

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): JULY 30, 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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ITEM 5. OTHER EVENTS

The news release of the Registrant dated July 30, 1999, announcing its 1999 second quarter results and certain other information is attached hereto and filed herewith as Exhibit 99.

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 July 30, 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

Mark S. Zeidman
Senior Vice President and Chief Financial Officer

Date: August 12, 1999

INDEX TO EXHIBIT

EXHIBIT NO. -----	DESCRIPTION -----	PAGE ----
99.1	News release of the Registrant dated July 30, 1999, announcing its 1999 second quarter results and certain other information	5

[GRAPHIC OMITTED]

OCWEN FINANCIAL CORPORATION

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION, CONTACT:

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OCWEN FINANCIAL CORPORATION ANNOUNCES
 1999 SECOND QUARTER RESULTS

1999 SECOND QUARTER HIGHLIGHTS

- o CASH EARNINGS, AS DEFINED BELOW, WERE \$12.1 MILLION IN THE 1999 SECOND QUARTER, COMPARED TO \$8.5 MILLION IN 1998.
- o CASH EARNINGS FROM SINGLE FAMILY RESIDENTIAL DISCOUNT LOANS WERE \$7.6 MILLION IN THE 1999 SECOND QUARTER, COMPARED TO \$0.7 MILLION IN THE 1998 SECOND QUARTER.
- o NET INCOME FROM DOMESTIC LOAN SERVICING INCREASED \$2.4 MILLION, OR 294% IN THE 1999 SECOND QUARTER COMPARED TO THE 1998 SECOND QUARTER.
- o OTX ACQUIRED SYNERGY SOFTWARE, LLC, A LEADING DEVELOPER OF COMMERCIAL AND MULTIFAMILY MORTGAGE SERVICING SYSTEMS IN THE U.S., IN JUNE 1999.
- o OCN REPURCHASED 205,300 SHARES OF ITS COMMON STOCK, INITIATING ITS REPURCHASE PLAN OF UP TO SIX MILLION SHARES.

WEST PALM BEACH, FL - (July 30, 1999) Ocwen Financial Corporation (NYSE: OCN) today reported net income for the 1999 second quarter, prior to impairment charges and losses on equity investments, of \$22.8 million, or \$0.37 per diluted share, compared to net income for the 1998 second quarter, prior to impairment charges on securities available for sale, of \$27.4 million, or \$0.45 per diluted share. For the six months ended June 30, 1999, the Company reported net income, prior to impairment charges and losses on equity investments, of \$32.4 million, or \$0.53 per diluted share, compared to net income for the six months ended June 30, 1998, before impairment charges on securities, of \$56.6 million, or \$0.92 per diluted share.

Cash earnings, defined as net income excluding non-cash gains on securitizations, less impairment charges, and less losses related to the investment in Ocwen Asset Investment Corp. (NYSE: OAC), amounted to \$12.1 million in the 1999 second quarter, compared to \$8.5 million in 1998. Cash earnings for the six months ended June 30, 1999 amounted to \$17.9 million, compared to \$19.1 million for the same period in 1998. Pre-tax non-cash gains in the 1999 second quarter were comprised of \$10.2 million from Ocwen UK plc and \$3.3 million from U.S. operations.

Including impairment charges and losses on equity investments, the Company reported a net loss of \$(3.7) million, or \$(0.06) per diluted share, for the 1999 second quarter, compared to a net loss of \$(37.9) million, or \$(0.62) per diluted share, for the 1998 second quarter. For the six months ended June 30, 1999, the Company reported net income of \$5.8 million, or \$0.10 per diluted share, compared to a net loss of \$(15.6) million, or \$(0.26) per diluted share, for the six months ended June 30, 1998.

The loss for the 1999 second quarter was caused by charges totaling \$33.2 million, of which \$28.8 million related to impairment charges on the securities available for sale portfolio, and the balance related primarily to losses on its investment in OAC. Of the \$28.8 million of charges on the securities portfolio, \$22.8 million was charged against the Company's residential discount loan

Ocwen Financial Corporation Second Quarter Results
 July 30, 1999

subordinates, and \$5.8 million was charged against the Company's subprime residuals. The charges were based upon quotes received from broker-dealers and reflected both continuing market illiquidity for these investments and a reduction in fair value due to default rates on the underlying mortgage collateral, which were higher than had been estimated at the time the securities were initially issued.

William C. Erbey, Chairman and CEO, commented, "We continue the long-term strategic transition from capital-intensive business lines to those which generate greater fee-based income streams, specifically our servicing and advanced technology businesses. The 1999 second quarter reflects this transition. For example, net income in our Domestic Loan Servicing operations for the just-completed quarter increased to \$3.2 million, or 294% over the same period a year ago. Total servicing fees for the 1999 second quarter increased \$5.0 million, or 35% over the same quarter in the prior year, due to a 44% increase in the average unpaid principal balance of loans serviced for others (\$10.24 billion in the 1999 second quarter, compared to \$7.12 billion in the 1998 second quarter).

"We have made significant progress in our OTX subsidiary with the acquisition of

the assets of Synergy Software, LLC, a leading developer of commercial and multifamily loan servicing software in the United States. Synergy is in the final stages of developing its SynergyOPEN(TM) software, an advanced commercial and multifamily mortgage servicing system. The 32-bit, Microsoft(R) Windows-based system employs multi-tier architecture to allow distributed computing. This design represents the next generation of client-server computing and allows the SynergyOPEN(TM) system to scale easily from small companies to the largest multiple-office enterprises. OTX continues to make progress in marketing its REALTransSM e-commerce software solution. Currently, several of the largest domestic mortgage loan participants utilize the software application.

"We intend to lessen our dependency on capital-intensive businesses, reduce our reliance on gain on sale accounting, and re-focus on our core competencies. This transition will slow income recognition but will improve the quality of earnings by increasing its cash component. We intend to continue to curtail our domestic subprime originations and are evaluating our remaining businesses on the basis of their capacity to generate fees. Cash earnings, as defined above, amounted to \$12.1 million in the 1999 second quarter, compared to \$8.5 million in 1998."75

RECENT ANNOUNCEMENTS

On July 26, 1999, OCN announced that it had signed a definitive merger agreement with Ocwen Asset Investment Corp., a publicly traded real estate investment trust, providing for OCN to acquire OAC for 0.71 shares of OCN common stock for each outstanding share of OAC common stock (other than those OAC shares owned by Ocwen Financial or its subsidiaries). This exchange ratio represents a \$5.50 price per share or an approximate 19 percent premium to the closing price of \$4 5/8 for OAC common stock on July 23, 1999, based on the closing price of \$7 3/4 for Ocwen Financial common stock on that date.

NET (LOSS) INCOME BY BUSINESS SEGMENT

(Dollars in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	1999	1998	1999	1998
Discount loans:				
Single family residential loans	\$ (8,865)	\$ 4,520	\$ (4,343)	\$ 18,703
Commercial real estate loans	3,298	11,773	6,800	17,057
	-----	-----	-----	-----
	(5,567)	16,293	2,457	35,760
Domestic mortgage loan servicing	3,223	819	6,730	2,323
Investment in low-income housing tax credits	1,452	1,435	2,997	6,394
Commercial real estate lending	3,712	5,173	5,850	5,068
UK operations	9,217	7,449	9,346	7,449
OTX	(4,256)	(3,146)	(7,261)	(4,248)
Domestic subprime single family residential				
lending	(2,518)	(4,268)	(2,982)	(3,587)
Investment securities	(1,756)	(47,122)	(1,844)	(53,991)
Equity in earnings (loss) of OAC	(3,268)	--	(3,485)	--
Other	(3,926)	(14,532)	(6,025)	(10,722)
	-----	-----	-----	-----
	\$ (3,687)	\$ (37,899)	\$ 5,783	\$ (15,554)
	=====	=====	=====	=====

Ocwen Financial Corporation Second Quarter Results
July 30, 1999

ASSET ACQUISITIONS

(Dollars in thousands)	Three Months Ended June 30,		Increase (Decrease)	Six Months Ended June 30,		Increase (Decrease)
	1999	1998		1999	1998	
Discount Loan Acquisitions:						
Single family residential..	\$ 233,207	\$ 293,900	\$ (60,693)	\$ 274,083	\$ 335,252	\$ (61,169)
Multi-family residential...	39,275	145,526	(106,251)	71,959	148,506	(76,547)
Commercial real estate.....	106,989	145,006	(38,017)	131,790	186,199	(54,409)
Other.....	--	1,323	(1,323)	6,596	6,348	248
	-----	-----	-----	-----	-----	-----
	\$ 379,471	\$ 585,755	\$ (206,284)	\$ 484,428	\$ 676,305	(191,877)
	=====	=====	=====	=====	=====	=====
Subprime Loan Purchases and Originations:						
Domestic.....	\$ 74,958	\$ 192,799	\$ (117,841)	\$ 235,817	\$ 697,041	\$ (461,224)
Foreign (Ocwen UK) (1)	152,965	465,193	(312,228)	293,007	465,193	(172,186)
	-----	-----	-----	-----	-----	-----
	\$ 227,923	\$ 657,992	\$ (430,069)	\$ 528,824	\$ 1,162,234	\$ (633,410)
	=====	=====	=====	=====	=====	=====

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

FORWARD-LOOKING STATEMENTS

CERTAIN STATEMENTS CONTAINED HEREIN ARE NOT 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 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 "CONTINUE," "COULD," "EXPECTED," "INTEND," "MAY," "PRESENT," "WILL," FUTURE OR CONDITIONAL VERB TENSES, SIMILAR TERMS, VARIATIONS ON SUCH TERMS OR NEGATIVES OF SUCH TERMS. ALTHOUGH OCN BELIEVES THE ANTICIPATED RESULTS OR OTHER EXPECTATIONS REFLECTED IN SUCH FORWARD-LOOKING STATEMENTS ARE BASED ON REASONABLE ASSUMPTIONS, ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE INDICATED DUE TO RISKS, UNCERTAINTIES, AND CHANGES WITH RESPECT TO A VARIETY OF FACTORS, INCLUDING, BUT NOT LIMITED TO, THE ABILITY OF OCN AND OAC TO CONSUMMATE THEIR PROPOSED MERGER, THE MARKET PRICES OF THE COMMON STOCK OF OCN AND OAC, INTERNATIONAL, NATIONAL, REGIONAL OR LOCAL 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, REAL ESTATE INVESTMENT TRUSTS AND REAL ESTATE (INCLUDING REGULATORY FEES, CAPITAL REQUIREMENTS AND INCOME AND PROPERTY TAXATION), UNCERTAINTY OF FOREIGN LAWS, COMPETITIVE PRODUCTS, PRICING AND CONDITIONS (INCLUDING FROM COMPETITORS THAT HAVE SIGNIFICANTLY GREATER RESOURCES THAN OCN), CREDIT, PREPAYMENT, BASIS, DEFAULT, SUBORDINATION AND ASSET/LIABILITY RISKS, LOAN SERVICING EFFECTIVENESS, ABILITY TO IDENTIFY ACQUISITIONS AND INVESTMENT OPPORTUNITIES MEETING OCN'S INVESTMENT STRATEGY, COURSE OF NEGOTIATIONS AND ABILITY TO REACH AGREEMENT WITH RESPECT TO MATERIAL TERMS OF ANY PARTICULAR TRANSACTION, SATISFACTORY DUE DILIGENCE RESULTS, SATISFACTION OR FULFILLMENT OF AGREED UPON TERMS AND CONDITIONS OF CLOSING OR PERFORMANCE, TIMING OF TRANSACTION CLOSINGS, RECENT EFFORTS TO REFOCUS ON CORE BUSINESSES AND INCREASE LIQUIDITY, DISPOSITIONS, AND WINDING DOWN OF DISCONTINUED BUSINESSES, ACQUISITIONS AND INTEGRATION OF ACQUIRED BUSINESSES, SOFTWARE INTEGRATION, DEVELOPMENT AND LICENSING, AVAILABILITY OF AND COSTS ASSOCIATED WITH OBTAINING ADEQUATE AND TIMELY SOURCES OF LIQUIDITY, DEPENDENCE ON EXISTING SOURCES OF FUNDING, ABILITY TO REPAY OR REFINANCE INDEBTEDNESS (AT MATURITY OR UPON ACCELERATION), TO MEET COLLATERAL CALLS BY LENDERS (UPON RE-VALUATION OF THE UNDERLYING ASSETS OR OTHERWISE), TO GENERATE REVENUES SUFFICIENT TO MEET DEBT SERVICE PAYMENTS AND OTHER OPERATING EXPENSES AND TO SECURITIZE WHOLE LOANS, AVAILABILITY OF DISCOUNT LOANS FOR PURCHASE, SIZE OF, NATURE OF AND YIELDS AVAILABLE WITH RESPECT TO THE SECONDARY MARKET FOR MORTGAGE LOANS, FINANCIAL, SECURITIES AND SECURITIZATION MARKETS IN GENERAL, ALLOWANCES FOR LOAN LOSSES, GEOGRAPHIC CONCENTRATIONS OF ASSETS (TEMPORARY OR OTHERWISE), TIMELY LEASING OF UNOCCUPIED SQUARE FOOTAGE (GENERALLY AND UPON LEASE EXPIRATION), CHANGES IN REAL ESTATE CONDITIONS (INCLUDING LIQUIDITY, VALUATION, REVENUES, RENTAL RATES, OCCUPANCY LEVELS AND COMPETING PROPERTIES), ADEQUACY OF INSURANCE COVERAGE IN THE EVENT OF LOSS, KNOWN OR UNKNOWN ENVIRONMENTAL CONDITIONS, YEAR 2000 COMPLIANCE, OTHER FACTORS GENERALLY UNDERSTOOD TO AFFECT THE REAL ESTATE ACQUISITION, MORTGAGE AND LEASING MARKETS, SECURITIES INVESTMENTS, AND OTHER RISKS DETAILED FROM TIME TO TIME IN OCN'S REPORTS AND FILINGS WITH THE SEC, INCLUDING ITS REGISTRATION STATEMENTS ON FORMS S-1 AND S-3 AND PERIODIC REPORTS ON FORMS 10-Q, 8-K AND 10-K. PLEASE REFER TO EXHIBIT 99.1 INCLUDED WITH THE FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1998 AND FILED WITH THE SEC, FOR A DESCRIPTION OF MATERIAL RISKS FACED BY THE COMPANY AND ITS

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	1999	1998	1999	1998
Interest income:				
Federal funds sold and repurchase agreements	\$ 2,059	\$ 1,404	\$ 5,454	\$ 2,437
Securities available for sale	15,659	8,728	32,848	16,672
Loans available for sale	11,014	25,291	19,144	34,794
Loans	8,878	11,655	15,044	17,917
Discount loans	25,553	42,281	55,556	79,078
Investment securities and other	384	1,532	1,035	2,017
	63,547	90,891	129,081	152,915
Interest expense:				
Deposits	23,559	28,677	50,387	56,522
Securities sold under agreements to repurchase	2,281	2,062	3,772	3,701
Advances from the Federal Home Loan Bank	37	--	37	109
Obligations outstanding under lines of credit	5,293	15,103	9,017	19,623
Notes, debentures and other interest bearing obligations	6,668	6,734	13,423	13,477
	37,838	52,576	76,636	93,432
Net interest income before provision for loan losses ...	25,709	38,315	52,445	59,483
Provision for loan losses	623	9,675	4,362	11,929
Net interest income after provision for loan losses	25,086	28,640	48,083	47,554
Non-interest income:				
Servicing fees and other charges	18,929	13,972	37,180	23,696
(Loss) gain on interest-earning assets, net	(5,867)	(48,015)	14,275	(23,261)
Gain on real estate owned, net	2,677	10,521	3,306	11,547
Other income	9,073	9,771	15,625	15,648
	24,812	(13,751)	70,386	27,630
Non-interest expense:				
Compensation and employee benefits	24,330	29,766	51,540	51,247
Occupancy and equipment	8,732	8,507	19,369	14,925
Loan expenses	2,652	7,357	6,780	9,694
Net operating loss on investments in real estate and Certain low-income housing tax credit interests	1,374	1,046	3,221	2,292
Amortization of excess of purchase price over net assets acquired	257	563	487	934
Other operating expenses	10,440	9,010	18,511	11,168
	47,785	56,249	99,908	90,260
Distributions on Company-obligated, mandatory redeemable securities of subsidiary trust holding solely junior subordinated debentures	3,398	3,398	6,797	6,797
Equity in (losses) earnings of investments in unconsolidated entities	(3,470)	544	(4,713)	544
(Loss) income before income taxes	(4,755)	(44,214)	7,051	(21,329)
Income tax benefit (expense)	972	6,383	(1,396)	5,810
Minority interest in net loss (income) of consolidated subsidiary	96	(68)	128	(35)
Net (loss) income	\$ (3,687)	\$ (37,899)	\$ 5,783	\$ (15,554)
(Loss) income per share:				
Basic	\$ (0.06)	\$ (0.62)	\$ 0.10	\$ (0.26)
Diluted	\$ (0.06)	\$ (0.62)	\$ 0.10	\$ (0.26)
Weighted average common shares outstanding:				
Basic	60,730,614	60,713,593	60,765,485	60,682,432
Diluted	60,730,614	60,713,593	60,807,036	60,682,432

Ocwen Financial Corporation Second Quarter Results
July 30, 1999

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

	June 30, 1999	December 31, 1998
	-----	-----
Assets		
Cash and amounts due from depository institutions	\$ 107,476	\$ 120,805
Interest earning deposits	18,127	49,374
Federal funds sold	75,000	275,000
Securities available for sale, at fair value	733,271	593,347
Loans available for sale, at lower of cost or market	132,425	177,847
Investment in capital stock of Federal Home Loan Bank, at cost	10,825	10,825
Loan portfolio, net	133,678	230,312
Discount loan portfolio, net	1,008,764	1,026,511
Investments in low-income housing tax credit interests	180,566	144,164
Investment in unconsolidated entities	79,958	86,893
Real estate owned, net	183,162	201,551
Investment in real estate	22,256	36,860
Premises and equipment, net	43,805	33,823
Income taxes receivable	36,627	34,333
Deferred tax asset	68,279	66,975
Excess of purchase price over net assets acquired	17,030	12,706
Principal, interest and dividends receivable	11,798	18,993
Escrow advances on loans	107,097	88,277
Other assets	42,123	99,483
	-----	-----
	\$ 3,012,267	\$ 3,308,079
	=====	=====
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits	\$ 1,874,553	\$ 2,175,016
Securities sold under agreements to repurchase	133,741	72,051
Obligations outstanding under lines of credit	94,039	179,285
Notes, debentures and other interest bearing obligations	279,236	225,000
Accrued interest payable	27,318	33,706
Accrued expenses, payables and other liabilities	41,928	61,053
	-----	-----
Total liabilities	2,450,815	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	465	592
Commitments and contingencies		
Stockholders' equity:		
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; 60,601,156 shares issued and outstanding at June 30, 1999, and December 31, 1998	608	608
Treasury stock, 205,300 shares at June 30, 1999	(1,832)	--
Additional paid-in capital	166,262	166,234
Retained earnings	262,953	257,170
Accumulated other comprehensive income, net of taxes:		
Net unrealized gain on securities available for sale	9,947	14,057
Net unrealized foreign currency translation loss	(1,951)	(1,693)
	-----	-----
Total stockholders' equity	435,987	436,376
	-----	-----
	\$ 3,012,267	\$ 3,308,079
	=====	=====