

=====

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
August 5, 2005 (August 3, 2005)

Arbor Realty Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland	001-32136	20-0057959
-----	-----	-----
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

333 Earle Ovington Boulevard, Suite 900 Uniondale, New York 11553

(Address of principal executive offices) (Zip Code)

(516) 832-8002

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to
simultaneously satisfy the filing obligation of the registrant under any of the
following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities
Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange
Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the
Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the
Exchange Act (17 CFR 240.13e-4(c))

=====

Arbor Realty Trust, Inc.
Current Report on Form 8-K

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 5, 2005, Arbor Realty Trust, Inc. (the "Company") issued a
press release announcing its earnings for quarter ended June 30, 2005, a copy of
which is attached hereto as Exhibit 99.1.

ITEM 5.02(d) ELECTION OF DIRECTORS.

On August 3, 2005, the board of directors (the "Board") of the Company
approved an increase in the number of its members from seven directors to nine
directors and elected Ms. Karen Edwards and Mr. Kyle Permut as directors to fill
the two resulting vacancies. Ms. Edwards was elected to serve in the class of
directors whose term expires at the 2006 annual meeting of stockholders. Mr.
Permut was elected to serve in the class of directors whose term expires at the
2007 annual meeting of stockholders. The Board has determined that each of Ms.
Edwards and Mr. Permut are "independent" directors for purposes of rules of the
New York Stock Exchange.

ITEM 8.01 OTHER EVENTS.

On August 3, 2005, the Board declared a quarterly cash dividend of \$0.57 per share of the Company's common stock for the quarter ended June 30, 2005 which is payable on August 31, 2005 to common shareholders of record on August 15, 2005.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

Exhibit Number

99.1 Press Release, dated August 5, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 5, 2005

ARBOR REALTY TRUST, INC.

By: /s/ Frederick C. Herbst

Name: Frederick C. Herbst

Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit Number

99.1 Press Release, dated August 5, 2005.

ARBOR REALTY TRUST REPORTS SECOND QUARTER 2005 RESULTS

Second Quarter Highlights:

- Net income increased 296% to \$22.9 million from 2Q04
- Diluted earnings per share of \$1.36
- New loans and investments of \$171 million
- Declared quarterly dividend of \$0.57 per share, an increase of 4% from last quarter
- Two new independent directors appointed

UNIONDALE, N.Y., Aug. 5 /PRNewswire-FirstCall/ -- Arbor Realty Trust, Inc. (NYSE: ABR), a real estate investment trust focused on the business of investing in real estate related bridge and mezzanine loans, preferred and direct equity investments, mortgage-related securities and other real estate related assets, today announced financial results for the quarter ended June 30, 2005. Arbor reported net income for the quarter of \$22.9 million, or \$1.36 per diluted common share, compared to net income for the quarter ended June 30, 2004 of \$5.8 million, or \$0.38 per diluted common share. Net income for the six months ended June 30, 2005 was \$32.6 million, or \$1.94 per diluted common share, compared to net income for the six months ended June 30, 2004 of \$8.9 million, or \$0.76 per diluted share.

"Our record quarterly results reflect solid execution of our business plan to enhance Arbor's long-term franchise value," said Ivan Kaufman, Chairman and Chief Executive Officer of Arbor. "The financial results for the quarter validate our business model and our previous investor communications. In those communications, we frequently refer to our equity participation interests and the potential value they could have. This quarter we received a distribution in excess of \$36 million from one of these investments, which significantly enhanced our earnings, book value and available capital."

The results for the second quarter include a \$36.5 million distribution from Prime Outlets Acquisition Company LLC ("Prime"), an entity in which Arbor owns an equity and profits interest. Prime refinanced the debt on a portion of the assets in its portfolio, receiving proceeds in excess of the amount of the previously existing debt. The excess proceeds were distributed to each of the partners in accordance with Prime's operating agreement. Of the distribution received by Arbor, \$17.2 million was recorded as interest income, representing the portion of the distribution received from the profits interest pertaining to the Company's mezzanine loan to the borrower. \$8.0 million of the distribution was recorded as income from equity affiliates. An additional \$9.2 million was recorded as deferred revenue because Arbor has guaranteed a portion of the new debt. Finally, \$2.1 million was recorded as a return of Arbor's equity investment.

During the quarter, Arbor originated 12 loans and investments totaling \$152 million. "The quarterly loan volume is in line with our expectations and reflects the strength of our origination platform in an increasingly competitive market," said Mr. Kaufman. "As we have said all along, we will not chase transactions that do not satisfy our portfolio objectives merely for the sake of growth. Our preference is to close solid transactions, even if they have a slightly lower yield, rather than try to win business based on overly aggressive pricing or proceeds. In addition to our closed loan volume in the second quarter, there was one \$77 million loan, which was previously anticipated to be closed in May, but did not close until July. Assuming that this loan closed on the anticipated schedule, our origination volume and net interest income would have been even higher."

During the quarter 10 loans with an outstanding balance of \$86 million were repaid.

Total revenues for the quarter ended June 30, 2005 were \$39.3 million, an increase of 229% from the second quarter of 2004.

At June 30, 2005, the net balance in the loan and investment portfolio was \$947 million, an increase of 9% from March 31, 2005. The average balance of the

loan and investment portfolio during the second quarter was \$870 million and the average yield on these assets for the quarter was 9.85%, excluding the impact from the Prime distribution. Despite an increase in LIBOR interest rates during the quarter, this yield is lower than the previous quarter because the spreads earned on new loan originations were lower than the spreads on loans that were repaid.

Arbor's investments in mortgage-related securities had a weighted average balance in the second quarter of \$41.5 million and an average yield of 2.08%. These assets were financed by borrowings with a weighted average balance in the quarter of \$39.2 million and an average cost of 3.28%.

Interest expense for the quarter was \$9.7 million, an increase of 193% from the second quarter of 2004. This increase reflects increased average borrowings during the quarter as well as increased interest rates. The average balance of debt financing on the loan and investment portfolio during the quarter was \$646 million and the average cost of these borrowings was 5.80%.

For the quarter, Arbor's manager, Arbor Commercial Mortgage, LLC, earned \$6.7 million of incentive compensation, representing 25% of the amount by which earnings for the four most recent quarters exceeded a 9.5% return on equity, as described in the management agreement with Arbor's manager. Arbor Commercial Mortgage intends to exercise its option to receive \$2.3 million of its incentive compensation in shares of Arbor's common stock.

Financing Activity

Mr. Kaufman commented, "We are taking several steps to enhance the long-term value of our franchise. Since March, we have issued approximately \$100 million of long-term junior subordinated notes. As we've stated in the past, we view the issuance of these notes as a preferable alternative to raising capital. Over the long term, these will be accretive to earnings and maximize the value of our equity participation interests to existing shareholders. Due to timing of originations and payoffs in the quarter, the proceeds from these issuances were not fully deployed, which had a dilutive impact on net interest margin for the second quarter. We believe they will be accretive in the third quarter and we are well positioned to finance future growth of the portfolio."

As of June 30, 2005, Arbor's financing facilities for the loan and investment portfolio totaled approximately \$1 billion and borrowings outstanding under such facilities were \$793 million.

Portfolio Activity

During the second quarter of 2005, we originated 12 new loans and investments totaling \$152 million. Of the new loans and investments, eight were mezzanine loans totaling \$98 million, three were bridge loans totaling \$52 million and there was one preferred equity investment of \$2 million.

During the quarter, approximately \$86 million of loans paid off. Of this amount, \$22 million were scheduled maturities and \$64 million were loans on properties that were either sold or refinanced outside of Arbor.

At June 30, 2005, the loan and investment portfolio unpaid principal balance was \$950.4 million with a weighted average current interest pay rate of 8.77%. At the same date, advances on financing facilities pertaining to the loan and investment portfolio totaled \$793 million, with a weighted average interest rate of 5.55%.

The loan and investment portfolio continues to perform according to terms and there have been no defaults. Arbor continues to seek loans and investments that will generate superior risk-adjusted returns with a long-term objective of capital preservation and earnings stability in varying interest rate and credit cycles.

Dividend

At its meeting on August 3, 2005, the Board of Directors declared a dividend of \$0.57 per share for the quarter ended June 30, 2005, to be paid on August 31, 2005 to shareholders of record on August 15, 2005. This dividend represents a 4% increase over the previous quarter and reflects management's understanding of the importance to investors of a stable and growing dividend.

Equity Participation Interests

"The value of our equity participation interests has always been a topic of interest," commented Mr. Kaufman. "The receipt of the Prime distribution clearly

demonstrates the value these investments could have. Due to the uncertainty of the timing and ultimate value of these investments, our disclosures regarding these investments has been limited. Given the potential values, we are adopting a policy of offering additional data as definitive information is available. There are no assurances that these equity participation interests will ultimately realize any significant value. Attached as an exhibit to this press release is a schedule of certain data pertaining to these investments. We hope this will give potential and existing investors additional information to assist them in making an informed investment decision."

New Independent Directors

At its meeting on August 3, 2005, the Board of Directors appointed two new independent directors, Ms. Karen Edwards and Mr. Kyle Permut.

Ms. Edwards currently serves as Senior Vice President at Asset Management Advisors, an integrated wealth management firm. Prior to her current position, she was the Chief Operating Officer at New Vantage Group. Prior to that, she was a Managing Director of Friedman, Billings, Ramsey.

Mr. Permut is currently retired. He formerly served as Managing Director and head of CIBC World Market's Debt Capital Markets Group in the United States, where he served as a member of the firm's USA Management Committee, its Executive Board and on the Debt Capital Markets Management Committee.

Earnings Conference Call

Management will host a conference call today at 10:00 a.m. EDT. A live webcast of the conference call will be available online at <http://www.arborrealtytrust.com>. Web participants are encouraged to go to Arbor's Web site at least 15 minutes prior to the start of the call to register, download and install any necessary audio software. Listening to the webcast requires speakers and RealPlayer(TM) software, downloadable without charge at <http://www.real.com>. Those without Web access should access the call telephonically at least ten minutes prior to the conference call. The dial-in numbers are (866) 825-3308 for domestic callers and (617) 213-8062 for international callers. The participant passcode for both is 65179976.

After the live webcast, the call will remain available on Arbor's Web site, <http://www.arborrealtytrust.com> through August 26, 2005. In addition, a telephonic replay of the call will be available until August 26, 2005. The replay dial-in number is (888) 286-8010 for domestic callers and (617) 801-6888. Please use passcode: 49540451.

About Arbor Realty Trust, Inc.

Arbor Realty Trust, Inc. is a real estate investment trust which invests in a diversified portfolio of multi-family and commercial real estate related bridge and mezzanine loans, preferred equity investments, mortgage related securities and other real estate related assets. Arbor commenced operations in July 2003 and conducts substantially all of its operations through its operating partnership, Arbor Realty Limited Partnership and its subsidiaries. Arbor is externally managed and advised by Arbor Commercial Mortgage, LLC, a national commercial real estate finance company operating through 15 offices in the US that specializes in debt and equity financing for multi-family and commercial real estate.

Safe Harbor Statement

Certain items in this press release may constitute forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Arbor can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from Arbor's expectations include, but are not limited to, continued ability to source new investments, changes in interest rates and/or credit spreads, changes in the real estate markets, and other risks detailed in the Arbor's Annual Report on Form 10-K for the year ended December 31, 2004 and its other reports filed with the SEC. Such forward-looking statements speak only as of the date of this press release. Arbor expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Arbor's expectations with regard thereto or change in events, conditions, or circumstances on which any such statement is based.

ARBOR REALTY TRUST, INC. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS

Unaudited

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Revenue:				
Interest income	\$ 39,295,309	\$ 11,939,350	\$ 62,416,467	\$ 20,102,741
Other income	46	5,427	387,844	26,531
Total revenue	39,295,355	11,944,777	62,804,311	20,129,272
Expenses:				
Interest expense	9,690,559	3,310,544	18,016,712	5,934,437
Employee compensation and benefits	956,687	617,137	2,110,896	1,230,443
Stock based compensation	372,828	92,806	464,855	207,007
Selling and administrative	927,895	366,843	1,773,774	611,154
Management fee - related party	7,360,947	540,939	8,991,265	834,057
Total expenses	19,308,916	4,928,269	31,357,502	8,817,098
Income before minority interest and income from equity affiliates	19,986,439	7,016,508	31,446,809	11,312,174
Income from equity affiliates	8,006,443	-	8,453,440	-
Income before minority interest	27,992,882	7,016,508	39,900,249	11,312,174
Income allocated to minority interest	5,126,510	1,236,560	7,328,236	2,427,899
Net income	\$ 22,866,372	\$ 5,779,948	\$ 32,572,013	\$ 8,884,275
Basic earnings per common share	\$ 1.36	\$ 0.39	\$ 1.95	\$ 0.77
Diluted earnings per common share	\$ 1.36	\$ 0.38	\$ 1.94	\$ 0.76
Dividends declared per common share	\$ 0.55	\$ 0.35	\$ 1.02	\$ 0.73
Weighted average number of shares of common stock outstanding:				
Basic	16,794,922	14,764,377	16,715,639	11,497,612
Diluted	20,587,501	18,432,278	20,528,073	14,904,925

ARBOR REALTY TRUST, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	June 30, 2005	December 31, 2004
	-----	-----
	(Unaudited)	
Assets:		
Cash	\$ 103,107,951	\$ 6,401,701
Restricted cash	73,836,140	-
Loans and investments, net	939,126,806	831,783,364
Related party loans, net	7,749,538	7,749,538
Available-for-sale securities, at		

fair value	37,983,075	46,582,592
Investment in equity affiliates	17,908,670	5,254,733
Other assets	26,160,427	14,523,249
Total assets	\$ 1,205,872,607	\$ 912,295,177

Liabilities and Stockholders' Equity:

Repurchase agreements	\$ 300,770,741	\$ 409,109,372
Collateralized debt obligations	303,319,000	-
Notes payable	194,911,045	165,771,447
Notes payable - related party	30,000,000	-
Due to related party	-	158,503
Due to borrowers	2,578,819	8,587,070
Other liabilities	27,116,478	5,665,881
Total liabilities	858,696,083	589,292,273

Minority interest	63,467,340	60,249,731
-------------------	------------	------------

Stockholders' equity:

Preferred stock, \$0.01 par value:		
100,000,000 shares authorized;		
3,776,069 shares issued and		
outstanding	37,761	37,761
Common stock, \$0.01 par value:		
500,000,000 shares authorized; 16,879,241		
and 16,467,218 shares issued and		
outstanding at June 30, 2005		
and December 31, 2004,		
respectively	168,792	164,672
Additional paid-in capital	262,272,544	254,427,982
Retained earnings	24,418,388	8,813,138
Deferred compensation	(883,265)	(160,780)
Accumulated other comprehensive loss	(2,305,036)	(529,600)
Total stockholders' equity	283,709,184	262,753,173
Total liabilities and stockholders' equity	\$ 1,205,872,607	\$ 912,295,177

Arbor Realty Trust, Inc.

Summary of Equity Participation Interests

(all dollar amounts in thousands)

unaudited

Name	Initial ART Investment Amount	Investment Date	Current Investment Amount	Profit %	Approximate Square Footage
80 Evergreen	\$ 384	3Q03	\$ 384	12.50%	77,680
930 Flushing	1,126	3Q03	-	12.50%	304,080
Prime Portfolio	2,100	4Q03	-	7.50%	6,700,000
Prime Portfolio			-	16.67%	6,700,000
450 W. 33rd Street	1,500	4Q03	2,711	28.00%	1,746,734
823 Park Avenue	-	3Q04	-	20.00%	50,000
York Avenue	540	3Q04	540	8.70%	n/a
Toy Building	10,000	2Q05	10,000	20.00%	958,000
On The Ave	2,000	2Q05	2,000	33.33%	170,000

Arbor Realty Trust, Inc.

Summary of Equity Participation Interests

(all dollar amounts in thousands)

unaudited

(Continued)

Name	Property Type	Location	Current Debt Balance On Property	Comments
80 Evergreen	Warehouse	Brooklyn, NY	\$ 4,664	
930 Flushing	Warehouse	Brooklyn, NY	25,000	Property refinanced July 2005
Prime Portfolio	Retail Outlets	Multi-state	827,000	Property refinanced June 2005
Prime Portfolio	Retail Outlets	Multi-state		All equity returned to investors
450 W. 33rd Street	Office	New York City	350,000	Preferred return of 12.5%
823 Park Avenue	Conversion	New York City	95,000	*Condo conversion - investment held in Taxable REIT Subsidiary ("TRS")
York Avenue	Conversion	New York City	22,000	
Toy Building	Conversion	New York City	625,000	*Condo conversion - TRS asset
On The Ave	Hotel	New York City	67,000	*Condo/hotel conversion - TRS asset

* - debt balance represents anticipated debt financing required to complete condominium conversion project

Arbor Realty Trust, Inc.

Internal Rate of Return ("IRR") Lookbacks

(all dollar amounts in thousands)

Unaudited

Loan Name	Origination Date	Loan Commitment Amount	Index	Pay Rate@ 30-Jun-05	IRR Rate	
James Hotel	2Q05	\$ 14,500	LIBOR+5.00%	8.14%	16.25%	
135 Greenwich St.	1Q05	11,815	LIBOR+5.00%	8.14%	12.00%	Year 1
			LIBOR+5.00%		13.00%	Year 2
			LIBOR+5.00%		15.00%	Year 3
The Pointe Lakeview	1Q05	5,750	LIBOR+5.00%	8.14%	16.00%	
Waipouli Beach Resort	1Q05	14,300	LIBOR+5.00%	8.14%	12.50%	
Total		\$ 46,365		8.14%	13.98%	

These loans contain a provision whereby upon repayment of the loan, the borrower must make an additional payment in an amount sufficient to give Arbor Realty Trust, Inc. the yield noted in the "IRR Rate" column. Management has not yet determined that these amounts are collectable and, therefore, has not accrued the difference between the current pay rate and the IRR rate.

Contacts:

Arbor Realty Trust, Inc.
Rick Herbst, Chief Financial Officer
516-832-7408
rick.herbst@thearbornet.com

Investors:

Stephanie Carrington/ Denise Roche
The Ruth Group
646-536-7017 / 7008
scarrington@theruthgroup.com
droche@theruthgroup.com

Media:

Bonnie Habyan, SVP of Marketing
516-229-6615
bonnie.habyan@thearbornet.com

SOURCE Arbor Realty Trust, Inc.

-0-

08/05/2005

/CONTACT: Rick Herbst, Chief Financial Officer, Arbor Realty Trust,
+1-516-832-7408, rick.herbst@thearbornet.com; Investors - Stephanie Carrington,
+1-646-536-7017, scarrington@theruthgroup.com, or Denise Roche, +1-646-536-7008,
droche@theruthgroup.com, both of The Ruth Group for Arbor Realty Trust; Media -
Bonnie Habyan, SVP of Marketing, Arbor Realty Trust, +1-516-229-6615,
bonnie.habyan@thearbornet.com/

/Web site: <http://www.arborrealtytrust.com> /