



New York Mortgage Trust Enters Into Definitive Agreement To Sell Its Wholesale Lending Assets To Tribeca Lending Corp.

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New York Mortgage Trust Enters Into Definitive Agreement to Sell Its Wholesale Lending Assets to Tribeca Lending Corp. NEW YORK, Feb. 15 /PRNewswire-FirstCall/ -- New York Mortgage Trust, Inc. (NYSE: NTR, "NYMT" or the "Company") today announced that, as a part of its previously announced exploration of strategic alternatives, it has entered into a definitive agreement to sell substantially all of the assets of the wholesale lending origination business located in Bridgewater, New Jersey of its wholly owned taxable REIT subsidiary, The New York Mortgage Company, LLC ("NYMC"), to Tribeca Lending Corp., a wholly owned subsidiary of Franklin Credit Management Corporation (Nasdaq: FCMC) for a purchase price consisting of 50 basis points of the principal amount of the Pipeline Loans closed within 90 days after the closing of the transaction, the book value of fixed assets or "furniture, fixtures and equipment," totaling approximately \$485,000 and a pipeline mortgage adjustment marking all locked pipeline loans to market.

As part of the transaction, Tribeca Lending will acquire substantially all of the operating assets, including the existing pipeline of locked and unlocked mortgage applications ("Pipeline Loans"), assume certain lease liabilities related to NYMC's Bridgewater, New Jersey wholesale lending office and the Pipeline Loans, and make employment offers to approximately 60 NYMC wholesale lending employees. The transaction is subject to customary closing requirements and is expected to close by the end of February 2007.

As previously announced, the Company's Board of Directors has been engaged over the past several months in discussions with several companies, a number of which expressed interest in acquiring some or all of NYMT. On February 7, 2007 NYMT announced an asset sale of the Company's retail lending businesses to IndyMac Bank, F.S.B. and the continued strategic option review for NYMT.

Milestone Advisors, LLC acted as financial advisor and Tarter Krinsky & Drogin LLP served as legal counsel to New York Mortgage Trust on this transaction.

About New York Mortgage Trust

New York Mortgage Trust, Inc., a real estate investment trust (REIT), is engaged in the origination of and investment in residential mortgage loans throughout the United States. The Company, through its wholly owned taxable REIT subsidiary, The New York Mortgage Company, LLC ("NYMC"), originates a broad spectrum of residential loan products with a focus on high credit quality, or prime, loans. In addition to prime loans, NYMC also originates jumbo loans, alternative-A loans, sub-prime loans and home equity or second mortgage loans through its retail and wholesale origination branch network. The Company's REIT portfolio is comprised not subject to federal income tax provided that it distributes at least 90% of its REIT taxable income to its stockholders.

For more information about New York Mortgage Trust please visit <http://www.nymtrust.com>.

Safe Harbor Regarding Forward-Looking Statements

Certain statements contained in this press release, including statements relating to the proposed transaction with Tribeca Lending Corporation and NYMT's strategic options, may be deemed to be forward-looking statements that predict or describe future events or trends. The matters described in these forward-looking statements are subject to known and unknown risks, uncertainties and other unpredictable factors, many of which are beyond the Company's control. The Company faces many risks that could cause its actual performance to differ materially from the results predicted by its forward-looking statements, including, without limitation, that the Company may fail to satisfy all of the closing conditions pursuant to the Asset Purchase Agreement, the possibilities that a rise in interest rates may cause a decline in the market value of the Company's assets, a decrease in the demand for mortgage loans may have a negative effect on the Company's volume of closed loan originations, prepayment rates may change, borrowings to finance the purchase of assets may not be available on favorable terms, the Company may not be able to maintain its qualification as a REIT for federal tax purposes, the Company may experience the risks associated with investing in real estate, including changes in business conditions and the general economy, and the Company's hedging strategies may not be effective. The reports that the Company files with the Securities and Exchange Commission contain a fuller description of these and many other risks to which the Company is subject. Because of those risks, the Company's actual results, performance or achievements may differ materially from the results, performance or achievements contemplated by its forward-looking statements. The information set forth in this news release represents management's current expectations and intentions. The Company assumes no responsibility to issue updates to the forward-looking matters discussed in this press release.

SOURCE New York Mortgage Trust, Inc.

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