



October 3, 2012

Ocwen Announces Acquisition of Homeward Residential From WL Ross & Co.

ATLANTA, Oct. 3, 2012 (GLOBE NEWSWIRE) -- Ocwen Financial Corporation (NYSE:OCN) and private equity firm WL Ross & Co. LLC entered into an agreement today whereby Ocwen will acquire Homeward Residential Holdings, Inc., including its various residential mortgage loan servicing and origination operating subsidiaries, for approximately \$588 million in cash and \$162 million in Ocwen convertible preferred stock. Homeward services about 422,000 mortgage loans with an aggregate unpaid principal balance of over \$77 billion. Its loan origination business includes correspondent and retail lending and is focused solely on high quality Agency-conforming mortgages.

"The acquisition of Homeward significantly advances Ocwen's twin strategic growth initiatives to add high return servicing assets to its portfolio and expand origination capacity to provide for a sustainable source of future growth," said Ocwen's Executive Chairman William Erbey. "Homeward brings with it a global servicing platform as well as a growing origination business that is already operating at a \$10 billion annual run-rate after launching in late 2011."

Homeward was organized by WL Ross & Co. in 2007 and is the result of several major platform combinations: American Home Mortgage Servicing, Option One Mortgage Company and a large servicing portfolio from Citi Residential Lending. After normalizing for certain transition related expenses, the acquisition of Homeward by Ocwen is expected to be immediately accretive to earnings per share.

Wilbur Ross, CEO of WL Ross & Co. said, "Homeward has been profitable in each year of its existence and has also been a wonderful cash flow producer, distributing to us approximately \$900 million of cash since the initial investment. Mortgage banking is a business of scope and scale, and we believe that the combined company will fill the void created by the ongoing departures of many banks from the overall industry."

Ron Faris, CEO of Ocwen said, "Homeward has a well-deserved reputation for excellence in the mortgage industry. We are excited about the synergistic combination of the attractive servicing portfolio and platform, as well as the origination platform which will provide organic growth and will further Ocwen's ability to work with existing borrowers on refinancing opportunities."

Dave Applegate, CEO of Homeward added, "We share Ocwen's high standards and believe that our corporate culture and theirs are very compatible. We are excited to join an enterprise with such momentum."

The definitive acquisition documents provide representations, warranties and covenants that are customary for a transaction of this nature, as well as loss sharing provisions relating to certain pre-closing liabilities. Subject to regulatory approvals, the transaction is anticipated to close by year end. Ocwen will not need to raise any additional equity capital to close the transaction.

Joint financial advisors Barclays Capital and Citi Global Markets, Inc. provided Ocwen financial advisory and investment banking services as part of this purchase transaction. Kramer, Levin, Naftalis & Frankel, LLP were Ocwen's legal advisors; WL Ross was represented by Jones Day.

About Ocwen Financial Corporation

Ocwen Financial Corporation is a leading provider of residential and commercial loan servicing, special servicing and asset management services. Ocwen is headquartered in Atlanta, Georgia, with additional offices in West Palm Beach and Orlando, Florida, Houston, Texas, St. Croix, the United States Virgin Islands and Washington, DC, and support operations in India and Uruguay. Utilizing our global infrastructure, proprietary technology, world-class training and processes, we provide solutions that help homeowners and make our clients' loans worth more. Additional information is available at www.Ocwen.com.

About WL Ross & Co. LLC

WL Ross & Co. LLC, founded by Wilbur L. Ross, Jr. in 2000, is a well known private equity firm with \$9 billion of funds under management. The firm has been involved with the restructuring of more than \$300 billion of troubled assets, ranging from steel companies to coal companies to auto parts to rail car manufacturing and leasing in the US and abroad. Investments in financial

services include banks in the US and Europe, single family and multifamily servicers and originators, and a financial guaranty company.

About Homeward Residential Holdings, Inc.

Homeward Residential is a nationwide integrated mortgage company with mortgage servicing and prime lending businesses. Homeward has a total servicing portfolio of more than 422,000 loans aggregating approximately \$77 billion. As of September 2012, Homeward's growing lending platform was originating approximately \$10 billion of loans on an annual run-rate basis. With headquarters in Dallas, Texas, Homeward has approximately 2,800 associates working each day toward the mission of helping families realize and preserve their dream of homeownership.

CONTACT: John V. Britti

Executive Vice President & CFO

T: (561) 682-7535

E: John.Britti@Ocwen.com