

STERLING BANCORP
 Form 424B3
 March 15, 2010

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated March 15, 2010

Filed Pursuant to Rule 424(b)(3)

Registration Statement No. 333-158115

Preliminary Prospectus Supplement
 (To Prospectus dated April 13, 2009)

Shares

Common Shares

We are offering _____ Common Shares, par value \$1.00 per share (“Common Shares”).

Our Common Shares are listed on the New York Stock Exchange (“NYSE”) under the symbol “STL.” The last reported sale price of our Common Shares on March 12, 2010 was \$8.90 per share.

The underwriters may purchase up to an additional _____ Common Shares within 30 days after the date of this prospectus supplement to cover over-allotments, if any, at the public offering price less the underwriting discount.

Investing in our Common Shares involves risks. You should carefully consider the risk factors set forth in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2009 and in the documents we file with the Securities and Exchange Commission (the “SEC”), before making any decision to invest in our Common Shares.

Our Common Shares are not savings accounts, deposits or obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation (the “FDIC”), or any other governmental agency.

None of the SEC, the FDIC, the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) or any state securities commission or any other federal or state bank regulatory agency has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	<u>Per Share</u>	<u>Total</u>
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds to Sterling Bancorp (before expenses)	\$	\$

The underwriters expect to deliver the shares against payment in New York, New York on or about March , 2010.

Stifel Nicolaus

Keefe, Bruyette & Woods

The date of this prospectus supplement is March , 2010.

TABLE OF CONTENTS

	<u>Page</u>
Prospectus Supplement	
<u>About This Prospectus Supplement</u>	S-1
<u>Forward-Looking Statements</u>	S-1
<u>Incorporation by Reference</u>	S-2
<u>Where You Can Find More Information</u>	S-3
<u>Prospectus Supplement Summary</u>	S-4
<u>Summary Selected Consolidated Financial Data</u>	S-8
<u>Risk Factors</u>	S-11
<u>Price Range of our Common Shares and Dividends Paid</u>	S-13
<u>Capitalization</u>	S-14
<u>Use of Proceeds</u>	S-15
<u>Underwriting</u>	S-16
<u>Validity of Securities</u>	S-18
<u>Experts</u>	S-18
Prospectus	
About This Prospectus	1
About Sterling Bancorp	1
Forward-Looking Statements	2
Risk Factors	2
Where You Can Find More Information	2
Incorporation by Reference	3
Use of Proceeds	3
Ratio of Earnings to Fixed Charges and Preferred Share Dividends	3
Description of Common Shares	4
Description of Preferred Shares	5
Description of Warrants	6-7
Plan of Distribution	7-11
Validity of the Securities	11
Experts	11

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell our Common Shares in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the SEC utilizing a shelf registration process. Under this shelf registration process, we may sell from time to time any combination of securities described in the accompanying prospectus in one or more offerings such as this offering. The accompanying prospectus provides you with a general description of the securities we may offer. This prospectus supplement provides you with specific information about our Common Shares we are selling in this offering. Both this prospectus supplement and the accompanying prospectus include important information about us and other information you should know before investing. This prospectus supplement also adds to, updates and changes information contained in the accompanying prospectus. To the extent the information in this prospectus supplement is different from that in the accompanying prospectus, you should rely on the information in this prospectus supplement. You should read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the section entitled "Incorporation by Reference" on page S-2 of this prospectus supplement, before investing in our Common Shares.

Unless otherwise stated or the context otherwise requires, all references in this prospectus supplement to "Sterling Bancorp," "the Company," "we," "our," "us" and similar terms refer to Sterling Bancorp and its consolidated subsidiaries.

You should not consider any information in this prospectus supplement or the accompanying prospectus to be investment, legal or tax advice. You should consult your own counsel, accountants and other advisers for legal, tax, business, financial and related advice regarding the purchase of our Common Shares.

FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus supplement and accompanying prospectus, including but not limited to, statements concerning future results of operations or financial position, borrowing capacity and future liquidity, future investment results, future credit exposure, future loan losses and plans and objectives for future operations, and other statements regarding matters that are not historical facts, are "forward-looking statements" as defined in the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements are not historical facts but instead are subject to numerous assumptions, risks and uncertainties, and represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. Any forward-looking statements we may make speak only as of the date on which such statements are made. Our actual results and financial position may differ materially from the anticipated results and financial condition indicated in or implied by these forward-looking statements.

Factors that could cause our actual results to differ materially from those in the forward-looking statements include, but are not limited to, the following:

- inflation, interest rates, market and monetary fluctuations;
- geopolitical developments including acts of war and terrorism and their impact on economic conditions;
- the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve Board;
- changes, particularly declines, in general economic conditions and in the local economies in which the Company operates;
- the financial condition of the Company's borrowers;
- competitive pressures on loan and deposit pricing and demand;
- changes in technology and their impact on the marketing of new products and services and the acceptance of these products and services by new and existing customers;

S-1

- the willingness of customers to substitute competitors' products and services for the Company's products and services;
- the impact of changes in financial services laws and regulations (including laws concerning taxes, banking, securities and insurance);
- changes in accounting principles, policies and guidelines;
- the ability to successfully integrate any assets, liabilities, customers, systems and management personnel of companies we may acquire into our operations and or ability to realize related revenue synergies and cost savings within expected time frames;
- potential exposure to unknown or contingent liabilities of companies we have acquired or target for acquisition;
- the risks and uncertainties described in the section entitled "Risk Factors" below;
- other risks and uncertainties described from time to time in press releases and other public filings; and
- the Company's performance in managing the risks involved in any of the foregoing.

The foregoing list of important factors is not exclusive, and the Company will not update any forward-looking statement, whether written or oral, that may be made from time to time. You should not put undue reliance on any forward-looking statement.

INCORPORATION BY REFERENCE

The SEC's rules allow us to incorporate by reference certain information into this prospectus supplement. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus supplement from the date we file that document with the SEC. Any reports we file with the SEC after the date of this prospectus supplement, but before the date that the offering of the securities by means of this prospectus supplement is terminated, will automatically update and, where applicable, supersede any information contained in this prospectus supplement or incorporated by reference in this prospectus supplement.

We incorporate by reference into this prospectus supplement the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed according to SEC rules):

- Our Annual Report on Form 10-K for the year ended December 31, 2009, filed on February 25, 2010 (SEC File No. 001-05273);
- Our Current Reports on Form 8-K, filed on November 10, 2009, January 28, 2010, February 3, 2010, and February 22, 2010;
- Our definitive Proxy Statement on Schedule 14A, filed on April 8, 2009;
- The description of our Common Shares contained in our Registration Statement filed with the SEC pursuant to Section 12 of the Exchange Act, including any amendment or report filed for the purpose of updating such description; and
- Any documents filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus supplement and before the termination of the offering of the securities.

Any statement contained in a document incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that any statement contained in this prospectus supplement or in any subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement modified or superseded in this way will not be deemed, except as so modified or superseded, to constitute a part of

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this prospectus supplement. The information incorporated by reference contains information about us and our financial condition and performance and is an important part of this prospectus supplement.

We will provide without charge to each person to whom this prospectus supplement is delivered, including any beneficial owner, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from: Sterling Bancorp, 650 Fifth Avenue, New York, New York 10019-6108, Attention: Investor Relations, Telephone: 212-757-3300.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information requirements of the Securities Exchange Act of 1934. Accordingly, we file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. You can also review our filings by accessing the website maintained by the SEC at <http://www.sec.gov>. The site contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. In addition, to the foregoing, we maintain a website at <http://www.sterlingbancorp.com>. Our website content is made available for informational purposes only. It should neither be relied upon for investment purposes nor is it incorporated by reference into this prospectus. We make available on our internet website copies of our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to such document as soon as practicable after we electronically file such material with or furnish such documents to the SEC.

PROSPECTUS SUPPLEMENT SUMMARY

This summary is not complete and does not contain all of the information that you should consider before investing in our Common Shares. It is qualified in its entirety by the more detailed information included or incorporated by reference in this prospectus supplement and the accompanying prospectus. To understand this offering fully, you should carefully read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein.

Sterling Bancorp

Sterling Bancorp is a bank holding company and a financial holding company as defined by the Bank Holding Company Act of 1956, as amended, which was organized in 1966. Sterling Bancorp and its subsidiaries derive substantially all of their revenue and income from providing banking and related financial services and products to customers primarily in the New York metropolitan area, which includes portions of New York, New Jersey and Connecticut. Sterling Bancorp conducts business throughout the United States and, on a limited basis, internationally.

At December 31, 2009, Sterling Bancorp had total assets of \$2.1 billion, total deposits of \$1.6 billion and total shareholders' equity of \$162.0 million.

Sterling Bancorp owns, directly or indirectly, all of the outstanding shares of Sterling National Bank (the "bank"), its principal subsidiary, and all of the outstanding common shares of Sterling Banking Corporation and Sterling Bancorp Trust I. Sterling National Mortgage Company, Inc., Sterling Factors Corporation, Sterling Trade Services, Inc., and Sterling Resource Funding Corp. are wholly-owned subsidiaries of the bank. Sterling Trade Services, Inc. owns all of the outstanding common shares of Sterling National Asia Limited, Hong Kong. Sterling Real Estate Holding Company, Inc. is a majority-owned subsidiary of the bank.

Our principal executive offices are located at 650 Fifth Avenue, New York, New York 10019-6108, and our telephone number is 212-757-3300.

Summary of Business Operations

The Bank. Sterling National Bank, organized in 1929 under the National Bank Act, maintains twelve offices in New York: nine offices in New York City (six branches and an international banking facility in Manhattan and three branches in Queens); two branches in Nassau County (one in Great Neck and the other in Woodbury, New York) and one branch in Yonkers, New York.

The bank provides a broad range of banking and financial products and services, including business and consumer lending, asset-based financing, factoring/accounts receivable management services, equipment leasing, commercial and residential mortgage lending and brokerage, deposit services, international trade financing, trust and estate administration, investment management and investment services.

Commercial Lending, Asset-Based Financing and Factoring/Accounts Receivable Management. The bank provides loans to small and medium-sized businesses. The bank's customers are diversified across industries, including commercial, industrial and financial companies, and government and non-profit entities. Loans generally range in size from \$250 thousand to \$20 million and can be tailored to meet customers' specific long- and short-term needs, and include secured and unsecured lines of credit, business installment loans, business lines of credit, and debtor-in-possession financing. Loans are often collateralized by assets, such as accounts receivable, inventory, marketable securities, other liquid collateral, equipment and other assets.

Through its factoring subsidiary, Sterling Factors Corporation, the bank provides accounts receivable management services, primarily for customers in the apparel and textile industries.

Through its subsidiary Sterling Resource Funding Corp., the bank provides financing and human resource business process outsourcing support services, exclusively for the temporary staffing industry. For over 25 years and throughout the United States, Sterling Resource Funding Corp. and its predecessors have provided full back-office, computer, tax and accounting services, as well as financing, to independently-owned staffing companies.

As of December 31, 2009, the outstanding loan balance (net of unearned discounts) for commercial and industrial lending and factored receivables was \$585.9 million, representing approximately 47.7% of the bank's total loan portfolio. There are no industry concentrations in the commercial and industrial loan portfolio that exceed 10% of gross loans. Approximately 78% of the bank's loans are to borrowers located in the New York metropolitan area. The bank has no foreign loans.

Lease Financing. The bank offers lease financing services in the New York metropolitan area and across the United States through direct leasing programs, third party sources and vendor programs. The bank finances full payout leases for various types of business equipment, generally written on a recourse basis—with personal guarantees of the principals, with terms generally ranging from 24 to 60 months. At December 31, 2009, the outstanding balance (net of unearned discounts) for lease financing receivables was \$195.1 million, with a remaining average term of 32 months, representing approximately 15.9% of the bank's total loan portfolio.

Residential and Commercial Mortgages. The bank's real estate loan portfolio consists of real estate loans on one-to-four family residential properties, multi-family residential properties and nonresidential commercial properties. The residential mortgage banking and brokerage business is conducted through offices located in the New York metropolitan area. Residential mortgage loans, substantially all of which are for single family residences, are focused on conforming credit, government insured FHA and other high quality loan products and are originated primarily in the New York metropolitan area, Virginia and other mid-Atlantic states, almost all of these for resale. In addition, the Company retains in portfolio fixed- and floating-rate residential mortgage loans, primarily on properties located in the New York metropolitan area, which were originated by its mortgage banking subsidiary. Commercial real estate lending, including financing on multi-family residential properties and nonresidential commercial properties, is offered on income-producing investor properties and owner-occupied properties, professional co-ops and condos. At December 31, 2009, the outstanding loan balance for real estate mortgage loans was \$251.2 million, representing approximately 20.4% of the bank's total loans outstanding.

International Trade Finance. Through its international division, international banking facility and Hong Kong trade services subsidiary, the bank offers financial services to its customers and correspondents in the world's major financial centers. These services consist of financing import and export transactions, issuing of letters of credit, processing documentary collections and creating banker's acceptances. In addition, active bank account relationships are maintained with leading foreign banking institutions in major financial centers.

Deposit Services. The bank attracts deposits from customers located primarily in the New York metropolitan area, offering a broad array of deposit products, including checking accounts, money market accounts, negotiable order of withdrawal accounts, savings accounts, rent security accounts, retirement accounts, and certificates of deposit. The bank's deposit services include account management and information, disbursement, reconciliation, collection and concentration, ACH and others designed for specific business purposes.

Trust Services. The bank's trust department provides a variety of fiduciary, investment management, custody and advisory and corporate agency services to individuals and corporations. The bank acts as trustee for pension, profit-sharing, 401(k) and other employee benefit plans and personal trusts and estates. For corporations, the bank offers trust, transfer agent, registrar and other corporate agency services.

Business Strategy

The management of the Company considers the following as its foremost strategic priorities:

- Focusing on deepening customer relationships and winning new business;
- Continuing disciplined underwriting practices while pursuing quality loan growth;

- Maintaining a cost-effective funding base and disciplined expense control;
- Preserving strong capital and liquidity positions; and
- Selectively considering value-enhancing acquisitions, such as complementary businesses, portfolios and FDIC-assisted transactions.

The Company believes that the New York metropolitan area is characterized by a large concentration of middle-market businesses, with an exceptionally diverse range of industries and market sectors. The Company views that small to mid-sized businesses in the New York metropolitan area, which are the target customer base the Company is focused on, are underserved. Mergers and other consolidation activities among the Company's competitors have increased customer displacement, which management believes creates an opportunity for the Company to grow its market share. The Company's core customer strategy is to serve the financial service needs of small/mid-sized businesses that require personalized attention, flexibility and customized solutions.

In addition to pursuing organic growth in market share, the Company also regularly evaluates merger and acquisition opportunities and conducts due diligence activities related to possible transactions. The Company generally seeks merger or acquisition partners that are compatible and have experienced management and possess either significant market presence or have potential for improved profitability through financial management, economies of scale or expanded services. The Company expects to continue consideration and implementation of acquisition opportunities as they arise.

The Company believes that this offering will strengthen its capital position and provide a capital base for franchise enhancement through pursuit of merger and acquisition opportunities and organic growth, as well as facilitating the Company's ability to repay our Fixed Rate Cumulative Perpetual Preferred Shares, Series A, par value \$5.00 per share (the "Series A Preferred Shares"). The Company will seek to leverage management's New York City banking experience and the Company's branch network to meaningfully expand the balance sheet.

Asset Quality

The Company's loan portfolio has continued to compare favorably to peers in the current economic environment as a result of strict underwriting standards and solid, long-term customer relationships. Senior management is actively involved in monitoring credit risk and managing credit losses. The Company has intensified its collection activities and non-performing assets declined in the fourth quarter of 2009 compared to the second and third quarters of 2009.

The Offering

Issuer	Sterling Bancorp, a New York corporation
Common Shares offered	Common Shares.
Over-allotment option	The underwriters may purchase up to an additional Common Shares within 30 days after the date of this prospectus supplement to cover over-allotments, if any, at the public offering price less the underwriting discount.
Common Shares outstanding after this offering ⁽¹⁾	Common Shares (or Common Shares if the underwriters exercise their over-allotment option in full).
Public offering price	\$ per share
Use of proceeds	We estimate that the net proceeds from the sale of our Common Shares in this offering, after deducting the underwriting discount and estimated offering expenses payable by us, will be approximately \$ (or approximately \$ if the underwriters exercise their over-allotment option in full). We intend to use the net proceeds from this offering for general corporate purposes. For more complete information on our use of net proceeds, see the section entitled "Use of Proceeds" below.
Dividend policy	We currently pay cash dividends on our Common Shares on a quarterly basis. The payment of future cash dividends on our Common Shares is at the discretion of our board of directors and subject to a number of factors including our financial results as well as certain regulatory requirements.
Listing	Our Common Shares are listed on the NYSE under the symbol "STL".
Risk factors	You should carefully read and consider the information set forth in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2009 and in any other documents incorporated by reference in this prospectus supplement before investing in our Common Shares.

(1) The number of Common Shares outstanding immediately after the closing of this offering is based on 18,115,987 shares outstanding as of March 9, 2010. The number of Common Shares does not include 2,650,000 shares reserved for future issuances under our Stock Incentive Plan or 516,817 shares reserved for future issuance upon the exercise of the warrant issued to the U.S. Treasury under the Capital Purchase Program. Additionally, unless otherwise indicated, all information in this prospectus supplement assumes no exercise of the underwriters' option to purchase up to additional Common Shares to cover over-allotments, if any.

SUMMARY SELECTED CONSOLIDATED FINANCIAL DATA

You should read the summary selected consolidated financial information presented below in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the notes to those consolidated financial statements appearing in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, which are incorporated by reference in this prospectus supplement.

The following tables set forth selected consolidated financial data for us at and for each of the years in the five-year period ended December 31, 2009.

The selected statement of income data for the years ended December 31, 2009, 2008 and 2007, and the selected balance sheet data as of December 31, 2009 and 2008, have been derived from our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2009, which is incorporated by reference in this prospectus supplement. The selected statement of income data for the years ended December 31, 2006 and 2005 and the selected balance sheet data as of December 31, 2007, 2006 and 2005 have been derived from our audited consolidated financial statements that are not included or incorporated by reference in this prospectus supplement. Our consolidated financial statements for each of the four fiscal years ended December 31, 2008, 2007, 2006 and 2005 were audited by KPMG LLP, an independent registered public accounting firm. Our consolidated financial statements for the fiscal year ended December 31, 2009 were audited by Crowe Horwath LLP, an independent registered public accounting firm.

Historical results are not necessarily indicative of future results.

<i>(dollars in thousands, except per share data)</i>	At or For the Year Ended December 31,				
	2009	2008	2007	2006	2005
SUMMARY OF OPERATIONS					
Total interest income	\$ 105,920	\$ 118,071	\$ 121,433	\$ 116,611	\$ 101,994
Total interest expense	19,295	33,388	47,560	42,021	26,463
Net interest income	86,625	84,683	73,873	74,590	75,531
Provision for loan losses	27,900	8,325	5,853	4,503	5,214
Net securities gains/(losses)	5,561	—	188	(443)	337
Other than temporary losses	—	(1,684)	—	—	—
Noninterest income, excluding net securities gains/(losses) and other than temporary losses	38,589	34,984	35,224	33,959	33,536
Noninterest expenses	88,545	84,476	79,478	77,238	67,617
Income before taxes	14,330	25,182	23,954	26,365	36,573
Provision for income taxes	4,908	9,176	8,560	5,367	13,110
Income from continuing operations	9,422	16,006	15,394	20,998	23,463
(Loss)/income from discontinued operations, net of tax	—	—	(795)	(603)	564
Loss on sale of discontinued operations, net of tax	—	—	—	(9,635)	—
Net income	9,422	16,006	14,599	10,760	24,027
Dividends on preferred shares and accretion	2,773	102	—	—	—
Net income available to common shareholders	6,649	15,904	14,599	10,760	24,027
Income from continuing operations available to common shareholders					
Per average common share —basic	0.37	0.89	0.84	1.12	1.22
—diluted	0.37	0.88	0.82	1.09	1.19
Net income available to common shareholders					
Per average common share —basic	0.37				