

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 3, 2022

New Residential Investment Corp.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-35777
(Commission File Number)

45-3449660
(IRS Employer Identification No.)

1345 Avenue of the Americas, 45th Floor New York New York
(Address of principal executive offices)

10105
(Zip Code)

Registrant's telephone number, including area code (212) 479-3150

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class:</u> | <u>Trading Symbol:</u> | <u>Name of each exchange on which registered:</u> |
|--|------------------------|---|
| Common Stock, \$0.01 par value per share | NRZ | New York Stock Exchange |
| 7.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | NRZ PR A | New York Stock Exchange |
| 7.125% Series B Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | NRZ PR B | New York Stock Exchange |
| 6.375% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock | NRZ PR C | New York Stock Exchange |
| 7.00% Fixed-Rate Reset Series D Cumulative Redeemable Preferred Stock | NRZ PR D | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On May 3, 2022, New Residential Investment Corp. (the “Company”) issued a press release announcing the Company’s results for its fiscal quarter ended March 31, 2022. A copy of the Company’s press release is attached to this Current Report on Form 8-K (the “Current Report”) as Exhibit 99.1 and is incorporated herein solely for purposes of this Item 2.02 disclosure.

This Current Report, including the exhibit attached hereto, is being furnished and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act, unless expressly set forth as being incorporated by reference into such filing.

Item 9.01 Financial Statements and Exhibits.*(d) Exhibits*

| Exhibit Number | Description |
|----------------------|---|
| 99.1 | Press release, dated May 3, 2022, issued by New Residential Investment Corp. |
| 104 | Cover Page Interactive Data File — the cover page XBRL tags are embedded within the Inline XBRL document. |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEW RESIDENTIAL INVESTMENT CORP.
(Registrant)

/s/ Nicola Santoro, Jr.

Nicola Santoro, Jr.
Chief Financial Officer and Chief Accounting Officer

Date: May 3, 2022



New Residential Investment Corp. Announces First Quarter 2022 Results

NEW YORK - (BUSINESS WIRE) — New Residential Investment Corp. (NYSE: NRZ; “New Residential” or the “Company”) today reported the following information for the first quarter ended March 31, 2022:

First Quarter 2022 Financial Highlights:

- GAAP net income of \$661.9 million, or \$1.37 per diluted common share⁽¹⁾
- Core earnings of \$177.4 million, or \$0.37 per diluted common share⁽¹⁾⁽²⁾
- Common dividend of \$116.7 million, or \$0.25 per common share
- Book value per common share of \$12.56⁽¹⁾

| | Q1 2022 | Q4 2021 |
|---|------------------|------------------|
| Summary Operating Results: | | |
| GAAP Net Income per Diluted Common Share ⁽¹⁾ | \$ 1.37 | \$ 0.33 |
| GAAP Net Income | \$ 661.9 million | \$ 160.4 million |
| Non-GAAP Results: | | |
| Core Earnings per Diluted Common Share ⁽¹⁾ | \$ 0.37 | \$ 0.40 |
| Core Earnings ⁽²⁾ | \$ 177.4 million | \$ 191.9 million |
| NRZ Common Dividend: | | |
| Common Dividend per Share | \$ 0.25 | \$ 0.25 |
| Common Dividend | \$ 116.7 million | \$ 116.7 million |

“New Residential’s performance in the first quarter demonstrated the strength and balance of our company,” said Michael Nierenberg, Chairman, Chief Executive Officer and President of New Residential. “Our diversified investment management company performed exceptionally well, generating a ~5% total shareholder return and growing book value by ~10% to \$12.56 per share. We expect book value growth to continue in the second quarter given the upward move in treasury yields and the Fed’s expected policy actions,” he added.

“With \$1.7 billion of cash and liquidity coupled with the expected market volatility ahead, we should see terrific opportunities to deploy capital effectively and generate great returns for our shareholders in 2022 and beyond.”

First Quarter 2022 Company Highlights:

- **Servicing & MSR Related Investments**
 - Combined segment pre-tax income of \$906.3 million (up from \$118.0 million in Q4'21), including \$845 million positive mark-to-market changes on our Full MSR portfolio⁽³⁾⁽⁴⁾
 - MSR portfolio totaled approximately \$626 billion in unpaid principal balance (“UPB”) at March 31, 2022 compared to \$629 billion UPB at December 31, 2021⁽⁵⁾
 - Servicer advance balances of \$3.1 billion as of March 31, 2022, down 7% from December 31, 2021

- **Origination**
 - Segment pre-tax income of \$25.9 million (down from \$82.3 million in Q4'21)⁽³⁾⁽⁴⁾
 - Quarterly origination funded production of \$26.9 billion UPB (down from \$38.1 billion UPB in Q4'21)
 - Total gain on sale margin of 1.53% for the first quarter of 2022 compared to 1.65% for the fourth quarter of 2021

- **Residential Securities, Properties and Loans**
 - Priced four securitizations representing approximately \$1,197 million UPB of collateral, including inaugural single-family-rental securitization representing approximately \$268 million UPB of collateral
 - Acquired \$540 million of Non-QM loans
 - Grew single-family rental portfolio by 734 units

- **Mortgage Loans Receivable**
 - Quarterly origination funded production of \$691.7 million through Genesis Capital LLC, representing record quarterly volume
 - Priced inaugural residential transitional loan securitization representing approximately \$345 million UPB of collateral

(1) Per common share calculations for GAAP Net Income and Core Earnings are based on 484,425,066 and 485,381,890 weighted average diluted shares for the quarter ended March 31, 2022 and December 31, 2021, respectively. Per share calculations of Book Value are based on 466,786,526 and 466,758,266 common shares outstanding as of March 31, 2022 and December 31, 2021, respectively.

(2) Core Earnings is a non-GAAP financial measure. For a reconciliation of Core Earnings to GAAP Net Income, as well as an explanation of this measure, please refer to Non-GAAP Measures and Reconciliation to GAAP Net Income below.

(3) Includes noncontrolling interests.

(4) Includes mortgage company corporate expenses re-allocated from MSR Related Investments to Origination and Servicing segments.

(5) Includes excess and full MSRs.

ADDITIONAL INFORMATION

For additional information that management believes to be useful for investors, please refer to the latest presentation posted on the Investor Relations section of the Company's website, www.newresi.com. For consolidated investment portfolio information, please refer to the Company's most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K, which are available on the Company's website, www.newresi.com.

EARNINGS CONFERENCE CALL

New Residential's management will host a conference call on Tuesday, May 3, 2022 at 8:00 A.M. Eastern Time. A copy of the earnings release will be posted to the Investor Relations section of New Residential's website, www.newresi.com.

All interested parties are welcome to participate on the live call. The conference call may be accessed by dialing 1-833-974-2382 (from within the U.S.) or 1-412-317-5787 (from outside of the U.S.) ten minutes prior to the scheduled start of the call; please reference “New Residential First Quarter 2022 Earnings Call.” In addition, participants are encouraged to pre-register for the conference call at <https://dpregrister.com/sreg/10166255/f2692aef34>.

A simultaneous webcast of the conference call will be available to the public on a listen-only basis at www.newres.com. Please allow extra time prior to the call to visit the website and download any necessary software required to listen to the internet broadcast.

A telephonic replay of the conference call will also be available two hours following the call's completion through 11:59 P.M. Eastern Time on Tuesday, May 10, 2022 by dialing 1-877-344-7529 (from within the U.S.) or 1-412-317-0088 (from outside of the U.S.); please reference access code "4221662."

Consolidated Statements of Income (Unaudited)
(\$ in thousands, except share and per share data)

| | Three Months Ended | |
|---|--------------------|-------------------|
| | March 31, 2022 | December 31, 2021 |
| Revenues | | |
| Servicing fee revenue, net and interest income from MSR financing receivables | \$ 456,400 | \$ 464,200 |
| Change in fair value of MSRs and MSR financing receivables (including amortization of \$(200,325), \$(267,880), respectively) | 575,393 | (154,021) |
| Servicing revenue, net | 1,031,793 | 310,179 |
| Interest income | 225,413 | 217,555 |
| Gain on originated residential mortgage loans, held-for-sale, net | 471,996 | 569,815 |
| | <u>1,729,202</u> | <u>1,097,549</u> |
| Expenses | | |
| Interest expense and warehouse line fees | 138,833 | 141,936 |
| General and administrative | 246,238 | 289,861 |
| Compensation and benefits | 392,619 | 441,891 |
| Management fee to affiliate | 25,189 | 25,772 |
| | <u>802,879</u> | <u>899,460</u> |
| Other income (loss) | | |
| Change in fair value of investments | (147,119) | 10,499 |
| Gain (loss) on settlement of investments, net | 61,184 | (45,642) |
| Other income (loss), net | 56,072 | 54,271 |
| | <u>(29,863)</u> | <u>19,128</u> |
| Impairment | | |
| Provision (reversal) for credit losses on securities | 711 | (181) |
| Valuation and credit loss provision (reversal) on loans and real estate owned | 3,029 | 74 |
| | <u>3,740</u> | <u>(107)</u> |
| Income before income taxes | | |
| | 892,720 | 217,324 |
| Income tax expense | 202,789 | 29,485 |
| Net income | <u>\$ 689,931</u> | <u>\$ 187,839</u> |
| Noncontrolling interests in income (loss) of consolidated subsidiaries | 5,609 | 4,908 |
| Dividends on preferred stock | 22,461 | 22,495 |
| Net income attributable to common stockholders | <u>\$ 661,861</u> | <u>\$ 160,436</u> |
| Net income per share of common stock | | |
| Basic | \$ 1.42 | \$ 0.34 |
| Diluted | \$ 1.37 | \$ 0.33 |
| Weighted average number of shares of common stock outstanding | | |
| Basic | 466,785,584 | 466,680,724 |
| Diluted | 484,425,066 | 485,381,890 |
| Dividends declared per share of common stock | \$ 0.25 | \$ 0.25 |

Consolidated Balance Sheets

(\$ in thousands, except share data)

| | March 31, 2022 (Unaudited) | December 31, 2021 |
|--|-------------------------------|----------------------|
| Assets | | |
| Excess mortgage servicing rights, at fair value | \$ 341,187 | \$ 344,947 |
| Mortgage servicing rights and mortgage servicing rights financing receivables, at fair value | 7,964,465 | 6,858,803 |
| Servicer advance investments, at fair value | 390,770 | 421,807 |
| Real estate and other securities | 9,509,930 | 9,396,539 |
| Residential loans and variable interest entity consumer loans held-for-investment, at fair value | 1,009,459 | 1,077,224 |
| Residential mortgage loans, held-for-sale (\$7,076,916 and \$11,214,924 at fair value, respectively) | 7,202,475 | 11,347,845 |
| Single-family rental properties, held-for-investment | 814,871 | 579,607 |
| Mortgage loans receivable, at fair value | 1,670,415 | 1,515,762 |
| Residential mortgage loans subject to repurchase | 1,700,426 | 1,787,314 |
| Cash and cash equivalents | 1,671,177 | 1,332,575 |
| Restricted cash | 295,037 | 195,867 |
| Servicer advances receivable | 2,652,210 | 2,855,148 |
| Other assets | 2,646,125 | 2,028,752 |
| | <u>\$ 37,868,547</u> | <u>\$ 39,742,190</u> |
| Liabilities and Equity | | |
| Liabilities | | |
| Secured financing agreements | \$ 17,281,873 | \$ 20,592,884 |
| Secured notes and bonds payable (\$762,421 and \$511,107 at fair value, respectively) | 9,279,595 | 8,644,810 |
| Residential mortgage loan repurchase liability | 1,700,426 | 1,787,314 |
| Unsecured senior notes, net of issuance costs | 543,728 | 543,293 |
| Due to affiliates | 9,932 | 17,819 |
| Dividends payable | 127,895 | 127,922 |
| Accrued expenses and other liabilities | 1,740,386 | 1,358,768 |
| | <u>30,683,835</u> | <u>33,072,810</u> |
| Commitments and Contingencies | | |
| Equity | | |
| Preferred stock, \$0.01 par value, 100,000,000 shares authorized, 52,038,000 and 52,210,000 issued and outstanding, \$1,300,959 and \$1,305,250 aggregate liquidation preference, respectively | 1,258,667 | 1,262,481 |
| Common stock, \$0.01 par value, 2,000,000,000 shares authorized, 466,786,526 and 466,758,266 issued and outstanding, respectively | 4,669 | 4,669 |
| Additional paid-in capital | 6,059,981 | 6,059,671 |
| Retained earnings (accumulated deficit) | (267,878) | (813,042) |
| Accumulated other comprehensive income | 67,195 | 90,253 |
| Total New Residential stockholders' equity | <u>7,122,634</u> | <u>6,604,032</u> |
| Noncontrolling interests in equity of consolidated subsidiaries | 62,078 | 65,348 |
| Total equity | <u>\$ 7,184,712</u> | <u>\$ 6,669,380</u> |
| | <u>\$ 37,868,547</u> | <u>\$ 39,742,190</u> |

NON-GAAP MEASURES AND RECONCILIATION TO GAAP NET INCOME

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 investments, including any impairment or reserve for expected credit losses and (v) income from the Company's 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 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.

Through its wholly owned subsidiaries, the Company 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 Origination and Servicing 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.

Core earnings includes results from operating companies with the exception of the unrealized gains or losses due to changes in valuation inputs and assumptions on MSRs, net of unrealized gains and losses on hedged MSRs, 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 below is a reconciliation of core earnings to the most directly comparable GAAP financial measure (dollars in thousands, except share and per share data):

| | Three Months Ended | |
|--|--------------------|-------------------|
| | March 31, 2022 | December 31, 2021 |
| Net income attributable to common stockholders | \$ 661,861 | \$ 160,436 |
| Adjustments for Non-Core Earnings: | | |
| Impairment | 3,740 | (107) |
| Change in fair value of investments | (628,599) | (124,356) |
| (Gain) loss on settlement of investments, net | (28,342) | 53,933 |
| Other (income) loss, net | (61,575) | 28,416 |
| Other income and impairment attributable to noncontrolling interests | 5,609 | (3,297) |
| Non-capitalized transaction-related expenses | 13,485 | 16,735 |
| Preferred stock management fee to affiliate | 4,729 | 4,734 |
| Deferred taxes | 201,323 | 31,674 |
| Interest income on residential mortgage loans, held-for-sale | 2,334 | 23,175 |
| Core earnings of equity method investees: | | |
| Excess mortgage servicing rights | 2,830 | 532 |
| Core earnings | <u>\$ 177,395</u> | <u>\$ 191,875</u> |
| Net income per diluted share | \$ 1.37 | \$ 0.33 |
| Core earnings per diluted share | \$ 0.37 | \$ 0.40 |
| Weighted average number of shares of common stock outstanding, diluted | 484,425,066 | 485,381,890 |

SEGMENT INFORMATION

| | Origination and Servicing | | | Residential Securities, Properties and Loans | | | | Corporate & Other | Total |
|--|---------------------------|--------------|-------------------------|--|---|---------------------------|--------------|-------------------|---------------|
| | Origination | Servicing | MSR Related Investments | Real Estate Securities | Properties & Residential Mortgage Loans | Mortgage Loans Receivable | | | |
| First Quarter 2022 | | | | | | | | | |
| Servicing fee revenue, net and interest income from MSRs and MSR financing receivables | \$ (653) | \$ 349,058 | \$ 107,995 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 456,400 |
| Change in fair value of MSRs and MSR financing receivables | — | 497,317 | 78,076 | — | — | — | — | — | 575,393 |
| Servicing revenue, net | (653) | 846,375 | 186,071 | — | — | — | — | — | 1,031,793 |
| Interest income | 55,371 | 11,353 | 15,702 | 56,349 | 26,989 | 34,277 | 25,372 | — | 225,413 |
| Gain on originated mortgage loans, held-for-sale, net | 407,269 | 61,762 | — | — | 566 | — | — | — | 471,996 |
| Total revenues | 461,987 | 919,490 | 201,773 | 56,349 | 27,555 | 34,277 | 25,372 | — | 1,729,202 |
| Interest expense | 29,435 | 33,706 | 26,365 | 9,029 | 20,868 | 6,969 | 12,461 | — | 138,833 |
| G&A and other | 408,758 | 124,780 | 56,010 | 772 | 23,434 | 16,408 | 33,884 | — | 664,046 |
| Total operating expenses | 438,193 | 158,486 | 82,375 | 9,801 | 44,302 | 23,377 | 46,345 | — | 802,879 |
| Change in fair value of investments | — | (32) | (1,409) | (125,949) | (32,748) | 26,752 | (13,733) | — | (147,119) |
| Gain (loss) on settlement of investments, net | — | (315) | (2,199) | 49,420 | 44,912 | (30,634) | — | — | 61,184 |
| Other income (loss), net | 2,095 | 881 | 28,943 | (1,889) | 17,345 | — | 8,697 | — | 56,072 |
| Total other income (loss) | 2,095 | 534 | 25,335 | (78,418) | 29,509 | (3,882) | (5,036) | — | (29,863) |
| Impairment charges (reversals) | — | — | — | 711 | 3,029 | — | — | — | 3,740 |
| Income (loss) before income taxes | 25,889 | 761,538 | 144,733 | (32,581) | 9,733 | 7,018 | (26,009) | — | 892,720 |
| Income tax expense (benefit) | 6,516 | 161,116 | 31,463 | — | 3,657 | — | 37 | — | 202,789 |
| Net income (loss) | 19,373 | 600,422 | 113,270 | (32,581) | 6,076 | 7,018 | (26,046) | — | 689,931 |
| Noncontrolling interests in income (loss) of consolidated subsidiaries | 407 | — | 228 | — | — | — | 4,974 | — | 5,609 |
| Dividends on preferred stock | — | — | — | — | — | — | 22,461 | — | 22,461 |
| Net income (loss) attributable to common stockholders | \$ 18,966 | \$ 600,422 | \$ 113,042 | \$ (32,581) | \$ 6,076 | \$ 7,018 | \$ (53,481) | \$ — | \$ 661,861 |
| As of March 31, 2022 | | | | | | | | | |
| Total Assets | \$ 6,505,753 | \$ 9,696,606 | \$ 5,315,467 | \$ 10,535,948 | \$ 2,961,796 | \$ 1,959,099 | \$ 893,878 | \$ — | \$ 37,868,547 |
| Total New Residential stockholder's equity | \$ 1,192,812 | \$ 2,874,044 | \$ 1,507,095 | \$ 1,043,116 | \$ 320,311 | \$ 518,745 | \$ (333,489) | \$ — | \$ 7,122,634 |

| | Origination and Servicing | | | Residential Securities, Properties and Loans | | | | Total |
|---|---------------------------|--------------|-------------------------|--|---|---------------------------|-------------------|---------------|
| | Origination | Servicing | MSR Related Investments | Real Estate Securities | Properties & Residential Mortgage Loans | Mortgage Loans Receivable | Corporate & Other | |
| Fourth Quarter 2021 | | | | | | | | |
| Servicing fee revenue, net and interest income from MSR and MSR financing receivables | \$ 15,548 | \$ 329,745 | \$ 118,907 | \$ — | \$ — | \$ — | \$ — | \$ 464,200 |
| Change in fair value of MSR and MSR financing receivables | — | (109,009) | (45,012) | — | — | — | — | (154,021) |
| Servicing revenue, net | 15,548 | 220,736 | 73,895 | — | — | — | — | 310,179 |
| Interest income | 79,087 | 7,169 | 13,195 | 53,690 | 32,551 | 4,219 | 27,644 | 217,555 |
| Gain on originated mortgage loans, held-for-sale, net | 540,662 | 48,661 | (1,186) | (15,158) | (3,164) | — | — | 569,815 |
| Total revenues | 635,297 | 276,566 | 85,904 | 38,532 | 29,387 | 4,219 | 27,644 | 1,097,549 |
| Interest expense | 46,595 | 31,756 | 23,573 | 8,322 | 17,854 | 1,000 | 12,836 | 141,936 |
| G&A and other | 508,207 | 134,057 | 49,899 | 677 | 27,822 | 1,802 | 35,060 | 757,524 |
| Total operating expenses | 554,802 | 165,813 | 73,472 | 8,999 | 45,676 | 2,802 | 47,896 | 899,460 |
| Change in fair value of investments | — | — | (3,556) | 20,076 | 774 | — | (6,795) | 10,499 |
| Gain (loss) on settlement of investments, net | — | (2,146) | (21,636) | (19,980) | (2,056) | — | 176 | (45,642) |
| Other income (loss), net | 1,780 | (339) | 22,464 | — | 30,001 | — | 365 | 54,271 |
| Total other income (loss) | 1,780 | (2,485) | (2,728) | 96 | 28,719 | — | (6,254) | 19,128 |
| Impairment charges (reversals) | — | — | — | (181) | 74 | — | — | (107) |
| Income (loss) before income taxes | 82,275 | 108,268 | 9,704 | 29,810 | 12,356 | 1,417 | (26,506) | 217,324 |
| Income tax expense (benefit) | 22,766 | 4,332 | (5,870) | — | 8,253 | — | 4 | 29,485 |
| Net income (loss) | 59,509 | 103,936 | 15,574 | 29,810 | 4,103 | 1,417 | (26,510) | 187,839 |
| Noncontrolling interests in income (loss) of consolidated subsidiaries | 1,516 | — | (1,003) | — | — | — | 4,395 | 4,908 |
| Dividends on preferred stock | — | — | — | — | — | — | 22,495 | 22,495 |
| Net income (loss) attributable to common stockholders | \$ 57,993 | \$ 103,936 | \$ 16,577 | \$ 29,810 | \$ 4,103 | \$ 1,417 | \$ (53,400) | \$ 160,436 |
| As of December 31, 2021 | | | | | | | | |
| Total Assets | \$ 10,431,260 | \$ 8,526,485 | \$ 5,023,734 | \$ 9,998,749 | \$ 3,227,445 | \$ 1,683,761 | \$ 850,756 | \$ 39,742,190 |
| Total New Residential stockholder's equity | \$ 1,738,293 | \$ 2,071,873 | \$ 1,269,681 | \$ 951,449 | \$ 607,492 | \$ 422,560 | \$ (457,316) | \$ 6,604,032 |

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this press release constitutes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, our ability to continue growing book value in the second quarter, expected upward move in treasury yields and Fed’s expected policy actions, expected market volatility and ability to generate great returns for our shareholders in 2022 and beyond. These statements are not historical facts. They represent management’s current expectations regarding future events and are subject to a number of trends and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those described in the forward-looking statements. Accordingly, you should not place undue reliance on any forward-looking statements contained herein. 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 most recent annual and quarterly reports and other filings filed with the U.S. Securities and Exchange Commission, which are available on the Company’s website (www.newresi.com). New risks and uncertainties emerge from time to time, and it is not possible for New Residential 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. Forward-looking statements contained herein speak only as of the date of this press release, and 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 New Residential's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

ABOUT NEW RESIDENTIAL

New Residential is a leading provider of capital and services to the mortgage and financial services industry. The Company’s mission is to generate attractive risk-adjusted returns in all interest rate environments through a complementary portfolio of investments and operating businesses. Since inception in 2013, New Residential has delivered approximately \$4.0 billion in dividends to shareholders. New Residential’s investment portfolio is composed of mortgage servicing related assets (full and excess MSRs and servicer advances), residential securities (and associated called rights) and loans (including single family rental), and consumer loans. New Residential’s investments in operating entities include leading origination and servicing platforms through wholly-owned subsidiaries, Newrez LLC, Caliber Home Loans Inc., and Genesis Capital LLC, as well as investments in affiliated businesses that provide mortgage related services. New Residential is organized and conducts its operations to qualify as a real estate investment trust (REIT) for federal income tax purposes and is managed by an affiliate of Fortress Investment Group LLC, a global investment management firm, and headquartered in New York City.

Investor Relations

IR@NewResi.com