



November 1, 2016

## **Ocwen Announces Offer to Exchange Any and All Outstanding 6.625% Senior Notes due 2019 Issued by Ocwen Financial Corporation for Up to \$350,000,000 of 8.375% Senior Secured Second Lien Notes due 2022 Issued by Ocwen Loan Servicing, LLC**

WEST PALM BEACH, Fla., Nov. 01, 2016 (GLOBE NEWSWIRE) -- **Ocwen Financial Corporation**, (NYSE:OCN) ("**Ocwen**" or the "**Company**"), a leading financial services holding company, today announced that its subsidiary Ocwen Loan Servicing, LLC ("OLS") commenced an offer to exchange (the "Exchange Offer") all outstanding 6.625% Senior Notes due 2019 of Ocwen (the "Existing Notes") held by eligible holders for up to \$350 million aggregate principal amount of newly issued 8.375% Senior Secured Second Lien Notes due 2022 of OLS (the "New Second Lien Notes") upon the terms and subject to the conditions set forth in the offering memorandum dated November 1, 2016 and the related letter of transmittal (collectively, the "Offering Materials"). The CUSIP numbers for the Existing Notes are: 675746 AF8 (Registered), U67503 AA7 (Reg S) and 675746 AE1 (Rule 144A).

The New Second Lien Notes will be jointly and severally guaranteed by Ocwen, Ocwen Mortgage Servicing, Inc., Homeward Residential Holdings, Inc., Homeward Residential, Inc. and Automotive Capital Services, Inc. (all of which are wholly-owned subsidiaries of Ocwen, collectively, the "Subsidiary Guarantors" and together with Ocwen, the "Guarantors"), which are the same entities that guarantee OLS's senior secured term loan. The New Second Lien Notes and the related guarantees will be unsubordinated obligations of OLS and the Guarantors, respectively, and will be secured (subject in each case to certain exceptions and permitted liens) by a second-priority lien on all of the assets of OLS and the Guarantors that secure the senior secured term loan (the "Collateral"). The lien on the Collateral securing the New Second Lien Notes will be junior to the first priority lien securing the senior secured term loan.

The Exchange Offer will expire at 11:59 p.m., New York City time, on November 30, 2016, unless extended (such date and time, as the same may be extended, the "Expiration Date"). To be eligible to receive the applicable Total Exchange Consideration (as defined below), eligible holders must validly tender their Existing Notes at or prior to 5:00 p.m., New York City time, on November 15, 2016, unless extended (such date and time, as the same may be extended, the "Early Tender Date"). Tenders of Existing Notes may not be withdrawn after 5:00 p.m., New York City time, on November 15, 2016, unless extended (such date and time, as the same may be extended, the "Withdrawal Deadline").

Upon the terms and subject to the conditions set forth in the Offering Material, eligible holders who validly tender and do not validly withdraw their Existing Notes on or prior to the Early Tender Date, and whose tenders are accepted for exchange, will receive, the Total Exchange Consideration which consists of \$950 principal amount of New Second Lien Notes for each \$1,000 principal amount of Existing Notes validly tendered prior to the Expiration Date and accepted for exchange (the "Exchange Consideration"), plus an early tender premium equal to \$50 principal amount of New Second Lien Notes for each \$1,000 principal amount of Existing Notes validly tendered and not validly withdrawn on or prior to the Early Tender Date (the "Early Tender Premium"). Eligible holders validly tendering their Existing Notes after the Early Tender Date and on or prior to the Expiration Date will only be eligible to receive the Exchange Consideration.

The settlement date for the Exchange Offer is expected to be on the third business day following the Expiration Date. Eligible holders of Existing Notes accepted for exchange in the Exchange Offer will also receive a cash payment equal to the accrued and unpaid interest in respect of such Existing Notes from November 15, 2016 (the most recent interest payment date for the Existing Notes prior to the settlement date) to, but not including, the settlement date.

The Exchange Offer is being made only to holders of the Existing Notes who have completed and returned an eligibility form confirming that they are both (x) either (i) "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A under the Securities Act or (ii) not "U.S. persons" and are outside of the United States within the meaning of Regulation S under the Securities Act, and (y) "accredited investors" within the meaning of Rule 501 under the Securities Act (such holders that meet clauses (x) and (y) are "eligible holders").

OLS's obligation to accept Existing Notes in the Exchange Offer is subject to a number of conditions described in the Offering Materials, including but not limited to (i) the valid tender, without withdrawal, of a minimum of \$275 million aggregate principal amount of Existing Notes by eligible holders as of the Expiration Date and (ii) the requisite lenders under OLS's senior secured term loan agreeing to the consummation of the Exchange Offer.

Eligible holders collectively holding approximately \$230 million aggregate principal amount of Existing Notes (or approximately 66% of the total amount of Existing Notes outstanding) have agreed that they will tender their Existing Notes in the Exchange Offer.

The Exchange Offer is purely a debt-for-debt exchange offer and none of OLS, Ocwen or any of their subsidiaries will receive any cash proceeds from the transaction.

The complete terms and conditions of the Exchange Offer, as well as the terms of the New Second Lien Notes, are described in the Offering Materials, copies of which may be obtained by contacting D.F. King & Co., Inc., the information agent in connection with the Exchange Offer, at (212) 269-5550 or (800) 431-9645 (toll free), by email to [ocn@dfking.com](mailto:ocn@dfking.com), or at [www.dfking.com/ocwen](http://www.dfking.com/ocwen).

The New Second Lien Notes have not been registered with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), or any state or foreign securities laws. The New Second Lien Notes may not be offered or sold in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Exchange Offer is not being made to holders of Existing Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. This press release does not constitute an offer to sell, or a solicitation of any offer to buy, any securities, nor shall there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Eligible holders must make their own decision as to whether to tender their Existing Notes in the Exchange Offer and, if so, the principal amount of Existing Notes to tender.

## **About Ocwen Financial Corporation**

Ocwen Financial Corporation is a financial services holding company which, through its subsidiaries, originates and services loans. We are headquartered in West Palm Beach, Florida, with offices throughout the United States and in the U.S. Virgin Islands and operations in India and the Philippines. We have been serving our customers since 1988. We may post information that is important to investors on our website ([www.Ocwen.com](http://www.Ocwen.com)).

## **Forward Looking Statements**

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. 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 by their nature address matters that are, to different degrees, uncertain. Our business has been undergoing substantial change 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 following: our servicer and credit ratings as well as other actions from various rating agencies, including the impact of downgrades of our servicer and credit ratings; adverse effects on our business as a result of regulatory investigations or settlements; reactions to the announcement of such investigations or settlements by key counterparties; increased regulatory scrutiny and media attention, uncertainty related to claims, due to rumors or otherwise, litigation and investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification and other practices, including uncertainty related to past, present or future investigations and settlements with state regulators, the CFPB, State Attorneys General, the SEC, Department of Justice or HUD and actions brought under the False Claims Act by private parties on behalf of the United States of America regarding incentive and other payments made by governmental entities; 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 contain and reduce our operating costs, including our ability to successfully execute on our cost improvement initiative; the adequacy of our financial resources, including our sources of liquidity and ability to sell, fund and recover advances, repay borrowings and comply with debt covenants, including the financial and other covenants contained in them; volatility in our stock price; the characteristics of our servicing portfolio, including prepayment speeds along with delinquency and advance rates; our ability to successfully modify delinquent loans, manage foreclosures and sell foreclosed properties; uncertainty related to legislation, regulations, regulatory agency actions, government programs and policies, industry initiatives and evolving best servicing practices; as well as other risks detailed in Ocwen's reports and filings with the Securities and Exchange Commission (SEC), including its annual report on Form 10-K for the year ended December 31, 2015 and its current and quarterly reports since such date. Anyone wishing to understand Ocwen's business should review its SEC filings. Ocwen's*

*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.*

FOR FURTHER INFORMATION CONTACT:

Investors:

Stephen Swett

T: (203) 614-0141

E: [shareholderrelations@ocwen.com](mailto:shareholderrelations@ocwen.com)

Media:

John Lovallo

T: (917) 612-8419

E: [jlovallo@levick.com](mailto:jlovallo@levick.com)

Dan Rene

T: (202) 973-1325

E: [drene@levick.com](mailto:drene@levick.com)