

**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 September 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
8.750% Series E Fixed-Rate Cumulative Redeemable Preferred Stock	RITM PR E	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: 554,196,670 shares outstanding as of October 28, 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 (the “2024 Form 10-K”), under Part II, Item 1A. “Risk Factors” of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 (the “Q1 25 10-Q”) and under Part II, Item 1A. “Risk Factors” of this report. 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 or the impacts and/or duration of the United States (“U.S.”) government shutdown beginning in October 2025, 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, as well as changes in credit spreads, and 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;
 - 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;
 - cybersecurity incidents and technology disruptions or failures, including risks related to the use of artificial intelligence by us and our customers;
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- 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;
 - our reliance on, and counterparty concentration and default risks in, the servicers and subservicers we engage (“Servicing Partners”) and other third parties;
 - 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’s;
 - 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 (“RCA”), which imposes limits on our operations;
 - impact from any of our current or future acquisitions, including our pending acquisitions of Crestline Management, L.P. (“Crestline”) and Paramount Group, Inc. (“Paramount”), and our ability to successfully integrate the acquired assets, entities, employees and assumed liabilities;
 - 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 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 MSR’s and Excess MSR’s 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;
 - 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; and
- 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.

We also direct readers to other risks and uncertainties referenced under Part I, Item 1A. “Risk Factors” in the 2024 10-K, Part II, Item 1A. “Risk Factors” of the Q1 25 10-Q and Part II, Item 1A. “Risk Factors” of this report. 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 and per share data)

	September 30, 2025 (Unaudited)	December 31, 2024
Assets		
Mortgage servicing rights and mortgage servicing rights financing receivables, at fair value	\$ 10,389,766	\$ 10,321,671
Government and government-backed securities (includes \$8,538,035 and \$9,711,346 at fair value, respectively)	8,562,825	9,736,116
Residential mortgage loans, held-for-sale (includes \$5,888,611 and \$4,307,571 at fair value, respectively) ^(A)	5,947,402	4,374,241
Residential mortgage loans, held-for-investment, at fair value	334,589	361,890
Consumer loans held-for-investment, at fair value ^(A)	598,147	665,565
Residential transition loans, at fair value	2,575,354	2,178,075
Residential mortgage loans subject to repurchase	2,700,353	2,745,756
Single-family rental properties	998,116	1,028,295
Cash and cash equivalents ^(A)	1,610,958	1,458,743
Restricted cash ^(A)	550,514	308,443
Servicer advances receivable	2,647,041	3,198,921
Other assets (includes \$2,639,938 and \$2,311,979 at fair value, respectively) ^(A)	4,660,595	4,563,415
<i>Assets of Consolidated Entities^(A):</i>		
Investments, at fair value and other assets	5,589,734	5,107,826
Total Assets	\$ 47,165,394	\$ 46,048,957
Liabilities and Equity		
Liabilities		
Secured financing agreements ^(A)	\$ 16,538,685	\$ 16,782,467
Secured notes and bonds payable (includes \$153,019 and \$185,460 at fair value, respectively) ^(A)	9,545,280	10,298,075
Residential mortgage loan repurchase liability	2,700,353	2,745,756
Unsecured notes, net of issuance costs	1,417,676	1,204,220
Dividends payable	169,565	153,114
Accrued expenses and other liabilities (includes \$634,225 and \$525,486 at fair value, respectively) ^(A)	3,112,651	2,630,771
<i>Liabilities of Consolidated Entities^(A):</i>		
Notes payable, at fair value and other liabilities	4,771,710	4,348,244
Total Liabilities	38,255,920	38,162,647
Commitments and Contingencies (Note 26)		
Redeemable Noncontrolling Interests of Consolidated Subsidiaries (Note 23)	296,789	—
Stockholders' Equity		
Preferred stock, \$0.01 par value, 100,000,000 shares authorized, 57,564,122 and 51,964,122 issued and outstanding, \$1,439,104 and \$1,299,104 aggregate liquidation preference, respectively	1,390,790	1,257,254
Common stock, \$0.01 par value, 2,000,000,000 shares authorized, 554,196,670 and 520,656,256 issued and outstanding, respectively	5,542	5,206
Additional paid-in capital	6,961,639	6,528,613
Retained earnings (accumulated deficit)	70,772	(46,985)
Accumulated other comprehensive income	69,774	50,886
Stockholders' Equity in Rithm Capital Corp.	8,498,517	7,794,974
Noncontrolling interests in equity of consolidated subsidiaries	114,168	91,336
Total Stockholders' Equity	8,612,685	7,886,310
Total Liabilities and Equity	\$ 47,165,394	\$ 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, including funds and collateralized financing entities ("CFEs") that are presented separately within assets and liabilities of consolidated entities. 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 September 30, 2025 and December 31, 2024, total assets of such consolidated VIEs were \$7.1 billion and \$6.3 billion, respectively, and total liabilities of such consolidated VIEs were \$5.6 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenues				
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 579,281	\$ 493,171	\$ 1,724,899	\$ 1,462,040
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(189,881), \$(139,784), \$(513,452) and \$(421,761), respectively)	(264,351)	(367,411)	(752,734)	(490,377)
Servicing revenue, net	314,930	125,760	972,165	971,663
Interest income	453,786	550,732	1,373,501	1,464,180
Gain on originated residential mortgage loans, held-for-sale, net	196,308	184,695	525,795	480,894
Other revenues	55,628	57,212	160,467	172,060
Asset management revenues	84,871	81,039	267,551	261,423
	1,105,523	999,438	3,299,479	3,350,220
Expenses				
Interest expense and warehouse line fees	402,690	510,168	1,239,612	1,385,939
General and administrative	237,092	215,329	714,213	634,855
Compensation and benefits	299,073	265,673	864,947	771,899
	938,855	991,170	2,818,772	2,792,693
Other Income (Loss)				
Realized and unrealized gains, net	53,393	33,029	74,991	112,657
Other income, net	16,809	3,851	44,360	46,028
	70,202	36,880	119,351	158,685
Income before Income Taxes	236,870	45,148	600,058	716,212
Income tax expense (benefit)	8,072	(78,433)	(27,456)	66,627
Net Income	228,798	123,581	627,514	649,585
Noncontrolling interests in income of consolidated subsidiaries	3,331	1,839	7,586	8,252
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,929	—	7,862	—
Net Income Attributable to Rithm Capital Corp.	221,538	121,742	612,066	641,333
Change in redemption value of redeemable noncontrolling interests	—	—	15,611	—
Dividends on preferred stock	27,876	24,718	82,371	69,508
Net Income Attributable to Common Stockholders	\$ 193,662	\$ 97,024	\$ 514,084	\$ 571,825
Net Income per Share of Common Stock				
Basic	\$ 0.36	\$ 0.20	\$ 0.97	\$ 1.17
Diluted	\$ 0.35	\$ 0.20	\$ 0.95	\$ 1.16
Weighted Average Number of Shares of Common Stock Outstanding				
Basic	541,835,419	491,362,857	532,102,214	487,155,900
Diluted	551,295,686	496,800,687	539,857,368	491,258,126
Dividends Declared per Share of Common Stock	\$ 0.25	\$ 0.25	\$ 0.75	\$ 0.75

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

(dollars in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Income	\$ 228,798	\$ 123,581	\$ 627,514	\$ 649,585
<i>Other Comprehensive Income (Loss):</i>				
Unrealized gain on available-for-sale securities, net of tax	5,778	11,072	13,729	13,229
Cumulative translation adjustment, net of tax	(844)	2,153	5,159	1,078
Comprehensive Income	233,732	136,806	646,402	663,892
Comprehensive income attributable to noncontrolling interests	3,331	1,839	7,586	8,252
Comprehensive income attributable to redeemable noncontrolling interests	3,929	—	7,862	—
Comprehensive Income Attributable to Rithm Capital Corp.	<u>\$ 226,472</u>	<u>\$ 134,967</u>	<u>\$ 630,954</u>	<u>\$ 655,640</u>

See notes to consolidated financial statements.

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(dollars in thousands, except share and per share data)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings	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 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
Dividends declared on common stock	—	—	—	—	—	(138,549)	—	(138,549)	—	(138,549)
Dividends declared on preferred stock	—	—	—	—	—	(27,876)	—	(27,876)	—	(27,876)
Capital contributions	—	—	—	—	—	—	—	—	2,708	2,708
Capital distributions	—	—	—	—	—	—	—	—	(2,697)	(2,697)
Issuance of common stock	—	—	23,904,499	239	290,426	—	—	290,665	—	290,665
Issuance of preferred stock	7,600,000	183,536	—	—	—	—	—	183,536	—	183,536
Director share grants and stock-based compensation	—	—	—	—	18,626	(2,740)	—	15,886	—	15,886
Comprehensive Income:										
Net income, excluding amounts attributable to redeemable noncontrolling interests	—	—	—	—	—	221,538	—	221,538	3,331	224,869
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	5,778	5,778	—	5,778
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	(844)	(844)	—	(844)
Total comprehensive income, excluding amounts attributable to redeemable noncontrolling interests								226,472	3,331	229,803
Balance at September 30, 2025	<u>57,564,122</u>	<u>\$ 1,390,790</u>	<u>554,196,670</u>	<u>\$ 5,542</u>	<u>\$ 6,961,639</u>	<u>\$ 70,772</u>	<u>\$ 69,774</u>	<u>\$ 8,498,517</u>	<u>\$ 114,168</u>	<u>\$ 8,612,685</u>

	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 June 30, 2024	51,964,122	\$ 1,257,254	489,732,422	\$ 4,897	\$ 6,162,872	\$ (143,185)	\$ 44,756	\$ 7,326,594	\$ 94,021	\$ 7,420,615
Dividends declared on common stock	—	—	—	—	—	(129,933)	—	(129,933)	—	(129,933)
Dividends declared on preferred stock	—	—	—	—	—	(24,718)	—	(24,718)	—	(24,718)
Capital contributions	—	—	—	—	—	—	—	—	5,776	5,776
Capital distributions	—	—	—	—	—	—	—	—	(6,769)	(6,769)
Issuance of common stock	—	—	30,000,000	300	340,407	—	—	340,707	—	340,707
Director share grants and stock-based compensation	—	—	—	—	10,489	(1,564)	—	8,925	—	8,925
Comprehensive Income:										
Net income	—	—	—	—	—	121,742	—	121,742	1,839	123,581
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	11,072	11,072	—	11,072
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	2,153	2,153	—	2,153
Total comprehensive income								134,967	1,839	136,806
Balance at September 30, 2024	<u>51,964,122</u>	<u>\$ 1,257,254</u>	<u>519,732,422</u>	<u>\$ 5,197</u>	<u>\$ 6,513,768</u>	<u>\$ (177,658)</u>	<u>\$ 57,981</u>	<u>\$ 7,656,542</u>	<u>\$ 94,867</u>	<u>\$ 7,751,409</u>

RITHM CAPITAL CORP. AND SUBSIDIARIES
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED), CONTINUED
FOR THE NINE MONTHS ENDED SEPTEMBER 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	—	—	—	—	—	(403,653)	—	(403,653)	—	(403,653)
Dividends declared on preferred stock	—	—	—	—	—	(82,371)	—	(82,371)	—	(82,371)
Capital contributions	—	—	—	—	—	—	—	—	24,571	24,571
Capital distributions	—	—	—	—	—	—	—	—	(9,325)	(9,325)
Issuance of common stock	—	—	32,924,499	329	397,748	—	—	398,077	—	398,077
Issuance of preferred stock	7,600,000	183,536	—	—	—	—	—	183,536	—	183,536
Preferred stock repurchase	(2,000,000)	(50,000)	—	—	—	—	—	(50,000)	—	(50,000)
Director share grants and stock-based compensation	—	—	615,915	7	48,585	(8,285)	—	40,307	—	40,307
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)
<i>Comprehensive Income:</i>										
Net income, excluding amounts attributable to redeemable noncontrolling interests	—	—	—	—	—	612,066	—	612,066	7,586	619,652
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	13,729	13,729	—	13,729
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	5,159	5,159	—	5,159
Total comprehensive income, excluding amounts attributable to redeemable noncontrolling interests								630,954	7,586	638,540
Balance at September 30, 2025	57,564,122	\$ 1,390,790	554,196,670	\$ 5,542	\$ 6,961,639	\$ 70,772	\$ 69,774	\$ 8,498,517	\$ 114,168	\$ 8,612,685

RITHM CAPITAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED), CONTINUED
FOR THE NINE MONTHS ENDED SEPTEMBER 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	—	—	—	—	—	(373,235)	—	(373,235)	—	(373,235)
Dividends declared on preferred stock	—	—	—	—	—	(69,509)	—	(69,509)	—	(69,509)
Capital contributions	—	—	—	—	—	—	—	—	38,211	38,211
Capital distributions	—	—	—	—	—	—	—	—	(19,650)	(19,650)
Issuance of common stock	—	—	36,097,793	360	409,597	—	—	409,957	—	409,957
Purchase of noncontrolling interest	—	—	—	—	—	—	—	—	(26,042)	(26,042)
Director share grants and stock-based compensation	—	—	408,390	4	29,849	(3,106)	—	26,747	—	26,747
<i>Comprehensive Income:</i>										
Net income	—	—	—	—	—	641,333	—	641,333	8,252	649,585
Unrealized gain on available-for-sale securities, net of tax	—	—	—	—	—	—	13,229	13,229	—	13,229
Cumulative translation adjustment, net of tax	—	—	—	—	—	—	1,078	1,078	—	1,078
Total comprehensive income								655,640	8,252	663,892
Balance at September 30, 2024	<u>51,964,122</u>	<u>\$ 1,257,254</u>	<u>519,732,422</u>	<u>\$ 5,197</u>	<u>\$ 6,513,768</u>	<u>\$ (177,658)</u>	<u>\$ 57,981</u>	<u>\$ 7,656,542</u>	<u>\$ 94,867</u>	<u>\$ 7,751,409</u>

See notes to consolidated financial statements.

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

	Nine Months Ended September 30,	
	2025	2024
Cash Flows From Operating Activities		
Net income	\$ 627,514	\$ 649,585
<i>Adjustments to reconcile net income to net cash flows from operating activities:</i>		
Change in fair value of investments, net	(81,668)	224,111
Change in fair value of secured notes and bonds payable	26,053	6,714
Gain on settlement of investments, net	(19,871)	(277,938)
Gain on sale of originated residential mortgage loans, held-for-sale, net	(525,795)	(480,894)
(Gain) loss on transfer of loans to real estate owned ("REO")	(707)	(1,054)
Accretion and other amortization	(39,999)	(62,331)
Reversal of credit losses on securities, loans and REO	(4,026)	(3,509)
Non-cash portions of servicing revenue, net	789,991	555,236
Deferred tax provision	(51,265)	57,232
Mortgage loans originated and purchased for sale, net of fees	(46,948,096)	(42,579,305)
Sales proceeds and loan repayment proceeds for residential mortgage loans, held-for-sale	44,240,046	41,042,180
Sales proceeds and loan repayment proceeds of consolidated entities	750,822	308,816
Interest received from servicer advance investments, RMBS, loans and other	36,264	37,942
Interest received from reverse repurchase agreements	—	52,319
Loan originations and investment purchases of consolidated entities	(531,002)	(30,017)
<i>Changes in:</i>		
Servicer advances receivable	513,220	262,689
Other assets	57,545	(42,354)
Accrued expenses and other liabilities	(16,496)	(151,265)
Net cash used in operating activities	(1,177,470)	(431,843)

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

	Nine Months Ended September 30,	
	2025	2024
Cash Flows From Investing Activities		
Business acquisitions, net of cash acquired	—	(603,778)
Purchase of servicer advance investments	(520,334)	(590,261)
Purchase of Excess MSRs	—	(122,887)
Purchase of government-backed and other securities	(1,974,571)	(1,263,422)
Proceeds from sale of government-backed and other securities	1,291	2,583,782
Purchase of Treasury securities	(74,222)	(12,336,258)
Treasury sales and Treasury securities payable	3,269,180	7,238,851
Reverse repurchase agreements entered and repurchase agreements closed	(507,863)	(1,747,581)
Reverse repurchase agreements closed and repurchase agreements entered	503,863	3,527,806
Maturity of Treasury securities	75,000	50,000
Purchase of SFR properties, MSRs and other assets	(263,218)	(402,325)
Purchase of residential transition loans	(3,434)	—
Origination of residential transition loans	(2,995,193)	(1,986,291)
Purchase of consumer loans	(220,962)	—
Draws on revolving consumer loans	(16,820)	(15,996)
Net settlement of derivatives and hedges	112,461	364,598
Return of investments in Excess MSRs	31,455	30,825
Return of investments in equity method investees	3,343	27,532
Principal repayments from servicer advance investments	557,931	614,504
Principal repayments from government, government-backed and other securities	583,533	580,385
Principal repayments from residential mortgage loans	31,996	34,728
Principal repayments from consumer loans	315,250	432,742
Principal repayments and sales proceeds of residential transition loans	1,475,251	1,146,123
Principal repayments and sales proceeds of investments of consolidated entities	814,039	332,694
Loan originations and investment purchases of consolidated entities	—	(4,766)
Settlement of sale of MSRs and MSR financing receivables	116	(2,748)
Proceeds from sale of REO	24,268	24,214
Net cash provided by (used in) investing activities	1,222,360	(2,087,529)

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

	Nine Months Ended September 30,	
	2025	2024
Cash Flows From Financing Activities		
Repayments of secured financing agreements	(43,614,956)	(59,703,853)
Repayments of warehouse credit facilities including those related to the initial consolidation of CLOs	(56,363,065)	(45,795,817)
Repayment of unsecured notes	(291,476)	(275,000)
Net settlement of margin deposits under repurchase agreements and derivatives	245,536	(315,327)
Repayments of secured notes and bonds payable	(5,131,021)	(4,522,883)
Deferred financing fees	(16,838)	(10,924)
Dividends paid on common and preferred stock	(476,770)	(432,124)
Borrowings under secured financing agreements	41,778,417	61,424,725
Borrowings under warehouse credit facilities	57,930,466	46,863,558
Borrowings under residential transition loans financing	88,422	—
Borrowings under notes receivable financing	—	364,977
Borrowings under secured notes and bonds payable	4,376,797	3,362,481
Proceeds from issuance of unsecured senior notes	495,000	767,103
Proceeds from issuance of debt obligations of consolidated entities	703,042	1,295,710
Repayments of debt obligations of consolidated entities	(276,743)	(598,906)
Issuance of common stock	398,077	409,450
Issuance of preferred stock	184,015	—
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	84,538	38,211
Distributions to noncontrolling and redeemable noncontrolling interests	(10,366)	(19,650)
Purchase of noncontrolling interest	—	(26,042)
Net cash provided by financing activities	283,075	2,825,689
Net Increase in Cash, Cash Equivalents and Restricted Cash	327,965	306,317
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	1,917,809	1,697,095
Cash, Cash Equivalents and Restricted Cash, End of Period	\$ 2,245,774	\$ 2,003,412
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest	\$ 1,319,811	\$ 1,364,449
Cash paid during the period for income taxes	22,743	9,573
Supplemental Schedule of Non-Cash Investing and Financing Activities		
Dividends declared but not paid on common and preferred stock	169,565	154,652
Transfer from residential mortgage loans to REO and other assets	23,384	6,327
Real estate securities retained from loan securitizations	59,054	37,470
Residential mortgage loans subject to repurchase	2,700,353	2,409,992
Purchase of Agency RMBS, settled after quarter-end	535,039	—
Liabilities related to deconsolidated CFEs	—	352,900

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 September 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”), a strategic partnership with Darwin Homes, Inc., 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 (the "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").

Agreement to Acquire Crestline Management, L.P.

On September 3, 2025, Rithm Capital entered into a Purchase and Sale Agreement to acquire (such acquisition, the "Crestline Acquisition") Crestline Management, L.P. and certain of its affiliates ("Crestline") for an upfront cash consideration of \$300 million, subject to adjustment for estimated transaction costs and working capital. The Crestline Acquisition is expected to close in the fourth quarter of 2025, subject to customary regulatory approvals and closing conditions.

Agreement to Acquire Paramount Group, Inc.

On September 17, 2025, Rithm Capital and certain of its affiliates (the "Rithm Parties") entered into an Agreement and Plan of Merger (the "Original Merger Agreement") with Paramount Group, Inc. ("Paramount") and Paramount Group Operating Partnership LP (together with Paramount, the "Paramount Parties"). On October 8, 2025, the Rithm Parties and the Paramount Parties entered into Amendment No.1 to the Original Merger Agreement (the "Amendment" and the Original Merger Agreement, as amended by the Amendment, the "Paramount Merger Agreement"), which provides that the amount Paramount will be required to pay Rithm Capital, in connection with the termination of the Paramount Merger Agreement be reduced from \$59.7 million to \$47.7 million solely in the circumstance where Paramount enters into an alternative acquisition agreement providing for a Superior Proposal (as defined in the Paramount Merger Agreement) with a specified person and/or certain affiliates. Pursuant to the Paramount Merger Agreement, at the effective time, subject to the terms and conditions set forth therein, Rithm Capital will acquire Paramount for a purchase price of approximately \$1.6 billion (the "Paramount Acquisition"). The Paramount Acquisition is expected to close in the fourth quarter of 2025, subject to customary closing conditions, including the approval of Paramount's common stockholders.

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 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 ("FVO") 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.

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

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. The Company is also subject to significant tax risks. If the Company were to fail to qualify as a REIT in any taxable year, the Company would be subject to U.S. federal corporate income tax (including any applicable alternative minimum tax), which could be material. Unless entitled to relief under certain statutory provisions, the Company would also be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost.

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 and the determination of whether or not to consolidate a VIE or a voting interest entity (“VOE”). 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.

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

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, 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.

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.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurements of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient to measure credit losses for current accounts receivable and current contract assets under FASB Accounting Standards Codification 606 - *Revenues from Contracts with Customers*. The practical expedient assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. This ASU is effective for the Company on January 1, 2026, with early adoption permitted. The Company does not expect this ASU to have a material 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.

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

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

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
<i>Assets:</i>		
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
<i>Liabilities:</i>		
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.

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.

Rithm Capital has not disclosed the amount of revenue and net income attributable to Computershare for the three and nine months ended September 30, 2024, because it was impracticable to do so. As of the beginning of the third quarter of 2024, Computershare’s operations and financial information have been integrated within the Company’s systems, making it infeasible to separately identify and report the specific revenue and net income figures for Computershare.

Acquisition-related costs are expensed in the period incurred. Rithm Capital recognized \$17.8 million of Computershare Acquisition related costs that were expensed for the nine months ended September 30, 2024. These costs were grouped and presented within compensation and benefits and general and administrative expenses in the consolidated statements of operations.

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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).

Unaudited Supplemental Pro Forma Financial Information

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

Pro Forma	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Revenues	\$ 999,440	\$ 3,484,061
Income before income taxes	45,148	739,341

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.

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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 Chief Executive Officer.

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.

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.

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

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 September 30, 2025						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 579,281	\$ —	\$ —	\$ —	\$ —	\$ 579,281
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(189,881))	(264,351)	—	—	—	—	(264,351)
Servicing revenue, net	314,930	—	—	—	—	314,930
Interest income	309,878	52,480	77,606	10,601	3,221	453,786
Gain (loss) on originated residential mortgage loans, held-for-sale, net	182,446	13,862	—	—	—	196,308
Other revenues	28,946	26,682	—	—	—	55,628
Asset management revenues	—	—	—	84,871	—	84,871
Total Revenues	836,200	93,024	77,606	95,472	3,221	1,105,523
Interest expense and warehouse line fees	254,253	78,767	36,785	6,181	26,704	402,690
Other segment expenses ^(A)	141,525	19,248	5,112	26,926	21,151	213,962
Compensation and benefits	198,213	1,032	15,805	65,590	18,433	299,073
Depreciation and amortization	6,342	7,429	1,936	7,423	—	23,130
Total Operating Expenses	600,333	106,476	59,638	106,120	66,288	938,855
Realized and unrealized gains, net	—	43,620	3,145	6,628	—	53,393
Other income (loss), net	(1,756)	7,433	138	10,987	7	16,809
Total Other Income (Loss)	(1,756)	51,053	3,283	17,615	7	70,202
Income (Loss) before Income Taxes	234,111	37,601	21,251	6,967	(63,060)	236,870
Income tax expense (benefit)	7,754	3	(627)	942	—	8,072
Net Income (Loss)	226,357	37,598	21,878	6,025	(63,060)	228,798
Noncontrolling interests in income of consolidated subsidiaries	916	1,454	—	961	—	3,331
Redeemable noncontrolling interests in income of consolidated subsidiaries	—	—	—	1,309	2,620	3,929
Net Income (Loss) Attributable to Rithm Capital Corp.	225,441	36,144	21,878	3,755	(65,680)	221,538
Dividends on preferred stock	—	—	—	—	27,876	27,876
Net Income (Loss) Attributable to Common Stockholders	\$ 225,441	\$ 36,144	\$ 21,878	\$ 3,755	\$ (93,556)	\$ 193,662

(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 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
Nine Months Ended September 30, 2025						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 1,724,899	\$ —	\$ —	\$ —	\$ —	\$ 1,724,899
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(513,452))	(752,734)	—	—	—	—	(752,734)
Servicing revenue, net	972,165	—	—	—	—	972,165
Interest income	912,379	206,413	219,519	27,855	7,335	1,373,501
Gain (loss) on originated residential mortgage loans, held-for-sale, net	502,378	23,417	—	—	—	525,795
Other revenues	82,123	78,344	—	—	—	160,467
Asset management revenues	—	—	—	267,551	—	267,551
Total Revenues	2,469,045	308,174	219,519	295,406	7,335	3,299,479
Interest expense and warehouse line fees	830,817	208,307	102,106	28,980	69,402	1,239,612
Other segment expenses ^(A)	432,281	64,402	15,177	85,004	45,857	642,721
Compensation and benefits	561,084	3,198	45,504	198,321	56,840	864,947
Depreciation and amortization	20,282	23,232	5,792	22,155	31	71,492
Total Operating Expenses	1,844,464	299,139	168,579	334,460	172,130	2,818,772
Realized and unrealized gains (losses), net	—	62,891	11,997	764	(661)	74,991
Other income (loss), net	4,561	17,763	(716)	23,949	(1,197)	44,360
Total Other Income (Loss)	4,561	80,654	11,281	24,713	(1,858)	119,351
Income (Loss) before Income Taxes	629,142	89,689	62,221	(14,341)	(166,653)	600,058
Income tax expense (benefit)	(60,587)	(10,016)	(1,387)	44,534	—	(27,456)
Net Income (Loss)	689,729	99,705	63,608	(58,875)	(166,653)	627,514
Noncontrolling interests in income of consolidated subsidiaries	2,251	3,715	—	1,620	—	7,586
Redeemable noncontrolling interests in income of consolidated subsidiaries	—	—	—	1,873	5,989	7,862
Net Income (Loss) Attributable to Rithm Capital Corp.	687,478	95,990	63,608	(62,368)	(172,642)	612,066
Change in redemption value of redeemable noncontrolling interests	—	—	—	—	15,611	15,611
Dividends on preferred stock	—	—	—	—	82,371	82,371
Net Income (Loss) Attributable to Common Stockholders	\$ 687,478	\$ 95,990	\$ 63,608	\$ (62,368)	\$ (270,624)	\$ 514,084

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

	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
September 30, 2025						
Investments ^(A)	\$ 21,614,292	\$ 5,216,553	\$ 2,575,354	\$ —	\$ —	\$ 29,406,199
Cash and cash equivalents ^(A)	1,155,874	28,080	71,388	96,945	258,671	1,610,958
Restricted cash ^(A)	187,467	46,957	72,653	7,448	235,989	550,514
Other assets ^(A)	6,156,590	2,378,829	183,140	1,149,756	5,842	9,874,157
Goodwill	29,468	—	55,731	48,633	—	133,832
Assets of consolidated entities ^(A)	—	3,071,055	985,815	1,532,864	—	5,589,734
Total Assets	\$ 29,143,691	\$ 10,741,474	\$ 3,944,081	\$ 2,835,646	\$ 500,502	\$ 47,165,394
Debt ^(A)	\$ 17,889,312	\$ 5,877,032	\$ 2,031,762	\$ 446,279	\$ 1,257,256	\$ 27,501,641
Other liabilities ^(A)	5,064,274	438,792	103,809	81,961	293,733	5,982,569
Liabilities of consolidated entities ^(A)	—	2,627,779	867,481	1,276,450	—	4,771,710
Total Liabilities	22,953,586	8,943,603	3,003,052	1,804,690	1,550,989	38,255,920
Redeemable Noncontrolling Interests of Consolidated Subsidiaries	—	—	—	60,800	235,989	296,789
Total Stockholders' Equity	6,190,105	1,797,871	941,029	970,156	(1,286,476)	8,612,685
Noncontrolling interests in equity of consolidated subsidiaries	9,867	58,512	—	45,789	—	114,168
Stockholders' Equity in Rithm Capital Corp.	\$ 6,180,238	\$ 1,739,359	\$ 941,029	\$ 924,367	\$ (1,286,476)	\$ 8,498,517
Investments in Equity Method Investees	\$ 24,777	\$ 318,955	\$ 27,605	\$ 218,212	\$ —	\$ 589,549
December 31, 2024						
Total Assets^(A)	\$ 32,418,256	\$ 7,463,738	\$ 3,439,075	\$ 2,508,130	\$ 219,758	\$ 46,048,957

(A) The Company's consolidated balance sheets include assets and liabilities of consolidated VIEs and certain other consolidated VIEs, including funds and CFEs that are presented separately within assets and liabilities of consolidated entities. VIE assets can only be used to settle obligations and liabilities of the VIEs. VIE creditors do not have recourse to Rithm Capital Corp.

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	Origination and Servicing	Investment Portfolio	Residential Transitional Lending	Asset Management	Corporate Category	Total
Three Months Ended September 30, 2024						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 493,171	\$ —	\$ —	\$ —	\$ —	\$ 493,171
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(139,784))	(367,411)	—	—	—	—	(367,411)
Servicing revenue, net	125,760	—	—	—	—	125,760
Interest income	391,220	87,969	66,262	5,281	—	550,732
Gain on originated residential mortgage loans, held-for-sale, net	171,700	12,995	—	—	—	184,695
Other revenues	30,280	26,932	—	—	—	57,212
Asset management revenues	—	—	—	81,039	—	81,039
Total Revenues	718,960	127,896	66,262	86,320	—	999,438
Interest expense and warehouse line fees	370,641	79,885	34,304	8,243	17,095	510,168
Other segment expenses ^(A)	126,058	19,297	3,731	19,794	11,634	180,514
Compensation and benefits	181,343	288	9,520	58,267	16,255	265,673
Depreciation and amortization	15,093	10,632	1,567	7,523	—	34,815
Total Operating Expenses	693,135	110,102	49,122	93,827	44,984	991,170
Realized and unrealized gains, net	22	9,907	17,972	5,128	—	33,029
Other income (loss), net	(10,626)	6,107	36	8,334	—	3,851
Total Other Income (Loss)	(10,604)	16,014	18,008	13,462	—	36,880
Income (Loss) before Income Taxes	15,221	33,808	35,148	5,955	(44,984)	45,148
Income tax expense (benefit)	(84,764)	(4,916)	2,754	8,493	—	(78,433)
Net Income (Loss)	99,985	38,724	32,394	(2,538)	(44,984)	123,581
Noncontrolling interests in income of consolidated subsidiaries	847	(1,123)	—	2,115	—	1,839
Net Income (Loss) Attributable to Rithm Capital Corp.	99,138	39,847	32,394	(4,653)	(44,984)	121,742
Dividends on preferred stock	—	—	—	—	24,718	24,718
Net Income (Loss) Attributable to Common Stockholders	\$ 99,138	\$ 39,847	\$ 32,394	\$ (4,653)	\$ (69,702)	\$ 97,024

(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
Nine Months Ended September 30, 2024						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 1,462,040	\$ —	\$ —	\$ —	\$ —	\$ 1,462,040
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(421,761))	(490,377)	—	—	—	—	(490,377)
Servicing revenue, net	971,663	—	—	—	—	971,663
Interest income	1,009,760	248,700	190,555	15,161	4	1,464,180
Gain on originated residential mortgage loans, held-for-sale, net	473,340	7,554	—	—	—	480,894
Other revenues	92,615	79,445	—	—	—	172,060
Asset management revenues	—	—	—	261,423	—	261,423
Total Revenues	2,547,378	335,699	190,555	276,584	4	3,350,220
Interest expense and warehouse line fees	1,004,226	212,356	95,824	24,197	49,336	1,385,939
Other segment expenses ^(A)	358,267	58,407	11,657	67,707	39,193	535,231
Compensation and benefits	527,311	1,200	29,936	173,361	40,091	771,899
Depreciation and amortization	46,259	25,679	4,701	22,985	—	99,624
Total Operating Expenses	1,936,063	297,642	142,118	288,250	128,620	2,792,693
Realized and unrealized gains, net	22	44,605	61,277	6,753	—	112,657
Other income (loss), net	16,735	16,084	(1,806)	14,978	37	46,028
Total Other Income	16,757	60,689	59,471	21,731	37	158,685
Income (Loss) before Income Taxes	628,072	98,746	107,908	10,065	(128,579)	716,212
Income tax expense (benefit)	50,397	(759)	4,373	12,616	—	66,627
Net Income (Loss)	577,675	99,505	103,535	(2,551)	(128,579)	649,585
Noncontrolling interests in income of consolidated subsidiaries	1,918	2,024	—	4,310	—	8,252
Net Income (Loss) Attributable to Rithm Capital Corp.	575,757	97,481	103,535	(6,861)	(128,579)	641,333
Dividends on preferred stock	—	—	—	—	69,508	69,508
Net Income (Loss) Attributable to Common Stockholders	\$ 575,757	\$ 97,481	\$ 103,535	\$ (6,861)	\$ (198,087)	\$ 571,825

(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)	1,199,933
Sales	2,605
Change in Fair Value due to:	
Realization of cash flows ^(B)	(516,406)
Change in valuation inputs and assumptions	(618,037)
Balance at September 30, 2025	\$ 10,389,766

(A) Represents MSRs retained on the sale of originated residential mortgage loans. Includes \$143.5 million of MSRs capitalized through co-issue with third parties for the nine months ended September 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 532,052	\$ 454,757	\$ 1,577,233	\$ 1,338,860
Ancillary and other fees	47,229	38,414	147,666	123,180
Servicing fee revenue, net and fees	579,281	493,171	1,724,899	1,462,040
Change in Fair Value due to:				
Realization of cash flows ^(A)	(189,881)	(139,784)	(513,452)	(421,761)
Change in valuation inputs and assumptions, net of realized gains (losses) ^(B)	(219,555)	(607,551)	(623,387)	(309,297)
Gains on MSR economic hedges	145,085	379,924	384,105	240,681
Servicing Revenue, Net	\$ 314,930	\$ 125,760	\$ 972,165	\$ 971,663

(A) Net of \$0.5 million and \$1.3 million of realization of cash flows related to MSR financing liability for the three months ended September 30, 2025 and 2024, respectively, and \$3.0 million and \$3.5 million for the nine months ended September 30, 2025 and 2024, respectively (Note 12).

(B) Net of \$(8.6) million and \$7.3 million of change in valuation inputs and assumptions related to MSR financing liability for the three months ended September 30, 2025 and 2024, respectively, and \$(5.4) million and \$14.1 million for the nine months ended September 30, 2025 and 2024, respectively (Note 12).

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

	UPB of Underlying Mortgages	Weighted Average Life (Years) ^(A)	Carrying Value ^(B)
September 30, 2025			
GSE	\$ 380,422,006	6.4	\$ 6,265,449
Non-Agency	68,078,160	5.6	784,367
Ginnie Mae	147,592,847	6.1	3,339,950
Total / Weighted Average	\$ 596,093,013	6.2	\$ 10,389,766
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 September 30, 2025 and December 31, 2024, weighted average discount rates of 8.6% (range of 8.4% – 10.3%) and 8.9% (range of 8.7% - 10.3%), respectively, were used to value Rithm Capital's MSRs and MSR financing receivables.

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

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

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 September 30, 2025 and December 31, 2024, Rithm Capital reflected approximately \$2.7 billion 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 MSRs 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 September 30, 2025 and December 31, 2024, Rithm Capital held approximately \$0.5 billion 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 \$9.8 billion UPB, as of September 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	
	September 30, 2025	December 31, 2024
California	16.0 %	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	3.8 %	3.7 %
Maryland	3.4 %	3.4 %
Illinois	3.2 %	3.3 %
Georgia	3.1 %	3.1 %
Other U.S.	40.9 %	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.

RITHM CAPITAL CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
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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 September 30, 2025 and December 31, 2024 was \$269.2 billion and \$242.9 billion, respectively. Rithm Capital earned servicing revenue of \$77.0 million and \$59.3 million for the three months ended September 30, 2025 and 2024, respectively, and \$231.5 million and \$148.4 million for the nine months ended September 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 MSR, 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 September 30, 2025, PHH and Valon Mortgage, Inc. subserviced 5.6% and 3.7% of owned MSR, respectively, with the remaining 90.7% of owned MSR serviced by Newrez (Note 1).

Servicer Advances Receivable

In connection with Rithm Capital's ownership of MSR, 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:

	September 30, 2025	December 31, 2024
Principal and interest advances	\$ 583,741	\$ 640,723
Escrow advances (taxes and insurance advances)	1,339,713	1,733,426
Foreclosure advances	848,976	950,092
Gross advance balance ^{(A)(B)(C)}	2,772,430	3,324,241
Reserves, impairment, unamortized discount, net of recovery accruals	(125,389)	(125,320)
Total Servicer Advances Receivable	\$ 2,647,041	\$ 3,198,921

- (A) Includes \$527.5 million and \$673.7 million of servicer advances receivable related to GSE MSR, respectively, recoverable either from the borrower or the Agencies.
(B) Includes \$450.5 million and \$529.3 million of servicer advances receivable related to Ginnie Mae MSR, 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 MSR 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 \$117.6 million, or 4.2%, and \$121.4 million, or 3.7%, for expected non-recovery of advances as of September 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	38,644
Write-offs	(42,475)
Balance at September 30, 2025	\$ 117,565

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

RITHM CAPITAL CORP. AND SUBSIDIARIES
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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 at fair value under the FVO election:

	September 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 ^(B) (Years)	
Securities Designated as AFS:									
Agency ^{(C)(D)}	\$ 66,050	\$ —	\$ —	\$ 59,313	1	3.5 %	3.5 %	11.0	\$ 60,135
Securities Measured at FVO:									
Agency ^(C)	8,494,878	171,501	(5,364)	8,478,722	31	5.1 %	5.1 %	7.8	6,390,508
Treasury ^(C)	—	—	—	—	—	— %	— %	0.0	3,260,703
Total / Weighted Average	\$ 8,560,928	\$ 171,501	\$ (5,364)	\$ 8,538,035	32	5.0 %	5.0 %	7.8	\$ 9,711,346

(A) Carrying value is equal to the fair 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 September 30, 2025.

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

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

	September 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	\$ 24,790	\$ 24,788	\$ (2)	1	3.9 %	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 September 30,				Nine Months Ended September 30,			
	2025		2024		2025		2024	
	Treasury	Agency	Treasury ^(A)	Agency	Treasury ^(A)	Agency	Treasury ^(A)	Agency
<i>Purchases:</i>								
Face	\$ 25,000	\$ 1,034,285	\$ 5,775,000	\$ —	\$ 75,000	\$ 2,390,086	\$ 8,800,000	\$ 1,280,545
Purchase price	24,755	1,030,943	5,787,401	—	74,222	2,357,838	8,788,328	1,249,562
<i>Sales:</i>								
Face	\$ 1,250,000	\$ —	\$ 2,500,000	\$ 2,556,839	\$ 3,250,000	\$ 1,274	\$ 5,500,000	\$ 2,556,839
Amortized cost	1,254,648	—	2,505,430	2,536,357	3,257,383	1,349	5,481,688	2,536,357
Sale price	1,255,371	—	2,542,051	2,583,782	3,269,180	1,291	5,499,395	2,583,782
Gain (loss) on sale	723	—	36,621	47,425	11,797	(58)	17,707	47,425

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

As of September 30, 2025, Rithm Capital purchased \$535.9 million face amount of Agency securities for \$535.0 million of which had not yet been settled as of the reporting date. Unsettled purchases are recorded on a trade date basis and presented within accrued expenses and other liabilities on the consolidated balance sheets.

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

RITHM CAPITAL CORP. AND SUBSIDIARIES
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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 September 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:

	September 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)	\$ 3,156,142	\$ 3,051,688	8,025	6.0 %	25.7	\$ 2,791,027
Residential mortgage loans, HFI, at fair value	360,448	334,589	6,836	7.7 %	4.6	361,890
<i>Residential Mortgage Loans, HFS:</i>						
Acquired performing loans ^(C)	50,718	46,458	1,543	6.6 %	4.3	51,011
Acquired non-performing loans ^(D)	15,025	12,333	181	10.6 %	4.3	15,659
Total Residential Mortgage Loans, HFS	\$ 65,743	\$ 58,791	1,724	7.5 %	4.3	\$ 66,670
<i>Residential Mortgage Loans, HFS, at Fair Value:</i>						
Acquired performing loans ^{(C)(E)}	1,657,670	1,694,140	4,049	6.2 %	9.7	408,421
Acquired non-performing loans ^{(D)(E)}	244,650	222,502	1,063	5.2 %	27.5	270,879
Originated loans	3,860,883	3,971,969	12,577	6.6 %	28.9	3,628,271
Total Residential Mortgage Loans, HFS, at Fair Value	\$ 5,763,203	\$ 5,888,611	17,689	6.4 %	23.3	\$ 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 loans classified as Level 2 in the fair value hierarchy, 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 September 30, 2025, Rithm Capital has placed non-performing loans, HFS on non-accrual status, except as described in (E) below.
- (E) Includes \$236.8 million and \$234.1 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 September 30, 2025.

See Note 18 regarding the financing of residential mortgage loans.

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

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	September 30, 2025			December 31, 2024		
	UPB	Carrying Value	Carrying Value Over (Under) UPB	UPB	Carrying Value	Carrying Value Over (Under) UPB
Current	\$ 5,876,523	\$ 5,996,369	\$ 119,846	\$ 4,377,435	\$ 4,400,113	\$ 22,678
90+	312,871	285,622	(27,249)	369,118	336,018	(33,100)
Total	\$ 6,189,394	\$ 6,281,991	\$ 92,597	\$ 4,746,553	\$ 4,736,131	\$ (10,422)

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	—	—	43,215,508	43,215,508
Sales	—	—	(44,836,309)	(44,836,309)
Purchases/additional fundings	—	—	3,732,587	3,732,587
Proceeds from repayments	(31,996)	(7,478)	(104,792)	(144,266)
Transfer of loans to other assets ^(A)	—	(799)	(466,220)	(467,019)
Transfer of loans to REO	(1,945)	(706)	(609)	(3,260)
Valuation reversal on loans	—	1,104	—	1,104
<i>Fair Value Adjustments due to:</i>				
Changes in instrument-specific credit risk	(1,260)	—	(11,375)	(12,635)
Other factors	7,900	—	52,250	60,150
Balance at September 30, 2025	\$ 334,589	\$ 58,791	\$ 5,888,611	\$ 6,281,991

(A) Includes receivable modifications resulting in transfers between other assets and residential mortgage loans as well as transfers to consolidated CFEs.

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 further details on Rithm Capital's continuing involvement in residential mortgage loan securitizations.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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The following table summarizes the components of gain on originated residential mortgage loans, HFS, net:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Loss on residential mortgage loans originated and sold, net ^(A)	\$ (135,071)	\$ (94,216)	\$ (551,923)	\$ (435,845)
Loss on settlement of residential mortgage loan origination derivative instruments ^(B)	(105,636)	(95,899)	(67,867)	(101,346)
MSRs retained on transfer of residential mortgage loans ^(C)	360,212	343,884	1,056,434	915,194
Other ^(D)	15,663	11,464	52,039	32,006
Realized gain on sale of originated residential mortgage loans, net	135,168	165,233	488,683	410,009
Change in fair value of residential mortgage loans	44,175	22,987	81,846	28,348
Change in fair value of interest rate lock commitments (Note 17)	(29,957)	15,711	9,271	8,379
Change in fair value of derivative instruments (Note 17)	46,922	(19,236)	(54,005)	34,158
Gain on Originated Residential Mortgage Loans, HFS, Net	\$ 196,308	\$ 184,695	\$ 525,795	\$ 480,894

- (A) Includes residential mortgage loan origination fees of \$296.4 million and \$289.0 million in the three months ended September 30, 2025 and 2024, respectively, and \$742.3 million and \$700.4 million in the nine months ended September 30, 2025 and 2024, respectively. Includes gain on residential mortgage loan securitizations accounted for as sales of \$(0.8) million and \$17.0 million for the three months ended September 30, 2025 and 2024, respectively, and \$24.2 million and \$17.0 million for the nine months ended September 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.

8. CONSUMER LOANS

Rithm Capital's consumer loan portfolio consists of (i) consumer loans acquired from Upgrade, Inc. (the "Upgrade loans" or "Upgrade"), (ii) consumer loans acquired from Goldman Sachs Bank USA (the "Marcus loans" or "Marcus") and (iii) consumer loans acquired from SpringCastle (the "SpringCastle loans" or "SpringCastle"), which the Company now owns a 100% interest in upon the acquisition of the remaining interest in June 2024.

The Upgrade portfolio includes fixed-rate consumer home improvement 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 Upgrade loans are serviced by Upgrade, 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.

Pursuant to the forward flow agreement with Upgrade, entered into by the Company on July 31, 2025, Rithm Capital will purchase \$1.0 billion UPB of consumer home improvement loans through the expiry of the Agreement. Each individual purchase is at Rithm Capital's discretion, prices are negotiated on a best efforts basis, and the Company's obligation to acquire the loans is subject to certain conditions being met. The agreement expires on October 31, 2026. As of September 30, 2025, \$233.8 million UPB of loans were purchased under the agreement.

The Company has invested in SpringCastle loans with an aggregate of \$135.7 million of unfunded and available revolving credit privileges as of September 30, 2025. However, under the terms of these loans, requests for draws may be denied and unfunded availability may be terminated at the Company's discretion.

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

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)
September 30, 2025				
SpringCastle	\$ 172,158	\$ 178,365	18.0 %	3.7
Marcus	339,048	213,007	11.2 %	0.6
Upgrade	218,978	206,775	12.9 %	11.0
Total Consumer Loans	\$ 730,184	\$ 598,147	13.3 %	4.5
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	September 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	\$ 168,873	\$ 175,000	\$ 6,127	\$ 203,923	\$ 214,746	\$ 10,823
90+	3,285	3,365	80	4,383	4,562	179
Total SpringCastle	172,158	178,365	6,207	208,306	219,308	11,002
<i>Marcus:</i>						
Current	\$ 198,115	\$ 198,709	\$ 594	\$ 438,712	\$ 438,712	\$ —
90+	140,933	14,298	(126,635)	120,605	7,545	(113,060)
Total Marcus	339,048	213,007	(126,041)	559,317	446,257	(113,060)
<i>Upgrade:</i>						
Current	\$ 218,897	\$ 206,699	\$ (12,198)	\$ —	\$ —	\$ —
90+	81	76	(5)	—	—	—
Total Upgrade	218,978	206,775	(12,203)	—	—	—
	\$ 730,184	\$ 598,147	\$ (132,037)	\$ 767,623	\$ 665,565	\$ (102,058)

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

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

Balance at December 31, 2024	\$ 665,565
Additional fundings ^(A)	16,820
Purchases	220,962
Proceeds from repayments	(315,250)
Accretion of loan discount and premium amortization, net	3,157
<i>Fair Value Adjustments due to:</i>	
Changes in instrument-specific credit risk	(12,263)
Other factors	19,156
Balance at September 30, 2025	\$ 598,147

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

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9. SINGLE-FAMILY RENTAL PROPERTIES

Rithm Capital invests in and manages a geographically diversified portfolio of high-quality SFR properties. Rithm Capital owns SFR properties classified as both HFI and HFS. 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:

	September 30, 2025	December 31, 2024
Land	\$ 188,145	\$ 191,992
Building	752,601	767,966
Capital improvements	159,649	150,811
Total gross investment in SFR properties	1,100,395	1,110,769
Accumulated depreciation	(102,279)	(82,474)
Investment in SFR Properties, Net	\$ 998,116	\$ 1,028,295

Depreciation expense for the three months ended September 30, 2025 and 2024 totaled \$6.9 million and \$7.3 million, respectively, and \$21.7 million and \$22.3 million for the nine months ended September 30, 2025 and 2024, respectively. Depreciation expense is included in general and administrative in the consolidated statements of operations.

As of September 30, 2025 and December 31, 2024, the carrying amount of the SFR properties includes capitalized acquisition costs of \$6.8 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	13,935	—	13,935
Transfers to (from) HFS/HFI	10,197	(10,197)	—
Dispositions	—	(22,451)	(22,451)
Depreciation expense	(21,663)	—	(21,663)
Balance at September 30, 2025	\$ 991,471	\$ 6,645	\$ 998,116

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

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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Rental revenue	\$ 19,920	\$ 19,348	\$ 58,814	\$ 57,216
Other variable revenue	2,697	833	7,582	2,492
Total	\$ 22,617	\$ 20,181	\$ 66,396	\$ 59,708

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

2026	\$ 18,075
2027 and thereafter	40,053
Total	\$ 58,128

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

	SFR Properties HFI	SFR Properties HFS	Total
Balance at December 31, 2024	3,891	158	4,049
Transfer to (from) HFS/HFI	42	(42)	—
Disposition of SFR properties	—	(75)	(75)
Balance at September 30, 2025	3,933	41	3,974

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 (“RTL”) held by consolidated entities by loan type:

	Residential Transition Loans - Carrying Value ^(A)	Residential Transition Loans of Consolidated Entities - 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)
September 30, 2025									
Construction	\$ 1,019,526	\$ 579,036	\$ 1,598,562	41.7 %	561	33.9 %	11.2 %	20.2	72.1% / 62.1%
Bridge	1,274,957	455,451	1,730,408	45.2 %	537	32.5 %	9.5 %	26.2	67.2%
Renovation	280,871	221,376	502,247	13.1 %	555	33.6 %	9.9 %	13.5	82.7% / 68.1%
	<u>\$ 2,575,354</u>	<u>\$ 1,255,863</u>	<u>\$ 3,831,217</u>	<u>100.0 %</u>	<u>1,653</u>	<u>100.0 %</u>	<u>10.3 %</u>	<u>21.0</u>	<u>N/A</u>
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%
	<u>\$ 2,178,075</u>	<u>\$ 962,192</u>	<u>\$ 3,140,267</u>	<u>100.0 %</u>	<u>1,535</u>	<u>100.0 %</u>	<u>10.7 %</u>	<u>20.4</u>	<u>N/A</u>

(A) Residential transition loans are carried at fair value under the FVO election. Certain residential transition loans of consolidated entities, classified as CFEs, are valued based on the more observable financial liabilities of consolidated CFEs and are classified as Level 3. 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.

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
Purchases	3,434
Initial loan advances	2,136,360
Construction holdbacks and draws	851,226
Repayments and sales	(1,475,250)
Purchased loans discount amortization	33
Transfer of loans to REO	(7,702)
Transfers to assets of consolidated entities	(1,108,269)
Fair Value Adjustments due to:	
Changes in instrument-specific credit risk	(27,538)
Other factors	24,985
Balance at September 30, 2025	<u>\$ 2,575,354</u>

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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	September 30, 2025			December 31, 2024		
	UPB	Carrying Value	Carrying Value Over (Under) UPB	UPB	Carrying Value	Carrying Value Over (Under) UPB
Current	\$ 2,472,492	\$ 2,483,692	\$ 11,200	\$ 2,117,479	\$ 2,128,802	\$ 11,323
90+	100,399	91,662	(8,737)	55,234	49,273	(5,961)
Total	\$ 2,572,891	\$ 2,575,354	\$ 2,463	\$ 2,172,713	\$ 2,178,075	\$ 5,362

See Note 18 regarding the financing of RTLs.

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:

	September 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 1,610,958	\$ 1,458,743
Restricted cash	550,514	308,443
Restricted cash of consolidated entities ^(A)	84,302	150,623
Total Cash and Cash Equivalents and Restricted Cash	\$ 2,245,774	\$ 1,917,809

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

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

	September 30, 2025	December 31, 2024
Investment Portfolio ^(A)	\$ 66,324	\$ 66,419
Origination and Servicing	187,467	207,724
Residential Transitional Lending ^(A)	82,406	40,727
Asset Management ^(A)	62,630	144,196
Corporate Category ^(B)	235,989	—
Total Restricted Cash	\$ 634,816	\$ 459,066

(A) Includes restricted cash related to consolidated entities 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	
	September 30, 2025	December 31, 2024		September 30, 2025	December 31, 2024
CLOs, at fair value	\$ 363,274	\$ 242,227	Accounts payable	\$ 165,039	\$ 133,037
Derivative and hedging assets (Note 17)	53,684	75,147	Accrued compensation and benefits	220,019	322,957
Due from related parties	50,391	35,198	Net deferred tax liability	736,893	786,141
Equity investments ^(A)	753,862	502,610	Derivative liabilities (Note 17)	101,789	52,610
Excess MSRs, at fair value (Note 13)	334,668	369,162	Escheat payable	208,202	187,830
Goodwill (Note 15)	133,832	133,832	MSR financing liability, at fair value	69,034	101,088
Income and fees receivable	67,372	208,672	Interest payable	180,732	260,931
Intangible assets (Note 15)	296,581	331,949	Lease liability (Note 16)	159,268	160,437
Loans receivable, at fair value ^(B)	8,038	31,580	Notes receivable financing liability ^(E)	375,685	371,788
Margin receivable, net ^(C)	150,483	414,404	Open trades payable	535,039	—
Non-Agency securities, at fair value	721,445	552,797	RTL financing liability, at fair value	87,717	—
Notes receivable, at fair value ^(D)	449,507	393,786	Unearned income and fees	9,630	17,280
Operating lease ROU assets (Note 16)	106,119	99,224	Other liabilities	263,604	236,672
Other receivables	161,289	178,651		\$ 3,112,651	\$ 2,630,771
Prepaid expenses	63,717	59,198			
Principal and interest receivable	138,273	181,271			
Property and equipment	76,907	70,495			
REO	27,380	27,898			
Servicer advance investments, at fair value (Note 14)	302,278	339,646			
Servicing fee receivables	163,179	106,228			
Warrants, at fair value	11,745	9,316			
Other assets	226,571	200,124			
	<u>\$ 4,660,595</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) the 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 Capital.
- (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 the 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 repurchase 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 liability is comprised of the repurchase 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		22,455
Sales ^(A)		(23,561)
Valuation reversal		588
Balance at September 30, 2025	\$	27,380

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

As of September 30, 2025, Rithm Capital had residential mortgage loans and RTLs that were in the process of foreclosure with UPBs of \$36.7 million and \$12.0 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	49,167	—	49,167
Payment in kind	3,467	1,458	4,925
Proceeds from repayments	—	(25,000)	(25,000)
<i>Fair Value Adjustments due to:</i>			
Other factors ^(A)	3,087	—	3,087
Balance at September 30, 2025	\$ 449,507	\$ 8,038	\$ 457,545

(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:

Days Past Due	September 30, 2025			December 31, 2024		
	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB	UPB	Carrying Value ^(A)	Carrying Value Over (Under) UPB
Current	\$ 539,910	\$ 449,507	\$ (90,403)	\$ 518,856	\$ 425,366	\$ (93,490)
90+	8,038	8,038	—	—	—	—
Total	\$ 547,948	\$ 457,545	\$ (90,403)	\$ 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 Rocket Companies, Inc., as successor in merger to 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.

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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.

As part of the Computershare Acquisition (Note 3), Rithm Capital acquired MSRs owned by SLS underlying certain Excess MSRs already 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		21,150
Other gains		598
Proceeds from repayments		(51,895)
Proceeds from sales		(1,105)
Change in fair value		(3,242)
Balance at September 30, 2025	\$	334,668

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

	September 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 ^(C)				
Total	\$ 49,260,027	65.0% – 80.0% (68.6%)	20.0% – 35.0% (31.4%)	5.8	\$ 290,710	\$ 334,668	\$ 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 September 30, 2025 and December 31, 2024 (Note 14) on \$12.2 billion and \$13.3 billion UPB, respectively, underlying these Excess MSRs.

As of September 30, 2025 and December 31, 2024, weighted average discount rates of 8.5% and 8.4%, respectively, 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%. The noncontrolling third-party co-investor and Rithm Capital have funded all their capital commitments. Advance Purchaser may recall \$71.9 million and \$602.0 million of capital distributed to the third-party co-investor and Rithm Capital, respectively. Neither the third-party co-investor nor Rithm Capital

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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)
September 30, 2025					
Servicer advance investments	\$ 290,757	\$ 302,278	6.5 %	6.9 %	8.0
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 MSRs.

(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
September 30, 2025								
Servicer advance investments ^(D)	\$ 12,224,189	\$ 264,921	2.2 %	\$ 231,018	84.5 %	82.5 %	6.2 %	5.6 %
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:

	September 30, 2025	December 31, 2024
Principal and interest advances	\$ 40,712	\$ 51,135
Escrow advances (taxes and insurance advances)	118,558	137,072
Foreclosure advances	105,651	110,738
Total	\$ 264,921	\$ 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 September 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)	September 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	111,931	105,567
Trademarks / Trade names ^(A)	1 to 5	10,259	10,259
Licenses	Indefinite	21,365	21,365
		<u>498,308</u>	<u>491,944</u>
<i>Accumulated Amortization:</i>			
Management contracts		51,492	30,940
Customer relationships		38,422	25,773
Purchased technology		104,905	97,259
Trademarks / Trade names		6,908	6,023
		<u>201,727</u>	<u>159,995</u>
<i>Intangible Assets, Net:</i>			
Management contracts		223,508	244,060
Customer relationships		41,331	53,980
Purchased technology		7,026	8,308
Trademarks / Trade names ^(A)		3,351	4,236
Licenses		21,365	21,365
		<u>\$ 296,581</u>	<u>\$ 331,949</u>

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

The Company did not record any impairment loss on its intangible assets for the three and nine months ended September 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Amortization expense	\$ 11,997	\$ 24,582	\$ 38,152	\$ 66,961

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

Year Ending	Amortization Expense
October 1 through December 31, 2025	\$ 11,777
2026	41,791
2027	37,685
2028	36,956
2029	35,898
2030	29,653
2031 and thereafter	79,580
	<u>\$ 273,340</u>

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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 September 30, 2025 and 2024 totaled \$7.4 million and \$8.7 million, respectively, and \$22.1 million and \$27.1 million for the nine months ended September 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 September 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
October 1 through December 31, 2025	\$ 12,122	\$ —	\$ 12,122
2026	40,478	228	40,706
2027	42,181	228	42,409
2028	31,606	—	31,606
2029	29,747	—	29,747
2030 and thereafter	32,081	—	32,081
Total remaining undiscounted lease payments	188,215	456	188,671
Less: imputed interest	29,377	26	29,403
Total Remaining Discounted Lease Payments	\$ 158,838	\$ 430	\$ 159,268

The future commitments under the non-cancelable leases have not been reduced by the sublease rentals of \$27.5 million due in the future periods.

Other information related to leases is summarized below:

	September 30, 2025	December 31, 2024
<i>Weighted Average Remaining Lease Term (Years):</i>		
Operating leases	5.2	5.1
Finance leases	1.8	2.5
<i>Weighted Average Discount Rate:</i>		
Operating leases	6.6 %	6.5 %
Finance leases	7.9 %	7.9 %

Supplemental Information	Nine Months Ended September 30,	
	2025	2024
<i>Cash Paid for Amounts Included in the Measurement of Lease Liabilities:</i>		
Operating cash flows - operating leases	\$ 33,350	\$ 38,226
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	\$ 22,844	\$ 20,465

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

	September 30, 2025	December 31, 2024
<i>Derivative and Hedging Assets:</i>		
Interest rate swaps and futures	\$ —	\$ 6
IRLCs	36,573	21,496
TBAs	16,422	50,809
Foreign exchange forwards	689	2,836
	<u>\$ 53,684</u>	<u>\$ 75,147</u>
<i>Derivative and Hedging Liabilities:</i>		
IRLCs	\$ 16,009	\$ 10,202
TBAs	43,706	15,628
Treasury short sales ^(B)	—	1,245
Other commitments ^(C)	31,512	25,521
Stock options	14	14
Foreign exchange forwards	897	—
Interest rate swaps and futures ^(A)	9,651	—
	<u>\$ 101,789</u>	<u>\$ 52,610</u>

(A) Net of \$49.1 million and \$42.0 million of related variation margin accounts as of September 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 \$6.0 million as of September 30, 2025.

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

	September 30, 2025	December 31, 2024
Interest rate swaps ^(A)	\$ 7,845,000	\$ 8,995,000
Interest rate futures ^(B)	5,335,000	—
IRLCs	6,542,437	3,413,043
TBAs ^(C)	19,026,136	17,402,824
Other commitments	31,512	25,057
Foreign exchange forwards	69,108	17,300

(A) Includes \$7.8 billion notional of receive fixed of 3.8%/pay Secured Overnight Financing Rate (“SOFR”) with weighted average maturity of 31 months, as of September 30, 2025. There were no receive SOFR/pay fixed interest rate swaps as of September 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 \$5.3 billion notional Eris SOFR swap future with weighted average maturity of 50 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>Servicing Revenue, Net:</i>				
TBAs	\$ 83,046	\$ (23,946)	\$ 203,146	\$ (21,381)
Interest rate swaps	(20,307)	62,075	(26,261)	70,979
Interest rate futures	(14,332)	—	(5,141)	—
Treasury short sales	—	(16,956)	—	24,341
	48,407	21,173	171,744	73,939
<i>Gain (Loss) on Originated Residential Mortgage Loans, HFS, Net^(A):</i>				
IRLCs	(29,957)	15,711	9,271	8,379
TBAs	46,922	(19,236)	(54,005)	34,158
	16,965	(3,525)	(44,734)	42,537
<i>Realized and Unrealized Gains (Losses), Net^(B):</i>				
Interest rate swaps	—	(2,810)	(12,667)	19,550
Other commitments	—	(1,057)	—	(17,197)
Stock options	134	—	117	—
Foreign exchange forwards	326	—	(5,031)	—
	460	(3,867)	(17,581)	2,353
Total Gain	\$ 65,832	\$ 13,781	\$ 109,429	\$ 118,829

(A) Represents unrealized gain (loss).

(B) Excludes \$105.6 million loss and \$95.9 million loss for the three months ended September 30, 2025 and 2024, respectively, and \$67.9 million loss and \$101.3 million loss for the nine months ended September 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, bonds payable and notes payable and other liabilities of consolidated entities:

Debt Obligations/Collateral ^(C)	September 30, 2025										December 31, 2024
	Outstanding Face Amount	Carrying Value ^(A)	Final Stated Maturity ^(B)	Weighted Average Funding Cost	Weighted Average Life (Years)	Collateral				Carrying Value ^(A)	
						Outstanding Face	Amortized Cost Basis	Carrying Value	Weighted Average Life (Years)		
Secured Financing Agreements:											
Warehouse credit facilities - residential mortgage loans and REO ^(D)	\$ 5,542,562	\$ 5,542,562	Oct-25 to Mar-28	5.7 %	0.6	\$ 6,136,848	\$ 6,263,642	\$ 6,255,340	21.6	\$ 4,235,333	
Warehouse credit facilities - RTLs ^(E)	1,831,767	1,831,762	Dec-25 to Mar-28	6.6 %	1.2	2,147,448	2,148,536	2,148,536	1.2	1,547,307	
Government and government-backed securities ^(F)	7,794,765	7,794,765	Oct-25 to Jul-26	4.4 %	0.5	8,024,993	7,844,409	8,145,095	7.8	9,782,976	
Non-Agency securities ^(D)	896,129	896,129	Oct-25 to Oct-28	5.9 %	0.4	15,353,048	1,225,723	1,304,980	4.9	744,457	
Excess MSRs ^(E)	217,000	216,549	Sep-26	6.7 %	1.2	49,260,027	274,105	314,916	5.9	222,452	
CLOs ^(E)	256,437	254,871	Jan-30 to Jul-39	3.8 %	7.4	259,170	N/A	258,847	7.4	170,990	
SFR properties and commercial ^(E)	2,047	2,047	Dec-26	6.8 %	1.2	N/A	9,722	9,722	N/A	78,952	
Total secured financing agreements	16,540,707	16,538,685		5.2 %	0.7					16,782,467	
Secured Notes and Bonds Payable:											
MSRs ^(G)	5,550,691	5,534,804	Oct-25 to Nov-31	6.6 %	2.3	571,546,048	8,182,037	10,135,402	6.4	5,838,250	
Servicer advance investments ^(H)	231,018	231,018	Mar-26	6.2 %	0.4	264,921	290,757	302,278	8.0	258,183	
Servicer advances ^(H)	2,215,096	2,214,913	Feb-26 to Jun-29	6.6 %	1.0	2,706,174	2,684,416	2,684,416	0.7	2,629,802	
Consumer loans ^(I)	521,705	502,782	Oct-26 to Sep-37	4.4 %	2.5	730,184	384,965	598,147	4.6	564,791	
SFR properties ^(J)	818,273	800,775	Feb-27 to Mar-28	4.3 %	1.8	N/A	988,394	988,394	N/A	716,649	
RTLs ^(K)	200,000	200,000	Jul-26	5.8 %	0.8	201,132	201,132	202,006	0.4	200,000	
Secured facility - asset management ^(M)	25,000	24,834	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	6.3 %	4.4	N/A	N/A	N/A	N/A	—	
CLOs ^(E)	6,180	6,154	Jul-30	6.3 %	5.0	8,466	N/A	7,553	5.0	18,429	
Total secured notes and bonds payable	9,597,963	9,545,280		6.3 %	1.9					10,298,075	
Notes Payable and Secured Financing of Consolidated Entities											
Consolidated funds ^(L)	1,216,181	1,214,220	May-28 to Jan-38	6.0 %	10.2	1,309,886	N/A	1,347,042	4.0	959,958	
Residential mortgage loans	2,716,465	2,608,079	Mar-41 to Jun-53	6.6 %	25.7	3,156,142	N/A	3,051,688	25.7	2,369,934	
RTLs	861,949	866,526	Mar-39 to Sep-39	6.2 %	13.7	934,450	N/A	958,789	0.8	859,023	
Total notes payable and secured financing of consolidated entities	4,794,595	4,688,825		6.4 %	19.6					4,188,915	
Total / Weighted Average	\$ 30,933,265	\$ 30,772,790		5.7 %	4.0					\$ 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 \$135.9 million and \$239.4 million as of September 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 \$3.9 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 \$1.6 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 \$1.4 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 2.8%; 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: \$115.7 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%, (ii) \$171.8 million of debt collateralized by the Marcus loans with an interest rate of SOFR plus a margin of 2.4% and (iii) \$181.2 million of debt collateralized by the Upgrade loans with an interest rate of SOFR plus a margin of 1.6%.

(J) Includes \$818.3 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
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(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 VIEs may only be satisfied with the assets of the respective consolidated VIEs, and creditors of the VIE do not have recourse to Rithm Capital Corp.

As of September 30, 2025, Rithm Capital has margin exposure on \$16.5 billion of secured financing agreements. To the extent that the value of the collateral underlying these secured financing agreements declines below the collateral margin trigger, 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 secured 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	RTLs	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	—	—	41,778,417	54,963,477	—	—	2,878,614	88,375	99,708,883
Repayments	(6,241)	—	(43,614,956)	(53,656,248)	—	(76,905)	(2,594,159)	(29,512)	(99,978,021)
Foreign exchange ("FX") remeasurement	—	—	—	—	—	—	—	25,335	25,335
Capitalized deferred financing costs, net of amortization	338	—	—	—	—	—	—	(317)	21
<i>Secured Notes and Bonds Payable:</i>									
Borrowings	2,064,447	2,000,504	30,000	—	191,739	79,119	—	10,988	4,376,797
Repayments	(2,506,943)	(2,295,651)	—	—	(255,067)	(1,463)	—	(71,897)	(5,131,021)
FX remeasurement	—	—	—	—	—	—	—	224	224
Unrealized loss on notes, fair value	—	—	—	—	494	—	—	—	494
Capitalized deferred financing costs, net of amortization	442	(8,299)	—	—	825	6,470	—	1,272	710
<i>Notes Payable and Secured Financing of Consolidated Entities:</i>									
Borrowings	—	—	—	447,111	—	—	—	255,931	703,042
Repayments	—	—	—	(271,654)	—	—	—	—	(271,654)
Unrealized (gain) loss on notes, fair value	—	—	—	62,688	—	—	5,805	(1,668)	66,825
Capitalized deferred financing costs, net of amortization	—	—	—	—	—	—	1,698	—	1,698
Balance at September 30, 2025	<u>\$ 2,662,480</u>	<u>\$ 5,534,804</u>	<u>\$ 8,720,894</u>	<u>\$ 8,150,641</u>	<u>\$ 502,782</u>	<u>\$ 802,822</u>	<u>\$ 2,898,288</u>	<u>\$ 1,500,079</u>	<u>\$ 30,772,790</u>

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

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Maturities

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

Year Ending	Nonrecourse^(A)	Recourse^(B)	Total
October 1 through December 31, 2025	\$ 25,000	\$ 6,752,070	\$ 6,777,070
2026	3,307,354	10,662,617	13,969,971
2027	648,994	386,669	1,035,663
2028	744,860	431,367	1,176,227
2029	70,001	2,448,596	2,518,597
2030 and thereafter	6,200,737	530,000	6,730,737
	<u>\$ 10,996,946</u>	<u>\$ 21,211,319</u>	<u>\$ 32,208,265</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, \$5.4 billion, \$0.0 billion, and \$3.8 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 \$15.0 billion, \$5.1 billion, \$1.3 billion, and \$0.0 billion, respectively.

Borrowing Capacity

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

Debt Obligations / Collateral	Borrowing Capacity	Balance Outstanding	Available Financing^(A)
<i>Secured Financing Agreements:</i>			
Residential mortgage loans, RTLs and SFR	\$ 6,818,073	\$ 3,339,393	\$ 3,478,680
Loan originations	6,077,000	4,036,982	2,040,018
CLOs	479,509	256,438	223,071
Excess MSRs	350,000	217,000	133,000
<i>Secured Notes and Bonds Payable:</i>			
MSRs	6,915,743	5,550,691	1,365,052
Servicer advances	4,140,000	2,446,114	1,693,886
SFR	200,000	169,279	30,721
<i>Liabilities of Consolidated CFEs:</i>			
Consolidated funds	52,500	—	52,500
	<u>\$ 25,032,825</u>	<u>\$ 16,015,897</u>	<u>\$ 9,016,928</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 September 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.

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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”)).

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 nine months ended September 30, 2025, the Company recognized interest expense of \$10.1 million and \$11.2 million, respectively. As of September 30, 2025, the unamortized debt issuance cost was approximately \$5.2 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 September 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% for net proceeds of approximately \$759.0 million, net of commissions and initial offering expenses. 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.

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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”)).

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 September 30, 2025 and 2024, the Company recognized interest expense of \$15.6 million and \$16.3 million, and \$46.4 million and \$34.6 million for the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025 and December 31, 2024, the unamortized discount and debt issuance cost was approximately \$12.6 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 September 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.

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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 September 30, 2024, the Company recognized interest expense of \$4.3 million, and for the nine months ended September 30, 2025 and 2024, \$8.6 million and \$16.6 million, 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 September 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.

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 September 30, 2025. The carrying value of the TRA liability measured at amortized cost was \$160.4 million and \$170.4 million as of September 30, 2025 and December 31, 2024, respectively, with interest expense recognized under the effective interest method. The TRA liability is presented within unsecured notes, net of issuance costs on the consolidated balance sheets.

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The table below presents the Company’s estimate as of September 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
October 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.

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.

Investments in funds that are measured at fair value using net asset value (“NAV”) per share as a practical expedient are not categorized within the fair value hierarchy.

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.

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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 September 30, 2025 were as follows:

			Fair Value ^(E)				
	Principal Balance or Notional Amount	Carrying Value	Level 1	Level 2	Level 3	NAV	Total
<i>Assets:</i>							
Excess MSRs ^(A)	\$ 49,260,027	\$ 334,668	\$ —	\$ —	\$ 334,668	\$ —	\$ 334,668
MSRs and MSR financing receivables ^(A)	596,093,013	10,389,766	—	—	10,389,766	—	10,389,766
Servicer advance investments	264,921	302,278	—	—	302,278	—	302,278
Government and government-backed securities ^(B)	8,585,928	8,562,825	24,788	8,538,035	—	—	8,562,823
Non-Agency securities	8,618,043	721,445	—	—	721,445	—	721,445
Residential mortgage loans, HFS	65,743	58,791	—	—	58,791	—	58,791
Residential mortgage loans, HFS, at fair value	5,763,203	5,888,611	—	5,863,074	25,537	—	5,888,611
Residential mortgage loans, HFI, at fair value	360,448	334,589	—	—	334,589	—	334,589
Residential mortgage loans subject to repurchase	2,700,353	2,700,353	—	2,700,353	—	—	2,700,353
Consumer loans	730,184	598,147	—	—	598,147	—	598,147
Derivative and hedging assets	22,646,931	53,684	—	17,111	36,573	—	53,684
Residential transition loans	2,572,891	2,575,354	—	—	2,575,354	—	2,575,354
Notes receivable	539,910	449,507	—	—	449,507	—	449,507
Loans receivable	8,038	8,038	—	—	8,038	—	8,038
Equity investment, at fair value	192,500	194,313	—	—	194,313	—	194,313
CLOs	365,153	363,274	—	351,838	11,436	—	363,274
Investments of consolidated entities - funds ^(C)	1,412,589	1,427,623	—	782,310	297,163	348,150	1,427,623
Investments of consolidated entities - loan securitizations ^(C)	4,090,592	4,010,477	—	3,051,688	958,789	—	4,010,477
Other assets	N/A	212,731	123,218	—	89,513	—	212,731
		<u>\$ 39,186,474</u>	<u>\$ 148,006</u>	<u>\$ 21,304,409</u>	<u>\$ 17,385,907</u>	<u>\$ 348,150</u>	<u>\$ 39,186,472</u>
<i>Liabilities:</i>							
Secured financing agreements	\$ 16,540,707	\$ 16,538,685	\$ —	\$ 16,283,814	\$ 258,570	\$ —	\$ 16,542,384
Secured notes and bonds payable ^(D)	9,597,963	9,545,280	—	—	9,560,799	—	9,560,799
Unsecured notes, net of issuance costs	1,512,940	1,417,676	—	—	1,449,399	—	1,449,399
Residential mortgage loan repurchase liability	2,700,353	2,700,353	—	2,700,353	—	—	2,700,353
Derivative liabilities	16,202,262	101,789	14	54,254	47,521	—	101,789
MSR financing liability ^(A)	8,361,854	69,034	—	—	69,034	—	69,034
Notes receivable financing liability	371,446	375,685	—	—	380,439	—	380,439
RTL financing liability	87,717	87,717	—	—	87,717	—	87,717
Notes payable and secured financing of consolidated entities - funds ^(C)	1,216,181	1,214,220	—	987,573	226,647	—	1,214,220
Notes payable of consolidated entities - loan securitizations ^(C)	3,578,414	3,474,605	—	2,608,079	866,526	—	3,474,605
		<u>\$ 35,525,044</u>	<u>\$ 14</u>	<u>\$ 22,634,073</u>	<u>\$ 12,946,652</u>	<u>\$ —</u>	<u>\$ 35,580,739</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) Includes assets and notes issued by consolidated VIEs accounted for under the CFE election.

(D) Includes \$153.0 million of SCFT 2020-A (as defined in Note 20) MBS as of September 30, 2025, for which the FVO for financial instruments was elected.

(E) The table excludes cash and cash equivalents 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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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 Notional Amount		Carrying Value	Fair Value ^(E)					
				Level 1	Level 2	Level 3	NAV	Total	
<i>Assets:</i>									
Excess MSRs ^(A)	\$	53,494,378	\$	369,162	\$	—	\$	369,162	
MSRs and MSR financing receivables ^(A)		590,214,351		10,321,671		—		10,321,671	
Servicer advance investments		298,945		339,646		—		339,646	
Government and government-backed securities ^(B)		9,947,189		9,736,116		3,285,478		6,450,643	
Non-agency securities		8,962,730		552,797		—		—	
Residential mortgage loans, HFS		75,872		66,670		—		552,797	
Residential mortgage loans, HFS, at fair value		4,274,620		4,307,571		—		66,670	
Residential mortgage loans, HFI, at fair value		396,061		361,890		—		27,166	
Residential mortgage loans subject to repurchase		2,745,756		2,745,756		—		361,890	
Consumer loans		767,623		665,565		—		2,745,756	
Derivative and hedging assets		18,597,732		75,147		53,651		665,565	
Residential transition loans		2,172,713		2,178,075		—		21,496	
Notes receivable		487,276		393,786		—		75,147	
Loans receivable		31,580		31,580		—		2,178,075	
Equity investment, at fair value		192,500		194,410		—		393,786	
CLOs		243,355		242,227		—		31,580	
Investments of consolidated entities - funds ^(C)		1,108,903		1,118,359		—		194,410	
Investments of consolidated entities - loan securitizations ^(C)		3,900,428		3,753,219		—		242,227	
Other assets		N/A		113,224		17,831		785,253	
				\$	37,566,871	\$	3,303,309	\$	16,538,531
				\$	3,303,309	\$	16,538,531	\$	17,391,930
				\$	37,566,871	\$	3,303,309	\$	16,538,531
				\$	37,566,871	\$	3,303,309	\$	16,538,531
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				\$	37,566,871	\$	3,303,309	\$	16,538,531
				\$	37,566,871	\$	3,303,309	\$	16,538,531
				\$	37,566,871	\$	3,303,309	\$	16,538,531

- (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) Includes 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 cash equivalents 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 measured at fair value on a recurring basis for the periods presented:

	Level 3										Total
	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)		
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	
<i>Transfers:</i>											
Transfers out of Level 3 ^(E)	—	—	—	—	(59,136)	—	—	—	—	(59,136)	
Transfers to Level 3 ^(J)	—	—	—	—	83	—	—	—	—	83	
<i>Gain (Loss) Included in Net Income:</i>											
Credit losses on securities ^(F)	—	—	—	707	—	—	—	—	—	707	
<i>Servicing Revenue, Net^(G):</i>											
Included in servicing revenue	—	(401,342)	—	—	—	—	—	—	—	(401,342)	
<i>Fair Value Adjustments due to:</i>											
Other factors ^(F)	(1,637)	—	873	(2,852)	—	1,642	32,479	(33,152)	9,511	6,864	
Instrument-specific credit risk ^(F)	—	—	—	—	—	222	(5,875)	—	(11,720)	(17,373)	
Other income, net ^(F)	598	—	—	—	152	274	—	8,612	—	9,636	
Gains included in OCI ^(H)	—	—	—	5,716	—	—	—	—	—	5,716	
Interest income (expense)	7,851	—	5,001	9,855	—	—	(3,543)	49	—	19,213	
<i>Purchases, Sales and Repayments:</i>											
Purchases, net ^(I)	—	—	169,957	—	10,897	292	220,962	4,361	3,434	409,903	
Sales and settlement fundings	(1,060)	81	—	—	(28,324)	—	5,151	—	—	(24,152)	
Proceeds from repayments	(16,761)	—	(186,539)	(31,124)	—	(12,555)	(116,258)	(10,037)	(915,406)	(1,288,680)	
Originations and other	—	430,964	—	—	—	(1,152)	—	—	1,280,173	1,709,985	
Balance at September 30, 2025	\$ 334,668	\$ 10,389,766	\$ 302,278	\$ 721,445	\$ 11,525	\$ 418,917	\$ 598,147	\$ 730,424	\$ 3,831,217	\$ 17,338,387	

(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 entities classified as Level 3 in the fair value hierarchy.

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

(F) 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.

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

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

(I) Purchases, net of non-Agency securities includes securities retained through securitizations accounted for as sales.

(J) For the three months ended September 30, 2025, transfers to Level 3 financial assets were due to changes in the observability of inputs used in the valuation of such assets.

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

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

	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 ^(E)	—	—	—	—	(844,389)	(858)	—	—	—	(845,247)	
Transfers to Level 3 ^(J)	—	—	—	—	39,751	2,081	—	—	—	41,832	
<i>Gain (Loss) Included in Net Income:</i>											
Credit losses on securities ^(F)	—	—	—	104	—	—	—	—	—	104	
<i>Servicing Revenue, Net^(G):</i>											
Included in servicing revenue	—	(1,134,443)	—	—	—	—	—	—	—	(1,134,443)	
<i>Fair Value Adjustments due to:</i>											
Other factors ^(F)	(3,242)	—	(654)	1,124	—	14,482	19,156	9,584	20,577	61,027	
Instrument-specific credit risk ^(F)	—	—	—	—	—	(6,228)	(12,263)	—	(27,538)	(46,029)	
Other income, net ^(F)	598	—	—	—	605	2,034	—	26,428	—	29,665	
Gains included in OCI ^(H)	—	—	—	13,667	—	—	—	—	—	13,667	
Interest income	21,150	—	15,601	26,427	—	—	3,157	168	—	66,503	
<i>Purchases, Sales and Repayments:</i>											
Purchases, net ^(I)	—	—	520,334	210,826	69,199	830	220,962	48,101	3,434	1,073,686	
Sales and settlement fundings	(1,105)	2,605	—	—	(64,072)	(7,216)	16,820	—	—	(52,968)	
Proceeds from repayments	(51,895)	—	(572,649)	(83,500)	—	(45,028)	(315,250)	(54,799)	(2,289,290)	(3,412,411)	
Originations and other	—	1,199,933	—	—	—	3,094	—	—	2,983,767	4,186,794	
Balance at September 30, 2025	\$ 334,668	\$ 10,389,766	\$ 302,278	\$ 721,445	\$ 11,525	\$ 418,917	\$ 598,147	\$ 730,424	\$ 3,831,217	\$ 17,338,387	

(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 entities classified as Level 3 in the fair value hierarchy.

(E) For the nine months ended September 30, 2025, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

(F) 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.

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

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

(I) Purchases, net of non-Agency securities includes securities retained through securitizations accounted for as sales.

(J) For the nine months ended September 30, 2025, transfers to Level 3 financial assets were due to changes in the observability of inputs used in the valuation of such assets.

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	Level 3									
	Excess MSR ^(A)	MSRs and MSR Financing Receivables ^(A)	Servicer Advance Investments	Non-Agency Securities	CLOs ^(B)	Residential Mortgage Loans	Consumer Loans	Other Assets ^(D)	Residential Transition Loans ^(E)	Total
Balance at June 30, 2024	\$ 395,606	\$ 9,693,331	\$ 357,220	\$ 548,046	\$ 261,492	\$ 384,587	\$ 946,367	\$ 491,712	\$ 2,541,369	\$ 15,619,730
<i>Transfers:</i>										
Transfers out of Level 3 ^(C)	—	—	—	(7,384)	(219,832)	—	—	—	—	(227,216)
Transfers to Level 3 ^(I)	—	—	—	—	—	193,997	—	—	—	193,997
<i>Gain (Loss) Included in Net Income:</i>										
Credit losses on securities ^(F)	—	—	—	(273)	—	—	—	—	—	(273)
<i>Servicing Revenue, Net^(G):</i>										
Included in servicing revenue	—	(755,953)	—	—	—	—	—	—	—	(755,953)
<i>Fair Value Adjustments due to:</i>										
Other factors ^(F)	(9,448)	—	(9,923)	7,631	3,342	7,788	(29,248)	(351)	21,925	(8,284)
Instrument-specific credit risk ^(F)	—	—	—	—	—	12,234	10,896	—	7,438	30,568
Loss on settlement of investments, net ^(F)	—	—	—	(137)	—	—	—	—	—	(137)
Other income (loss), net ^(F)	—	—	—	(939)	(4,646)	6,285	—	25,057	—	25,757
Gains included in OCI ^(H)	—	—	—	10,761	—	—	—	—	—	10,761
Interest income	8,371	—	5,395	6,960	—	—	5,353	176	—	26,255
<i>Purchases, Sales and Repayments:</i>										
Purchases, net ^(I)	—	—	189,609	37,430	25,032	1,714	—	209,932	—	463,717
Sales and settlement fundings	—	344	—	—	—	(111,718)	5,898	—	—	(105,476)
Proceeds from repayments	(18,606)	—	(200,998)	(22,378)	—	(21,687)	(133,689)	(7,197)	(443,974)	(848,529)
Originations and other	—	363,267	—	—	—	3,102	—	—	660,000	1,026,369
Balance at September 30, 2024	\$ 375,923	\$ 9,300,989	\$ 341,303	\$ 579,717	\$ 65,388	\$ 476,302	\$ 805,577	\$ 719,329	\$ 2,786,758	\$ 15,451,286

(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 three months ended September 30, 2024, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

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

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

(F) 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.

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

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

(I) Purchases, net of non-Agency securities includes securities retained through securitizations accounted for as sales.

(J) For the three months ended September 30, 2024, transfers to Level 3 financial assets were due to changes in the observability of inputs used in the valuation of such assets.

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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 ^(D)	Residential Transition Loans ^(E)	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 ^(C)	—	—	(7,873)	(7,384)	(219,832)	(28,985)	—	(68)	—	(264,142)
Transfers to Level 3 ^(J)	—	—	—	—	—	82,325	—	—	—	82,325
Computershare Acquisition (Note 3)	(1,032)	697,494	—	—	—	—	—	—	—	696,462
<i>Gain (Loss) Included in Net Income:</i>										
Credit losses on securities ^(F)	—	—	—	(1,187)	—	—	—	—	—	(1,187)
<i>Servicing Revenue, Net^(G):</i>										
Included in servicing revenue	—	(748,702)	—	—	—	—	—	—	—	(748,702)
<i>Fair Value Adjustments due to:</i>										
Other factors ^(F)	11,599	—	(3,535)	7,631	3,342	16,536	(49,003)	(418)	36,920	23,072
Instrument-specific credit risk ^(F)	—	—	—	—	—	28,127	(20,738)	—	17,995	25,384
Gain (loss) on settlement of investments, net ^(F)	(656)	—	—	(137)	36	—	—	—	—	(757)
Other income, net ^(F)	—	—	—	—	—	10,633	—	10,734	—	21,367
Gains (losses) included in OCI ^(H)	—	—	—	12,641	(5,354)	—	—	—	—	7,287
Interest income	18,893	—	18,649	21,828	—	—	21,331	114	—	80,815
<i>Purchases, Sales and Repayments:</i>										
Purchases, net ^(I)	122,887	—	590,261	51,330	91,649	248,606	—	214,417	—	1,319,150
Sales and settlement fundings	—	2,748	—	—	—	(173,250)	15,996	—	—	(154,506)
Proceeds from repayments	(46,918)	—	(633,080)	(82,548)	(30,939)	(53,773)	(436,014)	(54,835)	(1,479,447)	(2,817,554)
Originations and other	—	943,511	—	—	—	(167,298)	—	(61)	1,978,377	2,754,529
Balance at September 30, 2024	\$ 375,923	\$ 9,300,989	\$ 341,303	\$ 579,717	\$ 65,388	\$ 476,302	\$ 805,577	\$ 719,329	\$ 2,786,758	\$ 15,451,286

(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 nine months ended September 30, 2024, transfers out of Level 3 to Level 2 were primarily due to increased price transparency.

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

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

(F) 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.

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

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

(I) Purchases, net of non-Agency securities includes securities retained through securitizations accounted for as sales.

(J) For the nine months ended September 30, 2024, transfers to Level 3 financial assets were due to changes in the observability of inputs used in the valuation of such assets.

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The following tables summarize the changes in the Company's Level 3 financial liabilities measured at fair value on a recurring basis 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 Liability	RTL Financing Liability	Total
Balance at June 30, 2025	\$ 160,433	\$ 224,666	\$ 863,038	\$ 60,940	\$ 381,128	\$ —	\$ 1,690,205
<i>Gains (Losses) Included in Net Income:</i>							
Servicing revenue, net ^(A)	—	—	—	8,094	—	—	8,094
Other income (loss) ^(B)	2,486	1,981	2,922	—	(689)	—	6,700
<i>Purchases, Issuance and Repayments:</i>							
Issuance	—	—	—	—	—	88,422	88,422
Repayments	(9,900)	—	—	—	—	(705)	(10,605)
Other	—	—	566	—	—	—	566
Balance at September 30, 2025	\$ 153,019	\$ 226,647	\$ 866,526	\$ 69,034	\$ 380,439	\$ 87,717	\$ 1,783,382

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

(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.

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 Liability	RTL Financing Liability	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 ^(B)	—	—	—	2,396	—	—	2,396
Other income ^(C)	494	2,563	5,805	—	3,212	—	12,074
<i>Purchases, Issuance and Repayments:</i>							
Issuance	—	—	—	—	—	88,422	88,422
Repayments	(32,935)	—	—	(34,450)	—	(705)	(68,090)
Other	—	—	1,698	—	—	—	1,698
Balance at September 30, 2025	\$ 153,019	\$ 226,647	\$ 866,526	\$ 69,034	\$ 380,439	\$ 87,717	\$ 1,783,382

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

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

(C) 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.

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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 Liability	Total
Balance at June 30, 2024	\$ 205,286	\$ 221,801	\$ 451,682	\$ 116,142	\$ 352,683	\$ 1,347,594
<i>Transfers:</i>						
Transfers to Level 3	—	—	—	—	20,359	20,359
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(A)	—	—	—	(8,618)	—	(8,618)
Other income (loss) ^(B)	4,263	(4,542)	4,660	—	—	4,381
<i>Purchases, Issuance and Repayments:</i>						
Issuance	—	—	407,700	—	—	407,700
Repayments	(12,315)	—	—	—	—	(12,315)
Other	—	—	(1,662)	—	—	(1,662)
Balance at September 30, 2024	<u>\$ 197,234</u>	<u>\$ 217,259</u>	<u>\$ 862,380</u>	<u>\$ 107,524</u>	<u>\$ 373,042</u>	<u>\$ 1,757,439</u>

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

(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.

	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 Liability	Total
Balance at December 31, 2023	\$ 235,770	\$ 218,157	\$ 318,998	\$ —	\$ —	\$ 772,925
<i>Transfers:</i>						
Transfers to Level 3	—	—	—	—	373,042	373,042
Computershare Acquisition (Note 3)	—	—	—	125,168	—	125,168
<i>Gains (Losses) Included in Net Income:</i>						
Servicing revenue, net ^(A)	—	—	—	(17,644)	—	(17,644)
Other income ^(B)	6,714	(898)	9,888	—	—	15,704
<i>Purchases, Issuance and Repayments:</i>						
Issuance	—	—	858,828	—	—	858,828
Repayments	(45,250)	—	(324,062)	—	—	(369,312)
Other	—	—	(1,272)	—	—	(1,272)
Balance at September 30, 2024	<u>\$ 197,234</u>	<u>\$ 217,259</u>	<u>\$ 862,380</u>	<u>\$ 107,524</u>	<u>\$ 373,042</u>	<u>\$ 1,757,439</u>

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

(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.

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:

September 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% – 13.3% (6.8%)	0.2% – 14.1% (4.7%)	0.0% – 63.5% (39.2%)	7 – 31 (21)	10 – 22 (19)
MSRs, MSR Financing Receivables and MSR Financing Liability:					
GSE	2.5% – 99.9% (6.7%)	0.0% – 100.0% (1.8%)	7.1% – 18.2% (13.8%)	2 – 169 (29)	0 – 40 (23)
Non-Agency	1.7% – 99.9% (8.0%)	6.0% – 99.0% (22.7%)	0.0% – 2.8% (0.7%)	1 – 173 (44)	0 – 59 (21)
Ginnie Mae	1.7% – 98.8% (9.4%)	72.0% – 99.0% (9.1%)	13.3% – 32.6% (28.2%)	19 – 144 (48)	0 – 40 (26)
Total / Weighted Average—MSRs, MSR Financing Receivables and MSR Financing Liability	1.7% – 99.9% (7.7%)	0.0% – 100.0% (5.7%)	0.0% – 32.6% (20.0%)	1 – 173 (36)	0 – 59 (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%)	0.0% – 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%)	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 September 30, 2025 and December 31, 2024, weighted average costs of subservicing of \$7.24 (range of \$7.12 – \$7.74) 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 \$11.54 (range of \$9.14 – \$14.30) 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 \$9.97 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 85 bps and 95 bps as of September 30, 2025 and December 31, 2024, respectively.

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As of September 30, 2025 and December 31, 2024, weighted average discount rates of 8.5% (range of 8.1% – 9.0%) and 8.4% (range of 8.1% – 9.0%), respectively, were used to value Rithm Capital's Excess MSRs. As of September 30, 2025 and December 31, 2024, weighted average discount rates of 8.6% (range of 8.4% – 10.3%) and 8.9% (range of 8.7% - 10.3%), respectively, were used to value Rithm Capital's MSRs and MSR financing receivables.

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 MSRs.

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 GSE MSR, owned as of September 30, 2025, given several parallel shifts in the discount rate, prepayment rate, delinquency rate and recapture rate:

Fair value at September 30, 2025	\$	6,265,449			
Discount rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,814,715	\$ 6,528,717	\$ 6,021,949	\$ 5,796,791
<i>Change in Estimated Fair Value:</i>					
Amount	\$	549,266	\$ 263,268	\$ (243,500)	\$ (468,658)
Percentage		8.8 %	4.2 %	(3.9)%	(7.5)%
Prepayment rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,613,354	\$ 6,432,278	\$ 6,110,456	\$ 5,967,773
<i>Change in Estimated Fair Value:</i>					
Amount	\$	347,905	\$ 166,829	\$ (154,993)	\$ (297,676)
Percentage		5.6 %	2.7 %	(2.5)%	(4.8)%
Delinquency rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,287,271	\$ 6,276,432	\$ 6,253,715	\$ 6,241,872
<i>Change in Estimated Fair Value:</i>					
Amount	\$	21,822	\$ 10,983	\$ (11,734)	\$ (23,577)
Percentage		0.3 %	0.2 %	(0.2)%	(0.4)%
Recapture rate shift in %		-20%	-10%	10%	20%
Estimated fair value	\$	6,205,953	\$ 6,235,597	\$ 6,294,885	\$ 6,324,529
<i>Change in Estimated Fair Value:</i>					
Amount	\$	(59,496)	\$ (29,852)	\$ 29,436	\$ 59,080
Percentage		(0.9)%	(0.5)%	0.5 %	0.9 %

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

Fair value at September 30, 2025	\$	784,367				
Discount rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	867,742	\$ 822,973	\$ 747,979	\$ 714,632	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	83,375	\$ 38,606	\$ (36,388)	\$ (69,735)	
Percentage		10.6 %	4.9 %	(4.6)%	(8.9)%	
Prepayment rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	830,841	\$ 806,939	\$ 762,960	\$ 742,684	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	46,474	\$ 22,572	\$ (21,407)	\$ (41,683)	
Percentage		5.9 %	2.9 %	(2.7)%	(5.3)%	
Delinquency rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	790,844	\$ 787,641	\$ 780,998	\$ 777,621	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	6,477	\$ 3,274	\$ (3,369)	\$ (6,746)	
Percentage		0.8 %	0.4 %	(0.4)%	(0.9)%	
Recapture rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	783,862	\$ 784,104	\$ 784,589	\$ 784,831	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	(505)	\$ (263)	\$ 222	\$ 464	
Percentage		(0.1)%	— %	— %	0.1 %	

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

Fair value at September 30, 2025	\$	3,339,950				
Discount rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	3,602,907	\$ 3,466,413	\$ 3,222,350	\$ 3,112,933	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	262,957	\$ 126,463	\$ (117,600)	\$ (227,017)	
Percentage		7.9 %	3.8 %	(3.5)%	(6.8)%	
Prepayment rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	3,513,119	\$ 3,421,818	\$ 3,265,826	\$ 3,198,380	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	173,169	\$ 81,868	\$ (74,124)	\$ (141,570)	
Percentage		5.2 %	2.5 %	(2.2)%	(4.2)%	
Delinquency rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	3,392,807	\$ 3,366,268	\$ 3,313,720	\$ 3,287,805	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	52,857	\$ 26,318	\$ (26,230)	\$ (52,145)	
Percentage		1.6 %	0.8 %	(0.8)%	(1.6)%	
Recapture rate shift in %		-20%	-10%	10%	20%	
Estimated fair value	\$	3,262,878	\$ 3,301,383	\$ 3,378,393	\$ 3,416,898	
<i>Change in Estimated Fair Value:</i>						
Amount	\$	(77,072)	\$ (38,567)	\$ 38,443	\$ 76,948	
Percentage		(2.3)%	(1.2)%	1.2 %	2.3 %	

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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)
September 30, 2025	2.3%	4.6%	18.3%	19.9 bps	6.5%	20.6
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 3.3 bps and 3.8 bps which represent the amounts Rithm Capital paid its servicers as a monthly servicing fee as of as of September 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
September 30, 2025						
Government-backed securities ^(C)	\$ 8,560,928	\$ 8,378,480	\$ 8,538,035	\$ —	\$ 8,538,035	2
CLOs ^(D)	365,153	356,564	351,838	11,436	363,274	2 & 3
Non-Agency and other securities ^(D)	8,618,043	669,059	694,789	26,656	721,445	3
Total	\$ 17,544,124	\$ 9,404,103	\$ 9,584,662	\$ 38,092	\$ 9,622,754	
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 September 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)
September 30, 2025	\$ 591,136	4.5% – 20.6% (6.5%)	0.0% – 25.0% (6.3%)	0.0% – 1.9% (0.3%)	0.0% – 55.0% (11.0%)
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 September 30, 2025:

Performing Loans	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
Acquired loans	\$ 17,487	6.6% – 8.3% (7.1%)	4.4% – 7.6% (7.0%)	0.9% – 3.6% (2.1%)	28.6% – 48.5% (35.0%)
Non-Performing Loans	Fair Value	Discount Rate	Annual Change in Home Prices	CDR	Current Value of Underlying Properties
Acquired loans	\$ 8,050	9.6% – 12.2% (11.3%)	0.7% – 4.3% (3.1%)	3.6% – 5.7% (5.0%)	280.0% – 316.4% (292.3%)

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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
September 30, 2025	\$ 334,589	6.6% – 9.6% (7.7%)	5.6% – 7.6% (7.4%)	0.9% – 3.6% (1.7%)	26.0% – 48.5% (39.0%)
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 September 30, 2025:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity ^(A)
SpringCastle	\$ 178,365	9.2% – 10.2% (9.4%)	12.3% – 39.1% (13.7%)	3.0% – 36.6% (5.4%)	80.4% – 100.0% (93.2%)
Marcus	213,007	7.5% – 17.5% (11.7%)	0.0% – 22.0% (12.7%)	3.0% – 62.0% (27.5%)	87.5%
Upgrade	206,775	6.7% – 22.9% (7.7%)	2.6% – 34.3% (17.2%)	0.9% – 7.7% (3.3%)	90.0%
Consumer Loans HFI, at Fair Value	\$ 598,147				

(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.

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.

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Residential Transition Loans and RTL Financing Liability Valuation

Rithm Capital classifies certain RTLs and related financing liability as Level 3 in the fair value hierarchy. Performing RTLs 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 RTLs, with UPB of \$100.4 million and fair value of \$91.7 million as of September 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.

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 RTLs and related financing liability, at fair value classified as Level 3 as of September 30, 2025:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
RTLs	\$ 2,483,692	8.2% – 8.7% (8.2%)	0.0% – 50.0% (46.3%)	0.0% – 1.8% (0.5%)	25.0%
RTL investments of consolidated entities	297,074	8.3%	50.0%	0.5%	25.0%
RTL financing liability ^(A)	45,903	8.2%	50.0%	0.5%	25.0%

(A) Excludes \$41.8 million of financing liability related to a strategic partnership for which the Company elected fair value option. As of September 30, 2025, the amortized cost approximated fair value.

The following table summarizes certain information regarding the weighted averages of inputs (weighted by fair value) used in valuing performing RTLs, at fair value classified as Level 3 as of December 31, 2024:

	Fair Value	Discount Rate	Prepayment Rate	CDR	Loss Severity
RTLs	\$ 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.

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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)
September 30, 2025	\$ 20,564	2.1% – 100.0% (81.7%)	3.4 – 408.6 (271.2)
December 31, 2024	\$ 11,294	0.0% – 100.0% (86.1%)	1.0 – 426.7 (281.8)

Asset-Backed Securities Issued

As of September 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
September 30, 2025	\$ 153,019	5.0%	13.8%	5.4%	93.2%
December 31, 2024	\$ 185,460	5.4%	14.5%	5.1%	92.3%

Notes Receivable, Notes Receivable Financing Liability 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 liability and loans receivable. Due to the fact that the fair value of Rithm Capital's notes receivable, notes receivable financing liability 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 liability and loans receivable:

	Fair Value	Discount Rate
<u>September 30, 2025</u>		
Notes receivable	\$ 449,507	7.8% - 13.6% (8.7%)
Notes receivable financing liability	380,439	5.0%
Loans receivable	8,038	17.5%
<u>December 31, 2024</u>		
Notes receivable	\$ 393,786	9.0% - 12.5% (9.2%)
Notes receivable financing liability	377,227	5.7%
Loans receivable	31,580	18.5%

RITHM CAPITAL CORP. AND SUBSIDIARIES
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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 September 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 11.1% and 11.8% used to estimate the fair value of the investment as of September 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.

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

Fund Type ^(A)	September 30, 2025			December 31, 2024		
	Fair Value	Redemption Frequency	Redemption Notice Period	Fair Value	Redemption Frequency	Redemption Notice Period
Open-ended	\$ 198,226	Monthly – Annually	30 days – 90 days	\$ 172,409	Monthly - Annually	30 days - 90 days
Closed-ended	149,924	None ^(B)	N/A	160,697	None ^(B)	N/A
Total	\$ 348,150			\$ 333,106		

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

(B) 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 September 30, 2025 and December 31, 2024, the structured alternative investment solution had unfunded commitments of \$38.5 million and \$23.8 million, respectively, related to the closed-ended funds 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 September 30, 2025 and December 31, 2024, notes payable of the structured alternative investment solution with a fair value of \$226.6 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 \$731.6 million and \$735.9 million as of September 30, 2025 and December 31, 2024, respectively, and were valued using independent pricing services. As of September 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.

RITHM CAPITAL CORP. AND SUBSIDIARIES
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Consolidated CFE - Loan Securitizations

Rithm Capital has securitized certain residential mortgage loans and RTLs 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.

The securitized residential mortgage loans and RTLs, 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	
September 30, 2025	\$	3,051,688	\$	2,608,079
December 31, 2024	\$	2,791,027	\$	2,369,934

Rithm Capital classifies securitized RTLs 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)
September 30, 2025	\$ 958,789	\$ 866,526	1.5% – 11.4% (2.2%)	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 September 30, 2025 and December 31, 2024, assets measured at fair value on a nonrecurring basis were \$82.0 million and \$87.6 million, respectively, of which, approximately \$58.8 million and \$66.7 million, respectively, related to residential mortgage loans, HFS, and \$23.2 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)
September 30, 2025						
Performing loans	\$ 46,458	6.6% – 8.3% (6.6%)	4.2 – 6.2 (4.3)	4.4% – 7.6% (7.5%)	0.9% – 3.6% (2.2%)	28.6% – 48.5% (30.5%)
Non-performing loans	12,333	9.6% – 12.2% (10.5%)	3.6 – 4.8 (4.4)	4.0% – 5.6% (5.0%)	3.6% – 5.7% (4.3%)	26.0% – 73.2% (41.8%)
Total	<u>\$ 58,791</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 22.2%), 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 \$1.6 million for the three months ended September 30, 2025 and 2024, respectively, and a reversal of valuation allowance of \$1.1 million and a reversal of valuation allowance of \$5.0 million for the nine months ended September 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 valuation allowance of \$0.3 million and a reversal of valuation allowance of \$1.0 million for the three months ended September 30, 2025 and 2024, respectively, and a reversal of valuation allowance of \$0.5 million and a valuation allowance of \$0.4 million for the nine months ended September 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 Rithm Capital Corp. 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 September 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.

RITHM CAPITAL CORP. AND SUBSIDIARIES

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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 overallotment option) related to 23,000,000 units, each consisting of one Class A ordinary share and one-third of one redeemable warrant, totaling 23,000,000 Class A ordinary shares and 7,666,667 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 Entities

Loan Securitizations - RTLs

Rithm Capital sponsored securitization trusts, classified as VIEs, that issue securitized debt collateralized by RTLs 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 September 30, 2025, these trusts' assets consist of pools of performing, adjustable-rate and fixed-rate, interest-only, RTLs (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 \$934.4 million and an aggregate principal limit of approximately \$1.2 billion. Refer to Note 19 regarding the fair value measurements of consolidated loan securitizations, classified as CFEs.

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.

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

During the third quarter of 2024, the Company sold “interest only” securities in two seasoned mortgage loan securitization trusts, and it now only holds such 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 \$16.8 million of notes held at fair value as of September 30, 2025.

As of September 30, 2025, the notes payable, at fair value of consolidated CFEs due to third parties had a fair value of \$2.6 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, classified as CFEs.

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 September 30, 2025, the consolidated notes payable due to third parties had a fair value of \$226.6 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 September 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 September 30, 2025, the consolidated notes payable due to third parties had a fair value of \$731.6 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.

During the third quarter of 2025, the Company entered into a strategic investment partnership with a third party investor to fund the acquisition of RTLs, originated and serviced by the Company’s subsidiary Genesis. The partnership is managed by the Company’s affiliate and is classified as a VIE. The Company is the primary beneficiary of the VIE 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. Under certain circumstances, the Company’s interest in the strategic partnership could be subordinated up to a certain amount if the third party’s interest is not fully redeemed including achievement of a specified minimum return upon its redemption. The assets and liabilities of this partnership are presented within assets and liabilities of consolidated entities on the consolidated balance sheets.

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 Entities ^(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	
September 30, 2025											
Assets:											
Servicer advance investments, at fair value	\$ 302,278	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 302,278	
Residential mortgage loans, HFS, at fair value	—	—	448,651	—	—	—	—	—	—	448,651	
Consumer loans	—	—	—	178,365	—	—	—	—	—	178,365	
Assets of consolidated entities - investments	—	—	—	—	—	—	958,789	3,051,688	1,427,623	5,438,100	
Cash and cash equivalents	11,227	22,424	—	256	1,053	551	—	—	—	35,511	
Restricted cash	5,882	—	6,106	10,528	—	235,989	9,753	19,367	55,182	342,807	
Other assets	4	383	—	480	273,810	330	17,273	—	50,059	342,339	
Total Assets	\$ 319,391	\$ 22,807	\$ 454,757	\$ 189,629	\$ 274,863	\$ 236,870	\$ 985,815	\$ 3,071,055	\$ 1,532,864	\$ 7,088,051	
Liabilities:											
Secured financing agreements	\$ —	\$ —	\$ 362,782	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 362,782	
Secured notes and bonds payable	231,018	—	—	153,019	—	—	—	—	—	384,037	
Notes payable and secured financing of consolidated entities	—	—	—	—	—	—	866,526	2,608,079	1,214,220	4,688,825	
Accrued expenses and other liabilities	2,250	2,874	—	1,384	2,921	8,101	954	19,700	104,045	142,229	
Total Liabilities	\$ 233,268	\$ 2,874	\$ 362,782	\$ 154,403	\$ 2,921	\$ 8,101	\$ 867,480	\$ 2,627,779	\$ 1,318,265	\$ 5,577,873	
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 entities - 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 and secured financing of consolidated entities	—	—	—	—	—	—	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	

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

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:

	September 30, 2025	December 31, 2024
Residential mortgage loan UPB and other collateral	\$ 8,678,960	\$ 8,152,970
Weighted average delinquency ^(A)	4.4%	5.2%
Net credit losses	\$ 173,880	\$ 161,646
Face amount of debt held by third parties	\$ 8,046,810	\$ 7,532,832
Carrying value of notes retained by Rithm Capital ^{(B)(C)}	\$ 547,828	\$ 532,845
Cash flows received by Rithm Capital on these notes	\$ 75,871	\$ 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.

	September 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	\$ 9,137	\$ 17,268
Income and fees receivable	50,276	35,723
Investments	653,475	577,849
Unfunded commitments ^(A)	242,030	174,530
Other commitments	25,521	25,521
Maximum Exposure to Loss	\$ 980,439	\$ 830,891

(A) Includes commitments from certain current and former employees and managing directors in the amounts of \$135.3 million and \$133.9 million as of September 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:

	September 30, 2025	December 31, 2024
Carrying value of Rithm Capital's investments in unconsolidated commercial real estate VIEs	\$ 123,873	\$ 57,846

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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:

	September 30, 2025	December 31, 2024
Membership interest in unconsolidated VIEs	\$ 194,313	\$ 194,410

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

Other revenues consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Property and maintenance	\$ 28,946	\$ 30,281	\$ 82,122	\$ 92,617
Rental	19,920	19,348	58,814	57,216
Other	6,762	7,583	19,531	22,227
Total Other Revenues	\$ 55,628	\$ 57,212	\$ 160,467	\$ 172,060

General and Administrative expenses consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Legal and professional	\$ 28,642	\$ 17,521	\$ 77,674	\$ 65,951
Loan origination	15,744	19,726	47,582	52,659
Occupancy	15,632	15,968	46,434	47,165
Subservicing	11,893	16,905	40,991	54,023
Loan servicing	38,154	2,948	120,409	12,041
Property and maintenance	29,768	31,717	86,325	93,936
Depreciation and amortization	23,130	34,815	71,492	99,624
Information technology	29,527	36,795	92,074	100,127
Other	44,602	38,934	131,232	109,329
Total General and Administrative Expenses	\$ 237,092	\$ 215,329	\$ 714,213	\$ 634,855

Other Income (Loss)

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Real estate and other securities	\$ 6,627	\$ 5,816	\$ 19,613	\$ 6,884
Residential mortgage loans and REO	5,993	12,569	16,818	38,718
Derivative and hedging instruments	460	(3,867)	(17,581)	2,353
Notes and bonds payable	(3,146)	(5,203)	(2,433)	(7,834)
Consolidated entities ^(A)	20,615	39,284	63,671	89,081
Other ^(B)	22,844	(15,570)	(5,097)	(16,545)
Realized and unrealized gains, net	53,393	33,029	74,991	112,657
Other income, net	16,809	3,851	44,360	46,028
Total Other Income, Net	\$ 70,202	\$ 36,880	\$ 119,351	\$ 158,685

(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, RTLs and other.

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22. ASSET MANAGEMENT REVENUES

The following table presents the composition of asset management revenues:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Management fees	\$ 65,146	\$ 57,487	\$ 190,309	\$ 174,477
Incentive income	19,725	23,552	77,242	86,946
Total Asset Management Revenues	\$ 84,871	\$ 81,039	\$ 267,551	\$ 261,423

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

	September 30, 2025	December 31, 2024
Management fees receivable	\$ 57,573	\$ 25,337
Incentive income receivable	9,799	183,335
Total Income and Fees Receivable	\$ 67,372	\$ 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:

	September 30, 2025	December 31, 2024
Unearned management fees	\$ —	\$ 12
Unearned incentive income	9,630	17,268
Total Unearned Income and Fees	\$ 9,630	\$ 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), Excess MSRs, asset management investments and other investments.

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

	September 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	\$ 86,123	10.7 %	\$ 9,209	\$ 91,384	10.7 %	\$ 9,770
Newrez Joint Ventures	19,933	49.5 %	9,867	19,621	49.5 %	9,687
Excess MSRs	124,174	20.0 %	24,834	136,645	20.0 %	27,329
Other investments	103,973	23.5 %	24,469	50,778	10.0 %	4,608
Asset management	970,156	n/m ^(B)	45,789	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 September 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	\$ 2,380	10.7 %	\$ 254	\$ (9,584)	10.7 %	\$ (1,026)
Newrez Joint Ventures	1,851	49.5 %	916	1,712	49.5 %	847
Consumer Loan Companies ^(A)	(883)	— %	—	2,991	— %	—
Excess MSRs	2,500	20.0 %	500	(547)	20.0 %	(109)
Other investments	2,580	23.5 %	700	120	N/A	12
Asset management	6,025	n/m ^(B)	961	(2,538)	n/m ^(B)	2,115

Nine Months Ended September 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	\$ 3,490	10.7 %	\$ 372	\$ (1,212)	10.7 %	\$ (131)
Newrez Joint Ventures	4,547	49.5 %	2,251	3,874	49.5 %	1,918
Consumer Loan Companies ^(A)	(1,702)	— %	—	(2,136)	46.5 %	(2,384)
Excess MSRs	7,264	20.0 %	1,452	22,635	20.0 %	4,527
Other investments	6,860	23.5 %	1,891	120	N/A	12
Asset management	(58,875)	n/m ^(B)	1,620	(2,551)	n/m ^(B)	4,310

(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) Percentages 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, a 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 activity in redeemable noncontrolling interests:

	SPAC	Consolidated Entity	Total
Balance at December 31, 2024	\$ —	\$ —	\$ —
Initial carrying value	214,389	59,967	274,356
Distributions	—	(1,040)	(1,040)
Change in redemption value	15,611	—	15,611
Comprehensive income	5,989	1,873	7,862
Balance at September 30, 2025	\$ 235,989	\$ 60,800	\$ 296,789

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.

On September 18, 2025, Rithm Capital priced its underwritten public offering of 7,600,000 of its 8.750% Series E Fixed-Rate Cumulative Redeemable Preferred Stock, par value \$0.01 per share, with a liquidation preference of \$25.00 per share for net proceeds of approximately \$183.5 million. The offering closed on September 25, 2025. In connection with the offering, the Company granted the underwriters an option for a period of 30 days to purchase up to an additional 1,140,000 shares of Series E Preferred Stock, which was not exercised.

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 nine months ended September 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, 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 (as amended by that Amendment No. 1 to the Distribution Agreement, dated August 1, 2025) 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 "2022 ATM Program"). On September 22, 2025, to replace the 2022 ATM Program, 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 \$750.0 million, from time to time, through an "at-the-market" equity offering program (the "2025 ATM Program" and, together with the 2022 ATM Program, the "ATM Program"). During the three and nine months ended September 30, 2025, 23.9 million and 32.9 million shares of common stock, respectively 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.

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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			
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024		September 30, 2025	December 31, 2024	Three Months Ended September 30,		Nine Months Ended September 30,	
								2025	2024	2025	2024
Series A, issued July 2019 ^{(D)(G)(I)}	4,200,068	6,200,068	\$ 105,002	\$ 155,002	3.15 %	\$ 99,822	\$ 149,822	\$ 0.66	\$ 0.71	\$ 1.96	\$ 1.65
Series B, issued August 2019 ^{(D)(G)}	11,260,712	11,260,712	281,518	281,518	3.15 %	272,654	272,654	0.65	0.70	1.93	1.59
Series C, issued February 2020 ^{(D)(H)}	15,903,342	15,903,342	397,584	397,584	3.15 %	385,289	385,289	0.60	0.40	1.80	1.20
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	1.31	1.31
Series E, 8.75% issued September 2025 ^(F)	7,600,000	—	190,000	—	3.15 %	183,536	—	—	—	—	—
Total	57,564,122	51,964,122	\$ 1,439,104	\$ 1,299,104		\$ 1,390,790	\$ 1,257,254	\$ 2.35	\$ 2.25	\$ 7.00	\$ 5.75

(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, Series D and Series E 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) Fixed-rate cumulative redeemable preferred.

(G) Effective August 15, 2024, dividends on the Series A and Series B accumulate at a floating rate. For the third 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%.

(H) Effective February 15, 2025, dividends on the Series C accumulate at a floating rate. For the third 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%.

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

On September 17, 2025, Rithm Capital's board of directors declared third quarter 2025 preferred dividends of \$0.66 per share of Series A, \$0.65 per share of Series B, \$0.60 per share of Series C and \$0.44 per share of Series D cumulative redeemable preferred stock, or approximately \$2.8 million, \$7.3 million, \$9.6 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
September 17, 2025	October 2025	0.25	138.5

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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.

The following table summarizes the basic and diluted EPS calculations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Income	\$ 228,798	\$ 123,581	\$ 627,514	\$ 649,585
Noncontrolling interests in income of consolidated subsidiaries	3,331	1,839	7,586	8,252
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,929	—	7,862	—
Net Income Attributable to Rithm Capital Corp.	221,538	121,742	612,066	641,333
Change in redemption value of redeemable noncontrolling interests	—	—	15,611	—
Dividends on preferred stock	27,876	24,718	82,371	69,508
Net Income Attributable to Common Stockholders	<u>\$ 193,662</u>	<u>\$ 97,024</u>	<u>\$ 514,084</u>	<u>\$ 571,825</u>
Basic weighted average shares of common stock outstanding	541,835,419	491,362,857	532,102,214	487,155,900
<i>Effect of Dilutive Securities^{(A)/(B)}:</i>				
Stock options	233	1,239,374	162	1,073,199
Restricted stock	—	140,547	57,143	178,701
Time-based RSU awards	3,698,475	1,817,896	3,185,730	1,375,982
Performance-based RSU awards	2,761,322	1,633,437	2,426,870	1,179,634
Time-based Class B Profit Units	821,372	245,439	630,930	126,893
Performance-based Class B Profit Units	2,178,865	361,137	1,454,319	167,817
Diluted Weighted Average Shares of Common Stock Outstanding	<u>551,295,686</u>	<u>496,800,687</u>	<u>539,857,368</u>	<u>491,258,126</u>
Basic Earnings per Share Attributable to Common Stockholders	\$ 0.36	\$ 0.20	\$ 0.97	\$ 1.17
Diluted Earnings per Share Attributable to Common Stockholders	\$ 0.35	\$ 0.20	\$ 0.95	\$ 1.16

- (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.

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25. INCOME TAXES

Income tax expense (benefit) consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>Current:</i>				
Federal	\$ 1,245	\$ (310)	\$ 8,512	\$ 1,440
State and local	353	(412)	721	2,115
Foreign	2,591	2,327	14,576	6,030
Total current income tax expense	4,189	1,605	23,809	9,585
<i>Deferred:</i>				
Federal	2,901	(72,709)	(33,769)	42,963
State and local	1,082	(5,818)	(15,657)	14,117
Foreign	(100)	(1,511)	(1,839)	(38)
Total deferred income tax expense (benefit)	3,883	(80,038)	(51,265)	57,042
Total Income Tax Expense (Benefit)	\$ 8,072	\$ (78,433)	\$ (27,456)	\$ 66,627

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.

As of September 30, 2025, Rithm Capital recorded a net deferred tax liability of \$736.9 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 September 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.

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

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

Capital Commitments — As of September 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 September 30, 2025, Rithm Capital's estimated liability associated with representations and warranties and Ginnie Mae repurchases was \$42.4 million and \$2.7 billion, respectively. See Note 5 for information regarding the right to repurchase delinquent loans from Ginnie Mae securities and mortgage origination.

- **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.
- **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 September 30, 2025, \$32.2 million of the aggregate purchase price remains outstanding.
- **Residential Transition Loans** — Genesis had commitments to fund up to \$1.8 billion of additional advances on existing mortgage loans as of September 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 September 30, 2025, the Company has an unfunded capital commitment to fund up to \$75.8 million on an existing loan to a certain commercial real estate borrower.

RITHM CAPITAL CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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

- **Fund Commitments** — As of September 30, 2025, the Company has unfunded capital commitments of \$303.5 million, including certain funds managed by Sculptor, of which \$42.2 million relates to commitments of consolidated funds. Approximately \$135.3 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 September 30, 2025, the unfunded capital commitment to the consolidated joint venture was \$105.4 million, of which \$84.3 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 September 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.

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.

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

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

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 September 30, 2025, approximately \$1.6 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 September 30, 2025, approximately 67.0% of this AUM is 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 and amounts due from Rithm Property Trust, to the extent the expenses were incurred by the Manager. 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 \$125.2 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.

During the third quarter of 2025, the Company entered into a strategic investment partnership, managed by the Company, with a third party investor to fund the acquisition of RTLs, originated and serviced by the Company's subsidiary, Genesis. The Company invested \$4.7 million in the partnership it consolidates. See Note 20 for additional details.

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 the 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.

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

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 September 30, 2025, Rithm Capital holds 3.3 million shares of Rithm Property Trust common stock with a fair value of \$8.3 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.

Rithm Property Trust pays all of its costs and expenses and reimburses the Manager (to the extent incurred by the Manager) on a monthly basis for the costs and expenses of providing services under the Management Agreement, including reimbursing the Manager or its affiliates, as applicable, for the Company's allocable share of the compensation (whether paid in cash, stock or other forms), including annual base salary, bonus, any related withholding taxes and employee benefits, paid to (i) the Manager's personnel serving as Rithm Property Trust's chief financial officer based on the percentage of his or her time spent managing the Rithm Property Trust's affairs and (ii) other corporate finance, tax, accounting, middle office, internal audit, legal, risk management, operations, compliance and other non-investment personnel of the Manager and its affiliates who spend all or a portion of their time managing Rithm Property Trust's affairs.

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 September 30, 2025, the fair value of recognized MSRs associated with the loans in securitizations sponsored by Rithm Property Trust was approximately \$22.1 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 September 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 the Q1 25 10-Q and Part I, Item 1A. “Risk Factors” of 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 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 September 30, 2025, we had approximately \$47.2 billion in total assets and approximately \$37.5 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)	September 30, 2025	June 30, 2025	March 31, 2025 ^(A)	December 31, 2024	September 30, 2024
Total equity	\$ 8,612,685	\$ 8,059,209	\$ 7,884,840	\$ 7,886,310	\$ 7,751,409
Less: Preferred Stock Series A, B, C, D and E	1,390,790	1,207,254	1,207,254	1,257,254	1,257,254
Less: Noncontrolling interests of consolidated subsidiaries	114,168	110,826	108,716	91,336	94,867
Total equity attributable to common stock	\$ 7,107,727	\$ 6,741,129	\$ 6,568,870	\$ 6,537,720	\$ 6,399,288
Common stock outstanding	554,196,670	530,292,171	530,122,477	520,656,256	519,732,422
Book Value per Common Share	\$ 12.83	\$ 12.71	\$ 12.39	\$ 12.56	\$ 12.31

(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

The economy has shown resilience year-to-date despite elevated policy uncertainty. The evaluation of economic trends has been clouded since the September data cycle began by the shutdown in nonessential government spending. Although core personal consumption expenditure inflation was 2.9% in August 2025, the Federal Open Market Committee cut interest rates in September 2025, lowering the federal funds target by a quarter percentage point to support the employment side of their dual mandate. The median projections of committee participants point to two more rate cuts in 2025. Longer-term Treasury yields declined slightly during the third quarter of 2025, as an increase in the implied inflation breakeven was more than offset by a decline in real yields as measured by Treasury Inflation Protected Securities (“TIPS”). The unemployment rate increased modestly by 0.2% points from June to August 2025, reflecting low layoffs but also very slow hiring. The growth outlook for the economy is cautiously optimistic, but risks remain due to uncertainty around trade and immigration policy. Equity markets advanced, as the S&P 500 composite climbed 7.8% during the third quarter, posting its best third quarter performance since 2020.

Inflation

Inflation picked up further during the third quarter of 2025, with the 12-month increase in the overall Consumer Price Index (“CPI”) rising to 3.0% in September 2025 from 2.7% in June 2025. Core CPI price inflation (excluding food and energy prices) also rose to 3.0% in September 2025 from 2.9% in June 2025. The faster gains in CPI prices were driven by both faster increases in core goods prices and core services prices.

Treasury Yields

The nominal 10-year Treasury yield declined slightly to 4.15% at the end of September 2025 from 4.23% at the end of June 2025. The real yields on 10-year TIPS fell to 1.78% at the end of September 2025 from 1.93% in June 2025, whereas the 10-year breakeven inflation rate rose to 2.37% in September 2025 from 2.28% in June 2025.

Labor Markets

Average payroll rose an average of 51,000 jobs per month in the first two months of the third quarter of 2025, which was little changed from an average of 55,000 jobs per month in the second quarter of 2025. The unemployment rate increased to 4.3% in August 2025 from 4.1% in June 2025. Based upon the ratio of job openings to unemployed job seekers, which slipped to 0.98 in August 2025 from 1.05 in June 2025, the labor market did loosen slightly during the first two months of the third quarter of 2025. Nonetheless, year-over-year growth in average hourly earnings was 3.7% in August 2025, unchanged from June 2025.

Housing Market

Total home sales (new and existing) averaged 4.69 million units in the first two months of the third quarter of 2025, which was virtually unchanged from the average of 4.66 million in the second 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 picked up slightly with the 12-month increase in the median resale price of an existing home at 2.0% in August 2025, which compares to 1.4% in June 2025. The 30-year fixed mortgage rate declined somewhat to 6.39% at the end of the third quarter of 2025 from 6.77% at the end of the second quarter of 2025.

The economic conditions discussed above influence our investment strategy and results.

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

	Three Months Ended				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Real GDP	Not Available ^(A)	3.8 %	(0.5)%	2.4 %	3.1 %

(A) Real GDP data as of September 30, 2025 was not released as of the filing date due to the federal government shutdown.

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

	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Unemployment rate	Not Available ^(A)	4.1 %	4.2 %	4.1 %	4.1 %

(A) Unemployment rate data as of September 30, 2025 was not released as of the filing date due to the federal government shutdown.

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:

	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
10-year U.S. Treasury rate	4.2 %	4.2 %	4.2 %	4.6 %	3.8 %
30-year fixed mortgage rate	6.4 %	6.8 %	6.7 %	6.9 %	6.1 %

We believe the estimates and assumptions underlying our consolidated financial statements are reasonable and supportable based on the information available as of September 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 September 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 September 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
September 30, 2025						
Investments ^(A)	\$ 21,614,292	\$ 5,216,553	\$ 2,575,354	\$ —	\$ —	\$ 29,406,199
Cash and cash equivalents ^(A)	1,155,874	28,080	71,388	96,945	258,671	1,610,958
Restricted cash ^(A)	187,467	46,957	72,653	7,448	235,989	550,514
Other assets ^(A)	6,156,590	2,378,829	183,140	1,149,756	5,842	9,874,157
Goodwill	29,468	—	55,731	48,633	—	133,832
Assets of consolidated entities ^(A)	—	3,071,055	985,815	1,532,864	—	5,589,734
Total Assets	\$ 29,143,691	\$ 10,741,474	\$ 3,944,081	\$ 2,835,646	\$ 500,502	\$ 47,165,394
Debt ^(A)	\$ 17,889,312	\$ 5,877,032	\$ 2,031,762	\$ 446,279	\$ 1,257,256	\$ 27,501,641
Other liabilities ^(A)	5,064,274	438,792	103,809	81,961	293,733	5,982,569
Liabilities of consolidated entities ^(A)	—	2,627,779	867,481	1,276,450	—	4,771,710
Total Liabilities	22,953,586	8,943,603	3,003,052	1,804,690	1,550,989	38,255,920
Redeemable Noncontrolling Interests of Consolidated Subsidiaries	—	—	—	60,800	235,989	296,789
Total Stockholders' Equity	6,190,105	1,797,871	941,029	970,156	(1,286,476)	8,612,685
Noncontrolling interests in equity of consolidated subsidiaries	9,867	58,512	—	45,789	—	114,168
Stockholders' Equity in Rithm Capital Corp.	\$ 6,180,238	\$ 1,739,359	\$ 941,029	\$ 924,367	\$ (1,286,476)	\$ 8,498,517
Investments in Equity Method Investees	\$ 24,777	\$ 318,955	\$ 27,605	\$ 218,212	\$ —	\$ 589,549
December 31, 2024						
Investments ^(A)	\$ 24,108,692	\$ 2,379,086	\$ 2,178,075	\$ —	\$ —	\$ 28,665,853
Debt ^(A)	\$ 21,968,357	\$ 3,103,488	\$ 1,747,307	\$ 431,806	\$ 1,033,804	\$ 28,284,762

(A) The Company's consolidated balance sheets include assets and liabilities of consolidated VIEs and certain other consolidated VIEs, including funds and collateralized financing entities ("CFEs") that are presented separately within assets and liabilities of consolidated entities. VIE assets can only be used to settle obligations and liabilities of the VIEs. VIE creditors 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 September 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. As of September 30, 2025, Newrez serviced approximately 3.8 million customers. The aggregated unpaid principal balance ("UPB") serviced by Newrez was approximately \$822.1 billion, \$807.3 billion and \$754.7 billion as of September 30, 2025, June 30, 2025 and September 30, 2024, respectively. Our origination business funded \$16.4 billion and \$16.3 billion of mortgages for the three months ended September 30, 2025 and June 30, 2025, respectively, and \$44.5 billion and \$41.3 billion for the nine months ended September 30, 2025 and 2024, respectively.

We generally service all of the loans that we originate, which provides us connectivity to 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 September 30, 2025, the performing loan servicing division serviced \$530.7 billion UPB of loans, our special servicing division serviced \$291.4 billion UPB of loans and third parties serviced \$55.5 billion UPB of loans, for a total servicing portfolio of \$877.5 billion UPB, an increase of \$13.3 billion from June 30, 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				Nine Months Ended September 30,				QoQ Change	YoY Change
	September 30, 2025	% of Total	June 30, 2025	% of Total	2025	% of Total	2024	% of Total		
Production by Channel:										
Direct to Consumer	\$ 1,684	10%	\$ 1,602	10%	\$ 4,456	10%	\$ 2,614	6%	\$ 82	\$ 1,842
Retail / Joint Venture	735	4%	798	5%	2,113	5%	3,224	8%	(63)	(1,111)
Wholesale	2,808	17%	2,582	16%	6,927	16%	4,866	12%	226	2,061
Correspondent	11,175	69%	11,316	69%	31,033	69%	30,622	74%	(141)	411
Total Production by Channel	\$ 16,402	100%	\$ 16,298	100%	\$ 44,529	100%	\$ 41,326	100%	\$ 104	\$ 3,203
Production by Product:										
Agency	\$ 6,899	42%	\$ 6,941	43%	\$ 19,342	43%	\$ 23,211	56%	\$ (42)	\$ (3,869)
Government	8,008	49%	8,235	50%	21,781	49%	16,587	40%	(227)	5,194
Non-QM	1,042	6%	637	4%	2,068	5%	789	2%	405	1,279
Non-Agency	420	3%	447	3%	1,239	3%	165	1%	(27)	1,074
Other	33	—%	38	—%	99	—%	574	1%	(5)	(475)
Total Production by Product	\$ 16,402	100%	\$ 16,298	100%	\$ 44,529	100%	\$ 41,326	100%	\$ 104	\$ 3,203
% Purchase	75 %		73 %		74 %		84 %			
% Refinance	25 %		27 %		26 %		16 %			

(dollars in thousands)	Three Months Ended		Nine Months Ended September 30,		QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024		
(B) Gain on originated residential mortgage loans, held-for-sale, net ^{(A)(B)(C)}	\$ 176,039	\$ 172,740	\$ 501,724	\$ 472,307	\$ 3,299	\$ 29,417
Pull through adjusted lock volume	\$ 17,676,990	\$ 16,656,627	\$ 46,785,204	\$ 42,809,716	\$ 1,020,363	\$ 3,975,488

Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume, by Channel:

Direct to Consumer	1.75 %	3.39 %	2.59 %	3.18 %
Retail / Joint Venture	2.99 %	3.49 %	3.31 %	3.65 %
Wholesale	1.19 %	1.22 %	1.23 %	1.34 %
Correspondent	0.53 %	0.43 %	0.50 %	0.50 %
Total Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume	1.00 %	1.04 %	1.07 %	1.10 %

- (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 \$296.4 million and \$248.3 million for the three months ended September 30, 2025 and June 30, 2025, respectively, and \$742.3 million and \$700.4 million for the nine months ended September 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 \$3.3 million to \$176.0 million for the three months ended September 30, 2025 compared to the three months ended June 30, 2025. The increase is attributable to an increase in pull through adjusted lock volume across channels partially offset by lower gain on sale margins. Purchase originations comprised 74.8% of funded loans for the three months ended September 30, 2025, increased compared to 72.8% for the three months ended June 30, 2025, as home sales trend higher.

Total gain on originated residential mortgage loans, HFS, net increased \$29.4 million to \$501.7 million for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024. The increase is attributable to an increase in pull through adjusted lock volume in the Direct to Consumer and Wholesale channels, partially offset by lower gain on sale margins. Refinance originations comprised 26.4% of funded loans for the nine months ended September 30, 2025, higher than 16.4% for the nine months ended September 30, 2024, as interest rates moved lower year-over-year.

For the three months ended September 30, 2025, funded loan origination volume was \$16.4 billion, up from \$16.3 billion in the three months ended June 30, 2025. Gain on sale margin for the three months ended September 30, 2025 was 1.00%, 4 bps lower than 1.04% for the three months ended June 30, 2025. The lower gain on sale margin for the three months ended September 30, 2025 was primarily due to narrower margins in the Direct to Consumer and Wholesale channels (refer to the tables above).

For the nine months ended September 30, 2025, funded loan origination volume was \$44.5 billion, up from \$41.3 billion in the nine months ended September 30, 2024. Gain on sale margin for the nine months ended September 30, 2025 was 1.07%, 3 bps lower than 1.10% for the nine months ended September 30, 2024. The lower gain on sale margin for the nine months ended September 30, 2025 was primarily due to narrower margins in the Direct to Consumer and Wholesale channels (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				
	September 30, 2025	June 30, 2025	September 30, 2024	QoQ Change	YoY Change
<i>Performing Servicing:</i>					
MSR-owned assets	\$ 527,071	\$ 523,174	\$ 508,948	\$ 3,897	\$ 18,123
Residential whole loans	3,638	2,909	2,448	729	1,190
Total Performing Servicing	530,709	526,083	511,396	4,626	19,313
<i>Special Servicing:</i>					
MSR-owned assets	13,561	12,683	12,905	878	656
Residential whole loans	8,633	7,834	6,922	799	1,711
Third-party	269,160	260,722	223,433	8,438	45,727
Total Special Servicing	291,354	281,239	243,260	10,115	48,094
Total Newrez Servicing	822,063	807,322	754,656	14,741	67,407
<i>Serviced by Third-Parties:</i>					
MSR-owned assets	55,461	56,866	67,013	(1,405)	(11,552)
Total Servicing Portfolio	\$ 877,524	\$ 864,188	\$ 821,669	\$ 13,336	\$ 55,855
<i>Agency Servicing:</i>					
MSR-owned assets	\$ 380,422	\$ 380,863	\$ 383,218	\$ (441)	\$ (2,796)
Residential whole loans	—	71	—	(71)	—
Third-party	70,922	72,292	63,592	(1,370)	7,330
Total Agency Servicing	451,344	453,226	446,810	(1,882)	4,534
<i>Government-Insured Servicing:</i>					
MSR-owned assets	147,593	143,313	134,832	4,280	12,761
Third-party	2,783	3,042	4,668	(259)	(1,885)
Total Government-Insured Servicing	150,376	146,355	139,500	4,021	10,876
<i>Non-Agency (Private Label) Servicing:</i>					
MSR-owned assets	68,078	68,547	70,816	(469)	(2,738)
Residential whole loans	12,271	10,672	9,370	1,599	2,901
Third-party	195,455	185,388	155,173	10,067	40,282
Total Non-Agency (Private Label) Servicing	275,804	264,607	235,359	11,197	40,445
Total Servicing Portfolio	\$ 877,524	\$ 864,188	\$ 821,669	\$ 13,336	\$ 55,855

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

	Three Months Ended		Nine Months Ended September 30,			
(in thousands)	September 30, 2025	June 30, 2025	2025	2024	QoQ Change	YoY Change
Servicing Fees:						
MSR-owned assets	\$ 455,613	\$ 452,069	\$ 1,360,237	\$ 1,189,879	\$ 3,544	\$ 170,358
Residential whole loans	2,775	2,411	7,621	7,495	364	126
Third-party	57,021	54,849	165,824	101,299	2,172	64,525
Total Servicing Fees	515,409	509,329	1,533,682	1,298,673	6,080	235,009
Other Fees:						
Incentive	19,693	16,540	54,517	46,407	3,153	8,110
Ancillary	40,723	46,719	127,222	105,638	(5,996)	21,584
Boarding	2,166	939	5,532	3,711	1,227	1,821
Other	1,290	1,290	3,946	7,611	—	(3,665)
Total Other Fees ^(A)	63,872	65,488	191,217	163,367	(1,616)	27,850
Total Servicing Portfolio Fees	\$ 579,281	\$ 574,817	\$ 1,724,899	\$ 1,462,040	\$ 4,464	\$ 262,859

(A) Includes other fees earned from third parties of \$20.0 million and \$23.7 million for the three months ended September 30, 2025 and June 30, 2025, respectively, and \$65.7 million and \$47.1 million for the nine months ended September 30, 2025 and 2024, respectively.

As of September 30, 2025, 90.7% 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 Mortgage Corporation and Valon Mortgage, Inc. 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 \$55.5 billion, representing 9.3% of our servicing portfolio as of September 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 September 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 September 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 September 30, 2025:

(dollars in billions)	Current UPB	Weighted Average MSR (bps)	Carrying Value
GSE ^(A)	\$ 380.4	29	\$ 6.3
Non-Agency ^(A)	68.1	44	0.8
Ginnie Mae	147.6	48	3.3
Total / Weighted Average	\$ 596.1	36	\$ 10.4

(A) Includes GSE and Non-Agency MSRs of \$22.1 billion and \$33.4 billion underlying UPB, respectively, serviced by third-party subservicers.

The following tables summarize the collateral characteristics of the residential mortgage loans underlying our MSRs and MSR financing receivables as of September 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)	\$ 6,265,449	\$ 380,422,006	1,941,181	772	4.3 %	270	65	0.9 %	6.7 %	6.7 %	— %	8.8 %
Non-Agency ^(A)	784,367	68,078,160	557,155	670	4.6 %	280	203	8.1 %	7.2 %	5.7 %	1.5 %	3.0 %
Ginnie Mae	3,339,950	147,592,847	589,954	704	4.4 %	313	43	0.3 %	7.0 %	6.8 %	0.2 %	22.8 %
Total	\$ 10,389,766	\$ 596,093,013	3,088,290	744	4.4 %	282	75	1.6 %	6.9 %	6.6 %	0.2 %	11.6 %

Collateral Characteristics				
	Delinquency 90+ Days ^(G)	Loans in Foreclosure	REO	Loans in Bankruptcy
GSE ^(A)	0.3 %	0.1 %	— %	0.1 %
Non-Agency ^(A)	1.8 %	5.0 %	0.6 %	2.4 %
Ginnie Mae	1.9 %	0.8 %	0.1 %	0.7 %
Weighted Average	0.9 %	0.9 %	0.1 %	0.5 %

(A) Includes GSE and Non-Agency MSRs of \$22.1 billion and \$33.4 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 nine months ended September 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	\$ 8,560,928	\$ 8,371,898	\$ 171,501	\$ (5,364)	\$ 8,538,035	32	7.8	7.6 %	\$ 7,794,765
Treasury securities	25,000	24,790	—	—	24,790	1	0.2	N/A	—
Total / Weighted Average	\$ 8,585,928	\$ 8,396,688	\$ 171,501	\$ (5,364)	\$ 8,562,825	33	7.8		\$ 7,794,765

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

(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 as of September 30, 2025:

Net Interest Spread ^(A)	
Weighted average asset yield	5.0 %
Weighted average funding cost	4.4 %
Net Interest Spread	0.6 %

(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 \$8.6 billion as of September 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 September 30, 2025 and December 31, 2024, the Company pledged Agency RMBS and Treasury securities and associated margin deposits with a carrying value of approximately \$8.1 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 September 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 Rocket Companies, Inc., as successor in merger to 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	\$ 49.3	32	20	65.0% – 80.0%	\$ 334.7

(A) The MSR is a weighted average as of September 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 \$12.2 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 September 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	\$ 334,668	\$ 49,260,027	404,736	719	4.6 %	222	168	6.6 %	6.3 %	0.4 %	13.6 %

	Collateral Characteristics			
	Delinquency		Loans in Foreclosure	REO
	90+ Days ^(E)			
Weighted Average ^(F)	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):

	September 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
Servicer advance investments	\$ 290,757	\$ 302,278	\$ 12,224,189	\$ 264,921	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 nine months ended September 30, 2025 (dollars in thousands):

	Weighted Average Discount Rate	Weighted Average Life (Years) ^(C)	Face Amount of Secured Notes and Bonds Payable	LTV ^(A)		Cost of Funds ^(B)	
				Gross	Net ^(D)	Gross	Net
Servicer advance investments ^(E)	6.5 %	8.0	\$ 231,018	84.5 %	82.5 %	6.2 %	5.6 %

(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):

	September 30, 2025
Principal and interest advances	\$ 40,712
Escrow advances (taxes and insurance advances)	118,558
Foreclosure advances	105,651
Total	\$ 264,921

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 entities and liabilities of consolidated entities on the consolidated balance sheets and is excluded from the tables below. As of September 30, 2025, 77.3% 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 nine months ended September 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	\$ 8,618,043	\$ 669,059	\$ 98,202	\$ (45,816)	\$ 721,445	\$ 896,129

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

(B) Carrying value which is equal to the fair 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 September 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 ^(D)	Cumulative Losses to Date
Total / weighted average	\$ 8,618,043	\$ 669,059	\$ 721,445	606	4.4	4.1 %	12.4	0.5	8.5 %	3.1 %	0.9 %

(A) Excludes \$150.5 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 \$178.5 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.

The following table summarizes the net interest spread of our Non-Agency securities portfolio as of September 30, 2025:

Net Interest Spread ^(A)	
Weighted average asset yield	5.8 %
Weighted average funding cost	5.9 %
Net Interest Spread	(0.1)%

(A) The Non-Agency securities portfolio consists of 21.0% floating rate securities and 79.0% 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 September 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 September 30, 2025.

Residential Mortgage Loans

We accumulated our 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 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 September 30, 2025, we had approximately \$6.2 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 \$5.5 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):

	September 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)	\$ 3,156,142	\$ 3,051,688	8,025	6.0 %	25.7	\$ 2,791,027
Residential mortgage loans, HFI, at fair value	360,448	334,589	6,836	7.7 %	4.6	361,890
<i>Residential Mortgage Loans, HFS:</i>						
Acquired performing loans ^(C)	50,718	46,458	1,543	6.6 %	4.3	51,011
Acquired non-performing loans ^(D)	15,025	12,333	181	10.6 %	4.3	15,659
Total Residential Mortgage Loans, HFS	\$ 65,743	\$ 58,791	1,724	7.5 %	4.3	\$ 66,670
<i>Residential Mortgage Loans, HFS, at Fair Value:</i>						
Acquired performing loans ^{(C)(E)}	\$ 1,657,670	\$ 1,694,140	4,049	6.2 %	9.7	\$ 408,421
Acquired non-performing loans ^{(D)(E)}	244,650	222,502	1,063	5.2 %	27.5	270,879
Originated loans	3,860,883	3,971,969	12,577	6.6 %	28.9	3,628,271
Total Residential Mortgage Loans, HFS, at Fair Value	\$ 5,763,203	\$ 5,888,611	17,689	6.4 %	23.3	\$ 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 September 30, 2025, Rithm Capital has placed non-performing loans, HFS on non-accrual status except, as described in (E) below.
- (E) Includes \$236.8 million and \$234.1 million UPB of Ginnie Mae early buyout options of 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 September 30, 2025 and December 31, 2024, the Company pledged residential mortgage loans with a carrying value of approximately \$6.3 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 September 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 September 30, 2025.

Consumer Loans

The table below summarizes the collateral characteristics of the Company's consumer loans, including the portfolio of consumer loans purchased from Upgrade, Inc. (the "Upgrade loans" or "Upgrade"), 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 certain limited liability companies (together, the "Consumer Loan Companies") as of September 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	\$ 172,158	29,900	18.0 %	14.7 %	252	44	1.9 %	14.0 %	5.3 %
Marcus	339,048	100,711	11.2 %	— %	41	8	41.6 %	24.9 %	6.3 %
Upgrade	218,978	18,114	12.9 %	— %	6	133	— %	24.8 %	— %
Total / Weighted Average	\$ 730,184	148,725	13.3 %	3.5 %	80	54	19.8 %	22.3 %	4.2 %

(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. The Upgrade loans are financed primarily through a secured revolving credit facility that matures in July 2026. See Note 18 to our consolidated financial statements for further information regarding the financing of our consumer loans, including a summary of activity related to financing from December 31, 2024 to September 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 September 30, 2025.

Single-Family Rental Properties

We invest in and manage a geographically diversified portfolio of high-quality SFR properties. As of September 30, 2025, our SFR portfolio consists of 3,974 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 nine months ended September 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 September 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 %	\$ 16,659	1.6 %	\$ 183	87.9 %	91.2 %	95.2 %	\$ 1,654	1,540
Arizona	142	3.6 %	52,700	5.3 %	371	91.5 %	93.0 %	94.9 %	2,023	1,518
Florida	805	20.3 %	207,508	20.8 %	258	88.8 %	89.8 %	95.0 %	1,953	1,432
Georgia	729	18.3 %	167,259	16.8 %	229	87.5 %	90.9 %	94.0 %	1,951	1,769
Indiana	117	2.8 %	24,471	2.5 %	209	88.0 %	92.3 %	92.8 %	1,754	1,621
Mississippi	157	4.0 %	30,978	3.1 %	197	90.4 %	91.7 %	96.6 %	1,887	1,682
Missouri	356	9.0 %	69,110	6.9 %	194	89.6 %	92.4 %	93.3 %	1,693	1,411
Nevada	98	2.5 %	31,315	3.1 %	320	83.7 %	88.8 %	92.1 %	1,924	1,457
North Carolina	431	10.8 %	121,768	12.2 %	283	87.7 %	90.3 %	93.1 %	1,886	1,545
Oklahoma	52	1.3 %	11,121	1.1 %	214	92.3 %	94.2 %	94.1 %	1,625	1,592
Tennessee	84	2.1 %	27,073	2.7 %	322	90.5 %	91.7 %	95.0 %	2,021	1,490
Texas	910	22.9 %	237,652	23.8 %	261	82.3 %	83.4 %	96.3 %	1,945	1,750
Other U.S.	2	0.1 %	502	0.1 %	251	100.0 %	100.0 %	100.0 %	1,860	1,567
Total / Weighted Average	3,974	100.0 %	\$ 998,116	100.0 %	\$ 251	87.1 %	89.2 %	94.7 %	\$ 1,904	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 Homes, Inc. 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 a 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 3.7% 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 September 30, 2025, the average commitment size of our loans was \$4.5 million, and the weighted average remaining term to contractual maturity of our loans was 13.0 months.

We receive loan origination fees, or "points," and we earned an average of 1.2% of the total commitment at origination as of September 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 nine months ended September 30, 2025 (dollars in thousands):

Loans originated ^(A)	\$	3,352,903
Loans repaid	\$	1,171,789
Number of loans originated		1,232
UPB	\$	2,572,891
Total commitment	\$	3,910,351
Average total commitment	\$	5,336
Weighted average contractual interest ^(B)		9.5 %

(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 September 30, 2025 (dollars in thousands):

	Number of Loans	% of Loans	Total Commitment	% of Total Commitment	Weighted Average Committed Loan Balance to Value ^(A)
Construction	270	30.3 %	\$ 2,248,511	57.5 %	70.4% / 60.4%
Bridge	307	34.4 %	1,315,084	33.6 %	66.4%
Renovation	315	35.3 %	346,756	8.9 %	82.4% / 67.9%
Total	892	100.0 %	\$ 3,910,351	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 September 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. We provide asset management services and investment products across credit, real estate and multi-strategy platforms with approximately \$37.5 billion in AUM as of September 30, 2025. Our platform offers a broad suite of products and leverages origination, underwriting and servicing expertise through our operating companies. We believe these capabilities enable us to deliver customized investment solutions that provide investors with flexibility around the pace of growth, investment tenure and overall portfolio size. Sculptor serves its global client base through commingled funds, separate accounts and other alternative investment vehicles. RCM Manager externally manages Rithm Property Trust, and RCA was formed to serve as an investment advisor for funds and managed accounts.

In the third quarter 2025, we announced a strategic investment partnership with a large institutional investor, which we believe marks the latest milestone in our ongoing strategy to cultivate long-term, value driven asset management collaborations. As part of the agreement, the partnership will fund the near-term acquisition of up to \$500 million of residential transition loans, with the potential to acquire up to \$1.5 billion. The parties formed a dedicated investment partnership to fund the acquisition of the loans, which will be managed by RCA. The loans will be serviced by Genesis. We believe this partnership underscores our efforts to grow our asset management platform. RCA expects to begin managing additional funds in the fourth quarter of 2025.

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 our funds and positive investment performance of our 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 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 us 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 our 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 we are 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 nine months ended September 30, 2025, our asset management revenues were \$267.6 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.

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 September 30, 2025; however, uncertainty over the current macroeconomic conditions makes any estimates and assumptions as of September 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.

Our critical accounting policies as of September 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 the 2024 Form 10-K.

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 to service, gain on sale of loans less cost to originate and asset management fees less expenses. 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. Asset management fees are directly related to growth in AUM and investment performance of our funds. Decline in investment performance may slow our AUM growth and increase the potential for redemptions from our funds.

During the three and nine months ended September 30, 2025, interest rates remained elevated, although decreased in comparison to the three months ended June 30, 2025 and to the nine months ended September 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 September 30, 2025 compared to the three months ended June 30, 2025 and the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024. Our results of operations are not necessarily indicative of our future performance (dollars in thousands).

	Three Months Ended		Nine Months Ended September 30,		QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024		
Revenues						
Servicing fee revenue, net and interest income from MSRs and MSR financing receivables	\$ 579,281	\$ 574,817	\$ 1,724,899	\$ 1,462,040	\$ 4,464	\$ 262,859
Change in fair value of MSRs and MSR financing receivables, net of economic hedges (includes realization of cash flows of \$(189,881), \$(176,680), \$(513,452) and \$(421,761), respectively)	(264,351)	(155,005)	(752,734)	(490,377)	(109,346)	(262,357)
Servicing revenue, net	314,930	419,812	972,165	971,663	(104,882)	502
Interest income	453,786	478,455	1,373,501	1,464,180	(24,669)	(90,679)
Gain on originated residential mortgage loans, HFS, net	196,308	169,698	525,795	480,894	26,610	44,901
Other revenues	55,628	54,066	160,467	172,060	1,562	(11,593)
Asset management revenues	84,871	95,008	267,551	261,423	(10,137)	6,128
	1,105,523	1,217,039	3,299,479	3,350,220	(111,516)	(50,741)
Expenses						
Interest expense and warehouse line fees	402,690	417,868	1,239,612	1,385,939	(15,178)	(146,327)
General and administrative	237,092	239,575	714,213	634,855	(2,483)	79,358
Compensation and benefits	299,073	294,407	864,947	771,899	4,666	93,048
	938,855	951,850	2,818,772	2,792,693	(12,995)	26,079
Other Income (Loss)						
Realized and unrealized gains, net	53,393	22,741	74,991	112,657	30,652	(37,666)
Other income, net	16,809	18,478	44,360	46,028	(1,669)	(1,668)
	70,202	41,219	119,351	158,685	28,983	(39,334)
Income before Income Taxes	236,870	306,408	600,058	716,212	(69,538)	(116,154)
Income tax expense (benefit)	8,072	(11,598)	(27,456)	66,627	19,670	(94,083)
Net Income	228,798	318,006	627,514	649,585	(89,208)	(22,071)
Noncontrolling interests in income of consolidated subsidiaries	3,331	3,169	7,586	8,252	162	(666)
Redeemable noncontrolling interests in income of consolidated subsidiaries	3,929	3,120	7,862	—	809	7,862
Net Income Attributable to Rithm Capital Corp.	221,538	311,717	612,066	641,333	(90,179)	(29,267)
Change in redemption value of redeemable noncontrolling interests	—	—	15,611	—	—	15,611
Dividends on preferred stock	27,876	27,818	82,371	69,508	58	12,863
Net Income Attributable to Common Stockholders	\$ 193,662	\$ 283,899	\$ 514,084	\$ 571,825	\$ (90,237)	\$ (57,741)

Servicing Revenue, Net

Servicing revenue, net consists of the following:

	Three Months Ended		Nine Months Ended September 30,		QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024		
(dollars in thousands)						
Servicing fee revenue, net and interest income from MSR and MSR financing receivables	\$ 532,052	\$ 518,371	\$ 1,577,233	\$ 1,338,860	\$ 13,681	\$ 238,373
Ancillary and other fees	47,229	56,446	147,666	123,180	(9,217)	24,486
Servicing fee revenue, net and fees	579,281	574,817	1,724,899	1,462,040	4,464	262,859
Change in Fair Value due to:						
Realization of cash flows	(189,881)	(176,680)	(513,452)	(421,761)	(13,201)	(91,691)
Change in valuation inputs and assumptions, net of realized gains (losses) ^(A)	(219,555)	(8,807)	(623,387)	(309,297)	(210,748)	(314,090)
Gains (losses) on MSR economic hedges	145,085	30,482	384,105	240,681	114,603	143,424
Servicing Revenue, Net	\$ 314,930	\$ 419,812	\$ 972,165	\$ 971,663	\$ (104,882)	\$ 502

(A) The following table summarizes the components of servicing revenue, net related to changes in valuation inputs and assumptions:

	Three Months Ended		Nine Months Ended September 30,		QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024		
(dollars in thousands)						
Changes in interest rates and prepayment rates	\$ (250,288)	\$ (24,427)	\$ (616,428)	\$ (62,809)	\$ (225,861)	\$ (553,619)
Changes in discount rates	133,634	—	129,311	60,000	133,634	69,311
Changes in other factors	(102,901)	15,620	(136,270)	(306,488)	(118,521)	170,218
Change in Valuation and Assumptions	\$ (219,555)	\$ (8,807)	\$ (623,387)	\$ (309,297)	\$ (210,748)	\$ (314,090)

The table below summarizes the UPB of our MSR, MSR financing receivables and third-party servicing:

	UPB		September 30, 2024	QoQ Change	YoY Change
	September 30, 2025	June 30, 2025			
(dollars in millions)					
GSE	\$ 451,344	\$ 453,226	\$ 446,810	\$ (1,882)	\$ 4,534
Non-Agency	275,804	264,607	235,359	11,197	40,445
Ginnie Mae	150,376	146,355	139,500	4,021	10,876
Total	\$ 877,524	\$ 864,188	\$ 821,669	\$ 13,336	\$ 55,855

The table below summarizes the total UPB of our servicing portfolio (owned MSR and third-party servicing) by Performing Servicing, Special Servicing and serviced by third-parties:

	UPB		September 30, 2024	QoQ Change	YoY Change
	September 30, 2025	June 30, 2025			
(dollars in millions)					
Performing Servicing	\$ 530,709	\$ 526,083	\$ 511,396	\$ 4,626	\$ 19,313
Special Servicing	291,354	281,239	243,260	10,115	48,094
Serviced by third-parties	55,461	56,866	67,013	(1,405)	(11,552)
Total Servicing Portfolio	\$ 877,524	\$ 864,188	\$ 821,669	\$ 13,336	\$ 55,855

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Servicing revenue, net decreased \$104.9 million, primarily driven by a decrease in the value of our MSR driven by changes in interest rates and higher prepayment speeds, partially offset by a decrease in discount rates. The unrealized loss on our MSR was partially offset by net gains on MSR economic hedges.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Servicing revenue, net increased \$0.5 million, primarily driven by increased servicing revenue as a result of a \$55.9 billion increase in servicing UPB and prospective classification of certain servicing costs to loan servicing expense within general and administrative in 2025. The increase was partially offset by an unrealized loss, net of economic hedges, on our MSR and increased realization of cash flows, primarily driven by changes in interest rates and higher prepayment speeds.

Interest Income

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Interest income for the three months ended September 30, 2025 decreased \$24.7 million, primarily driven by elevated default rates related to certain consumer loans. The impact of decline in interest rates and net reduction in securities portfolio was offset by higher average custodial account balances during the third quarter.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Interest income for the nine months ended September 30, 2025 decreased \$90.7 million, primarily driven by a reduced securities portfolio and elevated default rates related to certain consumer loans, partially offset by higher average custodial account balances during the nine months ended September 30, 2025.

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		Nine Months Ended September 30,	
	September 30, 2025	June 30, 2025	2025	2024
(dollars in thousands)				
Pull through adjusted lock volume	\$ 17,676,990	\$ 16,656,627	\$ 46,785,204	\$ 42,809,716
<i>Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume, by Channel:</i>				
Direct to Consumer	1.75 %	3.39 %	2.59 %	3.18 %
Retail / Joint Venture	2.99 %	3.49 %	3.31 %	3.65 %
Wholesale	1.19 %	1.22 %	1.23 %	1.34 %
Correspondent	0.53 %	0.43 %	0.50 %	0.50 %
Total Gain on Originated Residential Mortgage Loans, as a Percentage of Pull Through Adjusted Lock Volume	1.00 %	1.04 %	1.07 %	1.10 %

The following table summarizes funded loan production by channel:

	UPB					
	Three Months Ended		Nine Months Ended September 30,		QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024		
(dollars in millions)						
<i>Production by Channel:</i>						
Direct to Consumer	\$ 1,684	\$ 1,602	\$ 4,456	\$ 2,614	\$ 82	\$ 1,842
Retail / Joint Venture	735	798	2,113	3,224	(63)	(1,111)
Wholesale	2,808	2,582	6,927	4,866	226	2,061
Correspondent	11,175	11,316	31,033	30,622	(141)	411
Total Production by Channel	\$ 16,402	\$ 16,298	\$ 44,529	\$ 41,326	\$ 104	\$ 3,203

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Gain on originated residential mortgage loans, HFS, net increased \$26.6 million, primarily driven by an increase in pull through adjusted lock volume across channels and increase in gains from derivatives related to origination, partially offset by lower gain on sale margins.

For the three months ended September 30, 2025, funded loan origination volume was \$16.4 billion, up from \$16.3 billion in the three months ended June 30, 2025. Of all funded origination volume, 74.8% was purchase, increased compared to 72.8% in the three months ended June 30, 2025, as home sales trend higher. While funded loan origination volume increased quarter over quarter, gain on sale margin for the three months ended September 30, 2025 was 1.00%, 4 bps lower than 1.04% for the three months ended June 30, 2025, primarily due to narrower margins in the Direct to Consumer and Wholesale channels.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Gain on originated residential mortgage loans, HFS, net increased \$44.9 million, primarily driven by an increase in pull through adjusted lock volume in the Direct to Consumer and Wholesale channels, partially offset by lower gain on sale margins.

For the nine months ended September 30, 2025, funded loan origination volume was \$44.5 billion, up from \$41.3 billion in the nine months ended September 30, 2024. Of all funded origination volume, 26.4% was refinance, up from 16.4% in the prior year, as interest rates moved lower year-over-year. Gain on sale margin for the nine months ended September 30, 2025 was 1.07%, 3 bps lower than 1.10% for the prior year, primarily due to narrower margins in the Direct to Consumer and Wholesale channels.

Other Revenues

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Other revenues increased \$1.6 million, as property inspection and maintenance volume at Guardian remained comparable quarter-over-quarter.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Other revenues decreased \$11.6 million primarily due to lower property inspection and maintenance revenue at Guardian.

Asset Management Revenues

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Asset management revenues decreased \$10.1 million, primarily driven by lower incentive income driven by off-cycle crystallization related to certain funds managed by Sculptor.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Asset management revenues increased \$6.1 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 September 30, 2025 compared to the three months ended June 30, 2025

Interest expense and warehouse line fees decreased \$15.2 million, primarily driven by a decrease in average outstanding borrowing on servicing related assets, as the Company utilized proceeds from the ATM program and preferred stock issuance to pay down MSR-related financing facilities, and government and government-backed securities, resulting from net securities sales, during the three months ended September 30, 2025. The decrease was partially offset by (i) an increased borrowing on a growing portfolio of residential mortgage and transition loans and (ii) a full quarter of higher interest rate 2030 Senior Notes compared to the 2025 Senior Notes redeemed in the second quarter.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Interest expense and warehouse line fees decreased \$146.3 million, primarily driven by a decrease in average SOFR of approximately 5.4% to 4.4% year-over-year, and a lower average balances of debt associated with government and government-backed securities investments. The decrease was partially offset by higher average outstanding borrowing on servicing related assets year-over-year.

General and Administrative

General and administrative expenses consist of the following:

(dollars in thousands)	Three Months Ended		Nine Months Ended September 30,				QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024				
Legal and professional	\$ 28,642	\$ 24,394	\$ 77,674	\$ 65,951	\$ 4,248	\$ 11,723		
Loan origination	15,744	17,161	47,582	52,659	(1,417)	(5,077)		
Occupancy	15,632	16,348	46,434	47,165	(716)	(731)		
Subservicing	11,893	12,342	40,991	54,023	(449)	(13,032)		
Loan servicing	38,154	40,737	120,409	12,041	(2,583)	108,368		
Property and maintenance	29,768	28,921	86,325	93,936	847	(7,611)		
Depreciation and amortization	23,130	23,794	71,492	99,624	(664)	(28,132)		
Information technology	29,527	31,239	92,074	100,127	(1,712)	(8,053)		
Other	44,602	44,639	131,232	109,329	(37)	21,903		
Total General and Administrative Expenses	\$ 237,092	\$ 239,575	\$ 714,213	\$ 634,855	\$ (2,483)	\$ 79,358		

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Overall, general and administrative expenses were comparable quarter-over-quarter. Higher transaction-related legal and professional fees, driven by activity related to the Paramount and Crestline transactions, were partially offset by lower loan servicing costs.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

General and administrative expenses increased \$79.4 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 transaction activity. The increase was partially offset by a decrease in amortization on our intangible assets.

Compensation and Benefits

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Compensation and benefits increased 1.6%, as headcount remained relatively flat quarter-over-quarter.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Compensation and benefits increased \$93.0 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):

	Three Months Ended		Nine Months Ended September 30,				QoQ Change	YoY Change
	September 30, 2025	June 30, 2025	2025	2024				
(dollars in thousands)								
Real estate and other securities	\$ 6,627	\$ 4,532	\$ 19,613	\$ 6,884	\$ 2,095	\$ 12,729		
Residential mortgage loans and REO	5,993	8,281	16,818	38,718	(2,288)	(21,900)		
Derivative and hedging instruments	460	(8,226)	(17,581)	2,353	8,686	(19,934)		
Notes and bonds payable	(3,146)	(4,135)	(2,433)	(7,834)	989	5,401		
Consolidated entities ^(A)	20,615	26,614	63,671	89,081	(5,999)	(25,410)		
Other ^(B)	22,844	(4,325)	(5,097)	(16,545)	27,169	11,448		
Realized and unrealized gains, net	53,393	22,741	74,991	112,657	30,652	(37,666)		
Other income, net	16,809	18,478	44,360	46,028	(1,669)	(1,668)		
Total Other Income	\$ 70,202	\$ 41,219	\$ 119,351	\$ 158,685	\$ 28,983	\$ (39,334)		

(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 September 30, 2025 compared to the three months ended June 30, 2025

Total other income (loss) was \$70.2 million for the three months ended September 30, 2025, compared to \$41.2 million for the three months ended June 30, 2025. The quarter-over-quarter increase was primarily due to a \$33.7 million change from losses to gains on consumer loans, partially offset by a \$4.0 million decrease in gains from public equity investments.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Total other income (loss) was \$119.4 million for the nine months ended September 30, 2025, compared to \$158.7 million in the prior year. The year-over-year decrease was primarily due to a (i) \$19.9 million change from net gains to net losses related to derivative and hedging instruments, (ii) a \$25.4 million decrease in gains from consolidated entities, and (iii) a \$28.2 million bargain purchase gain recognized during the nine months ended September 30, 2024 from the acquisition of Computershare Mortgage Services Inc. and certain affiliated companies ("Computershare"). The total other income decrease was partially offset by (i) a \$68.8 million shift from losses to gains on consumer loans driven by stronger performance and (ii) a \$17.9 million increase in income from equity method investments driven by portfolio growth and performance.

Income Tax Expense (Benefit)

Three months ended September 30, 2025 compared to the three months ended June 30, 2025

Income tax expense increased \$19.7 million, which represents the net of a \$1.9 million current tax expense increase and \$17.7 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.

Nine months ended September 30, 2025 compared to the nine months ended September 30, 2024

Income tax expense decreased \$94.1 million, which represents the net of a \$14.2 million increase in current tax expense and \$108.3 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 September 30, 2025, approximately \$1.3 billion of available liquidity was held at NRM and Newrez, of which \$0.7 billion was in excess of the 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 September 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 September 30, 2025, our total outstanding debt obligations amounted to \$32.5 billion and are comprised of secured financing agreements, secured notes and bonds payable, Senior Unsecured Notes (as defined below) and notes payable of consolidated entities. 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 \$16.5 billion of secured financing agreements. To the extent that the value of the collateral underlying these secured financing agreements declines below the collateral margin trigger, we may be required to post margin, which could significantly impact our liquidity.

On September 3, 2025, we entered into a Purchase and Sale Agreement to acquire Crestline, an alternative asset manager, and certain of its affiliates (such acquisition, the “Crestline Acquisition”) for an upfront cash consideration of \$300 million, subject to adjustment for estimated transaction costs and working capital. The Crestline Acquisition is expected to close in the fourth quarter of 2025, subject to customary regulatory approvals and closing conditions.

On September 17, 2025, we entered into an Agreement and Plan of Merger (the “Original Merger Agreement”) to acquire Paramount, an owner and operator of Class A office properties in New York and San Francisco. On October 8, 2025, we and Paramount entered into Amendment No.1 to the Original Merger Agreement (the “Amendment” and the Original Merger Agreement, as amended by the Amendment, the “Paramount Merger Agreement”). Pursuant to the Paramount Merger

Agreement, at the effective time, subject to the terms and conditions set forth therein, Rithm Capital will acquire Paramount for a purchase price of approximately \$1.6 billion (the “Paramount Acquisition”). The Paramount Acquisition is expected to close in the fourth quarter of 2025, subject to customary closing conditions, including the approval of Paramount’s common stockholders.

In connection with the pending acquisitions, we have incurred and expect to incur substantial various cash outflows across operating, investing and financing activities. As of September 30, 2025, we have incurred approximately \$8.7 million in transaction-related costs, including legal, accounting, and advisory fees, which are included in operating activities in the consolidated statement of cash flows, and we expect to incur substantial additional costs in connection with completing the pending acquisitions. See “Part II., Item 1A. Risk Factors — *We will incur substantial transaction fees and costs in connection with the Paramount Acquisition and the Crestline Acquisition.* Upon closing, we expect to fund the acquisitions through a combination of cash consideration and financing activities. Any cash consideration to be paid upon closing will be reflected as an investing activity in the period in which the acquisitions are consummated. We also anticipate funding a portion of the purchase price through MSR financing draws and the use of excess cash available on the Paramount balance sheet. These financing activities are expected to provide sufficient liquidity to complete the acquisitions without materially impacting ongoing operations or near-term capital requirements.

Short-Term Borrowings

The following tables provide additional information regarding our short-term borrowings (dollars in thousands):

		Nine Months Ended September 30, 2025			
	Outstanding Balance at September 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	\$ 7,794,765	\$ 9,038,984	\$ 10,772,322	4.88 %	
Non-Agency securities	896,129	819,889	903,048	6.32 %	
Residential mortgage loans	4,780,343	3,168,617	4,854,102	5.88 %	
Residential transition loans	536,679	424,915	599,887	6.64 %	
<i>Secured Notes and Bonds Payable:</i>					
MSRs	2,212,753	3,313,018	3,740,139	6.97 %	
Servicer advances	2,035,609	1,922,201	2,482,266	6.25 %	
Total / Weighted Average	\$ 18,256,278	\$ 18,687,624	\$ 23,351,764	5.79 %	

(A) Represents the average for the period the debt was outstanding.

	Average Daily Amount Outstanding ^(A)			
	Three Months Ended			
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
<i>Secured Financing Agreements:</i>				
Government and government-backed securities	\$ 7,635,112	\$ 9,407,987	\$ 10,100,950	\$ 11,101,046
Non-Agency securities	889,135	831,541	737,322	648,839
Residential mortgage loans and REO	3,567,661	3,223,464	2,707,909	3,245,735
Residential transition loans	537,259	379,593	355,899	116,553

(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” and, together with the 2030 Senior Notes and the 2029 Senior Notes, the “Senior Unsecured 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 of the 2025 Senior Notes were approximately \$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. The 2025 Senior Notes became redeemable at any time and from time to time on October 15, 2022, and, 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 September 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
October 1 through December 31, 2025	\$ 25,000	\$ 6,752,070	\$ 6,777,070
2026	3,307,354	10,662,617	13,969,971
2027	648,994	386,669	1,035,663
2028	744,860	431,367	1,176,227
2029	70,001	2,448,596	2,518,597
2030 and thereafter	6,200,737	530,000	6,730,737
	<u>\$ 10,996,946</u>	<u>\$ 21,211,319</u>	<u>\$ 32,208,265</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, \$5.4 billion, \$0.0 billion and \$3.8 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 \$15.0 billion, \$5.1 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 September 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 September 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 September 30, 2025, we had outstanding secured financing agreements with an aggregate face amount of approximately \$16.5 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, \$5.6 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 September 30, 2025, our total borrowing capacity under our secured financing arrangements was \$25.0 billion with \$9.0 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, in the Q1 25 10-Q and in the 2024 Form 10-K. 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 ^(C)		Dividends Declared per Share			
	September 30, 2025	December 31, 2024	September 30, 2025	December 31, 2024		September 30, 2025	December 31, 2024	Three Months Ended September 30,		Nine Months Ended September 30,	
								2025	2024	2025	2024
Series A, issued July 2019 ^{(D)(G)(I)}	4,200,068	6,200,068	\$ 105,002	\$ 155,002	3.15 %	\$ 99,822	\$ 149,822	\$ 0.66	\$ 0.71	\$ 1.96	\$ 1.65
Series B, issued August 2019 ^{(D)(G)}	11,260,712	11,260,712	281,518	281,518	3.15 %	272,654	272,654	0.65	0.70	1.93	1.59
Series C, issued February 2020 ^{(D)(H)}	15,903,342	15,903,342	397,584	397,584	3.15 %	385,289	385,289	0.60	0.40	1.80	1.20
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	1.31	1.31
Series E, 8.75% issued September 2025 ^(F)	7,600,000	—	190,000	—	3.15 %	183,536	—	—	—	—	—
Total	57,564,122	51,964,122	\$ 1,439,104	\$ 1,299,104		\$ 1,390,790	\$ 1,257,254	\$ 2.35	\$ 2.25	\$ 7.00	\$ 5.75

(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, Series D and Series E (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) Fixed-rate cumulative redeemable preferred.

(G) 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 third 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.

(H) 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 third 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%.

(I) 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%. From and including the date of original issue (September 25, 2025), holders of shares of our 8.750% Series E Fixed-Rate Cumulative Redeemable Preferred Stock ("Series E") are entitled to receive cash dividends at a rate of 8.750% per annum of the \$25.00 liquidation preference per share (equal to \$2.1875 per annum per share). Dividends for the Series A, Series B, Series C, Series D and Series E 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 September 30, 2025 were \$27.9 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 (as amended by that Amendment No. 1 to the Distribution Agreement, dated August 1, 2025) 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 “2022 ATM Program”). On September 22, 2025, to replace the 2022 ATM Program, 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 \$750.0 million, from time to time, through an “at-the-market” equity offering program (the “2025 ATM Program” and, together with the 2022 ATM Program, the “ATM Program”). During the nine months ended September 30, 2025, 32.9 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 nine months ended September 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 nine months ended September 30, 2025 were \$403.6 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:

	Nine Months Ended September 30,		Change
	2025	2024	
Beginning of period — cash and cash equivalents and restricted cash	\$ 1,917,809	\$ 1,697,095	\$ 220,714
Net cash used in operating activities	(1,177,470)	(431,843)	(745,627)
Net cash provided by (used in) investing activities	1,222,360	(2,087,529)	3,309,889
Net cash provided by financing activities	283,075	2,825,689	(2,542,614)
Net increase in cash and cash equivalents and restricted cash	327,965	306,317	21,648
End of Period — Cash and Cash Equivalents and Restricted Cash	\$ 2,245,774	\$ 2,003,412	\$ 242,362

Operating Activities

Net cash used in operating activities was approximately \$1.2 billion and \$0.4 billion for the nine months ended September 30, 2025 and 2024, respectively. The increase of \$0.7 billion in net cash used in operating activities was primarily driven by an increase in sales proceeds and loan repayment proceeds for residential mortgage loans, HFS of approximately, partially offset by an increase in mortgage loans originated and purchased for sale, net of fees.

Investing Activities

Net cash provided by (used in) investing activities was approximately \$1.2 billion and \$(2.1) billion for the nine months ended September 30, 2025 and 2024, respectively. The increase of \$3.3 billion in net cash provided by investing activities was primarily driven by \$1.2 billion net proceeds from purchase and sales of Treasury and government-backed securities in 2025 compared to net \$3.8 billion paid for purchase and sales of Treasury government backed securities in 2024. This was partially offset by net cash provided by reverse repurchase and repurchase agreement activity of \$1.8 billion in 2024.

Financing Activities

Net cash provided by financing activities was approximately \$0.3 billion and \$2.8 billion for the nine months ended September 30, 2025 and 2024, respectively. The decrease of net cash provided by financing activities of \$2.5 billion was primarily driven by net payment of \$0.3 billion on borrowings and repayments of secured financing and warehouse facilities in 2025 compared to net proceeds of \$2.8 billion received in 2025.

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 \$0.5 billion. As of September 30, 2025 there was \$8.7 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 September 30, 2025, our maximum exposure to loss of \$980.4 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 September 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 September 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 September 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 \$135.7 million of unfunded and available revolving credit privileges as of September 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 \$1.8 billion of additional advances on existing mortgage loans as of September 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 September 30, 2025, the Company has an unfunded capital commitment to fund up to \$75.8 million on an existing loan to a certain commercial real estate borrower. As of September 30, 2025, the Company has unfunded capital commitments of \$303.5 million to certain funds Sculptor manages, of which \$42.2 million relates to commitments of consolidated funds. Approximately \$135.3 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 September 30, 2025, the unfunded capital commitment to the consolidated joint venture was \$105.4 million, of which \$84.3 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 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)	
	September 30, 2025	December 31, 2024
+50bps	-84.6	+27.4
+25bps	-16.3	+24.5
-25bps	-35.7	-46.3
-50bps	-123.3	-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)	
	September 30, 2025	December 31, 2024
+20bps	+57.4	-2.8
+10bps	+28.7	-1.4
-10bps	-28.7	+1.4
-20bps	-57.4	+2.8

(A) Amounts shown are pre-tax.

Prepayment Rate Exposure

Prepayment rates significantly affect the value of MSRs 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 MSR, 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

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 the Q1 25 10-Q should be considered together with the information included in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, and should not be limited to those referenced herein or therein. The following risks and uncertainties supplement the risk factors found 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:

Risks Related to the Paramount Acquisition and the Crestline Acquisition

The Paramount Acquisition and the Crestline Acquisition are subject to conditions, some or all of which may not be satisfied, or completed on a timely basis, if at all. Failure to complete either the Paramount Acquisition or the Crestline Acquisition could have material adverse effects on us.

We cannot assure you that either the Paramount Acquisition or the Crestline Acquisition will be consummated on the terms or in the timeframe previously disclosed, if at all.

Consummation of the Paramount Acquisition is subject to certain customary conditions, including (i) the absence of a Company Material Adverse Effect (as defined in the Paramount Merger Agreement) on the Paramount Acquisition, (ii) approval of the Paramount Acquisition by the requisite vote of Paramount's stockholders (the "Paramount Company Stockholder Approval"), (iii) the accuracy of each party's representations and warranties (subject to customary materiality qualifiers) and (iv) each party's compliance with its covenants and agreements contained in the Paramount Merger Agreement in all material respects, subject to certain exceptions, during the period between the execution of the Paramount Merger Agreement and the consummation of the Paramount Acquisition.

There can be no assurance that the conditions to closing of the Paramount Acquisition will be satisfied or waived or that other events will not intervene, delay or result in the failure to close the Paramount Acquisition. Certain of these conditions are not within our control, and we cannot predict when, or if these conditions will be satisfied. The transaction is not contingent on our ability to obtain financing. Our intention is to explore co-investments and/or financing from third parties but there can be no assurance that we will reach any agreement for such co-investments and/or financing, in which case we may be required to obtain financing on less attractive terms or to fund the Paramount Acquisition with cash on hand. Under the terms of the Paramount Merger Agreement, the Paramount Acquisition may be terminated (i) if the closing has not occurred on or before March 17, 2026; (ii) by mutual written consent of the parties; (iii) if any governmental authority of competent jurisdiction has issued a final, non-appealable order permanently restraining or otherwise prohibiting the Paramount Acquisition; (iv) the Paramount Company Stockholder Approval has not been obtained upon a vote taken at the stockholders' meeting or any adjournment or postponement thereof; (v) if, prior to obtaining the Paramount Company Stockholder Approval and after following certain procedures and adhering to certain restrictions, the board of directors of Paramount authorizes, adopts, approves, recommends or deems advisable, or publicly proposes to authorize, adopt, approve, recommend or deem advisable to the stockholders of Paramount a competing proposal or an acquisition agreement; or (vi) upon a material uncured breach by the other party that would result in a failure of the conditions to the closing to be satisfied.

The Crestline Acquisition is also subject to customary closing conditions. In addition, government regulators may impose conditions, terms, obligations or restrictions in connection with their approval of or consent to the Crestline Acquisition, and such conditions, terms, obligations or restrictions may delay completion of the Crestline Acquisition, require us to take actions that materially alter our existing business or the proposed combined business, including divestitures or similar transactions, or impose additional material costs on, or materially limit the revenues of, the combined company following the completion of the Crestline Acquisition.

If either the Paramount Acquisition or the Crestline Acquisition is not completed, our ongoing business may be materially adversely affected and, without realizing any of the benefits of having completed either the Paramount Acquisition or the Crestline Acquisition, we would be subject to a number of risks, including the following:

- the market price of our common stock could decline;
- time and resources committed by our management to matters relating to the Paramount Acquisition and the Crestline Acquisition could otherwise have been devoted to pursuing other beneficial opportunities;
- we may experience negative reactions from the financial markets or from our customers, employees, suppliers and regulators; and
- we will be required to pay certain costs relating to the Paramount Acquisition and the Crestline Acquisition, such as legal, accounting and financial advisory fees, whether or not the Paramount Acquisition and the Crestline Acquisition are completed.

The materialization of any of these risks could materially and adversely impact our ongoing business. Similarly, delays in the completion of the Paramount Acquisition or the Crestline Acquisition could, among other things, result in additional transaction costs, loss of revenue or other negative effects associated with uncertainty about completion of the Paramount Acquisition or the Crestline Acquisition, as applicable.

We may be unable to successfully integrate the businesses and realize the anticipated benefits of either or both of the Paramount Acquisition and the Crestline Acquisition in the anticipated manner or at all. Additionally, the completion of the Crestline Acquisition and/or the Paramount Acquisition may expose us to additional risks.

The success of each of the Paramount Acquisition and the Crestline Acquisition will depend, in part, on our ability to successfully integrate Paramount, which currently operates as an independent public company, and Crestline, which currently operates as a private company, with our business and realize the anticipated benefits, including synergies, cost savings, innovation and operational efficiencies, from each of the combinations. If we are unable to achieve these objectives within the anticipated timeframe, or at all, the anticipated benefits may not be realized fully, or at all, or may take longer to realize than expected and the value of our common stock may be harmed.

The Paramount Acquisition and the Crestline Acquisition and the integration of Paramount and Crestline into our business may result in material challenges, including, without limitation:

- the diversion of management's attention from our ongoing business as a result of the devotion of time and resources to the Paramount Acquisition and the Crestline Acquisition;
- addressing possible differences in business backgrounds, corporate cultures and management philosophies;
- the fact that we have not entered into any employment agreements with executives from Paramount, and there can be no assurance that we will successfully identify and retain key personnel for the business;
- maintaining employee morale and attracting, motivating and retaining management personnel and other key employees;
- the possibility of faulty assumptions underlying expectations regarding the Paramount Acquisition and the Crestline Acquisition;
- retaining existing business relationships, including Paramount's current tenants and Crestline's current fund investors, and attracting new business relationships;
- consolidating corporate and administrative infrastructures and eliminating duplicative operations;
- unanticipated issues and costs in integrating information technology, communications and other systems;
- unanticipated changes in federal or state laws or regulations; and
- unforeseen liabilities, expenses or delays associated with the Paramount Acquisition and the Crestline Acquisition.

Many of these factors will be outside of our control and any one of them could result in delays, increased costs, failures in achieving anticipated benefits, decreases in the amount of expected revenues and diversion of management's time and energy, which could materially affect our financial position, results of operations and cash flows.

Additionally, Paramount's business is subject to certain of the same risks as our businesses, as well as additional risks relating to the commercial real estate business, including those described in "—The Paramount Acquisition provides greater exposure to risks in the commercial real estate industry." If the Paramount Acquisition is completed, our exposure to the risks involved in such businesses will be increased. Crestline's business is subject to certain of the same risks as our businesses, as well as additional risks relating to the asset management business, including competitive pressures relating to fund performance, the ability to attract and retain fund investors, additional regulation of asset managers and other risks related to the management of funds. If the Crestline Acquisition is completed, our exposure to the risks involved in such businesses will be increased.

The Paramount Acquisition provides greater exposure to risks in the commercial real estate industry.

The Paramount Acquisition represents a significant increase in the Company's commercial real estate portfolio. As we continue to expand into this business segment, our exposure to its risks and uncertainties will be increased. If we are unable to successfully manage these risks, our business, financial condition and results of operations could be materially and adversely affected. These risks include:

- declines in the financial condition of Paramount's tenants, many of which are financial, legal and other professional firms, which may result in tenant defaults under leases due to bankruptcy, lack of liquidity, operational failures or other reasons;
- the inability or unwillingness of Paramount's tenants to pay rent increases;
- significant job losses in the financial services, professional services and technology and media industries, which may decrease demand for Paramount's office space, causing market rental rates and property values to be negatively impacted;
- an oversupply of, or a reduced demand for, Class A office space;
- changes in market rental rates and changes in space utilization by tenants due to technology, economic conditions and business cultures;
- increases in property taxes; and
- other risks inherent in the commercial real estate business.

Stockholder or other litigation could result in the payment of damages and/or may materially and adversely affect our business, financial condition results of operations and liquidity.

Transactions such as the Paramount Acquisition often give rise to securities class action and derivative lawsuits and other legal proceedings by stockholders or other third parties. Even if such legal proceedings are without merit, the defense or settlement of any lawsuit or claim that remains unresolved regarding the Paramount Acquisition may materially and adversely affect our business, financial condition, results of operations and liquidity. Further, such litigation or settlement of any lawsuit or claim could be costly and could divert management's time and attention from the operation of the business. Finally, if a plaintiff was successful in obtaining an injunction prohibiting completion of the Paramount Acquisition, such injunction may delay or prevent completion of the Paramount Acquisition, which may adversely affect our business, financial condition, results of operations and liquidity.

We may not have discovered undisclosed liabilities of each of Paramount or Crestline during our due diligence process.

In the course of the due diligence review of each of Paramount and Crestline that we conducted prior to the execution of the respective transaction documents for the Paramount Acquisition and the Crestline Acquisition, we may not have discovered, or may have been unable to quantify, undisclosed liabilities or other issues of Paramount and its subsidiaries or of Crestline and its subsidiaries, respectively. We do not have rights of indemnification against Paramount and have certain specified rights to indemnification against the Crestline sellers for any such liabilities. Examples of such undisclosed liabilities or other issues may include, but are not limited to, unpaid taxes, pending or threatened litigation or regulatory matters. Any such undisclosed

liabilities could have an adverse effect on our business, results of operations, financial condition and cash flows following the completion of the Paramount Acquisition and the Crestline Acquisition.

Our, Paramount's and/or Crestline's relationships may be subject to disruption due to uncertainty associated with the Paramount Acquisition or the Crestline Acquisition, as applicable, which could have an adverse effect on us and the business and operations of the combined company.

Parties with which we, Paramount and/or Crestline do business with may experience uncertainty associated with the proposed acquisitions, including with respect to current or future business relationships with us, Paramount, Crestline, or the combined Company following the completion of the Paramount Acquisition and/or the Crestline Acquisition. Our, Paramount's and/or Crestline's relationships may be subject to disruption as customers, current and prospective fund investors, suppliers and other persons with whom we, Paramount and/or Crestline have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with us, Paramount or Crestline, as applicable.

Such risks could have an adverse effect on the results of operations, cash flows and financial position of us or the combined company following the completion of the Paramount Acquisition and/or the Crestline Acquisition, including an adverse effect on our ability to realize the expected synergies and other benefits of the applicable transaction. The risk, and adverse effect, of any disruption could be exacerbated by a delay in the completion of or failure to complete the applicable transactions.

Uncertainties associated with the Paramount Acquisition and the Crestline Acquisition may cause a loss of management personnel and other key employees, and we may have difficulty attracting and motivating management personnel and other key employees, which could adversely affect our future business and operations.

We, Paramount and Crestline are dependent on the experience and industry knowledge of our management personnel and other key employees to execute our business plans. Our success after the completion of the Paramount Acquisition and the Crestline Acquisition will depend in part upon our ability to attract, motivate and retain key management personnel and other key employees of our Company, Paramount and Crestline, and, at this time, we have not entered into, and may not enter into, any employment agreements with executives from Paramount. Prior to completion of the Paramount Acquisition and the Crestline Acquisition, current and prospective employees of the combined company may experience uncertainty about their roles within our Company following the completion of the Paramount Acquisition and the Crestline Acquisition, as applicable, which may have an adverse effect on our ability to attract, motivate or retain management personnel and other key employees. Additionally, although we have agreed to establish incentive programs for certain Paramount and Crestline employees, there can be no guarantee that such programs will be successful in retaining such employees, including key employees. No assurance can be given that we will be able to attract, motivate or retain management personnel and other key employees to the same extent after the completion of the Paramount Acquisition and the Crestline Acquisition.

In specified circumstances, Paramount could terminate the Paramount Merger Agreement to accept an alternative proposal.

Paramount may, in certain circumstances, terminate the Paramount Merger Agreement to enter into an agreement providing for a superior proposal. In such event, Paramount would be obligated to pay us a termination fee equal to \$59.7 million (or pursuant to the Amendment, solely in the event where such agreement is with a specified person and/or certain affiliates, \$47.7 million). Such termination would deny us and our stockholders any benefits from the Paramount Acquisition and could materially and negatively impact our share price.

We will incur substantial transaction fees and costs in connection with the Paramount Acquisition and the Crestline Acquisition.

We expect to incur a significant amount of non-recurring expenses in connection with the Paramount Acquisition and the Crestline Acquisition. Additional unanticipated costs may be incurred in the course of the integration of our businesses and the business of Paramount and Crestline. Many of the expenses that may be incurred are, by their nature, difficult to estimate. We cannot be certain that the elimination of duplicative costs or the realization of other efficiencies related to the integration of the businesses of the Company, Paramount and Crestline will offset the transaction and integration costs in the near term, or at all. Additionally, the expenses in connection with the Paramount Acquisition and the Crestline Acquisition are expected to be significant, although the aggregate amount and timing of such charges are uncertain at present.

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>2.1</u>	Agreement and Plan of Merger, dated as of September 17, 2025, by and among the Company, Panorama REIT Merger Sub, Inc., Panorama Operating Merger Sub LP, Paramount Group, Inc. and Paramount Group Operating Partnership LP. (Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on September 17, 2025)+
<u>2.2*</u>	Amendment No. 1 to Agreement and Plan of Merger, dated as of October 8, 2025, by and among the Company, Panorama REIT Merger Sub, Inc., Panorama Operating Merger Sub LP, Paramount Group, Inc. and Paramount Group Operating Partnership LP.+
<u>3.1</u>	Certificate of Designations of the Company, designating the Company's 8.750% Series E Fixed-Rate Cumulative Redeemable Preferred Stock, par value \$0.01 per share (Incorporated by reference to Exhibit 3.9 to the Company's Form 8-A filed on September 25, 2025)
<u>4.1</u>	Form of certificate representing the 8.750% Series E Fixed-Rate Cumulative Redeemable Preferred Stock of Rithm Capital Corp. (Incorporated by reference to Exhibit 4.1 to the Company's Form 8-A filed on September 25, 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 September 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.

+

Schedules (or similar attachments) have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule will be furnished to the SEC upon request.

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)

October 31, 2025

By: /s/ Nicola Santoro, Jr.
Nicola Santoro, Jr.
Chief Financial Officer, Chief Accounting Officer and
Treasurer
(Principal Financial Officer)

October 31, 2025

AMENDMENT NO. 1 TO AGREEMENT AND PLAN OF MERGER

This Amendment No. 1, dated as of October 8, 2025 (this “Amendment”), to the Agreement and Plan of Merger, dated as of September 17, 2025 (the “Merger Agreement”), is made and entered into by and among Rithm Capital Corp., a Delaware corporation (“Parent”), Panorama REIT Merger Sub, Inc., a Maryland corporation and a wholly owned subsidiary of Parent (“REIT Merger Sub”), Panorama Operating Merger Sub LP, a Delaware limited partnership and a wholly owned subsidiary of Parent (“Operating Merger Sub” and, collectively with REIT Merger Sub and Parent, the “Parent Parties”), Paramount Group, Inc., a Maryland corporation (the “Company”), and Paramount Group Operating Partnership LP, a Delaware limited partnership and a majority owned subsidiary of the Company (the “Operating Partnership” and, together with the Company, the “Company Parties”), and hereby amends the Merger Agreement as set forth herein. Each of Parent, REIT Merger Sub, Operating Merger Sub, the Company and the Operating Partnership are sometimes referred to herein as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, the Parties have determined to amend the Merger Agreement in accordance with Section 9.5 of the Merger Agreement as set forth herein; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Merger Agreement.

NOW, THEREFORE, the Parties hereto agree as follows:

1. Amendment of Section 1.1(a) – Definitions.

a. Section 1.1(a) of the Merger Agreement is hereby amended by replacing the definition of “Company Termination Payment” entirely with the following:

“Company Termination Payment” means an amount equal to \$59,700,000; provided, however, if a Company Termination Payment is required to be paid to Parent as a result of the Company entering into an alternative Acquisition Agreement providing for a Superior Proposal that will result, if consummated, in the Person identified on Schedule A owning at least 50% of the voting power of the Company, then the amount set forth in the preceding clause shall be reduced to \$47,700,000.

2. Notification of Amendment. Notwithstanding anything to the contrary in the Merger Agreement, the Company may, promptly following the execution of this Amendment, provide the Person identified on Schedule A a copy of this Amendment.

3. Each Party hereby acknowledges that the provisions of the Merger Agreement which have not been modified or amended by this Amendment shall remain in full force and effect in all respects. Each reference to “hereof,” “herein,” “hereby,” and “this Agreement” in the Merger Agreement will from and after the entry into this Amendment refer to the Merger Agreement as

amended by this Amendment. Notwithstanding anything to the contrary in this Amendment, the date of the Merger Agreement, as amended hereby, will in all instances remain as September 17, 2025, and any references in the Merger Agreement to “the date first above written,” “the date of this Agreement,” “the date hereof” and similar references will continue to refer to September 17, 2025.

4. The provisions of Section 9.5 (Amendment) and Article X (General Provisions) of the Merger Agreement shall apply *mutatis mutandis* to this Amendment, and to the Merger Agreement as modified by this Amendment, taken together as a single agreement, reflecting the terms as modified hereby.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first written above.

RITHM CAPITAL CORP.

By: /s/ Nicola Santoro, Jr.
Name: Nicola Santoro, Jr.
Title: Chief Financial Officer

PANORAMA REIT MERGER SUB, INC.

By: /s/ Nicola Santoro, Jr.
Name: Nicola Santoro, Jr.
Title: Authorized Officer

PANORAMA OPERATING MERGER SUB LP

By: Rithm Capital Corp., its General Partner

By: /s/ Nicola Santoro, Jr.
Name: Nicola Santoro, Jr.
Title: Chief Financial Officer

PARAMOUNT GROUP, INC.

By: /s/ Albert Behler
Name: Albert Behler
Title: Chairman, Chief Executive Officer and President

PARAMOUNT GROUP OPERATING PARTNERSHIP LP

By: Paramount Group, Inc.
Its: General Partner

By: /s/ Albert Behler
Name: Albert Behler
Title: Chairman, Chief Executive Officer and President

Schedule A

[Intentionally Omitted]

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.

October 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.

October 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 September 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.

October 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 September 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.

October 31, 2025

/s/ Nicola Santoro, Jr.

Nicola Santoro, Jr.

Chief Financial Officer