



AAMC Update

Supplemental Investor Information

4th Quarter 2015

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Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding management's beliefs, estimates, projections, anticipations and assumptions with respect to, among other things, the Company's financial results, future operations, business plans and investment strategies as well as industry and market conditions. These statements may be identified by words such as "anticipate," "intend," "expect," "may," "could," "should," "would," "plan," "estimate," "seek," "believe" and other expressions or words of similar meaning. We caution that forward looking statements are qualified by the existence of certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors that could cause the Company's actual results to differ materially from these forward-looking statements may include, without limitation, our ability to implement our business strategy; the ability of Altisource Residential Corporation ("Residential") to achieve targeted returns on its invested capital; the impact of changes to the supply of, value of and the returns on sub-performing and non-performing loans and single-family rental properties; Residential's ability to successfully modify or otherwise resolve sub-performing and non-performing loans; Residential's ability to convert loans to single-family rental properties and acquire single-family rental properties, generating attractive returns; our ability to predict costs; difficulties in identifying sub-performing and non-performing loans and single-family properties to acquire; our ability to effectively compete with competitors; Residential's ability to apply the net proceeds from financings in target assets in a timely manner; changes in interest rates and the market value of the collateral underlying Residential's sub-performing and nonperforming loan portfolios or acquired single-family properties; Residential's ability to obtain and access financing arrangements on favorable terms, or at all; the failure of Altisource Portfolio Solutions S.A. to effectively perform its obligations under its master services agreement with Residential; the failure of Residential's servicers to effectively perform servicing obligations under their servicing agreements with Residential; Residential's failure to qualify or maintain qualification as a REIT; Residential's failure to maintain its exemption from registration under the Investment Company Act of 1940, as amended; the impact of adverse real estate, mortgage or housing markets; the impact of adverse legislative or regulatory tax changes and other risks and uncertainties detailed in the "Risk Factors" and other sections described from time to time in the Company's current and future filings with the Securities and Exchange Commission. In addition, financial risks such as liquidity and credit risks could influence future results. The foregoing list of factors should not be construed as exhaustive.

The statements made in this presentation are current as of the date of this presentation only. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other information contained herein, whether as a result of new information, future events or otherwise.

4th Quarter 2015 Highlights

Financial

- Facilitated Residential's declaration and payment of \$0.10 per share dividend plus catch-up dividend of \$0.15, bringing total dividends of 2015 taxable income to \$1.90 per share
- Managed the repurchase of \$5 million of RESI stock in the quarter
- Completed repurchases of \$2.7 million of AAMC common stock, bringing total AAMC stock repurchases under the Board-approved repurchase plan to \$249.1 million

Portfolio

- Executed Residential's sale of 772 loans (15% of year end UPB); facilitated agreement to sell 1,266 NPLs (24% of year end UPB) at carrying value. Sale expected to close 1Q16¹
- Advised Residential on the purchase of a bulk rental home portfolio of 627 homes; expected to close by the end of 1Q16¹
- Expanded Residential's One-by-One program in 4Q15 with 156 homes acquired or under contract and the program is now purchasing in 9 MSAs
- Increased Residential's leased properties in the quarter to 2,118, and brought the total rental portfolio to 2,732 homes², while the NPL portfolio was decreased to 5,739 loans²

Operations

- Residential's stabilized rentals leased improved to 96% at quarter end from 95% at the prior quarter end
- Residential's stabilized rental portfolio net operating margin estimated at 56% for the quarter
- Residential contributed 1,329 REOs for sale in the fourth quarter; sold 389 REOs in the fourth quarter and sold 374 to date in 2016 as of February 25, 2016.

Funding

- Residential had \$629 million of available financing capacity including cash at quarter end

1) Pending loan sale is subject to completion of due diligence and final negotiation of definitive purchase agreement. Winning bid within 1% of balance sheet carrying value for the loans. Does not include kick-outs. Pending sale and pending purchase transactions may not be completed timely or at all.

2) Total rental homes includes leased, listed for rent, and under renovation or turn properties and excludes homes held for sale or other use. Loan portfolio excludes 1,297 loans held for sale as of December 31, 2015.

Consolidating Statement of Operations

4Q15



\$s in thousands
unaudited

Three months ended December 31, 2015

	Residential (GAAP)	NewSource Stand-alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 5,672	\$ -	\$ -	\$ -	\$ 5,672
Net unrealized loss on mortgage loans	(42,013)	-	-	-	(42,013)
Net realized gain on mortgage loans	10,533	-	-	-	10,533
Net realized gain on mortgage loans held for sale	35,927	-	-	-	35,927
Net realized gain on real estate	14,006	-	-	-	14,006
Interest income	16	1	-	-	17
Conversion fee	-	-	309	(309)	-
Base management fee	-	-	4,524	(4,524)	-
Incentive management fee	-	-	(6,906)	6,906	-
Total revenues	24,141	1	(2,073)	2,073	24,142
Expenses:					
Residential property operating expenses	20,376	-	-	-	20,376
Real estate depreciation and amortization	3,080	-	-	-	3,080
Acquisition fees and costs	1,298	-	-	-	1,298
Real estate and mortgage loan selling costs and impairment	37,995	-	-	-	37,995
Mortgage loan servicing costs	14,357	-	-	-	14,357
Interest expense	14,217	-	-	-	14,217
General and administrative	1,036	41	6,348	-	7,425
Related party general and administrative	(2,073)	-	-	2,073	-
Total expenses	90,286	41	6,348	2,073	98,748
Other income	-	-	33	(33)	-
Loss before income taxes	(66,145)	(40)	(8,388)	(33)	(74,606)
Income tax expense (benefit)	13	-	101	-	114
Net loss	(66,158)	(40)	(8,489)	(33)	(74,720)
Net income attributable to noncontrolling interest in consolidated affiliate	-	-	-	65,779	65,779
Net loss attributable to common stockholders	\$ (66,158)	\$ (40)	\$ (8,489)	\$ 65,746	\$ (8,941)
(Loss) earnings per basic and diluted share					\$ (4.12)

Consolidating Statement of Operations

\$s in thousands
unaudited

Year ended December 31, 2015

	Residential (GAAP)	NewSource Stand-alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 13,233	\$ -	\$ -	\$ -	\$ 13,233
Net unrealized gain on mortgage loans	88,829	-	-	-	88,829
Net realized gain on mortgage loans	58,061	-	-	-	58,061
Net realized gain on mortgage loans held for sale	36,432	-	-	-	36,432
Net realized gain on real estate	50,932	-	-	-	50,932
Interest income	611	564	-	(563)	612
Conversion fee	-	-	1,037	(1,037)	-
Base management fee	-	-	14,565	(14,565)	-
Incentive management fee	-	-	7,994	(7,994)	-
Expense reimbursements	-	-	750	(750)	-
Total revenues	248,098	564	24,346	(24,909)	248,099
Expenses:					
Residential property operating expenses	66,266	-	-	-	66,266
Real estate depreciation and amortization	7,472	-	-	-	7,472
Acquisition fees and costs	2,292	-	-	-	2,292
Real estate and mortgage loan selling costs and impairment	72,230	-	-	-	72,230
Mortgage loan servicing costs	62,346	-	-	-	62,346
Interest expense	53,694	-	-	(563)	53,131
General and administrative	9,539	199	23,158	-	32,896
Related party general and administrative	23,716	630	2,000	(26,346)	-
Total expenses	297,555	829	25,158	(26,909)	296,633
Other income	3,518	-	211	(3,729)	-
Loss before income taxes	(45,939)	(265)	(601)	(1,729)	(48,534)
Income tax expense (benefit)	66	-	288	-	354
Net loss	(46,005)	(265)	(889)	(1,729)	(48,888)
Net income attributable to noncontrolling interest in consolidated affiliate	-	-	-	45,598	45,598
Net loss attributable to common stockholders	\$ (46,005)	\$ (265)	\$ (889)	\$ 43,869	\$ (3,290)
(Loss) earnings per basic and diluted share					\$ (1.59)

Consolidating Balance Sheet

\$s in thousands
unaudited

As of December 31, 2015

Assets:

Real estate held for use:

	Residential (GAAP)	NewSource Stand-alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Land	\$ 56,346	\$ -	\$ -	\$ -	\$ 56,346
Rental residential properties, net	224,040	-	-	-	224,040
Real estate owned	455,483	-	-	-	455,483
Total real estate held for use, net	735,869	-	-	-	735,869
Real estate assets held for sale	250,557	-	-	-	250,557
Mortgage loans at fair value	960,534	-	-	-	960,534
Mortgage loans held for sale	317,336	-	-	-	317,336
Cash and cash equivalents	116,702	4,583	63,259	-	184,544
Restricted cash	20,566	-	-	-	20,566
Accounts receivable	45,903	-	123	-	46,026
Related party receivables	2,180	-	-	(2,180)	-
Investment in affiliate	-	-	12,007	(12,007)	-
Deferred leasing and financing costs, net	7,886	-	-	-	7,886
Prepaid expenses and other assets	415	5	2,028	10	2,458

Total assets **\$ 2,457,948** **\$ 4,588** **\$ 77,417** **\$ (14,177)** **\$ 2,525,776**

Liabilities:

Repurchase agreements	\$ 767,513	\$ -	\$ -	\$ -	\$ 767,513
Other secured borrowings	505,630	-	-	-	505,630
Accounts payable and accrued liabilities	32,448	1,546	4,728	-	38,722
Related party payables	-	-	2,180	(2,180)	-

Total liabilities **1,305,591** **1,546** **6,908** **(2,180)** **1,311,865**

Commitments and contingencies

- - - - -

Redeemable preferred stock

- - 249,133 - 249,133

Equity:

Common stock	572	-	26	(572)	26
Additional paid-in capital	1,227,385	7,000	21,089	(1,232,055)	23,419
Retained earnings (accumulated deficit)	(50,617)	(3,958)	55,245	50,008	50,678
Treasury stock	(24,983)	-	(254,984)	24,983	(254,984)
Total stockholders' equity	1,152,357	3,042	(178,624)	(1,157,636)	(180,861)
Noncontrolling interest in consolidated affiliate	-	-	-	1,145,639	1,145,639

Total equity **1,152,357** **3,042** **(178,624)** **(11,997)** **964,778**

Total liabilities and equity **\$ 2,457,948** **\$ 4,588** **\$ 77,417** **\$ (14,177)** **\$ 2,525,776**

- Continue to drive RESI's growth while maintaining the appropriate ROE, liquidity and operational efficiencies
- Residential's rented properties expected to exceed 2,500 by the end of 1Q16
- Insurance Asset Management
- Origination of single family home first mortgages as well as multiple property lessor loans

Shareholder Relations Information



About Altisource Asset Management Corporation	AAMC is an asset management company that provides portfolio management and corporate governance services to institutional investors.
Contact Information	All Investor Relations inquiries should be sent to shareholders@altisourceAMC.com .
Exchange	NYSE MKT
Ticker	AAMC
Headquarters	Christiansted, USVI

