New Residential Investment Corp.

Investor Presentation - December 2013

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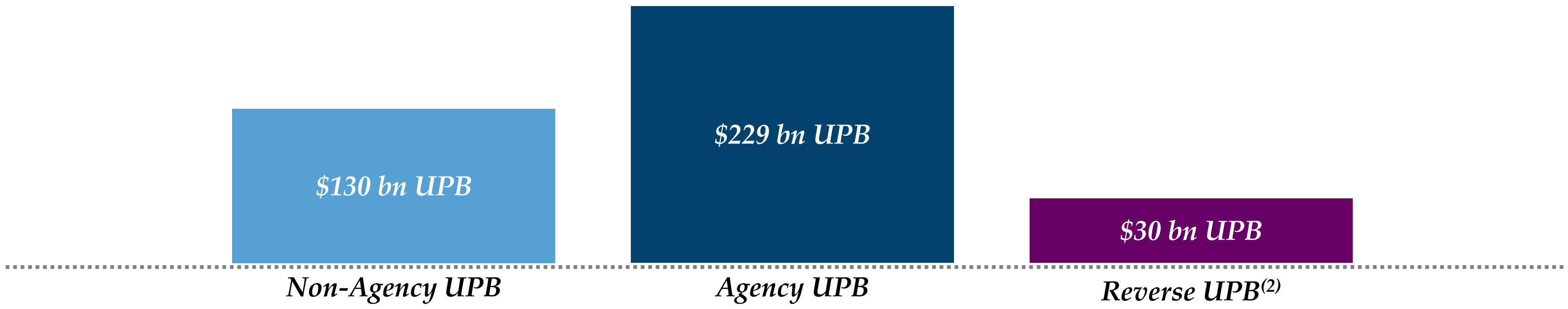
INVESTMENT GUIDELINES. Our manager has great latitude in determining which investments are appropriate for us. Our investment guidelines are purposefully broad to enable our manager to make investments in a wide array of assets on our behalf. We are not required to obtain stockholder consent to change our investment strategy or asset portfolio.

Executive Summary

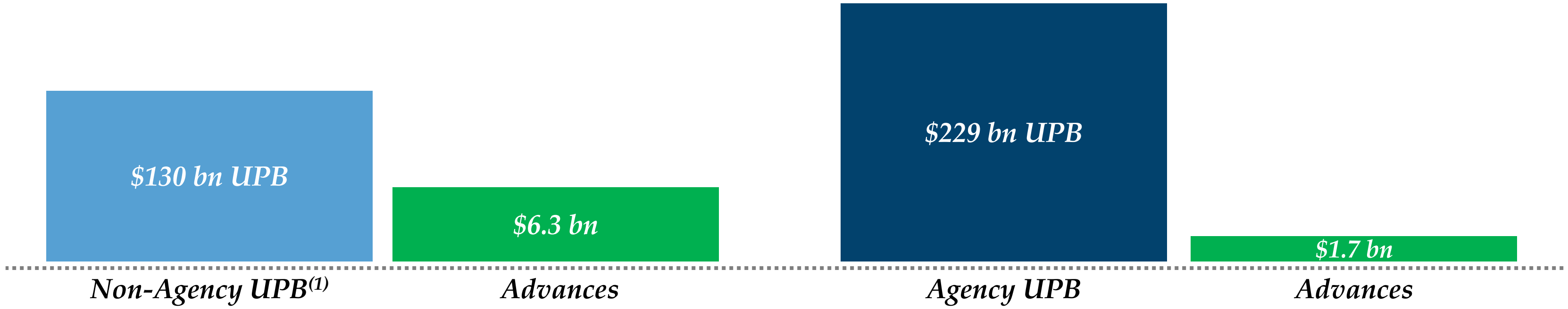
- **Nationstar ("NSM"), an affiliate of New Residential's ("NRZ") manager, services approximately $400 billion UPB[1]**



- **As servicer, NSM collects payments, services troubled borrowers and makes advances on loans that are delinquent or in default**

- **Advances are typically "top of the waterfall"; first to be repaid and thus are very high credit-quality[2]**

- **In total, NSM has approximately $8.0 billion of advances related to non-Agency and Agency loans[3]**



1) UPB represents unpaid principal balance. Figures include amounts that NSM has not yet boarded. We anticipate boarding will be completed by January, subject to various conditions.
2) Payment terms of advances vary according to the terms of the governing documents. There can be no assurance that advances will be repaid in full.
3) Advances related to reverse loans are not as significant when compared to the other two loan types, and thus are not included in the total advances.

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Executive Summary (cont.)

- **Advances are usually:**
  - Short-term in duration – average term of 9 months
  - Very financeable – approximately 90% LTV and 2.0% to 2.5% cost of funds

***Illustrative Example*[1]**

THE TRANSACTION

- **NRZ and other third-parties (collectively, "Buyer") agreed to acquire $3.2 billion of advances from NSM at par[2]**
  - Advances are related to non-Agency loans NSM has boarded recently or will board soon with a UPB of $58 billion
  - Buyer will fund future advances related to the loans
  - Buyer has the right, but not the obligation, to acquire NSM's approximately $3.1 billion of remaining non-Agency advances on substantially the same terms[3]

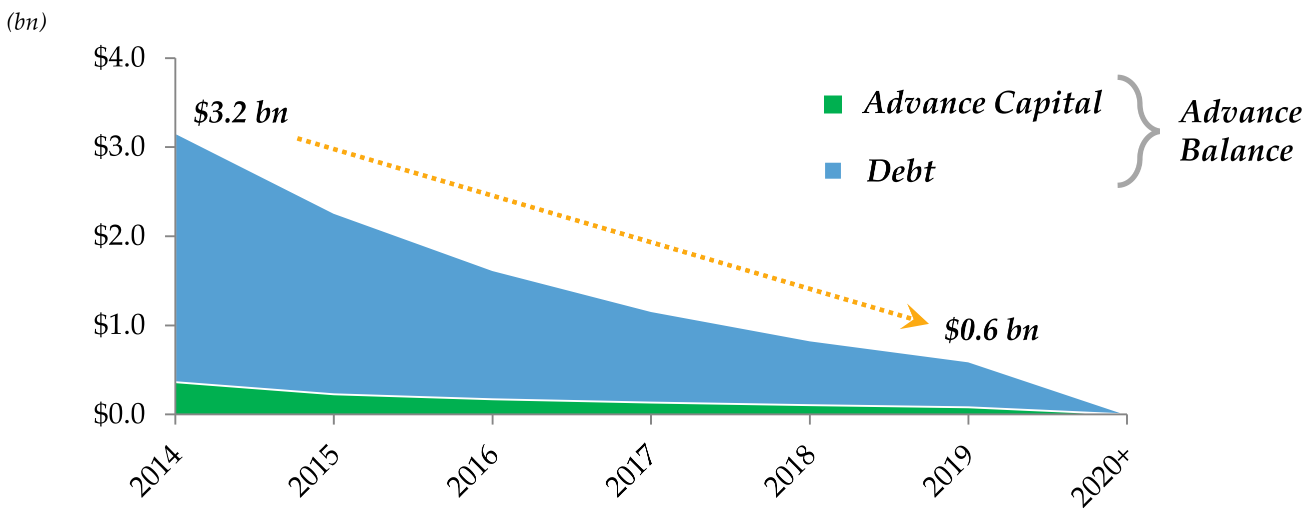
- **Expect investment to generate a stable 14% return for Buyer, with potential for upside[4]**

1) For illustrative purposes only. Actual results could differ materially from this illustration. Advances do not have a credit rating assigned by any third party. There can be no assurance that advances will be repaid in full.
2) Of the approximately $3.2 billion of advances, $2.4 billion was funded on Dec. 17. We anticipate the remaining $0.8 billion will be funded by mid-January, subject to various conditions.
3) Of the total $3.1 billion of advances subject to the option to buy, about $880 million of advances have transfer limitations and potentially may not be acquired.
4) Return to Buyer will be supported by servicing cash flows related to the underlying loans. Actual returns may differ from expected returns due to a variety of factors including, but not limited to, asset performance, financing terms and taxes & other expenses.

Executive Summary (cont.)

- **For Buyer:**
  - Provides opportunity to invest a significant amount of capital in core servicing assets at attractive yields
- **For NSM:**
  - Raises capital by "selling" advance capital to fund future growth and potentially retire high coupon debt
- **Advance balances should decline meaningfully as delinquencies improve and foreclosure timelines normalize**
  - Buyer expects that the advance balance will decline from \$3.2 billion to \$0.6 billion over approximately five years[1]

Decline in Advances[1]



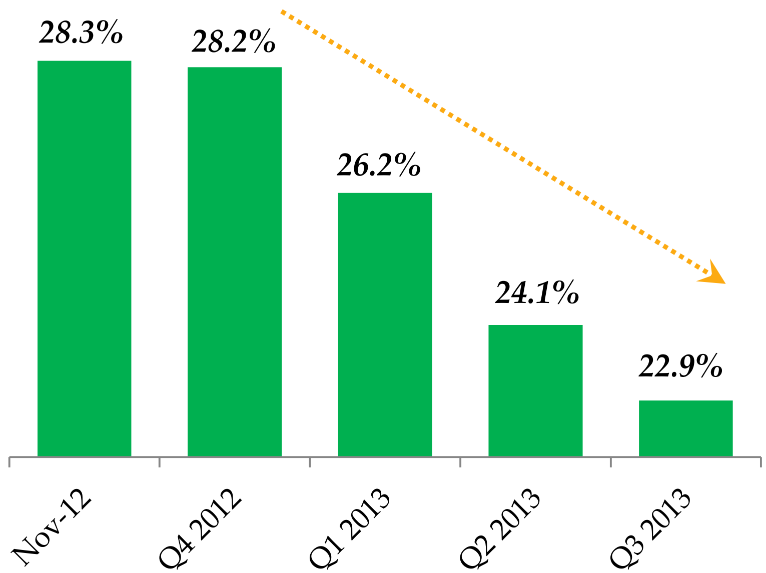
1) Figures are estimates that are dependent on various assumptions. Actual results may differ from expected results.

What Are Servicing Advances?

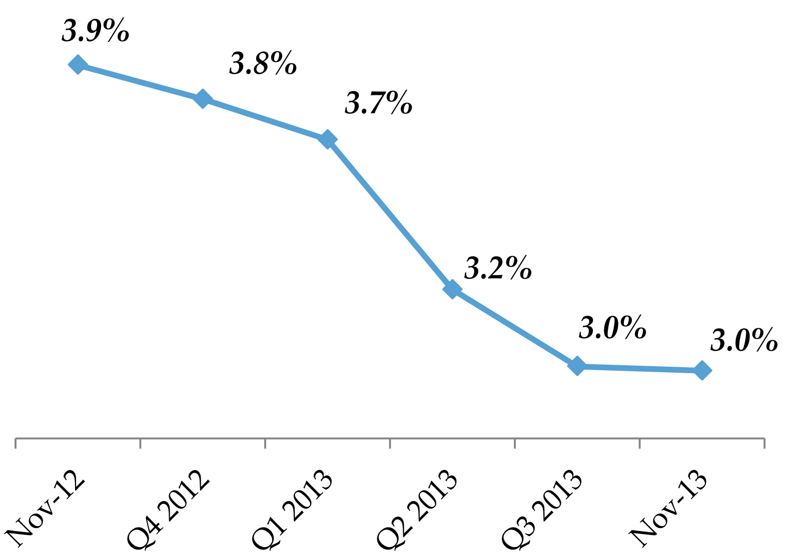
- **A servicer is required to make capital outlays to fund certain shortfalls related to delinquent or defaulted mortgage loans ("advances")**
  - Advances are always directly related to the underlying properties
  - Typically "top of the waterfall"; first in line to be repaid and thus are very high credit-quality(1)
- **Advances can require large capital outlays, particularly in higher default or delinquency environments**

Nationstar's Effect on Aurora Bank Non-Agency Pool(2)

Lowered 60+ Day Delinquencies…



… And Improved Advance to UPB Ratio

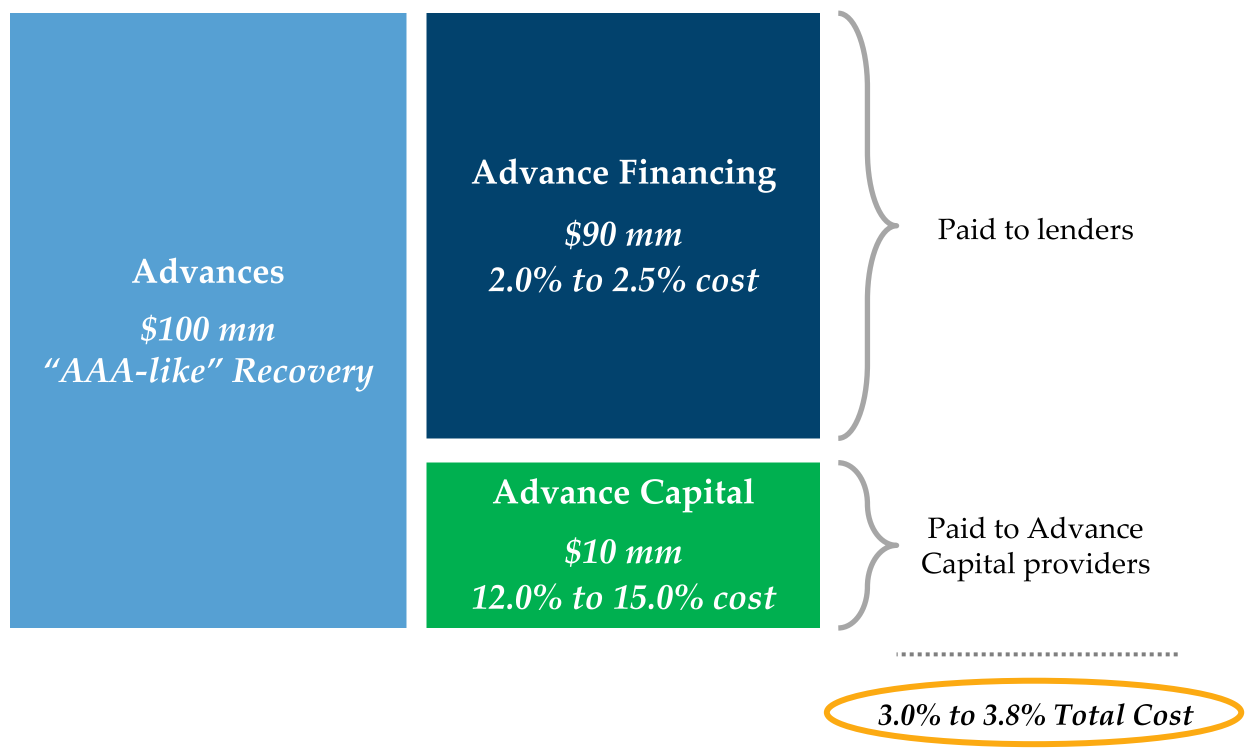


1) Payment terms of advances vary according to the terms of the governing documents. There can be no assurance that advances will be repaid in full.
2) Based on Nationstar's results on one pool. Results on other pools may differ materially.

Advances – Very High Credit Quality "AAA-like"[1]

- **Advances are primarily financed by bank balance sheets or through securitizations**
  - Typically financed with approximately 90% LTV and 2.0% to 2.5% cost of funds
- **Since an advance is almost always recovered the cost of advancing is primarily the cost of financing[2]**

Illustrative Example: Cost of Advancing[3]



1) Advances do not have a credit rating assigned by any third party.
2) Payment terms of advances vary according to the terms of the governing documents. There can be no assurance that advances will be repaid in full.
3) For illustrative purposes only. Actual results could differ materially from this illustration.

Transaction Overview

- **Buyer agreed to acquire $3.2 billion of advances from NSM at par related to $58 billion UPB of non-Agency loans[(1)]**
  - Funded with 90% debt, or $2.8 billion, and 10% equity, or $0.4 billion[(2)]
- **Buyer has right, but not obligation, to fund the remaining $3.1 billion of advances on substantially the same terms**
- **Expect investment to generate a stable 14% return for Buyer, with the potential for upside[(3)]**
  - Return will be supported by servicing cash flows related to the underlying loans

Transaction Summary

	Acquired in Dec.	*Option to Buy[(4)]*	Total
UPB	$58 bn	~$72 bn	**~$130 bn**
Existing Advances	$3.2 bn	~$3.1 bn[(4)]	**~$6.3 bn**
Est. Future Advances	$8.0 bn	~$8.8 bn	**~$16.8 bn**

Initial Purchase – Cost of Advancing

Advances
$3.2 bn
"AAA-like" Recovery

Two Advance Facilities
$2.8 bn
2.4% cost[(5)]

Buyer
$0.4 bn[(2)]
14.0% cost[(3)]

3.6% Total Cost

1) Of the approximately $3.2 billion of advances, $2.4 billion was funded on Dec. 17. We anticipate the remaining $0.8 billion will be funded by mid-January, subject to various conditions.
2) Buyer's $0.4 billion of equity excludes expected working capital. Buyer's 14% return will be calculated on equity plus working capital.
3) Return to Buyer will be supported by servicing cash flows related to the underlying loans. Actual returns may differ from expected returns due to a variety of factors including, but not limited to, asset performance, financing terms and taxes & other expenses.
4) All figures regarding the option to buy are estimates and are subject to change. Of the total $3.1 billion of advances subject to the option to buy, about $880 million of advances have transfer limitations and potentially may not be acquired.
5) Excludes fees associated with the facilities. We will use our commercially reasonable best efforts to securitize a portion of the advance debt in Q1 2014.

Non-Agency Advance Purchase Potential

- **Current Acquisition – Buyer agreed to acquire $3.2 billion of advances from NSM**
  - Funded with $2.8 billion of debt and $0.4 billion of equity(1)
  - NRZ expects to fund approximately 50%, or $0.2 billion of the equity amount, with cash on hand
- **Option to Buy – Buyer has option, but not obligation, to acquire $3.1 billion of remaining advances from NSM**
  - Expect acquisition would be funded with $2.8 billion of debt and $0.3 billion of equity(1)

Potential Acquisition Summary(2)

	Advance Balance *($bn)*	Gross Debt *($bn)*	Gross LTV	Net LTV	COF	All-in COF	UPB *($bn)*	Adv. to UPB	Equity(3) *($mm)*	Working Capital *($mm)*	Total *($mm)*	*NRZ Total ($mm)*
Acquisition	$3.2	$2.8	90%	89%	2.4%	3.3%	$58	5.5%	$362	$54	$416	*~$215*
Option to Buy(3)	$3.1	$2.8	91%	90%	2.5%	3.1%	$72	4.3%	$319	$48	$367	
Total	**$6.3**	**$5.7**	**90%**	**89%**	**2.4%**	**3.2%**	**$130**	**4.8%**	**$681**	**$102**	**$783**	

1) Equity amounts exclude working capital. Buyer's 14% return will be calculated on equity plus working capital. Actual amount of working capital may differ from expected amount.
2) LTV represents "Loan-to-Value". Net LTV represents Gross LTV less an interest reserve. COF represents "Cost of Funds". "All-in COF" represents COF plus facility fees.
3) All figures regarding the option to buy are estimates and are subject to change. Of the total $3.1 billion of advances subject to the option to buy, about $880 million of advances have transfer limitations and potentially may not be acquired.

Transaction Mechanics

1

Buyer purchases advances at par, assumes two bank advance facilities and targets 14% return[1,2]

2

NSM continues to service the loan portfolio and receives compensation from Buyer

3

Buyer's return supported by servicing cash flows on $58 billion UPB of underlying non-Agency loans

4

Blended cost of advances is 3.6% to NSM (90% debt at 2.4% and 10% advance capital at 14%)

1) Return to Buyer will be supported by servicing cash flows related to the underlying loans. Actual returns may differ from expected returns due to a variety of factors including, but not limited to, asset performance, financing terms and taxes & other expenses.
2) We will use our commercially reasonable best efforts to securitize a portion of the advance debt in Q1 2014.

Significant Transaction

Transaction provides a "win-win" outcome for both parties

NRZ

- $215 million investment in servicing related assets at stable 14% return, with upside(1)
- Asset performance expected to improve alongside rising home prices
- NRZ should trade at tighter dividend yield
- Acquisition funded with internally generated liquidity

NSM

- Removes $3.2 billion of non-Agency advances from balance sheet
- Removes future advancing duties from balance sheet
- Unlocks advance equity to fund future growth and retire high coupon debt

1) Return to Buyer will be supported by servicing cash flows related to the underlying loans. Actual returns may differ from expected returns due to a variety of factors including, but not limited to, asset performance, financing terms and taxes & other expenses.

Summary

Transaction Overview

- Buyer acquired $3.2 billion of advances[(1)] and assumed future funding obligations related to non-Agency loans serviced by NSM

Right to Buy Remaining Non-Agency Advances

- Buyer has the right, but not the obligation, to purchase NSM's remaining non-Agency advances on substantially the same terms

Estimated Return to Buyer

- Buyer expects to receive approximately 14% return[(2)]

1) Of the approximately $3.2 billion of advances, $2.4 billion was funded on Dec. 17. We anticipate the remaining $0.8 billion will be funded by mid-January, subject to various conditions.
2) Return to Buyer will be supported by servicing cash flows related to the underlying loans. Actual returns may differ from expected returns due to a variety of factors including, but not limited to, asset performance, financing terms and taxes & other expenses.