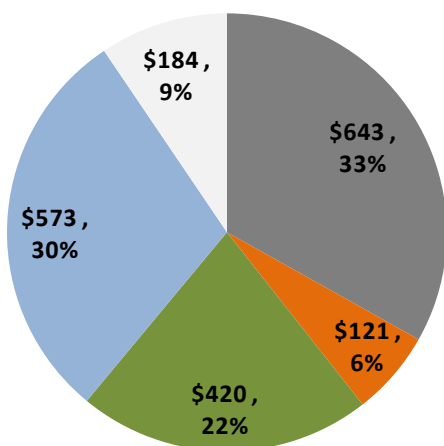




Investment Portfolio Overview: March 31, 2015

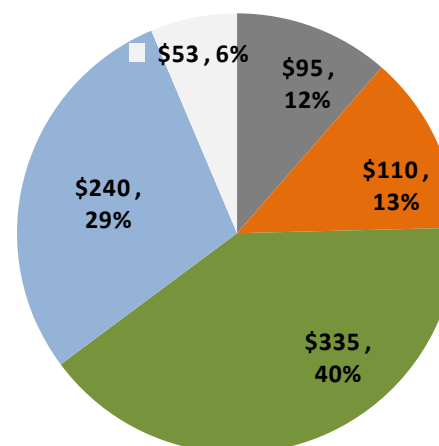
Carrying Value ⁽¹⁾

Total: \$1,942 million



Allocated Capital

Total: \$833 million



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

(1) Multi-Family Carrying Value and Non callable liabilities exclude effects of accounting consolidation requirements (See our December 31, 2014 Form 10-K filed with the SEC for a reconciliation)



Capital Allocation: December 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	\$643,185	\$121,369	\$420,474	\$572,837	\$142,677	\$41,226	\$1,941,768
Liabilities							
Callable	(556,556)	(63,185)		(238,228)			(857,969)
Non callable			(83,630)	(116,682)	(138,367)	(45,000)	(383,679)
Hedges, net	1,272	(877)					395
Cash	2,924	49,005	1,736			83,603	137,268
Other	4,417	3,646	(3,435)	22,326	991	(31,969)	(4,024)
Net capital allocated	<u>\$95,242</u>	<u>\$109,958</u>	<u>\$335,145</u>	<u>\$240,253</u>	<u>\$5,301</u>	<u>\$47,860</u>	<u>\$833,759</u>
External Managers:							
		Midway	RiverBanc	Headlands			
Leverage:							
Current	5.8	0.6	0.2	1.5			Total Debt to Equity: 1.5x
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





Capital Allocation: March 31, 2015

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Net Portfolio Spread:							
Asset Interest Yield ⁽¹⁾	2.01%	10.84%	11.80%	7.23%	2.29%	36.54%	6.37%
Cost of Funds ⁽¹⁾	<u>-0.85%</u>	<u>-1.23%</u>	<u>-7.15%</u>	<u>-4.03%</u>	<u>-0.67%</u>	<u>-4.08%</u>	<u>-2.22%</u>
Net Interest Spread	<u>1.16%</u>	<u>9.61%</u>	<u>4.65%</u>	<u>3.20%</u>	<u>1.62%</u>	<u>32.46%</u>	<u>4.15%</u>

External Managers:	Midway	RiverBanc	Headlands	
Leverage:				
Current	5.8	0.6	0.2	1.5
Target	8x - 11x	1x - 2x	1x - 1.5x	1x - 3x

Total Debt to Equity: 1.5x

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⁽¹⁾ Represents weighted average





Strategic Investment Priorities

1. Residential Loans:

- Performing and re-performing distressed residential loans (externally managed by Headlands Asset Management)
- Newly originated jumbo / Non QM loans

2. 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 in RMI LLC

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)