OCWEN

Business Update

Second Quarter 2022

August 4, 2022

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FORWARD-LOOKING STATEMENTS

This presentation 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. These forward-looking statements may be identified by a reference to a future period or by the use of forward-looking terminology. Forward-looking statements are typically identified by words such as “expect”, “believe”, “foresee”, “anticipate”, “intend”, “estimate”, “goal”, “strategy”, “plan” “target” and “project” or conditional verbs such as “will”, “may”, “should”, “could” or “would” or the negative of these terms, although not all forward-looking statements contain these words, and includes statements in this press release regarding the ability of our recent strategic transactions to improve our earnings. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Our business has been undergoing substantial change and we are experiencing significant changes within the mortgage lending and servicing ecosystem which has magnified such uncertainties. Readers should bear these factors in mind when considering such statements and should not place undue reliance on such statements.

Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. In the past, actual results have differed from those suggested by forward looking statements and this may happen again. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the potential for ongoing disruption in the financial markets and in commercial activity generally as a result of international events, changes in monetary and fiscal policy, and other sources of instability; the impacts of inflation, employment disruption, and other financial difficulties facing our borrowers; uncertainty relating to the continuing impacts of the COVID-19 pandemic, including the response of the U.S. government, state governments, the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) (together, the GSEs), the Government National Mortgage Association (Ginnie Mae) and regulators; our ability to improve our financial performance through cost and productivity improvements; the extent to which our MSR asset vehicle (MAV), other transactions and our enterprise sales initiatives will generate additional subservicing volume, increase market share within the subservicing market, and result in increased profitability; the timing and amount of presently anticipated forward and reverse loan boarding; whether we will increase the total investment commitments in MAV, and if so, when and on what terms; our ability to close acquisitions of MSRs and other transactions, including the ability to obtain regulatory approvals; the quantity, timing and long-term impact of additional stock repurchases; our ability to continue to grow our reverse servicing business; our ability to retain clients and employees of acquired businesses, and the extent to which acquisitions and our other strategic initiatives will contribute to achieving our growth objectives; the extent to which we will be able to execute call rights transactions, and whether such transactions will generate the returns anticipated; the adequacy of our financial resources, including our sources of liquidity and ability to sell, fund and recover servicing advances, forward and reverse whole loans, and HECM and forward loan buyouts and put backs, as well as repay, renew and extend borrowings, borrow additional amounts as and when required, meet our MSR or other asset investment objectives and comply with our debt agreements, including the financial and other covenants contained in them; increased servicing costs based on increased borrower delinquency levels or other factors; the future of our long-term relationship with Rithm Capital Corp. (formerly New Residential Investment Corp., or NRZ); the performance of our lending business in a competitive market and uncertain interest rate environment; our ability to execute on identified business development and sales opportunities; uncertainty related to past, present or future claims, litigation, cease and desist orders and investigations regarding our servicing, foreclosure, modification, origination and other practices brought by government agencies and private parties, including state regulators, the Consumer Financial Protection Bureau (CFPB), State Attorneys General, the Securities and Exchange Commission (SEC), the Department of Justice or the Department of Housing and Urban Development (HUD); adverse effects on our business as a result of regulatory investigations, litigation, cease and desist orders or settlements and the reactions of key counterparties, including lenders, the GSEs and Ginnie Mae; our ability to comply with the terms of our settlements with regulatory agencies and the costs of doing so; increased regulatory scrutiny and media attention; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; our ability to effectively manage our regulatory and contractual compliance obligations; our ability to interpret correctly and comply with liquidity, net worth and other financial and other requirements of regulators, the GSEs and Ginnie Mae, as well as those set forth in our debt and other agreements; our ability to comply with our servicing agreements, including our ability to comply with the requirements of the GSEs and Ginnie Mae and maintain our seller/servicer and other statuses with them; our ability to fund future draws on existing loans in our reverse mortgage portfolio; our servicer and credit ratings as well as other actions from various rating agencies, including any future downgrades; as well as other risks and uncertainties detailed in our reports and filings with the SEC, including our annual report on Form 10-K for the year ended December 31, 2021 and any current report or quarterly report filed with the SEC since such date.

Anyone wishing to understand Ocwen’s business should review our SEC filings. Our forward-looking statements speak only as of the date they are made and, we disclaim any obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

NON-GAAP FINANCIAL MEASURES

We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition, because they are measures that management uses to assess the financial performance of our operations and allocate resources. In addition, management believes that these presentations may assist investors with understanding and evaluating our initiatives to drive improved financial performance. Management believes, specifically, that the removal of fair value changes of our net MSR exposure due to changes in market interest rates and assumptions provides a useful, supplemental financial measure as it enables an assessment of our ability to generate earnings regardless of market conditions and the trends in our underlying businesses by removing the impact of fair value changes due to market interest rates and assumptions, which can vary significantly between periods. However, these measures should not be analyzed in isolation or as a substitute to analysis of our GAAP expenses and pre-tax income (loss) nor a substitute for cash flows from operations. There are certain limitations to the analytical usefulness of the adjustments we make to GAAP expenses and pre-tax income (loss) and, accordingly, we use these adjustments only for purposes of supplemental analysis. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Ocwen’s reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Readers are cautioned not to place undue reliance on analysis of the adjustments we make to GAAP expenses and pre-tax income (loss).

Beginning with the three months ended June 30, 2022, without changing the categories or measurement of items included in our Notables, we clarified the definition of certain Notables and combined or separately itemized certain line items in the tables below in order to be more descriptive regarding the types and measurement of our Notables, because management believed doing so would further supplement investors’ means of evaluating our results. The presentation of past periods has been conformed to the current presentation.

Executive Summary

1	**Balanced and diversified business model**	• Owned MSR value appreciation and profitability improvement • Actively growing subservicing and end-to-end reverse mortgage businesses • Special servicing expertise to support borrowers, clients and investors
2	**Results reflect impact of higher rates and spreads, and planned asset sales**	• Q2 GAAP Net Income $10M; GAAP ROE 8%; BVPS of $59 • MSR value up $34M[a] QoQ; MSR and EBO sale $(14)M unfavorable income impact • Forward originations +$11M[b] QoQ; Reverse originations $(9)M[b] QoQ
3	**Delivering focused, prudent growth**	• Mix of higher margin origination products and services up 6 pp YoY, 2 pp QoQ • Pivoting forward DTC to cash-out and purchase; expanding Reverse DTC retail • Strong subservicing additions and opportunity pipeline
4	**Reducing enterprise-wide costs**	• Targeting over $60M annualized reduction Q4 vs. Q2 • Executed or identified actions to achieve 90% of target; expect to complete in Q3 • Expect to realize full run rate impact of cost reduction actions in Q4
5	**Optimizing liquidity, financing sources, custodial arrangements**	• Total liquidity of $266M at 6/30 • Optimizing MSR / warehouse / advance financing and custodial arrangements • Progress in negotiating MAV upsize and other MSR funding partnerships
6	**Allocating capital to deliver value for shareholders**	• Purchased $25M in PHH bonds below par; repurchased $17M of stock as of 7/31 • Re-engaging in bulk MSR market supported by multiple capital pools • Expect heightened industry M&A activity; maintaining flexibility

Navigating a volatile and unpredictable interest and spread rate environment

Forward Mortgage Market

- Interest rates up higher and faster than anticipated
- MBS spreads historically wide; volatile rate swings
- MBA volume forecast revised lower – down 42% YoY
- Flat to modest growth in industry origination volume expected through 2025
- Fed rate actions driving increasing probability of a recession
- Minimal refinance opportunity and intense competition for purchase – expect historically tight margins
- Subservicing additions delayed as potential clients deal with originations challenges
- Special servicing expertise increasingly valuable

Reverse Mortgage Market

- Interest rates up over 125bps in Q2 vs. 25bps in Q1
- HMBS spread widening in Q2 – 4x our 2021 observations
- Industry volume down – transitioning to customer acquisition
- Strong interest in our proven subservicing experience
- Demographics and home price appreciation expected to drive long-term market potential
- Limited refinance opportunity and competition from legacy forward providers – expect margin compression
- Large clients transitioning to direct HMBS issuance; opportunity for cross-sell into forward clients
- Growing MSR investment and subservicing opportunity

Value Creation Plan

1 ***Leveraging the core strengths of our balanced and diversified business model***

2 ***Driving prudent growth adapted for the environment***

3 ***Reducing cost structure across the organization***

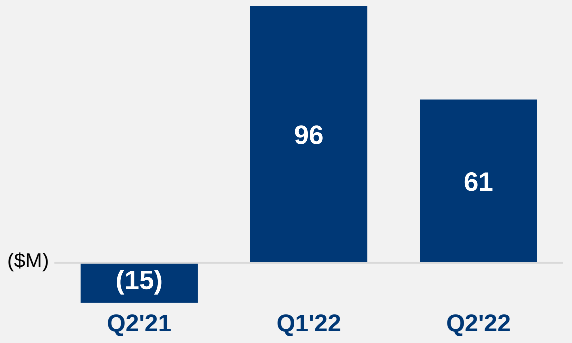
4 ***Optimizing liquidity, diversifying financing sources, re-positioning for higher rates***

5 ***Allocating capital to deliver value for shareholders***

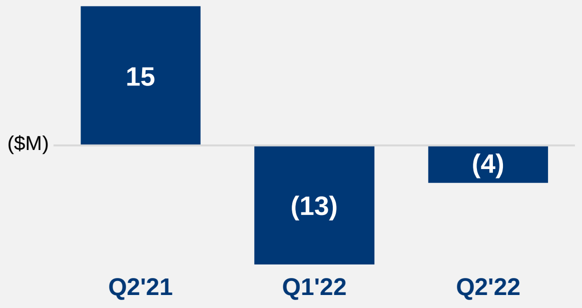
Leveraging the core strengths of our balanced and diversified business model

Balanced and diversified business model that is working as designed

Forward Servicing GAAP PTI



Forward Origination GAAP PTI



Industry-leading operational execution driving subservicing growth

Recognized Servicing Excellence

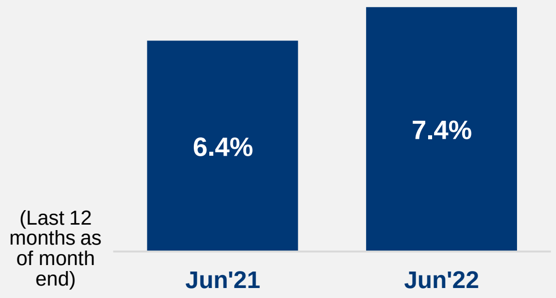
- FNMA STAR, Freddie Mac SHARP and HUD Tier I Servicer status
- Industry-leading performance vs. Moody's and MBA benchmarks
- Proven leadership in special servicing positions us for a market downturn

Earned Trust From Clients & Partners

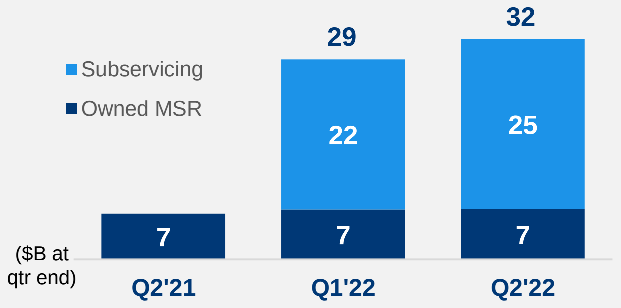
- $79B total subservicing adds in last 12 months[(a)], incl. $27B in Reverse
- $335B forward subservicing prospect pipeline[(b)]; $14B adds scheduled 2H'22
- $70B reverse subservicing prospect pipeline[(b)]
- Making progress on upsizing MAV and adding new MSR funding partners

Top 5 reverse originator with growing market share and end-to-end capabilities

Reverse Origination Market Share[(c)]



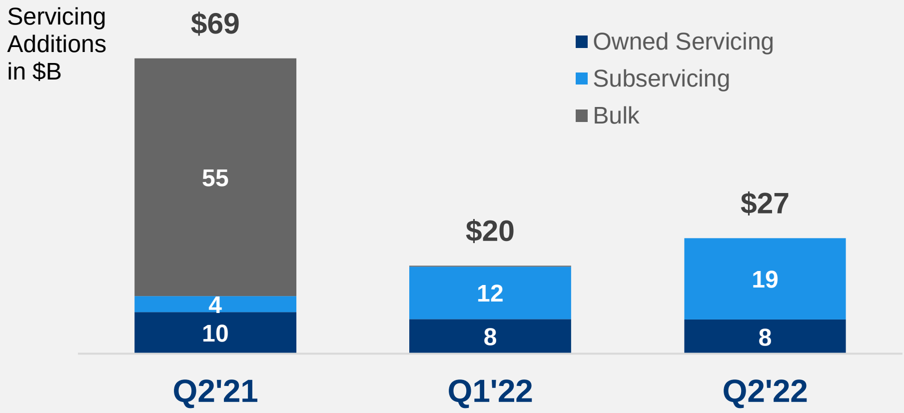
Reverse Servicing UPB



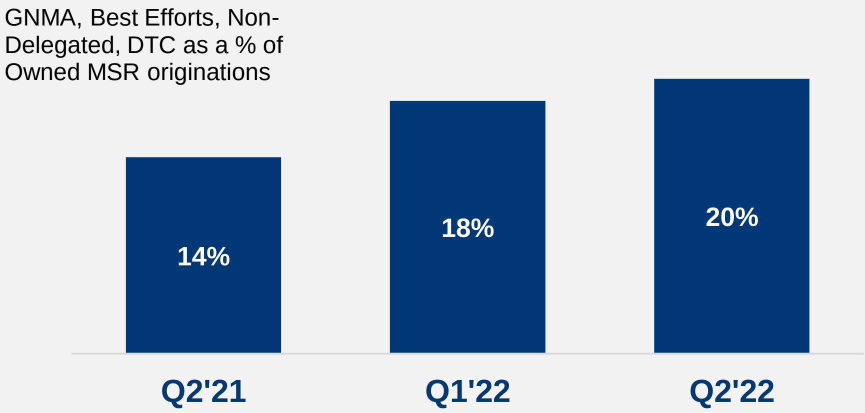
We do not believe our recent share price is reflective of our financial position, our earning power, or the strength of our business

Driving prudent growth adapted for the environment

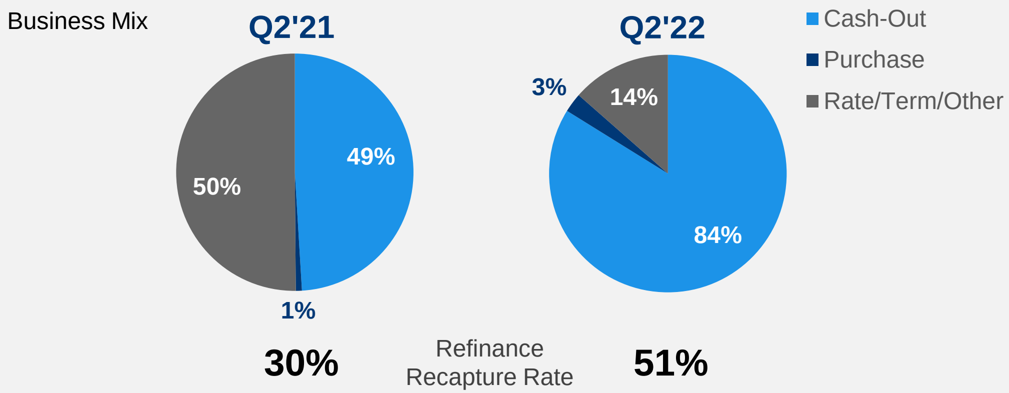
Driving capital efficient servicing growth by managing mix of owned servicing and subservicing



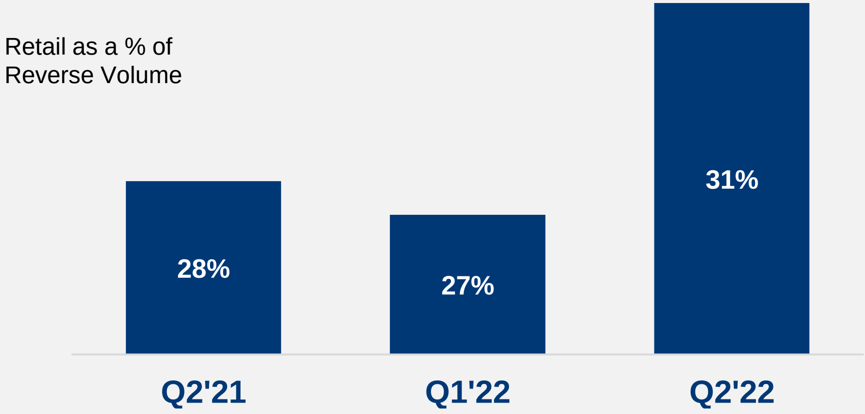
Increasing mix of higher margin products



Pivoting Forward Consumer Direct to Cash-Out and Purchase



Expanding Reverse DTC Retail

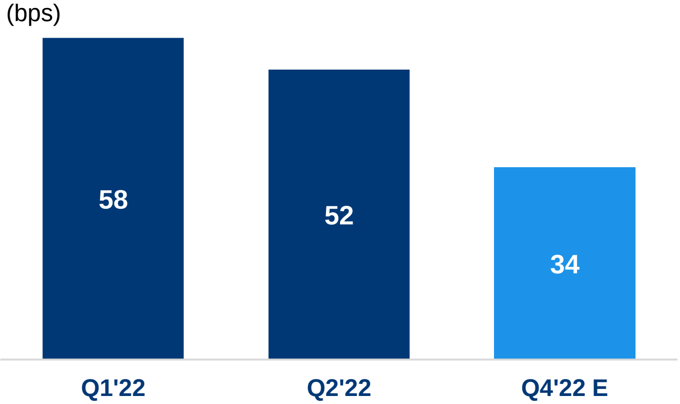


Reducing cost structure across the organization to match market realities

- Targeting annualized cost reduction of $60M in Originations, Servicing and overhead costs by Q4 vs. Q2
- Executed or identified actions to achieve 90% of annualized targets; expect to complete remaining actions in Q3
- Expect to realize full impact of cost reduction actions in Q4

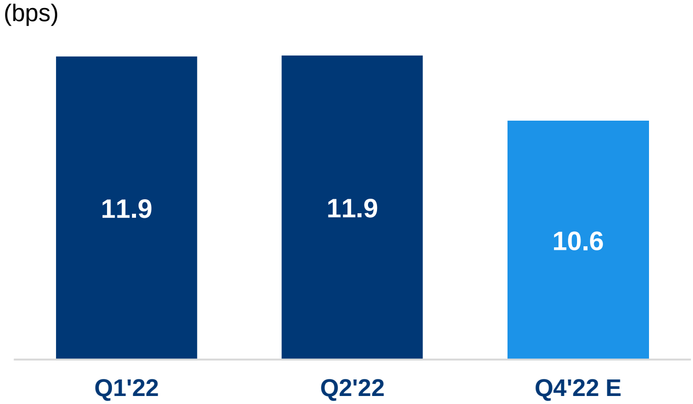
- Sustainable cost reduction with a focus on demand management and most essential activities
- Rationalizing staffing levels, vendor and contractor costs
- Continue to leverage our existing Asia-Pacific (APAC) in-house operational capabilities
- Driving automation, digital migration (paperless) and other systemic process improvements
- Demonstrated ability to reduce cost to support market demand and business needs

Forward & Reverse Originations



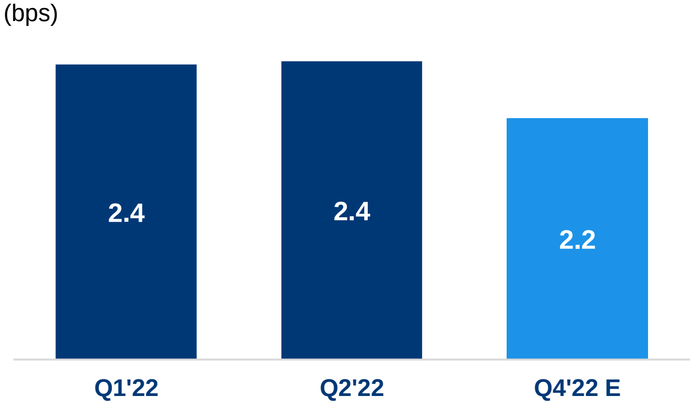
Total Originations Operating Expenses as % of Origination Volume

Forward & Reverse Servicing



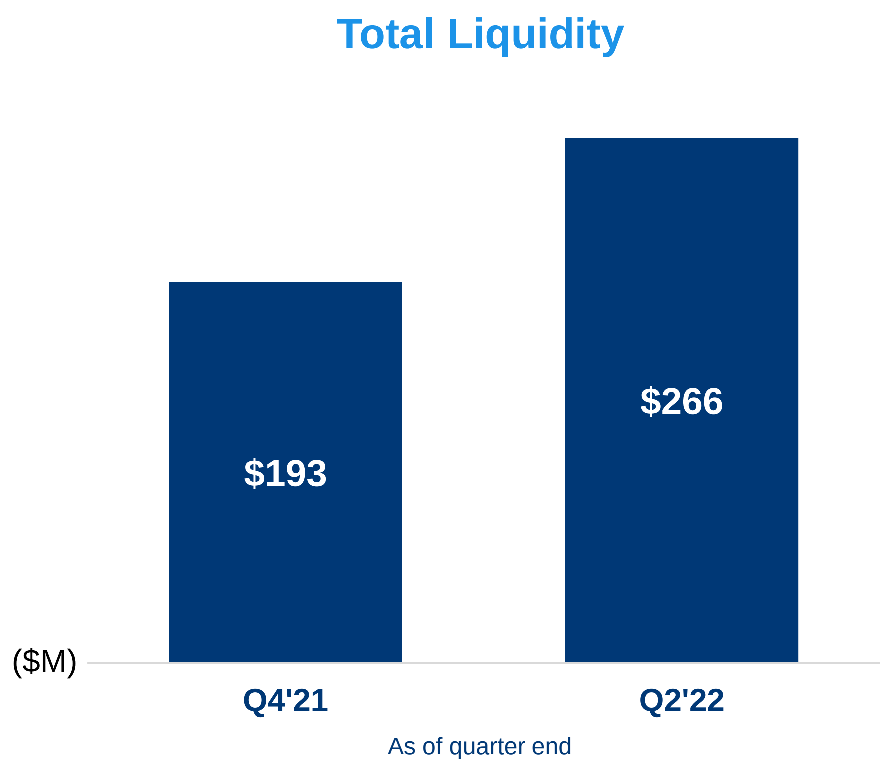
Total Servicing Operating Expenses as % of Avg Servicing UPB

Corporate



Operating Expenses as % of Avg Servicing UPB

Optimizing liquidity, financing sources and custodial arrangements

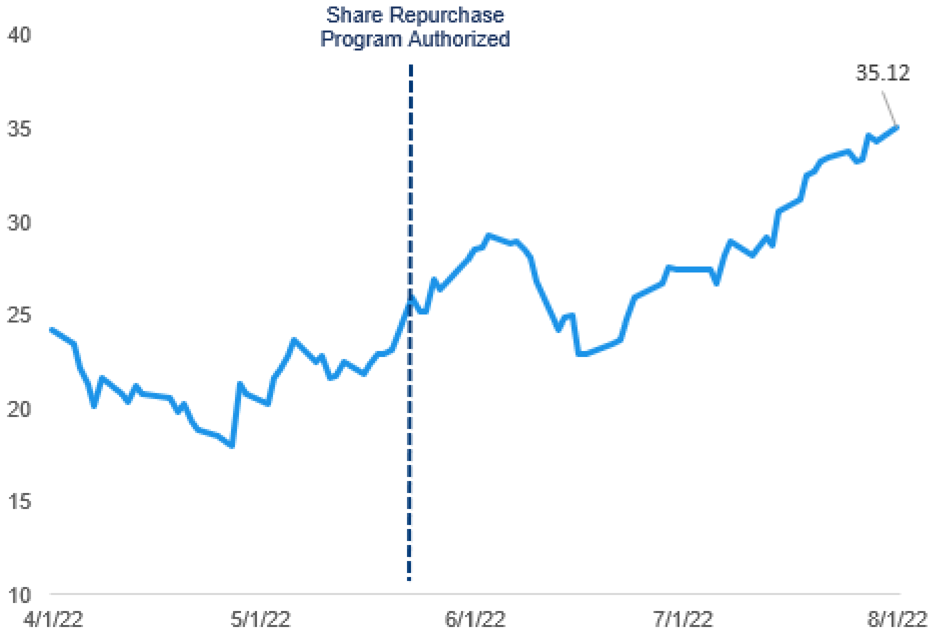


- Dynamically managing owned MSRs and growing subservicing portfolio with investment partners and clients
- MSR financing facility upsize; improved spreads, advance rates; aligned interest rate index to match custodial arrangements
- Right-sizing warehouse lines; mitigating rate increases through optimized utilization and negotiated terms
- Restructuring advance lines to duration match interest index to align with custodial arrangements
- Improved custodial earnings rate by nearly 75bps from end of Q1 (more expected in Q3); tying accounts to SOFR going forward
- Making progress negotiating MAV upsize; targeting incremental $250M in equity; targeting to complete in Q3
- In discussions with 2 potential MSR funding partners; targeting to complete in 2H’22

Positioning for opportunistic growth in both owned MSRs and synthetic subservicing; improving interest rate duration alignment

Allocating capital to deliver value for shareholders

OCN Share Price



- Opportunistic purchase of $25M in PHH notes at 94.5% of par; one-time earnings (almost $1M) and positive effects on leverage ratios/triggers
- Authorization for up to $50M in share purchases; purchased ~$17M through July 31 at an average price of $29.74; 574K shares
- We expect to continue to buy back our stock as laid out in our repurchase plan as we deem it a value-added investment with BVPS at $59
- Expect Board authorization to remain in place until completion or expiration in Nov’22
- Engaging in bulk MSR market opportunistically; current opportunity pipeline of $15B
- Expect funding for potential bulk MSR purchases through both MAV and PHH
- Believe market headwinds may drive increased M&A opportunities; remain flexible to consider all value creating alternatives

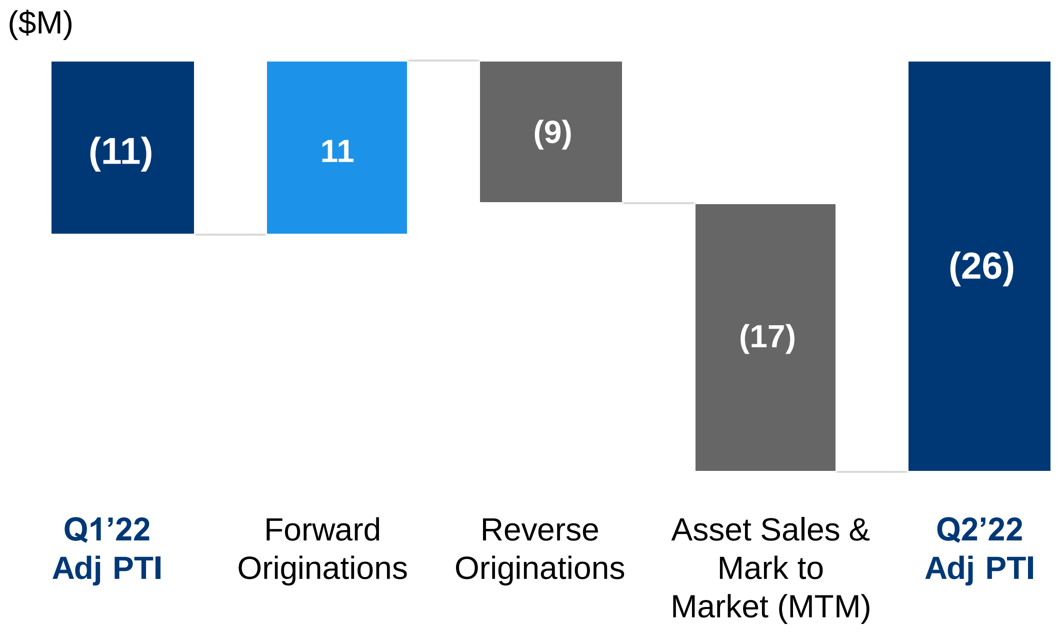
Q2 financial results reflect impact of higher rates and spreads, asset sales

Q2'22 Financial Highlights

($M, except per share metrics)

	Q2'22	Q1'22	Q2'21
Net Income (Loss)	**10**	**58**	**(10)**
EPS	$1.12	$6.30	($1.15)
ROE	8%	46%	(9%)
Book Value per Share	$59	$58	$49
MSR FV Adjustments, Net[(a)]	34	56	(17)
Other Notables[(b)]	2	16	(11)
Income Tax Benefit (Expense)	1	(3)	12
Adjusted Pre-tax Income (Loss)[(b)]	**(26)**	**(11)**	**6**
After-tax ROE Before Notables[(c)]	(19%)	(8%)	14%
Total Servicing Additions ($B)	$27	$20	$69
Total Servicing UPB ($B)	$288	$275	$237

Adjusted Pre-tax Income[(b)] Bridge Q1'22 to Q2'22



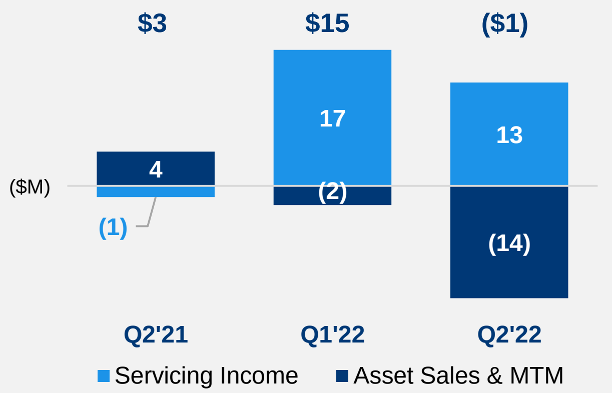
Servicing performance drivers continue to improve; Q2 results impacted by strategic asset sales and marks

Business Update

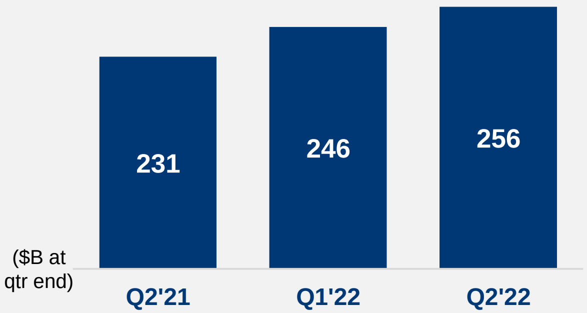
- Q2 adjusted pre-tax income includes ($14M) impact from MSR and EBO sales
- Delinquent GNMA loan sale reduces future claims expenses and advances; MSR sale proceeds redeployed into debt / equity repurchases and new originations
- Forward servicing UPB up 4% QoQ / 11% YoY, subservicing up 8% QoQ / 73% YoY (as of 6/30/22)
- Prepayments / CPR declining with higher interest rates
- Lower servicing cost driven by productivity; taking action to drive further improvement
- Expect improved float income with improved custodial earnings rates – helps offset higher borrowing costs

Forward Servicing Profitability Drivers

Adjusted Pre-tax Income[(a)]

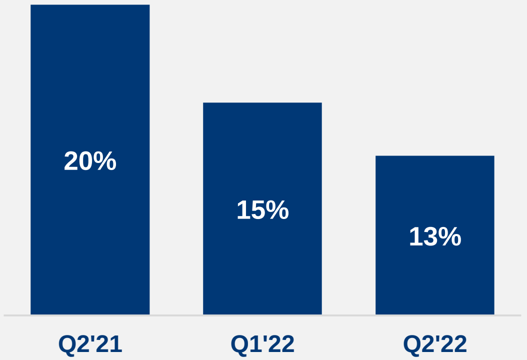


Growing Portfolio

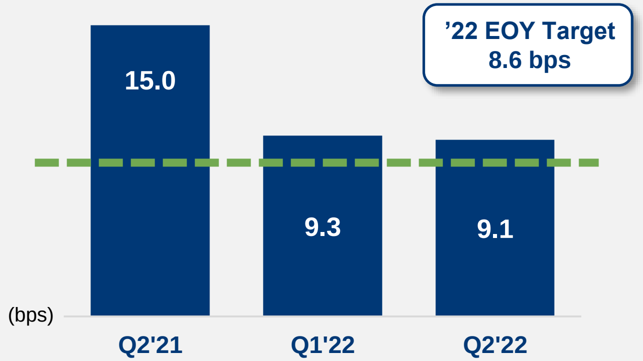


Includes Owned and Subserviced UPB

Decreasing Total CPR[(b)]



Improving Cost[(c)] Structure



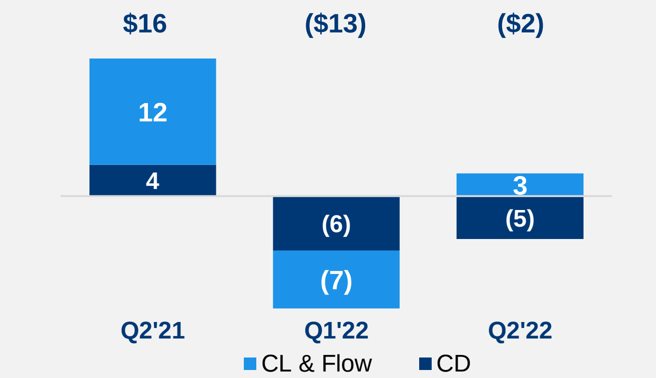
Taking action to improve profitability in forward lending; Correspondent Lending (CL) materially improved, further cost reduction underway in Consumer Direct (CD)

Business Update

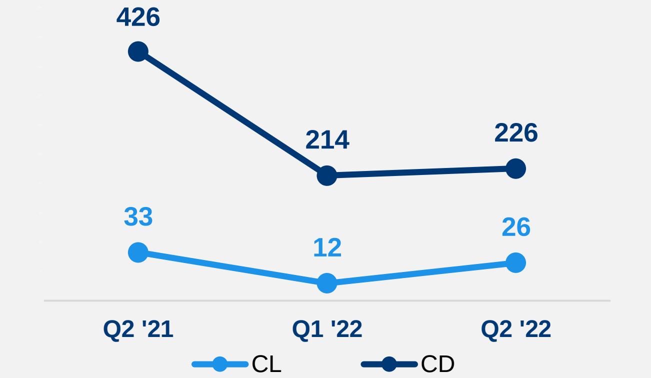
- CL profit improvement driven by 47% QoQ volume increase; higher margins
- CD pre-tax loss flat QoQ driven by continued low margins and declining lock volumes, offset by expense reduction
- Continued progress growing client base with focus on best efforts and non-delegated relationships
- Recapture rate continues to improve; cash-out over 80% of volume in Q2
- Growing in higher margin GNMA, best efforts and non-delegated deliveries
- Driving expense reduction – targeting year-end staffing 45% of levels at start of year
- Targeting $75B+ total forward servicing additions for 2022

Forward Originations Profitability Drivers

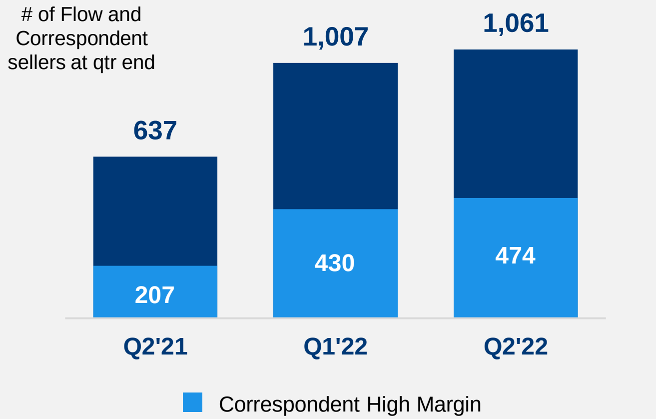
Adjusted Pre-tax Income[a]



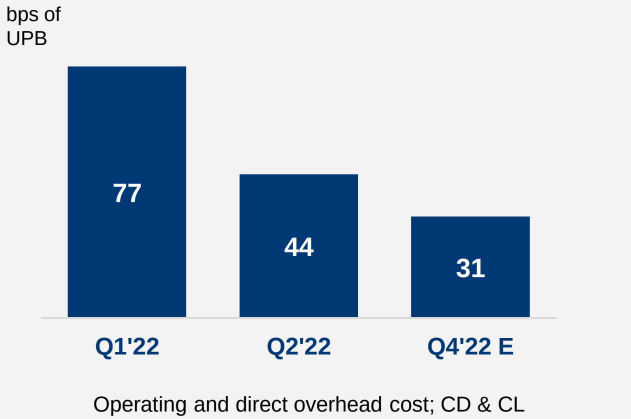
Revenue Margins[b]



Growing Client Base



Improving Cost[c] Structure



Near-term headwinds in Reverse mortgage originations due to rapid rate increase and widening spreads; long-term opportunity remains attractive

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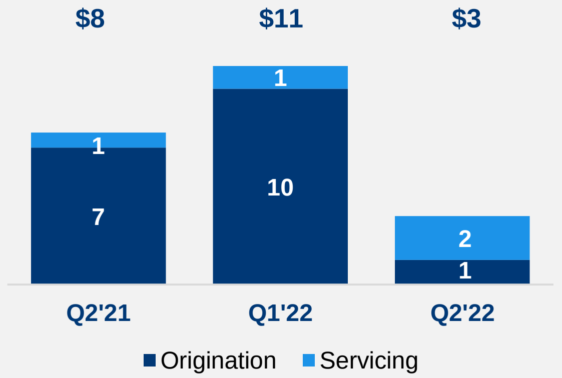
Business Update

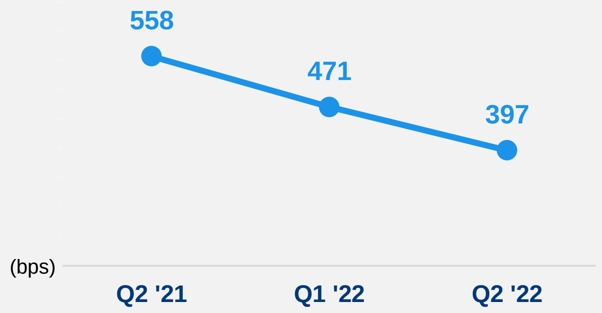
- Reverse mortgage interest rates up over 125bps in Q2 vs. 25bps in Q1
- Unprecedented HMBS spread widening in Q2 – 4x our 2021 observations
- Volume contracting as market transitions from refi to customer acquisition
- Large clients transitioning to direct HMBS issuance
- Reverse subservicing delivering profitability ahead of schedule
- Reverse subservicing prospect pipeline[(a)] of $70B
- Targeting $15B+ total reverse servicing additions for 2022
- Improving operating expenses for both businesses by Q4

Reverse Originations and Servicing Profitability Drivers

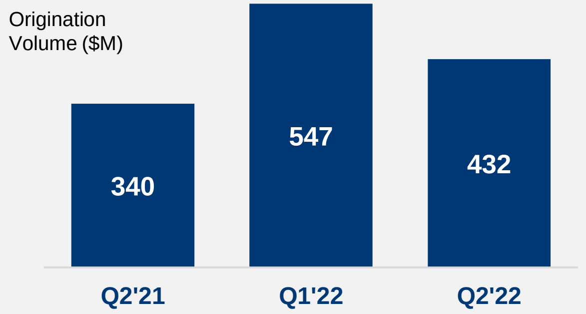
Adjusted Pre-tax Income[(b)]



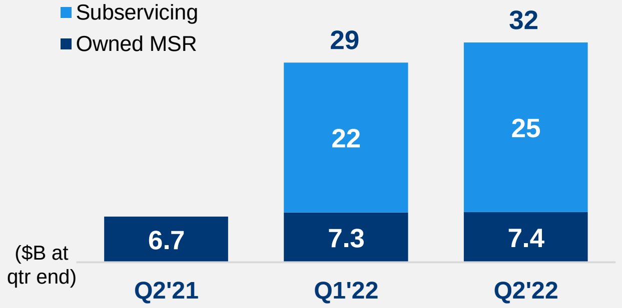
Origination Revenue Margin[(c)]



Q2 volume up YoY but reflects impact of higher rates

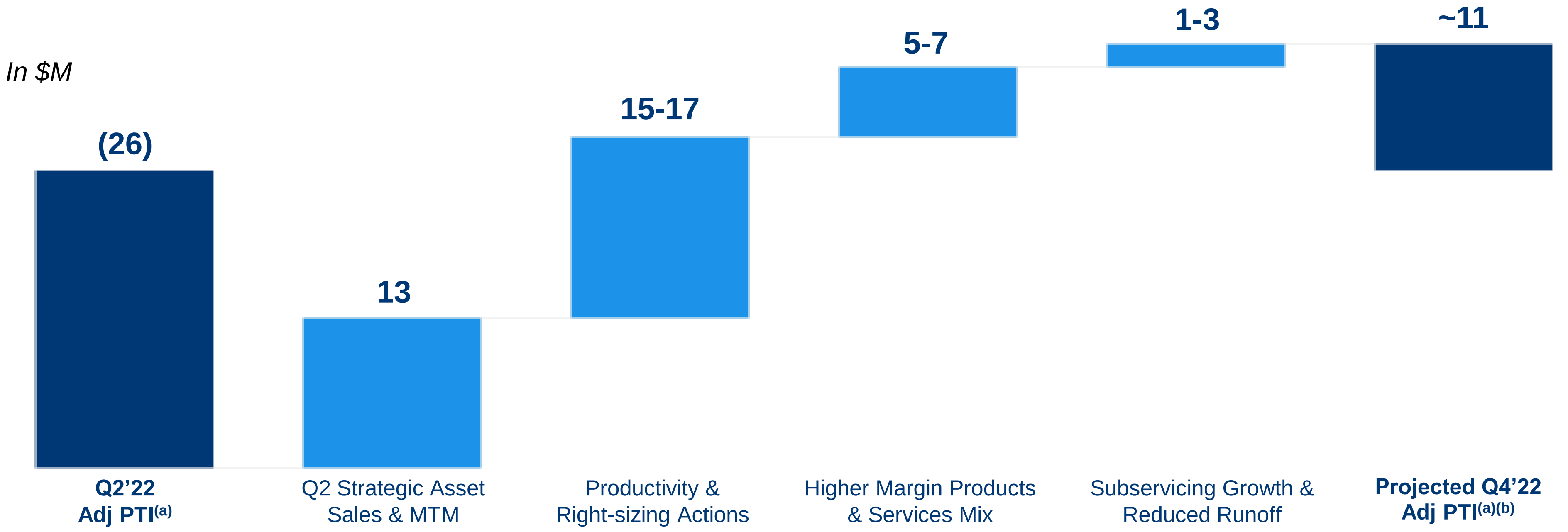


Servicing and subservicing UPB growing



Clear and actionable roadmap using proven cost management capabilities designed to deliver targeted returns before notable items

Path to achieve targeted returns by Q4 ‘22



Q2 Strategic Asset Sales & MTM
- De-risking portfolio

Productivity & Right-sizing Actions
- Right-sizing Originations for current environment
- Reducing Servicing & Overhead costs

Higher Margin Products & Services Mix
- Best Efforts, Non-Delegated, Reverse, GNMA

Subservicing Growth & Reduced Runoff
- $14B Subservicing adds scheduled
- Over $400B in total subservicing pipeline

1st half earnings driven by MSR fair value adjustments offsetting origination market headwinds and reverse servicing platform build-out

Targeting 9%+ after-tax ROE before notable items in Q4 ‘22 with execution of business initiatives[b]

Wrap-Up

- Believe we are well positioned with balanced and diversified business model for the current market environment
- Reducing enterprise-wide costs
- Results reflect impact of higher rates and spreads, and planned asset sales
- Optimizing liquidity, diversifying financing sources, positioning for higher interest rates
- Delivering focused, prudent growth
- Allocating capital to deliver value for shareholders

Appendix

- Ocwen: Who We Are
- Roadmap Metrics
- Notes Regarding Non-GAAP Financial Measures
- Expense Notables
- Income Statement Notables
- GAAP ROE and After-tax ROE Before Notable Items
- MSR Valuation Assumptions
- End Notes

Ocwen is a mortgage originator and servicer focused on creating positive outcomes for clients, homeowners, investors and communities

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Balanced and Diversified Business Model

Diversified originations sources to balance earnings and drive servicing portfolio growth

Multi-Channel
Correspondent, Co-issue, Flow, Wholesale, Bulk, Consumer Direct[(a)]

Multi-Product
Fannie, Freddie, Ginnie, Reverse, Private Investor, Small Balance Commercial

Four pillar servicing portfolio optimizes risks and returns leveraging proven special servicing capabilities

Owned Servicing and Subservicing, Performing and Special

Strong operational and cost performance versus Moody's and MBA benchmarks

Strategy

Prudent growth by expanding client base, products, services and addressable markets

Superior value proposition to clients, investors and consumers through best-in-class operating performance

Service experience that delivers on our commitments

Enhance competitiveness through scale and low cost

Foundation for Success

Deliver on Customer Expectations	Speed and Decisiveness	Engaged, High-Quality Talent	Strong Compliance Culture	Commitment to Technology

Competitive Advantages

- ✓ Balanced business model built for current market environment
- ✓ Industry leading servicing operations and cost performance
- ✓ Proprietary global operating platform
- ✓ Technology enabled, controlled and scalable platform
- ✓ Extensive experience in special servicing
- ✓ Only end-to-end reverse mortgage provider
- ✓ Deep community outreach and track record of helping distressed customers
- ✓ Strategic alliances with financial/capital partners

Roadmap Metrics

Objectives	Originations	Servicing	Corporate
Prudent Growth	1000+ Correspondent and Flow sellers → Qtrly MSR vol ~$9.5B at ~45 bps revenue margin[a]	Industry Refi vol dropping 69% in 2022 → ~13% total prepays $~130B MSR UPB → Revenue[b] of ~30 bps $~165B Subserv UPB → Revenue[b] of ~12 bps	
Strengthen Consumer Direct	Maintain 30%+ refinance recapture rate → Increase lead conversion & add New Customer Acquisition		
Cost Leadership	Sales and operations productivity initiatives → Lower opex[c] to ~34 bps	Operations and claims productivity initiatives → Lower total servicing opex[d] to ~10-11 bps	Continuous cost improvement → Maintain opex[e] net of growth and investment
Expand Revenue Opportunities	Maintain mix[f] in higher margin products & segments → Consumer Direct, GNMA, Best Efforts, Non-Del, Non-Agency & Reverse	EBO and other revenue diversification → $1-2M 2H'22	

(a) Total originations revenue (GOS, origination fees and interest income)/(orig. vol.); ~80% of originations will be on-book, ~20% will go to MAV
(b) Includes all servicing revenues: servicing and subservicing fees and all ancillary revenues excluding GNMA gain on sale; subserv UPB includes NRZ
(c) Total opex and overhead as a % of orig volume
(d) Total forward and reverse servicing opex and overhead as a % of UPB
(e) As a % of servicing UPB
(f) Maintain mix at 20%+ of orig volume
(g) Assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters

1st half earnings driven by MSR fair value adjustments offsetting origination market headwinds and reverse servicing platform build-out

Targeting 9%+ after-tax ROE before notable items in Q4 '22 with execution of business initiatives[g]

Note Regarding Non-GAAP Financial Measures

In the following slides, we present supplemental information (including reconciliations) relating to certain illustrative adjustments to GAAP expenses, and pre-tax income (loss). We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition, because they are measures that management uses to assess the financial performance of our operations and allocate resources. In addition, management believes that these presentations may assist investors with understanding and evaluating our initiatives to drive improved financial performance. Management believes, specifically, that the removal of fair value changes of our net MSR exposure due to changes in market interest rates and assumptions provides a useful, supplemental financial measure as it enables an assessment of our ability to generate earnings regardless of market conditions and the trends in our underlying businesses by removing the impact of fair value changes due to market interest rates and assumptions, which can vary significantly between periods. However, these measures should not be analyzed in isolation or as a substitute to analysis of our GAAP expenses and pre-tax income (loss) nor a substitute for cash flows from operations. There are certain limitations to the analytical usefulness of the adjustments we make to GAAP expenses and pre-tax income (loss) and, accordingly, we use these adjustments only for purposes of supplemental analysis. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Ocwen's reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Readers are cautioned not to place undue reliance on analysis of the adjustments we make to GAAP expenses and pre-tax income (loss).

Beginning with the three months ended June 30, 2022, without changing the categories or measurement of items included in our Notables, we clarified the definition of certain Notables and combined or separately itemized certain line items in the tables that follow in order to be more descriptive regarding the types and measurement of our Notables, because management believed doing so would further supplement investors' means of evaluating our results. The presentation of past periods has been conformed to the current presentation.

On the slide titled "Expense Notables", we adjust GAAP operating expenses for the following factors: compensation and benefit expenses related to severance, retention and other actions associated with cost and productivity improvement efforts; significant legal and regulatory settlement expense items[a]; and certain other significant activities including, but not limited to, insurance related expense and settlement recoveries, compensation or incentive compensation expense or reversals attributable to stock price changes, and other expenses associated with significant transactions that are not attributable to or indicative of our ongoing operations, in order to offer additional visibility on underlying results and trends and provide investors with a supplemental means of evaluating our expenses, as evaluated by management.

On the slide titled "Income Statement Notables", we show certain adjustments to GAAP pre-tax income (loss) for the following factors: Expense Notables, as detailed above; changes in fair value of our MSRs due to changes in market interest rates, valuation inputs and other assumptions, net of MSR hedge positions; changes in fair value in our NRZ and MAV Pledged MSR liability due to changes in market interest rates, valuation inputs and other assumptions; changes in fair value of our reverse portfolio, net of HMBS related borrowings due to changes in market interest rates, valuation inputs and other assumptions; and certain other non-routine transactions, consistent with the intent of providing investors with a supplemental means of evaluating our pre-tax income/(loss), as evaluated by management.

On the slide titled "GAAP ROE & Adjusted Pre-tax ROE", we present our calculation of return on equity (ROE) based on GAAP net income, as well as an ROE calculation based on adjusted pre-tax income (loss) as calculated in the preceding slides, with an additional adjustment for the income tax impact attributable to the notable items excluded from adjusted pre-tax income (loss).

(a) Including however not limited to CFPB and certain legacy litigation related legal expenses and state regulatory action related legal expenses

Expense Notables

Expense Overview

$ Millions		Q2'22	Q1'22	Q2'21
		OCN	OCN	OCN
I	**Operating Expenses (as reported)**	**144**	**127**	**150**
	Adjustments for Notables[(a)(e)]			
	Significant legal and regulatory settlement expenses	6	5	(6)
	Expense recoveries	0	4	(0)
	Severance and retention[(b)]	(5)	(1)	-
	LTIP stock price changes[(c)]	(0)	11	(2)
	Other[(d)]	0	(1)	(4)
II	**Expense Notables**	**1**	**17**	**(13)**
III	**Adjusted Expenses (I + II)**	**145**	**144**	**137**

(a) Certain previously presented notable categories with nil numbers for each quarter shown have been omitted; prior periods have been adjusted to conform with current period information
(b) Severance and retention due to organizational rightsizing or reorganization
(c) Long-term incentive program (LTIP) compensation expense changes attributable to stock price changes during the period
(d) Includes costs associated with strategic transactions including transaction costs related to the reverse subservicing acquisition from RMS(MAM)
(e) Starting with the three months ended June 30, 2022, we have separately presented Severance and retention and LTIP stock price changes as separate Notables to further isolate the estimated impact of these respective items. In prior periods, Severance and retention and LTIP stock price changes had been included in Other.

Income Statement Notables

Income Overview

$ Millions	Q2'22	Q1'22	Q2'21
	OCN	OCN	OCN
I Reported Pre-Tax Income / (Loss)	**9**	**61**	**(22)**
Adjustments for Notables[(a)(g)]			
Expense Notables (from prior slide)	(1)	(17)	13
MSR FV Change, net of MSR hedge[(b)(e)]	(98)	(129)	13
NRZ/MAV MSR Liability FV Change[(c)(e)]	40	55	8
Reverse FV Change[(d)(e)]	25	18	(5)
Other[(f)]	(1)	1	(1)
II Total Income Statement Notables	**(36)**	**(72)**	**28**
III Adjusted Pre-tax Income (Loss) (I+II)	**(26)**	**(11)**	**6**

(a) Certain previously presented notable categories with nil numbers for each quarter shown have been omitted; prior periods have been adjusted to conform with current period information

(b) MSR FV changes that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall unrealized gains / (losses) on MSR hedge, a component of MSR valuation adjustment, net. The adjustment does not include valuation gains on MSR purchases of $2.7M for Q2 2022, $1.1M for Q1 2022 and $9.0M for Q2 2021.

(c) FV changes of Pledged MSR liabilities associated with NRZ and MAV transferred MSR that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall unrealized gains / (losses) on MSR hedge, a component of Pledged MSR liability expense

(d) FV changes of loans HFI and HMBS related borrowings due to market interest rates and assumptions, a component of Reverse mortgage revenue, net

(e) The changes in fair value due to market interest rates were measured by isolating the impact of market interest rate changes on the valuation model output as provided by our independent valuation expert

(f) Other contains non-routine transactions including but not limited to gain on debt repurchases and early asset retirement

(g) Starting with the three months ended June 30, 2022, we have presented MSR fair value changes due to changes in market interest rates, valuation inputs or other assumptions as one Notable item to align with the presentation of our income statement. In prior periods, we separately presented MSR fair value changes due to changes in market interest rates, valuation inputs or other assumptions for the Agency and Non-Agency MSRs.

GAAP ROE and After-tax ROE Before Notable Items

GAAP ROE Calculations

$ Millions	Q2'22	Q1'22	Q2'21
	OCN	OCN	OCN
I Reported Net Income/Loss	10	58	(10)
II Annualized Net Income/Loss (I * 4)	41	232	(41)
Equity			
Beginning Period Equity	534	477	440
Ending Period Equity	544	534	447
III Average Equity	539	505	444
IV GAAP ROE (II / III)	8%	46%	(9%)

After-tax ROE Before Notable Items Calculations

$ Millions	Q2'22	Q1'22	Q2'21
	OCN	OCN	OCN
I Reported Net Income/Loss	10	58	(10)
II Notable Items	36	72	(28)
III Estimated Tax Impact of Notables	(0)	5	(2)
IV Annualized Net Income ex-Notables (4 * [I - II + III])	(101)	(37)	64
Equity			
Beginning Period Equity	534	477	440
Ending Period Equity	544	534	447
Equity Impact of Notable Adjustment	(36)	(67)	26
Adjusted Ending Period Equity	508	467	473
V Average Equity	521	472	457
IV After-Tax ROE Before Notable Items (IV / V)	(19%)	(8%)	14%

MSR Valuation Assumptions – Owned MSRs

	At 6/30/2022			
	FN/ FH	FHA/ VA	Non-Agency	Total Retained
(in $ millions)				
UPB	88,917	11,559	15,784	116,260
Loan Count (000s)	360	84	100	543
Fair Value	1,281	158	113	1,553
Fair Value (% of UPB)	1.44%	1.37%	0.71%	1.34%
% in COVID-19 FRB Plan	*0.3%*	*1.5%*	*1.9%*	*0.8%*
% Current in current month	20.04%	17.04%	26.34%	21.98%
Collateral Metrics:				
Weighted Average Note Rate	3.243	4.067	4.027	3.431
Weighted Average Svc Fee	0.256	0.360	0.329	0.276
Weighted Average Rem Term	305	281	178	285
% D30 (MBA)	0.8%	5.5%	5.4%	2.4%
% D60 (MBA)	0.2%	1.7%	1.6%	0.7%
% D90+ (MBA)	0.7%	4.0%	6.5%	2.3%
% D30-60-90+	1.7%	11.2%	13.5%	5.3%
Fair Value Assumptions(a):				
Lifetime CPR(b)	6.7	7.3	13.1	7.6
Cost to Service - Lifetime Total (c)	$69	$103	$160	$85
Cost to Service - Lifetime Perf. (c,d)	*$65*	*$75*	*$121*	*$77*
Cost to Service - Lifetime NPL (c,d)	*$562*	*$663*	*$864*	*$744*
Ancillary Income(c)	$41	$44	$63	$44
Discount Rate	8.3	10.0	10.5	8.8

(a) 3rd party broker assumptions
(b) Total voluntary payoffs and involuntary defaults; does not include scheduled payments
(c) Annual $ per loan; Ancillary includes REO fee income on Non-Agency MSRs
(d) Performing represents Current and D30; NPL represents D60+

End Notes

OCWEN

SLIDE 3

a) MSR FV changes that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall unrealized gains / (losses) on MSR hedge, a component of MSR valuation adjustment, net. The adjustment does not include valuation gains on MSR purchases of $2.7M for Q2 2022, $1.1M for Q1 2022 and $9.0M for Q2 2021.See Slides 19-22 for discussion of non-GAAP measures.
b) Adjusted pre-tax income; see Slides 19-22 for discussion of non-GAAP measures

SLIDE 5

a) As of 6/30/22
b) Prospects where we've had an active dialogue as of 6/30/22
c) Reverse Market Insight, Top 100 Report, Dec 2020, Dec 2021, Jun 2022

SLIDE 10

a) MSR FV changes that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall unrealized gains / (losses) on MSR hedge, a component of MSR valuation adjustment, net. The adjustment does not include valuation gains on MSR purchases of $2.7M for Q2 2022, $1.1M for Q1 2022 and $9.0M for Q2 2021. Slides 19-22 for discussion of non-GAAP measures.
b) See Slides 19-22 for discussion of non-GAAP measures
c) See slide 22 for calculation

SLIDE 11

a) See Slides 19-22 for discussion of non-GAAP measures
b) Total CPR includes voluntary and involuntary prepayments, as shown in the table, plus scheduled principal amortization
c) Total actual forward servicing operating expenses, including corporate overhead and claims losses, divided by average UPB

SLIDE 12

a) See Slides 19-22 for discussion of non-GAAP measures
b) Total revenue for the origination channel divided by UPB for the origination channel
c) Operating and direct overhead cost as a % of UPB for Consumer Direct and Correspondent channels

SLIDE 13

a) Prospects where we've had an active dialogue
b) See Slides 19-22 for discussion of non-GAAP measures
c) Total revenue for the origination channel divided by UPB for all reverse origination channels

SLIDE 14

a) See Slides 19-22 for discussion of non-GAAP measures
b) Assumes we achieve our objectives, interest rates are consistent with June month-end levels, and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters. In the past, results have differed materially from our expectations, and this may happen again

SLIDE 17

a) Consumer Direct channel is higher margin lending without use of a third-party originator (formerly Ocwen's Recapture channel)

SLIDE 18

a) Total originations revenue (GOS, origination fees and interest income)/(orig. vol.); ~80% of originations will be on-book, ~20% will go to MAV
b) Includes all servicing revenues: servicing and subservicing fees and all ancillary revenues excluding GNMA gain on sale; subserv UPB includes NRZ
c) Total opex and overhead as a % of orig volume
d) Total forward and reverse servicing opex and overhead as a % of UPB
e) As a % of servicing UPB
f) Maintain mix at 20%+ of orig volume
g) Assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters

SLIDE 19

a) Including however not limited to CFPB and certain legacy litigation related legal expenses and state regulatory action related legal expenses

SLIDE 20

a) Certain previously presented notable categories with nil numbers for each quarter shown have been omitted; prior periods have been adjusted to conform with current period information
b) Severance and retention due to organizational rightsizing or reorganization
c) Long-term incentive program (LTIP) compensation expense changes attributable to stock price changes during the period
d) Includes costs associated with strategic transactions including transaction costs related to the reverse subservicing acquisition from RMS(MAM)
e) Starting with the three months ended June 30, 2022, we have separately presented Severance and retention and LTIP stock price changes as separate Notables to further isolate the estimated impact of these respective items. In prior periods, Severance and retention and LTIP stock price changes had been included in Other.

End Notes

SLIDE 21

a) Certain previously presented notable categories with nil numbers for each quarter shown have been omitted; prior periods have been adjusted to conform with current period information
b) MSR FV changes that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall unrealized gains / (losses) on MSR hedge, a component of MSR valuation adjustment, net. The adjustment does not include valuation gains on MSR purchases of $2.7M for Q2 2022, $1.1M for Q1 2022 and $9.0M for Q2 2021.
c) FV changes of Pledged MSR liabilities associated with NRZ and MAV transferred MSR that are due to changes in market interest rates, valuation inputs or other assumptions, a component of Pledged MSR liability expense
d) FV changes of loans Held For Investment and HMBS related borrowings due to market interest rates and assumptions, a component of Reverse mortgage revenue, net
e) The changes in fair value due to market interest rates were measured by isolating the impact of market interest rate changes on the valuation model output as provided by our independent valuation expert
f) Other contains non-routine transactions including but not limited to gain on debt extinguishment and early asset retirement recorded in other income expense
g) Starting with the three months ended June 30, 2022, we have presented MSR fair value changes due to changes in market interest rates, valuation inputs or other assumptions as one Notable item to align with the presentation of our income statement. In prior periods, we separately presented MSR fair value changes due to changes in market interest rates, valuation inputs or other assumptions for the Agency and Non-Agency MSRs.

SLIDE 23

a) 3rd party broker assumptions
b) Total voluntary payoffs and involuntary defaults; does not include scheduled payments
c) Annual $ per loan; Ancillary includes REO fee income on Non-Agency MSRs
d) Performing represents Current and D30; NPL represents D60+