

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2025
or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-35777

Rithm Capital Corp.

(Exact name of registrant as specified in its charter)

Delaware

45-3449660

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

799 Broadway

New York

NY

10003

(Address of principal executive offices)

(Zip Code)

(212) 850-7770

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, \$0.01 par value per share: 530,292,171 shares outstanding as of July 29, 2025.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report 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 and are based on, among other things, the operating performance of our investments, the stability of our earnings, our financing needs, certain assumptions, future expectations, future plans and strategies, projections of results of operations, cash flows or financial condition, the size and/or attractiveness of market opportunities, the residential and commercial real estate markets and general economic conditions or other forward-looking information. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may,” “will,” “plan,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue” or other similar words or expressions. Our ability to predict results or the actual outcome of future plans or strategies is inherently limited. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results, activities 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.

Our ability to implement our business strategy is subject to numerous risks, and the following is only a summary of the principal risks that may materially adversely affect our business, financial condition, results of operations and cash flows. The following should be read in conjunction with the more complete discussion of risk factors we face, which are set forth under Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and under Part II, Item 1A. “Risk Factors” of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025. These risks and factors include, among others:

- our ability to successfully operate our business strategies and generate sufficient revenue;
 - the value of our investments, including the valuation methodologies used for certain assets in our funds, is based on various assumptions that could prove to be incorrect and could have a negative impact on our financial results;
 - the risks related to our origination and servicing operations, including, but not limited to, compliance with applicable federal, state and local laws, regulations and other requirements, including changes in regulatory oversight; significant increases in loan delinquencies; compliance with the terms of related servicing agreements; financing related to servicer advances, mortgage servicing rights (“MSRs” and each mortgage servicing right, an “MSR”) and our origination business; expenses related to servicing high risk loans; unrecoverable or delayed recovery of servicing advances; foreclosure rates; servicer ratings; and termination of government mortgage refinancing programs;
 - changes in general economic conditions, including the impacts of tariffs and inflation or other governmental changes, a general economic slowdown, increased market volatility or a severe recession in our industry or in the commercial finance, asset management and real estate sectors, including the impact on the value of our assets or the performance of our investments;
 - competition within the finance, real estate and asset management industries;
 - interest rate fluctuations and shifts in the yield curve;
 - changes in interest rates and/or credit spreads, as well as the risks related to the success of any hedging strategy we may undertake in relation to such changes;
 - the impact that risks associated with residential mortgage loans, including subprime mortgage loans, home equity lines of credit (“HELOCs”) and consumer loans, as well as risks associated with deficiencies in servicing and foreclosure practices, may have on the value of our MSRs, excess mortgage servicing rights (“Excess MSRs”), servicer advance investments, residential mortgage-backed securities (“RMBS”), residential mortgage loans, HELOCs and consumer loan portfolios;
 - our reliance on, and counterparty concentration and default risks in, the servicers and subservicers we engage (“Servicing Partners”) and other third parties;
 - the risks that default and recovery rates on our MSRs, Excess MSRs, servicer advance investments, servicer advance receivables, RMBS, residential mortgage loans, HELOCs 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, as well as the risk that projected recapture rates on the loan pools underlying our MSRs or Excess MSRs are not achieved;
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- 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 servicer advance investments or MSR;
 - cybersecurity incidents and technology disruptions or failures, including risks related to the use of artificial intelligence by us and our customers;
 - our dependence on counterparties and vendors to provide certain services and risks related to the exposure to counterparties that are unwilling or unable to honor contractual obligations, including their obligation to indemnify us, keep our information confidential or repurchase defective mortgage loans;
 - the mortgage lending and origination- and servicing-related regulations promulgated by the Consumer Financial Protection Bureau, as well as other federal, state and local governmental and regulatory authorities and enforcement of such regulations;
 - risks related to our Asset Management business, which includes, but is not limited to, Sculptor Capital Management, Inc. (together with its affiliates, “Sculptor”) and Sculptor’s funds, including, but not limited to, redemption risk, market risk, historical return-related risk, risks related to investment professionals, leverage risk, diligence risk, liquidity risk, risks related to the liquidation of the funds and loss of management fees, valuation risk, risks related to minority investments, foreign investment risk, regulatory risk, risks related to hedging, risks related to conflicts of interest and risk management and investment strategy risks, as well as any risks related to our management of Rithm Property Trust Inc. (“Rithm Property Trust”);
 - risks associated with our Genesis Capital LLC (“Genesis”) business, including but not limited to, borrower risk, risks related to short-term loans and balloon payments, risks related to construction loans and concentration risk;
 - risks associated with our single-family rental (“SFR”) business, including but not limited to the impact of seasonal fluctuations, regulation of the SFR industry, significant competition in the leasing market for quality residents and fixed costs related to the SFR industry, such as increasing property taxes, homeowners’ association (“HOA”) fees and insurance costs;
 - risks related to the operations of our subsidiaries that are registered with the U.S. Securities and Exchange Commission (the “SEC”) as investment advisers under Investment Advisers Act of 1940, including Sculptor, RCM GA Manager LLC (“RCM Manager”) and Rithm Capital Advisors LLC, which imposes limits on our operations;
 - our ability to maintain our exclusion from registration under the Investment Company Act of 1940 and limits on our operations from maintaining such exclusion;
 - our ability to maintain our qualification as a real estate investment trust (“REIT”) for United States of America (“U.S.”) federal income tax purposes and limits on our operations from maintaining REIT status;
 - risks related to the legislative/regulatory environment, including, but not limited to, the impact of regulation regarding corporate governance and public disclosure, changes in regulatory and accounting rules, U.S. government programs intended to grow the economy, future changes to tax laws, regulatory supervision by the Financial Stability Oversight Council, the federal conservatorship of the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”, and together with Fannie Mae, “GSEs”), legislation that permits modification of the terms of residential mortgage loans and the impact of uncertainty surrounding regulatory oversight in the current administration;
 - the risk that actions by the GSEs, the Government National Mortgage Association (“Ginnie Mae” and, collectively with the GSEs, the “Agencies” and each of Fannie Mae, Freddie Mac and Ginnie Mae, an “Agency”) or other regulatory initiatives or actions may adversely affect returns from investments in MSRs and Excess MSRs and may lower gain on sale margins;
 - risks associated with our indebtedness, including, but not limited to, our senior unsecured notes and related restrictive covenants and non-recourse long-term financing structures;
 - our ability to obtain and maintain financing arrangements on terms favorable to us or at all, whether prompted by adverse changes in financing markets or otherwise;
 - increased focus related to environmental, social and governance issues, including, but not limited to climate change and related regulations, and any impact such focus could have on our reputation;
 - impact from any of our current or future acquisitions and our ability to successfully integrate the acquired assets, entities, employees and assumed liabilities;
 - the impact of current or future legal proceedings and regulatory investigations and inquiries involving us, our Servicing Partners or other business partners;
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- adverse market, regulatory or interest rate environments or our issuance of debt or equity, any of which may negatively affect the market price of our common stock;
- our ability to consummate future opportunities for acquisitions and dispositions of assets and financing transactions;
- our ability to pay distributions on our common stock;
- dilution experienced by our existing stockholders as a result of the conversion of the preferred stock into shares of common stock or the vesting of performance stock units and restricted stock units or other compensatory securities; and
- risks related to our ability to maintain effective internal control over financial reporting, including our ability to remediate any existing material weakness and the timing of any such remediation.

We also direct readers to other risks and uncertainties referenced under Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and under Part II, Item 1A. “Risk Factors” of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025. 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.

SPECIAL NOTE REGARDING EXHIBITS

In reviewing the agreements included as exhibits to this Quarterly Report on Form 10-Q, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about Rithm Capital Corp. (together with its consolidated subsidiaries, the “Company”, “Rithm Capital” or “we”, “our” and “us”) or the other parties to the agreements. The agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements proved to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Quarterly Report on Form 10-Q and the Company’s other public filings, which are available without charge through the SEC’s website at <http://www.sec.gov>.

The Company acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this report not misleading.

RITHM CAPITAL CORP.
FORM 10-Q

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PART 1. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)
RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share data)

	June 30, 2025 (Unaudited)	December 31, 2024
Assets		
Mortgage servicing rights and mortgage servicing rights financing receivables, at fair value	\$ 10,360,063	\$ 10,321,671
Government and government-backed securities (includes \$8,844,111 and \$9,711,346 at fair value, respectively)	8,868,879	9,736,116
Residential mortgage loans, held-for-sale (includes \$4,126,335 and \$4,307,571 at fair value, respectively) ^(A)	4,187,301	4,374,241
Residential mortgage loans, held-for-investment, at fair value	343,333	361,890
Consumer loans held-for-investment, at fair value ^(A)	465,231	665,565
Residential transition loans, at fair value	2,497,764	2,178,075
Residential mortgage loans subject to repurchase	2,264,600	2,745,756
Single-family rental properties	1,002,261	1,028,295
Cash and cash equivalents ^(A)	1,600,948	1,458,743
Restricted cash ^(A)	485,402	308,443
Servicer advances receivable	2,713,742	3,198,921
Other assets (includes \$2,611,330 and \$2,311,979 at fair value, respectively) ^(A)	4,660,827	4,563,415
<i>Assets of Consolidated CFEs^(A):</i>		
Investments, at fair value and other assets	4,865,602	5,107,826
Total Assets	\$ 44,315,953	\$ 46,048,957
Liabilities and Equity		
Liabilities		
Secured financing agreements ^(A)	\$ 15,897,778	\$ 16,782,467
Secured notes and bonds payable (includes \$160,433 and \$185,460 at fair value, respectively) ^(A)	9,764,857	10,298,075
Residential mortgage loan repurchase liability	2,264,600	2,745,756
Unsecured notes, net of issuance costs	1,414,497	1,204,220
Dividends payable	160,967	153,114
Accrued expenses and other liabilities (includes \$532,422 and \$525,486 at fair value, respectively) ^(A)	2,361,386	2,630,771
<i>Liabilities of Consolidated CFEs^(A):</i>		
Notes payable, at fair value and other liabilities	4,131,696	4,348,244
Total Liabilities	35,995,781	38,162,647
Commitments and Contingencies (Note 26)		
Redeemable Noncontrolling Interests of Consolidated Subsidiaries (Note 23)	260,963	—
Stockholders' Equity		
Preferred stock, \$0.01 par value, 100,000,000 shares authorized, 49,964,122 and 51,964,122 issued and outstanding, \$1,249,104 and \$1,299,104 aggregate liquidation preference, respectively	1,207,254	1,257,254
Common stock, \$0.01 par value, 2,000,000,000 shares authorized, 530,292,171 and 520,656,256 issued and outstanding, respectively	5,303	5,206
Additional paid-in capital	6,652,587	6,528,613
Retained earnings (accumulated deficit)	18,399	(46,985)
Accumulated other comprehensive income	64,840	50,886
Stockholders' Equity in Rithm Capital Corp.	7,948,383	7,794,974
Noncontrolling interests in equity of consolidated subsidiaries	110,826	91,336
Total Stockholders' Equity	8,059,209	7,886,310
Total Liabilities and Equity	\$ 44,315,953	\$ 46,048,957

(A) The Company's consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs") and certain other consolidated VIEs classified as collateralized financing entities ("CFEs") that are presented separately and measured under the CFE election. VIE assets can only be used to settle obligations and liabilities of the VIEs. VIE creditors do not have recourse to Rithm Capital Corp. As of June 30, 2025 and December 31, 2024, total assets of such consolidated VIEs were \$6.2 billion and \$6.3 billion, respectively, and total liabilities of such consolidated VIEs were \$4.9 billion and \$5.2 billion, respectively. See Note 20 for further details.

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(dollars in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 574,817	\$ 498,978	\$ 1,145,618	\$ 968,869
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(176,680), \$(165,138), \$(323,571) and \$(281,977), respectively)	(155,005)	(141,884)	(488,383)	(122,966)
Servicing revenue, net	419,812	357,094	657,235	845,903
Interest income	478,455	478,653	919,715	913,448
Gain on originated residential mortgage loans, held-for-sale, net	169,698	153,741	329,487	296,199
Other revenues	54,066	56,500	104,839	114,848
Asset management revenues	95,008	109,433	182,680	180,384
	1,217,039	1,155,421	2,193,956	2,350,782
Expenses				
Interest expense and warehouse line fees	417,868	465,944	836,922	875,771
General and administrative	239,575	214,474	477,121	419,526
Compensation and benefits	294,407	270,448	565,874	506,226
	951,850	950,866	1,879,917	1,801,523
Other Income (Loss)				
Realized and unrealized gains, net	22,741	59,217	21,598	79,628
Other income, net	18,478	26,393	27,551	42,177
	41,219	85,610	49,149	121,805
Income before Income Taxes	306,408	290,165	363,188	671,064
Income tax expense (benefit)	(11,598)	51,648	(35,528)	145,060
Net Income	318,006	238,517	398,716	526,004
Noncontrolling interests in income of consolidated subsidiaries	3,169	2,961	4,255	6,413
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,120	—	3,933	—
Net Income Attributable to Rithm Capital Corp.	311,717	235,556	390,528	519,591
Change in redemption value of redeemable noncontrolling interests	—	—	15,611	—
Dividends on preferred stock	27,818	22,395	54,495	44,790
Net Income Attributable to Common Stockholders	<u>\$ 283,899</u>	<u>\$ 213,161</u>	<u>\$ 320,422</u>	<u>\$ 474,801</u>
Net Income per Share of Common Stock				
Basic	\$ 0.54	\$ 0.44	\$ 0.61	\$ 0.98
Diluted	\$ 0.53	\$ 0.43	\$ 0.60	\$ 0.97
Weighted Average Number of Shares of Common Stock Outstanding				
Basic	530,171,540	486,721,836	527,154,950	485,029,307
Diluted	537,347,700	490,981,282	534,011,117	488,456,392
Dividends Declared per Share of Common Stock	\$ 0.25	\$ 0.25	\$ 0.50	\$ 0.50

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net Income	\$ 318,006	\$ 238,517	\$ 398,716	\$ 526,004
<i>Other Comprehensive Income (Loss):</i>				
Unrealized gain on available-for-sale securities, net of tax	3,210	412	7,951	2,015
Cumulative translation adjustment, net of tax	3,353	(158)	6,003	(934)
Comprehensive Income	324,569	238,771	412,670	527,085
Comprehensive income attributable to noncontrolling interests	3,169	2,961	4,255	6,413
Comprehensive income attributable to redeemable noncontrolling interests	3,120	—	3,933	—
Comprehensive Income Attributable to Rithm Capital Corp.	\$ 318,280	\$ 235,810	\$ 404,482	\$ 520,672

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE MONTHS ENDED JUNE 30, 2025 AND 2024

(dollars in thousands, except share and per share data)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Stockholders' Equity in Rithm Capital Corp.	Noncontrolling Interests in Equity of Consolidated Subsidiaries	Total Stockholders' Equity
	Shares	Amount	Shares	Amount						
Balance at March 31, 2025	49,964,122	\$ 1,207,254	530,122,477	\$ 5,301	\$ 6,635,226	\$ (129,934)	\$ 58,277	\$ 7,776,124	\$ 108,716	\$ 7,884,840
Dividends declared on common stock	—	—	—	—	—	(132,573)	—	(132,573)	—	(132,573)
Dividends declared on preferred stock	—	—	—	—	—	(27,818)	—	(27,818)	—	(27,818)
Capital contributions	—	—	—	—	—	—	—	—	1,662	1,662
Capital distributions	—	—	—	—	—	—	—	—	(2,721)	(2,721)
Director share grants and stock-based compensation	—	—	169,694	2	17,361	(2,993)	—	14,370	—	14,370
Comprehensive Income:										
Net income, excluding amounts attributable to redeemable noncontrolling interests	—	—	—	—	—	311,717	—	311,717	3,169	314,886
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	3,210	3,210	—	3,210
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	3,353	3,353	—	3,353
Total comprehensive income, excluding amounts attributable to redeemable noncontrolling interests								318,280	3,169	321,449
Balance at June 30, 2025	49,964,122	\$ 1,207,254	530,292,171	\$ 5,303	\$ 6,652,587	\$ 18,399	\$ 64,840	\$ 7,948,383	\$ 110,826	\$ 8,059,209

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Stockholders' Equity in Rithm Capital Corp.	Noncontrolling Interests in Equity of Consolidated Subsidiaries	Total Stockholders' Equity
	Shares	Amount	Shares	Amount						
Balance at March 31, 2024	51,964,122	\$ 1,257,254	483,477,713	\$ 4,836	\$ 6,075,080	\$ (232,119)	\$ 44,501	\$ 7,149,552	\$ 93,820	\$ 7,243,372
Dividends declared on common stock	—	—	—	—	—	(122,433)	—	(122,433)	—	(122,433)
Dividends declared on preferred stock	—	—	—	—	—	(22,395)	—	(22,395)	—	(22,395)
Capital contributions	—	—	—	—	—	—	—	—	30,297	30,297
Capital distributions	—	—	—	—	—	—	—	—	(7,015)	(7,015)
Issuance of common stock	—	—	6,097,793	60	69,190	—	—	69,250	—	69,250
Purchase of noncontrolling interest	—	—	—	—	—	—	—	—	(26,042)	(26,042)
Director share grants and stock-based compensation	—	—	156,916	1	18,602	(1,794)	—	16,809	—	16,809
Comprehensive Income:										
Net income	—	—	—	—	—	235,556	—	235,556	2,961	238,517
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	412	412	—	412
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	(158)	(158)	—	(158)
Total comprehensive income								235,810	2,961	238,771
Balance at June 30, 2024	51,964,122	\$ 1,257,254	489,732,422	\$ 4,897	\$ 6,162,872	\$ (143,185)	\$ 44,755	\$ 7,326,593	\$ 94,021	\$ 7,420,614

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED), CONTINUED
FOR THE SIX MONTHS ENDED JUNE 30, 2025

(dollars in thousands, except share and per share data)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Stockholders' Equity in Rithm Capital Corp.	Noncontrolling Interests in Equity of Consolidated Subsidiaries	Total Stockholders' Equity
	Shares	Amount	Shares	Amount						
Balance at December 31, 2024	51,964,122	\$ 1,257,254	520,656,256	\$ 5,206	\$ 6,528,613	\$ (46,985)	\$ 50,886	\$ 7,794,974	\$ 91,336	\$ 7,886,310
Dividends declared on common stock	—	—	—	—	—	(265,104)	—	(265,104)	—	(265,104)
Dividends declared on preferred stock	—	—	—	—	—	(54,495)	—	(54,495)	—	(54,495)
Capital contributions	—	—	—	—	—	—	—	—	21,863	21,863
Capital distributions	—	—	—	—	—	—	—	—	(6,628)	(6,628)
Issuance of common stock	—	—	9,020,000	90	107,322	—	—	107,412	—	107,412
Preferred stock repurchase	(2,000,000)	(50,000)	—	—	—	—	—	(50,000)	—	(50,000)
Director share grants and stock-based compensation	—	—	615,915	7	29,959	(5,545)	—	24,421	—	24,421
Fair value of SPAC warrants at issuance	—	—	—	—	2,304	—	—	2,304	—	2,304
Change in redemption value of redeemable noncontrolling interests	—	—	—	—	(15,611)	—	—	(15,611)	—	(15,611)
Comprehensive Income:										
Net income, excluding amounts attributable to redeemable noncontrolling interests	—	—	—	—	—	390,528	—	390,528	4,255	394,783
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	7,951	7,951	—	7,951
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	6,003	6,003	—	6,003
Total comprehensive income, excluding amounts attributable to redeemable noncontrolling interests								404,482	4,255	408,737
Balance at June 30, 2025	<u>49,964,122</u>	<u>\$ 1,207,254</u>	<u>530,292,171</u>	<u>\$ 5,303</u>	<u>\$ 6,652,587</u>	<u>\$ 18,399</u>	<u>\$ 64,840</u>	<u>\$ 7,948,383</u>	<u>\$ 110,826</u>	<u>\$ 8,059,209</u>

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED), CONTINUED
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(dollars in thousands, except share and per share data)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Stockholders' Equity in Rithm Capital Corp.	Noncontrolling Interests in Equity of Consolidated Subsidiaries	Total Stockholders' Equity
	Shares	Amount	Shares	Amount						
Balance at December 31, 2023	51,964,122	\$ 1,257,254	483,226,239	\$ 4,833	\$ 6,074,322	\$ (373,141)	\$ 43,674	\$ 7,006,942	\$ 94,096	\$ 7,101,038
Dividends declared on common stock	—	—	—	—	—	(243,302)	—	(243,302)	—	(243,302)
Dividends declared on preferred stock	—	—	—	—	—	(44,790)	—	(44,790)	—	(44,790)
Capital contributions	—	—	—	—	—	—	—	—	32,435	32,435
Capital distributions	—	—	—	—	—	—	—	—	(12,881)	(12,881)
Issuance of common stock	—	—	6,097,793	60	69,190	—	—	69,250	—	69,250
Purchase of noncontrolling interest	—	—	—	—	—	—	—	—	(26,042)	(26,042)
Director share grants and stock-based compensation	—	—	408,390	4	19,360	(1,543)	—	17,821	—	17,821
Comprehensive Income:										
Net income	—	—	—	—	—	519,591	—	519,591	6,413	526,004
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	2,015	2,015	—	2,015
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	(934)	(934)	—	(934)
Total comprehensive income								520,672	6,413	527,085
Balance at June 30, 2024	51,964,122	\$ 1,257,254	489,732,422	\$ 4,897	\$ 6,162,872	\$ (143,185)	\$ 44,755	\$ 7,326,593	\$ 94,021	\$ 7,420,614

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(dollars in thousands)

	Six Months Ended June 30,	
	2025	2024
Cash Flows From Operating Activities		
Net income	\$ 398,716	\$ 526,004
<i>Adjustments to reconcile net income to net cash flows from operating activities:</i>		
Change in fair value of investments, net	(7,920)	262,460
Change in fair value of secured notes and bonds payable	24,028	2,451
Gain on settlement of investments, net	(11,488)	(322,944)
Gain on sale of originated residential mortgage loans, held-for-sale, net	(329,487)	(296,199)
(Gain) loss on transfer of loans to real estate owned ("REO")	(40)	(3,151)
Accretion and other amortization	(34,331)	(45,137)
Provision for (reversal of) credit losses on securities, loans and REO	(2,932)	1,268
Non-cash portions of servicing revenue, net	508,682	152,315
Deferred tax provision	(55,148)	145,217
Mortgage loans originated and purchased for sale, net of fees	(29,403,351)	(26,721,645)
Sales proceeds and loan repayment proceeds for residential mortgage loans, held-for-sale	29,143,670	24,615,975
Loan repayment proceeds of consolidated entities	493,817	191,962
Interest received from servicer advance investments, RMBS, loans and other	23,066	20,744
Interest received from reverse repurchase agreements	—	39,333
Loan originations and investment purchases of consolidated CFEs	(390,045)	(12,378)
<i>Changes in:</i>		
Servicer advances receivable, net	463,308	240,698
Other assets	165,319	129,409
Accrued expenses and other liabilities	(121,677)	(126,322)
Net cash provided by (used in) operating activities	864,187	(1,199,940)

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED), CONTINUED
(dollars in thousands)

	Six Months Ended June 30,	
	2025	2024
Cash Flows From Investing Activities		
Business acquisitions, net of cash acquired	—	(603,778)
Purchase of servicer advance investments	(350,377)	(400,652)
Purchase of Excess MSRs	—	(122,887)
Purchase of government-backed and other securities	(1,478,667)	(1,330,079)
Proceeds from sale of government-backed and other securities	1,291	—
Purchase of Treasury securities	(49,468)	(5,047,710)
Treasury sales and Treasury securities payable	2,013,706	4,673,753
Reverse repurchase agreements entered and repurchase agreements closed	(507,863)	(1,747,581)
Reverse repurchase agreements closed and repurchase agreements entered	503,863	2,020,226
Maturity of Treasury securities	50,000	25,000
Purchase of SFR properties, MSRs and other assets	(190,305)	(149,950)
Origination of residential transition loans	(1,709,128)	(1,324,448)
Draws on revolving consumer loans	(11,669)	(10,098)
Net settlement of derivatives and hedges	(52,075)	372,808
Return of investments in Excess MSRs	22,082	22,270
Return of investments in equity method investees	3,343	25,376
Principal repayments from servicer advance investments	376,142	419,513
Principal repayments from government, government-backed and other securities	361,622	400,802
Principal repayments from residential mortgage loans	22,140	24,022
Principal repayments from consumer loans	198,992	300,193
Principal repayments and sales proceeds of residential transition loans	766,439	798,720
Principal repayments and sales proceeds of investments of consolidated CFEs	607,445	236,753
Loan originations and investment purchases of consolidated CFEs	—	(4,766)
Settlement of sale of MSRs and MSR financing receivables	197	(2,404)
Proceeds from sale of REO	19,032	13,612
Net cash provided by (used in) investing activities	596,742	(1,411,305)

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED), CONTINUED
(dollars in thousands)

	Six Months Ended June 30,	
	2025	2024
Cash Flows From Financing Activities		
Repayments of secured financing agreements	(32,257,543)	(39,071,785)
Repayments of warehouse credit facilities including those related to the initial consolidation of CLOs	(35,288,354)	(26,874,997)
Repayment of unsecured notes	(291,476)	(275,000)
Net settlement of margin deposits under repurchase agreements and derivatives	181,335	(502,647)
Repayments of secured notes and bonds payable	(3,812,544)	(2,959,966)
Deferred financing fees	(16,562)	(12,225)
Dividends paid on common and preferred stock	(316,178)	(286,596)
Borrowings under secured financing agreements	31,272,394	40,053,308
Borrowings under warehouse credit facilities	35,362,956	28,510,564
Borrowings under notes receivable financing	—	352,683
Borrowings under secured notes and bonds payable	3,284,314	2,353,384
Proceeds from issuance of unsecured senior notes	495,000	767,103
Proceeds from issuance of debt obligations of consolidated CFEs	—	874,615
Repayments of debt obligations of consolidated CFEs	(170,873)	(515,338)
Issuance of common stock	107,412	69,250
Repurchase of preferred stock	(50,000)	—
Net proceeds from issuance of Class A Units of SPAC	230,000	—
Contributions from noncontrolling and redeemable noncontrolling interests	49,323	32,435
Distributions to noncontrolling and redeemable noncontrolling interests	(7,058)	(12,881)
Purchase of noncontrolling interest	—	(26,042)
Net cash provided by (used in) financing activities	(1,227,854)	2,475,865
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	233,075	(135,380)
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	1,917,809	1,697,095
Cash, Cash Equivalents and Restricted Cash, End of Period	<u>\$ 2,150,884</u>	<u>\$ 1,561,715</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest	\$ 898,609	\$ 838,256
Cash paid during the period for income taxes	16,582	2,956
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Dividends declared but not paid on common and preferred stock	160,967	143,199
Transfer from residential mortgage loans to REO and other assets	16,556	8,841
Real estate securities retained from loan securitizations	59,054	—
Residential mortgage loans subject to repurchase	2,264,600	1,905,625

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(dollars in tables in thousands, except share and per share data)

1. BUSINESS AND ORGANIZATION

Rithm Capital Corp. (together with its consolidated subsidiaries, “Rithm Capital” or the “Company”) is a global asset manager focused on real estate, credit and financial services. Rithm Capital is a Delaware corporation and currently operates as an internally managed real estate investment trust (“REIT”).

Rithm Capital seeks to generate long-term value for its investors by using its investment expertise to identify, manage and invest in real estate related and other financial assets and through its broader asset management capabilities in order to provide investors with attractive risk-adjusted returns. The Company’s investments in real estate related assets include its equity interest in operating companies, including leading origination and servicing platforms held through wholly-owned subsidiaries, Newrez LLC (“Newrez”) and Genesis Capital LLC (“Genesis”), as well as investments in single-family rental (“SFR”) properties, title, appraisal and property preservation and maintenance businesses. The Company’s real estate related strategy involves opportunistically pursuing acquisitions and seeking to establish strategic partnerships that the Company believes enable it to maximize the value of its investments by offering products and services related to the lifecycle of each mortgage loan and underlying residential property or collateral. Rithm Capital’s asset management business primarily operates through its wholly-owned subsidiaries, Sculptor Capital Management, Inc. (“Sculptor”) and its affiliates, acquired on November 17, 2023, RCM GA Manager LLC (“RCM Manager”) and Rithm Capital Advisors LLC (“RCA”).

As of June 30, 2025, Rithm Capital conducted its business through the following segments: (i) Origination and Servicing, (ii) Investment Portfolio, (iii) Residential Transitional Lending and (iv) Asset Management.

Rithm Capital’s Origination and Servicing businesses operate through its wholly-owned subsidiaries Newrez and New Residential Mortgage LLC (“NRM”). The Company’s residential mortgage origination business sources and originates loans through four channels: Direct to Consumer, Retail/Joint Venture, Wholesale and Correspondent. Additionally, the Company’s servicing platform complements its origination business and offers its subsidiaries and third-party clients both performing and special servicing capabilities.

NRM and Newrez are licensed or otherwise eligible to service residential mortgage loans in all states within the United States of America (“U.S.”) and the District of Columbia. NRM and Newrez are also approved to service mortgage loans on behalf of investors, including the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”, and together with Fannie Mae, “GSEs”), and in the case of Newrez, Government National Mortgage Association (“Ginnie Mae”, collectively with the GSEs, the “Agencies” and each of Fannie Mae, Freddie Mac and Ginnie Mae, an “Agency”). Newrez is also eligible to perform servicing on behalf of other servicers as a subservicer.

Newrez sells substantially all of the mortgage loans it originates into the secondary market. Newrez securitizes loans into residential mortgage-backed securities (“RMBS”) through the Agencies. Loans originated outside of the GSEs, guidelines of the Federal Housing Administration (“FHA”), U.S. Department of Agriculture or Department of Veterans Affairs (for loans securitized with Ginnie Mae) are sold to private investors and mortgage conduits. Newrez generally retains the right to service the underlying residential mortgage loans sold and securitized by Newrez. NRM and Newrez are required to conduct aspects of their operations in accordance with applicable policies and guidelines of such Agencies.

Rithm Capital also operates additional real estate related businesses through its wholly-owned subsidiaries, including: (i) Avenue 365 Lender Services, LLC, its title company, (ii) eStreet Appraisal Management LLC, its appraisal management company, (iii) Adoor LLC (“Adoor”), its company focused on the acquisition and management of SFR properties, (iv) Genesis, a lender for experienced developers and investors of residential real estate, which also supports the Adoor business, and (v) Guardian Asset Management (“Guardian”), a national provider of field services and property management services. In addition to these wholly-owned subsidiaries, Rithm Capital also has operations in (i) residential property management through Adoor Property Management LLC (“APM”) and (ii) commercial real estate through its joint venture with GreenBarn Investment Group, which provides acquisition and development opportunities, asset and property management, and leasing and construction support.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(dollars in tables in thousands, except share and per share data)

With respect to Rithm's Asset Management business, Sculptor is a leading global alternative asset manager and provides asset management services and investment products across credit, real estate and multi-strategy platforms through commingled funds, separate accounts and other alternative investment vehicles. RCM Manager manages Rithm Property Trust Inc. ("Rithm Property Trust"), a publicly traded mortgage REIT, pursuant to a management agreement, dated June 11, 2024 (as amended by that First Amendment to the Management Agreement, dated as of October 18, 2024, the "Rithm Property Trust Management Agreement"), and RCA serves as an investment adviser to funds and managed accounts.

In the first quarter of 2025, Rithm Capital sponsored the \$230.0 million initial public offering ("IPO") of Rithm Acquisition Corp., a consolidated special purpose acquisition company ("SPAC"), formed for the purpose of entering into a business combination with one or more businesses, with a focus on businesses in the financial services, real estate and infrastructure sectors. See Note 20 for additional information.

Rithm Capital has elected and intends to qualify to be taxed as a REIT for U.S. federal income tax purposes. As such, Rithm Capital will generally not be subject to U.S. federal corporate income tax on that portion of its net income that is distributed to stockholders if it distributes at least 90% of its REIT taxable income to its stockholders by prescribed dates and complies with various other requirements. See Note 2 and Note 25 for additional information regarding Rithm Capital's taxable REIT subsidiaries ("TRSs").

2. BASIS OF PRESENTATION

Interim Financial Statements — The accompanying consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP" or "U.S. GAAP"). In the opinion of management, all adjustments considered necessary for a fair presentation of Rithm Capital's financial position, results of operations and cash flows have been included and are of a normal and recurring nature. The consolidated financial statements include the accounts of Rithm Capital and its consolidated subsidiaries. All significant intercompany transactions and balances have been eliminated. Rithm Capital consolidates those entities in which it has control over significant operating, financing and investing decisions of the entity, as well as those entities classified as VIEs in which Rithm Capital is determined to be the primary beneficiary. For entities over which Rithm Capital exercises significant influence, but which do not meet the requirements for consolidation, Rithm Capital applies the equity method of accounting whereby it records its share of the underlying income of such entities unless a fair value option is elected. Distributions from such equity method investments are classified in the consolidated statements of cash flows based on the cumulative earnings approach, where all distributions up to cumulative earnings are classified as distributions of earnings.

Reclassifications — Certain prior period amounts in Rithm Capital's consolidated financial statements and respective notes have been reclassified to be consistent with the current period presentation. In particular, the Company reclassified gains and losses related to certain derivatives and government and government-backed securities economically hedging mortgage servicing rights ("MSRs" and each, mortgage servicing right, an "MSR") that were previously reported within realized and unrealized gains (losses), net, to the change in fair value of MSRs and MSR financing receivables, net of economic hedges line item on the consolidated statements of operations. Such reclassifications had no impact on net income, total assets, total liabilities, stockholders' equity or cash position.

Risks and Uncertainties — In the normal course of its business, Rithm Capital primarily encounters two significant types of economic risk: credit risk and market risk. Credit risk is the risk of default on Rithm Capital's investments that results from a borrower's or counterparty's inability or unwillingness to make contractually required payments. Market risk reflects changes in the value of investments due to changes in prepayment rates, interest rates, spreads or other market factors, including risks that impact the value of the collateral underlying Rithm Capital's investments. Taking into consideration these risks along with estimated prepayments, financings, collateral values, payment histories and other information, Rithm Capital believes that the carrying values of its investments are reasonable. Furthermore, for each of the periods presented, a significant portion of Rithm Capital's assets are dependent on its servicers' and subservicers' abilities to perform their servicing obligations with respect to the residential mortgage loans underlying Rithm Capital's excess mortgage servicing rights ("Excess MSRs"), MSRs, MSR financing receivables, servicer advance investments, RMBS issued by either public trusts or private label securitization entities and loans. If a servicer or subservicer is terminated, Rithm Capital's right to receive its portion of the cash flows related to interests in servicing related assets may also be terminated.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(dollars in tables in thousands, except share and per share data)

Use of Estimates — The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts in the consolidated financial statements and accompanying notes. Management believes that estimates utilized in preparation of the consolidated financial statements are reasonable. The most critical estimates include those related to fair value measurements of the Company's assets and liabilities, the determination of whether or not to consolidate a VIE or a voting interest entity ("VOE") and accounting for goodwill. Actual results could differ from those estimates and such differences could be material.

Redeemable Noncontrolling Interests — The Company recognizes redeemable noncontrolling interests at their redemption amount each reporting period. Changes in the redemption amount are recognized as they occur with an adjustment to the carrying value at the end of each reporting period through additional paid-in capital in an amount equal to the difference between the carrying value of the interests (adjusted for the earnings attributable to noncontrolling interest holders) and their redemption value. The accretion of the redeemable noncontrolling interest to redemption value is recorded within change in redemption value of redeemable noncontrolling interests in the consolidated statements of operations. The Class A ordinary shares of the consolidated SPAC and certain units issued by a consolidated entity have redemption rights that are considered to be outside of the Company's control, and as a result, these shares are presented as redeemable noncontrolling interests of consolidated subsidiaries on the consolidated balance sheets. Profits and losses attributable to these interests are presented as redeemable noncontrolling interests in income of consolidated subsidiaries in the consolidated statements of operations. The redeemable noncontrolling interest related to the SPAC was initially recorded at the original issue price, net of offering costs and the initial fair value of separately traded warrants.

For the complete listing of the significant accounting policies, see Note 2 to the Company's consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Recent Accounting Pronouncements

Recently Adopted Accounting Standards

In March 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-01, *Compensation-Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards*, to clarify the scope application of profits interest and similar awards by adding illustrative guidance to help entities determine whether profit interests and similar awards should be accounted for as share-based payment arrangements within the scope of ASC 718, *Compensation-Stock Compensation*. This ASU became effective for the Company on January 1, 2025. The adoption of the new standard did not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures (Topic 740)*, which focuses on income tax disclosures around effective tax rates and cash income taxes paid. This standard requires disaggregated information about a reporting entity's effective tax rate reconciliation, including a tabular rate reconciliation for specified categories and additional information for reconciling items that meet a quantitative threshold. The standard also requires a summary of federal, state and local, and foreign income taxes paid, net of refunds received, as well as separate disclosure of payments made to jurisdictions representing 5% or more of total income taxes paid. The new disclosures specified by ASU 2023-09 are required in the Company's annual financial statements beginning with the year ending December 31, 2025, with early adoption permitted. The Company expects the adoption of ASU 2023-09 will lead to additional income tax disclosures in its consolidated financial statements for the year ending December 31, 2025 and future annual periods.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income Expense Disaggregation Disclosures (Subtopic 220-40)*, and in January 2025, the FASB issued ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. This standard requires public companies to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The new standard, as clarified by ASU 2025-01, is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the potential impact on its consolidated financial statements upon adoption.

RITHM CAPITAL CORP. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

(dollars in tables in thousands, except share and per share data)

In May 2025, the FASB issued ASU 2025-03, *Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity*, which clarifies the guidance for identifying the accounting acquirer in business combinations effected primarily by exchanging equity interests when the legal acquiree is a VIE that meets the definition of a business. This ASU is effective for the Company on January 1, 2027, with early adoption permitted and is applied prospectively to acquisitions after the adoption date. The Company is currently evaluating the potential impact on its consolidated financial statements upon adoption.

3. BUSINESS ACQUISITIONS***Acquisition of Computershare Mortgage Services Inc.***

Rithm Capital completed the acquisition of Computershare Mortgage Services Inc. (“Computershare”) and certain affiliated companies, including Specialized Loan Servicing LLC (“SLS”), and the simultaneous merger of SLS into Newrez on May 1, 2024 (the “Computershare Acquisition”). Rithm Capital accounted for this transaction using the acquisition method which requires, among other things, that the assets acquired and liabilities assumed be recognized at fair value as of the acquisition date.

Purchase Price Allocation

The following table summarizes the allocation of the total consideration paid to acquire the assets and assume the liabilities related to the Computershare Acquisition during the second quarter of 2024:

Total Consideration	\$ 715,458
Assets:	
Residential mortgage loans, held-for-sale	2,402
Servicer advances receivable	269,484
Mortgage servicing rights, at fair value	700,207
Cash and cash equivalents	101,993
Restricted cash	2,271
Other assets ^(A)	83,056
Total Assets Acquired	1,159,413
Liabilities:	
Accrued expenses and other liabilities	225,944
Secured notes and bonds payable	190,596
Total Liabilities Assumed	416,540
Net Assets	742,873
Bargain Purchase Gain	\$ 27,415

(A) Includes \$16.0 million of intangible assets in the form of customer relationships. This intangible is being amortized over a finite life of 4.5 years.

Rithm Capital acquired 100% of the outstanding equity interests of Computershare and certain affiliated companies, including SLS, for cash consideration of \$715.5 million. At the time of acquisition, SLS merged into Newrez. Upon completing the Computershare Acquisition, the consideration transferred for the acquired assets and assumed liabilities was determined to be less than the net assets acquired from Computershare, resulting in an economic gain (“Bargain Purchase”). Rithm Capital completed the required reassessment to validate that all assets acquired and liabilities assumed on the acquisition date had been identified and appropriately measured in accordance with ASC 805, *Business Combinations*. Based on the reassessment, the transaction resulted in a Bargain Purchase gain of \$27.4 million, which has been included in other income (loss), net within the consolidated statements of operations for the year ended December 31, 2024. The Bargain Purchase gain was primarily driven by the change in fair value of the acquired MSRs between the signing and closing dates of the acquisition.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(dollars in tables in thousands, except share and per share data)

The estimate of fair value of assets and liabilities required the use of significant assumptions and estimates. Critical estimates included, but were not limited to, future expected cash flows, including projected revenues and expenses, and the applicable discount rates. These estimates were based on assumptions that management believes to be reasonable; however, actual results may differ materially from these estimates.

The results of Computershare's operations have been included in the Company's consolidated statements of operations from May 1, 2024 through June 30, 2024 and represent \$33.6 million of revenue and \$19.3 million of net income.

Acquisition-related costs are expensed in the period incurred. Rithm Capital recognized \$14.9 million of Computershare Acquisition related costs that were expensed for the six months ended June 30, 2024. These costs were grouped and presented within compensation and benefits and general and administrative expenses in the consolidated statements of operations.

Intangible assets acquired consist of customer relationships. Rithm Capital amortizes finite-lived customer relationships on a straight-line basis over their respective useful lives. The weighted average life of the total acquired identifiable intangible assets is 4.5 years. The following table presents the details of identifiable intangible assets acquired:

	Estimated Useful Life	Amount
Customer Relationships	4.5	\$ 16,000
Total Identifiable Intangible Assets		\$ 16,000

Measurement Period Adjustments

The following table summarizes the provisional amounts recognized related to the Computershare Acquisition as of the acquisition date, as well as adjustments made during the measurement period to arrive at the final allocation of the total consideration paid for acquired assets and assumed liabilities:

	Preliminary Amounts as of the Acquisition Date	Subsequent Adjustments to Fair Value ^(A)	Final Amounts as of the Acquisition Date
Total Consideration	\$ 708,026	\$ 7,432	\$ 715,458
<i>Assets:</i>			
Residential mortgage loans, held-for-sale	2,402	—	2,402
Servicer advances receivable	275,782	(6,298)	269,484
Mortgage servicing rights, at fair value	696,462	3,745	700,207
Cash and cash equivalents	102,011	(18)	101,993
Restricted cash	2,237	34	2,271
Other assets	84,028	(972)	83,056
Total Assets Acquired	1,162,922	(3,509)	1,159,413
<i>Liabilities:</i>			
Accrued expenses and other liabilities	236,141	(10,197)	225,944
Secured notes and bonds payable	190,596	—	190,596
Total Liabilities Assumed	426,737	(10,197)	416,540
Net Assets	736,185	6,688	742,873
Bargain Purchase Gain	\$ 28,159	\$ (744)	\$ 27,415

(A) The adjustment to total consideration was primarily driven by changes in valuation of MSRs acquired and resolutions with seller with respect to servicing fee receivables (as reflected in other assets) and legal obligations (as reflected in accrued expenses and other liabilities).

RITHM CAPITAL CORP. AND SUBSIDIARIES
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(dollars in tables in thousands, except share and per share data)

Unaudited Supplemental Pro Forma Financial Information

The following table presents unaudited pro forma combined revenues and income before income taxes for the three and six months ended June 30, 2024 prepared as if the Computershare Acquisition had been consummated on January 1, 2023:

Pro Forma	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
Revenues	\$ 1,172,239	\$ 2,484,622
Income before income taxes	293,203	694,194

The unaudited supplemental pro forma financial information reflects, among other things, financing adjustments, amortization of intangibles and transaction costs. The unaudited supplemental pro forma financial information has not been adjusted to reflect all conforming accounting policies. The unaudited supplemental pro forma financial information does not include any anticipated synergies or other anticipated benefits of the Computershare Acquisition and, accordingly, the unaudited supplemental pro forma financial information is not necessarily indicative of either future results of operations or results that might have been achieved had the Computershare Acquisition occurred on January 1, 2023.

4. SEGMENT REPORTING

Rithm Capital conducts its business and generates substantially all of its revenues primarily in the U.S. through operating segments that have been aggregated into the following reportable segments: (i) Origination and Servicing, (ii) Investment Portfolio, (iii) Residential Transitional Lending and (iv) Asset Management. Activities that are not directly attributable or not allocated to any of the reportable segments are reported under Corporate as a reconciling item to the Company's consolidated financial statements. The activities within Corporate primarily consist of general and administrative expenses, corporate cash and related interest income, the Senior Unsecured Notes (as defined in Note 18) and related interest expense, and restricted cash and redeemable noncontrolling interest related to Class A ordinary shares of our consolidated SPAC.

In 2024, Rithm Capital reevaluated and revised the composition of its reportable segments based on the changes to its management reporting structure and performance assessment. MSR portfolio serviced by third-parties, government and government-backed securities, including corresponding hedges, servicer advances receivable and Guardian's operations that were previously reflected within the Investment Portfolio segment are now reflected within the Origination and Servicing segment. Segment information for prior periods has been recast to reflect these changes. Additionally, the Mortgage Loans Receivable segment was renamed to Residential Transitional Lending.

Effective first quarter of 2025, new purchases of government and government-backed securities are reflected within the Investment Portfolio or the Origination and Servicing segment based on the nature of the business activity and performance assessment.

The structure of the reportable segments is differentiated by the nature of the Company's business activities, which is consistent with the reporting structure of the Company's internal organization, as well as by the financial information used by the Company's chief operating decision maker ("CODM") to make decisions regarding the Company's business, including resource allocation and performance assessment. The Company's CODM is the Chairman, Chief Executive Officer and President.

The Origination and Servicing segment generates revenue through servicing fee revenue, interest income and gain on originated and sold residential mortgage loans. The Investment Portfolio segment generates revenue from certain real estate securities, SFR properties, residential mortgage loans, consumer loans and certain ancillary and equity method investments primarily in the form of interest income and other investment portfolio revenues. The Residential Transitional Lending segment generates revenue through interest income related to the origination and management of a portfolio of short-term mortgage loans to fund the construction and development of, or investment in, residential properties. The Asset Management segment generates revenue through management and incentive fees based primarily on the assets under management ("AUM") and performance of funds and accounts managed by the Company.

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Income before income taxes is the measure of segment profit and loss that is determined in accordance with the measurement principles used in measuring the corresponding amounts in the consolidated financial statements and used by the CODM to evaluate segment results. It is also one of the factors considered in determining capital allocation among the segments, assessing performance for each segment and determining compensation for certain employees.

The following tables summarize segment financial information, including the Corporate category explained above, which in total reconciles to the same data for Rithm Capital on a consolidated basis:

	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
Three Months Ended June 30, 2025						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 574,817	\$ —	\$ —	\$ —	\$ —	\$ 574,817
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(176,680))	(155,005)	—	—	—	—	(155,005)
Servicing revenue, net	419,812	—	—	—	—	419,812
Interest income	309,940	82,143	75,405	7,841	3,126	478,455
Gain on originated residential mortgage loans, held-for-sale, net	168,438	1,260	—	—	—	169,698
Other revenues	27,439	26,627	—	—	—	54,066
Asset management revenues	—	—	—	95,008	—	95,008
Total Revenues	925,629	110,030	75,405	102,849	3,126	1,217,039
Interest expense and warehouse line fees	283,616	69,904	33,620	8,710	22,018	417,868
Other segment expenses ^(A)	146,989	22,162	5,234	26,487	14,909	215,781
Compensation and benefits	190,169	1,004	15,308	67,401	20,525	294,407
Depreciation and amortization	6,281	7,849	2,289	7,348	27	23,794
Total Operating Expenses	627,055	100,919	56,451	109,946	57,479	951,850
Realized and unrealized gains (losses), net	—	16,177	6,809	416	(661)	22,741
Other income (loss), net	6,435	8,841	(713)	5,124	(1,209)	18,478
Total Other Income (Loss)	6,435	25,018	6,096	5,540	(1,870)	41,219
Income (Loss) before Income Taxes	305,009	34,129	25,050	(1,557)	(56,223)	306,408
Income tax expense (benefit)	(11,647)	(1,507)	330	1,226	—	(11,598)
Net Income (Loss)	316,656	35,636	24,720	(2,783)	(56,223)	318,006
Noncontrolling interests in income of consolidated subsidiaries	981	1,533	—	655	—	3,169
Redeemable noncontrolling interests in income of consolidated subsidiaries	—	—	—	561	2,559	3,120
Net Income (Loss) Attributable to Rithm Capital Corp.	315,675	34,103	24,720	(3,999)	(58,782)	311,717
Dividends on preferred stock	—	—	—	—	27,818	27,818
Net Income (Loss) Attributable to Common Stockholders	\$ 315,675	\$ 34,103	\$ 24,720	\$ (3,999)	\$ (86,600)	\$ 283,899

(A) The Origination and Servicing segment's other segment expenses primarily include expenses related to loan origination and servicing, information technology and property and maintenance. The Investment Portfolio segment's other segment expenses primarily include expenses related to legal and professional services, loan servicing and property and maintenance. The Residential Transitional Lending segment's other segment expenses primarily include expenses related to loan origination. The Asset Management segment's other segment expenses primarily include expenses related to legal and professional services, information technology and occupancy.

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	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
Six Months Ended June 30, 2025						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 1,145,618	\$ —	\$ —	\$ —	\$ —	\$ 1,145,618
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(323,571))	(488,383)	—	—	—	—	(488,383)
Servicing revenue, net	657,235	—	—	—	—	657,235
Interest income	602,501	153,933	141,913	17,254	4,114	919,715
Gain on originated residential mortgage loans, held-for-sale, net	319,932	9,555	—	—	—	329,487
Other revenues	53,177	51,662	—	—	—	104,839
Asset management revenues	—	—	—	182,680	—	182,680
Total Revenues	1,632,845	215,150	141,913	199,934	4,114	2,193,956
Interest expense and warehouse line fees	576,564	129,540	65,321	22,799	42,698	836,922
Other segment expenses ^(A)	290,756	45,154	10,065	58,078	24,706	428,759
Compensation and benefits	362,871	2,166	29,699	132,731	38,407	565,874
Depreciation and amortization	13,940	15,803	3,856	14,732	31	48,362
Total Operating Expenses	1,244,131	192,663	108,941	228,340	105,842	1,879,917
Realized and unrealized gains (losses), net	—	19,271	8,852	(5,864)	(661)	21,598
Other income (loss), net	6,317	10,330	(854)	12,962	(1,204)	27,551
Total Other Income (Loss)	6,317	29,601	7,998	7,098	(1,865)	49,149
Income (Loss) before Income Taxes	395,031	52,088	40,970	(21,308)	(103,593)	363,188
Income tax expense (benefit)	(68,341)	(10,019)	(760)	43,592	—	(35,528)
Net Income (Loss)	463,372	62,107	41,730	(64,900)	(103,593)	398,716
Noncontrolling interests in income of consolidated subsidiaries	1,335	2,261	—	659	—	4,255
Redeemable noncontrolling interests in income of consolidated subsidiaries	—	—	—	564	3,369	3,933
Net Income (Loss) Attributable to Rithm Capital Corp.	462,037	59,846	41,730	(66,123)	(106,962)	390,528
Change in redemption value of redeemable noncontrolling interests	—	—	—	—	15,611	15,611
Dividends on preferred stock	—	—	—	—	54,495	54,495
Net Income (Loss) Attributable to Common Stockholders	\$ 462,037	\$ 59,846	\$ 41,730	\$ (66,123)	\$ (177,068)	\$ 320,422

(A) The Origination and Servicing segment's other segment expenses primarily include expenses related to loan origination and servicing, information technology and property and maintenance. The Investment Portfolio segment's other segment expenses primarily include expenses related to legal and professional services, loan servicing and property and maintenance. The Residential Transitional Lending segment's other segment expenses primarily include expenses related to loan origination. The Asset Management segment's other segment expenses primarily include expenses related to legal and professional, information technology and occupancy.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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(dollars in tables in thousands, except share and per share data)

	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
June 30, 2025						
Investments	\$ 21,460,303	\$ 3,766,765	\$ 2,497,764	\$ —	\$ —	\$ 27,724,832
Cash and cash equivalents	1,044,115	24,943	67,078	111,218	353,594	1,600,948
Restricted cash	179,882	43,755	21,025	7,370	233,370	485,402
Other assets	5,895,066	2,376,924	156,817	1,073,222	3,308	9,505,337
Goodwill	29,468	—	55,731	48,633	—	133,832
Assets of consolidated CFEs ^(A)	—	2,645,929	989,398	1,230,275	—	4,865,602
Total Assets	\$ 28,608,834	\$ 8,858,316	\$ 3,787,813	\$ 2,470,718	\$ 590,272	\$ 44,315,953
Debt	\$ 18,685,960	\$ 4,589,739	\$ 2,073,586	\$ 471,585	\$ 1,256,262	\$ 27,077,132
Other liabilities	4,090,923	417,466	29,487	6,492	242,585	4,786,953
Liabilities of consolidated CFEs ^(A)	—	2,240,815	863,994	1,026,887	—	4,131,696
Total Liabilities	22,776,883	7,248,020	2,967,067	1,504,964	1,498,847	35,995,781
Redeemable Noncontrolling Interests of Consolidated Subsidiaries	—	—	—	27,594	233,369	260,963
Total Stockholders' Equity	5,831,951	1,610,296	820,746	938,160	(1,141,944)	8,059,209
Noncontrolling interests in equity of consolidated subsidiaries	9,443	58,630	—	42,753	—	110,826
Stockholders' Equity in Rithm Capital Corp.	\$ 5,822,508	\$ 1,551,666	\$ 820,746	\$ 895,407	\$ (1,141,944)	\$ 7,948,383
Investments in Equity Method Investees	\$ 24,712	\$ 308,288	\$ 14,700	\$ 207,483	\$ —	\$ 555,183
December 31, 2024						
Total Assets	\$ 32,418,256	\$ 7,463,738	\$ 3,439,075	\$ 2,508,130	\$ 219,758	\$ 46,048,957

(A) Includes assets and liabilities of certain consolidated VIEs that meet the definition of CFEs. These assets can only be used to settle obligations and liabilities of such VIEs for which creditors do not have recourse to Rithm Capital Corp.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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(dollars in tables in thousands, except share and per share data)

	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
Three Months Ended June 30, 2024						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 498,978	\$ —	\$ —	\$ —	\$ —	\$ 498,978
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(165,138))	(141,884)	—	—	—	—	(141,884)
Servicing revenue, net	357,094	—	—	—	—	357,094
Interest income	343,335	70,772	59,573	4,971	2	478,653
Gain (loss) on originated residential mortgage loans, held-for-sale, net	155,771	(2,030)	—	—	—	153,741
Other revenues	29,956	26,544	—	—	—	56,500
Asset management revenues	—	—	—	109,433	—	109,433
Total Revenues	886,156	95,286	59,573	114,404	2	1,155,421
Interest expense and warehouse line fees	344,729	62,079	29,106	8,333	21,697	465,944
Other segment expenses ^(A)	117,703	17,569	4,739	23,991	17,615	181,617
Compensation and benefits	187,987	344	9,113	51,982	21,022	270,448
Depreciation and amortization	16,536	7,305	1,567	7,449	—	32,857
Total Operating Expenses	666,955	87,297	44,525	91,755	60,334	950,866
Realized and unrealized gains, net	—	32,011	18,739	8,467	—	59,217
Other income (loss), net	27,336	(1,502)	(2,116)	2,675	—	26,393
Total Other Income	27,336	30,509	16,623	11,142	—	85,610
Income (Loss) before Income Taxes	246,537	38,498	31,671	33,791	(60,332)	290,165
Income tax expense	38,960	2,909	1,952	7,827	—	51,648
Net Income (Loss)	207,577	35,589	29,719	25,964	(60,332)	238,517
Noncontrolling interests in income of consolidated subsidiaries	1,016	1,110	—	835	—	2,961
Net Income (Loss) Attributable to Rithm Capital Corp.	206,561	34,479	29,719	25,129	(60,332)	235,556
Dividends on preferred stock	—	—	—	—	22,395	22,395
Net Income (Loss) Attributable to Common Stockholders	\$ 206,561	\$ 34,479	\$ 29,719	\$ 25,129	\$ (82,727)	\$ 213,161

(A) The Origination and Servicing segment's other segment expenses primarily include expenses related to loan origination and servicing, information technology and property and maintenance. The Investment Portfolio segment's other segment expenses primarily include expenses related to legal and professional services, loan servicing and property and maintenance. The Residential Transitional Lending segment's other segment expenses primarily include expenses related to loan origination. The Asset Management segment's other segment expenses primarily include expenses related to legal and professional services, information technology and occupancy.

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	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
Six Months Ended June 30, 2024						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 968,869	\$ —	\$ —	\$ —	\$ —	\$ 968,869
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(281,977))	(122,966)	—	—	—	—	(122,966)
Servicing revenue, net	845,903	—	—	—	—	845,903
Interest income	618,540	160,731	124,293	9,880	4	913,448
Gain on originated residential mortgage loans, held-for-sale, net	301,640	(5,441)	—	—	—	296,199
Other revenues	62,335	52,513	—	—	—	114,848
Asset management revenues	—	—	—	180,384	—	180,384
Total Revenues	1,828,418	207,803	124,293	190,264	4	2,350,782
Interest expense and warehouse line fees	633,585	132,471	61,520	15,954	32,241	875,771
Other segment expenses ^(A)	232,209	39,110	7,926	47,913	27,559	354,717
Compensation and benefits	345,968	912	20,416	115,094	23,836	506,226
Depreciation and amortization	31,166	15,047	3,134	15,462	—	64,809
Total Operating Expenses	1,242,928	187,540	92,996	194,423	83,636	1,801,523
Realized and unrealized gains, net	—	34,698	43,305	1,625	—	79,628
Other income (loss), net	27,361	9,977	(1,842)	6,644	37	42,177
Total Other Income	27,361	44,675	41,463	8,269	37	121,805
Income (Loss) before Income Taxes	612,851	64,938	72,760	4,110	(83,595)	671,064
Income tax expense	135,161	4,157	1,619	4,123	—	145,060
Net Income (Loss)	477,690	60,781	71,141	(13)	(83,595)	526,004
Noncontrolling interests in income of consolidated subsidiaries	1,071	3,147	—	2,195	—	6,413
Net Income (Loss) Attributable to Rithm Capital Corp.	476,619	57,634	71,141	(2,208)	(83,595)	519,591
Dividends on preferred stock	—	—	—	—	44,790	44,790
Net Income (Loss) Attributable to Common Stockholders	\$ 476,619	\$ 57,634	\$ 71,141	\$ (2,208)	\$ (128,385)	\$ 474,801

(A) The Origination and Servicing segment's other segment expenses primarily include expenses related to loan origination and servicing, information technology and property and maintenance. The Investment Portfolio segment's other segment expenses primarily include expenses related to legal and professional services, loan servicing and property and maintenance. The Residential Transitional Lending segment's other segment expenses primarily include expenses related to loan origination. The Asset Management segment's other segment expenses primarily include expenses related to legal and professional services, information technology and occupancy.

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5. MORTGAGE SERVICING RIGHTS AND MSR FINANCING RECEIVABLES

The following table summarizes activity related to MSRs and MSR financing receivables:

Balance at December 31, 2024	\$ 10,321,671
Originations ^(A)	768,969
Sales	2,524
Change in Fair Value due to:	
Realization of cash flows ^(B)	(326,043)
Change in valuation inputs and assumptions	(407,058)
Balance at June 30, 2025	\$ 10,360,063

(A) Represents MSRs retained on the sale of originated residential mortgage loans. Includes \$72.7 million of MSRs capitalized through co-issue with third parties for the six months ended June 30, 2025.

(B) Based on the paydown of the underlying residential mortgage loans.

The following table summarizes components of servicing revenue, net:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 518,371	\$ 453,989	\$ 1,045,181	\$ 884,103
Ancillary and other fees	56,446	44,989	100,437	84,766
Servicing fee revenue, net and fees	574,817	498,978	1,145,618	968,869
Change in Fair Value due to:				
Realization of cash flows ^(A)	(176,680)	(165,138)	(323,571)	(281,977)
Change in valuation inputs and assumptions, net of realized gains (losses) ^(B)	(8,807)	97,240	(403,832)	298,254
Gains (losses) on MSR economic hedges	30,482	(73,986)	239,020	(139,243)
Servicing Revenue, Net	\$ 419,812	\$ 357,094	\$ 657,235	\$ 845,903

(A) Net of \$1.3 million and \$2.2 million of realization of cash flows related to MSR financing liability for the three months ended June 30, 2025 and 2024, respectively, and \$2.5 million and \$2.2 million for the six months ended June 30, 2025 and 2024, respectively (Note 12).

(B) Net of \$8.0 million and \$6.8 million of change in valuation inputs and assumptions related to MSR financing liability for the three months ended June 30, 2025 and 2024, respectively, and \$3.2 million and \$6.8 million for the six months ended June 30, 2025 and 2024, respectively (Note 12).

The following table summarizes MSRs and MSR financing receivables by type as of June 30, 2025 and December 31, 2024:

	UPB of Underlying Mortgages	Weighted Average Life (Years) ^(A)	Carrying Value ^(B)
June 30, 2025			
GSE	\$ 380,862,890	6.5	\$ 6,301,384
Non-Agency	68,547,361	5.7	795,130
Ginnie Mae	143,313,085	6.3	3,263,549
Total / Weighted Average	\$ 592,723,336	6.4	\$ 10,360,063
December 31, 2024			
GSE	\$ 383,014,320	6.5	\$ 6,413,199
Non-Agency	70,022,636	5.4	836,408
Ginnie Mae	137,177,395	6.4	3,072,064
Total / Weighted Average	\$ 590,214,351	6.4	\$ 10,321,671

(A) Represents the weighted average expected timing of the receipt of expected cash flows for this investment.

(B) Represents the fair value for this investment. As of June 30, 2025 and December 31, 2024, weighted average discount rates of 8.9% (range of 8.7% – 10.3%) were used to value Rithm Capital's MSRs and MSR financing receivables.

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Residential Mortgage Loans Subject to Repurchase

Rithm Capital, through Newrez, is an approved issuer of Ginnie Mae mortgage-backed securities (“MBS”) and originates and securitizes government-insured residential mortgage loans. As the issuer of the Ginnie Mae-guaranteed securitizations, Rithm Capital has the unilateral right to repurchase loans from the securitizations when they are delinquent for more than 90 days. Loans in forbearance that are three or more consecutive payments delinquent are included as delinquent loans permitted to be repurchased. As a result, once the delinquency criteria have been met and regardless of whether the repurchase option has been exercised, the Company recognizes delinquent loans as if they had been repurchased with a corresponding liability. As of June 30, 2025 and December 31, 2024, Rithm Capital reflected approximately \$2.3 billion and \$2.7 billion, respectively, in residential mortgage loans subject to repurchase and residential mortgage loan repurchase liability on its consolidated balance sheets. Rithm Capital may re-pool repurchased loans into new Ginnie Mae securitizations upon re-performance of the loan or otherwise sell to third-party investors. The Company does not change the accounting for MSR related to previously sold loans upon re-recognizing loans eligible for repurchase. Rather, upon repurchase of a loan, the MSR is written off. As of June 30, 2025 and December 31, 2024, Rithm Capital holds approximately \$0.4 billion and \$0.5 billion, respectively, of such repurchased loans presented within residential mortgage loans, held-for-sale on the consolidated balance sheets.

Onity MSR Financing Receivable Transactions

Onity Group Inc. (formerly known as Ocwen Financial Corporation) (collectively with certain affiliates, “Onity”), and subsequently PHH Mortgage Corporation (“PHH”) (as successor through acquisition by Onity), and Rithm Capital entered into an agreement to transfer to Rithm Capital, Onity’s remaining interests in MSRs relating to loans with an aggregate unpaid principal balance (“UPB”) of approximately \$110.0 billion and with respect to which Rithm Capital already held certain rights (“Rights to MSRs”). Additionally, Onity sold and transferred to Rithm Capital certain Rights to MSRs and other assets related to MSRs for loans with an UPB of approximately \$86.8 billion, of which approximately \$9.9 billion UPB, as of June 30, 2025, of underlying loans consents have not been received and all other conditions to transfer have not been met and, accordingly, are presented as MSR financing receivables within MSRs and MSR financing receivables, at fair value on the consolidated balance sheets.

Geographic Distributions

The table below summarizes the geographic distribution of the residential mortgage loans underlying the MSRs and MSR financing receivables:

State Concentration	Percentage of Total Outstanding Unpaid Principal Amount	
	June 30, 2025	December 31, 2024
California	16.2 %	16.5 %
Florida	8.1 %	8.2 %
Texas	6.7 %	6.6 %
New York	5.7 %	5.7 %
Washington	5.1 %	5.2 %
New Jersey	4.0 %	4.1 %
Virginia	3.7 %	3.7 %
Maryland	3.4 %	3.4 %
Illinois	3.2 %	3.3 %
Georgia	3.1 %	3.1 %
Other U.S.	40.8 %	40.2 %
	100.0 %	100.0 %

Geographic concentrations of investments expose Rithm Capital to the risk of economic downturns within the relevant states. Any such downturn in a state where Rithm Capital holds significant investments could affect the underlying borrower’s ability to make mortgage payments and therefore could have a meaningful, negative impact on the MSRs.

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Residential Mortgage Loan Servicing and Subservicing

Newrez performs servicing of residential mortgage loans for unaffiliated parties under servicing agreements. The servicing agreements do not meet the criteria to be recognized as a servicing right asset and, therefore, are not recognized in the consolidated balance sheets. The UPB of residential mortgage loans serviced for others as of June 30, 2025 and December 31, 2024 was \$260.7 billion and \$242.9 billion, respectively. Rithm Capital earned servicing revenue of \$78.5 million and \$51.0 million for the three months ended June 30, 2025 and 2024, respectively, and \$154.5 million and \$89.1 million for the six months ended June 30, 2025 and 2024, respectively, related to unaffiliated serviced loans presented within servicing revenue, net in the consolidated statements of operations.

In relation to certain owned MSRs, Rithm Capital engages unaffiliated licensed mortgage servicers as subservicers to perform the operational servicing duties, including recapture activities, in exchange for a subservicing fee, which is recognized as subservicing expense and presented in general and administrative in the consolidated statements of operations. As of June 30, 2025, PHH and Valon Mortgage, Inc. subserviced 5.8% and 3.8% of owned MSRs, respectively, with the remaining 90.4% of owned MSRs serviced by Newrez (Note 1).

Servicer Advances Receivable

In connection with Rithm Capital's ownership of MSRs, the Company assumes the obligation to serve as a liquidity provider to initially fund servicer advances on the underlying pool of mortgages it services (Note 26). These servicer advances are recorded when advanced and are included in servicer advances receivable on the consolidated balance sheets.

The table below summarizes the type of advances included in the servicer advances receivable:

	June 30, 2025	December 31, 2024
Principal and interest advances	\$ 564,742	\$ 640,723
Escrow advances (taxes and insurance advances)	1,343,374	1,733,426
Foreclosure advances	935,467	950,092
Gross advance balance ^{(A)(B)(C)}	2,843,583	3,324,241
Reserves, impairment, unamortized discount, net of recovery accruals	(129,841)	(125,320)
Total Servicer Advances Receivable	\$ 2,713,742	\$ 3,198,921

(A) Includes \$528.0 million and \$673.7 million of servicer advances receivable related to GSE MSRs, respectively, recoverable either from the borrower or the Agencies.

(B) Includes \$447.6 million and \$529.3 million of servicer advances receivable related to Ginnie Mae MSRs, respectively, recoverable from either the borrower or Ginnie Mae. Expected losses for advances associated with Ginnie Mae loans in the MSR portfolio are considered in the MSR fair valuation through a non-reimbursable advance loss assumption.

(C) Expected losses for advances associated with loans in the MSR portfolio are considered in the MSR fair value through a non-reimbursable advance loss assumption.

Rithm Capital's servicer advances receivable related to non-Agency MSRs generally have the highest reimbursement priority pursuant to the underlying servicing agreements (i.e., rank "top of the waterfall"), and Rithm Capital is generally entitled to repayment from the respective loan or REO liquidation proceeds before any interest or principal is paid on the notes issued by the trust. In most cases, advances in excess of the respective loan or REO liquidation proceeds may be recovered from pool-level proceeds. Furthermore, to the extent that advances are not recoverable by Rithm Capital as a result of the subservicer's failure to comply with applicable requirements in the relevant servicing agreements, Rithm Capital has a contractual right to be reimbursed by the subservicer. For advances on loans that have been liquidated, sold, paid in full, modified or delinquent, the Company provisioned \$120.0 million, or 4.2%, and \$121.4 million, or 3.7%, for expected non-recovery of advances as of June 30, 2025 and December 31, 2024, respectively.

The following table summarizes servicer advances provision activity during the period:

Balance at December 31, 2024	\$ 121,396
Provision	21,856
Write-offs	(23,257)
Balance at June 30, 2025	\$ 119,995

See Note 18 regarding the financing of MSRs and servicer advances receivable.

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6. GOVERNMENT AND GOVERNMENT-BACKED SECURITIES

Government and government-backed securities include Agency securities issued by the GSEs or Ginnie Mae and U.S. Treasury (“Treasury”) securities. The following table summarizes Agency and Treasury securities classified as available-for-sale (“AFS”) or measured under the Fair Value through Net Income (“FVO”) election:

	June 30, 2025								December 31, 2024
	Outstanding Face Amount	Gross Unrealized		Carrying Value ^(A)	Number of Securities	Weighted Average			Carrying Value ^(A)
		Gains	Losses			Coupon	Yield	Life (Years) ^(B)	
<i>Securities Designated as AFS:</i>									
Agency ^{(C)(D)}	\$ 67,150	\$ —	\$ —	\$ 60,066	1	3.5 %	3.5 %	11.3	\$ 60,135
<i>Securities Measured at FVO:</i>									
Agency ^(C)	7,650,280	68,078	(8,257)	7,526,623	23	5.1 %	5.1 %	8.1	6,390,508
Treasury ^(C)	1,250,000	2,773	—	1,257,422	1	4.6 %	4.6 %	1.0	3,260,703
Total / Weighted Average	\$ 8,967,430	\$ 70,851	\$ (8,257)	\$ 8,844,111	25	5.0 %	5.0 %	7.1	\$ 9,711,346

(A) Fair value is equal to the carrying value for all securities. See Note 19 regarding the fair value measurements.

(B) Based on the timing of expected principal reduction on the underlying assets.

(C) All fixed-rate as of June 30, 2025.

(D) Expected loss is realized through allowance for credit losses.

The following table summarizes Treasury securities classified as held-to-maturity (“HTM”):

	June 30, 2025							December 31, 2024
	Outstanding Face Amount	Amortized Cost / Carrying Value	Fair Value ^(A)	Unrecognized Gains / (Losses)	Number of Securities	Weighted Average		Amortized Cost / Carrying Value
						Yield	Life (Years)	
<i>Treasury Securities Designated as HTM:</i>								
Treasury	\$ 25,000	\$ 24,768	\$ 24,766	\$ (2)	1	4.3 %	0.2	\$ 24,770

(A) See Note 19 regarding the fair value measurements.

The following table summarizes purchases and sales of Agency and Treasury securities:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025		2024		2025		2024	
	Treasury	Agency	Treasury ^(A)	Agency	Treasury ^(A)	Agency	Treasury ^(A)	Agency
<i>Purchases:</i>								
Face	\$ 25,000	\$ —	\$ 25,000	\$ —	\$ 50,000	\$ 1,355,800	\$ 4,825,000	\$ 1,287,034
Purchase price	24,736	—	24,668	—	49,468	1,326,895	4,798,560	1,255,894
<i>Sales:</i>								
Face	\$ 2,000,000	\$ —	\$ 3,000,000	\$ —	\$ 2,000,000	\$ 1,274	\$ 3,000,000	\$ —
Amortized cost	2,002,734	—	2,976,259	—	2,002,734	1,349	2,976,259	—
Sale price	2,013,809	—	2,957,344	—	2,013,809	1,291	2,957,344	—
Gain (loss) on sale	11,075	—	(18,915)	—	11,075	(58)	(18,915)	—

(A) Excludes Treasury short sales. Refer to Note 17 for information regarding short sales.

As of June 30, 2025, Rithm Capital had no unsettled government and government-backed securities trades.

See Note 18 regarding the financing of government and government-backed securities.

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7. RESIDENTIAL MORTGAGE LOANS

Rithm Capital accumulates its residential mortgage loan portfolio through originations, bulk acquisitions and the execution of call rights. Substantially all of the residential mortgage loan portfolio is serviced by Newrez.

Loans are accounted for based on Rithm Capital's strategy and management's intent and on whether the loan was credit-impaired at the date of acquisition. As of June 30, 2025, Rithm Capital accounts for loans based on the following categories:

- Loans held-for-investment ("HFI"), at fair value
- Loans held-for-sale ("HFS"), at lower of cost or fair value
- Loans HFS, at fair value
- Investments of consolidated CFEs represent mortgage loans held by certain mortgage securitization trusts where Rithm Capital is determined to be a primary beneficiary and, as a result, consolidates such trusts. The assets are measured based on the fair value of the more observable liabilities of such trusts under the CFE election. The obligations and liabilities of CFEs may only be satisfied with the assets of the respective consolidated CFEs, and creditors of the CFE do not have recourse to Rithm Capital Corp.

The following table summarizes residential mortgage loans outstanding by loan type:

	June 30, 2025					December 31, 2024
	Outstanding Face Amount	Carrying Value	Loan Count	Weighted Average Yield	Weighted Average Life (Years) ^(A)	Carrying Value
Investments of consolidated CFEs ^(B)	\$ 2,769,184	\$ 2,637,931	7,299	5.7 %	25.3	\$ 2,791,027
Residential mortgage loans, HFI, at fair value	371,253	343,333	7,017	7.9 %	4.7	361,890
<i>Residential Mortgage Loans, HFS:</i>						
Acquired performing loans ^(C)	52,362	47,792	1,575	6.8 %	4.3	51,011
Acquired non-performing loans ^(D)	16,163	13,174	194	10.5 %	4.2	15,659
Total Residential Mortgage Loans, HFS	\$ 68,525	\$ 60,966	1,769	7.7 %	4.3	\$ 66,670
<i>Residential Mortgage Loans, HFS, at Fair Value:</i>						
Acquired performing loans ^{(C)(E)}	682,059	682,947	2,075	6.2 %	10.7	408,421
Acquired non-performing loans ^{(D)(E)}	246,049	222,535	1,121	5.1 %	27.7	270,879
Originated loans	3,121,871	3,220,853	10,911	6.8 %	29.0	3,628,271
Total Residential Mortgage Loans, HFS, at Fair Value	\$ 4,049,979	\$ 4,126,335	14,107	6.6 %	25.8	\$ 4,307,571

- (A) For loans classified as Level 3 in the fair value hierarchy, the weighted average life is based on the expected timing of the receipt of cash flows. For Level 2 loans, the weighted average life is based on the contractual term of the loan.
- (B) Residential mortgage loans of consolidated CFEs are classified as Level 2 in the fair value hierarchy and valued based on the fair value of the more observable financial liabilities under the CFE election.
- (C) Performing loans are generally placed on non-accrual status when principal or interest is 90 days or more past due.
- (D) As of June 30, 2025, Rithm Capital has placed non-performing loans, HFS on non-accrual status, except as described in (E) below.
- (E) Includes \$162.3 million and \$235.1 million UPB of Ginnie Mae early buyout options performing and non-performing loans, respectively, on accrual status as contractual cash flows are guaranteed by the FHA as of June 30, 2025.

See Note 18 regarding the financing of residential mortgage loans.

The following table summarizes the past due status and difference between the aggregate UPB and the aggregate carrying value of residential mortgage loans, HFS and residential mortgage loans, HFI, at fair value on the consolidated balance sheets:

Days Past Due	June 30, 2025			December 31, 2024		
	UPB	Carrying Value	Carrying Value Over (Under) UPB	UPB	Carrying Value	Carrying Value Over (Under) UPB
Current	\$ 4,176,033	\$ 4,246,321	\$ 70,288	\$ 4,377,435	\$ 4,400,113	\$ 22,678
90+	313,724	284,313	(29,411)	369,118	336,018	(33,100)
Total	\$ 4,489,757	\$ 4,530,634	\$ 40,877	\$ 4,746,553	\$ 4,736,131	\$ (10,422)

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The following table summarizes the activity of residential mortgage loans, HFS and residential mortgage loans, HFI, at fair value on the consolidated balance sheets:

	Loans HFI, at Fair Value	Loans HFS, at Lower of Cost or Fair Value	Loans HFS, at Fair Value	Total
Balance at December 31, 2024	\$ 361,890	\$ 66,670	\$ 4,307,571	\$ 4,736,131
Originations	—	—	27,450,957	27,450,957
Sales	—	—	(29,550,058)	(29,550,058)
Purchases/additional fundings	—	—	1,952,393	1,952,393
Proceeds from repayments	(22,140)	(5,502)	(61,482)	(89,124)
Transfer of loans from (to) other assets ^(A)	—	(687)	19,464	18,777
Transfer of loans to REO	(1,418)	(345)	(457)	(2,220)
Valuation reversal on loans	—	830	—	830
<i>Fair Value Adjustments due to:</i>				
Changes in instrument-specific credit risk	(1,304)	—	(4,204)	(5,508)
Other factors	6,305	—	12,151	18,456
Balance at June 30, 2025	<u>\$ 343,333</u>	<u>\$ 60,966</u>	<u>\$ 4,126,335</u>	<u>\$ 4,530,634</u>

(A) Includes receivable modifications resulting in transfers between other assets and residential mortgage loans.

Gain on Originated Residential Mortgage Loans, HFS, Net

Newrez originates conventional, government-insured and nonconforming residential mortgage loans for sale and securitization. In connection with the sale or securitization of loans to the GSEs or mortgage investors, Rithm Capital recognizes gain on sale within gain on originated residential mortgage loans, HFS, net in the consolidated statements of operations. See Note 20 for detail on Rithm Capital's continuing involvement in residential mortgage loan securitizations.

The following table summarizes the components of gain on originated residential mortgage loans, HFS, net:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Loss on residential mortgage loans originated and sold, net ^(A)	\$ (257,202)	\$ (217,515)	\$ (416,852)	\$ (341,629)
Gain (loss) on settlement of residential mortgage loan origination derivative instruments ^(B)	24,980	10,077	37,769	(5,447)
MSRs retained on transfer of residential mortgage loans ^(C)	377,074	364,305	696,222	580,244
Other ^(D)	14,394	5,114	36,376	11,608
Realized gain on sale of originated residential mortgage loans, net	159,246	161,981	353,515	244,776
Change in fair value of residential mortgage loans	25,072	(8,907)	37,671	5,361
Change in fair value of interest rate lock commitments (Note 17)	16,135	(14,817)	39,228	(7,332)
Change in fair value of derivative instruments (Note 17)	(30,755)	15,484	(100,927)	53,394
Gain on Originated Residential Mortgage Loans, HFS, Net	<u>\$ 169,698</u>	<u>\$ 153,741</u>	<u>\$ 329,487</u>	<u>\$ 296,199</u>

(A) Includes residential mortgage loan origination fees of \$248.3 million and \$233.8 million in the three months ended June 30, 2025 and 2024, respectively, and \$445.9 million and \$411.5 million in the six months ended June 30, 2025 and 2024, respectively. Includes gain on residential mortgage loan securitizations accounted for as sales of \$9.6 million and no gain or loss for the three months ended June 30, 2025 and 2024, respectively, and \$25.0 million and no gain or loss for the six months ended June 30, 2025 and 2024, respectively.

(B) Represents settlement of forward securities delivery commitments utilized as an economic hedge for mortgage loans not included within forward loan sale commitments.

(C) Represents the initial fair value of the capitalized MSRs upon loan sales with servicing retained.

(D) Includes fees for services associated with the residential mortgage loan origination process.

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8. CONSUMER LOANS

Rithm Capital’s consumer loan portfolio consists of (i) consumer loans acquired from Goldman Sachs Bank USA (the “Marcus loans” or “Marcus”) and (ii) consumer loans purchased from SpringCastle (the “SpringCastle loans” or “SpringCastle”) initially in a co-investment with an unaffiliated entity. On June 28, 2024, Rithm Capital acquired the remaining 46.5% interest in the SpringCastle loans from the co-investor for a total purchase price of \$22.0 million. Following the acquisition, Rithm Capital holds a 100% interest in the SpringCastle loans.

The Marcus portfolio includes unsecured fixed-rate closed-end installment loans, and the SpringCastle portfolio includes open-end personal unsecured loans and personal homeowner loans. The Marcus loans are serviced by Systems and Services Technologies, Inc. and our internal loan servicing business at Newrez, and the SpringCastle loans are serviced by OneMain Holdings Inc.

The following table summarizes characteristics of the consumer loan portfolio classified as HFI and measured at fair value under the fair value option election:

	UPB	Carrying Value	Weighted Average Coupon	Weighted Average Expected Life (Years)
June 30, 2025				
SpringCastle	\$ 181,962	\$ 190,138	18.0 %	3.7
Marcus	398,339	275,093	11.1 %	0.8
Total Consumer Loans	\$ 580,301	\$ 465,231	13.3 %	1.7
December 31, 2024				
SpringCastle	\$ 208,306	\$ 219,308	18.1 %	3.8
Marcus	559,317	446,257	11.0 %	1.0
Total Consumer Loans	\$ 767,623	\$ 665,565	12.9 %	1.8

See Note 18 regarding the financing of consumer loans.

The following table summarizes the past due status and difference between the aggregate UPB and the aggregate carrying value of consumer loans:

Days Past Due	June 30, 2025			December 31, 2024		
	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB
<i>SpringCastle:</i>						
Current	\$ 178,173	\$ 186,197	\$ 8,024	\$ 203,923	\$ 214,746	\$ 10,823
90+	3,789	3,941	152	4,383	4,562	179
Total SpringCastle	181,962	190,138	8,176	208,306	219,308	11,002
<i>Marcus:</i>						
Current	\$ 259,947	\$ 260,727	\$ 780	\$ 438,712	\$ 438,712	\$ —
90+	138,392	14,366	(124,026)	120,605	7,545	(113,060)
Total Marcus	398,339	275,093	(123,246)	559,317	446,257	(113,060)
	\$ 580,301	\$ 465,231	\$ (115,070)	\$ 767,623	\$ 665,565	\$ (102,058)

(A) Consumer loans are carried at fair value. See Note 19 regarding fair value measurements.

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The following table summarizes the activity for consumer loans for the period:

Balance at December 31, 2024	\$ 665,565
Additional fundings ^(A)	11,669
Proceeds from repayments	(198,992)
Accretion of loan discount and premium amortization, net	6,700
<i>Fair Value Adjustments due to:</i>	
Changes in instrument-specific credit risk	(6,388)
Other factors	(13,323)
Balance at June 30, 2025	\$ 465,231

(A) Represents draws on consumer loans with revolving privileges.

9. SINGLE-FAMILY RENTAL PROPERTIES

Rithm Capital invests in its SFR portfolio by acquiring and maintaining a geographically diversified portfolio of high-quality single-family homes and leasing them to high-quality residents.

SFR properties HFI are carried at cost less accumulated depreciation and impairment. SFR properties HFS are managed for near term sale and disposition and are measured at the lower of carrying value or fair value less estimated cost to sell. SFR properties HFI and HFS are presented within single-family rental properties on the consolidated balance sheets.

The following table summarizes the net carrying value of investments in SFR properties:

	June 30, 2025	December 31, 2024
Land	\$ 188,515	\$ 191,992
Building	754,078	767,966
Capital improvements	154,833	150,811
Total gross investment in SFR properties	1,097,426	1,110,769
Accumulated depreciation	(95,165)	(82,474)
Investment in SFR Properties, Net	\$ 1,002,261	\$ 1,028,295

Depreciation expense for the three months ended June 30, 2025 and 2024 totaled \$7.3 million and \$7.3 million, respectively, and \$14.7 million and \$15.0 million for the six months ended June 30, 2025 and 2024, respectively. Depreciation expense is included in general and administrative in the consolidated statements of operations.

As of June 30, 2025 and December 31, 2024, the carrying amount of the SFR properties includes capitalized acquisition costs of \$6.9 million and \$7.0 million, respectively.

The following table summarizes the activity for the period related to the net carrying value of investments in SFR properties:

	SFR Properties HFI	SFR Properties HFS	Total
Balance at December 31, 2024	\$ 989,002	\$ 39,293	\$ 1,028,295
Acquisitions and capital improvements	9,218	—	9,218
Transfers to (from) HFS/HFI	10,864	(10,864)	—
Dispositions	—	(20,537)	(20,537)
Depreciation expense	(14,715)	—	(14,715)
Balance at June 30, 2025	\$ 994,369	\$ 7,892	\$ 1,002,261

Rithm Capital generally rents its SFR properties under non-cancelable lease agreements with a term of one to two years.

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The following table summarizes rental revenue and other variable revenue included in other revenues and other income (loss), net, respectively, on the consolidated statements of operations based on the specific lease terms for the period:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Rental revenue	\$ 19,492	\$ 18,920	\$ 38,895	\$ 37,869
Other variable revenue	2,555	1,066	4,885	1,659
Total Revenue	\$ 22,047	\$ 19,986	\$ 43,780	\$ 39,528

The following table summarizes the future minimum rental revenues under existing leases on SFR properties:

2026	\$ 30,432
2027 and thereafter	25,227
Total	\$ 55,659

The following table summarizes the activity for the period of the SFR portfolio by properties:

	SFR Properties HFI	SFR Properties HFS	Total
Balance at December 31, 2024	3,891	158	4,049
Transfer to (from) HFS/HFI	45	(45)	—
Disposition of SFR properties	—	(67)	(67)
Balance at June 30, 2025	3,936	46	3,982

See Note 18 regarding the financing of SFR properties.

10. RESIDENTIAL TRANSITION LOANS

Genesis specializes in originating and managing a portfolio of primarily short-term mortgage loans to fund the construction and development of, or investment in, residential properties.

The following table summarizes residential transition loans, at fair value and residential transition loans held by consolidated CFEs by loan type:

	Residential Transition Loans - Carrying Value ^(A)	Residential Transition Loans of Consolidated CFEs - Carrying Value ^(A)	Total Carrying Value	% of Portfolio	Loan Count	% of Portfolio	Weighted Average Yield	Weighted Average Original Life (Months)	Weighted Average Committed Loan Balance to Value ^(B)
June 30, 2025									
Construction	\$ 1,072,844	\$ 449,253	\$ 1,522,097	44.0 %	528	34.4 %	11.4 %	18.9	72.2% / 61.9%
Bridge	1,137,869	367,342	1,505,211	43.4 %	542	35.4 %	9.8 %	25.0	65.9%
Renovation	287,051	150,866	437,917	12.6 %	463	30.2 %	10.0 %	15.0	83.4% / 68.6%
	\$ 2,497,764	\$ 967,461	\$ 3,465,225	100.0 %	1,533	100.0 %	10.5 %	20.7	N/A
December 31, 2024									
Construction	\$ 935,142	\$ 492,071	\$ 1,427,213	45.4 %	490	31.9 %	11.4 %	20.0	72.7% / 62.2%
Bridge	972,443	363,946	1,336,389	42.6 %	600	39.1 %	10.0 %	23.9	66.6%
Renovation	270,490	106,175	376,665	12.0 %	445	29.0 %	10.5 %	12.8	82.8% / 68.2%
	\$ 2,178,075	\$ 962,192	\$ 3,140,267	100.0 %	1,535	100.0 %	10.7 %	20.4	N/A

(A) Residential transition loans are carried at fair value under the FVO election. Residential transition loans held by consolidated CFEs are classified as Level 3 and valued based on the more observable financial liabilities of consolidated CFEs. See Note 19 regarding fair value measurements.

(B) Weighted by commitment loan-to-value ("LTV") for bridge loans, loan-to-cost and loan-to-after-repair-value for construction and renovation loans.

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The following table summarizes the activity of loans included in residential transition loans, at fair value on the consolidated balance sheets:

Balance at December 31, 2024	\$	2,178,075
Initial loan advances		1,172,259
Construction holdbacks and draws		536,868
Repayments and sales		(766,439)
Purchased loans discount amortization		32
Transfer of loans to REO		(5,565)
Transfers to assets of consolidated CFEs		(617,203)
<i>Fair Value Adjustments due to:</i>		
Changes in instrument-specific credit risk		(15,818)
Other factors		15,555
Balance at June 30, 2025	\$	2,497,764

The Company is subject to credit risk in connection with its investments in mortgage loans. The two primary components of credit risk are default risk, which is the risk that a borrower fails to make scheduled principal and interest payments, and severity risk, which is the risk of loss upon a borrower's default on a mortgage loan or other secured or unsecured loan. Severity risk includes the risk of loss of value of the property or other asset, if any, securing the loan, as well as the risk of loss associated with taking over the property or other asset, if any, including foreclosure costs.

The following table summarizes the past due status and difference between the aggregate UPB and the aggregate carrying value of loans included in residential transition loans, at fair value on the consolidated balance sheets:

Days Past Due	June 30, 2025			December 31, 2024		
	UPB	Carrying Value	Carrying Value Over (Under) UPB	UPB	Carrying Value	Carrying Value Over (Under) UPB
Current	\$ 2,446,520	\$ 2,454,473	\$ 7,953	\$ 2,117,479	\$ 2,128,802	\$ 11,323
90+	46,423	43,291	(3,132)	55,234	49,273	(5,961)
Total	\$ 2,492,943	\$ 2,497,764	\$ 4,821	\$ 2,172,713	\$ 2,178,075	\$ 5,362

See Note 18 regarding the financing of residential transition loans.

11. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

Rithm Capital considers all highly liquid short-term investments with maturities of 90 days or less when purchased to be cash equivalents. Substantially all amounts on deposit with major financial institutions exceed insured limits.

Restricted cash consists of cash collateral pledges related to secured financing and securitizations, lease obligations and cash proceeds held in a trust account from the IPO of the SPAC that can only be used for purposes of completing an initial business combination or redemption of the SPAC's Class A ordinary shares as set forth in the SPAC trust agreement.

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported on Rithm Capital's consolidated balance sheets to the total of the same amounts shown in the consolidated statements of cash flows:

	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 1,600,948	\$ 1,458,743
Restricted cash	485,402	308,443
Restricted cash of consolidated CFEs ^(A)	64,534	150,623
Total Cash and Cash Equivalents and Restricted Cash	\$ 2,150,884	\$ 1,917,809

(A) Presented within investments, at fair value and other assets on the consolidated balance sheets.

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The following table summarizes restricted cash balances by reporting segment including corporate category:

	June 30, 2025	December 31, 2024
Investment Portfolio ^(A)	\$ 51,753	\$ 66,419
Origination and Servicing	179,882	207,724
Residential Transitional Lending ^(A)	29,329	40,727
Asset Management ^(A)	55,602	144,196
Corporate Category ^(B)	233,370	—
Total Restricted Cash	\$ 549,936	\$ 459,066

(A) Includes restricted cash related to consolidated CFEs presented within investments, at fair value and other assets on the consolidated balance sheets.

(B) Restricted cash in the corporate category relates to the cash held in a trust account related to the Company's consolidated SPAC.

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12. OTHER ASSETS AND LIABILITIES

Other assets and accrued expenses and other liabilities — other assets and accrued expenses and other liabilities on the consolidated balance sheets consist of the following:

	Other Assets			Accrued Expenses and Other Liabilities	
	June 30, 2025	December 31, 2024		June 30, 2025	December 31, 2024
CLOs, at fair value	\$ 337,392	\$ 242,227	Accounts payable	\$ 148,054	\$ 133,037
Derivative and hedging assets (Note 17)	58,829	75,147	Accrued compensation and benefits	173,940	322,957
Due from related parties	42,549	35,198	Net deferred tax liability	732,222	786,141
Equity investments ^(A)	675,164	502,610	Derivative liabilities (Note 17)	95,339	52,610
Excess MSRs, at fair value (Note 13)	345,677	369,162	Escheat payable	187,404	187,830
Goodwill (Note 15)	133,832	133,832	MSR financing liability, at fair value	60,940	101,088
Income and fees receivable	74,658	208,672	Interest payable	199,244	260,931
Intangible assets (Note 15)	306,682	331,949	Lease liability (Note 16)	159,407	160,437
Loans receivable, at fair value ^(B)	8,038	31,580	Notes receivable financing ^(E)	376,143	371,788
Margin receivable, net ^(C)	220,697	414,404	Unearned income and fees	14,235	17,280
Non-Agency securities, at fair value	739,143	552,797	Other liabilities	214,458	236,672
Notes receivable, at fair value ^(D)	442,893	393,786		\$ 2,361,386	\$ 2,630,771
Operating lease ROU assets (Note 16)	103,646	99,224			
Other receivables	172,324	178,651			
Prepaid expenses	61,264	59,198			
Principal and interest receivable	127,779	181,271			
Property and equipment	75,802	70,495			
REO	23,680	27,898			
Servicer advance investments, at fair value (Note 14)	312,986	339,646			
Servicing fee receivables	174,598	106,228			
Warrants, at fair value	11,840	9,316			
Other assets	211,354	200,124			
	<u>\$ 4,660,827</u>	<u>\$ 4,563,415</u>			

- (A) Represents equity investments in (i) certain real estate redevelopment projects, (ii) various real estate services operating companies, (iii) funds managed by Sculptor, (iv) Credit Risk Transfer LLC (as defined in Note 19) that holds exposure in residential mortgage loan warehouse lines (measured at fair value under the FVO election), (v) Rithm Property Trust common and preferred securities, (vi) Newrez Joint Ventures (as defined in Note 20), (vii) APM and (viii) an energy fund managed by Rithm.
- (B) Represents a loan made pursuant to a senior subordinated credit agreement to an entity affiliated with funds managed by an affiliate of the Company's former external manager, FIG LLC (the "Former Manager"), an affiliate of Fortress Investment Group LLC. The loan is measured at fair value under the FVO election.
- (C) Represents collateral posted as a result of changes in fair value of Rithm Capital's (i) government and government-backed securities securing its secured financing agreements and (ii) derivative instruments.
- (D) Represents notes receivable secured by commercial properties. The notes are measured at fair value under the FVO election.
- (E) During the second quarter of 2024, the Company transferred an investment in a note receivable with a fair value of \$365.0 million, subject to a repo financing of \$323.5 million, from a third party to a nonconsolidated joint venture for cash consideration of \$48.0 million. The transaction did not meet sale accounting under ASC 860 and, as a result, was treated as a secured borrowing for accounting purposes for which the Company elected the FVO and is included in accrued expenses and other liabilities in the consolidated balance sheets. The amount presented within notes receivable financing is comprised of the repo financing and the non-recourse liability in a secured borrowing. The Company continues to reflect the transferred note in other assets in the consolidated balance sheets, at fair value.

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REO — REO assets are individual properties acquired by Rithm Capital through foreclosure or deed-in-lieu of foreclosure as a result of borrower default. REO assets are measured at the lower of cost or fair value, with valuation provision recorded in other income (loss), net in the consolidated statements of operations. REO assets are managed for prompt sale and disposition.

The following table presents activity for the period related to the carrying value of investments in REO:

Balance at December 31, 2024	\$	27,898
Property received in satisfaction of loan		7,520
Sales ^(A)		(12,410)
Valuation reversal		672
Balance at June 30, 2025	\$	23,680

(A) Recognized when control of the property has transferred to the buyer.

As of June 30, 2025, Rithm Capital had residential mortgage loans and residential transition loans that were in the process of foreclosure with UPBs of \$38.9 million and \$11.9 million, respectively.

Notes and Loans Receivable — The following table summarizes the activity for the period for notes and loans receivable:

	Notes Receivable	Loans Receivable	Total
Balance at December 31, 2024	\$ 393,786	\$ 31,580	\$ 425,366
Fundings	43,096	—	43,096
Payment in kind	2,145	1,458	3,603
Proceeds from repayments	—	(25,000)	(25,000)
<i>Fair Value Adjustments due to:</i>			
Other factors ^(A)	3,866	—	3,866
Balance at June 30, 2025	\$ 442,893	\$ 8,038	\$ 450,931

(A) There were no fair value adjustments due to changes in instrument-specific credit risk in the current period.

The following table summarizes the past due status and difference between the aggregate UPB and the aggregate carrying value of notes and loans receivable:

	June 30, 2025			December 31, 2024		
Days Past Due	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB
Current	\$ 540,555	\$ 450,931	\$ (89,624)	\$ 518,856	\$ 425,366	\$ (93,490)
90+	—	—	—	—	—	—
Total	\$ 540,555	\$ 450,931	\$ (89,624)	\$ 518,856	\$ 425,366	\$ (93,490)

(A) Notes and loans receivable are carried at fair value. See Note 19 regarding fair value measurements.

13. EXCESS MORTGAGE SERVICING RIGHTS

Excess MSR assets include Rithm Capital's ownership of Excess MSRs, and associated recapture agreements, acquired from and serviced by Mr. Cooper Group Inc. ("Mr. Cooper"). Prior to June 20, 2024, Rithm Capital owned certain pools of Excess MSRs directly and certain pools through a joint venture with the Former Manager (the "Fortress Excess MSR JV").

On June 20, 2024, Rithm Capital, together with certain Sculptor nonconsolidated funds, acquired an Excess MSR portfolio from the Former Manager (including the Former Manager's ownership in the Fortress Excess MSR JV) for approximately \$124.0 million. A new joint venture with such Sculptor nonconsolidated funds was formed for the acquisition. Rithm Capital owns an 80.0% interest and manages the joint venture, and as a result, consolidates this joint venture. Following the acquisition from the Former Manager, all of Rithm Capital's ownership in pools of Excess MSRs is consolidated and is presented in other assets at fair value on its consolidated balance sheets. See Note 20 for noncontrolling interests related to these Excess MSRs.

Mr. Cooper, as servicer, performs all of the servicing and advancing functions on the Company's Excess MSR assets, retains the ancillary income and assumes servicing obligations and liabilities as the servicer of the underlying loans in the portfolio.

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As part of the Computershare Acquisition (Note 3), Rithm Capital acquired MSRs owned by SLS underlying certain Excess MSRs owned by Rithm Capital. Accordingly, those Excess MSRs have been reclassified to full MSRs on Rithm Capital's consolidated balance sheets.

Investments in Excess MSRs

The following table presents activity related to the investments in Excess MSRs measured at fair value:

Balance at December 31, 2024	\$ 369,162
Interest income	13,299
Proceeds from repayments	(35,134)
Proceeds from sales	(45)
Change in fair value	(1,605)
Balance at June 30, 2025	\$ 345,677

The following summarizes Rithm Capital's investments in Excess MSRs:

	June 30, 2025					December 31, 2024	
	UPB of Underlying Mortgages	Interest in Excess MSR		Weighted Average Life (Years)^(A)	Amortized Cost Basis	Carrying Value^(B)	Carrying Value^(B)
		Rithm Capital^{(C)(D)}	Mr. Cooper				
Total	\$ 50,719,526	65.0% – 80.0% (68.6%)	20.0% – 35.0% (31.4%)	5.9	\$ 300,082	\$ 345,677	\$ 369,162

(A) Represents the weighted average expected timing of the receipt of expected cash flows for this investment.

(B) Carrying value represents the fair value of the pools and recapture agreements, as applicable.

(C) Amounts in parentheses represent weighted averages.

(D) Rithm Capital also invested in related servicer advance investments, including the base fee component of the related MSR as of June 30, 2025 and December 31, 2024 (Note 14) on \$12.6 billion and \$13.3 billion UPB, respectively, underlying these Excess MSRs.

The following summarizes the changes in fair value of Excess MSRs investments:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Original and recaptured pools	\$ (690)	\$ 21,352	\$ (1,605)	\$ 19,430

As of June 30, 2025 and December 31, 2024, weighted average discount rates of 8.4% were used to value Rithm Capital's investments in Excess MSRs.

14. SERVICER ADVANCE INVESTMENTS

Servicer advance investments consist of arrangements to fund existing outstanding servicer advances and the requirement to purchase all future servicer advances made with respect to a specified pool of residential mortgage loans in exchange for the base fee component of the related MSR. Rithm Capital elected to record its servicer advance investments, including the right to the base fee component of the related MSRs, at fair value under the FVO election to provide users of the financial statements with better information regarding the effects of market factors. The Company's servicer advance investments are presented in other assets on the consolidated balance sheets.

As part of the Computershare Acquisition (Note 3), Rithm Capital acquired certain MSRs owned by SLS underlying a certain servicer advance investment and, therefore, reclassified the servicer advance investment to MSRs and MSR financing receivables, at fair value and servicer advances receivable on its consolidated balance sheets.

Mr. Cooper also performs all of the servicing and advancing functions on the Company's remaining servicer advance investments. See Note 13 for further details.

Rithm Capital owns its interest in servicer advance investments through a consolidated subsidiary, Advance Purchaser LLC ("Advance Purchaser"), in which it has an ownership interest of 89.3%. As of June 30, 2025, the noncontrolling third-party co-

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investor and Rithm Capital have funded all their capital commitments. Advance Purchaser may recall \$71.8 million and \$601.0 million of capital distributed to the third-party co-investor and Rithm Capital, respectively. Neither the third-party co-investor nor Rithm Capital is obligated to fund amounts in excess of their respective capital commitments, regardless of the capital requirements of Advance Purchaser.

The following table summarizes servicer advance investments, including the right to the base fee component of the related MSR:

	Amortized Cost Basis	Carrying Value ^(A)	Weighted Average Discount Rate	Weighted Average Yield	Weighted Average Life (Years) ^(B)
June 30, 2025					
Servicer advance investments	\$ 302,338	\$ 312,986	6.5 %	6.8 %	7.6
December 31, 2024					
Servicer advance investments	\$ 327,471	\$ 339,646	6.5 %	6.9 %	7.6

(A) Represents the fair value of the servicer advance investments, including the base fee component of the related MSR.

(B) Represents the weighted average expected timing of the receipt of expected net cash flows for this investment.

The following table provides additional information regarding the servicer advance investments and related financing:

	UPB of Underlying Residential Mortgage Loans	Outstanding Servicer Advances	Servicer Advances to UPB of Underlying Residential Mortgage Loans	Face Amount of Secured Notes and Bonds Payable	LTV ^(A)		Cost of Funds ^(C)	
					Gross	Net ^(B)	Gross	Net
June 30, 2025								
Servicer advance investments ^(D)	\$ 12,580,445	\$ 276,702	2.2 %	\$ 240,656	84.7 %	82.7 %	6.2 %	5.9 %
December 31, 2024								
Servicer advance investments ^(D)	\$ 13,316,828	\$ 298,945	2.2 %	\$ 258,183	85.0 %	82.9 %	6.3 %	5.9 %

(A) Based on outstanding servicer advances, excluding purchased but unsettled servicer advances.

(B) Ratio of face amount of borrowings to par amount of servicer advance collateral, net of any general reserve.

(C) Annualized measure of the cost associated with borrowings. Gross cost of funds primarily includes interest expense and facility fees. Net cost of funds excludes facility fees.

(D) The following table summarizes the types of advances included in servicer advance investments:

	June 30, 2025	December 31, 2024
Principal and interest advances	\$ 48,849	\$ 51,135
Escrow advances (taxes and insurance advances)	123,599	137,072
Foreclosure advances	104,254	110,738
Total	\$ 276,702	\$ 298,945

15. GOODWILL AND INTANGIBLE ASSETS

As a result of acquisitions, the Company recognized intangible assets in the form of management contracts, customer relationships, purchased technology, trademarks and trade names. The Company also recognized goodwill on certain acquisitions. Goodwill and intangible assets are presented within other assets on the consolidated balance sheets.

The following table summarizes the carrying value of goodwill by reportable segment:

	Origination and Servicing	Residential Transitional Lending	Asset Management	Total
Balance at December 31, 2024	\$ 29,468	\$ 55,731	\$ 48,633	\$ 133,832
Impairment loss	—	—	—	—
Balance at June 30, 2025	\$ 29,468	\$ 55,731	\$ 48,633	\$ 133,832

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The following table summarizes the acquired identifiable intangible assets:

	Estimated Useful Lives (Years)	June 30, 2025	December 31, 2024
<i>Gross Intangible Assets:</i>			
Management contracts	10	\$ 275,000	\$ 275,000
Customer relationships	2 to 9	79,753	79,753
Purchased technology	3 to 7	110,035	105,567
Trademarks / Trade names ^(A)	1 to 5	10,259	10,259
Licenses	Indefinite	21,365	21,365
		496,412	491,944
<i>Accumulated Amortization:</i>			
Management contracts		44,566	30,940
Customer relationships		35,388	25,773
Purchased technology		103,163	97,259
Trademarks / Trade names		6,613	6,023
		189,730	159,995
<i>Intangible Assets, Net:</i>			
Management contracts		230,434	244,060
Customer relationships		44,365	53,980
Purchased technology		6,872	8,308
Trademarks / Trade names ^(A)		3,646	4,236
Licenses		21,365	21,365
		\$ 306,682	\$ 331,949

(A) Includes indefinite-lived intangible assets of \$1.9 million as of June 30, 2025 and December 31, 2024.

The Company did not record any impairment loss on its intangible assets for the three and six months ended June 30, 2025 and 2024.

The following table summarizes the amortization expense recorded by the Company related to its intangible assets. Amortization expense related to intangible assets is included in general and administrative in the consolidated statements of operations.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Amortization expense	\$ 12,707	\$ 22,462	\$ 26,155	\$ 42,380

The following table summarizes the expected future amortization expense for intangible assets as of June 30, 2025:

Year Ending	Amortization Expense
July 1 through December 31, 2025	\$ 23,596
2026	41,274
2027	37,053
2028	36,386
2029	35,898
2030	29,654
2031 and thereafter	79,580
	\$ 283,441

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16. LEASES

Rithm Capital, through its wholly-owned subsidiaries, has non-cancelable operating leases on office space and data centers expiring through 2035. Rent expense, net of sublease income for the three months ended June 30, 2025 and 2024 totaled \$7.5 million and \$13.2 million, respectively, and \$14.7 million and \$25.7 million for the six months ended June 30, 2025 and 2024, respectively. The Company has leases that include renewal options and escalation clauses. The terms of the leases do not impose any financial restrictions or covenants.

Operating lease right-of-use (“ROU”) assets represent the right to use an underlying asset for the lease term and lease liabilities represent obligations to make lease payments arising from the lease. In addition, the Company has finance leases for computer hardware. As of June 30, 2025, the Company has pledged collateral related to its lease obligations of \$7.4 million, which is presented as part of restricted cash on the consolidated balance sheets. Operating lease ROU assets and lease liabilities are presented as part of other assets and accrued expenses and other liabilities, respectively, on the consolidated balance sheets (Note 12).

The table below summarizes the future commitments under the non-cancelable leases:

Year Ending	Operating Leases	Finance Leases	Total
July 1 through December 31, 2025	\$ 22,973	\$ —	\$ 22,973
2026	39,438	228	39,666
2027	40,459	228	40,687
2028	29,933	—	29,933
2029	28,155	—	28,155
2030 and thereafter	25,532	—	25,532
Total remaining undiscounted lease payments	186,490	456	186,946
Less: imputed interest	27,505	34	27,539
Total Remaining Discounted Lease Payments	\$ 158,985	\$ 422	\$ 159,407

The future commitments under the non-cancelable leases have not been reduced by the sublease rentals of \$31.1 million due in the future periods.

Other information related to leases is summarized below:

	June 30, 2025	December 31, 2024
<i>Weighted Average Remaining Lease Term (Years):</i>		
Operating leases	5.2	5.1
Finance leases	2.0	2.5
<i>Weighted Average Discount Rate:</i>		
Operating leases	6.6 %	6.5 %
Finance leases	7.9 %	7.9 %

Supplemental Information	Six Months Ended June 30,	
	2025	2024
<i>Cash Paid for Amounts Included in the Measurement of Lease Liabilities:</i>		
Operating cash flows - operating leases	\$ 22,452	\$ 17,551
Operating cash flows - finance leases	3	4
Finance cash flows - finance leases	225	224
<i>Supplemental Non-Cash Information on Lease Liabilities Arising from Obtaining ROU Assets:</i>		
ROU assets obtained in exchange for new operating lease liabilities	\$ 14,655	\$ 14,846

See Note 9 for further information on leases of SFR properties.

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17. DERIVATIVES AND HEDGING

Rithm Capital enters into economic hedges including interest rate swaps, to-be-announced forward contract positions (“TBAs”), and futures to hedge a portion of its interest rate risk exposure. Interest rate risk is sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, as well as other factors. Rithm Capital’s credit risk with respect to economic hedges is the risk of default on Rithm Capital’s investments that results from a borrower’s or counterparty’s inability or unwillingness to make contractually required payments.

Rithm Capital may at times hold TBAs in order to mitigate Rithm Capital’s interest rate risk on certain specified MBS and MSRs. Amounts or obligations owed by or to Rithm Capital are subject to the right of set-off with the counterparty. As part of executing these trades, Rithm Capital may enter into agreements with its counterparties that govern the transactions for the purchases or sales made, including margin maintenance, payment and transfer, events of default, settlements and various other provisions. Changes in the value of economic hedges designed to protect against MBS and MSR fair value fluctuations, or hedging gains and losses, are reflected in the tables below.

As of June 30, 2025, Rithm Capital also held interest rate lock commitments (“IRLCs”), which represent a commitment to a particular interest rate provided the borrower is able to close the loan within a specified period, and forward loan sale and securities delivery commitments, which represent a commitment to sell specific residential mortgage loans at prices which are fixed as of the forward commitment date. Rithm Capital enters into forward loan sale and securities delivery commitments in order to hedge the exposure related to IRLCs and residential mortgage loans that are not covered by residential mortgage loan sale commitments.

Derivatives and economic hedges are recorded at fair value and presented in other assets or accrued expenses and other liabilities on the consolidated balance sheets, as follows:

	June 30, 2025	December 31, 2024
<i>Derivative and Hedging Assets:</i>		
Interest rate swaps and futures ^(A)	\$ 4	\$ 6
IRLCs	52,084	21,496
TBAs	6,741	50,809
Foreign exchange forwards	—	2,836
	<u>\$ 58,829</u>	<u>\$ 75,147</u>
<i>Derivative and Hedging Liabilities:</i>		
IRLCs	\$ 1,562	\$ 10,202
TBAs	59,689	15,628
Treasury short sales ^(B)	—	1,245
Other commitments ^(C)	28,480	25,521
Stock options	113	14
Foreign exchange forwards	2,350	—
Interest rate futures ^(A)	3,145	—
	<u>\$ 95,339</u>	<u>\$ 52,610</u>

(A) Net of \$69.3 million and \$42.0 million of related variation margin accounts as of as of June 30, 2025 and December 31, 2024, respectively.

(B) As of December 31, 2024, the carrying value represents the net of repurchase agreements and \$503.9 million of related reverse repurchase agreement lending facilities used to borrow securities to effectuate short sales of Treasury securities.

(C) During the first quarter of 2024, a subsidiary of the Company entered into an agreement, classified as a derivative, with an affiliate, which could result in the subsidiary being required to make a payment under certain circumstances dependent upon amounts realized from an investment of the affiliate, subject to a maximum amount of \$25.5 million. During the first quarter of 2025, the Company entered into a consolidated joint venture with a third party to invest in an affiliated fund. The third party’s interest is subject to a redemption right after a certain period. The Company separately accounts for the redemption right as a derivative with a fair value of \$3.0 million as of June 30, 2025.

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The following table summarizes notional amounts related to derivatives and hedging:

	June 30, 2025	December 31, 2024
Interest rate swaps ^(A)	\$ 8,395,000	\$ 8,995,000
Interest rate futures ^(B)	3,335,000	—
IRLCs	4,720,463	3,413,043
TBAs ^(C)	17,196,491	17,402,824
Other commitments	28,480	25,057
Foreign exchange forwards	68,215	17,300

(A) Includes \$1.8 billion notional of receive Secured Overnight Financing Rate (“SOFR”)/pay fixed of 3.3% and \$6.6 billion notional of receive fixed of 3.8%/pay SOFR with weighted average maturities of 90 months and 36 months, respectively, as of June 30, 2025. Includes \$3.1 billion notional of receive SOFR/pay fixed of 3.6% and \$5.9 billion notional of receive fixed of 3.8%/pay SOFR with weighted average maturities of 71 months and 32 months, respectively, as of December 31, 2024.

(B) Represents a \$3.3 billion notional Eris SOFR swap future with weighted average maturity of 43 months that replicates cash flows of receive fixed/pay SOFR interest rate swaps.

(C) Represents the notional amount of Agency RMBS classified as derivatives.

The following table summarizes gain (loss) on derivatives and other hedging instruments and the related presentation on the consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>Servicing Revenue, Net:</i>				
TBAs	\$ 19,749	\$ 1,042	\$ 120,100	\$ 2,565
Interest rate swaps	(2,087)	(1,840)	(5,954)	8,904
Interest rate futures	3,210	—	9,191	—
Treasury short sales	—	12,952	—	41,297
	20,872	12,154	123,337	52,766
<i>Gain (Loss) on Originated Residential Mortgage Loans, HFS, Net^(A):</i>				
IRLCs	16,135	(14,817)	39,228	(7,332)
TBAs	(30,755)	15,484	(100,927)	53,394
	(14,620)	667	(61,699)	46,062
<i>Realized and Unrealized Gains (Losses), Net^(B):</i>				
Interest rate swaps	(4,200)	3,942	(12,667)	22,360
Other commitments	—	957	—	(16,140)
Stock options	(56)	—	(17)	—
Foreign exchange forwards	(3,970)	—	(5,357)	—
	(8,226)	4,899	(18,041)	6,220
Total Gain (Loss)	\$ (1,974)	\$ 17,720	\$ 43,597	\$ 105,048

(A) Represents unrealized gain (loss).

(B) Excludes \$25.0 million gain and \$10.1 million gain for the three months ended June 30, 2025 and 2024, respectively, and \$37.8 million gain and \$5.4 million loss for the six months ended June 30, 2025 and 2024, respectively, reflected as gain (loss) on settlement of residential mortgage loan origination derivative instruments presented within gain on originated residential mortgage loans, HFS, net (Note 7) in the consolidated statements of operations.

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18. DEBT OBLIGATIONS

The following table summarizes secured financing agreements, secured notes and bonds payable and also includes notes payable of consolidated CFEs:

	June 30, 2025										December 31, 2024
							Collateral				
Debt Obligations/Collateral ^(C)	Outstanding Face Amount	Carrying Value ^(A)	Final Stated Maturity ^(B)	Weighted Average Funding Cost	Weighted Average Life (Years)		Outstanding Face	Amortized Cost Basis	Carrying Value	Weighted Average Life (Years)	Carrying Value ^(A)
Secured Financing Agreements:											
Warehouse credit facilities - residential mortgage loans ^(D)	\$ 4,025,279	\$ 4,025,279	Jul-25 to Mar-28	5.7 %	0.6	\$	4,436,455	\$ 4,533,953	\$ 4,502,103	23.8	\$ 4,235,333
Warehouse credit facilities - residential transition loans ^(E)	1,873,586	1,873,586	Dec-25 to Mar-28	6.7 %	1.5		2,181,576	2,186,402	2,186,402	1.1	1,547,307
Government and government-backed securities ^(F)	8,670,898	8,670,898	Jul-25 to Mar-26	4.6 %	0.3		8,967,430	8,788,443	9,030,840	7.1	9,782,976
Non-Agency securities ^(D)	871,386	871,386	Jul-25 to Oct-28	6.0 %	0.7		14,894,065	1,206,506	1,285,364	4.2	744,457
Excess MSRs ^(E)	223,241	222,689	Sep-26	6.7 %	1.2		50,719,526	282,966	325,337	6.0	222,452
CLOs ^(E)	229,361	227,906	Jan-30 to Apr-38	4.4 %	8.2		229,949	N/A	229,532	8.2	170,990
SFR properties and commercial ^(E)	6,034	6,034	Dec-26	6.8 %	1.5		N/A	10,785	10,785	N/A	78,952
Total secured financing agreements	15,899,785	15,897,778		5.2 %	0.7						16,782,467
Secured Notes and Bonds Payable:											
MSRs ^(G)	5,723,470	5,706,822	Sep-25 to Nov-31	6.8 %	1.8		571,546,048	8,182,037	10,135,402	6.4	5,838,250
Servicer advance investments ^(H)	240,656	240,656	Mar-26	6.2 %	0.7		276,702	302,338	312,986	7.6	258,183
Servicer advances ^(H)	2,321,262	2,320,925	Sep-25 to Dec-26	6.8 %	0.7		2,706,174	2,684,416	2,684,416	0.7	2,629,802
Consumer loans ^(I)	403,296	381,654	Jun-28 to Sep-37	4.7 %	3.3		580,301	568,925	465,231	1.7	564,791
SFR properties ^(J)	819,074	799,356	Feb-27 to Mar-28	4.3 %	2.1		N/A	991,475	991,475	N/A	716,649
Residential transition loans ^(K)	200,000	200,000	Jul-26	5.8 %	1.0		230,554	230,554	231,693	0.5	200,000
Secured facility - asset management ^(M)	75,000	73,634	Nov-25	8.8 %	0.3		N/A	N/A	N/A	N/A	71,971
Other investments ^(E)	30,000	30,000	Feb-30	6.6 %	4.6		N/A	N/A	N/A	N/A	—
CLOs ^(E)	11,837	11,810	Jul-30	6.1 %	5.0		15,373	N/A	14,391	5.0	18,429
Total secured notes and bonds payable	9,824,595	9,764,857		6.5 %	1.6						10,298,075
Notes Payable of Consolidated CFEs:											
Consolidated funds ^(L)	960,250	955,757	May-28 to Jan-38	5.8 %	10.2		1,041,106	N/A	1,073,302	5.0	959,958
Residential mortgage loans	2,358,418	2,232,484	Feb-41 to May-53	4.4 %	25.3		2,769,184	N/A	2,637,931	25.3	2,369,934
Residential transition loans	861,949	863,038	Mar-39 to Sep-39	6.2 %	13.9		943,271	N/A	967,461	0.9	859,023
Total notes payable of consolidated CFEs	4,180,617	4,051,279		5.1 %	19.5						4,188,915
Total / Weighted Average	\$ 29,904,997	\$ 29,713,914		5.6 %	3.6						\$ 31,269,457

(A) Net of deferred financing costs.

(B) Debt obligations with a stated maturity through the date of issuance of the consolidated financial statements were refinanced, extended or repaid.

(C) Associated with accrued interest payable of approximately \$184.3 million and \$239.4 million as of June 30, 2025 and December 31, 2024, respectively.

(D) Based on SOFR interest rates. Includes repurchase agreements and related collateral on non-Agency securities retained through consolidated securitizations.

(E) All SOFR- or Euro Interbank Offered Rate (EURIBOR)-based floating interest rates.

(F) Repurchase agreements are based on a fixed-rate. Collateral carrying value includes margin deposits.

(G) Includes \$4.0 billion of MSR notes with an interest equal to the sum of (i) a floating rate index equal to SOFR and (ii) a margin ranging from 2.5% to 3.0%; and \$1.7 billion of MSR notes with fixed interest rates ranging 3.1% to 7.4%. The outstanding face amount of the collateral represents the UPB of the residential mortgage loans underlying the MSRs and MSR financing receivables securing these notes.

(H) Includes \$1.5 billion of debt with an interest rate equal to the sum of (i) a floating rate index equal to SOFR and (ii) a margin ranging from 1.6% to 3.0%; and \$1.0 billion of debt with fixed interest rates ranging from 3.9% to 5.7%. Collateral includes servicer advance investments, as well as servicer advances receivable related to the MSRs and MSR financing receivables owned by NRM and Newrez.

(I) Includes (i) SpringCastle debt, which is primarily composed of the following classes of asset-backed notes held by third parties: \$125.6 million UPB of Class A notes with a coupon of 2.0% and \$53.0 million UPB of Class B notes with a coupon of 2.7% and (ii) \$224.7 million of debt collateralized by the Marcus loans with an interest rate of SOFR plus a margin of 2.4%.

(J) Includes \$819.1 million of fixed rate notes which bear interest ranging from 3.5% to 6.2%.

(K) Fixed rate note which bears interest of 5.8%.

(L) Includes notes payable of consolidated collateralized loan obligations ("CLOs") and of a structured alternative investment solution. Weighted average rate is the effective rate for the senior notes with stated coupon rates. The subordinate notes with UPB of \$32.0 million do not have a stated rate of interest. Weighted average life of a structured alternative investment solution is based on expected maturity.

(M) Fixed rate note which bears interest of 8.8%.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(dollars in tables in thousands, except share and per share data)

General

Certain of the debt obligations included above are obligations of Rithm Capital's consolidated subsidiaries, which own the related collateral. In some cases, such collateral is not available to other creditors of Rithm Capital Corp. The obligations and liabilities of CFEs may only be satisfied with the assets of the respective consolidated CFEs, and creditors of the CFE do not have recourse to Rithm Capital Corp.

As of June 30, 2025, Rithm Capital has margin exposure on \$15.9 billion of secured financing agreements. To the extent that the value of the collateral underlying these secured financing agreements declines, Rithm Capital may be required to post margin, which could significantly impact its liquidity.

The following table summarizes activities related to the carrying value of debt obligations:

	Servicer Advances and Excess MSR ^(A)	MSRs	Government and Government- Backed and Other Securities	Residential Mortgage Loans and REO	Consumer Loans	SFR Properties and Commercial	Residential Transition Loans	Asset Management, CLOs and Consolidated Funds	Total
Balance at December 31, 2024	\$ 3,110,437	\$ 5,838,250	\$ 10,527,433	\$ 6,605,267	\$ 564,791	\$ 795,601	\$ 2,606,330	\$ 1,221,348	\$ 31,269,457
<i>Secured Financing Agreements:</i>									
Borrowings	—	—	31,272,394	33,460,231	—	—	1,843,175	59,550	66,635,350
Repayments	—	—	(32,257,543)	(33,670,285)	—	(72,918)	(1,516,896)	(28,255)	(67,545,897)
Foreign exchange ("FX") remeasurement	—	—	—	—	—	—	—	25,827	25,827
Capitalized deferred financing costs, net of amortization	237	—	—	—	—	—	—	(206)	31
<i>Secured Notes and Bonds Payable:</i>									
Borrowings	1,418,518	1,750,504	30,000	—	—	79,119	—	6,173	3,284,314
Repayments	(1,745,210)	(1,872,872)	—	—	(181,737)	(663)	—	(12,062)	(3,812,544)
FX remeasurement	—	—	—	—	—	—	—	193	193
Unrealized (gain) loss on notes, fair value	—	—	—	—	(1,992)	—	—	—	(1,992)
Capitalized deferred financing costs, net of amortization	288	(9,060)	—	—	592	4,251	—	739	(3,190)
<i>Notes Payable of Consolidated CFEs:</i>									
Repayments	—	—	—	(182,456)	—	—	—	—	(182,456)
Unrealized (gain) loss on notes, fair value	—	—	—	45,006	—	—	2,883	(4,200)	43,689
Capitalized deferred financing costs, net of amortization	—	—	—	—	—	—	1,132	—	1,132
Balance at June 30, 2025	\$ 2,784,270	\$ 5,706,822	\$ 9,572,284	\$ 6,257,763	\$ 381,654	\$ 805,390	\$ 2,936,624	\$ 1,269,107	\$ 29,713,914

(A) Rithm Capital net settles daily borrowings and repayments of the secured notes and bonds payable on its servicer advances.

Maturities

Contractual maturities of debt obligations, including the Senior Unsecured Notes (as defined below), as of June 30, 2025 are as follows:

Year Ending	Nonrecourse ^(A)	Recourse ^(B)	Total
July 1 through December 31, 2025	\$ 1,041,433	\$ 13,311,905	\$ 14,353,338
2026	2,251,035	5,159,892	7,410,927
2027	649,794	307,000	956,794
2028	752,994	448,441	1,201,435
2029	70,000	1,025,000	1,095,000
2030 and thereafter	5,632,503	530,000	6,162,503
	\$ 10,397,759	\$ 20,782,238	\$ 31,179,997

(A) Includes secured financing agreements, secured notes and bonds payable, unsecured notes net of issuance costs and notes payable of consolidated CFEs of \$1.7 billion, \$5.1 billion, \$0.0 billion, and \$3.2 billion, respectively.

(B) Includes secured financing agreements, secured notes and bonds payable, unsecured notes net of issuance costs and notes payable of consolidated CFEs of \$14.4 billion, \$5.3 billion, \$1.3 billion, and \$0.0 billion, respectively.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(dollars in tables in thousands, except share and per share data)

Borrowing Capacity

The following table represents borrowing capacity as of June 30, 2025:

Debt Obligations / Collateral	Borrowing Capacity	Balance Outstanding	Available Financing^(A)
<i>Secured Financing Agreements:</i>			
Residential mortgage loans, residential transition loans and SFR	\$ 6,773,316	\$ 2,623,262	\$ 4,150,054
Loan originations	6,077,000	3,281,636	2,795,364
CLOs	484,141	229,361	254,780
Excess MSRs	350,000	223,241	126,759
<i>Secured Notes and Bonds Payable:</i>			
MSRs	6,898,522	5,723,470	1,175,052
Servicer advances	4,240,000	2,561,918	1,678,082
SFR	200,000	169,279	30,721
<i>Liabilities of Consolidated CFEs:</i>			
Consolidated funds	52,500	—	52,500
	<u>\$ 25,075,479</u>	<u>\$ 14,812,167</u>	<u>\$ 10,263,312</u>

(A) Although available financing is uncommitted, Rithm Capital's unused borrowing capacity is available if it has additional eligible collateral to pledge and meets other borrowing conditions as set forth in the applicable agreements, including any applicable advance rate.

Certain of the debt obligations are subject to customary loan covenants and event of default provisions, including event of default provisions triggered by certain specified declines in Rithm Capital's equity or a failure to maintain a specified tangible net worth, liquidity or indebtedness to tangible net worth ratio. Rithm Capital was in compliance with all of its debt covenants as of June 30, 2025.

2030 Senior Unsecured Notes

On June 20, 2025, the Company issued \$500.0 million aggregate principal amount of senior unsecured notes due on July 15, 2030 (the "2030 Senior Notes") in a private offering for proceeds of approximately \$495.0 million, net of commissions and estimated offering expenses payable by the Company. Interest on the 2030 Senior Notes accrues at the rate of 8.000% per annum with interest payable semi-annually in arrears on each of January 15th and July 15th, commencing on January 15, 2026.

The 2030 Senior Notes become redeemable in whole or in part at any time and from time to time, on or after July 15, 2027, at a price equal to the following fixed redemption prices (expressed as a percentage of principal amount of the 2030 Senior Notes to be redeemed):

Year	Price
2027	104.000 %
2028	102.000 %
2029 and thereafter	100.000 %

Prior to July 15, 2027, the Company is entitled at its option, at any time and from time to time, to redeem the 2030 Senior Notes in whole or in part at a price equal to 100% of the principal amount thereof, plus the applicable "make-whole" premium as of the applicable redemption date, and accrued but unpaid interest, if any, to, but excluding the applicable date of redemption. In addition, prior to July 15, 2027, the Company is entitled at its option on one or more occasions to redeem the 2030 Senior Notes in an aggregate principal amount not to exceed 40% of the aggregate principal amount of the 2030 Senior Notes originally issued at a redemption price of 108.000%, plus accrued but unpaid interest, if any, to, but not including, the applicable redemption date with the net cash proceeds from one or more Qualified Equity Offerings (as defined in the Indenture, dated June 20, 2025, by and between the Company and U.S. Bank Trust Company, National Association (the "Trustee"), pursuant to which the 2030 Senior Notes were issued (the "2030 Notes Indenture")).

RITHM CAPITAL CORP. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

(dollars in tables in thousands, except share and per share data)

The Company incurred fees of approximately \$5.4 million in relation to the issuance of the 2030 Senior Notes. These fees were capitalized as debt issuance cost and presented as part of unsecured notes, net of issuance costs on the consolidated balance sheets. In connection with the 2030 Senior Notes, for the three and six months ended June 30, 2025, the Company recognized interest expense of \$1.1 million. As of June 30, 2025, the unamortized debt issuance cost was approximately \$5.4 million.

The 2030 Senior Notes are senior unsecured obligations and rank equal in right of payment with all of the Company's existing and future senior unsecured indebtedness and senior unsecured guarantees. At the time of issuance, the 2030 Senior Notes were not guaranteed by any of the Company's subsidiaries and none of its subsidiaries are required to guarantee the 2030 Senior Notes in the future, except under limited specified circumstances.

The 2030 Senior Notes contain financial covenants and other non-financial covenants, including, among other things, limits on the ability of the Company and its restricted subsidiaries to incur certain indebtedness (subject to various exceptions), a requirement that the Company maintain Total Unencumbered Assets (as defined in the 2030 Notes Indenture) of not less than 120% of the aggregate principal amount of the outstanding unsecured debt of the Company, and imposes certain requirements in order for the Company to merge or consolidate with or transfer all or substantially all of its properties and assets to another person, in each case subject to certain qualifications set forth in the 2030 Notes Indenture. If the Company were to fail to comply with these covenants, after the expiration of the applicable cure periods, the debt maturity could be accelerated or other remedies could be sought by the lenders. As of June 30, 2025, the Company was in compliance with all covenants.

In the event of a Change of Control or Mortgage Business Triggering Event (each as defined in the 2030 Notes Indenture), each holder of the 2030 Senior Notes will have the right to require the Company to repurchase all or any part of such holder's outstanding balance at a purchase price of 101% of the principal amount of the 2030 Senior Notes, plus accrued and unpaid interest, if any, to, but not including, the date of such repurchase.

2029 Senior Unsecured Notes

On March 19, 2024, the Company issued \$775.0 million aggregate principal amount of senior unsecured notes due on April 1, 2029 (the "2029 Senior Notes") in a private offering at an issue price of 98.981%. Interest on the 2029 Senior Notes accrues at the rate of 8.000% per annum with interest payable semi-annually in arrears on each of April 1st and October 1st, commencing on October 1, 2024.

The 2029 Senior Notes become redeemable in whole or in part at any time and from time to time, on or after April 1, 2026, at a price equal to the following fixed redemption prices (expressed as a percentage of principal amount of the 2029 Senior Notes to be redeemed):

Year	Price
2026	104.000 %
2027	102.000 %
2028 and thereafter	100.000 %

Prior to April 1, 2026, the Company is entitled at its option, at any time and from time to time, to redeem the 2029 Senior Notes in whole or in part at a price equal to 100% of the principal amount thereof, plus the applicable "make-whole" premium as of the applicable redemption date, and accrued but unpaid interest, if any, to, but excluding the applicable date of redemption. In addition, prior to April 1, 2026, the Company is entitled at its option on one or more occasions to redeem the 2029 Senior Notes in an aggregate principal amount not to exceed 40% of the aggregate principal amount of the 2029 Senior Notes originally issued at a redemption price of 108.000%, plus accrued but unpaid interest, if any, to, but not including, the applicable redemption date with the net cash proceeds from one or more Qualified Equity Offerings (as defined in the Indenture, dated March 19, 2024, pursuant to which the 2029 Senior Notes were issued (the "2029 Notes Indenture"))).

RITHM CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(dollars in tables in thousands, except share and per share data)

Proceeds from the issuance of the 2029 Senior Notes were approximately \$759 million, net of discount and commissions and estimated offering expenses payable by the Company. The Company incurred fees of approximately \$9.1 million in relation to the issuance of the 2029 Senior Notes. These fees were capitalized as debt issuance cost and presented as part of unsecured notes, net of issuance costs on the consolidated balance sheets. In connection with the 2029 Senior Notes, for the three months ended June 30, 2025 and 2024, the Company recognized interest expense of \$15.5 million and \$15.5 million, respectively, and \$30.7 million and \$17.5 million for the six months ended June 30, 2025 and 2024, respectively. As of June 30, 2025 and December 31, 2024, the unamortized discount and debt issuance cost was approximately \$13.4 million and \$14.8 million, respectively.

The 2029 Senior Notes are senior unsecured obligations and rank equal in right of payment with all of the Company's existing and future senior unsecured indebtedness and senior unsecured guarantees. At the time of issuance, the 2029 Senior Notes were not guaranteed by any of the Company's subsidiaries and none of its subsidiaries are required to guarantee the 2029 Senior Notes in the future, except under limited specified circumstances.

The 2029 Senior Notes contain financial covenants and other non-financial covenants, including, among other things, limits on the ability of the Company and its restricted subsidiaries to incur certain indebtedness (subject to various exceptions), a requirement that the Company maintain Total Unencumbered Assets (as defined in the 2029 Notes Indenture) of not less than 120% of the aggregate principal amount of the outstanding unsecured debt of the Company and imposes certain requirements in order for the Company to merge or consolidate with or transfer all or substantially all of its properties and assets to another person, in each case subject to certain qualifications set forth in the 2029 Notes Indenture. If the Company were to fail to comply with these covenants, after the expiration of the applicable cure periods, the debt maturity could be accelerated or other remedies could be sought by the lenders. As of June 30, 2025, the Company was in compliance with all covenants.

In the event of a Change of Control or Mortgage Business Triggering Event (each as defined in the 2029 Notes Indenture), each holder of the 2029 Senior Notes will have the right to require the Company to repurchase all or any part of such holder's outstanding balance at a purchase price of 101% of the principal amount of the 2029 Senior Notes, plus accrued and unpaid interest, if any, to, but not including, the date of such repurchase.

2025 Senior Unsecured Notes

On September 16, 2020, the Company issued \$550.0 million aggregate principal amount of senior unsecured notes due on October 15, 2025 (the "2025 Senior Notes" and, together with the 2030 Senior Notes and the 2029 Senior Notes, the "Senior Unsecured Notes") in a private offering for net proceeds of \$544.5 million. Interest on the 2025 Senior Notes accrued at the rate of 6.250% per annum with interest payable semi-annually in arrears on each April 15th and October 15th, commencing on April 15, 2021.

The notes became redeemable at any time and from time to time, on or after October 15, 2022 at certain fixed redemption prices. The Company was able to redeem the notes at a fixed redemption price of 100.000% after October 14, 2024 plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date.

The Company incurred fees of approximately \$8.3 million in relation to the issuance of the 2025 Senior Notes which were capitalized as debt issuance cost and are presented as part of unsecured notes, net of issuance costs on the consolidated balance sheets. In connection with the 2025 Senior Notes, for the three months ended June 30, 2025 and 2024, the Company recognized interest expense of \$4.4 million and \$4.3 million, respectively, and \$8.6 million and \$12.3 million for the six months ended June 30, 2025 and 2024, respectively. As of December 31, 2024, unamortized debt issuance costs were approximately \$1.4 million. There were no unamortized debt issuance costs related to the 2025 Senior Notes as of June 30, 2025.

The 2025 Senior Notes were senior unsecured obligations and ranked equal in right of payment with all of the Company's existing and future senior unsecured indebtedness and senior unsecured guarantees. At the time of issuance, the 2025 Senior Notes were not guaranteed by any of the Company's subsidiaries and none of its subsidiaries were required to guarantee the 2025 Senior Notes at a later date, except under limited specified circumstances.

RITHM CAPITAL CORP. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

(dollars in tables in thousands, except share and per share data)

During the first quarter of 2024 and in connection with the issuance of the 2029 Senior Notes, the Company tendered for and repurchased \$275.0 million aggregate principal amount of its 2025 Senior Notes for cash in a total amount of \$282.4 million, inclusive of an early tender premium of \$30 per \$1,000 principal amount of 2025 Senior Notes and accrued and unpaid interest. Following such tender offer, \$275.0 million aggregate principal amount of 2025 Senior Notes remained outstanding.

During the second quarter of 2025 and following the issuance of the 2030 Senior Notes, the Company redeemed the remaining \$275.0 million aggregate principal amount of its 2025 Senior Notes for cash in a total amount of \$278.7 million, inclusive of accrued and unpaid interest. On June 30, 2025, the 2025 Senior Notes Indenture and the Company's obligations under the 2025 Senior Notes were satisfied and discharged. As a result of the redemption, the Company recognized a loss on extinguishment of debt of \$0.7 million which is included in realized and unrealized gains (losses), net in the consolidated statement of operations.

Tax Receivable Agreement

At the time of its IPO in 2007, Sculptor entered into a tax receivable agreement ("TRA") with the former holders of units in Sculptor's operating partnerships (the "TRA Holders"). The TRA provides for the payment by Sculptor to the TRA Holders of a portion of the cash savings in U.S. federal, state and local income tax that Sculptor realizes as a result of certain tax benefits attributable to taxable acquisitions by Sculptor (and certain affiliates and successors) of Sculptor operating partnership units.

The TRA includes certain "change of control" assumptions that became applicable as a result of the Sculptor Acquisition, including the assumption that Sculptor (or its successor) has sufficient taxable income to use the relevant tax benefits. As a result, payments under the TRA will be calculated without regard to Sculptor's ability to actually use tax assets (including net operating losses), the use of which may be significantly limited and may therefore exceed the actual tax savings to Sculptor of the associated tax assets.

The estimated undiscounted future payment under the TRA was \$237.9 million as of June 30, 2025. The carrying value of the TRA liability measured at amortized cost was \$158.2 million and \$170.4 million as of June 30, 2025 and December 31, 2024, respectively, with interest expense recognized under the effective interest method. The TRA liability is recorded in unsecured notes, net of issuance costs on the consolidated balance sheets.

The table below presents the Company's estimate as of June 30, 2025, of the maximum undiscounted amounts that would be payable under the TRA using the assumptions described above. In light of the numerous factors affecting Sculptor's obligation to make such payments, the timing and amounts of any such actual payments may differ materially from those presented in the table.

Year Ending	Potential Payments Under TRA
July 1 through December 31, 2025	\$ —
2026	17,513
2027	18,063
2028	16,697
2029	16,739
2030 and thereafter	168,928
	<u>\$ 237,940</u>

19. FAIR VALUE MEASUREMENTS

Fair value represents the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date (i.e., an exit price). The Company holds a variety of assets and liabilities, certain of which are not publicly traded or that are otherwise illiquid. Significant judgment and estimation go into the assumptions that drive the fair value of these assets and liabilities. Due to the inherent uncertainty of valuations of investments that are determined to be illiquid or do not have readily ascertainable fair values, the estimates of fair value may differ from the values ultimately realized, and those differences can be material.

RITHM CAPITAL CORP. AND SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

(dollars in tables in thousands, except share and per share data)

U.S. GAAP establishes a hierarchical disclosure framework that prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is impacted by a number of factors, including the type and the specific characteristics of the assets and liabilities, including existence and transparency of transactions between market participants. Assets and liabilities with readily available actively quoted prices or for which fair value can be measured from actively-quoted prices generally will have a higher degree of market price observability and lesser degree of judgment used in measuring fair value.

Assets and liabilities measured at fair value are classified and disclosed into one of the following categories based on the observability of inputs used in the determination of fair values:

Level 1 – Quoted prices in active markets for identical instruments.

Level 2 – Valuations based principally on other observable market parameters, including:

- Quoted prices in active markets for similar instruments,
- Quoted prices in less active or inactive markets for identical or similar instruments,
- Other observable inputs, such as interest rates, yield curves, volatilities, prepayment rates, loss severities, credit risks and default rates (“CDR”) and
- Market corroborated inputs (derived principally from or corroborated by observable market data).

Level 3 – Valuations based significantly on unobservable inputs.

Rithm Capital follows this hierarchy for its fair value measurements. The classifications are based on the lowest level of input that is significant to the fair value measurement.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(dollars in tables in thousands, except share and per share data)

The carrying values and fair values of assets and liabilities recorded at fair value on a recurring basis, as well as other financial instruments measured at amortized cost for which fair value is disclosed, as of June 30, 2025 were as follows:

	Principal Balance or Notional Amount	Carrying Value	Fair Value ^(E)				Net Asset Value ("NAV")	Total
			Level 1	Level 2	Level 3			
<i>Assets:</i>								
Excess MSRs ^(A)	\$ 50,719,526	\$ 345,677	\$ —	\$ —	\$ 345,677	\$ —	\$ 345,677	
MSRs and MSR financing receivables ^(A)	592,723,336	10,360,063	—	—	10,360,063	—	10,360,063	
Servicer advance investments	276,702	312,986	—	—	312,986	—	312,986	
Government and government-backed securities ^(B)	8,992,430	8,868,879	1,282,188	7,586,689	—	—	8,868,877	
Non-Agency securities	8,852,683	739,143	—	—	739,143	—	739,143	
Residential mortgage loans, HFS	68,525	60,966	—	—	60,966	—	60,966	
Residential mortgage loans, HFS, at fair value	4,049,979	4,126,335	—	4,100,440	25,895	—	4,126,335	
Residential mortgage loans, HFI, at fair value	371,253	343,333	—	—	343,333	—	343,333	
Residential mortgage loans subject to repurchase	2,264,600	2,264,600	—	2,264,600	—	—	2,264,600	
Consumer loans	580,301	465,231	—	—	465,231	—	465,231	
Derivative and hedging assets	17,499,607	58,829	—	6,745	52,084	—	58,829	
Residential transition loans	2,492,943	2,497,764	—	—	2,497,764	—	2,497,764	
Notes receivable	532,517	442,893	—	—	442,893	—	442,893	
Loans receivable	8,038	8,038	—	—	8,038	—	8,038	
Equity investment, at fair value	192,500	194,315	—	—	194,315	—	194,315	
CLOs	339,429	337,392	—	249,627	87,765	—	337,392	
Investments of consolidated CFEs - funds ^(C)	1,133,725	1,159,681	—	801,443	88	358,150	1,159,681	
Investments of consolidated CFEs - loan securitizations ^(C)	3,712,455	3,605,392	—	2,637,931	967,461	—	3,605,392	
Other assets	N/A	172,057	78,754	—	93,303	—	172,057	
		<u>\$ 36,363,574</u>	<u>\$ 1,360,942</u>	<u>\$ 17,647,475</u>	<u>\$ 16,997,005</u>	<u>\$ 358,150</u>	<u>\$ 36,363,572</u>	
<i>Liabilities:</i>								
Secured financing agreements	\$ 15,899,785	\$ 15,897,778	\$ —	\$ 15,669,872	\$ 231,119	\$ —	\$ 15,900,991	
Secured notes and bonds payable ^(D)	9,824,595	9,764,857	—	—	9,768,399	—	9,768,399	
Unsecured notes, net of issuance costs	1,512,940	1,414,497	—	—	1,422,452	—	1,422,452	
Residential mortgage loan repurchase liability	2,264,600	2,264,600	—	2,264,600	—	—	2,264,600	
Derivative liabilities	16,244,042	95,339	113	65,184	30,042	—	95,339	
MSR financing liability ^(A)	8,613,478	60,940	—	—	60,940	—	60,940	
Notes receivable financing	371,446	376,143	—	—	381,128	—	381,128	
Notes payable of consolidated CFEs - funds ^(C)	960,250	955,757	—	731,091	224,666	—	955,757	
Notes payable of consolidated CFEs - loan securitizations ^(C)	3,220,367	3,095,522	—	2,232,484	863,038	—	3,095,522	
		<u>\$ 33,925,433</u>	<u>\$ 113</u>	<u>\$ 20,963,231</u>	<u>\$ 12,981,784</u>	<u>\$ —</u>	<u>\$ 33,945,128</u>	

(A) The notional amount represents the total UPB of the residential mortgage loans underlying the MSRs, MSR financing receivables, Excess MSRs and MSR financing liability. Rithm Capital does not receive an excess mortgage servicing amount on non-performing loans in Agency portfolios.

(B) Includes Treasury securities classified as Level 1 and held at amortized cost basis of \$24.8 million (see Note 6).

(C) Represents assets and notes issued by consolidated VIEs accounted for under the CFE election.

(D) Includes \$160.4 million of SCFT 2020-A (as defined in Note 20) MBS as of June 30, 2025, for which the FVO for financial instruments was elected.

(E) The table excludes cash and other short-term receivables and payables for which the carrying value approximates fair value due to their short term nature and are classified within Level 1.

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(dollars in tables in thousands, except share and per share data)

The carrying values and fair values of assets and liabilities recorded at fair value on a recurring basis, as well as other financial instruments for which fair value is disclosed, as of December 31, 2024 were as follows:

	Principal Balance or		Fair Value ^(E)							
	Notional Amount	Carrying Value	Level 1		Level 2		Level 3		NAV	Total
<i>Assets:</i>										
Excess MSRs ^(A)	\$ 53,494,378	\$ 369,162	\$ —	\$ —	\$ 369,162	\$ —	\$ —	\$ 369,162		
MSRs and MSR financing receivables ^(A)	590,214,351	10,321,671	—	—	10,321,671	—	—	10,321,671		
Servicer advance investments	298,945	339,646	—	—	339,646	—	—	339,646		
Government and government-backed securities ^(B)	9,947,189	9,736,116	3,285,478	6,450,643	—	—	—	9,736,121		
Non-agency securities	8,962,730	552,797	—	—	552,797	—	—	552,797		
Residential mortgage loans, HFS	75,872	66,670	—	—	66,670	—	—	66,670		
Residential mortgage loans, HFS, at fair value	4,274,620	4,307,571	—	4,280,405	27,166	—	—	4,307,571		
Residential mortgage loans, HFI, at fair value	396,061	361,890	—	—	361,890	—	—	361,890		
Residential mortgage loans subject to repurchase	2,745,756	2,745,756	—	2,745,756	—	—	—	2,745,756		
Consumer loans	767,623	665,565	—	—	665,565	—	—	665,565		
Derivative and hedging assets	18,597,732	75,147	—	53,651	21,496	—	—	75,147		
Residential transition loans	2,172,713	2,178,075	—	—	2,178,075	—	—	2,178,075		
Notes receivable	487,276	393,786	—	—	393,786	—	—	393,786		
Loans receivable	31,580	31,580	—	—	31,580	—	—	31,580		
Equity investment, at fair value	192,500	194,410	—	—	194,410	—	—	194,410		
CLOs	243,355	242,227	—	217,049	25,178	—	—	242,227		
Investments of consolidated CFEs - funds ^(C)	1,108,903	1,118,359	—	—	785,253	333,106	—	1,118,359		
Investments of consolidated CFEs - loan securitizations ^(C)	3,900,428	3,753,219	—	2,791,027	962,192	—	—	3,753,219		
Other assets	N/A	113,224	17,831	—	95,393	—	—	113,224		
		<u>\$ 37,566,871</u>	<u>\$ 3,303,309</u>	<u>\$ 16,538,531</u>	<u>\$ 17,391,930</u>	<u>\$ 333,106</u>	<u>\$ —</u>	<u>\$ 37,566,876</u>		
<i>Liabilities:</i>										
Secured financing agreements	\$ 16,784,505	\$ 16,782,467	\$ —	\$ 16,611,477	\$ 175,559	\$ —	\$ —	\$ 16,787,036		
Secured notes and bonds payable ^(D)	10,353,561	10,298,075	—	—	10,318,385	—	—	10,318,385		
Unsecured notes, net of issuance costs	1,302,492	1,204,220	—	—	1,229,408	—	—	1,229,408		
Residential mortgage loan repurchase liability	2,745,756	2,745,756	—	2,745,756	—	—	—	2,745,756		
Derivative liabilities	11,255,492	52,610	1,259	15,628	35,723	—	—	52,610		
MSR financing liability ^(A)	15,271,757	101,088	—	—	101,088	—	—	101,088		
Notes receivable financing	371,446	371,788	—	—	377,227	—	—	377,227		
Notes payable of consolidated CFEs - funds ^(C)	1,182,640	959,958	—	—	959,958	—	—	959,958		
Notes payable of consolidated CFEs - loan securitizations ^(C)	3,402,823	3,228,957	—	2,369,934	859,023	—	—	3,228,957		
		<u>\$ 35,744,919</u>	<u>\$ 1,259</u>	<u>\$ 21,742,795</u>	<u>\$ 14,056,371</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 35,800,425</u>		

(A) The notional amount represents the total UPB of the residential mortgage loans underlying the MSRs, MSR financing receivables, Excess MSRs and MSR financing liability. Rithm Capital does not receive an excess mortgage servicing amount on non-performing loans in Agency portfolios.

(B) Includes Treasury Bills classified as Level 1 and held at amortized cost basis of \$24.8 million (see Note 6).

(C) Represents assets and notes issued by consolidated VIEs accounted for under the CFE election.

(D) Includes \$185.5 million of SCFT 2020-A (as defined in Note 20) MBS as of December 31, 2024, for which the FVO for financial instruments was elected.

(E) The table excludes cash and other short-term receivables and payables for which the carrying value approximates fair value due to their short term nature and are classified within Level 1.

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(dollars in tables in thousands, except share and per share data)

The following tables summarize the changes in the Company's Level 3 financial assets for the periods presented:

	Level 3										
	Excess MSRs ^(A)	MSRs and MSR Financing Receivables ^(A)	Servicer Advance Investments	Non-Agency Securities	CLOs ^(B)	Residential Mortgage Loans	Consumer Loans	Other Assets ^(C)	Residential Transition Loans ^(D)	Total	
Balance at March 31, 2025	\$ 354,923	\$ 10,133,041	\$ 321,531	\$ 639,458	\$ 457,276	\$ 444,684	\$ 554,168	\$ 748,583	\$ 3,273,750	\$ 16,927,414	
<i>Transfers:</i>											
Transfers out of Level 3 ^(I)	—	—	—	—	(372,985)	—	—	—	—	(372,985)	
<i>Gain (Loss) Included in Net Income:</i>											
Credit losses on securities ^(E)	—	—	—	(705)	—	—	—	—	—	(705)	
<i>Servicing Revenue, Net^(F):</i>											
Included in servicing revenue ^(F)	—	(194,819)	—	—	—	—	—	—	—	(194,819)	
<i>Fair Value Adjustments due to:</i>											
Other factors ^(E)	(690)	—	166	2,072	—	2,828	(2,514)	19,202	8,056	29,120	
Instrument-specific credit risk ^(E)	—	—	—	—	—	(653)	(4,384)	—	(7,257)	(12,294)	
Other income (loss), net ^(E)	—	—	—	—	(27,843)	322	—	9,246	—	(18,275)	
Gains (losses) included in OCI ^(G)	—	—	—	3,210	—	—	—	—	—	3,210	
Interest income	9,109	—	5,245	9,549	—	—	777	—	—	24,680	
<i>Purchases, Sales and Repayments:</i>											
Purchases, net ^(H)	—	—	164,021	113,890	61,459	299	—	6,668	—	346,337	
Sales and settlement fundings	(45)	1,860	—	—	(30,054)	—	5,074	—	—	(23,165)	
Proceeds from repayments	(17,620)	—	(177,977)	(28,331)	—	(16,117)	(87,890)	(20,149)	(738,568)	(1,086,652)	
Originations and other	—	419,981	—	—	—	(1,169)	—	(2,959)	929,244	1,345,097	
Balance at June 30, 2025	\$ 345,677	\$ 10,360,063	\$ 312,986	\$ 739,143	\$ 87,853	\$ 430,194	\$ 465,231	\$ 760,591	\$ 3,465,225	\$ 16,966,963	

(A) Includes the recapture agreement for each respective pool, as applicable.

(B) Includes CLOs of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(C) For the purpose of this table, the IRLC asset and liability positions and other commitment derivatives are shown net.

(D) Includes residential transition loans of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(E) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 assets still held at the reporting dates and realized gain (loss) recorded during the period.

(F) See Note 5 for further details on the components of servicing revenue, net.

(G) Gain (loss) included in unrealized gain (loss) on AFS securities, net in the consolidated statements of comprehensive income.

(H) Non-Agency securities includes securities retained through securitizations accounted for as sales.

(I) For the three months ended June 30, 2025, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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	Level 3									
	Excess MSRs ^(A)	MSRs and MSR Financing Receivables ^(A)	Servicer Advance Investments	Non-Agency Securities	CLOs ^(B)	Residential Mortgage Loans	Consumer Loans	Other Assets ^(C)	Residential Transition Loans ^(D)	Total
Balance at December 31, 2024	\$ 369,162	\$ 10,321,671	\$ 339,646	\$ 552,797	\$ 810,431	\$ 455,726	\$ 665,565	\$ 700,942	\$ 3,140,267	\$ 17,356,207
<i>Transfers:</i>										
Transfers out of Level 3 ^(I)	—	—	—	—	(785,253)	(858)	—	—	—	(786,111)
Transfers to Level 3	—	—	—	—	21,809	2,081	—	—	—	23,890
<i>Gain (Loss) Included in Net Income:</i>										
Credit losses on securities ^(E)	—	—	—	(603)	—	—	—	—	—	(603)
<i>Servicing Revenue, Net^(F):</i>										
Included in servicing revenue ^(F)	—	(733,101)	—	—	—	—	—	—	—	(733,101)
<i>Fair Value Adjustments due to:</i>										
Other factors ^(E)	(1,605)	—	(1,527)	3,976	—	12,840	(13,323)	42,736	11,066	54,163
Instrument-specific credit risk ^(E)	—	—	—	—	—	(6,450)	(6,388)	—	(15,818)	(28,656)
Other income (loss), net ^(E)	—	—	—	—	404	1,760	—	17,816	—	19,980
Gains (losses) included in OCI ^(G)	—	—	—	7,950	—	—	—	—	—	7,950
Interest income	13,299	—	10,600	16,572	—	—	6,700	119	—	47,290
<i>Purchases, Sales and Repayments:</i>										
Purchases, net ^(H)	—	—	350,377	210,826	88,157	538	—	46,699	—	696,597
Sales and settlement fundings	(45)	2,524	—	—	(47,695)	(7,216)	11,669	—	—	(40,763)
Proceeds from repayments	(35,134)	—	(386,110)	(52,375)	—	(32,473)	(198,992)	(44,762)	(1,373,884)	(2,123,730)
Originations and other	—	768,969	—	—	—	4,246	—	(2,959)	1,703,594	2,473,850
Balance at June 30, 2025	\$ 345,677	\$ 10,360,063	\$ 312,986	\$ 739,143	\$ 87,853	\$ 430,194	\$ 465,231	\$ 760,591	\$ 3,465,225	\$ 16,966,963

(A) Includes the recapture agreement for each respective pool, as applicable.

(B) Includes CLOs of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(C) For the purpose of this table, the IRLC asset and liability positions and other commitment derivatives are shown net.

(D) Includes residential transition loans of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(E) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 assets still held at the reporting dates and realized gain (loss) recorded during the period.

(F) See Note 5 for further details on the components of servicing revenue, net.

(G) Gain (loss) included in unrealized gain (loss) on AFS securities, net in the consolidated statements of comprehensive income.

(H) Non-Agency securities includes securities retained through securitizations accounted for as sales.

(I) For the six months ended June 30, 2025, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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	Level 3										
	Excess MSRs ^{(A)(J)}	MSRs and MSR Financing Receivables ^(A)	Servicer Advance Investments	Non-Agency Securities	CLOs ^(B)	Residential Mortgage Loans ^(K)	Consumer Loans	Other Assets ^(C)	Residential Transition Loans ^(D)	Total	
Balance at March 31, 2024	\$ 255,111	\$ 8,706,723	\$ 374,511	\$ 581,539	\$ 211,996	\$ 703,549	\$ 1,103,799	\$ 504,248	\$ 2,384,744	\$ 14,826,220	
<i>Transfers:</i>											
Transfers out of Level 3	—	—	(7,873)	—	—	(142,046)	—	—	—	(149,919)	
Transfers to Level 3	—	—	—	—	—	1,283	—	—	—	1,283	
Computershare Acquisition (Note 3)	(1,032)	697,494	—	—	—	—	—	—	—	696,462	
<i>Gain (Loss) Included in Net Income:</i>											
Credit losses on securities ^(E)	—	—	—	(252)	—	—	—	—	—	(252)	
<i>Servicing Revenue, Net^(F):</i>											
Included in servicing revenue ^(F)	—	(76,924)	—	—	—	—	—	—	—	(76,924)	
<i>Fair Value Adjustments due to:</i>											
Other factors ^(E)	22,914	—	(1,727)	(2,860)	—	(874)	(12,599)	(1,650)	13,855	17,059	
Instrument-specific credit risk ^(E)	—	—	—	—	—	19,919	(8,673)	—	(3,176)	8,070	
Gain (loss) on settlement of investments, net ^(E)	(656)	—	—	—	—	—	—	—	—	(656)	
Other income (loss), net ^(E)	—	—	—	939	4,646	2,524	—	(9,280)	—	(1,171)	
Gains (losses) included in OCI ^(G)	—	—	—	278	(4,489)	—	—	—	—	(4,211)	
Interest income	8,076	—	5,939	6,373	—	—	5,826	(209)	—	26,005	
<i>Purchases, Sales and Repayments:</i>											
Purchases, net ^{(H)(I)}	122,887	—	187,996	—	62,938	30,487	—	3,323	—	407,631	
Sales and settlement fundings	—	1,733	—	—	—	(43,766)	5,985	—	—	(36,048)	
Proceeds from repayments	(11,694)	—	(201,626)	(37,970)	(13,599)	(16,044)	(147,971)	(4,720)	(530,382)	(964,006)	
Originations and other	—	364,305	—	—	—	(170,445)	—	—	676,328	870,188	
Balance at June 30, 2024	\$ 395,606	\$ 9,693,331	\$ 357,220	\$ 548,047	\$ 261,492	\$ 384,587	\$ 946,367	\$ 491,712	\$ 2,541,369	\$ 15,619,731	

(A) Includes the recapture agreement for each respective pool, as applicable.

(B) Includes CLOs of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(C) For the purpose of this table, the IRLC asset and liability positions and other commitment derivatives are shown net.

(D) Includes residential transition loans of consolidated CFEs classified as Level 3 in the fair hierarchy.

(E) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 assets still held at the reporting dates and realized gain (loss) recorded during the period.

(F) See Note 5 for further details on the components of servicing revenue, net.

(G) Gain (loss) included in unrealized gain (loss) on AFS securities, net in the consolidated statements of comprehensive income.

(H) Non-Agency securities includes securities retained through securitizations accounted for as sales.

(I) Net of purchase price adjustments and purchase price fully reimbursable from MSR sellers as a result of prepayment protection.

(J) Amounts include Rithm Capital's portion of the Excess MSRs held by the respective joint ventures in which Rithm Capital has a 50% interest.

(K) For the three months ended June 30, 2024, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

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	Level 3										
	Excess MSRs ^{(A)(J)}	MSRs and MSR Financing Receivables ^(A)	Servicer Advance Investments	Non-Agency Securities	CLOs ^(B)	Residential Mortgage Loans ^(K)	Consumer Loans	Other Assets ^(C)	Residential Transition Loans ^(D)	Total	
Balance at December 31, 2023	\$ 271,150	\$ 8,405,938	\$ 376,881	\$ 577,543	\$ 226,486	\$ 513,381	\$ 1,274,005	\$ 549,446	\$ 2,232,913	\$ 14,427,743	
<i>Transfers:</i>											
Transfers out of Level 3	—	—	(7,873)	—	—	(142,046)	—	—	—	(149,919)	
Transfers to Level 3	—	—	—	—	—	1,389	—	—	—	1,389	
Computershare Acquisition (Note 3)	(1,032)	697,494	—	—	—	—	—	—	—	696,462	
<i>Gain (Loss) Included in Net Income:</i>											
Credit losses on securities ^(E)	—	—	—	(914)	—	—	—	—	—	(914)	
<i>Servicing Revenue, Net^(F):</i>											
Included in servicing revenue ^(F)	—	7,251	—	—	—	—	—	—	—	7,251	
<i>Fair Value Adjustments due to:</i>											
Other factors ^(E)	21,047	—	6,388	—	—	8,748	(19,755)	(67)	14,995	31,356	
Instrument-specific credit risk ^(E)	—	—	—	—	—	15,893	(31,634)	—	10,557	(5,184)	
Gain (loss) on settlement of investments, net ^(E)	(656)	—	—	—	36	—	—	—	—	(620)	
Other income (loss), net ^(E)	—	—	—	939	4,646	4,348	—	(14,323)	—	(4,390)	
Gains (losses) included in OCI ^(G)	—	—	—	1,880	(5,354)	—	—	—	—	(3,474)	
Interest income	10,522	—	13,254	14,869	—	—	15,978	(62)	—	54,561	
<i>Purchases, Sales and Repayments:</i>											
Purchases, net ^{(H)(I)}	122,887	—	400,652	13,900	66,617	246,892	—	4,417	—	855,365	
Sales and settlement fundings	—	2,404	—	—	—	(61,532)	10,098	—	—	(49,030)	
Proceeds from repayments	(28,312)	—	(432,082)	(60,170)	(30,939)	(32,086)	(302,325)	(47,638)	(1,035,473)	(1,969,025)	
Originations and other	—	580,244	—	—	—	(170,400)	—	(61)	1,318,377	1,728,160	
Balance at June 30, 2024	\$ 395,606	\$ 9,693,331	\$ 357,220	\$ 548,047	\$ 261,492	\$ 384,587	\$ 946,367	\$ 491,712	\$ 2,541,369	\$ 15,619,731	

(A) Includes the recapture agreement for each respective pool, as applicable.

(B) Includes CLOs of consolidated CFEs classified as Level 3 in the fair value hierarchy.

(C) For the purpose of this table, the IRLC asset and liability positions and other commitment derivatives are shown net.

(D) Includes residential transition loans of consolidated CFEs classified as Level 3 in the fair hierarchy.

(E) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 assets still held at the reporting dates and realized gain (loss) recorded during the period.

(F) See Note 5 for further details on the components of servicing revenue, net.

(G) Gain (loss) included in unrealized gain (loss) on AFS securities, net in the consolidated statements of comprehensive income.

(H) Non-Agency securities includes securities retained through securitizations accounted for as sales.

(I) Net of purchase price adjustments and purchase price fully reimbursable from MSR sellers as a result of prepayment protection.

(J) Amounts include Rithm Capital's portion of the Excess MSRs held by the respective joint ventures in which Rithm Capital has a 50% interest.

(K) For the six months ended June 30, 2024, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

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The following tables summarize the changes in the Company's Level 3 financial liabilities for the periods presented:

	Level 3					
	Asset-Backed Securities Issued	Notes Payable of CFEs - Consolidated Funds	Notes Payable of CFEs - Residential Transition Loans	MSR Financing Liability	Notes Receivable Financing	Total
Balance at March 31, 2025	\$ 169,035	\$ 592,078	\$ 859,760	\$ 104,721	\$ 378,721	\$ 2,104,315
<i>Transfers:</i>						
Transfers out of Level 3 ^(A)	—	(368,843)	—	—	—	(368,843)
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(C)	—	—	—	(9,332)	—	(9,332)
Other income ^(B)	2,841	1,431	2,712	—	2,407	9,391
<i>Purchases, Issuance and Repayments:</i>						
Repayments	(11,443)	—	—	(34,450)	—	(45,893)
Other	—	—	566	1	—	567
Balance at June 30, 2025	<u>\$ 160,433</u>	<u>\$ 224,666</u>	<u>\$ 863,038</u>	<u>\$ 60,940</u>	<u>\$ 381,128</u>	<u>\$ 1,690,205</u>

(A) For the three months ended June 30, 2025, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

(B) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 financial liabilities still held at the reporting dates and realized gain (loss) recorded during the period. The full fair value change during the period was due to factors other than instrument-specific credit risk.

(C) See Note 5 for further details on the components of servicing revenue, net.

	Level 3					
	Asset-Backed Securities Issued	Notes Payable of CFEs - Consolidated Funds	Notes Payable of CFEs - Residential Transition Loans	MSR Financing Liability	Notes Receivable Financing	Total
Balance at December 31, 2024	\$ 185,460	\$ 959,958	\$ 859,023	\$ 101,088	\$ 377,227	\$ 2,482,756
<i>Transfers:</i>						
Transfers out of Level 3 ^(A)	—	(735,874)	—	—	—	(735,874)
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(C)	—	—	—	(5,698)	—	(5,698)
Other income ^(B)	(1,992)	582	2,883	—	3,901	5,374
<i>Purchases, Issuance and Repayments:</i>						
Repayments	(23,035)	—	—	(34,450)	—	(57,485)
Other	—	—	1,132	—	—	1,132
Balance at June 30, 2025	<u>\$ 160,433</u>	<u>\$ 224,666</u>	<u>\$ 863,038</u>	<u>\$ 60,940</u>	<u>\$ 381,128</u>	<u>\$ 1,690,205</u>

(A) For the six months ended June 30, 2025, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

(B) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 financial liabilities still held at the reporting dates and realized gain (loss) recorded during the period. The full fair value change during the period was due to factors other than instrument-specific credit risk.

(C) See Note 5 for further details on the components of servicing revenue, net.

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	Level 3					
	Asset-Backed Securities Issued	Notes Payable of CFEs - Consolidated Funds	Notes Payable of CFEs - Residential Transition Loans	MSR Financing Liability	Notes Receivable Financing	Total
Balance at March 31, 2024	\$ 221,922	\$ 218,123	\$ 324,062	\$ —	\$ —	\$ 764,107
<i>Transfers:</i>						
Transfers to Level 3	—	—	—	—	352,683	352,683
Computershare Acquisition (Note 3)	—	—	—	125,168	—	125,168
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(A)	—	—	—	(9,026)	—	(9,026)
Other income ^(A)	2,862	3,678	164	—	—	6,704
<i>Purchases, Issuance and Repayments:</i>						
Issuance	—	—	451,128	—	—	451,128
Repayments	(19,498)	—	(324,062)	—	—	(343,560)
Other	—	—	390	—	—	390
Balance at June 30, 2024	\$ 205,286	\$ 221,801	\$ 451,682	\$ 116,142	\$ 352,683	\$ 1,347,594

(A) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 financial liabilities still held at the reporting dates and realized gain (loss) recorded during the period. The full fair value change during the period was due to factors other than instrument-specific credit risk.

	Level 3					
	Asset-Backed Securities Issued	Notes Payable of CFEs - Consolidated Funds	Notes Payable of CFEs - Residential Transition Loans	MSR Financing Liability	Notes Receivable Financing	Total
Balance at December 31, 2023	\$ 235,770	\$ 218,157	\$ 318,998	\$ —	\$ —	\$ 772,925
<i>Transfers:</i>						
Transfers to Level 3	—	—	—	—	352,683	352,683
Computershare Acquisition (Note 3)	—	—	—	125,168	—	125,168
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(A)	—	—	—	(9,026)	—	(9,026)
Other income ^(A)	2,451	3,644	5,228	—	—	11,323
<i>Purchases, Issuance and Repayments:</i>						
Issuance	—	—	451,128	—	—	451,128
Repayments	(32,935)	—	(324,062)	—	—	(356,997)
Other	—	—	390	—	—	390
Balance at June 30, 2024	\$ 205,286	\$ 221,801	\$ 451,682	\$ 116,142	\$ 352,683	\$ 1,347,594

(A) Gain (loss) recorded in earnings during the period is attributable to the change in unrealized gain (loss) relating to Level 3 financial liabilities still held at the reporting dates and realized gain (loss) recorded during the period. The full fair value change during the period was due to factors other than instrument-specific credit risk.

Excess MSRs, MSRs and MSR Financing Receivables and MSR Financing Liability Valuation

Fair value estimates of Rithm Capital's MSRs and related MSR financing liability and Excess MSRs were based on internal pricing models. The valuation technique is based on discounted cash flows. Significant inputs used in the valuations included expectations of prepayment rates, delinquency rates, recapture rates, mortgage servicing amount or excess mortgage servicing amount of the underlying residential mortgage loans, as applicable, and discount rates that market participants would use in determining the fair values of MSRs on similar pools of residential mortgage loans. In addition, for MSRs, significant inputs included the market-level estimated cost of servicing.

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Significant increases (decreases) in the discount rates, prepayment or delinquency rates, or costs of servicing, in isolation would result in a significantly lower (higher) fair value measurement, whereas significant increases (decreases) in the recapture rates or mortgage servicing amount or excess mortgage servicing amount, as applicable, in isolation would result in a significantly higher (lower) fair value measurement. Generally, a change in the delinquency rate assumption is accompanied by a directionally similar change in the assumption used for the prepayment rate.

The following tables summarize certain information regarding the ranges and weighted averages of inputs used:

June 30, 2025					
Significant Inputs ^(A)					
	Prepayment Rate ^(B)	Delinquency ^(C)	Recapture Rate ^(D)	Mortgage Servicing Amount or Excess Mortgage Servicing Amount (bps) ^(E)	Collateral Weighted Average Maturity (Years) ^(F)
Excess MSR directly held	2.3% – 13.2% (6.5%)	0.2% – 14.0% (4.7%)	0.0% – 64.1% (39.7%)	7 – 31 (21)	10 – 22 (19)
MSRs, MSR Financing Receivables and MSR Financing Liability:					
GSE	2.2% – 99.9% (6.2%)	0.0% – 100.0% (1.8%)	7.3% – 18.3% (14.2%)	3 – 157 (29)	0 – 40 (23)
Non-Agency	1.7% – 99.9% (7.8%)	4.0% – 100.0% (23.0%)	0.0% – 3.8% (0.7%)	1 – 194 (44)	0 – 60 (21)
Ginnie Mae	1.5% – 84.3% (8.7%)	63.0% – 100.0% (8.8%)	13.3% – 31.3% (27.0%)	14 – 132 (47)	0 – 40 (26)
Total / Weighted Average—MSRs, MSR Financing Receivables and MSR Financing Liability	1.5% – 99.9% (7.1%)	0.0% – 100.0% (5.6%)	0.0% – 31.3% (20.0%)	1 – 194 (36)	0 – 60 (24)
December 31, 2024					
Significant Inputs ^(A)					
	Prepayment Rate ^(B)	Delinquency ^(C)	Recapture Rate ^(D)	Mortgage Servicing Amount or Excess Mortgage Servicing Amount (bps) ^(E)	Collateral Weighted Average Maturity (Years) ^(F)
Excess MSR directly held	2.4% – 13.3% (6.6%)	0.2% – 14.7% (5.1%)	—% – 64.2% (39.6%)	7 – 32 (21)	11 – 22 (19)
MSRs, MSR Financing Receivables and MSR Financing Liability:					
GSE	2.5% – 99.4% (6.0%)	0.0% – 100.0% (1.9%)	7.6% – 21.9% (14.1%) ^(F)	2 – 159 (28)	0 – 40 (23)
Non-Agency	1.8% – 100.0% (8.4%)	0.0% – 100.0% (24.8%)	0.0% – 15.8% (1.6%)	1 – 156 (45)	0 – 58 (21)
Ginnie Mae	2.1% – 78.5% (8.0%)	0.0% – 100.0% (10.0%)	8.0% – 26.1% (21.8%)	8 – 154 (46)	0 – 42 (26)
Total / Weighted Average—MSRs, MSR Financing Receivables and MSR Financing Liability	1.8% – 100.0% (6.8%)	0.0% – 100.0% (6.2%)	0.0% – 26.1% (20.0%)	1 – 159 (35)	0 – 58 (24)

(A) Weighted by fair value of the portfolio.

(B) Projected annualized weighted average lifetime voluntary and involuntary prepayment rate using a prepayment vector.

(C) Projected percentage of residential mortgage loans in the pool for which the borrower is expected to miss a mortgage payment.

(D) Percentage of voluntarily prepaid loans that are expected to be refinanced by the related servicer or subservicer, as applicable.

(E) Weighted average total mortgage servicing amount, in excess of the base fee as applicable, measured in basis points (“bps”). As of June 30, 2025 and December 31, 2024, weighted average costs of subservicing of \$7.26 (range of \$7.14 – \$7.44) and \$6.89 (range of \$6.87 – \$6.96), respectively, per loan per month was used to value the GSE MSRs. Weighted average costs of subservicing of \$11.50 (range of \$9.12 – \$14.28) and \$9.60 (range of \$8.45 – \$11.55), respectively, per loan per month was used to value the non-Agency MSRs, including MSR financing receivables. Weighted average cost of subservicing of \$10.00 and \$8.25, respectively, per loan per month was used to value the Ginnie Mae MSRs.

(F) Weighted average maturity of the underlying residential mortgage loans in the pool.

With respect to valuing the PHH-serviced MSRs and MSR financing receivables, which include a significant servicer advances receivable component, the cost of financing servicer advances receivable is assumed to be SOFR plus 95 bps as of June 30, 2025 and December 31, 2024.

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As of June 30, 2025 and December 31, 2024, weighted average discount rates of 8.4% (range of 8.1% – 9.0%) were used to value Rithm Capital's Excess MSR. As of June 30, 2025 and December 31, 2024, weighted average discount rates of 8.9% (range of 8.7% – 10.3%) were used to value Rithm Capital's MSR, MSR financing receivables and MSR financing liability.

All of the assumptions listed have some degree of market observability, based on Rithm Capital's knowledge of the market, relationships with market participants and use of common market data sources. Rithm Capital uses assumptions that generate its best estimate of future cash flows for each investment in MSRs and related MSR financing liability and Excess MSR.

When valuing these assets, Rithm Capital uses the following criteria to determine the significant inputs:

- **Prepayment Rate:** Prepayment rate projections are in the form of a "vector" that varies over the expected life of the pool. The prepayment vector specifies the percentage of the collateral balance that is expected to prepay voluntarily (i.e., pay off) and involuntarily (i.e., default) at each point in the future. The prepayment vector is based on assumptions that reflect macroeconomic conditions like home price appreciation, current level of interest rates as well as loan level factors such as the borrower's interest rate, FICO score, LTV ratio, debt-to-income ratio and vintage on a loan level basis. Rithm Capital considers historical prepayment experience associated with the collateral when determining this vector and also reviews industry research on the prepayment experience of similar loan pools. This data is obtained from remittance reports, market data services and other market sources.
- **Delinquency Rates:** For existing mortgage pools, delinquency rates are based on the recent pool-specific experience of loans that missed their latest mortgage payments. Delinquency rate projections are in the form of a "vector" that varies over the expected life of the pool. The delinquency vector specifies the percentage of the UPB that is expected to be delinquent each month. The delinquency vector is based on assumptions that reflect macroeconomic conditions, the historical delinquency rates for the pools and the underlying borrower characteristics such as the FICO score and LTV ratio. For the recapture agreements and recaptured loans, delinquency rates are based on the experience of similar loan pools originated by Rithm Capital's servicers and subservicers (the Company's "Servicing Partners") and delinquency experience over the past year. Rithm Capital believes this time period provides a reasonable sample for projecting future delinquency rates while taking into account current market conditions. Additional consideration is given to loans that are expected to become 30 or more days delinquent.
- **Recapture Rates:** Recapture rates are based on actual average recapture rates experienced by Rithm Capital's Servicing Partners on similar residential mortgage loan pools. Generally, Rithm Capital looks to three to six months' worth of actual recapture rates, which it believes provides a reasonable sample for projecting future recapture rates while taking into account current market conditions. Recapture rate projections are in the form of a "vector" that varies over the expected life of the pool. The recapture vector specifies the percentage of the refinanced loans that have been recaptured within the pool by the servicer or subservicer. The recapture vector takes into account the nature and timeline of the relationship between the borrowers in the pool and the servicer or subservicer, the customer retention programs offered by the servicer or subservicer and the historical recapture rates.
- **Mortgage Servicing Amount or Excess Mortgage Servicing Amount:** For existing mortgage pools, mortgage servicing amount and excess mortgage servicing amount projections are based on the actual total mortgage servicing amount, in excess of a base fee as applicable. For loans expected to be refinanced by the related servicer or subservicer and subject to a recapture agreement, Rithm Capital considers the mortgage servicing amount or excess mortgage servicing amount on loans recently originated by the related servicer over the past three months and other general market considerations. Rithm Capital believes this time period provides a reasonable sample for projecting future mortgage servicing amounts and excess mortgage servicing amounts while taking into account current market conditions.
- **Discount Rate:** The discount rates used by Rithm Capital are derived from market data on pricing of MSRs backed by similar collateral.
- **Cost of subservicing:** The costs of subservicing used by Rithm Capital are based on available market data for various loan types and delinquency statuses.

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Rithm Capital uses different prepayment and delinquency assumptions in valuing the MSR and Excess MSR, relating to the original loan pools, the recapture agreements and the MSR and Excess MSR, relating to recaptured loans. The prepayment rate and delinquency rate assumptions differ because of differences in the collateral characteristics, refinance potential and expected borrower behavior for original loans and loans which have been refinanced. The assumptions for recapture and discount rates when valuing MSR and Excess MSR and recapture agreements are based on historical recapture experience and market pricing.

The following table summarizes the estimated change in fair value of Rithm Capital's interests in the GSE MSR, owned as of June 30, 2025, given several parallel shifts in the discount rate, prepayment rate, delinquency rate and recapture rate:

Fair value at June 30, 2025	\$	6,301,384			
Discount rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,879,637	\$ 6,578,198	\$ 6,046,560	\$ 5,811,404
<i>Change in Estimated Fair Value:</i>					
Amount	\$	578,253	\$ 276,814	\$ (254,824)	\$ (489,980)
Percentage		9.2 %	4.4 %	(4.0)%	(7.8)%
Prepayment rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,628,066	\$ 6,458,540	\$ 6,155,068	\$ 6,019,583
<i>Change in Estimated Fair Value:</i>					
Amount	\$	326,682	\$ 157,156	\$ (146,316)	\$ (281,801)
Percentage		5.2 %	2.5 %	(2.3)%	(4.5)%
Delinquency rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,323,863	\$ 6,312,809	\$ 6,289,619	\$ 6,277,521
<i>Change in Estimated Fair Value:</i>					
Amount	\$	22,479	\$ 11,425	\$ (11,765)	\$ (23,863)
Percentage		0.4 %	0.2 %	(0.2)%	(0.4)%
Recapture rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,245,057	\$ 6,273,222	\$ 6,329,554	\$ 6,357,719
<i>Change in Estimated Fair Value:</i>					
Amount	\$	(56,327)	\$ (28,162)	\$ 28,170	\$ 56,335
Percentage		(0.9)%	(0.4)%	0.4 %	0.9 %

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The following table summarizes the estimated change in fair value of Rithm Capital's interests in the non-Agency MSRs, including MSR financing receivables, owned as of June 30, 2025, given several parallel shifts in the discount rate, prepayment rate, delinquency rate and recapture rate:

Fair value at June 30, 2025	\$	795,130			
Discount rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	881,143	\$ 836,104	\$ 757,556	\$ 723,183
<i>Change in Estimated Fair Value:</i>					
Amount	\$	86,013	\$ 40,974	\$ (37,574)	\$ (71,947)
Percentage		10.8 %	5.2 %	(4.7)%	(9.0)%
Prepayment rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	841,309	\$ 817,559	\$ 773,723	\$ 753,453
<i>Change in Estimated Fair Value:</i>					
Amount	\$	46,179	\$ 22,429	\$ (21,407)	\$ (41,677)
Percentage		5.8 %	2.8 %	(2.7)%	(5.2)%
Delinquency rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	801,017	\$ 798,110	\$ 791,919	\$ 788,714
<i>Change in Estimated Fair Value:</i>					
Amount	\$	5,887	\$ 2,980	\$ (3,211)	\$ (6,416)
Percentage		0.7 %	0.4 %	(0.4)%	(0.8)%
Recapture rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	794,603	\$ 794,833	\$ 795,294	\$ 795,524
<i>Change in Estimated Fair Value:</i>					
Amount	\$	(527)	\$ (297)	\$ 164	\$ 394
Percentage		(0.1)%	— %	— %	— %

The following table summarizes the estimated change in fair value of Rithm Capital's interests in the Ginnie Mae MSRs, owned as of June 30, 2025, given several parallel shifts in the discount rate, prepayment rate, delinquency rate and recapture rate:

Fair value at June 30, 2025	\$	3,263,549			
Discount rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	3,535,468	\$ 3,394,153	\$ 3,142,736	\$ 3,030,569
<i>Change in Estimated Fair Value:</i>					
Amount	\$	271,919	\$ 130,604	\$ (120,813)	\$ (232,980)
Percentage		8.3 %	4.0 %	(3.7)%	(7.1)%
Prepayment rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	3,422,371	\$ 3,338,869	\$ 3,195,295	\$ 3,132,843
<i>Change in Estimated Fair Value:</i>					
Amount	\$	158,822	\$ 75,320	\$ (68,254)	\$ (130,706)
Percentage		4.9 %	2.3 %	(2.1)%	(4.0)%
Delinquency rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	3,317,528	\$ 3,290,497	\$ 3,236,927	\$ 3,210,501
<i>Change in Estimated Fair Value:</i>					
Amount	\$	53,979	\$ 26,948	\$ (26,622)	\$ (53,048)
Percentage		1.7 %	0.8 %	(0.8)%	(1.6)%
Recapture rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	3,197,323	\$ 3,230,466	\$ 3,296,752	\$ 3,329,895
<i>Change in Estimated Fair Value:</i>					
Amount	\$	(66,226)	\$ (33,083)	\$ 33,203	\$ 66,346
Percentage		(2.0)%	(1.0)%	1.0 %	2.0 %

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Each of the preceding sensitivity analyses is hypothetical and is provided for illustrative purposes only. There are certain limitations inherent in the sensitivity analyses presented. In particular, the results are calculated by stressing a particular economic assumption independent of changes in any other assumption; in practice, changes in one factor may result in changes in another, which might counteract or amplify the sensitivities. Also, changes in the fair value based on a 10% variation in an assumption generally may not be extrapolated because the relationship of the change in the assumption to the change in fair value may not be linear.

Servicer Advance Investments Valuation

Rithm Capital uses internal pricing models to estimate the future cash flows related to the servicer advance investments that incorporate significant unobservable inputs and include assumptions that are inherently subjective and imprecise. Rithm Capital's estimations of future cash flows include the combined cash flows of all of the components that comprise the servicer advance investments: existing advances, the requirement to purchase future advances, the recovery of advances and the right to the base fee component of the related MSR. The factors that most significantly impact the fair value include (i) the rate at which the servicer advance balance changes over the term of the investment, (ii) the UPB of the underlying loans with respect to which Rithm Capital has the obligation to make advances and owns the base fee component of the related MSR which, in turn, is driven by prepayment rates and (iii) the percentage of delinquent loans with respect to which Rithm Capital owns the base fee component of the related MSR. The valuation technique is based on discounted cash flows. Significant inputs used in the valuations included the assumptions used to establish the aforementioned cash flows and discount rates that market participants would use in determining the fair values of servicer advance investments.

Significant increases (decreases) in the advance balance-to-UPB ratio, prepayment rate, delinquency rate, or discount rate, in isolation, would result in a significantly lower (higher) fair value measurement. Generally, a change in the delinquency rate assumption is accompanied by a directionally similar change in the assumption used for the advance balance-to-UPB ratio.

The following table summarizes certain information regarding the ranges and weighted averages of significant inputs used in valuing the servicer advance investments, including the base fee component of the related MSRs:

	Significant Inputs					
	Outstanding Servicer Advances to UPB of Underlying Residential Mortgage Loans	Prepayment Rate ^(A)	Delinquency	Mortgage Servicing Amount ^(B)	Discount Rate	Collateral Weighted Average Maturity (Years) ^(C)
June 30, 2025	2.1%	4.7%	18.9%	19.9 bps	6.5%	20.7
December 31, 2024	2.1%	4.6%	19.6%	19.9 bps	6.5%	21.1

(A) Projected annual weighted average lifetime voluntary and involuntary prepayment rate using a prepayment vector.

(B) Mortgage servicing amount is net of 4.3 bps and 3.8 bps which represent the amounts Rithm Capital paid its servicers as a monthly servicing fee as of June 30, 2025 and December 31, 2024, respectively.

(C) Weighted average maturity of the underlying residential mortgage loans in the pool.

The valuation of the servicer advance investments also takes into account the performance fee paid to the servicer, which in the case of the buyer is based on its equity returns and therefore is impacted by relevant financing assumptions such as LTV ratio and interest rate as well as advance-to-UPB ratio. All of the assumptions listed have some degree of market observability, based on Rithm Capital's knowledge of the market, relationships with market participants, and use of common market data sources. The prepayment rate, the delinquency rate and the advance-to-UPB ratio projections are in the form of "curves" or "vectors" that vary over the expected life of the underlying mortgages and related servicer advances. Rithm Capital uses assumptions that generate its best estimate of future cash flows for each servicer advance investment, including the base fee component of the related MSR.

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When valuing servicer advance investments, Rithm Capital uses the following criteria to determine the significant inputs:

- Servicer advance balance: Servicer advance balance projections are in the form of a “vector” that varies over the expected life of the residential mortgage loan pool. The servicer advance balance projection is based on assumptions that reflect factors such as the borrower’s expected delinquency status, the rate at which delinquent borrowers re-perform or become current again, servicer modification offer and acceptance rates, liquidation timelines and the servicers’ stop advance and clawback policies.
- Prepayment Rate: Prepayment rate projections are in the form of a “vector” that varies over the expected life of the pool. The prepayment vector specifies the percentage of the collateral balance that is expected to prepay voluntarily (i.e. pay off) and involuntarily (i.e. default) at each point in the future. The prepayment vector is based on assumptions that reflect macroeconomic conditions and factors such as the borrower’s FICO score, LTV ratio, debt-to-income ratio and vintage on a loan level basis. Rithm Capital considers collateral-specific prepayment experience when determining this vector.
- Delinquency Rates: For existing mortgage pools, delinquency rates are based on the recent pool-specific experience of loans that missed recent mortgage payment(s) as well as loan- and borrower-specific characteristics such as the borrower’s FICO score, the LTV ratio, debt-to-income ratio, occupancy status, loan documentation, payment history and previous loan modifications. Rithm Capital believes the time period utilized provides a reasonable sample for projecting future delinquency rates while taking into account current market conditions.
- Mortgage Servicing Amount: Mortgage servicing amounts are contractually determined on a pool-by-pool basis. Rithm Capital projects the weighted average mortgage servicing amount based on its projections for prepayment rates.
- SOFR: The performance-based incentive fees on Mr. Cooper-serviced servicer advance investments portfolios are driven by SOFR-based factors. The SOFR curves used are widely used by market participants as reference rates for many financial instruments.
- Discount Rate: The discount rates used by Rithm Capital are derived from market data on pricing of MSRs backed by similar collateral and the advances made thereon.

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Real Estate and Other Securities Valuation

Real estate and other securities valuation methodology and results are detailed below. Increased (decreased) prepayment speeds, default rates, or loss severity assumptions would decrease (increase) valuations. Generally, a change in default rate assumption is accompanied by a directionally similar change in loss severity assumptions. Treasury securities are valued using market-based prices published by the U.S. Department of the Treasury and are classified as Level 1.

Asset Type	Outstanding Face Amount	Amortized Cost Basis	Fair Value			
			Multiple Quotes ^(A)	Single Quote ^(B)	Total	Level
June 30, 2025						
Government-backed securities ^(C)	\$ 7,717,430	\$ 7,533,795	\$ 7,586,689	\$ —	\$ 7,586,689	2
CLOs ^(D)	339,429	328,123	249,627	87,765	337,392	2 & 3
Non-Agency and other securities ^(D)	8,852,683	689,682	712,758	26,385	739,143	3
Total	\$ 16,909,542	\$ 8,551,600	\$ 8,549,074	\$ 114,150	\$ 8,663,224	
December 31, 2024						
Government-backed securities ^(C)	\$ 6,672,189	\$ 6,510,235	\$ 6,450,643	\$ —	\$ 6,450,643	2
CLOs ^(D)	243,355	234,397	217,049	25,178	242,227	2 & 3
Non-Agency and other securities ^(D)	8,962,730	515,262	529,146	23,651	552,797	3
Total	\$ 15,878,274	\$ 7,259,894	\$ 7,196,838	\$ 48,829	\$ 7,245,667	

(A) Rithm Capital generally obtains pricing service quotations or broker quotations from two sources. Rithm Capital evaluates quotes received, determines one as being most representative of fair value and does not use an average of the quotes. Even if Rithm Capital receives two or more quotes on a particular security that come from non-selling brokers or pricing services, it does not use an average because it believes using an actual quote more closely represents a transactable price for the security than an average level. Furthermore, in some cases, for non-Agency securities, there is a wide disparity between the quotes Rithm Capital receives. Rithm Capital believes using an average of the quotes in these cases would not represent the fair value of the asset. Based on Rithm Capital's own fair value analysis, it selects one of the quotes which is believed to most accurately reflect fair value. Rithm Capital has not adjusted any of the quotes received in the periods presented. These quotations are generally received via email and contain disclaimers which state that they are "indicative" and not "actionable" — meaning that the party giving the quotation is not bound to purchase the security at the quoted price. Rithm Capital's investments in government-backed securities are classified within Level 2 of the fair value hierarchy because the market for these securities is active and market prices are readily observable.

The third-party pricing services and brokers engaged by Rithm Capital (collectively, "valuation providers") use either the income approach or the market approach, or a combination of the two, in arriving at their estimated valuations of securities. Valuation providers using the market approach generally look at prices and other relevant information generated by market transactions involving identical or comparable assets. Valuation providers using the income approach create pricing models that generally incorporate such assumptions as discount rates, expected prepayment rates, expected default rates and expected loss severities. Rithm Capital has reviewed the methodologies utilized by its valuation providers and has found them to be consistent with GAAP requirements. In addition to obtaining multiple quotations, when available, and reviewing the valuation methodologies of its valuation providers, Rithm Capital creates its own internal pricing models for Level 3 securities and uses the outputs of these models as part of its process of evaluating the fair value estimates it receives from its valuation providers. These models incorporate the same types of assumptions as the models used by the valuation providers, but the assumptions are developed independently. These assumptions are regularly refined and updated at least quarterly by Rithm Capital and reviewed by its independent valuation group, which is separate from its investment acquisition and management group, to reflect market developments and actual performance.

For 81.9% and 82.1% of non-Agency securities as of June 30, 2025 and December 31, 2024, respectively, the ranges and weighted averages of assumptions used by Rithm Capital's valuation providers are summarized in the table below. The assumptions used by Rithm Capital's valuation providers with respect to the remainder of non-Agency securities were not readily available.

	Fair Value	Discount Rate	Prepayment Rate ^(a)	CDR ^(b)	Loss Severity ^(c)
June 30, 2025	\$ 605,081	4.7% – 20.9% (6.7%)	0.0% – 25.0% (6.6%)	0.0% – 1.9% (0.3%)	0.0% – 50.0% (11.2%)
December 31, 2024	\$ 453,978	4.7% – 20.0% (6.9%)	0.0% – 20.0% (6.3%)	0.0% – 1.9% (0.5%)	0.0% – 50.0% (17.0%)

(a) Represents the annualized rate of the prepayments as a percentage of the total principal balance of the pool.

(b) Represents the annualized rate of the involuntary prepayments (defaults) as a percentage of the total principal balance of the pool.

(c) Represents the expected amount of future realized losses resulting from the ultimate liquidation of a particular loan, expressed as the net amount of loss relative to the outstanding balance of the loans in default.

(B) Rithm Capital was unable to obtain quotations from more than one source on these securities.

(C) Presented within government and government-backed securities on the consolidated balance sheets.

(D) Presented within other assets on the consolidated balance sheets.

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Residential Mortgage Loans Valuation

Rithm Capital, through Newrez, originates residential mortgage loans that it intends to sell into Fannie Mae, Freddie Mac and Ginnie Mae mortgage-backed securitizations. Residential mortgage loans HFS, at fair value are typically pooled together and sold into certain exit markets, depending upon underlying attributes of the loan, such as agency eligibility, product type, interest rate and credit quality. Newrez also originates non-qualified residential mortgage (“Non-QM”) loans that do not meet the qualified mortgage rules per the Consumer Financial Protection Bureau that it intends to sell to private investors. Residential mortgage loans HFS, at fair value are valued using a market approach by utilizing either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. As these prices are derived from market observable inputs, Rithm Capital classifies these valuations as Level 2 in the fair value hierarchy. Originated residential mortgage loans HFS for which there is little to no observable trading activity of similar instruments are valued using Level 3 measurements based upon (i) internal pricing models to forecast loan level cash flows using inputs such as default rates, prepayments speeds and discount rates, or (ii) consensus pricing (broker quotes) or historical sale transactions for similar loans.

Residential mortgage loans HFS, at fair value also include nonconforming seasoned mortgage loans acquired and identified for securitization, which are valued using internal pricing models to forecast loan level cash flows based on a potential securitization exit using inputs such as default rates, prepayments speeds and discount rates, and may include adjustments based on consensus pricing (broker quotes). Residential mortgage loans HFI, at fair value include nonconforming seasoned mortgage loans acquired and not identified for sale or securitization, which are valued using internal pricing models to forecast loan level cash flows using inputs such as default rates, prepayments speeds and discount rates, and may include adjustments based on consensus pricing (broker quotes). As the internal pricing models are based on certain unobservable inputs, Rithm Capital classifies these valuations as Level 3 in the fair value hierarchy.

For non-performing loans, asset liquidation cash flows are derived based on the estimated time to liquidate the loan, the estimated value of the collateral, expected costs and estimated home price levels. Estimated cash flows for both performing and non-performing loans are discounted at yields considered appropriate to arrive at a reasonable exit price for the asset. Rithm Capital classifies these valuations as Level 3 in the fair value hierarchy.

Significant increases (decreases) in prepayment rates, delinquency rates, or discount rates, in isolation, would result in a significantly lower (higher) fair value measurement. Generally, a change in default rate assumption is accompanied by a directionally similar change in loss severity assumptions.

The following tables summarize certain information regarding the ranges and weighted averages of inputs (weighted by fair value) used in valuing residential mortgage loans HFS, at fair value classified as Level 3 as of June 30, 2025:

Performing Loans	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
Acquired loans	\$ 17,563	6.8% – 8.5% (7.3%)	4.0% – 6.7% (6.2%)	0.9% – 3.6% (2.1%)	26.6% – 48.9% (35.2%)
Non-Performing Loans	Fair Value	Discount Rate	Annual Change in Home Prices	CDR	Current Value of Underlying Properties
Acquired loans	\$ 8,332	9.2% – 12.0% (11.1%)	3.9% – 6.6% (5.7%)	3.1% – 5.9% (4.9%)	281.8% – 308.3% (290.7%)

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The following tables summarize certain information regarding the ranges and weighted averages of inputs (weighted by fair value) used in valuing residential mortgage loans HFS, at fair value classified as Level 3 as of December 31, 2024:

Performing Loans	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
Acquired loans	\$ 17,700	7.0% – 8.6% (7.9%)	6.0% – 8.2% (7.9%)	1.8% – 5.0% (3.1%)	20.6% – 33.7% (24.0%)
Non-Performing Loans	Fair Value	Discount Rate	Annual Change in Home Prices	CDR	Current Value of Underlying Properties
Acquired loans	\$ 9,466	8.5% – 9.3% (8.8%)	8.6% – 15.8% (10.9%)	1.3% – 5.1% (3.8%)	264.9% – 310.3% (279.5%)

The following table summarizes certain information regarding the ranges and weighted averages of inputs (weighted by fair value) used in valuing residential mortgage loans HFI, at fair value classified as Level 3:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
June 30, 2025	\$ 343,333	6.8% – 9.2% (7.9%)	4.9% – 6.7% (6.4%)	0.9% – 3.1% (1.6%)	25.9% – 48.9% (39.6%)
December 31, 2024	\$ 361,890	7.9% – 9.3% (8.4%)	5.4% – 8.2% (8.0%)	1.3% – 4.9% (3.3%)	12.4% – 33.7% (26.4%)

Consumer Loans Valuation

Consumer loans are valued using internal discounted cash flow pricing models with inputs such as default rates, prepayments speeds and discount rates. Elevated (deflated) default rates or reduced (increased) recovery rates (particularly for unsecured portfolios) would depress (increase) fair value. Default rate changes are often inversely correlated with recovery rate adjustments. The following table summarizes certain information regarding the ranges and weighted averages of inputs (weighted by UPB) used in valuing consumer loans HFI, at fair value classified as Level 3 as of June 30, 2025:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity ^(A)
SpringCastle	\$ 190,138	9.2% – 10.2% (9.4%)	13.3% – 39.0% (14.6%)	2.7% – 36.7% (5.0%)	72.1% – 100.0% (93.2%)
Marcus	275,093	7.4% – 17.5% (10.9%)	0.0% – 22.0% (14.2%)	3.0% – 62.0% (23.4%)	87.5%
Consumer Loans HFI, at Fair Value	\$ 465,231				

The following table summarizes certain information regarding the ranges and weighted averages of inputs (weighted by UPB) used in valuing consumer loans HFI, at fair value classified as Level 3 as of December 31, 2024:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity ^(A)
SpringCastle	\$ 219,308	9.2% – 10.2% (9.4%)	12.9% – 38.4% (14.5%)	2.3% – 17.1% (5.1%)	74.2% – 100.0% (92.3%)
Marcus	446,257	7.9% – 17.9% (10.1%)	0.0% – 23.1% (17.8%)	4.0% – 50.0% (14.3%)	87.5%
Consumer Loans HFI, at Fair Value	\$ 665,565				

(A) Loss severity is the expected amount of future realized losses resulting from the ultimate liquidation of a particular loan, expressed as the net amount of realized loss relative to the outstanding loan balance in default.

Residential Transition Loans Valuation

Rithm Capital classifies certain residential transition loans as Level 3 in the fair value hierarchy. Performing residential transition loans are valued using an income approach through internal pricing models to forecast cash flows with inputs such as default rates, prepayments speeds and discount rates, and may include adjustments based on consensus pricing (broker quotes). Non-performing residential transition loans, with UPB of \$46.4 million and fair value of \$43.3 million as of June 30, 2025 and UPB of \$55.2 million and fair value of \$49.3 million as of December 31, 2024, were valued using estimated liquidation cash flows, derived based on the estimated value of the collateral and adjusted for estimated recoveries, costs and time to liquidate the assets.

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(dollars in tables in thousands, except share and per share data)

Significant increases (decreases) in default rates, loss severity assumptions, or discount rates, in isolation, would result in a significantly lower (higher) fair value measurement. Generally, a change in default rate assumption is accompanied by a directionally similar change in loss severity assumptions.

The following table summarizes certain information regarding the weighted averages of inputs (weighted by fair value) used in valuing performing residential transition loans, at fair value classified as Level 3:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
June 30, 2025	\$ 2,454,473	8.3% – 10.6% (8.3%)	0.0% – 50.0% (46.1%)	0.5% – 1.8% (0.5%)	25.0%
December 31, 2024	\$ 2,128,801	8.3% – 9.9% (8.3%)	0.0% – 50.0% (45.8%)	0.5% – 1.8% (0.5%)	25.0%

Derivatives and Hedging Valuation

Rithm Capital enters into economic hedges including interest rate swaps, caps and TBAs, which are categorized as Level 2 in the valuation hierarchy. Rithm Capital generally values such derivatives using quotations, similarly to the method of valuation used for Rithm Capital's other assets that are classified as Level 2 in the fair value hierarchy. Treasury short sales represent the net of repurchase agreements and related reverse repurchase agreement lending facilities used to borrow securities to effectuate short sales of Treasury securities and are classified as Level 1.

Other commitments relate to (i) an agreement entered into by a subsidiary of Rithm Capital with its affiliate requiring a payment under certain circumstances dependent upon amounts realized from an investment of the affiliate and (ii) a third-party co-investor's redemption right of its investment in a consolidated joint venture. These are classified as Level 3 in the fair value hierarchy, valued (i) at the excess of cost basis over the intrinsic value of the underlying investment and (ii) using a simulated Monte Carlo model by independent pricing services, respectively. In addition, Rithm Capital enters into IRLCs, which are valued using internal pricing models (i) incorporating market pricing for instruments with similar characteristics, (ii) estimating the fair value of the servicing rights expected to be recorded at sale of the loan and (iii) adjusting for anticipated loan funding probability. Both the fair value of servicing rights expected to be recorded at the date of sale of the loan and anticipated loan funding probability are significant unobservable inputs and therefore, IRLCs are classified as Level 3 in the fair value hierarchy.

The following table summarizes certain information regarding the ranges and weighted averages of inputs used in valuing IRLCs:

	Fair Value	Loan Funding Probability	Fair Value of Initial Servicing Rights (bps)
June 30, 2025	\$ 50,522	0.0% – 100.0% (84.4%)	6.2 – 428.3 (261.2)
December 31, 2024	\$ 11,294	0.0% – 100.0% (86.1%)	1.0 – 426.7 (281.8)

Asset-Backed Securities Issued

As of June 30, 2025 and December 31, 2024, Rithm Capital was the primary beneficiary of the SCFT 2020-A (as defined in Note 20) securitization, and therefore, Rithm Capital's consolidated balance sheets include the asset-backed securities issued by the trust in the SCFT 2020-A securitization. Rithm Capital elected the FVO for the securities and valued them consistently with non-Agency securities described above.

The following table summarizes certain information regarding the ranges and weighted averages of inputs used in valuing asset-backed securities issued:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
June 30, 2025	\$ 160,433	5.5%	14.6%	5.0%	93.2%
December 31, 2024	\$ 185,460	5.4%	14.5%	5.1%	92.3%

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Notes Receivable, Notes Receivable Financing and Loans Receivable

From time to time, Rithm Capital purchases notes and loans receivable that are generally collateralized by commercial real estate assets. Rithm Capital generally uses internal discounted cash flow pricing models to estimate the fair value of notes receivable, notes receivable financing and loans receivable. Due to the fact that the fair value of Rithm Capital's notes receivable, notes receivable financing and loans receivable are based significantly on unobservable inputs, these are classified as Level 3 in the fair value hierarchy.

Future cash flows are generally estimated using contractual economic terms as well as significant unobservable inputs, such as the underlying collateral performance. Other significant unobservable inputs include discount rates which estimate the market participants' required rates of return.

The following table summarizes certain information regarding the fair value and significant inputs used in valuing Rithm Capital's notes receivable, notes receivable financing and loans receivable:

	Fair Value	Discount Rate
<u>June 30, 2025</u>		
Notes receivable	\$ 442,893	8.5% - 13.7% (9.2%)
Notes receivable financing	381,128	5.3%
Loans receivable	8,038	17.5%
Total	\$ 832,059	
<u>December 31, 2024</u>		
Notes receivable	\$ 393,786	9.0% - 12.5% (9.2%)
Notes receivable financing	377,227	5.7%
Loans receivable	31,580	18.5%
Total	\$ 802,593	

Equity Investments at Fair Value

The Company holds a 70% interest in a limited liability company (the "Credit Risk Transfer LLC"), structured as a credit risk transfer transaction, which directly or indirectly holds and finances exposures to residential mortgage loans through warehouse facilities and repurchase agreements. This equity investment is measured at fair value under the fair value option election. The investment is valued using an internal discounted cash flow pricing model to estimate the fair value of the investment. As of June 30, 2025 and December 31, 2024, the fair value of the investment was \$194.3 million and \$194.4 million, respectively. As the discount rates of 11.2% and 11.8% used to estimate the fair value of the investment as of June 30, 2025 and December 31, 2024, respectively, were significant unobservable inputs, this investment was classified as Level 3 in the fair value hierarchy.

Consolidated CFE - Funds

Sculptor's consolidated structured alternative investment solution, a CFE, holds investments in funds measured at fair value using the NAV per share of the underlying funds, as a practical expedient.

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The following table summarizes the fair value of the investments by fund type and ability to redeem such investments:

Fund Type ^(A)	June 30, 2025			December 31, 2024		
	Fair Value	Redemption Frequency	Redemption Notice Period	Fair Value	Redemption Frequency	Redemption Notice Period
Open-ended	\$ 224,317	Monthly – Annually ^(B)	30 days – 90 days ^(B)	\$ 172,409	Monthly – Annually ^(B)	30 days – 90 days ^(B)
Close-ended	133,833	None ^(C)	N/A	160,697	None ^(C)	N/A
Total	\$ 358,150			\$ 333,106		

(A) The structured alternative investment solution invests in both open-ended and close-ended funds. The investments in each fund may represent investments in a particular tranche of such fund subject to different withdrawal rights.

(B) \$47.2 million of investments are subject to an initial lock-up period of three years during which time withdrawals or redemptions are limited. Once the lock-up period ends, the investments can be redeemed with the frequency noted above.

(C) 100% of these investments cannot be redeemed, as distributions will be received as the underlying assets are liquidated, which is expected to be approximately 7 to 9 years from inception.

As of June 30, 2025 and December 31, 2024, the structured alternative investment solution had unfunded commitments of \$48.3 million and \$23.8 million, respectively, related to the investments presented in the table above, which will be funded by capital within the consolidated funds from its underlying open-ended funds and liquid assets.

As of June 30, 2025 and December 31, 2024, notes payable of the structured alternative investment solution with a fair value of \$224.7 million and \$224.1 million, respectively, were valued using independent pricing services and are classified as Level 3. The Company measures the financial liabilities of its consolidated structured alternative investment solution based on the fair value of the financial assets of the consolidated entity under the CFE election, as the Company believes the fair value of the financial assets is more observable. The notes payable of consolidated CLOs had a fair value of \$731.1 million and \$735.9 million as of June 30, 2025 and December 31, 2024, respectively, and were valued using independent pricing services. As of June 30, 2025, the Company measured the financial liabilities of its consolidated CLOs based on the fair value of the financial assets of its consolidated CLOs under the CFE election, as the Company believes the fair value of the financial assets were more observable and the fair value of notes payable of consolidated CLOs were transferred out of Level 3 to Level 2 primarily due to increased price transparency. As of December 31, 2024, the Company measured the financial assets of its consolidated CLOs based on the fair value of the financial liabilities of its consolidated CLOs, as the Company believed the fair value of the financial liabilities were more observable and were classified as Level 3. The Company performs analytical procedures and compares independent pricing service valuations to other vendors' pricing as applicable. The Company also performs due diligence reviews on independent pricing services on an annual basis and performs other due diligence procedures as may be deemed necessary. Notes payable of such consolidated CFEs are included in notes payable, at fair value and other liabilities on the Company's consolidated balance sheets. Unrealized gain (loss) from changes in fair value and related interest is included in realized and unrealized gains (losses), net in the Company's consolidated statements of operations. Refer to Note 20 for further details.

Consolidated Loan Securitizations

Rithm Capital has securitized certain residential mortgage loans and residential transition loans which are held as part of consolidated CFEs. A CFE is a VIE that holds financial assets, issues beneficial interests in those assets and has no more than nominal equity, and the beneficial interests have contractual recourse only to the related assets of the CFE. GAAP allows entities to elect to measure both the financial assets and financial liabilities of the CFE using the more observable of the fair value of the financial assets and the fair value of the financial liabilities of the CFE. Rithm Capital has elected the FVO for initial and subsequent recognition of the debt issued by its consolidated securitization trust and has determined that the consolidated securitization trust meets the definition of a CFE. See Note 20 for further details regarding VIEs and securitization trusts. Rithm Capital determined the inputs to the fair value measurement of the financial liabilities of its consolidated CFEs to be more observable than those of the financial assets and, as a result, has used the fair value of the financial liabilities of the consolidated CFE to measure the fair value of the financial assets of the consolidated CFE. Refer to Note 2 for the accounting policies of consolidated entities. The fair value of the debt issued by the consolidated CFE is typically valued using external pricing data, which includes third-party valuations.

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The securitized residential mortgage loans and residential transition loans, which are assets of the consolidated CFEs, are included in investments, at fair value and other assets, on the Company's consolidated balance sheets. The notes issued by the consolidated CFEs are included in notes payable, at fair value and other liabilities on the Company's consolidated balance sheets. Unrealized gains (losses) from changes in fair value of the notes issued and assets of the consolidated CFEs and related interest are included in realized and unrealized gains (losses), net in the Company's consolidated statements of operations. The securitized residential mortgage loans and the notes issued by the Company's CFEs are classified as Level 2.

Residential Mortgage Loans Securitizations	Investments at Fair Value		Notes Payable at Fair Value	
June 30, 2025	\$	2,637,931	\$	2,232,484
December 31, 2024	\$	2,791,027	\$	2,369,934

Rithm Capital classifies securitized residential transition loans as Level 3 in the fair value hierarchy because the notes payable are valued based significantly on unobservable inputs. The valuation methodology is in line with non-Agency securities described above. The following table summarizes the inputs (weighted by fair value) used in valuing the notes payable:

Residential Transition Loans Securitizations	Investments at Fair Value	Notes Payable at Fair Value	Spread^(A)	Prepayment Rate^(B)	CDR^(C)	Loss Severity^(D)
June 30, 2025	\$ 967,461	\$ 863,038	1.6% – 10.5% (2.3%)	8.0%	0.8% – 2.0% (1.3%)	10.0%
December 31, 2024	\$ 962,192	\$ 859,023	1.7% – 11.7% (2.2%)	8.0%	0.8% – 2.0% (1.3%)	10.0%

(A) Represents the yield in excess of the risk-free rate.

(B) Represents the annualized rate of the prepayments as a percentage of the total principal balance of the pool.

(C) Represents the annualized rate of the involuntary prepayments (defaults) as a percentage of the total principal balance of the pool.

(D) Represents the expected amount of future realized losses resulting from the ultimate liquidation of a particular loan, expressed as the net amount of loss relative to the outstanding balance of the loans in default.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Certain assets are measured at fair value on a nonrecurring basis; that is, they are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances, such as when there is evidence of impairment. For residential mortgage loans HFS, foreclosed real estate accounted for as REO and SFR properties, Rithm Capital measures the assets at the lower of cost or fair value which may require, from time to time, a nonrecurring fair value adjustment.

As of June 30, 2025 and December 31, 2024, assets measured at fair value on a nonrecurring basis were \$79.5 million and \$87.6 million, respectively, of which, approximately \$61.0 million and \$66.7 million, respectively, related to residential mortgage loans, HFS, and \$18.5 million and \$20.9 million, respectively, related to REO. The fair value of Rithm Capital's residential mortgage loans, HFS is estimated based on a discounted cash flow model analysis using internal pricing models and is categorized within Level 3 of the fair value hierarchy.

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The following table summarizes the inputs (weighted by fair value) used in valuing these residential mortgage loans:

	Fair Value	Discount Rate	Weighted Average Life (Years) ^(A)	Prepayment Rate	CDR ^(B)	Loss Severity ^(C)
June 30, 2025						
Performing loans	\$ 47,792	6.8% – 8.5% (6.8%)	4.3 – 6.3 (4.3)	4.0% – 6.7% (6.7%)	0.9% – 3.6% (2.1%)	26.6% – 48.9% (31.6%)
Non-performing loans	13,174	9.2% – 12.0% (10.3%)	3.4 – 4.8 (4.3)	3.7% – 4.9% (4.4%)	3.1% – 5.9% (4.2%)	25.9% – 72.3% (43.4%)
Total	<u>\$ 60,966</u>					
December 31, 2024						
Performing loans	\$ 51,011	6.3% – 8.6% (7.7%)	2.8 – 6.0 (4.4)	6.0% – 8.2% (8.0%)	1.8% – 22.9% (3.6%)	18.7% – 33.7% (20.7%)
Non-performing loans	15,659	8.5% – 9.4% (9.1%)	5.2 – 6.2 (5.8)	1.7% – 5.4% (3.5%)	1.3% – 9.3% (5.2%)	12.4% – 39.9% (23.1%)
Total	<u>\$ 66,670</u>					

(A) The weighted average life is based on the expected timing of the receipt of cash flows.

(B) Represents the annualized rate of the involuntary prepayments (defaults) as a percentage of the total principal balance.

(C) Loss severity is the expected amount of future realized losses resulting from the ultimate liquidation of a particular loan, expressed as the net amount of realized loss relative to the outstanding loan balance in default.

The fair value of REO is estimated using a broker's price opinion discounted based upon Rithm Capital's experience with actual liquidation values and, therefore, is categorized within Level 3 of the fair value hierarchy. These discounts to the broker price opinion generally range from 10.0% – 25.0% (weighted average of 21.6%), depending on the information available to the broker.

The total change in the recorded value of residential mortgage loans for which a fair value adjustment has been included in the consolidated statements of operations consists of a reversal of valuation allowance of \$0.3 million and a reversal of valuation allowance of \$3.5 million for the three months ended June 30, 2025 and 2024, respectively, and a reversal of valuation allowance of \$0.8 million and a valuation allowance of \$3.3 million for the six months ended June 30, 2025 and 2024, respectively.

The total change in the recorded value of REO for which a fair value adjustment has been included in the consolidated statements of operations consists of a reversal of valuation allowance of \$0.4 million and a valuation allowance of \$4.1 million for the three months ended June 30, 2025 and 2024, respectively, and a reversal of valuation allowance of \$0.7 million and a reversal of valuation allowance of \$1.4 million for the six months ended June 30, 2025 and 2024, respectively.

20. VARIABLE INTEREST ENTITIES

In the normal course of business, Rithm Capital enters into transactions with special purpose entities ("SPEs"), which primarily consist of trusts established for a limited purpose. The SPEs have been formed for the purpose of transactions in which the Company transfers assets into an SPE in return for various forms of debt obligations supported by those assets. In these transactions, the Company typically receives cash and/or other interests in the SPE as proceeds for the transferred assets. The Company retains the right to service the transferred receivables. The Company first evaluates whether it holds a variable interest in the entity. Where the Company has a variable interest, it is required to determine whether the entity is a VIE or a VOE, the classification of which will determine the consolidation model that the Company is required to follow when determining whether it should consolidate the entity.

VIEs are defined as entities in which (i) equity at risk investors do not have the characteristics of a controlling financial interest, (ii) do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties, or (iii) substantially all of the activities of the entity are performed on behalf of the party with disproportionately few voting rights. Where an entity does not have the characteristics of a VIE, it is a VOE. A VIE is required to be consolidated by the primary beneficiary, which is defined as the party that has the power to direct the activities of a VIE that most significantly impact its economic performance and has the obligation to absorb losses or the right to receive benefits from the VIE that could be potentially significant to the VIE.

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To assess whether Rithm Capital has the power to direct the activities of a VIE that most significantly impact the VIE's economic performance, Rithm Capital considers all the facts and circumstances, including its role in establishing the VIE and its ongoing rights and responsibilities. This assessment includes identifying (i) the activities that most significantly impact the VIE's economic performance and (ii) which party, if any, has power over those activities. To assess whether Rithm Capital has the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE, Rithm Capital considers all of its economic interests and applies judgment in determining whether these interests, individually or in the aggregate, are considered potentially significant to the VIE. When an SPE meets the definition of a VIE and the Company determines that it is the primary beneficiary, the Company consolidates the SPE in its consolidated financial statements.

For certain consolidated VIEs that meet the definition of a CFE, which is a VIE that holds financial assets, issues beneficial interests in those assets and has no more than nominal equity, Rithm Capital has elected to account for the assets and liabilities of these entities under the CFE measurement alternative. The CFE measurement alternative allows companies to elect to measure both the financial assets and financial liabilities of a CFE using the more observable of the fair value of the financial assets or fair value of the financial liabilities. The net equity in an entity accounted for under the CFE election effectively represents the fair value of the beneficial interests Rithm Capital owns in the entity. The assets of the consolidated CFEs can only be used to settle obligations and liabilities of these consolidated CFEs and are not available for general use by the Company. The liabilities of these consolidated CFEs are liabilities only of these entities and creditors have no recourse to the Company for the consolidated CFEs' liabilities.

Consolidated VIEs

The assets of consolidated VIEs may only be used to settle obligations of these entities. There is no recourse to Rithm Capital Corp. for the consolidated VIEs' liabilities.

Advance Purchaser

Rithm Capital, through a taxable wholly-owned subsidiary, is the managing member of Advance Purchaser and owns approximately 89.3% of Advance Purchaser as of June 30, 2025. Rithm Capital is deemed to be the primary beneficiary of Advance Purchaser as a result of its ability to direct activities that most significantly impact the economic performance of the entities and its ownership of a significant equity investment. See Note 14 for details.

Newrez Joint Ventures

A wholly-owned subsidiary of Newrez, Newrez Ventures LLC (formerly known as Shelter Mortgage Company LLC) ("Newrez Ventures"), is a mortgage originator specializing in retail originations. Newrez Ventures operates its business through a series of joint ventures ("Newrez Joint Ventures") and is deemed to be the primary beneficiary of such Newrez Joint Ventures as a result of its ability to direct activities that most significantly impact the economic performance of the Newrez Joint Venture entities and its ownership of a significant equity investment.

Residential Mortgage Loans Securitizations

The Company securitizes, sells and services residential mortgage loans. Securitization transactions typically involve the use of VIEs and are accounted for either as sales or as secured financings. Certain of these activities may involve SPEs which, by their nature, are deemed to be VIEs.

Rithm Capital sells pools of conforming mortgage loans through Agency and Ginnie Mae sponsored programs with the servicing retained by Newrez. The Company has several financing vehicles in the form of mortgage loan participation and sale agreements with financial institutions, or purchasers, to sell pools of agency residential mortgage loans.

Certain entities were formed to acquire, receive, participate, hold, release and dispose of participation interests in certain of Newrez's residential mortgage loans HFS ("MLHFS PC"). These facilities transfer the MLHFS PC in exchange for cash. Newrez is the primary beneficiary of the VIEs and therefore consolidates the SPEs. The transferred MLHFS PC is classified on the consolidated balance sheets as residential mortgage loans, HFS and the related warehouse credit facility liabilities as part of secured financing agreements. Newrez retains the risks and benefits associated with the assets transferred to the SPEs.

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In May 2021, Newrez issued \$750.0 million in notes through a securitization facility (the “2021-1 Securitization Facility”) that bear interest at 30-day SOFR plus a margin. The 2021-1 Securitization Facility is secured by newly originated, first-lien, fixed- and adjustable-rate residential mortgage loans eligible for purchase by the GSEs and Ginnie Mae. Through a master repurchase agreement, Newrez sells its originated residential mortgage loans to the 2021-1 Securitization Facility, which then issues notes to third-party qualified investors, with Newrez retaining the trust certificate. The loans serve as collateral with the proceeds from the note issuance ultimately financing the originations. The 2021-1 Securitization Facility will terminate on the earlier of (i) the three-year anniversary of the initial closing date, (ii) the Company exercising its right to optional prepayment in full or (iii) a repurchase triggering event. The Company is the primary beneficiary of the 2021-1 Securitization Facility as it has both (i) the power to direct the activities of a VIE that most significantly impact its economic performance and (ii) the obligation to absorb losses or the right to receive benefits from the VIE that could be potentially significant to the VIE. As of April 30, 2024, the 2021-1 Securitization Facility was terminated.

In August 2022, Rithm Capital sponsored a securitization of mortgage loans (the “2022-SFR2 Securitization”) secured by certain single family rental properties owned by the Company (the “2022-SFR2 Properties”). The Company retained the most subordinate tranche trust certificate issued by 2022-SFR2 Securitization, classified as a VIE. During the third quarter of 2024, a related party of the Company, APM, became the property manager of the 2022-SFR2 Properties. Upon this reconsideration event, the Company reassessed its consolidation conclusion and concluded that it was now the primary beneficiary of 2022-SFR2 Securitization, as it has power to direct the activities that most significantly impact the 2022-SFR2 Securitization’s economic performance and has an obligation to absorb losses or the right to receive benefits from the VIE that could be potentially significant to the VIE. As a result, the Company consolidated 2022-SFR2 Securitization during the third quarter of 2024.

Consumer Loan Companies

Rithm Capital owns a 100% interest in a portfolio of consumer loans held through certain limited liability entities (the “Consumer Loan Companies”). The Consumer Loan Companies consolidate certain securitization vehicles (“Consumer Loan SPVs”), classified as VIEs, that issued debt collateralized by the consumer loans. The Company, through the Consumer Loan Companies, consolidates the Consumer Loan SPVs as it is the primary beneficiary.

On September 25, 2020, the Company sponsored a securitization of a portfolio of consumer loans which issued \$663.0 million of asset-backed notes (“SCFT 2020-A”). Rithm Capital retained a residual interest of securitized loans for risk retention purposes. The Company is the primary beneficiary of SCFT 2020-A, classified as a VIE, and therefore consolidates it, as it has power to redeem the notes issued by SCFT 2020-A and liquidate the structure at any time and has the obligation to absorb losses or the right to receive benefits from the VIE that could be potentially significant to the VIE.

Asset Management and Other

In the second quarter of 2024, Sculptor launched a CLO equity investment platform to manage investments in the equity tranches of Sculptor managed CLOs in the U.S. and Europe (“Sculptor Loan Financing Partners”). The Company is the primary beneficiary of the Sculptor Loan Financing Partners, as it has both (i) the power to direct the activities of a VIE that most significantly impact its economic performance and (ii) the obligation to absorb losses or the right to receive benefits from the VIE that could be potentially significant to the VIE.

In the first quarter of 2025, the Company entered into a joint venture with a third party to invest in an affiliated fund. The Company is the primary beneficiary of the joint venture, classified as a VIE, as it has power over the VIE’s most significant activities and has an obligation to absorb losses and receive benefits from the VIE that could potentially be significant. Under certain circumstances, the Company’s interest in the joint venture could be subordinated up to a certain amount if the specified minimum return is not achieved upon the third party’s interest redemption.

Rithm Capital has investments in various commercial real estate entities classified as VIEs and held through wholly-owned subsidiaries. The Company has a controlling financial interest in these VIEs as it holds substantially all of the economic interests in such VIEs. The Company is the primary beneficiary and consolidates such VIEs.

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In the first quarter of 2025, the Company entered into a joint venture with Rithm Property Trust, a related party, to acquire a certain note receivable. While power is shared between the Company and Rithm Property Trust, the Company is the primary beneficiary and consolidates the VIE, as it is most closely associated with the VIE under the related-party tiebreaker guidance.

SPAC

As noted in Note 1, in the first quarter of 2025, the SPAC sponsored by the Company completed its IPO raising gross proceeds of \$230.0 million (including the full exercise of the underwriter's over-allotment option) related to 23,000,000 units consisting of 23,000,000 Class A ordinary shares and one-third of one redeemable warrant classified as equity. The Company consolidates the SPAC, which is classified as a VIE. Additionally, the Company, through its consolidated subsidiary Rithm Acquisition Corp Sponsor LLC (the "Sponsor"), owns the majority of the SPAC's outstanding Class B ordinary shares and has power to direct the activities of the VIE that most significantly impact its economic performance making it the primary beneficiary of the VIE.

Consolidated CFEs

Loan Securitizations - Residential Transition Loans

Rithm Capital sponsored securitization trusts, classified as VIEs, that issue securitized debt collateralized by residential transition loans and for which a wholly-owned subsidiary of Rithm Capital serves as asset manager. Rithm Capital acquired all of the most subordinated trust certificates. Rithm Capital concluded that the most subordinate tranche trust certificates absorb a majority of the trusts' expected losses or receive a majority of the trusts' expected residual returns. Rithm Capital also concluded that the securitization's asset manager has the ability to direct activities that could impact the trusts' economic performance. As a result, Rithm Capital consolidates such trusts.

The assets of these consolidated loan securitization trusts may only be used to settle obligations of these entities and are not available to creditors of the Company. The investors in these consolidated loan securitizations have no recourse against the assets of the Company, and there is no recourse to the Company for the consolidated entities' liabilities.

As of June 30, 2025, these trusts' assets consist of pools of performing, adjustable-rate and fixed-rate, interest-only, residential transition loans (construction, renovation and bridge), secured by a first lien or a first and second lien on a non-owner occupied mortgaged property with original terms to maturity of up to 120 months, with an aggregate UPB of approximately \$943.3 million and an aggregate principal limit of approximately \$1.3 billion. Refer to Note 19 regarding the fair value measurements of consolidated loan securitizations.

Loan Securitizations - Residential Mortgage Loans

Rithm Capital sponsors the formation of certain mortgage securitization trusts, considered VIEs, to securitize performing Non-QM loans and seasoned mortgage loans. The Company consolidates certain trusts for which it is the primary beneficiary. The Company acts as the primary servicer for such trusts and therefore has the ability to direct activities that could impact these trusts' economic performance. Generally, the Company retains a vertical tranche of notes issued by these trusts for risk retention purposes in addition to the most subordinated tranches and "interest only" interests. Such retained interests were eliminated in consolidation. Depending on the type of securitization, the underlying pool of assets may consist of performing, amortizing and interest only, fixed rate and adjustable rate mortgage loans secured by first liens on single family residential properties, planned unit developments and condominiums.

The assets of these consolidated loan securitizations may only be used to settle obligations of these entities and are not available to creditors of the Company. The investors in these consolidated loan securitizations have no recourse against the assets of the Company, and there is no recourse to the Company for the consolidated entities' liabilities.

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During the third quarter of 2024, the Company sold “interest only” securities in two seasoned mortgage loan securitization trusts, and it now only holds securities for risk retention purposes. The Company is not the primary beneficiary as it no longer holds significant interests in these trusts. As a result of deconsolidation, the Company derecognized \$371.5 million of assets and \$352.9 million of liabilities of consolidated CFEs and recognized a loss of \$0.9 million presented in realized and unrealized gains (losses), net in the consolidated statements of operations. The Company continues to retain \$17.1 million of notes held at fair value as of June 30, 2025.

As of June 30, 2025, the notes payable, at fair value of consolidated CFEs due to third parties had a fair value of \$2.2 billion. Rithm Capital’s retained interest in the consolidated CFEs was \$0.4 billion. Refer to Note 19 regarding the fair value measurements of consolidated loan securitizations.

Funds

In the ordinary course of business, Sculptor sponsors the formation of consolidated funds that are considered VIEs. The Company consolidates certain VIEs for which it is the primary beneficiary either directly or indirectly through a consolidated entity. The assets of these consolidated funds may only be used to settle obligations of these entities and are not available to creditors of the Company, including Sculptor. The investors in these consolidated funds have no recourse against the assets of the Company, including Sculptor. There is no recourse to the Company, including to Sculptor, for the consolidated funds’ liabilities.

The Company, through Sculptor, consolidates a structured alternative investment solution, which issued notes in the aggregate principal amount of \$350.0 million, of which approximately \$127.8 million were retained by Sculptor and eliminated in consolidation. The retained notes consists of \$20.0 million Class A notes, \$20.0 million of Class C notes and \$87.8 million of subordinated notes. As of June 30, 2025, the consolidated notes payable due to third parties had a fair value of \$224.7 million.

Sculptor’s structured alternative investment solution entered into a \$52.5 million credit facility maturing March 18, 2026. This credit facility is capped at \$20.0 million of total borrowing capacity per quarter, bearing interest of SOFR plus margin of 3.0%. The facility is also subject to an annual 1.15% unused commitment fee. As of June 30, 2025, the consolidated funds have not drawn on the facility.

Additionally, the Company consolidates two CLO funds, managed by Sculptor, which in 2024, issued notes in the aggregate principal amount of \$814.4 million, of which approximately \$76.3 million, were retained by the Company and eliminated in consolidation. As of June 30, 2025, the consolidated notes payable due to third parties had a fair value of \$731.1 million. The Company’s investments in CLOs are generally subordinated to other interests in the entities. Investors in the CLOs have no recourse against the Company for any losses incurred by the CLOs. The Company’s maximum exposure to loss is limited to the retained interest.

See Note 18 and Note 19 regarding the financing and fair value measurements of consolidated funds, respectively.

The table below presents the carrying value and classification of the assets and liabilities of consolidated VIEs on the consolidated balance sheets:

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	Consolidated CFEs ^(A)										
	Advance Purchaser	Newrez Joint Ventures	Residential Mortgage Loans	Consumer Loan Companies	Asset Management and Other	SPAC	Loan Securitizations - Residential Transition Loans	Loan Securitizations - Residential Mortgage Loans	Consolidated Funds	Total	
June 30, 2025											
Assets:											
Servicer advance investments, at fair value	\$ 312,986	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 312,986	
Residential mortgage loans, HFS, at fair value	—	—	371,875	—	—	—	—	—	—	371,875	
Consumer loans	—	—	—	190,138	—	—	—	—	—	190,138	
Assets of consolidated CFEs - investments	—	—	—	—	—	—	967,461	2,637,931	1,159,681	4,765,073	
Cash and cash equivalents	10,028	21,394	—	251	1,020	820	—	—	—	33,513	
Restricted cash	5,948	—	5,907	10,704	—	233,370	8,304	7,998	48,232	320,463	
Other assets	4	542	—	408	214,137	333	13,633	—	22,362	251,419	
Total Assets	\$ 328,966	\$ 21,936	\$ 377,782	\$ 201,501	\$ 215,157	\$ 234,523	\$ 989,398	\$ 2,645,929	\$ 1,230,275	\$ 6,245,467	
Liabilities:											
Secured financing agreements	\$ —	\$ —	\$ 317,754	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 317,754	
Secured notes and bonds payable	240,656	—	—	160,433	—	—	—	—	—	401,089	
Notes payable of consolidated CFEs	—	—	—	—	—	—	863,038	2,232,484	955,757	4,051,279	
Accrued expenses and other liabilities	1,715	2,122	—	1,263	3,719	8,127	956	8,331	71,130	97,363	
Total Liabilities	\$ 242,371	\$ 2,122	\$ 317,754	\$ 161,696	\$ 3,719	\$ 8,127	\$ 863,994	\$ 2,240,815	\$ 1,026,887	\$ 4,867,485	
December 31, 2024											
Assets:											
Servicer advance investments, at fair value	\$ 339,646	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 339,646	
Residential mortgage loans, HFS, at fair value	—	—	496,420	—	—	—	—	—	—	496,420	
Consumer loans	—	—	—	219,308	—	—	—	—	—	219,308	
Assets of consolidated CFEs - investments	—	—	—	—	—	—	962,192	2,791,027	1,118,359	4,871,578	
Cash and cash equivalents	5,163	21,023	—	1,118	11,796	—	—	—	—	39,100	
Restricted cash	6,727	—	6,087	11,492	—	—	7,172	17,293	126,158	174,929	
Other assets	4	452	—	4,618	89,654	—	26,348	—	59,277	180,353	
Total Assets	\$ 351,540	\$ 21,475	\$ 502,507	\$ 236,536	\$ 101,450	\$ —	\$ 995,712	\$ 2,808,320	\$ 1,303,794	\$ 6,321,334	
Liabilities:											
Secured financing agreements	\$ —	\$ —	\$ 384,948	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 384,948	
Secured notes and bonds payable	258,183	—	—	185,460	—	—	—	—	—	443,643	
Notes payable of consolidated CFEs	—	—	—	—	—	—	859,023	2,369,934	959,958	4,188,915	
Accrued expenses and other liabilities	1,975	1,854	—	226	1,589	—	1,099	17,626	140,604	164,973	
Total Liabilities	\$ 260,158	\$ 1,854	\$ 384,948	\$ 185,686	\$ 1,589	\$ —	\$ 860,122	\$ 2,387,560	\$ 1,100,562	\$ 5,182,479	

(A) Reflect assets of consolidated CFEs - investments, at fair value and other assets and liabilities of consolidated CFEs - notes payable, at fair value and other liabilities on the consolidated balance sheets.

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Non-Consolidated VIEs

The Company transfers residential mortgage loans to securitization trusts, classified as VIEs and retains the right to service the transferred loans. The Company also retains interest in such VIEs pursuant to required risk retention regulations. The Company does not consolidate such VIEs, as it is not considered the primary beneficiary. The following table summarizes the carrying value of notes issued by unconsolidated VIEs and retained by the Company, which reflects the Company's maximum exposure to loss, as well as the UPB of transferred loans. The retained notes are presented as non-Agency securities, at fair value within other assets on the consolidated balance sheets:

	June 30, 2025	December 31, 2024
Residential mortgage loan UPB and other collateral	\$ 8,977,075	\$ 8,152,970
Weighted average delinquency ^(A)	4.3%	5.2%
Net credit losses	\$ 175,406	\$ 161,646
Face amount of debt held by third parties	\$ 8,328,599	\$ 7,532,832
Carrying value of notes retained by Rithm Capital ^{(B)(C)}	\$ 565,925	\$ 532,845
Cash flows received by Rithm Capital on these notes	\$ 48,568	\$ 94,589

(A) Represents the percentage of the UPB that is 60+ days delinquent.

(B) Includes real estate bonds retained pursuant to required risk retention regulations.

(C) Classified within Level 3 of the fair value hierarchy as the valuation is based on certain unobservable inputs including discount rate, prepayment rates and loss severity. See Note 19 for details on unobservable inputs.

The following table summarizes the Company's involvement, through Sculptor, with VIEs that are not consolidated and is generally limited to providing asset management services and, in certain cases, investments in the VIEs. The maximum exposure to loss represents the potential loss of current investments or income and fees receivables from these entities, as well as the obligation to repay unearned revenues, primarily incentive income subject to clawback, in the event of any future fund losses, as well as unfunded commitments to certain funds that are VIEs. The Company does not provide, nor is it required to provide, any type of non-contractual financial or other support to its VIEs that are not consolidated beyond its share of capital and other commitments described in Note 26.

	June 30, 2025	December 31, 2024
<i>Maximum Risk of Loss as a Result of the Company's Involvement with Unconsolidated VIEs:</i>		
Unearned income and fees	\$ 13,997	\$ 17,268
Income and fees receivable	15,782	35,723
Investments	695,707	577,849
Unfunded commitments ^(A)	201,232	174,530
Other commitments	25,521	25,521
Maximum Exposure to Loss	\$ 952,239	\$ 830,891

(A) Includes commitments from certain current and former employees and managing directors in the amounts of \$114.7 million and \$133.9 million as of June 30, 2025 and December 31, 2024, respectively.

The following table summarizes the carrying value of the Company's other unconsolidated commercial real estate entities which reflects the Company's maximum exposure to loss. See Note 26 regarding certain guarantees provided in connection with the investments. These investments are presented as part of equity investments within other assets on the consolidated balance sheets:

	June 30, 2025	December 31, 2024
Carrying value of Rithm Capital's investments in unconsolidated commercial real estate VIEs	\$ 113,237	\$ 57,846

The Company holds a 70% membership interest in the Credit Risk Transfer LLC, a VIE that holds exposures in warehouse lines collateralized by residential mortgage loans. The Company does not have power to make significant decisions unilaterally over the VIE; therefore, it is not the primary beneficiary and does not consolidate the VIE. The following table summarizes the carrying value of the Company's membership interest, which reflects the Company's maximum exposure to loss. This equity investment is presented within other assets on the consolidated balance sheets:

	June 30, 2025	December 31, 2024
Membership interest in unconsolidated VIEs	\$ 194,315	\$ 194,410

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21. EXPENSES, REALIZED AND UNREALIZED GAINS (LOSSES), NET AND OTHER

Other revenues consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Property and maintenance	\$ 27,439	\$ 29,955	\$ 53,175	\$ 62,335
Rental	19,492	18,920	38,894	37,869
Other	7,135	7,625	12,770	14,644
Total Other Revenues	\$ 54,066	\$ 56,500	\$ 104,839	\$ 114,848

General and Administrative expenses consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Legal and professional	\$ 24,394	\$ 26,941	\$ 49,032	\$ 48,430
Loan origination	17,161	17,498	31,838	32,933
Occupancy	16,348	15,251	30,802	31,197
Subservicing	12,342	17,690	29,098	37,118
Loan servicing	40,737	3,502	82,255	9,093
Property and maintenance	28,921	29,955	56,557	62,219
Depreciation and amortization	23,794	32,857	48,362	64,809
Information technology	31,239	33,944	62,547	63,332
Other	44,639	36,836	86,630	70,395
Total General and Administrative Expenses	\$ 239,575	\$ 214,474	\$ 477,121	\$ 419,526

Other Income (Loss)

The following table summarizes the components of other income (loss):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Real estate and other securities	\$ 4,532	\$ (1,838)	\$ 12,986	\$ 1,068
Residential mortgage loans and REO	8,281	22,623	10,825	26,149
Derivative and hedging instruments	(8,226)	4,899	(18,041)	6,220
Notes and bonds payable	(4,135)	(2,857)	713	(2,631)
Consolidated CFEs ^(A)	26,614	33,385	43,056	49,797
Other ^(B)	(4,325)	3,005	(27,941)	(975)
Realized and unrealized gains, net	22,741	59,217	21,598	79,628
Other income, net	18,478	26,393	27,551	42,177
Total Other Income, Net	\$ 41,219	\$ 85,610	\$ 49,149	\$ 121,805

(A) Includes change in the fair value of the consolidated CFEs' financial assets and liabilities and related interest and other income.

(B) Includes Excess MSR, servicer advance investments, consumer loans, residential transition loans and other.

22. ASSET MANAGEMENT REVENUES

The following table presents the composition of asset management revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Management fees	\$ 66,177	\$ 59,859	\$ 125,163	\$ 116,989
Incentive income	28,831	49,574	57,517	63,395
Total Asset Management Revenues	\$ 95,008	\$ 109,433	\$ 182,680	\$ 180,384

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The following table presents the composition of the Company's income and fees receivable primarily through Sculptor:

	June 30, 2025	December 31, 2024
Management fees receivable	\$ 46,181	\$ 25,337
Incentive income receivable	28,476	183,335
Total Income and Fees Receivable	\$ 74,657	\$ 208,672

The Company recognizes management fees over the period in which the performance obligation is satisfied, and such management fees are generally recognized at the end of each reporting period. The Company records incentive income when it is probable that a significant reversal of income will not occur. The majority of management fees and incentive income receivable at each balance sheet date is generally collected during the following quarter.

The following table presents the Company's unearned income and fees primarily through Sculptor:

	June 30, 2025	December 31, 2024
Unearned management fees	\$ 4	\$ 12
Unearned incentive income	14,231	17,268
Total Unearned Income and Fees	\$ 14,235	\$ 17,280

A liability for unearned incentive income is generally recognized when the Company receives incentive income distributions from its funds, primarily its real estate funds, whereby the distributions received have not yet met the recognition threshold of it being probable that a significant reversal of cumulative revenue will not occur. A liability for unearned management fees is generally recognized when management fees are paid to the Company on a quarterly basis in advance, based on the amount of AUM at the beginning of the quarter.

23. NONCONTROLLING INTERESTS

Noncontrolling interests represent the ownership interests in certain consolidated subsidiaries held by entities or persons other than Rithm Capital, and it is presented as a separate component of equity on the Company's consolidated balance sheets. These interests are related to noncontrolling interests in consolidated entities that hold servicer advance investments (Note 14), the Newrez Joint Ventures, consumer loans (Note 8), asset management investments, Excess MSR's and other investments.

Others' interests in the equity of consolidated subsidiaries is computed as follows:

	June 30, 2025			December 31, 2024		
	Total Consolidated Equity	Others' Ownership Interest	Noncontrolling Interest in Equity of Consolidated Subsidiaries	Total Consolidated Equity	Others' Ownership Interest	Noncontrolling Interest in Equity of Consolidated Subsidiaries
Advance Purchaser	\$ 86,594	10.7 %	\$ 9,259	\$ 91,384	10.7 %	\$ 9,770
Newrez Joint Ventures	19,077	49.5 %	9,443	19,621	49.5 %	9,687
Excess MSR's	128,280	20.0 %	25,656	136,645	20.0 %	27,329
Other investments	96,426	24.6 %	23,715	50,778	10.0 %	4,608
Asset management	938,160	n/m ^(B)	42,753	844,669	n/m ^(B)	39,942

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Others' interests in the net income (loss) of consolidated subsidiaries is computed as follows:

	Three Months Ended June 30,					
	2025			2024		
	Net Income (Loss)	Others' Ownership Interest as a Percent of Total	Noncontrolling Interest in Income (Loss) of Consolidated Subsidiaries	Net Income (Loss)	Others' Ownership Interest as a Percent of Total	Noncontrolling Interest in Income (Loss) of Consolidated Subsidiaries
Advance Purchaser	\$ 1,446	10.7 %	\$ 154	\$ (1,149)	10.7 %	\$ (123)
Newrez Joint Ventures	1,982	49.5 %	981	2,052	49.5 %	1,016
Consumer Loan Companies ^(A)	731	— %	—	(7,318)	46.5 %	(3,403)
Excess MSRs	3,441	20.0 %	688	23,182	20.0 %	4,636
Other investments	2,550	24.6 %	691	—	N/A	—
Asset management	(2,783)	n/m ^(B)	655	25,964	n/m ^(B)	835

	Six Months Ended June 30,					
	2025			2024		
	Net Income (Loss)	Others' Ownership Interest as a Percent of Total	Noncontrolling Interest in Income (Loss) of Consolidated Subsidiaries	Net Income (Loss)	Others' Ownership Interest as a Percent of Total	Noncontrolling Interest in Income (Loss) of Consolidated Subsidiaries
Advance Purchaser	\$ 1,110	10.7 %	\$ 118	\$ 8,381	10.7 %	\$ 895
Newrez Joint Ventures	2,697	49.5 %	1,335	2,164	49.5 %	1,071
Consumer Loan Companies ^(A)	(819)	— %	—	(5,127)	46.5 %	(2,384)
Excess MSRs	4,764	20.0 %	952	23,182	20.0 %	4,636
Other investments	4,280	24.6 %	1,191	—	N/A	—
Asset management	(64,900)	n/m ^(B)	659	(13)	n/m ^(B)	2,195

(A) On June 28, 2024, Rithm Capital purchased the remaining 46.5% interest in the Consumer Loan Companies from the co-investor for a total purchase price of \$22.0 million. Following the acquisition, Rithm Capital owns 100% interest in the Consumer Loan Companies.

(B) Percentage in the table above deemed "n/m" are not meaningful. Noncontrolling interests related to asset management investments represent the ownership interests in certain funds held by entities or persons other than the Company. These interests substantially relate to interests held by employees in real estate and energy funds managed by the Company adjusted for their capital activity and allocated earnings in such funds. Such employees' portion of carried interest is expensed and recorded within compensation and benefits on the consolidated statements of operations and therefore excluded in the calculation of noncontrolling interests.

Redeemable Noncontrolling Interests

In the first quarter of 2025, the Company consolidated the SPAC it sponsors. The Class A ordinary shares issued by the consolidated SPAC are redeemable for cash by the public shareholders at the time of a business combination or in the event the SPAC is unable to complete a business combination by a set date. Since the redemption of the Class A ordinary shares is outside the Company's control, they are not classified as permanent equity and are recognized as redeemable noncontrolling interests in consolidated subsidiaries in the consolidated balance sheets.

Additionally, in the first quarter of 2025, certain interest held by a third-party in a consolidated entity is classified within redeemable noncontrolling interests due to a redemption feature.

The following table presents the activity in redeemable noncontrolling interests:

	SPAC	Consolidated Entity	Total
Balance at December 31, 2024	\$ —	\$ —	\$ —
Initial carrying value	214,389	27,460	241,849
Distributions	—	(430)	(430)
Change in redemption value	15,611	—	15,611
Comprehensive income	3,369	564	3,933
Balance at June 30, 2025	<u>\$ 233,369</u>	<u>\$ 27,594</u>	<u>\$ 260,963</u>

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24. EQUITY AND EARNINGS PER SHARE
Equity and Dividends

Rithm Capital's certificate of incorporation authorizes 2.0 billion shares of common stock, par value \$0.01 per share, and 100.0 million shares of preferred stock, par value \$0.01 per share.

In February 2025, Rithm Capital's board of directors renewed the Company's stock repurchase program, authorizing the repurchase of up to \$200.0 million of its common stock and \$100.0 million of its preferred stock for the period from January 1, 2025 through December 31, 2025. The objective of the stock repurchase program is to seek flexibility to return capital when deemed accretive to stockholders. Repurchases can be made from time to time through open market purchases or privately negotiated transactions, pursuant to one or more plans established pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934 or by means of one or more tender offers, in each case, as permitted by securities laws and other legal requirements. During the six months ended June 30, 2025, the Company did not repurchase any shares of its common stock and redeemed 2,000,000 shares of its 7.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock for \$50.0 million at a redemption price equal to \$25.00 per share plus accumulated and unpaid distributions.

On September 24, 2024, in a public offering, Rithm Capital issued 30.0 million shares of its common stock at a par value of \$0.01 per share for gross proceeds of \$340.2 million, before deducting estimated offering costs.

On August 5, 2022, Rithm Capital entered into a Distribution Agreement to sell shares of its common stock, par value \$0.01 per share, having an aggregate offering price of up to \$500.0 million, from time to time, through an "at-the-market" equity offering program (the "ATM Program"). During the six months ended June 30, 2025, 9.0 million shares of common stock were issued under the ATM Program.

Purchases and sales of Rithm Capital's securities by the Company's officers and directors are subject to the Rithm Capital Corp. Insider Trading Compliance Policy.

The table below summarizes the Company's outstanding preferred shares:

Series ^(B)	Number of Shares		Liquidation Preference ^(A)		Issuance Discount	Carrying Value ^(C)		Dividends Declared per Share			
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024		June 30, 2025	December 31, 2024	Three Months Ended June 30,		Six Months Ended June 30,	
								2025	2024	2025	2024
Series A, issued July 2019 ^{(D)(F)(H)}	4,200,068	6,200,068	\$ 105,002	\$ 155,002	3.15 %	\$ 99,822	\$ 149,822	\$ 0.66	\$ 0.47	\$ 1.31	\$ 0.94
Series B, issued August 2019 ^{(D)(F)}	11,260,712	11,260,712	281,518	281,518	3.15 %	272,654	272,654	0.65	0.45	1.29	0.89
Series C, issued February 2020 ^{(D)(G)}	15,903,342	15,903,342	397,584	397,584	3.15 %	385,289	385,289	0.61	0.40	1.20	0.80
Series D, 7.00% issued September 2021 ^(E)	18,600,000	18,600,000	465,000	465,000	3.15 %	449,489	449,489	0.44	0.44	0.88	0.88
Total	49,964,122	51,964,122	\$ 1,249,104	\$ 1,299,104		\$ 1,207,254	\$ 1,257,254	\$ 2.36	\$ 1.76	\$ 4.68	\$ 3.51

(A) Each series has a liquidation preference or par value of \$25.00 per share.

(B) Under certain circumstances upon a change of control, our Series A, Series B, Series C and Series D are convertible to shares of our common stock.

(C) Carrying value reflects par value less discount and issuance costs.

(D) Fixed-to-floating rate cumulative redeemable preferred.

(E) Fixed-rate reset cumulative redeemable preferred.

(F) Effective August 15, 2024, dividends on the Series A and Series B accumulate at a floating rate. For the second quarter 2025 dividends, the Series A accrued dividends at a percentage of the \$25.00 liquidation preference per share of the Series A equal to a three-month Chicago Mercantile Exchange ("CME") SOFR, plus a spread adjustment of 0.261%, plus a spread of 5.802% and dividends on the Series B accumulated at a percentage of the \$25.00 liquidation preference per share of the Series B preferred shares equal to a three-month CME SOFR, plus a spread adjustment of 0.261%, plus a spread of 5.640%.

(G) Effective February 15, 2025, dividends on the Series C accumulate at a floating rate. For the second quarter 2025 dividends, the Series C accrued dividends at a percentage of the \$25.00 liquidation preference per share of the Series C equal to a three-month CME SOFR, plus a spread adjustment of 0.261%, plus a spread of 4.969%.

(H) The Company redeemed 2.0 million shares on the redemption date of March 28, 2025.

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On June 18, 2025, Rithm Capital's board of directors declared second quarter 2025 preferred dividends of \$0.66 per share of Series A, \$0.65 per share of Series B, \$0.61 per share of Series C and \$0.44 per share of Series D cumulative redeemable preferred stock, or approximately \$2.8 million, \$7.4 million, \$9.7 million and \$8.1 million, respectively.

Common dividends have been declared as follows:

Declaration Date	Payment Date	Per Share	Total Amounts Distributed (millions)
		Quarterly Dividend	
March 20, 2024	April 2024	\$ 0.25	\$ 120.9
June 18, 2024	July 2024	0.25	122.4
September 20, 2024	November 2024	0.25	129.9
December 16, 2024	January 2025	0.25	130.2
March 21, 2025	April 2025	0.25	132.5
June 18, 2025	July 2025	0.25	132.6

Warrants of Consolidated SPAC

At the time of IPO in February 2025, the SPAC issued 220,000 warrants to the Sponsor and 7,666,667 warrants to third parties. The warrants become exercisable 30 days after the consummation of a Business Combination (as defined in the Warrant Agreement) and will expire five years following such consummation, or earlier upon redemption or liquidation. The initial exercise price per share of each warrant is \$11.50. The warrants are subject to other customary terms common for instruments of this type. The Company eliminates the SPAC warrants it holds in consolidation. Such warrants are indexed to the SPAC's Class A ordinary shares and meet conditions for equity classification. Accordingly, the SPAC warrants are classified as equity and accounted for as a component of additional paid-in capital at the time of issuance on the Company's consolidated balance sheets.

Earnings Per Share

Rithm Capital is required to present both basic and diluted earnings per share ("EPS"). Basic EPS is calculated by dividing net income by the weighted average number of shares of common stock outstanding for the period. Diluted EPS is calculated using the treasury stock method by dividing net income by the weighted average number of shares of common stock outstanding plus the additional dilutive effect, if any, of common stock equivalents during each period. The effect of dilutive securities is presented net of tax.

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The following table summarizes the basic and diluted EPS calculations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net Income	\$ 318,006	\$ 238,517	\$ 398,716	\$ 526,004
Noncontrolling interests in income of consolidated subsidiaries	3,169	2,961	4,255	6,413
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,120	—	3,933	—
Net Income Attributable to Rithm Capital Corp.	311,717	235,556	390,528	519,591
Change in redemption value of redeemable noncontrolling interests	—	—	15,611	—
Dividends on preferred stock	27,818	22,395	54,495	44,790
Net Income Attributable to Common Stockholders	<u>\$ 283,899</u>	<u>\$ 213,161</u>	<u>\$ 320,422</u>	<u>\$ 474,801</u>
Basic weighted average shares of common stock outstanding	530,171,540	486,721,836	527,154,950	485,029,307
<i>Effect of Dilutive Securities^{(A)(B)}:</i>				
Stock options	100	1,078,804	125	988,302
Restricted stock	—	120,151	85,477	197,452
Time-based RSU awards	2,961,492	1,488,716	2,910,569	1,152,513
Performance-based RSU awards	2,427,103	1,295,297	2,245,417	950,579
Time-based Class B Profit Units	587,518	134,776	531,853	67,388
Performance-based Class B Profit Units	1,199,947	141,702	1,082,726	70,851
Diluted Weighted Average Shares of Common Stock Outstanding	<u>537,347,700</u>	<u>490,981,282</u>	<u>534,011,117</u>	<u>488,456,392</u>
Basic Earnings per Share Attributable to Common Stockholders	\$ 0.54	\$ 0.44	\$ 0.61	\$ 0.98
Diluted Earnings per Share Attributable to Common Stockholders	\$ 0.53	\$ 0.43	\$ 0.60	\$ 0.97

(A) Certain stock options that could potentially dilute basic EPS in the future were not included in the computation of diluted EPS for the periods where they were out-of-the-money or a loss has been recorded, because they would have been anti-dilutive for the period presented.

(B) Awards related to stock-based compensation were included to the extent dilutive and issuable under the relevant time and/or performance measures.

25. INCOME TAXES

Income tax expense (benefit) consists of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<i>Current:</i>				
Federal	\$ 712	\$ 1,138	\$ 7,267	\$ 1,750
State and local	172	2,130	369	2,527
Foreign	1,371	1,928	11,984	3,704
Total current income tax expense	2,255	5,196	19,620	7,981
<i>Deferred:</i>				
Federal	(6,311)	39,219	(36,669)	115,672
State and local	(7,444)	6,698	(16,740)	19,934
Foreign	(98)	535	(1,739)	1,473
Total deferred income tax expense (benefit)	(13,853)	46,452	(55,148)	137,079
Total Income Tax Expense (Benefit)	<u>\$ (11,598)</u>	<u>\$ 51,648</u>	<u>\$ (35,528)</u>	<u>\$ 145,060</u>

Rithm Capital intends to qualify as a REIT for each of its tax years through December 31, 2025. A REIT is generally not subject to U.S. federal corporate income tax on that portion of its income that is distributed to stockholders if it distributes at least 90% of its REIT taxable income to its stockholders by prescribed dates and complies with various other requirements.

Rithm Capital operates various business segments, including Origination and Servicing, Asset Management and portions of the Investment Portfolio, through TRSs that are subject to regular corporate income taxes, which have been provided for in the provision for income taxes, as applicable.

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As of June 30, 2025, Rithm Capital recorded a net deferred tax liability of \$732.2 million, primarily composed of deferred tax liabilities generated through the deferral of gains from residential mortgage loans sold by the origination business and changes in fair value of MSRs, offset partially by deferred tax assets related to net operating losses and tax deductible goodwill. The net deferred tax liability is reported within accrued expenses and other liabilities in the consolidated balance sheets.

In assessing the realizability of deferred tax assets, Rithm Capital considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which temporary differences become deductible. The valuation allowance as of June 30, 2025 was \$78.3 million.

26. COMMITMENTS AND CONTINGENCIES

Litigation — Rithm Capital is or may become, from time to time, involved in various disputes, litigation and regulatory inquiry and investigation matters that arise in the ordinary course of business. Given the inherent unpredictability of these types of proceedings, it is possible that future adverse outcomes could have a material adverse effect on its business, financial position or results of operations. Rithm Capital is not aware of any unasserted claims that it believes are material and probable of assertion where the risk of loss is expected to be reasonably possible.

Rithm Capital is, from time to time, subject to inquiries by government entities. Rithm Capital currently does not believe any of these inquiries would result in a material adverse effect on Rithm Capital's business.

Indemnifications — In the normal course of business, Rithm Capital and its subsidiaries enter into contracts that contain a variety of representations and warranties and that provide general indemnifications. Rithm Capital's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against Rithm Capital that have not yet occurred. However, based on its experience, Rithm Capital expects the risk of material loss to be remote.

Capital Commitments — As of June 30, 2025, Rithm Capital had outstanding capital commitments related to investments in the following investment types:

- **MSRs and Servicer Advance Investments** — Rithm Capital and, in some cases, third-party co-investors agreed to purchase future servicer advances related to certain non-Agency residential mortgage loans. In addition, Rithm Capital's subsidiaries, NRM and Newrez, are generally obligated to fund future servicer advances related to the loans they are obligated to service. The actual amount of future advances purchased will be based on (i) the credit and prepayment performance of the underlying loans, (ii) the amount of advances recoverable prior to liquidation of the related collateral and (iii) the percentage of the loans with respect to which no additional advance obligations are made. The actual amount of future advances is subject to significant uncertainty. Refer to Notes 5 and 14 for discussion on Rithm Capital's MSRs and servicer advance investments, respectively.
- **Mortgage Origination Reserves** — Newrez currently originates, or has in the past originated, conventional, government-insured and nonconforming residential mortgage loans for sale and securitization. The GSEs or Ginnie Mae guarantee conventional and government insured mortgage securitizations and mortgage investors issue nonconforming private label mortgage securitizations while Newrez generally retains the right to service the underlying residential mortgage loans. In connection with the transfer of loans to the GSEs or mortgage investors, Newrez makes representations and warranties regarding certain attributes of the loans and, subsequent to the sale, if it is determined that a sold loan is in breach of these representations and warranties, Newrez generally has an obligation to cure the breach. If Newrez is unable to cure the breach, the purchaser may require Newrez to repurchase the loan.

In addition, as issuers of Ginnie Mae guaranteed securitizations, Newrez holds the right to repurchase loans that are at least 90 days' delinquent from the securitizations at their discretion. Loans in forbearance that are three or more consecutive payments delinquent are included as delinquent loans permitted to be repurchased. While Newrez is not obligated to repurchase the delinquent loans, Newrez generally exercises its respective option to repurchase loans that will result in an economic benefit. As of June 30, 2025, Rithm Capital's estimated liability associated with representations and warranties and Ginnie Mae repurchases was \$42.5 million and \$2.3 billion, respectively. See Note 5 for information regarding the right to repurchase delinquent loans from Ginnie Mae securities and mortgage origination.

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- *Residential Mortgage Loans* — As part of its investment in residential mortgage loans, Rithm Capital may be required to outlay capital. These capital outflows primarily consist of advance escrow and tax payments, residential maintenance and property disposition fees. The actual amount of these outflows is subject to significant uncertainty. See Note 7 for information regarding Rithm Capital's residential mortgage loans.
- *Consumer Loans* — The Consumer Loan Companies have invested in loans with an aggregate of \$139.4 million of unfunded and available revolving credit privileges as of June 30, 2025. However, under the terms of these loans, requests for draws may be denied and unfunded availability may be terminated at Rithm Capital's discretion.
- *SFR Properties* — On February 27, 2024, Viewpoint Murfreesboro Land LLC, a wholly-owned subsidiary of Rithm Capital ("Viewpoint"), executed a purchase and sale agreement (the "PSA") with an affiliate of BTR Group, LLC ("BTR"), BTR VM LLC, to purchase land for a purchase price of \$7.0 million. In connection with the PSA, on February 27, 2024, Viewpoint entered into a fixed price design-build construction contract with BTR (the "Construction Contract") to purchase 171 SFR properties that are scheduled to be built by BTR on the purchased land in accordance with the plans and specifications approved in accordance with entry into the Construction Contract, for an aggregate purchase price of \$49.0 million. The aggregate purchase price is payable in installments in accordance with the draw schedule set forth in the Construction Contract, and delivery of the homes is expected to begin in the third quarter of 2025. As of June 30, 2025, \$38.1 million of the aggregate purchase price remains outstanding.
- *Residential Transition Loans* — Genesis had commitments to fund up to \$1.6 billion of additional advances on existing mortgage loans as of June 30, 2025. These commitments are generally subject to loan agreements with covenants regarding the financial performance of the customer and other terms regarding advances that must be met before Genesis funds the commitments.
- *Commercial Investments* — Rithm Capital has invested in various commercial real estate projects. As part of its investments, Rithm Capital is required to fund its pro rata share of future capital contributions subject to certain limitations. As of June 30, 2025, the Company has an unfunded capital commitment to fund up to \$81.8 million on an existing loan to a certain commercial real estate borrower.
- *Fund Commitments* — As of June 30, 2025, the Company has unfunded capital commitments of \$300.7 million to certain funds Sculptor manages, of which \$48.3 million relates to commitments of consolidated funds. Approximately \$131.7 million of the commitments will be funded by contributions to Sculptor from certain current and former employees and executive managing directors. Sculptor expects to fund these commitments over approximately the next 8 years. Sculptor has guaranteed these commitments in the event any executive managing director fails to fund any portion when called by the fund. Sculptor has historically not funded any of these commitments and does not expect to in the future, as these commitments are expected to be funded by Sculptor's executive managing directors individually. During the first quarter of 2025, the Company entered into a consolidated joint venture with a third party to acquire an interest in an affiliated fund. As of June 30, 2025, the unfunded capital commitment to the consolidated joint venture was \$149.5 million, of which \$119.6 million is expected to be funded by the third-party.

Non-Recourse Carve-Out, Construction Completion, Environmental and Carry Guarantees — In connection with investments in two commercial real estate projects, Rithm Capital provided certain limited guarantees to the senior lender on the projects (or entered into reimbursement agreements with the guarantor) related to non-recourse carve outs, completion, environmental, and carry costs of the projects. The actual amount that could be called under the guarantees is subject to significant uncertainty.

Environmental Costs — As an investor in and owner of commercial and residential real estate, Rithm Capital is subject to potential environmental costs. At June 30, 2025, Rithm Capital is not aware of any environmental concerns that would have a material adverse effect on its consolidated financial position or results of operations.

Debt Covenants — Certain of the Company's debt obligations are subject to loan covenants and event of default provisions, including event of default provisions triggered by certain specified declines in Rithm Capital's equity or a failure to maintain a specified tangible net worth, liquidity or indebtedness to tangible net worth ratio. Refer to Note 18 for further discussion of the Company's debt obligations.

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27. RELATED PARTY TRANSACTIONS

A party is considered to be related to the Company if the party, directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners, management and directors, as well as members of their immediate families or any other parties with which Rithm Capital may deal if one party to a transaction controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Loan Agreement

In July 2023, an entity in which Rithm Capital has an ownership interest entered into an agreement to acquire a commercial real estate development project. Rithm Capital's ownership interest in such entity is accounted for under the equity method and is presented within other assets on the Company's consolidated balance sheets. Concurrently, Genesis entered into a loan agreement in the amount of \$86.4 million, which was fully redeemed during the second quarter 2025. Prior to redemption, this loan was included in residential transition loans, at fair value on Rithm Capital's consolidated balance sheets.

SFR Property Management Agreement

In January 2024, Rithm Capital entered into a property management agreement with APM, an entity in which the Company has an ownership interest, to manage certain of the Company's SFR properties. Rithm Capital's ownership interest in such entity is accounted for under the equity method and is presented within other assets on the consolidated balance sheets. Refer to Note 20 for additional details on the 2022-SFR2 Securitization.

Management Fees and Incentive Income Earned from Related Parties and Waived Fees

The Company earns substantially all of its management fees and incentive income from the funds, which are considered related parties as Sculptor manages the operations of and makes investment decisions for these funds.

As of June 30, 2025, approximately \$1.5 billion of the Company's AUM represented investments by Sculptor and Rithm Capital, its current executive managing directors, employees and certain other related parties in Sculptor's funds. As of June 30, 2025, approximately 69.4% of these AUM were not charged management fees or incentive fees.

Due from Related Parties

The Company pays certain expenses on behalf of the funds. Amounts due from related parties relate primarily to reimbursements to Sculptor for these expenses. Due from related parties is presented within other assets on the consolidated balance sheets.

Investments in Funds

In the first quarter of 2022, Sculptor closed on a \$350.0 million structured alternative investment solution, a collateralized financing vehicle that invests in various open-ended and closed-ended funds managed by Sculptor. Sculptor invested approximately \$127.8 million in the vehicle and the vehicle is consolidated on the Company's consolidated financial statements. See Note 19 and Note 20 for additional details on the structured alternative investment solution.

In the second quarter of 2024, Sculptor launched Sculptor Loan Financing Partners, a CLO equity investment platform to manage investments in the equity tranches of Sculptor managed CLOs in the U.S. and Europe. The Company invested \$118.6 million in the vehicle and the vehicle is consolidated on the Company's consolidated financial statements. See Note 19 and Note 20 for additional details on the Sculptor Loan Financing Partners.

During the first quarter of 2025, the Company acquired interest in certain funds managed by the Company for approximately \$74.6 million. See Note 26 for additional details on this investment. Additionally, the Company has an interest in a consolidated joint venture that holds an investment in an affiliated fund. Refer to Notes 20 and 26 for additional details.

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Investments in Loan Securitizations

The Company retains beneficial interests in loan securitization trusts that it sponsors. Refer to Note 20 for additional details.

Investment in SPAC

In a private placement concurrent with the IPO of the SPAC the Sponsor acquired 660,000 units of the SPAC (the “Private Placement Units”) for total gross proceeds of \$6.6 million. Each Private Placement Unit consists of one Class A share and one-third of one non-redeemable warrant. In addition, the Sponsor purchased and owns substantially all of the outstanding Class B ordinary shares of the SPAC. The Private Placement Units and Class B ordinary shares held by the Company are eliminated upon consolidation.

Transactions with Rithm Property Trust

In connection with the transaction with Rithm Property Trust, on June 11, 2024, RCM Manager, a subsidiary of Rithm Capital, entered into the Rithm Property Trust Management Agreement to serve as Rithm Property Trust’s external manager. As of June 30, 2025, Rithm Capital holds 3.3 million shares of Rithm Property Trust common stock with a fair value of \$9.0 million, equal to 7.3% of the outstanding shares of Rithm Property Trust common stock. In addition, Rithm Property Trust issued five-year warrants to Rithm Capital, exercisable for approximately 3.3 million shares of Rithm Property Trust’s common stock. During the first quarter of 2025, the Company acquired 400,000 shares, or 19.2%, for \$10.0 million of Rithm Property Trust’s 9.875% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock at the public offering price of \$25.00 per share.

Pursuant to the Rithm Property Trust Management Agreement, RCM Manager implements and manages Rithm Property Trust’s business strategy, investment activities and day-to-day operations subject to oversight by Rithm Property Trust’s board of directors. Additionally, the Company’s Chief Executive Officer currently serves as Rithm Property Trust’s Chief Executive Officer and a member of the board of directors of Rithm Property Trust. The Company’s Chief Executive Officer does not receive any compensation from Rithm Property Trust for his role either as Interim Chief Executive Officer or a member of the board of directors.

During the first quarter of 2024 (prior to the closing of the transaction with Rithm Property Trust), the Company acquired a pool of performing and non-performing residential mortgage loans with an UPB of \$245.3 million from Rithm Property Trust.

Further, during the second quarter of 2024, Newrez assumed operational servicing for mortgage loans with an UPB of approximately \$562.1 million held directly by Rithm Property Trust, and servicing rights for mortgage loans with an UPB of approximately \$2.9 billion in certain securitization trusts sponsored by Rithm Property Trust, which were previously serviced by an affiliate of Rithm Property Trust. For loans held directly by Rithm Property Trust, Newrez is entitled to receive an average servicing fee based on UPB of approximately 0.54% for performing loans and non-performing loans and the greater of (i) the servicing fee applicable to the underlying mortgage loan prior to foreclosure, or (ii) 1.00% annually of the fair market value of the REO as reasonably determined by RCM Manager or 1.00% annually of the purchase price of any REO otherwise purchased by Rithm Property Trust for REO assets. For the servicing of the loans in the securitization trusts sponsored by Rithm Property Trust, Newrez is entitled to receive a servicing fee pursuant to the terms of the servicing agreement with each trust. As of June 30, 2025, the fair value of recognized MSRs associated with the loans in securitizations sponsored by Rithm Property Trust was approximately \$22.3 million.

During the first quarter of 2025, the Company entered into a consolidated joint venture with Rithm Property Trust to fund a certain mortgage note receivable in the amount of \$35.0 million, with each party contributing \$17.5 million.

Other

The Company holds a derivative liability to an affiliate, which is measured at fair value. Refer to Note 17 for additional details.

28. SUBSEQUENT EVENTS

There have been no events since June 30, 2025 that require recognition or disclosure in the consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with the unaudited consolidated financial statements and notes thereto, and with Part II, Item 1A., "Risk Factors" of this Report, Part II, Item 1A., "Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 and Part I, Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (the "2024 Form 10-K").

Management's discussion and analysis of financial condition and results of operations is intended to allow readers to view our business from management's perspective by (i) providing material information relevant to an assessment of our financial condition and results of operations, including an evaluation of the amount and certainty of cash flows from operations and from outside sources, (ii) focusing the discussion on material events and uncertainties known to management that are reasonably likely to cause reported financial information not to be indicative of future operating results or future financial condition, including descriptions and amounts of matters that are reasonably likely, based on management's assessment, to have a material impact on future operations and (iii) discussing the financial statements and other statistical data management believes will enhance the reader's understanding of our financial condition, changes in financial condition, cash flows and results of operations.

COMPANY OVERVIEW

Rithm Capital is a global asset manager focused on real estate, credit and financial services. Rithm Capital is a Delaware corporation and currently operates as an internally managed REIT.

We seek to generate long-term value for our investors by using our investment expertise to identify, manage and invest in real estate related and other financial assets, as well as offering broader asset management capabilities in order to provide investors with attractive risk-adjusted returns. Our investment team is made up of individuals with deep experience in financial services and real estate investing at both the institutional and operating company level. Headquartered in New York City, Rithm Capital has a global presence with global offices in London, Hong Kong, Abu Dhabi and Tokyo.

Our investments in real estate related assets include our equity interest in operating companies, including leading origination and servicing platforms held through wholly-owned subsidiaries, Newrez LLC ("Newrez") and Genesis, as well as investments in SFR, title, appraisal and property preservation and maintenance businesses. Our real estate related strategy involves opportunistically pursuing acquisitions and seeking to establish strategic partnerships that we believe enable us to maximize the value of our investments by offering products and services related to the lifecycle of transactions that affect each mortgage loan and underlying residential property or collateral.

Our Asset Management business primarily operates through our wholly-owned subsidiary, Sculptor, as well as through RCM Manager, which manages Rithm Property Trust pursuant to that certain Management Agreement, by and between RCM Manager and Rithm Property Trust, dated as of June 11, 2024 (as amended by the First Amendment to the Management Agreement, dated as of October 18, 2024) and Rithm Capital Advisors LLC ("RCA"), which serves as an investment adviser to funds and managed accounts. Sculptor is a leading global alternative asset manager and provides asset management services and investment products across credit, real estate and multi-strategy platforms through commingled funds, separate accounts and other alternative investment vehicles. For more information about our investment guidelines, see Part I, Item 1. Business, "Investment Guidelines" of the 2024 Form 10-K.

In executing our strategy, from time to time, we explore, and will continue to explore, various opportunities to create value for our shareholders, which may include acquisitions and dispositions of assets, financing transactions (including equity or debt offerings by one or more of our subsidiaries), business combinations, a change in our tax status, spin-off transactions or other similar transactions. Among other opportunities, we believe there are additional growth opportunities in the direct lending, insurance, private equity and infrastructure spaces. Each of the potential transactions described above is subject to market and other conditions and there can be no assurances as to the timing of any such transaction or that a transaction will be completed at all.

As of June 30, 2025, we had approximately \$44.3 billion in total assets and approximately \$36 billion in assets under management ("AUM"). We conduct our business through the following segments: Origination and Servicing, Investment Portfolio, Residential Transitional Lending and Asset Management.

BOOK VALUE PER COMMON SHARE

The following table summarizes the calculation of book value per common share:

(\$ in thousands, except per share amounts)	June 30, 2025	March 31, 2025 ^(A)	December 31, 2024	September 30, 2024	June 30, 2024
Total equity	\$ 8,059,209	\$ 7,884,840	\$ 7,886,310	\$ 7,751,409	\$ 7,420,614
Less: Preferred Stock Series A, B, C and D	1,207,254	1,207,254	1,257,254	1,257,254	1,257,254
Less: Noncontrolling interests of consolidated subsidiaries	110,826	108,716	91,336	94,867	94,021
Total equity attributable to common stock	\$ 6,741,129	\$ 6,568,870	\$ 6,537,720	\$ 6,399,288	\$ 6,069,339
Common stock outstanding	530,292,171	530,122,477	520,656,256	519,732,422	489,732,422
Book Value per Common Share	\$ 12.71	\$ 12.39	\$ 12.56	\$ 12.31	\$ 12.39

(A) The change in book value per common share from December 31, 2024 to March 31, 2025 was attributable to the net impact of (i) net income attributable to common stockholders of \$36.5 million and (ii) a dividend of \$132.5 million for the three months ended March 31, 2025. Net income attributable to common stockholders for the three months ended March 31, 2025 was adversely impacted by a non-cash decrease in the fair value of MSRs, net of hedge and tax.

Refer to Item 3. “Quantitative and Qualitative Disclosures About Market Risk” for a discussion of interest rate risk and its impact on fair value.

MARKET CONSIDERATIONS

Summary

Real gross domestic product (“GDP”) rose an annualized 3.0% in the second quarter of 2025 largely due to a decline in imports that added 5.2% points to the change in real GDP. This drop in imports followed an increase in the first quarter of 2025 that was the result of the front running of tariffs. Longer-term Treasury yields were relatively unchanged during the second quarter of 2025, as an increase in real yields from Treasury Inflation Protected Securities (“TIPS”) was offset by a decline in the implied inflation breakeven. The unemployment rate fell slightly with overall labor market stability during the second quarter of 2025, including solid employment growth, continued low levels of claims for unemployment benefits and a modestly higher ratio of job openings to unemployed job seekers. Though fiscal policy uncertainty has been reduced by the passage of the One Big Beautiful Bill Act in early July 2025, the outlook for the economy remains uncertain given shifting policies related to global trade.

Inflation

Inflation picked up in the second quarter of 2025, with the 12-month increase in the overall Consumer Price Index (“CPI”) rising to 2.7% in June 2025 from 2.4% in March 2025. Core CPI price inflation (excluding food and energy prices) rose slightly to 2.9% in June 2025 from 2.8% in March 2025. The faster gains in CPI prices were driven by higher energy and other goods prices and slower disinflation in services prices.

Treasury Yields

The nominal 10-year Treasury yield was relatively unchanged at 4.24% at the end of June 2025 versus 4.23% at the end of March 2025. The real yields on 10-year TIPS rose to 1.95% in June 2025 from 1.85% in March 2025, whereas the 10-year breakeven inflation rate was 2.29% in June 2025, a decline from 2.38% in March 2025.

Labor Markets

Nonfarm payrolls rose an average of 150,000 jobs per month in the second quarter of 2025 versus an average of 111,000 jobs per month in the first quarter of 2025. The unemployment rate decreased slightly to 4.1% in June 2025 from 4.2% in March 2025. Based upon the ratio of job openings to unemployed job seekers, which rose to 1.06 in June 2025 from 1.02 in March 2025, the labor market did not loosen further during the second quarter of 2025. Nonetheless, year-over-year growth in average hourly earnings was 3.7% in June 2025, slowing from the 3.9% wage rate growth reported for March 2025.

Housing Market

Total home sales (new and existing) averaged 4.64 million units in the second quarter of 2025, 2.9% lower than the average of 4.78 million in the first quarter of 2025. Home sales remain at a low level with total sales in a range of 4.5 million and 5.1 million since the beginning of 2023. Home price growth moderated further with the 12-month increase in the median resale price of an existing home at 2.0% in June 2025, which compares to 2.6% in March 2025. The 30-year fixed mortgage rate rose modestly to 6.77% at the end of the second quarter of 2025 from 6.65% at the end of the first quarter of 2025.

The economic conditions discussed above influence our investment strategy and results. Following 100 basis points of rate cuts in the final four months of 2024, the majority of the Federal Open Market Committee (“FOMC”) participants continue to wait for greater clarity with respect to the effects of government policies before making any further adjustments to the federal funds rate. The FOMC’s June 2025 Summary of Economic Projections contained a median forecast of two quarter-point rate cuts before the end of 2025.

The following table summarizes the change in U.S. GDP estimates (annualized rate) according to the U.S. Bureau of Economic Analysis:

	Three Months Ended				
	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Real GDP	3.0 %	(0.5)%	2.4 %	3.1 %	3.0 %

The following table summarizes the annualized U.S. unemployment rate according to the U.S. Department of Labor:

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Unemployment rate	4.1 %	4.2 %	4.1 %	4.1 %	4.1 %

The following table summarizes the annualized 10-year U.S. Treasury rate according to the Federal Reserve and the 30-year fixed mortgage rate according to Freddie Mac:

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
10-year U.S. Treasury rate	4.2 %	4.2 %	4.6 %	3.8 %	4.4 %
30-year fixed mortgage rate	6.8 %	6.7 %	6.9 %	6.1 %	6.9 %

We believe the estimates and assumptions underlying our consolidated financial statements are reasonable and supportable based on the information available as of June 30, 2025; however, uncertainty related to market volatility, the path of the federal funds rate, various regional conflicts and global trade and fiscal policies makes any estimates and assumptions as of June 30, 2025, inherently less certain than they would be absent the current environment. Actual results may materially differ from those estimates. Market volatility, inflationary pressures and government policies (monetary, fiscal, trade and immigration) and their impact on the current financial, economic and capital markets environment, and future developments in these and other areas present uncertainty and risk with respect to our financial condition, results of operations, liquidity and ability to pay distributions.

OUR PORTFOLIO

Our portfolio, as of June 30, 2025 and December 31, 2024, is separated into the Origination and Servicing, our Investment Portfolio, Residential Transitional Lending and Asset Management segments, as described in more detail below (dollars in thousands).

	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
June 30, 2025						
Investments	\$ 21,460,303	\$ 3,766,765	\$ 2,497,764	\$ —	\$ —	\$ 27,724,832
Cash and cash equivalents	1,044,115	24,943	67,078	111,218	353,594	1,600,948
Restricted cash	179,882	43,755	21,025	7,370	233,370	485,402
Other assets	5,895,066	2,376,924	156,817	1,073,222	3,308	9,505,337
Goodwill	29,468	—	55,731	48,633	—	133,832
Assets of consolidated CFEs ^(A)	—	2,645,929	989,398	1,230,275	—	4,865,602
Total Assets	\$ 28,608,834	\$ 8,858,316	\$ 3,787,813	\$ 2,470,718	\$ 590,272	\$ 44,315,953
Debt	\$ 18,685,960	\$ 4,589,739	\$ 2,073,586	\$ 471,585	\$ 1,256,262	\$ 27,077,132
Other liabilities	4,090,923	417,466	29,487	6,492	242,585	4,786,953
Liabilities of consolidated CFEs ^(A)	—	2,240,815	863,994	1,026,887	—	4,131,696
Total Liabilities	22,776,883	7,248,020	2,967,067	1,504,964	1,498,847	35,995,781
Redeemable Noncontrolling Interests of Consolidated Subsidiaries	—	—	—	27,594	233,369	260,963
Total Stockholders' Equity	5,831,951	1,610,296	820,746	938,160	(1,141,944)	8,059,209
Noncontrolling interests in equity of consolidated subsidiaries	9,443	58,630	—	42,753	—	110,826
Stockholders' Equity in Rithm Capital Corp.	\$ 5,822,508	\$ 1,551,666	\$ 820,746	\$ 895,407	\$ (1,141,944)	\$ 7,948,383
Investments in Equity Method Investees	\$ 24,712	\$ 308,288	\$ 14,700	\$ 207,483	\$ —	\$ 555,183
December 31, 2024						
Investments	\$ 24,108,692	\$ 2,379,086	\$ 2,178,075	\$ —	\$ —	\$ 28,665,853
Debt	\$ 21,968,357	\$ 3,103,488	\$ 1,747,307	\$ 431,806	\$ 1,033,804	\$ 28,284,762

(A) Includes assets and liabilities of certain consolidated VIEs that meet the definition of collateralized financing entities (“CFEs”). The obligations and liabilities of CFEs may only be satisfied with the assets of the respective consolidated CFEs, and creditors of the CFE do not have recourse to Rithm Capital Corp.

Origination and Servicing

Our Origination and Servicing businesses operate through our wholly-owned subsidiaries Newrez and New Residential Mortgage LLC (“NRM”). Newrez ranks in the top five of lenders and servicers in the U.S. as of June 30, 2025.

We have a multi-channel residential lending platform, offering purchase and refinance loan products. We believe that our multi-channel origination mortgage platform provides us with a competitive advantage and enables us to provide borrowers with various products to ultimately originate both purchase and refinance loans across different market conditions. As further described below, we originate loans through our Retail channel, offer purchase, refinance and closed-end second opportunities to eligible new and existing servicing customers through our Direct to Consumer channel and purchase originated loans through our Wholesale and Correspondent channels. Our loan offerings include residential mortgage loans conforming to the underwriting standards of the GSEs and Ginnie Mae, government-insured residential mortgage loans, which are insured by the Federal Housing Administration, Department of Veterans Affairs and U.S. Department of Agriculture, Non-Agency securities and non-qualified residential mortgage (“Non-QM”) loans through our SMART Loan Series. Our Non-QM loan products provide a variety of options for highly qualified borrowers who fall outside the specific requirements of Agency residential mortgage loans. We additionally originate closed-end second lien home equity loans to our existing consumers to access the equity in their home without the need to pay off their existing first lien mortgage. Newrez serviced over 3.8 million customers with an aggregated unpaid principal balance (“UPB”) of approximately \$807.3 billion, \$786.6 billion and \$741.6 billion as of June 30, 2025, March 31, 2025 and June 30, 2024, respectively. Our origination business funded \$16.3 billion and \$11.8 billion of mortgages for the three months ended June 30, 2025 and March 31, 2025, respectively, and \$28.1 billion and \$25.4 billion for the six months ended June 30, 2025 and 2024, respectively.

We generally service all of the loans that we originate, which provides us connectivity with our borrowers throughout the lifecycle of their loans. Our servicing business operates through our performing and special servicing divisions. The performing loan servicing division services performing Agency and government-insured loans. Our special servicing division services delinquent government-insured, Agency and Non-Agency loans on behalf of the owners of the underlying mortgage loans. The special servicing division also includes third-party serviced loans on behalf of unaffiliated investors. We are highly experienced in loan servicing, including loan modifications, and seek to help borrowers avoid foreclosure. As of June 30, 2025, the performing loan servicing division serviced \$526.1 billion UPB of loans, our special servicing division serviced \$281.2 billion UPB of loans and third parties serviced \$56.9 billion UPB of loans, for a total servicing portfolio of \$864.2 billion UPB, an increase of \$19.3 billion from March 31, 2025. The increase was primarily attributable to new client acquisition and loan production, partially offset by scheduled and voluntary prepayment loan activity.

We generate revenue through servicing and sales of residential mortgage loans, including, but not limited to, gain on residential loans originated and sold and the value of MSR retained on transfer of the loans. Profit margins per loan vary by channel, with Correspondent typically being the lowest and Direct to Consumer being the highest. We sell conforming loans to the GSEs and Ginnie Mae and securitize Non-QM residential loans. We utilize warehouse financing to fund loans at origination through the sale date.

The tables below provide selected operating statistics for our Origination and Servicing segment:

UPB																
(in millions)	Three Months Ended				Six Months Ended June 30,				QoQ Change	YoY Change						
	June 30, 2025	% of Total	March 31, 2025	% of Total	2025	% of Total	2024	% of Total								
Production by Channel:																
Direct to Consumer	\$	1,602	10%	\$	1,170	10%	\$	2,772	10%	\$	1,395	5%	\$	432	\$	1,377
Retail / Joint Venture		798	5%		580	5%		1,378	5%		2,363	9%		218		(985)
Wholesale		2,582	16%		1,537	13%		4,119	15%		2,843	11%		1,045		1,276
Correspondent		11,316	69%		8,542	72%		19,858	70%		18,839	75%		2,774		1,019
Total Production by Channel	\$	16,298	100%	\$	11,829	100%	\$	28,127	100%	\$	25,440	100%	\$	4,469	\$	2,687
Production by Product:																
Agency	\$	6,941	43%	\$	5,502	47%	\$	12,443	44%	\$	13,521	54%	\$	1,439	\$	(1,078)
Government		8,235	50%		5,538	47%		13,773	49%		10,953	43%		2,697		2,820
Non-QM		637	4%		389	3%		1,026	4%		519	2%		248		507
Non-Agency		447	3%		372	3%		819	3%		113	—%		75		706
Other		38	—%		28	—%		66	—%		334	1%		10		(268)
Total Production by Product	\$	16,298	100%	\$	11,829	100%	\$	28,127	100%	\$	25,440	100%	\$	4,469	\$	2,687
% Purchase		73 %			73 %			73 %			85 %					
% Refinance		27 %			27 %			27 %			15 %					

(dollars in thousands)	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
Gain on originated residential mortgage loans, held-for-sale, net ^{(A)(B)(C)}	\$ 172,740	\$ 152,945	\$ 325,685	\$ 294,000	\$ 19,795	\$ 31,685
Pull through adjusted lock volume	\$ 16,656,627	\$ 12,451,587	\$ 29,108,214	\$ 26,978,189	\$ 4,205,040	\$ 2,130,025
<i>Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume, by Channel:</i>						
Direct to Consumer	3.39 %	3.20 %	3.30 %	3.81 %		
Retail / Joint Venture	3.49 %	3.48 %	3.49 %	3.66 %		
Wholesale	1.22 %	1.33 %	1.27 %	1.27 %		
Correspondent	0.43 %	0.55 %	0.48 %	0.46 %		
Total Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume	1.04 %	1.23 %	1.12 %	1.09 %		

- (A) Includes realized gains on loan sales and related new MSR capitalization, changes in repurchase reserves, changes in fair value of interest rate lock commitments, changes in fair value of residential mortgage loans, held-for-sale ("HFS") and economic hedging gains and losses.
- (B) Includes loan origination fees of \$248.3 million and \$197.6 million for the three months ended June 30, 2025 and March 31, 2025, respectively, and \$445.9 million and \$411.5 million for the six months ended June 30, 2025 and 2024, respectively.
- (C) Represents gain on originated residential mortgage loans, HFS, net related to the origination business within the Origination and Servicing segment (Note 4 and Note 7 to our consolidated financial statements).
- (D) Excludes MSR revenue on recaptured loan volume reported in the servicing segment.

Total gain on originated residential mortgage loans, HFS, net increased \$19.8 million to \$172.7 million for the three months ended June 30, 2025 compared to the three months ended March 31, 2025. The increase is attributable to an increase in pull through adjusted lock volume across channels. Refinance originations comprised 27.2% of funded loans for the three months ended June 30, 2025, relatively flat compared to 27.0% for the three months ended March 31, 2025, as interest rates remained elevated.

Total gain on originated residential mortgage loans, HFS, net increased \$31.7 million to \$325.7 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024. The increase is attributable to an increase in pull through adjusted lock volume in the Direct to Consumer and Correspondent channels, partially offset by reduced volume in Retail/Joint Venture channel. Refinance originations comprised 27.1% of funded loans for the six months ended June 30, 2025, higher than 15.0% for the six months ended June 30, 2024, as interest rates moved lower year-over-year.

For the three months ended June 30, 2025, funded loan origination volume was \$16.3 billion, up from \$11.8 billion in the three months ended March 31, 2025. Gain on sale margin for the three months ended June 30, 2025 was 1.04%, 19 bps lower than 1.23% for the three months ended March 31, 2025. The lower gain on sale margin for the three months ended June 30, 2025 was primarily due to lower margins in the Correspondent channel (refer to the tables above).

For the six months ended June 30, 2025, funded loan origination volume was \$28.1 billion, up from \$25.4 billion in the six months ended June 30, 2024. Gain on sale margin for the six months ended June 30, 2025 was 1.12%, 3 bps higher than 1.09% for the six months ended June 30, 2024. The higher gain on sale margin for the six months ended June 30, 2025 was primarily due to improved margins in the Correspondent channel (refer to the tables above).

The table below provides the mix of Newrez serviced assets portfolio between subserviced performing servicing (labeled as “Performing Servicing”) and subserviced non-performing, or special servicing (labeled as “Special Servicing”). Third-party servicing includes loan portfolios serviced on behalf of Rithm Capital or its subsidiaries and non-affiliated third parties for the periods presented.

(in millions)	UPB			QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	June 30, 2024		
Performing Servicing:					
MSR-owned assets	\$ 523,174	\$ 519,812	\$ 506,487	\$ 3,362	\$ 16,687
Residential whole loans	2,909	2,379	3,066	530	(157)
Total Performing Servicing	526,083	522,191	509,553	3,892	16,530
Special Servicing:					
MSR-owned assets	12,683	13,032	12,025	(349)	658
Residential whole loans	7,834	7,177	6,313	657	1,521
Third-party	260,722	244,158	213,661	16,564	47,061
Total Special Servicing	281,239	264,367	231,999	16,872	49,240
Total Newrez Servicing	807,322	786,558	741,552	20,764	65,770
Serviced by Third-Parties:					
MSR-owned assets	56,866	58,298	68,532	(1,432)	(11,666)
Total Servicing Portfolio	\$ 864,188	\$ 844,856	\$ 810,084	\$ 19,332	\$ 54,104
Agency Servicing:					
MSR-owned assets	\$ 380,863	\$ 382,117	\$ 381,517	\$ (1,254)	\$ (654)
Residential whole loans	71	—	—	71	71
Third-party	72,292	65,372	60,811	6,920	11,481
Total Agency Servicing	453,226	447,489	442,328	5,737	10,898
Government-Insured Servicing:					
MSR-owned assets	143,313	139,936	133,420	3,377	9,893
Third-party	3,042	3,084	4,464	(42)	(1,422)
Total Government-Insured Servicing	146,355	143,020	137,884	3,335	8,471
Non-Agency (Private Label) Servicing:					
MSR-owned assets	68,547	69,089	72,107	(542)	(3,560)
Residential whole loans	10,672	9,556	9,379	1,116	1,293
Third-party	185,388	175,702	148,386	9,686	37,002
Total Non-Agency (Private Label) Servicing	264,607	254,347	229,872	10,260	34,735
Total Servicing Portfolio	\$ 864,188	\$ 844,856	\$ 810,084	\$ 19,332	\$ 54,104

The table below summarizes servicing and other fees for the periods presented:

(in thousands)	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
Servicing Fees:						
MSR-owned assets	\$ 452,069	\$ 452,555	\$ 904,624	\$ 798,072	\$ (486)	\$ 106,552
Residential whole loans	2,411	2,435	4,846	5,102	(24)	(256)
Third-party	54,849	53,954	108,803	61,406	895	47,397
Total Servicing Fees	509,329	508,944	1,018,273	864,580	385	153,693
Other Fees:						
Incentive	16,540	18,284	34,824	26,104	(1,744)	8,720
Ancillary	46,719	39,780	86,499	71,042	6,939	15,457
Boarding	939	2,427	3,366	1,681	(1,488)	1,685
Other	1,290	1,366	2,656	5,462	(76)	(2,806)
Total Other Fees ^(A)	65,488	61,857	127,345	104,289	3,631	23,056
Total Servicing Portfolio Fees	\$ 574,817	\$ 570,801	\$ 1,145,618	\$ 968,869	\$ 4,016	\$ 176,749

(A) Includes other fees earned from third parties of \$23.7 million and \$22.0 million for the three months ended June 30, 2025 and March 31, 2025, respectively, and \$45.7 million and \$27.7 million for the six months ended June 30, 2025 and 2024, respectively.

Our servicing business includes owned MSRs primarily serviced by Newrez. As of June 30, 2025, 90.4% of the underlying UPB of mortgages related to owned MSRs is serviced by Newrez. In addition to MSRs serviced by Newrez, we contract with PHH and Valon to perform the related servicing duties on the residential mortgage loans underlying a certain portion of our MSRs and MSR financing receivables with an aggregate UPB of \$56.9 billion, representing 9.6% of our servicing portfolio as of June 30, 2025.

Our servicing business also includes subservicing for third-party clients, including performing loan servicing, special servicing (“high-touch” customer service requires more frequent customer outreach than performing loan servicing and involves higher staffing levels and sub-servicing fees to support such higher staffing levels) and recovery options for deeply delinquent loans. We generally earn tiered subservicing fees based on delinquency status and performance requirements, as well as ancillary income on each loan serviced. Because of our specialty in “high-touch servicing,” we believe we are favorably positioned to navigate through various economic and credit cycles.

An MSR provides a mortgage servicer with the right to service a pool of residential mortgage loans in exchange for a portion of the interest payments made on the underlying residential mortgage loans, plus ancillary income and custodial interest. An MSR is made up of two components: a base fee and an Excess MSR. The base fee is the amount of compensation for the performance of servicing duties (including advance obligations), and the Excess MSR is the amount that exceeds the base fee.

See Note 5 to our consolidated financial statements for additional information including a summary of activity related to MSRs and MSR financing receivables from December 31, 2024 to June 30, 2025.

We finance our investments in MSRs and MSR financing receivables with short- and medium-term bank and capital markets notes. These borrowings are primarily recourse debt and bear either fixed or variable interest rates, which are offered by the counterparty for the term of the notes for a specified margin over Secured Overnight Financing Rate (“SOFR”). The capital markets notes are typically issued with a collateral coverage percentage, which is a quotient expressed as a percentage equal to the aggregate note amount divided by the market value of the underlying collateral. The market value of the underlying collateral is generally updated on a quarterly basis, and if the collateral coverage percentage becomes greater than or equal to a collateral trigger, generally 90%, we may be required to add funds, pay down principal on the notes or add additional collateral to bring the collateral coverage percentage below 90%. The difference between the collateral coverage percentage and the collateral trigger is referred to as a “margin holiday.”

See Note 18 to our consolidated financial statements for further information regarding financing of our MSRs and MSR financing receivables, including a summary of activity related to financing from December 31, 2024 to June 30, 2025.

Servicing agreements generally require a servicer to make advances in respect of serviced residential mortgage loans unless the servicer determines in good faith that the advance would not be ultimately recoverable from the proceeds of the related residential mortgage loan or the mortgaged property. Servicer advances typically fall into one of three categories:

- *Principal and Interest Advances:* Payments made by the servicer to cover scheduled payments of principal of, and interest on, a residential 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:* Payments made by the servicer to third parties for the costs and expenses incurred in connection with the foreclosure, property preservation and sale of the mortgaged property, including attorneys' and other professional fees.

The purpose of the advances is to provide liquidity, rather than credit enhancement, to the underlying residential mortgage securitization transaction. Most servicer advances are considered "top of the waterfall" and are generally repaid from amounts received from the related residential mortgage loan pool, and to a lesser extent, payments from the borrower or amounts received from the liquidation of the property securing the loan, which is referred to as "loan-level recovery."

Loan prepayments made by the borrowers on the residential mortgage loans underlying the securitizations can only be used to fund principal and interest advances. The servicing agreements with Fannie Mae, Ginnie Mae and certain private-label securitizations generally have a "waterfall" payment structure that allows servicers to apply balances received from prepayments to cover principal and interest advance requirements. The ability to apply balances received against prepayments stems from a difference caused by the timing between the remittance of payments under the servicer's advance and remittance obligations, generally several weeks after the due date, and servicer's timeline to remit prepayments, which can be up to a month or more after receipt from the borrower. Because of this timing difference, servicers can effectively "borrow" against the prepayments received to cover principal and interest advance requirements. 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, most often, entitled to withdraw funds from the trustee custodial account for payments on the serviced residential mortgage loans to reimburse the applicable advance. This is what is often referred to as a "general collections backstop." See Note 5 to our consolidated financial statements for additional information related to servicer advances receivable.

We fund advances primarily from a combination of cash on hand, loan prepayments and secured financing arrangements. We finance our servicer advances with short- and medium-term collateralized borrowings. These borrowings are non-recourse committed facilities that are not subject to margin calls and bear either fixed or variable interest rates offered by the counterparty for the term of the notes, generally less than one year, of a specified margin over SOFR. See Note 18 to our consolidated financial statements for further information regarding financing of our servicer advances.

The table below summarizes our MSRs and MSR financing receivables as of June 30, 2025:

(dollars in billions)	Current UPB	Weighted Average MSR (bps)	Carrying Value
GSE ^(A)	\$ 380.9	29	\$ 6.3
Non-Agency ^(A)	68.5	44	0.8
Ginnie Mae	143.3	47	3.3
Total / Weighted Average	\$ 592.7	36	\$ 10.4

(A) Includes GSE and Non-Agency MSRs of \$22.6 billion and \$34.2 billion underlying UPB, respectively, serviced by third-party subservicers.

The following tables summarize the collateral characteristics of the residential mortgage loans underlying our MSR and MSR financing receivables as of June 30, 2025 (dollars in thousands):

Collateral Characteristics												
	Current Carrying Amount	Current Principal Balance	Number of Loans	WA FICO Score ^(B)	WA Coupon	WA Maturity (Months)	Average Loan Age (Months)	Adjustable Rate Mortgage % ^(C)	Three Month Average CPR ^(D)	Three Month Average CRR ^(E)	Three Month Average CDR ^(F)	Three Month Average Recapture Rate
GSE ^(A)	\$ 6,301,384	\$ 380,862,890	1,950,973	772	4.3 %	271	64	0.9 %	6.6 %	6.6 %	— %	8.5 %
Non-Agency ^(A)	795,130	68,547,361	560,005	668	4.6 %	280	201	8.3 %	7.1 %	5.6 %	1.5 %	0.5 %
Ginnie Mae	3,263,549	143,313,085	579,615	703	4.3 %	314	43	0.3 %	6.4 %	6.1 %	0.2 %	33.1 %
Total	\$ 10,360,063	\$ 592,723,336	3,090,593	743	4.3 %	282	75	1.6 %	6.6 %	6.3 %	0.2 %	13.5 %

Collateral Characteristics				
	Delinquency 90+ Days ^(G)	Loans in Foreclosure	REO	Loans in Bankruptcy
GSE ^(A)	0.3 %	0.1 %	— %	0.1 %
Non-Agency ^(A)	1.9 %	5.1 %	0.6 %	2.3 %
Ginnie Mae	1.7 %	0.8 %	0.1 %	0.7 %
Weighted Average	0.8 %	0.9 %	0.1 %	0.5 %

(A) Includes GSE and Non-Agency MSRs of \$22.6 billion and \$34.2 billion underlying UPB, respectively, serviced by third-party subservicers.

(B) Based on the weighted average of information provided by the loan servicer on a monthly basis. The loan servicer generally updates the FICO score when loans are refinanced or become delinquent.

(C) Represents the percentage of the total principal balance of the pool that corresponds to adjustable rate mortgages.

(D) Represents the annualized rate of the prepayments during the quarter as a percentage of the total principal balance of the pool.

(E) Represents the annualized rate of the voluntary prepayments during the quarter as a percentage of the total principal balance of the pool.

(F) Represents the annualized rate of the involuntary prepayments (defaults) during the quarter as a percentage of the total principal balance of the pool.

(G) Represents the percentage of the total principal balance of the pool that corresponds to loans that are delinquent by 90 or more days.

Government and Government-Backed Securities

Our government and government-backed securities consist of Agency RMBS and U.S. Treasury securities.

The following table summarizes our Agency RMBS and U.S. Treasury securities portfolio as of and for the six months ended June 30, 2025 (dollars in thousands):

Asset Type	Outstanding Face Amount	Amortized Cost Basis	Gross Unrealized		Carrying Value ^(A)	Count	Weighted Average Life (Years)	3-Month CPR ^(B)	Outstanding Repurchase Agreements
			Gains	Losses					
Agency RMBS	\$ 7,717,430	\$ 7,526,868	\$ 68,078	\$ (8,257)	\$ 7,586,689	24	8.1	7.4 %	\$ 7,417,478
Treasury securities	1,275,000	1,279,417	2,773	—	1,282,190	2	1.0	N/A	1,253,420
Total / Weighted Average	\$ 8,992,430	\$ 8,806,285	\$ 70,851	\$ (8,257)	\$ 8,868,879	26	7.1		\$ 8,670,898

(A) Agency RMBS are held at fair value under the fair value option (“FVO”) election. Treasury securities include \$24.8 million of short-term Treasury bills held-to-maturity at amortized cost with the remaining held at fair value under the FVO.

(B) Represents the annualized rate of the prepayments during the quarter as a percentage of the total amortized cost basis.

The following table summarizes the net interest spread of our government and government-backed securities portfolio for the six months ended June 30, 2025:

Net Interest Spread ^(A)	
Weighted average asset yield	5.0 %
Weighted average funding cost	4.6 %
Net Interest Spread	0.4 %

(A) The government and government-backed securities portfolio consists of 100% fixed-rate securities.

We largely invest in government and government-backed securities (U.S. Treasury securities and Agency RMBS) as a hedge to our MSR portfolio and to provide additional qualifying assets and income for the purposes of meeting the REIT requirements. Our government and government-backed securities portfolio was \$8.9 billion as of June 30, 2025. We finance investments in these securities with short-term borrowings under master uncommitted repurchase agreements. These borrowings generally bear interest rates offered by the counterparty for the term of the proposed repurchase transaction (e.g., 30 days, 60 days, etc.) of a specified margin over SOFR. As of June 30, 2025 and December 31, 2024, the Company pledged Agency RMBS and Treasury securities and associated margin deposits with a carrying value of approximately \$9.0 billion and \$10.1 billion, respectively, as collateral for borrowings under repurchase agreements. We expect to continue to finance our government-backed securities acquisitions with repurchase agreement financing. See Note 18 to our consolidated financial statements for further information regarding financing of our government-backed securities, including a summary of activity related to financing from December 31, 2024 to June 30, 2025.

Our Origination and Servicing segment also includes the activity from several wholly-owned subsidiaries or minority investments in companies that perform various services in the mortgage and real estate sectors. These subsidiaries and investments include: Guardian Asset Management (“Guardian”), which is a national provider of field services and property management services, eStreet Appraisal Management LLC, which provides appraisal valuation services, and Avenue 365 Lender Services, LLC, which provides title insurance and settlement services to Newrez.

Investment Portfolio

Our Investment Portfolio primarily consists of residential mortgage loans, SFR properties, consumer loans, Non-Agency securities, Excess MSRs and servicer advance investments.

Excess MSRs

Investments in Excess MSRs represent the MSR component exceeding the base fee. Excess MSR assets include Rithm Capital’s ownership of Excess MSRs, and associated recapture agreements, acquired from and serviced by Mr. Cooper Group Inc. (“Mr. Cooper”).

The following tables summarize the terms of our Excess MSRs:

Direct Excess MSRs	Current UPB (billions) ^(B)	MSR Component ^(A)		Interest in Excess MSR (%)	Excess MSR Carrying Value (millions)
		Weighted Average MSR (bps)	Weighted Average Excess MSR (bps)		
Total / Weighted Average	\$ 50.7	32	20	65.0% – 80.0%	\$ 345.7

- (A) The MSR is a weighted average as of June 30, 2025 and the Excess MSR represents the difference between the weighted average MSR and the base fee (which fee remains constant).
(B) Represents Excess MSRs serviced by Mr. Cooper. We also invested in related servicer advance investments, including the base fee component of the related MSR (Note 14) on \$12.6 billion UPB underlying these Excess MSRs.

The following tables summarize the collateral characteristics of the loans underlying our direct Excess MSRs and the Excess MSRs held in a joint venture with Sculptor non-consolidated funds as of June 30, 2025 (dollars in thousands):

	Collateral Characteristics										
	Current Carrying Amount	Current Principal Balance	Number of Loans	WA FICO Score ^(A)	WA Coupon	WA Maturity (Months)	Average Loan Age (Months)	Three Month Average CPR ^(B)	Three Month Average CRR ^(C)	Three Month Average CDR ^(D)	Three Month Average Recapture Rate
Total / Weighted Average	\$ 345,677	\$ 50,719,526	413,409	720	4.6 %	223	165	6.0 %	5.6 %	0.5 %	16.2 %

	Collateral Characteristics						
	Delinquency			Loans in Foreclosure	REO	Loans in Bankruptcy	
	30 Days ^(G)	60 Days ^(G)	90+ Days ^(E)				
Weighted Average ^(F)	4.5 %	1.1 %	0.7 %	1.5 %	0.2 %	0.6 %	

- (A) Based on the weighted average of information provided by the loan servicer on a monthly basis. The loan servicer generally updates the FICO score when loans are refinanced or become delinquent.
(B) Represents the annualized rate of the prepayments during the quarter as a percentage of the total principal balance of the pool.
(C) Represents the annualized rate of the voluntary prepayments during the quarter as a percentage of the total principal balance of the pool.
(D) Represents the annualized rate of the involuntary prepayments (defaults) during the quarter as a percentage of the total principal balance of the pool.
(E) Represents the percentage of the total principal balance of the pool that corresponds to loans that are delinquent by 90 or more days.
(F) Weighted averages exclude collateral information for which collateral data was not available as of the report date.

Servicer Advance Investments

Our servicer advance investments are associated with specified pools of residential mortgage loans in which we have contractually assumed the servicing advance obligation and include the related outstanding servicer advances, the requirement to purchase future servicer advances and the rights to the base fee component of the related MSR.

The following is a summary of our servicer advance investments, including the right to the base fee component of the related MSRs (dollars in thousands):

	June 30, 2025				
	Amortized Cost Basis	Carrying Value ^(A)	UPB of Underlying Residential Mortgage Loans	Outstanding Servicer Advances	Servicer Advances to UPB of Underlying Residential Mortgage Loans
Mr. Cooper serviced pools	\$ 302,338	\$ 312,986	\$ 12,580,445	\$ 276,702	2.2 %

(A) Represents the fair value of the servicer advance investments, including the base fee component of the related MSRs.

The following summarizes additional information regarding our servicer advance investments and related financing, as of and for the six months ended June 30, 2025 (dollars in thousands):

	Weighted Average Discount Rate	Weighted Average Life (Years) ^(C)	Six Months Ended June 30, 2025	Face Amount of Secured Notes and Bonds Payable	LTV ^(A)		Cost of Funds ^(B)	
			Change in Fair Value Recorded in Other Income (Loss)		Gross	Net ^(D)	Gross	Net
Servicer advance investments ^(E)	6.5 %	7.6	\$ (1,527)	\$ 240,656	84.7 %	82.7 %	6.2 %	5.9 %

(A) Based on outstanding servicer advances, excluding purchased but unsettled servicer advances.

(B) Represents the annualized measure of the cost associated with borrowings. Gross cost of funds primarily includes interest expense and facility fees. Net cost of funds excludes facility fees.

(C) Represents the weighted average expected timing of the receipt of expected net cash flows for this investment.

(D) Ratio of face amount of borrowings to par amount of servicer advance collateral, net of any general reserve.

(E) The following table summarizes the types of advances included in servicer advance investments (dollars in thousands):

	June 30, 2025
Principal and interest advances	\$ 48,849
Escrow advances (taxes and insurance advances)	123,599
Foreclosure advances	104,254
Total	\$ 276,702

Non-Agency Securities

Within our Non-Agency securities portfolio, we retain and own risk retention bonds from our securitizations that we do not consolidate in accordance with risk retention regulations under the Dodd-Frank Wall Street Reform and Consumer Protection Act, including the rules promulgated thereunder. We also retain and own bonds from our consolidated private label mortgage securitizations which we eliminate in consolidation. The equity value is reflected in assets of consolidated CFEs and liabilities of consolidated CFEs on the consolidated balance sheets and is excluded from the tables below. As of June 30, 2025, 77.9% of our Non-Agency securities portfolio was related to bonds retained pursuant to required risk retention regulations.

The following table summarizes our Non-Agency securities portfolio as of and for the six months ended June 30, 2025 (dollars in thousands):

Asset Type	Outstanding Face Amount ^(A)	Amortized Cost Basis	Gross Unrealized		Carrying Value ^(B)	Outstanding Repurchase Agreements ^(C)
			Gains	Losses		
Non-Agency securities	\$ 8,852,683	\$ 689,682	\$ 99,441	\$ (49,980)	\$ 739,143	\$ 871,386

(A) The total outstanding face amount includes residual, interest only and servicing strips for which no principal payment is expected.

(B) Fair value which is equal to carrying value for all securities.

(C) Includes repurchase agreements on Non-Agency securities retained through consolidated securitizations.

The following table summarizes the characteristics of our Non-Agency securities portfolio and of the collateral underlying our Non-Agency securities as of June 30, 2025 (dollars in thousands):

	Outstanding Face Amount	Amortized Cost Basis	Carrying Value	Number of Securities	Weighted Average Life (Years)	Weighted Average Coupon ^(B)	Collateral Characteristics ^(A)				
							Average Loan Age (Years)	Collateral Factor ^(C)	Three Month CPR ^(D)	Delinquency ^(E)	Cumulative Losses to Date
Total / weighted average	\$ 8,852,683	\$ 689,682	\$ 739,143	606	4.2	4.1 %	15.3	0.5	6.6 %	3.1 %	0.9 %
(A)	Excludes \$149.9 million carrying value of Non-Agency securities that are backed by assets other than residential mortgages.										
(B)	Excludes interest only, residual and other bonds with a carrying value of \$188.2 million for which no coupon payment is expected.										
(C)	Represents the ratio of original UPB of loans still outstanding.										
(D)	Three-month average constant prepayment rate and default rates.										
(E)	The percentage of underlying loans that are 90+ days delinquent, or in foreclosure or considered real estate owned ("REO").										

The following table summarizes the net interest spread of our Non-Agency securities portfolio for the six months ended June 30, 2025:

Net Interest Spread ^(A)	
Weighted average asset yield	5.5 %
Weighted average funding cost	6.0 %
Net Interest Spread	(0.5)%

(A) The Non-Agency securities portfolio consists of 18.5% floating rate securities and 81.5% fixed-rate securities (accounted for on an amortized cost basis).

We finance our investments in Non-Agency securities with short-term borrowings under master uncommitted repurchase agreements. These borrowings generally bear interest rates offered by the counterparty for the term of the proposed repurchase transaction (e.g., 30 days, 60 days, etc.) of a specified margin over SOFR. As of June 30, 2025 and December 31, 2024, the Company pledged Non-Agency securities, including securities retained through consolidated securitizations, with a carrying value of approximately \$1.3 billion and \$1.1 billion, respectively, as collateral for borrowings under repurchase agreements. A portion of collateral for borrowings under repurchase agreements is subject to daily mark-to-market fluctuations and margin calls. The remaining collateral is not subject to daily margin calls unless the collateral coverage percentage, a quotient expressed as a percentage equal to the current carrying value of outstanding debt divided by the market value of the underlying collateral, becomes greater than or equal to a collateral trigger. The difference between the collateral coverage percentage and the collateral trigger is referred to as a "margin holiday." See Note 18 to our consolidated financial statements for further information regarding financing of our Non-Agency securities, including a summary of activity related to financing from December 31, 2024 to June 30, 2025.

Residential Mortgage Loans

We accumulated our residential mortgage loan portfolio through open market purchases, loan originations, bulk acquisitions and the execution of call rights. A majority of the portfolio is serviced by Newrez.

Loans are accounted for based on our strategy for the loan and on whether the loan was performing or non-performing at the date of acquisition. Acquired performing loans means that, at the time of acquisition, it is likely the borrower will continue making payments in accordance with the contractual loan terms. Purchased non-performing loans means that at the time of acquisition, it is not likely that the borrower will make payments in accordance with the contractual loan terms (i.e., credit-impaired). We account for loans based on the following categories:

- Loans held-for-investment ("HFI"), at fair value
- Loans HFS, at lower of cost or fair value
- Loans HFS, at fair value
- Investments of consolidated CFEs represent mortgage loans held by certain private label mortgage securitization trusts where Rithm Capital is determined to be a primary beneficiary and, as a result, consolidates such trusts. The assets are measured based on the fair value of the more observable liabilities of such trusts under the CFE election. The obligations and liabilities of CFEs may only be satisfied with the assets of the respective consolidated CFEs, and creditors of the CFE do not have recourse to Rithm Capital Corp.

As of June 30, 2025, we had approximately \$4.5 billion outstanding face amount of loans included in residential mortgage loans, HFS and residential mortgage loans, HFI, at fair value on the consolidated balance sheets (see below). These investments were financed with secured financing agreements with an aggregate face amount of approximately \$4.0 billion. We acquired these loans through open market purchases, loan origination through Newrez, bulk acquisitions and the exercise of call rights.

The following table presents the total residential mortgage loans outstanding by loan type (dollars in thousands):

	June 30, 2025					December 31, 2024
	Outstanding Face Amount	Carrying Value	Loan Count	Weighted Average Yield	Weighted Average Life (Years) ^(A)	Carrying Value
Investments of consolidated CFEs ^(B)	\$ 2,769,184	\$ 2,637,931	7,299	5.7 %	25.3	\$ 2,791,027
Residential mortgage loans, HFI, at fair value	371,253	343,333	7,017	7.9 %	4.7	361,890
<i>Residential Mortgage Loans, HFS:</i>						
Acquired performing loans ^(C)	52,362	47,792	1,575	6.8 %	4.3	51,011
Acquired non-performing loans ^(D)	16,163	13,174	194	10.5 %	4.2	15,659
Total Residential Mortgage Loans, HFS	\$ 68,525	\$ 60,966	1,769	7.7 %	4.3	\$ 66,670
<i>Residential Mortgage Loans, HFS, at Fair Value:</i>						
Acquired performing loans ^{(C)(E)}	\$ 682,059	\$ 682,947	2,075	6.2 %	10.7	\$ 408,421
Acquired non-performing loans ^{(D)(E)}	246,049	222,535	1,121	5.1 %	27.7	270,879
Originated loans	3,121,871	3,220,853	10,911	6.8 %	29.0	3,628,271
Total Residential Mortgage Loans, HFS, at Fair Value	\$ 4,049,979	\$ 4,126,335	14,107	6.6 %	25.8	\$ 4,307,571

- (A) For loans classified as Level 3 in the fair value hierarchy, the weighted average life is based on the expected timing of the receipt of cash flows. For Level 2 loans, the weighted average life is based on the contractual term of the loan.
- (B) Residential mortgage loans of consolidated CFEs are classified as Level 2 in the fair value hierarchy and valued based on the fair value of the more observable financial liabilities under the CFE election.
- (C) Performing loans are generally placed on non-accrual status when principal or interest is 90 days or more past due.
- (D) As of June 30, 2025, Rithm Capital has placed non-performing loans, HFS on non-accrual status except, as described in (E) below.
- (E) Includes \$162.3 million and \$235.1 million UPB of Ginnie Mae early buyout options performing and non-performing loans, respectively, on accrual status as contractual cash flows are guaranteed by the FHA.

We consider the delinquency status, loan-to-value (“LTV”) ratios and geographic area of residential mortgage loans as our credit quality indicators.

We finance a significant portion of our investments in residential mortgage loans with borrowings under repurchase agreements. These recourse borrowings generally bear variable interest rates offered by the counterparty for the term of the proposed repurchase transaction, generally less than one year, of a specified margin over SOFR. As of June 30, 2025 and December 31, 2024, the Company pledged residential mortgage loans with a carrying value of approximately \$4.5 billion and \$4.7 billion, respectively, as collateral for borrowings under repurchase agreements. A portion of collateral for borrowings under repurchase agreements is subject to daily mark-to-market fluctuations and margin calls. A portion of collateral for borrowings under repurchase agreements is not subject to daily margin calls unless the collateral coverage percentage, a quotient expressed as a percentage equal to the current carrying value of outstanding debt divided by the market value of the underlying collateral, becomes greater than or equal to a collateral trigger. The difference between the collateral coverage percentage and the collateral trigger is referred to as a “margin holiday.” See Note 18 to our consolidated financial statements for further information regarding financing of our residential mortgage loans, including a summary of activity related to financing from December 31, 2024 to June 30, 2025.

See Note 7 to our consolidated financial statements for additional information including a summary of activity related to residential mortgage loans from December 31, 2024 to June 30, 2025.

Consumer Loans

The table below summarizes the collateral characteristics of the consumer loans, including the portfolio of consumer loans purchased from Goldman Sachs in June 2023 (the “Marcus loans” or “Marcus”) and consumer loans purchased from SpringCastle (the “SpringCastle loans” or “SpringCastle”) held by Rithm Capital, through the Consumer Loan Companies, as of June 30, 2025 (dollars in thousands):

Collateral Characteristics									
	UPB	Number of Loans	Weighted Average Coupon	Adjustable Rate Loan %	Average Loan Age (Months)	Weighted Average Expected Life (Months)	Delinquency 90+ Days ^(A)	12-Month CRR ^(B)	12-Month CDR ^(C)
SpringCastle	\$ 181,962	31,339	18.0 %	14.6 %	249	44	2.1 %	14.2 %	4.9 %
Marcus	\$ 398,339	100,828	11.1 %	— %	38	10	34.7 %	23.1 %	12.6 %
Total / Weighted Average	\$ 580,301	132,167	13.3 %	4.6 %	104	21	24.5 %	20.3 %	10.2 %

(A) Represents the percentage of the total principal balance of the pool that corresponds to loans that are delinquent by 90 or more days.

(B) Represents the annualized rate of the voluntary prepayments during the three months as a percentage of the total principal balance of the pool.

(C) Represents the annualized rate of the involuntary prepayments (defaults) during the three months as a percentage of the total principal balance of the pool.

We have financed our investments in the SpringCastle loans with securitized non-recourse long-term notes with a stated maturity date of September 2037. The Marcus loans are financed with long-term notes with a stated maturity date of June 2028. See Note 18 to our consolidated financial statements for further information regarding financing of our consumer loans, including a summary of activity related to financing from December 31, 2024 to June 30, 2025.

See Note 8 to our consolidated financial statements for additional information including a summary of activity related to consumer loans from December 31, 2024 to June 30, 2025.

Single-Family Rental Properties

We invest in our SFR portfolio by acquiring and maintaining a geographically diversified portfolio of high-quality single-family homes and leasing them to high-quality residents. As of June 30, 2025, our SFR portfolio consists of 3,982 properties with an aggregate carrying value of \$1.0 billion, down from 4,049 properties with an aggregate carrying value of \$1.0 billion as of December 31, 2024. During the six months ended June 30, 2025, we did not acquire any additional rental properties.

Our ability to identify and acquire properties that meet our investment criteria is impacted by property prices in our target markets, the inventory of properties available, competition for our target assets and our available capital as well as local, state and federal regulations. Properties added to our portfolio through traditional acquisition channels require expenditures in addition to payment of the purchase price, including property inspections, closing costs, liens, title insurance, transfer taxes, recording fees, broker commissions, property taxes and HOA fees, when applicable. In addition, we typically incur costs to renovate a property acquired through traditional acquisition channels to prepare it for rental. Renovation work varies, but may include painting, flooring, cabinetry, appliances, plumbing, hardware and other items required to prepare the property for rental. The time and cost involved to prepare our properties for rental can impact our financial performance and varies among properties based on several factors, including the source of acquisition channel and age and condition of the property. Additionally, we have acquired and are continuing to acquire additional homes through the purchase of build-to-rent (“BTR”) communities and portions of BTR communities from regional and national home builders. Our operating results are impacted by the amount of time it takes to market and lease a property, which can vary greatly among properties, and is impacted by local demand, our marketing techniques and the size of our available inventory.

Our revenues are derived primarily from rents collected from tenants for our SFR properties pursuant to lease agreements which typically have a term of one to two years. Our rental rates and occupancy levels are affected by macroeconomic factors and local and property-level factors, including market conditions, seasonality and tenant defaults, and the amount of time it takes to turn properties when tenants vacate.

Once a property is available for its initial lease, we incur ongoing property-related expenses, which consist primarily of property taxes, insurance, HOA fees (when applicable), utility expenses, repairs and maintenance, leasing costs, marketing expenses and property administration. Prior to a property being rentable, certain of these expenses are capitalized as building and improvements. Once a property is rentable, expenditures for ordinary repairs and maintenance thereafter are expensed as incurred, and we capitalize expenditures that improve or extend the life of a property.

The following table summarizes certain key SFR property metrics as of June 30, 2025 (dollars in thousands):

	Number of SFR Properties	% of Total SFR Properties	Net Book Value	% of Total Net Book Value	Average Gross Book Value per Property	% of Rented SFR Properties	% of Occupied Properties	% of Stabilized Occupied Properties	Average Monthly Rent	Average Sq. Ft.
Alabama	91	2.3 %	\$ 16,662	1.7 %	\$ 183	94.5 %	94.5 %	94.5 %	\$ 1,594	1,540
Arizona	142	3.6 %	52,912	5.3 %	373	91.5 %	93.0 %	91.5 %	1,962	1,518
Florida	807	20.4 %	208,260	20.8 %	258	89.2 %	90.0 %	90.0 %	1,941	1,433
Georgia	730	18.3 %	167,505	16.7 %	229	90.8 %	91.1 %	92.2 %	1,912	1,767
Indiana	117	2.9 %	24,529	2.4 %	210	99.1 %	99.1 %	99.1 %	1,737	1,621
Mississippi	157	3.9 %	30,944	3.1 %	197	96.8 %	96.8 %	96.8 %	1,857	1,682
Missouri	356	8.9 %	69,149	6.9 %	194	93.0 %	93.0 %	93.0 %	1,633	1,411
Nevada	99	2.5 %	31,617	3.2 %	319	85.9 %	86.9 %	87.6 %	1,888	1,457
North Carolina	432	10.8 %	122,519	12.2 %	284	95.8 %	95.8 %	96.1 %	1,868	1,546
Oklahoma	52	1.3 %	11,167	1.1 %	215	98.1 %	100.0 %	98.1 %	1,484	1,592
Tennessee	84	2.1 %	27,177	2.7 %	324	85.7 %	86.9 %	86.7 %	1,960	1,490
Texas	913	22.9 %	239,321	23.9 %	262	78.1 %	78.1 %	78.9 %	1,833	1,750
Other U.S.	2	0.1 %	499	— %	252	100.0 %	100.0 %	100.0 %	1,806	1,567
Total / Weighted Average	3,982	100.0 %	\$ 1,002,261	100.0 %	\$ 252	88.8 %	89.1 %	89.5 %	\$ 1,852	1,602

We primarily rely on the use of credit facilities, term loans and securitizations to finance purchases of SFR properties. See Note 18 to our consolidated financial statements for further information regarding financing of our SFR properties.

Our Investment Portfolio segment also includes the activity from several wholly-owned subsidiaries or minority investments in companies that perform various services in the mortgage and real estate sectors. This includes our strategic partnership with Darwin to run a property management platform, Adoor Property Management LLC (“APM”). All of our SFR properties are currently managed by APM.

Residential Transitional Lending

Through our wholly-owned subsidiary Genesis, we specialize in originating and managing a portfolio of primarily short-term business purpose mortgage loans to fund single-family and multi-family real estate developers with construction, renovation and bridge loans as set forth below.

- *Construction* — Loans provided for ground-up construction, including mid-construction refinancing of ground-up construction and the acquisition of such properties.
- *Renovation* — Loans provided for acquisition or refinance of properties requiring renovation, excluding ground-up construction.
- *Bridge* — Loans provided for initial purchase, refinance of completed projects or rental properties.

We currently finance construction, renovation and bridge loans using a warehouse credit facility and revolving securitization structures.

Properties securing our loans are typically secured by a mortgage or a first deed of trust lien on real estate. Depending on loan type, the size of each loan committed is based on a maximum loan value in accordance with our lending policy. For construction and renovation loans, we generally use loan-to-cost (“LTC”) or loan-to-after-repair-value (“LTARV”) ratio. For bridge loans, we use an LTV ratio. LTC and LTARV are measured by the total commitment amount of the loan at origination divided by the total estimated cost of a project or value of a property after renovations and improvements to a property. LTV is measured by the total commitment amount of the loan at origination divided by the “as-complete” appraisal.

At the time of origination, the difference between the initial outstanding principal and the total commitment is the amount held back for future release subject to property inspections, progress reports and other conditions in accordance with the loan documents. Loan ratios described above do not reflect interim activity such as construction draws or interest payments capitalized to loans, or partial repayments of the loan.

Each loan is typically backed by a corporate or personal guarantee to provide further credit support for the loan. The guarantee may be collaterally secured by a pledge of the guarantor's interest in the borrower or other real estate or assets owned by the guarantor.

Loan commitments at origination are typically interest only, bear a variable interest rate tied to the SOFR plus a spread ranging from 4.0% to 16.5% and have initial terms typically ranging from 6 to 120 months in duration based on the size of the project and expected timeline for completion of construction, which we often elect to extend for several months based on our evaluation of the project. As of June 30, 2025, the average commitment size of our loans was \$4.0 million, and the weighted average remaining term to contractual maturity of our loans was 12.2 months.

We receive loan origination fees, or "points," and we earned an average of 1.2% of the total commitment at origination as of June 30, 2025. These origination fees factor in the term of the loan, the quality of the borrower and the underlying collateral. In addition, we charge fees on past due receivables and receive reimbursements from borrowers for costs associated with services provided by us, such as closing costs, collection costs on defaulted loans and inspection fees. We also earn loan extension fees when maturing loans are renewed or extended and amendment fees when loan terms are modified. Loans are generally only renewed or extended if the loan is not in default and satisfies our underwriting criteria, including our maximum LTV ratios of the appraised value as determined at the time of loan origination or based on an updated appraisal, if required. Loan origination and renewal fees are deferred and recognized in income over the contractual maturity of the underlying loan.

Typical borrowers include real estate investors and developers. Loan proceeds are used to fund the construction, development, investment, land acquisition and refinancing of residential properties and to a lesser extent mixed-use properties. We also make loans to fund the renovation and rehabilitation of residential properties. Our loans are generally structured with partial funding at closing and additional loan installments disbursed to the borrower upon satisfactory completion of previously agreed stages of construction.

A principal source of new loans has been repeat business from our customers and their referral of new business. Our retention originations typically have lower customer acquisition costs than originations to new customers, positively impacting our profit margins.

The following table summarizes certain information related to our portfolio of loans included in the Residential Transitional Lending segment, at fair value on the consolidated balance sheets as of and for the six months ended June 30, 2025 (dollars in thousands):

Loans originated ^(A)	\$	2,140,592
Loans repaid	\$	763,515
Number of loans originated		777
UPB	\$	2,492,943
Total commitment	\$	3,761,167
Average total commitment	\$	4,279
Weighted average contractual interest ^(B)		9.7 %

(A) Based on commitment.

(B) Excludes loan fees and based on commitment at funding.

The following table summarizes the loan purpose of our portfolio of loans included in the Residential Transitional Lending segment, at fair value on the consolidated balance sheets as of June 30, 2025 (dollars in thousands):

	Number of Loans	% of Loans	Total Commitment	% of Total Commitment	Weighted Average Committed Loan Balance to Value ^(A)
Construction	331	34.1 %	\$ 2,240,894	59.6 %	71.1% / 60.8%
Bridge	355	36.5 %	1,170,526	31.1 %	64.7%
Renovation	286	29.4 %	349,747	9.3 %	82.5% / 67.8%
Total	972	100.0 %	\$ 3,761,167	100.0 %	N/A

(A) Weighted by commitment LTV for bridge loans and LTC and LTARV for construction and renovation loans.

See Note 10 to our consolidated financial statements for additional information, including a summary of activity related to residential transition loans from December 31, 2024 to June 30, 2025.

Asset Management

Our Asset Management business primarily operates through our wholly-owned subsidiaries, Sculptor, RCM Manager and RCA. Sculptor is a leading global alternative asset manager and a specialist in opportunistic investing. Sculptor provides asset management services and investment products across credit, real estate and multi-strategy platforms with approximately \$36 billion in AUM as of June 30, 2025. Sculptor serves its global client base through our commingled funds, separate accounts and other alternative investment vehicles. RCM Manager externally manages Rithm Property Trust and may in the future manage additional entities, and RCA was formed to serve as an investment advisor for funds and managed accounts.

AUM refers to the assets for which we provide investment management, advisory or certain other investment-related services. This is generally equal to the sum of (i) net asset value of the open-ended funds or gross asset value of real estate funds, (ii) uncalled capital commitments and (iii) par value of collateralized loan obligations.

AUM includes amounts that are not subject to management fees, incentive income or other amounts earned on AUM. AUM also includes amounts that are invested in other Sculptor funds or vehicles. Our calculation of AUM may differ from the calculations of other asset managers, and as a result, may not be comparable to similar measures presented by other asset managers. Our calculations of AUM are not based on any definition set forth in the governing documents of the investment funds and are not calculated pursuant to any regulatory definitions.

Growth in AUM in Sculptor's funds and positive investment performance of Sculptor's funds drive growth in our Asset Management revenue and earnings. Conversely, poor investment performance slows our growth by decreasing our AUM and increasing the potential for redemptions from our funds, which would have a negative effect on our revenues and earnings.

The Asset Management business generates its revenues primarily through Sculptor management fees and incentive income.

Management fees are generally calculated based on a percentage of the AUM we manage. Management fees for certain of our closed-end funds are based on invested capital. Management fees are generally calculated and paid to Sculptor on a quarterly basis in advance, based on the amount of AUM at the beginning of the quarter. Management fees are prorated for capital inflows and redemptions during the quarter. Certain of Sculptor's management fees are paid on a quarterly basis in arrears.

Incentive income is generally based on the investment performance of the funds. Incentive income is generally equal to 20% of the profits, net of management fees, attributable to each fund investor. Incentive income may be subject to hurdle rates, where Sculptor is not entitled to incentive income until the investment performance exceed an agreed upon benchmark with a preferential "catch-up" allocation once the rate has been exceeded, or a perpetual "high-water mark", where any losses generated in a fund must be recouped before taking incentive income.

For the six months ended June 30, 2025, our asset management revenues were \$182.7 million, driven primarily by management fees and incentive income resulting from off-cycle crystallizations. Operating expenses for the Asset Management business primarily consist of amortization of intangible assets related to the acquisition of Sculptor by us, compensation and benefits and office and professional expenses.

CRITICAL ACCOUNTING POLICIES AND USE OF ESTIMATES

Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP" or "U.S. GAAP"). The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions that could affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses. Actual results could differ from these estimates. We believe that the estimates and assumptions utilized in the preparation of the consolidated financial statements are prudent and reasonable. Actual results historically have generally been in line with our estimates and judgments used in applying each of the accounting policies described below, as modified periodically to reflect current market conditions.

Our critical accounting policies as of June 30, 2025, which represent our accounting policies that are most affected by judgments, estimates and assumptions, included all of the critical accounting policies referred to in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

The mortgage and financial sectors operate in a challenging and uncertain economic environment. Financial and real estate companies continue to be affected by, among other things, market volatility, heightened interest rates and inflationary pressures. We believe the estimates and assumptions underlying our consolidated financial statements are reasonable and supportable based on the information available as of June 30, 2025; however, uncertainty over the current macroeconomic conditions makes any estimates and assumptions as of June 30, 2025, inherently less certain than they would be absent the current economic environment. Actual results may materially differ from those estimates. Market volatility and inflationary pressures and their impact on the current financial, economic and capital markets environment, and future developments in these and other areas present uncertainty and risk with respect to our financial condition, results of operations, liquidity and ability to pay distributions.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2 to our consolidated financial statements in this Quarterly Report on Form 10-Q.

RESULTS OF OPERATIONS

Factors Impacting Comparability of Our Results of Operations

Our net income is primarily generated from net interest income, servicing fee revenue less cost and gain on sale of loans less cost to originate. Changes in various factors such as market interest rates, prepayment speeds, estimated future cash flows, servicing costs and credit quality could affect the amount of basis premium to be amortized or discount to be accreted into interest income for a given period. Prepayment speeds vary according to the type of investment, conditions in the financial markets, competition and other factors, none of which can be predicted with any certainty. Additionally, changes in these inputs along with other factors such as delinquency rates and recapture rates may significantly impact the fair value of our MSRs and as a result, our earnings. Our operating results may also be affected by credit losses in excess of initial estimates or unanticipated credit events experienced by borrowers whose mortgage loans underlie the MSRs, residential transition loans or the Non-Agency securities held in our investment portfolio.

During the three months ended and six months ended June 30, 2025, interest rates remained elevated, although decreased in comparison to the three months ended March 31, 2025 and to the six months ended June 30, 2024, respectively. Changes in interest rates can inversely impact a borrower's ability or willingness to enter into mortgage transactions, including residential, business purpose and commercial loans. Lower interest rates also decrease our financing costs.

Summary of Results of Operations

The following table summarizes the changes in our results of operations for the three months ended June 30, 2025 compared to the three months ended March 31, 2025 and the six months ended June 30, 2025 compared to the six months ended June 30, 2024. Our results of operations are not necessarily indicative of our future performance (dollars in thousands).

	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
Revenues						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 574,817	\$ 570,801	\$ 1,145,618	\$ 968,869	\$ 4,016	\$ 176,749
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(176,680), \$(146,891), \$(323,571) and \$(281,977), respectively)	(155,005)	(333,378)	(488,383)	(122,966)	178,373	(365,417)
Servicing revenue, net	419,812	237,423	657,235	845,903	182,389	(188,668)
Interest income	478,455	441,260	919,715	913,448	37,195	6,267
Gain on originated residential mortgage loans, HFS, net	169,698	159,789	329,487	296,199	9,909	33,288
Other revenues	54,066	50,773	104,839	114,848	3,293	(10,009)
Asset management revenues	95,008	87,672	182,680	180,384	7,336	2,296
	1,217,039	976,917	2,193,956	2,350,782	240,122	(156,826)
Expenses						
Interest expense and warehouse line fees	417,868	419,054	836,922	875,771	(1,186)	(38,849)
General and administrative	239,575	237,546	477,121	419,526	2,029	57,595
Compensation and benefits	294,407	271,467	565,874	506,226	22,940	59,648
	951,850	928,067	1,879,917	1,801,523	23,783	78,394
Other Income (Loss)						
Realized and unrealized gains, net	22,741	(1,143)	21,598	79,628	23,884	(58,030)
Other income, net	18,478	9,073	27,551	42,177	9,405	(14,626)
	41,219	7,930	49,149	121,805	33,289	(72,656)
Income before Income Taxes	306,408	56,780	363,188	671,064	249,628	(307,876)
Income tax expense (benefit)	(11,598)	(23,930)	(35,528)	145,060	12,332	(180,588)
Net Income	318,006	80,710	398,716	526,004	237,296	(127,288)
Noncontrolling interests in income of consolidated subsidiaries	3,169	1,086	4,255	6,413	2,083	(2,158)
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,120	813	3,933	—	2,307	3,933
Net Income Attributable to Rithm Capital Corp.	311,717	78,811	390,528	519,591	232,906	(129,063)
Change in redemption value of redeemable noncontrolling interests	—	15,611	15,611	—	(15,611)	15,611
Dividends on preferred stock	27,818	26,677	54,495	44,790	1,141	9,705
Net Income Attributable to Common Stockholders	<u>\$ 283,899</u>	<u>\$ 36,523</u>	<u>\$ 320,422</u>	<u>\$ 474,801</u>	<u>\$ 247,376</u>	<u>\$ (154,379)</u>

Servicing Revenue, Net

Servicing revenue, net consists of the following:

	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
(dollars in thousands)						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 518,371	\$ 526,810	\$ 1,045,181	\$ 884,103	\$ (8,439)	\$ 161,078
Ancillary and other fees	56,446	43,991	100,437	84,766	12,455	15,671
Servicing fee revenue, net and fees	574,817	570,801	1,145,618	968,869	4,016	176,749
Change in Fair Value due to:						
Realization of cash flows	(176,680)	(146,891)	(323,571)	(281,977)	(29,789)	(41,594)
Change in valuation inputs and assumptions, net of realized gains (losses) ^(A)	(8,807)	(395,025)	(403,832)	298,254	386,218	(702,086)
Gains (losses) on MSR economic hedges	30,482	208,538	239,020	(139,243)	(178,056)	378,263
Servicing Revenue, Net	\$ 419,812	\$ 237,423	\$ 657,235	\$ 845,903	\$ 182,389	\$ (188,668)

(A) The following table summarizes the components of servicing revenue, net related to changes in valuation inputs and assumptions:

	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
(dollars in thousands)						
Changes in interest rates and prepayment rates	\$ (24,427)	\$ (341,713)	\$ (366,140)	\$ 402,232	\$ 317,286	\$ (768,372)
Changes in discount rates	—	(4,323)	(4,323)	—	4,323	(4,323)
Changes in other factors	15,620	(48,989)	(33,369)	(103,978)	64,609	70,609
Change in Valuation and Assumptions	\$ (8,807)	\$ (395,025)	\$ (403,832)	\$ 298,254	\$ 386,218	\$ (702,086)

The table below summarizes the UPB of our MSRs, MSR financing receivables and third-party servicing:

	UPB			QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	June 30, 2024		
(dollars in millions)					
GSE	\$ 453,226	\$ 447,489	\$ 442,328	\$ 5,737	\$ 10,898
Non-Agency	264,607	254,347	229,872	10,260	34,735
Ginnie Mae	146,355	143,020	137,884	3,335	8,471
Total	\$ 864,188	\$ 844,856	\$ 810,084	\$ 19,332	\$ 54,104

The table below summarizes the total UPB of our servicing portfolio (owned MSRs and third-party servicing) by Performing Servicing, Special Servicing and serviced by third-parties:

	UPB			QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	June 30, 2024		
(dollars in millions)					
Performing Servicing	\$ 526,083	\$ 522,191	\$ 509,553	\$ 3,892	\$ 16,530
Special Servicing	281,239	264,367	231,999	16,872	49,240
Serviced by third-parties	56,866	58,298	68,532	(1,432)	(11,666)
Total Servicing Portfolio	\$ 864,188	\$ 844,856	\$ 810,084	\$ 19,332	\$ 54,104

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Servicing revenue, net increased \$182.4 million, primarily driven by (i) increased servicing revenue from a \$19.3 billion increase in servicing UPB and (ii) a decrease in mark-to-market loss on our MSRs. The increase was partially offset by (i) a decrease in net gains on MSR economic hedges, including government and government-backed securities and to-be-announced forward contract positions (“TBAs”), and (ii) increased realization of cash flows driven by higher prepayment speeds.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Servicing revenue, net decreased \$188.7 million, primarily driven by a change from mark-to-market gain to loss on our MSRs and increased realization of cash flows driven by higher prepayment speeds. The decrease was partially offset by (i) a change from net losses to net gains on MSR economic hedges, including government and government-backed securities and TBAs, and (ii) increased servicing revenue as a result of a \$54.1 billion increase in servicing UPB and prospective classification of certain servicing costs to loan servicing expense within general and administrative in 2025.

Interest Income

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Interest income for the three months ended June 30, 2025 increased \$37.2 million, primarily driven by higher average custodial account balances during the second quarter, partially offset by a reduced securities portfolio.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Interest income for the six months ended June 30, 2025 increased \$6.3 million, primarily driven by higher average custodial account balances during the six months ended June 30, 2025, partially offset by a reduced securities portfolio.

Gain on Originated Residential Mortgage Loans, HFS, Net

The following table provides information regarding gain on originated residential mortgage loans, HFS, net as a percentage of pull through adjusted lock volume, by channel:

	Three Months Ended		Six Months Ended June 30,	
	June 30, 2025	March 31, 2025	2025	2024
(dollars in thousands)				
Pull through adjusted lock volume	\$ 16,656,627	\$ 12,451,587	\$ 29,108,214	\$ 26,978,189
<i>Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume, by Channel:</i>				
Direct to Consumer	3.39 %	3.20 %	3.30 %	3.81 %
Retail / Joint Venture	3.49 %	3.48 %	3.49 %	3.66 %
Wholesale	1.22 %	1.33 %	1.27 %	1.27 %
Correspondent	0.43 %	0.55 %	0.48 %	0.46 %
Total Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume	1.04 %	1.23 %	1.12 %	1.09 %

The following table summarizes funded loan production by channel:

	UPB					
	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
(dollars in millions)						
<i>Production by Channel:</i>						
Direct to Consumer	\$ 1,602	\$ 1,170	\$ 2,772	\$ 1,395	\$ 432	\$ 1,377
Retail / Joint Venture	798	580	1,378	2,363	218	(985)
Wholesale	2,582	1,537	4,119	2,843	1,045	1,276
Correspondent	11,316	8,542	19,858	18,839	2,774	1,019
Total Production by Channel	\$ 16,298	\$ 11,829	\$ 28,127	\$ 25,440	\$ 4,469	\$ 2,687

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Gain on originated residential mortgage loans, HFS, net increased \$9.9 million, primarily driven by an increase in pull through adjusted lock volume across channels.

For the three months ended June 30, 2025, funded loan origination volume was \$16.3 billion, up from \$11.8 billion in the three months ended March 31, 2025. Of all funded origination volume, 27.2% was refinance, relatively flat compared to 27.0% in the three months ended March 31, 2025, as interest rates remained elevated. While funded loan origination volume increased quarter over quarter, gain on sale margin for the three months ended June 30, 2025 was 1.04%, 19 bps lower than 1.23% for the three months ended March 31, 2025, primarily due to lower margins in the Correspondent channel.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Gain on originated residential mortgage loans, HFS, net increased \$33.3 million, primarily driven by an increase in pull through adjusted lock volume in the Direct to Consumer and Correspondent channels, partially offset by reduced volume in Retail/Joint Venture.

For the six months ended June 30, 2025, funded loan origination volume was \$28.1 billion, up from \$25.4 billion in the six months ended June 30, 2024. Of all funded origination volume, 27.1% was refinance, up from 15.0% in the prior year, as interest rates moved lower year-over-year. Gain on sale margin for the six months ended June 30, 2025 was 1.12%, 3 bps higher than 1.09% for the prior year, primarily due to improved margins in the Correspondent channel.

Other Revenues

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Other revenues increased \$3.3 million primarily due to higher property inspection and maintenance revenue at Guardian, as well as an increase in income from loan recovery.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Other revenues decreased \$10.0 million primarily due to lower property inspection and maintenance revenue at Guardian.

Asset Management Revenues

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Asset management revenues increased \$7.3 million, primarily driven by an increase in management fees earned from AUM growth during the three months ended June 30, 2025.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Asset management revenues increased \$2.3 million, primarily due to an increase in management fees earned from AUM growth, partially offset by lower incentive income driven by off-cycle crystallization related to certain funds managed by Sculptor.

Interest Expense and Warehouse Line Fees

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Interest expense and warehouse line fees decreased \$1.2 million, primarily driven by a decrease in leverage on servicing related assets and government and government-backed securities, resulting from securities sales, during the three months ended June 30, 2025. The decrease was partially offset by higher borrowing costs on our MSRs, driven by the redemption of lower fixed rate term notes refinanced into higher variable rate facilities.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Interest expense and warehouse line fees decreased \$38.8 million, primarily driven by a decrease in average SOFR of approximately 5.4% to 4.4% year-over-year, reducing variable financing costs on servicing related assets and securities. The decrease was partially offset by higher average outstanding borrowing on these assets.

General and Administrative

General and administrative expenses consist of the following:

(dollars in thousands)	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
Legal and professional	\$ 24,394	\$ 24,638	\$ 49,032	\$ 48,430	\$ (244)	\$ 602
Loan origination	17,161	14,677	31,838	32,933	2,484	(1,095)
Occupancy	16,348	14,454	30,802	31,197	1,894	(395)
Subservicing	12,342	16,756	29,098	37,118	(4,414)	(8,020)
Loan servicing	40,737	41,518	82,255	9,093	(781)	73,162
Property and maintenance	28,921	27,636	56,557	62,219	1,285	(5,662)
Depreciation and amortization	23,794	24,568	48,362	64,809	(774)	(16,447)
Information technology	31,239	31,308	62,547	63,332	(69)	(785)
Other	44,639	41,991	86,630	70,395	2,648	16,235
Total General and Administrative Expenses	\$ 239,575	\$ 237,546	\$ 477,121	\$ 419,526	\$ 2,029	\$ 57,595

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

General and administrative expenses were comparable quarter-over-quarter given a similar level of deal activity and no significant changes to loan origination and servicing portfolio. Loan origination and occupancy expense increases were driven by higher volume, partially offset by a decrease in subservicing expense as a result of servicing transfer of certain MSRs to in-house servicing towards the end of first quarter of 2025.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

General and administrative expenses increased \$57.6 million year-over-year, primarily attributable to prospective classification of certain servicing costs from servicing revenue, net to loan servicing expense within general and administrative, and an increase in asset management placement fees and fees incurred on securitizations driven by deal activity. The increase was partially offset by a decrease in amortization on our intangible assets.

Compensation and Benefits

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Compensation and benefits increased \$22.9 million, primarily due to increased loan origination and servicing compensation at the operating company driven by performance and portfolio growth.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Compensation and benefits increased \$59.6 million, primarily due to (i) increased loan servicing compensation at the operating company related to the Computershare acquisition in the second quarter of 2024 and (ii) increased performance and stock-based compensation.

Other Income (Loss)

The following table summarizes the components of other income (loss):

(dollars in thousands)	Three Months Ended		Six Months Ended June 30,		QoQ Change	YoY Change
	June 30, 2025	March 31, 2025	2025	2024		
Real estate and other securities	\$ 4,532	\$ 8,454	\$ 12,986	\$ 1,068	\$ (3,922)	\$ 11,918
Residential mortgage loans and REO	8,281	2,544	10,825	26,149	5,737	(15,324)
Derivative and hedging instruments	(8,226)	(9,815)	(18,041)	6,220	1,589	(24,261)
Notes and bonds payable	(4,135)	4,848	713	(2,631)	(8,983)	3,344
Consolidated CFEs ^(A)	26,614	16,442	43,056	49,797	10,172	(6,741)
Other ^(B)	(4,325)	(23,616)	(27,941)	(975)	19,291	(26,966)
Realized and unrealized gains (losses), net	22,741	(1,143)	21,598	79,628	23,884	(58,030)
Other income, net	18,478	9,073	27,551	42,177	9,405	(14,626)
Total Other Income	\$ 41,219	\$ 7,930	\$ 49,149	\$ 121,805	\$ 33,289	\$ (72,656)

(A) Includes change in the fair value of the consolidated CFEs' financial assets and liabilities and related interest and other income.

(B) Includes excess MSRs, servicer advance investments, consumer loans, residential transition loans and other.

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Total other income (loss) was \$41.2 million for the three months ended June 30, 2025, compared to \$7.9 million for the three months ended March 31, 2025. The quarter-over-quarter increase was primarily due to a (i) \$10.2 million increase in gains from consolidated CFEs, (ii) \$9.7 million change from losses to gains from public equities, (iii) \$4.8 million decrease in loss on consumer loans and (iv) \$6.0 million release of escrow net of reserves related to an acquisition in 2021.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Total other income (loss) was \$49.1 million for the six months ended June 30, 2025, compared to \$121.8 million in the prior year. The year-over-year decrease was primarily due to a (i) \$24.3 million change from net gains to net losses related to derivative and hedging instruments, (ii) \$21.0 million decrease in mark-to-market on Excess MSRs and (iii) \$28.2 million bargain purchase gain recognized during the six months ended June 30, 2024 from the acquisition of Computershare Mortgage Services Inc. and certain affiliated companies ("Computershare").

Income Tax Expense (Benefit)

Three months ended June 30, 2025 compared to the three months ended March 31, 2025

Income tax expense increased \$12.3 million, which represents the net of a \$15.1 million current tax expense decrease and \$27.4 million deferred tax benefit decrease. The change in deferred tax benefit was primarily driven by changes in the fair value of MSRs held within taxable entities. Current tax expense is driven primarily by income from foreign operations.

Six months ended June 30, 2025 compared to the six months ended June 30, 2024

Income tax expense decreased \$180.6 million, which represents the net of an \$11.6 million increase in current tax expense and \$192.2 million decrease in deferred tax expense. The decrease in deferred tax expense was primarily driven by a decrease in the fair value of MSRs held within taxable entities, partially offset by tax expense generated from increased valuation allowances on tax attributes of the asset management business. Current tax expense is driven primarily by income from foreign operations and return to provision adjustments.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Liquidity is a measurement of our ability to meet potential cash requirements, including ongoing commitments to repay borrowings, fund and maintain investments and other general business needs.

We must distribute annually at least 90% of our REIT taxable income to maintain our status as a REIT under the Internal Revenue Code. A portion of this requirement may be able to be met through stock dividends, rather than cash, subject to limitations based on the value of our stock. Our ability to utilize funds generated by the MSRs held in our servicer subsidiaries, NRM and Newrez, is subject to and limited by regulatory requirements established by the Federal Housing Finance Agency (the “FHFA”) and Ginnie Mae for Fannie Mae and Freddie Mac private label servicing and Ginnie Mae servicing, respectively, as summarized below. Moreover, our ability to access and utilize cash generated from our regulated entities is an important part of our dividend paying ability. As of June 30, 2025, approximately \$1.4 billion of available liquidity was held at NRM and Newrez, of which \$0.8 billion were in excess of the new regulatory liquidity requirements made effective during 2023. NRM and Newrez are expected to maintain compliance with applicable liquidity and net worth requirements.

Effective September 30, 2023, the FHFA and Ginnie Mae capital and liquidity standards require all loan sellers and servicers to maintain a minimum tangible net worth of \$2.5 million plus 25 bps for Fannie Mae, Freddie Mac and private label servicing UPB plus 35 bps for Ginnie Mae servicing UPB, a tangible net worth to tangible asset ratio of 6% or greater and a base liquidity of 3.5 bps of Fannie Mae, Freddie Mac and private label servicing UPB plus 10 bps for Ginnie Mae servicing UPB. Furthermore, specific to FHFA, all non-banks have to hold additional origination liquidity of 50 bps times loans HFS plus pipeline loans. Large non-banks with greater than \$50 billion UPB in servicing will have to hold an additional liquidity buffer of 2 bps on Fannie Mae and Freddie Mac servicing UPB and 5 bps on Ginnie Mae servicing UPB. As of June 30, 2025, Rithm Capital maintained compliance with the required capital and liquidity standards. Noncompliance with the capital and liquidity requirements can result in the FHFA and Ginnie Mae taking various remedial actions up to and including removing our ability to sell loans to and service loans on behalf of the FHFA and Ginnie Mae. Additionally, Ginnie Mae introduced Risk Based Capital Ratio (“RBCR”) requirements for institutions seeking approval as Ginnie Mae single-family issuers (including those that are non-depository mortgage companies), which became effective on December 31, 2024. These institutions are required to maintain a RBCR of at least 6% in addition to continuing to maintain a leverage ratio of at least 6%. In connection with the implementation of this requirement, Ginnie Mae also introduced risk-based capital relief for hedging of MSRs, whereby issuers who have a track record of managing their interest rate exposure through MSRs hedging and who meet prescribed eligibility requirements may qualify for RBCR requirement relief. These revised requirements are expected to increase our capital and liquidity requirements and lower our return on capital.

If the regulatory capital requirements imposed on our lenders change, they may be required to significantly increase the cost of the financing that they provide to us. Our lenders also have revised and may continue to revise their eligibility requirements for the types of assets they are willing to finance or the terms of such financings, including haircuts and requiring additional collateral in the form of cash, based on, among other factors, the regulatory environment and their management of actual and perceived risk. Moreover, the amount of financing we receive under our secured financing agreements will be directly related to our lenders’ valuation of our assets that cover the outstanding borrowings.

Use of Funds

Our primary uses of funds are the payment of interest, compensation expense, servicing and subservicing expenses, payment of outstanding commitments (including margins and loan originations), payment of other operating expenses, repayment of borrowings and hedge obligations, payment of dividends and funding of future servicer advances.

As of June 30, 2025, our total outstanding debt obligations amounted to \$31.4 billion and are comprised of secured financing agreements, secured notes and bonds payable, unsecured notes and notes payable of consolidated CFEs. Certain debt obligations are the obligations of our consolidated subsidiaries, which own the related collateral. In some cases, such collateral is not available to other creditors of ours. In particular, the obligations and liabilities of CFEs may only be satisfied with the assets of the respective CFE, and creditors do not have recourse to Rithm Capital Corp.

We have margin exposure on \$15.9 billion of secured financing agreements. To the extent that the value of the collateral underlying these secured financing agreements declines, we may be required to post margin, which could significantly impact our liquidity.

Short-Term Borrowings

The following tables provide additional information regarding our short-term borrowings (dollars in thousands):

	Outstanding Balance at June 30, 2025	Six Months Ended June 30, 2025		
		Average Daily Amount Outstanding ^(A)	Maximum Amount Outstanding	Weighted Average Daily Interest Rate
<i>Secured Financing Agreements:</i>				
Government and government-backed securities	\$ 8,670,898	\$ 9,752,554	\$ 10,772,322	4.93 %
Non-Agency securities	871,386	784,692	873,696	6.39 %
Residential mortgage loans	3,472,940	2,967,111	4,096,919	5.79 %
Residential transition loans	498,839	367,812	566,341	6.58 %
<i>Secured Notes and Bonds Payable:</i>				
MSRs	3,267,599	3,459,062	3,740,139	7.09 %
Servicer advances	2,384,882	1,797,265	2,482,266	6.61 %
Total / Weighted Average	\$ 19,166,544	\$ 19,128,496	\$ 22,531,683	5.78 %

(A) Represents the average for the period the debt was outstanding.

		Average Daily Amount Outstanding ^(A)			
		Three Months Ended			
		June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
<i>Secured Financing Agreements:</i>					
Government and government-backed securities	\$	9,407,987	\$ 10,100,950	\$ 11,101,046	\$ 11,532,297
Non-Agency securities		831,541	737,322	648,839	634,620
Residential mortgage loans and REO		3,223,464	2,707,909	3,245,735	3,047,851
Residential transition loans		379,593	355,899	116,553	155,477

(A) Represents the average for the period the debt was outstanding.

Unsecured Notes

On June 20, 2025, the Company issued \$500.0 million aggregate principal amount of its senior unsecured notes due July 15, 2030 (the “2030 Senior Notes”), with interest payable semi-annually in arrears on each of January 15th and July 15th, commencing on January 15, 2026. Net proceeds from the issuance of the 2030 Senior Notes were approximately \$495.0 million, net of commissions and estimated offering expenses payable by the Company. The 2030 Senior Notes mature on July 15, 2030 and are redeemable at any time from time to time on or after July 15, 2027, at prices ranging from 104% to 100% of the principal amount.

On March 19, 2024, the Company issued \$775.0 million aggregate principal amount of its senior unsecured notes due April 1, 2029 (the “2029 Senior Notes”), with interest payable semi-annually in arrears on each of April 1st and October 1st, commencing on October 1, 2024. Net proceeds from the issuance of the 2029 Senior Notes were approximately \$759.0 million, net of discount and commissions and estimated offering expenses payable by the Company. The 2029 Senior Notes mature on April 1, 2029 and are redeemable at any time and from time to time on or after April 1, 2026, at prices ranging from 104% to 100% of the principal amount.

On September 16, 2020, the Company issued \$550.0 million aggregate principal amount of its senior unsecured notes due on October 15, 2025 (the “2025 Senior Notes”), with interest payable semi-annually in arrears on each of April 15th and October 15th, commencing on April 15, 2021. Net proceeds from the issuance were \$544.5 million, net of discount and commissions and estimated offering expenses payable by the Company. The 2025 Senior Notes would have matured on October 15, 2025 and became redeemable at any time and from time to time on October 15, 2022. Starting in October 2024, the Company was able to redeem the 2025 Senior Notes at par. During the first quarter of 2024 and in connection with the issuance of the 2029 Senior Notes, the Company tendered for and repurchased \$275.0 million of its 2025 Senior Notes for cash in a total amount of \$282.4 million, leaving \$275.0 million aggregate principal amount of the 2025 Senior Notes outstanding. Additionally, during the second quarter of 2025 and following the issuance of the 2030 Senior Notes, the Company redeemed the remaining \$275.0 million aggregate principal amount of its 2025 Senior Notes for cash in a total amount of \$278.7 million. On June 30, 2025, the Indenture, dated September 16, 2020, pursuant to which the 2025 Senior Notes were issued, and the Company’s obligations under the 2025 Senior Notes were satisfied and discharged.

The Indenture, dated March 19, 2024, pursuant to which the 2029 Senior Notes were issued (the “2029 Notes Indenture”) and the Indenture, dated June 20, 2025, pursuant to which the 2030 Senior Notes were issued (the “2030 Notes Indenture”), each contain a requirement that the Company maintain Total Unencumbered Assets (as defined in each of the 2030 Notes Indenture and the 2029 Notes Indenture) of not less than 120% of the aggregate principal amount of the outstanding unsecured debt of the Company. For more information regarding our indebtedness, refer to Note 18 of the consolidated financial statements.

Maturities

Our debt obligations as of June 30, 2025, as summarized in Note 18 to our consolidated financial statements, had contractual maturities as follows (dollars in thousands):

Year Ending	Nonrecourse^(A)	Recourse^(B)	Total
July 1 through December 31, 2025	\$ 1,041,433	\$ 13,311,905	\$ 14,353,338
2026	2,251,035	5,159,892	7,410,927
2027	649,794	307,000	956,794
2028	752,994	448,441	1,201,435
2029	70,000	1,025,000	1,095,000
2030 and thereafter	5,632,503	530,000	6,162,503
	<u>\$ 10,397,759</u>	<u>\$ 20,782,238</u>	<u>\$ 31,179,997</u>

(A) Includes secured financing agreements, secured notes and bonds payable, unsecured notes net of issuance costs, and notes payable of consolidated CFEs of \$1.7 billion, \$5.1 billion, \$0.0 billion and \$3.2 billion, respectively.

(B) Includes secured financing agreements, secured notes and bonds payable, unsecured notes net of issuance costs, and notes payable of consolidated CFEs of \$14.4 billion, \$5.3 billion, \$1.3 billion and \$0.0 billion, respectively.

Covenants

Certain of the debt obligations are subject to customary loan covenants and event of default provisions, including event of default provisions triggered by certain specified declines in our equity or failure to maintain a specified tangible net worth, liquidity or indebtedness to tangible net worth ratio. We were in compliance with all of our debt covenants as of June 30, 2025.

Source of Funds

Our primary sources of funds are cash provided by operating activities (primarily income from loan originations and servicing, as well as management fees and incentive income), sales of and repayments from our investments, potential debt financing sources, including securitizations, and the issuance of equity securities, when feasible and appropriate. Our total cash and cash equivalents at June 30, 2025 was \$1.6 billion.

Currently, our primary sources of financing are secured financing agreements and secured notes and bonds payable, although we have in the past and may in the future also pursue one or more other sources of financing such as securitizations and other secured and unsecured forms of borrowing. As of June 30, 2025, we had outstanding secured financing agreements with an aggregate face amount of approximately \$15.9 billion to finance our investments. The financing of our entire Agency RMBS portfolio, which generally has 30- to 90-day terms, is subject to margin calls. Under secured financing agreements, we sell a security to a counterparty and concurrently agree to repurchase the same security at a later date for a higher specified price. The sale price represents financing proceeds and the difference between the sale and repurchase prices represents interest on the financing. The price at which the security is sold generally represents the market value of the security less a discount or “haircut,” which can range broadly. During the term of the secured financing agreement, the counterparty holds the security as collateral. If the agreement is subject to margin calls, the counterparty monitors and calculates what it estimates to be the value of the collateral during the term of the agreement. If this value declines by more than a de minimis threshold, the counterparty could require us to post additional collateral, or margin, in order to maintain the initial haircut on the collateral. This margin is typically required to be posted in the form of cash and cash equivalents. Furthermore, we may, from time to time, be a party to derivative agreements or financing arrangements that may be subject to margin calls based on the value of such instruments. In addition, \$5.7 billion face amount of our MSR financing is subject to mandatory monthly repayment to the extent that the outstanding balance exceeds the market value (as defined in the related agreement) of the financed asset multiplied by the contractual maximum LTV ratio. We seek to maintain adequate cash reserves and other sources of available liquidity to meet any margin calls or related requirements resulting from decreases in value related to a reasonably possible (in our opinion) change in interest rates.

Our ability to obtain borrowings and to raise future equity capital is dependent on our ability to access borrowings and the capital markets on attractive terms. We continually monitor market conditions for financing opportunities and at any given time may be entering or pursuing one or more of the transactions described above. Our senior management team has extensive long-term relationships with investment banks, brokerage firms and commercial banks, which we believe enhance our ability to source and finance asset acquisitions on attractive terms and access borrowings and the capital markets at attractive levels.

Our ability to fund our operations, meet financial obligations and finance acquisitions may be impacted by our ability to secure and maintain our secured financing agreements, credit facilities and other financing arrangements. Because secured financing agreements and credit facilities are short-term commitments of capital, lender responses to market conditions may make it more difficult for us to renew or replace, on a continuous basis, our maturing short-term borrowings and have imposed, and may continue to impose, more onerous conditions when rolling such financings. If we are not able to renew our existing facilities or arrange for new financing on terms acceptable to us, if we default on our covenants or are otherwise unable to access funds under our financing facilities or if we are required to post more collateral or face larger haircuts, we may have to curtail our asset acquisition activities and/or dispose of assets. As of June 30, 2025, our total borrowing capacity under our secured financing arrangements was \$25.1 billion with \$10.3 billion of available financing under these arrangements. Although available financing is uncommitted, Rithm Capital's unused borrowing capacity is available if it has additional eligible collateral to pledge and meets other borrowing conditions as set forth in the applicable agreements, including any applicable advance rate.

The use of TBA dollar roll transactions generally increases our funding diversification, expands our available pool of assets and increases our overall liquidity position, as TBA contracts typically have lower implied haircuts relative to Agency RMBS pools funded with repurchase financing. TBA dollar roll transactions may also have a lower implied cost of funds than comparable repurchase funded transactions offering incremental return potential. However, if it were to become uneconomical to roll our TBA contracts into future months it may be necessary to take physical delivery of the underlying securities and fund those assets with cash or other financing sources, which could reduce our liquidity position.

With respect to the next 12 months, we expect that our cash on hand, combined with our cash flow provided by operations and our ability to extend or refinance our secured financing agreements and servicer advance financings will be sufficient to satisfy our anticipated liquidity needs with respect to our current investment portfolio, including related financings, potential margin calls, loan origination and operating expenses. Our ability to extend or refinance short-term borrowings is critical to our liquidity outlook. We have a significant amount of near-term maturities, which we expect to be able to refinance. If we cannot repay or refinance our debt on favorable terms, we will need to seek out other sources of liquidity. While it is inherently more difficult to forecast beyond the next 12 months, we currently expect to meet our long-term liquidity requirements through our cash on hand and, if needed, additional borrowings, proceeds received from secured financing agreements and other financings, proceeds from equity offerings and the liquidation or refinancing of our assets.

These short-term and long-term expectations are forward-looking and subject to a number of uncertainties and assumptions, including those described under “—Market Considerations” as well as under “Risk Factors” in this Report, our Quarterly Report on Form 10-Q for the three months ended March 31, 2025 and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. If our assumptions about our liquidity prove to be incorrect, we could be subject to a shortfall in liquidity in the future, and such a shortfall may occur rapidly and with little or no notice, which could limit our ability to address the shortfall on a timely basis and could have a material adverse effect on our business.

Stockholders' Equity

Preferred Stock

Pursuant to our certificate of incorporation, we are authorized to designate and issue up to 100.0 million shares of preferred stock, par value of \$0.01 per share, in one or more classes or series.

The following table summarizes our preferred shares outstanding (dollars in thousands, except share and per share amounts):

Series ^(B)	Number of Shares		Liquidation Preference ^(A)		Issuance Discount	Carrying Value ^(B)		Dividends Declared per Share			
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024		June 30, 2025	December 31, 2024	Three Months Ended June 30,		Six Months Ended June 30,	
								2025	2024	2025	2024
Series A, issued July 2019 ^{(C)(F)(H)}	4,200,068	6,200,068	\$ 105,002	\$ 155,002	3.15 %	\$ 99,822	\$ 149,822	\$ 0.66	\$ 0.47	\$ 1.31	\$ 0.94
Series B, issued August 2019 ^{(C)(F)}	11,260,712	11,260,712	281,518	281,518	3.15 %	272,654	272,654	0.65	0.45	1.29	0.89
Series C, issued February 2020 ^{(C)(G)}	15,903,342	15,903,342	397,584	397,584	3.15 %	385,289	385,289	0.61	0.40	1.20	0.80
Series D, 7.00% issued September 2021 ^(D)	18,600,000	18,600,000	465,000	465,000	3.15 %	449,489	449,489	0.44	0.44	0.88	0.88
Total	49,964,122	51,964,122	\$ 1,249,104	\$ 1,299,104		\$ 1,207,254	\$ 1,257,254	\$ 2.36	\$ 1.76	\$ 4.68	\$ 3.51

(A) Each series has a liquidation preference or par value of \$25.00 per share.

(B) Under certain circumstances upon a change of control, our Series A, Series B, Series C and Series D (each as defined below) are convertible to shares of our common stock.

(C) Carrying value reflects par value less discount and issuance costs.

(D) Fixed-to-floating rate cumulative redeemable preferred.

(E) Fixed-rate reset cumulative redeemable preferred.

(F) Effective August 15, 2024, dividends on each of the Company's 7.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock (the "Series A") and the Company's 7.125% Series B Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock (the "Series B") accrue at a floating rate. For the second quarter 2025 dividends, the Series A accrued dividends at a percentage of the \$25.00 liquidation preference per share of the Series A equal to a three-month Chicago Mercantile Exchange ("CME") SOFR, plus a spread adjustment of 0.261%, plus a spread of 5.802%, respectively, and dividends on the Series B accumulated at a percentage of the \$25.00 liquidation preference per share of the Series B preferred shares equal to a three-month CME SOFR, plus a spread adjustment of 0.261%, plus a spread of 5.640%, respectively.

(G) Effective February 15, 2025, dividends on the 6.375% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock (the "Series C") accumulate at a floating rate. For the second quarter 2025 dividends, the Series C accrued dividends at a percentage of the \$25.00 liquidation preference per share of the Series C equal to a three-month CME SOFR, plus a spread adjustment of 0.261%, plus a spread of 4.969%.

(H) The Company redeemed 2.0 million shares on March 28, 2025.

From and including the date of original issue (July 2, 2019 for the Series A, August 15, 2019 for the Series B and February 14, 2020 for the Series C) but excluding August 15, 2024 (with respect to Series A and Series B) and February 15, 2025 (with respect to Series C), holders of shares of our Series A, Series B and Series C were entitled to receive cumulative cash dividends at a rate of 7.50%, 7.125% and 6.375%, respectively, per annum of the \$25.00 liquidation preference per share (equivalent to \$1.875, \$1.781 and \$1.594, respectively, per annum per share). From and including August 15, 2024 (with respect to the Series A and Series B) and February 15, 2025 (with respect to the Series C), holders of our Series A, Series B and Series C are entitled to receive cumulative cash dividends at a floating rate per annum which is determined pursuant to the USD-London Interbank Offered Rate ("LIBOR") cessation fallback language in the Certificate of Designations for each of our Series A, Series B and Series C. From and including the date of original issue (September 17, 2021) but excluding November 15, 2026, holders of shares of our 7.00% Fixed-Rate Reset Series D Cumulative Redeemable Preferred Stock ("Series D") are entitled to receive cumulative cash dividends at a rate of 7.00% per annum of the \$25.00 liquidation preference per share (equivalent to \$1.750 per annum per share). Holders of shares of our Series D, from and including November 15, 2026, are entitled to receive cumulative cash dividends based on the five-year Treasury rate plus a spread of 6.223%. Dividends for the Series A, Series B, Series C and Series D are payable quarterly in arrears on or about the 15th day of each February, May, August and November.

Preferred dividends declared for the quarter ended June 30, 2025 were \$28.0 million.

Common Stock

Our certificate of incorporation authorizes 2.0 billion shares of common stock, par value \$0.01 per share.

On August 5, 2022, we entered into a Distribution Agreement to sell shares of our common stock, par value \$0.01 per share, having an aggregate offering price of up to \$500.0 million, from time to time, through an "at-the-market" equity offering program (the "ATM Program"). During the six months ended June 30, 2025, 9.0 million shares of common stock were issued under the ATM Program.

Additionally, Rithm Capital's stock repurchase program provides flexibility to return capital when deemed accretive to shareholders. During the six months ended June 30, 2025, we did not repurchase any shares of our common stock and redeemed 2,000,000 shares of our Series A for \$50.0 million.

On September 24, 2024, Rithm Capital issued in a public offering 30.0 million shares of its common stock at a par value of \$0.01 per share for gross proceeds of \$340.2 million, before deducting estimated offering costs.

Common Dividends

We generally need to distribute at least 90% of our taxable income each year (subject to certain adjustments) to our shareholders to qualify as a REIT under the Internal Revenue Code. This distribution requirement limits our ability to retain earnings and thereby replenish or increase capital to support our activities. Dividends declared for the six months ended June 30, 2025 were \$265.1 million.

We will continue to monitor market conditions and the potential impact the ongoing volatility and uncertainty may have on our business. Our board of directors will continue to evaluate the payment of dividends as market conditions evolve, and no definitive determination has been made at this time. While the terms and timing of the approval and declaration of cash dividends, if any, on shares of our capital stock is at the sole discretion of our board of directors and we cannot predict how market conditions may evolve, we intend to distribute to our stockholders an amount equal to at least 90% of our REIT taxable income determined before applying the deduction for dividends paid and by excluding net capital gains consistent with our intention to maintain our qualification as a REIT under the Internal Revenue Code.

Cash Flows

The following table summarizes changes to our cash and cash equivalents and restricted cash for the periods presented:

	Six Months Ended June 30,		Change
	2025	2024	
Beginning of period — cash and cash equivalents and restricted cash	\$ 1,917,809	\$ 1,697,095	\$ 220,714
Net cash provided by (used in) operating activities	864,187	(1,199,940)	2,064,127
Net cash provided by (used in) investing activities	596,742	(1,411,305)	2,008,047
Net cash provided by (used in) financing activities	(1,227,854)	2,475,865	(3,703,719)
Net increase (decrease) in cash and cash equivalents and restricted cash	233,075	(135,380)	368,455
End of Period — Cash and Cash Equivalents and Restricted Cash	\$ 2,150,884	\$ 1,561,715	\$ 589,169

Operating Activities

Net cash provided by (used in) operating activities was approximately \$0.9 billion and \$(1.2) billion for the six months ended June 30, 2025 and 2024, respectively. The increase of \$2.1 billion in net cash provided by operating activities was primarily driven by an increase in sales proceeds and loan repayment proceeds for residential mortgage loans, HFS of approximately \$4.5 billion, partially offset by an increase in mortgage loans originated and purchased for sale, net of fees of approximately \$2.7 billion.

Investing Activities

Net cash provided by (used in) investing activities was approximately \$0.6 billion and \$(1.4) billion for the six months ended June 30, 2025 and 2024, respectively. The increase of \$2.0 billion in net cash provided by investing activities was primarily driven by a decrease in purchases of Treasury securities of \$5.0 billion, partially offset by a decrease in Treasury sales and Treasury securities payable of \$2.7 billion and a \$0.3 billion net decrease in cash provided by reverse repurchase and repurchase agreement activity.

Financing Activities

Net cash provided by (used in) financing activities was approximately \$(1.2) billion and \$2.5 billion for the six months ended June 30, 2025 and 2024, respectively. The increase of net cash used in financing activities of \$3.7 billion was primarily driven by an increase in repayments of warehouse credit facilities of \$8.4 billion and a decrease of borrowings under secured financing agreements of \$8.8 billion, partially offset by a decrease in repayments of secured financing agreements of \$6.8 billion and an increase of borrowings under warehouse credit facilities of \$6.9 billion.

INTEREST RATE, CREDIT AND SPREAD RISK

We are subject to interest rate, credit and spread risk with respect to our investments. These risks are further described under “Quantitative and Qualitative Disclosures About Market Risk.”

OFF-BALANCE SHEET ARRANGEMENTS

We have material off-balance sheet arrangements related to our non-consolidated securitizations of residential mortgage loans treated as sales in which we retained certain interests. We believe that these off-balance sheet structures presented the most efficient and least expensive form of financing for these assets at the time they were entered and represented the most common market-accepted method for financing such assets. Our exposure to credit losses related to these non-recourse, off-balance sheet financings is limited to \$0.6 billion. As of June 30, 2025 there was \$9.0 billion in total outstanding UPB of residential mortgage loans underlying such securitization trusts that represent off-balance sheet financings.

We have material off-balance sheet arrangements related to our involvement with funds through our Asset Management business. The Company’s involvement in these off-balance sheet arrangements is generally limited to providing asset management services and, in certain cases, investments in the non-consolidated entities. As of June 30, 2025, our maximum exposure to loss of \$952.2 million represents the potential loss of current investments or income and fees receivable from these entities, as well as the obligation to repay unearned revenues, primarily incentive income subject to clawback, in the event of any future fund losses, as well as unfunded commitments to certain funds. The Company does not provide, nor is it required to provide, any type of non-contractual financial or other support beyond its share of capital commitments.

We are party to mortgage loan participation purchase and sale agreements, pursuant to which we have access to uncommitted facilities that provide liquidity for recently sold mortgage-backed securities (“MBS”) up to the MBS settlement date. These facilities, which we refer to as gestation facilities, are a component of our financing strategy and are off-balance sheet arrangements.

TBA dollar roll transactions represent a form of off-balance sheet financing accounted for as derivative instruments. In a TBA dollar roll transaction, we do not intend to take physical delivery of the underlying agency MBS and will generally enter into an offsetting position and net settle the paired-off positions in cash. However, under certain market conditions, it may be uneconomical for us to roll our TBA contracts into future months and we may need to take or make physical delivery of the underlying securities. If we were required to take physical delivery to settle a long TBA contract, we would have to fund our total purchase commitment with cash or other financing sources and our liquidity position could be negatively impacted.

As of June 30, 2025, we did not have any other commitments or obligations, including contingent obligations, arising from arrangements with unconsolidated entities or persons that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources.

CONTRACTUAL OBLIGATIONS

As of June 30, 2025, we had the following material contractual obligations:

<u>Contract</u>	<u>Terms</u>
<i>Debt Obligations:</i>	
Secured Financing Agreements	Described under Note 18 to our consolidated financial statements.
Secured Notes and Bonds Payable	Described under Note 18 to our consolidated financial statements.
Unsecured Senior Notes	Described under Note 18 to our consolidated financial statements.
<i>Other Contractual Obligations:</i>	
Lease Liability	Described under Note 16 to our consolidated financial statements.
Interest Rate Swaps	Described under Note 17 to our consolidated financial statements.

See Note 26 and Note 28 to our consolidated financial statements for information regarding commitments and material contracts entered into subsequent to June 30, 2025, if any. As described in Note 26, we have committed to purchase certain future servicer advances. The actual amount of future advances is subject to significant uncertainty. However, we currently expect that net recoveries of servicer advances will exceed net fundings for the foreseeable future. This expectation is based on judgments, estimates and assumptions, all of which are subject to significant uncertainty. In addition, those certain limited liability companies which hold certain of our consumer loan portfolios have invested in loans with an aggregate of \$139.4 million of unfunded and available revolving credit privileges as of June 30, 2025. However, under the terms of these loans, requests for draws may be denied and unfunded availability may be terminated at management's discretion. Genesis had commitments to fund up to \$1.6 billion of additional advances on existing mortgage loans as of June 30, 2025. These commitments are generally subject to loan agreements with covenants regarding the financial performance of the customer and other terms regarding advances that must be met before Genesis funds the commitment. Rithm Capital has invested in various commercial real estate projects. As part of its investments, Rithm Capital is required to fund its pro rata share of future capital contributions subject to certain limitations. As of June 30, 2025, the Company has an unfunded capital commitment to fund up to \$81.8 million on an existing loan to a certain commercial real estate borrower. As of June 30, 2025, the Company has unfunded capital commitments of \$300.7 million to certain funds Sculptor manages, of which \$48.3 million relates to commitments of consolidated funds. Approximately \$131.7 million of the commitments will be funded by contributions to Sculptor from certain current and former employees and executive managing directors. Lastly, during the first quarter of 2025, the Company, through a consolidated subsidiary, entered into a joint venture which the Company consolidates, with a third party to acquire an interest in an affiliated fund. As of June 30, 2025, the unfunded capital commitment to the consolidated joint venture was \$149.5 million, of which \$119.6 million is expected to be funded by the third-party.

INFLATION

Virtually all of our assets and liabilities are financial in nature. As a result, interest rates and other factors affect our performance more so than inflation, although inflation rates can often have a meaningful influence over the direction of interest rates. Furthermore, our financial statements are prepared in accordance with GAAP and our distributions are determined by our board of directors primarily based on our taxable income, and, in each case, our activities and balance sheet are measured with reference to historical cost and/or fair market value without considering inflation. See "Quantitative and Qualitative Disclosures About Market Risk—Interest Rate Risk."

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the exposure to loss resulting from changes in interest rates, credit spreads, foreign currency exchange rates, commodity prices, equity prices and other market-based risks. The primary market risks that we are exposed to are interest rate risk, mortgage basis spread risk, prepayment rate risk and credit risk. These risks are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations and other factors beyond our control. All of our market risk sensitive assets, liabilities and derivative positions (other than TBAs) are for non-trading purposes only. For a further discussion of how market risk may affect our financial position or results of operations, please refer to "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Use of Estimates."

Interest Rate Risk

Changes in interest rates, including changes in expected interest rates or "yield curves," affect our investments in various ways, the most significant of which are discussed below.

Fair Value Impact

Changes in the level of interest rates also affect the yields required by the marketplace on interest rate instruments. Increasing interest rates would decrease the value of the fixed-rate assets we hold at the time because higher required yields result in lower prices on existing fixed-rate assets in order to adjust their yield upward to meet the market.

Changes in unrealized gains or losses resulting from changes in market interest rates do not directly affect our cash flows, or our ability to pay a dividend, to the extent the related assets are expected to be held and continue to perform as expected, as their fair value is not relevant to their underlying cash flows. Changes in unrealized gains or losses would impact our ability to realize gains on existing investments if they were sold. Furthermore, with respect to changes in unrealized gains or losses on investments which are carried at fair value, changes in unrealized gains or losses would impact our net book value and, in certain cases, our net income.

Changes in interest rates can also have ancillary impacts on our investments. Generally, in a declining interest rate environment, residential mortgage loan prepayment rates increase which in turn would cause the value of MSR, MSR financing receivables, Excess MSR and the rights to the base fee components of MSR to decrease, because the duration of the cash flows we are entitled to receive becomes shortened, and the value of loans and Non-Agency securities to increase, because we generally acquired these investments at a discount whose recovery would be accelerated. With respect to a significant portion of our MSR and Excess MSR, we have recapture agreements, as described in Note 5 and Note 13 to our consolidated financial statements. These recapture agreements help to protect these investments from the impact of increasing prepayment rates. In addition, to the extent that the loans underlying our MSR, MSR financing receivables, Excess MSR and the rights to the base fee components of MSR are well-seasoned with credit-impaired borrowers who may have limited refinancing options, we believe the impact of interest rates on prepayments would be reduced. Conversely, in an increasing interest rate environment, prepayment rates decrease which in turn would cause the value of MSR, MSR financing receivables, Excess MSR and the rights to the base fee components of MSR to increase and the value of loans and Non-Agency securities to decrease. To the extent we do not hedge against changes in interest rates, our balance sheet, results of operations and cash flows would be susceptible to significant volatility due to changes in the fair value of, or cash flows from, our investments as interest rates change. However, rising interest rates could result from more robust market conditions, which could reduce the credit risk associated with our investments. The effects of such a decrease in values on our financial position, results of operations and liquidity are discussed below under “—Prepayment Rate Exposure.”

Changes in the value of our assets could affect our ability to borrow and access capital. Also, if the value of our assets subject to short-term financing were to decline, it could cause us to fund margin, or repay debt, and affect our ability to refinance such assets upon the maturity of the related financings, adversely impacting our rate of return on such investments.

We are subject to margin calls on our secured financing agreements. Furthermore, we may, from time to time, be a party to derivative agreements or financing arrangements that are subject to margin calls, or mandatory repayment, based on the value of such instruments. We seek to maintain adequate cash reserves and other sources of available liquidity to meet any margin calls, or required repayments, resulting from decreases in value related to a reasonably possible (in our opinion) change in interest rates but there can be no assurance that our cash reserves will be sufficient.

In addition, changes in interest rates may impact our ability to exercise our call rights and to realize or maximize potential profits from them. A significant portion of the residential mortgage loans underlying our call rights bear fixed-rates and may decline in value during a period of rising market interest rates. Furthermore, rising rates could cause prepayment rates on these loans to decline, which would delay our ability to exercise our call rights. These impacts could be at least partially offset by potential declines in the value of Non-Agency securities related to the call rights, which could then be acquired more cheaply, and in credit spreads, which could offset the impact of rising market interest rates on the value of fixed-rate loans to some degree. Conversely, declining interest rates could increase the value of our call rights by increasing the value of the underlying loans.

We believe our consumer loan investments generally have limited interest rate sensitivity given that our portfolio is mostly composed of seasoned loans with credit-impaired borrowers who are paying fixed-rates, who we believe are relatively unlikely to change their prepayment patterns based on changes in interest rates.

Interest rates are highly sensitive to many factors, including fiscal and monetary policies and domestic and international economic and political considerations, as well as other factors beyond our control.

The interest rates on our secured financing agreements, as well as adjustable-rate mortgage loans in our securitizations, are generally based on SOFR, which is subject to national, international and other regulatory guidance for reform. The recent transition from LIBOR to SOFR involves operational risks, including, but not limited to, reduced experience understanding and modeling SOFR-based assets and liabilities which in turn increases the difficulty of investing, hedging and risk management.

The table below provides comparative estimated changes in our book value based on a parallel shift in the yield curve (assuming an unchanged mortgage basis), including changes in our book value resulting from potential related changes in discount rates:

Interest Rate Change (bps)	Estimated Change in Book Value (in \$ millions) ^(A)	
	June 30, 2025	December 31, 2024
+50bps	+47.6	+27.4
+25bps	+42.6	+24.5
-25bps	-80.1	-46.3
-50bps	-197.8	-114.3

(A) Amounts shown are pre-tax.

Mortgage Basis Spread Risk

Mortgage basis measures the spread between the yield on current coupon MBS and benchmark rates including treasuries and swaps. The level of mortgage basis is driven by demand and supply of mortgage-backed instruments relative to other rate-sensitive assets. Changes in the mortgage basis have an impact on prepayment rates driven by the ability of borrowers underlying our portfolio to refinance. A lower mortgage basis would imply a lower mortgage rate which would increase prepayment speeds due to higher refinance activity and, therefore, lower fair value of our mortgage portfolio. The mortgage basis is also correlated with other spread products such as corporate credit.

The table below provides comparative estimated changes in our book value based on changes in mortgage basis:

Mortgage Basis Change (bps)	Estimated Change in Book Value (in \$ millions) ^(A)	
	June 30, 2025	December 31, 2024
+20bps	+38.9	-2.8
+10bps	+19.4	-1.4
-10bps	-19.4	+1.4
-20bps	-38.9	+2.8

(A) Amounts shown are pre-tax.

Prepayment Rate Exposure

Prepayment rates significantly affect the value of MSR and MSR financing receivables, Excess MSRs, the base fee component of MSRs (which we own as part of our servicer advance investments), Non-Agency securities and loans, including consumer loans. Prepayment rate is the measurement of how quickly borrowers pay down the UPB of their loans or how quickly loans are otherwise brought current, modified, liquidated or charged off. The price we pay to acquire certain investments will be based on, among other things, our projection of the cash flows from the related pool of loans. Our expectation of prepayment rates is a significant assumption underlying those cash flow projections. If the fair value of MSRs and MSR financing receivables, Excess MSRs or the base fee component of MSRs decreases, we would be required to record a non-cash charge, which would have a negative impact on our financial results. Furthermore, a significant increase in prepayment rates could materially reduce the ultimate cash flows we receive from MSRs and MSR financing receivables, Excess MSRs or our right to the base fee component of MSRs, and we could ultimately receive substantially less than what we paid for such assets. Conversely, a significant decrease in prepayment rates with respect to our loans or RMBS could delay our expected cash flows and reduce the yield on these investments.

We seek to reduce our exposure to prepayment through the structuring of our investments. For example, in our MSR and Excess MSR investments, we seek to enter into “recapture agreements” whereby our MSR or Excess MSR is retained if the applicable servicer or subservicer originates a new loan the proceeds of which are used to repay a loan underlying an MSR or Excess MSR in our portfolio. We seek to enter into such recapture agreements in order to protect our returns in the event of a rise in voluntary prepayment rates.

Credit Risk

We are subject to varying degrees of credit risk in connection with our assets. Credit risk refers to the ability of each individual borrower underlying our MSRs, MSR financing receivables, Excess MSRs, servicer advance investments, securities and loans to make required interest and principal payments on the scheduled due dates. If delinquencies increase, then the amount of servicer advances we are required to make will also increase, as would our financing cost thereof. We may also invest in loans and Non-Agency securities which represent “first loss” pieces; in other words, they do not benefit from credit support although we believe they predominantly benefit from underlying collateral value in excess of their carrying amounts. We do not expect to encounter credit risk in our Agency RMBS, and we do anticipate credit risk related to Non-Agency securities, residential mortgage loans and consumer loans.

We seek to reduce credit risk through prudent asset selection, actively monitoring our asset portfolio and the underlying credit quality of our holdings and, where appropriate and achievable, repositioning our investments to upgrade their credit quality. Our pre-acquisition due diligence and processes for monitoring performance include the evaluation of, among other things, credit and risk ratings, principal subordination, prepayment rates, delinquency and default rates, and vintage of collateral.

For our MSRs, MSR financing receivables and Excess MSRs on Agency collateral and our Agency RMBS, delinquency and default rates have an effect similar to prepayment rates. Our Excess MSRs on Non-Agency portfolios are not directly affected by delinquency rates, because the servicer continues to advance principal and interest until a default occurs on the applicable loan, so delinquencies decrease prepayments therefore having a positive impact on fair value, while increased defaults have an effect similar to increased prepayments. For our Non-Agency securities and loans, higher default rates can lead to greater loss of principal. For our call rights, higher delinquencies and defaults could reduce the value of the underlying loans, therefore reducing or eliminating the related potential profit.

Market factors that could influence the degree of the impact of credit risk on our investments include (i) unemployment levels and the general economy, which impact borrowers' ability to make payments on their loans, (ii) home prices, which impact the value of collateral underlying residential mortgage loans, (iii) the availability of credit, which impacts borrowers' ability to refinance and (iv) other factors, all of which are beyond our control.

Liquidity Risk

The assets that comprise our asset portfolio are generally not publicly traded. A portion of these assets may be subject to legal and other restrictions on resale or otherwise be less liquid than publicly-traded securities. The illiquidity of our assets may make it difficult for us to sell such assets if the need or desire arises, including in response to changes in economic and other conditions. See Note 19 to our consolidated financial statements for a sensitivity analysis for MSRs and MSR financing receivables.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. The Company's disclosure controls and procedures are designed to provide reasonable assurance that information is recorded, processed, summarized and reported accurately and on a timely basis. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are or may become, from time to time, involved in various disputes, litigation and regulatory inquiry and investigation matters that arise in the ordinary course of business. Given the inherent unpredictability of these types of proceedings, it is possible that future adverse outcomes could have a material adverse effect on our business, financial position or results of operations.

Rithm Capital is, from time to time, subject to inquiries by government entities. Rithm Capital currently does not believe any of these inquiries would result in a material adverse effect on Rithm Capital's business.

ITEM 1A. RISK FACTORS

For the three months ended June 30, 2025, there were no material changes to the risk factors disclosed under Part I, Item 1A. "Risk Factors" of our 2024 Form 10-K and Part II, Item 1A. "Risk Factors" of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
<u>4.1</u>	Indenture, dated as of June 20, 2025, between Rithm Capital Corp. and U.S. Bank Trust Company, National Association, as trustee (Incorporated by reference to that Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on June 20, 2025)
<u>4.2</u>	Form of Rithm Capital Corp.'s 8.000% senior unsecured notes due 2030 (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, filed June 20, 2025)
<u>31.1</u> *	Certification of Chief Executive Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<u>31.2</u> *	Certification of Chief Financial Officer as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<u>32.1</u> **	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
<u>32.2</u> **	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101*	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations; (iii) Consolidated Statements of Comprehensive Income; (iv) Consolidated Statements of Changes in Stockholders' Equity; (v) Consolidated Statements of Cash Flows; and (vi) Notes to Consolidated Financial Statements
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Exhibit filed herewith.

** Exhibit furnished herewith.

SIGNATURES

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

RITHM CAPITAL CORP.

By: /s/ Michael Nierenberg
Michael Nierenberg
Chairman of the Board, Chief Executive Officer and
President
(Principal Executive Officer)

July 31, 2025

By: /s/ Nicola Santoro, Jr.
Nicola Santoro, Jr.
Chief Financial Officer, Chief Accounting Officer and
Treasurer
(Principal Financial Officer)

July 31, 2025

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Michael Nierenberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rithm Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 31, 2025

/s/ Michael Nierenberg

Michael Nierenberg

Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Nicola Santoro, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rithm Capital Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 31, 2025

/s/ Nicola Santoro, Jr.

Nicola Santoro, Jr.
Chief Financial Officer

**CERTIFICATION OF CEO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Rithm Capital Corp. (the “Company”) for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Nierenberg, as Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 31, 2025

/s/ Michael Nierenberg

Michael Nierenberg

Chief Executive Officer

**CERTIFICATION OF CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Rithm Capital Corp. (the “Company”) for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Nicola Santoro, Jr., as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 31, 2025

/s/ Nicola Santoro, Jr.

Nicola Santoro, Jr.

Chief Financial Officer