

Apollo Commercial Real Estate Finance, Inc.

Form S-4

April 07, 2016

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As filed with the Securities and Exchange Commission on April 6, 2016

Registration No. 333-[]

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

APOLLO COMMERCIAL REAL ESTATE FINANCE, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State of Incorporation)

6798
(Primary Standard Industrial
Classification Code Number)

27-0467113
(I.R.S. Employer
Identification No.)

c/o Apollo Global Management, LLC

9 West 57th Street, 43rd Floor

New York, New York 10019

(212) 515-3200

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

John J. Suydam, Esq.

Vice President & Secretary

ACREFI Management, LLC

9 West 57th Street, 43rd Floor

New York, New York 10019

(212) 515-3200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale of securities to the public: As soon as practicable after this Registration Statement is declared effective and all other conditions to the transactions described herein have been satisfied or waived.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and small reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Issuer Third Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be Registered	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee ⁽⁵⁾
Common Stock, \$0.01 par value	13,400,000 shares ⁽¹⁾	N/A	\$187,133,126 ⁽³⁾	\$18,844.31

8.00% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value, \$25.00 mandatory liquidation preference	6,900,000 shares ⁽²⁾	N/A	\$155,250,000 ⁽⁴⁾	\$15,633.68
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- (1) Represents the maximum number of shares of ARI common stock, \$0.01 par value per share (ARI common stock), to be issued in the First Merger described herein.
- (2) Represents the estimated maximum number of shares of ARI s 8.00% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value per share (the ARI Series C Preferred Stock) to be issued in the Second Merger described herein. The number of shares of ARI Series C Preferred Stock is based on 6,900,000 shares of 8.00% Series A Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value per share (the AMTG Series A Preferred Stock), the estimated maximum number of shares of AMTG Series A Preferred Stock that may be cancelled and exchanged in the Second Merger described herein.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act of 1933, as amended (the Securities Act). The proposed maximum aggregate offering price of the shares of ARI common stock was calculated as follows: (a) the product of (i) the maximum number of shares of AMTG common stock that may be exchanged in connection with the First Merger (based on 32,078,708 shares of AMTG common stock issued and outstanding as of April 1, 2016, including 195,920 AMTG restricted stock units issued and outstanding) and (ii) \$13.37 per share of AMTG common stock, the average of the high and low prices of a share of AMTG common stock as reported on the New York Stock Exchange on April 1, 2016, minus (b) \$241,759,200, the estimated aggregate amount of cash to be paid by ARI in the transactions described herein.
- (4) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act. The proposed maximum aggregate offering price of the shares of ARI Series C Preferred Stock was calculated as follows: the product of (i) the maximum number of shares of AMTG Series A Preferred Stock that may be exchanged in connection with the Second Merger (based on 6,900,000 shares of AMTG Series A Preferred Stock issued and outstanding as of April 1, 2016) and (ii) \$22.50 per share of AMTG Series A Preferred Stock, the average of the high and low prices of a share of AMTG Series A Preferred Stock as reported on the New York Stock Exchange on April 1, 2016.
- (5) Calculated in accordance with Rule 457 under the Securities Act by multiplying the proposed maximum aggregate offering price by 0.0001007.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus is not complete and may be changed. The registrant may not sell the securities described herein until the registration statement filed with the Securities and Exchange Commission is declared effective. This proxy statement/prospectus is not an offer to sell these securities or solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION DATED [], 2016

PROXY STATEMENT/PROSPECTUS

To the Stockholders of Apollo Residential Mortgage, Inc.:

On February 26, 2016, Apollo Residential Mortgage, Inc., which we refer to as AMTG, and Apollo Commercial Real Estate Finance, Inc., which we refer to as ARI, entered into an Agreement and Plan of Merger, which we refer to as the merger agreement, pursuant to which (i) a subsidiary of ARI, which we refer to as Merger Sub, will merge with and into AMTG after which AMTG will become the surviving company and a direct subsidiary of ARI (the First Merger), and (ii) promptly following the effective time of the First Merger, AMTG will merge with and into ARI, after which AMTG will cease to exist (the Second Merger and, together with the First Merger, the mergers). The board of directors of AMTG, upon the unanimous recommendation of a special committee of the AMTG board of directors comprised solely of independent directors, has determined that the mergers and the merger agreement are advisable and in the best interests of AMTG and its stockholders and has approved the mergers and the merger agreement.

The obligations of ARI and AMTG to effect the mergers are subject to the satisfaction or waiver of certain customary conditions set forth in the merger agreement.

If the mergers are completed, each outstanding share of AMTG common stock will convert into the right to receive (i) [] shares of ARI common stock and (ii) \$[] in cash, without interest, which we collectively refer to as the merger consideration; provided, however, that the cash portion of the merger consideration may be subject to certain adjustments. As described in more detail in the attached proxy statement/prospectus, the cash portion of the merger consideration will be (i) increased in the event that the closing of the mergers does not occur on or prior to [], 2016 and (ii) reduced to the extent a dividend or other distribution to AMTG stockholders is declared or paid at any time following [], 2016 but with a record date prior to the closing of the mergers. The merger consideration will not be adjusted to reflect changes in the price of ARI common stock or the price of AMTG common stock. Based on the closing price of ARI common stock of \$[] on [], 2016, the latest practicable date before the mailing date of the accompanying proxy statement/prospectus, the merger consideration to be received by holders of AMTG common stock is valued at approximately \$[] per share of AMTG common stock. **The value of the merger consideration will fluctuate with changes in the market price of ARI common stock prior to the closing of the mergers. We urge you to obtain current market quotations for ARI common stock and AMTG common stock.**

Upon completion of the mergers, we estimate that the former holders of AMTG common stock will own approximately [] % of the issued and outstanding shares of ARI common stock.

In addition, if the mergers are completed, each outstanding share of 8.00% Series A Cumulative Redeemable Perpetual Preferred Stock of AMTG, \$0.01 par value per share (the AMTG Series A Preferred Stock) will convert into the right to receive one newly issued share of ARI preferred stock, which ARI has classified and designated as 8.00% Series C Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value per share (the ARI Series C Preferred Stock). The ARI Series C Preferred Stock will have preferences, rights and privileges substantially similar to the preferences, rights and privileges of the AMTG Series A Preferred Stock.

In connection with the proposed mergers, AMTG will hold a special meeting of its common stockholders (the AMTG special meeting). At the AMTG special meeting, holders of AMTG common stock will be asked to consider and vote on a proposal (i) to approve the First Merger and the other transactions contemplated by the merger agreement, (ii) to approve one or more adjournments of the AMTG special meeting to another date, time or place, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and (iii) to approve, on a non-binding, advisory basis, the merger-related compensation of AMTG's named executive officers (the Merger-Related Named Executive Officer Compensation Proposal) as disclosed under the heading Merger-Related Executive Officer Compensation Proposal beginning on page 46 of this proxy statement/prospectus.

The AMTG Board has fixed the close of business on [], 2016 as the record date for the determination of AMTG common stockholders entitled to receive notice of, and to vote at, the AMTG special meeting and any adjournments or postponements of the AMTG special meeting. Approval of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG common stock. In addition, the closing of the mergers is conditioned upon the holders of at least a majority of the outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo Global Management, LLC approving the proposal to approve the First Merger and the other transactions contemplated by the merger agreement.

The board of directors of AMTG, upon the recommendation of a special committee of AMTG directors composed solely of independent directors, recommends that AMTG common stockholders vote FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to approve one or more adjournments of the AMTG special meeting to another date, time or place, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and FOR the Merger-Related Named Executive Officer Compensation Proposal.

The accompanying proxy statement/prospectus contains important information about ARI, AMTG, the merger agreement, the mergers and the other transactions contemplated by the merger agreement, and the AMTG special meeting. The document serves as both a proxy statement with respect to the AMTG special meeting and a prospectus with respect to the issuance of ARI securities in connection with the mergers. **We encourage you to read the accompanying proxy statement/prospectus (and the documents incorporated by reference into the accompanying proxy statement/prospectus) carefully before voting, including the section entitled Risk Factors beginning on page 30.**

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the AMTG special meeting please authorize a proxy to vote your shares as promptly as possible to make sure that your shares of AMTG common stock are represented at the AMTG special meeting.

Sincerely,

Michael A. Commaroto

President and Chief Executive Officer

Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved of the transactions contemplated by the merger agreement or the securities to be issued under the accompanying proxy statement/prospectus, passed upon the merits or fairness of the transactions contemplated by the merger agreement or passed upon the adequacy or accuracy of the disclosures in this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated [], 2016 and is first being mailed to stockholders of AMTG on or about [], 2016.

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Notice of Special Meeting of AMTG's Stockholders

Apollo Residential Mortgage, Inc.

9 West 57th Street, 43rd Floor

New York, New York 10019

(212) 515-3200

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [], 2016

To the Stockholders of Apollo Residential Mortgage, Inc.:

A special meeting of the stockholders (the AMTG special meeting) of Apollo Residential Mortgage, Inc., a Maryland corporation, which we refer to as AMTG, will be held at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, New York, 10022, on [], 2016, commencing at 9:00 a.m., local time, for the following purposes:

1. to consider and vote on a proposal to approve the merger of Arrow Merger Sub, Inc., a wholly owned subsidiary of Apollo Commercial Real Estate Finance, Inc., a Maryland corporation, which we refer to as ARI, with and into AMTG (the First Merger) pursuant to the Agreement and Plan of Merger, dated February 26, 2016, as it may be amended from time to time, which we refer to as the merger agreement, by and among ARI, AMTG and Arrow Merger Sub, Inc. (a copy of the merger agreement is attached as Annex A to the proxy statement/prospectus accompanying this notice), and the other transactions contemplated by the merger agreement;
2. to consider and vote on a proposal to adjourn the AMTG special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement; and
3. to consider and vote on a proposal to approve, on a non-binding, advisory basis, the merger-related compensation of AMTG's named executive officers (the Merger-Related Named Executive Officer Compensation Proposal) as disclosed under the heading *Merger-Related Executive Officer Compensation Proposal* beginning on page 46 of this proxy statement/prospectus.

We do not expect to transact any other business at the AMTG special meeting. The board of directors of AMTG, which we refer to as the AMTG Board, has fixed the close of business on [], 2016 as the record date for determination of AMTG common stockholders entitled to receive notice of, and to vote at, the AMTG special meeting and any postponement or adjournment of the AMTG special meeting. Only holders of record of AMTG common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the AMTG special meeting. Holders of record of AMTG Series A Preferred Stock at the close of business on the record date are entitled to notice of, but may not vote at, the AMTG special meeting. This notice to holders of record of AMTG Series A Preferred Stock also constitutes notice of the Second Merger (as defined below).

Approval of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG

common stock. In addition, the closing of the mergers is conditioned upon the holders of at least a majority of the outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo Global Management, LLC approving the proposal to approve the First Merger and the other transactions contemplated by the merger agreement. Approval of the proposal to adjourn the AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement each requires the affirmative vote of a majority of the votes cast on such proposal. Approval of the Merger-Related Named Executive Officer Compensation Proposal requires the affirmative vote of a majority of the votes cast on such proposal. The AMTG stockholders' vote regarding the Merger-Related Named Executive Officer Compensation Proposal is an advisory vote and therefore is not binding on AMTG or the AMTG Board or the AMTG Special Committee.

Promptly after the completion of the First Merger, AMTG will merge with and into ARI, with ARI as the surviving entity in the merger (the Second Merger and, together with the First Merger, the mergers).

The AMTG Board, acting upon the unanimous recommendation of the special committee of the AMTG Board, has unanimously, with the exception of Mark C. Biderman, who recused himself from deliberations relating to the mergers, (i) determined that the merger agreement, the mergers and the other transactions contemplated thereby are advisable and in the best interests of AMTG and its stockholders, and (ii) approved the merger agreement, the mergers and the other transactions contemplated thereby. The AMTG Board, acting upon the unanimous recommendation of the special committee of the AMTG Board, unanimously, with the exception of Mark C. Biderman, who recused himself from deliberations relating to the mergers, recommends that AMTG common stockholders vote FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and FOR the Merger-Related Named Executive Officer Compensation Proposal.

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the AMTG special meeting, please authorize a proxy to vote your shares as promptly as possible. If you hold your shares of AMTG common stock of record in your own name on the books of AMTG, then in order to authorize a proxy, complete, sign, date and mail your proxy card in the preaddressed postage-paid envelope provided or, if the option is available to you, call the toll-free telephone number listed on your proxy card or use the Internet as described in the instructions on the enclosed proxy card. Authorizing a proxy to vote your shares will assure that your vote is counted at the AMTG special meeting if you do not attend in person. If you hold your shares of AMTG common stock in street name through your broker or other nominee, only your broker or other nominee is entitled to vote your shares of AMTG common stock and the vote cannot be cast unless you provide instructions to your broker or other nominee on how to vote. In this regard, you should consult the voting instruction card provided by your broker or other nominee. Alternatively, you may obtain a legal proxy from your broker or other nominee and vote your shares in person at the AMTG special meeting, a process that may take several days. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to vote your shares of AMTG common stock. You may revoke your proxy at any time before it is exercised at the AMTG special meeting. Please review the proxy statement/prospectus accompanying this notice for more complete information regarding the mergers and the AMTG special meeting.

By Order of the Board of Directors of AMTG

/s/ Gregory W. Hunt

Chief Financial Officer, Treasurer and Secretary

New York, New York

[], 2016

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ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates by reference important business and financial information about ARI and AMTG from documents previously filed with the Securities and Exchange Commission (SEC) that are not included in or delivered with this proxy statement/prospectus. For a listing of the documents incorporated by reference into this proxy statement/prospectus, see *Where You Can Find More Information; Incorporation by Reference* on page 207. This information is available for you to review at the SEC's Public Reference Room located at 100 F Street, N.E., Room 1580, Washington, DC 20549. You may obtain these documents through the SEC website at <http://www.sec.gov>. Investors may also consult ARI's or AMTG's website for more information about ARI or AMTG, respectively. ARI's website is www.apolloreit.com. AMTG's website is www.apolloresidentialmortgage.com. Information included on these websites is not incorporated by reference into this proxy statement/prospectus.

You may also obtain these documents at no charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Apollo Commercial Real Estate Finance, Inc.

Attention: Secretary

c/o Apollo Global Management, LLC

9 W. 57th Street, 43rd Floor

New York, NY 10019

Telephone: (212) 515-3200

Apollo Residential Mortgage, Inc.

Attention: Secretary

c/o Apollo Global Management, LLC

9 West 57th Street, 43rd Floor

New York, New York 10019

Telephone: (212) 515-3200

You may also obtain these documents at no charge by requesting them in writing or by telephone from AMTG's proxy solicitor [] at the address and telephone numbers below.

If you have questions or need assistance voting your shares please contact:

[]

[]

Call Collect: []

Or

Toll-Free: []

To receive timely delivery of the requested documents in advance of the AMTG special meeting, you should make your request no later than [], 2016.

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ABOUT THIS DOCUMENT

This proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed by ARI with the SEC, constitutes a prospectus of ARI for purposes of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the ARI securities to be issued to holders of AMTG common stock and AMTG Series A Preferred Stock in connection with the mergers. This proxy statement/prospectus also constitutes a proxy statement of AMTG for purposes of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and a notice of meeting with respect to the AMTG special meeting.

Information contained in this proxy statement/prospectus regarding ARI has been provided by ARI, and information contained in this proxy statement/prospectus regarding AMTG has been provided by AMTG.

You should rely only on the information contained in or incorporated by reference into this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in or incorporated by reference into this proxy statement/prospectus. This proxy statement/prospectus is dated []. You should not assume that information contained in this proxy statement/prospectus is accurate as of any other date, nor should you assume that the information incorporated by reference into this proxy statement/prospectus is accurate as of any date other than the date of such incorporated document. Neither the mailing of this proxy statement/prospectus to AMTG stockholders nor the issuance by ARI of securities will create an implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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QUESTIONS AND ANSWERS ABOUT THE MERGERS AND THE SPECIAL MEETING

The following are answers to some questions that you may have regarding AMTG, ARI, the merger agreement, the mergers and other transactions contemplated by the merger agreement and the AMTG special meeting. ARI and AMTG urge you to read carefully this entire proxy statement/prospectus, including the Annexes, and the other documents to which this proxy statement/prospectus refers or incorporates by reference because the information in this section does not provide all the information that might be important to you. Unless stated otherwise, all references in this proxy statement/prospectus to ARI are to Apollo Commercial Real Estate Finance, Inc., a Maryland corporation; all references to AMTG are to Apollo Residential Mortgage, Inc., a Maryland corporation; and all references to Merger Sub are to Arrow Merger Sub, Inc., a Maryland corporation and a wholly owned subsidiary of ARI.

Q: What is the proposed transaction?

A: ARI and AMTG have entered into a merger agreement pursuant to which (i) Merger Sub will merge with and into AMTG, with AMTG as the surviving entity in such merger (the First Merger), and (ii) promptly thereafter, AMTG will merge with and into ARI, with ARI as the surviving entity in such merger (the Second Merger and, together with the First Merger, the mergers).

The consideration payable to the AMTG common stockholders will consist of a combination of cash and ARI common stock, par value \$0.01 per share (ARI common stock). Each share of AMTG common stock, par value \$0.01 per share (AMTG common stock) outstanding as of immediately prior to the effective time of the First Merger will be converted into the right to receive (i) [] shares of ARI common stock (the Per Share Stock Consideration) and (ii) an amount of cash (the Per Share Cash Consideration) equal to (A) \$[] per share less (B) the per share amount of any dividend declared or paid by AMTG between [], 2016 and the consummation of the mergers, plus (C) in the event the consummation of the mergers does not occur by [], 2016, an amount of cash equal to \$[] per share per day from and including [], 2016, to but excluding the last business day before the consummation of the mergers. The Per Share Stock Consideration and the Per Share Cash Consideration are collectively referred to as the Per Common Share Merger Consideration.

Each outstanding share of 8.00% Series A Cumulative Redeemable Perpetual Preferred Stock of AMTG, par value \$0.01 per share (AMTG Series A Preferred Stock) will remain issued and outstanding as a result of the First Merger, and at the effective time of the Second Merger, will automatically be converted into the right to receive one newly issued share of 8.00% Series C Cumulative Redeemable Perpetual Preferred Stock of ARI, par value \$0.01 per share (ARI Series C Preferred Stock).

Immediately prior to the consummation of the First Merger, each outstanding share of restricted stock or restricted stock unit that settles for shares of AMTG common stock (collectively, the AMTG Restricted Shares) which was not then vested shall vest and be converted into the right to receive, with respect to the share of the AMTG common stock underlying such AMTG Restricted Share, the Per Common Share Merger Consideration. To review the description of the transaction in greater detail, see *The Mergers and Related Transactions The Mergers* beginning on page 48.

Q: Why are ARI and AMTG proposing the mergers?

A: The residential mortgage REIT sector has faced significant headwinds in recent years for a variety of reasons, including volatility in the fixed income markets, significant uncertainty regarding the outlook for interest rates and, more recently, widening spreads on RMBS. Also since 2013, AMTG's shares of common stock have traded at a substantial discount to AMTG's net asset value per share, which results in unsatisfactory returns to long-term stockholders and makes any equity capital raising activity dilutive. Because of these circumstances, since 2013 AMTG has been and continues to be unable to raise growth capital on acceptable terms, and accordingly, has been unable to increase its size and scale through capital market transactions. During the same period of time, ARI has performed better and has been able to achieve significant scale, with an equity capitalization of \$1.4 billion. The combination of ARI and AMTG is expected to benefit both sets of stockholders as it may enable ARI to raise capital accretively while also

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enabling AMTG's common stockholders to immediately receive a substantial premium to the stock's trading value on February 25, 2016 (the last trading day before the transactions were publicly announced) and participate in the potential future success of ARI following the closing of the mergers (the Combined Company). The Combined Company is expected to have increased liquidity and scale and will focus on investing in the commercial mortgage sector, which has performed significantly better than the residential mortgage sector. To review the reasons of the special committee of independent directors (the ARI Special Committee) of the board of directors of ARI (the ARI Board) and the special committee of independent directors (the AMTG Special Committee) of the board of directors of AMTG (the AMTG Board) in greater detail, see *The Mergers and Related Transactions AMTG's Reasons for the Transactions and Recommendation of AMTG's Board of Directors* beginning on page 60 and *The Mergers and Related Transactions ARI's Reasons for the Transactions* beginning on page 64.

Q: Why am I receiving this proxy statement/prospectus?

A: The AMTG Board is using this proxy statement/prospectus to solicit proxies of holders of AMTG common stock in connection with the merger agreement and the mergers and to provide notice to holders of AMTG Series A Preferred Stock of the mergers though such holders are not entitled to vote on the mergers. In addition, ARI is using this proxy statement/prospectus as the prospectus by which ARI will register the ARI common stock and ARI Series C Preferred Stock to be issued to AMTG stockholders in the mergers.

In order to complete the mergers, holders of AMTG common stock must vote to approve the First Merger and the other transactions contemplated by the merger agreement.

AMTG will hold a special meeting of its stockholders (the AMTG special meeting) to obtain this approval. This proxy statement/prospectus contains important information about the mergers and the AMTG special meeting, and you should read it carefully. The enclosed materials allow holders of AMTG common stock to have their shares voted at the AMTG special meeting.

We encourage you to authorize a proxy to vote your shares of AMTG common stock as promptly as possible.

Q: When and where will the AMTG special meeting be held?

A: The AMTG special meeting will be held at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022, on [], 2016, commencing at 9:00 a.m., local time.

Q: Who is entitled to vote at the AMTG special meeting?

A: All holders of AMTG common stock of record (or their duly authorized proxy) as of the close of business on [], the record date for determining stockholders entitled to notice of and to vote at the AMTG special meeting, are entitled to receive notice of and to vote at the AMTG special meeting. As of the record date, there were [] shares of AMTG common stock outstanding and entitled to vote at the AMTG special meeting, held by approximately [] holders of record. Each share of AMTG common stock is entitled to one vote on each proposal presented at the

AMTG special meeting.

As of the record date, there were [] shares of AMTG Series A Preferred Stock outstanding, held by approximately [] holders of record. Holders of record of AMTG Series A Preferred Stock at the close of business on the record date are entitled to notice of, but may not vote at, the AMTG special meeting as well as notice of the Second Merger though they will not be entitled to vote in connection with the Second Merger.

Q: What constitutes a quorum?

A: AMTG's bylaws provide that the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast constitutes a quorum at a meeting of its stockholders.

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Shares that are voted and shares abstaining from voting are treated as being present at the AMTG special meeting for purposes of determining whether a quorum is present.

Q: What vote is required to approve the proposals at the AMTG special meeting?

A: Approval of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG common stock. In addition, the closing of the mergers is conditioned upon the holders of at least a majority of the outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo Global Management, LLC (Apollo) approving the proposal to approve the First Merger and the other transactions contemplated by the merger agreement.

Approval of the proposal to adjourn the AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement requires the affirmative vote of a majority of the votes cast on such proposal.

Approval of the Merger-Related Named Executive Officer Compensation Proposal requires the affirmative vote of a majority of the votes cast on such proposal. The AMTG stockholders' vote regarding the Merger-Related Named Executive Officer Compensation Proposal is an advisory vote only and therefore is not binding on AMTG or the AMTG Board or the AMTG Special Committee.

Your vote is important. We encourage you to authorize a proxy as promptly as possible.

Q: If my shares of AMTG common stock are held in street name by my broker or other nominee, will my broker or other nominee vote my shares of AMTG common stock for me?

A: Under Rule 452 of the New York Stock Exchange (the NYSE), brokers and other nominees are not permitted to vote on non-routine matters without instructions. The only proposals to be voted on at the AMTG special meeting are non-routine under Rule 452 of the NYSE and, accordingly, unless you instruct your broker or other nominee how to vote your shares of AMTG common stock, as applicable, your shares will NOT be voted. If you hold your shares in a stock brokerage account or if your shares are held by a bank or other nominee (that is, in street name), you must provide your broker or other nominee with instructions on how to vote your shares. Please follow the voting instructions provided by your broker or other nominee on the enclosed voting instruction card. You should also be aware that you may not vote shares of AMTG common stock held in street name by returning a proxy card directly to AMTG or by voting in person at the AMTG special meetings unless you provide a legal proxy, which you must obtain from your broker or other nominee.

Q: What happens if I do not vote for a proposal?

A: Abstentions will have the same effect as votes cast AGAINST the proposal to approve the First Merger and the other transactions contemplated by the merger agreement but will have no effect on the proposal to adjourn the

AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement or on the Merger-Related Named Executive Officer Compensation Proposal. Abstentions will be counted in determining the presence of a quorum.

There can be no broker non-votes at the AMTG special meeting, so failure to provide instructions to your broker or other nominee on how to vote will result in your shares not being counted as present at the AMTG special meeting and will have the same effect as votes cast AGAINST the proposal to approve the First Merger and the other transactions contemplated by the merger agreement but will have no effect on the proposal to adjourn the AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement or on the Merger-Related Named Executive Officer Compensation Proposal. A broker non-vote is a vote that is not cast on a non-routine matter because the shares entitled to cast the vote are held in street name, the broker lacks discretionary authority to vote the shares and the broker has not received voting instructions from the beneficial owner.

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Q: If I am an AMTG common stockholder, should I send in my stock certificates with my proxy card?

A: **NO.** Please **DO NOT** send your AMTG stock certificates with your proxy card. If the First Merger and the other transactions contemplated by the merger agreement are approved, you will be sent written instructions for exchanging your stock certificates.

Q: What are the anticipated U.S. federal income tax consequences to me of the proposed mergers?

A: AMTG stockholders should read the discussion under the heading *The Mergers and Related Transactions Material U.S. Federal Income Tax Considerations* beginning on page 106 of this proxy statement/prospectus and consult their tax advisors as to the U.S. federal income tax consequences of the mergers and of the acquisition, holding and disposition of ARI common stock and ARI Series C Preferred Stock received in the mergers, as well as the effects of state, local and non-U.S. tax laws.

Q: Will I continue to receive distributions on my AMTG common stock?

A: From [], 2016 until the closing of the mergers (or termination of the merger agreement), AMTG generally is prohibited by the merger agreement from paying dividends or other distributions to its common stockholders without the prior written consent of ARI. However, the merger agreement provides that AMTG may continue to pay dividends as necessary to maintain its qualification as a real estate investment trust (REIT) and avoid incurring certain taxes under the Internal Revenue Code of 1986, as amended (the Internal Revenue Code). The Per Share Cash Consideration will be reduced to the extent a dividend or other distribution to AMTG stockholders is declared or paid at any time following [], 2016 but with a record date prior to the closing of the mergers.

Q: Are AMTG stockholders entitled to appraisal rights?

A: No. AMTG s charter provides that AMTG s stockholders shall not be entitled to exercise any rights of an objecting stockholder provided for under the Maryland General Corporation Law (the MGCL) unless the AMTG Board, upon the affirmative vote of a majority of the AMTG Board, determines that such rights apply. The AMTG Board has not made (and is not permitted to make under the terms of the merger agreement) such determination.

Q: How do the AMTG Special Committee and the AMTG Board recommend that AMTG common stockholders vote?

A: AMTG delegated authority to the AMTG Special Committee to consider, analyze, review, evaluate, determine and recommend whether to pursue the mergers and related matters and if a determination to pursue the mergers and related matters was made, to negotiate the terms and conditions of such mergers and related matters.

The AMTG Board, acting upon the unanimous recommendation of the AMTG Special Committee, has unanimously, with the exception of Mark C. Biderman, who recused himself from deliberations relating to the mergers, (i) determined that the merger agreement, the mergers and the other transactions contemplated thereby are advisable and in the best interests of AMTG and its stockholders, and (ii) approved the merger agreement, the mergers and the other transactions contemplated by the merger agreement.

The AMTG Board, acting upon the unanimous recommendation of the AMTG Special Committee, unanimously, with the exception of Mark C. Biderman, who recused himself from deliberations relating to the mergers, recommends that AMTG common stockholders vote FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to adjourn the AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and FOR the Merger-Related Named Executive Officer Compensation Proposal. For a more complete description of the recommendation of the AMTG Special Committee and

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the AMTG Board, see *The Mergers and Related Transactions AMTG's Reasons for the Transactions and Recommendation of AMTG's Board of Directors* beginning on page 60.

Q: Do any of AMTG's executive officers or directors have interests in the mergers that may differ from those of AMTG stockholders?

A: AMTG's executive officers and directors have interests in the mergers that are different from, or in addition to, their interests as AMTG stockholders. The members of the AMTG Special Committee and the AMTG Board were aware of and considered these interests, among other matters, in evaluating the merger agreement and the mergers, and in recommending that AMTG common stockholders vote FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement.

AMTG is managed by the AMTG Manager, an indirect subsidiary of Apollo. Certain of the members of the AMTG Board have relationships with Apollo as set forth below:

Michael A. Commaroto is the president and chief executive officer of ARM Manager, LLC (the AMTG Manager);

James E. Galowski is an employee of an affiliate of Apollo; and

Frederick N. Khedouri is an employee of an entity affiliated with Apollo.

In addition, (i) Mark C. Biderman is a member of both the AMTG Board and the ARI Board and has recused himself from all deliberations relating to the mergers and (ii) Hope S. Taitz is a member of both the AMTG Board and the board of directors of Athene Holding Ltd. (together with its subsidiaries, Athene), an affiliate of Apollo and the parent company of Athene USA Corporation (Athene USA). Ms. Taitz is also a member of the conflicts committee of the board of directors of Athene Holding Ltd., but she was not a member of the special sub-committee of the conflicts committee that considered the transactions between ARI and Athene.

For a description of these interests, refer to the section entitled *The Mergers and Related Transactions Interests of AMTG's Directors and Officers in the Transaction* beginning on page 99.

Q: What happens to AMTG's management agreement with the AMTG Manager if the mergers are consummated?

A: AMTG's management agreement with AMTG Manager will continue in full force and effect until the consummation of the mergers, at which point the AMTG management agreement will be assigned to ARI. If the mergers are consummated, ACREFI Management, LLC (the ARI Manager) has agreed, pursuant to a letter agreement between ARI and the ARI Manager, that any management fees paid by ARI to the AMTG Manager pursuant to the AMTG management agreement will offset, and therefore reduce (but not below zero), ARI's

obligation to pay corresponding management fees to the ARI Manager under ARI's management agreement. In addition, AMTG has entered into a letter agreement with the AMTG Manager, pursuant to which the AMTG Manager has agreed to perform such services as may be necessary to enable AMTG to consummate the mergers and other transactions contemplated by the merger agreement in accordance with the terms thereof, including assisting AMTG and its subsidiaries in performing and complying with AMTG's obligations under the merger agreement.

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus, please respond by completing, signing and dating your proxy card or voting instruction card and returning it in the enclosed preaddressed postage-paid envelope or, if available, by authorizing a proxy by one of the other methods specified in your proxy card or

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voting instruction card as promptly as possible so that your shares of AMTG common stock will be represented and voted at the AMTG special meeting.

For a description of these interests, refer to the section entitled *The Mergers and Related Transactions Interests of AMTG's Directors and Officers in the Transaction* beginning on page 99.

Please refer to your proxy card or voting instruction card forwarded by your broker or other nominee to see which voting options are available to you.

The method by which you authorize a proxy will in no way limit your right to vote at the AMTG special meeting if you later decide to attend the meeting in person. However, if your shares of AMTG common stock are held in the name of a broker or other nominee, you must obtain a legal proxy, executed in your favor, from your broker or other nominee, to be able to vote in person at the AMTG special meeting.

Q: How will my proxy be voted?

A: All shares of AMTG common stock entitled to vote and represented by properly completed proxies received prior to the AMTG special meeting, and not revoked, will be voted at the AMTG special meeting as instructed on the proxies. If you properly sign, date and return a proxy card, but do not indicate how your shares of AMTG common stock should be voted on a matter, the shares of AMTG common stock represented by your proxy will be voted as the AMTG Board recommends and therefore FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to adjourn the AMTG special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and FOR the Merger-Related Named Executive Officer Compensation Proposal. If you do not provide voting instructions to your broker or other nominee, your shares of AMTG common stock will NOT be voted at the meeting and will be considered broker non-votes.

Q: May I revoke my proxy or change my vote after I have delivered my proxy?

A: Yes. You may revoke your proxy or change your vote at any time before your proxy is exercised at the AMTG special meeting, as applicable. If you are a holder of record of AMTG common stock as of the close of business on the record date, you may do this in any of the three following ways:

by sending a written notice to the Secretary of AMTG at the address set forth below in time to be received before the AMTG special meeting stating that you are revoking your proxy;

by completing, signing and dating another proxy card and returning it by mail in time to be received before the AMTG special meeting or by authorizing a later dated proxy by the Internet or telephone in which case your later-dated proxy will be recorded and your earlier proxy revoked; or

by attending the AMTG special meeting and voting in person. Simply attending the AMTG special meeting without voting will not revoke your proxy or change your vote.

If your shares of AMTG common stock are held in an account at a broker or other nominee and you desire to change your vote or vote in person, you should contact your broker or other nominee for instructions on how to do so.

Q: What happens if I sell my shares of AMTG common stock after the record date but before the AMTG special meeting?

- A. The record date for the AMTG special meeting (the close of business on [], 2016) is earlier than the date of the AMTG special meeting and the date that the mergers are expected to be completed. If you sell or otherwise transfer your shares of AMTG common stock after the record date but before the date of the AMTG special meeting, you will retain your right to vote at the AMTG special meeting (unless otherwise

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agreed between you and the transferee). However, you will not have the right to receive the merger consideration to be received by AMTG's common stockholders in the First Merger. In order to receive the merger consideration, you must hold your shares of AMTG common stock through completion of the First Merger.

Q: What should I do if I receive more than one set of voting materials for the AMTG special meeting?

A: You may receive more than one set of voting materials for the AMTG special meeting, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares of AMTG common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares of AMTG common stock. If you are a holder of record and your shares of AMTG common stock are registered in more than one name, you may receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive or, if available, please authorize your proxy by telephone or over the Internet.

Q: Is completion of the mergers subject to any conditions?

A: Yes. In addition to the approval of the First Merger and the other transactions contemplated by the merger agreement by the requisite holders of AMTG common stock, completion of the mergers requires the satisfaction or, to the extent permitted by applicable law, waiver of the other conditions specified in the merger agreement. For a more complete summary of the conditions that must be satisfied (or, to the extent permitted by applicable law, waived) prior to completion of the mergers, see *The Agreements Description of the Merger Agreement Conditions to Completion of the First Merger* beginning on page 152 of this proxy statement/prospectus.

Q: When are the proposed mergers expected to be completed?

A: AMTG and ARI are working towards completing the mergers promptly. AMTG and ARI currently expect to complete the mergers in the second half of 2016, subject to receipt of AMTG common stockholder approval and satisfaction of the other closing conditions. However, no assurance can be given as to when, or if, the mergers will occur.

Q: What happens if the mergers are not completed?

A: If the First Merger and the other transactions contemplated by the merger agreement are not approved by the AMTG common stockholders or if the mergers are not completed for any other reason, you will not receive any form of consideration in connection with the mergers. Instead, AMTG will remain an independent public company and its shares of common stock and AMTG Series A Preferred Stock will continue to be listed and traded on the NYSE. If the merger agreement is terminated under certain circumstances, AMTG may be required to pay ARI a termination payment of \$12,000,000 (or in certain circumstances, \$7,500,000) or to reimburse ARI in respect of certain expenses related to the mergers, as described under *The Agreements Description of the*

Merger Agreement Termination of the Merger Agreement beginning on page 154.

Q: Does AMTG expect to hold its regularly scheduled 2016 annual meeting of stockholders?

- A. If the mergers are consummated, AMTG will not hold its 2016 annual meeting of stockholders. If, however, the mergers are not consummated as contemplated by the merger agreement, AMTG will determine at a later date the time and place for its 2016 annual meeting of stockholders for, among other things, the election of directors.

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Q: Who can answer my questions?

A: If you have any questions about the mergers or how to authorize a proxy to vote your shares or need additional copies of this proxy statement/prospectus, the enclosed proxy card or voting instructions, you should contact:
Apollo Residential Mortgage, Inc.

Attention: Secretary

9 West 57th Street, 43rd Floor

New York, New York 10019

(212) 515-3200

www.apolloresidentialmortgage.com

Proxy Solicitor:

[]

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SUMMARY

*The following summary highlights only selected information contained elsewhere in this proxy statement/prospectus and may not contain all the information that is important to you. Accordingly, you are encouraged to read this proxy statement/prospectus carefully and in its entirety, including its Annexes and the documents incorporated by reference into this proxy statement/prospectus. See the section entitled *Where You Can Find More Information; Incorporation by Reference* beginning on page 207.*

*References to **AMTG** or the **Company** are references to **Apollo Residential Mortgage, Inc.**, a Maryland corporation. References to **ARI** are references to **Apollo Commercial Real Estate Finance, Inc.**, a Maryland corporation. References to *we* or *our* and other first person references in this proxy statement/prospectus refer to both **AMTG** and **ARI**, before completion of the mergers. We sometimes refer to **ARI** following the closing of the mergers as the *Combined Company*.*

Parties to the Transaction

Apollo Commercial Real Estate Finance, Inc. (See page 40)

ARI is a Maryland corporation that was incorporated in 2009 and that has elected to be taxed as a REIT for U.S. federal income tax purposes. ARI generally is not subject to U.S. federal income taxes on its net taxable income to the extent that it annually distributes its net taxable income to stockholders and maintains its qualification as a REIT. ARI also operates its business in a manner intended to allow it to remain excluded from registration as an investment company under the Investment Company Act of 1940, as amended (the 1940 Act). ARI primarily originates, acquires, invests in and manages performing first mortgage loans, subordinate financings, commercial mortgage-backed securities (CMBS) and other commercial real estate-related debt investments. These asset classes are referred to as ARI s target assets.

ARI is externally managed and advised by ACREFI Management, LLC (the ARI Manager), an indirect subsidiary of Apollo, which together with its subsidiaries, is a leading global alternative investment manager with a contrarian and value oriented investment approach in private equity, credit and real estate. The ARI Manager is led by an experienced team of senior real estate professionals who have significant experience in underwriting and structuring commercial real estate financing transactions. ARI benefits from Apollo s global infrastructure and operating platform, through which ARI is able to source, evaluate and manage potential investments in ARI s target assets. ARI does not have any employees; all of its officers are employees of the ARI Manager or one of its affiliates.

ARI s principal business objective is to make investments in its target assets in order to provide attractive risk adjusted returns to its stockholders over the long term, primarily through dividends and secondarily through capital appreciation.

Arrow Merger Sub, Inc. (See page 40)

Arrow Merger Sub, Inc., or Merger Sub , a direct wholly owned subsidiary of ARI, is a Maryland corporation formed on February 22, 2016 for the purpose of entering into the merger agreement. Pursuant to the First Merger (described below), Merger Sub will be merged with and into AMTG, with AMTG surviving as a subsidiary of ARI. Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement.

Apollo Residential Mortgage, Inc. (See page 40)

AMTG was incorporated in Maryland on March 15, 2011 and commenced operations on July 27, 2011. AMTG is structured as a holding company and conducts its business primarily through ARM Operating, LLC and its other

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operating subsidiaries. AMTG has elected to be taxed as a REIT for U.S. federal income tax purposes. AMTG generally is not subject to U.S. federal income taxes on its net taxable income to the extent that it annually distributes its net taxable income to stockholders and maintains its qualification as a REIT. AMTG also operates its business in a manner that it believes will allow it to remain excluded from registration as an investment company under the 1940 Act. AMTG is externally managed and advised by ARM Manager, LLC (the AMTG Manager and, together with the ARI Manager, the Managers), an indirect subsidiary of Apollo. AMTG does not have any employees; all of its officers are employees of the AMTG Manager.

At December 31, 2015, AMTG's portfolio was comprised of approximately \$3.4 billion of Agency RMBS (comprised of pass-through, interest-only (IO) and inverse interest-only (Inverse IO) securities), non-Agency RMBS, securitized mortgage loans, and other mortgage and mortgage related investment securities and other mortgage related investments. Agency when used herein refers to a federally chartered corporation, such as Fannie Mae or Freddie Mac, or an agency of the United States (or, U.S.) Government, such as Ginnie Mae or the U.S. Small Business Administration.

The Mergers

ARI and AMTG have entered into a merger agreement pursuant to which (i) Merger Sub will merge with and into AMTG, with AMTG as the surviving entity in such merger, and (ii) promptly thereafter, AMTG will merge with and into ARI, with ARI as the surviving entity in such merger.

The consideration payable to the holders of AMTG common stock consists of a combination of cash and ARI common stock. Each share of AMTG common stock outstanding as of immediately prior to the effective time of the First Merger will be converted into the right to receive (i) the Per Share Stock Consideration and (ii) an amount of cash equal to (A) \$[] per share less (B) the per share amount of any dividend declared or paid by AMTG in respect of the AMTG common stock between [], 2016 and the consummation of the transaction, plus (C) in the event the consummation of the mergers does not occur by [], 2016 an amount of cash equal to \$[] per share per day from and including [], 2016, to but excluding the last business day before the consummation of the mergers.

Each outstanding share of AMTG Series A Preferred Stock will remain issued and outstanding as a result of the First Merger, and at the effective time of the Second Merger, will automatically be converted into the right to receive one newly issued share of ARI Series C Preferred Stock, having preferences, rights and privileges substantially similar to the preferences, rights and privileges of the AMTG Series A Preferred Stock.

Immediately prior to the consummation of the First Merger, each outstanding AMTG Restricted Share which was not then vested shall vest and be converted into the right to receive, with respect to the share of the AMTG common stock underlying such AMTG Restricted Share, the Per Common Share Merger Consideration.

AMTG Board Reasons & Recommendation

The AMTG Board, acting upon the unanimous recommendation of the AMTG Special Committee, has unanimously, with the exception of Mark C. Biderman, who recused himself from all deliberations relating to the mergers, (i) determined that the merger agreement, the mergers and the other transactions contemplated by the merger agreement are advisable and in the best interests of AMTG and its stockholders, and (ii) approved the merger agreement, the mergers and the other transactions contemplated thereby.

The AMTG Board, acting upon the unanimous recommendation of the AMTG Special Committee, unanimously, with the exception of Mark C. Biderman, who recused himself from all deliberations relating to

the mergers, recommends that AMTG common stockholders vote FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to

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adjourn the special meeting, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement and FOR the Merger-Related Named Executive Officer Compensation Proposal.

The AMTG Special Committee and the AMTG Board consulted with their respective advisors and considered many factors in making its determination, approvals and recommendation. For a discussion of these factors, see *The Mergers and Related Transactions AMTG s Reasons for the Transactions and Recommendation of AMTG s Board of Directors* beginning on page 60 of this proxy statement/prospectus.

ARI Board Reasons

The ARI Board, acting upon the unanimous recommendation of the ARI Special Committee, unanimously, with the exception of Mark C. Biderman, who recused himself from all deliberations relating to the mergers, determined that the merger agreement, the mergers and the other transactions contemplated by the merger agreement, including the issuance of shares of ARI stock to AMTG stockholders in the mergers, are advisable and in the best interests of ARI and its stockholders.

In evaluating the mergers and the other transactions contemplated by the merger agreement, the ARI Special Committee and the ARI Board consulted with their respective advisors and considered many factors in making its determination. For a discussion of these factors, see *The Mergers and Related Transactions ARI s Reasons for the Transactions* beginning on page 64 of this proxy statement/prospectus.

Opinion of the Financial Advisor to the AMTG Special Committee

Morgan Stanley & Co. LLC, which is referred to as Morgan Stanley, was retained by the AMTG Special Committee to act as its financial advisor in connection with the mergers. On February 25, 2016, Morgan Stanley rendered its oral opinion, which was subsequently confirmed in writing, to the AMTG Special Committee to the effect that, as of that date and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Morgan Stanley as set forth in the written opinion, the merger consideration to be received by the holders of shares of AMTG common stock (excluding shares of AMTG common stock (i) held by ARI or Merger Sub or (ii) held by any subsidiary of ARI, Merger Sub or AMTG) pursuant to the merger agreement was fair from a financial point of view to the holders of shares of AMTG common stock.

The full text of the written opinion of Morgan Stanley, dated February 25, 2016, is attached as Annex G and is incorporated by reference into this proxy statement/prospectus in its entirety. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion. The summary of the opinion of Morgan Stanley in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. You are encouraged to, and should, read Morgan Stanley s opinion and the section below captioned *The Mergers and Related Transactions Opinion of the Financial Advisor to the AMTG Special Committee* summarizing Morgan Stanley s opinion carefully and in their entirety. Morgan Stanley s opinion was directed to the AMTG Special Committee, in its capacity as such, and addresses only the fairness from a financial point of view of the merger consideration to be received by the holders of shares of AMTG common stock (excluding shares of AMTG common stock (i) held by ARI or Merger Sub or (ii) held by any subsidiary of ARI, Merger Sub or AMTG) pursuant to the merger agreement, as of the date of the opinion, and does not address any other aspects or implications of the mergers. It was not intended to, and does not, constitute advice or a recommendation to any stockholder of AMTG as to how to vote at any stockholders meeting to be held in connection with the mergers or whether to take any other action with respect to the mergers.

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Opinion of the Financial Advisor to the ARI Special Committee

On February 25, 2016, Houlihan Lokey Capital, Inc., which we refer to as Houlihan Lokey, orally rendered its opinion to the ARI Special Committee (which was confirmed by delivery of Houlihan Lokey's written opinion, dated February 25, 2016, to the ARI Special Committee) as to the fairness, from a financial point of view and as of such date, to ARI of the Per Common Share Merger Consideration to be paid by ARI in the First Merger, which opinion was based on and subject to the procedures followed, assumptions made and limitations and qualifications on the review undertaken and other matters considered by Houlihan Lokey in connection with its opinion. For purposes of Houlihan Lokey's opinion, the term "Per Common Share Merger Consideration" refers to a pro rata portion of consideration consisting of cash and ARI common stock equal to 89.25% of the common equity book value of AMTG determined in accordance with the methodologies and a pricing date contemplated by the merger agreement.

Houlihan Lokey's opinion was directed to the ARI Special Committee (in its capacity as such), only addressed the fairness, from a financial point of view and as of February 25, 2016, to ARI of the Per Common Share Merger Consideration to be paid by ARI in the First Merger and did not address any other portion, aspect or implication of the First Merger, the related transactions or otherwise or any other agreement, arrangement or understanding. The summary of Houlihan Lokey's opinion in this proxy statement/prospectus is qualified in its entirety by reference to the full text of its written opinion, which is attached as Annex H to this proxy statement/prospectus and describes the procedures followed, assumptions made and limitations and qualifications on the review undertaken and other matters considered by Houlihan Lokey in connection with its opinion. However, neither Houlihan Lokey's opinion nor the summary of its opinion and the related analyses set forth in this proxy statement/prospectus are intended to be, and do not constitute, advice or a recommendation to the ARI Special Committee, the ARI Board, any security holder or any other party as to how to act or vote with respect to any matter relating to the First Merger, any related transactions or otherwise. See *The Mergers and Related Transactions Opinion of the Financial Advisor to the ARI Special Committee*.

Key Terms of the Merger Agreement

Conditions to Closing of the Mergers (See page 152)

The mergers cannot be consummated unless and until a number of customary conditions have been satisfied or waived, where legally permissible. These conditions include, among others:

approval of the First Merger and the other transactions contemplated by the merger agreement by the holders of a majority of the outstanding shares of AMTG common stock, including a majority of those shares that are beneficially owned by persons who are not affiliates of Apollo;

the Form S-4 registration statement, of which this proxy statement/prospectus is a part, having been declared effective and no stop order suspending the effectiveness of such Form S-4 having been issued and no proceeding to that effect having been commenced or threatened by the SEC;

the absence of any law, order or injunction issued by any governmental entity of competent jurisdiction or other legal restraint preventing, prohibiting or making illegal the consummation of the mergers or the other transactions contemplated by the merger agreement;

the accuracy of each party's representations and warranties in the merger agreement (subject to materiality standards);

performance by each party in all material respects of all obligations required to be performed or complied with by it under the merger agreement;

no material adverse effect with respect to either party shall have occurred;

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the receipt by each party of a tax opinion from such other party's counsel regarding such other party's qualification as a REIT;

ARI's receipt of good standing certificates in respect of AMTG and each of its subsidiaries; and

the shares of ARI common stock and ARI Series C Preferred Stock to be issued to AMTG stockholders in the mergers having been approved for listing on the NYSE, subject to official notice of issuance at or prior to the closing of the mergers, and the articles supplementary (the "Articles Supplementary") classifying the ARI Series C Preferred Stock to be issued in the mergers will have been filed with and accepted for record by the State Department of Assessments and Taxation of Maryland.

Neither AMTG nor ARI can give any assurance as to when or if all the conditions to the consummation of the mergers will be satisfied or waived or that the mergers will occur.

For more information regarding the conditions to the consummation of the mergers and a complete list of such conditions, see *The Agreements Description of the Merger Agreement Conditions to Completion of the First Merger* beginning on page 152.

Go-Shop Period; No Shop Period; Change in Recommendation (See page 143)

From the date of the merger agreement until 11:59 p.m. (Eastern Time) on April 1, 2016, which period we refer to as the go-shop period, AMTG and its subsidiaries and their respective representatives had the right to:

initiate, solicit, facilitate and encourage (publicly or otherwise) any inquiry or the making of any proposals or offers relating to certain acquisition proposals, including by providing access to non-public information relating to AMTG and its subsidiaries to any person or entity and their representatives pursuant to an acceptable confidentiality agreement with such person or entity, as long as AMTG promptly made available the same non-public information to ARI if such information was not previously made available to ARI; and

engage or enter into, continue or otherwise participate in discussions or negotiations with any person or entity and their representatives with respect to certain acquisition proposals or otherwise cooperate with or assist or participate in, or facilitate any such inquiries, proposals, discussions or negotiations or any effort or attempt to make any such acquisition proposals.

Upon the conclusion of the go-shop period, AMTG and its subsidiaries and their respective representatives were required to (i) immediately cease any solicitation activity with respect to any acquisition proposals or any discussions or negotiations with any person or entity (other than an excluded party (as defined in *The Agreements Description of the Merger Agreement Covenants and Agreements* beginning on page 140)) with respect to any acquisition proposals and (ii) request that each person or entity (other than an excluded party) promptly return to AMTG or its representatives any non-public information previously furnished to such person or entity by AMTG or its representatives and terminate access of any person or entity (other than an excluded party) to any electronic data room maintained by AMTG with respect to the mergers and the other transactions contemplated by the merger agreement.

As promptly as reasonably practicable, and in any event within three business days following the end of the go-shop period, AMTG was required to provide ARI with a written list identifying each excluded party, if any.

From and after 12:01 a.m. on April 2, 2016, AMTG is prohibited from furnishing non-public information to, engaging in discussions or negotiations with, or otherwise initiating or soliciting an Acquisition Proposal (as defined in *The Agreements Description of the Merger Agreement Covenants and Agreements* beginning on page 140) from, any person, in each case subject to certain limited exceptions necessary to comply with the duties of the AMTG Board. Prior to receiving AMTG common stockholder approval of the First Merger and the other transactions

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contemplated by the merger agreement, in the event that AMTG receives an unsolicited Acquisition Proposal not resulting from a violation of the merger agreement, AMTG may:

contact the person making such Acquisition Proposal solely to clarify the terms and conditions of the proposal;

provide non-public information and data concerning AMTG and its subsidiaries to the person making such proposal and such person's representatives and potential financing sources (subject to such person's execution of a confidentiality agreement prior to being provided with any such information); provided that AMTG makes all such non-public information and data available to ARI within twenty-four hours of providing it to such person; and

engage or participate in discussions or negotiations with such person, if the AMTG Board (or any committee thereof) has determined in good faith, after consulting with outside legal counsel and a nationally recognized third party financial advisor, that such proposal constitutes a Superior Proposal to the contemplated transaction or that such proposal would reasonably be likely to result in a Superior Proposal.

The merger agreement provides that the AMTG Board will not withdraw, withhold, qualify, amend or modify, in any manner adverse to ARI, the AMTG Board's recommendation that AMTG common stockholders approve the First Merger and the transactions contemplated by the merger agreement, or authorize, adopt, approve, recommend or otherwise declare advisable, or propose publicly to approve or recommend or enter into any alternative Acquisition Proposal.

Notwithstanding the above, subject to certain procedural requirements and limitations as provided for in the merger agreement and described under *The Agreements Description of the Merger Agreement Covenants and Agreements* beginning on page 140 of this proxy statement/prospectus, if AMTG receives a written unsolicited bona fide Acquisition Proposal or in response to an intervening event, the AMTG Board may effect a change of recommendation under certain circumstances.

For more information regarding the limitations on AMTG and the AMTG Board to consider other competing proposals and its ability to withdraw the AMTG Board recommendation, see *The Agreements Description of the Merger Agreement Covenants and Agreements* beginning on page 140.

Termination of the Merger Agreement (See page 154)

The merger agreement may be terminated at any time before the effective time of the First Merger by the mutual consent of ARI and AMTG in a written instrument, even after approval by AMTG common stockholders.

In addition, the merger agreement may also be terminated prior to the effective time of the First Merger by either AMTG or ARI under the following circumstances, each subject to certain exceptions:

the First Merger has not been consummated on or before August 26, 2016 (which may be extended to October 26, 2016 upon written notice by either AMTG or ARI, in the event that all of the conditions for the

closing of the mergers have been satisfied or waived but a governmental entity of competent jurisdiction has issued a law, order or injunction which prevents or prohibits the consummation of the mergers or the other transactions contemplated by the merger agreement);

the requisite stockholders of AMTG fail to approve the First Merger and the other transactions contemplated by the merger agreement at a duly convened special meeting;

a governmental entity of competent jurisdiction has issued a final, non-appealable law, order or injunction permanently restraining, enjoining or otherwise prohibiting the mergers (whether before or after the stockholders of AMTG approve the First Merger and the other transactions contemplated by the merger agreement); or

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there has been a breach by the other party of any of the covenants or agreements or any inaccuracy in any of the representations or warranties set forth in the merger agreement on the part of such other party, which breach cannot be or is not cured prior to the earlier of 30 days after written notice of the breach is given by the terminating party and the Outside Date.

The merger agreement may also be terminated by ARI prior to the approval of the First Merger by AMTG common stockholders, (i) if the AMTG Board has withdrawn or modified its recommendation to the AMTG common stockholders with respect to the First Merger, (ii) if the AMTG Board fails to reaffirm its recommendation to the AMTG common stockholders within 10 business days after (x) a competing proposal has been made public and (y) ARI has requested that the AMTG Board reaffirm its recommendation, or (iii) if AMTG has materially breached its obligations under non-solicitation provisions of the merger agreement.

The merger agreement may also be terminated by AMTG (i) at any time prior to the approval of the First Merger by AMTG common stockholders, in order to enter into an alternative acquisition agreement with respect to a competing proposal that the AMTG Board determines is more favorable to AMTG stockholders than the mergers; provided, that AMTG must substantially concurrently pay ARI the termination fee (described below) or (ii) if (x) all of the conditions to ARI's obligation to consummate the First Merger have been satisfied or waived, (y) AMTG has confirmed in writing to ARI that it is ready, willing and able to consummate the First Merger and (z) ARI fails to consummate the First Merger within four business days of the date the consummation of the First Merger otherwise should have occurred under the merger agreement.

For more information regarding the termination rights of ARI and AMTG to terminate the merger agreement, see *The Agreements Description of the Merger Agreement Termination of the Merger Agreement* beginning on page 154.

Termination Fees and Expenses (See page 155)

Generally, all fees and expenses incurred in connection with the mergers and the transactions contemplated by the merger agreement will be paid by the party incurring those fees and expenses; however, ARI and AMTG will share equally all expenses relating to the printing, filing and mailing of this proxy statement/prospectus and the registration statement on Form S-4 of which this forms a part and certain transfer taxes and other similar expenses.

In addition, if the merger agreement is terminated by AMTG in order to enter into an agreement with respect to a Superior Proposal (as defined in *The Agreements Description of the Merger Agreement Termination Fee and Expenses Payable by AMTG to ARI* beginning on page 155) or by ARI because AMTG makes an adverse change in recommendation, AMTG may be obligated to pay ARI a termination fee of up to \$12.0 million. In certain circumstances, if the AMTG common stockholders approve the First Merger at the AMTG special meeting, AMTG will reimburse ARI's out-of-pocket fees and expenses up to a maximum of \$6.0 million. For more information regarding payment of the termination fee and expenses payable by AMTG to ARI see *The Agreements Description of the Merger Agreement Termination Fee and Expenses Payable by AMTG to ARI* beginning on page 155.

Listing of Newly Issued ARI Common Stock

ARI is required to list the shares of ARI common stock that will be issued to holders of AMTG common stock in the First Merger on the NYSE, subject to official notice of issuance. For additional information on the listing of the shares of ARI common stock, see *The Mergers and Related Transactions Listing of Newly Issued ARI Common Stock* beginning on page 105.

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Listing of Newly Issued ARI Series C Preferred Stock

ARI is required to list the shares of ARI Series C Preferred Stock that will be issued to holders of AMTG Series A Preferred Stock in connection with the Second Merger on the NYSE, subject to official notice of issuance. For additional information on the listing of the shares of ARI Series C Preferred Stock, see *The Mergers and Related Transactions Listing of Newly Issued ARI Series C Preferred Stock* beginning on page 106.

Delisting and Deregistration of AMTG Stock

After the mergers are completed, AMTG common stock and AMTG Series A Preferred Stock will be delisted from the NYSE and deregistered under the Exchange Act, and AMTG will no longer file periodic reports with the SEC. For additional information on the delisting and deregistering of the AMTG common stock and AMTG Series A Preferred Stock, see *The Mergers and Related Transactions Delisting and Deregistration of AMTG Capital Stock* beginning on page 106.

Restriction on Sales of ARI Common Stock and ARI Series C Preferred Stock

The shares of ARI common stock and ARI Series C Preferred Stock issued in the mergers will not be subject to any restrictions on transfers arising under the Securities Act, except for those shares issued to any holder of AMTG common stock or AMTG Series A Preferred Stock who may be deemed an affiliate of ARI after the completion of the mergers. The shares of ARI common stock and ARI Series C Preferred Stock issued in the mergers will be subject to restrictions on ownership and transfers set forth in ARI's charter, including the Articles Supplementary. For additional information on the restrictions on the ARI common stock and ARI preferred stock, see *The Mergers and Related Transactions Restriction on Sales of ARI Common Stock and Preferred Stock* beginning on page 106.

Material U.S. Federal Income Tax Consequences

The receipt of the merger consideration in exchange for AMTG common stock or AMTG Series A Preferred Stock, as applicable, pursuant to the mergers will be a taxable transaction for U.S. federal income tax purposes. Generally, an AMTG common stockholder will recognize gain or loss for U.S. federal income tax purposes measured by the difference, if any, between (1) the amount of cash received and the fair market value of the ARI common stock received on the effective date of the First Merger and (2) such stockholder's adjusted tax basis in its AMTG common stock exchanged for such merger consideration. Generally, a holder of AMTG Series A Preferred Stock will recognize gain or loss for U.S. federal income tax purposes measured by the difference, if any, between (1) the fair market value of the ARI Series C Preferred Stock received on the effective date of the Second Merger and (2) such holder's adjusted tax basis in its AMTG Series A Preferred Stock exchanged for such merger consideration.

AMTG stockholders should read *The Mergers and Related Transactions Material U.S. Federal Income Tax Considerations* beginning on page 106 for a more complete discussion of the U.S. federal income tax consequences of the mergers and of the acquisition, holding and disposition of ARI common stock and ARI Series C Preferred Stock received in the mergers. Tax matters can be complicated and the tax consequences of the mergers to an AMTG stockholder will depend on such holder's particular circumstances. AMTG stockholders should consult their tax advisors to determine the particular tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws, and applicable reporting requirements) of the mergers.

Management and Board of the Combined Company

The ARI Board immediately prior to the effective time of the Second Merger will serve as the board of directors of the Combined Company following the mergers, with Jeffrey M. Gault continuing to serve as the Chairman.

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The executive officers of ARI immediately prior to the effective time of the Second Merger will serve as the executive officers of the Combined Company, with Stuart A. Rothstein continuing to serve as President and Chief Executive Officer.

Interests of AMTG's Directors and Officers in the Transaction

Certain of AMTG's executive officers and directors may have interests in the transaction that are different from, or in addition to, those of AMTG's and ARI's stockholders generally. These interests may present such executive officers and directors with actual or potential conflicts of interest. The AMTG Board was aware of these interests during its deliberations on the merits of the transaction and in deciding to approve the merger agreement and the transactions contemplated thereby. For additional information on the interests of AMTG's directors and officers in the transaction, see *The Mergers and Related Transactions Interests of AMTG's Directors and Officers in the Transaction* beginning on page 99.

Conversion of Outstanding Shares Pursuant to the First Merger

Shares of AMTG common stock owned by executive officers and directors of AMTG will be converted into the right to receive the Per Common Share Merger Consideration on the same terms and conditions as the other stockholders of AMTG. As of [], 2016, the executive officers and directors of AMTG beneficially owned, in the aggregate, [] shares of AMTG common stock, excluding outstanding AMTG Restricted Shares. If all of the shares of AMTG common stock beneficially owned by the executive officers and directors of AMTG as of [], 2016 (other than AMTG Restricted Shares) were converted into the right to receive the Per Common Share Merger Consideration in the First Merger, then the executive officers and directors would receive, based on the closing price of ARI common stock on [], 2016, total consideration with an aggregate value of \$[].

Treatment of AMTG Restricted Shares

Under the merger agreement, immediately prior to the First Merger, each outstanding AMTG Restricted Share which was not then vested will vest and, upon consummation of the First Merger, will be converted into the right to receive the Per Common Share Merger Consideration, less applicable tax withholdings.

As a result of the transactions contemplated under the merger agreement, AMTG's directors and executive officers who hold AMTG Restricted Shares would receive the following consideration in connection with the accelerated vesting prior to the First Merger:

Name	AMTG Restricted Shares (#)	Cash Consideration (\$)	ARI Shares (#)	Aggregate Consideration (\$) ⁽¹⁾
Mark C. Biderman	[]	[]	[]	[]
Thomas D. Christopoul	[]	[]	[]	[]
Frederick J. Kleisner	[]	[]	[]	[]
Hope S. Taitz	[]	[]	[]	[]
Michael A. Commaroto ⁽²⁾	[]	[]	[]	[]

(1)

Aggregate consideration determined by adding the cash consideration to the value of the shares of ARI common stock using the closing price of ARI common stock on [], 2016.

- (2) This amount includes 72,380 AMTG Restricted Shares which were granted to Mr. Commaroto following the execution of the merger agreement (on March 17, 2016). Consistent with the treatment of AMTG Restricted Shares described above, these AMTG Restricted Shares will vest and be converted into the Per Common Share Merger Consideration upon the consummation of the First Merger.

Table of Contents**Other Compensation Arrangements**

It is anticipated that Mr. Commaroto will enter into arrangements with the AMTG Manager that will provide for a retention bonus in the amount of \$[] and severance in the amount of \$[] in connection with his continuing to provide services for a specified period following the closing of the mergers and his anticipated termination of employment thereafter. The payments will be made by the AMTG Manager or one or more of its affiliates and, other than with respect to liabilities relating to AMTG Restricted Shares, AMTG will have no liability with respect to these arrangements. In addition, at the time of the execution of the merger agreement, Mr. Commaroto was granted ARI restricted stock units with respect to 30,900 shares of ARI common stock that vest based upon the achievement of certain conditions.

Section 16 Matters

Pursuant to the merger agreement, AMTG is permitted to take all steps as may be required to cause to be exempt under Rule 16b-3 under the Exchange Act any dispositions of shares of AMTG common stock (including derivative securities with respect to such shares) that are treated as dispositions under Rule 16b-3 and result from the transactions contemplated under the merger agreement by each officer or director of AMTG who is or will be subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to AMTG.

Indemnification and Insurance

For a period of 10 years after the effective time of the mergers, pursuant to the terms of the merger agreement and subject to certain limitations, the surviving entity will indemnify, defend and hold harmless among others, each individual covered by the AMTG governing documents or any indemnification or similar agreements, for actions at or prior to the effective time of the mergers, including with respect to the transactions contemplated by the merger agreement. In addition, pursuant to the terms of the merger agreement and subject to certain limitations, prior to the effective time of the mergers, AMTG may obtain and pay for a directors' and officers' liability insurance tail or run-off insurance program for a period of ten years after the closing date with respect to wrongful acts and/or omissions committed or allegedly committed at or prior to the time of the First Merger (such coverage shall have an aggregate coverage limit over the term of such policy in an amount not to exceed the annual aggregate coverage limit under AMTG's existing directors' and officers' liability policy, and in all other respects shall be comparable to such existing coverage); provided, however, that the annual cost of such program may not exceed 250% of the annual premiums paid as of the date of the merger agreement by AMTG for directors' and officers' liability insurance (such 250% amount, the Base Premium); provided, further, if such insurance coverage cannot be obtained at all, or can only be obtained at an annual cost in excess of the Base Premium, AMTG may purchase the most advantageous policies of tail or run-off directors' and officers' insurance obtainable for an annual cost equal to the Base Premium. If AMTG obtains such insurance policy prior to the effective time of the First Merger, ARI shall cause such policy to be maintained in full force and effect, for its full term, and shall honor its obligations thereunder. Some of the directors and executive officers of AMTG are entitled to certain contractual payments, benefits and incentive awards in connection with the mergers, as described below.

For a description of these interests in greater detail, refer to the section entitled *The Mergers and Related Transactions Interests of AMTG's Directors and Officers in the Transaction* beginning on page 99.

Interests of ARI's Directors and Officers in the Transaction

Certain of ARI's executive officers and directors may have interests in the transaction that are different from, or in addition to, those of AMTG's and ARI's stockholders generally. These interests may present such executive officers

and directors with actual or potential conflicts of interest. The ARI Board was aware of these interests during its deliberations on the merits of the transaction and in deciding to approve the merger agreement and the

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other transactions contemplated thereby. For additional information on the interests of ARI's directors and officers in the transaction, see *The Mergers and Related Transactions Interests of ARI's Directors and Officers in the Transaction* beginning on page 103.

Accounting Treatment of the Transaction

ARI prepares its financial statements in accordance with U.S. generally accepted accounting principles, which we refer to as GAAP. The mergers will be accounted for by applying the acquisition method. See *The Mergers and Related Transactions Accounting Treatment of the Transaction* beginning on page 105.

Voting by AMTG's Directors and Officers

AMTG is making the statements included in this section solely for the purpose of complying with the disclosure requirements of Rule 13e-3 and related rules under the Exchange Act.

Under SEC rules, AMTG is required, to the extent known to AMTG after making reasonable inquiry, to state how any executive officer, director or affiliate of AMTG currently intends to vote its subject securities, within the meaning of Rule 13e-3, including any securities the person has proxy authority for and to state the reasons for such intended actions. Currently, there are no formal arrangements between AMTG and any of its executive officers, directors or affiliates relating to the manner in which such individuals in their capacity as AMTG common stockholders will vote for the First Merger and the other transactions contemplated by the merger agreement. After reasonable inquiry, AMTG has concluded that each executive officer, director or affiliate currently intends to vote its shares of AMTG common stock for the approval of the First Merger and the transactions contemplated by the merger agreement based on the factors considered by, and the analysis, discussion and resulting conclusions of, the AMTG Special Committee and the AMTG Board described in the section entitled *The Mergers and Related Transactions AMTG's Reasons for the Transactions and Recommendation of AMTG's Board of Directors* beginning on page 60 of this proxy statement/prospectus. In particular, the executive officers, directors or affiliates have based their consideration on the following factors, among others:

the fact that the merger agreement and the transactions contemplated thereby, including the mergers, were negotiated, determined to be advisable and in the best interests of AMTG and its stockholders, and approved by the AMTG Special Committee and the AMTG Board;

the fact that the value of the Per Common Share Merger Consideration as of [], 2016, which is [] (based on the closing price as of [], 2016 on the NYSE for a share of ARI common stock, represents approximately a []% premium over the market closing price of \$[] on February 25, 2016, the last unaffected trading day prior to the announcement of the merger agreement;

the fact that the Per Common Share Merger Consideration and the other terms and conditions of the merger agreement resulted from arm's-length negotiations between the ARI Special Committee and the AMTG Special Committee;

the fact that the merger agreement permits AMTG, subject to specific limitations and requirements set forth therein, to actively solicit alternative acquisition proposals from third parties, and to furnish confidential information to, and engage in discussions or negotiations with, the person or parties making such acquisition proposal through April 1, 2016, and thereafter AMTG may consider and respond to an unsolicited third-party acquisition proposal, and continue to furnish confidential information to, and engage in discussions or negotiations with, the person or parties making such acquisition proposal prior to the time AMTG's common stockholders approve the proposal to approve the First Merger and the other transactions contemplated by the merger agreement;

the fact that the merger agreement permits the AMTG Board, subject to specific limitations and requirements set forth therein, to withdraw or change its recommendation that AMTG's common

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stockholders vote in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement and to terminate the merger agreement and accept a superior proposal, in each case prior to the time AMTG's common stockholders approve the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, subject to AMTG paying ARI a termination fee of \$7.5 million or, in certain circumstances, \$12.0 million; and

the fact that the First Merger is conditioned upon, among other matters, the AMTG stockholders' approval of the First Merger and the other transactions contemplated by the merger agreement by the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG common stock entitled to vote on the First Merger, including the affirmative vote of the holders of at least a majority of the then outstanding shares of AMTG common stock that are beneficially owned by persons who are not affiliates of Apollo.

The foregoing discussion of the factors considered by executive officers, directors and affiliates of AMTG is not intended to be exhaustive but is believed to include all material factors considered by such holders of AMTG common stock in making a determination regarding whether to vote for the proposal to approve the First Merger and the other transactions contemplated by the merger agreement for the purpose of complying with the requirements of Rule 13e-3 and the related rules under the Exchange Act. Such executive officers, directors and affiliates did not find it practicable to, and did not, quantify or otherwise attach relative weights to the foregoing factors in reaching their position as to whether to vote in favor of the mergers. Rather, such executive officers, directors and affiliates made their decision whether to vote in favor of the mergers after considering all of the factors as a whole.

Approval of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG common stock. In addition, the closing of the mergers is conditioned upon the holders of at least a majority of the outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo approving the proposal to approve the First Merger and the other transactions contemplated by the merger agreement. The executive officers, directors and affiliates discussed in this *Voting by AMTG's Directors and Officers* section will be not be entitled to vote as holders of outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo.

Voting by Apollo Participants and ARI's Directors and Officers

Certain of the Apollo Participants and certain of the directors and officers of ARI hold and are entitled to vote shares of the AMTG common stock at the AMTG special meeting. We believe that the Apollo Participants and such directors and officers of ARI intend to vote all of their shares of AMTG common stock FOR the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, FOR the proposal to approve one or more adjournments of the AMTG special meeting to another date, time or place, if necessary or appropriate, to solicit additional proxies in favor of the proposal to approve the First Merger and the other transactions contemplated by the merger agreement, and FOR the Merger-Related Named Executive Officer Compensation Proposal. Notwithstanding the foregoing, the First Merger is conditioned upon, among other things, the affirmative vote of the holders of at least a majority of the outstanding shares of AMTG common stock. In addition, the closing of the mergers is conditioned upon the holders of at least a majority of the outstanding shares of AMTG common stock that are beneficially owned by persons unaffiliated with Apollo approving the proposal to approve the First Merger and the other transactions contemplated by the merger agreement. For additional information on the intended voting by the Apollo Participants and the directors and officers of ARI and the conditions to the First Merger, see *The Mergers and Related Transactions Voting by Apollo Participants and ARI's Directors and Officers* beginning on page 105 and *The Agreements Description of the Merger Agreement Conditions to Completion of the First Merger* beginning on page 152.

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Stockholder Appraisal Rights in the Mergers

Holders of AMTG common stock and AMTG Series A Preferred Stock are not entitled to exercise appraisal, dissenters' or similar rights in connection with the mergers or the other transactions contemplated by the merger agreement. See *No Appraisal Rights* on page 206.

Comparison of Rights of AMTG Stockholders and ARI Stockholders

If the mergers are consummated, stockholders of AMTG will become stockholders of the Combined Company. As a result, the rights of the former AMTG stockholders will be governed by the MGCL and the charter and bylaws of ARI, rather than the charter and bylaws of AMTG. For a summary of certain differences between the rights of AMTG stockholders and ARI stockholders, see *Comparison of Stockholder Rights* beginning on page 202.

Financing of the Mergers

ARI's obligation to consummate the mergers is not conditioned upon ARI having received any financing. However, in connection with the merger agreement and the transactions contemplated thereby, ARI entered into a commitment letter (the *Bridge Loan Commitment Letter*) with Athene's subsidiary, Athene USA, dated February 26, 2016, pursuant to which Athene USA agreed to provide a senior secured term loan in an aggregate amount of up to \$200.0 million subject to certain adjustments (the *Bridge Loan*). At or prior to the consummation of the mergers, ARI expects to enter into definitive documentation for the Bridge Loan. ARI will have the option to draw on the bridge loan facility to fund a portion of the cash component of the merger consideration and to pay fees and expenses incurred in connection with the mergers. The amount drawn will depend on a number of factors. The Bridge Loan's stated maturity date will be the 364th day following the day on which the First Merger occurs. ARI will be required to use the net cash proceeds of the sale of assets under the asset purchase agreement (as defined in *Key Terms of the Asset Purchase Agreement* below) to repay the Bridge Loan. This requirement is anticipated to result in the entire repayment of the Bridge Loan prior to its stated maturity date.

For more information regarding the financing of the mergers, see *The Agreements Description of the Bridge Loan Commitment* beginning on page 161. We encourage you to carefully read the Bridge Loan Commitment Letter, a copy of which is attached as Annex C to this proxy statement/prospectus, in its entirety because it is the legal document governing the transactions contemplated thereby.

Key Terms of the Asset Purchase Agreement

In connection with ARI's entry into the merger agreement, on February 26, 2016 ARI entered into an asset purchase and sale agreement (the *asset purchase agreement*) with Athene USA subsidiaries Athene Annuity & Life Assurance Company and Athene Annuity and Life Company (collectively, *Athene Annuity*), pursuant to which Athene Annuity has agreed to buy approximately \$1.2 billion of certain assets of AMTG, primarily consisting of non-Agency residential mortgage backed securities, immediately following the effectiveness of the First Merger, which we refer to as the asset sale transaction. In order to consummate the asset sale transaction, Athene Annuity is required to obtain certain approvals from its applicable state insurance regulators. A copy of the asset purchase agreement is attached as Annex B to this proxy statement/prospectus and incorporated herein by reference. For a summary of the material provisions of the asset purchase agreement, see *The Agreements Description of the Asset Purchase Agreement* beginning on page 157. We encourage you to carefully read the asset purchase agreement, a copy of which is attached as Annex B to this proxy statement/prospectus, in its entirety because it is the legal document governing the transactions contemplated thereby.

Table of Contents**Key Terms of the Stock Purchase Agreement**

On February 26, 2016 ARI also entered into a stock purchase agreement (referred to herein as the stock purchase agreement) with Athene USA. Under the stock purchase agreement, during the first 30 trading days following the closing of the mergers (or, under certain circumstances, a later date as set forth in the stock purchase agreement), Athene USA agreed to purchase (or cause one or more of its subsidiaries to purchase) up to \$20 million (subject to reduction in certain circumstances) of shares of ARI common stock in the open market at the then-current market price if the quoted price per share of ARI common stock on the NYSE at any time during the 30-trading-day period is less than the per share value of the shares of ARI common stock issued to holders of AMTG common stock in the First Merger (which is fixed at \$16.75) and hold such shares for 180 days thereafter. Athene USA's commitment to purchase shares of ARI common stock is subject to certain limitations, restrictions and conditions, including that all purchases will be made only pursuant to a Rule 10b5-1 plan and in accordance with Rule 10b-18 under the Exchange Act and other restrictions imposed by applicable law. A copy of the stock purchase agreement is attached as Annex C to this proxy statement/prospectus and incorporated herein by reference. For a summary of the material provisions of the stock purchase agreement, see *The Agreements Description of the Stock Purchase Agreement* beginning on page 162. We encourage you to carefully read the stock purchase agreement, a copy of which is attached as C to this proxy statement/prospectus, in its entirety because it is the legal document governing the transactions contemplated thereby.

Letter Agreements with the ARI Manager and the AMTG Manager

On February 26, 2016, ARI entered into a letter agreement (referred herein as the ARI Manager letter agreement) with the ARI Manager and ACREFI Operating, LLC, pursuant to which the ARI Manager agreed to perform such services and activities as may be necessary to enable ARI to consummate the mergers and the other transactions contemplated by the merger agreement in exchange for certain payments from ARI. On February 26, 2016, AMTG entered into a letter agreement (referred herein as the AMTG Manager letter agreement) with the AMTG Manager and ARM Operating, LLC, pursuant to which the AMTG Manager agreed to perform such services and activities as may be necessary to enable AMTG to consummate the mergers and the other transactions contemplated by the merger agreement. The AMTG Manager letter agreement also contains provisions that will reduce the aggregate amounts of management fees that otherwise would be payable to the AMTG Manager and the ARI Manager after the consummation of the mergers. Copies of the ARI Manager letter agreement and the AMTG Manager letter agreement are attached as Annexes E and F, respectively, to this proxy statement/prospectus and incorporated herein by reference. For a summary of the material provisions of the ARI Manager letter agreement and the AMTG Manager letter agreement, see *The Agreements Description of Letter Agreements with the Managers* beginning on page 163.

Relationships among Apollo, AMTG, ARI and Athene

The ARI Manager and the AMTG Manager are the external managers of ARI and AMTG, respectively, pursuant to management agreements that provide for investment advisory services to be rendered to ARI and AMTG subject to the supervision of the respective boards of directors of ARI and AMTG. Each of the ARI Manager and the AMTG Manager is an indirect subsidiary of Apollo. As of [], 2016, certain affiliates of Apollo and the Apollo-affiliated directors and officers of ARI and AMTG collectively held []% of the outstanding shares of ARI common stock and []% of the outstanding shares of AMTG common stock.

Certain of the members of the AMTG Board have relationships with Apollo as set forth below:

Michael A. Commaroto is the president and chief executive officer of the AMTG Manager, an affiliate of Apollo;

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James E. Galowski is an employee of an affiliate of Apollo; and

Frederick N. Khedouri is an employee of an entity affiliated with Apollo.

In addition, (i) Mark C. Biderman is a member of both the AMTG Board and the ARI Board and has recused himself from all deliberations relating to the mergers and (ii) Hope S. Taitz is a member of both the AMTG Board and the board of directors of Athene Holding Ltd. Ms. Taitz is also a member of the conflicts committee of the board of directors of Athene Holding Ltd., but she was not a member of the special sub-committee of the conflicts committee that considered the transactions between ARI and Athene.

AMTG does not have any employees; all of its officers are employees of the AMTG Manager. ARI does not have any employees; all of its officers are employees of the ARI Manager.

Apollo is a significant shareholder of Athene Holding Ltd., through which Apollo holds approximately 45% of the total voting power of Athene Holding Ltd. Athene's invested assets are also managed by Athene Asset Management, L.P. (AAM), which is a subsidiary of Apollo. Certain of Athene Holding Ltd.'s directors are also employees of Apollo and directors of AAM, and Athene Holding Ltd.'s Chief Executive Officer is the Chief Executive Officer and an equity holder of AAM.

Litigation Related to the Mergers and Related Transactions

After the announcement of the execution of the merger agreement, two putative class action lawsuits challenging the proposed merger, captioned *Aivasian v. Apollo Residential Mortgage, Inc., et al.*, No. 24-C-16-001532 and *Wiener v. Apollo Residential Mortgage, Inc., et al.*, No. 24-C-16-001837, were filed in the Circuit Court for Baltimore City, Maryland on March 7, 2016 and March 21, 2016, respectively. The complaints name as defendants AMTG, the AMTG Board, ARI, Merger Sub, and Apollo and allege, among other things, that the members of the AMTG Board breached their fiduciary duties to AMTG's stockholders. The complaints further allege, among other things, that the proposed merger involves inadequate consideration, was the result of an inadequate and conflicted sales process, and includes unreasonable deal protection devices that purportedly preclude competing offers. The complaints also allege that ARI, Merger Sub, and Apollo aided and abetted those alleged breaches of fiduciary duty. The complaints seek, among other things, certification of the proposed class, declaratory relief, preliminary and permanent injunctive relief, including enjoining or rescinding the mergers, unspecified damages, and an award of other unspecified attorneys' and other fees and costs. The defendants believe that the claims asserted in the complaints are without merit and intend to vigorously defend the lawsuits. See *Litigation Related to the Mergers and Related Transactions* on page 164.

Table of Contents**SELECTED HISTORICAL FINANCIAL DATA****Selected Historical Consolidated Financial Data of AMTG**

All currency figures are presented in thousands, except per share amounts or as otherwise noted.

The selected financial data presented below has been derived from AMTG's audited consolidated financial statements. This information should be read in conjunction with Item 1, Item 7 and the audited consolidated financial statements and notes thereto included under Item 8 of AMTG's annual report on Form 10-K for the year ended December 31, 2015, which is incorporated herein by reference. See *Where You Can Find More Information; Incorporation By Reference* beginning on page 207.

	For the Year Ended December 31,				For the Period
	2015	2014	2013	2012	From July 27, 2011 Through December 31, 2011
Operating Data:					
Interest income	\$ 160,100	\$ 154,177	\$ 154,713	\$ 94,369	\$ 10,733
Interest expense	(32,358)	(30,386)	(27,602)	(14,631)	(1,138)
Net interest income	127,742	123,791	127,111	79,738	9,595
Realized gain/(loss) on sale of RMBS, net	16,998	(8,821)	(66,850)	39,817	885
Realized gain/loss on sale of other investments securities	102				
Other than temporary impairment recognized	(12,089)	(14,891)	(13,412)	(5,475)	(2,120)
Unrealized gain/(loss) on RMBS, net	(64,027)	102,942	(133,963)	105,877	4,602
Realized gain/(loss) on derivatives, net	(41,396)	(49,148)	9,203	(12,514)	(630)
Unrealized gain/(loss) on derivatives, net	(5,015)	(39,379)	50,373	(20,151)	(3,246)
Unrealized gain/(loss) on securitized mortgage loans, net	(1,958)	4,813	3,950		
Unrealized (loss) on mortgage loans, net		(9)			
Unrealized gain/(loss) on securitized debt, net	1,031	(124)	(954)		
Unrealized gain/(loss) on other investment securities	(6,376)	(96)	335		
Other, net	(123)	82	76	48	2
Operating expenses	(26,484)	(23,105)	(23,080)	(14,584)	(4,616)
Net income/(loss)	\$ (11,595)	\$ 96,055	\$ (47,211)	\$ 172,756	\$ 4,472
Preferred Stock dividends declared	(13,800)	(13,800)	(13,800)	(5,022)	

Net income/(loss) allocable to common stock and participating securities	\$ (25,395)	\$ 82,255	\$ (61,011)	\$ 167,734	\$ 4,472
Earnings/(loss) per common share basic and diluted	\$ (0.81)	\$ 2.55	\$ (2.02)	\$ 8.36	\$ 0.43
Dividends declared per share of common stock	\$ 1.92	\$ 1.71	\$ 2.20	\$ 3.40	\$ 0.30

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	December 31,				
	2015	2014	2013	2012	2011
Balance Sheet Data (at period end):					
Agency pass-through RMBS	\$ 1,800,250	\$ 2,243,946	\$ 2,219,334	\$ 3,572,168	\$ 1,112,459
Agency Inverse Floater securities	\$	\$ 5,094	\$	\$	\$
Agency IO securities	\$ 57,354	\$ 11,941	\$ 44,425	\$ 5,880	\$ 7,884
Agency Inverse IO securities	\$ 6,752	\$ 26,542	\$ 26,778	\$ 48,046	\$ 7,783
Non-Agency RMBS	\$ 1,197,226	\$ 1,468,109	\$ 1,212,789	\$ 605,197	\$ 112,346
Securitized mortgage loans	\$ 167,624	\$ 104,438	\$ 110,984	\$	\$
Other investment securities	\$ 166,190	\$ 34,228	\$ 11,515	\$	\$
Mortgage loans held at fair value	\$	\$ 14,120	\$	\$	\$
Other investments	\$ 45,233	\$ 40,561	\$	\$	\$
Derivative instruments assets	\$ 4,347	\$ 11,642	\$ 53,315	\$ 750	\$
Cash and cash equivalents	\$ 120,144	\$ 114,443	\$ 127,959	\$ 149,576	\$ 44,407
Total Assets	\$ 3,663,025	\$ 4,348,053	\$ 3,911,576	\$ 4,487,921	\$ 1,416,927
Borrowings under repurchase agreements	\$ 2,898,347	\$ 3,402,327	\$ 3,034,058	\$ 3,654,436	\$ 1,079,995
Non-recourse securitized debt	\$ 18,951	\$ 34,176	\$ 43,354	\$	\$
Derivative instruments liabilities	\$ 13,813	\$ 8,949	\$ 4,610	\$ 23,184	\$ 3,481
Total Liabilities	\$ 2,968,162	\$ 3,562,101	\$ 3,153,975	\$ 3,771,138	\$ 1,212,341
Preferred Stock, liquidation preference	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500	\$
Total Stockholders Equity	\$ 694,863	\$ 785,952	\$ 757,601	\$ 716,783	\$ 204,586

Selected Historical Consolidated Financial Data of ARI

The selected financial data presented below has been derived from ARI's audited consolidated financial statements. This information should be read in conjunction with Item 1, Item 7 and the audited consolidated financial statements and notes thereto included under Item 8 of ARI's annual report on Form 10-K for the year ended December 31, 2015, which is incorporated herein by reference. See *Where You Can Find More Information; Incorporation By Reference* beginning on page 207.

	For the Year Ended December 31,				
	2015	2014	2013	2012	2011
Operating Data:					
Interest income	\$ 192,164	\$ 123,347	\$ 77,463	\$ 57,079	\$ 52,918
Interest expense	\$ (48,861)	\$ (26,541)	\$ (4,356)	\$ (8,402)	\$ (14,454)
Net interest margin	\$ 143,303	\$ 96,806	\$ 73,107	\$ 48,677	\$ 38,464
Operating expenses	\$ (26,111)	\$ (18,111)	\$ (17,575)	\$ (14,682)	\$ (10,380)
Income from unconsolidated joint venture	\$ 3,464	\$ (157)	\$	\$	\$
Interest on cash balances	\$ 1,239	\$ 34	\$ 20	\$ 7	\$ 13
Realized gain (loss) on sale of securities	\$ (443)	\$	\$	\$ 262	\$
Unrealized gain (loss) on securities	\$ (17,408)	\$ 4,147	\$ (3,065)	\$ 6,489	\$ 481
Foreign currency gain (loss)	\$ (4,894)	\$ (4,050)	\$	\$	\$
Loss on derivative instruments	\$ 4,106	\$ 4,070	\$ (2)	\$ (572)	\$ (2,696)
Net income (loss)	\$ 103,256	\$ 82,739	\$ 52,485	\$ 40,181	\$ 25,882
Preferred dividends	\$ (11,884)	\$ (7,440)	\$ (7,440)	\$ (3,079)	\$
	\$ 91,372	\$ 75,299	\$ 45,045	\$ 37,102	\$ 25,882

Net income (loss) available to common
stockholders

Net income (loss) per share basic and diluted	\$ 1.54	\$ 1.72	\$ 1.26	\$ 1.64	\$ 1.35
Dividends declared per share	\$ 1.78	\$ 1.60	\$ 1.60	\$ 1.60	\$ 1.60

Balance Sheet Data (at period end):

Total assets	\$ 2,719,943	\$ 1,845,147	\$ 907,504	\$ 788,430	\$ 891,230
Total liabilities	\$ 1,344,519	\$ 990,078	\$ 224,548	\$ 241,506	\$ 554,252
Total stockholders equity	\$ 1,375,424	\$ 855,069	\$ 682,956	\$ 546,924	\$ 336,978

Table of Contents**SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The following tables set forth for the year ended December 31, 2015 selected per share information for AMTG common stock on a historical basis and ARI common stock on a historical and pro forma combined basis after giving effect to the mergers using the acquisition method of accounting. Except for the historical information as of and for the year ended December 31, 2015, the information in the table is unaudited. You should read the tables below together with the historical consolidated financial statements and related notes of AMTG and ARI contained in their respective Annual Reports on Form 10-K for the year ended December 31, 2015, which are incorporated by reference into this proxy statement/prospectus. See *Where You Can Find More Information; Incorporation by Reference* beginning on page 207.

The ARI pro forma combined information shows the effect of the mergers from the perspective of an owner of ARI common stock and the information was computed by dividing pro forma book value and pro forma net income available to common stockholders by the pro forma number of ARI common shares outstanding. This computation does not include the benefit to AMTG stockholders of the cash component of the merger consideration.

	Year Ended December 31, 2015			
	ARI	AMTG	Pro-forma Adjustments	ARI Pro- Forma
Operating Data:				
Interest income	192,164	160,100	(78,544)	273,720
Interest expense	(48,861)	(32,358)	19,983	(61,236)
Net interest margin	143,303	127,742	(58,561)	212,484
Operating expenses	(26,111)	(26,484)		(52,595)
Income from unconsolidated joint venture	3,464			3,464
Interest on cash balances	1,239			1,239
Realized gain (loss) on sale of investments	(443)	17,100		16,657
Unrealized gain (loss) on investments	(17,408)	(71,330)	46,990	(41,748)
Foreign currency gain (loss)	(4,894)			(4,894)
Loss on derivative instruments	4,106	(46,411)		(42,305)
Other than temporary impairment recognized		(12,089)	9,031	(3,058)
Other, net		(123)		(123)
Net income (loss)	103,256	(11,595)	(2,539)	89,121
Preferred dividends	(11,884)	(13,800)		(25,684)
Net income (loss) available to common stockholders	91,372	(25,395)	(2,539)	63,437
Net income (loss) per share basic and diluted	1.54	(0.81)		0.87
Basic weighted average shares of common stock outstanding	58,674,046	31,954,000	13,400,000	72,074,046
	59,273,280	31,954,000	13,400,000	72,673,280

Diluted weighted average shares of common stock
outstanding

Balance Sheet Data (at period end):

Total assets	2,719,943	3,663,025	(1,259,826)	5,123,142
Total liabilities	1,344,519	2,968,162	(983,951)	3,328,730
Total stockholders equity	1,375,424	694,863	(275,875)	