

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

FORM 8-K

CURRENT REPORT

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

DATE OF REPORT  
(DATE OF EARLIEST EVENT REPORTED): NOVEMBER 9, 1999

OCWEN FINANCIAL CORPORATION  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

FLORIDA  
(STATE OR OTHER  
JURISDICTION  
OF INCORPORATION)

0-21341  
(COMMISSION  
FILE NUMBER)

65-0039856  
(I.R.S. EMPLOYER  
IDENTIFICATION NO.)

THE FORUM, SUITE 1000  
1675 PALM BEACH LAKES BOULEVARD, WEST PALM BEACH, FLORIDA 33401  
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICE) (ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (561) 682-8000

N/A  
(FORMER NAME OR FORMER ADDRESS, IF CHANGED SINCE LAST REPORT)

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EXHIBIT INDEX ON PAGE 4

ITEM 5. OTHER EVENTS

The news release of the Registrant dated November 9, 1999, announcing its 1999 third quarter results and certain other information is attached hereto and filed herewith as Exhibit 99.1.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(a) - (b) Not applicable.

(c) Exhibits

The following exhibits are filed as part of this report:

99.1 Text of a press release by the Registrant dated November 9, 1999.

SIGNATURES

Pursuant to the requirements 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, hereunto duly authorized.

OCWEN FINANCIAL CORPORATION  
(Registrant)

By: /s/ MARK S. ZEIDMAN

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Mark S. Zeidman  
Senior Vice President and Chief Financial Officer

Date: November 12, 1999

INDEX TO EXHIBIT

Exhibit No. -----	Description -----	Page ----
99.1	News release of the Registrant dated November 9, 1999, announcing its 1999 third quarter results and certain other information.	5

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[GRAPHIC OMITTED]

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OCWEN FINANCIAL CORPORATION

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FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION, CONTACT:

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OCWEN FINANCIAL CORPORATION ANNOUNCES  
1999 THIRD QUARTER RESULTS

WEST PALM BEACH, FL - (November 9, 1999) Ocwen Financial Corporation (NYSE: OCN) today reported net income for the 1999 third quarter of \$12.8 million, or \$0.21 per diluted share, compared to net income of \$24.9 million, or \$0.41 per diluted share for the 1998 third quarter. For the nine months ended September 30, 1999, the Company reported net income of \$18.6 million, or \$0.31 per diluted share, compared to net income for the nine months ended September 30, 1998 of \$9.4 million, or \$0.15 per diluted share.

OCN earned a \$50.4 million pre-tax gain from the sale of Ocwen UK in the third quarter 1999, which was partially offset by pretax impairment charges on the residential mortgage-backed securities portfolio and losses on certain equity investments of \$26.3 million. Exclusive of these items, OCN generated a \$3.8 million pre-tax loss from operations for the 1999 third quarter, primarily reflecting the absence of securitization gains and a low volume of commercial loan resolutions, which reduced the operating income of the discount loan business.

KEY STRATEGIC EVENTS

On September 30, OCN sold its wholly-owned UK subsidiary, Ocwen UK plc to Malvern House Acquisition Limited for \$122.1 million in cash. As a result of the transaction, OCN recorded a pretax gain on sale of \$50.4 million. Furthermore, the sale of Ocwen UK, which included the sale of approximately \$110.7 million of UK subprime securities and residuals, resulted in a near 50% reduction in OCN's portfolio of securities retained in connection with its previous securitizations.

OCN has used a portion of the cash proceeds from the sale of Ocwen UK to buy shares of OCN common stock pursuant to the Company's previously announced stock repurchase program. As of the date of this release, OCN has repurchased approximately 1.6 million shares on the open market, representing 27% of the 6,000,000 shares authorized for repurchase by OCN's Board of Directors.

William C. Erbey, Chairman and CEO, commented, "The sale of Ocwen UK and the closing of OFS demonstrate our commitment to dispose of non-core assets, simplify our organization and focus our resources on continuing to grow our fee-based services and developing our technology-related businesses."

As previously reported, the Company did not execute any securitizations in the third quarter, and it expects the number of securitizations going forward to decrease significantly as a result of its departure from the subprime origination business. The Company has also made a strategic decision to structure future securitizations as financing transactions, which will preclude the use of gain on sale accounting. This transition will slow income recognition in the short-term, but will improve the quality of earnings by increasing its cash component.

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Ocwen Financial Corporation Third Quarter Results  
November 9, 1999

OCN's earnings historically have fluctuated based on non-performing commercial loan resolution volumes. This quarter, a large portion of the Company's commercial loan portfolio is in performing status, and as a result, fewer resolutions were completed.

Pre-tax income in Ocwen's Domestic Mortgage Loan Servicing operations for the just-completed quarter increased to \$3.4 million, or 20% over the same period a year ago. Ocwen's total loan servicing portfolio now tops \$11 billion in unpaid principal balance.

"Ocwen is in the midst of a profound transformation from operating as a capital-intensive business to being a fee-based provider of high quality services to the mortgage and real estate markets," stated Erbey. "We made this long-term strategic decision one year ago and are committed to successfully completing the transition."

RECENT DEVELOPMENTS

On October 7, 1999, OCN closed its acquisition of Ocwen Asset Investment Corp. (OAC), a real estate investment trust. The acquisition was approved by more than 83% of the outstanding OAC shares, of which almost 98% of the votes cast were in favor of the transaction. As a result of the closing, each share of OAC common stock (other than those held by OCN or its subsidiaries) was converted into the right to receive .71 shares of OCN common stock.

The acquisition enables OCN to streamline its organizational structure and gain value from real estate assets that would not have otherwise been realized by OAC due to liquidity issues.

Ocwen Financial Corporation is a financial services company headquartered in West Palm Beach, Florida. The Company's primary businesses are the acquisition, servicing and resolution of subperforming and nonperforming residential and commercial mortgage loans. Ocwen also specializes in the related development of loan servicing technology and software for the mortgage and real estate industries. Additional information about Ocwen Financial Corporation is available at [www.ocwen.com](http://www.ocwen.com).

CERTAIN STATEMENTS CONTAINED HEREIN MAY NOT BE BASED ON HISTORICAL FACTS AND ARE "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. THESE FORWARD-LOOKING STATEMENTS MAY BE IDENTIFIED BY REFERENCE TO A FUTURE PERIOD(S) OR BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "ANTICIPATE," "ESTIMATE," "EXPECT," "MAY," "PLAN," "WILL," FUTURE OR CONDITIONAL VERB TENSES, SIMILAR TERMS, VARIATIONS ON SUCH TERMS OR NEGATIVES OF SUCH TERMS. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE INDICATED IN SUCH STATEMENTS DUE TO RISKS, UNCERTAINTIES AND CHANGES WITH RESPECT TO A VARIETY OF FACTORS, INCLUDING CHANGES IN THE KNOWLEDGE OF OCN OR MARKET CONDITIONS AS THEY EXIST ON THE DATE HEREOF, APPLICABLE ECONOMIC ENVIRONMENTS, GOVERNMENT FISCAL AND MONETARY POLICIES, PREVAILING INTEREST OR CURRENCY EXCHANGE RATES, EFFECTIVENESS OF INTEREST RATE, CURRENCY AND OTHER HEDGING STRATEGIES, LAWS AND REGULATIONS AFFECTING FINANCIAL INSTITUTIONS AND REAL ESTATE OPERATIONS (INCLUDING REGULATORY FEES, CAPITAL REQUIREMENTS, INCOME AND PROPERTY TAXATION AND ENVIRONMENTAL COMPLIANCE), COMPETITIVE PRODUCTS, PRICING AND CONDITIONS, CREDIT, PREPAYMENT, BASIS, DEFAULT, SUBORDINATION AND ASSET/LIABILITY RISKS, LOAN SERVICING EFFECTIVENESS, THE ABILITY TO IDENTIFY ACQUISITIONS AND INVESTMENT OPPORTUNITIES MEETING OCN'S INVESTMENT STRATEGY, SOFTWARE INTEGRATION, DEVELOPMENT AND LICENSING, FINANCIAL AND SECURITIES MARKETS, AVAILABILITY OF ADEQUATE AND TIMELY SOURCES OF LIQUIDITY, DEPENDENCE ON EXISTING SOURCES OF FUNDING, ABILITY TO REPAY OR REFINANCE INDEBTEDNESS (AT MATURITY OR UPON ACCELERATION), SIZE OF, NATURE OF AND YIELDS AVAILABLE WITH RESPECT TO THE SECONDARY MARKET FOR MORTGAGE LOANS, ALLOWANCES FOR LOAN LOSSES, GEOGRAPHIC CONCENTRATIONS OF ASSETS, CHANGES IN REAL ESTATE CONDITIONS (INCLUDING VALUATION, REVENUES AND COMPETING PROPERTIES), ADEQUACY OF INSURANCE COVERAGE IN THE EVENT OF A LOSS, YEAR 2000 COMPLIANCE, INTEGRATION OF THE BUSINESS OF OAC, THE MARKET PRICES OF THE COMMON STOCK OF OCN, OTHER FACTORS GENERALLY UNDERSTOOD TO AFFECT THE REAL ESTATE ACQUISITION, MORTGAGE AND LEASING MARKETS, AND OTHER RISKS DETAILED FROM TIME TO TIME IN OCN'S REPORTS AND FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION, INCLUDING ITS REGISTRATION STATEMENTS ON FORMS S-4 AND S-3 AND PERIODIC REPORTS ON FORMS 8-K, 10-Q AND 10-K, INCLUDING EXHIBIT 99.1 ATTACHED TO OCN'S FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 1999.

NET (LOSS) INCOME BY BUSINESS SEGMENT

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1999	1998	1999	1998
(Dollars in thousands)				
Discount loans:				
Single family residential loans.....	\$ (3,555)	\$ 7,629	\$ (7,904)	\$ 26,326
Commercial real estate loans.....	(371)	14,544	6,417	31,601
	(3,926)	22,173	(1,487)	57,927
Domestic mortgage loan servicing .....	2,124	1,769	8,854	4,129
Investment in low-income housing tax credits...	4,550	2,135	7,570	8,529
Commercial real estate lending.....	(1,115)	7,767	4,734	12,836
UK operations.....	31,199	(2,667)	40,545	4,782
OTX .....	(4,167)	(1,826)	(11,428)	(6,074)
Domestic subprime single family residential				
lending.....	(8,453)	(2,826)	(11,430)	(6,378)
Investment securities.....	(1,831)	(2,992)	(3,676)	(57,003)
Equity in loss of OAC.....	(120)	--	(3,605)	--
Other.....	(5,485)	1,398	(11,517)	(9,371)
	\$ 12,776	\$ 24,931	\$ 18,560	\$ 9,377

ASSET ACQUISITIONS

For the periods ended September 30,  
(Dollars in thousands)

	Three Months		Increase (Decrease)	Nine Months		Increase (Decrease)
	1999	1998		1999	1998	
Discount Loan Acquisitions:						
Single family residential.....	\$ 61,725	\$ 87,152	\$ (25,427)	\$ 335,808	\$ 422,404	\$ (86,596)
Multi-family residential.....	3,353	20,632	(17,279)	75,312	169,138	(93,826)
Commercial real estate.....	15,514	60,760	(45,246)	147,304	246,959	(99,655)
Other.....	4,274	4,929	(655)	12,900	11,278	1,622
	\$ 84,866	\$ 173,473	\$ (88,607)	\$ 571,324	\$ 849,779	\$ (278,455)
Subprime Loan Purchases and						
Originations:						
Domestic.....	\$ 18,052	\$ 190,378	\$ (172,326)	\$ 253,869	\$ 887,419	\$ (633,550)
Foreign (Ocwen UK)(1).....	223,390	88,039	135,351	516,397	553,232	(36,835)
	\$ 241,442	\$ 278,417	\$ (36,975)	\$ 770,266	\$ 1,440,651	\$ (670,385)

(1) Subprime loan purchases and originations for the nine months ended September 30, 1998 include \$419,087 of loans purchased in connection with the acquisition of the U.K. operations of Cityscape Financial Corp.

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(DOLLARS IN THOUSANDS)

For the periods ended September 30,	Three Months		Nine Months	
	1999	1998	1999	1998
<b>Interest income:</b>				
Federal funds sold and repurchase agreements .....	\$ 958	\$ 2,508	\$ 6,412	\$ 4,944
Securities available for sale .....	15,350	8,982	48,199	25,654
Loans available for sale .....	6,233	11,391	25,376	46,185
Loans .....	3,941	13,771	18,985	31,688
Discount loans .....	29,035	50,274	84,591	129,352
Investment securities and other .....	502	1,616	1,537	3,634
	56,019	88,542	185,100	241,457
<b>Interest expense:</b>				
Deposits .....	24,779	31,146	75,166	87,668
Securities sold under agreements to repurchase .....	2,120	1,168	5,891	4,869
Obligations outstanding under lines of credit .....	3,164	8,777	12,219	28,496
Notes, debentures and other interest bearing obligations .....	6,724	6,767	20,147	20,258
	36,787	47,858	113,423	141,291
Net interest income before provision for loan losses .....	19,232	40,684	71,677	100,166
Provision for loan losses .....	826	1,806	5,188	13,734
Net interest income after provision for loan losses .....	18,406	38,878	66,489	86,432
<b>Non-interest income (loss):</b>				
Servicing fees and other charges .....	19,584	15,348	56,764	39,044
(Loss) gain on interest earning assets, net .....	(21,075)	24,170	(6,800)	909
(Loss) gain on real estate owned, net .....	(1,508)	1,216	1,798	12,763
Other income .....	65,105	14,209	80,731	29,857
	62,106	54,943	132,493	82,573
<b>Non-interest expense:</b>				
Compensation and employee benefits .....	29,451	32,474	80,991	83,721
Occupancy and equipment .....	8,447	9,464	27,816	24,388
Loan expenses .....	3,992	9,131	10,773	18,826
Net operating loss on investments in real estate and certain low-income housing tax credit interests .....	958	2,695	4,179	4,988
Amortization of excess of purchase price over net assets acquired ..	284	2,670	771	3,604
Other operating expenses .....	8,859	9,082	27,368	20,250
	51,991	65,516	151,898	155,777
Distributions on Company-obligated, mandatorily redeemable securities of subsidiary trust holding solely junior subordinated debentures.....	3,400	3,400	10,196	10,196
Equity in (losses) earnings of investment in unconsolidated entities	(4,768)	2,915	(9,483)	3,459
Income before income taxes .....	20,353	27,820	27,405	6,491
Income tax (expense) benefit .....	(8,199)	(2,922)	(9,595)	2,888
Minority interest in net loss (income) of consolidated subsidiary ...	369	33	497	(2)
Income before extraordinary item .....	12,523	24,931	18,307	9,377
Extraordinary gain on repurchase of subordinated debentures, net of tax .....	253	--	253	--
Net income .....	\$ 12,776	\$ 24,931	\$ 18,560	\$ 9,377
<b>Income per share:</b>				
<b>Basic:</b>				
Net income before extraordinary item .....	\$ 0.21	\$ 0.41	\$ 0.30	\$ 0.15
Extraordinary gain .....	\$ --	\$ --	\$ 0.01	\$ --
Net income .....	\$ 0.21	\$ 0.41	\$ 0.31	\$ 0.15
<b>Diluted:</b>				
Net income before extraordinary item .....	\$ 0.21	\$ 0.41	\$ 0.30	\$ 0.15
Extraordinary gain .....	\$ --	\$ --	\$ 0.01	\$ --
Net income.....	0.21	0.41	0.31	0.15
<b>Weighted average common shares outstanding:</b>				
Basic .....	60,427,623	60,785,467	60,652,865	60,176,777
Diluted .....	60,460,314	61,074,499	60,691,416	61,249,163

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION  
(Dollars in thousands, except per share data)

	September 30, 1999	December 31, 1998
	-----	-----
<b>Assets</b>		
Cash and amounts due from depository institutions .....	\$ 94,517	\$ 120,805
Interest earning deposits .....	161,991	49,374
Federal funds sold .....	--	275,000
Securities available for sale, at fair value .....	545,798	593,347
Loans available for sale, at lower of cost or market .....	66,829	177,847
Investment in capital stock of Federal Home Loan Bank, at cost .....	10,825	10,825
Loan portfolio, net .....	127,026	230,312
Discount loan portfolio, net .....	974,472	1,026,511
Investments in low-income housing tax credit interests .....	161,776	144,164
Investment in unconsolidated entities .....	76,407	86,893
Real estate owned, net .....	178,349	201,551
Investment in real estate .....	15,165	36,860
Premises and equipment, net .....	49,083	33,823
Income taxes receivable .....	14,213	34,333
Deferred tax asset .....	98,548	66,975
Excess of purchase price over net assets acquired .....	16,746	12,706
Principal, interest and dividends receivable .....	9,555	18,993
Escrow advances on loans .....	127,225	88,277
Other assets .....	72,916	99,483
	-----	-----
	\$ 2,801,441	\$ 3,308,079
	=====	=====
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Deposits .....	\$ 1,776,646	\$ 2,175,016
Securities sold under agreements to repurchase .....	109,383	72,051
Obligations outstanding under lines of credit .....	49,849	179,285
Notes, debentures and other interest bearing obligations .....	221,956	225,000
Accrued interest payable .....	36,924	33,706
Accrued expenses, payables and other liabilities .....	44,203	61,053
	-----	-----
Total liabilities .....	2,238,961	2,746,111
	-----	-----
Company-obligated, mandatory redeemable securities of subsidiary trust holding solely junior subordinated debentures of the Company .....	125,000	125,000
Minority interest .....	86	592
Commitments and contingencies		
<b>Stockholders' equity:</b>		
Preferred stock, \$.01 par value; 20,000,000 shares authorized; 0 shares issued and outstanding.....	--	--
Common stock, \$.01 par value; 200,000,000 shares authorized; 60,115,656 and 60,800,357 shares issued and outstanding at September 30, 1999, and December 31, 1998, respectively.....	608	608
Treasury stock, 690,800 shares at September 30, 1999 .....	(5,302)	--
Additional paid-in capital .....	166,276	166,234
Retained earnings .....	275,730	257,170
Accumulated other comprehensive income, net of taxes:		
Net unrealized gain on securities available for sale .....	966	14,057
Net unrealized foreign currency translation loss .....	(884)	(1,693)
	-----	-----
Total stockholders' equity .....	437,394	436,376
	-----	-----
	\$ 2,801,441	\$ 3,308,079
	=====	=====