

NEW YORK MORTGAGE TRUST INC
Form DEF 14A
April 26, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

(RULE 14a-101)

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Under Rule 14a-12

NEW YORK MORTGAGE TRUST, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

1301 Avenue of the Americas

New York, New York 10019

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON JUNE 14, 2006

To Our Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders (the Annual Meeting) of New York Mortgage Trust, Inc. (the Company, we, our, or us) on Wednesday, June 14, 2006 at 10:00 a.m., local time, at The Warwick New York Hotel, 65 West 54th Street, New York, NY 10019 to consider and take action on the following:

1. To elect eight members to the Board of Directors for a term of one year each;
2. To consider and act upon a proposal to ratify and approve, the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2006; and
3. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The Board of Directors has set the close of business on April 21, 2006 as the record date for determining the stockholders entitled to notice and to vote at the Annual Meeting. Only stockholders of record on that date are entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof. You may vote by mail by completing and returning the enclosed proxy in the envelope provided. Please see the attached proxy statement for more details on how you can vote.

The Board of Directors appreciates and encourages your participation in the Company's Annual Meeting. Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented. Accordingly, please complete, sign, date and return the enclosed proxy card to vote your shares by mail. If you attend the Annual Meeting, you may revoke your proxy and vote in person. Your proxy is revocable in accordance with the procedures set forth in this proxy statement.

By order of the Board of Directors,

New York, New York

April 26, 2006

Steven B. Schnall

Chairman of the Board, President and
Co-Chief Executive Officer

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1301 Avenue of the Americas

New York, New York 10019

PROXY STATEMENT

GENERAL INFORMATION

Proxy Solicitation

This proxy statement is furnished in connection with the solicitation of proxies by our Board of Directors for use at the Annual Meeting of Stockholders (the Annual Meeting) to be held at The Warwick New York Hotel, 65 West 54th Street, New York, New York 10019 on Wednesday, June 14, 2006 at 10:00 a.m., local time, and at any adjournment and postponement thereof. Our Board of Directors is requesting that you allow your shares to be represented and voted at the Annual Meeting by the proxies named on the enclosed card. This proxy statement and the accompanying proxy card were first sent to stockholders on or about April 26, 2006. Our Board of Directors is requesting that you allow your shares to be represented and voted at the Annual Meeting by the proxies named on the enclosed card.

The mailing address of our principal executive offices is 1301 Avenue of the Americas, New York, New York 10019. We maintain an internet website at www.nymtrust.com. Information at or connected to our website is not and should not be considered part of this proxy statement.

The Company will bear the costs of this solicitation including the costs of preparing, assembling and mailing proxy materials and the handling and tabulation of proxies received. In addition to solicitation by mail, proxies may be solicited by our directors, officers and employees, at no additional compensation, by telephone, personal interviews or otherwise. Banks, brokers or other nominees and fiduciaries will be requested to forward the proxy materials to beneficial owners and to obtain authorization for the execution of proxies. We will, upon request, reimburse such parties for their reasonable expenses in forwarding proxy materials to beneficial owners.

No person is authorized to give any information or to make any representation not contained in this proxy statement and, if given or made, you should not rely on that information or representation as having been authorized by us. The delivery of this proxy statement shall not, under any circumstances, imply that there has been no change in the information set forth since the date of this proxy statement.

Purposes of the Annual Meeting

The principal purposes of the Annual Meeting are to: (1) elect eight members to the Board of Directors; (2) ratify and approve the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal

year ending December 31, 2006; and (3) transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof. Our Board of Directors knows of no other matters other than those stated above to be brought before the Annual Meeting.

VOTING

How to Vote Your Shares

You may vote your shares at our Annual Meeting in person. If you cannot attend our Annual Meeting in person, or you wish to have your shares voted by proxy even if you do attend our Annual Meeting, you may vote by duly authorized proxy. If you hold your shares in your own name as a holder of record, you may instruct the proxies to vote your shares by completing, signing, dating and mailing the proxy card in the postage-paid envelope provided. Properly signed and returned proxies will be voted in accordance with the instructions contained therein. If the proxy card is signed, dated and returned, but voting directions are not made, the proxy will be voted for each of the director nominees, for ratification and approval of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2006 and in such manner as the proxy holders named on the enclosed proxy card, in their discretion, determine upon such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof. To vote in person, you must attend our Annual Meeting and obtain and submit a ballot, which will be provided at the meeting.

How to Revoke Your Proxy

If you have already returned your proxy to us, you may revoke your proxy at any time before it is exercised at our Annual Meeting by any of the following actions:

-

by notifying our Secretary in writing that you would like to revoke your proxy;

-

by completing a proxy card with a later date and by returning it to us at or before our Annual Meeting; or

-

by attending our Annual Meeting and voting in person. (Note, however, that your attendance at our Annual Meeting, by itself, will not revoke a proxy you have already returned to us; you must also vote your shares in person at our Annual Meeting to revoke an earlier proxy.)

If your shares of common stock are held on your behalf by a broker, bank or other nominee, you must contact them to receive instructions as to how you may revoke your proxy instructions.

Record Date for Our Annual Meeting; Who Can Vote at Our Annual Meeting; Voting Procedures and Vote Required

Our Board of Directors has fixed the close of business on April 21, 2006 as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting and all adjournments or postponements thereof. As of the close of business on April 21, 2006, the Company had outstanding 18,191,996 shares of common stock. On all matters to come before the Annual Meeting, each holder of common stock will be entitled to vote at the Annual Meeting and will be entitled to one vote for each share owned.

The representation in person or by proxy of a majority of the votes entitled to be cast on the matters to be considered at the meeting is necessary to provide a quorum for voting at the Annual Meeting. If you have returned valid proxy instructions or if you hold your common stock in your own name as a holder of record and attend the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum. If a quorum is not

present, the Annual Meeting may be adjourned by the vote of a majority of the shares represented at the Annual Meeting until a quorum has been obtained.

The vote of a plurality of all the votes cast at the Annual Meeting at which a quorum is present is necessary for the election of a director. There is no cumulative voting in the election of directors.

The affirmative vote of a majority of the votes cast at the Annual Meeting at which a quorum is present is necessary for ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2006.

For purposes of the election of directors and ratification of the appointment of our independent registered public accounting firm, abstentions will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for the purpose of determining the presence of a quorum.

Under applicable New York Stock Exchange rules (the exchange on which our common stock is traded), brokers, banks or other nominees (collectively referred to as "brokers") holding shares of our common stock for

beneficial owners in nominee or street name must vote those shares according to the specific instructions they receive from the beneficial owners. However, brokers or nominees holding shares for a beneficial owner may not receive voting instructions from the beneficial owner and under the NYSE's rules may not have discretionary voting power on non-routine matters. In these cases, if no specific voting instructions are provided by the beneficial owner, the broker may not vote on non-routine proposals. This results in what is known as a broker non-vote. Since the election of directors and the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm are routine matters for which specific instructions from beneficial owners are not required under the NYSE's rules, no broker non-votes will arise in the context of voting for the eight director nominees or the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal 2006.

If you do not provide voting instructions to your broker for our common stock held in nominee or street name, your brokerage firm may either (1) vote your shares on routine matters, including this year's election of directors and the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm or (2) leave your shares unvoted. As discussed above, if you do not provide specific voting instructions to your broker and your broker returns the signed proxy card, but leaves your shares unvoted, the named proxy holders will vote your shares in their discretion. To be certain that your shares are voted at our Annual Meeting, we encourage you to provide instructions to your brokerage firm or return your proxy.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors has fixed the number of directors at eight. The eight persons named below are nominated to serve on the Board of Directors until the 2007 Annual Meeting of Stockholders or until such time as their respective successors are elected and qualified. Each nominee is currently a director of our company. The Board of Directors has no reason to believe that the persons named below as nominees for directors will be unable, or will decline to serve, if elected.

Nominees for Election as Directors

The following table sets forth the names and biographical information concerning each of the directors nominated for election at the Annual Meeting:

Name	Principal Occupation	Director	
		Since	Age
David A. Akre	Vice Chairman and Co-Chief Executive Officer of the Company	2003	48
David R. Bock	Chief Financial Officer, I-Trax, Inc.	2004	62
Alan L. Hainey	Owner and Manager, Carolina Dominion LLC	2004	60
Steven G. Norcutt	Executive Vice President and Chief Operating Officer, Centennial Mortgage Funding, Inc.	2004	46
Mary Dwyer Pembroke	Chief of Staff of the Council on Foundations	2004	48
Steven B. Schnell	Chairman of the Board, President and Co-Chief Executive Officer of the Company	2003	39
Jerome F. Sherman	Independent financial consultant	2004	66
Thomas W. White	Senior Advisor, Beekman Advisors	2004	68

David A. Akre is Vice-Chairman of our Board of Directors and is our Co-Chief Executive Officer, a position he has held since our formation in 2003. Prior to co-founding our company, Mr. Akre served as Vice President in Capital

Markets at Thornburg Mortgage Corporation, a publicly traded residential mortgage REIT, from 1997 to 2003. From 1995 to 1997, Mr. Akre was a whole loan trader at Principal Asset Markets, a subsidiary of Principal Life, a boutique whole loan broker-dealer located in New Jersey. From 1988 to 1995, Mr. Akre served in a variety of positions, including Vice President, with GE Capital Mortgage Corporation. These positions included responsibility for mortgage pipeline hedging, bidding bulk fixed-rate loan pools, securitization of specific mortgage portfolios for public pension funds, and brokering loans between mortgage insurance clients. From 1985 to 1988, Mr. Akre worked in institutional taxable fixed income sales for Security Pacific Merchant Bank in New York, and prior to that, Mr. Akre worked in mortgage origination for three mortgage banking companies in New York. Mr. Akre received a B.S. in nautical science from the United States Merchant Marine Academy.

David R. Bock has served as a member of our board of directors since completion of our initial public offering (IPO) in June 2004. Mr. Bock is Chief Financial Officer of I-Trax, Inc., a publicly traded (AMEX) healthcare company, a position he has held since 2004. From 1995 to 2004, Mr. Bock was a managing Partner of Federal City Capital Advisors, a strategic consulting and advisory firm. From 2000 to 2002, Mr. Bock also served as Executive Vice President and Chief Financial Officer of Pedestal Inc., an online mortgage-backed securities trading platform. From 1992 to 1995, Mr. Bock served as a Managing Director at Lehman Brothers. Prior to joining Lehman Brothers, Mr. Bock served as Director, Operations Staff at The World Bank, where he was responsible for integrating policy, strategy and budget across four geographic regions and where he served as a member of the bank's senior management investment committee. Mr. Bock also served in a number of other management positions at The World Bank from 1974 to 1979 and 1982 to 1989 including Director, Bank Group Financial Policy, Director, Country Debt Restructuring and Liability Management and Division Chief, Funding Strategy. From 1979 to 1982, Mr. Bock was a partner of Atlantic Resources, a merchant bank focused on energy, agriculture and transportation projects in the Mid-Atlantic region of the U.S. Prior to this, Mr. Bock was an associate at McKinsey & Company. Mr. Bock received a B.A. in Philosophy from the University of Washington and M.Phil. in Economics from Oxford University, where he was a Rhodes Scholar.

Alan L. Hainey has served as a member of our board of directors since completion of our IPO in June 2004. Mr. Hainey is the owner and manager of Carolina Dominion, LLC, a real estate brokerage development and investment firm that he founded in 2004. In 2001, Mr. Hainey incorporated and funded the Merrill L. Hainey Family Foundation, a not-for-profit charitable organization dedicated to academic achievement through scholarships, where he continues to serve as President. From 1996 to 2000, Mr. Hainey operated an independent consulting practice providing advisory and marketing services to clients engaged in insurance, mortgage finance and investment management. From 1990 to 1996, Mr. Hainey served as President and Chief Operating Officer of GE Capital's mortgage banking businesses and was a member of the GE Capital corporate executive council. From 1983 to 1990, Mr. Hainey served as President of GE Capital Mortgage Securities. Mr. Hainey received a B.A. with honors and a J.D. from the University of Missouri and a Master of Management with distinction from the Kellogg School of Northwestern University.

Steven G. Norcutt has served as a member of our board of directors since completion of our IPO in June 2004. Since May 2001, Mr. Norcutt has served as Executive Vice President and Chief Operating Officer of Centennial Mortgage and Funding, Inc., a residential mortgage banking company based in Minnesota. Mr. Norcutt's responsibilities at Centennial Mortgage and Funding, Inc., include oversight of firm profitability, diversification of product mix, recruiting, technology, production management, financial management and financial reporting. Prior to joining Centennial Mortgage and Funding, Inc., Mr. Norcutt served as Senior Vice President and Portfolio Manager of Structured Finance for Reliastar Investment Research, Inc. from 1993 through 2001. Mr. Norcutt joined Reliastar Investment Research, Inc. in 1988 as Vice President and Portfolio Manager of Residential Mortgage Loans. Mr. Norcutt received a M.B.A. in Finance from the University of Minnesota and a B.S. in Finance from St. Cloud State University.

Mary Dwyer Pembroke has served as a member of our board of directors since completion of our IPO in June 2004. Ms. Pembroke serves as Chief of Staff of the Council on Foundations, a position to which she was named in February 2006. Prior to this, Ms. Pembroke was Director of the Campaign for Special Olympics, a position she held from March 2004 until January 2006. Ms. Pembroke has served as a government relations strategist for the Student Loan Marketing Association from 2003 to 2004 and served as Counsel, Government Relations for BlackBird Technologies from 2001 to 2003. From 2001 to 2002, Ms. Pembroke served as a government relations consultant for Freddie Mac and from 1994 to 2001 Ms. Pembroke served as the Director, Government Relations for Freddie Mac. Prior to her service with Freddie Mac, Ms. Pembroke served as a Manager, International Risk Assessment with FMC Corporation, a Manager, Government Relations and Community Development with Citibank, counsel to the Housing and Urban Affairs Subcommittee of the United States Senate Banking Committee and as a legislative assistant to a United States Congressman. Ms. Pembroke received a B.A. in History, Political Science and French from Marquette University and a J.D. from Marquette University.

Steven B. Schnall is our Chairman, President and Co-Chief Executive Officer. Mr. Schnall has served as Chairman and Co-Chief Executive Officer since our formation in 2003 and was named President in July 2005. Prior to co-founding our company, Mr. Schnall co-founded The New York Mortgage Company, LLC (NYMC) in 1998, where he has served, since inception, as President and Chief Executive Officer. From 1992 until 1998, Mr. Schnall founded and served as the President of New York Mortgage Corp., one of the predecessors of NYMC. Prior to

forming New York Mortgage Corp. in 1992, Mr. Schnall worked for Price Waterhouse, a big eight public accounting firm. Mr. Schnall received a B.S. cum laude in accounting from the University of Florida.

Jerome F. Sherman has served as a member of our board of directors since completion of our IPO in June 2004. Since May 1999, Dr. Sherman has worked as a financial consultant to various corporations and as an economic and financial expert in litigation matters. Prior to that time, Dr. Sherman spent 29 years teaching both undergraduate and graduate finance courses at Creighton University and the University of Nebraska-Lincoln. Prior to that time, Dr. Sherman spent five years as a registered representative and owner of a small brokerage firm and five years in the research and corporate finance departments of two regional brokerage firms. Dr. Sherman has served on a variety of corporate and civic boards in Omaha and other locations in the Midwest. Dr. Sherman has served as an economic and financial expert in more than 1,500 legal proceedings during the past thirty years. Dr. Sherman received a B.S. in Mathematics from Regis College, a M.A. in Finance and Economics from Memphis State University and a Ph.D. in Finance from the University of Mississippi.

Thomas W. White has served as a member of our board of directors since completion of our IPO in June 2004. Since 2003, Mr. White has served as Senior Advisor to Beekman Advisors, a strategic financial advisory and investment management firm focused on the affordable housing sector. Since 2001, Mr. White has served as a member of the board of trustees of CharterMac (NYSE: CHC) where he also serves as a member of the board's investment committee. Mr. White also serves on the board of directors of Enterprise Community Investment Inc., a for-profit subsidiary of the Enterprise Community Partners Inc., formerly the Enterprise Foundation, a privately-held company. In 2001, Mr. White retired as a Senior Vice President of Fannie Mae where he served in a variety of positions since 1987. From 1986 to 1987, Mr. White served as an investment banker with Bear Stearns, Inc. From 1979 to 1986, Mr. White was the executive vice president of the National Council of State Housing Agencies. Mr. White received a B.A. in History from Wayne State University.

Our Board of Directors recommends that stockholders vote FOR the election of each of the nominees.

PROPOSAL 2: RATIFICATION AND APPROVAL OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of our Board of Directors has appointed Deloitte & Touche LLP as our company's independent registered public accounting firm for the year ending December 31, 2006. Although stockholder approval is not required, we desire to obtain from our stockholders an indication of their approval or disapproval of the Audit Committee's action in appointing Deloitte & Touche LLP as the independent registered public accounting firm of our company. If our stockholders do not ratify and approve this appointment, the appointment will be reconsidered by the Audit Committee and our Board of Directors. For additional information regarding our independent registered public accounting firm, see Relationship with Independent Registered Public Accounting Firm below.

We expect that a representative of Deloitte & Touche LLP will be present at our annual meeting, where the representative will be afforded an opportunity to make a statement and to respond to appropriate questions.

Our Board of Directors recommends that you vote FOR the ratification and approval of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2006.

INFORMATION ON OUR BOARD OF DIRECTORS AND ITS COMMITTEES

Independence of Our Board of Directors

Our Bylaws and Corporate Governance Guidelines and the listing standards of the New York Stock Exchange require that a majority of our directors be independent. Our Board of Directors has adopted the categorical standards prescribed by the NYSE to assist the Board in evaluating the independence of each of the directors. The categorical standards describe various types of relationships that could potentially exist between a board member and our company and sets thresholds at which such relationships would be deemed to be material. Provided that no relationship or transaction exists that would disqualify a director under the categorical standards and the Board determines, taking into account all facts and circumstances, that no other material relationship between our company and the director exists of a type not specifically mentioned in the categorical standards, including certain business

relationships for which disclosure is required in this proxy statement, the Board of Directors will deem such person to be independent. A director shall not be independent if he or she satisfies any one or more of the following criteria:

- director who is, or who has been within the last three years, an employee of our company, or whose immediate family member is, or has been within the last three years, an executive officer, of the Company;

- director who has received or who has an immediate family member, serving as an executive officer, who has received, during any twelve-month period within the last three years, more than \$100,000 in direct compensation from our company (excluding director and committee fees and pension/other forms of deferred compensation for prior service that is not contingent in any way on continued service);

- (i) a director who is or whose immediate family member is a current partner of a firm that is our company's internal or external auditor; (ii) a director who is a current employee of such a firm; (iii) a director who has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (iv) a director who was or whose immediate family member was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on our company's audit within that time;

- director who is or has been within the last three years, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of our company's present executives at the same time serves or served on that company's compensation committee; or

- director who is a current employee, or whose immediate family member is a current executive officer, of a company that has made payments to, or received payments from, our company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues (as reported for the last completed fiscal year).

Under these criteria, our Board of Directors has determined that the following members of our Board are independent: David R. Bock, Alan L. Hainey, Steven G. Norcutt, Mary Dwyer Pembroke, Jerome F. Sherman and Thomas W. White. We presently have eight directors, including these six independent directors.

Our Board of Directors has established standing committees to assist it in the discharge of its responsibilities. The principal responsibilities of each committee are described below. Actions taken by any committee of our Board of

Directors are reported to the Board of Directors, usually at the meeting following such action.

Executive Sessions of Our Non-Management Directors

The non-management directors of our Board of Directors will occasionally meet in executive sessions that exclude members of the management team. There were twelve (12) executive sessions held during the year ended December 31, 2005. Our Board of Directors has determined that a Discussion Leader should chair all meetings of non-management directors. During these meetings, the Discussion Leader has the power to lead the meeting, set the agenda and determine the information to be provided. The Discussion Leader position rotates among the chairs of each of the independent Board Committees in the following order: Nominating & Corporate Governance Committee, Compensation Committee and Audit Committee. Stockholders and other interested persons may contact the Discussion Leader in writing by mail c/o New York Mortgage Trust, Inc., 1301 Avenue of the Americas, New York, New York 10019, Attention: Michael I. Wirth, Secretary. All such letters will be forwarded to the Discussion Leader for the next meeting of our non-executive management directors.

Audit Committee

The Audit Committee of the Board of Directors is comprised of Messrs. Sherman (Chairman), Bock and Norcutt. Our Board of Directors has determined that each of the Audit Committee members is independent, as that term is defined under the enhanced independence requirements for Audit Committee members set forth in the rules of the Securities and Exchange Commission (SEC), the listing standards of the NYSE and our Bylaws and Corporate Governance Guidelines, and that each of the members of the Audit Committee is financially literate, as that term is interpreted by our Board of Directors. In addition, our Board of Directors has determined that each of Messrs. Bock and Sherman is an audit committee financial expert as that term is defined in the SEC rules. The Audit Committee operates under a written charter adopted by our Board of Directors. The primary duties and responsibilities of the Audit Committee include, among other things:

- serving as an independent and objective body to monitor and assess our compliance with legal and regulatory requirements, our financial reporting process and related internal control systems and the performance generally of our internal audit function;
- overseeing the audit and other services of our independent registered public accounting firm and being directly responsible for the appointment, independence, qualifications, compensation and oversight of our independent registered public accounting firm, who will report directly to the audit committee;
- providing an open means of communication among our independent registered public accounting firm, accountants, financial and senior management, our internal audit and our corporate compliance areas and our Board of Directors;
- resolving any disagreements between our management and our independent registered public accounting firm regarding our financial reporting;
- meeting at least quarterly with our senior executives, internal audit staff and independent registered public accounting firm; and
- preparing the audit committee report for inclusion in our annual proxy statements for our annual stockholder meeting.

The Audit Committee met seven (7) times during the year ended December 31, 2005, and each of the members attended 75% or more of the meetings.

For more information, please see [Audit Committee Report](#) beginning on page 23.

Compensation Committee

The Compensation Committee of the Board of Directors is comprised of Messrs. White (Chairman), Bock, Hainey, Norcutt and Sherman and Ms. Pembroke. Our Board of Directors has determined that each of the Compensation Committee members is independent in accordance with the Company's independence criteria discussed above under Independence of Our Board of Directors. The Compensation Committee operates under a written charter adopted by our Board of Directors. In addition, the Compensation Committee administers our incentive compensation plans and equity-based compensation plans and programs, including our 2005 Stock Incentive Plan (the "2005 Plan"). The Committee's basic responsibility is to assure that our Co-Chief Executive Officers, other officers and key management are compensated fairly and effectively in a manner consistent with our company's stated compensation strategy, competitive practice, applicable regulatory requirements and performance results.

The Compensation Committee met four (4) times during the year ended December 31, 2005, and each of the members attended all meetings.

For more information, please see Compensation Committee Report on Executive Compensation beginning on page 19.

Nominating & Corporate Governance Committee

The Nominating & Corporate Governance Committee of the Board of Directors is comprised of Ms. Pembroke (Chairwoman) and Messrs. Hainey, Norcutt, Sherman and White. Our Board of Directors has determined that each of the Nominating & Corporate Governance Committee members is independent in accordance with the Company's independence criteria discussed above under Independence of Our Board of Directors. The Nominating & Corporate Governance Committee operates under a written charter adopted by our Board of Directors. Among other duties, this committee:

-

identifies, selects, evaluates and recommends to our Board of Directors candidates for service on our Board; and

-

oversees the evaluation of our Board of Directors and management.

The Nominating & Governance Committee met four (4) times during the year ended December 31, 2005, and each of the members attended all meetings.

Other Committees

From time to time, our Board of Directors may establish other committees as circumstances warrant. Those committees will have the authority and responsibility as delegated to them by our Board of Directors.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to our executive officers, including our principal executive officers and principal financial officer, and to our other employees. We have also adopted a Code of Ethics for Senior Financial Officers, including the principal financial officer. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K relating to amendments to or waivers from any provision of either of these Code of Ethics applicable to our co-chief executive officers and chief financial officer by posting such information on our website at www.nymtrust.com, Investor Relations, Corporate Governance.

Availability of Corporate Governance Materials

Stockholders may view our corporate governance materials, including the charters of the Audit Committee, the Compensation Committee and the Nominating & Corporate Governance Committee, our Corporate Governance Guidelines, our Code of Business Conduct and Ethics and our Code of Ethics for Senior Financial Officers, on our website at www.nymtrust.com, and these documents are available in print to any stockholder upon request by writing to New York Mortgage Trust, Inc., 1301 Avenue of the Americas, New York, New York 10019, Attention: Michael I. Wirth, Secretary. Information at or connected to our website is not and should not be considered a part of this proxy statement.

Director Nominations

The Nominating & Corporate Governance Committee of the Board of Directors performs the functions of a nominating committee, including identifying, evaluating and recommending to our Board of Directors candidates for service on our Board of Directors who satisfy the qualification requirements described in our Corporate Governance Guidelines.

The Nominating & Corporate Governance Committee's charter provides that the committee will consider candidates recommended by stockholders for service on our Board of Directors. Stockholders should submit any such recommendations for the consideration of the Nominating & Corporate Governance Committee through the method described under "Communications with Our Board of Directors" below. In addition, any stockholder of record entitled to vote for the election of directors at the 2007 Annual Meeting of Stockholders may nominate persons for election to the Board of Directors if that stockholder complies with the notice procedures summarized in "Stockholder Proposals for Our 2007 Annual Meeting" below.

The Nominating & Corporate Governance Committee evaluates all director candidates in accordance with the directors qualification standards described in our Corporate Governance Guidelines. The committee evaluates any candidate's qualifications to serve as a member of the Board of Directors based on the skills and characteristics of individual Board members as well as the composition of the Board as a whole. In addition, the Nominating & Corporate Governance Committee will evaluate a candidate's independence, diversity, skills and experience in the context of the Board of Directors' needs.

Communications with Our Board of Directors

Our Board of Directors has approved unanimously a process for stockholders to send communications to our Board. Stockholders can send communications to our Board of Directors and, if applicable, to any committee or to specified individual directors in writing c/o New York Mortgage Trust, Inc., 1301 Avenue of the Americas, New York, New

York 10019, Attention: Michael I. Wirth, Secretary. The Company does not screen mail, except when warranted for security purposes, and all such letters will be forwarded to our Board of Directors and any such specified committee or individual directors.

Stockholder Proposals for Our 2007 Annual Meeting

Our Board of Directors will provide for presentation of proposals by our stockholders at the 2007 Annual Meeting of Stockholders, provided that these proposals are submitted by eligible stockholders who have complied with the relevant regulations of the SEC regarding stockholder proposals.

Stockholders intending to submit proposals for presentation at our 2007 Annual Meeting of Stockholders, scheduled to be held in June 2007, must submit their proposals in writing, and we must receive these proposals at our executive offices on or before December 28, 2006 for inclusion in our proxy statement and the form of proxy relating to our 2007 Annual Meeting. We will determine whether or not to include any proposal in our proxy statement and form of proxy on a case-by-case basis in accordance with our judgment and the regulations governing the solicitations of proxies and other relevant regulations of the SEC. We will not consider proposals received after December 28, 2006 for inclusion in our proxy materials for our 2007 Annual Meeting of Stockholders.

Although stockholder proposals received by us after December 28, 2006 will not be included in our proxy statement or proxy card for the 2007 Annual Meeting of Stockholders, stockholder proposals may be included in the agenda for the 2007 Annual Meeting of Stockholders if properly submitted in accordance with our Bylaws. Our Bylaws provide that in order for a stockholder to nominate a candidate for election as a director at an annual meeting of stockholders or propose business for consideration at such meeting, notice must be given in writing to our Secretary not later than the close of business on the 90th day prior to the first anniversary of the date of mailing of the notice for the preceding year's annual meeting nor earlier than the close of business on the 120th day prior to the first anniversary of the date of mailing of the notice for the preceding year's annual meeting. As a result, any notice given by or on behalf of a stockholder pursuant to the provisions of our Bylaws must be delivered in writing via personal delivery or United States certified mail, postage prepaid to our Secretary c/o New York Mortgage Trust, Inc., 1301 Avenue of the Americas, New York, New York 10019, Attn: Secretary, not earlier than December 28, 2006, and not later than January 27, 2007. The stockholder filing the notice of nomination must include:

-

As to the stockholder giving the notice:

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the name and address of such stockholder and/or stockholder associated person, as they appear on our stock ledger, and current name and address, if different;

-

the class, series and number of shares of stock of our company beneficially owned by that stockholder and/or stockholder associated person; and

-

to the extent known, the name and address of any other stockholder supporting the nominee for election or re-election as a director, or the proposal of other business known on the date of such stockholder's notice; and

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As to each person whom the stockholder proposes to nominate for election as a director:

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the name, age, business address and residence address of the person;

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the class, series and number of shares of stock of our company that are beneficially owned by the person;

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the date such shares were acquired and the investment intent of such acquisition;

-

all other information relating to the person that is required to be disclosed in solicitations of proxies for election of directors or is otherwise required by the rules and regulations of the SEC; and

-

the written consent of the person to be named in the proxy statement as a nominee and to serve as a director if elected.

In order for a stockholder to bring other business before a stockholder meeting, timely notice must be received by us within the time limits described above. That notice must include:

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the information described above with respect to the stockholder proposing such business;

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description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; and

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any material interest of the stockholder in such business.

Directors Attendance at Meetings of our Board of Directors and Annual Meeting

Our Board of Directors held twelve (12) meetings, including four regularly scheduled quarterly meetings, during 2005. All incumbent directors attended 75% or more of the aggregate number of meetings of the Board of Directors and its committees on which they served during 2005.

The Company has a policy that directors attend the Annual Meeting of Stockholders.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Acquisition of Membership Interests in The New York Mortgage Company, LLC

In connection with our initial public offering, or IPO, we entered into a contribution agreement, dated as of December 22, 2003, with Steven B. Schnall, our Chairman, President and Co-Chief Executive Officer, and Joseph V. Fierro, the Chief Operating Officer of NYMC, as amended and restated on March 25, 2004, as further amended and restated on April 29, 2004 (the Contribution Agreement), pursuant to which we acquired from Messrs. Schnall and Fierro and their affiliates all of the outstanding membership interests in NYMC in exchange for a total of 2,750,000 shares of our common stock.

Pursuant to the Contribution Agreement, 70,000 of the shares of common stock issued to Mr. Schnall and his affiliate and 30,000 of the shares of common stock issued to Mr. Fierro and his affiliate as consideration for their interests in NYMC were placed in escrow through December 31, 2004 (the Escrow Shares) for the purpose of satisfying any indemnification claims we may have against the contributors of the NYMC membership interests under the Contribution Agreement during the escrow period for losses we incurred as a result of defaults on residential mortgage loans originated by NYMC and closed prior to completion of our IPO. On December 31, 2004, Messrs. Schnall and Fierro forfeited 33,376 and 14,304 of the Escrow Shares, respectively, to satisfy certain indemnification claims known as of December 31, 2004 and agreed to extend the escrow period for the balance of the Escrow Shares to December 31, 2005. On December 31, 2005, Messrs. Schnall and Fierro again agreed to extend the escrow period for the balance of the Escrow Shares to December 31, 2006 or the date upon which all indemnification claims have been satisfied, whichever occurs first.

Pursuant to the Contribution Agreement, we agreed to indemnify each of Messrs. Schnall and Fierro and their affiliates against all liabilities, losses, damages, costs, claims, obligations and expenses (including reasonable attorneys' fees) that either or both of them may suffer or incur by reason of (i) any breach of our representations, warranties, covenants or agreements contained in the Contribution Agreement, (ii) any act or cause of action occurring or accruing on or after the closing date of our IPO (the closing date) and arising from our ownership or operation of NYMC on or after the closing date and (iii) any personal guarantee of NYMC's obligations by either or both of Messrs. Schnall or Fierro in existence prior to or as of the closing date of our acquisition of NYMC or relating to any liability or obligation of NYMC. As of April 15, 2006, no claims under this indemnification provision have arisen.

Investment by Steven B. Schnall and Joseph V. Fierro in Centurion Abstract, LLC

Steven B. Schnall owns a 48% membership interest and Joseph V. Fierro owns a 12% membership interest in Centurion Abstract, LLC (Centurion), which provides title insurance brokerage services for certain title insurance providers. From time to time, NYMC refers its mortgage loan borrowers to Centurion for assistance in obtaining title insurance in connection with their mortgage loans, although the borrowers have no obligation to utilize Centurion's services. When NYMC's borrowers elect to utilize Centurion's services to obtain title insurance, Centurion collects various fees and a portion of the title insurance premium paid by the borrower for its title insurance. Centurion received \$566,309 in fees and other amounts from NYMC borrowers for the year ended December 31, 2005. NYMC does not economically benefit from these referrals.

COMPENSATION OF DIRECTORS

As compensation for serving on our Board of Directors in 2005, each of our non-employee directors received an annual retainer of \$25,000 and a fee of \$1,000 for each full board meeting and any committee meetings on the same day attended in person, a fee of \$750 for each committee meeting attended in person and that occurred on a date different from a full board meeting date and a fee of \$500 for each full board or committee meeting attended

telephonically. In addition, the chairpersons of the Audit, Compensation and Nominating & Corporate Governance committees received annual retainers of \$7,500, \$6,000 and \$5,000, respectively, for their service. In addition, each of our non-employee directors received a grant of 2,500 shares of our common stock in September 2005.

Effective March 28, 2006, as compensation for serving on our Board of Directors, each of our non-employee directors began receiving a fee of \$1,000 for each full board meeting attended in person or telephonically and a fee of \$1,000 for each committee meeting attended in person or telephonically, provided such committee meeting occurred on a date different from a full board meeting date. In the case of quarterly meetings, which are normally held over two days and include multiple committee meetings, our non-employee directors will receive a fee of \$2,000 regardless of the number of board and committee meetings held on those days. When multiple board and/or committee meetings are held on days other than on the days of the regularly scheduled quarterly board meetings, our non-employee directors will receive a maximum fee of \$1,000 per day regardless of the number of board and committee meetings held on that day. Non-employee directors will continue to receive an annual retainer of \$25,000 and the chairpersons of the Audit, Compensation and Nominating & Corporate Governance committees will continue to receive annual retainers of \$7,500, \$6,000 and \$5,000, respectively, for their service. In addition, each of our non-employee directors will receive a grant of 2,500 shares of our common stock annually.

Our directors have been, and will continue to be, reimbursed by us for reasonable out-of-pocket expenses incurred in connection with their service on the Board of Directors and any and all committees.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under federal securities laws, our executive officers, directors and any persons beneficially owning more than ten percent (10%) of a registered class of our equity securities are required to report their ownership and any changes in that ownership to the Securities and Exchange Commission and to the New York Stock Exchange. These persons are also required by SEC rules and regulations to furnish us with copies of these reports. Precise due dates for these reports have been established, and we are required to report in this proxy statement any failure to timely file these reports by those due dates by our directors and executive officers during 2005.

Based on our review of the reports and amendments to those reports furnished to us or written representations from our directors and executive officers that these reports were not required from those persons, we believe that all of these filing requirements were satisfied by our directors and executive officers during 2005, except that Mr. Hainey failed to timely file a Form 4 with respect to a single purchase of common stock in September 2005. This transaction has since been reported and all transactions are reflected in this proxy statement.

EXECUTIVE OFFICERS

The following table contains information regarding our executive officers. These officers are appointed annually by our Board of Directors and serve at the Board's discretion.

Name	Age	Position
Steven B. Schnell	39	Chairman of the Board, President and Co-Chief Executive Officer
David A. Akre	48	Vice Chairman of the Board and Co-Chief Executive Officer
Michael I. Wirth	47	Chief Financial Officer, Executive Vice President, Secretary and Treasurer
Steven R. Mumma	47	Chief Operating Officer and Chief Investment Officer
Joseph V. Fierro	45	Chief Operating Officer of NYMC
A. Bradley Howe	37	Senior Vice President, General Counsel and Assistant Secretary

For information on Messrs. Schnall and Akre, please see their respective biographical descriptions provided above under the caption Proposal 1: Election of Directors Nominees for Election as Directors.

Michael I. Wirth is our Chief Financial Officer, Executive Vice President, Secretary and Treasurer, a position he has held since our formation in 2003. Prior to co-founding our company, Mr. Wirth served from 2002 to 2003 as Chief Financial Officer of Newcastle Investment Corp., a publicly traded mortgage REIT. Mr. Wirth also served as a Senior Vice President of Fortress Investment Group, the external advisor of Newcastle, from 2002 to 2003. From 2000 to 2002, Mr. Wirth served as the Senior Vice President and Chief Financial Officer of the following three publicly traded companies: Charter Municipal Mortgage Acceptance Company (now known as CharterMac), a residential finance company; American Mortgage Acceptance Company, a mortgage REIT; and Aegis Realty Inc., a

retail property REIT. Mr. Wirth also served as a Senior Vice President of Related Capital Company, which externally managed each of the foregoing companies from 2000 to 2002. From 1997 to 2000, Mr. Wirth served as a Vice President at CGA Investment Management, a monoline insurer of structured debt and an investor in real estate and asset-backed securities. From 1988 to 1997, Mr. Wirth was a Senior Manager with the Real Estate Consulting Practice of Deloitte & Touche where he specialized in real estate capital markets and the financial services industry. From 1986 to 1988, Mr. Wirth was the Chief Financial Officer of Cochran Properties, Inc., a commercial real estate development company based in Atlanta, Georgia. Mr. Wirth was a Senior Accountant with Deloitte Haskins & Sells specializing in real estate and banking from 1983 to 1986. Mr. Wirth received a B.B.A. from Georgia State University and is a member of the American Institute of Certified Public Accountants.

Steven R. Mumma is our Chief Operating Officer, a position he has held since November 2003, and our Chief Investment Officer, a position to which he was named in July 2005. From September 2000 to September 2003, Mr. Mumma was a Vice President of Natexis ABM Corp, a wholly-owned subsidiary of Natexis Banques Populaires. From 1997 to 2000, Mr. Mumma served as a Vice President of Mortgage-Backed Securities trading for Credit Agricole. Prior to joining Credit Agricole, from 1988 to 1997, Mr. Mumma was a Vice President of Natexis ABM Corp. Prior to joining Natexis ABM Corp., from 1986 to 1988, Mr. Mumma was a Controller for PaineWebber Real Estate Securities Inc., the mortgage-backed trading subsidiary of PaineWebber Inc. Prior to joining PaineWebber, from 1984 to 1985, Mr. Mumma worked for Citibank in its Capital Markets Group, as well as for Ernst & Young. Mr. Mumma is a certified public accountant, and received a B.B.A. cum laude from Texas A&M University.

Joseph V. Fierro is a co-founder of NYMC and its Chief Operating Officer, a position he has held since 1998. Prior to co-founding NYMC, Mr. Fierro was the founder in 1989 and President of First Security Financial Services, Inc, a wholesale mortgage banker providing niche mortgage products to mortgage brokers nationwide. During this time, Mr. Fierro served on the advisory committees for Shearson-Lehman Mortgage and Household Mortgage Services. Prior to founding First Security Financial Services, from 1984 to 1989, Mr. Fierro was employed as Senior Vice President at Resource Mortgage Banking Ltd., one of the first mortgage banking firms licensed by the State of New York. Mr. Fierro attended Newburgh Free Academy and Mount St. Mary's College, where he studied Computer Science and Business Management.

A. Bradley Howe is our General Counsel and Assistant Secretary, positions he has held since October 2005, and a Senior Vice President, a position to which he was named in March 2006. From March 2004 to September 2005, Mr. Howe was a Vice President and General Counsel of Hanover Capital Mortgage Holdings, Inc. From April 1999 to February 2004, Mr. Howe was Vice President and Assistant General Counsel of Covanta Projects, Inc. Prior to joining Covanta Projects, Mr. Howe worked with the law firm of Kelley, Drye & Warren LLP and prior to that with the law firm of Hunton & Williams LLP. Mr. Howe received an A.B. in Economics from Princeton University and a J.D. from Boston University.

SHARE OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information, as of April 1, 2006, regarding our common stock owned of record or known by us to be owned beneficially by each director and nominee for director, each executive officer and all directors, nominees and executive officers as a group. At April 1, 2006, we had 18,191,996 shares of common stock outstanding. Except as set forth in the footnotes to the table below, each of the stockholders identified in the table has sole voting and investment power over the common stock beneficially owned by that person. The address for each individual listed below is: c/o New York Mortgage Trust, Inc., 1301 Avenue of the Americas, New York, New York 10019.

Beneficial Owners	Number of Shares of Common Stock Beneficially Owned(1)	Percent of Class(1)
Steven B. Schnall(2)	2,226,626	12.2 %
Joseph V. Fierro(3)	959,326	5.3 %
Raymond A. Redlingshafer, Jr.(4)	95,683	*
David A. Akre(5)	92,303	*
Michael I. Wirth(6)	75,530	*
Steven R. Mumma(7)	33,417	*
Jerome F. Sherman(8)	15,000	*
Steven G. Norcutt(8)	7,500	*
Mary Dwyer Pembroke(8)	7,400	*
Alan L. Hainey(8)	7,000	*
Thomas W. White(8)	5,500	*
David R. Bock(8)	5,000	*
All directors and executive officers as a group (13 persons)	3,434,602 (1)(2)(3)(4) (6)(7)(8)	18.9 %

*

Represents less than one percent of our issued and outstanding shares.

(1)

All amounts shown in this column include shares obtainable upon exercise of stock options or any other right currently exercisable or exercisable within 60 days of April 1, 2006. Percent ownership assumes that all shares obtainable upon exercise of stock options or any other right currently exercisable or exercisable within 60 days of April 1, 2006 are obtained by such person, but assumes that none of the shares obtainable by other persons (listed in this table) upon exercise of stock options or any other right currently exercisable or exercisable within 60 days of April 1, 2006 are obtained. In calculating the percentage of class for our directors, our director nominees and our executive officers as a group, we have included all of the shares owned beneficially by each person listed in this table, except for those shares beneficially owned by Mr. Redlingshafer, who ceased to be employed by us effective June 30,

2005.

(2)

Includes 1,855,000 shares issued to Mr. Schnall and his affiliate in connection with our acquisition of the outstanding membership interests in NYMC. Includes 71,352 shares of restricted stock granted to Mr. Schnall upon completion of our IPO, which shares vested one-third upon grant, with the balance of the restricted stock vesting ratably over three years from the date of grant. Includes 123,550 fully vested stock options granted to Mr. Schnall upon completion of our IPO with an exercise price equal to our IPO price of \$9.00. Includes 36,624 Escrow Shares. Includes 140,000 shares of our common stock purchased by Mr. Schnall in our IPO through a directed share program.

(3)

Includes 795,000 shares issued to Mr. Fierro and his affiliate in connection with our acquisition of the outstanding membership interests in NYMC. Includes 30,580 shares of restricted stock granted to Mr. Fierro upon completion of our IPO, which shares vested one-third upon grant, with the balance of the restricted stock vesting ratably over three years from the date of grant. Includes 52,950 fully vested stock options granted to Mr. Fierro upon completion of our IPO having an exercise price equal to our IPO price of \$9.00. Includes 15,696 Escrow Shares. Includes 60,000 shares of our common stock purchased by Mr. Fierro in our IPO through a directed share program.

(4)

Includes 95,583 shares of restricted stock granted to Mr. Redlingshafer upon completion of our IPO, all of which became fully vested effective June 30, 2005, the date on which Mr. Redlingshafer ceased being an employee of our company.

(5)

Includes 95,583 shares of restricted stock granted to Mr. Akre upon completion of our IPO less 8,380 shares to satisfy the income tax withholding for this restricted stock grant. The restricted stock award vested one-third upon grant, with the balance of the restricted stock vesting ratably over three years from the date of grant.

(6)

Includes 74,430 shares of restricted stock granted to Mr. Wirth upon completion of our IPO. The restricted stock award vested one-third upon grant, with the balance of the restricted stock vesting ratably over three years from the date of grant.

(7)

Includes 29,597 shares of restricted stock granted to Mr. Mumma upon completion of our IPO. The restricted stock award vested one-third upon grant, with the balance of the restricted stock vesting ratably over three years from the date of grant.

(8)

Includes 2,500 shares of stock granted to each of Mr. Bock, Mr. Hainey, Mr. Norcutt, Ms. Pembroke, Mr. Sherman and Mr. White, respectively, upon completion of our IPO. Includes 2,500 shares of stock granted to each of Mr. Bock, Mr. Hainey, Mr. Norcutt, Ms. Pembroke, Mr. Sherman and Mr. White, respectively, as compensation for serving as members of our Board of Directors in 2005.

SHARE OWNERSHIP BY CERTAIN BENEFICIAL OWNERS

To our knowledge, based solely upon information filed pursuant to Section 13 of the Securities Exchange Act of 1934, as amended, beneficial owners of more than 5% of our common stock as of April 1, 2006, are as follows:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
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