

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 2, 2022

ALTISOURCE ASSET MANAGEMENT CORPORATION
(Exact name of Registrant as specified in its charter)

U.S. Virgin Islands
(State or other jurisdiction of incorporation or organization)

001-36063
(Commission File Number)

66-0783125
(I.R.S. Employer Identification No.)

5100 Tamarind Reef
Christiansted, U.S. Virgin Islands 00820
(Address of principal executive offices including zip code)

(704) 275-9113
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	AAMC	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter):

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.

Item 2.02 Results of Operations and Financial Condition

On November 2, 2022, Altisource Asset Management Corporation (“AAMC”) issued a press release announcing its financial results for the quarter ended September 30, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02, including the information in Exhibit 99.1, shall be deemed “filed” for the purposes of the Securities Exchange Act of 1934 (“Exchange Act”) except for the quotation on page 1 of Exhibit 99.1 which shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of AAMC under the Securities Act of 1933 or the Exchange Act.

Item 7.01 Regulation FD Disclosure

On November 2, 2022, at 9:30 a.m. (ET), the Company will hold a conference call to discuss the firm’s business plan and outlook. A copy of the presentation for the conference call is attached as Exhibit 99.2 to this Report on Form 8-K.

Exhibit 99.2 is being furnished pursuant to Item 7.01 of Form 8-K and the information included therein shall not be deemed “filed” for purposes of Section 18 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the U.S. Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits**(d) Exhibits.**

Exhibit No.	Description
99.1	Press Release of Altisource Asset Management Corporation, dated November 2, 2022.
99.2	Investor Presentation of Altisource Asset Management Corporation, November 2, 2022.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

November 2, 2022

By: /s/ Stephen Ramiro Krallman
Stephen Ramiro Krallman
Chief Financial Officer



FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION CONTACT:

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Altisource Asset Management Corporation Reports Third Quarter 2022 Results

CHRISTIANSTED, U.S. Virgin Islands, November 2, 2022 (GLOBE NEWSWIRE) - Altisource Asset Management Corporation ("AAMC" or the "Company") (NYSE American: AAMC) today announced financial and operating results for the third quarter of 2022.

Third Quarter 2022 Highlights and Recent Developments

- The Company has acquired and originated more than \$79.1 million in loan commitments and has earned \$1.9 million from loan interest and fee income during the third quarter of 2022.
- As of September 30, 2022, AAMC's cash position was \$13.5 million, which is net of the \$97.7 million at quarter end for loans held for sale and investment at fair value.
- The Company entered into a line of credit agreement with Flagstar Bank FSB ("Flagstar"). As of September 30, 2022, the Company has drawn \$52.5 million on the line of credit.
- The Company repurchased 286,873 shares of its common stock from Putnam Focused Equity Fund, a series of Putnam Trust, at \$10.00 per share in July 2022.
- The Company hired a Head of Sales and leased office space in Tampa, Florida for its Alternative Lending Group and has added staff to originate loans.
- The Company prevailed in our litigation against its former CEO, Indroneel Chatterjee.

"Since March 2022, AAMC's Alternative Lending Group has utilized both its existing capital and new debt financing to place the Company in a strong position to execute on its business plan," said Jason Kopcak, Chief Executive Officer. "We do not plan on being an aggregator; however, the current volatility in the fixed income market has delayed our forward flow initiative for selling assets. We continue to make significant strides of bringing new capital to the bridge space as take-out investors for the alternative assets that we are creating."

Third Quarter 2022 Financial Results

AAMC's net loss to common shareholders for the third quarter of 2022 was \$(4.0) million compared to \$(5.7) million for the same period in 2021. Diluted earnings per share was \$(2.24) for the third quarter 2022, compared to \$4.76 for the same period in 2021. The \$4.76 includes a \$16.1 million gain from a settlement of preferred stock that is not reflected in the net loss to common shareholders.

About AAMC

AAMC is an alternative lending company that provides liquidity and capital to under-served markets. We also continue to assess opportunities that could potentially be of long-term benefit to shareholders such as Crypto-ATMs.

Additional information is available at www.altisourceamc.com.

Forward-looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding management's beliefs, estimates, projections, anticipations, and assumptions with respect to, among other things, the Company's financial results, margins, employee costs, future operations, business plans including its ability to sell loans and obtain funding, and investment strategies as well as industry and market conditions. These statements may be identified by words such as "anticipate," "intend," "expect," "may," "could," "should," "would," "plan," "estimate," "target," "seek," "believe," and other expressions or words of similar meaning. We caution that forward-looking statements are qualified by the existence of certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors that could cause our actual results to differ materially from these forward-looking statements may include, without limitation, our ability to develop our businesses, and to make them successful or sustain the performance of any such businesses; our ability to purchase, originate, and sell loans, our ability to obtain funding, market and industry conditions, particularly with respect to industry margins for loan products we may purchase, originate, or sell as well as the current inflationary economic and market conditions and rising interest rate environment; our ability to hire employees and the hiring of such employees; developments in the litigation regarding our redemption obligations under the Certificate of Designations of our Series A Convertible Preferred Stock; and other risks and uncertainties detailed in the "Risk Factors" and other sections described from time to time in the Company's current and future filings with the Securities and Exchange Commission. The foregoing list of factors should not be construed as exhaustive.

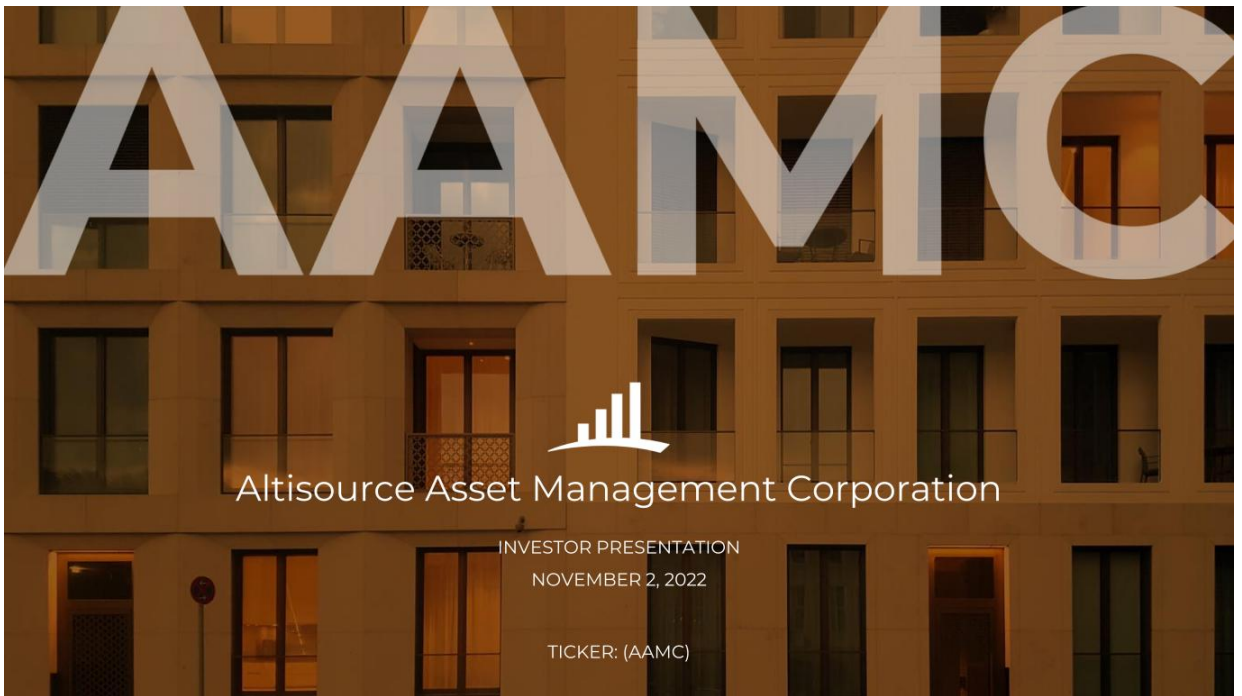
The statements made in this press release are current as of the date of this press release only. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other information contained herein, whether as a result of new information, future events or otherwise.

Altisource Asset Management Corporation
Condensed Consolidated Statements of Operations
(In thousands, except share and per share amounts)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Revenues:				
Loan interest income	\$ 1,739	\$ —	\$ 2,263	\$ —
Loan fee income	166	—	175	—
Servicing fee revenue	1	—	1	—
Total revenues	1,906	—	2,439	—
Expenses:				
Salaries and employee benefits	1,563	878	4,042	4,078
Legal fees	796	2,207	3,532	5,726
Professional fees	262	165	837	1,186
General and administrative	779	585	2,336	1,889
Servicing and asset management expense	252	—	433	—
Acquisition charges	—	1,353	513	1,353
Interest expense	435	—	435	60
Direct loan expense	99	—	99	—
Loan sales and marketing expense	5	—	5	—
Total expenses	4,191	5,188	12,232	14,292
Other income (expense):				
Change in fair value of loans	(1,563)	—	(1,888)	—
Change in fair value of equity securities	—	(3,310)	—	146
Gain on sale of equity securities	—	1,987	—	8,347
Dividend income	—	20	—	3,061
Other	8	8	24	87
Total other (expense) income	(1,555)	(1,295)	(1,864)	11,641
Net loss from continuing operations before income taxes	(3,840)	(6,483)	(11,657)	(2,651)
Income tax expense (benefit)	146	(786)	158	1,175
Net loss from continuing operations	\$ (3,986)	\$ (5,697)	\$ (11,815)	\$ (3,826)
Gain on discontinued operations (net of income tax expense of \$1,272)	—	—	—	6,213
Net (loss) income attributable to common stockholders	\$ (3,986)	\$ (5,697)	\$ (11,815)	\$ 2,387
Continuing operations earnings per share				
Net loss from continuing operations	\$ (3,986)	(5,697)	\$ (11,815)	(3,826)
Gain on preferred stock transaction	—	16,101	5,122	87,984
Numerator for earnings per share from continuing operations	\$ (3,986)	\$ 10,404	\$ (6,693)	\$ 84,158
Earnings per share of common stock – Basic:				
Continuing operations	\$ (2.24)	\$ 5.06	\$ (3.41)	\$ 42.41
Discontinued operations	—	—	—	3.13
Total	\$ (2.24)	\$ 5.06	\$ (3.41)	\$ 45.54
Weighted average common stock outstanding	1,777,009	2,055,561	1,964,198	1,984,294
Earnings per share of common stock – Diluted:				
Continuing operations	\$ (2.24)	\$ 4.76	\$ (3.41)	\$ 39.06
Discontinued operations	—	—	—	2.88
Total	\$ (2.24)	\$ 4.76	\$ (3.41)	\$ 41.94
Weighted average common stock outstanding	1,777,009	2,187,585	1,964,198	2,154,597

Altisource Asset Management Corporation
Condensed Consolidated Balance Sheets
(In thousands, except share and per share amounts)

	September 30, 2022 (unaudited)	December 31, 2021
ASSETS		
Loans held for sale, at fair value	\$ 7,158	\$ —
Loans held for investment, at fair value	90,514	—
Cash and cash equivalents	10,195	78,349
Restricted cash	3,000	—
Other assets	4,811	3,127
Total assets	\$ 115,678	\$ 81,476
LIABILITIES AND EQUITY		
Liabilities		
Accrued expenses and other liabilities	\$ 3,887	\$ 7,145
Lease liabilities	976	859
Credit facility	52,467	—
Total liabilities	57,330	8,004
Commitments and contingencies	—	—
Redeemable preferred stock:		
Preferred stock, \$0.01 par value, 250,000 shares authorized as of September 30, 2022 and December 31, 2021. 144,212 shares issued and outstanding and \$144,212 redemption value as of September 30, 2022 and 150,000 shares issued and outstanding and \$150,000 redemption value as of December 31, 2021.	144,212	150,000
Stockholders' deficit:		
Common stock, \$0.01 par value, 5,000,000 authorized shares; 3,425,058 and 1,777,205 shares issued and outstanding, respectively, as of September 30, 2022 and 3,416,541 and 2,055,561 shares issued and outstanding, respectively, as of December 31, 2021.	34	34
Additional paid-in capital	148,900	143,523
Retained earnings	45,635	57,450
Accumulated other comprehensive income	25	54
Treasury stock, at cost, 1,647,853 shares as of September 30, 2022 and 1,360,980 shares as of December 31, 2021.	(280,458)	(277,589)
Total stockholders' deficit	(85,864)	(76,528)
Total Liabilities and Equity	\$ 115,678	\$ 81,476



Altisource Asset Management Corporation

INVESTOR PRESENTATION
NOVEMBER 2, 2022

TICKER: (AAMC)

Forward Looking Statements

Certain comments made in this presentation may contain forward-looking statements in relation to operations, financial condition and financial results of Altisource Asset Management Corporation ("AAMC") and such statements involve a number of risks and uncertainties. Forward looking statements are usually identified by or are associated with such words as "intend," "plan," "believe," "estimate," "expect," "anticipate," "hopeful," "should," "may," "will," "could," "encouraged," "opportunities," "potential," and/or the negatives or variations of these terms or similar terminology. In particular, statements as to our expected alternative lending business, including the ability to obtain leverage and potential return on equity, and development, roll-out, return on equity, and potential growth of crypto-enabled ATMS are forward looking statements. These statements reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance, and Company financial results and are not guarantees of future performance. All such forward-looking statements are based on current expectations and assumptions that are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the relevant forward-looking statement. With respect to the growth and returns from our alternative lending business, our expectations depend on the ability to acquire and originate loans at attractive pricing, to obtain leverage, to successfully manage our loan portfolio and successfully dispose of loans at attractive levels; with respect to the prospects of our crypto enabled ATMs, our expectations depend on the successful deployment of our first ATMs, actual use by consumers of our ATMs, the proper operation of our ATMs and the success of our relationship with ForumPay. These risks and other risks are described in the Company's filings with the Securities and Exchange Commission. Any forward-looking statements made in this presentation speak only as of the date of this presentation. Except as required by law, AAMC does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances.

Agenda

Update - The Business We're Building

- What We Have Accomplished
- Current Market Conditions
- Where We Are Headed

Q&A



Update - The Business We're Building

Through September 30, 2022

- Produced over \$123 million in loan commitments through both acquisitions and originations.
- More than 90% of commitments have a term of one year or less
- Despite 225 bp increase by the Federal Reserve in the last five months, our current loans are still profitable
- Dynamically raised our rates and currently are originating loans with a total yield of 12.5% or greater
- Lowered advance rates on bridge originations by 10 points
- Generated over \$1.9 million in interest revenue and fees in the third quarter of 2022.

What We Have Accomplished – 2/2

Other Significant events

- Headquarters for sales was opened in Tampa, Florida in July 2022.
- Entered into a \$50 million warehouse line with Flagstar Bank, FSB in August 2022.
- Bought back approximately 287,000 common shares from Putnam for \$2.87 million
- Prevailed in our litigation against the former CEO, Indroneel Chatterjee.

Current Market Conditions

- Despite the material rise in the interest rates over the past year, we are still seeing strong demand for housing that we believe is due from both the continued housing shortage in the United States as well as the modernization of the existing housing stock in the US.
- We continue to see strong demand in the investment property space from both borrowers and investors, and we are increasing our focus on this space accordingly.
- For the bridge and rehab market for single and multi-family homes and ground-up construction, **we have dynamically adjusted both our loan pricing to higher levels and implemented lower maximums on Loan to Cost (LTC) and Loan to Value (LTV) ratios.**
- We are working through drafting our business model to provide credit to build affordable housing and services to assist homeowners.

Where We Are Headed

We are creating alternative credit through two main areas: direct originations to real estate developers and investors and wholesale originations.

- We do not plan on being an aggregator; however, the current volatility in the fixed income market has delayed our forward flow initiative for selling assets,
- **We are making significant strides of bringing new capital to the bridge space as take-out investors for the alternative assets that we are creating.**

Utilizing technology, data and analytics will be critical to our success.

- We have developed and are continuing to optimize a data-driven proprietary system which will dramatically allow us to increase our reach to the specialized demand in the market.
- We are also creating an enterprise data management system to help us utilize information for purposes of understanding our markets, clients' needs and overall customer experience.



Altisource Asset Management Corporation

Q&A
