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

Schedule 13G

Under the Securities Exchange Act of 1934
(Amendment No. 2)*

Arbor Realty Trust, Inc.

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

038923108

(CUSIP Number)

December 31, 2005

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

☐ Rule 13d-1(b)

☒ Rule 13d-1(c)

☐ Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1

CUSIP No. 038923108

13G

Page 2 of 10 Pages

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1 NAMES OF REPORTING PERSONS

Wesley Capital Management, LLC (f/k/a AW Asset Management, L.L.C.)

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY):

52-2280947

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

5 SOLE VOTING POWER

-0-

6 SHARED VOTING POWER

624,530 (See Item 4)

7 SOLE DISPOSITIVE POWER

-0-

8 SHARED DISPOSITIVE POWER

624,530 (See Item 4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

624,530 (See Item 4)

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

3.67%

12 TYPE OF REPORTING PERSON*

OO

* SEE INSTRUCTIONS BEFORE FILLING OUT.

CUSIP No. 038923108

13G

Page 3 of 10 Pages

1 NAMES OF REPORTING PERSONS

Arthur Wrubel

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY):

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) | _ |

(b) | _ |

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF
SHARES
BENEFICIALLY

5 SOLE VOTING POWER

-0-

OWNED BY
EACH
REPORTING
PERSON
WITH

6 SHARED VOTING POWER
624,530 (See Item 4)

7 SOLE DISPOSITIVE POWER
-0-

8 SHARED DISPOSITIVE POWER
624,530 (See Item 4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

624,530 (See Item 4)

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

3.67%

12 TYPE OF REPORTING PERSON*

IN
=====

* SEE INSTRUCTIONS BEFORE FILLING OUT.

CUSIP No. 038923108

13G

Page 4 of 10 Pages

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1 NAMES OF REPORTING PERSONS

John Khoury

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY):

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a) ☐

(b) ☐

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Canada

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

5 SOLE VOTING POWER
-0-

6 SHARED VOTING POWER
624,530 (See Item 4)

7 SOLE DISPOSITIVE POWER
-0-

8 SHARED DISPOSITIVE POWER
624,530 (See Item 4)

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

624,530 (See Item 4)

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

3.67%

12 TYPE OF REPORTING PERSON*

IN
=====

* SEE INSTRUCTIONS BEFORE FILLING OUT.

CUSIP No. 038923108

13G

Page 5 of 10 Pages

Item 1

(a) Name of Issuer:

The name of the issuer is Arbor Realty Trust, Inc. (the "Company").

(b) Address of Issuer's Principal Executive Offices:

The Company's principal executive office is located at 333 Earle
Ovington Blvd., Suite 900, Uniondale, NY 11553.

Item 2

(a) Name of Person Filing:

This Amendment No. 2 to Schedule 13G is being jointly filed by
Wesley Capital Management LLC, a Delaware limited liability company (the
"Management Company"), Mr. Arthur Wrubel and Mr. John Khoury with respect to the
ownership of the shares of Common Stock of the Issuer by three hedge funds and
two managed accounts (collectively, the "Funds") for which the Management
Company serves investment manager or advisor. (1) Mr. Wrubel, Mr. Khoury and the
Management Company are referred to in this Schedule 13G/A as the "Reporting
Persons."

The Reporting Persons have entered into a Joint Filing
Agreement, dated February 13, 2006, a copy of which is filed with this Schedule
13G as Exhibit A, pursuant to which the Reporting Persons have agreed to file
this statement jointly in accordance with the provisions of Rule 13d-1(k) (1)
under the Act.

(b) Address of Principal Business Office or, if none, Residence:

The address of the principal business office of each of the
Reporting Persons is 535 Madison Avenue, 26th Floor, New York, New York 10022.

(1) The Management Company serves as investment manager or advisor to Wesley
Capital L.P., a Delaware limited partnership, Wesley Capital Master Fund
Limited, a Cayman Islands corporation, Wesley Capital QP, L.P., a Delaware
limited partnership, and two managed accounts. Accordingly, the Management
Company may be deemed to be the beneficial owner of the shares of Common
Stock of the Issuer held by the Funds. Mr. Wrubel and Mr. Khoury are
Managing Members of the Management Company, and together they control its
business activities. Accordingly each of Mr. Wrubel and Mr. Khoury may be
deemed to be the beneficial owner of the shares of Common Stock of the
Issuer held by the Funds. The Management Company, Mr. Wrubel and Mr.
Khoury each disclaim beneficial ownership of the shares of Common Stock of
the Issuer held by the Funds, except to the extent of any pecuniary
interest, and this report shall not be deemed to be an admission that they
are the beneficial owners of such securities.

CUSIP No. 038923108

13G

Page 6 of 10 Pages

(c) Citizenship:

The Management Company is organized as a limited liability company under the laws of the State of Delaware. Mr. Wrubel is a United States citizen. Mr. Khoury is a Canadian citizen.

(d) Title of Class of Securities:

Common Stock, par value \$0.01 per share.

(e) CUSIP No.:

038923108

Item 3 If this statement is file pursuant to Rules 13d-1(b), or 13d-2(b), check whether the person filing is a:

Not Applicable.

Item 4 Ownership:

A. Wesley Capital Management, LLC (f/k/a AW Asset Management, L.L.C.) (2)

(a) Amount beneficially owned: 624,530

(b) Percent of class: 3.67%

(c) Number of shares as to which such person has:

(i) Sole power to vote or direct the vote: -0-

(ii) Shared power to vote or direct the vote: 624,530

(iii) Sole power to dispose or direct the disposition: -0-

(iv) Shared power to dispose or direct the disposition: 624,530

B. Arthur Wrubel (2)

(a) Amount beneficially owned: 624,530

(b) Percent of class: 3.67%.

(c) Number of shares as to which such person has:

(2) See note 1.

CUSIP No. 038923108

13G

Page 7 of 10 Pages

(i) Sole power to vote or direct the vote: 0

(ii) Shared power to vote or direct the vote: 624,530

(iii) Sole power to dispose or direct the disposition: 0

(iv) Shared power to dispose or direct the disposition: 624,530

C. John Khoury

- (a) Amount beneficially owned: 624,530
- (b) Percent of class: 3.67%.
- (c) Number of shares as to which such person has:
 - (i) Sole power to vote or direct the vote: 0
 - (ii) Shared power to vote or direct the vote: 624,530
 - (iii) Sole power to dispose or direct the disposition: 0
 - (iv) Shared power to dispose or direct the disposition: 624,530

Item 5 Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof each of the Reporting Persons has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [X].

Item 6 Ownership of More Than Five Percent on Behalf of Another Person:

See response to Item 4.

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

Not applicable.

Item 8 Identification and Classification of Members of the Group:

Not applicable.

Item 9 Notice of Dissolution of Group:

Not applicable.

CUSIP No. 038923108

13G

Page 8 of 10 Pages

Item 10 Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

CUSIP No. 038923108

13G

Page 9 of 10 Pages

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 13, 2006

Wesley Capital Management, LLC

By: /s/ Arthur Wrubel

Name: Arthur Wrubel
Its: Managing Member

Wesley Capital Management, LLC

By: /s/ John Khoury

Name: John Khoury

Its: Managing Member

/s/ Arthur Wrubel

Arthur Wrubel, individually

/s/ John Khoury

John Khoury, individually

8

Exhibit A

AGREEMENT REGARDING THE JOINT FILING OF SCHEDULE 13G

The undersigned hereby agree as follows:

(i) Each of them is individually eligible to use the Schedule 13G to which this Exhibit is attached, and such Schedule 13G is filed on behalf of each of them; and

(ii) Each of them is responsible for the timely filing of such Schedule 13G and any amendments thereto, and for the completeness and accuracy of the information concerning such person contained therein; but none of them is responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

Date: February 13, 2006

Wesley Capital Management, LLC

By: /s/ Arthur Wrubel

Name: Arthur Wrubel

Its: Managing Member

Wesley Capital Management, LLC

By: /s/ John Khoury

Name: John Khoury

Its: Managing Member

/s/ Arthur Wrubel

Arthur Wrubel, individually

/s/ John Khoury

John Khoury, individually