



New Residential Investment Corp. to Acquire Caliber Home Loans, Inc.

April 2021

Disclaimers

IN GENERAL. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the "Presentation."

FORWARD-LOOKING STATEMENTS. Certain statements regarding New Residential Investment Corp. (together with its subsidiaries, "New Residential," the "Company" or "we") and/or Caliber Home Loans, Inc. and its subsidiaries (collectively, "Caliber") in this Presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, the Company's ability to complete the acquisition of Caliber and realize the anticipated benefits of the transaction, targeted, expected or projected cash flows, returns, unpaid principal balances ("UPB"), volumes and valuations, annualized data and numbers, including returns on equity ("ROE") and savings, any FY'21 and FY'22 targets (including references to 2022 Net Income, Adjusted Net Income, Adjusted Operating Income, Invested Capital, Marginal Earnings per Share and Earnings per Share Accretion), estimates and projections, expected capital raising activities, ability to protect, maintain or grow our book value (including for our Origination and Servicing segments), ability to grow and transform our mortgage servicing and origination platforms and gain market share, the ability to succeed in various interest rate and economic environments (including as rates rise), ability to maintain and grow recapture platform and execute recapture initiatives, expected call activity, ability to execute the Company's and the combined company's overall MSR strategy, expectations regarding significant upside in MSR portfolio, projected overall callable balance of call rights, the ability to execute and profit from call rights, actual unpaid principal balance of loans subject to call rights, projections regarding future servicer advance balances and ability to fund such advance balances, ability to maintain current forbearance levels, ability to help homeowners and borrowers navigate during COVID-19, ability to minimize the effects of COVID-19, potential mark to market exposure, estimates of the percentages of the Company's and Caliber's portfolio subject to financings with non-daily mark to market exposure or with margin holidays set forth in this Presentation, ability to reduce exposure to mark-to-market financings, statements on future interest rates, spreads and market conditions, expectations for future prepayment speeds, future mortgage origination and recapture rates, return on invested capital, future liquidity, expected mortgage ratings and treasury ratings, ability to maximize risk-adjusted returns, ability to take advantage of future investment opportunities, expectations regarding interest rates and housing, ability to capitalize on future opportunities and maximize shareholder value, ability to maintain the Company's and the combined company's long-term strategy, ability to manage risks, potential to be subject to certain claims and legal proceedings, statements regarding the Company's and Caliber's investment pipeline and investment opportunities, and objectives, expectations and intentions and other statements contained in this presentation that are not historical facts.

These forward-looking statements are based upon the current beliefs and expectations of the management of the Company and are inherently subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond the Company's control. In addition, these forward-looking statements, including FY'21 and FY'22 targets, estimates and projections, are subject to various risks, uncertainties and assumptions with respect to future business strategies and decisions that are subject to change and difficult to predict with regard to timing, extent, likelihood and degree of occurrence. As a result, actual results may differ materially from the anticipated results discussed in these forward-looking statements because of possible uncertainties. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

- interest rates and mortgage rates differing materially from MBA forecast as of March 19, 2021;
- increased competition in the mortgage origination market resulting in lower origination margins;
- increase in mortgage delinquencies resulting in higher costs to service;
- businesses of Caliber and NewRez LLC, a wholly owned subsidiary of the Company, may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected;
- governmental entity, governmental-sponsored entity and third party approvals required for consummation of the acquisition may not be obtained or completed on the anticipated schedule, on the proposed terms or at all;
- the effects of the ongoing COVID-19 pandemic on Caliber, NewRez LLC and their respective customers, employees and third party service providers;
- material changes in corporate tax rates; and
- the other factors that may affect future results of the Company and Caliber discussed in the Company's reports filed with the Securities and Exchange Commission (the "SEC"), including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and Caliber's Registration Statement on Form S-1 (as amended) and filed with the SEC.

CAUTIONARY NOTE REGARDING ESTIMATED / TARGETED RETURNS AND YIELDS. The Company calculates the estimated return/yield, or the IRR, of an investment as the annualized effective compounded rate of return (assuming monthly compounding) earned over the life of the investment after giving effect, in the case of returns, to existing leverage. Life-to-date IRR, including life-to-date IRRs on the overall MSR portfolio, servicer advance investments, Non-Agency securities portfolio, residential loans and consumer loans, is based on the purchase price for an investment and the estimated value of the investment, or "mark," which is calculated based on cash flows actually received and the present value of expected cash flows over the life of the investment, using an estimated discount rate. Targeted returns and targeted yields reflect a variety of estimates and assumptions that could prove to be incorrect, such as an investment's coupon, amortization of premium or discount, costs and fees, and our assumptions regarding prepayments, defaults and loan losses, among other things. Income and cash flows recognized by the Company in future periods may be significantly less than the income and cash flows that would have been recognized had expected returns been realized. As a result, an investment's lifetime return may differ materially from an IRR to date. In addition, the Company's calculation of IRR may differ from a calculation by another market participant, as there is no standard method for calculating IRRs. Statements about estimated and targeted returns and targeted yields in this Presentation are forward-looking statements. You should carefully read the cautionary statement above under the caption "Forward-looking Statements," which directly applies to our discussion of estimated and targeted returns and targeted yields.

PAST PERFORMANCE. Past performance is not a reliable indicator of future results and should not be relied upon for any reason.

NO OFFER; NO RELIANCE. This Presentation is for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, any security and may not be relied upon in connection with the purchase or sale of any security. Any reference to a potential financing does not constitute, nor should it be construed as, an offer to purchase or sell any security. There can be no assurance if or when the Company or any of its affiliates will offer any security or the terms of any such offering. Any such offer would only be made by means of formal documents, the terms of which would govern in all respects. You should not rely on this Presentation as the basis upon which to make any investment decision.

NON-GAAP MEASURES. This Presentation includes non-GAAP measures, such as Core Earnings. See "Appendix" in this Presentation for information regarding this non-GAAP measure, including a definition, purpose and reconciliation to net income, the most directly comparable GAAP financial measure.

NOT GUIDANCE. The anticipated financial impact of the acquisition of Caliber and any references to future financial performance should not be viewed as management guidance. Actual results may differ from the statements set forth herein and such differences may be material.

Transaction Summary

New Residential Acquisition of Caliber

Company to be Acquired:	<ul style="list-style-type: none">▪ Caliber Home Loans, Inc. (“Caliber”)<ul style="list-style-type: none">▪ \$141 billion UPB of owned MSR▪ Leading mortgage originator and servicer
Seller:	<ul style="list-style-type: none">▪ LSF Pickens Holdings, LLC, a Delaware limited liability company (“LSF”) and affiliate of Lone Star Funds (collectively the “Seller”)
Purchase Price: ⁽¹⁾⁽²⁾	<ul style="list-style-type: none">▪ \$1.675 billion<ul style="list-style-type: none">▪ Represents attractive price to book multiple of approximately 1.0x based on estimated closing tangible book value
Financing:	<ul style="list-style-type: none">▪ Expected cash and available liquidity on the New Residential and Caliber combined balance sheet as well as a mix of equity and the sale of certain investment securities
Financial Impact to NRZ: ⁽²⁾	<ul style="list-style-type: none">▪ 25+% Return on Invested Capital in 2022E▪ \$4.54 Marginal EPS in 2022E on shares issued⁽³⁾
Expected Closing: ⁽²⁾	<ul style="list-style-type: none">▪ Targeted for the third quarter of 2021

Strategic Rationale⁽¹⁾

1 Attractive Purchase Price of 1.0x P/B⁽¹⁾⁽²⁾

2 Adds ~\$141 Billion UPB of MSR's

3 Recapture Rates Over 50%

4 Extensive Retail Footprint and Purchase Origination Capabilities

5 Expanded Asset Generation Capabilities and Opportunities

6 Talent, Scale and Capacity to Support Growth

7 Transformational Mortgage Technology

8 Accretive Transaction with Compelling Pro Forma Financial Impact

Caliber Corporate Overview

Caliber is a leading customer-centric, purchase-focused mortgage originator and servicer

Caliber Overview

\$891mm
2020 Pre-Tax Income

5th Largest
Non-Bank Originator by
Purchase Volume⁽¹⁾

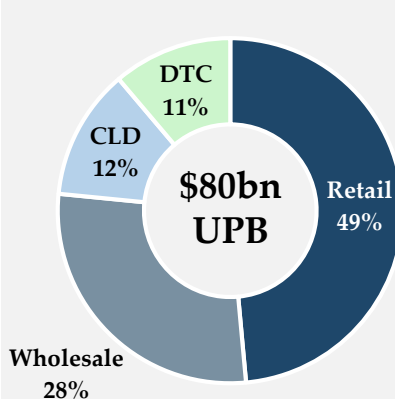
25%
Origination CAGR
since 2015

378
Retail Locations &
6th Largest Non-Bank
Retail Lender⁽¹⁾

54%
Refinance Retention
across Retail, DTC,
Correspondent, and
Acquired⁽²⁾

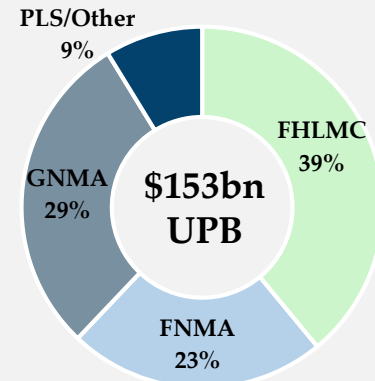
~630k
Customers on Scaled
Servicing Platform

Origination Mix



Top 10 Non-Bank
Mortgage Originator⁽¹⁾

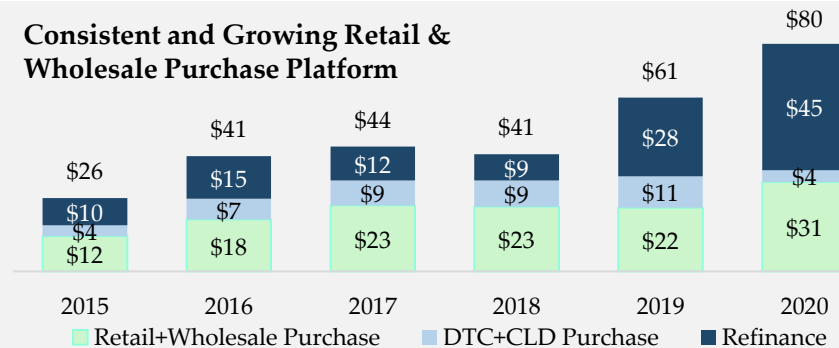
Servicing Mix⁽³⁾



Top 20 Non-Bank
Mortgage Servicer⁽¹⁾

Historical Origination Volume (\$bn)

Consistent and Growing Retail & Wholesale Purchase Platform



Average purchase mix of 63% since 2015

NewRez Corporate Overview

NewRez is a leading mortgage originator and servicer with demonstrated scale and profitability

NewRez Overview

\$934mm
2020 Pre-Tax Income

20 Year
Track Record of Special
Servicing Expertise

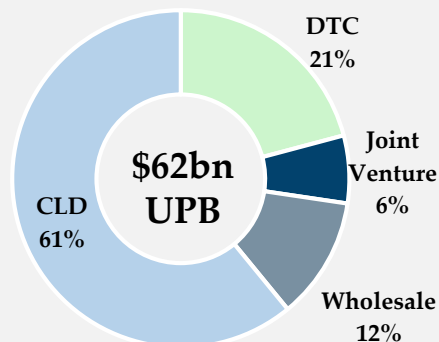
192%
Origination CAGR
since 2018

65%
Servicing CAGR
since 2018

3.4%
of Customers in Active
Forbearance

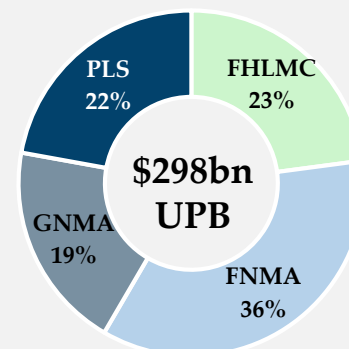
1.7mm+
Customers on Scaled
Servicing Platform

Origination Mix



Top 15 Non-Bank
Mortgage Originator⁽¹⁾

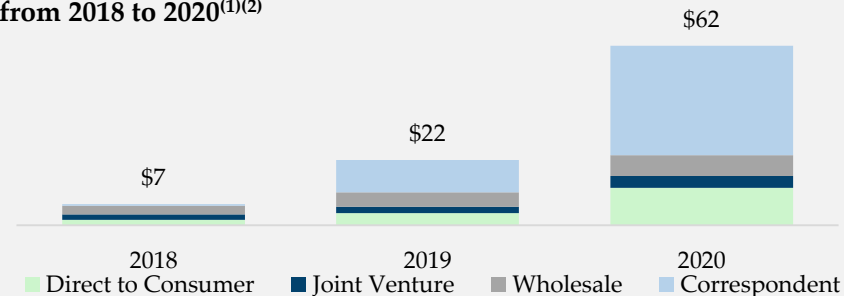
Servicing Mix



Top 10 Non-Bank
Mortgage Servicer⁽¹⁾

Historical Origination Volume (\$bn)

Fastest Growing Mortgage Company
from 2018 to 2020⁽¹⁾⁽²⁾

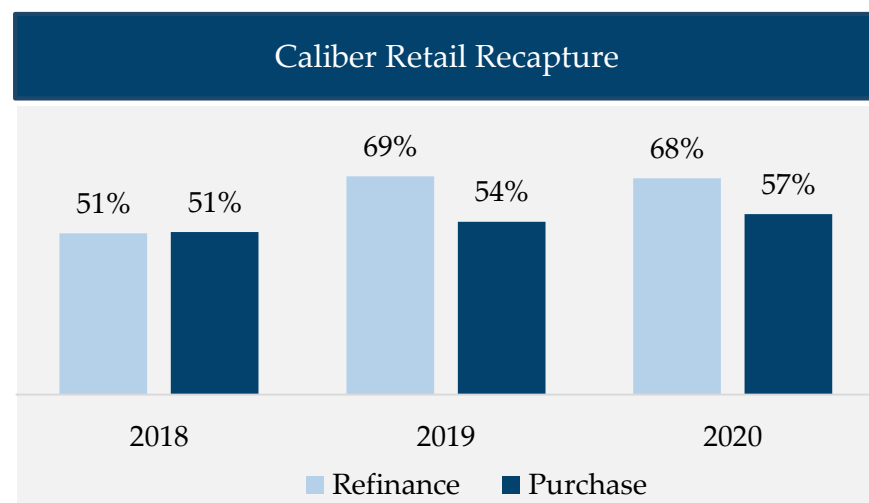
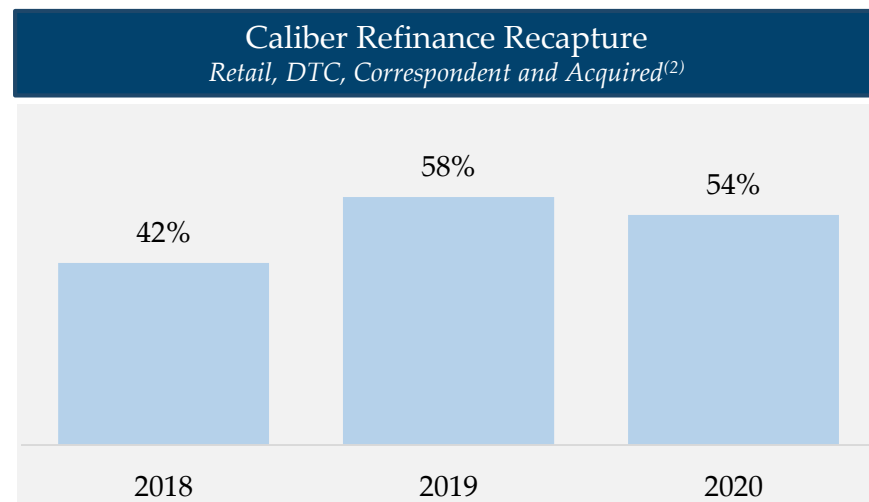


Average purchase mix of 47% since 2018

Caliber's Strong Customer Recapture

We believe Caliber's strength in customer recapture will be accretive to NRZ's MSR, origination and servicing strategies⁽¹⁾

- Caliber's **strong recapture rates** showcase the strength of Caliber's integrated mortgage platform
- Achieving high customer retention rates:
 - ✓ **Protects the MSR asset**
 - ✓ **Creates higher net origination margins**
 - ✓ **Demonstrates customer satisfaction**
- Caliber's retention success is driven by:
 - ✓ **Building local relationships**
 - ✓ **Providing a reliable & digital origination and servicing experience**
 - ✓ **Focusing on customer experience throughout the life cycle of the loan**
 - ✓ **Utilizing predictive analytics**
- **We expect combining NewRez and Caliber's origination platforms will drive improvement in NRZ's overall customer recapture⁽¹⁾**

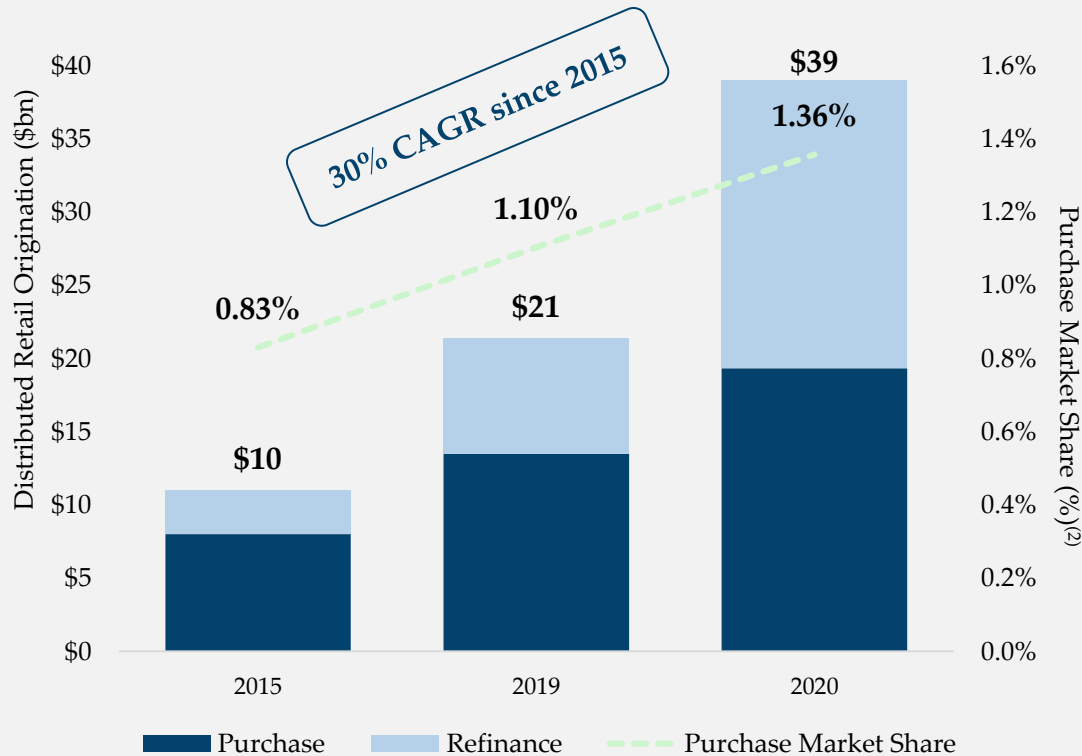


Caliber's Distributed Retail Franchise

Caliber's Distributed Retail platform is expected to help drive production and earnings stability as the market shifts toward purchase⁽¹⁾

Caliber's Distributed Retail Growth

Caliber's Distributed Retail business continues to grow market share



Differentiated Retail Operations

Difficult to replicate purchase origination platform

Strong and sticky local relationships

1,463
Loan Consultants
("LC")
Nationally

42%
of New Caliber LCs
have a 30%+ Increase
in Purchase
Production⁽³⁾

57%
Purchase
Recapture Rate⁽⁴⁾



Pull through adjusted lock margins (bps)⁽⁵⁾

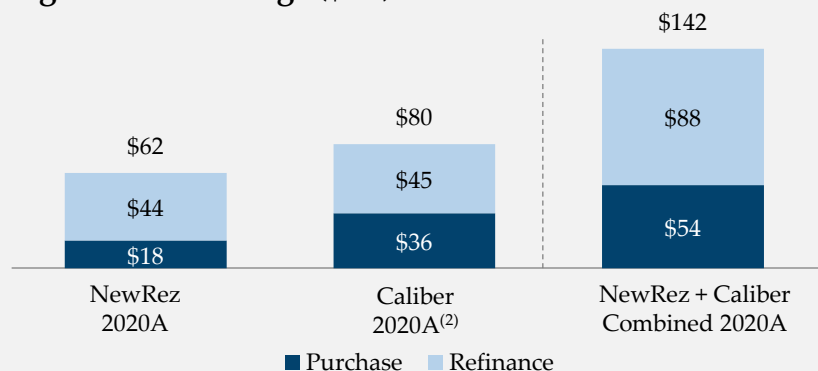
Detailed endnotes are included in the Appendix.

Creates a Scaled, Well-Balanced Mortgage Platform

Combined platform has greater origination diversification, scale, and origination/servicing balance⁽¹⁾

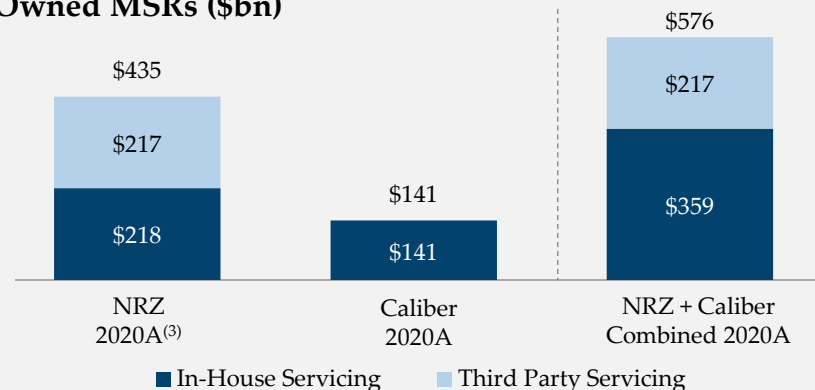
Adds Purchase-Focused Production

Origination Fundings (\$bn)



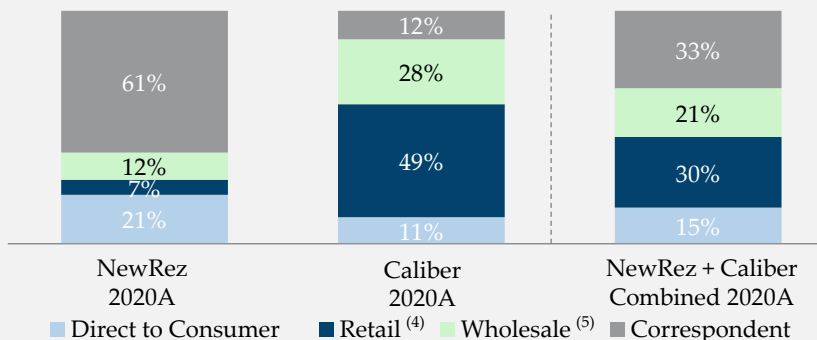
Expands Servicing Assets

Owned MSR's (\$bn)



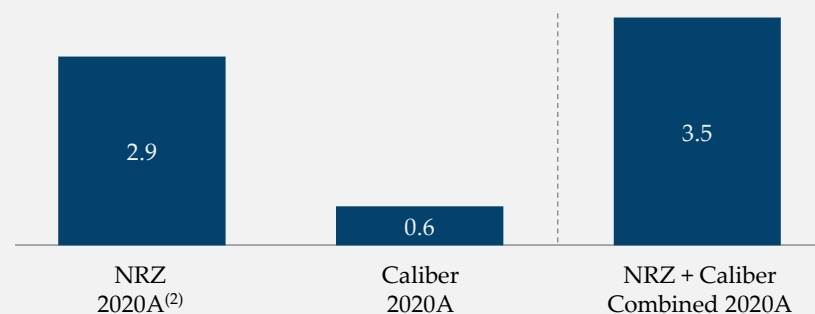
Strengthens and Diversifies Origination Mix

Origination Channel Mix⁽²⁾



Grows Customer Base

Servicing Customers (mm)



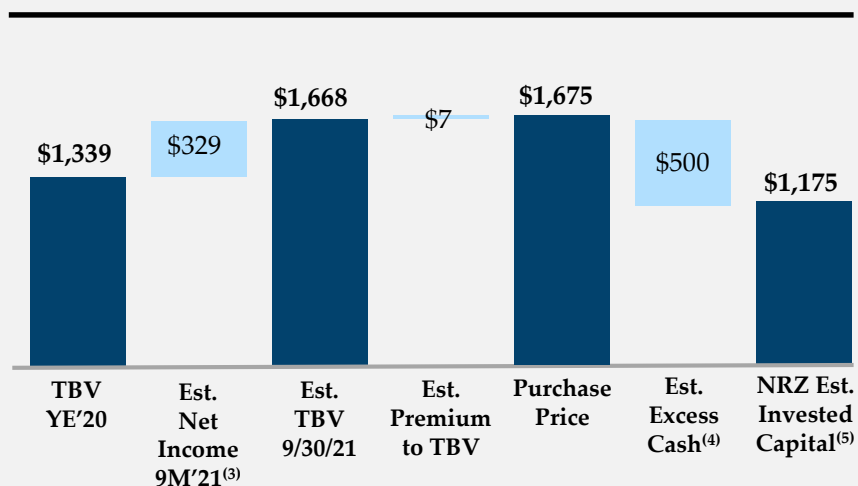
Detailed endnotes are included in the Appendix.

Transaction Overview⁽¹⁾

- NRZ to acquire Caliber for an all-cash purchase price of \$1.675 billion⁽²⁾
- Any pre-closing distributions from Caliber to the Seller will result in a reduction to both (a) Purchase Price and (b) Caliber's Projected Cash and Liquidity at Closing

Estimated Caliber Tangible Book Value Acquired

\$mm



~1.0x
Price to
Book Value

4.7x
Invested Capital /
2021E Adj. NI⁽⁶⁾

4.0x
Invested Capital /
2022E Adj. NI⁽⁶⁾

NRZ Sources & Uses

\$mm

NRZ Potential Capital Raise	\$500
NRZ Cash and Liquidity	\$675
NRZ Estimated Invested Capital	\$1,175
Caliber Estimated Excess Cash ⁽⁴⁾	\$500
Total Sources to Fund Purchase Price	\$1,675

Estimated Liquidity Post Closing

\$mm

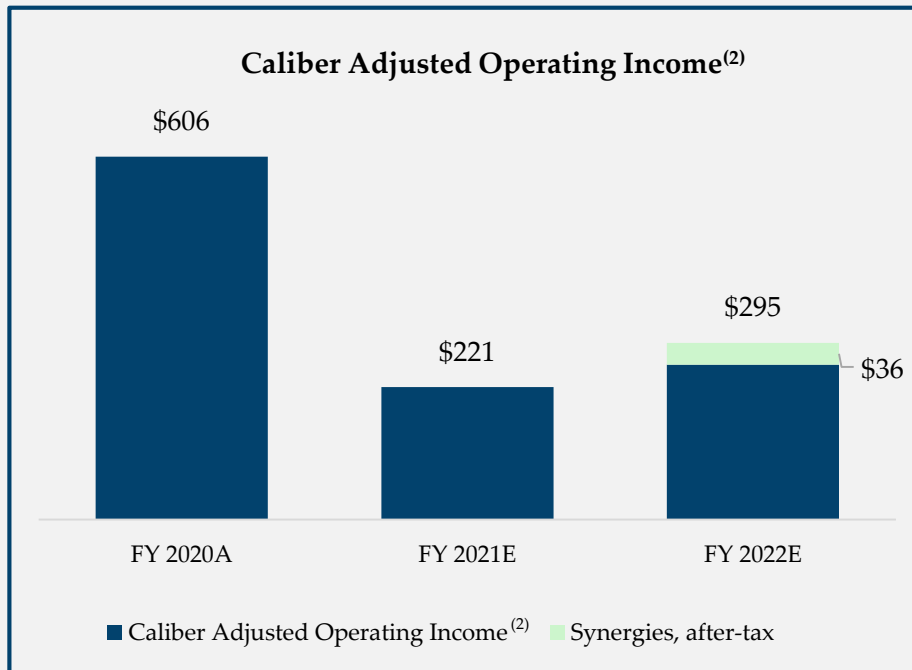
NRZ Cash and Liquidity 3/31/21 ⁽⁷⁾	\$1,203
NRZ Equity in Liquid Securities ⁽⁸⁾	\$717
NRZ Projected Cash Generation ⁽⁹⁾	\$200
NRZ Potential Capital Raise ⁽¹⁰⁾	\$500
Caliber Projected Cash and Liquidity at Closing ⁽¹¹⁾	\$1,000
Total Projected Cash and Liquidity at Closing	\$3,620
Purchase Price ⁽²⁾	(\$1,675)
Remaining Cash and Liquidity Post Closing	\$1,945

Compelling Financial Impact⁽¹⁾

We forecast that the acquisition will result in 25%+ estimated return on invested capital in 2022⁽¹⁾

Attractive Return on Invested Capital⁽¹⁾

- Normalization of origination margins is expected to drive lower earnings in 2021 and 2022 relative to 2020
- Increased purchase mix, continued strong recapture, and slower MSR speeds are expected to boost earnings in 2022
- Initial platform integration, process improvements, and new product development are expected to result in an estimated ~\$36 million+ of after-tax synergies in 2022



15+%

Return on Invested Capital in 2021E

25+%

Return on Invested Capital in 2022E

\$4.54

*2022E Marginal Adjusted EPS
on Shares Issued⁽³⁾*

New Residential Track Record of Accretive Corporate Actions

New Residential has a track record of strategic acquisitions that have generated substantial value for shareholders



Announcement Date	February 2015	January 2017 & July 2017	November 2017	June 2019	April 2021
Event	Acquisition	Purchase of Bulk MSR Portfolios	Acquisition	Acquisition of Assets Out of Bankruptcy	Acquisition (Expected)

Strategic Rationale⁽¹⁾

Accretive to Earnings	✓	✓	✓	✓	✓
Increased Portfolio Diversification	✓	✓	✓	✓	✓
Demonstrates Commitment to Mortgage Business	✓	✓	✓	✓	✓
Adds Scale to MSR/ Investment Portfolio	✓	✓	✓	✓	✓
Integration of Significant Platform			✓	✓	✓
Generates Long-Term Value	✓	✓	✓	✓	✓

Detailed endnotes are included in the Appendix.

Value Proposition of Acquisition to New Residential Shareholders

Acquisition further solidifies our commitment to the mortgage business and is expected to be accretive to our growth strategies while also creating significant optionality

Earnings Power Across Rate Environments

Adds MSRs

Purchase Focused Originator

Complementary Operating Platforms

Asset Generation Capabilities
(i.e. Non-QM and Jumbo)

Technological Enhancements

Enhanced Customer Experience and
Customer Recapture

Local Retail Footprint

Opportunities for
Existing Ancillary Businesses

Talent, Scale and Capacity





New Residential Q1'21 Preliminary Financial Results

NRZ Q1'21 Estimated Preliminary Financial Results

Q1'21 Estimated Preliminary Financial Results

GAAP Net Income Per Diluted Share⁽¹⁾	▪ \$0.64 to \$0.70
Core Earnings Per Diluted Share^{(1)*}	▪ \$0.31 to \$0.37
Book Value Per Share⁽²⁾	▪ \$11.32 to \$11.42

*Core Earnings is a non-GAAP measure. A reconciliation of estimated preliminary Core Earnings to GAAP Net Income is set forth on the following page.

- (1) Per common share calculations of GAAP Net Income and Core Earnings are based on 429,491,379 weighted average diluted common shares during the quarter ended March 31, 2021.
- (2) Book value per share based on 414,795,505 basic shares outstanding as of March 31, 2021.

Note: Our preliminary financial results may change as a result of the completion of our closing procedures for the quarter ended March 31, 2021 and, as a result, our final results upon completion of the closing procedures may vary from the preliminary estimates. These preliminary results, which are the responsibility of our management, were prepared by our management in connection with the preparation of our financial statements and are based upon a number of assumptions. Additional items that may require adjustments to the preliminary operating results may be identified and could result in material changes to our estimated preliminary operating results. The preliminary operating results are inherently uncertain and we undertake no obligation to update this information. The Company's independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to this preliminary financial information.

Unaudited GAAP Reconciliation of Core Earnings*

- Management uses Core Earnings, which is a Non-GAAP measure, as one measure of operating performance
- Please see next slide for the definition of Core Earnings

(\$000s, except per share data)	Preliminary Q1 2021 Range	
	Low	High
Reconciliation of Core Earnings		
Net income (loss) attributable to common stockholders	\$ 275,178	\$ 300,948
Adjustments for Non-Core Earnings:		
Unrealized and realized (gain) loss, net	(310,542)	(310,542)
Preferred stock management fee to affiliate	3,048	3,048
Deferred taxes	109,952	109,952
Other	54,427	54,427
Core Earnings	\$ 132,063	\$ 157,832
Net Income (Loss) Per Diluted Share	\$ 0.64	\$ 0.70
Core Earnings Per Diluted Share	\$ 0.31	\$ 0.37
Weighted Average Number of Shares of Common Stock Outstanding, Diluted	429,491,379	429,491,379

*Core Earnings is a non-GAAP measure.

Reconciliation of NRZ Non-GAAP Measures

Core Earnings

- New Residential has five primary variables that impact its operating performance: (i) the current yield earned on the Company's investments, (ii) the interest expense under the debt incurred to finance the Company's investments, (iii) the Company's operating expenses and taxes, (iv) the Company's realized and unrealized gains or losses, on the Company's investments, including any impairment, or reserve for expected credit losses and (v) income from its origination and servicing businesses. "Core earnings" is a non-GAAP measure of the Company's operating performance, excluding the fourth variable above and adjusts the earnings from the consumer loan investment to a level yield basis. Core earnings is used by management to evaluate the Company's performance without taking into account: (i) realized and unrealized gains and losses, which although they represent a part of the Company's recurring operations, are subject to significant variability and are generally limited to a potential indicator of future economic performance; (ii) incentive compensation paid to the Company's manager; (iii) non-capitalized transaction-related expenses; and (iv) deferred taxes, which are not representative of current operations.
- The Company's definition of core earnings includes accretion on held-for-sale loans as if they continued to be held-for-investment. Although the Company intends to sell such loans, there is no guarantee that such loans will be sold or that they will be sold within any expected timeframe. During the period prior to sale, the Company continues to receive cash flows from such loans and believes that it is appropriate to record a yield thereon. In addition, the Company's definition of core earnings excludes all deferred taxes, rather than just deferred taxes related to unrealized gains or losses, because the Company believes deferred taxes are not representative of current operations. The Company's definition of core earnings also limits accreted interest income on RMBS where the Company receives par upon the exercise of associated call rights based on the estimated value of the underlying collateral, net of related costs including advances. The Company created this limit in order to be able to accrete to the lower of par or the net value of the underlying collateral, in instances where the net value of the underlying collateral is lower than par. The Company believes this amount represents the amount of accretion the Company would have expected to earn on such bonds had the call rights not been exercised.
- Beginning January 1, 2020, the Company's investments in consumer loans are accounted for under the fair value option. Core Earnings adjusts earnings on the consumer loans to a level yield to present income recognition across the consumer loan portfolio in the manner in which it is economically earned, to avoid potential delays in loss recognition, and align it with the Company's overall portfolio of mortgage-related assets which generally record income on a level yield basis. With respect to consumer loans classified as held-for-sale, the level yield is computed through the expected sale date. With respect to the gains recorded under GAAP in 2014 and 2016 as a result of a refinancing of, and consolidation of, the debt related to the Company's investments in consumer loans, and the consolidation of entities that own the Company's investments in consumer loans, respectively, the Company continues to record a level yield on those assets based on their original purchase price.
- While incentive compensation paid to the Company's manager may be a material operating expense, the Company excludes it from core earnings because (i) from time to time, a component of the computation of this expense will relate to items (such as gains or losses) that are excluded from core earnings, and (ii) it is impractical to determine the portion of the expense related to core earnings and non-core earnings, and the type of earnings (loss) that created an excess (deficit) above or below, as applicable, the incentive compensation threshold. To illustrate why it is impractical to determine the portion of incentive compensation expense that should be allocated to core earnings, the Company notes that, as an example, in a given period, it may have core earnings in excess of the incentive compensation threshold but incur losses (which are excluded from core earnings) that reduce total earnings below the incentive compensation threshold. In such case, the Company would either need to (a) allocate zero incentive compensation expense to core earnings, even though core earnings exceeded the incentive compensation threshold, or (b) assign a "pro forma" amount of incentive compensation expense to core earnings, even though no incentive compensation was actually incurred. The Company believes that neither of these allocation methodologies achieves a logical result. Accordingly, the exclusion of incentive compensation facilitates comparability between periods and avoids the distortion to the Company's non-GAAP operating measure that would result from the inclusion of incentive compensation that relates to non-core earnings.
- With regard to non-capitalized transaction-related expenses, management does not view these costs as part of the Company's core operations, as they are considered by management to be similar to realized losses incurred at acquisition. Non-capitalized transaction-related expenses are generally legal and valuation service costs, as well as other professional service fees, incurred when the Company acquires certain investments, as well as costs associated with the acquisition and integration of acquired businesses.
- Since the third quarter of 2018, as a result of the Shellpoint Partners LLC ("Shellpoint") acquisition, the Company, through its wholly owned subsidiary, NewRez, originates conventional, government-insured and nonconforming residential mortgage loans for sale and securitization. In connection with the transfer of loans to the GSEs or mortgage investors, the Company reports realized gains or losses on the sale of originated residential mortgage loans and retention of mortgage servicing rights, which the Company believes is an indicator of performance for the Servicing and Origination segments and therefore included in core earnings. Realized gains or losses on the sale of originated residential mortgage loans had no impact on core earnings in any prior period, but may impact core earnings in future periods.
- Beginning with the third quarter of 2019, as a result of the continued evaluation of how Shellpoint operates its business and its impact on the Company's operating performance, core earnings includes Shellpoint's GAAP net income with the exception of the unrealized gains or losses due to changes in valuation inputs and assumptions on MSRs owned by NewRez, and non-capitalized transaction-related expenses. This change was not material to core earnings for the quarter ended September 30, 2019.
- Management believes that the adjustments to compute "core earnings" specified above allow investors and analysts to readily identify and track the operating performance of the assets that form the core of the Company's activity, assist in comparing the core operating results between periods, and enable investors to evaluate the Company's current core performance using the same measure that management uses to operate the business. Management also utilizes core earnings as a measure in its decision-making process relating to improvements to the underlying fundamental operations of the Company's investments, as well as the allocation of resources between those investments, and management also relies on core earnings as an indicator of the results of such decisions. Core earnings excludes certain recurring items, such as gains and losses (including impairment and reserves, as well as derivative activities) and non-capitalized transaction-related expenses, because they are not considered by management to be part of the Company's core operations for the reasons described herein. As such, core earnings is not intended to reflect all of the Company's activity and should be considered as only one of the factors used by management in assessing the Company's performance, along with GAAP net income which is inclusive of all of the Company's activities.
- The primary differences between core earnings and the measure the Company uses to calculate incentive compensation relate to (i) realized gains and losses (including impairments and reserves for expected credit losses), (ii) non-capitalized transaction-related expenses and (iii) deferred taxes (other than those related to unrealized gains and losses). Each are excluded from core earnings and included in the Company's incentive compensation measure (either immediately or through amortization). In addition, the Company's incentive compensation measure does not include accretion on held-for-sale loans and the timing of recognition of income from consumer loans is different. Unlike core earnings, the Company's incentive compensation measure is intended to reflect all realized results of operations. The Gain on Remeasurement of Consumer Loans Investment was treated as an unrealized gain for the purposes of calculating incentive compensation and was therefore excluded from such calculation.
- Core earnings does not represent and should not be considered as a substitute for, or superior to, net income or as a substitute for, or superior to, cash flows from operating activities, each as determined in accordance with U.S. GAAP, and the Company's calculation of this measure may not be comparable to similarly entitled measures reported by other companies. Set forth above is a reconciliation of core earnings to the most directly comparable GAAP financial measure.



Appendix

NewRez + Caliber: Combination of Complementary Platforms

Strong alignment in business models and long-term strategies



NewRez + Caliber Common Strategy

Customer Centric
Philosophy

Focus on
Employee
Development and
Retention

Strong
Community
Engagement and
Focus

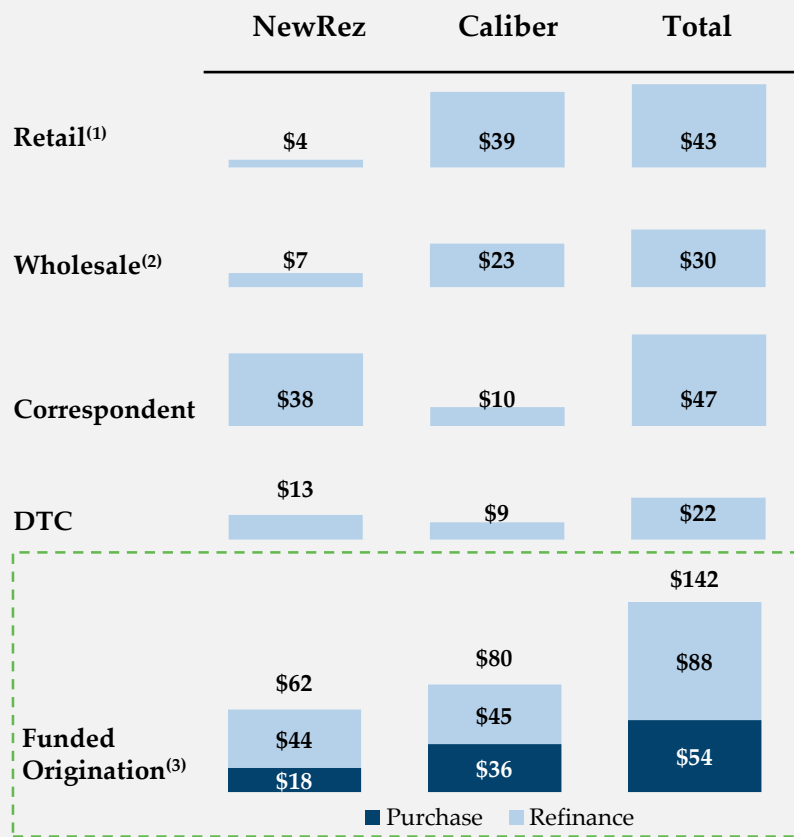
Continuity of
Leadership and
Commitment to
High Performance

Business Model / Long-Term Strategy	 NewRez	 CALIBER HOME LOANS	Combined
Multi-Channel Origination	✓	✓	✓
Direct to Consumer	✓	✓	✓
Correspondent	✓	✓	✓
Direct to Broker		✓	✓
Distributed Wholesale	✓	✓	✓
Distributed Retail		✓	✓
Joint Venture	✓		✓
Servicing Retention / Customer Recapture	✓	✓	✓
Third Party Special Servicing	✓		✓
Non-QM/Jumbo Production Capabilities	✓	✓	✓

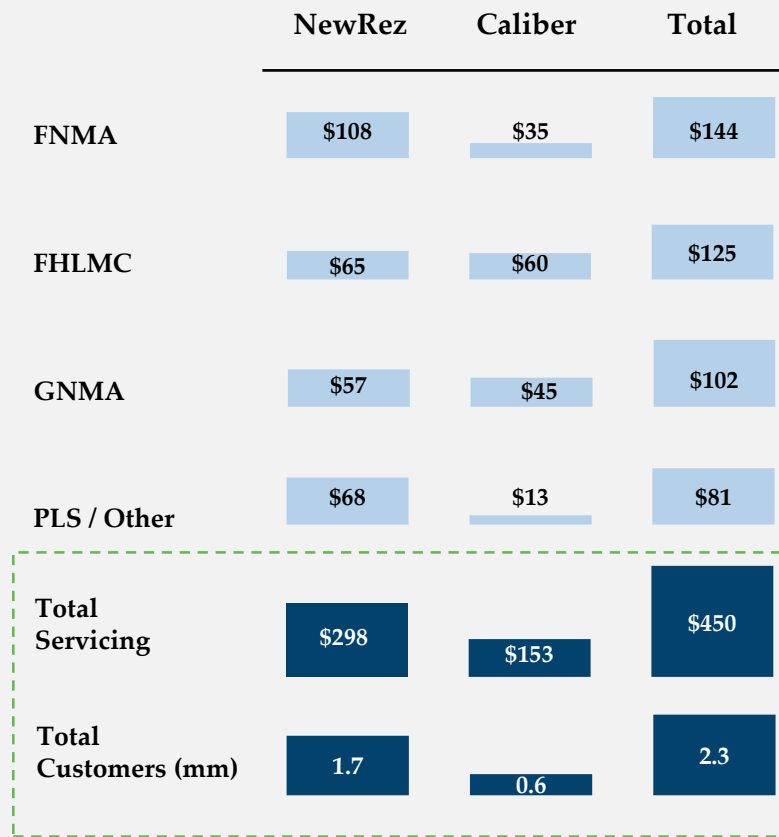
Creates a Scaled, Well-Balanced Mortgage Platform

NewRez and Caliber are industry leaders with strong growth opportunities

2020 Origination by Channel (\$bn)



2020 Servicing UPB (\$bn)



Combined
4th Largest Non-Bank Mortgage Originator⁽⁴⁾

Combined
4th Largest Non-Bank Mortgage Servicer⁽⁴⁾

Detailed endnotes are included in the Appendix.

Caliber Standalone Balance Sheet

<i>\$ in millions, unless otherwise noted</i>	12/31/2020	2/28/2021 ⁽¹⁾
Assets		
Mortgage servicing rights, at fair value	\$ 1,157	\$ 1,455
Residential mortgage loans, held-for-sale	8,008	6,736
Residential mortgage loans subject to repurchase	2,274	2,423
Cash and cash equivalents	504	704
Restricted cash	29	53
Servicer advances receivable	161	131
Other assets	823	946
Total Assets	\$ 12,955	\$ 12,448
Liabilities		
Secured financing agreements	7,369	6,379
Secured notes and bonds payable	\$1,010	\$819
Residential mortgage loan repurchase liability	\$2,274	\$2,423
Accrued expenses and other liabilities	\$899	\$1,212
Total Liabilities	\$ 11,551	\$ 10,833
Net Assets	\$ 1,404	\$ 1,615
Goodwill	65	65
Tangible Book Value	\$ 1,339	\$ 1,550

Detailed endnotes are included in the Appendix.

Caliber Financial Estimates

<i>\$ in millions, unless otherwise noted</i>	FY 2020A	FY 2021E ⁽¹⁾	FY 2022E ⁽¹⁾
Pre-Tax Income ⁽¹⁾	\$891	\$505	\$393
Tax Expense ⁽²⁾	(\$226)	(\$126)	(\$98)
Net Income	\$665	\$379	\$295
Reversing non-recurring MSR valuation assumption changes	—	(\$171)	—
Tax effect of reversing non-recurring MSR valuation assumption changes	—	\$43	—
Adjusted Net Income⁽³⁾	\$665	\$251	\$295
Reversing MSR valuation assumption changes, net of hedge	(\$79)	(\$39)	—
Tax effect of Reversing MSR valuation assumption changes, net of hedge	\$20	\$10	—
Adjusted Operating Income⁽³⁾	\$606	\$221	\$295
Excluding Synergies	—	—	(\$48)
Tax effect of excluding Synergies	—	—	\$12
Adjusted Operating Income excluding Synergies⁽³⁾	\$606	\$221	\$259
Invested Capital		\$1,175	\$1,175
Invested Capital / Adjusted Net Income		4.7x	4.0x

Detailed endnotes are included in the Appendix.

Earnings Per Share Accretion Calculation

<i>in millions, unless otherwise noted</i>	FY 2021E ⁽¹⁾	FY 2022E ⁽¹⁾
Adjusted Operating Income⁽²⁾	\$221	\$295
<i>Transaction Adjustments</i>		
Cost of NRZ Liquidity ⁽³⁾		(\$81)
Management Fee ⁽⁴⁾		(\$8)
Caliber Adjusted Operating Income Contribution⁽³⁾		\$206
Estimated NRZ Shares to be Issued ⁽⁵⁾		45
Marginal Adjusted EPS on Shares Issued		\$4.54

Detailed endnotes are included in the Appendix.

NewRez and Caliber Operating Key Metrics

	NewRez		Caliber	
	FY'19	FY'20	FY'19	FY'20
Servicing				
Servicing Portfolio (UPB \$bn)				
Owned or Parent Owned Performing MSR	\$138.7	\$204.4	\$134.5	\$140.6
Third Party / Special / Whole Loans	\$80.7	\$93.3	\$14.0	\$12.1
Total UPB (\$bn)	\$219.4	\$297.8	\$148.5	\$152.7
Origination				
Funded Volume by Channel (UPB \$bn)				
Direct to Consumer	\$4.1	\$12.8	\$3.3	\$9.0
Distributed Retail	\$0.0	\$0.0	\$21.4	\$39.0
Joint Venture	\$2.2	\$4.0	–	–
Wholesale	\$5.0	\$7.2	\$16.3	\$22.5
Correspondent	\$11.0	\$37.5	\$20.4	\$9.8
Total Funded Volume	\$22.3	\$61.6	\$61.3	\$80.3
Funded Volume by Product (UPB \$bn)				
Agency	\$11.8	\$40.4	\$29.5	\$54.6
Government	\$8.3	\$20.3	\$28.9	\$24.2
Non-Agency	\$0.6	\$0.5	\$1.4	\$0.3
Non-QM	\$1.5	\$0.4	\$1.6	\$1.2
Purchase Refinance Funded Volume (UPB \$bn)				
Purchase	\$10.1	\$18.1	\$33.5	\$35.7
Refinance	\$12.2	\$43.5	\$27.8	\$44.6
Pull-Through Adjusted Lock Volume (UPB \$bn)				
Direct to Consumer	\$5.1	\$17.3	\$4.1	\$10.5
Total Pull-Through Adjusted Lock Volume	\$25.1	\$69.8	\$64.5	\$84.6
GOS Revenue Margin⁽¹⁾				
Direct to Consumer ⁽²⁾	2.65%	3.61%	4.23%	4.64%
Distributed Retail	--	--	3.69%	4.31%
Joint Venture ⁽²⁾	3.94%	4.57%	--	--
Wholesale	1.36%	2.38%	1.14%	2.48%
Correspondent	0.55%	0.56%	0.46%	0.41%
Total ⁽¹⁾	1.56%	1.85%	1.97%	3.41%

Detailed endnotes are included in the Appendix.

Reconciliation of Caliber's Non-GAAP and Other Financial Measures

The following are non-GAAP financial measures of Caliber which New Residential believes are important to the reader of this Investor Presentation, but which are supplemental to, and not a substitute for, GAAP measures: Adjusted Net Income, Adjusted Operating Income, and Invested Capital. These measures are used by management and we believe are useful to investors in assessing Caliber's operating performance and the financial merits of the Caliber transaction.

- 1) Adjusted Net Income is a non-GAAP financial measure. GAAP net income attributable to common shareholders is adjusted for the following items: (1) Reversing of non-recurring MSR valuation assumption changes and (2) tax effect of reversing non-recurring MSR Valuation assumption changes.
- 2) Adjusted Operating Income is a non-GAAP financial measure. GAAP net income attributable to common shareholders is adjusted for the following items: (1) Reversing of non-recurring MSR valuation assumption changes, (2) tax effect of reversing non-recurring MSR Valuation assumption changes, (3) reversing MSR valuation assumption changes, net of hedge, (4) tax effect of reversing MSR valuation assumption changes, net of hedge.
- 3) Invested Capital is a non-GAAP financial measure. Invested Capital is (1) the transaction purchase price less (2) the estimated excess cash and liquidity in Caliber at the expected closing date.



Endnotes

Endnotes to Pages 2 through 7

Endnotes to Page 2:

- (1) Based on estimated closing tangible book value at September 30, 2021, subject to certain downward adjustments.
- (2) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (3) Refers to shares issued in connection with a potential equity offering. Please see Pages 21 and 22, "Caliber Financial Estimates" and "Earnings Per Share Accretion Calculation," for further information regarding forecast assumptions and earnings per share accretion. There can be no assurance if or when NRZ may conduct an equity offering or the terms thereof.

Endnotes to Page 3:

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Based on estimated closing tangible book value at September 30, 2021, subject to certain downward adjustments.

Endnotes to Page 4:

Source: Caliber company information as of December 31, 2020 unless otherwise noted.

- (1) Source: Inside Mortgage Finance.
- (2) Refers to MSRs acquired from third parties.
- (3) Includes \$141 billion of owned MSRs and \$13 billion of other loans, which include NPLs, whole loans, interim/serviced released loans, and loans subserviced for affiliates.

Endnotes to Page 5:

Source: NewRez company information as of December 31, 2020 unless otherwise noted.

- (1) Source: Inside Mortgage Finance.
- (2) Compares FY'2018 funded volume to FY'2020 funded volume of Top 20 Mortgage Originators per Inside Mortgage Finance as of year-end 2020.

Endnotes to Page 6:

Source: Caliber company information as of December 31, 2020 unless otherwise noted.

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Refers to MSRs acquired from third parties.

Endnotes to Page 7:

Source: Caliber company information as of December 31, 2020 unless otherwise noted.

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Market share calculated based on MBA data as of year-end for the respective time periods shown.
- (3) Represents loan consultants who joined between 2017-2019.
- (4) Represents full year 2020.
- (5) Represents blended average margins for the periods presented.

Endnotes to Pages 8 through 10

Endnotes to Page 8:

Source: New Residential, NewRez and Caliber company information.

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Numbers may not sum due to rounding.
- (3) Owned MSRs and servicing customers includes loans for which the servicing rights are owned by NRZ or an affiliate.
- (4) Retail includes Caliber's Distributed Retail channel and NewRez's Joint Venture channel.
- (5) Wholesale includes Caliber's Direct to Broker and Distributed Wholesale channels and NewRez's Distributed Wholesale channel.

Endnotes to Page 9

Source: New Residential and Caliber company information and projections.

- (1) Based on management's current views and estimates, and actual results may vary materially. Please see Page 21, "Caliber Financial Estimates," for further information regarding forecast assumptions. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Based on estimated closing tangible book value at September 30, 2021, subject to certain downward adjustments. Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (3) Estimated Caliber after-tax net income from 1/1/21 through 9/30/21.
- (4) Includes Caliber estimated excess cash as well as operating cash reserves for regulatory requirements, asset volatility, and other normal course cash needs.
- (5) Please see Page 24, "Reconciliation of Caliber's Non-GAAP and Other Financial Measures," for a description of Invested Capital.
- (6) Please see Page 21, "Caliber Financial Estimates," for additional information.
- (7) NRZ cash and liquidity at March 31, 2021 includes cash and cash equivalents in accordance with GAAP and available MSR and servicing advance financing capacity.
- (8) Includes asset value of NRZ's agency securities, outstanding financing on NRZ's agency securities, and outstanding margin on interest rate swaps related to the agency security portfolio.
- (9) Estimated NRZ projected cash generation includes cash from planned asset sales and normal course operating cash flow including portfolio run-off net of debt financing repayments after preferred and common dividends as September 30, 2021.
- (10) There can be no assurance if or when NRZ may conduct an equity offering or the terms thereof.
- (11) Estimated Caliber cash and liquidity at closing is as of September 30, 2021 and includes forecasted cash and cash equivalents in accordance with GAAP and available MSR and servicing advance financing capacity.

Endnotes to Page 10:

Source: New Residential, NewRez and Caliber company information and projections.

- (1) Based on management's current views and estimates, and actual results may vary materially. Please see Page 21, "Caliber Financial Estimates," for further information regarding forecast assumptions. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Caliber adjusted operating income is a non-GAAP measure. Please see Page 21, "Caliber Financial Estimates," for a reconciliation. Please see Page 24, "Reconciliation of Caliber's Non-GAAP and Other Financial Measures."
- (3) Please see Page 21, "Caliber Financial Estimates," and Page 22, "Earnings Per Share Accretion Calculation," for additional information. Shares issued refers to shares issued in connection with a potentially equity offering. There can be no assurance if or when NRZ may conduct an equity offering or the terms thereof.

Endnotes to Page 11 through 23

Endnotes to Page 11:

Source: New Residential company information.

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.

Endnotes to Page 19:

Source: NewRez and Caliber company information as of December 31, 2020.

- (1) Retail includes Caliber's Distributed Retail channel and NewRez's Joint Venture channel.
- (2) Wholesale includes Caliber's Direct to Broker and Distributed Wholesale channels and NewRez's Distributed Wholesale channel.
- (3) Numbers may not sum due to rounding.
- (4) Source: Inside Mortgage Finance based on rankings as of December 31, 2020, adjusted for 2020 total of NewRez and Caliber.

Endnotes to Page 20:

Source: Caliber company information.

- (1) Balance sheet as of February 28, 2021 is unaudited.

Endnotes to Page 21:

Source: New Residential and Caliber company information and projections.

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Assumes tax rate of 25%. Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (3) Please see Page 24, "Reconciliation of Caliber's Non-GAAP and Other Financial Measures."

Endnotes to Page 22:

- (1) Based on management's current views and estimates, and actual results may vary materially. See "Disclaimers" at the beginning of this Presentation for more information on forward looking statements.
- (2) Caliber adjusted operating income is a non-GAAP measure. Please see Page 21, "Caliber Financial Estimates," for a reconciliation. Please see Page 24, "Reconciliation of Caliber's Non-GAAP and Other Financial Measures."
- (3) Cost of NRZ liquidity is the estimated opportunity cost of using NRZ's sources of liquidity to fund the transaction. Opportunity cost means the (i) forgone net income expected to be earned on liquid securities sold to source cash to fund the transaction and (ii) forgone net income expected to be earned on deployment of excess cash repurposed to fund the transaction.
- (4) Management fee is estimated incremental management fees on potential new common equity raised. There can be no assurance if or when NRZ may conduct an equity offering or the terms thereof.
- (5) Approximately 45 million estimated shares issued in conjunction with a potential capital raise. There can be no assurance if or when NRZ may conduct an equity offering or the terms thereof.

Endnotes to Page 23:

Source: NewRez and Caliber company information. Full year data shown for the periods presented.

- (1) For NewRez, excludes recapture MSR which is reported in the MSR & Servicer Advance segments.
- (2) For NewRez, includes impact from ancillary services.

Abbreviations

Abbreviations: This Presentation may include abbreviations, which have the following meanings:

- 60+ DQ – Percentage of loans that are delinquent by 60 days or more
- Age (mths) or Loan Age (mths) – Weighted average number of months loans are outstanding
- BV – Book Value
- CLD – Correspondent Origination Channel
- COF – Cost of Funds
- CPR – Constant Prepayment Rate
- CRR – Constant Repayment Rate
- CTS – Cost to Service
- Cur - Current
- Current UPB – UPB as of the end of the current month
- DPD – Days past due
- DQ – Delinquency
- DTC – Direct to Consumer Origination Channel
- E - Estimated
- EBO – Residential Mortgage Loans acquired through the GNMA early buy-out program
- Excess MSRs – Monthly interest payments generated by the related Mortgage Servicing Rights (MSRs), net of a basic fee required to be paid to the servicer
- FB - Forbearance
- FHA - Federal Housing Association
- FHLMC – Freddie Mac / Federal Home Loan Mortgage Corporation
- FICO – A borrower’s credit metric generated by the credit scoring model created by the Fair Isaac Corporation
- Flow Arrangements – Contractual recurring agreements, often monthly or quarterly, to purchase servicing of newly originated or highly delinquent loans
- FNMA – Fannie Mae / Federal National Mortgage Association
- GNMA – Ginnie Mae / Government National Mortgage Association
- GOS – Gain on Sale
- JV – Joint Venture
- LHS – Left Hand Side
- LTD – Life to Date
- LTD Cash Flows – Actual cash flow collected from the investment as of the end of the current month
- LTV – Loan to Value
- Non-QM – Non-qualified
- NPL – Non-Performing Loans
- MSR – Mortgage servicing rights
- MTM – Mark to market
- Original UPB – UPB at Time of Securitization
- Proj. Future Cash Flows – Future cash flow projected with the Company’s original underwriting assumptions
- PTI – Pre-Tax Income
- QoQ – Quarter-over-quarter
- Recapture Rate – Percentage of voluntarily prepaid loans that are refinanced by the servicer
- Refi - Refinance
- REO – Real Estate Owned
- RHS – Right Hand Side
- RPL – Reperforming Loan
- TBV – Tangible Book Value
- TPO – Third Party Origination Channel (includes Wholesale and Correspondent)
- UPB – Unpaid Principal Balance
- Updated IRR – Internal rate of return calculated based on the cash flow received to date through the current month and the projected future cash flow based on our original underwriting assumptions
- WA – Weighted Average
- WAC – Weighted Average Coupon
- WAL – Weighted Average Life to Maturity
- WALA – Weighted Average Loan Age
- YoY – Year-over-year