

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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FIELDSTONE INVESTMENT CORP

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SIC: **6798** Real estate investment trusts

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

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

April 29, 2005

Date of report (Date of earliest event reported)

FIELDSTONE INVESTMENT CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or other jurisdiction
of incorporation)

000-50938
(Commission File Number
Identification No.)

74-2874689
(IRS Employer)

**11000 Broken Land Parkway, Suite 600
Columbia, Maryland 21044**
(Address of Principal Executive Offices)

(410) 772-7200
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

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

Item 7.01. Regulation FD Disclosure.

Fieldstone Investment Corporation (the "Company") is furnishing one revised slide (to replace current slide 6) and one additional slide (new slide 6a), to the investor presentation materials dated March 28, 2005, except with respect to these two slides which are dated April 29, 2005. The slides are included as Exhibit 99.1 to this Form 8-K pursuant to the Securities and Exchange Commission's Regulation FD and will be

available on the Company's website, www.FieldstoneInvestment.com. The Company expects to use these slides, possibly with variations, at meetings with various members of the financial and investment community, from time to time. This information is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing. By filing this report on Form 8-K and furnishing this information, we make no admission as to the materiality of any information in this report that is required to be disclosed solely by reason of Regulation FD.

The information contained in the slides is summary information that is intended to be considered in the context of the Company's SEC filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Text of Revised Slides dated April 29, 2005

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SIGNATURES

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

FIELDSTONE INVESTMENT CORPORATION

Date: April 29, 2005

**By: /s/ Michael J. Sonnenfeld
President and Chief Executive Officer**

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Text of Revised Slides dated April 29, 2005

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Slide 6
 ROA Analysis:
 Q1 '05 Portfolio, Static ROA, and Life of Pool ROA
 (as of April 29, 2005)

	Hypothetical ROA-Recent Securitization		
	Existing Portfolio	ROA-Static Analysis	ROA-Life of Pool
	1Q 2005-Annualized	FMIT 2005-1	FMIT 2005-1
	\$ 4.84 billion	\$ 7.0 Billion	\$ 7.0 Billion
Avg. Balance of Portfolio			
Interest Income:			
Weighted Average Coupon	6.68%	6.96%	6.96%
ARM Margin Reset	–	–	0.91%
Prepayment Fee Income	0.56%	0.42%	0.57%
Deferred Origination Cost Amor.	(0.45)%	(0.45)%	(0.45)%
Total Interest Income (a)	6.79%	6.93%	7.99%
Funding Costs as % of Principal Balance:			
30 day Libor & SWAP Net Cash Settlement	2.68%	3.32%	3.65%
Bond spread over LIBOR	0.40%	0.45%	0.45%
Deferred Issuance Cost Amor.	0.20%	0.18%	0.18%
Total Core Funding Costs (b)	3.28%	3.95%	4.28%
Net Interest Margin pre Loss Prov. (a-b)	3.51%	2.98%	3.71%
Loan Loss Provision	(0.37)%	(1.36)%	(1.36)%
Net Interest Margin net of Loss Prov.	3.14%	1.62%	2.35%
Servicing Costs	(0.23)%	(0.23)%	(0.23)%
Annualized Cost to Produce Amort.	(1.40)%	(0.69)%	(0.69)%
Total Costs	(1.63)%	(0.92)%	(0.92)%
ROA estimate	1.51%	0.70%	1.43%
Leverage (Target)		13.00	13.00
ROE estimate		13.8%	24.3%
Book Value Per Share		\$ 11.64	\$ 11.64
Indicated Earnings Per Share		\$ 1.61	\$ 2.83
Weighted Avg. Life of Loans (estim)		2.22	2.22

(*) The above model is a non-GAAP presentation of economic components of our REIT portfolio, and is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP.

Slide 6a

ROA Life of Pool Analysis: Forward Libor Curve

(as of April 29, 2005)



Multistage ROA / Forward LIBOR	1 Month LIBOR - Forward Curve as of 2/25/05	Origination Expns	2.63%	1.18%
Series 2005-1	6 Month LIBOR - Forward Curve as of 2/25/05	Life of Pool Loss	3.00%	1.35%
As of Deal Pricing	Lehman Cashflows	ARM Margin	5.78%	
	120% PPC to Maturity: WAL=	2.22	Moody' s Loss Curve	

Year	Origination	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Wtd Avg
Average Balance	1,000,000,000	885,782,125	582,390,264	284,070,967	163,026,540	94,258,572	54,238,630	31,073,549	
Factor		88.58%	58.24%	28.41%	16.30%	9.43%	5.42%	3.11%	
WAC (Averaged over each Year)	6.96%	6.96%	7.01%	9.57%	10.14%	10.33%	10.47%	10.61%	7.87%
Prepayment Fee Income		0.59%	1.07%	0.18%	0.00%	0.00%	0.00%	0.00%	0.57%
Deferred Origination Cost Amor. (GAAP)		(0.45)%	(0.45)%	(0.45)%	(0.45)%	(0.45)%	(0.45)%	(0.45)%	(0.45)%
Total Interest Income		7.10%	7.63%	9.30%	9.69%	9.88%	10.02%	10.16%	7.99%
Funding Costs as% of Principal									
Balance:									
1-month LIBOR		3.54%	4.24%	4.22%	4.48%	4.60%	4.77%	4.92%	
Net Cash Settlements - Swaps/ Caps		(0.22)%	(0.92)%	0.00%	0.00%	0.00%	0.00%	0.00%	
Libor Based Financing Costs		3.32%	3.32%	4.22%	4.48%	4.60%	4.77%	4.92%	3.65%
Bond spread over LIBOR		0.34%	0.42%	0.63%	0.68%	0.59%	0.53%	0.45%	0.45%
Deferred Issuance Cost Amor. (GAAP)		0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Total Funding Costs		3.84%	3.92%	5.02%	5.34%	5.37%	5.48%	5.55%	4.28%
Net Interest Margin Pre Loss									
Provision		3.26%	3.71%	4.27%	4.35%	4.51%	4.55%	4.61%	3.71%
Loan Loss Provision (% of Current Pool)		(0.37)%	(1.03)%	(2.51)%	(3.93)%	(4.54)%	(2.63)%	0.00%	(1.36)%
Net Interest Margin Net of Loss									
Provision		2.89%	2.68%	1.77%	0.41%	(0.02)%	1.92%	4.61%	2.35%
Servicing Costs		(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%
Upfront Origination Costs not capitalized for GAAP		(1.63)%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	(0.69)%
Total Costs		(1.86)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.23)%	(0.92)%

ROA estimate	1.03%	2.45%	1.54%	0.18%	(0.25)%	1.69%	4.38%	1.43%
Leverage (Target)								13
ROE estimate								24.25%
Percentage of Normalized Pool	42.28%	27.80%	13.56%	7.78%	4.50%	2.59%	1.48%	100.00%

***Non-GAAP analysis of Hybrid ARM Pool returns over time.**