New Residential Investment Corp.
Quarterly Supplement

SECOND QUARTER 2021



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FORWARD-LOOKING STATEMENTS. Certain statements regarding New Residential Investment Corp. (together with its subsidiaries, "New Residential," the "Company" or "we") in this Presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, ability to complete the acquisition of Caliber Home Loans, Inc. ("Caliber") (the "Transaction") on a timely basis, or at all, ability to successfully integrate the businesses and realize the anticipated benefits and synergies of the acquisition of Caliber, the Company's available cash & liquidity after funding the Caliber acquisition, any pre-closing distributions from Caliber to Caliber's seller, ability to capitalize on robust investment opportunities for our portfolio, ability to capitalize on opportunities in PLS, SFR, EBOs, non-QM, non-owner occupied, second homes, jumbo prime and NPLs, 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 Q3'21, 2H'21, FY'21 and FY'22 estimates and projections, 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 grow recapture platform and execute recapture initiatives, expected call activity, ability to execute the Company's overall MSR strategy, expectations regarding significant upside in MSR portfolio, expectations that originations will exceed MSR run-off from amortization, projected overall callable balance of call rights, the ability to execute and profit from our call rights, actual unpaid principal balance of loans subject to our call rights, projections regarding future servicer advance balances and ability to fund such advance balances, continued access to steady pipeline of income generating assets, SFR targets, ability to maintain current forbearance levels, ability to help homeowners and borrowers navigate during COVID-19, potential mark to market exposure, estimates of the percentages of the Company'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, 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 long-term strategy, ability to manage risks, potential to be subject to certain claims and legal proceedings, and statements regarding the Company's investment pipeline and investment opportunities. Accordingly, you should not place undue reliance on any forward-looking statements contained herein. These risks and factors include, but are not limited to, the risks relating to the Transaction, including in respect of the satisfaction of closing conditions and the timing thereof; unanticipated difficulties financing the Transaction; unexpected challenges related to the integration of Caliber's businesses and operations; changes in general economic and/or industry specific conditions; difficulties in obtaining governmental consents in connection with the Transaction; changes in general economic and/or industry specific conditions; unanticipated expenditures relating to or liabilities arising from the Transaction or the acquired businesses; uncertainties as to the timing of the Transaction; litigation relating to the Transaction, LSF Pickens Holdings, LLC, the Company or the acquired businesses; the impact of the Transaction on relationships with, and potential difficulties retaining, employees, customers and other third parties; and the inability to obtain, or delays in obtaining, expected benefits from the Transaction. In addition, risks and uncertainties to which Caliber's business is subject could affect the Transaction and, following the closing of the Transaction, the Company may be subject to such risks and uncertainties (including certain risks and uncertainties that currently apply to the Company and certain new risks and uncertainties applicable to Caliber). Forward-looking statements contained herein speak only as of the date of this Presentation, and the Company 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. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled "Cautionary Statements Regarding Forward Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual and quarterly reports filed with the SEC, which are available on the Company's website (www.newresi.com).

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.

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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.

New Residential Investment Corp. Overview

Our vertically integrated investment management and mortgage platform generates attractive and sustainable risk-adjusted returns



- ✓ **Over $3.7 Billion** in Dividends Paid Since Inception[2][3]
- ✓ **$6.1 Billion** Net Equity[4]
- ✓ **92% Total Shareholder Return** Since Inception[2]
- ✓ **$4.9 Billion** Market Capitalization

Investment Portfolio[1]	Full & Excess MSRs	Servicer Advances	Residential Loans, Securities & Call Rights	Mortgage Services	✓ **$24.6 billion Assets[1]** ✓ **Largest non-bank owner of MSRs[5]**
Origination	Direct to Consumer	Joint Venture	Wholesale	CLD	Title & Appraisal	✓ **$23.5 billion UPB Q2'21 Origination Volume** ✓ **Q2'21 Pre-Tax Income of $75.4 million[6]** ✓ **Top 10 non-bank mortgage originator[5]**
Servicing	Performing Servicing	Third Party & Special Servicing			✓ **$305.9 billion UPB Q2'21 Servicing Portfolio** ✓ **Q2'21 Pre-Tax Income of $32.3 million** ✓ **Top 10 non-bank mortgage servicer[5]**

Detailed endnotes are included in the Appendix.

New Residential – How We Set Ourselves Apart

We believe the market continues to understate the full value of New Residential

- Leading Investment Manager with Complementary Operating Businesses
- MSR Portfolio with Significant Upside Opportunity
- Strong Balance Sheet with Ample Cash and Liquidity
- Ability to Organically Create New Quality Investments
- Diversified Portfolio of Income Generating Businesses and Assets
- Track Record of Delivering Returns to Shareholders

Detailed endnotes are included in the Appendix.

Q2'21 Company and Financial Highlights

GAAP Net Income:
$121.3 Million / $0.26 per Diluted Share[1]

$107.7 Million Pre-Tax Income ("PTI") from Origination and Servicing[2]

Core Earnings:
$146.6 Million / $0.31 per Diluted Share[1][3]

Second Quarter 2021 Common Stock Dividend:
$0.20 per Common Share / 7.6% Dividend Yield as of June 30, 2021[4]

Cash:
$956.2 Million as of June 30, 2021

Net Equity:
$6,072.1 Million as of June 30, 2021[5]

Book Value:
$11.27 per Common Share
as of June 30, 2021

- (0.7%) Book Value per Common Share from March 31, 2020

1.1% Total Economic Return
during Q2'21

- Comprised of ($0.08) Decrease in Book Value per Common Share and $0.20 Dividend per Common Share[6]

Gross Proceeds Raised:
$522.4 Million in a 51.7 Million Share Common Stock Offering
on April 19, 2021[7]

- ($0.03) impact to GAAP and Core EPS in Q2'21
- ($0.16) impact to Book Value per Common Share in Q2'21

Detailed endnotes are included in the Appendix.

Book Value per Share Summary

Q2'21 book value per share was $11.43 before impact from common equity raise; $11.27 inclusive of the impact

	Per Share(1)	QoQ% Change
Ending Q1'21 BV	**$11.35**	
Origination & Servicing Segment Net Income(2)	$0.23	
Investment Portfolio and Corporate Segment Net Income (3)	$0.63	
MSR Realization of Cash Flows	($0.64)	
Change in Fair Value Full MSR	($0.25)	
Change in Fair Value Agency Securities	$0.29	
Other Comprehensive Income	$0.02	
Common Dividend	($0.20)	
Q2'21 BV Excluding Impact from April 2021 Capital Raise	**$11.43**	0.7%
Dilution from April 2021 Capital Raise	($0.16)	
Ending Q2'21 BV	**$11.27**	-0.7%

(1) Book value per share based on basic shares outstanding (466,579,920). Numbers may not add due to rounding.
(2) Excludes non-controlling interests.
(3) Excludes MTM of Agency Securities and Full MSRs.

Detailed endnotes are included in the Appendix.

Delivering Results: Q2'21 and Beyond Highlights

NEW RESIDENTIAL INVESTMENT CORP.

1 Further positioned NRZ to perform in any rate environment

Announced agreement to acquire Caliber, expected to increase asset generation ability and build scale in recapture, purchase lending, technology and people[(1)]

2 Increased capital deployment into loan strategies

Added **$1.1 billion** of accretive loan assets

3 Balance sheet prudence remains a top focus

Daily mark to market exposure stands at just **1%** of portfolio*

4 Improved recapture rates to help drive returns

Refinance recapture increased to **40.7%** in Q2'21 (from 28.2% in the previous quarter) as Direct to Consumer channel had largest funding quarter ever

5 Call rights strategy continues to generate asset opportunities

Called **$666 million** of collateral in Q2'21, the largest quarterly amount since Q4'19

6 Enhanced MSR financing profile

Increased percentage of MSR financing in the capital markets to **71%** through 7 securitizations since March 2020[(1)(2)]

Detailed endnotes are included in the Appendix.

*"No daily mark to market" refers to financings of MSRs, servicer advances, residential loans, non-Agency residential securities and consumer loans that either do not contain a daily mark to market feature or contain a margin "holiday". Excludes financings of Agency securities and EBO loans.

Acquisition of Caliber[1]

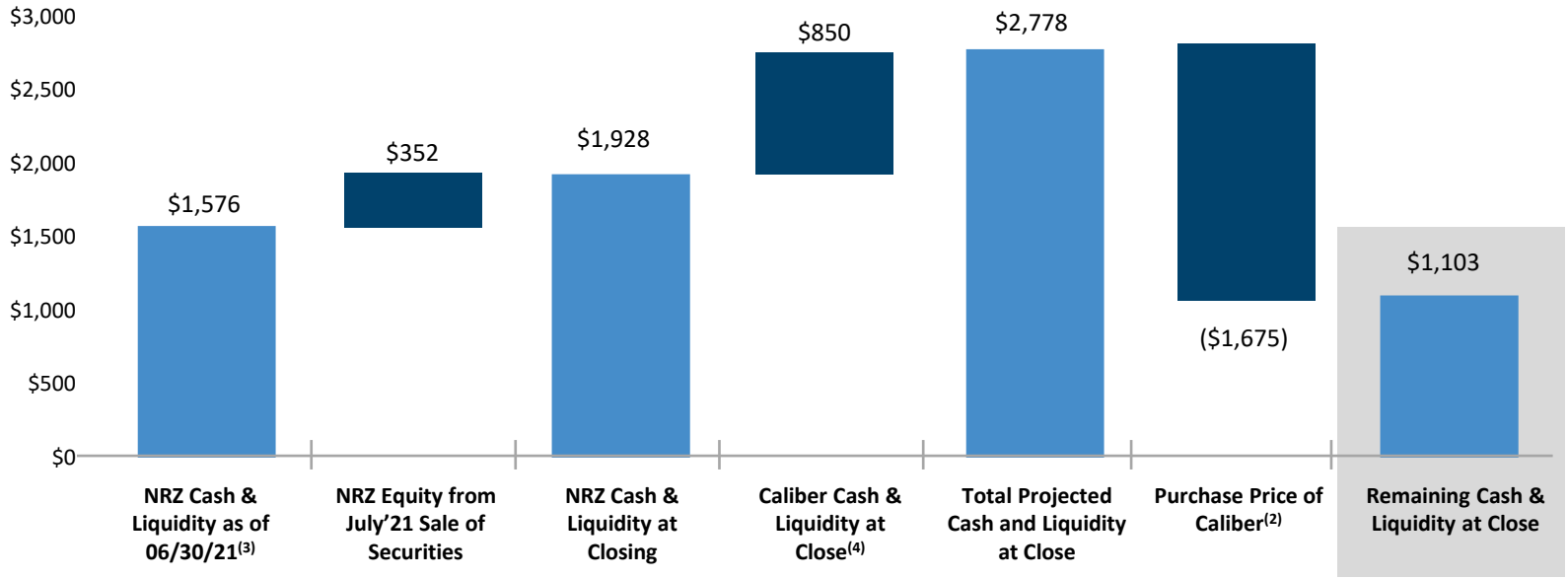
Detailed endnotes are included in the Appendix.

Financing of Caliber Acquisition[1]

NRZ expects to have $1.1 billion of available cash & liquidity after funding the acquisition of Caliber

- **NRZ is acquiring Caliber for an all-cash purchase price of $1.675 billion[2]**
- **NRZ intends to use the following to fund the acquisition of Caliber**
  - NRZ available cash and liquidity (including proceeds from April 2021 common equity raise)
  - NRZ equity from the sale of Agency securities
  - Caliber available cash and liquidity
- **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[2]**

Financing of Caliber Acquisition
($mm)

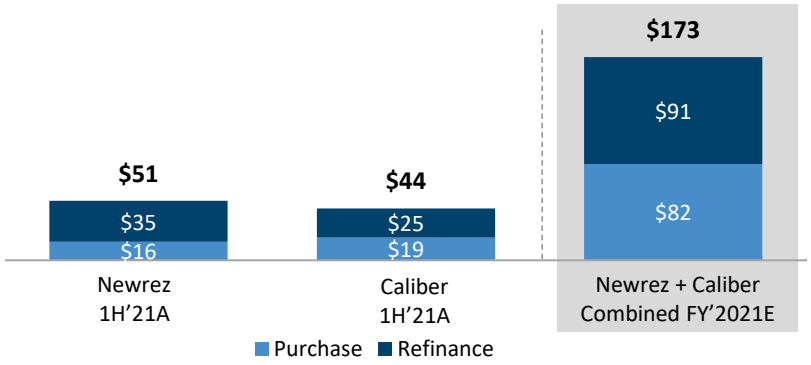


Scaled and Growing Mortgage Platform[1]

Combined platform expected to have greater production diversification, scale and customer opportunity

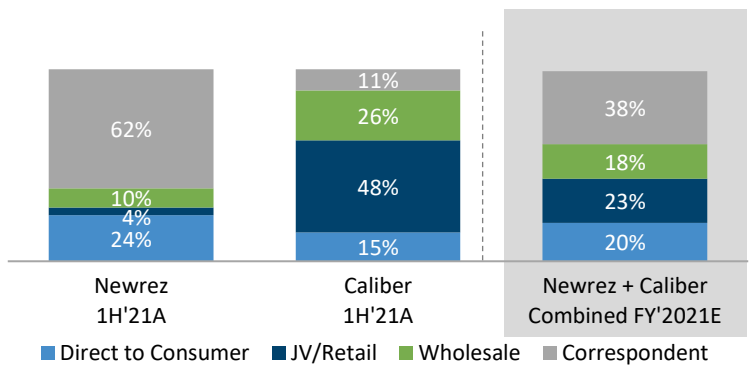
Leader in Mortgage Production

Origination Fundings ($bn)



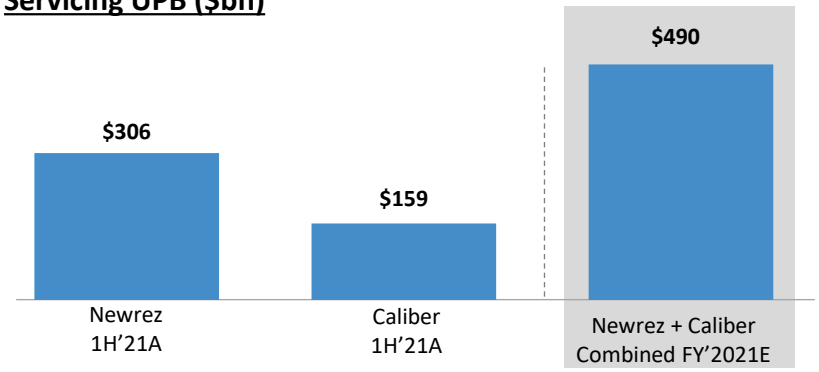
Strengthens and Diversifies Origination Mix

Origination Channel Mix



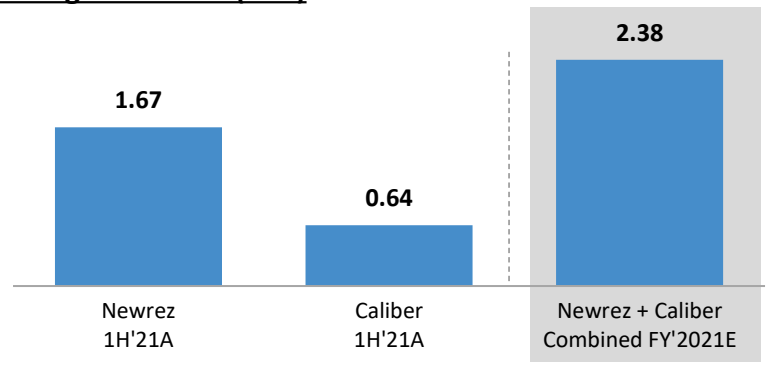
Increases Servicing Portfolio

Servicing UPB ($bn)



Grows Customer and Recapture Opportunity

Servicing Customers (mm)



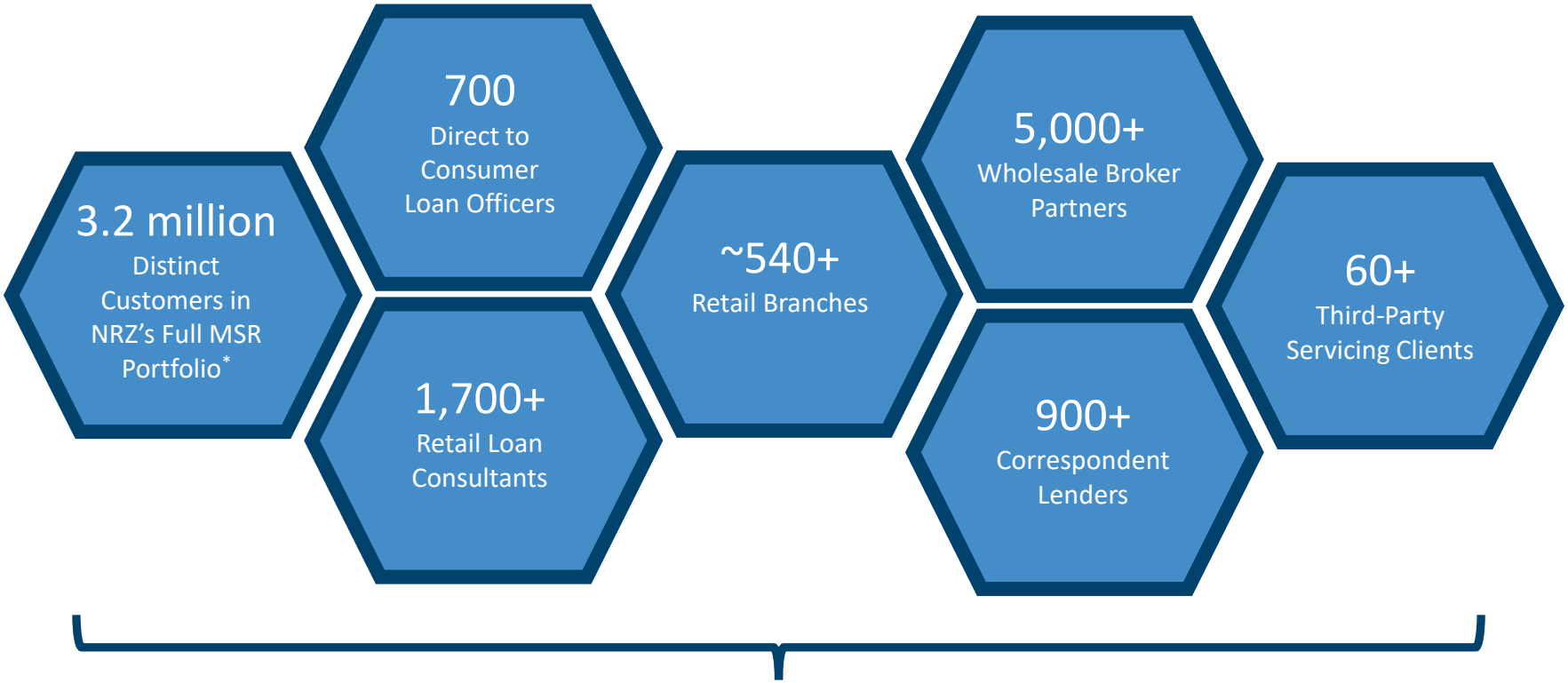
Detailed endnotes are included in the Appendix.

Represents FY'2021 estimate of combined Newrez and Caliber performance

Combination Propels Us Forward[1]

Combined platform will have multiple options to access customers

Together, NRZ, Newrez and Caliber have…



Customers may reach us how they want, where they want, when they want

Detailed endnotes are included in the Appendix.
*Includes all customers in NRZ's full MSR portfolio.

Synergies from Combination[1]

We target achieving meaningful financial benefits from various synergies as a result of the acquisition of Caliber

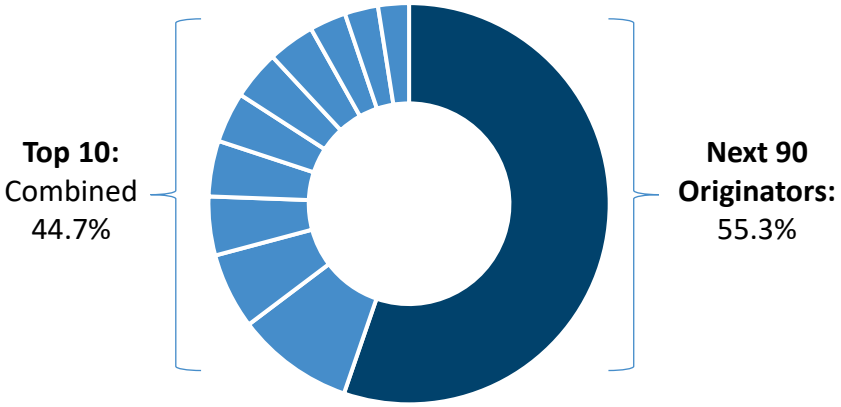
1 Revenue	2 Cost	3 Capital	4 Strategy
Increased volumes	Reduced fixed and variable costs	Improved cost of funds	Expanded product and ancillary offerings
Economies of scale	Increased efficiencies	Enhanced capital markets execution	Increased customer cross-sell opportunities
Improved recapture	Further digitization	Diversified sources of capital	Increased opportunities from data & analytics

Detailed endnotes are included in the Appendix.

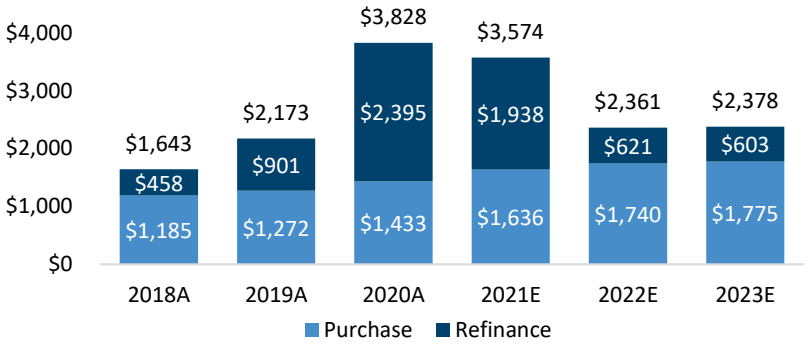
Market Share Opportunity[1]

Combination of platforms is expected to have ample ability to capture further market share

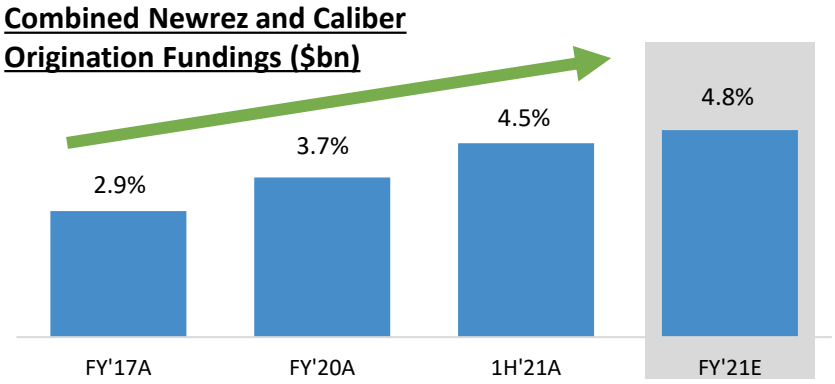
The U.S. mortgage market is highly fragmented…[2]



…and expectations are that volumes will remain elevated[3]



Newrez and Caliber have successfully grown market share over time…[1][4]



…and there is room to capture additional market share

Change in Market Share	+0.5%	+1.0%	+1.5%	+2.0%
Implied Incremental Impact to FY'21 Origination Volumes[3]	+$18bn	+$36bn	+$54bn	+$71bn

Detailed endnotes are included in the Appendix.

Unmatched Franchise Ability and Value

Multiple distribution channels, products and access to NRZ's balance sheet

Top 5 Non-Bank Mortgage Lenders[1]

	1 ROCKET	2 PennyMac	3 newrez / CALIBER HOME LOANS[2]	4 UWM UNITED WHOLESALE MORTGAGE	5 FREEDOM MORTGAGE
DTC	✓	✓	✓	✗	✓
JV / Retail	✓[3]	✗	✓	✗	✓
Wholesale	✓	✓	✓	✓	✓
Correspondent	✗	✓	✓	✗	✓
Non-QM Products	✓[4]	✗	✓	✓[4]	✗
Performing Servicing	✓	✓	✓	✓	✓
Special Servicing	✗	✓	✓	✗	✓
Ancillary Services	✓	✗	✓	✗	✓
REIT Balance Sheet	✗	✓[5]	✓	✗	✗
Asset Retention	✓	✓	✓	✓	✓

Detailed endnotes are included in the Appendix.

Future State Competitive Advantage: Our Winning Position

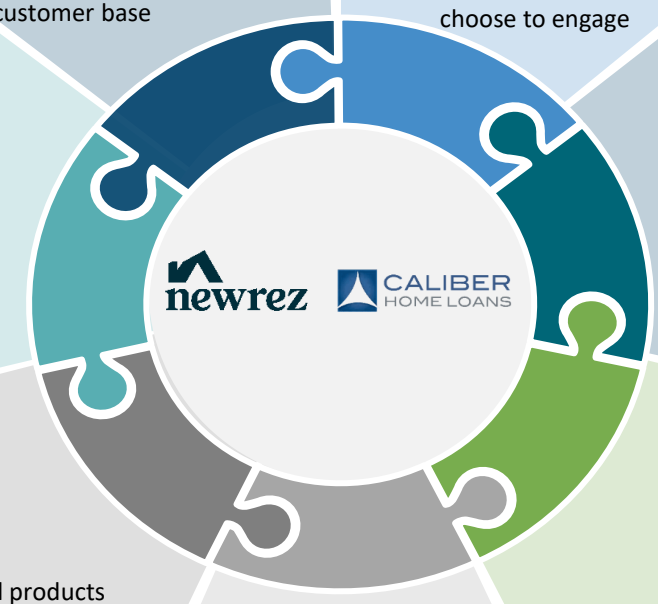
NEW RESIDENTIAL INVESTMENT CORP.

Access to capital and scale matters

End to End Mortgage Platform
- ✓ Involved throughout the entire mortgage journey (including ancillary businesses)
- ✓ Significant and growing customer base

Local and National Footprint
- ✓ Broad footprint with purchase driven abilities
- ✓ Distribution reaches our customers wherever they are and however they choose to engage

Ideal Partner for Our Partners
- ✓ Provide support to our broad network of partners with the customized products, tools, technologies and services they need to put customers in homes
- ✓ Ability to source opportunities across four channels



Asset Origination and Aggregation
- ✓ Asset retention enhances customer experience and overall return profile
- ✓ REIT balance sheet expands our product set

Customer for Life Strategy
- ✓ Multiple opportunities and products to deliver to our customers throughout their homeownership journey
- ✓ Strong recapture rates
- ✓ Large existing customer base with opportunity for continued growth and repeat business

Scale Supports Growth
- ✓ Scale improves our efficiency and overall return profile
- ✓ Demonstrated ability to grow organically and through acquisitions

Technology Drives Growth & Profitability
- ✓ Focus on customer experience and processing efficiencies
- ✓ Technology will massively change the economics of our overall business (e.g., lower cost per loan, faster turn times)
- ✓ Commitment to digital customer experience will drive competitive advantage

Detailed endnotes are included in the Appendix.

Investment Portfolio



NRZ's Investment Portfolio Drives Returns

NRZ's access to assets differentiates us from the pack

Leading Mortgage Originator	✓ Organic ability to create assets with leading in-house mortgage originator ✓ Shrinking GSE footprint creates additional PLS opportunities ✓ Ability to expand or contract MSR portfolio as investing landscape fluctuates
$80bn of Call Rights	✓ We own call rights that control $80bn of non-Agency collateral(1) ✓ Call activity continues to increase as fundamentals improve
$50bn+ of GNMA Opportunity	✓ Access to $50bn+ of GNMA collateral through MSR ownership ✓ We believe that opportunistic purchases of FHA EBOs in forbearance will continue to increase
Emerging Single Family Rental Strategy	✓ Targeting $5 billion in acquisitions over next 5 years(2) ✓ Compelling dynamics in SFR market drive investment thesis
Top Financing Platform	✓ Scalable and efficient financing platform ✓ We execute and scale investment opportunities using non-mark to market financing*

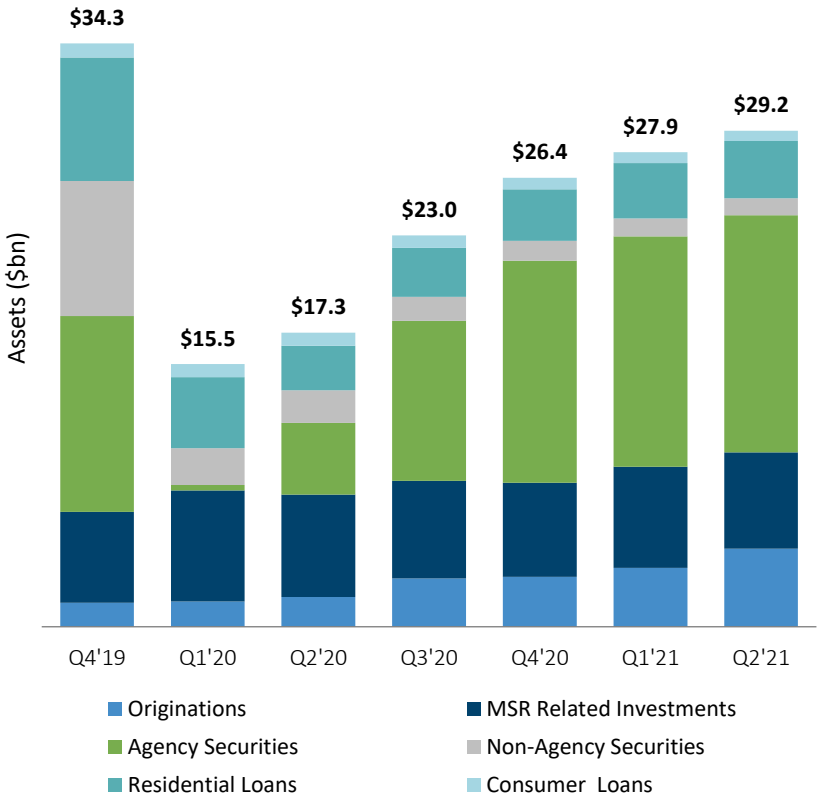
Detailed endnotes are included in the Appendix.
*"Non-mark to market" refers to financings that either do not contain a daily mark to market feature or contain a margin "holiday".

The opportunity set within NRZ's investment portfolio continued to expand in Q2'21 and beyond

Q2'21 and Beyond Activity

- **Called non-Agency collateral of $666 million UPB**, the highest quarterly call population since Q4'19[(1)]
- **Purchased $650 million (net face value) of Agency securities and $241 million of partial claim GNMA EBOs**
- **Securitized $271 million (face value) of residential loans**
- **Grew SFR portfolio by ~600 units** with an average cap rate of 5.2%
- **Post Q2'21[(2)]**
  - Sold $5.4 billion (net face value) of Agency securities
  - Sold $880 million (face value) of residential loans

Investment Portfolio[(3)]



Detailed endnotes are included in the Appendix.

NRZ owns a hard-to-replicate portfolio of MSRs with significant earnings power

Q2'21 MSR Portfolio Activity and Outlook

- **MSR portfolio totaled $489 billion UPB as of June 30, 2021[1] (5% QoQ decline in MSR UPB)**
- **100% of MSR financings are non-daily mark to market facilities***
- **Newly originated Newrez MSRs had an average mortgage rate of 2.96%, compared to 2.79% during Q1'21[2]**
- **Newrez / SMS servicing increased to 55% of NRZ Full MSR portfolio, compared to 53% at Q1'21**
- **We believe that growing recapture rates and slowing speeds will continue to further support our MSR portfolio[3]**

	FULL MSRs					EXCESS MSRs					TOTAL[4]
	FHLMC	FNMA	GNMA	Non-Agency	Full MSR Total[4]	FHLMC	FNMA	GNMA	Non-Agency	Excess MSR Total[4]	
UPB ($bn)	115	154	59	71	**$398 bn**	25	18	15	33	**$91 bn**	**$489 bn**
WAC	3.7%	4.2%	3.4%	4.3%	**3.9%**	4.3%	4.4%	4.6%	4.3%	**4.4%**	**4.0%**
WALA (Mth)	41	84	31	176	**80 Mth**	88	111	114	185	**138 Mth**	**85 Mth**
Cur LTV	64%	59%	88%	80%	**69%**	50%	45%	54%	63%	**55%**	**67%**
Cur FICO	758	742	691	646	**721**	739	730	705	680	**708**	**719**
60+ DQ	1.8%	4.5%	6.5%	10.2%	**5.0%**	3.9%	6.7%	4.9%	10.3%	**7.3%**	**5.2%**

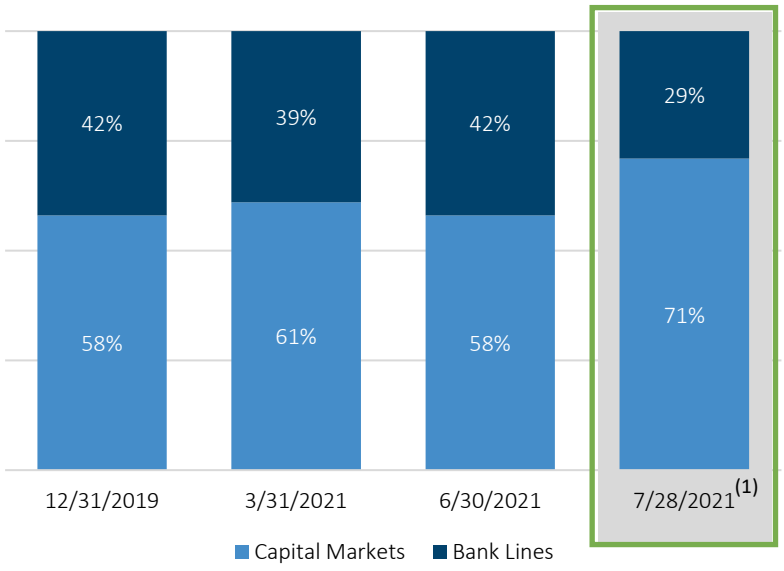
Detailed endnotes are included in the Appendix.
*"Non-daily mark to market" refers to financings that either do not contain a daily mark to market feature or contain a margin "holiday".

MSRs: Financing Summary

Our MSR financing has strengthened from continued capital markets executions

MSR Financing Summary

- **We continue to see improvement in the cost of MSR funding**
- **We increased the percentage of MSR financing in the capital markets to 71%[(1)]**
  - Priced through 7 securitizations since March 2020
- **MSR financing continues to be 0% daily mark to market***



Track Record of MSR Securitizations

New Residential has executed multiple offerings across Freddie Mac, Fannie Mae and PLS structures

$219.4 Million 2015 – PLS1 May 2015	**$345.0 Million** 2016 – PLS2 October 2016	**$500.0 Million** 2018 – PLS1 January 2018
$430.0 Million 2018 – PLS2 February 2018	**$645.9 Million** 2018 – FNT1 May 2018	**$568.4 Million** 2018 – FNT2 July 2018
$828.9 Million 2019 – FHT1 May 2019	**$265.5 Million** 2020 – FNT1 July 2020	**$160.0 Million** 2020 – FNT2 July 2020
$316.7 Million 2020 – FHT1 October 2020	**$663.2 Million** 2020 – PLS1 December 2020	**$110.4 Million** 2021 – FNT1 March 2021
$357.7 Million 2021 – FNT2 May 2021	**$417.8 Million** 2021 – FHT1 July 2021[(1)]	

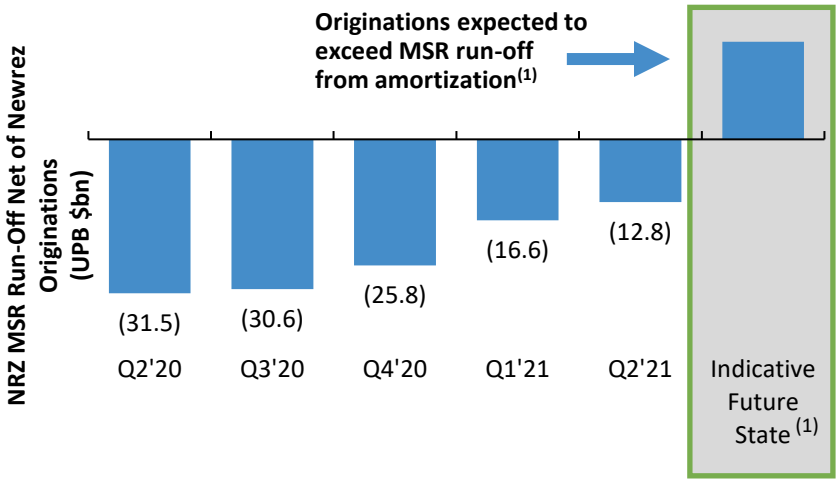
Detailed endnotes are included in the Appendix.
*"Non-daily mark to market" refers to financings that either do not contain a daily mark to market feature or contain a margin "holiday".

Origination Platform Offsets MSR Run-Off

Growth in origination and recapture balances MSR amortization

- Our growing origination platform acts as a hedge for our MSR portfolio
- As Newrez's origination ability has grown and recapture has also increased, the gap between MSR run-off and origination has declined
- We believe that with the acquisition of Caliber and continued improvement in recapture, origination volumes will exceed MSR portfolio run-off[1]
- Newly created MSRs that are being added to NRZ's balance sheet have a lower WAC and higher lifetime value than those paying off

As we have grown, net portfolio run-off has continued to decline and is poised to turn positive



Improving Recapture Supports MSR Values

Change in Recapture Rate	+5.0%	+10.0%	+15.0%	+20.0%
Change in MSR Market Value[1]	+4.0%	+8.1%	+12.0%	+16.1%
Potential Impact to Quarterly Core Earnings Per Common Share[1]	+0.02	+0.04	+0.06	+0.08

Detailed endnotes are included in the Appendix.

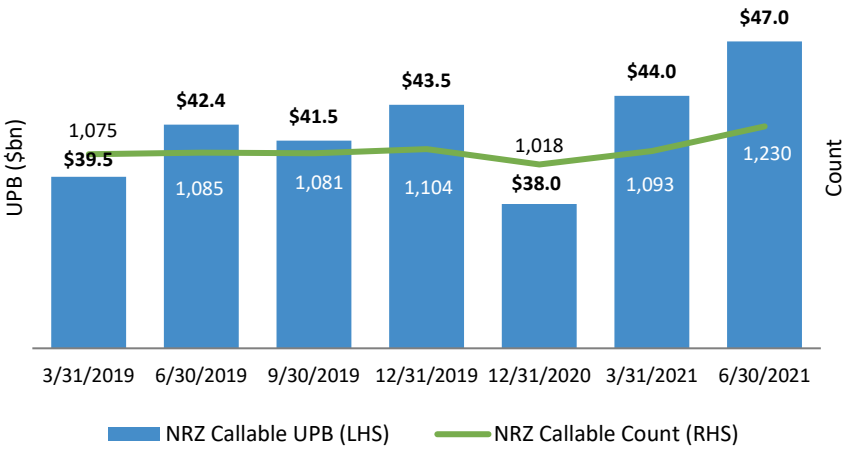
Call Rights: Activity Remains Robust

Call volumes in Q2'21 reached their highest level since Q4'19

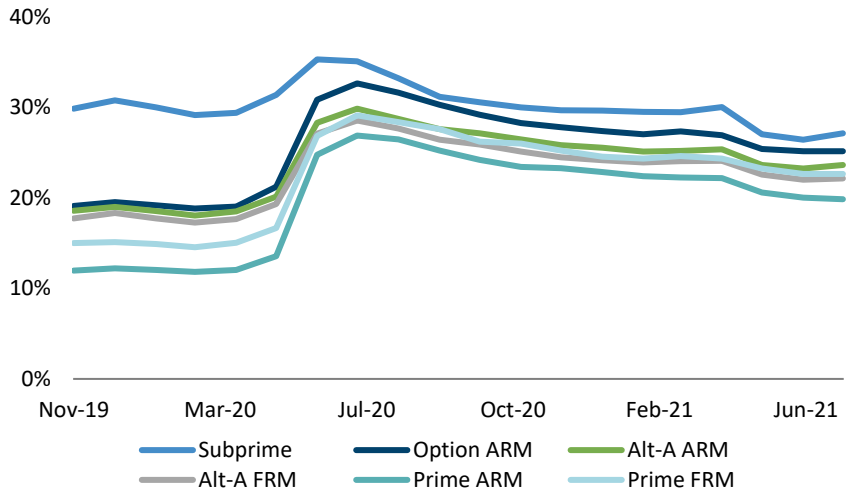
Q2'21 Call Rights Portfolio Activity and Outlook

- **Call activity continued to improve in Q2'21. We expect call activity to pick up as advance balances decline and delinquencies improve[1]**
- **Called 26 deals with collateral of $666 million UPB in Q2'21, the largest quarterly amount since Q4'19[2]**
- **Largest callable population since Q4'18**
  - New Residential controls call rights to ~$80 billion of mortgage collateral[2]
  - ~$47 billion UPB, or ~58%, of our call rights population is currently callable[2]

New Residential Callable Population



Legacy RMBS 30+DQ[3]



Detailed endnotes are included in the Appendix.

Loans: Bullish on Investment Opportunities

Organic access to steady pipeline of income generating assets within our loan portfolio

	Targeted Lifetime Net Yield[1]	NRZ Portfolio Size ($bn)	Market Trends	NRZ Advantage[2]
Performing & Non-Performing	15-20%	$1.0bn	◆ High demand due to limited supply and healthy fundamental performance	◆ NRZ owns call rights that control $80bn of non-Agency collateral[3] ◆ Unique access to long-term pipeline of residential assets ◆ Integrated capital markets and servicing platform benefits collateral performance
EBOs	15%+	$0.7bn	◆ Low duration asset ◆ Performing loans can be redelivered into premium GNMA securities	◆ NRZ has access to $50bn+ of GNMA collateral through MSR ownership ◆ Utilize our owned special servicer to work with borrowers on best reperforming options
Agency Eligible	12-15%	$1.5bn	◆ Shrinking GSE footprint posits non-Agency market for significant expansion	◆ Direct pipeline from in-house originator ensures best execution for PLS securitization
Non-QM	12-15%	$0.3bn	◆ Growing population of borrowers that fall outside the traditional Agency product in need of customized offerings	◆ Access to in-house originator and servicer allows us to customize products and maximize collateral performance ◆ Broad product set ◆ Track record of origination and execution

Detailed endnotes are included in the Appendix.

SFR: Further Expansion into Single Family Rental

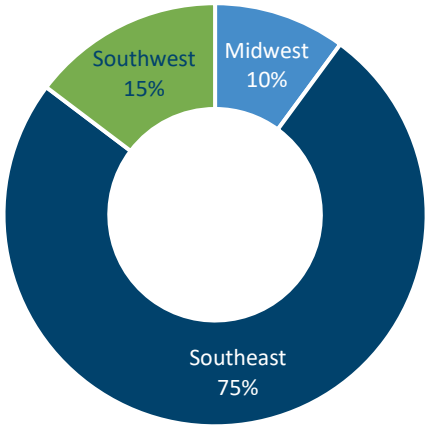
NRZ intends to grow SFR exposure to $5bn of homes through new operating company[1]

NRZ's SFR Portfolio

Portfolio Including Pipeline	1,400 units (75% QoQ increase)
Average Cost Basis	$209k
Geographic Exposure	Existing portfolio positioned in 14 markets across 11 states
Targeted Lifetime Net Yield [1][2]	12-15%+
Average Underwritten Cap Rate	~5.2%

Portfolio Composition

(by property count)



NRZ Thesis & Positioning

- **Opportunity to address the growing supply-demand imbalance of affordable housing**
- **Rising wave of millennial renters in the early innings**
- **Launching an SFR operating platform in the second half of 2021, building off of NRZ's existing success with its SFR investment strategy**
  - Targeting acquisition of $5 billion homes over the next five years[1]
- **NRZ Competitive Advantage**
  - Lower cost of financing
  - Investment management advantage from affiliation with NRZ
  - Vertically integrated mortgage platform and asset retention through NRZ
  - Servicing platform supports economies of scale through partnerships
  - Disciplined growth strategy

Detailed endnotes are included in the Appendix.

Servicer Advances: Balances Remain Low

We continue to have significant excess servicer advance capacity[1]

Advance Balances as of June 30, 2021

- **Servicer advance balances as of June 30, 2021 decreased to $3.2 billion from $3.4 billion as of March 31, 2021**
- **Outstanding advance balances are financed with:[2]**
  - $2.8 billion of debt ($2.0 billion in capital markets)
  - 87% LTV
  - Advance financing is non mark to market and non-recourse
- **Advance balances as of June 30, 2021 are comprised of 17% Fannie / Freddie, 5% Ginnie and 78% PLS**

Servicer Advance Portfolio Characteristics

	Fannie/ Freddie	Ginnie	PLS[3]	Total[4]
Servicer	**Various**	**NewRez**	**Various**	
UPB *($bn)*	$269	$59	$92	$420
Adv Balance *($bn)*	$0.54	$0.17	$2.51	$3.22
Adv / UPB	0.20%	0.29%	2.72%	0.77%
Debt *($bn)*	$0.44	$0.13	$2.24	$2.81
Gross LTV	82%	78%	89%	87%
Capacity *($bn)*	$0.97	$0.30	$3.20	$4.46
Maturity	4/22-4/23	8/22	8/21-9/23	8/21-9/23
Interest Rate	1.20%	3.90%	1.62%	1.66%

Significant Excess Capacity[1]
$1.7bn Excess Capacity

Attractive Financing Terms
87% LTV

Financing Has No Mark to Market Exposure
0% Mark to Market Financing*

Detailed endnotes are included in the Appendix.
*"Non-mark to market" refers to financings that either do not contain a daily mark to market feature or contain a margin "holiday".

Newrez Q2'21 Performance



Newrez Origination: Q2'21 Activity and Business Highlights

While overall volumes were impacted by higher rates in Q2'21, DTC, JV and Wholesale channels continued to perform well

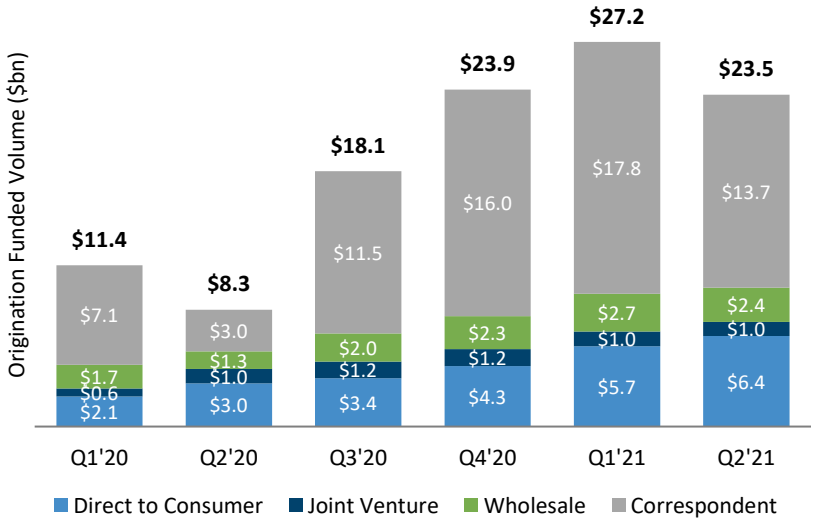
$75.4 million[1]
Q2'21 Origination PTI

$23.5 billion
Q2'21 Funded Volume

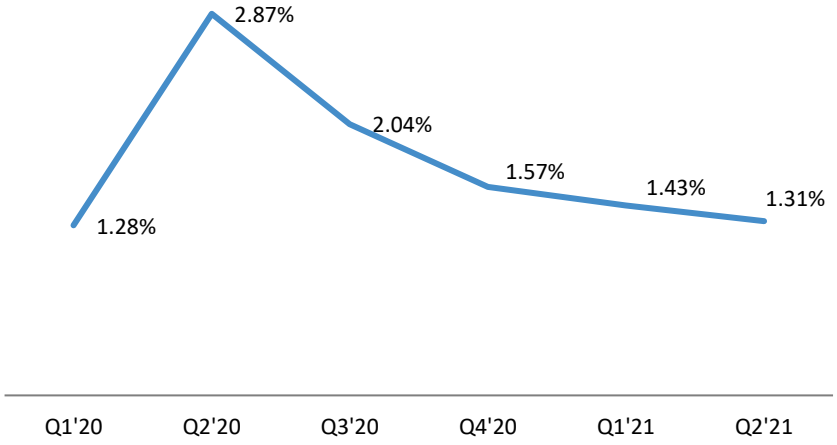
$20.5 billion
Q2'21 PT Adj. Lock Volume

$40 to $45 billion[2]
Q3'21E Newrez and Caliber Funded Volume

Origination by Channel



Gain on Sale Margins



Detailed endnotes are included in the Appendix.

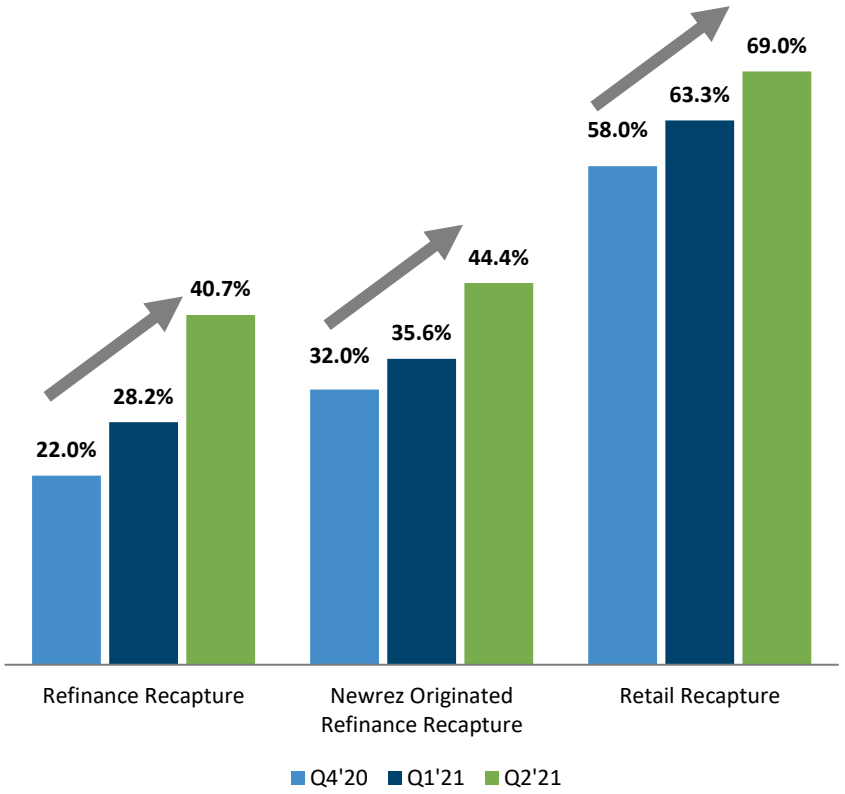
Newrez Recapture: Continued Improvement

During Q2'21 we continued to see strong improvement in recapture performance

Higher Recapture Achieved by…

- ✓ Strong pull-through rates
- ✓ Faster turn times
- ✓ Slowdown in prepayment speeds
- ✓ Enhanced scale and capacity
- ✓ Increased digital marketing presence

Newrez Recapture Summary[1]



Increased recapture means

✓ **Greater Origination Volumes** ✓ **More Customers** ✓ **Maximizing MSR Valuations**

Detailed endnotes are included in the Appendix.

Newrez Origination: Q2'21 Highlights by Channel

We continued to expand our channel capabilities during Q2'21

Direct to Consumer

- Record quarterly funding volume of $6.4 billion (+13% QoQ)
- Record recapture rates
- Launched new marketing strategy with rebrand

Joint Venture

- Return to normalization with purchase transactions representing approximately 78% of channel volume (compared to 54% in Q1'21)
- Announced newest joint venture with Coast One Mortgage LLC, representing our 19th JV partnership
- Launched non-QM products

Wholesale

- Return to normalization with purchase transactions representing approximately 48% of channel volume (compared to 18% in Q1'21)
- Non-QM lock volume increased; monthly volumes exceeded $100 million in June 2021
- Non-Agency volumes returned to pre-COVID levels

Correspondent

- Established nearly 40 new client relationships; record total active clients
- Continue to reduce turn times and win business with operational efficiency
- Implemented non-QM products for non-delegated clients

Detailed endnotes are included in the Appendix.

Newrez Servicing: Q2'21 Activity and Business Highlights

NEW RESIDENTIAL INVESTMENT CORP.

Industry leading servicer with financial and operational strength

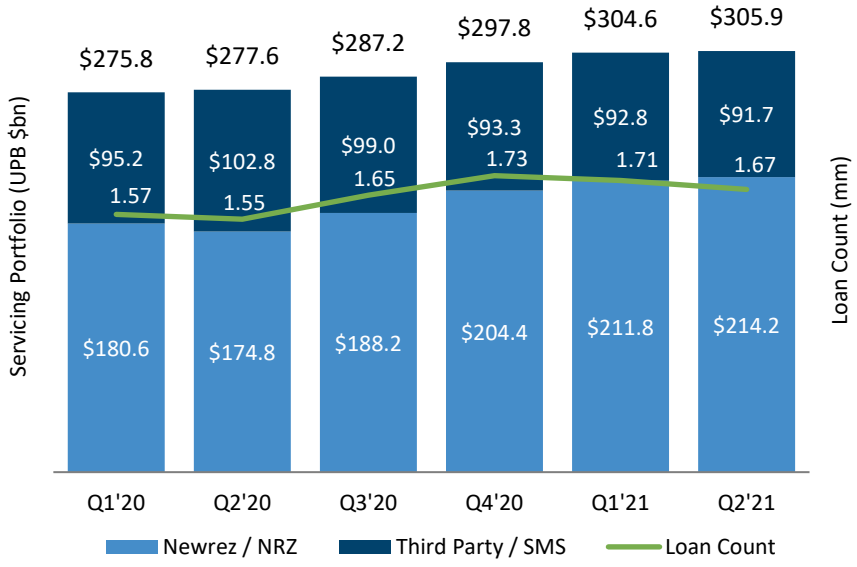
$32.3 million
Q2'21 Servicing PTI

$305.9 billion UPB
Q2'21 Servicing Portfolio

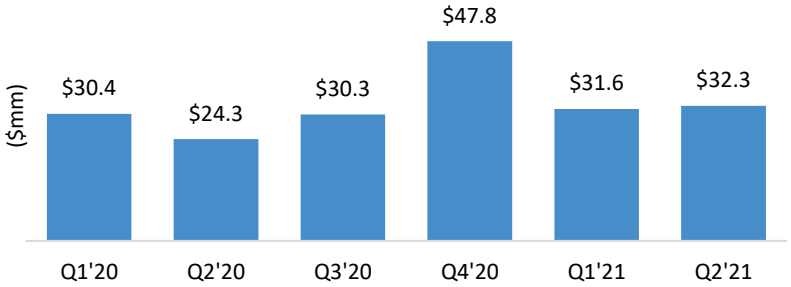
~1.7 million
Customers

$465 - $475 billion UPB[1]
Q3'21E Newrez & Caliber Servicing Portfolio

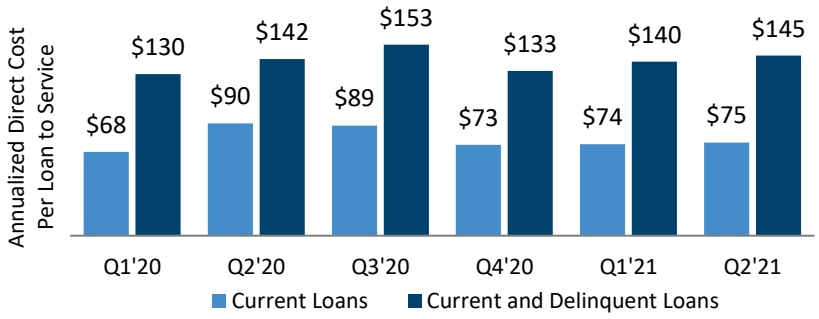
Servicing Portfolio



Quarterly Servicing PTI



Annualized Direct Cost to Service



Detailed endnotes are included in the Appendix.

Leading Special Servicer Helps Create Positive Outcomes for Homeowners

Committed to helping homeowners and clients navigate COVID-19 landscape

Migration of COVID-19 Impacted Homeowners

- Our servicing team at NewRez and SMS has supported homeowners and provided solutions throughout COVID-19
- Proprietary loss mitigation technology helps homeowners move into permanent solutions such as repayment plans, deferments, and loan modifications

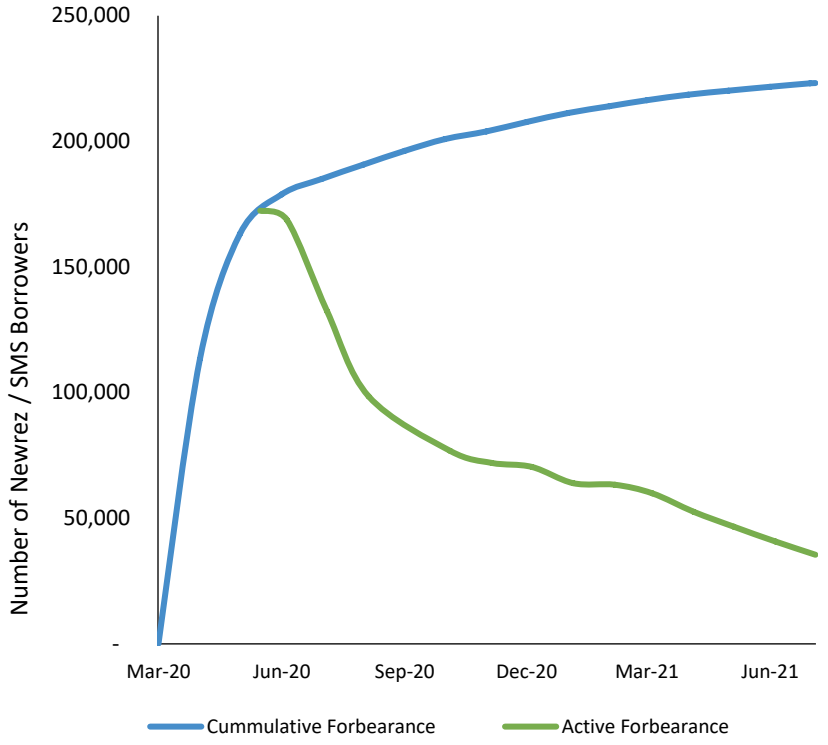
72.5%
of COVID-19 related forbearances (160k+ homeowners) have been resolved

~5k
Number of new borrowers that requested forbearance in Q2'21

(34%)
Decline in active forbearances QoQ

2.3%
of the total portfolio is in active forbearance (down from 3.5% in Q1'21)

Cumulative and Active Forbearances



Forbearances continue to flatten while active forbearances decline

Detailed endnotes are included in the Appendix.

Appendix



Condensed Consolidated Balance Sheets

(dollars in thousands, except per share data)	As of 6/30/21 *(Unaudited)*	As of 3/31/21 *(Unaudited)*
ASSETS		
Excess mortgage servicing rights assets, at fair value	$ 378,488	$ 402,454
Mortgage servicing rights, at fair value	3,800,593	4,023,559
Mortgage servicing rights financing receivables, at fair value	989,836	1,021,780
Servicer advance investments, at fair value	502,533	517,557
Real estate and other securities	14,956,889	14,606,157
Residential loans and variable interest entity consumer loans held-for-investment, at fair value	1,210,077	1,295,738
Residential mortgage loans, held-for-sale ($6,744,443 and $5,600,476 at fair value, respectively)	7,088,441	5,923,555
Residential mortgage loans subject to repurchase	1,308,242	1,493,449
Cash and cash equivalents	956,242	1,038,482
Restricted cash	238,501	136,036
Servicer advances receivable	2,719,410	2,895,073
Receivable for investments sold	1,109,959	4,180
Other assets	1,991,186	1,826,109
Total Assets	**$ 37,250,397**	**$ 35,184,129**
LIABILITIES		
Secured financing agreements	$ 21,290,862	$ 19,522,460
Secured notes and bonds payable ($882,178 and $1,260,557 at fair value, respectively)	7,304,006	7,107,875
Residential mortgage loan repurchase liability	1,308,242	1,493,449
Unsecured senior notes, net of issuance costs	542,405	541,966
Payable for investments purchased	—	154
Due to affiliates	8,682	8,822
Dividends payable	100,495	90,138
Accrued expenses and other liabilities	529,554	797,452
Total Liabilities	**$ 31,084,246**	**$ 29,562,316**
EQUITY		
Preferred stock, 7.50% Series A	150,026	150,026
Preferred stock, 7.125% Series B	273,418	273,418
Preferred stock, 6.375% Series C	389,548	389,548
Noncontrolling interests in equity of consolidated subsidiaries	94,100	98,984
Book Value	**$ 5,259,059**	**$ 4,709,837**
Per Share	*$ 11.27*	*$ 11.35*

Condensed Consolidated Income Statements

Unaudited (dollars in thousands)	Three Months Ended June 30, 2021	Three Months Ended March 31, 2021
Revenues		
Interest income	$ 253,677	$ 253,735
Servicing revenue, net of change in fair value	(86,511)	513,548
Gain on originated mortgage loans, held-for-sale, net	286,885	403,434
	454,051	**1,170,717**
Expenses		
Interest expense	106,539	118,905
General and administrative expenses	367,716	362,505
Management fee to affiliate	23,677	22,162
	497,932	**503,572**
Other Income (Loss)		
Change in fair value of investments	200,383	(265,566)
Gain (loss) on settlement of investments, net	(76,304)	(11,978)
Other income (loss), net	30,043	(9,613)
	154,122	**(287,157)**
Impairment		
Provision (reversal) for credit losses on securities	(1,756)	(894)
Valuation and credit loss provision (reversal) on loans and real estate owned	(32,652)	(18,713)
	(34,408)	**(19,607)**
Income Before Income Taxes	**$ 144,649**	**$ 399,595**
Income tax expense (benefit)	(1,077)	98,259
Net Income	**$ 145,726**	**$ 301,336**
Noncontrolling interests in income of consolidated subsidiaries	10,053	9,394
Dividends on preferred stock	14,358	14,358
Net Income Attributable to Common Stockholders	**$ 121,315**	**$ 277,584**

Net Income by Segment (Q2'21 and Q1'21)

Quarter Ended June 30, 2021	Servicing and Origination			Residential Securities and Loans			
	Origination	Servicing	MSRs & Servicer Advances	Residential Securities & Call Rights	Residential Loans	Corporate & Other	Total
Interest income	$ 31,262	$ 251	$ 65,980	$ 97,960	$ 33,294	$ 24,930	$ 253,677
Servicing revenue, net	(5,077)	112,464	(193,898)	—	—	—	(86,511)
Gain on originated mortgage loans, held-for-sale, net	268,539	1,849	3,309	(3,638)	16,826	—	286,885
Total revenues	294,724	114,564	(124,609)	94,322	50,120	24,930	454,051
Interest expense	18,960	66	44,538	13,630	17,463	11,882	106,539
G&A and other	200,551	82,164	54,916	1,034	20,968	31,760	391,393
Total operating expenses	219,511	82,230	99,454	14,664	38,431	43,642	497,932
Change in fair value of investments	—	—	(38,798)	119,565	121,242	(1,626)	200,383
Gain (loss) on settlement of investments, net	—	—	1,568	(76,270)	(1,254)	(348)	(76,304)
Other income (loss), net	138	—	7,659	—	18,206	4,040	30,043
Total other income (loss)	138	—	(29,571)	43,295	138,194	2,066	154,122
Impairment	—	—	—	(1,756)	(32,652)	—	(34,408)
Income (loss) before income taxes	75,351	32,334	(253,634)	124,709	182,535	(16,646)	144,649
Income tax expense (benefit)	19,029	8,101	(45,516)	—	17,288	21	(1,077)
Net income (loss)	56,322	24,233	(208,118)	124,709	165,247	(16,667)	145,726
Noncontrolling interests in income (loss) of consolidated subsidiaries	3,268	—	(1,868)	—	—	8,653	10,053
Dividends on preferred stock	—	—	—	—	—	14,358	14,358
Net income (loss) attributable to common stockholders	**$ 53,054**	**$ 24,233**	**$ (206,250)**	**$ 124,709**	**$ 165,247**	**$ (39,678)**	**$ 121,315**

Quarter Ended March 31, 2021	Servicing and Origination			Residential Securities and Loans			
	Origination	Servicing	MSRs & Servicer Advances	Residential Securities & Call Rights	Residential Loans	Corporate & Other	Total
Interest income	$ 22,852	$ 474	$ 78,771	$ 89,850	$ 36,322	$ 25,466	$ 253,735
Servicing revenue, net	(8,110)	113,515	408,143	—	—	—	513,548
Gain on originated mortgage loans, held-for-sale, net	384,423	809	(8,344)	13,398	13,148	—	403,434
Total revenues	399,165	114,798	478,570	103,248	49,470	25,466	1,170,717
Interest expense	18,063	70	51,832	15,720	21,276	11,944	118,905
G&A and other	189,926	84,239	61,489	1,156	17,686	30,171	384,667
Total operating expenses	207,989	84,309	113,321	16,876	38,962	42,115	503,572
Change in fair value of investments	—	—	(27,602)	(292,134)	60,174	(6,004)	(265,566)
Gain (loss) on settlement of investments, net	—	—	(13,063)	(28,356)	29,441	—	(11,978)
Other income (loss), net	59	1,102	7,374	(1,686)	(13,626)	(2,836)	(9,613)
Total other income (loss)	59	1,102	(33,291)	(322,176)	75,989	(8,840)	(287,157)
Impairment	—	—	—	(894)	(18,713)	—	(19,607)
Income (loss) before income taxes	191,235	31,591	331,958	(234,910)	105,210	(25,489)	399,595
Income tax expense (benefit)	36,386	7,915	38,596	—	15,303	59	98,259
Net income (loss)	154,849	23,676	293,362	(234,910)	89,907	(25,548)	301,336
Noncontrolling interests in income (loss) of consolidated subsidiaries	3,525	—	1,308	—	—	4,561	9,394
Dividends on preferred stock	—	—	—	—	—	14,358	14,358
Net income (loss) attributable to common stockholders	**$ 151,324**	**$ 23,676**	**$ 292,054**	**$ (234,910)**	**$ 89,907**	**$ (44,467)**	**$ 277,584**

Servicing and Origination

	Q2'20	Q3'20	Q4'20	FY'20	Q1'21	Q2'21
Servicing						
Servicing Portfolio (UPB $bn)						
NewRez / NRZ	$174.8	$188.2	$204.4	$204.4	$211.8	$214.2
Third Party / SMS	$102.8	$99.0	$93.3	$93.3	$92.8	$91.7
Total UPB ($bn)	$277.6	$287.2	$297.8	$297.8	$304.6	$305.9
Annualized Direct Cost To Service						
Current	$90	$89	$73	$80	$74	$75
Current and Delinquent	$142	$153	$133	$139	$140	$145
Servicing Revenue	$98.3	$112.1	$122.5	$427.9	$115.9	$114.6
Servicing Expense	($74.0)	($81.9)	($74.7)	($295.1)	($84.3)	($82.2)
Servicing Pre-Tax Income ($mm)	$24.3	$30.3	$47.8	$132.9	$31.6	$32.3
Origination						
Funded Volume by Channel (UPB $bn)						
Direct to Consumer	$3.0	$3.4	$4.3	$12.8	$5.7	$6.4
Joint Venture	$1.0	$1.2	$1.2	$4.0	$1.0	$1.0
Wholesale	$1.3	$2.0	$2.3	$7.2	$2.7	$2.4
Correspondent	$3.0	$11.5	$16.0	$37.5	$17.8	$13.7
Total Funded Volume	$8.3	$18.1	$23.9	$61.6	$27.2	$23.5
Funded Volume by Product (UPB $bn)						
Agency	$6.4	$12.4	$16.1	$40.4	$19.6	$17.7
Government	$1.8	$5.6	$7.6	$20.3	$7.5	$5.6
Non-Agency	$0.1	$0.0	$0.2	$0.5	$0.1	$0.1
Non-QM	$0.0	$0.0	$0.0	$0.4	$0.0	$0.1
Purchase Refinance Funded Volume (UPB $bn)						
Purchase	$1.6	$5.9	$6.8	$18.1	$7.3	$8.4
Refinance	$6.7	$12.2	$17.1	$43.5	$19.9	$15.1
Pull-Through Adjusted Lock Volume (UPB $bn)						
Direct to Consumer	$3.6	$4.9	$5.9	$17.3	$6.4	$3.5
Total Pull-Through Adjusted Lock Volume	$9.8	$21.8	$25.8	$69.8	$26.9	$20.5
GOS Revenue Margin(1)						
Direct to Consumer(2)	4.52%	4.13%	3.43%	3.61%	3.24%	3.83%
Joint Venture(2)	5.17%	4.79%	4.99%	4.57%	4.40%	4.81%
Wholesale	3.26%	3.39%	2.59%	2.38%	1.71%	0.95%
Correspondent	0.64%	0.64%	0.42%	0.56%	0.33%	0.25%
Total(1)	2.87%	2.04%	1.57%	1.85%	1.43%	1.31%
Origination Revenue(1)	$289.3	$459.3	$419.2	$1,341.7	$399.2	$294.9
Origination Expense(1)	($108.1)	($147.1)	($171.3)	($540.2)	($208.0)	($219.5)
Origination Pre-Tax Income ($mm)(1)	$181.2	$312.3	$247.9	$801.6	$191.2	$75.4

(1) Includes impact from ancillary services.
(2) Excludes recapture MSR which is reported in the MSR & Servicer Advance segments.

Mortgage Servicing Rights

(in thousands)	MSRs	MSR Financing Receivables	Total
Balance as of March 31, 2021	$ 4,023,559	$ 1,021,780	$ 5,045,339
Purchases, net	3,134	-	3,134
Transfers	-	-	-
Originations	207,663	-	207,663
Proceeds from sales	(32,675)	(2,427)	(35,102)
Change in fair value due to:			
Realization of cash flows	(280,410)	(18,676)	(299,086)
Change in valuation inputs and assumptions	(106,956)	(9,413)	(116,369)
(Gain)/loss realized	(13,722)	(1,428)	(15,150)
Balance as of June 30, 2021	$ 3,800,593	$ 989,836	$ 4,790,429

(in thousands) Quarter ended June 30, 2021	MSRs	MSR Financing Receivables	Total
Servicing fee revenue	$ 272,625	$ 71,489	$ 344,114
Ancillary and other fees	31,496	13,106	44,602
Servicing revenue and fees	304,121	84,595	388,716
Subservicing expense	(45,278)	(32,682)	(77,960)
Net servicing revenue before amortization and MTM	258,843	51,913	310,756
Change in fair value due to:			
Realization of cash flows*	(280,410)	(18,676)	(299,086)
Change in valuation inputs and assumptions*	(106,956)	(9,413)	(116,369)
Change in fair value of derivative instruments	8,624	-	8,624
(Gain)/loss realized	(13,722)	(1,428)	(15,150)
Net Servicing Revenue Total	$ (133,621)	$ 22,396	$ (111,225)

* Excludes change in fair value related to excess spread financing.

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)	Q2 2021	Q1 2021
Reconciliation of core earnings		
Net income attributable to common stockholders	$ 121,315	$ 277,584
Adjustments for non-core earnings:		
Impairment	(34,408)	(19,607)
Change in fair value of investments	(98,766)	(275,419)
(Gain) loss on settlement of investments, net	120,212	31,335
Other (income) loss, net	14,226	24,339
Other income and impairment attributable to non-controlling interests	(1,473)	(4,511)
Non-capitalized transaction-related expenses	9,905	10,623
Preferred stock management fee to affiliate	3,048	3,048
Deferred taxes	6,965	85,230
Interest income on residential mortgage loans, held-for-sale	7,073	7,570
Core earnings of equity method investees:		
Excess mortgage servicing rights	(1,463)	4,576
Core Earnings	$ 146,634	$ 144,768
Net income (loss) per diluted share	**$ 0.26**	**$ 0.65**
Core earnings per diluted share	**$ 0.31**	**$ 0.34**
Weighted average number of shares of common stock outstanding, diluted	**472,729,245**	**429,491,379**

Reconciliation of 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 the 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 our 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, assumptions on MSRs owned by Newrez, net of unrealized gains and losses on MSR hedges owned by Newrez, and non-capitalized transaction-related expenses.
- 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.
- 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.

Endnotes

Endnotes to Slide 3

Endnotes to Slide 3:

Source: Company filings and data, and Bloomberg. Financial and market data as of June 30, 2021 unless otherwise noted.

(1) "Investment portfolio" assets refers to total assets less cash, restricted cash, other assets, trades receivable, goodwill and mortgage loans originated.

(2) "Inception" date refers to May 2, 2013.

(3) "Dividends Paid" represents both common and preferred dividends. Inclusive of common and preferred dividends declared to shareholders on June 17, 2021.

(4) Net Equity:

Origination: Net Investment of $845 million includes $5,520 million of total assets, net of debt and other liabilities of $4,659 million and non-controlling interests in the portfolio of $16 million.

Servicing: Net Investment of $284 million includes $343 million of total assets, net of debt and other liabilities of $59 million.

Full and Excess MSRs: Excess MSRs - Net Investment of $134 million includes (A) $379 million investment in Legacy NRZ Excess MSRs, and (B) $20 million of cash and cash equivalents, restricted cash and other assets, net of debt and other liabilities of $265 million (debt issued on the NRZ Agency Excess MSR portfolio). MSRs - Net Investment of $2,470 million includes $6,208 million of total assets, net of debt and other liabilities of $3,738 million.

Servicer Advances: Net Investment of $416 million includes (A) $94 million net investment in AP LLC Advances, with $519 million of total assets, net of debt and other liabilities of $390 million and non-controlling interests in the portfolio of $35 million, (B) $9 million net investment in SLS Advances, with $17 million of total assets, net of debt and other liabilities of $8 million, and (C) $314 million net investment in Servicer Advances Receivable, with $2,720 million of total assets, net of debt and other liabilities of $2,406 million.

Residential Securities & Call Rights: Net Investment of $1,571 million includes (A) $911 million net investment in Non-Agency RMBS, with $1,594 million of assets, net of debt and other liabilities of $683 million, (B) $660 million in Agency RMBS, with $15,602 million of assets, net of debt and other liabilities of $14,942 million and (C) $0.3 million net investment in Call Rights.

Residential Loans: Net Investment of $842 million includes (A) $842 million net investment in Residential Loans & REO, with $3,556 million of total assets, net of debt and other liabilities of $2,714 million, (B) $0.4 million net investment in EBOs, with $0.4 million of total assets, net of debt and other liabilities of $0 million and (C) $(0.2) million net investment in Reverse Loans, with $7 million of total assets, net of debt and other liabilities of $7 million.

Other: Net Investment of ($490) million includes (A) $104 million net investment in Consumer Loans with $688 million of total assets, net of debt and other liabilities of $542 million and non-controlling interests in the portfolio of $42 million, and (B) ($594) million net investment in Corporate with $78 million of total assets, net of debt and other liabilities of $672 million.

(5) Source: Inside Mortgage Finance reports from June 17, 2021 and June 24, 2021. Servicing rank excludes companies that are primarily subservicers.

(6) Includes non-controlling interests.

Endnotes to Slide 5

Endnotes to Slide 5:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.

(1) Per common share calculations of GAAP Net Income and Core Earnings are based on 472,729,245 weighted average diluted common shares during the quarter ended June 30, 2021. Q2'21 Core EPS is based upon 472,729,245 weighted average diluted common shares as of June 30, 2021 compared to 429,491,379 as of March 31, 2021.

(2) Includes $3.3 million of non-controlling interests.

(3) Core earnings is a non-GAAP measure. See Reconciliation pages in the Appendix for a reconciliation to the most comparable GAAP measure.

(4) Dividend yield based on NRZ common stock closing price of $10.59 on June 30, 2021 and annualized dividend based on a $0.20 per common share quarterly dividend.

(5) Net Equity:

Origination: Net Investment of $845 million includes $5,520 million of total assets, net of debt and other liabilities of $4,659 million and non-controlling interests in the portfolio of $16 million.

Servicing: Net Investment of $284 million includes $343 million of total assets, net of debt and other liabilities of $59 million.

Full and Excess MSRs: Excess MSRs - Net Investment of $134 million includes (A) $379 million investment in Legacy NRZ Excess MSRs, and (B) $20 million of cash and cash equivalents, restricted cash and other assets, net of debt and other liabilities of $265 million (debt issued on the NRZ Agency Excess MSR portfolio). MSRs - Net Investment of $2,470 million includes $6,208 million of total assets, net of debt and other liabilities of $3,738 million.

Servicer Advances: Net Investment of $416 million includes (A) $94 million net investment in AP LLC Advances, with $519 million of total assets, net of debt and other liabilities of $390 million and non-controlling interests in the portfolio of $35 million, (B) $9 million net investment in SLS Advances, with $17 million of total assets, net of debt and other liabilities of $8 million, and (C) $314 million net investment in Servicer Advances Receivable, with $2,720 million of total assets, net of debt and other liabilities of $2,406 million.

Residential Securities & Call Rights: Net Investment of $1,571 million includes (A) $911 million net investment in Non-Agency RMBS, with $1,594 million of assets, net of debt and other liabilities of $683 million, (B) $660 million in Agency RMBS, with $15,602 million of assets, net of debt and other liabilities of $14,942 million and (C) $0.3 million net investment in Call Rights.

Residential Loans: Net Investment of $842 million includes (A) $842 million net investment in Residential Loans & REO, with $3,556 million of total assets, net of debt and other liabilities of $2,714 million, (B) $0.4 million net investment in EBOs, with $0.4 million of total assets, net of debt and other liabilities of $0 million and (C) $(0.2) million net investment in Reverse Loans, with $7 million of total assets, net of debt and other liabilities of $7 million.

Other: Net Investment of ($490) million includes (A) $104 million net investment in Consumer Loans with $688 million of total assets, net of debt and other liabilities of $542 million and non-controlling interests in the portfolio of $42 million, and (B) ($594) million net investment in Corporate with $78 million of total assets, net of debt and other liabilities of $672 million.

(6) Q2'21 Total Economic Return represents NRZ book value change from March 31, 2021 through June 30, 2021, plus common dividends declared during that time ($0.20 per common share), divided by NRZ book value as of March 31, 2021.

(7) Includes exercise of underwriters' option to purchase additional shares of common stock (6,725,000 shares).

Endnotes to Slides 7 through 13

Endnotes to Slide 7:

Source: Company filings and data, and Bloomberg. Financial and market data as of June 30, 2021 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) Includes activity from July 1, 2021 through July 28, 2021.

Endnotes to Slide 8:

(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 Slide 9:

(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) "Purchase Price of Caliber" assumes no pre-closing distributions from Caliber to Seller (LSF Pickens Holdings, LLC, a Delaware limited liability company and affiliate of Lone Star Funds), or any other adjustments.

(3) "NRZ Cash & Liquidity as of 06/30/21" includes $956 million of cash and $620 million of financing capacity.

(4) "Caliber Cash & Liquidity at Close" per Caliber management expectations.

Endnotes to Slide 10:

Source: Newrez and Caliber data for January 1, 2021 through June 30, 2021 ("1H'21A") and Newrez and Caliber estimates for FY'21.

(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 Slide 11:

Source: Newrez and Caliber data as of June 30, 2021.

(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 Slide 12:

(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 Slide 13:

Source: Newrez and Caliber data for January 1, 2021 through June 30, 2021 and Newrez and Caliber estimates for FY'21 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) Source: Inside Mortgage Finance origination activity as of Q1'21.

(3) MBA data as of July 21, 2021.

(4) Market share represents the combination of Newrez and Caliber funded origination volumes for the periods represented.

Endnotes to Slides 14 through 21

Endnotes to Slide 14:

(1) Represents Top 5 non-bank mortgage lenders based on Q1'21 funded volumes. Source: Inside Mortgage Finance.
(2) Represents Newrez and Caliber combined platform based on anticipated closing of acquisition of Caliber in August 2021. 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) Represents JV only.
(4) Represents non-Agency jumbo.
(5) Separate captive REIT structure.

Endnotes to Slide 17:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.
(1) Call rights UPB estimated as of June 30, 2021. The UPB of the loans relating to our call rights may be materially lower than the estimates in this Presentation, and there can be no assurance that we will be able to execute on this pipeline of callable deals in the near term, on the timeline presented above, or at all, or that callable deals will be economically favorable. The economic returns from this strategy could be adversely affected by a rise in interest rates and are contingent on the level of delinquencies and outstanding advances in each transaction, fair market value of the related collateral and other economic factors and market conditions. We may become subject to claims and legal proceedings, including purported class-actions, in the ordinary course of our business, challenging our right to exercise these call rights and, as a result, we may not be able to exercise such rights on favorable terms or at all. Call rights are usually exercisable when current loan balances in a related portfolio are equal to, or lower than, 10% of their original balance.
(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.

Endnotes to Slide 18:

(1) Call rights UPB estimated as of June 30, 2021. The UPB of the loans relating to our call rights may be materially lower than the estimates in this Presentation, and there can be no assurance that we will be able to execute on this pipeline of callable deals in the near term, on the timeline presented above, or at all, or that callable deals will be economically favorable. The economic returns from this strategy could be adversely affected by a rise in interest rates and are contingent on the level of delinquencies and outstanding advances in each transaction, fair market value of the related collateral and other economic factors and market conditions. We may become subject to claims and legal proceedings, including purported class-actions, in the ordinary course of our business, challenging our right to exercise these call rights and, as a result, we may not be able to exercise such rights on favorable terms or at all. Call rights are usually exercisable when current loan balances in a related portfolio are equal to, or lower than, 10% of their original balance.
(2) Represents activity from July 1, 2021 through July 28, 2021.
(3) "Investment portfolio" assets refers to total assets less cash, restricted cash, other assets, trades receivable and goodwill.

Endnotes to Slide 19:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.
(1) MSR UPB includes Excess MSRs and Full MSRs.
(2) Represents weighted average interest rate of MSRs originated by Newrez and purchased by NRZ for the periods presented.
(3) 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.
(4) "Total" columns reflect weighted average calculations. Numbers may not add due to rounding.

Endnotes to Slide 20:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.
(1) Represents activity from July 1, 2021 through July 28, 2021.

Endnotes to Slide 21:

Source: Company filings and data. Financial data as of June 30, 2021 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.

Endnotes to Slides 22 through 27

Endnotes to Slide 22:

Source: Company filings and data. Financial data as of June 30, 2021 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) Call rights UPB estimated as of June 30, 2021. The UPB of the loans relating to our call rights may be materially lower than the estimates in this Presentation, and there can be no assurance that we will be able to execute on this pipeline of callable deals in the near term, on the timeline presented above, or at all, or that callable deals will be economically favorable. The economic returns from this strategy could be adversely affected by a rise in interest rates and are contingent on the level of delinquencies and outstanding advances in each transaction, fair market value of the related collateral and other economic factors and market conditions. We may become subject to claims and legal proceedings, including purported class-actions, in the ordinary course of our business, challenging our right to exercise these call rights and, as a result, we may not be able to exercise such rights on favorable terms or at all. Call rights are usually exercisable when current loan balances in a related portfolio are equal to, or lower than, 10% of their original balance.

(3) Source: BofA Global Research & Loan Performance.

Endnotes to Slide 23:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.

(1) "Targeted Lifetime Net Yield" represents the targeted future ROE over a weighted average life of the investment.

(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) Call rights UPB estimated as of June 30, 2021. The UPB of the loans relating to our call rights may be materially lower than the estimates in this Presentation, and there can be no assurance that we will be able to execute on this pipeline of callable deals in the near term, on the timeline presented above, or at all, or that callable deals will be economically favorable. The economic returns from this strategy could be adversely affected by a rise in interest rates and are contingent on the level of delinquencies and outstanding advances in each transaction, fair market value of the related collateral and other economic factors and market conditions. We may become subject to claims and legal proceedings, including purported class-actions, in the ordinary course of our business, challenging our right to exercise these call rights and, as a result, we may not be able to exercise such rights on favorable terms or at all. Call rights are usually exercisable when current loan balances in a related portfolio are equal to, or lower than, 10% of their original balance.

Endnotes to Slide 24:

Source: Company filings and data. Financial data as of June 30, 2021 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) "Targeted Lifetime Net Yield" represents the targeted future ROE over a weighted average life of the investment.

Endnotes to Slide 25:

Source: Company filings and data. Financial data as of June 30, 2021 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) Represents par value of advances and related debt obligations inclusive of a non-controlling interest ownership of ~27% in the Advance Purchaser portfolio.

(3) PLS includes Advance Purchaser, HLSS, SLS and Newrez. In the case of Advance Purchaser and SLS, New Residential is not the named servicer but is responsible for advances.

(4) Numbers may not add due to rounding.

Endnotes to Slide 27:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.

(1) Includes non-controlling interests.

(2) Q3'21 estimates for combined Newrez and Caliber origination activity based upon estimated full quarter production volumes for the third quarter of 2021. Assumes the close of the acquisition of Caliber in the third quarter of 2021. 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 Slides 28 through 31

Endnotes to Slide 28:

Source: Company filings and data. Chart represents Q2'21 data through May 30, 2021.

(1) "Refinance recapture" is defined as total unpaid principal balance, or UPB, of our customers that originate a mortgage with us divided by total UPB of customers that paid off their existing mortgage in a refinance transaction. "Newrez Originated Refinance Recapture" is defined as our recapture rate on borrowers who originated their initial loan with Newrez and originated a new mortgage with Newrez. "Retail Refinance Recapture" is defined as our recapture rate on borrowers that originated loans through our Direct to Consumer and Joint Venture channels.

Endnotes to Slide 29:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.

Endnotes to Slide 30:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted.

(1) Q3'21 estimates for combined Newrez and Caliber servicing portfolio based on quarter-end (09/30/21) estimated portfolio size. Assumes the close of the acquisition of Caliber in the third quarter of 2021. 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 Slide 31:

Source: Company filings and data. Financial data as of June 30, 2021 unless otherwise noted. Data on slide reflects servicing activity for Newrez Servicing / Shellpoint Mortgage Servicing.

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
- 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
- FNMA – Fannie Mae / Federal National Mortgage Association
- GNMA – Ginnie Mae / Government National Mortgage Association
- GOS – Gain on Sale
- JV – Joint Venture Origination Channel
- 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 mortgage
- NPL – Non-Performing Loans
- MSR – Mortgage servicing right
- MTM – Mark to market
- Original UPB – UPB at Time of Securitization
- PLS – Private label securities
- 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
- ROE – Return on Equity
- RPL – Reperforming Loan
- TPO – Third Party Origination Channel (includes Wholesale and Correspondent)
- UPB – Unpaid Principal Balance
- WA – Weighted Average
- WAC – Weighted Average Coupon
- WAL – Weighted Average Life to Maturity
- WALA – Weighted Average Loan Age
- YoY – Year-over-year