

NEUBERGER BERMAN NEW YORK INTERMEDIATE MUNICIPAL FUND INC
Form N-CSRS
July 09, 2010

As filed with the Securities and Exchange Commission on July 9, 2010

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-21169

NEUBERGER BERMAN NEW YORK INTERMEDIATE MUNICIPAL FUND INC.
(Exact Name of the Registrant as Specified in Charter)
c/o Neuberger Berman Management LLC
605 Third Avenue, 2nd Floor
New York, New York 10158-0180
(Address of Principal Executive Offices – Zip Code)

Registrant's telephone number, including area code: (212) 476-8800

Robert Conti, Chief Executive Officer
c/o Neuberger Berman Management LLC
Neuberger Berman New York Intermediate Municipal Fund Inc.
605 Third Avenue, 2nd Floor
New York, New York 10158-0180

Arthur C. Delibert, Esq.
K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006-1600
(Names and Addresses of agents for service)

Date of fiscal year end: October 31, 2010

Date of reporting period: April 30, 2010

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (“OMB”) control number. Please direct

comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Report to Stockholders

Neuberger Berman

Intermediate Municipal

Closed-End Funds

Neuberger Berman California Intermediate
Municipal Fund Inc.

Neuberger Berman Intermediate Municipal
Fund Inc.

Neuberger Berman New York Intermediate Municipal
Fund Inc.

Semi-Annual Report

April 30, 2010

Contents

THE FUNDS

President's Letter	1
--------------------	---

PORTFOLIO COMMENTARY

California Intermediate Municipal Fund Inc.	3
---	---

Intermediate Municipal Fund Inc.	3
----------------------------------	---

New York Intermediate Municipal Fund Inc.	3
---	---

SCHEDULE OF INVESTMENTS

California Intermediate Municipal Fund Inc.	7
---	---

Intermediate Municipal Fund Inc.	10
----------------------------------	----

New York Intermediate Municipal Fund Inc.	17
---	----

FINANCIAL STATEMENTS	23
----------------------	----

FINANCIAL HIGHLIGHTS/PER SHARE DATA

California Intermediate Municipal Fund Inc.	35
---	----

Intermediate Municipal Fund Inc.	36
----------------------------------	----

New York Intermediate Municipal Fund Inc.	37
---	----

Distribution Reinvestment Plan	39
--------------------------------	----

Directory	41
-----------	----

Proxy Voting Policies and Procedures	42
--------------------------------------	----

Quarterly Portfolio Schedule	42
------------------------------	----

"Neuberger Berman" and the Neuberger Berman logo are service marks of Neuberger Berman LLC. "Neuberger Berman Management LLC" and the individual fund names in this shareholder report are either service marks or registered service marks of Neuberger Berman Management LLC. ©2010 Neuberger Berman Management LLC. All rights reserved.

President's Letter

Dear Shareholder,

I am pleased to present this semi-annual report for the Neuberger Berman Intermediate Municipal Closed-End Funds for the six months ended April 30, 2010. The report includes portfolio commentaries, a listing of the Funds' investments, and their unaudited financial statements for the reporting period.

Each Fund's investment objective is to provide a high level of current income exempt from regular federal income tax and, for each state-specific Fund, a high level of current income exempt from that state's personal income taxes (and, in the case of the New York Fund, New York City personal income tax).

We invest in intermediate-term municipal bonds because our experience and research indicate strongly that this maturity range has historically offered the best risk/reward profile on the yield curve, providing much of the return of longer-term bonds — with less volatility and risk. We believe that our conservative investment philosophy and disciplined investment process will benefit you with superior tax-exempt current income over the long term.

In addition, I would like to provide an update on the Funds' tender offer activity. In February 2009, each Fund's Board of Directors authorized a semi-annual tender offer program consisting of up to four tender offers over a two-year period. Under each program, if a Fund's common shares trades at an average daily discount to net asset value per share (NAV) of greater than 10% during a 12-week measurement period, the Fund would conduct a tender offer for between 5% and 20% of its outstanding common shares at a price equal to 98% of its NAV determined on the day the tender offer expires. As part of the program, and to offset expenses associated with the tender offers, Neuberger Berman Management LLC agreed to extend the management fee waivers then in place for each Fund for one year.

During the reporting period, each Fund conducted the second of its measurement periods. For the 12-week measurement periods ending May 14, 2010, each of the Funds traded at an average daily discount to NAV of less than 10% and, accordingly, none of the Funds will conduct a tender offer.

Finally, I am pleased to share with you that S. Blake Miller was appointed co-portfolio manager of the Funds, effective February 25, 2010. He is exceptionally qualified, with more than 23 years of industry experience in the area of municipal fixed income securities.

Thank you for your confidence in the Funds. We will continue to do our best to earn your confidence and trust in the years to come.

Sincerely,

robert conti
president and ceo

neuberger berman california intermediate municipal fund inc.

neuberger berman intermediate municipal fund inc.

neuberger berman new york intermediate municipal fund inc.

Intermediate Municipal Closed-End Funds Portfolio Commentaries

For the six months ended April 30, 2010, on a net asset value (NAV) basis, all three of the Neuberger Berman closed-end intermediate municipal bond funds posted solid returns and outperformed the Barclays Capital 10-Year Municipal Bond Index.

While many states and local municipalities continued to face budgetary challenges, the municipal bond market generated solid results during the reporting period. Benign inflation and continued robust demand from investors appeared to be anticipating higher tax rates in the future supported the market. In addition, falling supply of traditional tax-exempt municipal bonds, which can be partially attributed to the taxable Build America Bond program, was positive for the market.

The risk appetite of investors remained strong during the reporting period, as they sought to generate incremental yields given the relatively low interest rate environment. Against this backdrop, lower-rated municipal bonds outperformed their higher-rated counterparts. During the six months ended April 30, 2010, the Barclays Capital BAA Municipal Index gained 5.75%. In contrast, the Barclays Capital AAA Municipal Index returned 2.57%.

As was the case during the previous 12 months, the Funds' outperformance versus the benchmark was largely due to their exposure to certain lower-tier investment grade municipal bonds and non-rated and below-investment-grade securities. Also positive was exposure to somewhat longer-term municipal bonds, as they outperformed short-term securities. Finally, the use of leverage was beneficial, as it served to amplify the returns in the overall municipal market.

Slightly detracting from performance was the Funds' yield curve positioning. Throughout the reporting period, we utilized a barbell approach (investing in shorter and longer maturities). However, the benchmark is concentrated in the six- to eight-year portion of the curve, which provided stronger results.

Looking ahead, we continue to have a positive long-term outlook for the municipal market. In our view, the U.S. economy is likely to continue growing as the year progresses. That said, the expansion may be less robust given the winding down of the federal government's economic stimulus program. While headlines regarding state and local budget deficits could lead to periods of volatility, we believe the fundamental backdrop for the municipal bond market remains positive. With the likelihood of higher tax rates in the future, we believe demand for tax-free bonds will remain strong. In addition, the Build America Bond program is expected to continue to temper the supply of tax-exempt municipal bonds through 2012.

As always, we will continue to actively manage the Funds and conduct thorough in-house fundamental research on the underlying credit characteristics of our existing and potential holdings.

California Intermediate Municipal Fund Inc.

For the six-month period ended April 30, 2010, on a NAV basis, California Intermediate Municipal Fund returned 5.74% compared to the Barclays Capital 10-Year Municipal Bond Index's 4.00%.

As of April 30, 2010, the Fund was comprised of 75.6% revenue bonds, 18.2% general obligation bonds, 5.0% pre-refunded/escrow bonds and 1.2% cash and cash equivalents. Bonds subject to the Alternative Minimum Tax (AMT) equaled 10.3% of assets. At the close of the reporting period, the Fund's duration was 5.1 years and its leverage position was 42% of assets.

Intermediate Municipal Fund Inc.

For the six-month period ended April 30, 2010, on a NAV basis, Intermediate Municipal Fund returned 5.44% compared to the Barclays Capital 10-Year Municipal Bond Index's 4.00%.

As of April 30, 2010, the Fund was comprised of 66.4% revenue bonds, 12.7% general obligation bonds, 13.9% pre-refunded/escrow bonds, and 7.0% cash and cash equivalents. Bonds subject to the Alternative Minimum Tax (AMT) equaled 7.7% of assets. At the close of the reporting period, the Fund's duration was 6.0 years and its leverage position was 39.9% of assets.

New York Intermediate Municipal Fund Inc.

For the six-month period ended April 30, 2010, on a NAV basis, New York Intermediate Municipal Fund returned 5.58% compared to the Barclays Capital 10-Year Municipal Bond Index's 4.00%.

As of April 30, 2010, the Fund was comprised of 86.3% revenue bonds, 6.9% general obligation bonds, 5.0% pre-refunded/escrow bonds, and 1.8% cash and cash equivalents. Bonds subject to the Alternative Minimum Tax (AMT) equaled 13.5% of assets. At the close of the reporting period, the Fund's duration was 5.1 years and its leverage position was 39.9% of assets.

Sincerely,

James L. Iselin
S. Blake Miller
Portfolio Co-Managers

TICKER SYMBOLS

California Intermediate Municipal Fund	NBW
Intermediate Municipal Fund	NBH
New York Intermediate Municipal Fund	NBO

**CALIFORNIA INTERMEDIATE
MUNICIPAL FUND INC.
RATING SUMMARY**

(% of total investments)

AAA/Government/ Government Agency	15.6%
AA	21.3
A	34.5
BBB	23.3
BB	4.4
Short Term	0.9
Total	100.0%

**INTERMEDIATE
MUNICIPAL FUND INC.
RATING SUMMARY**

(% of total investments)

AAA/Government/ Government Agency	24.6%
AA	22.1
A	34.5
BBB	13.7
BB	4.6
B	0.4
Short Term	0.1
Total	100.0%

**NEW YORK
INTERMEDIATE
MUNICIPAL FUND INC.
RATING SUMMARY**

(% of total investments)

AAA/Government/ Government Agency	9.3%
AA	31.6
A	35.5
BBB	16.3
BB	5.0
B	0.0

CCC	2.2
Short Term	0.1
Total	100.0%

Each Fund's portfolio holdings are categorized using the ratings assigned by Standard and Poor's, Moody's Investors Service, Inc., or Fitch, Inc., nationally recognized statistical rating organizations. All ratings are as of the report date and do not reflect any subsequent changes in ratings.

PERFORMANCE HIGHLIGHTS

Neuberger Berman

NAV1,3,4,5 California Intermediate Municipal Fund	Inception Date	Six Month Period Ended 04/30/2010	Average Annual Total Return Ended 04/30/2010		Life of Fund
			1 Year	5 Years	
California Intermediate Municipal Fund	09/24/2002	5.74%	15.18%	4.98%	5.85%
Intermediate Municipal Fund	09/24/2002	5.44%	12.32%	4.63%	5.69%
New York Intermediate Municipal Fund	09/24/2002	5.58%			