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**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):

**May 10, 2017 (May 9, 2017)**

**Arbor Realty Trust, Inc.**

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

**MARYLAND**

(STATE OF INCORPORATION)

**001-32136**

(COMMISSION FILE NUMBER)

**20-0057959**

(IRS EMPLOYER ID. NUMBER)

**333 Earle Ovington Boulevard, Suite 900**

**Uniondale, New York**

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

**11553**

(ZIP CODE)

**(516) 506-4200**

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

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**Item 8.01 Other Information**

On May 9, 2017, Arbor Realty Trust, Inc., a Maryland corporation (the “Company”), Arbor Realty Limited Partnership, a Delaware limited partnership (the “Partnership”), Arbor Realty SR, Inc., a Maryland corporation (“ARSR”) and Arbor Commercial Mortgage, LLC, a New York limited liability company (“ACM”) entered into Amendment No. 1 (the “Amendment”) to the Option Agreement, dated as of July 14, 2016 (the “Option Agreement” and, together with the Amendment, the “Amended Option Agreement”), by and among the Company, the Partnership, ARSR and ACM to provide that the exercise price for the option provided therein (the “Option”) be payable to ACM in cash, rather than through a combination of cash and common units of the Partnership and to provide for an option closing date of May 31, 2017 (the “Option Closing”).

On May 9, 2017, in accordance with the terms of the Amended Option Agreement, the Partnership provided written notice to ACM of its intent to exercise the Option and fully internalize its management. Pursuant to the Amended Option Agreement, the Company will pay ACM \$25,000,000 plus certain accrued and unpaid compensation and reimbursable expenses to which ACM is entitled under the Management Agreement.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment, which is filed as Exhibit 1.1 to this report, and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits**

(d) *Exhibits*

<u>Exhibit Number</u>	<u>Exhibit</u>
1.1	Amendment No. 1 to the Option Agreement, dated as of May 9, 2017, by and among Arbor Realty Trust, Inc., Arbor Realty Limited Partnership, Arbor Realty SR, Inc. and Arbor Commercial Mortgage, LLC

**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.

ARBOR REALTY TRUST, INC.

By: /s/ Paul Elenio

Name: Paul Elenio

Title: Chief Financial Officer

Date: May 10, 2017

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit</u>
1.1	Amendment No. 1 to the Option Agreement, dated as of May 9, 2017, by and among Arbor Realty Trust, Inc., Arbor Realty Limited Partnership, Arbor Realty SR, Inc. and Arbor Commercial Mortgage, LLC

**AMENDMENT NO. 1 TO  
OPTION AGREEMENT**

May 9, 2017

This Amendment No. 1 (this "Amendment"), to the Option Agreement, dated as of July 14, 2016 (the "Option Agreement") among Arbor Realty Trust, Inc., a Maryland limited liability company (the "Parent REIT"), Arbor Realty Limited Partnership, a Delaware limited partnership (the "Operating Partnership"), Arbor Realty SR, Inc., a Maryland corporation (the "Sub-REIT") and, together with Parent REIT and the Operating Partnership, the "Company"), and Arbor Commercial Mortgage, LLC, a New York limited liability company (the "Manager"), is made and entered into as of the 9<sup>th</sup> day of May, 2017, by and among the Parent REIT, the Operating Partnership, the Sub-REIT and the Manager. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Option Agreement.

WHEREAS, on February 25, 2016, the Parent REIT, the Operating Partnership and Arbor Multifamily Lending, LLC (f/k/a ARSR Acquisition Company, LLC), a Delaware limited liability company, entered into an asset purchase agreement (the "Asset Purchase Agreement") with Arbor Commercial Funding, LLC, a New York limited liability company, and the Manager to purchase the agency business of the Manager (the "Acquisition");

WHEREAS, in connection with the consummation of the Acquisition, on July 14, 2016, the Parent REIT, the Operating Partnership, the Sub-REIT and the Manager entered into the Option Agreement, pursuant to which the Manager granted the Operating Partnership an irrevocable, non-transferable right (the "Option") to (i) purchase all of the Management Business of the Manager and (ii) terminate the Management Agreement;

WHEREAS, the Parent REIT, the Operating Partnership, the Sub-REIT and the Manager desire to amend the Option Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

Section 1. Amendments to the Option Agreement. The Option Agreement is amended as follows, effective as of the date hereof.

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(a) The third sentence of paragraph (b) of Section 1 is hereby deleted and replaced with the following:

“The Exercise Price shall be payable to the Manager in cash via a wire transfer of immediately available funds, to the account specified by the Manager at least three (3) Business Days prior to the Option Closing (as defined below).”

(b) The first sentence of paragraph (c) of Section 1 is hereby deleted and replaced with the following:

“The closing of the transactions contemplated by the Exercise Notice (the “Option Closing”) shall take place at the offices of Dechert LLP 1095 Avenue of the Americas, New York, New York 10036 at 10:00 a.m. New York City time on May 31, 2017, or at such other place or at such other time or on such other date as the Operating Partnership and the Manager mutually may agree in writing (the “Option Closing Date”).”

Section 2. No Other Amendments. Except as set forth in Section 1 above, all the terms and provisions of the Agreement shall continue in full force and effect.

Section 3. Counterparts. This Amendment may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party. This Amendment may be executed by facsimile signature or other electronic signature and such signature shall constitute an original for all purposes.

Section 4. Successors and Assigns. This Amendment will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns, but may not be assigned by any party without the prior written consent of the other parties hereto.

Section 5. Governing Law. This Amendment and all disputes or controversies arising out of or relating to this Amendment or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of New York, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of New York (other than section 5 1401 of the New York General Obligations Law).

*[Signature Page Follows]*

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This Agreement is executed and delivered by duly authorized persons as of the date first above written.

**ARBOR REALTY TRUST, INC.**

By: /s/ Paul Elenio  
Name: Paul Elenio  
Title: Executive Vice President

**ARBOR REALTY LIMITED PARTNERSHIP**

By: Arbor Realty GPOP, Inc., its general partner

By: /s/ Ivan Kaufman  
Name: Ivan Kaufman  
Title: President

**ARBOR REALTY SR, INC.**

By: /s/ Paul Elenio  
Name: Paul Elenio  
Title: Executive Vice President

[Signature Page to Amendment No. 1 Option Agreement]

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**ACCEPTED** as of the date  
first above written:

**ARBOR COMMERCIAL MORTGAGE, LLC**

By: /s/ Ivan Kaufman

Name: Ivan Kaufman  
Title: Chief Executive Officer

[Signature Page to Amendment No. 1 Option Agreement]

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