



Ocwen Issues Rebuttal Letter to Trustees in Response to Notice From RMBS Investors

March 23, 2015

ATLANTA, March 23, 2015 (GLOBE NEWSWIRE) -- Ocwen Financial Corporation (NYSE:OCN), a leading financial services holding company, yesterday sent a letter of rebuttal to Trustees and Master Servicers for 119 residential mortgage-backed securities trusts in response to a notice of alleged non-performance issued on January 23, 2015 by Gibbs & Bruns LLP. That notice was sent on behalf of a group of RMBS investors, including BlackRock Financial Management, Inc., Pacific Investment Management Company LLC (PIMCO), Kore Advisors, L.P., Metropolitan Life Insurance Company, and Neuberger Berman Europe Limited.

Ocwen's rebuttal letter made clear the following key points:

- The notice is the latest effort in a long campaign by Blackrock, PIMCO, Kore, Met Life and Neuberger to try and impose changes to standard servicing practices, with the goal of forcing more home foreclosures and fewer loan modifications. Ocwen is a leading provider of loan modifications under HAMP, the Home Affordable Modification Program administered by the United States Department of the Treasury. HAMP furthers the Treasury Department's strong public policy to help struggling borrowers remain in their homes by encouraging and guiding servicers like Ocwen to pursue profitable loan modifications rather than rushing to foreclosure. Instead, these investors' pro-foreclosure, anti-modification agenda is driven by their desire to increase their own financial returns on their specific tranche-level holdings in RMBS Trusts, at the expense of long-term gains to the Trusts as whole, through sustainable modifications.
- The allegations in the notice are substantially the same claims that were refuted during a failed attempt to prevent Ocwen from acquiring a competitor's servicing portfolio in 2013. Those allegations were ultimately dismissed after being found to have no merit by independent experts.
- The current standard of servicing outlined in Ocwen's agreements requires the company to service loans in the best interest of all investors and in conformance with accepted industry practices. Ocwen is compliant with this standard of servicing. Each modification Ocwen performs is designed to yield a higher anticipated recovery to investors than foreclosure. Nothing alleged by the investors establishes that Ocwen breached the standard of servicing called for by the agreements.
- Unable to establish otherwise, the investors instead malign Ocwen's modifications through selectively presented data that does not comport with the facts, as well as allegations of imprudent modification practices that are belied by Ocwen's use of standard industry practices and compliance with applicable regulations.
- Ocwen is uniquely positioned in the market to handle the special demands of servicing subprime loans in a manner consistent with servicing standards that achieve positive investor outcomes.

The full letter is available for review by clicking on the following link: [Rebuttal Letter to Trustees](#).

A February 2015 independent recent research report from Morgan Stanley's RMBS strategy team details many aspects of Ocwen's servicing business including that Ocwen's "modification style" is effective. The report states that "Whether a borrower first went delinquent while being serviced by Ocwen, or fell delinquent and was then transferred to Ocwen, we find that these borrowers are more likely to be in their homes today than if the MSRs were held elsewhere." Moreover, the report goes on to say that "It doesn't appear in investors' best interest to replace Ocwen as servicer."

About Ocwen Financial Corporation

Ocwen Financial Corporation is a financial services holding company which, through its subsidiaries, is engaged in the servicing and origination of mortgage loans. Ocwen is headquartered in Atlanta, Georgia, with offices throughout the United States and support operations in India and the Philippines. Utilizing proprietary technology, global infrastructure and superior training and processes, Ocwen provides solutions that help homeowners and make our clients' loans worth more. Ocwen may post information that is important to investors on its website (www.Ocwen.com).

Forward Looking Statements

This news 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. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Forward-looking statements and involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially.

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: adverse effects on our business as a result of recent regulatory settlements; reactions to the announcement of such settlements by key counterparties; increased regulatory scrutiny and media attention, due to rumors or otherwise; uncertainty related to claims, litigation and

investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification and other practices; 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; the adequacy of our financial resources, including our sources of liquidity and ability to fund and recover advances, repay borrowings and comply with debt covenants; our servicer and credit ratings as well as other actions from various rating agencies, including the impact of recent downgrades of our servicer ratings; volatility in our stock price; the characteristics of our servicing portfolio, including prepayment speeds along with delinquency and advance rates; our ability to contain and reduce our operating costs; 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/A for the year ended December 31, 2013 (filed with the SEC on 08/18/14) and its quarterly report on Form 10-Q for the quarter ended September 30, 2014 (filed with the SEC on 10/31/14). 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, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

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