

ARBOR REALTY TRUST INC  
 Form 4  
 July 02, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 ARBOR COMMERCIAL MORTGAGE LLC

2. Issuer Name and Ticker or Trading Symbol  
 ARBOR REALTY TRUST INC [ABR]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 333 EARLE OVINGTON BOULEVARD, SUITE 900  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 06/30/2008

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
 \_\_\_ Officer (give title below) \_\_\_ Other (specify below)

UNIONDALE, NY 11553

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_X\_ Form filed by One Reporting Person  
 \_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$.01 per share	06/30/2008		J		3,776,069	A	<u>(1)</u> <u>(2)</u> 4,966,273
Special Voting Preferred Stock	06/30/2008		J	<u>(1)</u> <u>(2)</u>	3,776,069	D	<u>(1)</u> <u>(2)</u> 0

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Redeemable Paired Partnership Units	(1) (2)	06/30/2008		C	3,776,069	(3)	(3)	Common Stock of Arbor Realty Trust, Inc.	3,776

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ARBOR COMMERCIAL MORTGAGE LLC 333 EARLE OVINGTON BOULEVARD SUITE 900 UNIONDALE, NY 11553		X		

## Signatures

/s/ Paul Elenio, Chief Financial Officer of Arbor Commerical Mortgage, LLC  
Date: 07/02/2008

Signature of Reporting Person: \_\_\_\_\_ Date: \_\_\_\_\_

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares of Special Voting Preferred Stock (the "SVP Stock") are paired with an equal number of units of limited partnership interest in Arbor Realty Limited Partnership ("ARLP"), the operating partnership of Arbor Realty Trust, Inc. ("ART"). Pursuant to the Amended and Restated Partnership Agreement of ARLP, the units of limited partnership interest held by Arbor Commercial Mortgage, LLC ("ACM") are redeemable at the election of the holder, for cash or, at the election of ART for shares of common stock of ART (the "Redeemable Paired Partnership Units"). When and if ACM redeems a Redeemable Paired Partnership Unit and ART elects to issue ACM shares of ART's common stock upon such redemption, the corresponding shares of SVP Stock are automatically redeemed and cancelled. On June 30, 2008, ACM redeemed 3,776,069 Redeemable Paired Partnership Units and ART elected to issue ACM the equivalent number of shares of ART's common stock upon such redemption. (Continued on footnote 2)

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(2) (Continued from footnote 1) Therefore, the corresponding shares of SVP Stock were automatically redeemed and cancelled.

(3) These Redeemable Paired Partnership Units were exercisable as of October 3, 2004 and they did not have an expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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