

AG Mortgage Investment Trust, Inc.  
Form 10-Q  
May 03, 2019  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2019

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-35151

AG MORTGAGE INVESTMENT TRUST, INC.

Maryland 27-5254382  
(State or Other Jurisdiction of (I.R.S. Employer  
Incorporation or Organization) Identification No.)  
245 Park Avenue, 26th Floor 10167  
New York, New York  
(Address of Principal Executive Offices) (Zip Code)  
(212) 692-2000  
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 and Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large Accelerated filer  Accelerated filer  Non-Accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbols:	Name of each exchange on which registered:
Common Stock, \$0.01 par value per share	MITT	New York Stock Exchange (NYSE)

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8.25% Series A Cumulative Redeemable Preferred Stock	MITT PrA	New York Stock Exchange (NYSE)
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8.00% Series B Cumulative Redeemable Preferred Stock	MITT PrB	New York Stock Exchange (NYSE)
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As of April 23, 2019, there were 32,709,397 outstanding shares of common stock of AG Mortgage Investment Trust, Inc.

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## PART I

## ITEM 1. FINANCIAL STATEMENTS

AG Mortgage Investment Trust, Inc. and Subsidiaries  
 Consolidated Balance Sheets (Unaudited)  
 (in thousands, except per share data)

	March 31, 2019	December 31, 2018
Assets		
Real estate securities, at fair value:		
Agency - \$2,240,880 and \$1,934,562 pledged as collateral, respectively	\$2,287,981	\$1,988,280
Non-Agency - \$640,396 and \$605,243 pledged as collateral, respectively (1)	659,340	625,350
ABS - \$12,594 and \$13,346 pledged as collateral, respectively	20,199	21,160
CMBS - \$266,689 and \$248,355 pledged as collateral, respectively	276,403	261,385
Residential mortgage loans, at fair value - \$117,830 and \$99,283 pledged as collateral, respectively	202,047	186,096
Commercial loans, at fair value - \$2,467 and \$- pledged as collateral, respectively	110,223	98,574
Single-family rental properties, net	137,886	138,678
Investments in debt and equity of affiliates	102,099	84,892
Excess mortgage servicing rights, at fair value	24,301	26,650
Cash and cash equivalents	50,779	31,579
Restricted cash	37,266	52,779
Other assets	98,617	33,503
Total Assets	\$4,007,141	\$3,548,926
Liabilities		
Financing arrangements, net	\$3,214,909	\$2,822,505
Securitized debt, at fair value	10,515	10,858
Dividend payable	16,352	14,372
Other liabilities	33,729	45,180
Total Liabilities	3,275,505	2,892,915
Commitments and Contingencies (Note 14)		
Stockholders' Equity		
Preferred stock - \$0.01 par value; 50,000 shares authorized:		
8.25% Series A Cumulative Redeemable Preferred Stock, 2,070 shares issued and outstanding (\$51,750 aggregate liquidation preference)	49,921	49,921
8.00% Series B Cumulative Redeemable Preferred Stock, 4,600 shares issued and outstanding (\$115,000 aggregate liquidation preference)	111,293	111,293
Common stock, par value \$0.01 per share; 450,000 shares of common stock authorized and 32,703 and 28,744 shares issued and outstanding at March 31, 2019 and December 31, 2018, respectively	327	287
Additional paid-in capital	661,561	595,412
Retained earnings/(deficit)	(91,466 )	(100,902 )
Total Stockholders' Equity	731,636	656,011
Total Liabilities & Stockholders' Equity	\$4,007,141	\$3,548,926

The accompanying notes are an integral part of these consolidated financial statements.

(1) See Note 3 for details related to variable interest entities.

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AG Mortgage Investment Trust, Inc. and Subsidiaries  
 Consolidated Statements of Operations (Unaudited)  
 (in thousands, except per share data)

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Net Interest Income		
Interest income	\$41,490	\$39,357
Interest expense	23,341	15,326
Total Net Interest Income	18,149	24,031
Other Income/(Loss)		
Rental income	3,397	—
Net realized gain/(loss)	(20,610 )	(11,839 )
Net interest component of interest rate swaps	1,781	(1,470 )
Unrealized gain/(loss) on real estate securities and loans, net	46,753	(36,155 )
Unrealized gain/(loss) on derivative and other instruments, net	(10,086 )	37,090
Other income	596	—
Total Other Income/(Loss)	21,831	(12,374 )
Expenses		
Management fee to affiliate	2,345	2,439
Other operating expenses	3,830	3,223
Equity based compensation to affiliate	126	51
Excise tax	92	375
Servicing fees	371	62
Property depreciation and amortization	1,447	—
Property operating expenses	1,843	—
Total Expenses	10,054	6,150
Income/(loss) before equity in earnings/(loss) from affiliates	29,926	