New Residential Quarterly Supplement

First Quarter 2014

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Company Overview

New Residential is a publicly traded mortgage REIT (NYSE:NRZ) with a market capitalization of $1.8 billion[(1)]

- **NRZ primarily invests across the vast $20 trillion U.S. housing market**

- **Performance has been strong**
  - Generated Core Earnings of $0.16 per share in Q1 2014, versus $0.14 in Q4 2013
  - Since spin-off from NCT in May 2013, generated 25% annualized return on equity and paid $0.67 of dividends per share[(2)]

- **Our mission is simple**
  - Invest in assets that offer reliable mid-teens returns throughout various interest rate environments
  - Seek one-off opportunities for investments with outsized returns

- **Today, our portfolio primarily consists of:**
  - Servicing Related Assets – *Excess MSRs, Servicer Advances*
  - Residential Securities & Loans – *Non-Agency RMBS, Agency RMBS, Non-Performing Loans, Reverse Mortgage Loans*
  - Other Investments – *Consumer Loans*

1) Market Cap. as of May 13, 2014.
2) Return On Equity ("ROE") is calculated by dividing annualized net income since spin-off by average stockholders' equity since spin. Return on Equity for future periods may differ materially.

Evolution of New Residential

- **From Day 1, NRZ's primary investment strategy was to invest in Excess MSRs**
- **Over time, NRZ has complemented the core Excess MSR strategy with other market-driven opportunities**
- **NRZ has also made one-off acquisitions where we believe we can generate out-sized returns(1)**
  - Typically as a result of the expertise and relationships of our manager

2011 | 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | Q1 2014

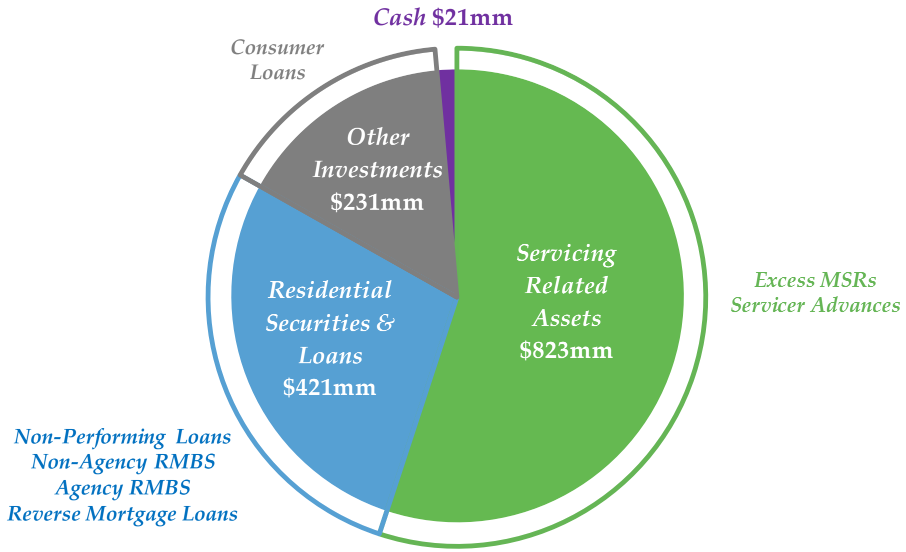
1. *Beginning in 2011, while part of NCT, the Company began investing in **Excess MSRs***
2. *In Apr. 2012, complemented its Excess MSR portfolio by starting to invest in **Non-Agency RMBS***
3. *In Apr. 2013, strategically invested \$241 mm to acquire an interest in a \$3.9 bn **Consumer Loan** Portfolio*
4. *In Nov. 2013, NRZ further diversified its portfolio by purchasing a pool of **Non-Performing Loans** for \$93 mm*
5. *Beginning in Dec. 2013, NRZ agreed to co-invest in \$6.3 bn of **Servicer Advances***
6. *In Mar. 2014, NRZ purchased an interest in a \$900 mm pool of **Non-Agency Loans***

1) *There can be no assurance that we will achieve the returns that management expects. Actual returns are subject to a variety of risks and uncertainties outside our control, which are detailed in tour annual and quarterly reports filed with the Securities and Exchange Commission. We urge you to read these reports, particularly the section called "Risk Factors."*

New Residential Today*

- **NRZ's portfolio consists of ~$1.5 billion of net investments with an average lifetime targeted yield of 20%***
  - 1) Servicing Related Assets, 2) Residential Securities & Loans and 3) Other Investments (i.e. Consumer Loans)
  - Portfolio is poised to increase in value in a rising interest rate environment
  - Strategy allows NRZ to optimize its relationships with leading servicers, such as Nationstar and Springleaf

Net Investment By Segment



Net Investment & Targeted Yield*

($ in mm)	*Assets*	*Net Investment*	*Lifetime Targeted Yield**
Servicing Related Assets[(1)]	$4,255	$823	15-20%
Resi Securities & Loans[(2)]	$2,447	$421	12-20%
Other Investments[(3,4)]	$729	$231	33%
Cash[(5)]	$21	$21	15%**
			~20%*

**As of March 31, 2014 unless otherwise noted in the footnotes on slide 20. There can be no assurance that any of the investments will generate our lifetime targeted yields. Actual returns could result in materially different yields. Lifetime targeted yields are estimates based on a variety of assumptions that could prove incorrect. Actual returns are subject to a variety of risks and uncertainties outside our control, which are detailed in our annual and quarterly reports filed with the Securities and Exchange Commission. We urge you to read these reports, particularly the section called "Risk Factors." See also the section "Forward-Looking Statements" at the beginning of this presentation.*
*** Assumes cash is invested at a 15% targeted return; actual results may differ materially. There can be no assurance that we will be able to make investments.*
Note: Detailed footnotes included at the end of this presentation – slide 20.

Robust Investment Pipeline [1]

- **Today, the potential areas for investment remain robust**
  - U.S. residential market is in an unprecedented state of flux
  - Role of largest housing body, the GSEs, likely to evolve – potentially create interesting investment opportunities

Servicing Related Assets

- **Excess MSRs** - $250 to $300 billion UPB in the visible market pipeline
- **Servicer Advances** - $30 to $40 billion UPB of servicer advances in U.S. securitized market

Securities & Loans

- **NPLs** - Expect $30 billion UPB to be sold in 2014 by HUD and various banks [2]
- **Re-Performing Loans ("RPLs")** – U.S. market size of $1.4 trillion UPB
- **Non-Qualified Mortgage** – Partner with Nationstar regarding these opportunities

Other Investments

- Expect additional investment opportunities to remain abundant
- Focus on areas where we benefit from Fortress's expertise and relationships

1) Represents management's current estimate of the size of each market for target assets, and the amount of assets available for investment may be meaningfully less. There can be no assurance that New Residential will be able to complete any investments in target assets. See "Forward-Looking Statements" at the beginning of this presentation.
2) Based on HUD and broker-dealer indications for 2014 and management estimates; actual results may differ materially.

Investment Highlights – Q1 2014 & Subsequent to Q1 2014

1 — *Excess MSRs*

- Invested $19 million to acquire a 33% interest related to $8 billion of UPB
- Subsequent to quarter, invested $34 million to acquire 33% interest related to $13 billion of UPB
- Returns have outperformed expectations(1)

2 — *Servicer Advances*

- NRZ and co-investors closed on $1.6 billion of advances at par; $225 million of total equity ($82 million from NRZ)
- Subsequent to quarter end, closed on $618 million of advances; $86 million of total equity (100% by NRZ)
- Returns to date have outperformed expectations – expect ~20% lifetime IRR versus initial target of 15%(1)

3 — *Non-Performing Loans*

- Acquired $72 million UPB of NPLs in Q1 2014
- Subsequent to the quarter, agreed to acquire two separate pools of NPLs with $618 million UPB in total(2)
- Returns to date continue to outperform expectations in Q1 – life-to-date cash-on-cash returns of 24%(1)

4 — *Non-Agency RMBS*

- Through a transaction that occurred during the quarter, New Residential purchased approximately $625 million current face amount of Non-Agency RMBS for approximately $553 million

1) *Lifetime returns are subject to various risks and uncertainties and may differ materially from returns to date. See "Risk Factors" in our annual and quarterly reports filed with the Securities and Exchange Commission and "Forward-Looking Statements" at the beginning of this presentation.*
2) *New Residential expects to complete these investments in the second quarter, although there can be no assurance that these investments will be completed in such timeframe or at all. New Residential agreed on the purchase price of these assets and may not ultimately acquire them*

1 Excess MSRs – Q1 2014 Overview & Performance

- **As of Q1 2014, NRZ has invested $701 million across 14 loan pools with $307 billion initial UPB**
  - WAC of 4.8%, LTV of 88%, 30+ DQ of 25%; FICO of 669; WALA of 7.0 years
  - CPR slowed to 14%, versus 16% in Q4 2013 and outperformed NRZ's Q1 2014 underwritten expectation of 18%
- **Generated $230 million of total LTD cash flows, including $43 million in Q1 2014**
  - 33% of initial investment returned over average of 13 months
  - Current carrying value of $680 million
  - Received $230 million of cash flow to date and **still expect to receive over $1.2 billion throughout the future[4]**

Loan Type	*Initial Inv. ($mm)*	*Initial UPB ($bn)*	*Current UPB ($bn)*	*Cash Flows ($mm)*		*CPR*		*Recapture Rate[2]*		*Lifetime IRR[3]*	
				Total LTD	*Carrying Value[1]*	*LTD*	*Q1*	*LTD*	*Q1*	*U/W*	*Actual*
Agency / Govt.	$382	$162	$128	$142	$377	19%	17%	29%	38%	16%	18%
								CDR			
Non-Agency	$320	$146	$124	$88	$303	12%	10%	6%	5%	15%	15%
TOTAL / WA	**$701**	**$307**	**$252**	**$230**	**$680**	**16%**	**14%**	**--**	**--**	**16%**	**17%**

1) *Carrying Value represents cost basis plus adjustment for mark.*
2) *Recapture rate not meaningful for Non-Agency portfolios because of lower amount of voluntary prepayment activity compared to Agency portfolios. We view default rate as a primary performance measurement for our Non-Agency portfolio.*
3) *Potential future lifetime IRRs are forward-looking statements that are inherently uncertain, based on a number of factors beyond our control and may not be realized. See "Forward-Looking Statements" and "Cautionary Note Regarding Targeted/Expected Returns and Targeted/Expected Yields." Actual Lifetime IRRs include life-to-date results plus our underwritten expectations for the future.*
4) *The amount of cash actually received is subject to a number of risks and uncertainties and may differ materially. See "Forward-Looking Statements" at the beginning of this presentation.*

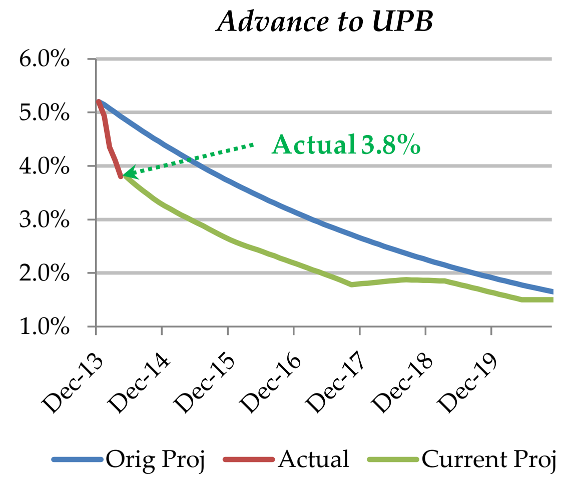
2 Servicer Advances – Performance to Date

- **NRZ & co-investors ("Buyer") acquired or agreed to acquire $6.3 billion [1] of advances from Nationstar**
  - Transaction is being completed in stages
  - To date, NRZ has committed $284 million to the Buyer (including working capital) – equal to a 42% ownership share
- **To date the transaction has outperformed our initial projections[2]**
  - Advance balance has decreased by $1.8 billion, versus initial projection of $0.5 billion decline
  - Advance to UPB ratio has declined 1.4%, versus initial projection of a 0.3% decline
- **There are $750 million of advances remaining at Nationstar that NRZ may purchase in the future[3]**

Performance Summary

	Advance Balance *($bn)*	UPB *($bn)*	Adv. to UPB	Total Equity [4] *($mm)*
At Trade Date	$6.3	$122.0	5.2%	$788
To Date (as of May 5, 2014) [5]	$4.5	$119.3	3.8%	$487
Actual 4+ mth Chg	**($1.8)**	**($2.7)**	**(1.4%)**	**($301)**
Expected 4+ mth Chg	**($0.5)**	**($4.8)**	**(0.3%)**	**($161)**

Performance



1) Original balance of the Servicer Advances on December 17, 2013 (date of original acquisition) was $6.3 billion. Balance has factored down to $4.5 billion as of May 5, 2014.
2) Lifetime performance is subject to a number of risks and uncertainties and could differ materially from performance to date. See "Forward-Looking Statements" at the beginning of this presentation.
3) There can be no assurance that these investments will be completed in such timeframe or at all.
4) Includes working capital and excludes distributions.
5) Of the $4.5 billion advance balance, approximately $750 million is still remaining with Nationstar.

2 Servicer Advances – Sensitivities

- **Transaction is structured to provide downside protection to the Buyer's initial targeted 15% IRR**
- **As a result of new recovery initiatives at Nationstar and improved financing terms, Buyer now targets ~20% IRR***
  - Buyer closed on 2 financing facilities totaling $2.9 billion (in Q1 2014 and subsequent to Q1 2014)
    - Improved upon prior financing terms – both facilities have loan-to-value of 94% and average cost of funds of ~2.5%
- **NRZ will continue to work with Nationstar to reduce the advance balance and to improve financing terms**

Advance to UPB Ratio Sensitivity(1)

	Advance to UPB Ratio					
	4.5%	**4.0%**	**3.5%**	**3.0%**	**2.5%**	**2.0%**
Potential IRR	**15%**	16%	17%	**20%**	24%	28%

LTV Sensitivity(2)

	LTV					
	87%	**90%**	**92%**	**93%**	**94%**	**96%**
Potential IRR	**15%**	18%	19%	**20%**	21%	23%

** Actual IRR is subject to a number of risks and uncertainties and could differ materially. See "Forward-Looking Statements" at the beginning of this presentation.*

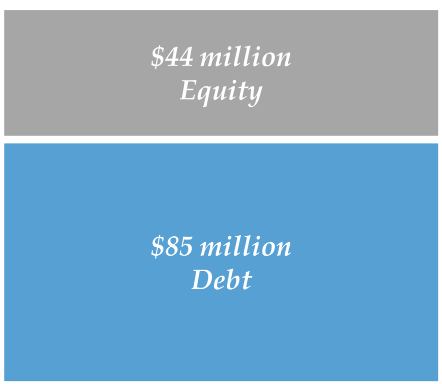
1) *Base Case Weighted Average Lifetime Assumptions: 93% LTV, 3.5% cost of funds, 3.9% all-in cost of funds, DQ rate of 18%, CPR of 15%; actual results may differ materially and there can be no assurance that we will be able to achieve any particular IRR.*
2) *Base Case Weighted Average Lifetime Assumptions: 3.0% Advance to UPB Ratio, 3.5% cost of funds, 3.9% all-in cost of funds, DQ rate of 18%, CPR of 15%; actual results may differ materially and there can be no assurance that we will be able to achieve any particular IRR.*

3 Non-Performing Loans – Q1 2014 Overview & Performance

- **In Q1 2014, NRZ acquired $72 million UPB of non-performing loans – <u>total portfolio is $229 million UPB</u>**
- **At the end of Q1 2014, actual results on NRZ's existing portfolio continues to outperform**
  - Portfolio had 50 liquidations in Q1 2014, which represents an implied 24% cash-on-cash yield(1)
  - Anticipate 15% to 20% targeted lifetime IRR(1)
- **Primary drivers of performance include: 1 Recovery timeline 2 HPA assumptions**
- **Subsequent to quarter end, agreed to acquire two separate pools of NPLs with a combined UPB of $618 million(3)**

Portfolio – Q1 2014 Snapshot

Current Market Value of $129 Million



Portfolio – Primary Driver Sensitivities(1)

1

WA Time to Recover	*22 mths*	*25 mths*	*28 Mths*
Targeted Lifetime IRR	20.5%	17.2%	13.7%

2

Lifetime HPA	*+12.5%*	*+10%*	*7.5%*
Targeted Lifetime IRR	19.2%	17.2%	15.0%

1) *Lifetime cash-on-cash yield could differ materially.*
2) *Targeted Lifetime IRR reflects our actual results through December 31, 2013 plus our initial underwriting future expectations; actual results may differ materially. See "Forward-Looking Statements at the beginning of the presentation. Returns include leverage.*
3) *We expect to complete this transaction in the second quarter, but there can be no assurance that it will be completed in this timeframe or at all.*

4 Non-Agency RMBS – Q1 2014 Overview & Performance

- **$1.6 billion face amount of Non-Agency RMBS – carrying value of $1.2 billion**

- **In Q1 2014 NRZ:**
  - Recognized $4 million of gains – sold $338 million of face for $247 million (average price of 73% of par)(1)
  - Purchased $626 million of face for approximately $553 million
  - Purchased additional $432 million of face for $307 million (average price of 71% of par)(1)

- **NRZ owns the call rights to approximately 13% of the Non-Agency Universe - 800 deals and $101 billion of UPB**

							Security Information(WA)						
							Collateral				Performance[3]		
Vintage	*Collateral Type*	*# of Securities*	*Current Face (mm)*	*Amortized Cost Basis (mm)*	*% of Amortized Cost Basis*	*Carrying Value (mm)*	*WAC*	*60+ DQ*	*12mo PP[2]*	*Upd. LTV*	*CRR*	*CDR*	*SEV*
Pre 2005	*Subprime*	41	$145	$102	9%	$105	6.26%	23.3%	60.8%	56.4%	6.3%	3.4%	72.7%
	Alt-A	24	$26	$21	2%	$22	5.74%	17.0%	79.3%	48.6%	14.3%	3.7%	42.7%
2005 & Later	*Subprime*	30	$1,090	$857	73%	$857	5.94%	20.7%	68.7%	88.7%	10.3%	8.0%	57.2%
	Alt-A	24	$309	$189	16%	$194	5.29%	19.2%	55.9%	93.0%	4.5%	6.9%	69.6%
	Option Arm	1	$4	$3	0%	$3	3.03%	26.1%	64.7%	94.5%	2.5%	7.9%	57.8%
TOTAL		**120**	**$1,573**	**$1,171**	**100%**	**$1,180**	**5.83%**	**20.6%**	**65.7%**	**85.9%**	**8.8%**	**7.3%**	**60.8%**

1) Sales: Excludes other Non-Agencies that were funded using approximately $3 million of equity. Purchases: Excludes other Non-Agencies that were sold for approximately $1 million.
2) Represents 12 month perfect pay securities, where no delinquencies in past 12 months.
3) Performance based on 12 month average. SEV represents Severities.

Financial Highlights – Q1 2014

- **For the first quarter:**
  - ✓ GAAP Income of $49 million, or $0.19 per diluted share
  - ✓ Core Earnings of $42 million, or $0.16 per diluted share[1]
  - ✓ Paid $44 million of common dividends, or $0.175 per share

	Q1 2014		Q4 2013	
	($mm)	*($/ diluted share)*[2]	*($mm)*	*($/ diluted share)*[2]
GAAP Income	$49	$0.19	$81	$0.31
Core Earnings[1]	$42	$0.16	$37	$0.14
Common Dividend	$44	$0.175	$63	$0.25

1) Core Earnings is a Non-GAAP measure. See slides 25 and 26 for a reconciliation to the most comparable GAAP measure.
2) Except for Common Dividend which is based on basic shares outstanding.

Illustrative Book Value Analysis*

- **NRZ believes that market dynamics could positively impact its portfolio and drive its book value**

ASSETS	*Assets*	*GAAP Book Value*	*Illustrative Targeted GAAP Book Value* Low	*Illustrative Targeted GAAP Book Value* High
Excess MSRs	$680	**$680**	$749	**$851**
Servicer Advances [1]	$3,575	**$144**	$144	**$144**
Resi Securities & Loans	$2,447	**$421**	$421	**$421**
Other Investments [2]	$231	**$231**	$350	**$400**
Corporate & Other	$66	**($200)**	($200)	**($200)**
TOTAL	**$6,999**	**$1,276**	**$1,464**	**$1,616**
Book Value Per Share *(Actual & Illustrative)*		**$5.04**	**$5.78**	**$6.38**

Driven by Excess MSRs
Assuming slower CPR, higher recapture rate, and tighter discount rate

Driven by Consumer Loans
Assumes NRZ refinances/sells consumer loans portfolio today

**This analysis is intended to illustrate potential positive changes to our book value and is based on a variety of assumptions, which may prove to be incorrect. Our actual book value, and the assumptions on which this illustrative analysis is based, are subject to a variety of risks and uncertainties. Accordingly, our book value may not increase as illustrated or at all. We encourage you to read the risks and uncertainties detailed in our annual and quarterly reports filed with the Securities and Exchange Commission, and particularly the section entitled "Risk Factors."*

1) Asset value of servicer advances represents 100% of NRZ's and co-investors' investments. GAAP Book Value of servicer advances only reflects NRZ's equity portion.

2) Other Investments include: Consumer Loans - Asset represents 30% of the March 31, 2014 carrying value of the loans held in the Consumer Loans joint venture. Net investment reflects GAAP carrying value. Targeted Yield represents the IRR over a weighted average life of 3.2 years.

1) Financial Statements

Unaudited Consolidated Balance Sheet

($000, except where otherwise noted)		As of 3/31/14
ASSETS		
Investments in:		
Excess mortgage servicing rights, at fair value	$	341,704
Excess mortgage servicing rights, equity method investees, at fair value		338,307
Servicer advances, at fair value		3,457,385
Real estate securities, available-for-sale		2,345,221
Residential mortgage loans, held-for-investment		34,045
Consumer loans, equity method investees		231,422
Cash and cash equivalents		140,495
Restricted cash		34,607
Derivative assets		45,040
Other assets		30,608
Total Assets	**$**	**6,998,834**
LIABILITIES		
Repurchase agreements	$	2,143,094
Notes payable		3,234,805
Trades payable		-
Due to affiliates		7,997
Dividends payable		44,312
Accrued expenses and other liabilities		7,977
Total Liabilities	**$**	**5,438,185**
Noncontrolling interest in equity of consolidated subsidiaries		284,335
Book Value	**$**	**1,276,314**
Per share	*$*	*5.04*

NEW RESIDENTIAL
INVESTMENT CORP.

Unaudited Consolidated Income Statement

($ 000s)		Ending March 31, 2014 3 months
Interest Income		71,490
Interest Expense		38,997
Net Interest Income		**32,493**
Impairment		**492**
Net Interest Income after impairment	**$**	**32,001**
Other Income		
Change in fair value of investments in excess MSRs		6,602
Change in fair value of investments in excess MSRs, equity method investees		6,374
Earnings from investments in consumer loans, equity method investees		16,360
Gain on settlement of securities		4,357
Other income		1,357
	$	**35,050**
Operating Expenses		
General and administrative expenses		2,075
Management fee allocated by Newcastle		-
Management fee to affiliate		4,486
Incentive compensation to affiliate		3,338
	$	**9,899**
Income (Loss) Before Income Taxes	**$**	**57,152**
Income tax expense		287
Net Income (Loss)	**$**	**56,865**
Noncontrolling Interests in Income (Loss) of Consolidated Subsidiaries		**8,093**
Net Income (Loss) Attributable to Common Stockholders	**$**	**48,772**

3) GAAP Reconciliation & Endnotes

GAAP Reconciliation of Core Earnings

- *Management uses core earnings, which is a Non-GAAP measure, as one measure of operating performance.*
- *Please see the next page for the definition of Core Earnings.*

($000, except per share data)		Q1 2014		Q4 2013
Reconciliation of Core Earnings				
Net income (loss) attributable to common stockholders	$	**48,772**	$	**80,507**
Impairment	$	492	$	1,698
Other Income		(35,050)		(83,804)
Incentive compensation to affiliate		3,338		11,499
Non-capitalized deal inception costs		-		1,369
Core earnings of equity method investees				
Excess mortgage servicing rights		9,225		9,861
Consumer loans		14,987		15,643
Core Earnings	**$**	**41,764**	**$**	**36,773**
Per diluted share	**$**	**0.16**	**$**	**0.14**

Reconciliation of Non-GAAP Measures

- *New Residential has four primary variables that impact its operating performance: (i) the current yield earned on its investments, (ii) the interest expense incurred on the debt used to finance its investments, (iii) its operating expenses and (iv) its realized and unrealized gain or losses, including any impairment, on its investments. "Core earnings" is a non-GAAP measure of the Company's operating performance excluding the fourth variable above and adjusting the earnings from the consumer loan investment to a level yield basis. It is used by management to gauge the Company's current 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 only a potential indicator of future economic performance; (ii) incentive compensation paid to the Company's Manager; and (iii) non-capitalized deal inception costs.*

- *While incentive compensation paid to New Residential'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, note that, as an example, in a given period, New Residential 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. New Residential 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 deal inception costs, management does not view these costs as part of the Company's core operations. Non-capitalized deal inception costs are generally legal and valuation service costs, as well as other professional service fees, incurred when the Company acquires certain investments. These costs are recorded as general and administrative expenses in its statements of income. Management believes that the adjustments to compute "core earnings" specified above allow investors and analysts to readily identify 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 performance using the same measure that management uses to operate the business.*

- *Core earnings does not represent cash generated from operating activities in accordance with GAAP and therefore should not be considered an alternative to net income as an indicator of the Company's operating performance or as an alternative to cash flow as a measure of the Company's liquidity and is not necessarily indicative of cash available to fund cash needs.*

Endnotes to Slide 4

1) ***Servicing Related Assets include: 1) Excess MSRs -*** *Asset and Net Investments represent carrying value of the investments. Targeted Yield is expected IRR for pools that have settled.* ***2) Servicer Advances*** *- Asset represents carrying value of the servicer advances, including cash and restricted cash related to the servicer advances. Net Investment is net of debt, minority interest, other assets and other liabilities related to the servicer advances.*

2) ***Residential Securities & Loans include: 1) Residential Loans:*** *Asset represents carrying value of the investments, including mortgage loans accounted for as a derivative. Net investment is net of debt. Targeted Yield represents the IRR over a weighted average life of 3.6 years for reverse mortgages and 2.5 years for non-performing loans.* ***2) Residential Securities: Non-Agency RMBS*** *– Asset represents carrying value of securities. Net Investment is net of debt. Expected Yield represents the IRR over a weighted average life of 8.5 years assuming actual and targeted leverage.* ***Agency RMBS*** *– Asset represents carrying value of securities. Net Investment is net of debt. Targeted Yield represents the IRR over a weighted average life of 4.3 years.*

3) ***Other Investments include: Consumer Loans -*** *Asset represents 30% of the March 31, 2014 carrying value of the loans held in the Consumer Loans joint venture. Net investment reflects GAAP carrying value. Targeted Yield represents the IRR over a weighted average life of 3.2 years.*

4) *Excludes debt related to a financing done in Q1 2014. On January 8, 2014, New Residential financed its ownership interest in its consumer loans under at $150.0 million master repurchase agreement with Credit Suisse Securities (USA) LLC. The balance on the debt as of Q1 2014 was $142.5 million.*

5) ***Cash:*** *Asset represents $65 million of cash and cash equivalents (excluding cash and restricted cash related to servicer advances) as of March 31, 2014 less $44 million of common dividends payable as of April 30, 2014. Targeted yield assumes cash is invested at a 15% return. There can be no assurance that cash will be invested at targeted returns, and actual returns for all investments could differ materially.*

Abbreviations

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

- *30+ DQ – Percentage of loans that are delinquent by 30 days or more*
- *Age (mths) or Loan Age (mths) – Weighted average number of months loans are outstanding*
- *Cash Basis – Initial investment less cash received life to date*
- *CDR – Constant Default Rate*
- *CLTV – ratio of current loan balance to estimated current asset value.*
- *Current CLTV (Combined Loan-to-Value ratio) – projection based on original CLTV and origination data indexed using FHFA's HPA projections by zip code.*
- *CPR – Constant Prepayment Rate*
- *CRR – Constant Repayment Rate*
- *Cur UPB – UPB as of the end of the current month*
- *Excess MSRs – monthly interest payments generated by the related MSRs, net of a basic fee paid to the servicer.*
- *FHLMC – Freddie Mac / Federal Home Loan Mortgage Corporation*
- *FNMA – Fannie Mae / Federal National Mortgage Association*
- *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*
- *GNMA – Ginnie Mae / Government National Mortgage Association*
- *HPA – Home Price Appreciation*
- *LTD Cash Flows –Actual cash flow collected from the investment as of the end of the current month*
- *LTD – Life to Date*
- *NPL – Non-Performing Loans*
- *OCI – Other comprehensive income*
- *Orig. UPB – UPB as of the investment's acquisition date*
- *PLS – Private Label Securitizations*
- *Proj. Future Cash Flows – Future cash flow projected with the Company's original underwriting assumptions*
- *Recapture Rate – Percentage of voluntarily prepaid loans that are refinanced by the servicer*
- *Uncollected Payments – Percentage of loans that missed their most recent payment*
- *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.*
- *U/W LTD – Underwritten life-to-date*
- *WA – Weighted Average*
- *WAL – Weighted Average Life to Maturity*
- *WAC – Weighted Average Coupon*