New Residential Investment Corp.
Form 424B5
January 30, 2017
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The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement relating to these securities has become effective under the Securities Act of 1933. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-213058

Subject to Completion, Dated January 30, 2017

Preliminary Prospectus Supplement
(To Prospectus dated August 10, 2016)

49,170,250 Shares

New Residential Investment Corp.

Common Stock

We are offering 49,170,250 shares of our common stock, $0.01 par value per share by this prospectus supplement and the accompanying prospectus.

Our common stock is listed on the New York Stock Exchange under the symbol NRZ. On January 27, 2017, the last reported sale price of our common stock was $16.27 per share.

Investing in our common stock involves a high degree of risk. Before making a decision to invest in our common stock, you should read the discussion of material risks of investing in our common stock in Risk Factors on page S-11 of this prospectus supplement and in the Risk Factors sections of our Annual Report on Form 10-K for the year ended December 31, 2015 and in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, which have been filed with the Securities and Exchange Commission and are incorporated by reference in this prospectus supplement and the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state or other securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

We have also granted the underwriters an option to purchase up to an additional 7,375,537 shares of our common stock at the public offering price, less the underwriting discount, within 30 days after the date of this prospectus supplement.

The underwriters are offering the shares of our common stock as set forth under Underwriting. Delivery of the shares of our common stock will be made on or about , 2017.

Joint Book-Running Managers

Citigroup	**Barclays**	**BofA Merrill Lynch**	**Credit Suisse**

Co-Managers

BTIG	**FBR**

The date of this prospectus supplement is January , 2017.

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You should rely only on the information contained in this prospectus supplement and the accompanying prospectus, including the documents incorporated herein and therein by reference. We have not, and the underwriters have not, authorized anyone to provide you with additional or different information. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where the offers and sales are permitted. The information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate only as of the date of this prospectus supplement or the accompanying prospectus or the date of the document incorporated by reference, as the case may be, regardless of the time of delivery of this prospectus supplement or of any sale of shares of our common stock.

All references to we, our, us, the Company and New Residential in this prospectus supplement and the accompa prospectus mean New Residential Investment Corp. and its consolidated subsidiaries, except where it is made clear that the term means only the parent company.

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Prospectus Supplement

Prospectus

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INCORPORATION BY REFERENCE

The Securities and Exchange Commission (the SEC) allows us to incorporate by reference into this prospectus supplement and the accompanying prospectus, information that we file with the SEC prior to the completion of this offering. This permits us to disclose important information to you by referring to these filed documents. Any information referenced in this way is considered to be a part of this prospectus supplement and the accompanying prospectus and any such information filed by us with the SEC subsequent to the date of this prospectus supplement (but prior to the completion of this offering) will automatically be deemed to update and supersede this information. We incorporate by reference the following documents which we have already filed with the SEC, except that any information which is furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K (including financial statements or exhibits relating thereto furnished pursuant to Item 9.01) and not filed shall not be deemed incorporated by reference herein:

- Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on February 26, 2016;
- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, filed with the SEC on May 5, 2016, June 30, 2016, filed with the SEC on August 4, 2016 and September 30, 2016, filed with the SEC on November 3, 2016;
- Current Reports on Form 8-K filed on April 7, 2015 (solely with respect to Exhibit 99.2), June 9, 2015 (solely with respect to Exhibit 99.1), January 19, 2016, March 24, 2016, April 1, 2016, April 6, 2016, May 13, 2016, May 27, 2016, June 3, 2016, July 7, 2016, July 18, 2016, August 11, 2016, August 12, 2016, August 16, 2016, October 31, 2016 and December 16, 2016;
- The portions of our Definitive Proxy Statement on Schedule 14A for our 2016 Annual Meeting of Stockholders, filed on April 13, 2016, which are incorporated by reference in our above-mentioned Annual Report on Form 10-K; and
- The description of our Common Stock set forth in our Registration Statement on Form 10, as amended, filed on April 29, 2013, including any amendment or report filed for the purpose of updating such description.

Whenever after the date of this prospectus supplement (but prior to the completion of this offering) we file reports or documents under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, those reports and documents will be deemed to be a part of this prospectus supplement and the accompanying prospectus from the time they are filed (other than documents or information deemed to have been furnished and not filed in accordance with SEC rules). Any statement made in this prospectus supplement or the accompanying prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement or the accompanying prospectus.

We will provide without charge, upon written or oral request, a copy of any or all of the documents which are incorporated by reference into this prospectus supplement and the accompanying prospectus, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus form a part. Requests should be directed to New Residential Investment Corp., 1345 Avenue of the Americas, 45th Floor, New York, New York 10105, Attention: Investor Relations (telephone number (212) 479-3150 and email address ir@newresi.com). Our SEC filings are also available free of charge at our website (www.newresi.com). The information on or accessible through our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus.

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which statements involve substantial risks and uncertainties. Such forward-looking statements relate to, among other things, the operating performance of our investments, the stability of our earnings, our financing needs and the size and attractiveness of market opportunities. Forward-looking statements are generally identifiable by use of forward-looking terminology such as may, will, should, potential, intend, expect, endeavor, seek, a estimate, overestimate, underestimate, believe, could, project, predict, continue or other similar words c Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, contain projections of results of operations, cash flows or financial condition or state other forward-looking information. Our ability to predict results or the actual outcome of future plans or strategies is inherently uncertain. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results in future periods to differ materially from forecasted results. As set forth more fully under the heading Risk Factors contained in Part I, Item IA in our Annual Report on Form 10-K for the year ended December 31, 2015 and under the heading Risk Factors contained in Part II, Item 1A. in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 2016, which are incorporated by reference herein, factors that could have a material adverse effect on our operations and future prospects include, but are not limited to:

- reductions in cash flows received from our investments;
- the quality and size of the investment pipeline and our ability to take advantage of investment opportunities at attractive risk-adjusted prices;
- 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;
- our ability to deploy capital accretively and the timing of such deployment;
- our counterparty concentration and default risks in Nationstar Mortgage LLC (Nationstar), Ocwen Financial Corporation (Ocwen), OneMain Holdings, Inc. (OneMain), Ditech Financial LLC (Ditech) and other third parties, which risks may increase following our consummation of the MSR Transactions (as defined herein);
- a lack of liquidity surrounding our investments, which could impede our ability to vary our portfolio in an appropriate manner;
- the impact that risks associated with subprime mortgage loans and consumer loans, as well as deficiencies in servicing and foreclosure practices, may have on the value of our mortgage servicing rights (MSRs), excess mortgage servicing rights (Excess MSRs), servicer advances, residential mortgage backed securities (residential MBS or RMBS) and loan portfolios;
- the risks that default and recovery rates on our MSRs, Excess MSRs, servicer advances, real estate securities, residential mortgage loans and consumer loans deteriorate compared to our underwriting estimates;
- changes in prepayment rates on the loans underlying certain of our assets, including, but not limited to, our MSRs or Excess MSRs;
- the risk that projected recapture rates on the loan pools underlying our MSRs or Excess MSRs are not achieved;
- the relationship between yields on assets which are paid off and yields on assets in which such monies can be reinvested;

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- the relative spreads between the yield on the assets in which we invest and the cost of financing;
- changes in economic conditions generally and the real estate and bond markets specifically;
- adverse changes in the financing markets we access affecting our ability to finance our investments on attractive terms, or at all;
- changing risk assessments by lenders that potentially lead to increased margin calls, not extending our repurchase agreements or other financings in accordance with their current terms or not entering into new financings with us;
- changes in interest rates and/or credit spreads, as well as the success of any hedging strategy we may undertake in relation to such changes;
- impairments in the value of the collateral underlying our investments and the relation of any such impairments to our judgments as to whether changes in the market value of our securities or loans are temporary or not and whether circumstances bearing on the value of such assets warrant changes in carrying values;
- the availability and terms of capital for future investments;
- competition within the finance and real estate industries;
- the legislative/regulatory environment, including, but not limited to, the impact of the Dodd-Frank Act, U.S. government programs intended to stabilize the economy, the federal conservatorship of Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) and legislation that permits modification of the terms of residential mortgage loans;
- our ability to maintain our qualification as a real estate investment trust (REIT) for U.S. federal income tax purposes and the potentially onerous consequences that any failure to maintain such qualification would have on our business;
- our ability to maintain our exclusion from registration under the Investment Company Act of 1940, as amended (the 1940 Act) and the fact that maintaining such exclusion imposes limits on our operations;
- the risks related to Home Loan Servicing Solutions, Ltd. liabilities that we have assumed;
- the impact of current or future legal proceedings and regulatory investigations and inquiries;
- the impact of any material transactions with FIG LLC (our Manager) or one of its affiliates, including the impact of any actual, potential or perceived conflicts of interest;
- events, conditions or actions that might occur at Nationstar, Ocwen, OneMain, Ditech and other third parties;
- the risk that government-sponsored enterprises (GSE) initiatives and other actions may adversely affect returns from investments in MSRs and Excess MSRs; and
- various risks relating to the MSR Transactions (as defined below under Prospectus Supplement Summary—MSR Transactions), including risks in respect of the satisfaction of closing conditions to such transactions, unanticipated difficulties financing the purchase prices for such transactions (including any debt we may raise to fund a portion of the purchase price of the Citi Transaction (as defined herein), unanticipated expenditures relating to such transactions, our ability to obtain regulatory approval of such transactions, uncertainties as to the timing of such transactions, litigation relating to such transactions, our ability to enter into subservicing agreements on the existing MSRs on commercially reasonable terms, and the inability to obtain, or delays in achieving, the expected benefits of such transactions.

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Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The factors noted above could cause our actual results to differ significantly from those contained in any forward-looking statement.

We encourage you to read this prospectus supplement and the accompanying prospectus, as well as the information that is incorporated by reference in this prospectus supplement and the accompanying prospectus, in their entireties. In evaluating forward-looking statements, you should consider the discussion regarding risks and uncertainties under Risk Factors in this prospectus supplement and in our reports filed with the SEC. We caution that you should not place undue reliance on any of our forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we are under no obligation (and expressly disclaim any obligation) to update or alter any forward-looking statement, whether written or oral, that we may make from time to time, whether as a result of new information, future events or otherwise.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. This summary does not contain all of the information you should consider before making a decision to invest in our common stock. You should read this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, carefully before making an investment decision, especially the risks of investing in our common stock discussed under Risk Factors herein and therein and our consolidated financial statements and notes to those consolidated financial statements incorporated by reference herein and therein.

NEW RESIDENTIAL INVESTMENT CORP.

General

New Residential is a publicly traded REIT primarily focused on opportunistically investing in, and actively managing, investments related to residential real estate. Our stock is traded on the New York Stock Exchange (NYSE) under the symbol NRZ.

As of September 30, 2016, we conduct our business through the following segments: (i) investments in Excess MSRs, (ii) investments in servicer advances (including the basic fee component of the related MSRs), (iii) investments in real estate securities, (iv) investments in real estate loans, (v) investments in consumer loans and (vi) corporate. During the fourth quarter, we added a new segment for our investments in MSRs.

Our goal is to drive strong risk-adjusted returns from our investments, and our investment guidelines are purposefully broad to enable us to make investments in a wide array of assets in diverse markets, including non-real estate related assets such as consumer loans. We generally target assets that generate significant current cash flows and/or have the potential for meaningful capital appreciation. We aim to generate attractive risk-adjusted returns for our stockholders, which at times incorporates the use of leverage. We intend to continue to invest opportunistically across the residential real estate market. We expect our asset allocation and target assets to change over time depending on investment opportunities and prevailing market conditions.

We are externally managed by our Manager, an affiliate of Fortress Investment Group LLC (Fortress). We are able to draw upon the long-standing expertise and resources of Fortress, a global investment management firm with $70.1 billion of alternative and traditional assets under management as of September 30, 2016. Pursuant to the terms of our Management Agreement with our Manager, 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. For its services, our Manager is entitled to an annual management fee and is eligible to receive incentive compensation, depending upon our performance. Affiliates of our Manager will also receive options in connection with this offering.

Recent Developments

Pending Acquisitions of MSRs

$97.0 Billion UPB of MSRs from CitiMortgage, Inc.

On January 27, 2017, our wholly owned subsidiary New Residential Mortgage LLC (NRM) entered into an agreement to purchase MSRs and related servicer advances with respect to approximately $97.0 billion unpaid principal balance (UPB) of seasoned Fannie Mae and Freddie Mac residential mortgage loans from CitiMortgage, Inc. (Citi), an affiliate of one of our joint book-running managers, for a purchase price of approximately $950.0 million and $32.0 million, respectively. NRM also entered into an agreement pursuant to which Nationstar will subservice the portfolio on behalf of NRM, subject to GSE and other regulatory approvals. Citi has agreed to continue to subservice the portfolio on an interim basis. NRM will acquire the related servicer advances upon the transfer of servicing. The disinterested members of our board of directors selected Nationstar, which is majority-owned by an affiliate of Fortress, after consideration of proposals from various potential subservicers.

We expect to complete this acquisition in the first quarter of 2017, subject to GSE and other regulatory approvals and other customary closing conditions. We intend to fund the purchase price with a portion of the proceeds of this offering as well as debt financing. There can be no assurance that the acquisition or related financing will be completed as anticipated, or at all.

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The foregoing transactions are collectively referred to herein as the Citi Transaction. The Citi Transaction, the PHH Transaction and the other MSR transactions described below are collectively referred to herein as the MSR Transactions. The closing of this offering is not conditioned on the completion of any of the MSR Transactions.

$72.0 Billion UPB of MSRs from PHH

As previously announced, on December 28, 2016, NRM entered into an agreement with PHH Mortgage Corporation and its subsidiaries (PHH) to purchase MSRs and related servicer advances with respect to approximately $72.0 billion UPB of seasoned Fannie Mae, Freddie Mac and private-label residential mortgage loans for a purchase price of approximately $612.0 million and $300.0 million, respectively. PHH will continue to subservice the portfolio on behalf of NRM. We expect to settle this transaction beginning in the second quarter of 2017, subject to (i) PHH shareholder approval, (ii) GSE and other regulatory approvals and (iii) other customary closing conditions. There can be no assurance that the acquisition or related financing will be completed as anticipated, or at all.

Recently Completed Acquisitions of MSRs

$32.3 Billion UPB of MSRs from Walter

On October 3, 2016, NRM acquired from Ditech, a subsidiary of Walter Investment Management Corp., the MSRs and related servicer advances with respect to approximately $32.3 billion UPB of Fannie Mae residential mortgage loans for a purchase price of approximately $212.7 million and $27.4 million, respectively. Ditech subservices the portfolio on behalf of NRM.

The agreement with Ditech, which was entered into on August 8, 2016, gives NRM the ability to purchase on a flow basis the MSRs relating to new residential mortgage loans originated or purchased by Ditech and pooled into Fannie Mae, Freddie Mac or, if applicable, Government National Mortgage Association, securities (the Walter Flow MSRs). The agreement has an initial three year term, with annual, one-year renewals thereafter, subject to certain termination rights. Purchases of Walter Flow MSRs are subject to GSE and regulatory approvals.

$4.8 Billion UPB of MSRs from Walter

On December 1, 2016, NRM acquired from Ditech, the MSRs and related servicer advances with respect to approximately $4.8 billion of Fannie Mae and Freddie Mac residential mortgage loans for a purchase price of approximately $26.4 million and $3.9 million, respectively. Ditech subservices the portfolio on behalf of NRM.

$32.5 Billion UPB of MSRs from WCO

In December 2016, NRM acquired from Walter Capital Opportunity, LP and its subsidiaries (WCO) and Ditech the MSRs and related servicer advances with respect to approximately $32.5 billion UPB of Fannie Mae and Freddie Mac residential mortgage loans for a purchase price of approximately $244.3 million and $34.8 million, respectively. Ditech subservices the portfolio on behalf of NRM.

$12.5 Billion UPB of MSRs from FirstKey

In December 2016, NRM acquired from FirstKey Mortgage, LLC (FirstKey) the MSRs and related servicer advances with respect to approximately $12.5 billion UPB of Fannie Mae and Freddie Mac residential mortgage loans for a purchase price of approximately $89.1 million and $2.1 million, respectively. FirstKey will continue to subservice the portfolio, pending transfer to NRM s designated subservicer.

Financing of Non-Agency Excess MSRs

On October 12, 2016, we entered into a $345.0 million corporate loan secured by non-agency Excess MSRs. The loan bears interest equal to 5.68% per annum and matures in July 2021.

Refinancing of Servicer Advances

During the fourth quarter, we refinanced $1.4 billion of floating rate debt with $500 million of three-year and $400 million of five-year fixed rate term notes issued in October 2016, and $500 million of three-year fixed rate notes issued in November 2016.

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In December 2016, we refinanced $800 million of fixed rate term notes with a weighted average maturity of 2.5 years and weighted average cost of funds of 3.58% per annum with $400 million of four-year and $400 million of five-year fixed rate term notes with a weighted average cost of funds of 3.48% per annum.

Refinancing of SpringCastle Consumer Loan Investment

On October 25, 2016, we completed a $1.7 billion refinancing of our SpringCastle America Funding, LLC, SpringCastle Credit Funding, LLC and SpringCastle Finance Funding, LLC (collectively, SpringCastle) consumer-loan backed securitization. The refinancing reduced the weighted average cost of funds from 4.5% to 3.6% per annum.

Call Rights

During the fourth quarter of 2016, we called non-agency RMBS indebtedness relating to 14 securitizations of seasoned residential mortgage loans with an aggregate UPB of approximately $416.9 million. We subsequently completed a securitization of approximately $274.2 million UPB of performing loans acquired as part of our call rights strategy. Including these 14 securitizations, in 2016, we called 50 securitizations totaling approximately $1.2 billion UPB, and, as of December 31, 2016, the UPB of the loans subject to our remaining call rights is approximately $160 billion.

Increase in Quarterly Dividend

On January 26, 2017, our board of directors declared a quarterly dividend of $0.48 per common share for the first quarter of 2017, or approximately a 4% increase over the dividend for the quarter ended December 31, 2016. The dividend is payable on April 28, 2017 to shareholders of record on March 27, 2017. Shareholders of record at the close of business on the record date of the shares issued in this offering will be entitled to receive this quarterly dividend. There can be no assurance that we will pay dividends at this level, or at all, in the future. See Risk Factors—Risks Related to our Common Stock—We have not established a minimum distribution payment level, and we cannot assure you of our ability to pay distributions in the future.

Estimated Preliminary Financial Results for the Quarter and Year Ended December 31, 2016

On January 30, 2017, we announced our estimated preliminary results of operations for our fourth quarter and full year ended December 31, 2016, which are set forth below.

	Three Months Ended December 31, 2016	**Year Ended December 31, 2016**
Net Income per Diluted Share	$0.87 to $0.91	$2.09 to $2.13
Core Earnings (non-GAAP) per Diluted Share*	$0.59 to $0.63	$2.12 to $2.16

* Core Earnings is a non-generally accepted accounting principles (GAAP) measure. A reconciliation of estimated preliminary Net Income to Core Earnings is set forth below.

For the fourth quarter of 2016, we estimate that Net Income will be in the range of $0.87 to $0.91 per diluted share and that Core Earnings will be in the range of $0.59 to $0.63 per diluted share. For the full year of 2016, we estimate that Net Income will be in the range of $2.09 to $2.13 per diluted share and that Core Earnings will be in the range of $2.12 to $2.16 per diluted share. A reconciliation of Net Income to Core Earnings is set forth below.

We have provided ranges, rather than specific amounts, for the preliminary operating results described above primarily because our closing procedures for the quarter and year ended December 31, 2016 are not yet complete and, as a result, our final results upon completion of the closing procedures may vary from the preliminary estimates. These estimates, which are the responsibility of our management, were prepared by our management in connection with the preparation of our financial statements and are based upon a number of assumptions. Additional items that may require adjustments to the preliminary operating results may be identified and could result in material changes to our estimated preliminary operating results. Estimates of operating results are inherently uncertain and we undertake no obligation to update this information. See Cautionary Statements Regarding Forward-Looking Statements, Risk Factors and Management s Discussion of Financial Condition

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and Results of Operations included or incorporated by reference herein for factors that could impact our actual results of operations. Ernst & Young LLP has not audited, reviewed, compiled or performed any procedures with respect to this preliminary financial information. Accordingly, Ernst & Young LLP does not express an opinion or provide any form of assurance with respect thereto.

The primary drivers of our estimated preliminary operating results for the quarter were (i) changes in interest rates and prepayment speeds, (ii) the execution of two call rights transactions and a related securitization, and (iii) several acquisitions of MSRs, in each case as further described below:

- Market interest rates, and expectations regarding future market interest rates, increased markedly during the fourth quarter, which increased the value of our interests in MSRs (which include MSRs, Excess MSRs and rights to the basic fee component of MSRs). Higher interest rates are generally associated with lower prepayment rates for residential mortgage loans, since they increase the cost of borrowing for homeowners. Lower prepayment rates, in turn, generally extend the duration of our expected future cash flows from our interests in MSRs, which tends to increase the value of these assets.
- As noted above, we called non-agency RMBS relating to 14 securitizations of seasoned residential mortgage loans with an aggregate UPB of approximately $416.9 million. We subsequently completed a securitization of approximately $274.2 million UPB of performing loans acquired as part of our calls.
- As described above, NRM acquired MSRs on residential mortgage loans with a total UPB of approximately $82.1 billion for an aggregate purchase of approximately $572.5 million.

Reconciliation of Estimated Preliminary Net Income to Core Earnings Results

(dollars in thousands, except per share amounts)	Three Months Ended December 31, 2016 Low	Three Months Ended December 31, 2016 High	Year Ended December 31, 2016 Low	Year Ended December 31, 2016 High
Net Income attributable to common stockholders	$ 219,694	$ 229,746	$ 498,990	$ 509,042
Impairment	38,297	38,297	87,980	87,980
Other Income adjustments:				
Other Income				
Change in fair value of investments in excess mortgage servicing rights	(17,100)	(17,100)	7,297	7,297
Change in fair value of investments in excess mortgage servicing rights, equity method investees	(7,918)	(7,918)	(16,526)	(16,526)
Change in fair value of investments in servicer advances	12,097	12,097	7,769	7,769
Gain on consumer loans investment	—	—	(9,943)	(9,943)
Gain on remeasurement of consumer loans investment	—	—	(71,250)	(71,250)
(Gain) loss on settlement of investments, net	11,114	11,114	55,404	55,404

Unrealized gain on derivative instruments	(20,882)	(20,882)	(12,378)	(12,378)
Unrealized (gain) loss on other asset-backed securities	2,096	2,096	2,322	2,322
Gain on transfer of loans to real estate owned	(3,696)	(3,696)	(18,356)	(18,356)
Gain on Excess MSR recapture agreements	(614)	(614)	(2,802)	(2,802)
Other (income) loss	1,809	1,809	6,842	6,842
Total Other Income adjustments	**(23,094)**	**(23,094)**	**(51,621)**	**(51,621)**
Other Income and Impairment attributable to non-controlling interests	(16,333)	(16,333)	(26,303)	(26,303)
Change in fair value of investments in mortgage servicing rights	(104,144)	(104,144)	(104,144)	(104,144)
Non-capitalized transaction related expenses	1,472	1,472	9,493	9,493

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(dollars in thousands, except per share amounts)	Three Months Ended December 31, 2016 Low	Three Months Ended December 31, 2016 High	Year Ended December 31, 2016 Low	Year Ended December 31, 2016 High
Incentive compensation to affiliate	28,997	28,997	42,197	42,197
Deferred taxes	21,650	21,650	34,648	34,648
Interest income on residential mortgage loans, held-for-sale	5,706	5,706	18,356	18,356
Limit on RMBS discount accretion related to called deals	(23,990)	(23,990)	(30,233)	(30,233)
Adjust consumer loans to level yield	(5,071)	(5,071)	7,470	7,470
Core Earnings of equity method investees:				
Excess mortgage servicing rights	5,975	5,975	18,206	18,206
Core Earnings	**$ 149,159**	**$ 159,211**	**$ 505,039**	**$ 515,091**
Net Income Per Share of Common Stock, Diluted	$ 0.87	$ 0.91	$ 2.09	$ 2.13
Core Earnings Per Share of Common Stock, Diluted	$ 0.59	$ 0.63	$ 2.12	$ 2.16
Weighted Average Number of Shares of Common Stock Outstanding, Diluted	251,299,730	251,299,730	238,486,772	238,486,772

The reconciliation of estimated preliminary Net Income to Core Earnings results was calculated across the low and high Net Income ranges based on our preliminary estimates of the expected base case differences between Net Income and Core Earnings. Similar to the estimated preliminary operating results noted above, our final reconciliation upon completion of our closing procedures may vary from the preliminary estimates.

We have four primary variables that impact our operating performance: (i) the current yield earned on our investments, (ii) the interest expense under the debt incurred to finance our investments, (iii) our operating expenses and taxes and (iv) our realized and unrealized gains or losses, including any impairment, on our investments. Core Earnings is a non-GAAP measure of our 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 our performance without taking into account: (i) realized and unrealized gains and losses, which although they represent a part of our recurring operations, are subject to significant variability and are generally limited to a potential indicator of future economic performance; (ii) incentive compensation paid to our Manager; (iii) non-capitalized transaction-related expenses; and (iv) deferred taxes, which are not representative of current operations. For a further explanation of Core Earnings, see Summary Historical Financial Information.

Our Corporate Information

Our principal executive offices are located at 1345 Avenue of the Americas, 45th Floor, New York, New York 10105.

Our telephone number is 212-479-3150. Our web address is www.newresi.com. The information on or otherwise accessible through our web site does not constitute a part of this prospectus supplement or the accompanying prospectus and is not incorporated by reference into this prospectus supplement, accompanying prospectus or any other report or document we file with or furnish to the SEC.

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THE OFFERING

Common stock offered
49,170,250 shares (or 56,545,787 shares if the underwriters exercise their option to purchase additional shares of our common stock in full)
Common stock to be outstanding after the offering
299,958,580 shares (or 307,334,117 shares if the underwriters exercise their option to purchase additional shares of our common stock in full)
NYSE symbol
NRZ
Risk factors
Investing in our common stock involves certain risks, which are described under Risk Factors beginning on page S-11 of this prospectus supplement and in our reports filed with the SEC.
Use of proceeds
We estimate that the net proceeds from our sale of common stock in this offering will be approximately $ (or $ if the underwriters exercise their option to purchase additional shares of our common stock in full) after deducting the expenses of this offering and the underwriting discount. We intend to use the net proceeds from our sale of common stock in this offering to fund a portion of the purchase price for the Citi Transaction, to make additional investments and for general corporate purposes. An affiliate of one of the underwriters for this offering is the seller in the Citi Transaction.
The number of shares of our common stock that will be outstanding after this offering is based on 250,788,330 shares of our common stock outstanding as of January 27, 2017 and excludes:

(i) options relating to an aggregate of 11,204,242 shares of our common stock held by an affiliate of our Manager;
(ii) options relating to an aggregate of 1,986,368 shares of our common stock assigned to employees of affiliates of our Manager;
(iii) options relating to an aggregate of 6,000 shares of our common stock held by our directors; and
(iv) options relating to 4,917,025 shares of our common stock (or 5,654,578 shares if the underwriters exercise their option to purchase additional shares of our common stock in full) at an exercise price per share equal to the public offering price, representing 10% of the number of shares being offered hereby, that have been approved by the compensation committee of our board of directors to be granted pursuant to and in accordance with the terms of our Nonqualified Stock Option and Incentive Award Plan, as amended (the Plan), to an affiliate of our Manager in connection with this offering, and subject to adjustment if the underwriters exercise their option to purchase additional shares of our common stock. The options are fully vested as of the date of grant, become exercisable as to 1/30 of the shares to which it is subject on the first day of each of the 30 calendar months following the first month after the date of the grant and expire on the tenth anniversary of the date of grant.

These options will be settled in an amount of cash equal to the excess of the fair market value of a share of our common stock on the date of exercise over the exercise price, unless advance approval is made to settle the option in shares.

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SUMMARY HISTORICAL FINANCIAL INFORMATION

The following table presents our summary historical financial information as of and for the years ended December 31, 2015, 2014 and 2013 and the historical financial information as of and for the nine months ended September 30, 2016 and 2015.

The summary historical consolidated statements of income for the years ended December 31, 2015, 2014 and 2013 and the summary historical consolidated balance sheets as of December 31, 2015 and 2014 have been derived from our audited financial statements incorporated by reference into this prospectus supplement. The summary historical consolidated balance sheet as of December 31, 2013 has been derived from our audited financial statements not included or incorporated by reference in this prospectus supplement.

The summary historical consolidated statements of income for the nine months ended September 30, 2016 and September 30, 2015 and the summary historical consolidated balance sheet as of September 30, 2016 are derived from our unaudited condensed and consolidated financial statements included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, which is incorporated by reference into this prospectus supplement. The summary historical consolidated balance sheets as of September 30, 2015 are derived from our unaudited condensed and consolidated financial statements included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, which is not incorporated by reference into this prospectus supplement. The unaudited condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and, in the opinion of New Residential s management, include all adjustments necessary for a fair presentation of the information set forth herein. Interim results of operations are not necessarily indicative of the results to be expected for the full year or any subsequent period.

The summary historical financial information below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and New Residential s audited consolidated financial statements and related notes in New Residential s Annual Report on Form 10-K for the year ended December 31, 2015 and Management s Discussion and Analysis of Financial Condition and Results of Operations and New Residential s unaudited condensed consolidated financial statements and related notes in New Residential s Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, each of which is incorporated by reference into this prospectus supplement.

(dollars in thousands, except share and per share data)	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015	Year Ended December 31, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013
Statement of Income Data					
Interest income	$ 749,901	$ 444,891	$ 645,072	$ 346,857	$ 87,567
Interest expense	278,401	193,408	274,013	140,708	15,024
Net Interest Income	471,500	251,483	371,059	206,149	72,543
Impairment	49,683	5,702	24,384	11,282	5,454
Net interest income after impairment	421,817	245,781	346,675	194,867	67,089
Other Income	38,900	32,120	42,029	375,088	241,008
Operating Expenses	101,871	90,124			