New Residential Quarterly Supplement

Second Quarter 2014

Disclaimers

FORWARD-LOOKING STATEMENTS. Certain statements in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation references to potential or targeted/expected future cash flows, such as the statement that we expect to receive over $1.1 billion of cash flow from our Excess MSR investments, estimated or targeted/expected returns or yields (sometimes referred to as lifetime IRR, life-to-date IRR or current-to-maturity IRR), our portfolio's value being poised to increase in a rising interest rate environment, a robust investment pipeline, potential or implied investment multiples and discount rates, expected CRR, CDR, Loss Severities, Loss Rates and Delinquencies. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. New Residential can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this presentation. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" in the Company's most recently filed Form 10-Q, which is available on the Company's website (www.newresi.com). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this presentation. New Residential expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

CAUTIONARY NOTE REGARDING TARGETED/EXPECTED RETURNS AND TARGETED/EXPECTED YIELDS. Expected returns and expected yields are estimates of the annualized effective rate of return that we presently expect to be earned over the expected average life of an investment (i.e., IRR), after giving effect, in the case of returns, to existing leverage, and calculated on a weighted average basis. Expected returns and expected yields reflect our estimates of an investment's coupon, amortization of premium or discount, and costs and fees, and they contemplate our assumptions regarding prepayments, defaults and loan losses, among other things. In the case of Excess MSRs, these assumptions include, but are not limited to, the recapture rates, prepayment rates and delinquency rates. Income recognized by the Company in future periods may be significantly less than the income that would have been recognized if an expected return or expected yield were actually realized, and the estimates we use to calculate expected returns and expected yields could differ materially from actual results. Statements about expected returns and expected 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 expected returns and expected yields.

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Company Overview

New Residential is a publicly traded mortgage REIT (NYSE:NRZ) with a market capitalization of $1.7 billion[(1)]

- **NRZ primarily invests across the vast $21 trillion U.S. housing market**

- **Performance has been strong**
  - Recorded the highest quarterly earning results in the company's history[(2)] – ***<u>Core Earnings of $0.20 per share</u>***
  - Since spin-off from NCT in May 2013, generated 28% annualized return on equity and paid $0.92 of dividends per share[(3)]

- **Our mission is simple**
  - Identify and invest in assets that offer reliable mid-teens returns[(4)] throughout various interest rate environments
  - Seek one-off opportunities for investments with outsized returns[(4)]

- **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 August 5, 2014.
2) New Residential was formed on May 15, 2013 in a spin-off from Newcastle Investment Corp.
3) 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.
4) There can be no assurance that we will be able to identify such assets or that our investments will be able to generate mid-teens returns.

Investment Highlights – Q2 2014

1 *Servicer Advances*

- NRZ closed on $921 million of advances, totaling $115 million in equity investment
- Portfolio outperforming expectations – driving **expected 22% lifetime IRR** vs. initial target of 15%(1)

2 *Excess MSRs*

- Invested $36 million to acquire a 33% interest related to $14 billion UPB of loans
- Cash flow consistently strong quarter over quarter, totaling $44 million

3 *Distressed Loans*

- Acquired $653 million UPB of loans for a total purchase price of $487 million

4 *Non-Agency RMBS*

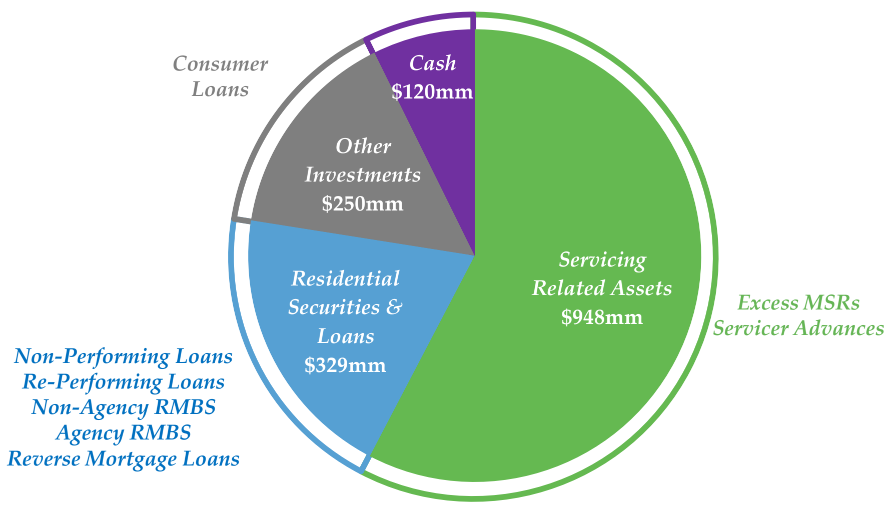
- Exercised clean up call options on 16 seasoned deals in May totaling $284 million UPB of loans
- Sold $1.0 billion market value of securities, contributing to $53 million of gains for the quarter

1) *Expected 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.*

New Residential Today*

- **NRZ's portfolio consists of ~$1.6 billion of net investments with an average lifetime targeted yield of 20%***
  - 1) Servicing Related Assets, 2) Residential Securities & Loans and 3) Other Investments (e.g. 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

Net Investment By Segment



Net Investment & Targeted Yield*

($ in mm)	*Assets*	*Net Investment*	*Targeted Yield**
Servicing Related Assets(1)	$4,548	$948	15-20%
Resi Securities & Loans(2)	$2,043	$329	12-20%
Other Investments(3,4)	$250	$250	30-35%
Cash(5)	$120	$120	15%**
			~20%*

**As of June 30, 2014 unless otherwise noted in the footnotes on slide 21. Lifetime targeted yields are estimates based on the current composition of our investment portfolio and a variety of assumptions that could prove incorrect, and actual returns may vary with changes in the composition of our investment portfolio, changes in market conditions and additional factors, which are described in our reports filed with the Securities and Exchange Commission.*
Note: Detailed footnotes are included at the end of this presentation on slide 21.

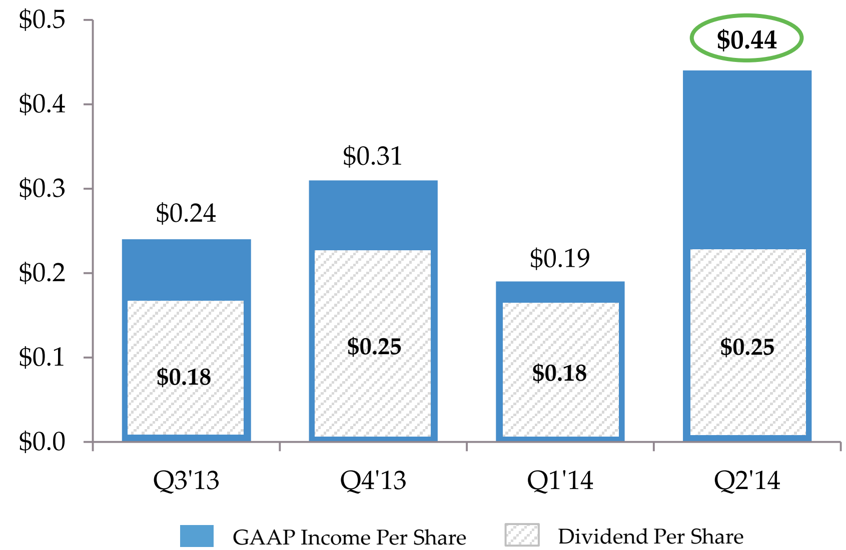
Consistently Strong Financial Performance

- **For the second quarter:**
  - ✓ GAAP Income of $124 million, or $0.44 per diluted share and Core Earnings of $56 million, or $0.20 per diluted share(1)
  - ✓ Paid $49 million of regular dividends (or $0.175 per share) and $21 million of special dividends (or $0.075 per share)
- **Solid financial results continue to support NRZ's dividend**
  - Since spin-off from NCT in May 2013, generated 28% annualized return on equity and paid $0.92 of dividends per share(2)

Quarter Over Quarter Financial Results

	Q2 2014		Q1 2014	
	($mm)	*($/share)(3)*	*($mm)*	*($/share)(3)*
GAAP Income	$124	$0.44	$49	$0.19
Core Earnings(1)	$56	$0.20	$42	$0.16
Regular Dividend	$49	$0.175	$44	$0.175
Special Dividend	$21	$0.075	--	--
Book Value	$1,498	$5.31	$1,276	$5.04

GAAP Income vs. Dividend



1) Core Earnings is a Non-GAAP measure. Amount based upon amended definition to be discussed at the upcoming meeting. See slides 22 and 23 for a reconciliation to the most comparable GAAP measure.
2) Return On Equity ("ROE") is calculated by dividing annualized net income since spin-off by average stockholders' equity since spin-off. Return on Equity for future periods may differ materially.
3) GAAP Income & Core Earnings are calculated using Diluted Shares Outstanding as the denominator and Regular Dividend, Special Dividend and Book Value are calculated using Basic Shares Outstanding as the denominator.

New Residential Investment Corp.

Illustrative Book Value Analysis – Q2 2014*

- **NRZ believes that market dynamics could positively impact its portfolio and drive its book value**
- **Potential for book value growth driven primarily by servicing and consumer loans**

	Cost Basis[1]	*GAAP Book Value*	*Illustrative Discount Rate*[3] 12.0%	10.0%	8.0%
Excess MSRs	**$597**	**$703**			
Servicer Advances[2]	**$217**	**$246**			
Consumer Loans	**$250**	**$250**			
			Illustrative GAAP Book Value[4]		
SUBTOTAL	**$1,064**	**$1,198**	**$1,435**	**$1,520**	**$1,622**
Book Value Per Share of Selected Assets *(Actual & Illustrative)*		**$4.25**	**$5.09**	**$5.39**	**$5.75**
TOTAL NRZ ASSETS		**$1,498**	**$1,735**	**$1,821**	**$1,922**
Book Value Per Share of Total Assets *(Actual & Illustrative)*		**$5.31**	**$6.15**	**$6.45**	**$6.81**

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) *Cost basis for excess MSRs represents amortized cost basis. Cost basis for servicer advances represents net invested capital. Cost basis for consumer loans represents GAAP book value and excludes $125 million of debt related to the consumer loans.*
2) *GAAP Book Value of servicer advances only reflects NRZ's equity portion.*
3) *Actual discount rate may vary materially due to variety of factors outside of our control.*
4) *Book value contributions from excess MSRs also assumes 35% recapture rate (versus 26% at 6/30/14) and 8% CPR (versus 16% at 6/30/14)*

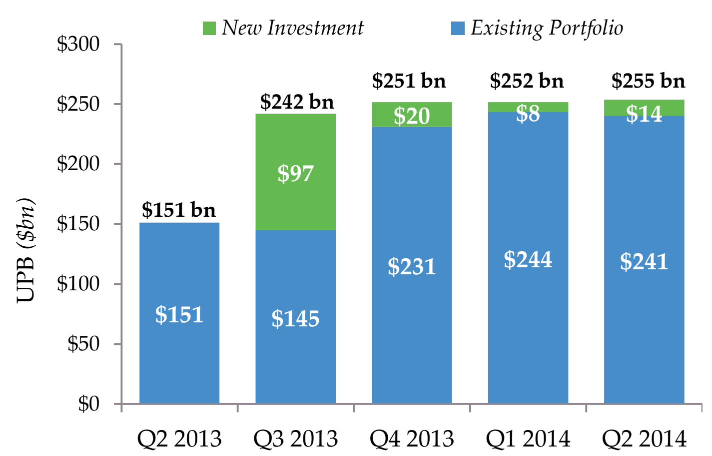
1 Excess MSRs – Overview & Performance

- **As of Q2 2014, NRZ had $739 million invested across 20 loan pools with an initial UPB of $321 billion**
  - Invested $36 million to acquire an interest in four previously committed Agency pools related to $14 billion of UPB
- **3 month average CPR outperformed our projections - 16% versus projected 18%**
- **Generated <u>$289 million</u> of LTD cash flows (39% of initial investment), including $44 million in Q2 2014**
  - Current carrying value of $703 million
  - Still expect to receive in excess of $1.1 billion of cash flow in the future(1)

Excess MSR Portfolio

Loan Type	*Initial Inv. ($mm)*	*Initial UPB ($bn)*	*Current UPB ($bn)*	A *LTD Cash Flow*	B *Carrying Value*	*A + B*	*Lifetime IRR(2) U/W*	*Lifetime IRR(2) Current*
Agency / Govt.	$419	$175	$135	$174	$403	$577	16%	17%
Non-Agency	$320	$146	$120	$115	$300	$415	15%	15%
TOTAL / WA	**$739**	**$321**	**$255**	**$289**	**$703**	**$1,092**	**16%**	**17%**

New Investments Outpaces Run-Off



1) *The amount of cash actually received is subject to a number of risks and uncertainties and may differ materially.*
2) *Current Lifetime IRR is an estimate and is subject to various risks and uncertainties and actual Lifetime IRR 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.*

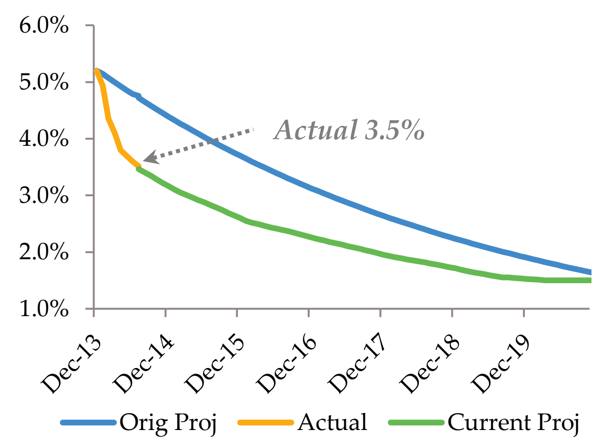
2 Servicer Advances – Performance to Date

- **NRZ & co-investors ("Buyer") acquired or agreed to acquire $6.3 billion[1] of advances from Nationstar**
  - Transaction was settled in stages and is mostly complete
  - To date, NRZ has committed $313 million to the Buyer (including working capital) – equal to a 45% ownership share
- **To date the transaction has outperformed our initial projections[2]**
  - Advance balance has decreased by $2.3 billion, versus initial projection of $1.0 billion decline
  - Advance to UPB ratio has declined 1.6%, versus initial projection of a 0.5% decline
- **There are $463 million of advances remaining at Nationstar that may potentially be available for sale[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 July 17, 2014) [5]	$4.0	$114.4	3.5%	$430
Actual 7+ mth Chg	**($2.3)**	**($7.6)**	**(1.6%)**	**($358)**
Expected 7+ mth Chg	**($1.0)**	**($9.4)**	**(0.5%)**	**($227)**

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 $4.0 billion as of July 14, 2014.*
2) *Lifetime performance is subject to a number of risks and uncertainties and could differ materially from performance to date.*
3) *There can be no assurance that these advances will be sold or that NRZ will be able to purchase them.*
4) *Includes working capital and excludes distributions.*
5) *Of the $4.0 billion advance balance, approximately $463 million is still remaining with Nationstar.*

3 Distressed Loans – NRZ's Strategy

- **As of Q2 2014, NRZ had acquired non-performing and re-performing loans with UPB of $896 million**
  - Acquired 2,253 loans with $653 million of UPB during the quarter for a total purchase price of $487 million (67% of BPO)
- **$1.1 trillion non-performing and re-performing loan market**
  - Owned by GSEs/HUD and held on bank portfolios and multiple sourcing channels including deal collapses
- **Our strategy is to acquire loans which benefit from superior servicing**
  - Partnered alongside servicers and REO managers with proven track record and deep understanding of local markets
  - Additional upside may be realized from shortening timelines, our servicing advantage, and home prices

Room for Timeline Improvement…

	Crisis	*Current* [1] Q2 2014	*Pre Crisis* ('95 – '05)
Judicial Timelines	26 mth	23 mth	**18 mth**
Non-Judicial Timelines	11 mth	11 mth	**8 mth**
Home Prices	-34% From Peak	-17% From Peak	**3-5% Annually**

	Traditional Servicer	*Special Servicer*
Servicing Advantage [4]	10%	25%

…Drives Additional IRR Upside

Sensitivity Scenarios	**Est. Impact on IRR** [2,3]
3 mth Faster Timeline	*+2% IRR*
1% Annual Home Price Rise	*+1% IRR*
10% Faster in Early Resolution	*+2% IRR*
	+5% IRR

1) *Based on management's estimates.*
2) *Based on management estimates.*
3) *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.*
4) *Servicing advantage represents percentage of the pool by which an early resolution (i.e. short sale, modification, refinancing) is achieved.*

4 Non-Agency Securities – Highlights

- **As of Q2, NRZ held $348 million of Non-Agency Securities – market value of $217 million, or 62% of par**
- **Strategically sold $1.0 billion market value of securities [1]**
- **NRZ exercised clean-up calls on 16 deals – $284 million UPB of seasoned, high coupon loans**
- **Expect to continue to pursue deal collapses**
  - NRZ owns the clean-up call rights on 760 deals, or $98 billion UPB (approximately $10 billion currently callable)

Vintage	*Collateral Type*	*# of Securities*	*Current Face (mm)*	*Amortized Cost Basis (mm)*	*% of Amortized Cost Basis*	*Carrying Value (mm)*	*Security Information(WA)*						
							Collateral				*Performance[3]*		
							WAC	*60+ DQ*	*12mo PP[2]*	*Upd. LTV*	*CRR*	*CDR*	*SEV*
Pre 2005	*Subprime*	48	$185	$111	53%	$115	6.20%	24.9%	58.6%	67.8%	6.3%	3.4%	69.9%
	Prime/Alt-A	21	$19	$16	8%	$17	4.80%	14.2%	85.0%	44.1%	15.1%	1.3%	46.8%
2005 & Later	*Subprime*	6	$85	$66	31%	$66	7.05%	21.9%	59.5%	77.2%	3.8%	4.7%	85.2%
	Prime/Alt-A	2	$59	$17	8%	$19	5.77%	8.2%	86.3%	62.0%	11.5%	2.5%	66.9%
TOTAL		**77**	**$348**	**$210**	**100%**	**$217**	**6.26%**	**20.8%**	**64.9%**	**67.9%**	**7.0%**	**3.5%**	**71.7%**

1) Excludes other Non-Agencies that were sold for approximately $2 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.

Consumer Loans – Overview

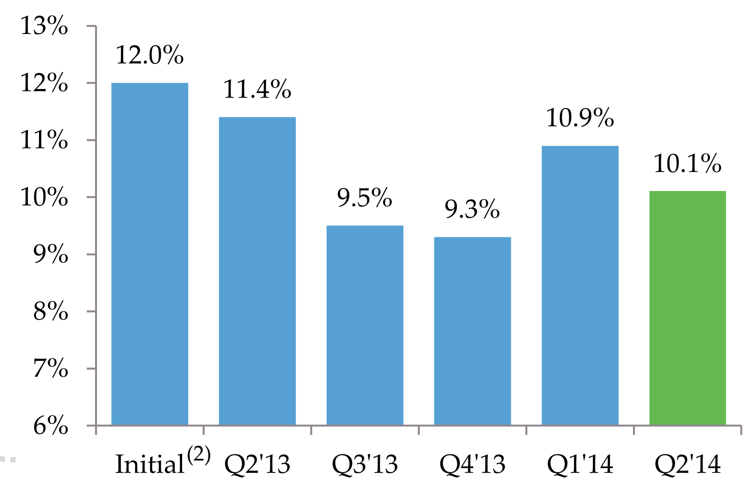
- **In April 2013, NRZ invested $241 million[1] to purchase an interest in a $3.9 billion UPB consumer loan portfolio**
  - As of Q2, NRZ had received approximately $111 million in LTD cash flows and the current cash basis is $130 million
- **Portfolio continues to perform very well – charge-off rate of 10.1%, versus 12.0% at acquisition**

Acquisition Summary and Performance Update

($mm, except otherwise noted)	*At Acquisition*	*March 31, 2014*	*June 30, 2014*
UPB	$3.9 bn	$3.2 bn	$2.9 bn
WAC	18.3%	18.3%	18.1%
Accounts (#000)	415	331	306
Avg. Loan Balance	$9,456	$9,575	$9,559
Avg. Charge-Off Rate	**12.0%**	**10.9%**	**10.1%**
Outstanding Debt ***(Class A & B)***	$2.6 bn	$1.7 bn	$1.6 bn

Improved Credit Performance

Avg. Charge-Off Rate Improved By 1.9 points



1) *Includes a purchase price adjustment received subsequent to closing of acquisition.*
2) *Represents charge-off rate at acquisition.*

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Q2 2014 Summary & Looking Forward

Record Q2 Results

- Record GAAP Income and Core Earnings
- Robust investment activity

Robust Near-Term Pipeline

- Pipeline of Servicing Related Assets looks better than it has in the past year
- Selectively executing on deals in the Securities & Loans segment

Aligned with a Rise in Rates

- Higher interest rates seen on the horizon
- Our portfolio is well-positioned to benefit if and when rates rise

Financial Statements

Unaudited Consolidated Balance Sheet

($000, except where otherwise noted)		**As of 6/30/14**
ASSETS		
Investments in:		
Excess mortgage servicing rights, at fair value	$	372,416
Excess mortgage servicing rights, equity method investees, at fair value		330,220
Servicer advances, at fair value		3,679,105
Real estate securities, available-for-sale		1,463,903
Residential mortgage loans, held-for-investment		517,424
Consumer loans, equity method investees		250,048
Cash and cash equivalents		311,126
Restricted cash		37,327
Derivative assets		30,992
Other assets		46,755
Total Assets	**$**	**7,039,316**
LIABILITIES		
Repurchase agreements	$	1,815,182
Notes payable		3,289,445
Trades payable		-
Due to affiliates		26,132
Dividends payable		70,553
Deferred tax liability		17,645
Accrued expenses and other liabilities		8,579
Total Liabilities	**$**	**5,227,536**
Noncontrolling interest in equity of consolidated subsidiaries		313,301
Book Value	**$**	**1,498,479**
	Per share $	*5.31*

NEW RESIDENTIAL INVESTMENT CORP.

Unaudited Consolidated Income Statement

($ 000s)	Ending June 30, 2014 3 months		6 months	
Interest Income		92,656		164,146
Interest Expense		36,512		75,509
Net Interest Income		**56,144**		**88,637**
Impairment		**908**		**1,400**
Net Interest Income after impairment	**$**	**55,236**	**$**	**87,237**
Other Income				
Change in fair value of investments in excess MSRs		5,502		12,104
Change in fair value of investments in excess MSRs, equity method investees		12,743		19,117
Change in fair value of investments in servicer advances		82,877		82,877
Earnings from investments in consumer loans, equity method investees		21,335		37,695
Gain on settlement of securities		52,539		56,896
Other income		2,893		4,250
	$	**177,889**	**$**	**212,939**
Operating Expenses				
General and administrative expenses		5,744		7,819
Management fee allocated by Newcastle		-		-
Management fee to affiliate		4,915		9,401
Incentive compensation to affiliate		18,863		22,201
	$	**29,522**	**$**	**39,421**
Income (Loss) Before Income Taxes	**$**	**203,603**	**$**	**260,755**
Income tax expense		21,395		21,682
Net Income (Loss)	**$**	**182,208**	**$**	**239,073**
Noncontrolling Interests in Income (Loss) of Consolidated Subsidiaries		**58,705**		**66,798**
Net Income (Loss) Attributable to Common Stockholders	**$**	**123,503**	**$**	**172,275**

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.*

($000, except per share data)		Q2 2014		Q1 2014
Reconciliation of Core Earnings				
Net income (loss) attributable to common stockholders	**$**	**123,503**	**$**	**48,772**
Impairment	$	908	$	492
Other Income Adjustments:				
Other Income		(177,889)		(35,050)
Other Income attributable to non-controlling interests		44,741		-
Deferred taxes attributable to Other Income, net of non-controlling interests		16,303		-
Total Other Income Adjustments		(116,845)		(35,050)
Incentive compensation to affiliate		18,863		3,338
Non-capitalized deal inception costs		1,825		-
Core earnings of equity method investees				
Excess mortgage servicing rights		8,646		9,225
Consumer loans		19,465		14,987
Core Earnings	**$**	**56,365**	**$**	**41,764**
Per diluted share	**$**	**0.20**	**$**	**0.16**

New Residential Investment Corp.

Reconciliation of Non-GAAP Measures

- *New Residential has four primary variables that impact the Company's operating performance: (i) the current yield earned on its investments, (ii) the interest expense incurred under the debt incurred to finance its investments, (iii) its operating expenses and (iv) its realized and unrealized gain or losses, including any impairment and deferred tax, 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 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, note that, as an example, in a given period, the Company 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 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 the Company's 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.*

- *The primary differences between core earnings and the measure we use to calculate incentive compensation relate to (i) realized gains and losses (including impairments) and (ii) non-capitalized deal inception costs. Both are excluded from core earnings and included in the Company's incentive compensation measure. Unlike core earnings, the Company's incentive compensation measure is intended to reflect all realized results of operations.*

- *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 and REO assets. Net investment is net of debt. Targeted Yield represents the IRR over a weighted average life of 2.5 years for residential mortgage loans.* ***2) Residential Securities: Non-Agency RMBS*** *– Asset represents carrying value of securities. Net Investment is net of debt. Expected Yield represents the expected future 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 4.7 years.*

3) ***Other Investments include: Consumer Loans –*** *Asset and net investment reflect GAAP carrying value. Targeted Yield represents the expected future IRR over a weighted average life of 3.5 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 a $150.0 million master repurchase agreement with Credit Suisse Securities (USA) LLC. The balance on the debt as of June 30, 2014 was $125 million.*

5) ***Cash:*** *Asset represents $190 million of cash and cash equivalents (excluding cash and restricted cash related to servicer advances) as of June 30, 2014 less $71 million of common dividends payable as of July 31, 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 – Conditional 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 Mortgage Servicing Rights ("MSRs"), net of a basic fee required to be 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*