As filed with the Securities and Exchange Commission on April 24, 2014

Registration Statement No. 333-191300

Securities and Exchange Commission

Washington, D.C. 20549

Amendment No. 8 to

Form S-11

For Registration

Under The Securities Act of 1933

of Certain Real Estate Companies

New Residential Investment Corp.

(Exact name of registrant as specified in its governing instruments)

1345 Avenue of the Americas,

New York, NY 10105

(212) 798-6100

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant s Principal Executive Offices)

Cameron D. MacDougall

Secretary

1345 Avenue of the Americas,

New York, NY 10105

212-479-1522

(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

Copies to:

Richard B. Aftanas

Joseph A. Coco

Skadden, Arps, Slate, Meagher & Flom LLP

Four Times Square

New York, New York 10036

(212) 735-3000

Edward F. Petrosky

J. Gerard Cummins

Sidley Austin LLP

787 Seventh Avenue

New York, New York 10019

(212) 839-5300

Approximate date of commencement of proposed sale to the public:

As soon as practicable after the effective date of this registration statement.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If any of the Securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer x (Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Amount to be Registered(1)**	**Proposed Maximum Offering Price Per Share(2)**	**Proposed Maximum Aggregate Offering Price**	**Amount of Registration Fee(3)**
Common Stock, $0.01 par value	28,750,000	$6.23	$179,112,500	$23,830

(1) Includes 3,750,000 shares that may be sold pursuant to the underwriter s option to purchase additional shares.
(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(c) under the Securities Act, based upon the average of the high and low sales prices ($6.27 and $6.19) of the Registrant s common stock on the New York Stock Exchange on April 23, 2014.
(3) The Registrant previously paid $13,640 in connection with the initial filing of this Registration Statement on September 20, 2013. The registration fee in respect of the initial filing of this Registration Statement was calculated based on a proposed aggregate offering price of $100,000,000 at the then applicable fee rate of $134.60 per $1,000,000. The remainder of the registration fee has been calculated by multiplying $79,112,500, which represents the increase in the proposed aggregate offering price, by the current applicable fee rate of $128.80 per $1,000,000.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS SUBJECT TO COMPLETION, DATED APRIL 24, 2014

25,000,000 Shares

New Residential Investment Corp.

Common Stock

We are a publicly traded real estate investment trust (REIT) primarily focused on investing in residential mortgage related assets. We are externally managed by an affiliate of Fortress Investment Group LLC (Fortress). We were formed as a wholly owned subsidiary of Newcastle Investment Corp. (Newcastle) in September 2011 and were spun-off from Newcastle on May 15, 2013.

We are offering 25,000,000 shares of our common stock as described in this prospectus. Certain officers and directors may purchase shares of our common stock in this offering directly from us at the public offering price (without any payment by us or them of any underwriting discounts or commissions). Our shares of common stock are listed on the New York Stock Exchange under the symbol NRZ. On April 23, 2014, the last reported sales price for our common stock on the New York Stock Exchange was $6.23 per share.

We intend to elect and qualify to be taxed as a REIT for U.S. federal income tax purposes commencing with our initial taxable year ended December 31, 2013. To assist us in qualifying as a REIT, among other purposes, stockholders are generally restricted from owning more than 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of common stock, or 9.8% by value or number of shares, whichever is more restrictive, of our outstanding shares of capital stock. In addition, our certificate of incorporation contains various other restrictions on the ownership and transfer of our common stock. See Description of Capital Stock Restrictions on Ownership and Transfer of Our Capital Stock.

See Risk Factors beginning on page 34 for a discussion of the following and other risks:

- We have a very limited operating history as an independent company and may not be able to successfully operate our business strategy or generate sufficient revenue to make or sustain distributions to our stockholders;

- Servicer advances may not be recoverable or may take longer to recover than we expect, which could cause us to fail to achieve our targeted return on our investment in servicer advances.

- We rely heavily on mortgage servicers to achieve our investment objective and have no direct ability to influence their performance;

We are subject to significant counterparty concentration and default risks;

Many of our investments may be illiquid, and this lack of liquidity could significantly impede our ability to vary our portfolio in response to changes in economic and other conditions or to realize the value at which such investments are carried if we are required to dispose of them;

We may not be able to finance our investments on attractive terms or at all, and financing for our excess mortgage servicing rights investments may be particularly difficult to obtain;

Maintenance of our Investment Company Act of 1940 exclusion imposes limits on our operations;

There are conflicts of interest in our relationship with FIG LLC, our Manager; and

Our failure to qualify as a REIT would result in higher taxes and reduced cash available for distribution to our stockholders.

Neither the Securities and Exchange Commission (SEC) nor any state or other securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per share	Total
Public offering price	$	$
Underwriting discounts and commissions (1)	$	$
Proceeds to us, before expenses (2)	$	$

(1) There will be no underwriting discounts and commissions paid on shares of our common stock purchased by officers and directors in this offering.
(2) We will pay the fees and expenses related to obtaining the required approval of certain terms of this offering from the Financial Industry Regulatory Authority, Inc (FINRA). See Underwriting.

The underwriter may also exercise its option to purchase up to an additional 3,750,000 shares of our common stock at the public offering price from us, less the underwriting discounts and commissions payable by us within 30 days from the date of this prospectus.

The underwriter expects to deliver the shares on or about , 2014.

Citigroup

Prospectus dated , 2014.

Table of Contents

You should rely only on the information contained in this prospectus, any free writing prospectus prepared by us or information to which we have referred you. Neither we nor the underwriter has authorized anyone to provide you with additional information or information different from that contained in this prospectus. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of shares of our common stock.

TABLE OF CONTENTS

Table of Contents

Industry Data

Unless otherwise indicated, information contained in this prospectus concerning the mortgage and mortgage servicing industry, including our general expectations and market position and market opportunity, is based on information from various sources (including government and industry publications, surveys, analyses, valuations and forecasts and our internal research), assumptions that we have made (which we believe are reasonable based on those data from such sources and other similar sources) and our knowledge of the markets. The projections, assumptions and estimates of our future performance and the future performance of the mortgage and mortgage servicing industry are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under Risk Factors and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the projections and estimates included in this prospectus.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus. It does not contain all of the information that you should consider before making a decision to invest in our common stock. You should read carefully the more detailed information set forth under Risk Factors and the other information included in this prospectus.

Unless the context otherwise requires, any references in this prospectus to we, our, us, New Residential and the Company refer to New Residential Investment Corp. and its consolidated subsidiaries. Any references in this prospectus to Newcastle refer to Newcastle Investment Corp. and its consolidated subsidiaries. Our Manager refers to FIG LLC, a Delaware limited liability company, our external manager, and an affiliate of Fortress.

Our Company

New Residential is a publicly traded REIT primarily focused on investing in residential mortgage related assets. We are externally managed by an affiliate of Fortress. We were formed as a wholly owned subsidiary of Newcastle in September 2011 and were spun-off from Newcastle on May 15, 2013, which we refer to as the separation date or distribution date.

Our goal is to drive strong risk-adjusted returns primarily through investments in servicing related assets, residential securities and loans and other investments. We generally target assets that generate significant current cash flows and/or have the potential for meaningful capital appreciation. We aim to generate attractive returns for our stockholders without the excessive use of financial leverage. A significant portion of our portfolio is currently composed of investments in agency securities. The securities in which we can invest are limited by the exclusion we maintain from the Investment Company Act of 1940, as amended (the 1940 Act).

We intend to continue to invest opportunistically across the residential real estate market. Our investment guidelines are purposefully broad to enable us to make investments in a wide array of assets in diverse markets. In the past, we have taken advantage of this flexibility to invest in assets that are not strictly real estate related (e.g., consumer loans), and we may do so again in the future. We expect our asset allocation and target assets to change over time depending on the types of investments our Manager identifies and the investment decisions our Manager makes in light of prevailing market conditions. For more information about our investment guidelines, see Business Investment Guidelines.

Our Manager

We are managed by our Manager, an affiliate of Fortress. We are able to draw upon the long-standing expertise and resources of Fortress, a global investment management firm with $61.8 billion of alternative and traditional assets under management as of December 31, 2013.

We are also able to capitalize on our Manager s relationship with Nationstar Mortgage LLC (Nationstar), which is majority-owned by Fortress funds managed by our Manager, to source investment opportunities. Nationstar (NYSE: NSM) is one of the largest residential loan servicers, according to Inside Mortgage Finance, and it was ranked among the highest quality servicers by Federal National Mortgage Association (Fannie Mae) in August 2013. We have developed an innovative strategy for co-investing in Excess MSRs with Nationstar, as described below under Market Opportunity and Target Assets Servicing Related Assets Excess Mortgage Servicing Rights (Excess MSRs). On December 17, 2013, we completed our first acquisition of servicer advances from Nationstar through a co-investment with certain third parties. See Our Portfolio Servicing Related Assets Servicer Advances below.

Pursuant to the terms of our management agreement with our Manager (the Management Agreement), our Manager provides a management team and other professionals who are responsible for implementing our business strategy and performing certain services for us, subject to oversight by our board of directors. Our

Table of Contents

Manager s duties include: (1) performing all of our day-to-day functions, (2) determining investment criteria in conjunction with, and subject to the supervision of, our board of directors, (3) sourcing, analyzing and executing on investments and sales, (4) performing investment and liability management duties, including financing and hedging, and (5) performing financial and accounting management. For its services, our Manager is entitled to an annual management fee and is eligible to receive incentive compensation, depending upon our performance, as described below under Management Agreement.

Our Manager also manages our predecessor, Newcastle, a publicly traded REIT that pursues a broad range of real estate related investments. Our management team is not required to exclusively dedicate their services to us and they provide services for other entities affiliated with our Manager, including, but not limited to, Newcastle.

Market Opportunity and Target Assets

We believe that unfolding developments in the U.S. residential housing market are generating significant investment opportunities. The U.S. residential real estate market is vast: the value of the housing market totaled approximately $20 trillion as of September 2013, including about $10 trillion of outstanding mortgages, according to Inside Mortgage Finance. In the aftermath of the U.S. financial crisis, the residential mortgage industry is undergoing major structural changes that are transforming the way mortgages are originated, owned and serviced. We believe these changes are creating a compelling set of investment opportunities.

We also believe that New Residential is one of only a select number of market participants that have the combination of capital, industry expertise and key business relationships we think are necessary to take advantage of this opportunity. We are focused on the investment opportunities described below, as well as identifying other opportunities that may arise as the residential mortgage market evolves. A significant portion of our portfolio is currently composed of investments in agency securities. The securities in which we can invest are limited by the exclusion we maintain from the 1940 Act.

For more information about the mortgage industry, see Business Mortgage Industry included elsewhere in this prospectus.

Servicing Related Assets

Excess Mortgage Servicing Rights (Excess MSRs)

In our view, the mortgage servicing sector presents a number of compelling investment opportunities. A mortgage servicing right (MSR) provides a mortgage servicer with the right to service a pool of mortgages in exchange for a portion of the interest payments made on the underlying mortgages. This amount typically ranges from 25 to 50 basis points (bps) times the unpaid principal balance (UPB) of the mortgages. Approximately 77% of MSRs were owned by banks as of the fourth quarter of 2013, according to Inside Mortgage Finance. We expect this number to decline as banks face pressure to reduce their MSR exposure as a result of heightened capital reserve requirements under Basel III, regulatory scrutiny and a more challenging servicing environment. As a result, we believe the volume of MSR sales is likely to be substantial for some period of time.

As banks sell MSRs, there may be an opportunity for entities such as New Residential to participate through co-investment in the corresponding Excess MSRs. An MSR is made up of two components: a basic fee and an Excess MSR. The basic fee is the amount of compensation for the performance of servicing duties, and the Excess MSR is the amount that exceeds the basic fee. For example, if an MSR is 30 bps and the basic fee is 5 bps, then the Excess MSR is 25 bps. In our capacity as the owner of an Excess MSR, we are not required to assume any servicing duties, advance obligations or liabilities associated with the portfolios underlying our investment. However, we, through co-investments made by our subsidiaries, have separately purchased servicer advances, including the basic fee component of the related MSRs, on certain portfolios underlying our Excess MSRs. See Our Portfolio Servicing Related Assets below.

Table of Contents

There are a number of reasons why we believe Excess MSRs are a compelling investment opportunity:

- **Supply-Demand Imbalance**. Since 2010, banks have sold or committed to sell MSRs totaling more than $1 trillion of the approximately $10 trillion mortgage market. As a result of the regulatory and other pressures facing bank servicers, we believe the volume of MSR sales is likely to be substantial for some period of time. We estimate that MSRs on approximately $200 300 billion of mortgages are currently for sale, which would require a capital investment of approximately $2 3 billion based on current pricing dynamics. We believe many non-bank servicers, who acquire MSRs and are constrained by capital limitations, will continue to sell a portion of the Excess MSRs. We also estimate that approximately $1 2 trillion of MSRs could be sold over the next several years. In addition, approximately $1.2 trillion of new loans are expected to be created annually according to the Mortgage Bankers Association. We believe this creates an opportunity to enter into flow arrangements, whereby loan originators agree to sell Excess MSRs on newly originated loans on a recurring basis (often monthly or quarterly). We believe that MSRs are being sold at a discount to historical pricing levels, although increased competition for these assets has driven prices higher recently.

- **Attractive Pricing**. We believe MSRs are currently being sold at a discount to historical pricing levels. While prices have rebounded from the lows, we believe that prices remain lower than their peak. At current prices, we believe investments in Excess MSRs can generate attractive returns without leverage.

- **Significant Barrier to Entry**. Non-servicers, like us, cannot directly own an MSR as a named servicer and would therefore need to partner with a servicer in order to invest in MSRs. The number of strong, scalable non-bank servicers is limited. Moreover, in the case of Excess MSRs on Agency pools, the servicer must be Agency-approved. As a result, non-servicers seeking to invest in Excess MSRs generally face a significant barrier to entering the market, particularly if they do not have a relationship with a quality servicer. We believe our track record of investing in Excess MSRs and our established relationship with Nationstar give us a competitive advantage over other potential investors.

We pioneered investments in Excess MSRs (while we were a wholly owned subsidiary of Newcastle). We believe we remain the most active REIT in the sector. For details about our investments in Excess MSRs, see Our Portfolio Servicing Related Assets Excess MSRs below.

Servicer Advances

We believe there are attractive opportunities to invest in residential mortgage servicer advances. On December 17, 2013, we made our first investment in servicer advances, including the basic fee component of the related MSRs, from Nationstar through a co-investment with two subsidiaries of Athene Holding Ltd., affiliates of The Blackstone Group, and affiliates of, and funds/accounts managed by, Omega Advisors, Inc. See Our Portfolio Servicing Related Assets Servicer Advances below.

Servicer advances are generally reimbursable cash payments made by a servicer when the borrower fails to make scheduled payments due on a mortgage loan or when the servicer makes cash payments (i) on behalf of a borrower for real estate taxes and insurance premiums on the property that have not been paid on a timely basis by the borrower and (ii) to third parties for the costs and expenses incurred in connection with the foreclosure, preservation and sale of the mortgaged property, including attorneys and other professional fees. Servicer advances are a customary feature of residential mortgage securitization transactions and represent one of the duties for which a servicer is compensated through the basic fee component of the related MSR. The purpose of the advances is to provide liquidity, rather than credit enhancement, to the underlying residential mortgage securitization transaction. Servicer advances are usually repaid from amounts received with respect to the related mortgage loan, including payments from the borrower or amounts received from the liquidation of the property securing the loan, which is referred to as loan-level recovery.

Table of Contents

Servicer advances typically fall into one of three categories:

- *Principal and Interest Advances*: Cash payments made by the servicer to cover scheduled payments of principal of, and interest on, a mortgage loan that have not been paid on a timely basis by the borrower.

- *Escrow Advances (Taxes and Insurance Advances)*: Cash payments made by the servicer to third parties on behalf of the borrower for real estate taxes and insurance premiums on the property that have not been paid on a timely basis by the borrower.

- *Foreclosure Advances*: Cash payments made by the servicer to third parties for the costs and expenses incurred in connection with the foreclosure, preservation and sale of the mortgaged property, including attorneys and other professional fees.

Residential mortgage servicing agreements generally require a servicer to make advances in respect of serviced mortgage loans unless the servicer determines in good faith that the advance would not be ultimately recoverable from the proceeds of the related mortgage loan or the mortgaged property. In many cases, if the servicer determines that an advance previously made would not be recoverable from these sources, or if such advance is not recovered when the loan is repaid or related property is liquidated, then the servicer is entitled to withdraw funds from the custodial account for payments on the serviced mortgages to reimburse the applicable advance. This is what is often referred to as a general collections backstop. See Risk Factors Risks Related to Our Business Servicer advances may not be recoverable or may take longer to recover than we expect, which could cause us to fail to achieve our targeted return on our investment in servicer advances.

We believe that the market in servicer advances could present us with additional investment opportunities. For example, we have the right to purchase additional servicer advances from Nationstar, as described under Our Portfolio Servicing Related Assets Servicer Advances Call Right and Transaction 2. The status of investments in servicer advances for purposes of the REIT requirements is uncertain, and therefore our ability to make these kinds of investments may be limited. We currently hold our investment in servicer advances in a taxable REIT subsidiary (TRS).

Residential Securities and Loans

Residential Mortgage Backed Securities (RMBS)

From time to time, we invest in both Agency adjustable-rate mortgage (ARM) RMBS and Non-Agency RMBS, which we believe complement our Excess MSR investments. RMBS are securities created through the securitization of a pool of residential mortgage loans. As of the fourth quarter of 2013, approximately $7 trillion of the $10 trillion of residential mortgages outstanding was securitized, according to Inside Mortgage Finance. Of the securitized mortgages, approximately $6 trillion were Agency RMBS according to Inside Mortgage Finance, which are RMBS issued or guaranteed by a U.S. Government agency, such as the Government National Mortgage Association (Ginnie Mae), or by a government-sponsored enterprise (GSE), such as Fannie Mae or the Federal Home Loan Mortgage Corporation (Freddie Mac). The balance was securitized by either public or private trusts (private label securitizations), and these securities are referred to as Non-Agency RMBS. For more information about the securitization market, see Business Mortgage Industry Overview included elsewhere in this prospectus.

Agency ARM RMBS generally offer more stable cash flows and historically have been subject to lower credit risk and greater price stability than the other types of residential mortgage investments we target. More information about certain types of Agency ARM RMBS in which we have invested or may invest is set forth under Business Market Opportunity and Target Assets Residential Securities and Loans RMBS. Details about our existing investments in Agency ARM RMBS are set forth under Our Portfolio Residential Securities and Loans Agency ARM RMBS below.

4

Table of Contents

Since the onset of the financial crisis in 2007, there has been significant volatility in the prices for Non-Agency RMBS. This has resulted from a widespread contraction in capital available for this asset class, deteriorating housing fundamentals, and an increase in forced selling by institutional investors (often in response to rating agency downgrades). While the prices of these assets have started to recover from their lows, from time to time there may be opportunities to acquire Non-Agency RMBS at attractive risk-adjusted yields, with the potential for upside if the U.S. economy and housing market continue to strengthen. We believe the value of existing Non-Agency RMBS may also rise if the number of buyers returns to pre-2007 levels. Furthermore, we believe that in many Non-Agency RMBS vehicles there is a meaningful discrepancy between the value of the Non-Agency RMBS and the recovery value of the underlying collateral. We intend to pursue opportunities to structure transactions that would enable us to realize this difference. We actively monitor the market for Non-Agency RMBS and our portfolio to determine when to strategically purchase and sell Non-Agency RMBS from time to time. We currently expect that the size of our Non-Agency portfolio will fluctuate depending primarily on our Manager s assessment of expected yields and alternative investment opportunities. For details about our investments in Non-Agency RMBS, see Our Portfolio Residential Securities and Loans Non-Agency RMBS below.

Real Estate Loans

We believe there may be attractive opportunities to invest in portfolios of non-performing and other residential mortgage loans. In these investments, we would expect to acquire the loans at a deep discount to their face amount, and we (either independently or with a servicing co-investor) would seek to resolve the loans at a substantially higher valuation. We would seek to improve performance by transferring the servicing to Nationstar or another reputable servicer, which we believe could increase unlevered yields. In addition, we may seek to employ leverage to increase returns, either through traditional financing lines or, if available, securitization options.

While a number of portfolios of non-performing residential loans have been sold since the financial crisis, we believe the volume of such sales may increase for a number of reasons. For example, with improved balance sheets, many large banks have more financial flexibility to recognize losses on non-performing assets. The U.S. Department of Housing and Urban Development (HUD), which acquires the non-performing loans from Ginnie Mae securitizations, has been increasing the number of portfolio sales. In addition, we believe that residential loan servicers which have traditionally resorted to loan foreclosure procedures and subsequent property sales to maximize recoveries on non-performing loans may increase sales of defaulted loans. To the extent any of these dynamics results in a meaningful volume of non-performing loan sales, we believe they may pose attractive investment opportunities for us. For details about our investments in residential mortgage loans, see Our Portfolio Residential Securities and Loans Real Estate Loans below.

Other Investments

We may pursue other types of investments as the market evolves, such as our opportunistic investment in consumer loans in April 2013. See Our Portfolio Consumer Loans below. Our Manager makes decisions about our investments in accordance with broad investment guidelines adopted by our board of directors. Accordingly, we may, without a stockholder vote, change our target asset classes and acquire a variety of assets that differ from, and are possibly riskier than, our current portfolio of target assets. For more information about our investment guidelines, see Business Investment Guidelines included elsewhere in this prospectus.

Our Strengths

Focused Strategy

We pursue an investment strategy focused primarily on attractive opportunities across the residential spectrum. With an approximately $20 trillion housing market undergoing major structural changes, we believe a dedicated strategy presents investors with an opportunity to participate in that restructuring.

Table of Contents

Experienced Management Team

Our Manager is an affiliate of Fortress, a leading alternative asset manager with $61.8 billion of assets under management as of December 31, 2013. Residential and other real estate related assets, including those in our portfolio, have been a significant component of the investment strategies of both Fortress and Newcastle. Through our Manager, we have access to Fortress s extensive and long-standing relationships with major issuers of real estate related securities and the broker-dealers that trade these securities, as well as their banking relationships in the mortgage servicing industry. We believe these relationships, together with Fortress s infrastructure, provide us access to a pipeline of attractive investment opportunities, many of which may not be available to our competitors. We also believe that the breadth of Fortress s experience enables us to react nimbly to the changing residential landscape in order to execute on emerging investment opportunities. For instance, in 2012, we obtained a private letter ruling from the U.S. Internal Revenue Service (the IRS) that permits us to treat Excess MSRs as qualifying assets that generate qualifying income for purposes of the REIT asset and income tests, which gave us an early advantage for investing in Excess MSRs.

Existing Portfolio

Our portfolio is currently composed of servicing related assets, residential securities and loans and other investments. Under current market conditions, we target returns on invested equity that average in the mid-teens. We believe these returns are attainable given the performance of our existing investments to date and based on market dynamics that we believe will foster significant opportunities to invest in additional residential real estate assets at similar returns. For example, our underwriting assumptions projected a weighted average internal rate of return (IRR) of 16.0% for the Excess MSRs we owned as of December 31, 2013, based on their original purchase price, and this portfolio has performed better than our underwriting assumptions. We believe that various market dynamics, including the current low-interest rate environment, a supply-demand imbalance for investments in residential mortgage servicing assets, and barriers to entry with respect to this asset class, support our target returns. However, the returns of individual assets, as well as different asset classes, will vary, and there can be no assurance that any of our assets, or our portfolio as a whole, will generate target returns. In addition, our ability to achieve target returns on certain of our assets, depends in part on the use of leverage and our ability to quickly deploy the proceeds of any financing at attractive returns. There can be no assurance that we will be able to secure financing on favorable terms, or at all. In addition, there can be no assurance that we will be able to source, or quickly complete, attractive investments for which the proceeds of any such financing could be used.

Relationship with Nationstar

As a result of our Manager s relationship with Nationstar, which is majority-owned by Fortress funds managed by our Manager, we believe we are uniquely positioned to source opportunities to acquire residential mortgage servicing assets. Nationstar (NYSE: NSM) is one of the largest residential loan servicers, according to Inside Mortgage Finance, and it was ranked among the highest quality servicers by Fannie Mae in August 2013. We have developed an innovative strategy for co-investing in Excess MSRs with Nationstar. Given that non-servicers, like us, cannot acquire an MSR directly, this strategy creates the opportunity for us to co-invest in Excess MSRs and affords Nationstar the opportunity to invest in MSRs on a capital light basis. To date, we have completed several co-investments with Nationstar, as described under Our Portfolio Servicing Related Assets below. In addition, we have capitalized on Nationstar s origination capabilities by entering into a recapture agreement in each of our Excess MSR investments to date. Under the recapture agreements, we are generally entitled to a pro rata interest in the Excess MSRs on any initial or subsequent refinancing by Nationstar of a loan in the original portfolio. In other words, we are generally entitled to a pro rata interest in the Excess MSRs on both (i) a loan resulting from a refinancing by Nationstar of a loan in the original portfolio, and (ii) a loan resulting from a refinancing by Nationstar of a previously recaptured loan. We believe this arrangement

mitigates our exposure to the prepayment risk associated with Excess MSRs. Furthermore, we have purchased servicer advances from Nationstar through a co-investment with certain third parties. See Our Portfolio Servicing Related Assets Servicer Advances below. Nationstar is also the master servicer and/or servicer of the vast majority of the loans underlying the Non-Agency RMBS in our portfolio.

Tax Efficient REIT Status

We will elect to be treated as, and expect to operate in conformity with the requirements for qualification and taxation as, a REIT. REIT status will provide us with certain tax advantages compared to some of our competitors. Those advantages include an ability to reduce our corporate-level income taxes by making dividend distributions to our stockholders, and an ability to pass our capital gains through to our stockholders in the form of capital gains dividends. We believe our REIT status will provide us with a significant advantage as compared to other companies or industry participants who do not have a similar tax efficient structure. From time to time, we may make investments through TRSs, which is currently the case with our investment in servicer advances, which will impact the returns on such investments and reduce cash available for distribution to our stockholders.

Our Portfolio

Our portfolio is currently composed of servicing related assets, residential securities and loans and other investments, as described in more detail below. A significant portion of our portfolio is currently composed of investments in agency securities. The securities in which we can invest are limited by the exclusion we maintain from the 1940 Act. Over time, we expect to opportunistically adjust our portfolio composition in response to market conditions. Our Manager will make decisions about our investments in accordance with broad investment guidelines adopted by our board of directors. Accordingly, we may, without a stockholder vote, change our target asset classes and acquire a variety of assets that differ from, and are possibly riskier than, our current portfolio of target assets. For more information about our investment guidelines, see Business Investment Guidelines included elsewhere in this prospectus.

Servicing Related Assets

Excess MSRs

As of December 31, 2013, we had approximately $676.9 million estimated carrying value of Excess MSRs, of which a portion is held directly by us and the remainder is held through joint ventures.

As of December 31, 2013, our completed investments represented an effective 33.3% to 80% interest in the Excess MSRs on pools of mortgage loans with an aggregate UPB of approximately $252.6 billion.

Nationstar is the servicer of the loans underlying all of our investments in Excess MSRs to date, and it earns a basic fee in exchange for providing all servicing functions. In addition, Nationstar retains a 20% to 35% interest in the Excess MSRs and all ancillary income associated with the portfolios. In our capacity as owner of Excess MSRs, we do not have any servicing duties, liabilities or obligations associated with the servicing of portfolios underlying our Excess MSRs. However, we, through co-investments made by our subsidiaries, have separately purchased servicer advances, including the right to receive the basic fee component of related MSRs, on certain of our Non-Agency portfolios (Pools 5, 10, 12, 17 and 18) underlying our Excess MSR investments. See Servicer Advances below.

Each of our Excess MSR investments to date is subject to a recapture agreement with Nationstar. Under the recapture agreements, we are generally entitled to a pro rata interest in the Excess MSRs on any initial or subsequent refinancing by Nationstar of a loan in the original portfolio. In other words, we are generally entitled to a pro rata interest in the Excess MSRs on both (i) a loan resulting from a refinancing by Nationstar of a loan in the original portfolio, and (ii) a loan resulting from a refinancing by Nationstar of a previously recaptured loan.

Table of Contents

The tables below summarize the terms of our investments in Excess MSRs completed as of December 31, 2013.

Summary of Direct Excess MSR Investments as of December 31, 2013

					MSR Component[1]			Excess MSR	
	Investment Date	Initial UPB (bn)	Current[2] UPB (bn)	Loan Type[3]	MSR (bps)	Excess MSR (bps)	Interest in Excess MSR (%)	Purchase Price (mm)	Carrying Value (mm)
Pool 1	12/2011	$ 9.9	$ 6.9	GSE	32 bps	26 bps	65%	$ 43.7	$ 43.1
Pool 2	06/2012	10.4	7.9	GSE	30	22	65%	42.3	41.8
Pool 3	06/2012	9.8	7.8	GSE	31	22	65%	36.2	39.6
Pool 4	06/2012	6.3	5.1	GSE	26	17	65%	15.4	17.9
Pool 5[4]	06/2012	47.6	36.9	PLS	32	13	80%	151.5	146.3
Pool 11 (direct portion)[5]	05/2013		0.4	GSE	25	19	67%	2.4	2.3
Pool 12	09/2013	5.4	5.2	PLS	49	26	40%	17.4	16.5
Pool 18[6]	11/2013	9.2	8.8	PLS	38	16	40%	17.0	16.7
Total/Weighted Avg.		**$ 98.6**	**$ 79.0**		**33 bps**	**17 bps**		**$ 325.9**	**$ 324.2**

(1) The MSR is a weighted average as of December 31, 2013, and the Excess MSR represents the difference between the weighted average MSR and the basic fee (which fee remains constant).
(2) As of December 31, 2013.
(3) GSE refers to loans in Fannie Mae or Freddie Mac securitizations. PLS refers to loans in private label securitizations.
(4) Pool in which we also invested in related servicer advances, including the basic fee component of the related MSR subsequent to December 31, 2013 (see Note 18 to our consolidated financial statements included herein).
(5) A portion of our investment in Pool 11 was made as a direct investment, and the remainder was made through a joint venture accounted for as an equity method investee, as described in the chart below. The direct investment in Pool 11 includes loans that, upon refinancing by a third-party, will be serviced by Nationstar and will be subject to a 67% Excess MSR owned by us.
(6) Pool in which we also invested in related servicer advances, including the basic fee component of the related MSR as of December 31, 2013 (see Note 6 to our consolidated financial statements included herein).

Summary of Excess MSR Investments Through Equity Method Investees as of December 31, 2013

					MSR Component[1]					
	Commitment/ Investment Date	Initial UPB (bn)	Current UPB (bn)[2]	Loan Type[3]	MSR (bps)	Excess MSR (bps)	NRZ Interest in Investee (%)	Investee Interest in Excess MSR (%)[4]	NRZ Effective Ownership (%)[4]	Investee Carrying Value (mm)
Pool 6	01/2013	$ 13.0	$ 10.2	GM	39 bps	24 bps	50%	67%	33.3%	$ 57.1
Pool 7	01/2013	38.0	31.5	GSE	27	16	50%	67%	33.3%	129.3

Pool 8	01/2013	17.6	14.0	GSE	29	20	50%	67%	33.3%	69.5
Pool 9	01/2013	33.8	30.8	GM	40	22				