New York Mortgage Trust Logo

New York Mortgage Trust Provides Business Update as of April 7, 2020

April 7, 2020

NEW YORK, April 07, 2020 (GLOBE NEWSWIRE) -- New York Mortgage Trust, Inc. (Nasdaq: NYMT) (the "Company") today announced the following updates with respect to its business.

"The Company continues to navigate the difficult financial and economic environment resulting from the global pandemic of the COVID-19 virus," said Steven R. Mumma, the Company's Chairman and Chief Executive Officer. "Since March 30, 2020, the date of the Company's last market update, the Company has made significant progress in strengthening its liquidity position. Due to this progress and certain of the portfolio management decisions noted below, the Company is current with its repurchase agreement payment obligations, including margin requirements, and is no longer in a position to need forbearance agreements from its repurchase agreement financing counterparties."

The Company announced the following updates as of the close of business on April 7, 2020:

- The Company has reduced its outstanding repurchase agreement financing with respect to mortgage-backed securities ("MBS") to approximately $150 million with one counterparty.

- The continued reduction in the Company's MBS repurchase agreement financing exposure was achieved through a combination of the sale of $291 million in MBS since March 27, 2020 and a $250 million increase in repurchase agreement financing with respect to the Company's residential mortgage loan portfolio. The increased financing is collateralized by previously unencumbered residential mortgage loans. The reduction in the Company's repurchase agreement financing for MBS significantly lowers the Company's MBS mark-to-market financing exposure, which was a primary factor in the reduction of liquidity to mortgage REITs in recent weeks.

- In addition to the $150 million of outstanding repurchase agreement financing collateralized by non-Agency RMBS noted above, the Company has approximately $962 million of outstanding repurchase agreement financing secured by residential mortgage loans, resulting in total outstanding repurchase agreement financing of approximately $1.1 billion.

- The Company is current with all of its repurchase agreement financing payment obligations including margin requirements.

- The Company has a total investment portfolio of approximately $3.0 billion, including approximately $1.1 billion of unencumbered assets comprised primarily of $554 million of non-Agency RMBS, $276 million of CMBS and $272 million of residential mortgage loans, and approximately $200 million in cash.

- The Company estimates that its total debt leverage ratio is 0.7 to 1.

"The Company also continues to explore term financing options for the approximately $859 million of unencumbered securities in its investment portfolio," added Mr. Mumma. "To the extent we are successful in obtaining term financing for this portfolio, we believe such financing could enhance our liquidity position and provide opportunities to invest in this new operating landscape."

About New York Mortgage Trust

New York Mortgage Trust, Inc. is a Maryland corporation that has elected to be taxed as a real estate investment trust for federal income tax purposes ("REIT"). NYMT is an internally managed REIT in the business of acquiring, investing in, financing and managing mortgage-related and residential housing-related assets and targets structured multi-family property investments such as multi-family CMBS and preferred equity in, and mezzanine loans to, owners of multi-family properties, residential mortgage loans (including distressed residential mortgage loans, non-QM loans, second mortgage loans and other residential mortgage loans), non-Agency RMBS, Agency RMBS, Agency CMBS and other mortgage-related, residential housing-related and credit-related assets.

Cautionary Note Regarding Forward-Looking Statements

When used in this press release or other written or oral communications, statements which are not historical in nature, including those containing words such as "will," "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "could," "would," "should," "may", "expect" or similar expressions, are intended to identify "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, as such, may involve known and unknown risks, uncertainties and assumptions. Statements regarding the following subjects, among others, may be forward-looking: the availability of other financing options and whether such financing options could enhance liquidity or provide opportunities to invest. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results and outcomes could differ materially from those projected in these forward-looking statements due to a variety of factors, including, without limitation, changes in interest rates and the market value of the Company's assets; changes in credit spreads; changes in the long-term credit ratings of the U.S., Fannie Mae, Freddie Mac, and Ginnie Mae; market volatility; changes in prepayment rates on the loans the Company owns or that underlie the Company's investment securities; increased rates of default and/or decreased recovery rates on the Company's assets; the Company's ability to identify and acquire its targeted assets, including assets in its investment pipeline; changes in the Company's relationships with its financing counterparties and its ability to borrow to finance its assets and the terms thereof; the Company's ability to predict and control costs; changes in governmental laws, regulations or policies affecting the Company's business; the Company's ability to maintain its qualification as a REIT for federal tax purposes; the Company's ability to maintain its exemption from registration under the Investment Company Act of 1940, as amended; risks associated with investing in real estate assets, including changes in business conditions and the general economy, and conditions in the market for Agency RMBS, non-Agency RMBS, ABS and CMBS securities, residential mortgage loans, structured multi-family investments and other mortgage-, residential housing- and credit-related assets, including changes resulting from the ongoing spread and economic effects of the novel coronavirus (COVID-19). These and other risks, uncertainties and factors, including the risk factors described in the Company's reports filed with the SEC pursuant to the Exchange Act, could cause the Company's actual results to differ materially from those projected in any forward-looking statements it makes. 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 the Company. Except as required by law, the Company is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For Further Information

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Source: New York Mortgage Trust, Inc.