# 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): March 2, 2015

#### ALTISOURCE ASSET MANAGEMENT CORPORATION

(Exact name of Registrant as specified in its charter)

**United States Virgin Islands** 

000-54809

66-0783125

(State or other jurisdiction of incorporation)

(Commission File Number)

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

## 402 Strand Street Frederiksted, United States Virgin Islands 00840-3531

(Address of principal executive offices including zip code)

(340) 692-1055

(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 (see General Instruction A.2. below):
☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material	pursuant to Rule 14a-12	2 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))

### Item 2.02 Results of Operations and Financial Condition

On March 2, 2015, Altisource Asset Management Corporation issued a press release announcing financial results for its quarter and year ended December 31, 2014. 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, is furnished solely pursuant to Item 2.02 of this Form 8-K. Consequently, it is not deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that Section. It may only be incorporated by reference in another filing under the

Item 9.01 Financial Staten	nents and Exhibits	
(d) Exhibits.		
Exhibit No.	Description	
Exhibit 99.1	Press Release of Altisource Asset Management Corporation dated March 2, 2015	

Securities Exchange Act of 1934 or Securities Act of 1933 if such subsequent filing specifically references this Item 2.02 of this Form 8-K.

## **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.

Altisource Asset Management Corporation

By: /s/ Stephen H. Gray

Stephen H. Gray General Counsel and Secretary

March 2, 2015



#### FOR IMMEDIATE RELEASE

#### FOR FURTHER INFORMATION CONTACT:

Robin N. Lowe Chief Financial Officer T: 1-345-815-9919 E: Robin.Lowe@AltisourceAMC.com

#### Altisource Asset Management Corporation Reports Fourth Quarter and Full Year 2014 Results

FREDERIKSTED, U.S. Virgin Islands, March 2, 2015 (GLOBE NEWSWIRE) - Altisource Asset Management Corporation ("AAMC" or the "Company") (NYSE MKT: AAMC) announced today financial and operating results for the fourth quarter and full year of 2014. Net income attributable to stockholders for the fourth quarter of 2014 totaled \$21.9 million, or \$7.92 per diluted share, compared to a net loss attributable to stockholders of \$0.4 million, or \$0.17 per diluted share, for the fourth quarter of 2013.

Net income attributable to stockholders for the year ended December 31, 2014 totaled \$59.7 million, or \$21.07 per diluted share, compared to a net loss attributable to stockholders of \$5.3 million, or \$2.26 per diluted share, for the year ended December 31, 2013.

Chief Executive Officer George Ellison stated, "I am excited about the prospects of AAMC and look forward to accelerating the growth of Residential and developing additional clients for AAMC."

#### Fourth quarter 2014 highlights:

- Accrued incentive management fees from Residential of \$23.8 million as a result of the \$0.55 per share dividend declared by
  Residential to its shareholders including \$4.3 million of accrued incentive fees based on a potential post-year end special dividend by
  Residential intended to distribute 100% of its 2014 REIT taxable income.
- Managed the completion of Residential's second non-performing loan securitization transaction in November 2014.
- Facilitated Residential's realization of net proceeds from asset dispositions of \$98.6 million representing an unlevered gain of 29%.
- Managed Residential's acquisition of 287 NPLs and real estate owned properties having an aggregate market value of \$46.7 million.

#### Full year 2014 highlights:

- Earned incentive management fees of \$67.9 million.
- Managed Residential's resolution of an aggregate of 4,923 mortgage loans, including 3,682 REO conversions, in 2014 versus 510 mortgage loans in 2013, representing an increase of 865%.
- Facilitated Residential's realization of net proceeds from asset dispositions of \$233.9 million representing an unlevered gain of 31%.
- Managed an increase in Residential's maximum aggregate borrowing capacity to \$1.6 billion, including securitizations, versus \$750.0 million at the end of 2013.

### **Recent developments:**

 Continued to build AAMC's management team with the appointment of George Ellison as Chief Executive Officer and Ashish Pandey as Executive Chairman.

- Added two new mortgage loan servicers for Residential. Residential transferred \$485 million of unpaid principal balance to Fay Servicing on February 28, 2015 and is in the process of transferring an additional \$585 million of unpaid principal balance to BSI Financial Services in April 2015.
- Increased the number of properties in Residential's rental portfolio to 653 as of February 28, 2015; renting properties at a rate of 82 per month in 2015 versus 40 per month in the second half of 2014

## Webcast and conference call

The Company expects to host a webcast and conference call on Monday, March 9, 2015, at 11:30 a.m. Eastern Time to discuss its financial results for the fourth quarter and full year of 2014. The conference call will be webcast live over the internet from the Company's website at www.altisourceamc.com and can be accessed by clicking on the "Shareholders" link.

#### **About AAMC**

AAMC is an asset management company that provides portfolio management and corporate governance services to investment vehicles. Additional information is available at www.altisourceamc.com.

#### Forward-looking statements

This press release contains forward-looking statements that involve a number of risks and uncertainties. Those forward-looking statements include all statements that are not historical fact, including statements about management's beliefs and expectations. Forward-looking statements are based on management's beliefs as well as assumptions made by and information currently available to management. Because such statements are based on expectations as to future economic performance and are not statements of historical fact, actual results may differ materially from those projected. AAMC undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to: AAMC's ability to implement its business plan; AAMC's ability to leverage strategic relationships on an efficient and cost-effective basis; its ability to compete; general economic and market conditions; governmental regulations, taxes and policies; availability of adequate and timely sources of liquidity and financing; and other risks and uncertainties detailed in the "Forward-Looking Statements," "Risk Factors" and other sections of AAMC's Annual Reports on Form 10-K, its quarterly reports on Form 10-Q and its other filings with the Securities and Exchange Commission.

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

	Three months ended December 31, 2014				Year ended December 31, 2014		Year ended December 31, 2013	
Revenues:								
Rental revenues	\$ 845	\$	30	\$	1,564	\$	36	
Net unrealized gain on mortgage loans	91,924		35,129		350,822		61,092	
Net realized gain on mortgage loans	21,899		6,467		55,766		10,482	
Net realized gain on re-performing mortgage loans	2,469		_		2,771		_	
Net realized gain on real estate	4,938		_		9,482		_	
Interest income	136		319		2,893		687	
Total revenues	122,211		41,945		423,298		72,297	
Expenses:								
Residential property operating expenses	12,468		492		26,018		767	
Real estate depreciation and amortization	603		21		1,067		25	
Real estate selling costs and impairment	13,013		(26)		21,788		184	
Mortgage loan servicing costs	18,593		6,630		68,181		10,418	
Interest expense	11,295		3,405		35,647		4,568	
General and administrative	4,313		7,467		19,891		18,265	
Related party general and administrative	888		2,715		5,485		3,767	
Total expenses	61,173		20,704		178,077		37,994	
Other income (expense)	3,035		6		5,407		_	
Income before income taxes	64,073		21,247		250,628		34,303	
Income tax expense	668		_		2,096		_	
Net income	63,405		21,247		248,532		34,303	
Net income attributable to noncontrolling interest in consolidated affiliate	(41,482)		(21,644)		(188,853)		(39,596)	
Net income attributable to common stockholders	\$ 21,923	\$	(397)	\$	59,679	\$	(5,293)	
Earnings per share of common stock – basic:								
Earnings per basic share	\$ 9.99	\$	(0.17)	\$	26.31	\$	(2.26)	
Weighted average common stock outstanding – basic	2,189,318		2,346,993		2,261,968		2,346,993	
Earnings per share of common stock – diluted:								
Earnings per diluted share	\$ 7.92	\$	(0.17)	\$	21.07	\$	(2.26)	
Weighted average common stock outstanding – diluted	2,768,300		2,346,993		2,832,188		2,346,993	

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

Total assets \$ 2,760,698 \$ 1,405,104  Liabilities:  Repurchase agreements (from consolidated VIE) \$ 1,015,000 \$ 602,382  Other secured borrowings (from consolidated VIE) \$ 324,082 \$ —  Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively) \$ 16,726 \$ 6,872  Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively) \$ 6,169 \$ 2,883  Total liabilities \$ 1,361,977 \$ 612,137  Commitments and contingencies  Redeemable preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2014 and none stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none stock, \$0.01 par value, \$0,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital \$ 14,152 \$ 12,855  Retained earnings (accumulated deficit) \$ 54,174 \$ (5,339)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 \$ (245,468) \$ —		December 31, 2014	December 31, 2013
Renal friedmanosolidated VIP)	Assets:		
Real residential properties (net of accumulated depreciation of \$1,062 and \$24, respectively - from consolidated VIE)	Real estate held for use:		
consolidated VIF)         60,00%         30,02           Real estate owned (from consolidated VIE)         457,00%         32,32           Total real estate held for use, net         522,37         35,000           Real estate assets held for sale (from consolidated VIE)         12,500         1,106           Mortgage loans a fair value (from consolidated VIE)         12,505         1,205         1,206           Construction cash (including from consolidated VIE)         11,000         1,205         1,200         1,200           Restrict cash (from consolidated VIE)         11,000         1,100         1,200	Land (from consolidated VIE)	\$ 14,424	\$ 478
Total real estate held for use, net		60,908	3,092
Real estate assets held for sale (from consolidated VIE) 1,90,04 1,207,163 1,007,163 1	Real estate owned (from consolidated VIE)	457,045	32,332
Mongage loans at fair value (from consolidated VIE)         1,959,044         1,207,163           Mongage loans held for sale (from consolidated VIE)         12,635         — 6           Cash and cash equivalents (including from consolidated VIE)         13,628         5,878           Accounts receivable (including from consolidated VIE)         13,282         5,878           Accounts receivable (from consolidated VIE)         11,068         14,282           Related party receivables (from consolidated VIE)         17,491         9,206           Deferred leasing and financing costs, net (from consolidated VIE)         1,532         1,908           Pepale despress and other assets (including from consolidated VIE)         1,532         1,908           Total assets         1,015,00         \$         1,008           Cheered borrowings (from consolidated VIE)         32,402         \$           Cheered borrowings (from consolidated VIE)         32,402         \$           Cheere secure borrowings (from consolidated VIE)         32,402         \$           Cheere secure borrowings (from consolidated VIE)         1,619         \$         2,802           Cheere secure borrowings (from consolidated VIE) Salary (From consolidated VIE)         1,619         \$         2,802           Total liabilities         1,619         2,802         2,802 <td>Total real estate held for use, net</td> <td>532,377</td> <td>35,902</td>	Total real estate held for use, net	532,377	35,902
Morgage loans held for sale (from consolidated VIE)         12.535         — 14.0000           Cash and cash equivalents (including from consolidated VIE \$66,166 and \$115,988, respectively)         116,762         140,000           Restricted cash (from consolidated VIE)         5,878         5,878           Accounts receivable (including from consolidated VIE)         11,408         1,428           Related party receivables (from consolidated VIE)         17,491         9,206           Deferred leasing and financing costs, net (from consolidated VIE)         4,251         2,203           Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)         1,638         1,999           Total assets         2,760,698         \$ 1,051,000         \$ 602,328           Popurchase agreements (from consolidated VIE)         324,002         \$ 602,328           Ches secured borrowings (from consolidated VIE)         \$ 1,015,000         \$ 602,328           Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952.         \$ 16,726         \$ 6,872           Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively         \$ 16,729         \$ 62,335           Total liabilities         \$ 2,828         \$ 62,235         \$ 62,235           Related party payables (including from consolidated VIE)         \$ 2,829	Real estate assets held for sale (from consolidated VIE)	92,230	1,186
Cash and cash equivalents (including from consolidated VIE \$66,166 and \$115,988, respectively)         116,782         \$5,78           Restricted cash (from consolidated VIE)         13,282         \$5,78           Accounts receivable (including from consolidated VIE \$10,313 and \$1,428, respectively)         11,008         9,20           Related party receivables (from consolidated VIE)         4,251         2,29           Perpaid exergence and other assets (including from consolidated VIE \$373 and \$1,542, respectively)         1,632         1,90           Total assets         2,760,698         \$ 1,050         \$ 1,050           Total assets         \$ 1,015,000         \$ 602,382           Other secured borrowings (from consolidated VIE)         \$ 1,015,000         \$ 602,382           Other secured borrowings (from consolidated VIE)         \$ 1,015,000         \$ 602,382           Related party payables (including from consolidated VIE \$11,678 and \$4,952         \$ 16,762         \$ 612,332           Repeated party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)         \$ 16,762         \$ 612,332           Committee sand         \$ 1,617,61         \$ 612,332         \$ 612,332           Committee sand contingencies         \$ 1,617,61         \$ 612,332         \$ 612,332           Redeemable preferred stock:         \$ 1,612,41         \$ 1,612,41         \$ 1,	Mortgage loans at fair value (from consolidated VIE)	1,959,044	1,207,163
Restricted ash (from consolidated VIE)         13,282         5,878           Accounts receivable (including from consolidated VIE \$10,313 and \$1,426, respectively)         11,668         1,428           Related party receivables (from consolidated VIE)         17,491         9,260           Deferred leasing and financing costs, net (from consolidated VIE)         4,251         2,278           Prepaid expense and other assets (including from consolidated VIE)         5         2,760,608         \$         1,405,100           Total assets         \$         2,760,608         \$         1,405,100           Belabilities         32,000         \$         6,023,200           Chers excued bornowings (from consolidated VIE)         \$         1,015,000         \$         6,023,200           Chers excued bornowings (from consolidated VIE)         \$         1,015,000         \$         6,023,200           Recourse bornowings (from consolidated VIE \$4,879 and \$4,495;2         16,726         \$         6,023,20           Related party payable (including from consolidated VIE \$4,879 and \$4,490; respectively)         16,169         \$         2,832           Total liabilities         \$         1,612,79         \$         6,123           Related party payable (including from consolidated VIE \$4,879 and \$4,490; respectively         \$         2,823 <t< td=""><td>Mortgage loans held for sale (from consolidated VIE)</td><td>12,535</td><td>_</td></t<>	Mortgage loans held for sale (from consolidated VIE)	12,535	_
Accounts receivable (including from consolidated VIE \$10,313 and \$1,428, respectively)         11,068         1,282           Related party receivables (from consolidated VIE)         17,491         9,208           Deferred leasing and financing costs, net (from consolidated VIE)         4,251         2,293           Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)         5         2,760,698         \$         1,405,104           Total assets         8         2,760,698         \$         1,405,104           Begurchase agreements (from consolidated VIE)         32,002         9         6,023,202           Other secured borrowings (from consolidated VIE)         32,002         9         6,023,202           Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively)         6,167,26         6,023         6,023,203           Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)         6,169         2,883         6,023         6,023,203           Total liabilities         16,276         6,029         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023         6,023 </td <td>Cash and cash equivalents (including from consolidated VIE \$66,166 and \$115,988, respectively)</td> <td>116,782</td> <td>140,000</td>	Cash and cash equivalents (including from consolidated VIE \$66,166 and \$115,988, respectively)	116,782	140,000
Related party receivables (from consolidated VIE)         17,491         9,208           Deferred leasing and financing costs, net (from consolidated VIE)         4,251         2,293           Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)         1,638         1,405,104           Total assets         - 2,760,698         \$ 1,405,004           Repurchase agreements (from consolidated VIE)         \$ 1,015,000         \$ 602,328           Other secured borrowings (from consolidated VIE)         324,082         — 6           Other secured borrowings (from consolidated VIE)         16,726         6,872           Other secured borrowings (from consolidated VIE \$4,879 and \$1,409, respectively)         6,169         2,883           Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)         6,169         2,883           Total liabilities         1,361,977         612,132         6,123           Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)         248,927         6,124           Commitments and contingencies         248,927         —         -           Related party payables (including from consolidated VIE \$4,879         248,927         —         -           Referred stock, So.01 par value, 50,000 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued a	Restricted cash (from consolidated VIE)	13,282	5,878
Deferred leasing and financing costs, net (from consolidated VIE \$373 and \$1,542, respectively)         4,251         2,293           Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)         5         2,760,698         \$         1,405,104           Liabilities:           Repurchase agreements (from consolidated VIE)         \$         1,015,000         \$         602,382           Other secured borrowings (from consolidated VIE)         \$         3,2402         -           County payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952;         16,762         6,872           Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)         6,169         2,883           Total liabilities         1,361,977         61,21,30           Redeemable preferred stock, \$0.01 par value, \$250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000         248,927         -         -           Equity:         -         <	Accounts receivable (including from consolidated VIE \$10,313 and \$1,428, respectively)	11,068	1,428
Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)  Total assets  Repurchase agreements (from consolidated VIE)  Repurc	Related party receivables (from consolidated VIE)	17,491	9,260
Total asserts   S.   2,760.698   S.   1,405,104     Liabilities:   S.   1,015,000   S.   602,382     Cher secured borrowings (from consolidated VIE)   324,062   324,062     Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively)   6,169   6,872     Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)   6,169   6,872     Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)   6,169   6,872     Redeemable preferred stock:   S.   1,361,977   612,137     Commitments and contingencies   S.   1,361,977   612,137     Redeemable preferred stock:   S.   1,361,977   612,137     Redeemable preferred stock;   S.   1,361,977   612,137     Redeemable preferred stock, \$0,010 par value, \$25,000 shares issued and outstanding as of December 31, 2014 and 2,1881,136 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013   2,55	Deferred leasing and financing costs, net (from consolidated VIE)	4,251	2,293
Calcibilities:   Calc	Prepaid expenses and other assets (including from consolidated VIE \$373 and \$1,542, respectively)	1,638	1,994
Repurchase agreements (from consolidated VIE) \$ 1,015,000 \$ 602,382 Other secured borrowings (from consolidated VIE) \$ 324,082 \$ — Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively) \$ 16,726 \$ 6,872 \$ 16,726 \$ 6,872 \$ 16,726 \$ 1,361,977 \$ 612,137 \$ 1701 liabilities \$ 1,361,977 \$ 612,137 \$ 1701 liabilities \$ 1,361,977 \$ 12,361,977 \$ 12,361,977 \$ 13,3	Total assets	\$ 2,760,698	\$ 1,405,104
Other secured borrowings (from consolidated VIE) 324,082 — Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively) 16,726 6,872 Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively) 6,169 2,883 Total liabilities 1,361,977 612,137 Commitments and contingencies Redeemable preferred stock: Preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000 \$248,927 — Equity: Common stock, \$0.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013 25 24 Additional paid-in capital 14,152 12,855 Retained earnings (accumulated deficit) 5,4174 (5,339) Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 (245,468) — Total stockholders' equity (deficit) 7,540 Noncontrolling interest in consolidated affiliate 7,540 Total equity	Liabilities:		
Accounts payable and accrued liabilities (including from consolidated VIE \$11,678 and \$4,952, respectively) 16,726 6,872 (Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively) 6,169 2,883 Total liabilities 1,361,977 612,137 (Commitments and contingencies  Redeemable preferred stock:  Preferred stock, \$0,01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000 experiments and contingencies 248,927 — Equity:  Common stock, \$0,1 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013 25 24 24 24 24 24 25 25 24 25 25 24 25 25 25 25 25 25 25 25 25 25 25 25 25	Repurchase agreements (from consolidated VIE)	\$ 1,015,000	\$ 602,382
respectively 16,000 6,872 Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively) 6,169 2,883 Total liabilities 13,361,977 612,137  Commitments and contingencies  Redeemable preferred stock:  Preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2014 and 2,188,136 shares issued and outstanding as of December 31, 2013; redemption value \$250,000 \$248,927 \$25 24\$  Equity:  Common stock, \$0.1 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013 \$25 24\$  Additional paid-in capital \$14,152 \$12,855 \$24\$  Retained earnings (accumulated deficit) \$14,145 \$25,349 \$25\$  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 \$25,468 \$25\$  Total stockholders' equity (deficit) \$75,404 \$25,405 \$25\$  Total equity \$75,405 \$25,405 \$25\$  Total equity \$75,405 \$25\$  Total	Other secured borrowings (from consolidated VIE)	324,082	_
Total liabilities 1,361,977 612,137  Commitments and contingencies  Redeemable preferred stock;  Preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000 248,927 —  Equity:  Common stock, \$0.10 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013 25 24  Additional paid-in capital 14,152 12,855  Retained earnings (accumulated deficit) 54,174 (5,339)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 (245,468) —  Total stockholders' equity (deficit) (177,117) 7,540  Noncontrolling interest in consolidated affiliate 1,326,911 785,427  Total equity 792,967		16,726	6,872
Commitments and contingencies  Redeemable preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000 \$248,927 —  Equity:  Common stock, \$0.1 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013 25 24  Additional paid-in capital 14,152 12,855  Retained earnings (accumulated deficit) 54,174 (5,339)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 (245,468) —  Total stockholders' equity (deficit) 1,7540  Noncontrolling interest in consolidated affiliate 1,326,911 785,427  Total equity 7,92,967	Related party payables (including from consolidated VIE \$4,879 and \$1,409, respectively)	6,169	2,883
Redeemable preferred stock:  Preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000  Equity:  Common stock, \$.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital  Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Construction of the co	Total liabilities	1,361,977	612,137
Preferred stock, \$0.01 par value, 250,000 shares issued and outstanding as of December 31, 2014 and none issued or outstanding as of December 31, 2013; redemption value \$250,000  Equity:  Common stock, \$.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital  Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Noncontrolling interest in consolidated affiliate  Total equity  Total equity  Total equity  Total stockholders' equity (deficit)  Total equity  Total square  Total equity  Total equity  Total square	Commitments and contingencies		
issued or outstanding as of December 31, 2013; redemption value \$250,000  Equity:  Common stock, \$.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital  Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Total equity  Total equity  A common stock, \$.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding as of December 31, 2013  25  24  25  24  25  24  25  24  25  27  26  27  28  28  29  29  20  20  21  21  21  21  21  22  23  24  25  25  24  25  26  27  28  29  20  20  21  21  21  22  23  24  25  25  24  25  26  27  28  28  29  29  20  20  21  21  21  21  21  21  21  21	Redeemable preferred stock:		
Common stock, \$.01 par value, 5,000,000 authorized shares; 2,452,101 and 2,188,136 shares issued and outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital  Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Noncontrolling interest in consolidated affiliate  Total equity  Total equity  Total equity  Total equity	Preferred stock, $0.01$ par value, $0.01$ par v	248,927	_
outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of December 31, 2013  Additional paid-in capital  Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Total equity  Total equity  Total equity  25  24  12,855  24  15,339  12,855  14,152  15,4174  (5,339)  (245,468)  —  (177,117)  7,540  785,427  170tal equity  1,149,794  792,967	Equity:		
Additional paid-in capital 14,152 12,855 Retained earnings (accumulated deficit) 54,174 (5,339) Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013 (245,468) — Total stockholders' equity (deficit) (177,117) 7,540 Noncontrolling interest in consolidated affiliate 1,326,911 785,427 Total equity 1,149,794 792,967	outstanding, respectively as of December 31, 2014 and 2,354,774 shares issued and outstanding as of	25	24
Retained earnings (accumulated deficit)  Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Noncontrolling interest in consolidated affiliate  Total equity			12.855
Treasury stock, at cost, 263,965 shares as of December 31, 2014 and none as of December 31, 2013  Total stockholders' equity (deficit)  Noncontrolling interest in consolidated affiliate  Total equity  1,326,911  785,427  1,149,794  792,967			
Total stockholders' equity (deficit) (177,117) 7,540 Noncontrolling interest in consolidated affiliate 1,326,911 785,427 Total equity 1,149,794 792,967	,		_
Noncontrolling interest in consolidated affiliate 1,326,911 785,427  Total equity 1,149,794 792,967	Total stockholders' equity (deficit)	,	7,540
Total equity 1,149,794 792,967		, , , , ,	
	• •	\$	\$

The following tables set forth consolidating financial information which should be considered in addition to, and not as a substitute for, our consolidated financial statements presented in accordance with U.S. GAAP:

## Altisource Asset Management Corporation Consolidating Statement of Operations Three months ended December 31, 2014 (In thousands, unaudited)

	Residential (GAAP)	NewSource Stand- alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 845	\$ —	\$ - 5	s — \$	845
Net unrealized gain on mortgage loans	91,924	_	_	_	91,924
Net realized gain on mortgage loans	21,899	_	_	_	21,899
Net realized gain on re-performing mortgage loans	2,469	_	_	_	2,469
Net realized gain on real estate	4,938	_	_	_	4,938
Interest income	136	156	_	(156)	136
Incentive management fee	_	_	23,820	(23,820)	_
Expense reimbursements	_	_	1,431	(1,431)	_
Total revenues	122,211	156	25,251	(25,407)	122,211
Expenses:					
Residential property operating expenses	12,468	_	_	_	12,468
Real estate depreciation and amortization	603	_	_	_	603
Real estate selling costs and impairment	13,013	_	_	_	13,013
Mortgage loan servicing costs	18,593	_	_	_	18,593
Interest expense	11,460	_	_	(165)	11,295
General and administrative	1,382	3,787	(856)	_	4,313
Related party general and administrative	25,401	210	528	(25,251)	888
Total expenses	82,920	3,997	(328)	(25,416)	61,173
Other income	2,160	3,030	5	(2,160)	3,035
Income before income taxes	41,451	(811)	25,584	(2,151)	64,073
Income tax expense	(31)	_	699	_	668
Net income	41,482	(811)	24,885	(2,151)	63,405
Net income attributable to noncontrolling interest in consolidated affiliate	_	_	_	(41,482)	(41,482)
Net income attributable to common stockholders	\$ 41,482	\$ (811)	\$ 24,885	\$ (43,633) \$	21,923

# Altisource Asset Management Corporation Consolidating Statement of Operations Year ended December 31, 2014 (In thousands, unaudited)

	Residential (GAAP)	NewSource Stand- alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 1,564	\$ —	\$ - \$	- \$	1,564
Net unrealized gain on mortgage loans	350,822	_	_	_	350,822
Net realized gain on mortgage loans	55,766	_	_	_	55,766
Net realized gain on re-performing mortgage loans	2,771	_	_	_	2,771
Net realized gain on real estate	9,482	_	_	_	9,482
Interest income	2,893	156	_	(156)	2,893
Incentive management fee	_	_	67,949	(67,949)	_
Expense reimbursements	_	_	7,011	(7,011)	_
Total revenues	423,298	156	74,960	(75,116)	423,298
Expenses:					
Residential property operating expenses	26,018	_	_	_	26,018
Real estate depreciation and amortization	1,067	_	_	_	1,067
Real estate selling costs and impairment	21,788	_	_	_	21,788
Mortgage loan servicing costs	68,181	_	_	_	68,181
Interest expense	35,812	_	_	(165)	35,647
General and administrative	7,047	4,168	8,676	_	19,891
Related party general and administrative	77,030	941	2,474	(74,960)	5,485
Total expenses	236,943	5,109	11,150	(75,125)	178,077
Other income	2,543	5,015	9	(2,160)	5,407
Income before income taxes	188,898	62	63,819	(2,151)	250,628
Income tax expense	45	_	2,051	_	2,096
Net income	188,853	62	61,768	(2,151)	248,532
Net income attributable to noncontrolling interest in consolidated affiliate	_	_	_	(188,853)	(188,853)
Net income attributable to common stockholders	\$ 188,853	\$ 62	\$ 61,768 \$	(191,004) \$	59,679

# Altisource Asset Management Corporation Consolidating Statement of Operations Three months ended December 31, 2013 (In thousands, unaudited)

	 Residential (GAAP)	NewSource Stand- alone (Non-GAAP)	AAMC Stand- alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 30	\$ —	\$ —	\$ —	\$ 30
Net unrealized gain on mortgage loans	35,129	_	_	_	35,129
Net realized gain on mortgage loans	6,467	_	_	_	6,467
Interest income	319	_	_	_	319
Incentive management fee	_	_	4,829	(4,829)	_
Expense reimbursements	_	_	2,040	(2,040)	_
Total revenues	41,945	_	6,869	(6,869)	41,945
Expenses:					
Residential property operating expenses	492	_	_	_	492
Real estate depreciation and amortization	21	_	_	_	21
Real estate selling costs and impairment	(26)	_	_	_	(26)
Mortgage loan servicing costs	6,630	_	_	_	6,630
Interest expense	3,405	_	_	_	3,405
General and administrative	1,728	77	5,662	_	7,467
Related party general and administrative	8,057	_	1,527	(6,869)	2,715
Total expenses	20,307	77	7,189	(6,869)	20,704
Other income	6	_	_	_	6
Net income (loss)	21,644	(77)	(320)	_	21,247
Net income attributable to noncontrolling interest in consolidated affiliate	_	_	_	(21,644)	(21,644)
Net income (loss) attributable to common stockholders	\$ 21,644	\$ (77)	\$ (320)	\$ (21,644)	\$ (397)

# Altisource Asset Management Corporation Consolidating Statement of Operations Year ended December 31, 2013 (In thousands, unaudited)

	Residential (GAAP)	NewSource Stand- alone (Non-GAAP)	AAMC Stand- alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Revenues:					
Rental revenues	\$ 36	\$	\$ —	\$ - \$	36
Net unrealized gain on mortgage loans	61,092	_	_	_	61,092
Net realized gain on mortgage loans	10,482	_	_	_	10,482
Interest income	687	_	_	_	687
Incentive management fee	_	_	4,880	(4,880)	_
Expense reimbursements	_	_	5,411	(5,411)	_
Total revenues	72,297	_	10,291	(10,291)	72,297
Expenses:					
Residential property operating expenses	767	_	_	_	767
Real estate depreciation and amortization	25	_	_	_	25
Real estate selling costs and impairment	184	_	_	_	184
Mortgage loan servicing costs	10,418	_	_	_	10,418
Interest expense	4,568	_	_	_	4,568
General and administrative	4,208	77	13,980	_	18,265
Related party general and administrative	12,531	_	1,527	(10,291)	3,767
Total expenses	32,701	77	15,507	(10,291)	37,994
Other expense	_	_	_	_	_
Net income (loss)	39,596	(77)	(5,216)	_	34,303
Net income attributable to noncontrolling interest in consolidated affiliate	_	_	_	(39,596)	(39,596)
Net income (loss) attributable to common stockholders	\$ 39,596	\$ (77)	\$ (5,216)	\$ (39,596) \$	(5,293)

## Altisource Asset Management Corporation Consolidating Balance Sheet December 31, 2014 (In thousands, unaudited)

	Resid	lential (GAAP)	NewSource stand- alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
A						
Assets:						
Real estate held for use:	\$	14,424	d.	\$ —	\$ — \$	1 4 42 4
Land  Postal regidential properties, not	Ф	60,908	<b>5</b> —	<b>5</b> —	s — s	14,424 60,908
Rental residential properties, net Real estate owned		457,045	_	_	_	457,045
Total real estate held for use, net		532,377				532,377
Real estate assets held for sale		92,230	_	_	_	92,230
		1,959,044				
Mortgage loans		, ,	_	_	_	1,959,044
Mortgage loans held for sale		12,535	_		_	12,535
Cash and cash equivalents		66,166	6,026	44,590	_	116,782
Restricted cash		13,282		_	(4.65)	13,282
Accounts receivable		10,313	919	1	(165)	11,068
Related party receivables		17,491	14,991	28,512	(43,503)	17,491
Investment in affiliate		18,000	_	2,000	(20,000)	4.254
Deferred leasing and financing costs, net		4,251	_	1 262	_	4,251
Prepaid expenses and other assets	<u></u>	373	3	1,262		1,638
Total assets	\$	2,726,062	\$ 21,939	\$ 76,365	\$ (63,668) \$	2,760,698
Liabilities:						
Repurchase agreements	\$	1,015,000	\$ —	\$ —	\$ - \$	1,015,000
Other secured borrowings		339,082	_	_	(15,000)	324,082
Accounts payable and accrued liabilities		11,678	3,173	2,040	(165)	16,726
Related party payables		33,391	941	349	(28,512)	6,169
Total liabilities		1,399,151	4,114	2,389	(43,677)	1,361,977
Commitments and contingencies		_	_	_	_	_
Preferred stock		_	_	248,927	_	248,927
Equity:						
Common stock		572	_	25	(572)	25
Additional paid-in capital		1,227,091	20,000	14,152	(1,247,091)	14,152
Retained earnings (accumulated deficit)		99,248	(2,175)	56,340	(99,239)	54,174
Treasury stock			_	(245,468)		(245,468)
Total stockholders' equity (deficit)		1,326,911	17,825	(174,951)	(1,346,902)	(177,117)
Noncontrolling interest in consolidated affiliate		_	_	_	1,326,911	1,326,911
Total equity (deficit)		1,326,911	17,825	(174,951)	(19,991)	1,149,794
Total liabilities and equity	\$	2,726,062	\$ 21,939	\$ 76,365	\$ (63,668) \$	2,760,698

## Altisource Asset Management Corporation Consolidating Balance Sheet December 31, 2013 (In thousands, unaudited)

	Resid	lential (GAAP)	NewSource stand- alone (Non-GAAP)	AAMC Stand-alone (Non-GAAP)	Consolidating Entries	AAMC Consolidated (GAAP)
Assets:						
Real estate held for use:						
Land	\$	478	\$ —	\$ —	\$ - \$	478
Rental residential properties, net		3,092	_	_	_	3,092
Real estate owned		32,332	_	_	_	32,332
Total real estate held for use, net		35,902	_	_	_	35,902
Real estate assets held for sale		1,186	_	_	_	1,186
Mortgage loans		1,207,163	_	_	_	1,207,163
Cash and cash equivalents		115,988	19,923	4,089	_	140,000
Restricted cash		5,878	_	_	_	5,878
Accounts receivable		1,428	_	_	_	1,428
Related party receivables		9,260	_	4,486	(4,486)	9,260
Investment in affiliate		18,000	_	2,000	(20,000)	_
Deferred leasing and financing costs, net		2,293	_	_	_	2,293
Prepaid expenses and other assets		1,542	_	452	_	1,994
Total assets	\$	1,398,640	\$ 19,923	\$ 11,027	\$ (24,486) \$	1,405,104
Liabilities:						
Repurchase agreement	\$	602,382	\$ —	\$	\$ - \$	602,382
Accounts payable and accrued liabilities		4,952	_	1,920	_	6,872
Related party payables		5,879	_	1,490	(4,486)	2,883
Total liabilities		613,213	_	3,410	(4,486)	612,137
Commitments and contingencies			_	_	_	_
Equity:						
Common stock		423	_	24	(423)	24
Additional paid-in capital		758,584	20,000	12,855	(778,584)	12,855
Retained earnings (accumulated deficit)		26,420	(77)	(5,262)	(26,420)	(5,339)
Total stockholders' equity		785,427	19,923	7,617	(805,427)	7,540
Noncontrolling interest in consolidated affiliate		_	_	_	785,427	785,427
Total equity		785,427	19,923	7,617	(20,000)	792,967
Total liabilities and equity	\$	1,398,640	\$ 19,923	\$ 11,027	\$ (24,486) \$	1,405,104