ALTISOURCE RESIDENTIAL CORPORATION

January 2013

Proprietary

Forward Looking Statements

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Introduction

Altisource Residential Corporation

NYSE: “RESI”

William Erbey

- Chairman of the Board of RESI.
- Chairman of the Board of OCN, ASPS, HLSS and AAMC.

Ashish Pandey

- CEO of RESI and AAMC since December 2012.
- Prior to joining the Company, Ashish served as the CEO of Correspondent One (Joint venture between OCN and ASPS), and Executive Vice President - Asset Management of OCN.
- Formerly Treasurer and Director of Corporate Strategy for OCN.

Corporate Evolution

1996: IPO of Ocwen Financial Corporation

2009: Spin-off of Altisource Portfolio Solutions

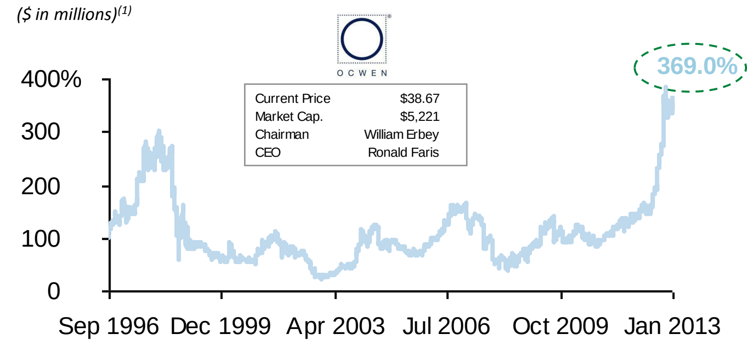
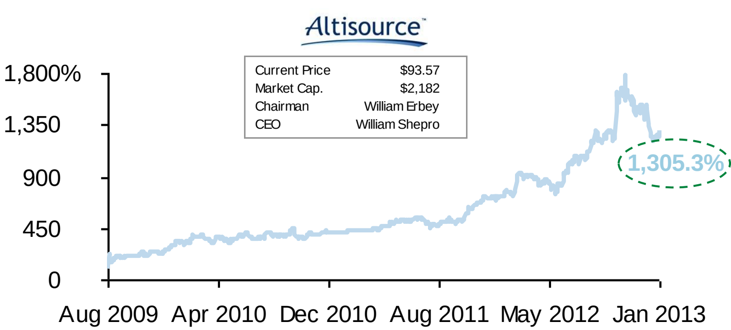
- 2010: OCN acquisition of HomEq
- 2011: OCN acquisition of Litton Loan Servicing
- 2011: OCN follow-on equity offering
- 2012: OCN acquisition of Saxon Mortgage

2012: Carve-out IPO of Home Loan Servicing Solutions

- 2012: OCN acquisition of Homeward Residential
- 2012: HLSS follow-on equity offerings
- 2012: ASPS inaugural senior secured term loan offering
- 2012: OCN acquisition of ResCap

2012: Spin-off of Altisource Residential

Long History of Value Creation

Share Price Performance Since IPO		Value Proposition
Servicing		Substantial growth profile with over $325 billion UPB Superior servicing and loss mitigation Highly scalable platform; cost per loan ~30% of industry average
Asset Management		> 90,000 REO dispositions (3 years) Sells ~1% of all homes in the U.S. Advanced technology platform to support growth; ~10,000 service providers in vendor network Over 150,000 repair, maintenance and inspection orders completed per month
Capital Markets		Growing dividend and earnings yield since IPO 3 accretive capital raises in 12 months Synergistic relationship with OCN and ASPS

Source: FactSet, market data as of January 10, 2012.
(1) Except for per share data.

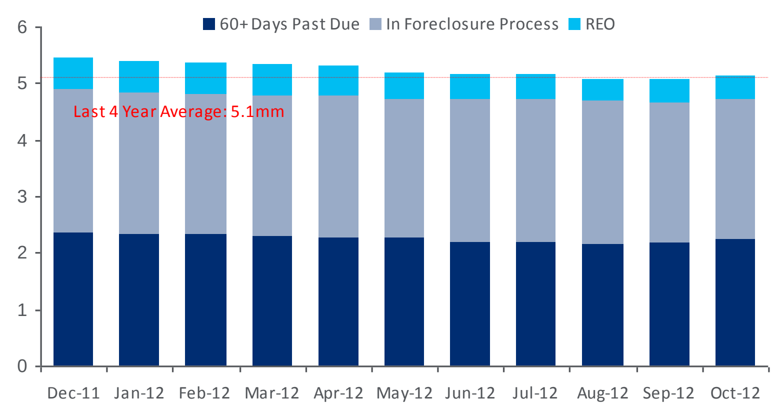
Sizable Market Opportunity Driving Acquisition Pipeline

Single – Family Home Market Size

Substantial Shadow Inventory (Positive SFR Supply)

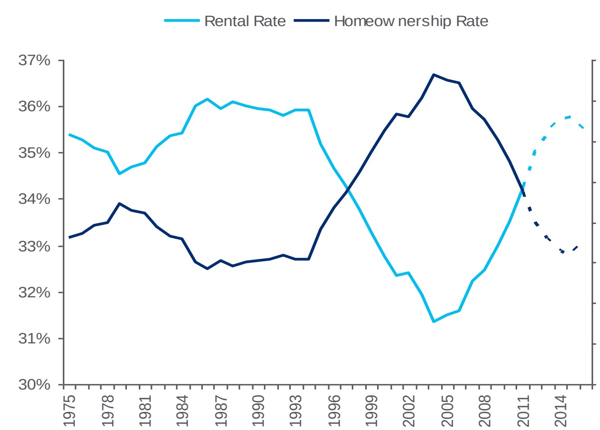
Shadow Inventory

(units in millions)



Changing Rental Dynamics (Increasing Rental Demand)

Homeownership vs. Rental Rate



Source: U.S. Census Bureau, Department of Commerce, and Green Street Research

Positioned to Benefit From Proven Platform

Altisource Asset Management Corporation
OTC: “AAMC”
Incorporated in U.S. Virgin Islands

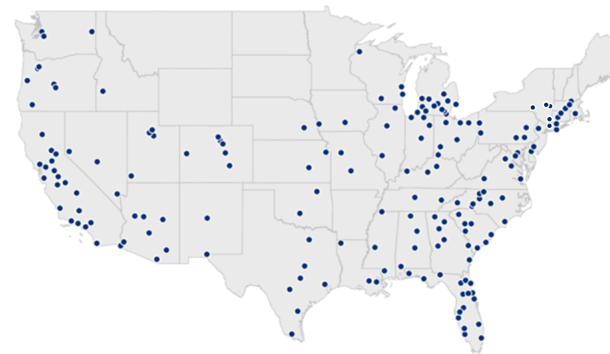
Asset Management and Corporate Governance services

Incentive fee and expense reimbursement

Altisource Residential Corporation
NYSE: “RESI”
Maryland Incorporated REIT

$300+ million NPL pipeline[1]

Renovation, leasing and property management services footprint encompasses ~80% of NPLs



Non-performing loan servicing

Servicing fee

Property management fee

Ocwen Financial Corporation
NYSE: “OCN”

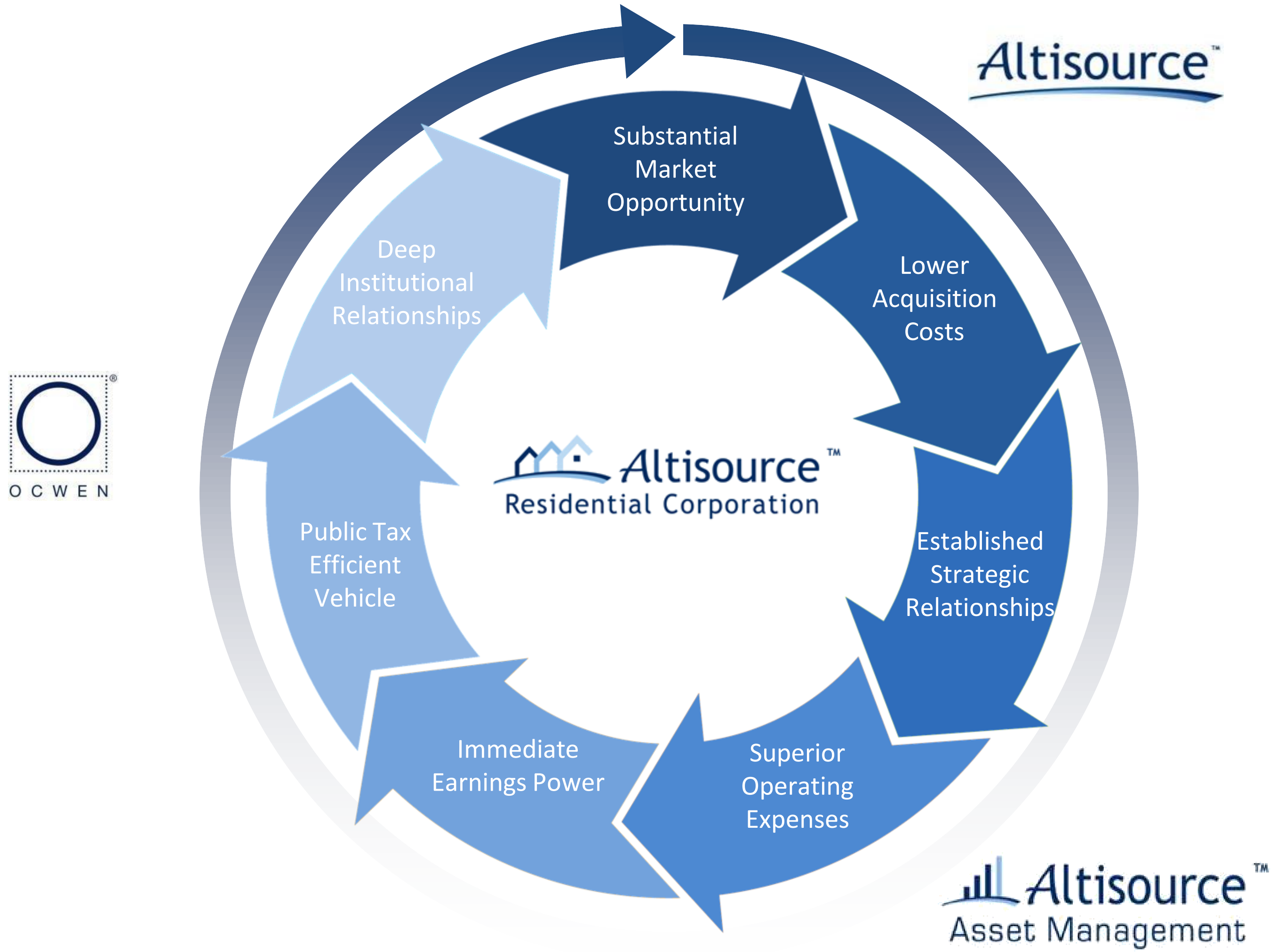
Altisource Portfolio Solution S.A.
NASDAQ: “ASPS”

Source: Inside Mortgage Finance, data as of June 30, 2012.

(1) Management is currently evaluating $300+ million in NPLs.

Our Business Model

RESI's unique business model provides it with unparalleled bespoke operating capabilities that are not replicable and is poised to capitalize on the substantial single family rental opportunity.



RESI Has Differentiated Business Model

	RESI Model (Altisource Residential Corporation)		Other Models	
Acquisition Strategy	Multifaceted approach with focus on NPLs	✓	Reliant on direct to market REO purchases	✗
Footprint	National	✓	Local	✗
Operating Cost	Lower and predictable cost structure	✓	Suboptimal and less predictable	✗
Vendor Management	Established national network	✓	De-centralized	✗
Value Proposition	Property yield + NPL monetization + HPI	✓	Property yield - Acquisition costs - Incremental expenses + HPI	✗

Multiple Potential Avenues of Value Creation

Our model seeks to employ alternative strategies to deliver value to shareholders in a timely and accretive fashion. Unlike other participants' models, RESI's total yield is not reliant on HPI.

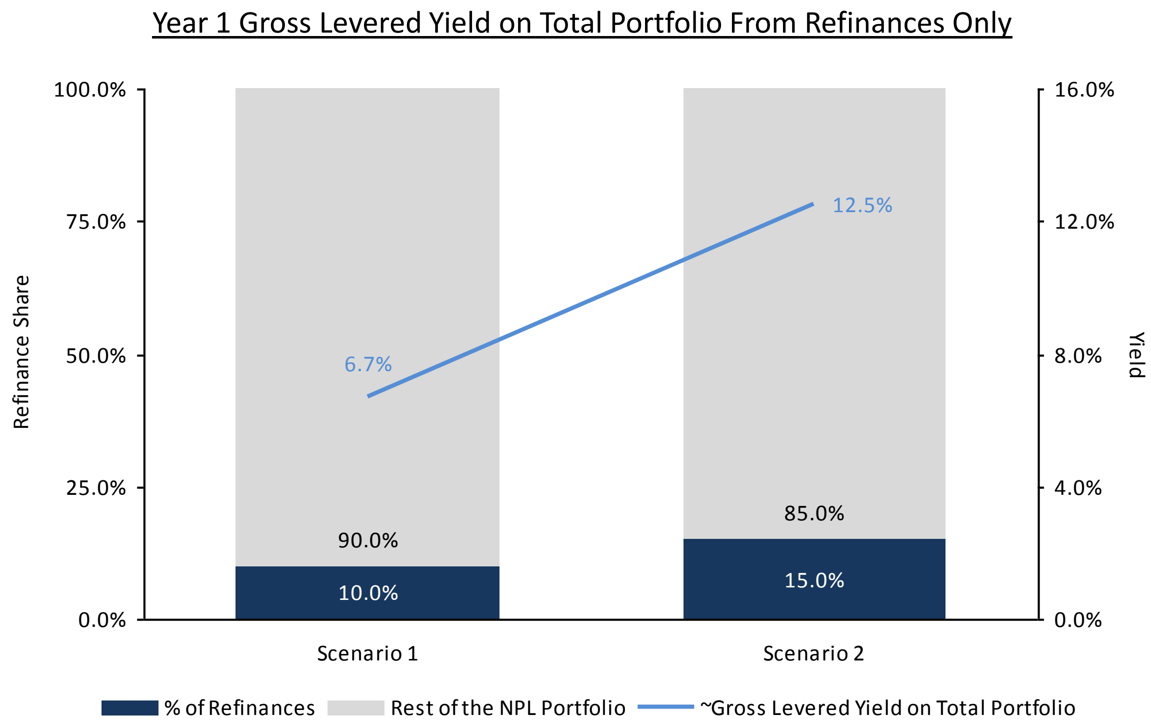
Purchase non performing loans

Program	Loan Modification	Collateral Resolution	Collateral Disposition
Function	Refinancing	Deed for Lease, Deed in Lieu and REO Rental	REO Liquidation / Short Sale
Financial Impact / Strategy	Near-term earnings power	Low operating costs + Low acquisition costs	Low operating costs + Low acquisition costs
Potential Returns	~30-50%(1)	~10-20%(2)	~10%(3)
Estimated Timeline	~6-9 months	~3-21 months	~8-24 months

(1) At the high point of the range, assumes NPLs can be purchased at 60% of the property value, and will be refinanced at 95% of the property value.
(2) Assumes that Deed for Lease and Deed in Lieu will accelerate access to property in shorter time frames.
(3) Based on management's estimate of an NPL discount rate of 10%.

Liquidated/Refinanced NPLs Provide Initial Earnings Momentum

RESI's focus on NPLs in designed to create near-term earnings power and minimizes the near-term earnings desert.



We expect that Refinances, Short Sales and DFLs/DILs will provide us with the ability to generate cash flow in the near term. Refinancing 10% of the portfolio is expected to result in a gross levered yield of 6.7% for the entire portfolio.

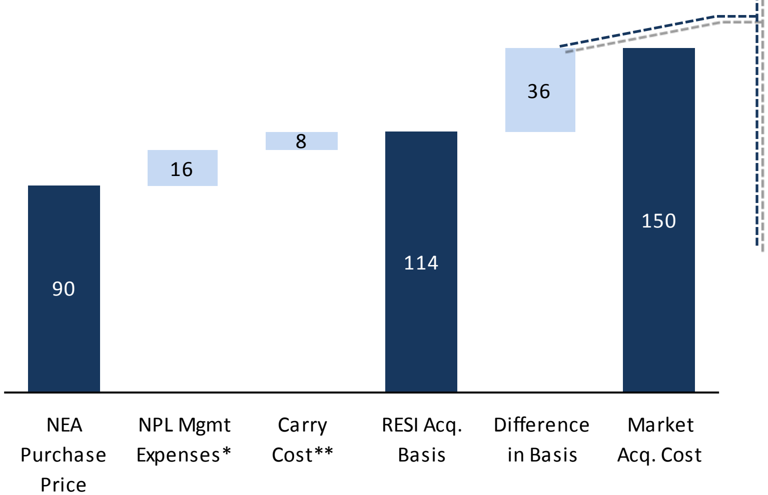
Note: This slide is a hypothetical illustration of management's belief that the Company can purchase NPLs at 60% of the property value and refinance at 95% of the property value. Does not include any probable returns from the rest of the NPL portfolio.

NPL Cost Advantage

We believe that our cost of acquisition for single family rental assets is likely to be lower than many of our competitors

Higher Discount Rate	NPLs are expected to be purchased at a higher discount rate as compared to that used by other market players.
Lower Transaction Costs	We intend to avoid typical REO acquisition costs (such as real estate brokerage commissions etc.).
Lower Competitive Intensity	We believe there is lower competitive intensity in purchasing NPLs due to complexities of managing such loans.

RESI purchase price vis-à-vis market

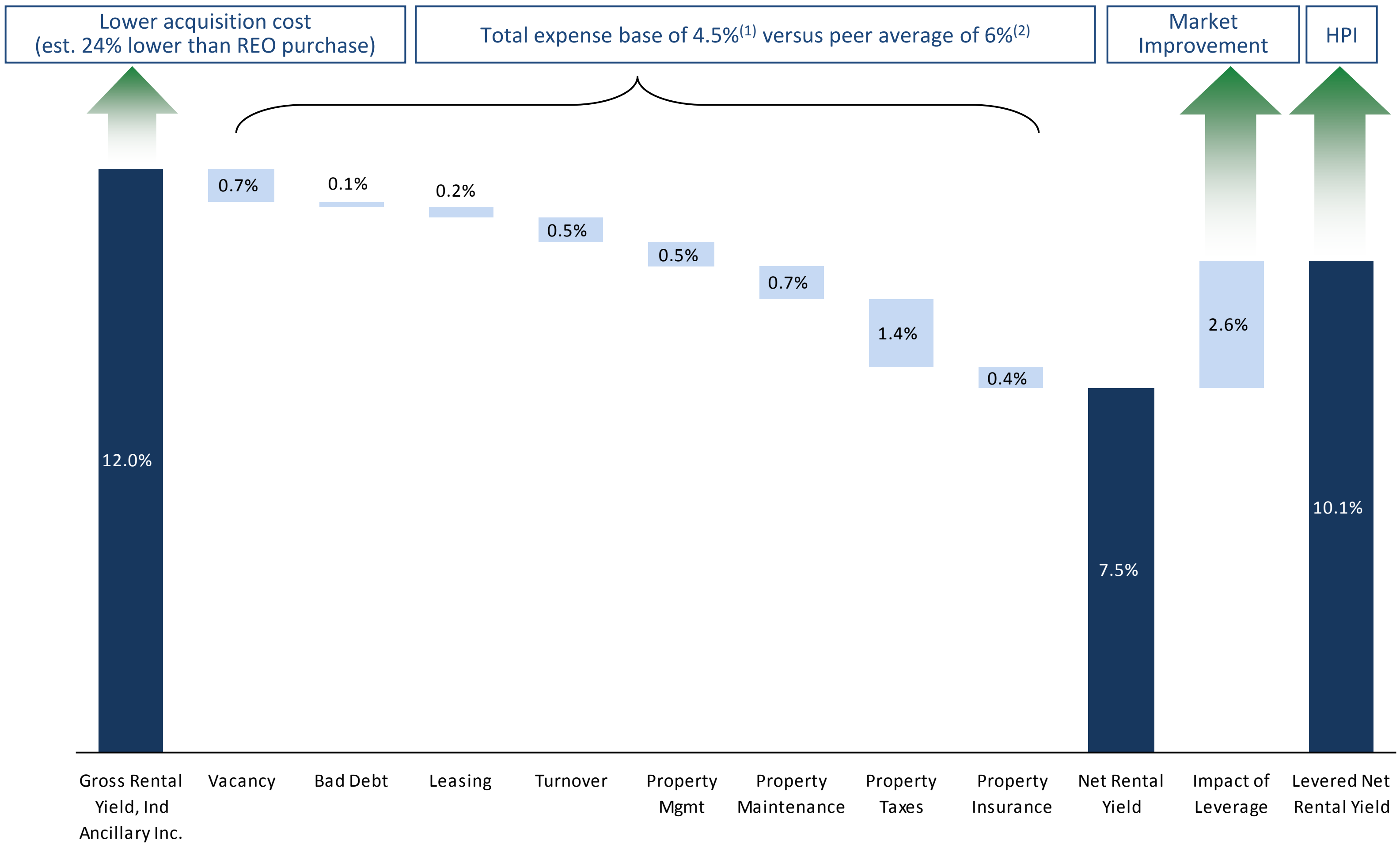


RESI Acq. Basis is estimated to be 24% lower on account of higher NPL discount rate and absence of typical REO acquisition costs like brokerage commissions and closing costs.

* This is a hypothetical illustration of management's expectations. NPL management expenses may differ depending on the geographical composition and underlying property characteristics of the portfolio.
** This is a hypothetical illustration of management's expectations. Carry costs are computed using expected market yield on single family rental.

Single Property Rental Yield: Illustrative Economics

RESI intends to leverage lower operating costs, lower acquisition costs and national infrastructure to achieve return thresholds.



(1) The 4.5% expense base is illustrative and based on management's belief that the Company can receive these services at a cost similar to those of multifamily peers.
(2) Based on SFR and multifamily peers.

Superior Business Model Supported by a Sound Ecosystem

Thriving single-family rental market

Difficult to replicate business model

Expects to acquire single-family rental assets at a lower cost via purchase of NPL

Believe superior operating expenses and nationwide scalability from established strategic relationships will provide long-term value realization

Seeking near-term earnings power minimizes near-term earnings desert via active loan modifications and refinancing

Tax-efficient cash distribution via public REIT structure

Deep institutional relationships