

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-Q

(Mark one)
 QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2017

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from: _____ to _____

Commission File No. 1-13219

OCWEN FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of incorporation or organization)

**1661 Worthington Road, Suite 100
West Palm Beach, Florida**

(Address of principal executive office)

65-0039856

(I.R.S. Employer Identification No.)

33409

(Zip Code)

(561) 682-8000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large Accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
	(Do not check if a smaller reporting company)	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes No

Number of shares of common stock outstanding as of October 27, 2017: 130,859,058 shares

OCWEN FINANCIAL CORPORATION
FORM 10-Q
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FORWARD-LOOKING STATEMENTS

This Quarterly Report 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. All statements, other than statements of historical fact included in this report, including, without limitation, statements regarding our financial position, business strategy and other plans and objectives for our future operations, are forward-looking statements.

These statements include declarations regarding our management's beliefs and current expectations. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "intend," "consider," "expect," "plan," "anticipate," "believe," "estimate," "predict" or "continue" or the negative of such terms or other comparable 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 forward-looking 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 from those suggested by such statements. 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 include, but are not limited to, the risks discussed or referenced under Item 1A, Risk Factors and the following:

- uncertainty related to claims, litigation, cease and desist orders and investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification, origination and other practices, including uncertainty related to past, present or future investigations, litigation, cease and desist orders and settlements with 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) 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;
- adverse effects on our business as a result of regulatory investigations, litigation, cease and desist orders or settlements;
- reactions to the announcement of such investigations, litigation, cease and desist orders or settlements by key counterparties, including lenders, the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae);
- our ability to comply with the terms of our settlements with regulatory agencies;
- 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 comply with our servicing agreements, including our ability to comply with our agreements with, and the requirements of, Fannie Mae, Freddie Mac and Ginnie Mae and maintain our seller/servicer and other statuses with them;
- the adequacy of our financial resources, including our sources of liquidity and ability to sell, fund and recover advances, repay borrowings and comply with our debt agreements, including the financial and other covenants contained in them;
- our servicer and credit ratings as well as other actions from various rating agencies, including the impact of prior or future downgrades of our servicer and credit ratings;
- failure of our information technology and other security measures or breach of our privacy protections, including any failure to protect customers' data;
- 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, regulatory examinations, government programs and policies, industry initiatives and evolving best servicing practices;
- our dependence on New Residential Investment Corp. (NRZ) for a substantial portion of our advance funding for non-agency mortgage servicing rights;
- our ability to timely transfer mortgage servicing rights under our July 2017 agreements with NRZ and our ability to maintain our long-term relationship with NRZ under these new arrangements;
- the loss of the services of our senior managers;
- uncertainty related to general economic and market conditions, delinquency rates, home prices and disposition timelines on foreclosed properties;
- uncertainty related to the actions of loan owners and guarantors, including mortgage-backed securities investors, Ginnie Mae, trustees and government sponsored entities (GSEs), regarding loan put-backs, penalties and legal actions;

- uncertainty related to the GSEs substantially curtailing or ceasing to purchase our conforming loan originations or the Federal Housing Administration of the Department of Housing and Urban Development or Department of Veterans Affairs ceasing to provide insurance;
- uncertainty related to the processes for judicial and non-judicial foreclosure proceedings, including potential additional costs or delays or moratoria in the future or claims pertaining to past practices;
- our reserves, valuations, provisions and anticipated realization on assets;
- uncertainty related to the ability of third-party obligors and financing sources to fund servicing advances on a timely basis on loans serviced by us;
- uncertainty related to the ability of our technology vendors to adequately maintain and support our systems, including our servicing systems, loan originations and financial reporting systems;
- our ability to realize anticipated future gains from future draws on existing loans in our reverse mortgage portfolio;
- our ability to effectively manage our exposure to interest rate changes and foreign exchange fluctuations;
- uncertainty related to our ability to adapt and grow our business, including our new business initiatives;
- our ability to meet capital requirements established by, or agreed with, regulators or counterparties;
- our ability to protect and maintain our technology systems and our ability to adapt such systems for future operating environments; and
- uncertainty related to the political or economic stability of foreign countries in which we have operations.

Further information on the risks specific to our business is detailed within this report and our other reports and filings with the SEC including Amendment No. 1 to our Annual Report on Form 10-K for the year ended December 31, 2016 and our Quarterly and Current Reports on Form 10-Q and Form 8-K since such date. Forward-looking statements speak only as of the date they were made and we disclaim any obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

PART I – FINANCIAL INFORMATION
ITEM 1. UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except per share data)

	September 30, 2017	December 31, 2016
Assets		
Cash	\$ 299,888	\$ 256,549
Mortgage servicing rights (\$598,147 and \$679,256 carried at fair value)	944,308	1,042,978
Advances, net	197,953	257,882
Match funded assets (related to variable interest entities (VIEs))	1,243,899	1,451,964
Loans held for sale (\$200,438 and \$284,632 carried at fair value)	223,662	314,006
Loans held for investment, at fair value	4,459,760	3,565,716
Receivables, net	231,514	265,720
Premises and equipment, net	42,720	62,744
Other assets (\$19,067 and \$20,007 carried at fair value)(amounts related to VIEs of \$26,647 and \$43,331)	453,901	438,104
Total assets	\$ 8,097,605	\$ 7,655,663
Liabilities and Equity		
Liabilities		
HMBS-related borrowings, at fair value	\$ 4,358,277	\$ 3,433,781
Other financing liabilities (\$447,843 and \$477,707 carried at fair value)	536,981	579,031
Match funded liabilities (related to VIEs)	1,028,016	1,280,997
Other secured borrowings, net	544,589	678,543
Senior notes, net	347,201	346,789
Other liabilities (\$71 and \$1,550 carried at fair value)	693,119	681,239
Total liabilities	7,508,183	7,000,380
Commitments and Contingencies (Notes 20 and 21)		
Equity		
Ocwen Financial Corporation (Ocwen) stockholders' equity		
Common stock, \$.01 par value; 200,000,000 shares authorized; 130,859,058 and 123,988,160 shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	1,309	1,240
Additional paid-in capital	544,392	527,001
Retained earnings	42,400	126,167
Accumulated other comprehensive loss, net of income taxes	(1,293)	(1,450)
Total Ocwen stockholders' equity	586,808	652,958
Non-controlling interest in subsidiaries	2,614	2,325
Total equity	589,422	655,283
Total liabilities and equity	\$ 8,097,605	\$ 7,655,663

The accompanying notes are an integral part of these unaudited consolidated financial statements

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenue				
Servicing and subservicing fees	\$ 233,220	\$ 302,235	\$ 761,523	\$ 906,993
Gain on loans held for sale, net	25,777	25,645	76,976	69,074
Other	25,645	31,568	79,307	87,192
Total revenue	284,642	359,448	917,806	1,063,259
Expenses				
Compensation and benefits	90,538	92,942	272,750	287,613
Servicing and origination	72,524	63,551	204,947	249,230
Professional services	38,417	65,489	145,651	257,795
Technology and communications	27,929	25,941	79,530	85,519
Occupancy and equipment	15,340	16,760	49,569	62,213
Amortization of mortgage servicing rights	13,148	(2,558)	38,560	18,595
Other	15,583	9,553	39,335	24,388
Total expenses	273,479	271,678	830,342	985,353
Other income (expense)				
Interest income	4,099	5,158	12,101	14,488
Interest expense	(47,281)	(110,961)	(212,471)	(308,083)
Gain on sale of mortgage servicing rights, net	6,543	5,661	7,863	7,689
Other, net	(1,077)	14,736	6,384	11,841
Total other expense, net	(37,716)	(85,406)	(186,123)	(274,065)
Income (loss) before income taxes	(26,553)	2,364	(98,659)	(196,159)
Income tax benefit	(20,418)	(7,110)	(15,465)	(7,214)
Net income (loss)	(6,135)	9,474	(83,194)	(188,945)
Net income attributable to non-controlling interests	(117)	(83)	(289)	(373)
Net income (loss) attributable to Ocwen stockholders	\$ (6,252)	\$ 9,391	\$ (83,483)	\$ (189,318)
Income (loss) per share attributable to Ocwen stockholders				
Basic	\$ (0.05)	\$ 0.08	\$ (0.66)	\$ (1.53)
Diluted	\$ (0.05)	\$ 0.08	\$ (0.66)	\$ (1.53)
Weighted average common shares outstanding				
Basic	128,744,152	123,986,987	125,797,777	123,991,343
Diluted	128,744,152	124,134,507	125,797,777	123,991,343

The accompanying notes are an integral part of these unaudited consolidated financial statements

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Dollars in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income (loss)	\$ (6,135)	\$ 9,474	\$ (83,194)	\$ (188,945)
Other comprehensive income, net of income taxes:				
Reclassification adjustment for losses on cash flow hedges included in net income (1)	45	89	157	263
Total other comprehensive income, net of income taxes	45	89	157	263
Comprehensive income (loss)	(6,090)	9,563	(83,037)	(188,682)
Comprehensive income attributable to non-controlling interests	(117)	(83)	(289)	(373)
Comprehensive income (loss) attributable to Ocwen stockholders	\$ (6,207)	\$ 9,480	\$ (83,326)	\$ (189,055)

(1) These losses are reclassified to Other, net in the unaudited consolidated statements of operations.

The accompanying notes are an integral part of these unaudited consolidated financial statements

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016
(Dollars in thousands)

	Ocwen Stockholders							Total
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss), Net of Taxes	Non-controlling Interest in Subsidiaries		
	Shares	Amount						
Balance at December 31, 2016	123,988,160	\$ 1,240	\$ 527,001	\$ 126,167	\$ (1,450)	\$ 2,325	\$ 655,283	
Net income (loss)	—	—	—	(83,483)	—	289	(83,194)	
Issuance of common stock	6,075,510	61	13,852	—	—	—	13,913	
Cumulative effect of adoption of FASB Accounting Standards Update No. 2016-09	—	—	284	(284)	—	—	—	
Equity-based compensation and other	795,388	8	3,255	—	—	—	3,263	
Other comprehensive income, net of income taxes	—	—	—	—	157	—	157	
Balance at September 30, 2017	<u>130,859,058</u>	<u>\$ 1,309</u>	<u>\$ 544,392</u>	<u>\$ 42,400</u>	<u>\$ (1,293)</u>	<u>\$ 2,614</u>	<u>\$ 589,422</u>	
Balance at December 31, 2015	124,774,516	\$ 1,248	\$ 526,148	\$ 325,929	\$ (1,763)	\$ 3,076	\$ 854,638	
Net income (loss)	—	—	—	(189,318)	—	373	(188,945)	
Repurchase of common stock	(991,985)	(10)	(5,880)	—	—	—	(5,890)	
Exercise of common stock options	69,805	1	441	—	—	—	442	
Equity-based compensation and other	137,618	1	4,016	—	—	—	4,017	
Capital distribution to non-controlling interest	—	—	—	—	—	(1,138)	(1,138)	
Other comprehensive income, net of income taxes	—	—	—	—	263	—	263	
Balance at September 30, 2016	<u>123,989,954</u>	<u>\$ 1,240</u>	<u>\$ 524,725</u>	<u>\$ 136,611</u>	<u>\$ (1,500)</u>	<u>\$ 2,311</u>	<u>\$ 663,387</u>	

The accompanying notes are an integral part of these unaudited consolidated financial statements

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	For the Nine Months Ended September 30,	
	2017	2016
Cash flows from operating activities		
Net loss	\$ (83,194)	\$ (188,945)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Amortization of mortgage servicing rights	38,560	18,595
Loss on valuation of mortgage servicing rights, at fair value	78,437	63,609
Impairment charge (reversal) on mortgage servicing rights	(1,551)	37,164
Gain on sale of mortgage servicing rights, net	(7,863)	(7,689)
Realized and unrealized losses on derivative financial instruments	364	2,213
Provision for bad debts	57,274	61,191
Depreciation	20,430	18,277
Loss on write-off of fixed assets	6,834	—
Amortization of debt issuance costs	1,979	10,475
Equity-based compensation expense	4,489	4,000
Gain on valuation of financing liability	(27,024)	—
Net gain on valuation of mortgage loans held for investment and HMBS-related borrowings	(18,637)	(22,329)
Gain on loans held for sale, net	(39,542)	(52,206)
Origination and purchase of loans held for sale	(3,074,725)	(4,575,264)
Proceeds from sale and collections of loans held for sale	3,067,522	4,493,887
Changes in assets and liabilities:		
Decrease in advances and match funded assets	285,066	343,129
Decrease in receivables and other assets, net	156,008	122,305
Increase (decrease) in other liabilities	(66,321)	4,749
Other, net	3,102	17,263
Net cash provided by operating activities	401,208	350,424
Cash flows from investing activities		
Origination of loans held for investment	(961,642)	(1,185,565)
Principal payments received on loans held for investment	311,560	528,263
Purchase of mortgage servicing rights	(1,658)	(15,969)
Proceeds from sale of mortgage servicing rights	2,263	45,254
Proceeds from sale of advances	6,119	74,982
Issuance of automotive dealer financing notes	(129,471)	—
Collections of automotive dealer financing notes	119,389	—
Additions to premises and equipment	(7,365)	(28,649)
Other, net	1,480	9,483
Net cash used in investing activities	(659,325)	(572,201)
Cash flows from financing activities		
Repayment of match funded liabilities, net	(252,981)	(218,517)
Proceeds from mortgage loan warehouse facilities and other secured borrowings	5,810,591	6,632,059
Repayments of mortgage loan warehouse facilities and other secured borrowings	(6,016,169)	(6,834,720)
Payment of debt issuance costs	(841)	(2,242)
Proceeds from sale of mortgage servicing rights accounted for as a financing	54,601	—
Proceeds from sale of reverse mortgages (HECM loans) accounted for as a financing (HMBS-related borrowings)	981,730	820,438
Repayment of HMBS-related borrowings	(287,908)	(161,995)
Issuance of common stock	13,913	—
Repurchase of common stock	—	(5,890)
Other	(1,480)	(1,094)
Net cash provided by financing activities	301,456	228,039
Net increase in cash	43,339	6,262
Cash at beginning of year	256,549	257,272
Cash at end of period	\$ 299,888	\$ 263,534

The accompanying notes are an integral part of these unaudited consolidated financial statements

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017
(Dollars in thousands, except per share data and unless otherwise indicated)

Note 1 – Organization, Business Environment and Basis of Presentation

Organization

Ocwen Financial Corporation (NYSE: OCN) (Ocwen, we, us and our) is a financial services holding company which, through its subsidiaries, originates and services loans. We are headquartered in West Palm Beach, Florida with offices located throughout the United States (U.S.) and in the United States Virgin Islands (USVI) and with operations located in India and the Philippines. Ocwen is a Florida corporation organized in February 1988.

Ocwen owns all of the common stock of its primary operating subsidiary, Ocwen Mortgage Servicing, Inc. (OMS), and directly or indirectly owns all of the outstanding stock of its other primary operating subsidiaries: Ocwen Loan Servicing, LLC (OLS), Ocwen Financial Solutions Private Limited (OFSP), Homeward Residential, Inc. (Homeward) and Liberty Home Equity Solutions, Inc. (Liberty).

We perform primary and master servicer activities on behalf of investors and other servicers, including the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) (collectively, the GSEs), the Government National Mortgage Association (Ginnie Mae) and private-label securitizations (non-Agency). As primary servicer, we may be required to make certain payments of property taxes and insurance premiums, default and property maintenance payments, as well as advances of principal and interest payments before collecting them from borrowers. As master servicer, we collect mortgage payments from primary servicers and distribute the funds to investors in the mortgage-backed securities. To the extent the primary servicer does not advance the scheduled principal and interest, as master servicer we are responsible for advancing the shortfall, subject to certain limitations.

We originate, purchase, sell and securitize conventional (conforming to the underwriting standards of Fannie Mae or Freddie Mac; collectively referred to as Agency loans) and government-insured (Federal Housing Administration (FHA) or Department of Veterans Affairs (VA)) forward and reverse mortgages. The GSEs or Ginnie Mae guarantee these mortgage securitizations.

We had a total of approximately 8,300 employees at September 30, 2017 of which approximately 5,400 were located in India and approximately 700 were based in the Philippines. Our operations in India and the Philippines provide internal support services, principally to our loan servicing business as well as to our corporate functions. Of our foreign-based employees, nearly 80% were engaged in supporting our loan servicing operations as of September 30, 2017.

Business Environment

We are facing certain challenges and uncertainties that could have significant adverse effects on our business, financial condition, liquidity and results of operations. The ability of management to appropriately address these challenges and uncertainties in a timely manner is critical to our ability to successfully operate our business.

We have incurred a net loss for the nine months ended September 30, 2017, which follows losses in each of the last three fiscal years. While these losses have eroded stockholders' equity and weakened our financial condition, it is important to note that we generated positive operating cash flow in each of these periods. We expect our cash position to strengthen in fiscal 2017 as a result of the acceleration of proceeds we expect to receive in connection with our recent agreements with New Residential Investment Corp. (NRZ), which are discussed in additional detail in Note 8 — Rights to MSRs. As a result of the acceleration of these payments from 2018 and 2019 and before considering other strategies discussed below, it is possible the business may not generate positive operating cash flow in one or more quarters of 2018. In order to drive stronger financial performance, we have begun exploring strategic approaches to streamline our business. To that end, we are seeking to focus our operations on servicing and on portfolio recapture through our forward lending retail channel. We have also taken various strategic actions with respect to our forward lending business, as we continue to evaluate the overall mortgage lending business and marketplace. In the second quarter of 2017, we closed our forward lending correspondent channel due to low margins and began selling all of our forward lending wholesale channel originations on a servicing released basis to reduce capital consumption. We have also entered into an agreement to sell certain assets of our forward lending wholesale operation, and, upon closing of that transaction, we intend to exit the forward lending wholesale business. See Note 20 — Commitments for additional information. While these changes may limit our generation of new servicing assets in the near term, we believe that they will, over time, improve our returns and improve cash flow relative to current operations. We are also evaluating our long-term strategy with respect to our reverse lending and automotive capital services activities, which could include the sale of one or both of these businesses or certain assets of these businesses.

Our business continues to be impacted by regulatory actions, regulatory settlements and the current regulatory environment. We have faced, and expect to continue to face, heightened regulatory and public scrutiny as well as stricter and more comprehensive regulation of our business. Since April 20, 2017, the CFPB, mortgage and banking regulatory agencies from 30 states and the District of Columbia and two state attorneys general have taken regulatory actions against us that alleged deficiencies in our compliance with laws and regulations relating to our servicing and lending activities. As of November 1, 2017, we have resolved these regulatory matters with 21 states and the District of Columbia while continuing to seek resolutions with the remaining nine states and the two state attorneys general. The consequences of these regulatory actions have included one rating agency downgrading our long-term corporate debt, several rating agencies putting our servicer ratings on watch and Ginnie Mae sending us a notice of violation that included a forbearance on exercising rights that has been extended until January 24, 2018. Our business, operating results and financial condition have been significantly impacted in recent periods by legal and other fees and settlement payments related to litigation and regulatory matters, including the costs of third-party monitoring firms under our regulatory settlements. Should the number or scope of regulatory actions against us increase or expand or should reasonable resolutions not be reached, our business, reputation, financial condition, liquidity and results of operations could be adversely affected. See Note 7 – Mortgage Servicing, Note 11 – Borrowings, Note 19 – Regulatory Requirements and Note 21 – Contingencies for further information.

With regard to the current maturities of our borrowings, as of September 30, 2017, we have approximately \$1.0 billion of debt outstanding under facilities coming due in the next 12 months, including scheduled payments under our Senior Secured Term Loan (SSTL), certain notes under our servicing advance match funded facilities and our mortgage loan warehouse facilities. Portions of our match funded facilities and all of our mortgage loan warehouse facilities have 364-day terms consistent with market practice. We have historically renewed these facilities on or before their expiration in the ordinary course of financing our business. We expect to renew, replace or extend all such borrowings to the extent necessary to finance our business on or prior to their respective maturities consistent with our historical experience.

Our debt agreements contain various qualitative and quantitative events of default provisions that include, among other things, noncompliance with covenants, breach of representations, or the occurrence of a material adverse change. Provisions of this type are commonly found in debt agreements such as ours. Certain of these provisions are open to subjective interpretation and, if our interpretation were contested by a lender, a court may ultimately be required to determine compliance or lack thereof. If a lender were to allege an event of default, whether as a result of recent events or otherwise, and we are unable to avoid, remedy or secure a waiver, we could be subject to adverse action by our lenders, including acceleration of outstanding obligations, enforcement of liens against the assets securing or otherwise supporting our obligations and other legal remedies, any of which could have a material adverse impact on us. In addition, OLS, Homeward and Liberty are parties to seller/servicer agreements and/or subject to guidelines and regulations (collectively, seller/servicer obligations) with one or more of the GSEs, the Department of Housing and Urban Development (HUD), FHA, VA and Ginnie Mae. These seller/servicer obligations include financial requirements, including capital requirements related to tangible net worth, as defined by the applicable agency, as well as extensive requirements regarding servicing, selling and other matters. To the extent that these requirements are not met or waived, the applicable agency may, at its option, utilize a variety of remedies including requirements to deposit funds as security for our obligations, sanctions, suspension or even termination of approved seller/servicer status, which would prohibit future originations or securitizations of forward or reverse mortgage loans or servicing for the applicable agency. Any of these actions could have a material adverse impact on us. To date, none of these counterparties has communicated any material sanction, suspension or prohibition in connection with our seller/servicer obligations. See Note 11 – Borrowings and Note 19 – Regulatory Requirements for additional information.

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in conformity with the instructions of the Securities and Exchange Commission (SEC) to Form 10-Q and SEC Regulation S-X, Article 10, Rule 10-01 for interim financial statements. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America (GAAP) for complete financial statements. In our opinion, the accompanying unaudited consolidated financial statements contain all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation. The results of operations and other data for the three and nine months ended September 30, 2017 are not necessarily indicative of the results that may be expected for any other interim period or for the year ending December 31, 2017. The unaudited consolidated financial statements presented herein should be read in conjunction with the audited consolidated financial statements and related notes thereto included in Amendment No. 1 to our Annual Report on Form 10-K for the year ended December 31, 2016.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with GAAP requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions include, but are not limited to, those that relate to fair value measurements, the amortization of mortgage

servicing rights, income taxes, the provision for potential losses that may arise from litigation proceedings, representation and warranty and other indemnification obligations, and our going concern evaluation. In developing estimates and assumptions, management uses all available information; however, actual results could materially differ from those estimates and assumptions.

Reclassifications

As a result of our adoption on January 1, 2017 of FASB Accounting Standards Update (ASU) 2016-09, *Compensation - Stock Compensation: Improvements to Accounting for Employee Share-Based Payments*, excess tax benefits have been classified along with other income tax cash flows as an operating activity in our unaudited consolidated statements of cash flows, rather than being separated from other income tax cash flows and classified as a financing activity. Additionally, cash paid by Ocwen when directly withholding shares for tax-withholding purposes has been classified as a financing activity in our unaudited consolidated statements of cash flows, rather than being classified as an operating activity.

Certain amounts in the unaudited consolidated statement of cash flows for the nine months ended September 30, 2016 have been reclassified to conform to the current year presentation as follows:

- Within the operating activities section, we reclassified Net gain on valuation of mortgage loans held for investment and HMBS-related borrowings from Other to a new separate line item. In addition, we reclassified amounts related to reverse mortgages from Gain on loans held for sale, net to Other.
- Within the financing activities section, we reclassified Proceeds from exercise of stock options to Other. In addition, we reclassified Repayments of HMBS-related borrowings from Repayments of mortgage loan warehouse facilities and other secured borrowings to a new separate line item.

These reclassifications had no impact on our consolidated cash flows from operating, investing or financing activities.

Certain amounts in the unaudited consolidated balance sheet at December 31, 2016 have been reclassified to conform to the current year presentation as follows:

- Within the total assets section, we reclassified Deferred tax assets, net to Other assets.
- Within the total liabilities section, we reclassified HMBS-related borrowings from Financing liabilities to a new separate line item.

Recently Adopted Accounting Standard

Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting (ASU 2016-09)

In addition to the reclassification matters discussed above, ASU 2016-09 requires excess tax benefits associated with employee share-based payments to be recognized through the income statement, regardless of whether the benefit reduces income taxes payable in the current period. Prior to our adoption of this standard, excess tax benefits were recognized in additional paid-in capital and were not recognized until the deduction reduced income taxes payable. Additionally, concurrent with our adoption of ASU 2016-09, we made an accounting policy election to account for forfeitures when they occur, rather than estimating the number of awards that are expected to vest, as we had done prior to our adoption of this standard. Amendments requiring recognition of excess tax benefits in the income statement were adopted prospectively. Amendments related to the timing of when excess tax benefits are recognized and forfeitures were adopted using a modified retrospective transition method by means of cumulative-effect adjustments to equity as of January 1, 2017.

For the timing of the recognition of excess tax benefits, the cumulative-effect adjustment was to recognize an increase in retained earnings of \$5.0 million and a deferred tax asset for the same amount. However, because we have determined that our U.S. and USVI deferred tax assets are not considered to be more likely than not realizable, we established an offsetting full valuation allowance on the deferred tax asset through a reduction in retained earnings.

For the change in accounting for forfeitures, we recognized a cumulative-effect adjustment through a reduction of \$0.3 million in retained earnings and an increase in additional paid-in capital for the same amount. We also recognized the tax effect of this adjustment through an increase in retained earnings of \$0.1 million and a deferred tax asset for the same amount. However, we also fully reserved the resulting deferred tax asset as an offsetting reduction in retained earnings.

Recently Issued Accounting Standards

Revenue from Contracts with Customers (ASU 2014-09)

In May 2014, the FASB issued ASU 2014-09 to clarify the principles for recognizing revenue and to develop a common revenue standard. Under this standard, an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity should recognize revenue through the following five-step process:

Step 1: Identify the contract(s) with a customer.

- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

ASU 2014-09 will be effective for us on January 1, 2018. An entity should apply the amendments in this ASU either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect recognized at the date of initial application. The guidance in this standard does not apply to financial instruments and other contractual rights or obligations within the scope of ASC 860, *Transfers and Servicing*. We do not anticipate that our adoption of this standard will have a material impact on our consolidated financial statements.

Business Combinations: Clarifying the Definition of a Business (ASU 2017-01)

In January 2017, the FASB issued ASU 2017-01 to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. This standard will be effective for us on January 1, 2018. We do not anticipate that our adoption of this standard will have a material impact on our consolidated financial statements.

Receivables: Nonrefundable Fees and Other Costs (ASU 2017-08)

In March 2017, the FASB issued ASU 2017-08 to amend the amortization period for certain purchased callable debt securities held at a premium. This standard shortens the amortization period for the premium to the earliest call date, rather than generally amortizing the premium as an adjustment of yield over the contractual life of the instrument, as required by current GAAP. This standard will be effective for us on January 1, 2019. We do not anticipate that our adoption of this standard will have a material impact on our consolidated financial statements.

Compensation: Stock Compensation (ASU 2017-09)

In May 2017, the FASB issued ASU 2017-09 to provide clarity and reduce both diversity in practice as well as cost and complexity when applying the modification accounting guidance in FASB ASC Topic 718, *Compensation -- Stock Compensation*, to a change to the terms or conditions of a share-based payment award. This standard will be effective for us on January 1, 2018. We do not anticipate that our adoption of this standard will have a material impact on our consolidated financial statements.

Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities (ASU 2017-12)

In August 2017, the FASB issued ASU 2017-12 to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements, and to make certain targeted improvements to simplify the application of the hedge accounting guidance in current GAAP. This standard will be effective for us on January 1, 2019, with early application permitted in any interim period. We are currently evaluating the effect of adopting this standard.

Note 2 – Securitizations and Variable Interest Entities

We securitize, sell and service forward and reverse residential mortgage loans and regularly transfer financial assets in connection with asset-backed financing arrangements. We have aggregated these securitizations and asset-backed financing arrangements into three groups: (1) securitizations of residential mortgage loans, (2) financings of advances on loans serviced for others and (3) financings of automotive dealer financing notes.

We have determined that the special purpose entities (SPEs) created in connection with our match funded advance financing facilities are variable interest entities (VIEs) for which we are the primary beneficiary.

Securitizations of Residential Mortgage Loans

We securitize forward and reverse residential mortgage loans involving the GSEs and Ginnie Mae and loans insured by the FHA or VA. We retain the right to service these loans and receive servicing fees based upon the securitized loan balances and certain ancillary fees, all of which are reported in Servicing and subservicing fees in the unaudited consolidated statements of operations. We also sell newly originated forward and reverse residential mortgage loans to unaffiliated third parties with servicing rights released.

Transfers of Forward Loans

We sell or securitize forward loans that we originate or that we purchase from third parties, generally in the form of mortgage-backed securities guaranteed by the GSEs or Ginnie Mae. Securitization usually occurs within 30 days of loan closing or purchase. To the extent we retain the servicing rights associated with the transferred loans, we receive a servicing fee

for services provided. We act only as a fiduciary and do not have a variable interest in the securitization trusts. As a result, we account for these transactions as sales upon transfer.

We report the gain or loss on the transfer of the loans held for sale in Gain on loans held for sale, net in the unaudited consolidated statements of operations along with the changes in fair value of the loans and the gain or loss on any related derivatives. We include all changes in loans held for sale and related derivative balances in operating activities in the unaudited consolidated statements of cash flows.

The following table presents a summary of cash flows received from and paid to securitization trusts related to transfers accounted for as sales that were outstanding:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Proceeds received from securitizations	\$ 687,502	\$ 1,511,991	\$ 2,711,651	\$ 3,878,461
Servicing fees collected	10,300	3,768	30,250	10,441
Purchases of previously transferred assets, net of claims reimbursed	(1,234)	(271)	(3,958)	(1,051)
	\$ 696,568	\$ 1,515,488	\$ 2,737,943	\$ 3,887,851

In connection with these transfers, we retained MSR of \$3.6 million and \$18.6 million, and \$9.8 million and \$26.5 million, during the three and nine months ended September 30, 2017 and 2016, respectively.

Certain obligations arise from the agreements associated with our transfers of loans. Under these agreements, we may be obligated to repurchase the loans, or otherwise indemnify or reimburse the investor or insurer for losses incurred due to material breach of contractual representations and warranties.

The following table presents the carrying amounts of our assets that relate to our continuing involvement with forward loans that we have transferred with servicing rights retained as well as our maximum exposure to loss including the UPB of the transferred loans at the dates indicated:

	September 30, 2017	December 31, 2016
Carrying value of assets:		
Mortgage servicing rights, at amortized cost	\$ 98,314	\$ 94,492
Mortgage servicing rights, at fair value	224	233
Advances and match funded advances	53,683	37,336
UPB of loans transferred	11,905,357	10,485,697
Maximum exposure to loss	\$ 12,057,578	\$ 10,617,758

At September 30, 2017 and December 31, 2016, 7.7% and 7.6%, respectively, of the transferred residential loans that we service were 60 days or more past due.

Transfers of Reverse Mortgages

We are an approved issuer of Ginnie Mae Home Equity Conversion Mortgage-Backed Securities (HMBS) that are guaranteed by Ginnie Mae. We originate Home Equity Conversion Mortgages (HECM, or reverse mortgages) that are insured by the FHA. We pool the loans into HMBS that we sell into the secondary market with servicing rights retained or we sell the loans to third parties with servicing rights released. We have determined that loan transfers in the HMBS program do not meet the definition of a participating interest because of the servicing requirements in the product that require the issuer/servicer to absorb some level of interest rate risk, cash flow timing risk and incidental credit risk. As a result, the transfers of the HECM loans do not qualify for sale accounting, and therefore, we account for these transfers as financings. Under this accounting treatment, the HECM loans are classified as Loans held for investment - Reverse mortgages, at fair value, on our unaudited consolidated balance sheets. We record the proceeds from the transfer of assets as secured borrowings (HMBS-related borrowings) in Financing liabilities and recognize no gain or loss on the transfer. Holders of participating interests in the HMBS have no recourse against the assets of Ocwen, except with respect to standard representations and warranties and our contractual obligation to service the HECM loans and the HMBS.

We measure the HECM loans and HMBS-related borrowings at fair value on a recurring basis. The changes in fair value of the HECM loans and HMBS-related borrowings are included in Other revenues in our unaudited consolidated statements of operations. Included in net fair value gains on the HECM loans and related HMBS borrowings are the interest income that we expect to be collected on the HECM loans and the interest expense that we expect to be paid on the HMBS-related borrowings.

We report originations and collections of HECM loans in investing activities in the unaudited consolidated statements of cash flows. We report net fair value gains on HECM loans and the related HMBS borrowings as an adjustment to the net cash provided by or used in operating activities in the unaudited consolidated statements of cash flows. Proceeds from securitizations of HECM loans and payments on HMBS-related borrowings are included in financing activities in the unaudited consolidated statements of cash flows.

At September 30, 2017 and December 31, 2016, HMBS-related borrowings of \$4.4 billion and \$3.4 billion were outstanding. Loans held for investment, at fair value were \$4.5 billion and \$3.6 billion at September 30, 2017 and December 31, 2016, respectively. At September 30, 2017 and December 31, 2016, Loans held for investment included \$39.2 million and \$81.3 million, respectively, of originated loans which had not yet been pledged as collateral. See Note 3 – Fair Value and Note 11 – Borrowings for additional information on HMBS-related borrowings and Loans held for investment - Reverse mortgages.

Financings of Advances on Loans Serviced for Others

Match funded advances on loans serviced for others result from our transfers of residential loan servicing advances to SPEs in exchange for cash. We consolidate these SPEs because we have determined that Ocwen is the primary beneficiary of the SPE. These SPEs issue debt supported by collections on the transferred advances, and we refer to this debt as Match funded liabilities.

We make the transfers to these SPEs under the terms of our advance financing facility agreements. We classify the transferred advances on our unaudited consolidated balance sheets as a component of Match funded assets and the related liabilities as Match funded liabilities. The SPEs use collections of the pledged advances to repay principal and interest and to pay the expenses of the SPE. Holders of the debt issued by these entities have recourse only to the assets of the SPE for satisfaction of the debt. The assets and liabilities of the advance financing SPEs are comprised solely of Match funded advances, Debt service accounts, Match funded liabilities and amounts due to affiliates. Amounts due to affiliates are eliminated in consolidation in our unaudited consolidated balance sheets.

Financings of Automotive Dealer Financing Notes

Match funded automotive dealer financing notes result from our transfers of short-term, inventory-secured loans to car dealers to an SPE in exchange for cash. We consolidate this SPE because we have determined that Ocwen is the primary beneficiary of the SPE. The SPE issues debt supported by collections on the transferred loans.

We make the transfers to the SPE under the terms of our automotive capital asset receivables financing facility agreements. We classify the transferred loans on our unaudited consolidated balance sheets as a component of Match funded assets and the related liabilities as Match funded liabilities. The SPE uses collections of the pledged loans to repay principal and interest and to pay the expenses of the SPE. Holders of the debt issued by the SPE have recourse only to the assets of the SPE for satisfaction of the debt. The assets and liabilities of the automotive capital asset receivables financing SPE are comprised solely of Match funded automotive dealer financing notes, Debt service accounts, Match funded liabilities and amounts due to affiliates. Amounts due to affiliates are eliminated in consolidation in our unaudited consolidated balance sheets.

Note 3 – Fair Value

Fair value is estimated based on a hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs are inputs that reflect the assumptions that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy prioritizes the inputs to valuation techniques into three broad levels whereby the highest priority is given to Level 1 inputs and the lowest to Level 3 inputs.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

We classify assets in their entirety based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts and the estimated fair values of our financial instruments and certain of our nonfinancial assets measured at fair value on a recurring or non-recurring basis or disclosed, but not carried, at fair value are as follows at the dates indicated:

	Level	September 30, 2017		December 31, 2016	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:					
Loans held for sale:					
Loans held for sale, at fair value (a)	2	\$ 200,438	\$ 200,438	\$ 284,632	\$ 284,632
Loans held for sale, at lower of cost or fair value (b)	3	23,224	23,224	29,374	29,374
Total Loans held for sale		\$ 223,662	\$ 223,662	\$ 314,006	\$ 314,006
Loans held for investment (a)	3	\$ 4,459,760	\$ 4,459,760	\$ 3,565,716	\$ 3,565,716
Advances (including match funded) (c)	3	1,405,816	1,405,816	1,709,846	1,709,846
Automotive dealer financing notes (including match funded) (c)	3	36,036	38,578	33,224	33,147
Receivables, net (c)	3	231,514	231,514	265,720	265,720
Mortgage-backed securities, at fair value (a)	3	9,327	9,327	8,342	8,342
U.S. Treasury notes (a)	1	1,575	1,575	2,078	2,078
Financial liabilities:					
Match funded liabilities (c)	3	\$ 1,028,016	\$ 1,023,241	\$ 1,280,997	\$ 1,275,059
Financing liabilities:					
HMBS-related borrowings, at fair value (a)	3	\$ 4,358,277	\$ 4,358,277	\$ 3,433,781	\$ 3,433,781
Financing liability - MSRs pledged, at fair value (a)	3	447,843	447,843	477,707	477,707
Other (c)	3	89,138	68,615	101,324	81,805
Total Financing liabilities		\$ 4,895,258	\$ 4,874,735	\$ 4,012,812	\$ 3,993,293
Other secured borrowings:					
Senior secured term loan (c) (d)	2	\$ 313,316	\$ 322,238	\$ 323,514	\$ 327,674
Other (c)	3	231,273	231,273	355,029	355,029
Total Other secured borrowings		\$ 544,589	\$ 553,511	\$ 678,543	\$ 682,703
Senior notes:					
Senior unsecured notes (c) (d)	2	\$ 3,122	\$ 2,997	\$ 3,094	\$ 3,048
Senior secured notes (c) (d)	2	344,079	340,808	343,695	352,255
Total Senior notes		\$ 347,201	\$ 343,805	\$ 346,789	\$ 355,303
Derivative financial instruments assets (liabilities), at fair value (a):					
Interest rate lock commitments	2	\$ 4,969	\$ 4,969	\$ 6,507	\$ 6,507
Forward mortgage-backed securities	1	973	973	(614)	(614)
Interest rate caps	3	1,839	1,839	1,836	1,836

	Level	September 30, 2017		December 31, 2016	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Mortgage servicing rights:					
Mortgage servicing rights, at fair value (a)	3	\$ 598,147	\$ 598,147	\$ 679,256	\$ 679,256
Mortgage servicing rights, at amortized cost (c) (e)	3	346,161	424,208	363,722	467,911
Total Mortgage servicing rights		\$ 944,308	\$ 1,022,355	\$ 1,042,978	\$ 1,147,167

(a) Measured at fair value on a recurring basis.

(b) Measured at fair value on a non-recurring basis.

(c) Disclosed, but not carried, at fair value.

(d) The carrying values are net of unamortized debt issuance costs and discount. See Note 11 – Borrowings for additional information.

(e) Balances include the impaired government-insured stratum of amortization method MSRs, which is measured at fair value on a non-recurring basis and reported net of the valuation allowance. Before applying the valuation allowance of \$26.6 million, the carrying value of the impaired stratum at September 30, 2017 was \$163.5 million. At December 31, 2016, the carrying value of this stratum was \$172.9 million before applying the valuation allowance of \$28.2 million.

The following tables present a reconciliation of the changes in fair value of Level 3 assets and liabilities that we measure at fair value on a recurring basis:

	Loans Held for Investment - Reverse Mortgages	HMBS-Related Borrowings	Mortgage-Backed Securities	Financing Liability - MSRs Pledged	Derivatives	MSRs	Total
Three months ended September 30, 2017							
Beginning balance	\$ 4,223,776	\$ (4,061,626)	\$ 8,986	\$ (441,007)	\$ 1,937	\$ 625,650	\$ 357,716
Purchases, issuances, sales and settlements:							
Purchases	—	—	—	—	655	—	655
Issuances	263,169	(317,277)	—	(54,601)	—	(715)	(109,424)
Sales	—	—	—	—	—	(311)	(311)
Transfers to Real estate (Other assets)	88	—	—	—	—	—	88
Settlements (1)	(118,991)	111,677	—	19,770	(403)	—	12,053
	144,266	(205,600)	—	(34,831)	252	(1,026)	(96,939)
Total realized and unrealized gains (losses) included in earnings	91,718	(91,051)	341	27,995	(350)	(26,477)	2,176
Transfers in and / or out of Level 3	—	—	—	—	—	—	—
Ending balance	\$ 4,459,760	\$ (4,358,277)	\$ 9,327	\$ (447,843)	\$ 1,839	\$ 598,147	\$ 262,953

	Loans Held for Investment - Reverse Mortgages	HMBS-Related Borrowings	Mortgage-Backed Securities	Financing Liability - MSRs Pledged	Derivatives	MSRs	Total
Three months ended September 30, 2016							
Beginning balance	\$ 3,057,564	\$ (2,935,928)	\$ 9,063	\$ (495,126)	\$ 200	\$ 700,668	\$ 336,441
Purchases, issuances, sales and settlements:							
Purchases	—	—	—	—	638	—	638
Issuances	509,900	(297,457)	—	—	—	(50)	212,393
Sales	—	—	—	—	—	(5)	(5)
Settlements (1)	(289,428)	63,119	—	594	—	—	(225,715)
	<u>220,472</u>	<u>(234,338)</u>	<u>—</u>	<u>594</u>	<u>638</u>	<u>(55)</u>	<u>(12,689)</u>
Total realized and unrealized gains (losses) included in earnings	61,605	(54,344)	(23)	—	(45)	(4,505)	2,688
Transfers in and / or out of Level 3	—	—	—	—	—	—	—
Ending balance	\$ 3,339,641	\$ (3,224,610)	\$ 9,040	\$ (494,532)	\$ 793	\$ 696,108	\$ 326,440
	Loans Held for Investment - Reverse Mortgages	HMBS-Related Borrowings	Mortgage-backed Securities	Financing Liability - MSRs Pledged	Derivatives	MSRs	Total
Nine months ended September 30, 2017							
Beginning balance	\$ 3,565,716	\$ (3,433,781)	\$ 8,342	\$ (477,707)	\$ 1,836	\$ 679,256	\$ 343,662
Purchases, issuances, sales and settlements:							
Purchases	—	—	—	—	655	—	655
Issuances	961,642	(981,730)	—	(54,601)	—	(2,131)	(76,820)
Sales	—	—	—	—	—	(541)	(541)
Transfers to Real estate (Other assets)	(1,335)	—	—	—	—	—	(1,335)
Settlements (1)	(311,560)	287,908	—	52,963	(445)	—	28,866
	<u>648,747</u>	<u>(693,822)</u>	<u>—</u>	<u>(1,638)</u>	<u>210</u>	<u>(2,672)</u>	<u>(49,175)</u>
Total realized and unrealized gains (losses) included in earnings (2)	245,297	(230,674)	985	31,502	(207)	(78,437)	(31,534)
Transfers in and / or out of Level 3	—	—	—	—	—	—	—
Ending Balance	\$ 4,459,760	\$ (4,358,277)	\$ 9,327	\$ (447,843)	\$ 1,839	\$ 598,147	\$ 262,953

Nine months ended September 30, 2016	Loans Held for Investment - Reverse Mortgages	HMBS-Related Borrowings	Mortgage-backed Securities	Financing Liability - MSRs Pledged	Derivatives	MSRs	Total
Beginning balance	\$ 2,488,253	\$ (2,391,362)	\$ 7,985	\$ (541,704)	\$ 2,042	\$ 761,190	\$ 326,404
Purchases, issuances, sales and settlements:							
Purchases	—	—	—	—	782	—	782
Issuances	1,185,565	(820,438)	—	—	—	(1,325)	363,802
Sales	—	—	—	—	—	(148)	(148)
Settlements (1)	(528,263)	161,995	—	47,172	(81)	—	(319,177)
	657,302	(658,443)	—	47,172	701	(1,473)	45,259
Total realized and unrealized gains (losses) included in earnings (2)	194,086	(174,805)	1,055	—	(1,950)	(63,609)	(45,223)
Transfers in and / or out of Level 3	—	—	—	—	—	—	—
Ending balance	\$ 3,339,641	\$ (3,224,610)	\$ 9,040	\$ (494,532)	\$ 793	\$ 696,108	\$ 326,440

(1) Settlements for Loans held for investment - reverse mortgages consist chiefly of principal payments received, but also may include non-cash settlements of loans.

(2) Total losses attributable to derivative financial instruments still held at September 30, 2017 and September 30, 2016 were \$0.2 million and \$0.5 million for the nine months ended September 30, 2017 and 2016, respectively. Total losses attributable to MSRs still held at September 30, 2017 and September 30, 2016 were \$78.4 million and \$62.4 million for the nine months ended September 30, 2017 and 2016, respectively.

The methodologies that we use and key assumptions that we make to estimate the fair value of financial instruments and other assets and liabilities measured at fair value on a recurring or non-recurring basis and those disclosed, but not carried, at fair value are described below.

Loans Held for Sale

We originate and purchase residential mortgage loans that we intend to sell. We also own residential mortgage loans that are not eligible to be sold to the GSEs due to delinquency or other factors. Residential forward and reverse mortgage loans that we intend to sell are carried at fair value as a result of a fair value election. Such loans are subject to changes in fair value due to fluctuations in interest rates from the closing date through the date of the sale of the loan into the secondary market. These loans are classified within Level 2 of the valuation hierarchy because the primary component of the price is obtained from observable values of mortgage forwards for loans of similar terms and characteristics. We have the ability to access this market, and it is the market into which conventional and government-insured mortgage loans are typically sold.

We repurchase certain loans from Ginnie Mae guaranteed securitizations in connection with loan modifications and loan resolution activity as part of our contractual obligations as the servicer of the loans. These loans are classified as loans held for sale at the lower of cost or fair value, in the case of modified loans, as we expect to redeliver (sell) the loans to new Ginnie Mae guaranteed securitizations. The fair value of these loans is estimated using published forward Ginnie Mae prices. Loans repurchased in connection with loan resolution activities are modified or otherwise remediated through loss mitigation activities or are reclassified to receivables. Because these loans are insured or guaranteed by the FHA or VA, the fair value of these loans represents the net recovery value taking into consideration the insured or guaranteed claim.

For all other loans held for sale, which we report at the lower of cost or fair value, market illiquidity has reduced the availability of observable pricing data. When we enter into an agreement to sell a loan or pool of loans to an investor at a set price, we value the loan or loans at the commitment price. We base the fair value of uncommitted loans on the expected future cash flows discounted at a rate commensurate with the risk of the estimated cash flows.

Loans Held for Investment

We measure these loans at fair value. For transferred reverse mortgage loans that do not qualify as sales for accounting purposes, we base the fair value on the expected future cash flows discounted over the expected life of the loans at a rate commensurate with the risk of the estimated cash flows. Significant assumptions include expected prepayment and delinquency rates and cumulative loss curves. The discount rate assumption for these assets is primarily based on an assessment of current market yields on newly originated reverse mortgage loans, expected duration of the asset and current market interest rates.

The more significant assumptions included in the valuations consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Life in years		
Range	6.1 to 6.9	5.5 to 8.7
Weighted average	6.4	6.1
Conditional repayment rate		
Range	5.7% to 53.8%	5.2% to 53.8%
Weighted average	12.9%	20.9%
Discount rate	2.7%	3.3%

Significant increases or decreases in any of these assumptions in isolation could result in a significantly lower or higher fair value, respectively. The effects of changes in the assumptions used to value the loans held for investment are largely offset by the effects of changes in the assumptions used to value the HMBS-related borrowings that are associated with these loans.

Mortgage Servicing Rights

The significant components of the estimated future cash inflows for MSRs include servicing fees, late fees, float earnings and other ancillary fees. Significant cash outflows include the cost of servicing, the cost of financing servicing advances and compensating interest payments.

Third-party valuation experts generally utilize: (a) transactions involving instruments with similar collateral and risk profiles, adjusted as necessary based on specific characteristics of the asset or liability being valued; and/or (b) industry-standard modeling, such as a discounted cash flow model, in arriving at their estimate of fair value. The prices provided by the valuation experts reflect their observations and assumptions related to market activity, including risk premiums and liquidity adjustments. The models and related assumptions used by the valuation experts are owned and managed by them and, in many cases, the significant inputs used in the valuation techniques are not reasonably available to us. However, we have an understanding of the processes and assumptions used to develop the prices based on our ongoing due diligence, which includes regular discussions with the valuation experts. We believe that the procedures executed by the valuation experts, supported by our verification and analytical procedures, provide reasonable assurance that the prices used in our unaudited consolidated financial statements comply with the accounting guidance for fair value measurements and disclosures and reflect the assumptions that a market participant would use.

We evaluate the reasonableness of our third-party experts' assumptions using historical experience adjusted for prevailing market conditions. Assumptions used in the valuation of MSRs include:

- Mortgage prepayment speeds
- Cost of servicing
- Discount rate
- Interest rate used for computing the cost of financing servicing advances
- Delinquency rates
- Interest rate used for computing float earnings
- Compensating interest expense
- Collection rate of other ancillary fees

Amortized Cost MSRs

We estimate the fair value of MSRs carried at amortized cost using a process that involves either actual sale prices obtained or the use of independent third-party valuation experts, supported by commercially available discounted cash flow models and analysis of current market data. To provide greater price transparency to investors, we disclose actual Ocwen sale prices for orderly transactions where available in lieu of third-party valuations.

The more significant assumptions used in the valuations consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Weighted average prepayment speed	9.5%	8.9%
Weighted average delinquency rate	12.0%	11.1%
Advance financing cost	5-year swap	5-year swap
Interest rate for computing float earnings	5-year swap	5-year swap
Weighted average discount rate	9.2%	8.9%
Weighted average cost to service (in dollars)	\$ 99	\$ 108

We perform an impairment analysis based on the difference between the carrying amount and fair value after grouping the underlying loans into the applicable strata. Our strata are defined as conventional and government-insured.

Fair Value MSR's

MSR's carried at fair value are classified within Level 3 of the valuation hierarchy. The fair value is equal to the mid-point of the range of prices provided by third-party valuation experts, without adjustment, except in the event we have a potential or completed Ocwen sale, including transactions where we have executed letters of intent, in which case the fair value of the MSR's is disclosed at the estimated sale price. Fair value reflects actual Ocwen sale prices for orderly transactions where available in lieu of independent third-party valuations. Our valuation process includes discussions of bid pricing with the third-party valuation experts and presumably are contemplated along with other market-based transactions in their model validation.

A change in the valuation inputs utilized by the valuation experts might result in a significantly higher or lower fair value measurement. Changes in market interest rates tend to impact the fair value for Agency MSR's via prepayment speeds by altering the borrower refinance incentive and the non-Agency MSR's via a market rate indexed cost of advance funding. Other key assumptions used in the valuation of these MSR's include delinquency rates and discount rates.

The primary assumptions used in the valuations consisted of the following at the dates indicated:

	September 30, 2017		December 31, 2016	
	Agency	Non-Agency	Agency	Non-Agency
Weighted average prepayment speed	8.8%	16.5%	8.4%	16.5%
Weighted average delinquency rate	0.7%	29.7%	1.0%	29.3%
Advance financing cost	5-year swap	5-yr swap plus 2.75%	5-year swap	1-Month LIBOR (1ML) plus 3.5%
Interest rate for computing float earnings	5-year swap	5-yr swap minus .50%	5-year swap	1ML
Weighted average discount rate	9.0%	12.6%	9.0%	14.9%
Weighted average cost to service (in dollars)	\$ 63	\$ 312	\$ 64	\$ 307

Advances

We value advances at their net realizable value, which generally approximates fair value, because advances have no stated maturity, are generally realized within a relatively short period of time and do not bear interest.

Receivables

The carrying value of receivables generally approximates fair value because of the relatively short period of time between their origination and realization.

Automotive Dealer Financing Notes

We estimate the fair value of our automotive dealer financing notes using unobservable inputs within an internally developed cash flow model. Key inputs included projected repayments, interest and fee receipts, deferrals, delinquencies, recoveries and charge-offs of the notes within the portfolio. The projected cash flows are then discounted at a rate commensurate with the risk of the estimated cash flows to derive the fair value of the portfolio. The more significant assumptions used in the valuation consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Weighted average life in months	2.2	2.7
Average note rate	8.3%	8.3%
Discount rate	10.0%	10.0%
Loan loss rate	19.2%	11.3%

Mortgage-Backed Securities (MBS)

Our subordinate and residual securities are not actively traded, and therefore, we estimate the fair value of these securities based on the present value of expected future cash flows from the underlying mortgage pools. We use our best estimate of the key assumptions we believe are used by market participants. We calibrate our internally developed discounted cash flow models for trading activity when appropriate to do so in light of market liquidity levels. Key inputs include expected prepayment rates, delinquency and cumulative loss curves and discount rates commensurate with the risks. Where possible, we use observable inputs in the valuation of our securities. However, the subordinate and residual securities in which we have invested trade infrequently and therefore have few or no observable inputs and little price transparency. Additionally, during periods of market dislocation, the observability of inputs is further reduced. Changes in the fair value of our investment in subordinate and residual securities are recognized in Other, net in the unaudited consolidated statements of operations.

Discount rates for the subordinate and residual securities are determined based upon an assessment of prevailing market conditions and prices for similar assets. We project the delinquency, loss and prepayment assumptions based on a comparison to actual historical performance curves adjusted for prevailing market conditions.

U.S. Treasury Notes

We base the fair value of U.S. Treasury notes on quoted prices in active markets to which we have access.

Match Funded Liabilities

For match funded liabilities that bear interest at a rate that is adjusted regularly based on a market index, the carrying value approximates fair value. For match funded liabilities that bear interest at a fixed rate, we determine fair value by discounting the future principal and interest repayments at a market rate commensurate with the risk of the estimated cash flows. We estimate principal repayments of match funded advance liabilities during the amortization period based on our historical advance collection rates and taking into consideration any plans to refinance the notes.

Financing Liabilities

HMBS-Related Borrowings

We have elected to measure these borrowings at fair value. We recognize the proceeds from the transfer of reverse mortgages as a secured borrowing that we account for at fair value. These borrowings are not actively traded, and therefore, quoted market prices are not available. We determine fair value by discounting the future principal and interest repayments over the estimated life of the borrowing at a market rate commensurate with the risk of the estimated cash flows. Significant assumptions include prepayments, discount rate and borrower mortality rates for reverse mortgages. The discount rate assumption for these liabilities is based on an assessment of current market yields for newly issued HMBS, expected duration and current market interest rates.

The more significant assumptions used in the valuations consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Life in years		
Range	6.1 to 6.9	4.5 to 8.7
Weighted average	6.4	5.1
Conditional repayment rate		
Range	5.7% to 53.8%	5.2% to 53.8%
Weighted average	12.9%	20.9%
Discount rate	2.6%	2.7%

Significant increases or decreases in any of these assumptions in isolation would result in a significantly higher or lower fair value.

MSRs Pledged

We have elected to measure these borrowings at fair value. We recognize the proceeds received in connection with Rights to MSRs transactions as a secured borrowing that we account for at fair value. Fair value for the portion of the borrowing attributable to the MSRs underlying the Rights to MSRs is determined using the mid-point of the range of prices provided by third-party valuation experts. Fair value for the portion of the borrowing attributable to any lump sum payments received in connection with the transfer of MSRs underlying such Rights to MSRs to the extent such transfer is accounted for as a financing is determined by discounting the relevant future cash flows that were altered through such transfer using assumptions consistent with the mid-point of the range of prices provided by third-party valuation experts for the related MSR. Since we have elected fair value for our portfolio of non-Agency MSRs, future fair value changes in the Financing Liability - MSRs Pledged will be partially offset by changes in the fair value of the related MSRs. See Note 8 — Rights to MSRs for additional information.

The more significant assumptions used in determination of the prices of the underlying MSRs consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Weighted average prepayment speed	17.0%	17.0%
Weighted average delinquency rate	30.5%	29.8%
Advance financing cost	5-yr swap plus 2.75%	1ML plus 3.5%
Interest rate for computing float earnings	5-yr swap minus .50%	1ML
Weighted average discount rate	13.3%	14.9%
Weighted average cost to service (in dollars)	\$ 320	\$ 313

Significant increases or decreases in these assumptions in isolation would result in a significantly higher or lower fair value.

Secured Notes

We issued Ocwen Asset Servicing Income Series (OASIS), Series 2014-1 Notes secured by Ocwen-owned MSRs relating to Freddie Mac mortgages. We accounted for this transaction as a financing. We determine the fair value based on bid prices provided by third parties involved in the issuance and placement of the notes.

Other Secured Borrowings

The carrying value of secured borrowings that bear interest at a rate that is adjusted regularly based on a market index approximates fair value. For other secured borrowings that bear interest at a fixed rate, we determine fair value by discounting the future principal and interest repayments at a market rate commensurate with the risk of the estimated cash flows. For the SSTL, we based the fair value on quoted prices in a market with limited trading activity.

Senior Notes

We base the fair value on quoted prices in a market with limited trading activity.

Derivative Financial Instruments

Interest rate lock commitments (IRLCs) represent an agreement to purchase loans from a third-party originator or an agreement to extend credit to a mortgage applicant (locked pipeline), whereby the interest rate is set prior to funding. IRLCs are classified within Level 2 of the valuation hierarchy as the primary component of the price is obtained from observable values of mortgage forwards for loans of similar terms and characteristics. Fair value amounts of IRLCs are adjusted for expected "fallout" (locked pipeline loans not expected to close) using models that consider cumulative historical fallout rates and other factors.

We enter into forward MBS trades to provide an economic hedge against changes in the fair value of residential forward and reverse mortgage loans held for sale that we carry at fair value. Forward MBS trades are primarily used to fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market. Forward contracts are actively traded in the market and we obtain unadjusted market quotes for these derivatives, thus they are classified within Level 1 of the valuation hierarchy.

In addition, we may use interest rate caps to minimize future interest rate exposure on variable rate debt issued on servicing advance financing facilities from increases in 1ML interest rates. The fair value for interest rate caps is based on counterparty market prices and adjusted for counterparty credit risk.

Note 4 – Loans Held for Sale

Loans Held for Sale - Fair Value

The following table summarizes the activity in the balance:

Nine months ended September 30,	2017	2016
Beginning balance	\$ 284,632	\$ 309,054
Originations and purchases	2,204,028	3,141,205
Proceeds from sales	(2,310,294)	(3,167,640)
Principal collections	(3,684)	(10,995)
Transfers from Loans held for sale - Lower of cost or fair value	—	1,158
Gain on sale of loans	22,131	23,627
Increase in fair value of loans	1,836	990
Other	1,789	4,715
Ending balance (1)	\$ 200,438	\$ 302,114

(1) At September 30, 2017 and 2016, the balances include \$6.7 million and \$13.0 million, respectively, of fair value adjustments.

At September 30, 2017, loans held for sale, at fair value with a UPB of \$190.8 million were pledged as collateral to warehouse lines of credit in our Lending segment.

Loans Held for Sale - Lower of Cost or Fair Value

The following table summarizes the activity in the net balance:

Nine months ended September 30,	2017	2016
Beginning balance	\$ 29,374	\$ 104,992
Purchases	870,697	1,434,059
Proceeds from sales	(746,999)	(1,295,101)
Principal collections	(6,545)	(20,151)
Transfers to Receivables, net	(137,807)	(199,047)
Transfers to Real estate (Other assets)	(711)	(6,434)
Transfers to Loans held for sale - Fair value	—	(1,158)
Gain on sale of loans	8,332	18,259
Decrease in valuation allowance	1,566	4,637
Other	5,317	(2,405)
Ending balance (1)	\$ 23,224	\$ 37,651

- (1) At September 30, 2017 and 2016, the balances include \$17.6 million and \$28.1 million, respectively, of loans that we were required to repurchase from Ginnie Mae guaranteed securitizations as part of our servicing obligations. Repurchased loans are modified or otherwise remediated through loss mitigation activities or are reclassified to receivables.

The changes in the valuation allowance are as follows:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Beginning balance	\$ 6,491	\$ 15,933	\$ 10,064	\$ 14,658
Provision	906	(63)	1,761	2,100
Transfer from Liability for indemnification obligations (Other liabilities)	1,529	601	2,416	2,306
Sales of loans	(426)	(6,450)	(6,071)	(8,699)
Other	(2)	—	328	(344)
Ending balance	\$ 8,498	\$ 10,021	\$ 8,498	\$ 10,021

At September 30, 2017, Loans held for sale, at lower of cost or fair value, with a UPB of \$8.2 million were pledged as collateral to a warehouse line of credit in our Servicing segment.

Gain on Loans Held for Sale, Net

The following table summarizes the activity in Gain on loans held for sale, net:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
MSRs retained on transfers of forward loans	\$ 3,572	\$ 9,826	\$ 18,604	\$ 25,312
Fair value gains related to transfers of reverse mortgage loans, net	15,747	32,627	37,434	16,868
Gain on sale of repurchased Ginnie Mae loans	4,577	6,917	8,332	19,879
Other gains (losses) related to loans held for sale, net	6,730	(8,663)	19,635	15,673
Gain on sales of loans, net	30,626	40,707	84,005	77,732
Change in fair value of IRLCs	(178)	(2,523)	(1,605)	4,148
Change in fair value of loans held for sale	(2,078)	(8,226)	3,735	13,486
Loss on economic hedge instruments	(2,420)	(4,051)	(8,604)	(25,677)
Other	(173)	(262)	(555)	(615)
	\$ 25,777	\$ 25,645	\$ 76,976	\$ 69,074

Note 5 – Advances

Advances, net, which represent payments made on behalf of borrowers or on foreclosed properties, consisted of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Principal and interest	\$ 16,951	\$ 31,334
Taxes and insurance	137,992	170,131
Foreclosures, bankruptcy and other	77,172	94,369
Allowance for losses	(34,162)	(37,952)
	\$ 197,953	\$ 257,882

Advances at September 30, 2017 and December 31, 2016 include \$20.6 million and \$29.0 million, respectively, of previously sold advances in connection with sales of loans that did not qualify for sale accounting.

The following table summarizes the activity in net advances:

Nine months ended September 30,	2017	2016
Beginning balance	\$ 257,882	\$ 444,298
Sales of advances	(399)	(24,572)
Collections of advances, charge-offs and other, net	(63,320)	(125,701)
Decrease (increase) in allowance for losses	3,790	(5,011)
Ending balance	\$ 197,953	\$ 289,014

The changes in the allowance for losses are as follows:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Beginning balance	\$ 20,328	\$ 39,441	\$ 37,952	\$ 41,901
Provision (1)	13,756	(6,865)	17,054	581
Recoveries (Charge-offs), net and other	78	14,336	(20,844)	4,430
Ending balance	\$ 34,162	\$ 46,912	\$ 34,162	\$ 46,912

(1) The provision for the three months ended September 30, 2017 increased in connection with re-performing government-insured loans for which certain advances are no longer recoverable.

Note 6 – Match Funded Assets

Match funded assets are comprised of the following at the dates indicated:

	September 30, 2017	December 31, 2016
Advances:		
Principal and interest	\$ 574,175	\$ 711,272
Taxes and insurance	445,692	530,946
Foreclosures, bankruptcy, real estate and other	187,996	209,746
	1,207,863	1,451,964
Automotive dealer financing notes (1)	36,036	—
	\$ 1,243,899	\$ 1,451,964

(1) In 2017, we entered into loan agreements under a new automotive dealer loan financing facility to which these notes are pledged.

The following table summarizes the activity in match funded assets:

Nine months ended September 30,	2017		2016
	Advances	Automotive Dealer Financing Notes	Advances
Beginning balance	\$ 1,451,964	\$ —	\$ 1,706,768
Transfer from Other assets	—	25,180	—
Sales	(691)	—	(7,757)
New advances/notes (Collections of pledged assets), net	(243,410)	10,856	(164,689)
Ending balance	\$ 1,207,863	\$ 36,036	\$ 1,534,322

Note 7 – Mortgage Servicing

Mortgage Servicing Rights – Amortization Method

The following table summarizes changes in the net carrying value of servicing assets that we account for using the amortization method:

Nine months ended September 30,	2017	2016
Beginning balance	\$ 363,722	\$ 377,379
Additions recognized in connection with asset acquisitions	1,658	15,968
Additions recognized on the sale of mortgage loans	18,604	26,494
Sales and other transfers	(814)	(23,521)
	<u>383,170</u>	<u>396,320</u>
Amortization (1)	(38,560)	(18,595)
Decrease (increase) in impairment valuation allowance (2)	1,551	(37,164)
Ending balance	<u>\$ 346,161</u>	<u>\$ 340,561</u>
Estimated fair value at end of period	<u>\$ 424,208</u>	<u>\$ 357,817</u>

- (1) During 2016, principally in the third quarter, we participated in HUD's Aged Delinquent Portfolio Loan Sale (ADPLS) program, which accelerates FHA insurance claims for a population of significantly delinquent FHA loans. The expedited claim filing process allows a servicer to reduce significantly its standard claim losses on accepted loans by shortening the servicing timeline and related expenses, some of which are not reimbursed by FHA insurance. Our participation required that we recognize \$23.1 million of life-to-date losses on the claims filed in the third quarter of 2016. This loss is reported in Servicing and origination expense in the unaudited consolidated statements of operations. Because the MSR's related to the loans that were assigned to HUD had negative carrying values, our recognition of the losses on the loans reduced the negative carrying value of the MSR's, thereby generating negative amortization expense for this population of MSR's. In the third quarter of 2016, this ADPLS-related negative amortization expense of \$18.1 million exceeded the positive amortization expense on the remaining MSR's, generating net negative amortization for the quarter.
- (2) Impairment of MSR's is recognized in Servicing and origination expense in the unaudited consolidated statements of operations. See Note 3 – Fair Value for additional information regarding impairment and the valuation allowance.

Mortgage Servicing Rights – Fair Value Measurement Method

The following table summarizes changes in the fair value of servicing assets that we account for at fair value on a recurring basis:

Nine months ended September 30,	2017			2016		
	Agency	Non-Agency	Total	Agency	Non-Agency	Total
Beginning balance	\$ 13,357	\$ 665,899	\$ 679,256	\$ 15,071	\$ 746,119	\$ 761,190
Sales and other transfers	—	(2,672)	(2,672)	(3)	(1,471)	(1,474)
Changes in fair value (1):						
Changes in valuation inputs or other assumptions	(131)	2,303	2,172	(4,654)	—	(4,654)
Realization of expected future cash flows and other changes	(1,385)	(79,224)	(80,609)	(1,399)	(57,555)	(58,954)
Ending balance	<u>\$ 11,841</u>	<u>\$ 586,306</u>	<u>\$ 598,147</u>	<u>\$ 9,015</u>	<u>\$ 687,093</u>	<u>\$ 696,108</u>

- (1) Changes in fair value are recognized in Servicing and origination expense in the unaudited consolidated statements of operations.

Because the mortgages underlying these MSRs permit the borrowers to prepay the loans, the value of the MSRs generally tends to diminish in periods of declining interest rates, an improving housing market or expanded product availability (as prepayments increase) and increase in periods of rising interest rates, a deteriorating housing market or reduced product availability (as prepayments decrease). The following table summarizes the estimated change in the value of the MSRs that we carry at fair value as of September 30, 2017 given hypothetical shifts in lifetime prepayments and yield assumptions:

	Adverse change in fair value	
	10%	20%
Weighted average prepayment speeds	\$ (59,993)	\$ (121,587)
Discount rate (option-adjusted spread)	(10,383)	(20,807)

The sensitivity analysis measures the potential impact on fair values based on hypothetical changes, which in the case of our portfolio at September 30, 2017 are increased prepayment speeds and a decrease in the yield assumption.

Portfolio of Assets Serviced

The following table presents the composition of our primary servicing and subservicing portfolios by type of property serviced as measured by UPB. The servicing portfolio represents loans for which we own the servicing rights while subservicing represents all other loans. The UPB of assets serviced for others are not included on our unaudited consolidated balance sheets.

	Residential	Commercial	Total
UPB at September 30, 2017			
Servicing	\$ 78,254,463	\$ —	\$ 78,254,463
Subservicing	3,656,197	9,750	3,665,947
NRZ (1)	105,557,658	—	105,557,658
	<u>\$ 187,468,318</u>	<u>\$ 9,750</u>	<u>\$ 187,478,068</u>
UPB at December 31, 2016			
Servicing	\$ 86,049,298	\$ —	\$ 86,049,298
Subservicing	4,330,084	92,933	4,423,017
NRZ (1)	118,712,748	—	118,712,748
	<u>\$ 209,092,130</u>	<u>\$ 92,933</u>	<u>\$ 209,185,063</u>
UPB at September 30, 2016			
Servicing	\$ 89,018,280	\$ —	\$ 89,018,280
Subservicing	4,692,236	151,432	4,843,668
NRZ (1)	123,181,486	—	123,181,486
	<u>\$ 216,892,002</u>	<u>\$ 151,432</u>	<u>\$ 217,043,434</u>

(1) UPB of loans serviced for which the Rights to MSRs have been sold to NRZ, including those subserviced for which third-party consents have been received and the MSRs have been transferred to NRZ.

Residential assets serviced includes foreclosed real estate. Residential assets serviced also includes small-balance commercial assets with a UPB of \$1.0 billion, \$1.4 billion and \$1.5 billion at September 30, 2017, December 31, 2016 and September 30, 2016, respectively. Commercial assets consist of large-balance foreclosed real estate.

During the nine months ended September 30, 2017 and 2016, we sold MSRs with a UPB of \$210.2 million and \$3.6 billion, respectively.

A significant portion of the servicing agreements for our non-Agency servicing portfolio contain provisions where we could be terminated as servicer without compensation upon the failure of the serviced loans to meet certain portfolio delinquency or cumulative loss thresholds. As a result of the economic downturn beginning in 2007 - 2008, the portfolio delinquency and/or cumulative loss threshold provisions have been breached by many private-label securitizations in our non-Agency servicing portfolio. To date, terminations as servicer as a result of a breach of any of these provisions have been minimal.

From time to time, rating agencies will assign an outlook (or a ratings watch) to the rating status of a mortgage servicer. A negative outlook is generally used to indicate that a rating "may be lowered," while a positive outlook is generally used to indicate a rating "may be raised." S&P's servicer ratings outlook for Ocwen is stable in general and its outlook for master servicing is positive. Fitch Ratings changed the servicer ratings Outlook to Negative from Stable on April 25, 2017. Moody's

placed the servicer ratings on Watch for Downgrade on April 24, 2017. The Morningstar ratings were withdrawn on August 8, 2017 at the request of Ocwen. None of these three ratings has subsequently changed since these actions.

Certain of our servicing agreements require that we maintain specified servicer ratings from rating agencies such as Moody's and S&P. Of 3,325 non-Agency servicing agreements, 712 with approximately \$30.8 billion of UPB as of September 30, 2017 have minimum servicer ratings criteria. As a result of our current servicer ratings, termination rights have been triggered in 172 of these non-Agency servicing agreements. This represents approximately \$9.7 billion in UPB as of September 30, 2017, or approximately 7% of our total non-Agency servicing portfolio.

Downgrades in servicer ratings could adversely affect our ability to finance servicing advances and maintain our status as an approved servicer by Fannie Mae and Freddie Mac. The servicer rating requirements of Fannie Mae do not necessarily require or imply immediate action, as Fannie Mae has discretion with respect to whether we are in compliance with their requirements and what actions it deems appropriate under the circumstances in the event that we fall below their desired servicer ratings.

Servicing Revenue

The following table presents the components of servicing and subservicing fees:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Loan servicing and subservicing fees:				
Servicing	\$ 63,071	\$ 74,105	\$ 197,712	\$ 229,686
Subservicing	1,760	2,989	5,877	11,436
NRZ	129,228	159,919	420,151	482,566
	194,059	237,013	623,740	723,688
Late charges	14,958	15,225	47,352	51,301
Home Affordable Modification Program (HAMP) fees	6,202	32,029	37,692	88,141
Loan collection fees	5,663	6,746	17,918	20,860
Other	12,338	11,222	34,821	23,003
	\$ 233,220	\$ 302,235	\$ 761,523	\$ 906,993

Float balances (balances in custodial accounts, which represent collections of principal and interest that we receive from borrowers) are held in escrow by an unaffiliated bank and are excluded from our unaudited consolidated balance sheets. Float balances amounted to \$2.0 billion and \$2.6 billion at September 30, 2017 and September 30, 2016, respectively.

Note 8 — Rights to MSRs

In 2012 and 2013, we sold Rights to MSRs with respect to certain non-Agency MSRs and the related servicing advances to Home Loan Servicing Solutions, Ltd. (HLSS), an indirect wholly-owned subsidiary of NRZ. We refer to the sale of Rights to MSRs and the related servicing advances as the NRZ/HLSS Transactions, and to the 2012 and 2013 agreements as the 2012 - 2013 Agreements. While certain underlying economics of the MSRs were transferred, legal title was retained by Ocwen, causing the Rights to MSRs transactions to be accounted for as secured financings. We continue to recognize the MSRs and related financing liability on our consolidated balance sheet as well as the full amount of servicing revenue and changes in the fair value of the MSRs and related financing liability in our consolidated statements of operations.

In April 2015, Ocwen agreed, as part of an amendment to the 2012 - 2013 Agreements, to sell all economic beneficial rights to the "clean-up call rights" to which we are entitled pursuant to servicing agreements that underlie the Rights to MSRs to NRZ for a payment upon exercise of 0.50% of the UPB of all performing mortgage loans (mortgage loans that are current or 30 days or less delinquent) associated with such clean-up call. Clean-up call rights generally allow a servicer or master servicer to purchase the remaining mortgage loans and REO out of a securitization, after the stated principal balance of such mortgage loans in the securitization falls below a specified percentage (generally equal to or lower than 10% of the original balance), for a price generally equal to the outstanding balance of such mortgage loans plus interest and certain other amounts. We received \$0.8 million and \$5.5 million and \$1.3 million and \$2.4 million during the three and nine months ended September 30, 2017 and 2016, respectively, from NRZ in connection with such clean-up calls.

On July 23, 2017, we entered into a master agreement (Master Agreement), transfer agreement (Transfer Agreement) and subservicing agreement (Subservicing Agreement) (collectively, the 2017 Agreements) pursuant to which the parties agreed to undertake certain actions to facilitate the transfer of the MSRs underlying the Rights to MSRs to NRZ and under which Ocwen will subservice the MSRs for an initial term of five years (Initial Term). Upon obtaining the required third-party consents, and upon transfer of the MSRs, NRZ will pay a lump sum to us, with the amount determined in accordance with the Master

Agreement as of each transfer date. In the event third-party consents are not received by July 23, 2018, or earlier if mutually agreed, any non-transferred MSR may (i) become subject to a new mortgage servicing rights agreement to be negotiated between Ocwen and NRZ, (ii) be acquired by Ocwen or, if Ocwen does not desire or is otherwise unable to purchase, sold to a third party in accordance with the terms of the Master Agreement, or (iii) remain subject to the terms of the 2012 - 2013 Agreements.

The following table provides details of activity related to Rights to MSR transactions:

Nine months ended September 30, 2017

	2017 Agreements		2012 - 2013 Agreements		Financing Liability (1) (2)
	MSR		MSR		
	UPB	Carrying Value	UPB	Carrying Value	
Beginning balance	\$ —	\$ —	\$ 118,712,748	\$ 477,707	\$ (477,707)
Transfers upon receipt of consents	15,872,374	31,253	(15,872,374)	(31,253)	—
Receipt of lump sum payment in connection with transfer of MSRs to NRZ (3)	—	—	—	—	(54,601)
Calls (4)	(134,705)	(322)	(1,132,497)	(4,156)	4,478
Sales and other transfers	—	—	(57,793)	—	—
Changes in fair value (3):					
Changes in valuation inputs or other assumptions	—	(2,444)	—	(1,471)	27,024
Realization of expected future cash flows and other changes	—	(1,459)	—	(52,266)	—
Decrease in impairment valuation allowance	—	—	—	13,769	—
Runoff, settlements and other	(217,048)	—	(11,613,047)	1,529	52,963
Ending balance	\$ 15,520,621	\$ 27,028	\$ 90,037,037	\$ 403,859	\$ (447,843)
Advances		N/A		\$ 2,727,107	

(1) Carried at fair value in accordance with fair value election.

(2) Under ASC 470-50, *Debt - Modifications and Extinguishments*, Ocwen is deemed to have had a significant modification and debt extinguishment in connection with the Rights to MSR secured financing liability. Because the secured financing liability is accounted for at fair value, there was no gain or loss recognized in connection with this debt extinguishment. As permitted by ASC 825-10-25, *Financial Instruments - Recognition - Fair Value Option*, a significant modification of debt is an event that creates a fair value option election date.

(3) The amount of the lump sum payment is based on a contractual schedule that approximates the net present value of the difference in cash flows under the 2017 Agreements versus the 2012 - 2013 Agreements, and was determined based on the weighted average characteristics, such as contractual servicing fee rates and delinquency, of the MSRs underlying the Rights to MSR. The difference between the characteristics of the MSRs underlying the Rights to MSR that are transferred in any period, relative to the weighted average loan characteristics used to determine the lump sum payment, will result in an increase (characteristics of transferred MSRs compare favorably to the weighted average) or decrease (characteristics of transferred MSRs compare unfavorably to the weighted average) in the fair value of the financing liability. The fair value of the portion of the financing liability recognized in connection with the September 1, 2017 transfer declined \$37.6 million primarily due to the transferred MSRs having a contractual servicing fee rate of 33.4 bps as compared to the weighted average of 47.1 bps.

(4) Represents the UPB and carrying value of MSRs in connection with clean-up call rights exercised by NRZ, for MSRs transferred to NRZ under the 2017 Agreements, or by Ocwen at NRZ's direction, for MSRs underlying the 2012 - 2013 Agreements. Ocwen derecognizes the MSRs and the related financing liability upon collapse of the securitization. Income recognized in connection with clean-up calls is reported in other income in our unaudited consolidated statements of operations.

The 2017 Agreements obligate NRZ to a standstill through January 23, 2019, subject to limited exceptions, on exercising rights it may otherwise have under the 2012 - 2013 Agreements to replace Ocwen as servicer of certain MSRs in the event of a termination event with respect to an affected servicing agreement underlying the MSRs resulting from a servicer rating downgrade.

Under the terms of the Subservicing Agreement, in addition to a base servicing fee, Ocwen will continue to receive ancillary income, which primarily includes late fees, HAMP or other loan modification fees and Speedpay® fees. NRZ will

receive all float earnings and deferred servicing fees related to delinquent borrower payments, as well as be entitled to receive all REO-related income including REO referral commissions.

At any time during the Initial Term, NRZ may terminate the Subservicing Agreement for convenience, subject to Ocwen's right to receive a termination fee and proper notice. Following the Initial Term, NRZ may extend the term of the Subservicing Agreement for additional three-month periods by providing proper notice. Following the Initial Term, the Subservicing Agreement can be cancelled by Ocwen on an annual basis. NRZ and Ocwen have the ability to terminate the Subservicing Agreement for cause if certain conditions specified in the Subservicing Agreement occur.

Under the 2012 - 2013 Agreements, the servicing fees payable under the servicing agreements underlying the Rights to MSRs are apportioned between NRZ and us. NRZ retains a fee based on the UPB of the loans serviced, and OLS receives certain fees, including a performance fee based on servicing fees actually paid less an amount calculated based on the amount of servicing advances and the cost of financing those advances.

Due to the length of the Initial Term of the Subservicing Agreement, this transaction does not qualify as a sale and is accounted for as a secured financing. As consents are received and MSRs transfer to NRZ, a new liability is recognized in an amount equal to the lump sum payment Ocwen receives in connection with such transfer. Due diligence and consent-related costs are recorded in Professional services expense as incurred. Changes in the fair value of the financing liability are recognized in Interest expense.

Interest expense related to financing liabilities recorded in connection with the NRZ Transactions is indicated in the table below.

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Servicing fees collected on behalf of NRZ	\$ 129,228	\$ 159,919	\$ 420,151	\$ 482,566
Less: Subservicing fee retained by Ocwen	68,536	87,506	226,483	257,408
Net servicing fees remitted to NRZ	60,692	72,413	193,668	225,158
Less: Reduction (increase) in financing liability				
Changes in fair value	27,024	(807)	27,024	(1,555)
Runoff, settlement and other	19,770	594	52,963	47,172
	<u>\$ 13,898</u>	<u>\$ 72,626</u>	<u>\$ 113,681</u>	<u>\$ 179,541</u>

Interest expense for the nine months ended September 30, 2016 includes \$10.5 million of fees incurred in connection with our agreement to compensate NRZ for certain increased costs associated with its servicing advance financing facilities that were the direct result of a previous downgrade of our S&P servicer rating.

Note 9 – Receivables

	September 30, 2017	December 31, 2016
Servicing:		
Government-insured loan claims, net (1)	\$ 118,113	\$ 133,063
Due from custodial accounts	34,423	44,761
Reimbursable expenses	31,565	29,358
Due from NRZ	11,548	21,837
Other	13,551	27,086
	<u>209,200</u>	<u>256,105</u>
Income taxes receivable	38,666	61,932
Other receivables (2)	46,519	21,125
	<u>294,385</u>	<u>339,162</u>
Allowance for losses (1)	(62,871)	(73,442)
	<u>\$ 231,514</u>	<u>\$ 265,720</u>

(1) At September 30, 2017 and December 31, 2016, the allowance for losses related to receivables of our Servicing business. Allowance for losses related to defaulted FHA or VA insured loans repurchased from Ginnie Mae guaranteed securitizations (government-insured loan claims) at September 30, 2017 and December 31, 2016 were \$48.7 million and \$53.3 million, respectively.

(2) At September 30, 2017, the balance includes \$13.0 million in connection with the recovery of prior legal settlement expenses and \$14.0 million for insurance recovery in connection with accrued legal fees and settlements outstanding at September 30, 2017.

Note 10 – Other Assets

	September 30, 2017	December 31, 2016
Contingent loan repurchase asset (1)	\$ 318,954	\$ 246,081
Debt service accounts	38,753	42,822
Prepaid expenses (2)	33,951	57,188
Prepaid lender fees, net	9,896	9,023
Mortgage backed securities, at fair value	9,327	8,342
Derivatives, at fair value	7,852	9,279
Prepaid income taxes	6,314	8,392
Interest-earning time deposits	5,380	6,454
Real estate	3,700	5,249
Automotive dealer financing notes, net	—	33,224
Other	19,774	12,050
	<u>\$ 453,901</u>	<u>\$ 438,104</u>

(1) With respect to previously transferred Ginnie Mae mortgage loans for which we have the right or the obligation to repurchase under the applicable agreement, we re-recognize the loans in Other assets and a corresponding liability in Other liabilities.

(2) In connection with the sale of Agency MSR in 2015, we placed \$52.9 million in escrow for the payment of representation, warranty and indemnification claims associated with the underlying loans. Prepaid expenses at September 30, 2017 and December 31, 2016 includes the remaining balance of \$20.2 million and \$34.9 million, respectively.

Automotive dealer financing notes represent short-term inventory-secured floor plan loans – provided to independent used car dealerships through our Automotive Capital Services (ACS) venture – that have not been pledged to our automotive dealer loan financing facility. The balance of the notes of \$8.6 million and \$37.6 million are reported net of an allowance of \$8.6 million and \$4.4 million at September 30, 2017 and December 31, 2016, respectively. Changes in the allowance are as follows:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Beginning balance	\$ 9,586	\$ 164	\$ 4,371	\$ 27
Provision	(1,019)	108	4,196	245
Ending balance	<u>\$ 8,567</u>	<u>\$ 272</u>	<u>\$ 8,567</u>	<u>\$ 272</u>

Note 11 – Borrowings

Match Funded Liabilities

Borrowing Type	Maturity (1)	Amortization Date (1)	Available Borrowing Capacity (2)	September 30, 2017		December 31, 2016	
				Weighted Average Interest Rate (3)	Balance	Weighted Average Interest Rate (3)	Balance
Advance Financing Facilities:							
Advance Receivables Backed Notes - Series 2014-VF3 (4)	Aug. 2047	Aug. 2017	\$ —	—%	\$ —	3.12%	\$ 74,394
Advance Receivables Backed Notes - Series 2014-VF4 (4)	Aug. 2048	Aug. 2018	34,366	4.27	70,634	3.12	74,394
Advance Receivables Backed Notes - Series 2015-VF5 (4)	Aug. 2048	Aug. 2018	34,366	4.27	70,634	3.12	74,394
Advance Receivables Backed Notes - Series 2015-T3 (5)	Nov. 2047	Nov. 2017	—	—	—	3.48	400,000
Advance Receivables Backed Notes - Series 2017-T1 (5)	Sep. 2048	Sep. 2018	—	2.64	250,000	—	—
Advance Receivables Backed Notes - Series 2016-T1 (5)	Aug. 2048	Aug. 2018	—	2.77	265,000	2.77	265,000
Advance Receivables Backed Notes - Series 2016-T2 (5)	Aug. 2049	Aug. 2019	—	2.99	235,000	2.99	235,000
Total Ocwen Master Advance Receivables Trust (OMART)			68,732	2.29%	891,268	3.14%	1,123,182
Ocwen Servicer Advance Receivables Trust III (OSART III) - Advance Receivables Backed Notes, Series 2014-VF1 (6)	Dec. 2047	Dec. 2017	23,134	4.41%	51,866	4.03%	63,093
Ocwen Freddie Advance Funding (OFAF) - Advance Receivables Backed Notes, Series 2015-VF1 (7)	Jun. 2048	Jun. 2018	51,274	4.16%	58,726	3.54%	94,722
Total Servicing Advance Financing Facilities			143,140	2.51%	1,001,860	3.21%	1,280,997
Automotive Dealer Loan Financing Facility:							
Loan Series 2017-1	Feb. 2021	Feb. 2019	36,922	6.48%	13,078	—%	—
Loan Series 2017-2	Mar. 2021	Mar. 2019	36,922	6.23	13,078	—	—
Total Automotive Capital Asset Receivables Trust (ACART) (8)			73,844	6.36%	26,156	—%	—
			\$ 216,984	2.61%	\$ 1,028,016	3.21%	\$ 1,280,997

- (1) The amortization date of our facilities is the date on which the revolving period ends under each advance facility note and repayment of the outstanding balance must begin if the note is not renewed or extended. The maturity date is the date on which all outstanding balances must be repaid. In all of our advance facilities, there are multiple notes outstanding. For each note, after the amortization date, all collections that represent the repayment of advances pledged to the facility must be applied to reduce the balance of the note outstanding, and any new advances are ineligible to be financed.
- (2) Borrowing capacity is available to us provided that we have additional eligible collateral to pledge. Collateral may only be pledged to one facility. At September 30, 2017, \$41.9 million of the available borrowing capacity of our advance financing notes could be used based on the amount of eligible collateral that had been pledged.
- (3) 1ML was 1.23% and 0.77% at September 30, 2017 and December 31, 2016, respectively.
- (4) On August 11, 2017, we increased the borrowing capacity of the Series 2014-VF4 and Series 2014-VF5 variable rate notes from \$70.0 million to \$105.0 million. In addition, we voluntarily terminated the Series 2014-VF3 note. There is a ceiling of 125 basis points (bps) for 1ML in determining the interest rate for these notes. Rates on the individual notes are based on 1ML plus a margin of 235 to 635 bps.
- (5) Under the terms of the agreement, we must continue to borrow the full amount of the Series 2016-T1 and Series 2016-T2 fixed-rate term notes until the amortization date. On September 15, 2017, we terminated the Series 2015-T3 note, and we entered into the Series

2017-T1 notes. If there is insufficient collateral to support the level of borrowing, the excess cash proceeds are not distributed to Ocwen but are held by the trustee, and interest expense continues to be based on the full amount of the notes. The Series 2016-T1 and Series 2016-T2 notes have a total borrowing capacity of \$500.0 million. The Series 2017-T1 notes have a borrowing capacity of \$250.0 million. Rates on the individual notes range from 2.4989% to 4.4456%.

- (6) The maximum borrowing capacity under this facility is \$75.0 million. There is a ceiling of 75 bps for 1ML in determining the interest rate for these variable rate notes. Rates on the individual notes are based on the lender's cost of funds plus a margin of 230 to 470 bps.
- (7) The combined borrowing capacity of the Series 2015-VF1 Notes was \$160.0 million at December 31, 2016. Rates on the individual notes are based on 1ML plus a margin of 240 to 480 bps. On June 8, 2017, we negotiated a renewal of this facility through June 7, 2018. As part of this renewal, we reduced the combined borrowing capacity of the Series 2015-VF1 Notes to \$110.0 million with interest computed based on the lender's cost of funds plus a margin of 250 to 500 bps. There is a ceiling of 300 bps for 1ML in determining the interest rate for these variable rate notes.
- (8) We entered into the loan agreements for the Series 2017-1 Notes on February 24, 2017 and for the Series 2017-2 Notes on March 17, 2017. The committed borrowing capacity for each of the Series 2017-1 and Series 2017-2 variable rate notes is \$50.0 million. From time to time, we may request increases in the aggregate maximum borrowing capacity of the facility to \$200.0 million. Rates on the Series 2017-1 notes are based on 1ML plus a margin of 500 bps and rates on the Series 2017-2 notes are based on the lender's cost of funds plus a margin of 500 bps.

Pursuant to the 2012 - 2013 Agreements, NRZ assumed the obligation to fund new servicing advances with respect to the MSRs underlying the Rights to MSRs in the NRZ/HLSS Transactions. We are dependent upon NRZ for funding the servicing advance obligations for Rights to MSRs where we are the servicer. NRZ currently uses advance financing facilities in order to fund a substantial portion of the servicing advances that they are contractually obligated to purchase pursuant to our agreements with them. As of September 30, 2017, we were the servicer on Rights to MSRs sold to NRZ pertaining to approximately \$90.0 billion in UPB and the associated outstanding servicing advances as of such date were approximately \$2.7 billion. Should NRZ's advance financing facilities fail to perform as envisaged or should NRZ otherwise be unable to meet its advance funding obligations, our liquidity, financial condition and business could be materially and adversely affected. As the servicer, we are contractually required under our servicing agreements to make the relevant servicing advances even if NRZ does not perform its contractual obligations to fund those advances. On July 23, 2017, we entered into a series of new agreements with NRZ (the 2017 Agreements) that provide for the conversion of NRZ's existing Rights to MSRs to fully-owned MSRs. See Note 8 — Rights to MSRs for additional information.

In addition, although we are not an obligor or guarantor under NRZ's advance financing facilities, we are a party to certain of the facility documents as the servicer of the underlying loans on which advances are being financed. As the servicer, we make certain representations, warranties and covenants, including representations and warranties in connection with our sale of advances to NRZ.

Financing Liabilities

Borrowings	Collateral	Interest Rate	Maturity	September 30, 2017	December 31, 2016
HMBS-Related Borrowings, at fair value (1)	Loans held for investment	1ML + 264 bps	(1)	\$ 4,358,277	\$ 3,433,781
Other Financing Liabilities:					
Financing liability – MSRs pledged, at fair value					
2012 - 2013 Agreements	MSRs	(2)	(2)	430,887	477,707
2017 Agreements	MSRs	(3)	(3)	16,956	—
				447,843	477,707
Secured Notes, Ocwen Asset Servicing Income Series, Series 2014-1 (4)	MSRs	(4)	Feb. 2028	74,695	81,131
Financing liability – Advances pledged (5)	Advances on loans	(5)	(5)	14,443	20,193
				536,981	579,031
				\$ 4,895,258	\$ 4,012,812

- (1) Represents amounts due to the holders of beneficial interests in Ginnie Mae guaranteed HMBS. The beneficial interests have no maturity dates, and the borrowings mature as the related loans are repaid.

- (2) This financing liability arose in connection with sales proceeds received in 2012 and 2013 as part of the Rights to MSRs transactions with NRZ/HLSS and has no contractual maturity or repayment schedule. The balance of the liability is adjusted each reporting period to its fair value based on the present value of the estimated future cash flows underlying the related MSRs.
- (3) This financing liability arose in connection with the lump sum payment received in September 2017 upon subsequently obtaining the required third-party consents and transfer of legal title of the MSRs related to the Rights to MSRs transactions with NRZ/HLSS in 2012 and 2013. We received a lump sum payment of \$54.6 million as compensation for foregoing certain payments under the 2012 and 2013 agreements. This liability has no contractual maturity or repayment schedule. The balance of the liability is adjusted each reporting period to its fair value based on the present value of the estimated future cash flows. See Note 3 – Fair Value and Note 8 — Rights to MSRs for additional information.
- (4) OASIS noteholders are entitled to receive a monthly payment amount equal to the sum of: (a) the designated servicing fee amount (21 basis points of the UPB of the reference pool of Freddie Mac mortgages); (b) any termination payment amounts; (c) any excess refinance amounts; and (d) the note redemption amounts, each as defined in the indenture supplement for the notes. We accounted for this transaction as a financing. Monthly amortization of the liability is estimated using the proportion of monthly projected service fees on the underlying MSRs as a percentage of lifetime projected fees, adjusted for the term of the security.
- (5) Certain sales of advances did not qualify for sales accounting treatment and were accounted for as a financing. This financing liability has no contractual maturity.

Other Secured Borrowings

Borrowings	Collateral	Interest Rate	Maturity	Available Borrowing Capacity (1)	September 30, 2017	December 31, 2016
SSTL (2)		1ML Euro-dollar rate + 500 bps with a Eurodollar floor of 100 bps	Dec. 2020	\$ —	\$ 322,438	\$ 335,000
Mortgage loan warehouse facilities:						
Repurchase agreement (3)	Loans held for sale (LHFS)	1ML + 200 - 345 bps	Aug. 2018	45,516	41,984	12,370
Master repurchase agreements (4)	LHFS	1ML + 200 bps; 1ML floor of 0.0%	Feb. 2018	—	—	173,543
Participation agreements (5)	LHFS	N/A	Apr. 2018	—	141,800	92,739
Participation agreements (6)	LHFS (reverse mortgages)	1ML + 275 bps; 1ML floor of 300 or 350 bps	Nov. 2017	—	47,489	26,254
Master repurchase agreement (7)	LHFS (reverse mortgages)	1ML + 275 bps; 1ML floor of 25 bps	Jan. 2018	—	—	50,123
				45,516	231,273	355,029
				<u>\$ 45,516</u>	553,711	690,029
Unamortized debt issuance costs - SSTL					(6,045)	(7,612)
Discount - SSTL					(3,077)	(3,874)
					<u>\$ 544,589</u>	<u>\$ 678,543</u>
Weighted average interest rate					5.20%	4.56%

- (1) For our mortgage loan warehouse facilities, available borrowing capacity does not consider the amount of the facility that the lender has extended on an uncommitted basis. Of the borrowing capacity extended on a committed basis, \$29.3 million could be used at September 30, 2017 based on the amount of eligible collateral that had been pledged.
- (2) On December 5, 2016, we entered into an Amended and Restated Senior Secured Term Loan Facility Agreement that established a new SSTL with a borrowing capacity of \$335.0 million and a maturity date of December 5, 2020. We may request increases to the loan amount of up to \$100.0 million in total, with additional increases subject to certain limitations. We are required to make quarterly payments on the SSTL in an amount of \$4.2 million, the first of which was paid on March 31, 2017.

The borrowings under the SSTL are secured by a first priority security interest in substantially all of the assets of Ocwen, OLS and the other guarantors thereunder, excluding among other things, 35% of the capital stock of foreign subsidiaries, securitization assets and equity interests of securitization entities, assets securing permitted funding indebtedness and non-recourse indebtedness, REO assets, servicing agreements where an acknowledgment from the GSE has not been obtained, as well as other customary carve-outs.

- Borrowings bear interest, at the election of Ocwen, at a rate per annum equal to either (a) the base rate (the greatest of (i) the prime rate in effect on such day, (ii) the federal funds rate in effect on such day plus 0.50% and (iii) the one-month Eurodollar rate (1ML)), plus a margin of 4.00% and subject to a base rate floor of 2.00% or (b) the one-month Eurodollar rate, plus a margin of 5.00% and subject to a one-month Eurodollar floor of 1.00%. To date, we have elected option (b) to determine the interest rate.
- (3) \$87.5 million of the maximum borrowing amount of \$137.5 million is available on a committed basis and the remainder is available at the discretion of the lender. Effective January 1, 2018, the committed amount shall be reduced to \$50.0 million. We primarily use this facility to fund the repurchase of certain loans from Ginnie Mae guaranteed securitizations in connection with loan modifications and loan resolution activity as part of our contractual obligations as the servicer of the loans. On August 1, 2017, we entered into an amendment to lower the advance rates under this facility by 3%.
- (4) On August 1, 2017, we elected to voluntarily terminate these agreements.
- (5) Under these participation agreements, the lender provides financing for a combined total of \$250.0 million at the discretion of the lender. The participation agreement allows the lender to acquire a 100% beneficial interest in the underlying mortgage loans. The transaction does not qualify for sale accounting treatment and is accounted for as a secured borrowing. The lender earns the stated interest rate of the underlying mortgage loans while the loans are financed under the participation agreement. On April 25, 2017, the term of these participation agreements was extended to April 30, 2018.
- (6) Under these participation agreements, the lender provides uncommitted reverse mortgage financing for a combined total of \$110.0 million at the discretion of the lender. The participation agreement allows the lender to acquire a 100% beneficial interest in the underlying mortgage loans. The transaction does not qualify for sale accounting treatment and is accounted for as a secured borrowing. The lender earns the stated interest rate of the underlying mortgage loans while the loans are financed under the participation agreement. On October 27, 2017, we renewed one of the agreements through October 12, 2018 and increased the maximum borrowing capacity of the facility from \$50.0 million to \$100.0 million.
- (7) On August 18, 2017, we elected to voluntarily terminate the master repurchase agreement.

Senior Notes

	September 30, 2017	December 31, 2016
6.625% Senior unsecured notes due May 15, 2019	\$ 3,122	\$ 3,122
8.375% Senior secured notes due November 15, 2022	346,878	346,878
	350,000	\$ 350,000
Unamortized debt issuance costs	(2,799)	(3,211)
	<u>\$ 347,201</u>	<u>\$ 346,789</u>

Senior Unsecured Notes

Ocwen may redeem all or a part of the remaining Senior Unsecured Notes, upon not less than 30 nor more than 60 days' notice, at the redemption price (expressed as percentages of principal amount) of 103.313% and 100.000% for the twelve-month periods beginning May 15, 2017 and 2018, respectively, plus accrued and unpaid interest and additional interest, if any.

Senior Secured Notes

The Senior Secured Notes are guaranteed by Ocwen, OMS, Homeward Residential Holdings, Inc., Homeward and ACS (the Guarantors). The Senior Secured Notes are secured by second priority liens on the assets and properties of OLS and the Guarantors that secure the first priority obligations under the SSTL, excluding certain MSRs.

At any time, OLS may redeem all or a part of the Senior Secured Notes, upon not less than 30 nor more than 60 days' notice at a specified redemption price, plus accrued and unpaid interest to the date of redemption. Prior to November 15, 2018, the Senior Secured Notes may be redeemed at a redemption price equal to 100.0% of the principal amount of the Senior Secured Notes redeemed, plus the applicable make whole premium (as defined in the indenture). On or after November 15, 2018, OLS may redeem all or a part of the Senior Secured Notes at the redemption prices (expressed as percentages of principal amount) specified in the Indenture. The redemption prices during the twelve-month periods beginning on November 15 of each year are as follows:

Year	Redemption Price
2018	106.281%
2019	104.188%
2020	102.094%
2021 and thereafter	100.000%

At any time, on or prior to November 15, 2018, OLS may, at its option, use the net cash proceeds of one or more equity offerings (as defined in the Indenture) to redeem up to 35.0% of the principal amount of all Senior Secured Notes issued at a redemption price equal to 108.375% of the principal amount of the Senior Secured Notes redeemed plus accrued and unpaid interest to the date of redemption, provided that: (i) at least 65.0% of the principal amount of all Senior Secured Notes issued under the Indenture (including any additional Senior Secured Notes) remains outstanding immediately after any such redemption; and (ii) OLS makes such redemption not more than 120 days after the consummation of any such Equity Offering.

Upon a change of control (as defined in the indenture), OLS is required to make an offer to the holders of the Senior Secured Notes to repurchase all or a portion of each holder's Senior Secured Notes at a purchase price equal to 101.0% of the principal amount of the Senior Secured Notes purchased plus accrued and unpaid interest to the date of purchase.

In connection with our issuance of the Senior Secured Notes, we incurred certain costs that we capitalized and are amortizing over the period from the date of issuance to November 15, 2022.

Credit Ratings

Credit ratings are intended to be an indicator of the creditworthiness of a particular company, security or obligation. On July 25, 2017, S&P affirmed our long-term corporate rating of "B-" and removed our ratings from CreditWatch with Negative implications. On July 26, 2017, Kroll Bond Rating Agency affirmed our corporate ratings at "CCC" and removed our ratings from Watch Downgrade status. On June 16, 2017, Moody's downgraded our long-term corporate rating to "Caa1" from "B3." On June 15, 2017, Fitch placed our ratings on Negative. It is possible that additional actions by credit rating agencies could have a material adverse impact on our liquidity and funding position, including materially changing the terms on which we may be able to borrow money.

Covenants

Under the terms of our debt agreements, we are subject to various qualitative and quantitative covenants. Collectively, these covenants include:

- Financial covenants;
- Covenants to operate in material compliance with applicable laws;
- Restrictions on our ability to engage in various activities, including but not limited to incurring additional debt, paying dividends or making distributions on or purchasing equity interests of Ocwen, repurchasing or redeeming capital stock or junior capital, repurchasing or redeeming subordinated debt prior to maturity, issuing preferred stock, selling or transferring assets or making loans or investments or acquisitions or other restricted payments, entering into mergers or consolidations or sales of all or substantially all of the assets of Ocwen and its subsidiaries, creating liens on assets to secure debt of OLS or any Guarantor, enter into transactions with an affiliate;
- Monitoring and reporting of various specified transactions or events, including specific reporting on defined events affecting collateral underlying certain debt agreements; and
- Requirements to provide audited financial statements within specified timeframes, including a requirement under our SSTL that Ocwen's financial statements and the related audit report be unqualified as to going concern.

Many of the restrictive covenants arising from the indenture for the Senior Secured Notes will be suspended if the Senior Secured Notes achieve an investment-grade rating from both Moody's and S&P and if no default or event of default has occurred and is continuing.

Financial covenants in our debt agreements require that we maintain, among other things:

- a 40% loan to collateral value ratio, as defined under our SSTL, as of the last date of any fiscal quarter; and

- specified levels of tangible net worth and liquidity at the consolidated and OLS levels.

As of September 30, 2017, the most restrictive consolidated tangible net worth requirements contained in our debt agreements were for a minimum of \$1.1 billion at OLS under our match funded debt agreements and two repurchase agreements and \$450.0 million at Ocwen under an automotive dealer loan financing facility.

As a result of the covenants to which we are subject, we may be limited in the manner in which we conduct our business and may be limited in our ability to engage in favorable business activities or raise additional capital to finance future operations or satisfy future liquidity needs. In addition, breaches or events that may result in a default under our debt agreements include, among other things, nonpayment of principal or interest, noncompliance with our covenants, breach of representations, the occurrence of a material adverse change, insolvency, bankruptcy, certain material judgments and changes of control.

Covenants and default provisions of this type are commonly found in debt agreements such as ours. Certain of these covenants and default provisions are open to subjective interpretation and, if our interpretation was contested by a lender, a court may ultimately be required to determine compliance or lack thereof. In addition, our debt agreements generally include cross default provisions such that a default under one agreement could trigger defaults under other agreements. If we fail to comply with our debt agreements and are unable to avoid, remedy or secure a waiver of any resulting default, we may be subject to adverse action by our lenders, including termination of further funding, acceleration of outstanding obligations, enforcement of liens against the assets securing or otherwise supporting our obligations and other legal remedies. Our lenders can waive their contractual rights in the event of a default.

We believe that we are in compliance with all of the qualitative and quantitative covenants in our debt agreements as of the date of these financial statements.

Note 12 – Other Liabilities

	September 30, 2017	December 31, 2016
Contingent loan repurchase liability	\$ 318,954	\$ 246,081
Due to NRZ	100,914	83,248
Other accrued expenses	80,187	80,021
Accrued legal fees and settlements	59,943	93,797
Servicing-related obligations	35,959	35,324
Liability for indemnification obligations	23,823	27,546
Checks held for escheat	19,804	16,890
Accrued interest payable	14,910	3,698
Amounts due in connection with MSR sales	13,996	39,398
Liability for uncertain tax positions (1)	—	23,216
Other	24,629	32,020
	<u>\$ 693,119</u>	<u>\$ 681,239</u>

(1) On September 15, 2017, the statute of limitation expired with respect to our remaining uncertain tax position for which a liability had previously been recorded. This liability was derecognized and recorded as an income tax benefit during the three months ended September 30, 2017. See Note 16 - Income Taxes for additional information.

Note 13 – Equity

As disclosed in Note 8 — Rights to MSRs, on July 23, 2017, Ocwen and certain of its subsidiaries entered into a series of agreements with NRZ related to NRZ's Rights to MSRs. On the same date, Ocwen and NRZ entered into a share purchase agreement pursuant to which Ocwen sold NRZ 6,075,510 shares of newly-issued Ocwen common stock for \$13.9 million. Ocwen received the sales proceeds from NRZ on July 24, 2017 and issued the shares. The shares have not been registered under the Securities Act of 1933 and were issued and sold in reliance upon the exemption from registration contained in Section 4(a)(2) of the Act and Rule 506(b) promulgated thereunder.

Note 14 – Derivative Financial Instruments and Hedging Activities

Because many of our current derivative agreements are not exchange-traded, we are exposed to credit loss in the event of nonperformance by the counterparty to the agreements. We manage counterparty credit risk by entering into financial instrument transactions through national exchanges, primary dealers or approved counterparties and the use of mutual

marginizing agreements whenever possible to limit potential exposure. We regularly evaluate the financial position and creditworthiness of our counterparties. The notional amount of our contracts does not represent our exposure to credit loss.

Interest Rate Risk

Match Funded Liabilities

As required by certain of our advance financing arrangements, we have purchased interest rate caps to minimize future interest rate exposure from increases in the interest on our variable rate debt as a result of increases in the index, such as 1ML, which is used in determining the interest rate on the debt. We currently do not hedge our fixed rate debt.

Loans Held for Sale, at Fair Value

Mortgage loans held for sale that we carry at fair value are subject to interest rate and price risk from the loan funding date until the date the loan is sold into the secondary market. Generally, the fair value of a loan will decline in value when interest rates increase and will rise in value when interest rates decrease. To mitigate this risk, we enter into forward MBS trades to provide an economic hedge against those changes in fair value on mortgage loans held for sale. Forward MBS trades are primarily used to fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market.

Interest Rate Lock Commitments

A loan commitment binds us (subject to the loan approval process) to fund the loan at the specified rate, regardless of whether interest rates have changed between the commitment date and the loan funding date. As such, outstanding IRLCs are subject to interest rate risk and related price risk during the period from the date of the commitment through the loan funding date or expiration date. The borrower is not obligated to obtain the loan, thus we are subject to fallout risk related to IRLCs, which is realized if approved borrowers choose not to close on the loans within the terms of the IRLCs. Our interest rate exposure on these derivative loan commitments is hedged with freestanding derivatives such as forward contracts. We enter into forward contracts with respect to both fixed and variable rate loan commitments.

The following table summarizes derivative activity, including the derivatives used in each of our identified hedging programs:

	Interest Rate Risk		
	IRLCs	IRLCs and Loans Held for Sale	Borrowings
		Forward MBS Trades	Interest Rate Caps (1)
Notional balance at December 31, 2016	\$ 360,450	\$ 609,177	\$ 955,000
Additions	3,192,031	2,094,533	110,000
Amortization	—	—	(316,667)
Maturities	(2,728,640)	(1,340,603)	—
Terminations	(617,050)	(993,407)	(300,000)
Notional balance at September 30, 2017	\$ 206,791	\$ 369,700	\$ 448,333
Maturity	Oct. 2017 - Dec. 2017	Oct. 2017 - Nov. 2017	Oct. 2017 - May 2019
Fair value of derivative assets (liabilities) (2) at:			
September 30, 2017	\$ 4,969	\$ 973	\$ 1,839
December 31, 2016	6,507	(614)	1,836
Gains (losses) on derivatives during the nine months ended:	Gain on Loans Held for Sale, Net	Gain on Loans Held for Sale, Net	Other, Net
September 30, 2017	\$ (1,605)	\$ (8,604)	\$ (207)
September 30, 2016	4,148	(25,677)	(1,950)

(1) Excludes commitments on two interest rate caps we entered into in August 2017 which are related to the OMART advance financing facility and which become effective in November 2017. These interest rate caps have a notional value and fair value of \$23.3 million and \$0.8 million at September 30, 2017, respectively.

(2) Derivatives are reported at fair value in Other assets or in Other liabilities on our unaudited consolidated balance sheets.

As loans are originated and sold or as loan commitments expire, our forward MBS trade positions mature and are replaced by new positions based upon new loan originations and commitments and expected time to sell.

Included in Accumulated other comprehensive loss (AOCL) at September 30, 2017 and 2016, respectively, were \$1.3 million and \$1.5 million of deferred unrealized losses, before taxes of \$0.1 million and \$0.1 million, respectively, on interest rate swaps that we had designated as cash flow hedges.

Other income (expense), net, includes the following related to derivative financial instruments:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Losses on economic hedges	\$ (350)	\$ (45)	\$ (207)	\$ (1,950)
Write-off of losses in AOCL for a discontinued hedge relationship	(45)	(89)	(157)	(263)
	<u>\$ (395)</u>	<u>\$ (134)</u>	<u>\$ (364)</u>	<u>\$ (2,213)</u>

Note 15 – Interest Expense

The following table presents the components of interest expense:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Financing liabilities	\$ 15,317	\$ 73,096	\$ 118,579	\$ 193,675
Match funded liabilities	11,981	17,349	37,499	53,656
Other secured borrowings	10,990	13,450	30,174	38,877
Senior notes	7,452	6,130	22,355	18,399
Other	1,541	936	3,864	3,476
	<u>\$ 47,281</u>	<u>\$ 110,961</u>	<u>\$ 212,471</u>	<u>\$ 308,083</u>

Interest expense that we expect to be paid on the HMBS-related borrowings is included with net fair value gains in Other revenues.

Note 16 - Income Taxes

Our effective tax rate for the nine months ended September 30, 2017 and 2016 was 15.7% and 3.7%, respectively, on pre-tax losses of \$98.7 million and \$196.2 million, respectively. The increase in our effective tax rate and the income tax benefits recorded on the pre-tax losses is due primarily to the tax benefit recognized on the reversal of uncertain tax positions (including interest and penalties) due to the expiration of applicable statutes of limitation during the nine months ended September 30, 2017, as compared to additional tax expense recognized during the nine months ended September 30, 2016 related to uncertain tax positions, offset in part by a decrease in tax benefits resulting from our inability to carry back current losses that are being generated in the U.S. and USVI tax jurisdictions.

A reconciliation of the beginning and ending amount of the total liability for uncertain tax positions is as follows for the nine months ended September 30:

	2017	2016
Beginning balance	\$ 16,994	\$ 32,548
Reductions for settlements	(387)	(14,420)
Lapses in statutes of limitation	(16,607)	(524)
Ending balance	<u>\$ —</u>	<u>\$ 17,604</u>

As of September 30, 2017 and 2016, we had \$0.0 million and \$17.6 million, respectively, of unrecognized tax benefits, all of which if recognized would affect the effective tax rate. We accrue interest and penalties related to unrecognized tax benefits in our provision for income taxes. At September 30, 2017 and 2016, we had accrued interest and penalties related to unrecognized tax benefits of \$0.0 million and \$6.1 million, respectively.

Our major jurisdiction tax years that remain subject to examination are our U.S. federal tax return for the years ended December 31, 2014 through the present, our USVI corporate tax return for the years ended December 31, 2014 through the present, and our India corporate tax returns for the years ended March 31, 2010 through the present. We currently do not have any tax returns under income tax examination in the U.S. or USVI tax jurisdictions.

Note 17 – Basic and Diluted Earnings (Loss) per Share

Basic earnings or loss per share excludes common stock equivalents and is calculated by dividing net income or loss attributable to Ocwen common stockholders by the weighted average number of common shares outstanding during the period. We calculate diluted earnings or loss per share by dividing net income attributable to Ocwen by the weighted average number of common shares outstanding including the potential dilutive common shares related to outstanding stock options and restricted stock awards. The following is a reconciliation of the calculation of basic loss per share to diluted loss per share:

Periods ended September 30,	Three Months		Nine Months	
	2017	2016	2017	2016
Basic loss per share				
Net income (loss) attributable to Ocwen stockholders	\$ (6,252)	\$ 9,391	\$ (83,483)	\$ (189,318)
Weighted average shares of common stock	128,744,152	123,986,987	125,797,777	123,991,343
Basic earnings (loss) per share	\$ (0.05)	\$ 0.08	\$ (0.66)	\$ (1.53)
Diluted loss per share (1)				
Net income (loss) attributable to Ocwen stockholders	\$ (6,252)	\$ 9,391	\$ (83,483)	\$ (189,318)
Weighted average shares of common stock	128,744,152	123,986,987	125,797,777	123,991,343
Effect of dilutive elements (1):				
Stock option awards	—	—	—	—
Common stock awards	—	147,520	—	—
Dilutive weighted average shares of common stock	128,744,152	124,134,507	125,797,777	123,991,343
Diluted earnings (loss) per share	\$ (0.05)	\$ 0.08	\$ (0.66)	\$ (1.53)
Stock options and common stock awards excluded from the computation of diluted earnings per share				
Anti-dilutive (2)	6,600,164	6,890,882	5,121,844	7,285,539
Market-based (3)	862,446	1,917,456	862,446	1,917,456

(1) For the three and nine months ended September 30, 2017 and the nine months ended September 30, 2016, we have excluded the effect of stock options and common stock awards from the computation of diluted loss per share because of the anti-dilutive effect of our reported net loss.

(2) Stock options were anti-dilutive because their exercise price was greater than the average market price of Ocwen's stock.

(3) Shares that are issuable upon the achievement of certain market-based performance criteria related to Ocwen's stock price.

Note 18 – Business Segment Reporting

Our business segments reflect the internal reporting that we use to evaluate operating performance of services and to assess the allocation of our resources. While our expense allocation methodology for the current period is consistent with that used in prior periods presented, during the first quarter of 2017, we moved certain functions which had been associated with corporate cost centers to our Lending and Servicing segments because these functions align more closely with those segments. As applicable, the results of operations for the three and nine months ended September 30, 2016 have been recast to conform to the current period presentation. As a result of these changes, income before income taxes for the Lending segment for the three and nine months ended September 30, 2016 decreased by \$2.3 million and \$7.4 million, respectively, while income before income taxes for the Servicing segment increased by the same amounts for the same periods.

A brief description of our current business segments is as follows:

Servicing. This segment is primarily comprised of our core residential servicing business. We provide residential and commercial mortgage loan servicing, special servicing and asset management services. We earn fees for providing these services to owners of the mortgage loans and foreclosed real estate. In most cases, we provide these services either because we purchased the MSR from the owner of the mortgage, retained the MSR on the sale of residential mortgage loans or because we entered into a subservicing or special servicing agreement with the entity that owns the MSR. Our residential servicing portfolio includes conventional, government-insured and non-Agency loans. Non-Agency loans include subprime loans, which represent residential loans that generally did not qualify under GSE guidelines or have subsequently become delinquent.

Lending. The Lending segment originates and purchases conventional and government-insured residential forward and reverse mortgage loans mainly through correspondent lending arrangements, broker relationships (wholesale) and directly with mortgage customers (retail). The loans are typically sold shortly after origination into a liquid market on a servicing retained (securitization) or servicing released (sale to a third party) basis. In the second quarter of 2017, we closed our correspondent forward lending channel due to low margins and began selling all of our wholesale forward lending channel originations on a servicing released basis to reduce capital consumption. In the third quarter of 2017, we entered into an agreement to sell certain of our wholesale forward lending assets, and, upon closing of that transaction, we intend to exit the wholesale forward lending business. We continue to acquire loans through the retail forward lending channel as well as through all three channels of reverse mortgage lending.

Corporate Items and Other. Corporate Items and Other includes revenues and expenses of ACS and CR Limited (CRL), our wholly-owned captive reinsurance subsidiary, and our other business activities that are individually insignificant, revenues and expenses that are not directly related to other reportable segments, interest income on short-term investments of cash, interest expense on corporate debt and certain corporate expenses. Our cash balances are included in Corporate Items and Other. ACS provides short-term inventory-secured loans to independent used car dealers to finance their inventory.

We allocate a portion of interest income to each business segment, including interest earned on cash balances and short-term investments. We also allocate expenses incurred by corporate support services to each business segment.

Financial information for our segments is as follows:

	<u>Servicing</u>	<u>Lending</u>	<u>Corporate Items and Other</u>	<u>Corporate Eliminations</u>	<u>Business Segments Consolidated</u>
Results of Operations					
Three months ended September 30, 2017					
Revenue	\$ 246,545	\$ 31,935	\$ 6,162	\$ —	\$ 284,642
Expenses	218,565	38,412	16,502	—	273,479
Other income (expense):					
Interest income	144	2,857	1,098	—	4,099
Interest expense	(28,568)	(4,504)	(14,209)	—	(47,281)
Gain on sale of mortgage servicing rights, net	6,543	—	—	—	6,543
Other	(418)	555	(1,214)	—	(1,077)
Other expense, net	(22,299)	(1,092)	(14,325)	—	(37,716)
Income (loss) before income taxes	\$ 5,681	\$ (7,569)	\$ (24,665)	\$ —	\$ (26,553)

	Servicing	Lending	Corporate Items and Other	Corporate Eliminations	Business Segments Consolidated
Three months ended September 30, 2016					
Revenue	\$ 319,080	\$ 30,696	\$ 9,672	\$ —	\$ 359,448
Expenses	202,156	30,013	39,509	—	271,678
Other income (expense):					
Interest income	59	3,990	1,109	—	5,158
Interest expense	(101,138)	(3,684)	(6,139)	—	(110,961)
Gain on sale of mortgage servicing rights, net	5,661	—	—	—	5,661
Other	13,943	322	471	—	14,736
Other income (expense), net	(81,475)	628	(4,559)	—	(85,406)
Income (loss) before income taxes	\$ 35,449	\$ 1,311	\$ (34,396)	\$ —	\$ 2,364
Nine months ended September 30, 2017					
Revenue	\$ 802,347	\$ 95,457	\$ 20,002	\$ —	\$ 917,806
Expenses	637,406	100,628	92,308	—	830,342
Other income (expense):					
Interest income	406	8,612	3,083	—	12,101
Interest expense	(159,822)	(11,171)	(41,478)	—	(212,471)
Gain on sale of mortgage servicing rights, net	7,863	—	—	—	7,863
Other	4,642	658	1,084	—	6,384
Other expense, net	(146,911)	(1,901)	(37,311)	—	(186,123)
Income (loss) before income taxes	\$ 18,030	\$ (7,072)	\$ (109,617)	\$ —	\$ (98,659)
Nine months ended September 30, 2016					
Revenue	\$ 951,727	\$ 89,255	\$ 22,277	\$ —	\$ 1,063,259
Expenses	734,326	85,471	165,556	—	985,353
Other income (expense):					
Interest income	(102)	11,805	2,785	—	14,488
Interest expense	(278,808)	(10,829)	(18,446)	—	(308,083)
Gain on sale of mortgage servicing rights, net	7,689	—	—	—	7,689
Other	11,406	982	(547)	—	11,841
Other income (expense), net	(259,815)	1,958	(16,208)	—	(274,065)
Income (loss) before income taxes	\$ (42,414)	\$ 5,742	\$ (159,487)	\$ —	\$ (196,159)

	Servicing	Lending	Corporate Items and Other	Corporate Eliminations	Business Segments Consolidated
Total Assets					
September 30, 2017	\$ 2,905,817	\$ 4,679,641	\$ 512,147	\$ —	\$ 8,097,605
December 31, 2016	\$ 3,312,371	\$ 3,863,862	\$ 479,430	\$ —	\$ 7,655,663
September 30, 2016	\$ 3,455,613	\$ 3,662,339	\$ 467,498	\$ —	\$ 7,585,450

	Servicing	Lending	Corporate Items and Other	Corporate Eliminations	Business Segments Consolidated
Depreciation and Amortization Expense					
Three months ended September 30, 2017					
Depreciation expense	\$ 1,525	\$ 57	\$ 5,408	\$ —	\$ 6,990
Amortization of mortgage servicing rights	13,081	67	—	—	13,148
Amortization of debt discount	—	—	258	—	258
Amortization of debt issuance costs	—	—	644	—	644
Three months ended September 30, 2016					
Depreciation expense	\$ 2,730	\$ 48	\$ 3,651	\$ —	\$ 6,429
Amortization of mortgage servicing rights	(2,634)	76	—	—	(2,558)
Amortization of debt discount	240	—	—	—	240
Amortization of debt issuance costs	3,645	—	332	—	3,977
Nine months ended September 30, 2017					
Depreciation expense	\$ 4,393	\$ 162	\$ 15,875	\$ —	\$ 20,430
Amortization of mortgage servicing rights	38,351	209	—	—	38,560
Amortization of debt discount	—	—	797	—	797
Amortization of debt issuance costs	—	—	1,979	—	1,979
Nine months ended September 30, 2016					
Depreciation expense	\$ 5,068	\$ 184	\$ 13,025	\$ —	\$ 18,277
Amortization of mortgage servicing rights	18,360	235	—	—	18,595
Amortization of debt discount	623	—	—	—	623
Amortization of debt issuance costs	9,466	—	1,009	—	10,475

Note 19 – Regulatory Requirements

Our business is subject to extensive regulation by federal, state and local governmental authorities, including the CFPB, HUD, the SEC and various state agencies that license, audit and conduct examinations of our servicing and lending activities. In addition, we operate under a number of regulatory settlements that subject us to ongoing monitoring or reporting. From time to time, we also receive requests (including requests in the form of subpoenas and civil investigative demands) from federal, state and local agencies for records, documents and information relating to our servicing and lending activities. The GSEs (and their conservator, the Federal Housing Finance Authority (FHFA)), Ginnie Mae, the United States Treasury Department, various investors, non-Agency securitization trustees and others also subject us to periodic reviews and audits.

In the current regulatory environment, we have faced and expect to continue to face heightened regulatory and public scrutiny as an organization as well as stricter and more comprehensive regulation of the entire mortgage sector. We continue to work diligently to assess and understand the implications of the regulatory environment in which we operate and to meet the requirements of the changing environment in which we operate. We devote substantial resources to regulatory compliance, while, at the same time, striving to meet the needs and expectations of our customers, clients and other stakeholders. Our failure to comply with applicable federal, state and local laws, regulations and licensing requirements could lead to (i)

administrative fines and penalties and litigation, (ii) loss of our licenses and approvals to engage in our servicing and lending businesses, (iii) governmental investigations and enforcement actions (iv) civil and criminal liability, including class action lawsuits and actions to recover incentive and other payments made by governmental entities, (v) breaches of covenants and representations under our servicing, debt or other agreements, (vi) damage to our reputation, (vii) inability to raise capital or otherwise fund our operations and (viii) inability to execute on our business strategy. In addition to amounts paid to resolve regulatory matters, we could incur costs to comply with the terms of such resolutions, including the costs of third-party firms to monitor our compliance with such resolutions. We have recognized \$177.5 million in such third-party monitoring costs from January 1, 2014 through September 30, 2017 in connection with the 2013 Ocwen National Mortgage Settlement, our 2014 settlement with the New York Department of Financial Services (NY DFS) and our 2015 settlement with the California Department of Business Oversight (CA DBO).

We must comply with a large number of federal, state and local consumer protection and other laws and regulations, including, among others, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), the Telephone Consumer Protection Act, the Gramm-Leach-Bliley Act, the Fair Debt Collection Practices Act, the Real Estate Settlement Procedures Act (RESPA), the Truth in Lending Act (TILA), the Servicemembers Civil Relief Act, the Homeowners Protection Act, the Federal Trade Commission Act, the Fair Credit Reporting Act and the Equal Credit Opportunity Act, as well as individual state licensing and foreclosure laws, individual state and local laws relating to registration of vacant or foreclosed properties, and federal and local bankruptcy rules. These laws and regulations apply to many facets of our business, including loan origination, default servicing and collections, use of credit reports, safeguarding of non-public personally identifiable information about our customers, foreclosure and claims handling, investment of, and interest payments on, escrow balances and escrow payment features and fees assessed on borrowers, and they mandate certain disclosures and notices to borrowers. These requirements can and do change as laws and regulations are enacted, promulgated, amended, interpreted and enforced, including through CFPB interpretive bulletins and other regulatory pronouncements. In addition, the actions of legislative bodies and regulatory agencies relating to a particular matter or business practice may or may not be coordinated or consistent. As a result, ensuring ongoing compliance with applicable legal and regulatory requirements can be challenging. The recent trend among federal, state and local legislative bodies and regulatory agencies has been toward increasing laws, regulations, investigative proceedings and enforcement actions with regard to residential real estate lenders and servicers.

Ocwen has various subsidiaries, including OLS, Homeward and Liberty, that are licensed to originate and/or service forward and reverse mortgage loans in those jurisdictions in which they operate and which require licensing. Our licensed entities are required to renew their licenses, typically on an annual basis, and to do so they must satisfy the license renewal requirements of each jurisdiction, which generally include financial requirements such as providing audited financial statements and satisfying minimum net worth requirements and non-financial requirements such as satisfactory completion of examinations relating to the licensee's compliance with applicable laws and regulations. Failure to satisfy any of the requirements to which our licensed entities are subject could result in a variety of regulatory actions ranging from a fine, a directive requiring a certain step to be taken, a suspension or, ultimately, a revocation of a license, any of which could have a material adverse impact on our business, reputation, results of operations and financial condition. The minimum net worth requirements to which our licensed entities are subject are unique to each state and type of license. We believe our licensed entities were in compliance with all of their minimum net worth requirements at September 30, 2017.

OLS, Homeward and Liberty are also subject to seller/servicer obligations under agreements with one or more of the GSEs, HUD, FHA, VA and Ginnie Mae. These seller/servicer obligations include financial requirements, including capital requirements related to tangible net worth, as defined by the applicable agency, as well as extensive requirements regarding servicing, selling and other matters. To the extent that these requirements are not met or waived, the applicable agency may, at its option, utilize a variety of remedies including requirements to deposit funds as security for our obligations, sanctions, suspension or even termination of approved seller/servicer status, which would prohibit future originations or securitizations of forward or reverse mortgage loans or servicing for the applicable agency. Any of these actions could have a material adverse impact on us. To date, none of these counterparties has communicated any material sanction, suspension or prohibition in connection with our seller/servicer obligations. We believe we were in compliance with the related net worth requirements at September 30, 2017. Our non-Agency servicing agreements also contain requirements regarding servicing practices and other matters, and a failure to comply with these requirements could have a material adverse impact on our business. See Note 20 — Commitments for additional information relating to our recent interactions with Ginnie Mae as a result of the state regulatory actions discussed in that note.

The most restrictive of the various net worth requirements referenced above is based on the total assets of OLS, and the required net worth was \$394.3 million at September 30, 2017.

There are a number of foreign laws and regulations that are applicable to our operations outside of the U.S., including laws and regulations that govern licensing, employment, safety, taxes and insurance and laws and regulations that govern the creation, continuation and the winding up of companies as well as the relationships between shareholders, our corporate entities, the public and the government in these countries. Non-compliance with these laws and regulations could result in

adverse actions against us, including (i) restrictions on our operations in these counties, (ii) fines, penalties or sanctions or (iii) reputational damage.

Note 20 — Commitments

Unfunded Lending Commitments

We have originated floating-rate reverse mortgage loans under which the borrowers have additional borrowing capacity of \$1.4 billion at September 30, 2017. This additional borrowing capacity is available on a scheduled or unscheduled payment basis. We also had short-term commitments to lend \$189.5 million and \$17.3 million in connection with our forward and reverse mortgage loan interest rate lock commitments, respectively, outstanding at September 30, 2017. We finance originated and purchased forward and reverse mortgage loans with repurchase and participation agreements, commonly referred to as warehouse lines.

Long Term Contracts

Our business is currently dependent on many of the services and products provided by Altisource Portfolio Solutions, S.A. (Altisource) under long-term agreements, many of which include renewal provisions.

Each of Ocwen and OMS are parties to a Services Agreement, a Technology Products Services Agreement, an Intellectual Property Agreement and a Data Center and Disaster Recovery Services Agreement with Altisource. Under the Services Agreements, Altisource provides various business process outsourcing services, such as valuation services and property preservation and inspection services, among other things. Altisource provides certain technology products and support services under the Technology Products Services Agreements and the Data Center and Disaster Recovery Services Agreements. These agreements expire August 31, 2025. Ocwen and Altisource have also entered into a Master Services Agreement pursuant to which Altisource provides certain loan origination services to Homeward and Liberty, and a General Referral Fee agreement pursuant to which Ocwen receives referral fees which are paid out of the commission that would otherwise be paid to Altisource as the selling broker in connection with real estate sales services provided by Altisource.

Our servicing system runs on an information technology system that we license from Altisource pursuant to a statement of work under the Technology Products Services Agreements. If Altisource were to fail to fulfill its contractual obligations to us, including through a failure to provide services at the required level to maintain and support our systems, or if Altisource were to become unable to fulfill such obligations, our business and operations would suffer. In addition, if Altisource fails to develop and maintain its technology so as to provide us with a competitive platform, our business could suffer. We are currently in the process of transitioning to a new servicing system and have entered into agreements with certain subsidiaries of Black Knight, Inc. (Black Knight) pursuant to which we plan to transition to Black Knight's LoanSphere MSP[®] (MSP) servicing system. Ocwen currently anticipates a twenty-four month implementation timeline for its transition onto the MSP servicing system. Based on substantive discussions with Altisource prior to entering into our agreements with Black Knight, Ocwen plans to negotiate mutually acceptable agreements that provide for Ocwen's transition to the MSP servicing system and the termination of the statement of work for the use of the REALServicing system.

Certain services provided by Altisource under these agreements are charged to the borrower and/or mortgage loan investor. Accordingly, such services, while derived from our loan servicing portfolio, are not reported as expenses by Ocwen. These services include residential property valuation, residential property preservation and inspection services, title services and real estate sales-related services. Similar to other vendors, in the event that Altisource's activities do not comply with the applicable servicing criteria, we could be exposed to liability as the servicer and it could negatively impact our relationships with our servicing clients, borrowers or regulators, among others.

Wholesale Forward Lending

We have decided to exit the forward lending wholesale business, and have agreed to sell certain assets related to this business. These assets consist primarily of furniture, fixtures and equipment located at our Westborough, Massachusetts facility and meet the requisite accounting criteria for classification as held-for-sale at September 30, 2017. The buyer is expected to assume a facilities lease and to offer positions to certain Ocwen employees in the business. We have recognized a loss of \$6.8 million related to the divestiture in our third quarter 2017 results which is reported in Other expenses in our unaudited consolidated statements of operations. This loss is primarily related to our write-off of the capitalized balance of software developed internally for the forward lending wholesale business. Additionally, we estimate that \$1.0 million to \$2.0 million of severance expense will be incurred. The closing of the transaction is expected to occur in the fourth quarter, subject to customary closing conditions.

Note 21 – Contingencies

When we become aware of a matter involving uncertainty for which we may incur a loss, we assess the likelihood of any loss. If a loss contingency is probable and the amount of the loss can be reasonably estimated, we record an accrual for the loss.

In such cases, there may be an exposure to potential loss in excess of the amount accrued. Where a loss is not probable but is reasonably possible or where a loss in excess of the amount accrued is reasonably possible, we disclose an estimate of the amount of the loss or range of possible losses for the claim if a reasonable estimate can be made, unless the amount of such reasonably possible loss is not material to our financial position, results of operations or cash flows. If a reasonable estimate of loss cannot be made, we do not accrue for any loss or disclose any estimate of exposure to potential loss even if the potential loss could be material and adverse to our business, reputation, financial condition and results of operations. An assessment regarding the ultimate outcome of any such matter involves judgments about future events, actions and circumstances that are inherently uncertain. The actual outcome could differ materially. Where we have retained external legal counsel or other professional advisers, such advisers assist us in making such assessments.

Litigation

In the ordinary course of business, we are a defendant in, or a party or potential party to, many threatened and pending legal proceedings, including proceedings brought by regulatory agencies (discussed further under "Regulatory" below), those brought on behalf of various classes of claimants, and those brought derivatively on behalf of Ocwen against certain current or former officers and directors or others.

The majority of these proceedings are based on alleged violations of federal, state and local laws and regulations governing our mortgage servicing and lending activities, including wrongful foreclosure and eviction actions, allegations of wrongdoing in connection with lender-placed insurance arrangements, claims relating to our pre-foreclosure property preservation activities, claims relating to our written and telephonic communications with our borrowers such as claims under the Telephone Consumer Protection Act, claims related to our payment, escrow and other processing operations, claims relating to fees imposed on borrowers relating to payment processing, payment facilitation, or payment convenience, and claims regarding certifications of our legal compliance related to our participation in certain government programs. In some of these proceedings, claims for substantial monetary damages are asserted against us.

In view of the inherent difficulty of predicting the outcome of any threatened or pending legal proceedings, particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, we generally cannot predict what the eventual outcome of such proceedings will be, what the timing of the ultimate resolution will be, or what the eventual loss, if any, will be. Any material adverse resolution could materially and adversely affect our business, reputation, financial condition and results of operations.

Where we determine that a loss contingency is probable in connection with a pending or threatened legal proceeding and the amount of our loss can be reasonably estimated, we record an accrual for the loss. Excluding expenses of internal or external legal counsel, we have accrued \$31.9 million as of September 30, 2017 for losses relating to threatened and pending litigation that we believe are probable and reasonably estimable based on current information regarding these matters. Where we determine that a loss is not probable but is reasonably possible or where a loss in excess of the amount accrued is reasonably possible, we disclose an estimate of the amount of the loss or range of possible losses for the claim if a reasonable estimate can be made, unless the amount of such reasonably possible loss is not material to our financial position, results of operations or cash flows. It is possible that we will incur losses relating to threatened and pending litigation that materially exceed the amount accrued. We cannot currently estimate the amount, if any, of reasonably possible losses above amounts that have been recorded at September 30, 2017.

We have previously disclosed several securities fraud class action lawsuits filed against Ocwen and certain of its officers and directors that contain allegations in connection with the restatements of our 2013 and first quarter 2014 financial statements and our December 2014 Consent Order with the NY DFS, among other matters. Those lawsuits have been consolidated and are pending in the United States District Court for the Southern District of Florida in the matter captioned *In re Ocwen Financial Corporation Securities Litigation, 9:14-cv-81057-WPD (S.D. Fla.)* (such consolidated lawsuit, the Securities Class Action).

In July 2017, following a mediated settlement process resulting in all parties' acceptance of the mediator's recommendation for settlement, we reached an agreement in principle to settle this matter. Subject to final approval by the court, the settlement will include an aggregate cash payment by Ocwen to the plaintiffs of \$49.0 million (of which Ocwen expects to recover \$14.0 million from insurance proceeds), and an issuance to the plaintiffs of an aggregate of 2,500,000 shares of Ocwen's common stock. Under certain circumstances related to the price of Ocwen's common stock over the five trading days prior to court approval of the settlement, the amount of shares issuable could be increased so that the aggregate number of shares issued has a total value of \$7.0 million. However, in no event will Ocwen be required to issue more than 4% of the number of shares of its common stock outstanding as of the date of court approval. Further, in lieu of issuing shares, Ocwen may elect to pay the plaintiffs \$7.0 million in cash. Attorneys' fees for the plaintiffs will be paid from the amounts described above.

We paid the \$49.0 million cash portion of the settlement in July 2017 and have a remaining accrual of \$7.0 million recorded as of September 30, 2017 in connection with this settlement. We cannot currently estimate the amount, if any, of reasonably possible loss above such accrual. The \$7.0 million is included within the \$31.9 million litigation accrual referenced

above. Recoveries from insurance will reduce our aggregate exposure for this matter and have been recorded as a reduction of Professional services expense in the unaudited consolidated statements of operations.

While Ocwen believes that it has sound legal and factual defenses, Ocwen agreed to this settlement in principle in order to avoid the uncertain outcome of litigation and the additional expense and demands on the time of its senior management that a trial would involve. Following written submissions to the court, in August 2017, the presiding judge preliminarily approved the settlement. There can be no assurance that the settlement will be finally approved by the court. In the event the settlement is not finally approved, the litigation would continue and we would vigorously defend the allegations made against Ocwen. If our efforts to defend against such claims were not successful, our business, financial condition, liquidity and results of operations could be materially and adversely affected.

In January 2016, Ocwen was named as a defendant in a separate "opt-out" securities fraud action brought on behalf of certain putative shareholders of Ocwen based on similar allegations to those contained in the securities fraud class action lawsuit described above. See *Broadway Gate Master Fund, Ltd. et al. v. Ocwen Financial Corporation et al.*, 9:16-cv-80056-WPD (S.D. Fla.). Dispositive motions are pending in this lawsuit, and trial is set to commence on November 27, 2017. Additional lawsuits may be filed against us in relation to these matters. At this time, Ocwen is unable to predict the outcome of this existing "opt-out" lawsuit or any additional lawsuits that may be filed, the possible loss or range of loss, if any, associated with the resolution of such lawsuits or the potential impact such lawsuits may have on us or our operations. Ocwen and the other defendants intend to vigorously defend against such lawsuits. If our efforts to defend these lawsuits are not successful, our business, financial condition, liquidity and results of operations could be materially and adversely affected.

As a result of the federal and state regulatory actions described below under "Regulatory", and the impact on our stock price, several putative securities fraud class action lawsuits have been filed against Ocwen and certain of its officers that contain allegations in connection with Ocwen's statements concerning its efforts to satisfy the evolving regulatory environment, and the resources it devoted to regulatory compliance, among other matters. Additional lawsuits may be filed against us in relation to these matters. At this time, Ocwen is unable to predict the outcome of these existing lawsuits or any additional lawsuits that may be filed, the possible loss or range of loss, if any, associated with the resolution of such lawsuits or the potential impact such lawsuits may have on us or our operations. Ocwen and the other defendants intend to vigorously defend against such lawsuits. If our efforts to defend these lawsuits are not successful, our business, financial condition, liquidity and results of operations could be materially and adversely affected.

Ocwen has been named in putative class actions and individual actions related to its compliance with the Telephone Consumer Protection Act. Generally, plaintiffs in these actions allege that Ocwen knowingly and willfully violated the Telephone Consumer Protection Act by using an automated telephone dialing system to call class members' cell phones without their consent. On July 28, 2017, Ocwen entered into an agreement in principle to resolve two such putative class actions, which have been consolidated in the United States District Court for the Northern District of Illinois. See *Snyder v. Ocwen Loan Servicing, LLC*, 1:14-cv-08461-MFK (N.D. Ill.); *Beecroft v. Ocwen Loan Servicing, LLC*, 1:16-cv-08677-MFK (N.D. Ill.). Subject to final approval by the court, the settlement will include the establishment of a settlement fund to be distributed to impacted borrowers that submit claims for settlement benefits pursuant to a claims administration process. Our accrual with respect to this matter is included in the \$31.9 million litigation accrual referenced above. We cannot currently estimate the amount, if any, of reasonably possible loss above the amount accrued.

While Ocwen believes that it has sound legal and factual defenses, Ocwen agreed to this settlement in principle in order to avoid the uncertain outcome of litigation and the additional expense and demands on the time of its senior management that such litigation would involve. The court has preliminarily approved the settlement but there can be no assurance that it will finally approve the settlement. In the event the settlement is not finally approved, the litigation would continue, and we would vigorously defend the allegations made against Ocwen. Additional lawsuits may be filed against us in relation to these matters. At this time, Ocwen is unable to predict the outcome of these existing lawsuits or any additional lawsuits that may be filed, the possible loss or range of loss, if any, associated with the resolution of such lawsuits or the potential impact such lawsuits may have on us or our operations. Ocwen intends to vigorously defend against these lawsuits. If our efforts to defend these lawsuits are not successful, our business, financial condition liquidity and results of operations could be materially and adversely affected.

On February 17, 2017, OFC, OLS and Homeward signed an agreement with two qui tam relators to settle previously disclosed litigation matters relating to claims under the False Claims Act (the Fisher Cases). The settlement agreement, which was subsequently approved by the United States, contained no admission of liability or wrongdoing by Ocwen and provided for the payment of \$15.0 million to the United States and \$15.0 million for the private citizens' attorneys' fees and costs. We paid the settlement amount in April 2017.

In several recent court actions, mortgage loan sellers against whom repurchase claims have been asserted based on alleged breaches of representations and warranties are defending on various grounds including the expiration of statutes of limitation, lack of notice and opportunity to cure, and violation of the obligation to repurchase as a result of foreclosure or charge-off of the

loan. We have entered into tolling agreements with respect to our role as servicer for a small number of securitizations relating to our performance under the servicing agreements for those securitizations and may enter into additional tolling agreements in the future. Other court actions have been filed against certain RMBS trustees alleging that the trustees breached their contractual and statutory duties by, among other things, failing to require the loan servicers to abide by the servicers' obligations and failing to declare that certain alleged servicing events of default under the applicable contracts occurred.

Ocwen is a party in certain of these actions, is the servicer for certain securitizations involved in other such actions and is the servicer for other securitizations as to which actions have been threatened by certificate holders. We intend to vigorously defend ourselves in the lawsuits to which we have been named a party. Should Ocwen be made a party to other similar actions or should Ocwen be asked to indemnify any parties to such actions, we may need to defend ourselves against allegations that we failed to service loans in accordance with applicable agreements and that such failures prejudiced the rights of repurchase claimants against loan sellers or otherwise diminished the value of the trust collateral. At this time, we are unable to predict the ultimate outcome of these lawsuits, the possible loss or range of loss, if any, associated with the resolution of these lawsuits or any potential impact they may have on us or our operations. If, however, we were required to compensate claimants for losses related to the alleged loan servicing breaches, then our business, liquidity, financial condition and results of operations could be adversely affected.

In addition, a number of RMBS trustees have received notices of default alleging material failures by servicers to comply with applicable servicing agreements. Although Ocwen has not yet been sued by an RMBS trustee in response to a notice of default, there is a risk that Ocwen could be replaced as servicer as a result of said notices, that the trustees could take legal action on behalf of the trust certificateholders, or, under certain circumstances, that the RMBS investors who issue notices of default could seek to press their allegations against Ocwen, independent of the trustees. At present, one such group of affiliated RMBS investors sought to direct one trustee to bring suit against Ocwen. The trustee declined to bring suit, and the RMBS investors instead brought suit against Ocwen directly. The court dismissed the RMBS investors' suit without prejudice on October 4, 2017, and the investors have subsequently filed an amended complaint. Ocwen intends to defend itself vigorously. We are unable at this time to predict what, if any, actions any trustee will take in response to a notice of default, nor can we predict at this time the potential loss or range of loss, if any, associated with the resolution of any notices of default or the potential impact on our operations. If Ocwen were to be terminated as servicer, or other related legal actions were pursued against Ocwen, it could have an adverse effect on Ocwen's business, financing activities, financial condition and results of operations.

Regulatory

We are subject to a number of ongoing federal and state regulatory examinations, cease and desist orders, consent orders, inquiries, subpoenas, civil investigative demands, requests for information and other actions. Where we determine that a loss contingency is probable in connection with a regulatory matter and the amount of our loss can be reasonably estimated, we record an accrual for the loss. Where we determine that a loss is not probable but is reasonably possible or where a loss in excess of the amount accrued is reasonably possible, we disclose an estimate of the amount of the loss or range of possible losses for the claim if a reasonable estimate can be made, unless the amount of such reasonably possible loss is not material to our financial position, results of operations or cash flows. It is possible that we will incur losses relating to regulatory matters that materially exceed any accrued amount. Predicting the outcome of any regulatory matter is inherently difficult and we generally cannot predict the eventual outcome of any regulatory matter or the eventual loss, if any, associated with the outcome.

CFPB

On April 20, 2017, the CFPB filed a lawsuit in the federal district court for the Southern District of Florida against Ocwen, OMS and OLS alleging violations of federal consumer financial laws relating to our servicing business dating back to 2014. The CFPB's claims include allegations regarding (1) the adequacy of Ocwen's servicing system and integrity of Ocwen's mortgage servicing data, (2) Ocwen's foreclosure practices and (3) various purported servicer errors with respect to borrower escrow accounts, hazard insurance policies, timely cancellation of private mortgage insurance, handling of customer complaints, and marketing of optional products. The CFPB alleges violations of unfair, deceptive acts or abusive practices, as well as violations of specific laws or regulations. The CFPB does not claim specific monetary damages, although it does seek consumer relief, disgorgement of allegedly improper gains, and civil money penalties. We believe we have factual and legal defenses to the CFPB's allegations and are vigorously defending ourselves.

Prior to the CFPB instituting legal proceedings, we had been engaged with the CFPB in efforts to resolve the matter. We recorded \$12.5 million as of December 31, 2016 as a result of these discussions. If we are successful in defending ourselves against the CFPB, it is possible that our losses could be less than \$12.5 million. It is also possible that we could incur losses that materially exceed the amount accrued, and the resolution of the matters raised by the CFPB could have a material adverse impact on our business, reputation, financial condition, liquidity and results of operations. We cannot currently estimate the amount, if any, of reasonably possible loss above amounts previously accrued.

State Licensing, State Attorneys General and Other Matters

Our licensed entities are required to renew their licenses, typically on an annual basis, and to do so they must satisfy the license renewal requirements of each jurisdiction, which generally include financial requirements such as providing audited financial statements or satisfying minimum net worth requirements and non-financial requirements such as satisfactorily completing examinations as to the licensee's compliance with applicable laws and regulations. Failure to satisfy any of the requirements to which our licensed entities are subject could result in a variety of regulatory actions ranging from a fine, a directive requiring a certain step to be taken, a suspension or, ultimately, a revocation of a license, any of which could have a material adverse impact on our results of operations and financial condition. In addition, we receive information requests and other inquiries, both formal and informal in nature, from our state financial regulators as part of their general regulatory oversight of our servicing and lending businesses. We also regularly engage with state attorneys general and the CFPB and, on occasion, we engage with other federal agencies, including the Department of Justice and various inspectors general on various matters, including responding to information requests and other inquiries. Many of our regulatory engagements arise from a complaint that the entity is investigating, although some are formal investigations or proceedings. The GSEs (and their conservator, FHFA), HUD, FHA, VA, Ginnie Mae, the United States Treasury Department, and others also subject us to periodic reviews and audits. We have in the past resolved, and may in the future resolve, matters via consent orders or payment of monetary amounts to settle issues identified in connection with examinations or regulatory or other oversight activities, and such resolutions could have material and adverse effects on our business, reputation, operations, results of operations and financial condition.

On April 20, 2017 and shortly thereafter, mortgage and banking regulatory agencies from 30 states and the District of Columbia issued orders against OLS and certain other Ocwen companies that alleged deficiencies in our compliance with laws and regulations relating to our servicing and lending activities. In general, the orders were styled as "cease and desist orders," and we use that term to refer to all of the orders for ease of reference; we also include the District of Columbia as a state when we reference states below for ease of reference. All of the cease and desist orders were applicable to OLS, but additional Ocwen entities were named in some orders, including Ocwen Financial Corporation, OMS, Homeward and Liberty. While each cease and desist order was different, the orders generally prohibited a range of actions, including (1) acquiring new MSRs (17 states), (2) originating or acquiring new mortgage loans, where we would be the servicer (13 states), (3) originating or acquiring new mortgage loans (4 states) and (4) conducting foreclosure activities (2 states), among others. In addition, in July 2017, and in connection with the cease and desist orders, we received a subpoena from one state seeking information relating to lender placed insurance activities, consumer complaints and certain other matters, with which we have cooperated. Following the issuance of the orders, we reached agreements with certain regulatory agencies to obtain delays in the enforcement of certain terms or exceptions to certain terms contained in the cease and desist orders. Additionally, we revised our operations based on the terms of the orders while we sought to negotiate resolutions.

We have entered into agreements with 19 states plus the District of Columbia to resolve these regulatory actions. These agreements generally contain the following key terms (the Multi-State Common Settlement Terms):

- Ocwen will not acquire any new residential mortgage servicing rights until April 30, 2018.
- Ocwen will develop a plan of action and milestones regarding its transition from the servicing system we currently use, REALServicing[®], to an alternate servicing system and, with certain exceptions, will not board any new loans onto the REALServicing system.
- In the event that Ocwen chooses to merge with or acquire an unaffiliated company or its assets in order to effectuate a transfer of loans from the REALServicing system, Ocwen must give the applicable regulatory agency prior notice to the signing of any final agreement and the opportunity to object. If no objection is received, the provisions of the first bullet point above shall not prohibit the transaction, or limit the transfer of loans from the REALServicing system onto the merged or acquired company's alternate servicing system. In the event that an unaffiliated company merges with or acquires Ocwen or Ocwen's assets, the provisions of the first bullet point above shall not prohibit the transaction, or limit the transfer of loans from the REALServicing system onto the merging or acquiring company's alternate servicing system.
- Ocwen will engage a third-party auditor to perform an analysis with respect to our compliance with certain federal and state laws relating to escrow by testing approximately 9,000 loan files relating to residential real property in various states, and Ocwen must develop corrective action plans for any errors that are identified by the third-party auditor.
- Ocwen will develop and submit for review a plan to enhance our consumer complaint handling processes.
- Ocwen will provide financial condition reporting on a confidential basis as part of each state's supervisory framework through September 2020.

In addition to the terms described above, Ocwen has agreed with the Texas regulatory agency on certain additional communications with and for Texas borrowers, as well as certain review and reporting obligations. We also entered into an agreement to resolve the regulatory action brought by Tennessee on separate terms that addressed concerns generally related to financial reporting and two additional states have either withdrawn or allowed their respective cease and desist orders to expire.

As of November 1, 2017, the total number of jurisdictions where we have reached a resolution is 22.

These agreements are generally documented as consent orders or consent agreements that resolve the specific cease and desist or other order brought by the applicable regulatory agency and contain the specific terms agreed with each agency, which in certain instances include certain state specific reporting or other requirements. In all of the above-described agreements, Ocwen neither admitted nor denied liability. None of the agreements contain any monetary fines or penalties, although we will incur costs complying with the terms of these settlements, including in connection with the escrow analysis and transition to a new servicing system. In addition, in the event errors were to be uncovered during the escrow analysis, we could incur costs remedying such errors or other actions could be taken against by regulators or others.

We continue to seek timely resolutions with the remaining nine state regulatory agencies. If Ocwen is successful in reaching such resolutions, they may contain some or all of the Multi-State Common Settlement Terms and may also contain additional terms, including potentially monetary fines or penalties or additional restrictions on our business. There can be no assurance that Ocwen will be able to reach resolutions with the remaining regulatory agencies. It is possible that the outcome of the remaining regulatory actions, whether through negotiated settlements or other resolutions, could be materially adverse to our business, reputation, financial condition, liquidity and results of operations. We cannot currently estimate the amount, if any, of reasonably possible loss related to these matters.

Certain of the state regulators' cease and desist orders reference a confidential supervisory memorandum of understanding (MOU) that we entered into with the Multistate Mortgage Committee (MMC), a multistate coalition of various mortgage banking regulators, and six states relating to a servicing examination from 2013 to 2015. The MOU contained various provisions relating to servicing practices and safety and soundness aspects of the regulatory review, as a step toward closing the 2013-2015 examination. There were no monetary or other penalties under the MOU. Ocwen responded to the MOU items, and continues to provide certain reports and other information pursuant to the MOU.

In April 2017, and concurrent with the issuance of the cease and desist orders and the filing of the CFPB lawsuit discussed above, two state attorneys general took actions against us relating to our servicing practices. The Florida Attorney General filed a lawsuit in the federal district court for the Southern District of Florida against Ocwen, OMS and OLS alleging violations of federal and state consumer financial laws relating to our servicing business. These claims are similar to the claims made by the CFPB. The Florida Attorney General's lawsuit seeks injunctive and equitable relief, costs, and civil money penalties in excess of \$10,000 per confirmed violation of the applicable statute. As previously disclosed, the Massachusetts Attorney General had sent us a civil investigative demand requesting information relating to various aspects of our servicing practices, including lender-placed insurance and property preservation fees. Subsequently, the Massachusetts Attorney General filed a lawsuit against OLS in the Superior Court for the Commonwealth of Massachusetts alleging violations of state consumer financial laws relating to our servicing business, including with respect to our activities relating to lender-placed insurance and property preservation fees. The Massachusetts Attorney General's lawsuit seeks injunctive and equitable relief, costs, and civil money penalties of \$5,000 per confirmed violation of the applicable statute. While we endeavor to negotiate appropriate resolutions in these two matters, we are vigorously defending ourselves, as we believe we have valid defenses to the claims made in both lawsuits. The outcome of these two lawsuits, whether through negotiated settlements, court rulings or otherwise, could potentially involve monetary fines or penalties or additional restrictions on our business and could be materially adverse to our business, reputation, financial condition, liquidity and results of operations. We cannot currently estimate the amount, if any, of reasonably possible loss related to these matters.

On occasion, we engage with agencies of the federal government on various matters. For example, OLS received a letter from the Department of Justice, Civil Rights Division, notifying OLS that the Department of Justice had initiated a general investigation into OLS's policies and procedures to determine whether violations of the Servicemembers Civil Relief Act by OLS might exist. The letter stated that at this point, the investigation is preliminary in nature and the Department of Justice has not made any determination as to whether OLS violated the act. In addition, Ocwen is one of three defendants in an administrative complaint pending with HUD brought by a non-profit organization alleging discrimination in the manner in which the company maintains REO properties in minority communities. We believe the allegations to be without merit and intend to vigorously defend ourselves against these allegations.

In April 2017, Ocwen received a subpoena from the Office of Inspector General of HUD requesting the production of documentation related to lender-placed insurance arrangements with a mortgage insurer and the amounts paid for such insurance. We understand that other servicers in the industry have received similar subpoenas. In May 2016, Ocwen received a subpoena from the Office of Inspector General of HUD requesting the production of documentation related to HECM loans originated by Liberty. We understand that other lenders in the industry have received similar subpoenas.

In July 2017, we received a letter from Ginnie Mae in which Ginnie Mae informed us that the state regulators' cease and desist orders discussed above create a material change in Ocwen's business status under Chapter 3 of the Ginnie Mae MBS Guide, and Ginnie Mae has accordingly declared an event of default under Guaranty Agreements between Ocwen and Ginnie Mae. In the letter, Ginnie Mae notified Ocwen that it will forbear from immediately exercising any rights relating to this matter

for a period of 90 days from the date of the letter. During such forbearance period, Ginnie Mae has asked Ocwen to provide certain information regarding the cease and desist orders and certain information regarding Ocwen's business plan, financial results and operations. Ginnie Mae stated that it reserves the right to make additional requests of Ocwen and to restrict or terminate Ocwen's participation in the Ginnie Mae mortgage-backed securities program. Based on our conversations with Ginnie Mae, we understand that Ginnie Mae views this as a violation with a prescribed remedy and that the purpose of the notice is to provide for a period of resolution. We have provided and intend to continue to provide information to Ginnie Mae as we seek to resolve its concerns, including with respect to our efforts to settle the state regulatory and operational matters outlined by Ginnie Mae. Ginnie Mae has indicated to us that resolution of the state regulators' cease and desist orders would substantially address its concerns and that there may be other alternatives to address them as well. Based on our progress in resolving the matters raised by Ginnie Mae, Ginnie Mae has extended the forbearance period for an additional 90 days. We continue to operate as a Ginnie Mae issuer in all respects and continue to participate in Ginnie Mae issuing of mortgage-backed securities and home equity conversion loan pools in the ordinary course.

Adverse actions by Ginnie Mae could materially and adversely impact our business, reputation, financial condition, liquidity and results of operations, including if Ginnie Mae were to terminate us as an issuer or servicer of Ginnie Mae securities or otherwise take action indicating that such a termination was planned. For example, such actions could make financing our business more difficult, including by making future financing more expensive or if a lender were to allege a default under our debt agreements, which could trigger cross-defaults under all of our other material debt agreements.

New York Department of Financial Services

In December 2014, we entered into a consent order (the 2014 NY Consent Order) with the NY DFS as a result of an investigation relating to Ocwen's servicing of residential mortgages. The 2014 NY Consent Order contained monetary and non-monetary provisions including the appointment of a third-party operations monitor (NY Operations Monitor) to monitor various aspects of our operations and restrictions on our ability to acquire MSRs that effectively prohibit any such future acquisitions until we have satisfied certain specified conditions. We were also required to pay all reasonable and necessary costs of the NY Operations Monitor, and those costs were substantial.

On March 27, 2017, we entered into a consent order (the 2017 NY Consent Order) with the NY DFS that provided for (1) the termination of the engagement of the NY Operations Monitor on April 14, 2017, (2) a regulatory examination of our servicing business, following which the NY DFS would make a determination on whether the restrictions on our ability to acquire MSRs contained in the 2014 NY Consent Order should be eased and (3) certain reporting and other obligations, including in connection with matters identified in a final report by the NY Operations Monitor. In addition, the 2017 NY Consent Order provides that if the NY DFS concludes that we have materially failed to comply with our obligations under the order or otherwise finds that our servicing operations are materially deficient, the NY DFS may, among other things, and, in addition to its general authority to take regulatory action against us, require us to retain an independent consultant to review and issue recommendations on our servicing operations.

The NY Operations Monitor delivered its final report on April 14, 2017 when its engagement terminated. The final report contained certain recommended operational enhancements to which we have responded. Under the 2017 NY Consent Order, we are required to update the NY DFS quarterly on our implementation of the enhancements that we and the NY DFS agreed should be made. Our updates to date show that all agreed upon enhancements are being implemented.

California Department of Business Oversight

In January 2015, OLS entered into a consent order (the 2015 CA Consent Order) with the CA DBO relating to our failure to produce certain information and documents during a routine licensing examination. The order contained monetary and non-monetary provisions, including the appointment of an independent third-party auditor (the CA Auditor) to assess OLS' compliance with laws and regulations impacting California borrowers and a prohibition on acquiring any additional MSRs for loans secured in California. We were also required to pay all reasonable and necessary costs of the CA Auditor, and those costs were substantial.

On February 17, 2017, OLS and two other subsidiaries, Ocwen Business Solutions, Inc. (OBS) and OFSPL, reached an agreement, in three consent orders (collectively, the 2017 CA Consent Order), with the CA DBO that terminated the 2015 CA Consent Order and resolved open matters between the CA DBO and OLS, OBS and OFSPL, including certain matters relating to OLS' servicing practices and the licensed activities of OBS and OFSPL. The 2017 CA Consent Order does not involve any admission of wrongdoing by OLS, OBS or OFSPL. Additionally, we have certain reporting and other obligations under the 2017 CA Consent Order. We believe that we have completed those obligations of the 2017 CA Consent Order that have already come due, and we have so notified the CA DBO. If the CA DBO were to allege that we failed to comply with these obligations or otherwise were in breach of applicable laws, regulations or licensing requirements, it could take regulatory action against us.

Ocwen 2013 National Mortgage Settlement

In December 2013, we entered into a settlement with the CFPB and various state attorneys general and other state agencies that regulate the mortgage servicing industry relating to various allegations regarding deficient mortgage servicing practices (the Ocwen National Mortgage Settlement). The settlement contained monetary and non-monetary provisions, including quarterly testing on various metrics relating to servicing standards agreed under the Ocwen National Mortgage Settlement.

In September 2017, Ocwen reached an agreement in principle with the Monitoring Committee established under the Ocwen National Mortgage Settlement relating to a previously disclosed potential violation of one of the tested metrics during the first quarter of 2017. In order to resolve the matter and without agreeing with the Monitoring Committee's allegations, Ocwen agreed to pay \$1.0 million and to provide notices to certain borrowers with active lender placed insurance policies. On September 26, 2017, the court overseeing the Ocwen National Mortgage Settlement issued an order approving the agreement in principle. The parties reached this agreement in principle following the filing of the final report of the Office of Mortgage Settlement Oversight under the Ocwen National Mortgage Settlement. With this final report, the Office of Mortgage Settlement Oversight has concluded all monitoring and testing activities under the Ocwen National Mortgage Settlement.

Securities and Exchange Commission

In February 2015, we received a letter from the New York Regional Office of the SEC (the Staff) informing us that it was conducting an investigation relating to the use of collection agents by mortgage loan servicers. We believe that the February 2015 letter was also sent to other companies in the industry. On February 11, 2016, we received a letter from the Staff informing us that it was conducting an investigation relating to fees and expenses incurred in connection with liquidated loans and REO properties held in non-Agency RMBS trusts. We cooperated with the SEC in both of these matters and voluntarily produced documents and information. On October 2, 2017, we received confirmation from the Staff that it had concluded both investigations as they relate to Ocwen and, based on the Staff's information as of such date, the Staff did not intend to recommend that any related enforcement action be taken against Ocwen.

To the extent that an examination, audit or other regulatory engagement results in an alleged failure by us to comply with applicable laws, regulations or licensing requirements, or if allegations are made that we have failed to comply with applicable laws, regulations or licensing requirements or the commitments we have made in connection with our regulatory settlements (whether such allegations are made through administrative actions such as cease and desist orders, through legal proceedings or otherwise) or if other regulatory actions of a similar or different nature are taken in the future against us, this could lead to (i) administrative fines and penalties and litigation, (ii) loss of our licenses and approvals to engage in our servicing and lending businesses, (iii) governmental investigations and enforcement actions, (iv) civil and criminal liability, including class action lawsuits and actions to recover incentive and other payments made by governmental entities, (v) breaches of covenants and representations under our servicing, debt or other agreements, (vi) damage to our reputation, (vii) inability to raise capital or otherwise fund our operations and (viii) inability to execute on our business strategy. Any of these occurrences could increase our operating expenses and reduce our revenues, hamper our ability to grow or otherwise materially and adversely affect our business, reputation, financial condition, liquidity and results of operations.

Loan Put-Back and Related Contingencies

Our contracts with purchasers of originated loans contain provisions that require indemnification or repurchase of the related loans under certain circumstances. While the language in the purchase contracts varies, they contain provisions that require us to indemnify purchasers of related loans or repurchase such loans if:

- representations and warranties concerning loan quality, contents of the loan file or loan underwriting circumstances are inaccurate;
- adequate mortgage insurance is not secured within a certain period after closing;
- a mortgage insurance provider denies coverage; or
- there is a failure to comply, at the individual loan level or otherwise, with regulatory requirements.

Additionally, in one of the servicing contracts that Homeward acquired in 2008 from Freddie Mac, Homeward assumed the origination representations and warranties even though it did not originate the loans.

We receive origination representations and warranties from our network of approved originators in connection with loans we purchase through our correspondent lending channel. To the extent that we have recourse against a third-party originator, we may recover part or all of any loss we incur.

We believe that, as a result of the current market environment, many purchasers of residential mortgage loans are particularly aware of the conditions under which originators must indemnify or repurchase loans and under which such purchasers would benefit from enforcing any indemnification rights and repurchase remedies they may have.

In our lending business, we have exposure to indemnification risks and repurchase requests. If home values were to decrease, our realized loan losses from loan repurchases and indemnifications may increase as well. As a result, our liability for

repurchases may increase beyond our current expectations. If we are required to indemnify or repurchase loans that we originate and sell, or where we have assumed this risk on loans that we service, as discussed above, in either case resulting in losses that exceed our related liability, our business, financial condition and results of operations could be adversely affected.

We have exposure to origination representation, warranty and indemnification obligations because of our lending, sales and securitization activities and in connection with our servicing practices. We initially recognize these obligations at fair value. Thereafter, the estimation of the liability considers probable future obligations based on industry data of loans of similar type segregated by year of origination, to the extent applicable, and estimated loss severity based on current loss rates for similar loans, our historical rescission rates and the current pipeline of unresolved demands. Our historical loss severity considers the historical loss experience that we incur upon sale or liquidation of a repurchased loan as well as current market conditions. We monitor the adequacy of the overall liability and make adjustments, as necessary, after consideration of other qualitative factors including ongoing dialogue and experience with our counterparties.

At September 30, 2017 and September 30, 2016, we had outstanding representation and warranty repurchase demands of \$40.2 million UPB (213 loans) and \$59.3 million UPB (272 loans), respectively. We review each demand and monitor through resolution, primarily through rescission, loan repurchase or make-whole payment.

The following table presents the changes in our liability for representation and warranty obligations, compensatory fees for foreclosures that may ultimately exceed investor timelines and similar indemnification obligations:

Nine months ended September 30,	2017	2016
Beginning balance	\$ 24,285	\$ 36,615
Provision for representation and warranty obligations	(3,285)	(2,403)
New production reserves	554	615
Payments made in connection with sales of MSRs	—	(1,320)
Charge-offs and other (1)	(3,036)	(6,396)
Ending balance	\$ 18,518	\$ 27,111

(1) Includes principal and interest losses realized in connection with repurchased loans, make-whole, indemnification and fee payments and settlements, net of recoveries, if any.

We believe that it is reasonably possible that losses beyond amounts currently recorded for potential representation and warranty obligations and other claims described above could occur, and such losses could have an adverse impact on our results of operations, financial condition or cash flows. However, based on currently available information, we are unable to estimate a range of reasonably possible losses above amounts that have been recorded at September 30, 2017.

Other

OLS, on its own behalf and on behalf of various investors, has been engaged in a variety of activities to seek payments from mortgage insurers for unpaid claims, including claims where the mortgage insurers paid less than the full claim amount. Ocwen believes that many of the actions by mortgage insurers were in violation of the applicable insurance policies and insurance law. Ocwen is in the process of settlement discussions with certain mortgage insurers. In some cases, Ocwen has entered into tolling agreements, initiated arbitration or litigation, or taken other similar actions. While we expect the ultimate outcome to result in recovery of some unpaid mortgage insurance claims, we cannot quantify the likely amount at this time.

We have outstanding affirmative indemnification claims against parties from whom we have previously acquired MSRs. Although we are pursuing these claims, we cannot currently estimate the amount, if any, of our recoveries, which could be material.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Dollars in thousands, except per share amounts and unless otherwise indicated)

The following Management's Discussion and Analysis of Financial Condition and Results of Operations, as well as other portions of this Form 10-Q, may contain certain statements that constitute forward-looking statements within the meaning of the federal securities laws. You can identify forward-looking statements by terminology such as "may," "will," "should," "could," "intend," "consider," "expect," "plan," "anticipate," "believe," "estimate," "predict" or "continue" or the negative of such terms or other comparable 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. You 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 from those suggested by such statements. In the past, actual results have differed from those suggested by forward-looking statements, and this may happen again. You should consider all uncertainties and risks discussed or referenced in this report.

including those under “Forward-Looking Statements” and Item 1A, Risk Factors, as well as those discussed in our other reports and filings with the SEC, including those in Amendment No. 1 to our Annual Report on Form 10-K for the year ended December 31, 2016 and those in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K since such date.

OVERVIEW

We are a financial services company that services and originates loans. The majority of our revenues are generated from our servicing business, which is primarily comprised of our residential mortgage servicing business. As of September 30, 2017, our residential mortgage servicing portfolio consisted of 1,267,553 loans with a UPB of \$187.5 billion. In our lending business, we primarily originate, purchase, sell and securitize conventional and government-insured forward mortgage loans and reverse mortgages. In the third quarter of 2017, our lending business originated or purchased forward and reverse mortgage loans with a UPB of \$541.2 million and \$227.8 million, respectively. We are currently exploring streamlining our focus and re-evaluating our long-term strategy with respect to certain forward and reverse lending activities, as described further below.

We are a leader in the servicing industry in foreclosure prevention and loss mitigation that helps families stay in their homes and improves financial outcomes for mortgage loan investors. Our leadership in the industry is evidenced by our high cure rate for delinquent loans and above average rate of continuing performance by homeowners whose loans we have modified. Overall, Ocwen has completed nearly 755,000 loan modifications from January 1, 2008 through September 30, 2017.

Asset sales, portfolio runoff and regulatory restrictions on acquisitions of MSRs have resulted in a 60% decline in our servicing portfolio as compared to December 31, 2013. As a result, our revenues have decreased significantly and, while some of our expenses have reduced significantly, we have not been able to reduce our overall expenses by a comparative amount, in part because we have made significant investments in our risk and compliance infrastructure during this period. In addition, continuing regulatory and legal matters have negatively impacted our results. We are continuing to seek operational efficiencies to manage our cost structure as our servicing portfolio continues to shrink. However, there are limits to our ability to reduce costs through operational adjustments. In addition, due to the expiration of the Federal Government’s HAMP loan modification program, our servicing revenues have been negatively impacted by lower HAMP fees, which have been a significant component of servicing revenue in prior periods. As well, we are continuing to make investments in our servicing technology. For example, we are currently in the process of transitioning to a new servicing system and we have begun migrating to a new document storage platform. While these investments will involve upfront costs, we believe these investments will be beneficial to our business in the long term. While we are currently restricted in our ability to acquire MSRs, we would, absent regulatory restrictions, consider acquiring servicing if we viewed the purchase price and other terms to be attractive and determined such acquisitions were an appropriate use of our available capital at such time. Generally, we would benefit from economies of scale if we were able to increase the size of our servicing portfolio, and acquiring servicing would allow us to counteract to an extent the negative impacts on our business from revenues declining faster than expenses.

During July 2017, we entered into agreements with NRZ to convert NRZ’s existing Rights to MSRs to fully-owned MSRs. In effect, the new arrangements provide for the conversion of the existing arrangements into a more traditional subservicing arrangement and involve upfront payments to Ocwen as MSRs transfer to NRZ over time. As MSRs transfer to NRZ (following receipt of the necessary third-party consents), NRZ will pay a lump sum to Ocwen upon each transfer of such MSRs in exchange for Ocwen foregoing payments under the 2012 - 2013 Agreements. The amount of these lump sum payments is based on the amortized value of the transferred MSRs and decreases over time. The first MSRs transferred effective September 1, 2017. Conceptually, these upfront payments are a proxy for the net present value of the difference between higher future fees for servicing the mortgage loans under the 2012 - 2013 Agreements and the lower fees for servicing the mortgage loans under the new Subservicing Agreement. If the necessary third-party consents are not obtained by July 23, 2018, our agreements with NRZ provide for certain alternative arrangements to be put in place or for the MSRs to remain subject to the terms of the 2012 - 2013 Agreements. NRZ also made an equity investment in Ocwen, acquiring 6,075,510 newly-issued common shares for \$13.9 million.

As a general matter, we intend to continue to evaluate returns on our existing MSR portfolio, and we may decide to sell select portions of our portfolio or to enter into transactions similar to the 2012 - 2013 Agreements if we believe that such actions will benefit Ocwen versus holding the assets over a longer term.

As part of our cost structure and performance optimizing initiatives, we have begun exploring strategic approaches to streamline our business and leverage our competitive advantages. To that end, we are seeking to focus our operations on mortgage servicing and on our retail forward lending channel, primarily through retail lending recapture. While we believe that our reverse mortgage business has performed well, we are currently evaluating our long-term strategy with respect to our reverse lending activities, including the potential sale of the reverse lending business or certain assets of the business. In addition, as previously disclosed, we have taken various strategic actions with respect to our forward lending business, as we continue to evaluate the overall mortgage lending business and marketplace. For instance, earlier this year we closed our correspondent forward lending channel due to low margins and began selling all of our wholesale forward lending channel originations on a servicing released basis to reduce capital consumption. We have now entered into an agreement to sell certain

of our wholesale forward lending assets, and, upon closing of that transaction, we intend to exit the wholesale forward lending business. While these changes may limit our generation of new servicing assets in the near term, we believe that they will, over time, improve our returns and improve cash flow relative to current operations.

In addition, as previously disclosed, we have been evaluating our long-term strategy for our ACS business. While we still believe that this business has long-term potential, it is a relatively capital intensive business. As our ability to raise capital at competitive levels in the current business and regulatory environment is limited, we believe the ACS business may be worth more to a depository institution, an investment fund or an existing auto industry participant than it is to us. We are therefore considering the potential benefits of monetizing our investment in this business in the near term.

To the extent we generate cash proceeds from any sales of assets or businesses, we will, subject to the terms of our debt and other agreements, evaluate the best use of such cash which could include working capital, investments in new assets and reductions in debt to the extent permissible.

We have faced, and expect to continue to face, heightened regulatory and public scrutiny as well as stricter and more comprehensive regulation of our business. Since April 20, 2017, the CFPB, mortgage and banking regulatory agencies from 30 states and the District of Columbia and two state attorneys general have taken regulatory actions against us that alleged deficiencies in our compliance with laws and regulations relating to our servicing and lending activities. As of November 1, 2017, we have resolved these regulatory matters with 22 jurisdictions while continuing to seek resolutions with the remaining nine jurisdictions and the two state attorney generals. On an ongoing basis, we work diligently to assess the implications of the regulatory environment in which we operate and to meet the requirements of the current environment. We devote substantial resources to regulatory compliance and to addressing regulatory actions and engagements, while, at the same time, striving to meet the needs and expectations of our customers, clients and other stakeholders. Our business, operating results and financial condition have been significantly impacted in recent periods by legal and other fees and settlement payments related to litigation and regulatory matters, including the costs of third-party monitoring firms under our regulatory settlements. To the extent we are unable to avoid, mitigate or offset similar expenses in future periods, our business, operating results and financial condition will continue to be adversely affected, even if we are successful in our ongoing efforts to optimize our cost structure and improve our financial performance.

As discussed above, we have previously disclosed that we are in the process of transitioning to a new servicing system. We have entered into agreements with certain subsidiaries of Black Knight, Inc. (Black Knight) pursuant to which we plan to transition to Black Knight's LoanSphere MSP® (MSP) servicing system. The MSP servicing system includes loan boarding, payment processing, escrow administration, and default management, among other functions. We also plan to use certain ancillary services offered by Black Knight. Ocwen currently anticipates a twenty-four month implementation timeline for its transition onto the MSP servicing system. Once loans are boarded onto the MSP servicing system, the agreements have an initial term of seven years. Black Knight has significant market share and a number of the largest mortgage servicers use the MSP servicing system.

Results of Operations and Financial Condition

The following discussion and analysis of our results of operations and financial condition should be read in conjunction with our unaudited consolidated financial statements and the related notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operation appearing in Amendment No. 1 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2016.

Our results of operations for the three months ended September 30, 2017 were favorably impacted by a \$37.6 million reduction of interest expense recognized in connection with the fair value of the financing liability recognized in connection with the transfer of MSRs to NRZ under the 2017 Agreements and by a \$23.6 million income tax benefit recognized upon the reversal of the liability for uncertain tax positions, including related accrued interest and penalties, due to the expiration of applicable statutes of limitation. We received a \$54.6 million lump sum payment in connection with the transfer of \$15.9 billion in MSRs to NRZ during the quarter. The amount of lump sum payment is based on a contractual schedule that approximates the net present value of the difference in cash flows under the 2017 Agreements versus the 2012-2013 Agreements, and was determined based on the weighted average characteristics, such as contractual servicing fee rates and delinquency, of the MSRs underlying the Rights to MSRs. The fair value of the portion of the financing liability recognized in connection with the transfer declined primarily due to the transferred MSRs having a contractual servicing fee rate of 33.4 bps as compared to the weighted average of 47.1 bps used in the contractual schedule. Changes in the fair value of the financing liability are recorded in interest expense. A decrease in the fair value of the financing liability reduces interest expense and increases in the fair value increase interest expense.

Operations Summary

The following table presents summarized consolidated operating results:

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Revenue						
Servicing and subservicing fees	\$ 233,220	\$ 302,235	(23)%	\$ 761,523	\$ 906,993	(16)%
Gain on loans held for sale, net	25,777	25,645	1	76,976	69,074	11
Other	25,645	31,568	(19)	79,307	87,192	(9)
Total revenue	284,642	359,448	(21)	917,806	1,063,259	(14)
Expenses						
Compensation and benefits	90,538	92,942	(3)	272,750	287,613	(5)
Servicing and origination	72,524	63,551	14	204,947	249,230	(18)
Professional services	38,417	65,489	(41)	145,651	257,795	(44)
Technology and communications	27,929	25,941	8	79,530	85,519	(7)
Occupancy and equipment	15,340	16,760	(8)	49,569	62,213	(20)
Amortization of mortgage servicing rights	13,148	(2,558)	(614)	38,560	18,595	107
Other	15,583	9,553	63	39,335	24,388	61
Total expenses	273,479	271,678	1	830,342	985,353	(16)
Other income (expense)						
Interest expense	(47,281)	(110,961)	(57)	(212,471)	(308,083)	(31)
Gain on sale of mortgage servicing rights, net	6,543	5,661	16	7,863	7,689	2
Other, net	3,022	19,894	(85)	18,485	26,329	(30)
Total other expense, net	(37,716)	(85,406)	(56)	(186,123)	(274,065)	(32)
Income (loss) before income taxes	(26,553)	2,364	n/m	(98,659)	(196,159)	(50)
Income tax benefit	(20,418)	(7,110)	187	(15,465)	(7,214)	114
Net income (loss)	(6,135)	9,474	(165)	(83,194)	(188,945)	(56)
Net income attributable to non-controlling interests	(117)	(83)	41	(289)	(373)	(23)
Net income (loss) attributable to Ocwen stockholders	\$ (6,252)	\$ 9,391	(167)%	\$ (83,483)	\$ (189,318)	(56)%
Segment income (loss) before income taxes:						
Servicing	\$ 5,681	\$ 35,449	(84)%	\$ 18,030	\$ (42,414)	(143)%
Lending	(7,569)	1,311	(677)	(7,072)	5,742	(223)
Corporate Items and Other	(24,665)	(34,396)	(28)	(109,617)	(159,487)	(31)
	\$ (26,553)	\$ 2,364	n/m	\$ (98,659)	\$ (196,159)	(50)%

n/m: not meaningful

Three Months Ended September 30, 2017 versus 2016

Servicing and subservicing fees for the third quarter of 2017 were \$69.0 million, or 23%, lower than the third quarter of 2016, primarily due to portfolio runoff. Additionally, the number of completed modifications declined as a result of the expiration of the HAMP program on December 31, 2016. The average UPB and average number of assets in our residential portfolio declined 14% and 12%, respectively, as compared to the third quarter of 2016.

Expenses were \$1.8 million, or 1%, higher in the third quarter of 2017 as compared to the third quarter of 2016.

Monitor expenses, which are included in Professional services expense, decreased \$13.5 million as compared to the third quarter of 2016 primarily as a result of reduced costs related to the CA Auditor, whose appointment was terminated in February 2017, and the NY Operations Monitor, whose appointment was terminated in April 2017.

MSR amortization and valuation adjustments (including both fair value adjustments and impairment charges), increased \$33.3 million as compared to the third quarter of 2016, principally due to a \$22.0 million increase in fair value losses and a \$15.7 million increase in amortization. The increase in fair value loss primarily resulted from a \$20.2 million benefit recognized in the third quarter of 2016 related to collateral performance improvements that increased the value of the MSRs. The increase in amortization expense primarily resulted from an \$18.1 million benefit recognized in the third quarter of 2016 related to the sale of non-performing loans conveyed to HUD as part of the ADPLS program. During the third quarter of 2017 and 2016, we reversed impairment charges related to our government insured MSRs of \$6.2 million and \$1.9 million, respectively.

Excluding MSR amortization and valuation adjustments and monitor expenses, expenses were \$18.0 million, or 7%, lower as compared to the third quarter of 2016. Professional services expense, excluding monitor expenses, was \$13.5 million, or 27%, lower in the third quarter of 2017 as compared to the third quarter of 2016 due to a \$9.2 million decline in legal expenses. Professional services expense for the third quarter of 2017 includes \$3.7 million of fees incurred in connection with converting NRZ's Rights to MSRs to fully-owned MSRs. The third quarter of 2016 included \$10.0 million recorded in connection with our discussions with the CA DBO that resulted in the termination of the 2015 CA Consent Order. Servicing and origination expense, excluding MSR valuation adjustments, decreased \$8.7 million, or 14%, primarily due to a decrease in the loss provision related to Ginnie Mae claim receivables.

Compensation and benefits expense declined \$2.4 million, or 3%, as average headcount declined by 15%, including an 11% reduction in U.S.-based headcount. The decline in headcount occurred principally in our Servicing business where headcount declined by 21%, including a 15% reduction in the U.S.

The \$6.0 million, or 63%, increase in Other expenses is due to a \$6.8 million charge to write-off the carrying value of internally-developed software used in our wholesale forward lending business in connection with our decision to exit that channel and sell the furniture, fixtures and equipment located at our Westborough, Massachusetts facility.

Interest expense for the third quarter of 2017 declined \$63.7 million, or 57%, as compared to the third quarter of 2016 primarily due to a \$58.7 million decline in interest expense on the NRZ financing liabilities due to a \$37.6 million favorable adjustment to the fair value of the NRZ financing liability recognized in connection with the transfer of MSRs, as well as the decline in the average UPB of the NRZ servicing portfolio due to runoff. The favorable fair value adjustment was primarily driven by the characteristics of Rights to MSRs with a UPB of \$15.9 billion that were converted to fully-owned MSRs during the quarter, relative to the \$54.6 million lump sum payment received from NRZ. For the Rights to MSRs that were converted during the quarter, the characteristics of the underlying MSRs did not correspond to the weighted average loan characteristics used to determine the lump sum payment, resulting in a decline in the fair value of the financing liability primarily due to the transferred MSRs having a contractual servicing fee rate of 33.4 bps as compared to the weighted average of 47.1 bps used in the lump sum contractual schedule. As additional Rights to MSRs may transfer in the future, the recognition may include the reversal of any gain associated solely with such characteristics. Also, interest expense was lower on match funded liabilities consistent with the decline in servicing advances and the effect of higher amortization of facility costs in the third quarter of 2016.

Other, net for the third quarter of 2016 includes \$12.8 million received in connection with the execution of clean-up call rights related to four small-balance commercial mortgage securitization trusts. We also recognized a \$2.5 million loss on the sale of the commercial loans purchased as part of the transaction, which we reported in Gain on loans held for sale, net.

Nine Months Ended September 30, 2017 versus 2016

Servicing and subservicing fees declined \$145.5 million, or 16%, in the nine months ended September 30, 2017 as compared to the same period of 2016. This decline is primarily due to portfolio runoff and a reduction in the number of completed modifications. The average UPB and average number of assets in our residential portfolio declined 10% and 8%, respectively, as compared to the nine months ended September 30, 2016.

Gains on loans held for sale for the nine months ended September 30, 2017 increased \$7.9 million, or 11%, as compared to the nine months ended September 30, 2016. Gains on loans held for sale from our lending operations increased \$11.6 million, primarily as a result of higher origination volumes and margins in our reverse lending business.

Expenses for the nine months ended September 30, 2017 were \$155.0 million, or 16%, lower than the same period of 2016.

Monitor expenses for the nine months ended September 30, 2017 were \$66.8 million lower than the same period last year, primarily as a result of the termination of the CA Auditor and NY Operations Monitor appointments in 2017. MSR amortization

and valuation adjustments decreased \$3.9 million, or 3%, due to a \$38.7 million decrease in impairment charges related to our government insured MSRs and the effects of portfolio runoff, offset by a \$20.0 million increase in amortization and a \$14.8 million increase in fair value losses. The higher impairment in 2016 reflects a significant decrease in interest rates, whereas rates have remained relatively flat in 2017. The increase in fair value loss is due to the \$20.2 million benefit recognized in the third quarter of 2016 related to collateral performance improvements that increased the value of the MSRs. The increase in amortization expense resulted from a benefit recognized during the nine months ended September 30, 2016 related to the sale of non-performing loans conveyed to HUD as part of the ADPLS program.

Excluding MSR amortization and valuation adjustments and monitor expenses, expenses for the nine months ended September 30, 2017 were \$84.2 million, or 11%, lower than the same period a year ago. Professional services expense, excluding monitor expenses, was \$45.3 million, or 25%, lower for the nine months ended September 30, 2017 as compared to the same period of 2016 due to a \$39.7 million decline in legal expenses. We recorded \$35.8 million of anticipated recoveries of litigation settlements in the second quarter of 2017 as an offset to legal expenses. Professional services expense for the nine months ended September 30, 2017 includes \$5.0 million of fees in connection with converting NRZ's Rights to MSRs to fully-owned MSRs. Servicing and origination expense, excluding MSR valuation adjustments, decreased \$20.4 million, or 14%, primarily due to a decrease in the Ginnie Mae related loss provision and claim losses.

Compensation and benefits expense declined \$14.9 million, or 5%, as average headcount declined by 12%, including a 9% reduction in U.S.-based headcount. The decline in headcount occurred principally in our Servicing business where headcount declined by 20%, including a 19% reduction in the U.S. Occupancy and equipment expense declined by \$12.6 million, or 20%, largely because of the effect of the decline in the size of the servicing portfolio on various expenses, particularly postage and other delivery services, and the effect of consolidating facilities. Technology and communications expense declined by \$6.0 million, or 7%, because of efforts to bring technology services in-house and the effects of a declining servicing portfolio on technology fees.

Other expenses increased by \$14.9 million, or 61%, primarily due to the \$6.8 million charge recognized in the third quarter of 2017 to write-off the carrying value of internally-developed software used in our wholesale forward lending business and a \$4.0 million increase in provision for losses on automotive dealer financing notes. The loss provision recorded by the ACS business on its portfolio of automotive dealer financing notes was required principally because of the deterioration since December 31, 2016 in the credit quality of notes due from certain dealers. Due to the increase in the age of these notes, we have assumed that the notes due from these dealers are fully collateral-dependent, with no recoveries beyond estimated liquidation value of the remaining unsold inventory.

Interest expense for the nine months ended September 30, 2017 declined \$95.6 million, or 31%, as compared to the same period of the prior year due in large part to a \$65.9 million reduction in interest expense on the NRZ financing liabilities driven by declines in the value of the NRZ financing liability, principally as a result of the decline in the average UPB of the NRZ servicing portfolio due to runoff and because of the \$37.6 million reduction in fair value of the NRZ financing liability recognized in connection with the transfer of MSRs, as discussed above. In addition, interest expense for the nine months ended September 30, 2016 included \$10.5 million of additional payments to NRZ to compensate it for certain increased costs associated with an earlier downgrade of our S&P servicer rating. Lower interest expense on match funded liabilities is consistent with the decline in servicing advances and the effect of the higher amortization of facility costs in 2016.

Although the pre-tax loss for the nine months ended September 30, 2017 declined by \$97.5 million, or 50%, to \$98.7 million, the income tax benefit actually increased \$8.3 million, or 114%, to \$15.5 million. This is primarily due to the income tax benefit recognized on the reversal of the remaining liability for uncertain tax positions at the expiration of the statute of limitations in September 2017. The change is also due to the mix of earnings among different tax jurisdictions with different statutory tax rates, which impacts the amount of the tax benefit or expense recorded. The overall effective tax rate for the nine months ended September 30, 2017 was 15.7%, compared to 3.7% for the nine months ended September 30, 2016. This rate change primarily resulted from the tax benefit recognized on the reversal of uncertain tax positions during the nine months ended September 30, 2017, as compared to additional income tax expense recognized during the nine months ended September 30, 2016 related to uncertain tax positions, offset in part by a decrease in tax benefits resulting from our inability to carry back current losses that are being generated in the U.S. and USVI tax jurisdictions.

Financial Condition Summary

The following table presents summarized consolidated balance sheet data at the dates indicated:

	September 30, 2017	December 31, 2016	% Change
Cash	\$ 299,888	\$ 256,549	17 %
Mortgage servicing rights	944,308	1,042,978	(9)
Advances and match funded advances	1,405,816	1,709,846	(18)
Loans held for sale	223,662	314,006	(29)
Loans held for investment, at fair value	4,459,760	3,565,716	25
Other	764,171	766,568	—
Total assets	\$ 8,097,605	\$ 7,655,663	6 %
Total assets by segment:			
Servicing	\$ 2,905,817	\$ 3,312,371	(12)%
Lending	4,679,641	3,863,862	21
Corporate Items and Other	512,147	479,430	7
	\$ 8,097,605	\$ 7,655,663	6 %
HMBS-related borrowings, at fair value	\$ 4,358,277	\$ 3,433,781	27 %
Other financing liabilities	536,981	579,031	(7)
Match funded liabilities	1,028,016	1,280,997	(20)
SSTL and other secured borrowings, net	544,589	678,543	(20)
Senior notes, net	347,201	346,789	—
Other	693,119	681,239	2
Total liabilities	\$ 7,508,183	\$ 7,000,380	7 %
Total liabilities by segment:			
Servicing	\$ 2,108,172	\$ 2,369,697	(11)%
Lending	4,597,191	3,785,974	21
Corporate Items and Other	802,820	844,709	(5)
	\$ 7,508,183	\$ 7,000,380	7 %
Total equity	\$ 589,422	\$ 655,283	(10)%
n/m: not meaningful			

Changes in the composition and balance of our assets and liabilities during the nine months ended September 30, 2017 are principally attributable to Loans held for investment and Financing liabilities, which increased as a result of our reverse mortgage securitizations accounted for as secured financings. Match funded liabilities declined consistent with lower advances and match funded advances on a declining servicing portfolio. Total equity declined as a result of the net loss we incurred for the nine months ended September 30, 2017.

SEGMENT RESULTS OF OPERATIONS

Our activities are organized into two reportable business segments that reflect our primary lines of business - Servicing and Lending - as well as a Corporate Items and Other segment. While our expense allocation methodology for the current period is consistent with that used in prior periods presented, during the first quarter of 2017, we moved certain functions which had been associated with corporate cost centers to our Lending and Servicing segments because these functions align more closely with those segments. As applicable, the results of operations for the three and nine months ended September 30, 2016 have been recast to conform to the current period presentation. As a result of these changes, income before income taxes for the Lending segment decreased for the three and nine months ended September 30, 2016 by \$2.3 million and \$7.4 million, respectively, while loss before income taxes for the Servicing segment decreased by the same amount for the same periods.

Servicing

We earn contractual monthly servicing fees pursuant to servicing agreements (which are typically payable as a percentage of UPB) as well as ancillary fees, including HAMP fees, float earnings, REO referral commissions, Speedpay® fees and late fees, in connection with owned MSR. We also earn fees under both subservicing and special servicing arrangements with banks and other institutions that own the MSR. We typically earn these fees either as a percentage of UPB or on a per loan basis. Per loan fees typically vary based on delinquency status.

Loan Resolutions

Because we recognize servicing fees as revenue when the fees are earned, loan resolution activities are important to our financial performance. We recognize delinquent servicing fees and late fees as revenue when we collect cash on resolved loans, where permitted. Loan resolution activities address the pipeline of delinquent loans and generally lead to (i) modification of the loan terms, (ii) repayment plan alternatives, (iii) a discounted payoff of the loan (e.g., a “short sale”) or (iv) foreclosure or deed-in-lieu-of-foreclosure and sale of the resulting REO. Loan modifications must be made in accordance with the applicable servicing agreement as such agreements may require approvals or impose restrictions upon, or even forbid, loan modifications. To select the best loan modification option for a borrower, we perform a structured analysis, using a proprietary model, of all options using information provided by the borrower as well as external data, including recent broker price opinions to value the mortgaged property. Our proprietary model includes, among other things, an assessment of re-default risk.

Because a significant portion of our loan modifications in recent years have been in connection with the HAMP loan modification program, its expiration on December 31, 2016 has adversely affected our servicing revenue and the financial performance of our servicing segment. While our other modification programs do not include the incentive fee portion of revenue that is received with respect to successful HAMP modifications, we expect to continue to realize the other benefits associated with such resolutions, including the collection of delinquent servicing fees and lower costs of servicing the performing loan. We estimate the balance of deferred servicing fees related to delinquent borrower payments was \$325.8 million and \$380.2 million, respectively, at September 30, 2017 and December 31, 2016. Deferred servicing fees attributable to the MSR underlying NRZ’s Rights to MSR were \$270.7 million at September 30, 2017. We are contractually obligated to remit to NRZ all deferred servicing fees collected in connection with MSR underlying Rights to MSR. However, under our 2012 and 2013 agreements with NRZ, in addition to base servicing fees, we are entitled to performance fees that increase to the extent we collect deferred servicing fees. As such, the majority of the deferred servicing fees collected are recognized by us as additional revenue without a corresponding increase in interest expense related to the NRZ financing liability. On July 23, 2017, we executed on our previously announced agreement in principle with NRZ to convert NRZ’s existing Rights to MSR to fully-owned MSR. As MSR transfer to NRZ under our July 2017 agreements, we will subservice the mortgage loans to which the MSR relate and NRZ will receive all deferred service fees. We estimate the balance of deferred servicing fees for the \$15.5 billion in UPB that has been converted to fully-owned MSR to be \$17.3 million as of September 30, 2017.

Advance Obligation

As a servicer, we are generally obliged to advance funds in the event borrowers are delinquent on their monthly mortgage related payments. We advance principal and interest (P&I Advances), taxes and insurance (T&I Advances) and legal fees, property valuation fees, property inspection fees, maintenance costs and preservation costs on properties that have been foreclosed (Corporate Advances). For loans in non-Agency securitization trusts, if we determine that our P&I Advances cannot be recovered from the projected future cash flows, we generally have the right to cease making P&I Advances, declare advances, where permitted including T&I and Corporate advances, in excess of net proceeds to be non-recoverable and, in most cases, immediately recover any such excess advances from the general collection accounts of the respective trust. With T&I and Corporate Advances, we continue to advance if net future cash flows exceed projected future advances without regard to advances already made.

Most of our advances have the highest reimbursement priority (i.e., they are “top of the waterfall”) so that we are entitled to repayment from respective loan or REO liquidation proceeds before any interest or principal is paid on the bonds that were issued by the trust. In the majority of cases, advances in excess of respective loan or REO liquidation proceeds may be recovered from pool-level proceeds. The costs incurred in meeting these obligations consist principally of the interest expense incurred in financing the servicing advances. Most, but not all, subservicing agreements provide for more rapid reimbursement of any advances from the owner of the servicing rights. NRZ effectively funds advances on loans for which we have sold the Rights to MSR because NRZ is contractually required to reimburse us for the advances we make on those loans under our agreements with NRZ.

Third-Party Servicer Ratings

Similar to other servicers, we are the subject of mortgage servicer ratings or rankings (collectively, ratings) issued and revised from time to time by rating agencies including Moody’s, S&P and Fitch. Favorable ratings from these agencies are important to the conduct of our loan servicing and lending businesses.

The following table summarizes our key ratings by these rating agencies:

	Moody's	S&P	Fitch
Residential Prime Servicer	SQ3-	Average	RPS3-
Residential Subprime Servicer	SQ3-	Average	RPS3-
Residential Special Servicer	SQ3-	Average	RSS3-
Residential Second/Subordinate Lien Servicer	SQ3-	Average	RPS3-
Residential Home Equity Servicer	—	—	RPS3-
Residential Alt-A Servicer	—	—	RPS3-
Master Servicing	SQ3	Average	RMS3-
Ratings Outlook	N/A	Stable	Negative
Date of last action	April 24, 2017	August 9, 2016	April 25, 2017

In addition to servicer ratings, each of the rating agencies will from time to time assign an outlook (or a ratings watch such as Moody's review status) to the rating status of a mortgage servicer. A negative outlook is generally used to indicate that a rating "may be lowered," while a positive outlook is generally used to indicate a rating "may be raised." S&P's servicer ratings outlook for Ocwen is stable in general and its outlook for master servicing is positive. Fitch Ratings changed the servicer ratings Outlook to Negative from Stable on April 25, 2017. Moody's placed the servicer ratings on Watch for Downgrade on April 24, 2017.

Failure to maintain minimum servicer ratings could adversely affect our ability to sell or fund servicing advances going forward, could affect the terms and availability of debt financing facilities that we may seek in the future, and could impair our ability to consummate future servicing transactions or adversely affect our dealings with lenders, other contractual counterparties, and regulators, including our ability to maintain our status as an approved servicer by Fannie Mae and Freddie Mac. The servicer rating requirements of Fannie Mae do not necessarily require or imply immediate action, as Fannie Mae has discretion with respect to whether we are in compliance with their requirements and what actions it deems appropriate under the circumstances in the event that we fall below their desired servicer ratings. Under our July 2017 agreements with NRZ, NRZ has agreed to a standstill through January 23, 2019, subject to limited exceptions, on exercising rights it would otherwise have under the existing 2012 and 2013 agreements to replace Ocwen as servicer of certain MSRs in the event of a termination event with respect to an affected servicing agreement underlying the MSRs resulting from a servicer rating downgrade.

The following table presents the results of operations of our Servicing segment. The amounts presented are before the elimination of balances and transactions with our other segments:

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Revenue						
Servicing and subservicing fees:						
Residential	\$ 231,272	\$ 300,018	(23)%	\$ 756,119	\$ 900,848	(16)%
Commercial	2,314	2,310	—	6,209	6,520	(5)
	<u>233,586</u>	<u>302,328</u>	(23)	<u>762,328</u>	<u>907,368</u>	(16)
Gain on loans held for sale, net	4,054	5,943	(32)	8,767	11,906	(26)
Other	8,905	10,809	(18)	31,252	32,453	(4)
Total revenue	<u>246,545</u>	<u>319,080</u>	(23)	<u>802,347</u>	<u>951,727</u>	(16)
Expenses						
Compensation and benefits	40,312	44,156	(9)	121,678	142,815	(15)
Servicing and origination	66,962	57,498	16	187,536	229,377	(18)
Professional services	14,148	22,977	(38)	49,076	92,561	(47)
Technology and communications	11,970	14,374	(17)	35,779	43,243	(17)
Occupancy and equipment	11,098	12,066	(8)	35,431	47,532	(25)
Amortization of mortgage servicing rights	13,081	(2,634)	(597)	38,351	18,360	109
Other	60,994	53,719	14	169,555	160,438	6
Total expenses	<u>218,565</u>	<u>202,156</u>	8	<u>637,406</u>	<u>734,326</u>	(13)
Other income (expense)						
Interest income	144	59	144	406	(102)	(498)
Interest expense	(28,568)	(101,138)	(72)	(159,822)	(278,808)	(43)
Gain on sale of mortgage servicing rights, net	6,543	5,661	16	7,863	7,689	2
Other, net	(418)	13,943	(103)	4,642	11,406	(59)
Total other expense, net	<u>(22,299)</u>	<u>(81,475)</u>	(73)	<u>(146,911)</u>	<u>(259,815)</u>	(43)
Income (loss) before income taxes	<u>\$ 5,681</u>	<u>\$ 35,449</u>	(84)%	<u>\$ 18,030</u>	<u>\$ (42,414)</u>	(143)%

n/m: not meaningful

The following tables provide selected operating statistics:

At September 30,	2017	2016	% Change			
Residential Assets Serviced						
<i>Unpaid principal balance (UPB):</i>						
Performing loans (1)	\$ 169,840,643	\$ 192,260,993	(12)%			
Non-performing loans	14,230,148	20,213,008	(30)			
Non-performing real estate	3,397,527	4,418,001	(23)			
Total	<u>\$ 187,468,318</u>	<u>\$ 216,892,002</u>	(14)%			
Conventional loans (2)	\$ 53,202,003	\$ 63,898,483	(17)%			
Government-insured loans	21,727,342	23,722,156	(8)			
Non-Agency loans	112,538,973	129,271,363	(13)			
Total	<u>\$ 187,468,318</u>	<u>\$ 216,892,002</u>	(14)%			
<i>Percent of total UPB:</i>						
Servicing portfolio	42%	41%	2 %			
Subservicing portfolio	2	2	—			
NRZ (3)	56	57	(2)			
Non-performing assets	9	11	(18)			
<i>Count:</i>						
Performing loans (1)	1,178,537	1,313,600	(10)%			
Non-performing loans	72,213	100,710	(28)			
Non-performing real estate	16,803	23,357	(28)			
Total	<u>1,267,553</u>	<u>1,437,667</u>	(12)%			
Conventional loans (2)	317,588	369,555	(14)%			
Government-insured loans	159,439	173,235	(8)			
Non-Agency loans	790,526	894,877	(12)			
Total	<u>1,267,553</u>	<u>1,437,667</u>	(12)%			
<i>Percent of total count:</i>						
Servicing portfolio	40%	39%	3 %			
Subservicing portfolio	2	2	—			
NRZ (3)	58	59	(2)			
Non-performing assets	7	9	(22)			
Periods ended September 30,						
Residential Assets Serviced						
<i>Average UPB:</i>						
Servicing portfolio	\$ 79,836,441	\$ 90,753,811	(12)%	\$ 82,257,200	\$ 90,276,861	(9)%
Subservicing portfolio	3,672,537	5,503,444	(33)	4,018,896	6,903,036	(42)
NRZ (3)	107,589,331	125,494,406	(14)	112,279,580	123,468,047	(9)
Total	<u>\$ 191,098,309</u>	<u>\$ 221,751,661</u>	(14)%	<u>\$ 198,555,676</u>	<u>\$ 220,647,944</u>	(10)%

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
<i>Prepayment speed (average CPR)</i>	15%	15%	—%	15%	14%	7%
% Voluntary	82	80	3	81	78	4
% Involuntary	18	20	(10)	19	22	(14)
% CPR due to principal modification	1	2	(50)	1	2	(50)
Average count:						
Servicing portfolio	510,455	572,274	(11)%	524,337	567,184	(8)%
Subservicing portfolio	27,994	38,291	(27)	29,774	45,179	(34)
NRZ (3)	750,078	854,607	(12)	777,821	834,607	(7)
	<u>1,288,527</u>	<u>1,465,172</u>	(12)%	<u>1,331,932</u>	<u>1,446,970</u>	(8)%
Residential Servicing and Subservicing Fees						
Loan servicing and subservicing fees:						
Servicing	\$ 62,465	\$ 73,019	(14)%	\$ 195,683	\$ 226,310	(14)%
Subservicing	1,760	2,989	(41)	5,792	11,436	(49)
NRZ	129,228	159,919	(19)	420,151	482,566	(13)
	<u>193,453</u>	<u>235,927</u>	(18)	<u>621,626</u>	<u>720,312</u>	(14)
HAMP fees	6,202	32,021	(81)	37,662	88,130	(57)
Late charges	14,878	15,150	(2)	47,120	51,055	(8)
Loan collection fees	5,654	6,736	(16)	17,889	20,828	(14)
Other	11,085	10,184	9	31,822	20,523	55
	<u>\$ 231,272</u>	<u>\$ 300,018</u>	(23)%	<u>\$ 756,119</u>	<u>\$ 900,848</u>	(16)%
Interest Expense on NRZ Financing Liability (4)						
Servicing fees collected on behalf of NRZ	\$ 129,228	\$ 159,919	(19)%	\$ 420,151	\$ 482,566	(13)%
Less: Subservicing fee retained by Ocwen	68,536	87,506	(22)	226,483	257,408	(12)
Net servicing fees remitted to NRZ	60,692	72,413	(16)	193,668	225,158	(14)
Less: reduction (increase) in financing liability						
Changes in fair value	27,024	(807)	n/m	27,024	(1,555)	n/m
Runoff, settlements and other	19,770	594	n/m	52,963	47,172	12
	<u>\$ 13,898</u>	<u>\$ 72,626</u>	(81)%	<u>\$ 113,681</u>	<u>\$ 179,541</u>	(37)%
Number of Completed Modifications						
HAMP	620	13,354	(95)%	12,249	31,994	(62)%
Non-HAMP	5,924	7,716	(23)	23,719	25,409	(7)
Total	<u>6,544</u>	<u>21,070</u>	(69)%	<u>35,968</u>	<u>57,403</u>	(37)%

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Financing Costs						
Average balance of advances and match funded advances	\$ 1,441,798	\$ 1,877,798	(23)%	\$ 1,544,824	\$ 1,987,573	(22)%
Average borrowings						
Match funded liabilities	1,046,772	1,400,017	(25)	1,146,096	1,485,655	(23)
Financing liabilities	525,806	613,545	(14)	546,324	651,305	(16)
Other secured borrowings	17,711	362,196	(95)	21,999	395,153	(94)
Interest expense on borrowings						
Match funded liabilities	11,196	17,349	(35)	36,015	53,656	(33)
Financing liabilities	15,317	73,096	(79)	118,579	193,974	(39)
Other secured borrowings	513	9,765	(95)	1,371	28,048	(95)
Effective average interest rate						
Match funded liabilities	4.28%	4.96%	(14)	4.19%	4.82%	(13)
Financing liabilities (4)	11.65	47.65	(76)	28.94	39.71	(27)
Other secured borrowings	11.59	10.78	8	8.31	9.46	(12)
Facility costs included in interest expense	\$ 2,305	\$ 8,953	(74)	\$ 5,724	\$ 26,519	(78)
Discount amortization included in interest expense	—	240	(100)	—	623	(100)
Average 1-Month LIBOR	1.23%	0.50%	146	1.02%	0.46%	122
Average Employment						
India and other	4,927	6,326	(22)%	5,251	6,551	(20)%
U.S.	1,173	1,382	(15)	1,215	1,505	(19)
Total	6,100	7,708	(21)%	6,466	8,056	(20)%
Collections on loans serviced for others	\$ 9,196,616	\$ 10,722,550	(14)%	\$ 28,063,649	\$ 30,782,109	(9)%

n/m: not meaningful

- (1) Performing loans include those loans that are current (less than 90 days past due) and those loans for which borrowers are making scheduled payments under loan modification, forbearance or bankruptcy plans. We consider all other loans to be non-performing.
- (2) Conventional loans include 144,461 and 174,299 prime loans with a UPB of \$25.7 billion and \$32.7 billion at September 30, 2017 and September 30, 2016, respectively, that we service or subservice.
- (3) Loans serviced by Ocwen for which the Rights to MSRs have been sold to NRZ, including loans that have been converted to fully-owned MSRs. Under our 2012 - 2013 Agreements with NRZ, we remit servicing fees collected on the underlying MSRs, except for the ancillary fees (other than float earnings). The servicing fees that we remit, net of the subservicing and performance fees that we receive, are accounted for as a reduction of the NRZ financing liability and as interest expense. Changes in the fair value of the related financing liability are also included in the amount reported as interest expense.
- (4) The effective average interest rate on the financing liability that we recognized in connection with the sales of Rights to MSRs to NRZ is 12.79% and 59.15% for the three months ended September 30, 2017 and 2016, respectively, and 33.58% and 49.40% for the nine months ended September 30, 2017 and 2016, respectively. Interest expense on financing liabilities for the nine months ended September 30, 2016 included \$10.5 million of fees incurred in connection with our agreement to compensate NRZ through June 2016 for certain increased costs associated with its servicing advance financing facilities that were the direct result of a downgrade of our S&P servicer rating in 2015.

The following table provides information regarding the changes in our portfolio of residential assets serviced or subserviced:

	Amount of UPB		Count	
	2017	2016	2017	2016
Portfolio at January 1	\$ 209,092,130	\$ 250,966,112	1,393,766	1,624,762
Additions	1,403,213	1,531,715	6,675	7,969
Sales	(52,162)	(34,643)	(260)	(126)
Servicing transfers	(220,169)	(6,745,819)	(1,253)	(34,506)
Runoff	(7,853,998)	(8,636,329)	(44,972)	(47,132)
Portfolio at March 31	202,369,014	237,081,036	1,353,956	1,550,967
Additions	1,152,541	2,079,670	5,434	9,843
Sales	(82,571)	(179,110)	(410)	(831)
Servicing transfers	(484,530)	(458,189)	(2,015)	(1,547)
Runoff	(8,156,030)	(9,247,406)	(46,855)	(51,942)
Portfolio at June 30	\$ 194,798,424	\$ 229,276,001	1,310,110	1,506,490
Additions	731,276	1,912,894	3,171	8,815
Sales (1)	(28,825)	(3,274,966)	(221)	(17,752)
Servicing transfers	(212,908)	(1,788,040)	(1,332)	(8,552)
Runoff	(7,819,649)	(9,233,887)	(44,175)	(51,334)
Portfolio at September 30	\$ 187,468,318	\$ 216,892,002	1,267,553	1,437,667

(1) On September 8, 2017, we completed the sale of non-Agency MSRs on portfolios consisting of 167 loans with a UPB of \$46.6 million. We will continue to subservice these loans until the transfer is completed on November 1, 2017.

The key driver of our servicing segment operating results for the third quarter of 2017, as compared to 2016, was a 23% decline in total revenue as a result of the portfolio runoff and declines in completed modifications, coupled with an 8% increase in total expenses. The increase in expenses was primarily driven by increases in MSR amortization and fair value adjustments partially offset by reductions in headcount and legal expenses.

Three Months Ended September 30, 2017 versus 2016

Servicing and subservicing fee revenue declined by \$68.7 million, or 23%, as compared to the third quarter of 2016 driven by a 14% decline in the average UPB and a 12% decline in the average number of assets in our portfolio due to runoff.

Total completed modifications decreased 69% as compared to the third quarter of 2016. The portion of modifications completed under HAMP (including streamlined HAMP) as a percentage of total modifications decreased to 9% in the third quarter of 2017 as compared to 63% for the third quarter of 2016 as a result of the expiration of the HAMP program on December 31, 2016. Borrowers who had requested assistance or to whom an offer of assistance had been extended as of that date had until September 30, 2017 to finalize their modification. Revenue recognized in connection with loan modifications totaled \$14.5 million and \$57.3 million during the third quarter of 2017 and 2016, respectively, a decline of 75%.

Expenses were \$16.4 million, or 8%, higher as compared to the third quarter of 2016.

MSR amortization and valuation adjustments increased \$33.4 million driven by an increase in both MSR fair value losses and amortization expense, offset in part by the reversal of impairment charges. The increase in fair value losses is primarily due to a \$20.2 million benefit recognized in the third quarter of 2016 related to collateral performance improvements that increased the value of the MSRs as the underlying loans are more likely to make contractual payments on time and are, generally, less costly to service. The increase in MSR amortization expense primarily resulted from an \$18.1 million benefit recognized in the third quarter of 2016 related to the sale of non-performing loans conveyed to HUD as part of the ADPLS program. We recognized the reversal of impairment charges of \$6.2 million and \$1.9 million on our government-insured MSRs during the third quarter of 2017 and 2016, respectively, reflecting changes in interest rates or other inputs and assumptions used in the valuation of such assets.

Servicing and origination expense, excluding the \$17.6 million net increase in MSR valuation adjustments, declined \$8.2 million, or 15% as compared to the third quarter of 2016 primarily due to a decrease in the loss provision related to Ginnie Mae claim receivables resulting from our participation in HUD's ADPLS program.

Professional services expense declined \$8.8 million, or 38%, largely due to a \$7.6 million decline in legal expenses that was principally the result of expenses incurred in 2016 defending ourselves in proceedings alleging violations of federal, state and local laws and regulations governing our servicing activities. Professional services expense includes \$3.7 million of fees incurred in the third quarter of 2017 in connection with our progress converting NRZ's Rights to MSRs to fully-owned MSRs.

A 15% reduction in average U.S.-based headcount and the migration of certain operations offshore, where we believe we realize cost efficiencies while maintaining operational effectiveness, enabled a reduction in Compensation and benefits expense of \$3.8 million, or 9%.

Technology and communication expense declined by \$2.4 million, or 17%. Excluding technology allocations, costs charged through corporate overhead allocations (which are included in Other expense) increased \$10.5 million.

Interest expense declined by \$72.6 million, or 72%, in the third quarter of 2017 compared to the third quarter of 2016 primarily due to a \$58.7 million decline in interest expense on the NRZ financing liabilities due to a favorable adjustment of \$37.6 million to the fair value of the NRZ financing liability recognized in connection with the transfer of MSRs, as well as the decline in the average UPB of the NRZ servicing portfolio due to runoff. The favorable fair value adjustment was primarily driven by the characteristics of Rights to MSRs with a UPB of \$15.9 billion that were converted to fully-owned MSRs during the quarter, relative to the \$54.6 million lump sum payment received from NRZ. For the Rights to MSRs that were converted during the quarter, the characteristics of the underlying MSRs did not correspond to the weighted average loan characteristics used to determine the lump sum payment, resulting in a decline in the fair value of the financing liability primarily due to the transferred MSRs having a contractual servicing fee rate of 33.4 bps as compared to the weighted average of 47.1 bps used in the lump sum contractual schedule. As additional Rights to MSRs may transfer in the future, the recognition may include the reversal of any gain associated solely with such characteristics.

The December 2016 transfer of the SSSL from Servicing to Corporate Items and Other when we entered into an amended and restated SSSL facility agreement and lower match funded liabilities and related commitment fees also contributed to the decline in interest expense. The transfer of the SSSL reduced interest expense by \$8.7 million, and interest on match funded liabilities decreased by \$6.2 million. The decline in match funded liabilities was consistent with the decline in servicing advances on a servicing portfolio that is smaller but better performing.

Nine Months Ended September 30, 2017 versus 2016

Servicing and subservicing fee revenue declined \$145.0 million, or 16%, as the average UPB and the average number of assets in our residential servicing and subservicing portfolio declined by 10% and 8%, respectively, due to portfolio runoff. Revenue recognized in connection with loan modifications declined to \$78.8 million for the nine months ended September 30, 2017 as compared to \$155.6 million for the same period in 2016 consistent with the 37% decline in completed modifications.

Expenses were \$96.9 million, or 13%, lower for the nine months ended September 30, 2017 as compared to the same period of 2016.

Professional services expense declined \$43.5 million, or 47%, largely due to a \$41.9 million decline in legal expenses that was principally the result of expenses incurred in 2016 defending ourselves in proceedings alleging violations of federal, state and local laws and regulations governing our servicing activities, including the now-settled Fisher matter. Professional services expense includes \$5.0 million of fees incurred during the nine months ended September 30, 2017 in connection with our progress converting NRZ's Rights to MSRs to fully-owned MSRs.

Servicing and origination expense, excluding the \$23.9 million net reduction in MSR valuation adjustments, decreased by \$18.0 million, or 14% for the nine months ended September 30, 2017 as compared to the same period of 2016. This decrease is primarily due to a decline in losses related to Ginnie Mae claims. Ginnie Mae claim losses in the second and third quarters of 2016 included the accelerated recognition of expenses related to our participating in HUD's ADPLS and HUD Note Sale programs, which were largely offset by a benefit in amortization expense as discussed below.

The 19% reduction in average U.S. based headcount and the migration of certain operations offshore enabled a reduction in Compensation and benefits expense of \$21.1 million, or 15%.

Occupancy and equipment expense declined \$12.1 million, or 25%, largely because of the effect of the decline in the average number of assets in our servicing portfolio and various cost improvement initiatives with respect to certain expenses, principally the cost of postage and other delivery services.

Technology and communication expense declined by \$7.5 million, or 17%. However, this decline was partly offset by an increase of \$1.8 million in technology allocations. Excluding technology allocations, costs charged through corporate overhead allocations increased by \$9.4 million.

MSR amortization and valuation adjustments decreased \$3.9 million because of the effects of portfolio runoff and a decrease in impairment charges related to our government insured MSRs. For the nine months ended September 30, 2017, we

reversed impairment charges of \$1.6 million. This compares to the recognition of \$37.2 million of impairment charges for the same period of 2016, reflecting that interest rates declined during the period (followed by a significant reversal in the fourth quarter of 2016). The decrease in impairment was largely offset by increases in MSR fair value losses and amortization expense. The increase in fair value losses is primarily due to a \$20.2 million benefit recognized in the third quarter of 2016 related to collateral performance improvements that increased the value of the MSRs as the underlying loans are more likely to make contractual payments on time and are, generally, less costly to service. The increase in amortization expense resulted from a \$24.8 million benefit recognized during the nine months ended September 30, 2016 related to the sale of non-performing loans conveyed to HUD as part of the ADPLS program.

Interest expense declined by \$119.0 million, or 43%, primarily due to a \$65.9 million reduction in interest expense related to the NRZ financing liabilities because of the decline in the average UPB of the NRZ servicing portfolio due to runoff and because of the reduction in fair value of the NRZ financing liability recognized in connection with the transfer of MSRs, as discussed above. In addition, interest expense for the nine months ended September 30, 2016 included \$10.5 million of the compensatory fees paid to NRZ as a result of the earlier downgrade to our S&P servicer rating. The transfer of the SSTL from Servicing to Corporate Items and Other reduced interest expense by \$25.8 million, while interest on match funded liabilities decreased by \$17.6 million. The decline in match funded liabilities was consistent with the decline in servicing advances on our smaller but better performing servicing portfolio.

Lending

We have recently taken various strategic actions with respect to our forward lending business, as we continue to evaluate the overall mortgage lending business and marketplace. In the second quarter of 2017, we closed our forward lending correspondent channel due to low margins and began selling all of our forward lending wholesale channel originations on a servicing released basis to reduce capital consumption. In the third quarter of 2017, we entered into an agreement to sell certain assets of our forward lending wholesale business, and, upon closing of that transaction, we intend to exit the forward lending wholesale business. Consistent with our long-term strategy, we remain focused on increasing conversion rates (i.e., recapture) on our existing servicing portfolio through our forward lending retail channel. While these changes may limit our generation of new servicing assets in the near term, we believe that they will, over time, improve our returns and improve cash flow relative to current operations. We are also evaluating our long-term strategy with respect to our reverse lending activities, which could include the potential sale of this business or certain assets of the business.

We originate and purchase conventional and government-insured forward mortgage loans through our forward lending operations. Reverse mortgages are originated and purchased through our reverse lending operations under the guidelines of the HECM reverse mortgage insurance program of HUD. Loans originated under this program are guaranteed by the FHA, which provides investors with protection against risk of borrower default. We retain the servicing rights to reverse loans securitized through the Ginnie Mae HMBS program. We have originated HECM loans under which the borrowers have additional borrowing capacity of \$1.4 billion at September 30, 2017. These draws are funded by the servicer and can be subsequently securitized or sold (Future Value). We do not incur any substantive underwriting, marketing or compensation costs in connection with any future draws, although we must maintain sufficient capital resources and available borrowing capacity to ensure that we are able to fund these Future Value draws. We recognize this Future Value over time as future draws are securitized or sold. At September 30, 2017, unrecognized Future Value is estimated to be \$68.4 million. We use a third-party valuation expert to determine Future Value based on the net present value of the estimated future cash flows of the loans, utilizing a discount rate of 12% and projected performance assumptions in line with historical experience and industry benchmarks.

Historically, loans have been acquired through three primary channels: correspondent lender relationships, broker relationships (wholesale) and directly with mortgage customers (retail). Per-loan margins vary by channel, with correspondent typically being the lowest margin and retail the highest margin. We have exited the forward lending correspondent channel and intend to exit the forward lending wholesale channel upon the closing of our agreement to sell certain assets associated with this business.

After origination, we package and sell the loans in the secondary mortgage market, through GSE securitizations on a servicing retained basis and through whole loan transactions on a servicing released basis. Lending revenues include interest income earned for the period the loans are held by us, gain on sale revenue, which represents the difference between the origination value and the sale value of the loan, and fee income earned at origination.

We provide customary origination representations and warranties to investors in connection with our loan sales and securitization activities. We receive customary origination representations and warranties from our network of approved originators in connection with loans we purchase through our correspondent lending channel. We recognize the fair value of the liability for our representations and warranties at the time of sale. In the event we cannot remedy a breach of a representation or warranty, we may be required to repurchase the loan or provide an indemnification payment to the mortgage loan investor. To the extent that we have recourse against a third-party originator, we may recover part or all of any loss we incur.

The following table presents the results of operations of the Lending segment. The amounts presented are before the elimination of balances and transactions with our other segments:

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Revenue						
Gain on loans held for sale, net						
Forward loans	\$ 10,268	\$ 11,306	(9)%	\$ 30,889	\$ 33,971	(9)%
Reverse loans	11,454	7,582	51	37,182	22,498	65
	21,722	18,888	15	68,071	56,469	21
Other	10,213	11,808	(14)	27,386	32,786	(16)
Total revenue	31,935	30,696	4	95,457	89,255	7
Expenses						
Compensation and benefits	18,666	19,578	(5)	57,657	54,655	5
Servicing and origination	4,583	4,434	3	13,669	11,655	17
Professional services	1,124	402	180	2,107	1,042	102
Technology and communications	652	788	(17)	2,001	2,897	(31)
Occupancy and equipment	1,120	1,127	(1)	3,817	4,201	(9)
Amortization of mortgage servicing rights	67	76	(12)	209	235	(11)
Other	12,200	3,608	238	21,168	10,786	96
Total expenses	38,412	30,013	28	100,628	85,471	18
Other income (expense)						
Interest income	2,857	3,990	(28)	8,612	11,805	(27)
Interest expense	(4,504)	(3,684)	22	(11,171)	(10,829)	3
Other, net	555	322	72	658	982	(33)
Total other income (expense), net	(1,092)	628	(274)	(1,901)	1,958	(197)
Income (loss) before income taxes	\$ (7,569)	\$ 1,311	(677)%	\$ (7,072)	\$ 5,742	(223)%

The following table provides selected operating statistics:

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Loan Production by Channel						
Forward loans						
Correspondent	\$ 16,086	\$ 441,968	(96)%	\$ 472,890	\$ 1,334,059	(65)%
Wholesale	296,869	661,360	(55)	1,014,318	1,496,539	(32)
Retail	228,246	113,111	102	594,022	286,914	107
	<u>\$ 541,201</u>	<u>\$ 1,216,439</u>	<u>(56)%</u>	<u>\$ 2,081,230</u>	<u>\$ 3,117,512</u>	<u>(33)%</u>
% HARP production						
	9%	2%	350 %	7%	4%	75 %
% Purchase production						
	32	34	(6)	36	36	—
% Refinance production						
	68	66	3	64	64	—
Reverse loans						
Correspondent	\$ 86,133	\$ 109,141	(21)%	\$ 395,372	\$ 294,844	34 %
Wholesale	101,728	71,988	41	267,681	212,836	26
Retail	39,947	31,896	25	113,279	103,455	9
	<u>\$ 227,808</u>	<u>\$ 213,025</u>	<u>7 %</u>	<u>\$ 776,332</u>	<u>\$ 611,135</u>	<u>27 %</u>

The key drivers of the results of our lending segment for the three and nine months ended September 30, 2017, as compared to 2016, were our decisions to exit the forward lending correspondent channel and to sell certain assets of our forward lending wholesale origination business. Increases in reverse loan originations were more than offset by substantial declines in forward loan originations principally as a result of a strategic decision to focus on the retail channel that is expected to produce stronger economic returns. Gains on loans held for sale increased principally because of increased origination volume and higher margins in reverse lending. The declines in other revenues are principally the result of changes in fair value of reverse loans and the related financing liabilities. Average headcount increased for both the third quarter and year to date periods as we expanded our reverse originations and brought certain functions in house. A headcount reduction has been undertaken in forward lending to align capacity with volume levels.

Three Months Ended September 30, 2017 versus 2016

Total revenue increased by \$1.2 million or 4% in third quarter of 2017 while total loan production decreased by \$660.5 million, or 46%. Other revenue decreased \$1.6 million, or 14%, in the third quarter of 2017 primarily as a result of a \$0.6 million decrease in the excess of changes in the fair value of our HECM loans held for investment over changes in the fair value of the HMBS financing liability and a decline in fees due to lower forward loan originations. The \$2.8 million, or 15% increase in Gains on loans held for sale, net is due to higher margin rates and origination volume in our reverse lending business which includes the impact of a shift in mix from the correspondent channel to the higher yielding wholesale channel. Gains in the forward lending business decreased due to lower volume and margin rates in the correspondent and wholesale channels, which was substantially offset by higher volume and higher margin rates in the retail channel.

Total expenses increased \$8.4 million, or 28%, in the third quarter of 2017. Other expense, which increased by \$8.6 million, or 238%, includes a charge of \$6.8 million to write-off the carrying value of internally-developed Loan Operating System (LOS) software used in our wholesale forward lending business. In addition, advertising expense increased by \$1.4 million. Professional services expense increased by \$0.7 million, or 180%, largely due to higher legal and consulting fees. Total average headcount increased 7% over the third quarter of 2016 due to increased offshore hiring in the forward lending business. In spite of this increase, Compensation and benefits expense decreased \$0.9 million, or 5%, as commissions declined on lower forward lending origination volume. Direct acquisition costs, a component of Gain on loans held for sale, net, are offset by origination fee income that is included in Other revenue.

Interest income, which consists primarily of interest earned on newly originated and purchased loans prior to sale to investors, has declined consistent with lower origination volume in our forward lending business. Interest income is offset by interest expense incurred to finance the mortgage loans. We finance originated and purchased forward and reverse mortgage loans with repurchase and participation agreements, commonly referred to as warehouse lines. Interest expense increased \$0.8

million, or 22%, in the third quarter of 2017 due primarily to accelerated fee amortization on warehouse lines no longer utilized.

Nine Months Ended September 30, 2017 versus 2016

Total revenue increased by \$6.2 million or 7% in spite of the \$871.1 million, or 23%, decline in total loan production. Gains on loans held for sale, net increased \$11.6 million, or 21%, largely due to higher origination volume and improved margin rates in our reverse lending business. This improvement in reverse lending was partially offset by a decline in the forward channel gains due to lower margin rates in all channels and lower volume in the correspondent and wholesale channels, which was partially offset by an increase in retail volume. Other revenue decreased \$5.4 million, or 16%, primarily as a result of a \$3.7 million decrease in the excess of changes in the fair value of our HECM loans held for investment over changes in the fair value of the HMBS financing liability and a decline in fees due to lower forward loan originations and lower fees in the reverse channel due to market conditions.

Total expenses increased \$15.2 million, or 18%. Compensation and benefits expense increased \$3.0 million, or 5%, as average headcount increased by 23% as compared to the prior year. Offshore hiring accounted for 68% of the increase in average headcount. The \$10.4 million, or 96%, increase in Other expenses was driven primarily by the \$6.8 million write-off of the LOS software used in our wholesale forward lending business, as disclosed above, and a \$3.5 million increase in the provision for indemnification obligations due to a reversal of the liability in 2016.

Corporate Items and Other

Corporate Items and Other includes revenues and expenses of ACS, CRL and our other business activities that are currently individually insignificant, revenues and expenses that are not directly related to other reportable segments, interest income on short-term investments of cash, interest expense on corporate debt and certain corporate expenses. Our cash balances are included in Corporate Items and Other.

ACS provides short-term inventory-secured loans to independent used car dealers to finance their inventory. In addition, Ocwen formed CRL, our wholly-owned captive reinsurance subsidiary, and entered into a quota share reinsurance agreement effective in 2016 with a third-party insurer related to coverage on foreclosed real estate properties owned or serviced by us. As noted in "Overview" above, we are considering the potential benefits of monetizing our investment in the ACS business in the near term.

Expenses incurred by corporate support services are allocated to the Servicing and Lending segments.

The following table presents the results of operations of Corporate Items and Other. The amounts presented are before the elimination of balances and transactions with our other segments:

Periods ended September 30,	Three Months			Nine Months		
	2017	2016	% Change	2017	2016	% Change
Revenue	\$ 6,162	\$ 9,672	(36)%	\$ 20,002	\$ 22,277	(10)%
Expenses						
Compensation and benefits	31,560	29,208	8	93,415	90,143	4
Servicing and origination	979	1,619	(40)	3,742	8,198	(54)
Professional services	23,145	42,110	(45)	94,468	164,192	(42)
Technology and communications	15,307	10,779	42	41,750	39,379	6
Occupancy and equipment	3,122	3,567	(12)	10,321	10,480	(2)
Other	2,560	2,405	6	19,818	13,737	44
Total expenses before corporate overhead allocations	76,673	89,688	(15)	263,514	326,129	(19)
Corporate overhead allocations						
Servicing segment	(59,211)	(49,086)	21	(168,345)	(157,207)	7
Lending segment	(960)	(1,093)	(12)	(2,861)	(3,366)	(15)
Total expenses	16,502	39,509	(58)	92,308	165,556	(44)
Other income (expense), net						
Interest income	1,098	1,109	(1)	3,083	2,785	11
Interest expense	(14,209)	(6,139)	131	(41,478)	(18,446)	125
Other	(1,214)	471	(358)	1,084	(547)	(298)
Total other expense, net	(14,325)	(4,559)	214	(37,311)	(16,208)	130
Loss before income taxes	\$ (24,665)	\$ (34,396)	(28)%	\$ (109,617)	\$ (159,487)	(31)%

The key driver of the results of our corporate items and other segment for both the three and nine months ended September 30, 2017, as compared to 2016, were declines in total expenses before allocations, principally because of decreases in regulatory monitoring costs and in legal fees and settlements expense. Offsetting these items was an increase in interest expense as a result of the transfer of the SSTL from the servicing segment at the beginning of 2017 after we entered into an amended and restated SSTL facility agreement in December 2016. We also exchanged \$346.9 million of 6.625% Senior Unsecured Notes due 2019 for a like amount of 8.375% Senior Second Lien Notes due 2022, which also occurred in December 2016.

Three Months Ended September 30, 2017 versus 2016

Revenue is primarily comprised of premiums generated by CRL of \$5.5 million and \$8.4 million for the third quarter of 2017 and 2016, respectively.

The \$13.0 million, or 15%, decrease in expenses before allocations is primarily due to a \$19.0 million, or 45%, decline in Professional services expense offset in part by a \$4.5 million, or 42%, increase in Technology and communications expense. The decrease in Professional services expense resulted from a \$13.5 million decrease in regulatory monitoring costs and a \$2.1 million decrease in legal fees and settlements. The decrease in regulatory monitoring costs reflects the termination of the CA Auditor and NY Operations Monitor engagements in 2017. Legal expenses for the third quarter of 2016 included \$10.0 million recorded in connection with our discussions with the CA DBO that resulted in the termination of the 2015 CA Consent Order. The increase in Technology and communications expense is primarily due to the write-off of capitalized costs related to two projects, costs incurred in connection with a telecommunication migration and expanded use of a servicing billing automation platform.

Interest expense in the third quarter of 2017 increased by \$8.1 million, or 131%, primarily as a result of our transfer of the SSTL from the Servicing segment to the Corporate Items and Other segment when we entered into an amended and restated SSTL facility agreement in December 2016. In December 2016, we also exchanged \$346.9 million of 6.625% Senior Unsecured Notes due 2019 for a like amount of 8.375% Senior Second Lien Notes due 2022.

During the three months ended September 30, 2017, CRL recognized \$1.0 million in additional reserves in connection with estimated losses due to weather events in Texas and Florida.

Nine Months Ended September 30, 2017 versus 2016

The \$62.6 million, or 19%, decrease in expenses before allocations is primarily due to a \$69.7 million, or 42%, decline in Professional services expense, which resulted from a \$66.8 million decrease in regulatory monitoring costs. The regulatory monitoring costs decrease reflects the termination of the CA Auditor and NY Operations Monitor engagements in 2017.

Additionally, Servicing and origination expense declined by \$4.5 million, or 54%, primarily due to a decrease in reinsurance commissions incurred by CRL, which were \$3.5 million and \$8.1 million for the nine months ended September 30, 2017 and 2016, respectively. Other expense for the nine months ended September 30, 2017 increased by \$6.1 million, or 44%, primarily due to a \$4.0 million increase in the provision for losses on ACS automotive dealer financing notes principally as a result of the deterioration in credit quality of notes due from certain dealers. Due to the increase in the age of these notes, as of March 31, 2017 we have assumed that the notes due from these dealers are fully collateral-dependent, with no recoveries beyond estimated liquidation value of the remaining unsold inventory.

Interest expense increased by \$23.0 million, or 125%, primarily as a result of our transfer of the SSTL from the servicing segment to the corporate items and other segment and the exchange of our Senior Unsecured Notes for our Senior Secured Notes, both of which occurred in December 2016 as discussed above.

LIQUIDITY AND CAPITAL RESOURCES

Overview

At September 30, 2017, our cash position was \$299.9 million compared to \$256.5 million at December 31, 2016. We invest cash that is in excess of our immediate operating needs primarily in money market deposit accounts. Our main priorities for deployment of excess cash are: (1) supporting our core servicing and lending businesses and investing in these core assets, (2) reducing revolving lines of credit in order to reduce interest expense, (3) reducing corporate leverage and (4) expanding into similar or complementary businesses that meet our return on capital requirements.

Sources of Funds

Our primary sources of funds for near-term liquidity are:

- Collections of servicing fees and ancillary revenues;
- Proceeds from match funded advance financing facilities;
- Proceeds from other borrowings, including warehouse facilities; and
- Proceeds from sales of originated loans and repurchased loans.

We also expect to receive substantial amounts from NRZ as MSR transfers to NRZ under our July 2017 agreements with NRZ.

Servicing advances are an important component of our business and represent amounts that we, as servicer, are required to advance to, or on behalf of, our servicing clients if we do not receive such amounts from borrowers. Our ability to finance servicing advances is a significant factor that affects our liquidity. Our use of advance financing facilities is integral to our servicing advance financing strategy. Revolving variable funding notes issued by our advance financing facilities to large global financial institutions generally have a 364-day revolving period. Term notes are generally issued to institutional investors with one-, two- or three-year maturities. The revolving periods for our variable funding notes with a total borrowing capacity of \$75.0 million end in 2017.

Borrowings under our advance financing facilities are incurred by special purpose entities (SPEs) that we consolidate because we have determined that Ocwen is the primary beneficiary of the SPE. We transfer the financed advances to the SPEs, and the SPEs issue debt supported by collections on the transferred advances. Holders of the debt issued by the SPEs have recourse only to the assets of the SPEs for satisfaction of the debt. In connection with our sale of servicing advances to these advance financing SPEs and to NRZ in connection with the Rights to MSRs, we make certain representations, warranties and covenants primarily related to the nature of the transferred advance receivables, our financial condition and our servicing practices.

Advances and match funded advances comprised 17% of total assets at September 30, 2017. Our borrowings under our advance financing facilities are secured by pledges of servicing advances that are sold to the related SPE and by cash held in debt service accounts.

The available borrowing capacity under our advance financing facilities since December 31, 2016 has decreased by \$130.9 million from \$274.0 million at December 31, 2016 to \$143.1 million at September 30, 2017 because we reduced the maximum borrowing capacity by \$410.0 million based on our anticipated future usage. Our ability to continue to pledge collateral under

our advance financing facilities depends on the performance of the advances, among other factors. At September 30, 2017, \$41.9 million of the available borrowing capacity could be used based on the amount of eligible collateral that had been pledged.

We use mortgage loan warehouse facilities to fund newly originated loans on a short-term basis until they are sold to secondary market investors, including GSEs or other third-party investors. These warehouse facilities are structured as repurchase or participation agreements under which ownership of the loans is temporarily transferred to the lender. The loans are transferred at a discount, or haircut, which serves as the primary credit enhancement for the lender. Currently, our master repurchase and participation agreements generally have maximum terms of 364-days. The funds are typically repaid using the proceeds from the sale of the loans to the secondary market investors, usually within 30 days. At September 30, 2017, we had total borrowing capacity under our warehouse facilities of \$497.5 million. Of the borrowing capacity extended on a committed basis, \$45.5 million was available at September 30, 2017, and \$29.3 million of the available borrowing capacity could be used based on the amount of eligible collateral that had been pledged. Uncommitted amounts (\$220.7 million available at September 30, 2017) are advanced solely at the discretion of the lender, and there can be no assurance that any uncommitted amounts will be available to us at any particular time.

We also rely on the secondary mortgage market as a source of long-term capital to support our lending operations. Substantially all of the mortgage loans that we originate or purchase are sold or securitized in the secondary mortgage market in the form of residential mortgage backed securities guaranteed by Fannie Mae or Freddie Mac and, in the case of mortgage backed securities guaranteed by Ginnie Mae, are mortgage loans insured or guaranteed by the FHA or VA.

Our debt agreements contain various qualitative and quantitative covenants including financial covenants, covenants to operate in material compliance with applicable laws, monitoring and reporting obligations and restrictions on our ability to engage in various activities, including but not limited to incurring additional debt, paying dividends, repurchasing or redeeming capital stock, transferring assets or making loans, investments or acquisitions. As a result of the covenants to which we are subject, we may be limited in the manner in which we conduct our business and may be limited in our ability to engage in favorable business activities or raise additional capital to finance future operations or satisfy future liquidity needs. In addition, breaches or events that may result in a default under our debt agreements include, among other things, nonpayment of principal or interest, noncompliance with our covenants, breach of representations, the occurrence of a material adverse change, insolvency, bankruptcy, certain material judgments and litigation and changes of control.

Covenants and default provisions of this type are commonly found in debt agreements such as ours. Certain of these covenants and default provisions are open to subjective interpretation and, if our interpretation were contested by a lender, a court may ultimately be required to determine compliance or lack thereof. In addition, our debt agreements generally include cross default provisions such that a default under one agreement could trigger defaults under other agreements. If we fail to comply with our debt agreements and are unable to avoid, remedy or secure a waiver of any resulting default, we may be subject to adverse action by our lenders, including termination of further funding, acceleration of outstanding obligations, enforcement of liens against the assets securing or otherwise supporting our obligations, and other legal remedies, any of which could have a material adverse effect on our business, financial condition, liquidity and results of operations. We believe that we are in compliance with the qualitative and quantitative covenants in our debt agreements as of the date this Quarterly Report on Form 10-Q is filed with the SEC.

Use of Funds

Our primary uses of funds are:

- Payments for advances in excess of collections on existing servicing portfolios;
- Payment of interest and operating costs;
- Funding of originated and repurchased loans;
- Repayments of borrowings, including match funded liabilities and warehouse facilities; and
- Working capital and other general corporate purposes.

Outlook

We closely monitor our liquidity position and ongoing funding requirements, and we regularly monitor and project cash flow by period to mitigate liquidity risk.

In assessing our liquidity outlook, our primary focus is on six measures:

- Business financial projections for revenues, costs and net income;
- Requirements for maturing liabilities compared to amounts generated from maturing assets and operating cash flow;
- Any projected future sales of MSRs, interests in MSRs or other assets and any reimbursement of servicing advances that may be related to any such sales;

- The change in advances and match funded advances compared to the change in match funded liabilities and available borrowing capacity;
- Projected future originations and purchases of forward and reverse mortgage loans and automobile dealer floor plan loans; and
- Projected funding requirements of new business initiatives.

We have considered the impact of financial projections on our liquidity analysis and have evaluated the appropriateness of the key assumptions in our forecast such as revenues, expenses, our assessment of the likely impact of recent regulatory actions, recurring and nonrecurring costs and sales of MSRs and other assets. We have analyzed our cash requirements and financial obligations. Based upon these evaluations and analyses, we believe that we have sufficient liquidity to meet our obligations and fund our operations for the next twelve months.

We are required to maintain certain minimum levels of cash under our debt agreements and in the ordinary course of business, and portions of our cash balances are held in our non-U.S. subsidiaries. We would have to repatriate the cash held by our non-U.S. subsidiaries, potentially with tax consequences and in compliance with applicable laws, should we wish to utilize that cash in the U.S.

The revolving periods of our advance financing facilities end during 2017 for variable funding notes with a total borrowing capacity of \$75.0 million and \$51.9 million of outstanding borrowings at September 30, 2017. In the event we are unable to renew, replace or extend the revolving period of one or more of these advance financing facilities, monthly amortization of the outstanding balance must generally begin at the end of the respective 364-day revolving period.

Similarly, our master repurchase and participation agreements for financing new loan originations generally have 364-day terms. At September 30, 2017, we had \$47.5 million outstanding under these financing arrangements that mature in 2017.

Despite the heightened regulatory and public scrutiny we have faced, including regulatory actions and settlements, we continue to access both the private and public debt markets to fund our business operations and believe we will be able to renew, replace or extend our debt agreements to the extent necessary to finance our business before or as they become due, consistent with our historical experience. We are actively engaged with our lenders and as a result, have successfully completed the following with respect to our financing needs:

- On February 24, 2017, we executed a \$200.0 million warehouse facility to replace an existing facility of the same size and with the same lender maturing in February 2018.
- On February 24, 2017 and on March 17, 2017, we executed two match funded lending agreements under which we can borrow up to \$50.0 million each to finance the automotive dealer loans made by our ACS business. We may from time to time request increases in the maximum borrowing capacity under these agreements to a maximum of \$100.0 million each.
- On April 25, 2017, we extended to April 30, 2018 the maturity of two warehouse facilities with a combined uncommitted borrowing capacity of \$250.0 million.
- On May 18, 2017, we negotiated a reduction in the borrowing capacity of two lending warehouse facilities from a combined \$110.0 million to \$75.0 million. On August 23, 2017, we negotiated an increase in the combined borrowing capacity back to \$110.0 million.
- On May 29, 2017, we negotiated a change in the borrowing capacity of two lending warehouse facilities from \$200.0 million available on a committed basis to \$100.0 million available on a committed basis and the remainder of the borrowing capacity available at the discretion of the lender. On August 1, 2017, we voluntarily terminated these facilities.
- On June 8, 2017, we negotiated a renewal through June 7, 2018 of an advance financing facility. As part of the renewal, we decreased the maximum borrowing capacity of the facility from \$160.0 million to \$110.0 million to reflect lower expected utilization in the future.
- Effective June 30, 2017, we negotiated a reduction in the combined borrowing capacity under the revolving variable funding notes of an advance financing facility from \$420.0 million to \$210.0 million to reflect lower expected utilization in the future.
- On August 10, 2017, we extended to August 10, 2018 the maturity of two revolving variable funding notes of an advance financing facility with combined borrowing capacity of \$210.0 million. In addition, we elected to voluntarily terminate one variable funding note.
- On August 16, 2017, we extended the term of one of our reverse lending warehouse facilities to November 18, 2017.
- On August 18, 2017, we elected to voluntarily terminate a \$100.0 million reverse lending master repurchase agreement.
- On August 21, 2017, we negotiated an increase in combined committed borrowing capacity under a warehouse facility from \$50.0 million to \$87.5 million.

- On September 15, 2017, we issued a \$250.0 million new series of fixed-rate term notes to institutional investors to replace an existing \$400.0 million term note with a higher interest rate that was scheduled to begin amortizing in November 2017, to reflect lower expected utilization in the future.
- On October 27, 2017, we renewed a reverse lending warehouse facility through October 12, 2018. As part of the renewal, we increased the maximum borrowing capacity of the facility from \$50.0 million to \$100.0 million.

Our liquidity forecast requires management to use judgment and estimates and includes factors that may be beyond our control. Additionally, our business has been undergoing substantial change, which has magnified the uncertainties that are inherent in the forecasting process. Our actual results could differ materially from our estimates. If we were to default under any of our debt agreements, it could become very difficult for us to renew, replace or extend some or all of our debt agreements. Challenges to our liquidity position could have a material adverse effect on our operating results and financial condition and could cause us to take actions that would be outside the normal course of our operations to generate additional liquidity.

Credit Ratings

Credit ratings are intended to be an indicator of the creditworthiness of a particular company, security or obligation. Lower ratings generally result in higher borrowing costs and reduced access to capital markets. The following table summarizes our current ratings and outlook by the respective nationally recognized rating agencies. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Rating Agency	Long-term Corporate Rating	Review Status / Outlook	Date of last action
Moody's	Caa1	Negative	June 16, 2017
S&P	B –	Negative	July 25, 2017
Fitch	B –	Negative	June 15, 2017
Kroll Bond Rating Agency	CCC	Negative	July 26, 2017

On July 25, 2017, S&P affirmed our long-term corporate rating of “B-” and removed our ratings from CreditWatch with Negative implications. On July 26, 2017, Kroll Bond Rating Agency affirmed our corporate ratings at “CCC” and removed our ratings from Watch Downgrade status. On June 16, 2017, Moody's downgraded our long-term corporate rating to “Caa1” from “B3.” On June 15, 2017, Fitch placed our ratings on Negative. It is possible that additional actions by credit rating agencies could have a material adverse impact on our liquidity and funding position, including materially changing the terms on which we may be able to borrow money.

Cash Flows

Our operating cash flow is primarily impacted by operating results, changes in our servicing advance balances, the level of mortgage loan production and the timing of sales and securitizations of mortgage loans. We classify proceeds from the sale of servicing advances, including advances sold in connection with the sale of MSRs, as investing activity. We classify changes in HECM loans held for investment as investing activity and changes in the related HMBS secured financing as financing activity.

Cash flows for the nine months ended September 30, 2017

Our operating activities provided \$401.2 million of cash largely due to \$285.1 million of net collections of servicing advances. Net cash paid on loans held for sale was \$7.2 million for the nine months ended September 30, 2017.

Our investing activities used \$659.3 million of cash. The primary uses of cash in our investing activities include net cash outflows in connection with our HECM reverse mortgages of \$650.1 million, net cash outflows of \$10.1 million in connection with our ACS business and additions to premises and equipment of \$7.4 million. Cash inflows include the receipt of \$8.4 million of net proceeds from the sale of MSRs and related advances.

Our financing activities provided \$301.5 million of cash. Cash inflows include \$981.7 million received in connection with our reverse mortgage securitizations, which are accounted for as secured financings, less repayments on the related financing liability of \$287.9 million. In September 2017, we received a \$54.6 million lump sum payment from NRZ following receipt of the required third-party consents and transfer of legal title to the MSRs underlying certain Rights to MSRs as compensation for foregoing certain payments under the 2012 - 2013 Agreements. Also, Ocwen sold to NRZ 6,075,510 shares of newly-issued Ocwen common stock in July 2017 for \$13.9 million of proceeds. Cash outflows include \$253.0 million of net repayments on match funded liabilities as a result of advance recoveries, and \$12.6 million of repayments on the SSTL. In addition, we reduced borrowings under our mortgage warehouse facilities used to fund loan originations by \$123.8 million.

Cash flows for the nine months ended September 30, 2016

Our operating activities provided \$350.4 million of cash largely due to \$343.1 million of net collections of servicing advances. Net cash paid on loans held for sale during the nine months ended September 30, 2016 was \$81.4 million.

Our investing activities used \$572.2 million of cash. The primary uses of cash in our investing activities include net cash outflows in connection with our HECM reverse mortgages of \$657.3 million and additions to premises and equipment of \$28.6 million. Cash inflows for the nine months ended September 30, 2016 include the receipt of \$120.2 million of net proceeds from the sale of MSRs and related advances.

Our financing activities provided \$228.0 million of cash. Cash inflows include \$820.4 million received in connection with our reverse mortgage securitizations, less repayment of the related financing liability of \$162.0 million. Cash outflows are primarily comprised of \$218.5 million of net repayments on match funded liabilities as a result of advance recoveries and \$74.7 million of repayments on the SSTL. Cash outflows for the nine months ended September 30, 2016 also include the repurchase of 991,985 shares of common stock under our share repurchase program for \$5.9 million prior to its expiration on July 31, 2016.

CONTRACTUAL OBLIGATIONS AND OFF BALANCE SHEET ARRANGEMENTS

Contractual Obligations

We have analyzed our unfunded commitments and other contractual obligations and have evaluated the appropriateness of the key assumptions in forecasting our ability to satisfy these obligations. Based upon these evaluations and analyses, we believe that we have adequate resources to fund all unfunded commitments to the extent required and meet all contractual obligations as they come due. At September 30, 2017, such contractual obligations were primarily comprised of secured and unsecured borrowings, interest payments, operating leases and commitments to originate or purchase loans, including equity draws on reverse mortgages. During the nine months ended September 30, 2017, we executed two new match funded lending agreements to finance automotive dealer loans made by our ACS business. We also executed renewals and reductions in borrowing capacity of certain mortgage loan warehouse and match funded advance financing facilities. Our short-term commitments to lend in connection with our forward mortgage loan interest rate lock commitments outstanding at September 30, 2017 have declined since December 31, 2016, primarily as a result of our decision to exit the forward lending correspondent channel and volume reductions in the forward lending wholesale channel. There were no other significant changes to our contractual obligations during the nine months ended September 30, 2017. See Note 11 – Borrowings to the Unaudited Consolidated Financial Statements for additional information.

Our forecasting with respect to our ability to satisfy our contractual obligations requires management to use judgment and estimates and includes factors that may be beyond our control. Additionally, our business has been undergoing substantial change, which has magnified the uncertainties that are inherent in the forecasting process. Our actual results could differ materially from our estimates, and if this were to occur, it could have a material adverse effect on our business, financial condition, liquidity and results of operations.

Off-Balance Sheet Arrangements

In the normal course of business, we engage in transactions with a variety of financial institutions and other companies that are not reflected on our balance sheet. We are subject to potential financial loss if the counterparties to our off-balance sheet transactions are unable to complete an agreed upon transaction. We manage counterparty credit risk by entering into financial instrument transactions through national exchanges, primary dealers or approved counterparties and through the use of mutual margining agreements whenever possible to limit potential exposure. We regularly evaluate the financial position and creditworthiness of our counterparties. Our off-balance sheet arrangements include mortgage loan repurchase and indemnification obligations, unconsolidated SPEs (a type of VIE) and notional amounts of our derivatives. We have also entered into non-cancelable operating leases principally for our office facilities.

Mortgage Loan Repurchase and Indemnification Liabilities. We have exposure to representation, warranty and indemnification obligations in our capacity as a loan originator and servicer. We recognize the fair value of representation and warranty obligations in connection with originations upon sale of the loan or upon completion of an acquisition. Thereafter, the estimation of the liability considers probable future obligations based on industry data of loans of similar type segregated by year of origination and estimated loss severity based on current loss rates for similar loans. Our historical loss severity considers the historical loss experience that we incur upon sale or liquidation of a repurchased loan as well as current market conditions.

The underlying trends for loan repurchases and indemnifications are volatile, and there is significant uncertainty regarding our expectations of future loan repurchases and indemnifications and related loss severities. Due to the significant uncertainties surrounding estimates related to future repurchase and indemnification requests by investors and insurers as well as uncertainties surrounding home prices, it is possible that our exposure could exceed our recorded mortgage loan repurchase and

indemnification liability. Our estimate of the mortgage loan repurchase and indemnification liability considers the current macro-economic environment and recent repurchase trends; however, if we experience a prolonged period of higher repurchase and indemnification activity or a decline in home values, then our realized losses from loan repurchases and indemnifications may ultimately be in excess of our recorded liability. Given the levels of realized losses in recent periods, there is a reasonable possibility that future losses may be in excess of our recorded liability. See Note 2 – Securitizations and Variable Interest Entities, Note 12 – Other Liabilities and Note 21 – Contingencies to the Unaudited Consolidated Financial Statements for additional information.

Involvement with SPEs. We use SPEs for a variety of purposes but principally in the financing of our servicing advances and in the securitization of mortgage loans. We consolidate the servicing advance financing SPEs.

We generally use match funded securitization facilities to finance our servicing advances. The SPEs to which the receivables for servicing advances are transferred in the securitization transaction are included in our consolidated financial statements either because we have the majority equity interest in the SPE or because we are the primary beneficiary where the SPE is a VIE. Holders of the debt issued by the SPEs have recourse only to the assets of the SPEs for satisfaction of the debt.

VIEs. If we determine that we are the primary beneficiary of a VIE, we include the VIE in our consolidated financial statements. We have interests in VIEs that we do not consolidate because we have determined that we are not the primary beneficiary of the VIEs. In addition, we have transferred forward and reverse mortgage loans in transactions accounted for as sales or as secured borrowings for which we retained the obligation for servicing and for standard representations and warranties on the loans. See Note 2 – Securitizations and Variable Interest Entities to the Unaudited Consolidated Financial Statements for additional information.

Derivatives. We record all derivatives at fair value on our consolidated balance sheets. We use these derivatives primarily to manage our interest rate risk. The notional amounts of our derivative contracts do not reflect our exposure to credit loss. See Note 14 – Derivative Financial Instruments and Hedging Activities to the Unaudited Consolidated Financial Statements for additional information.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our ability to measure and report our financial position and operating results is influenced by the need to estimate the impact or outcome of future events on the basis of information available at the date of the financial statements. An accounting estimate is considered critical if it requires that management make assumptions about matters that were highly uncertain at the time the accounting estimate was made. If actual results differ from our judgments and assumptions, then it may have an adverse impact on the results of operations and cash flows. We have processes in place to monitor these judgments and assumptions, and management is required to review critical accounting policies and estimates with the Audit Committee of the Board of Directors. Our significant accounting policies and critical accounting estimates are disclosed in Amendment No. 1 to our Annual Report on Form 10-K for the year ended December 31, 2016 in Note 1 to the Consolidated Financial Statements and in Management’s Discussion and Analysis of Financial Condition and Results of Operations under “Critical Accounting Policies and Estimates.”

Fair Value Measurements

We use fair value measurements to record fair value adjustments to certain instruments and to determine fair value disclosures. Refer to Note 3 – Fair Value to the Unaudited Consolidated Financial Statements for the fair value hierarchy, descriptions of valuation methodologies used to measure significant assets and liabilities at fair value and details of the valuation models, key inputs to those models, and significant assumptions utilized. We follow the fair value hierarchy in order to prioritize the inputs utilized to measure fair value. We review and modify, as necessary, our fair value hierarchy classifications on a quarterly basis. As such, there may be reclassifications between hierarchy levels.

The following table summarizes assets and liabilities measured at fair value on a recurring and nonrecurring basis and the amounts measured using Level 3 inputs at the dates indicated:

	September 30, 2017	December 31, 2016
Loans held for sale	\$ 223,662	\$ 314,006
Loans held for investment - Reverse mortgages	4,459,760	3,565,716
MSRs - recurring basis	598,147	679,256
MSRs - nonrecurring basis, net (1)	136,856	144,783
Derivative assets	7,852	9,279
Mortgage-backed securities	9,327	8,342
U.S. Treasury notes	1,575	2,078
Assets at fair value	<u>\$ 5,437,179</u>	<u>\$ 4,723,460</u>
As a percentage of total assets	67%	62%
Financing liabilities		
HMBS-related borrowings	4,358,277	3,433,781
Financing liability - MSRs pledged	447,843	477,707
Total financing liabilities	<u>4,806,120</u>	<u>3,911,488</u>
Derivative liabilities		
Liabilities at fair value	<u>\$ 4,806,191</u>	<u>\$ 3,913,038</u>
As a percentage of total liabilities	64%	56%
Assets at fair value using Level 3 inputs	<u>\$ 5,229,153</u>	<u>\$ 4,429,307</u>
As a percentage of assets at fair value	96%	94%
Liabilities at fair value using Level 3 inputs	<u>\$ 4,806,120</u>	<u>\$ 3,911,488</u>
As a percentage of liabilities at fair value	100%	100%

(1) The balance represents our impaired government-insured stratum of amortization method MSRs, which is measured at fair value on a nonrecurring basis. The carrying value of this stratum is net of a valuation allowance of \$26.6 million and \$28.2 million at September 30, 2017 and December 31, 2016, respectively.

Assets at fair value using Level 3 inputs increased during the nine months ended September 30, 2017 primarily due to reverse mortgage originations. Liabilities at fair value using Level 3 inputs increased primarily in connection with reverse mortgage securitizations, which we account for as secured financings. Our net economic exposure to Loans held for investment - Reverse mortgages and the related Financing liabilities (HMBS-related borrowings) is limited to the residual value we retain. Changes in inputs used to value the loans held for investment are largely offset by changes in the value of the related secured financing.

We have various internal controls in place to ensure the appropriateness of fair value measurements. Significant fair value measures are subject to analysis and management review and approval. Additionally, we utilize a number of operational controls to ensure the results are reasonable, including comparison, or "back testing," of model results against actual performance and monitoring the market for recent trades, including our own price discovery in connection with potential and completed sales, and other market information that can be used to benchmark inputs or outputs. Considerable judgment is used in forming conclusions about Level 3 inputs such as interest rate movements, prepayment speeds, delinquencies, credit losses and discount rates. Changes to these inputs could have a significant effect on fair value measurements.

Valuation and Amortization of MSRs

MSRs are assets that represent the right to service a portfolio of mortgage loans. We originate MSRs from our lending activities and obtain MSRs through asset acquisitions or business combinations. For initial measurement, acquired and originated MSRs are initially measured at fair value. Subsequent to acquisition or origination, we account for MSRs using the amortization or fair value measurement method. For MSRs accounted for using the amortization measurement method, we assess servicing assets or liabilities for impairment or increased obligation based on fair value on a quarterly basis. We group our MSRs by stratum for impairment testing based on the predominant risk characteristics of the underlying mortgage loans. We recognized the reversal of \$1.6 million of impairment charges on our government-insured MSRs during the nine months ended September 30, 2017 (including a \$6.2 million reversal during the third quarter), as the fair value for this stratum increased relative to its carrying value. This reversal of impairment was primarily due to a favorable assumption update in the third quarter of 2017 relating to the recoverability of certain advances on various privately-held government-insured loans. The

carrying value of this stratum at September 30, 2017 was \$136.9 million, net of the valuation allowance of \$26.6 million. We recognize MSR impairment charges and reversals in Servicing and origination expense in the consolidated statements of operations.

The determination of the fair value of MSRs requires management judgment due to the number of assumptions that underlie the valuation. We estimate the fair value of our MSRs using a process based upon the use of independent third-party valuation experts and supported by commercially available discounted cash flow models and analysis of current market data. The key assumptions used in the valuation of these MSRs include prepayment speeds, loan delinquency, cost to service and discount rates.

Income Taxes

We record a tax provision for the anticipated tax consequences of the reported results of operations. We compute the provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. We measure deferred tax assets and liabilities using the currently enacted tax rates in each jurisdiction that applies to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

We conduct periodic evaluations of positive and negative evidence to determine whether it is more likely than not that the deferred tax asset can be realized in future periods. In these evaluations, we gave more significant weight to objective evidence, such as our actual financial condition and historical results of operations, as compared to subjective evidence, such as projections of future taxable income or losses.

As a result of these evaluations, as of December 31, 2016, we recognized a full valuation allowance for the \$95.5 million of U.S. deferred tax assets and for the \$36.2 million on our USVI deferred tax assets as the U.S. and USVI jurisdictional deferred tax assets are not considered to be more likely than not realizable based on all available positive and negative evidence. We intend to continue maintaining a full valuation allowance on our deferred tax assets in both the U.S. and USVI until there is sufficient evidence to support the reversal of all or some portion of these allowances. Release of the valuation allowance would result in the recognition of certain deferred tax assets and a decrease to income tax expense for the period in which the release is recorded. However, the exact timing and amount of the valuation allowance release are subject to change based on the profitability that we achieve.

Net operating loss (NOL) carryforwards may be subject to annual limitations under Internal Revenue Code Section 382 (Section 382) (or comparable provisions of foreign or state law) in the event that certain changes in ownership were to occur. We periodically evaluate our NOL carryforwards and whether certain changes in ownership have occurred that would limit our ability to utilize a portion of our NOL carryforwards. If it is determined that an ownership change(s) has occurred, there may be annual limitations on the use of these NOL carryforwards under Section 382 (or comparable provisions of foreign or state law).

We are currently in the process of evaluating whether we experienced an ownership change, as defined under Section 382, and have identified risk that an ownership change may have occurred in the U.S. jurisdiction during 2015. To the extent this is ultimately determined to have occurred, the annual utilization of our NOLs may be subject to certain limitations under Section 382 and other limitations under state tax laws.

Any reduction to our NOL deferred tax asset due to an annual Section 382 limitation and the NOL carryforward period would result in an offsetting reduction in valuation allowance related to the NOL deferred tax asset. Therefore, we would anticipate that any limitation would not have a material impact on our consolidated statements of operations.

Indemnification Obligations

We have exposure to representation, warranty and indemnification obligations because of our lending, sales and securitization activities, our acquisitions to the extent we assume one or more of these obligations, and in connection with our servicing practices. We initially recognize these obligations at fair value. Thereafter, the estimation of the liability considers probable future obligations based on industry data of loans of similar type segregated by year of origination, to the extent applicable, and estimated loss severity based on current loss rates for similar loans, our historical rescission rates and the current pipeline of unresolved demands. Our historical loss severity considers the historical loss experience that we incur upon sale or liquidation of a repurchased loan as well as current market conditions. We monitor the adequacy of the overall liability

and make adjustments, as necessary, after consideration of other qualitative factors including ongoing dialogue and experience with our counterparties.

Litigation

We monitor our litigation matters, including advice from external legal counsel, and regularly perform assessments of these matters for potential loss accrual and disclosure. We establish liabilities for settlements, judgments on appeal and filed and/or threatened claims for which we believe it is probable that a loss has been or will be incurred and the amount can be reasonably estimated.

Going Concern

In accordance with ASC 205-40, *Presentation of Financial Statements - Going Concern*, we evaluate whether there are conditions that are known or reasonably knowable that raise substantial doubt about our ability to continue as a going concern within one year after the date that our financial statements are issued. We perform a detailed review and analysis of relevant quantitative and qualitative information from across our organization in connection with this evaluation. To support this effort, senior management from key business units reviews and assesses the following information:

- our current financial condition, including liquidity sources at the date that the financial statements are issued (e.g., available liquid funds and available access to credit, including covenant compliance);
- our conditional and unconditional obligations due or anticipated within one year after the date that the financial statements are issued (regardless of whether those obligations are recognized in our financial statements);
- funds necessary to maintain operations considering our current financial condition, obligations and other expected cash flows within one year after the date that the financial statements are issued (i.e., financial forecasting); and
- other conditions and events, when considered in conjunction with the above items, that may adversely affect our ability to meet obligations within one year after the date that the financial statements are issued (e.g., negative financial trends, indications of possible financial difficulties, internal matters such as a need to significantly revise operations and external matters such as adverse regulatory/legal proceedings or rating agency decisions).

If such conditions exist, management evaluates its plans that when implemented would mitigate the condition(s) and alleviate the substantial doubt about our ability to continue as a going concern. Such plans are considered only if information available as of the date that the financial statements are issued indicates both of the following are true:

- it is probable management's plans will be implemented within the evaluation period; and
- it is probable management's plans, when implemented individually or in the aggregate, will mitigate the condition(s) that raise substantial doubt about our ability to continue as a going concern in the evaluation period.

Our evaluation of whether it is probable that management's plans will be effectively implemented within the evaluation period is based on the feasibility of implementation of management's plans in light of our specific facts and circumstances.

Our evaluation of whether it is probable that our plans, individually or in the aggregate, will be implemented in the evaluation period involves a degree of judgment, including about matters that are, to different degrees, uncertain.

RECENT ACCOUNTING DEVELOPMENTS

Recent Accounting Pronouncements

We adopted each recent Accounting Standards Update (ASU) listed below on January 1, 2017. Our adoption of these standards did not have a material impact on our Unaudited Consolidated Financial Statements.

- Income Taxes: Balance Sheet Classification of Deferred Taxes (ASU 2015-17)
- Derivatives and Hedging: Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships (ASU 2016-05)
- Derivatives and Hedging: Contingent Put and Call Options in Debt Instruments (ASU 2016-06)
- Investments - Equity Method and Joint Ventures: Simplifying the Transition to the Equity Method of Accounting (ASU 2016-07)
- Compensation - Stock Compensation: Improvements to Employee Shared-Based Payment Accounting (ASU 2016-09)
- Consolidation: Interests Held through Related Parties That Are under Common Control (ASU 2016-17)
- Technical Corrections and Improvements (ASU 2016-19)

We are also evaluating the impact of recently issued ASUs not yet adopted that are not effective for us until on or after January 1, 2018. While we do not anticipate that our adoption of most of these ASUs will have a material impact on our consolidated financial statements, we are currently evaluating the effect of adopting certain ASUs.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK (Dollars in thousands unless otherwise indicated)

Our principal market exposure is to interest rate risk due to the impact on our mortgage-related assets and commitments, including mortgage loans held for sale, IRLCs and MSRs. Changes in interest rates could materially and adversely affect our volume of mortgage loan originations or reduce the value of our MSRs. We also have exposure to the effects of changes in interest rates on our borrowings, including advance financing facilities.

Interest rate risk is a function of (i) the timing of re-pricing and (ii) the dollar amount of assets and liabilities that re-price at various times. We are exposed to interest rate risk to the extent that our interest rate sensitive liabilities mature or re-price at different speeds, or on different bases, than interest-earning assets.

Our Market Risk Committee establishes and maintains policies that govern our hedging program, including such factors as our target hedge ratio, the hedge instruments that we are permitted to use in our hedging activities and the counterparties with whom we are permitted to enter into hedging transactions. See Note 14 – Derivative Financial Instruments and Hedging Activities to the Unaudited Consolidated Financial Statements for additional information regarding our use of derivatives.

Match Funded Liabilities

We monitor the effect of increases in interest rates on the interest paid on our variable rate advance financing debt. Earnings on cash and float balances are a partial offset to our exposure to changes in interest expense. To the extent the projected excess of our variable rate debt over cash and float balances require, we would consider hedging this exposure with interest rate swaps or other derivative instruments. We may purchase interest rate caps as economic hedges (not designated as a hedge for accounting purposes) as required by certain of our advance financing arrangements.

IRLCs and Loans Held for Sale

IRLCs represent an agreement to purchase loans from a third-party originator or an agreement to extend credit to a mortgage loan applicant, whereby the interest rate on the loan is set prior to funding. In our lending business, mortgage loans held for sale and IRLCs are subject to the effects of changes in mortgage interest rates from the date of the commitment through the sale of the loan into the secondary market. As a result, we are exposed to interest rate risk and related price risk during the period from the date of the lock commitment through (i) the lock commitment cancellation or expiration date or (ii) through the date of sale of the resulting loan into the secondary mortgage market. Loan commitments for forward loans range from 5 to 90 days, but the majority of our commitments are for 15 days (in the correspondent and broker channels) or 60 days (for the retail channel). Our holding period for mortgage loans from funding to sale is typically less than 30 days. Our interest rate exposure on these derivative loan commitments is hedged with freestanding derivatives such as forward contracts. We enter into forward contracts with respect to both fixed and variable rate loan commitments.

For loans held for sale that we have elected to carry at fair value, we manage the associated interest rate risk through an active hedging program overseen by our Investment Committee. Our hedging policy determines the hedging instruments to be used in the mortgage loan hedging program, which include forward sales of agency “to be announced” securities (TBAs), whole loan forward sales, Eurodollar futures and interest rate options. Forward mortgage-backed securities (MBS) trades are primarily used to fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market. Our hedging policy also stipulates the hedge ratio we must maintain in managing this interest rate risk, which is also monitored by our Investment Committee.

Fair Value MSRs

We have elected to account for two classes of MSRs at fair value. The first is a class of acquired Agency MSRs, principally originated during 2012, for which we hedged the interest rate risk because the mortgage notes underlying the MSRs permit the borrowers to prepay the loans. Effective April 1, 2013, we modified our strategy for managing the risks of the portfolio of loans underlying this class of fair value MSRs and closed out the remaining economic hedge positions associated with this class. We terminated these hedges because we determined that they were ineffective for large movements in interest rates and only assured losses in substantial increasing-rate environments. The second class of MSRs accounted for at fair value was designated on January 1, 2015, when we elected fair value accounting for a newly created class of non-Agency MSRs that we previously accounted for using the amortization method.

Interest Rate Sensitive Financial Instruments

The tables below present the notional amounts of our financial instruments that are sensitive to changes in interest rates and the related fair value of these instruments at the dates indicated. We use certain assumptions to estimate the fair value of these instruments. See Note 3 – Fair Value to the Unaudited Consolidated Financial Statements for additional information regarding fair value of financial instruments.

	September 30, 2017		December 31, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Rate-Sensitive Assets:				
Interest-earning cash	\$ 93,817	\$ 93,817	\$ 146,698	\$ 146,698
Loans held for sale, at fair value	200,438	200,438	284,632	284,632
Loans held for sale, at lower of cost or fair value (1)	23,224	23,224	29,374	29,374
Loans held for investment, at fair value	4,459,760	4,459,760	3,565,716	3,565,716
Automotive dealer financing notes (including match funded)	36,036	38,578	33,224	33,147
U.S. Treasury notes	1,575	1,575	2,078	2,078
Debt service accounts and interest-earning time deposits	44,133	44,133	49,276	49,276
Total rate-sensitive assets	\$ 4,858,983	\$ 4,861,525	\$ 4,110,998	\$ 4,110,921
Rate-Sensitive Liabilities:				
Match funded liabilities	\$ 1,028,016	\$ 1,023,241	\$ 1,280,997	\$ 1,275,059
HMBS-related borrowings	4,358,277	4,358,277	3,433,781	3,433,781
Other secured borrowings (2)	544,589	553,511	678,543	682,703
Senior notes (2)	347,201	343,805	346,789	355,303
Total rate-sensitive liabilities	\$ 6,278,083	\$ 6,278,834	\$ 5,740,110	\$ 5,746,846
Rate-Sensitive Derivative Financial Instruments:				
Derivative assets (liabilities):				
Interest rate caps	\$ 448,333	\$ 1,839	\$ 955,000	\$ 1,836
IRLCs	206,791	4,969	360,450	6,507
Forward MBS trades	369,700	973	609,177	(614)
Derivatives, net		\$ 7,781		\$ 7,729

(1) Net of market valuation allowances and including non-performing loans.

(2) Carrying values are net of unamortized debt issuance costs and discount.

Sensitivity Analysis

Fair Value MSR, Loans Held for Sale and Related Derivatives

The following table summarizes the estimated change in the fair value of our MSRs and loans held for sale that we have elected to carry at fair value as well as any related derivatives at September 30, 2017, given hypothetical instantaneous parallel shifts in the yield curve. We used September 30, 2017 market rates to perform the sensitivity analysis. The estimates are based on the market risk sensitive portfolios described in the preceding paragraphs and assume instantaneous, parallel shifts in interest rate yield curves. These sensitivities are hypothetical and presented for illustrative purposes only. Changes in fair value based on variations in assumptions generally cannot be extrapolated because the relationship to the change in fair value may not be linear.

	Change in Fair Value	
	Down 25 bps	Up 25 bps
Loans held for sale	\$ 2,322	\$ (2,629)
Forward MBS trades	(3,188)	3,305
Total loans held for sale and related derivatives	(866)	676
Fair value MSRs (1)	(757)	772
MSRs, embedded in pipeline	(16)	23
Total fair value MSRs	(773)	795
Total, net	\$ (1,639)	\$ 1,471

(1) This change in fair value reflects the impact of market rate changes on projected prepayments on the Agency MSR portfolio carried at fair value. Additionally, non-Agency MSRs carried at fair value can exhibit cash flow sensitivity for advance financing costs and / or float earnings indexed to a market rate. However, we believe the pricing levels on aged non-Agency MSRs should remain stable despite the recent rise in LIBOR rates, given the lack of market transactions supporting any pricing change, and the general industry approach to conservatively valuing such assets. As such, we have assumed zero sensitivity to a 25 bps change in market rates for the non-Agency MSR portfolio.

Borrowings

The debt used to finance much of our operations is exposed to interest rate fluctuations. We may purchase interest rate swaps and interest rate caps to minimize future interest rate exposure from increases in 1-Month LIBOR interest rates.

Based on September 30, 2017 balances, if interest rates were to increase by 1% on our variable rate debt and interest earning cash and float balances, we estimate a net positive impact of approximately \$8.5 million resulting from an increase of \$23.1 million in annual interest income and an increase of \$14.6 million in annual interest expense. The increase in interest expense reflects the effect of our hedging activities, which would offset \$3.1 million of the increase in interest on our variable rate debt.

ITEM 4. CONTROLS AND PROCEDURES

Our management, under the supervision of and with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act), as of September 30, 2017.

Based on such evaluation, and solely because of the previously disclosed material weakness in internal control over financial reporting (see our Annual Report on Form 10-K/A for the year ended December 31, 2016) related to ineffective controls regarding the review and disclosure of regulatory matters, management concluded that our disclosure controls and procedures were not effective as of September 30, 2017. Our controls related to the review and disclosure of regulatory matters were not operating effectively to ensure such matters were adequately disclosed. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Management strengthened controls to improve the communication and evaluation of regulatory matters and related disclosures to and by Ocwen's Disclosure Review Committee (DRC) by creating a working group comprised of representatives from accounting, financial reporting, legal and compliance who are charged with reviewing regulatory matters and disclosures. The DRC will also include a discussion of regulatory matters on its agenda. Management believes these changes will remediate the material weakness in internal control over financial reporting described above. We will test the ongoing operating effectiveness of the new controls in future periods. The material weakness cannot be considered remediated until the applicable

remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Other than the controls related to the review and disclosure of regulatory matters as noted above (which have been implemented), there have not been any changes in our internal control over financial reporting that occurred during the fiscal quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 21 – Contingencies to the Unaudited Consolidated Financial Statements. That information is incorporated into this item by reference.

ITEM 1A. RISK FACTORS

An investment in our common stock involves significant risk. We describe the most significant risks that management believes affect or could affect us under Part I of Amendment No. 1 to our Annual Report on Form 10-K for the year ended December 31, 2016, and we added additional risk factors in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2017. Understanding these risks is important to understanding any statement in such Annual Report and in our subsequent SEC filings (including this Form 10-Q) and to evaluating an investment in our common stock. You should carefully read and consider the risks and uncertainties described therein together with all of the other information included or incorporated by reference in such Annual Report and in our subsequent SEC filings before you make any decision regarding an investment in our common stock. You should also consider the information set forth under “Forward-Looking Statements.” If any of the risks actually occur, our business, financial condition and results of operations could be materially and adversely affected. If this were to happen, the value of our common stock could significantly decline, and you could lose some or all of your investment.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

All unregistered sales of equity securities have been previously reported.

ITEM 6. EXHIBITS

3.1	Amended and Restated Articles of Incorporation, as amended (1)
3.2	Amended and Restated Bylaws of Ocwen Financial Corporation (2)
10.1*	Master Agreement dated as of July 23, 2017 by and among Ocwen Loan Servicing, LLC, HLSS Holdings, LLC, HLSS MSR - EBO Acquisition LLC, and New Residential Mortgage LLC (filed herewith)
10.2	Amendment No. 1, dated October 12, 2017, to Master Agreement dated as of July 23, 2017 by and among Ocwen Loan Servicing, LLC, HLSS Holdings, LLC, HLSS MSR - EBO Acquisition LLC, and New Residential Mortgage LLC (filed herewith)
10.3*	Transfer Agreement dated as of July 23, 2017 by and between Ocwen Loan Servicing, LLC, New Residential Mortgage LLC, Ocwen Financial Corporation, and New Residential Investment Corp. (filed herewith)
10.4*	Subservicing Agreement dated as of July 23, 2017 by and between New Residential Mortgage LLC and Ocwen Loan Servicing, LLC (filed herewith)
10.5	Transaction Agreement for share purchase dated as of July 23, 2017 by and between New Residential Investment Corp. and Ocwen Financial Corporation (filed herewith)
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101.INS	XBRL Instance Document (filed herewith)
101.SCH	XBRL Taxonomy Extension Schema Document (filed herewith)
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith)
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document (filed herewith)
101.LAB	XBRL Taxonomy Extension Label Linkbase Document (filed herewith)
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith)

* Portions of this exhibit have been omitted pursuant to a request for confidential treatment.

- (1) Incorporated by reference to the similarly described exhibit included with the Registrant's Form 10-Q for the quarterly period ended June 30, 2017 filed with the SEC on August 3, 2017.
- (2) Incorporated by reference to the similarly described exhibit included with the Registrant's Form 8-K filed with the SEC on February 19, 2016.

Signatures

Pursuant to the requirements of Section 13 or 15(d) 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, thereunto duly authorized.

Ocwen Financial Corporation

By: /s/ Michael R. Bourque, Jr.
Michael R. Bourque, Jr.
Executive Vice President and Chief Financial Officer
(On behalf of the Registrant and as its principal financial officer)

Date: November 1, 2017

EXECUTION COPY

CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY ***, HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 24B-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

MASTER AGREEMENT

dated as of

July 23, 2017

by and among:

OCWEN LOAN SERVICING, LLC,

HLSS HOLDINGS, LLC,

HLSS MSR – EBO ACQUISITION LLC, and

NEW RESIDENTIAL MORTGAGE LLC

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Schedules, Exhibits and Annexes

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Exhibit 1: Group Selection Procedures
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Exhibit 4: Specified Termination Events
Exhibit 5: Third Party Purchase Agreement Documentation Principles
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Exhibit 7: Major Shelf Groups
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Exhibit 10: Designated Servicing Agreements

Annex I: Schedules I through and including VI to the Sale Supplement, dated as of February 10, 2012

Annex II: Schedules I through and including VI to the Sale Supplement, dated as of May 1, 2012

Annex III: Schedules I through and including VI to the Sale Supplement, dated as of August 1, 2012

Annex IV: Schedules I through and including VI to the Sale Supplement, dated as of September 13, 2012

Annex V: Schedules I through and including VI to the Sale Supplement, dated as of September 28, 2012

Annex VI: Schedules I through and including VI to the Sale Supplement, dated as of December 26, 2012

Annex VII: Schedules I through and including VI to the Sale Supplement, dated as of March 13, 2013

Annex VIII: Schedules I through and including VI to the Sale Supplement, dated as of May 21, 2013

Annex IX: Schedules I through and including VI to the Sale Supplement, dated as of July 1, 2013

Annex X: Schedules I through and including VI to the Sale Supplement, dated as of October 25, 2013

MASTER AGREEMENT

This Master Agreement (this "Agreement"), dated as of July 23, 2017 (the "Effective Date"), is executed within the United States Virgin Islands (the "USVI") by and among:

- (i) OCWEN LOAN SERVICING, LLC, a Delaware limited liability company ("Seller");
- (ii) HLSS HOLDINGS, LLC, a Delaware limited liability company ("Holdings");
- (iii) HLSS MSR – EBO ACQUISITION LLC, a Delaware limited liability company ("MSR – EBO" and together with Holdings, the "Purchasers"); and
- (iv) NEW RESIDENTIAL MORTGAGE LLC, a Delaware limited liability company ("NRM").

WITNESSETH:

WHEREAS, Seller, Holdings, and MSR – EBO (as assignee of Home Loan Servicing Solutions, Ltd.) are parties to the Master Servicing Rights Purchase Agreement, dated as of October 1, 2012 (as amended prior to the Effective Date pursuant to the amendments described on Schedule 1 hereto and as otherwise amended or modified prior to the Effective Date, the "MSR Purchase Agreement");

WHEREAS, Seller, Holdings, and MSR – EBO (as assignee of Home Loan Servicing Solutions, Ltd.) are parties to the Sale Supplements to the MSR Purchase Agreement, dated as of February 10, 2012, May 1, 2012, August 1, 2012, September 13, 2012, September 28, 2012, December 26, 2012, March 13, 2013, May 21, 2013, July 1, 2013, and October 25, 2013 (each, as amended prior to the Effective Date pursuant to the amendments described on Schedule 1 hereto and as otherwise amended or modified prior to the Effective Date, each a "Sale Supplement" and, collectively, the "Sale Supplements");

WHEREAS, pursuant to the MSR Purchase Agreement and the Sale Supplements, Seller sold to the Purchasers (without recourse, except as otherwise provided therein) the Rights to MSRs, the Excess Servicing Fees, and the Transferred Receivables Assets, and the Purchasers assumed the Assumed Liabilities with respect to all Servicing Agreements described or otherwise referenced on Schedule I to any Sale Supplement (the "MSRPA Servicing Agreements");

WHEREAS, as the owners of the Rights to MSRs in respect of the MSRPA Servicing Agreements, the Purchasers are the owners of, among other things, all existing and future accruing and payable Servicing Fees under the MSRPA Servicing Agreements;

WHEREAS, in connection with the transactions contemplated hereby, Seller will transfer to NRM all of Seller's right, title and interest in, and all of Seller's obligations and liabilities under, each MSRPA Servicing Agreement pursuant to the Transfer Agreement dated as of the Effective Date among NRM, Seller, Ocwen Financial Corporation and New Residential Investment Corp.

(as amended, restated, supplemented or otherwise modified from time to time, the "Transfer Agreement") and after the Transfer Date (as defined in the Transfer Agreement) such servicing rights will be "Transferred Servicing Rights;

WHEREAS, upon the Transfer Date, the related MSRPA Servicing Agreement shall cease to be a "Deferred Servicing Agreement" for purposes of the Sale Supplements (but such transfer will not otherwise impair or affect any prior transfer of Excess Servicing Fee, Rights to MSRs, or any other Transferred Receivables Assets or prior assumption of Assumed Liabilities in respect of such MSRPA Servicing Agreement);

WHEREAS, in connection with any MSRPA Servicing Agreement ceasing to be a Deferred Servicing Agreement as contemplated above, Holdings will make a Lump-Sum Payment (as defined herein) to Seller in accordance with the terms hereof;

WHEREAS, NRM and Seller will enter into a Subservicing Agreement with respect to the Transferred Servicing Rights (as amended, restated, supplemented or otherwise modified from time to time, the "NRM Subservicing Agreement");

WHEREAS after the transfer of the Transferred Servicing Rights to NRM pursuant to the Transfer Agreement, Seller will subservice the related Mortgage Loans in accordance with the NRM Subservicing Agreement;

WHEREAS, in connection with the transactions contemplated hereby, the Purchasers have agreed not to exercise certain contracted rights during a "Standstill Period" (as defined herein) associated with specified types of Termination Events;

WHEREAS, if Servicing Rights are sold to a third party pursuant to Section 9.3 of this Agreement, Seller will receive the related Rights to MSRs and the related Transferred Receivable Assets from Purchasers, which Seller will immediately transfer to the third party acquirer, as an accommodation for the Purchasers, in accordance with a Third Party Purchase Agreement (as defined herein);

WHEREAS, Ocwen Mortgage Servicing, Inc. ("OMS"), the parent corporation of Seller, (i) has reviewed, analyzed, and approved this transaction, (ii) has authorized and caused Seller to enter into this Agreement, and (iii) has not delegated any authority to any person outside the USVI to negotiate or agree to terms on its behalf; and

WHEREAS, the Seller, Purchasers, and NRM shall each execute this Agreement in the USVI.

NOW, THEREFORE, in connection with the foregoing, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

Section 1. Definitions; Interpretation.

1.1 Capitalized terms used but not defined herein shall have the meaning set forth in the MSR Purchase Agreement, or, if not defined therein, in the Sale Supplements.

1.2 As used in this Agreement, the following terms shall have the following meanings:

“Account Cost True-Up Payment” is defined in Section 6.3 of this Agreement.

“Adjusted Total UPB” means, as of any date of determination, an amount equal to the following:

(i) the aggregate Specified Condition UPB in respect of all MSRPA Servicing Agreements as of March 31, 2017;

minus

(ii) the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements for which the parties mutually agreed not to pursue obtaining any applicable Third Party Consents;

minus

(iii) the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements for which Seller is terminated other than because of an exercise of a Clean Up Call Right;

minus

(iv) the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements that are not Major Shelf Servicing Agreements for which the Transfer Date did not occur and such MSRPA Servicing Agreements were terminated prior to such date of determination because of the exercise of a Clean Up Call Right.

“Agreement” is defined in the preamble to this Agreement.

“Amendment No. 2” means Amendment No. 2 to Master Servicing Rights Purchase Agreement and Sale Supplements, dated as of April 6, 2015, among Seller, the Purchasers and Home Loan Servicing Solutions, Ltd.

“Approved Third Party Appraisers” means the following parties and any other residential mortgage servicing appraisal service provider as mutually agreed upon by Seller and Holdings as an “Approved Third Party Appraiser” for purposes of this Agreement: (i) Phoenix Analytic Services, Inc., (ii) Mortgage Industry Advisory Corporation, and (iii) MountainView Financial Solutions.

“Assignment Agreement” has the meaning set forth in the Transfer Agreement.

“Average Third Party Mark” means, in respect of any Group, the average of two appraisals from two Approved Third Party Appraisers engaged by NRM or its affiliates for the related Servicing Rights (inclusive of the Rights to MSRs and deferred servicing fees) for such Group. If any particular

appraisal is a range of values, then such appraisal shall be the mean of such range of values for purpose of this definition.

“Change of Control” means a “Change of Control” as defined in and determined in accordance with the provisions of the NRM Subservicing Agreement.

“Clean Up Call Right” has the meaning set forth in Amendment No. 2 and includes, for the avoidance of doubt, any optional termination, or clean-up call right held by any relevant transaction party (and not merely those in the name of Seller).

“Consent Non-Delivery Determination Date” means, in respect of any Group, the earlier of (i) the one-year anniversary of the Effective Date and (ii) the Designation Date immediately following the date upon which Seller and NRM mutually agree that any necessary Third Party Consent to cause a transfer of the related Seller Servicing Rights to NRM will not be received.

“Designated Servicing Agreements” means the MSRPA Servicing Agreements described on Exhibit 10 hereto.

“Designated Servicing Agreements Price” means, for any Designated Servicing Agreement, the “Designated Servicing Agreement Price” listed opposite the reference to such Designated Servicing Agreement on Exhibit 10 hereto.

“Designation Date” means each of October 23, 2017, January 23, 2018 and April 23, 2018.

“Fee Restructuring Payment” means, as of any date in respect of any Group, an amount equal to the Lump-Sum Payment or Lump-Sum Payments, as applicable, that Holdings would pay Seller if the Transfer Date or Transfer Dates, as applicable, occurred on such date, as adjusted in accordance with Exhibit 1 hereto.

“Fee Restructuring Payment Option” is defined in Section 9.1 of this Agreement.

“Final Increased Cost Payment” is defined in Section 5 of this Agreement.

“Float Payment Right” is defined in Section 7.1 of this Agreement.

“Float True-Up Payment” is defined in Section 7.1 of this Agreement.

“Full Waiver Eligibility Period” means the period commencing on the Effective Date and ending at the earliest of:

- (i) January 23, 2019;
- (ii) the Seller’s failure to observe or perform in any material respect its obligations under Section 8 hereof and both (a) such failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure shall have been given to Seller by either Purchaser or NRM and (b) the Purchasers and NRM are in compliance in all material

respects with their respective obligations under Section 8 hereof and all prior material non-compliance shall have been cured;

- (iii) the later of (a) the one-year anniversary of this Agreement and (b) the date on which Sections 9.1, 9.2, 9.3, and 9.4 have been applied as set forth herein for all MSRPA Servicing Agreements for which the Consent Non-Delivery Determination Date has occurred on or prior to the one-year anniversary of this Agreement (such that the time at which Seller may exercise the Purchase Option for such Group in accordance with clause (ii) of the first sentence of Section 9.4 hereof has expired for any such MSRPA Servicing Agreement);
- (iv) the termination of this Agreement in accordance with Section 15.1 hereof (including any termination of this Agreement occurring because of any termination of the NRM Subservicing Agreement because of the occurrence of a Change of Control); and
- (v) the date upon which Seller terminates the NRM Subservicing Agreement in accordance with Section 5.1(a) thereof; provided that such termination shall be the result of a determination that the Subservicer's duties under the NRM Subservicing Agreement are no longer permissible under applicable law.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States of America.

"Group" means any group of MSRPA Servicing Agreements for which the Consent Non-Delivery Determination Date has occurred. The selection of any MSRPA Servicing Agreements for any "Group" shall be either (i) determined by mutual agreement of Holdings and Seller, or (ii) in accordance with the procedures set forth on Exhibit 1.

"Holdings" is defined in the preamble to this Agreement.

"Internal Mark" means, at any time in respect of any Group, the Purchasers' internal valuation of the related Servicing Rights (inclusive of the Rights to MSRs and deferred servicing fees) for such Group, as of the last day of the calendar month then most recently ended. Such valuation shall be determined consistently (i) with GAAP and (ii) in the manner in which the internal valuations of the Rights to MSRs are calculated in the Purchasers' books and records.

"Investment Rights Expiration Date" means, in respect of any MSRPA Servicing Agreement, the earliest of (i) the Transfer Date in respect thereof, (ii) the date on which Holdings exercises its Fee Restructuring Payment Option in respect thereof, or (iii) the date on which Seller exercises the Purchase Option in respect thereof.

"Lump-Sum Payment" means, in respect of any MSRPA Servicing Agreement, an amount equal to the product of (i) the unpaid interest bearing principal balance of the Primary Mortgage Loans in respect of such MSRPA Servicing Agreement on the first day of the month in which the related Transfer Date occurs and (ii) the applicable Lump-Sum Payment Percentage.

“Lump-Sum Payment Percentage” means, with respect to any MSRPA Servicing Agreement, the applicable “Lump-Sum Payment Percentage” (in basis points) set forth on Schedule 2 hereto opposite the reference to the month in which the applicable Transfer Date for such MSRPA Servicing Agreement occurs.

“Major Shelf Group” means the groupings of Major Shelf Servicing Agreements, as set forth on Exhibit 7 hereto.

“Major Shelf Servicing Agreement” means any MSRPA Servicing Agreement included in a Major Shelf Group.

“Major Shelf Specified Condition UPB” means, for any Major Shelf Servicing Agreement, the aggregate unpaid interest bearing principal balance of the Primary Mortgage Loans under such Major Shelf Servicing Agreement as of the close of business on March 31, 2017.

“MSR Purchase Agreement” is defined in the recitals to this Agreement.

“MSR – EBO” is defined in the preamble to this Agreement.

“MSRPA Servicing Agreements” is defined in the recitals to this Agreement.

“New RMSR Agreement” means the New RMSR Agreement among Seller and the Purchasers to be entered into after the Effective Date pursuant to Section 8.7 hereof, which shall be drafted and entered into in accordance with the documentation principles set forth on Exhibit 8.

“Non-Consented Servicing Rights” means any Seller Servicing Rights with respect to which the Required Consent (as defined in the Transfer Agreement) has not been obtained by the Consent Non-Delivery Determination Date.

“NRM Subservicing Agreement” is defined in the recitals to this Agreement.

“OMS” is defined in the recitals to this Agreement.

“Option #1 Exercise Deadline” means, for any Group, unless otherwise mutually agreed in writing by Holdings and Seller, either:

- (i) close of business on the tenth (10th) Business Day after the Consent Non-Delivery Determination Date for such or Group; or
- (ii) such earlier date as may be specified in writing by Holdings to Seller.

“Option #2 Exercise Deadline” means, for any Group, unless otherwise mutually agreed in writing by Holdings and Seller, either:

- (i) the close of business on the later of (a) the tenth (10th) Business Day after the Option #1 Exercise Deadline for such Group, and (b) the tenth (10th) Business Day after the related Valuation Package has been delivered to Seller; or

(ii) such earlier date as may be specified in writing by Seller to Holdings.

“Primary Mortgage Loan” means any Mortgage Loan (including REO and loans in foreclosure) with respect to which Seller or an affiliate thereof is the “primary” servicer or subservicer performing the traditional mortgage servicing functions with respect to the related Mortgagor.

“Purchase Option” is defined in Section 9.2 of this Agreement.

“Purchasers” is defined in the preamble to this Agreement.

“Related Agreements” means the Transfer Agreement, New RMSR Agreement, and NRM Subservicing Agreement.

“Reconciliation Date” means, with respect to any Transfer Date, the fifth (5th) Business Day thereafter.

“Reconciliation Report” is defined in Section 3.2 of this Agreement.

“Remaining UPB” means, as of any date, an amount equal to the following:

- (i) the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements that are Deferred Servicing Agreements under the Sale Supplements as of such date;

minus

- (ii) to the extent included in clause (i) above, the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements (a) to be transferred pursuant to Section 8 and for which Third Party Consents have been obtained, and (b) to be transferred pursuant to Section 9.2, 9.3, or 9.4 hereof, but, in the case of either (a) or (b) Purchasers were unable to obtain any necessary financing consents for the transfer;

minus

- (iii) to the extent included in clause (i) above, the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements to be transferred pursuant to Section 8 and for which all Third Party Consents have been obtained and Seller is prepared to transfer but the related Servicing Rights have not been transferred by Seller because NRM has chosen not to transfer because NRM has terminated the NRM Subservicing Agreement for cause;

minus

- (iv) to the extent included in clause (i) above, the aggregate Specified Condition UPB as of March 31, 2017 in respect of all MSRPA Servicing Agreements for which the parties mutually agreed not to pursue obtaining any applicable Third Party Consents;

plus

- (v) for each Major Shelf Servicing Agreement not included in clause (i) due to being terminated prior to such date of determination because of the exercise of a Clean Up Call Right, the product of (x) the Major Shelf Specified Condition UPB as of March 31, 2017 in respect of such Major Shelf Servicing Agreement, and (y) the ratio of (a) the aggregate Major Shelf Specified Condition UPB as of March 31, 2017 in respect of all Major Shelf Servicing Agreements in the related Major Shelf Group that are Deferred Servicing Agreements under the Sale Supplements as of such date to (b) the positive difference between (1) the aggregate Major Shelf Specified Condition UPB as of March 31, 2017 in respect of all Major Shelf Servicing Agreements in the related Major Shelf Group as of March 31, 2017, and (2) the aggregate Major Shelf Specified Condition UPB as of March 31, 2017 in respect of all Major Shelf Servicing Agreements in the related Major Shelf Group that were terminated prior to such date of determination because of the exercise of a Clean Up Call Right.

“Reservation Price” means, in respect of any Group, the reservation price established by Holdings, which shall be an amount no greater than the greater of (i) the Average Third Party Mark for such Group and (ii) the Internal Mark for such Group.

“SAF” means any servicer advancing financing facility in place from time to time in connection with any of the Transferred Receivables Assets.

“Sale Supplements” is defined in the recitals to this Agreement.

“Seller” is defined in the preamble to this Agreement.

“Seller Servicing Rights” means, in respect of any MSRPA Servicing Agreement, all of Seller’s rights, title, and interest in respect thereof other than Rights to MSRs (including the Excess Servicing Fees) and Transferred Receivables Assets previously sold to the Purchasers pursuant to the MSR Purchase Agreement and the related Sale Supplements.

“Shared Costs” is defined in Section 8.4 of this Agreement.

“Specified Condition” means a condition that shall be satisfied on any date determination if, and only if, the ratio of Remaining UPB to Adjusted Total UPB is less than or equal to 20% prior to the end of the Full Waiver Eligibility Period. If the Specified Condition is satisfied as of any date of determination, it will be deemed to be satisfied at all times going forward.

“Specified Condition UPB” means, for any MSRPA Servicing Agreement, the aggregate unpaid interest bearing principal balance of the Primary Mortgage Loans under such MSRPA Servicing Agreement as of the close of business on March 31, 2017.

“Specified Termination Events” is defined on Exhibit 4.

“Standstill Period” means the period commencing on the Effective Date and ending at the earliest of:

- (i) January 23, 2019;
- (ii) the Seller’s failure to observe or perform in any material respect its obligations under Section 8 hereof and both (a) such failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure shall have been given to Seller by either Purchaser or NRM and (b) the Purchasers and NRM are in compliance in all material respects with their respective obligations under Section 8 hereof and all prior material non-compliance shall have been cured;
- (iii) the later of (a) the one-year anniversary of this Agreement and (b) the date on which Sections 9.1, 9.2, 9.3, and 9.4 have been applied as set forth herein for all MSRPA Servicing Agreements for which the Consent Non-Delivery Determination Date has occurred on or prior to the one-year anniversary of this Agreement (such that the time at which Seller may exercise the Purchase Option for such Group in accordance with clause (ii) of the first sentence of Section 9.4 hereof has expired for any such MSRPA Servicing Agreement);
- (iv) the occurrence of a Change of Control with respect to Seller or Ocwen Financial Corporation, unless NRM consents to such Change of Control in accordance with the procedures set forth in the NRM Subservicing Agreement;
- (v) the termination of this Agreement in accordance with Section 15.1 hereof; and
- (vi) the date upon which Seller terminates the NRM Subservicing Agreement in accordance with Section 5.1(a) thereof; provided that such termination shall be the result of a determination that the Subservicer’s duties under the NRM Subservicing Agreement are no longer permissible under applicable law.

“Third Party Consents” shall mean any consent, authorization, approval, statement, waiver, order, license, certificate or permit or act of or from, or notice to any Rating Agency or any party to or referenced in any MSRPA Servicing Agreement or any amendment to any MSRPA Servicing Agreement that is required under such Servicing Agreement in order to duly transfer the servicing

of the Mortgage Loans and the Seller Servicing Rights to NRM pursuant to the Transfer Agreement (or any third party as contemplated by Section 9.3 hereof) and consummate the transactions contemplated by this Agreement and the related Related Agreements, in each case in form and substance reasonably satisfactory to Seller and NRM.

“Third Party Purchase Agreement” means a purchase and sale agreement with representations, warranties, covenants and indemnifications to purchasers of the related Servicing Rights (including with respect to the Rights to MSRs and the Transferred Receivables Assets) that are no less favorable to a purchaser or transferee of mortgage servicing rights than those set forth in the Transfer Agreement (but taking into account the entire set of Servicing Rights in respect of any Mortgage Loan and/or Servicing Agreement and not merely Seller Servicing Rights as contemplated by the Transfer Agreement) except to the extent (i) set forth on Exhibit 5 hereto or (ii) otherwise mutually agreed in writing by Holdings and Seller.

“Transfer Agreement” is defined in the recitals to this Agreement.

“Transfer Date” means, in respect of any MSRPA Servicing Agreement, the date upon which all necessary Third Party Consents related to Seller Servicing Rights are obtained and become Transferred Servicing Rights to NRM pursuant to the Transfer Agreement. For the avoidance of doubt, any Seller Servicing Rights related to MSRPA Servicing Agreements for which Third Party Consents have not been obtained shall remain subject to the MSR Purchase Agreement and applicable Sale Supplement. The initial Transfer Date shall not occur until the earlier of (i) September 1, 2017, and (ii) the date on which Holdings has amended the existing SAF transactions to permit the financing of monthly advances and servicing advances arising under the related MSRPA Servicing Agreements currently subject to such SAFs after giving effect to the related Transfer Dates (or such earlier date as agreed to by Holdings); provided that the failure to obtain any such consents or amendments on or after September 1, 2017 shall not affect or waive the parties’ obligations under the Agreement.

“Transferred Servicing Rights” is defined in the recitals to this Agreement.

“USVI” is defined in the recitals to this Agreement.

“Valuation Package” means, in respect of any Group, the following information:

- (i) the Average Third Party Mark for such Group (including reasonable supporting assumptions and valuation inputs);
- (ii) the Internal Mark for such Group; and
- (iii) the Reservation Price for such Group.

1.3 The headings preceding the text of Articles and Sections included in this Agreement and the headings to Annexes, Exhibits and Schedules attached to this Agreement are for convenience only and shall not be deemed part of this Agreement or be given any effect in interpreting this Agreement. The use of the masculine, feminine or gender neutral or the singular or plural form of

words herein shall not limit any provision of this Agreement. The use of the terms “including” or “include” shall in all cases herein mean “including, without limitation” or “include, without limitation,” respectively. Reference to any Person shall include such Person’s successors and assigns to the extent such successors and assigns are permitted by the terms of any applicable agreement. Reference to a Person in a particular capacity shall exclude such Person in any other capacity or individually. Reference to any agreement (including this Agreement), document or instrument shall mean such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof. Underscored references to Articles, Sections, paragraphs, clauses, Annexes, Exhibits or Schedules shall refer to those portions of this Agreement unless otherwise specified. The use of the terms “hereunder,” “hereof,” “hereto” and words of similar import shall refer to this Agreement as a whole and not to any particular Article, Section, paragraph or clause of, or Annex, Exhibit or Schedule to, this Agreement. References to “dollars” or “\$” shall mean United States dollars. Reference to any statute or statutory provision shall include any consolidation, reenactment, amendment, modification or replacement of the same and any subordinate legislation in force under the same from time to time. Accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP.

1.4 In the event of any inconsistency between this Agreement and the MSR Purchase Agreement or the Sale Supplements, this Agreement shall control.

Section 2. Consent to Transfer Agreement.

2.1 Each of Holdings and MSR – EBO hereby consents to the transfers of Seller Servicing Rights contemplated by the Transfer Agreement and, upon the Transfer Date, the subservicing of the related Mortgage Loans pursuant to the NRM Subservicing Agreement. Notwithstanding any provision in this Agreement to the contrary, all rights, title (including any document of title), interest, beneficial ownership, and risk of loss in the Seller Servicing Rights that are sold, transferred, assigned, set over, and conveyed to NRM upon the transfer of the Transferred Servicing Rights shall pass by Seller to NRM in the USVI on the Transfer Date within the USVI.

2.2 Upon the Transfer Date, the related Servicing Agreement shall be neither a “Deferred Servicing Agreement” nor a “Transferred Servicing Agreement” for purposes of the MSR Purchase Agreement and the related Sale Supplement. For the avoidance of doubt, under no circumstance shall the unpaid principal balance on any Mortgage Loan subserviced under the NRM Subservicing Agreement (as primary servicer or subservicer, but not merely master servicer) be utilized for purposes of calculating the Retained Fee, the Performance Fee and/or the Seller Monthly Servicing Fee under any Sale Supplement from and after the date such Mortgage Loan is initially subserviced under the NRM Subservicing Agreement.

2.3 The occurrence of the Transfer Date will not in any way modify any prior sales and assignments of Rights to MSRs; equity interests in Advance SPEs and Transferred Receivables Assets pursuant to the MSR Purchase Agreement and the Sale Supplements. The Purchasers and their assignees (as applicable) will not assign, transfer or otherwise reconvey any portion of the applicable Rights to MSRs, Advance SPEs and Transferred Receivables Assets in respect of any MSRPA Servicing Agreement to Seller in connection with any such transfer.

Section 3. Lump-Sum Payments.

3.1 Payment of Lump-Sum Payments by Holdings. Subject to the terms and conditions in the Transfer Agreement, on each Transfer Date, the related Lump-Sum Payment(s) shall be paid by Holdings to Seller as follows:

(a) No later than five (5) Business Days before any Transfer Date, Seller shall provide to Holdings a draft settlement statement which shall include a written estimated calculation of the Lump-Sum Payment (or Lump-Sum Payments) in respect of such Transfer Date based on data from the last day of the prior month (or as otherwise agreed by the parties). With respect to each Transfer Date and the applicable Servicing Rights, Holdings shall pay to Seller's account in the USVI an amount equal to the applicable Lump-Sum Payment (or Lump-Sum Payments), in immediately available funds on such Transfer Date.

(b) On or prior to the fifth (5th) Business Day following the applicable Reconciliation Date, the Lump-Sum Payment with respect to any transfer of Servicing Rights shall be adjusted as set forth on the related Reconciliation Report. To the extent that a Lump-Sum Payment paid by Holdings to Seller pursuant to Section 3.1(a) hereof exceeds the actual Lump-Sum Payment as reconciled, Seller shall refund such excess amount to Holdings by the end of the following Business Day. To the extent that the aggregate Lump-Sum Payment set forth on the applicable Reconciliation Report exceeds the corresponding Lump-Sum Payment paid by Holdings to Seller pursuant to Section 3.1(a), Holdings shall pay such excess amount to the Seller by the end of the following Business Day.

(c) No payment under this Section 3.1 shall constitute a waiver by NRM, any Purchaser or the Seller, as applicable, of, or otherwise limit or reduce, any of the parties' respective indemnification or refund obligations under the Transfer Agreement, this Agreement, the MSR Purchase Agreement or any Sale Supplement.

(d) Notwithstanding anything contained herein to the contrary, Holdings shall not shall have any obligation to make any payment under any subsection of this Section 3.1 with respect to any Non-Consented Servicing Rights.

(e) Further, notwithstanding anything contained herein to the contrary, the Lump-Sum Payment may be paid in such percentages and at such times upon which Seller and Holdings (or NRM on behalf of Holdings) may otherwise mutually agree in writing.

3.2 Reconciliation Report. On each Reconciliation Date, Seller shall furnish to Holdings a final settlement report (each, a "Reconciliation Report") which includes, among other things, the final unpaid principal balance of each related Mortgage Loan as of the applicable Transfer Date and the corresponding final Lump-Sum Payment for the related Servicing Rights transferred on such Transfer Date, in each case after application of adjustments to be made pursuant to Sections 3.1(a) and (b) of this Agreement. In the event the Reconciliation Report shows an error in the Lump-Sum Payment, it shall be accompanied with sufficient supporting detail that an error has occurred. In such a case, the party benefiting from the error shall (i) pay an amount sufficient to correct and reconcile the Lump-Sum Payment or such other amounts, and (ii) provide a reconciliation statement

and such other documentation sufficient to satisfy the other party (in such other party's exercise of its reasonable discretion) concerning the accuracy of such reconciliation.

3.3 Form of Payment to be Made. Unless otherwise agreed to by the parties, all payments to be made by a party to another party, or such other party's designee, shall be made by wiring immediately available funds in United States dollars to the accounts designated by the receiving party in accordance with such party's written instructions as set forth in Schedule 3 attached hereto or such other instructions as a party may require after written notice hereunder.

Section 4. Sale Supplements. Each Sale Supplement (other than the Schedules thereto) is amended in the as the Sale Supplement in the form attached as Exhibit 2, subject to the following:

4.1 For each Sale Supplement, the following bracketed terms shall have the meanings set forth opposite the date of such Sale Supplement as set forth below:

<u>Sale Supplement Date</u>	<u>"[Servicing Fee Reset Date]" where such reference appears in the definition of "Servicing Fee Reset Date"</u>	<u>"[Date]" wherever such term appears</u>	<u>"[x]" in "Cut-Off Date"</u>	<u>"[x]" in "Excess Servicing Fees"</u>	<u>"[x]" in "Retained Servicing Fee Shortfall"</u>
February 10, 2012	March 5, 2020; provided, that if, as of March 5, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to "Below Average" or lower by S&P or to "SQ4" or lower by Moody's, then the Servicing Fee Reset Date is March 5, 2018.	February 10, 2012* *Other than the term "[Date]" in the definition of Closing Date, which shall be "March 5, 2012".	February 29, 2012	21.0	February 2012

Sale Supplement Date	“[Servicing Fee Reset Date]” where such reference appears in the definition of “Servicing Fee Reset Date”	“[Date]” wherever such term appears	“[x]” in “Cut-Off Date”	“[x]” in “Excess Servicing Fees”	“[x]” in “Retained Servicing Fee Shortfall”
May 1, 2012	April 30, 2020; provided, that if, as of May 1, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is May 1, 2018.	May 1, 2012	April 30, 2012	19.5	May 2012
August 1, 2012	April 30, 2020; provided, that if, as of August 1, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is August 1, 2018.	August 1, 2012	July 31, 2012	17.0	August 2012

Sale Supplement Date	“[Servicing Fee Reset Date]” where such reference appears in the definition of “Servicing Fee Reset Date”	“[Date]” wherever such term appears	“[x]” in “Cut-Off Date”	“[x]” in “Excess Servicing Fees”	“[x]” in “Retained Servicing Fee Shortfall”
September 13, 2012	April 30, 2020; provided, that if, September 13, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is September 13, 2018.	September 13, 2012	September 12, 2012	18.5	September 2012
September 28, 2012	April 30, 2020; provided, that if, as of September 28, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is September 28, 2018.	September 28, 2012	September 27, 2012	13.5	October 2012

Sale Supplement Date	“[Servicing Fee Reset Date]” where such reference appears in the definition of “Servicing Fee Reset Date”	“[Date]” wherever such term appears	“[x]” in “Cut-Off Date”	“[x]” in “Excess Servicing Fees”	“[x]” in “Retained Servicing Fee Shortfall”
December 26, 2012	April 30, 2020; provided, that if, as of December 26, 2018, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is December 26, 2018.	December 26, 2012	December 24, 2012	16.0	January 2013
March 13, 2013	April 30, 2020; provided, that if, as of March 13, 2019, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is March 13, 2019.	March 13, 2013	March 12, 2013	15.0	March 2013

Sale Supplement Date	“[Servicing Fee Reset Date]” where such reference appears in the definition of “Servicing Fee Reset Date”	“[Date]” wherever such term appears	“[x]” in “Cut-Off Date”	“[x]” in “Excess Servicing Fees”	“[x]” in “Retained Servicing Fee Shortfall”
May 21, 2013	April 30, 2020; provided, that if, as of May 21, 2019, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is May 21, 2019.	May 21, 2013	May 20, 2013	11.0	May 2013
July 1, 2013	April 30, 2020; provided, that if, as of July 1, 2019, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to “Below Average” or lower by S&P or to “SQ4” or lower by Moody’s, then the Servicing Fee Reset Date is July 1, 2019.	July 1, 2013	June 30, 2013	10.5	July 2013

Sale Supplement Date	"[Servicing Fee Reset Date]" where such reference appears in the definition of "Servicing Fee Reset Date"	"[Date]" wherever such term appears	"[x]" in "Cut-Off Date"	"[x]" in "Excess Servicing Fees"	"[x]" in "Retained Servicing Fee Shortfall"
October 25, 2013	April 30, 2020; provided, that if, as October 25, 2019, there then exists an uncured Termination Event with respect to any affected Servicing Agreement in this Sale Supplement that is due to a servicer rating downgrade to "Below Average" or lower by S&P or to "SQ4" or lower by Moody's, then the Servicing Fee Reset Date is October 25, 2019.	October 25, 2013	October 24, 2013	11.0	November 2013

- 4.2 Schedules I through and including VI to the Sale Supplement, dated as of February 10, 2012 are as set forth on [Annex I](#) hereto.
- 4.3 Schedules I through and including VI to the Sale Supplement, dated as of May 1, 2012 are as set forth on [Annex II](#) hereto.
- 4.4 Schedules I through and including VI to the Sale Supplement, dated as of August 1, 2012 are as set forth on [Annex III](#) hereto.
- 4.5 Schedules I through and including VI to the Sale Supplement, dated as of September 13, 2012 are as set forth on [Annex IV](#) hereto.
- 4.6 Schedules I through and including VI to the Sale Supplement, dated as of September 28, 2012 are as set forth on [Annex V](#) hereto.
- 4.7 Schedules I through and including VI to the Sale Supplement, dated as of December 26, 2012 are as set forth on [Annex VI](#) hereto.
- 4.8 Schedules I through and including VI to the Sale Supplement, dated as of March 13, 2013 are as set forth on [Annex VII](#) hereto.
- 4.9 Schedules I through and including VI to the Sale Supplement, dated as of May 21, 2013 are as set forth on [Annex VIII](#) hereto

4.10 Schedules I through and including VI to the Sale Supplement, dated as of July 1, 2013 are as set forth on Annex IX hereto.

4.11 Schedules I through and including VI to the Sale Supplement, dated as of October 25, 2013 are as set forth on Annex X hereto.

Section 5. Servicer Ratings Increased Costs. Pursuant to Section 3 of Amendment No. 2, Seller agreed to pay to Holdings certain amounts in respect of "Increased Costs" (as defined in Amendment No. 2) resulting from any "SAF Downgrade Event" (as defined in Amendment No. 2). Seller hereby agrees to pay to Holdings, and Holdings hereby agrees to accept from Seller, \$1,028,000 in immediately available funds on the Effective Date (such amount, the "Final Increased Cost Payment") in full satisfaction of Seller's past and future obligations in respect of Increased Costs pursuant to Section 3 of Amendment No. 2.

Section 6. Escrow Accounts and Custodial Accounts.

6.1 Commencing as of the Effective Date until the Investment Rights Expiration Date, Seller shall exercise any rights under each MSRPA Servicing Agreement to direct the investment of amounts in any Custodial Account or Escrow Account (including the depository institution where any such Custodial Account or Escrow Account is maintained) in accordance with Holdings' directions subject to the terms of such MSRPA Servicing Agreement, the related Mortgage Loan Documents and Applicable Law.

6.2 Commencing as of the Effective Date until the Investment Rights Expiration Date, Seller shall (i) cooperate with NRM and the Purchasers to renegotiate the terms of Seller's existing bank escrow and custodial contracts related to the MSRPA Servicing Agreements and (ii) provide Holdings and NRM such information as Holdings or NRM may reasonably request with respect to the existing Custodial Accounts and Escrow Accounts including, but not limited to, the following information: interest rates, rate reset frequency, interest rate fixed versus floating, if floating, formula to calculate floating rate, earnings credits, account maintenance fees, wiring fees, FDIC fees, volume of ACH payments, and escrow/custodial reconciliations.

6.3 As of the Effective Date, Holdings shall be responsible for all future costs of establishing and maintaining the Custodial Accounts and Escrow Accounts for the related MSRPA Servicing Agreement in accordance with the provisions of the related MSRPA Servicing Agreement. Holdings hereby agrees to pay to Seller, and Seller hereby agrees to accept from Holdings, \$7,474,735 in immediately available funds on the Effective Date (such amount, the "Account Cost True-Up Payment") in full satisfaction of the amount of the costs payable by the Purchasers or any affiliate thereof to Seller or any affiliate thereof on account of establishing and maintaining the Custodial Accounts and Escrow Accounts from the period commencing on the applicable Closing Dates to and including the Effective Date, including but not limited to, payment of all mortgagor interest payments related to the Escrow Accounts from and after the Effective Date.

Section 7. Investment Income Earned on Amounts on Deposit in any Custodial Account or Escrow Accounts.

7.1 The Rights to MSRs held by Holdings include the right to receive any investment income earned on amounts on deposit in any Custodial Account or Escrow Account related to the MSRPA Servicing Agreements as of or after the applicable Closing Date pursuant to Section 2.5(a) of each Sale Supplement, but only to the extent the servicer is permitted to retain such investment income under the related MSRPA Servicing Agreement and under Applicable Law (such right, the “Float Payment Right”). Seller hereby agrees to pay to Holdings, and Holdings hereby agrees to accept from Seller, \$13,011,836 in immediately available funds on the Effective Date (such amount, the “Float True-Up Payment”) in full satisfaction of the amount of the Float Payment not previously paid to Holdings in respect of the period from applicable Closing Dates to and including the Effective Date.

7.2 As of the Effective Date, the Purchasers shall be responsible for the payment of all future interest at the applicable stated rate on the funds on deposit in any Escrow Account that is payable to any Mortgagor under such MSRPA Servicing Agreement or under Applicable Law.

Section 8. Third Party Consents for Transfers to NRM Pursuant to the Transfer Agreement.

8.1 The parties hereto hereby agree to use best efforts to obtain all Third Party consents necessary or desirable to transfer the Seller Servicing Rights in respect of each MSRPA Servicing Agreement to NRM pursuant to the Transfer Agreement as quickly as possible. NRM shall not be required, however, to obtain ratings from any rating agencies to comply with its obligations under this Section 8.1. The parties agree to act in a coordinated manner in obtaining such Third Party Consents such that the purposes of this Agreement are not frustrated.

8.2 Seller will fully involve NRM and its representatives and advisors in the diligence plan and processes relating to obtaining Third Party Consents. Seller will provide ongoing updates to NRM and its representatives and advisors as to the progress of obtaining such Third Party Consents including, but not limited to, written weekly progress reports detailing the following, among other fields to be determined, (i) the “Shared Costs” (as defined below) incurred to date, (ii) estimated future “Shared Costs” and the estimated timing of incurring such Shared Costs, (iii) an updated count of diligenced MSRPA Servicing Agreements, (iv) an updated “consent tracker” showing consents received and the status of consents that have been requested but not yet delivered, (v) a description of the MSRPA Servicing Agreements in respect of which the Transfer Date has occurred. Seller will consult with NRM and its representatives and advisors regarding the framework for obtaining Third Party Consents (including, but not limited to, the determination of any applicable due diligence fields and the methodology to the preparation, negotiation and distribution of applicable consents and notices), the budgeting expenses and any potential changes in the methodology of the project and the policies and procedures for obtaining Third Party Consents.

8.3 Seller will instruct the holders of any Third Party Consents, any rating agencies, Custodians, Trustees and their representatives and advisors to (i) recognize NRM as a full, interested party in the relevant servicing transaction, (ii) include NRM in correspondence, and (iii) provide NRM and its advisors and representatives with full access to all documentation and permit communications, in each case, regarding servicing transfers in respect of the MSRPA Servicing Agreements.

8.4 Seller will pay the first \$5.0 million of costs relating to Servicing Agreement diligence and other costs related to (i) mutually beneficial aspects of the Third Party Consent process for transfers to NRM pursuant to the Transfer Agreement and (ii) the Third Party Consent process for transfers to third parties pursuant to Section 9.3 hereof. Thereafter, Seller and NRM will equally share in the reasonable, documented out-of-pocket costs in excess thereof. The \$5.0 million of costs paid by Seller and the shared costs contemplated by the preceding sentence are referred to herein as the “Shared Costs”. The “Shared Costs” do not include legal expenses of Seller and its affiliates or NRM and its affiliates for any particular matter, event or issue in connection with obtaining the Third Party Consents or the transfers of servicing to NRM if both Seller (and/or any affiliate) and NRM (and/or any affiliate) determine it is reasonably necessary or appropriate for such parties to separately incur legal expenses for such matter, event or issue (including, without limitation, the negotiation and execution of the Related Agreements).

8.5 Seller and NRM shall consult with each other prior to the payment of any fees (other than legal fees and expenses) payable to any third party in connection with the delivery of any Third Party Consent. Either Seller or NRM may instruct the other party to cease incurring any particular type of future Shared Costs on reasonable advance written notice to such other party; *provided, however* that no party may prevent any Seller Servicing Right from becoming a Transferred Servicing Right by refusing to allow the incurrence of Shared Costs constituting customary fees, expenses or costs of a trustee or rating agency in respect of any Securitization Transaction related to any such MSRPA Servicing Agreement necessary to complete such transfer.

8.6 The provisions of this Section 8 shall govern the allocation of costs of obtaining Third Party Consents in connection with the transfer of servicing to NRM pursuant to the Transfer Agreement notwithstanding any provision in the contrary in the MSR Purchase Agreement or Sale Supplements.

8.7 The Seller and the Purchasers agree to use best efforts to enter into the New RMSR Agreement promptly following the execution hereof but, in any event, no later than the expiration of the Option #1 Exercise Deadline for the initial Group. The New RMSR Agreement shall be drafted and entered into in accordance with the documentation principles set forth on Exhibit 8 attached hereto.

Section 9. Consent Non-Delivery Determination Dates.

9.1 If the Consent Non-Delivery Determination Date occurs in respect of any Group, Holdings may, in its sole and absolute discretion, pay Seller an amount equal to the Fee Restructuring Payment in respect of such Group on or before the Option #1 Exercise Deadline for such Group. In such a circumstance, Holdings shall pay the Fee Restructuring Payment by wire transfer of immediately available funds prior to the end of the Option #1 Exercise Deadline to Seller’s account in the USVI pursuant to written instructions to be provided by Seller. Upon Holdings’ payment of the Fee Restructuring Payment in respect of any Group to Seller: (i) Seller shall service the related Mortgage Loans and perform its obligations under such Group, in accordance with the New RMSR Agreement and (ii) each MSRPA Servicing Agreement in such Group shall cease to be a “Deferred Servicing Agreement” for purposes of the MSR Purchase Agreement and Sale Supplements (although nothing shall impair the prior valid transfers of the Rights to MSRs, equity interests in

Advance SPEs and Transferred Receivables Assets thereunder). Holdings' option to pay Seller an amount equal to the Fee Restructuring Payment in respect of any Group as described above is referred to herein as the "Fee Restructuring Payment Option".

9.2 If Holdings has not exercised the Fee Restructuring Payment Option for any Group before the Option #1 Exercise Deadline for such Group, Seller may, at its option in its sole and absolute discretion, purchase the following from the Purchasers in respect of such Group: (i) the Rights to MSRs at a purchase price in cash or other immediately available funds equal to (A) the greater of the related Average Third Party Mark and the related Internal Mark minus (B) an amount equal to the Fee Restructuring Payment for such Group and (ii) all related Transferred Receivables Assets at a purchase price in cash or other immediately available funds equal to the outstanding balance of such Transferred Receivables Assets. Seller's option to purchase the Rights to MSRs and Transferred Receivables Assets in respect of any Group as described above is referred to herein as the "Purchase Option". In order to exercise the Purchase Option for any Group, (i) Seller shall give written notice in respect thereof on before the Option #2 Exercise Deadline for such Group and (ii) Seller and Purchasers shall work in good faith to consummate such Purchase Option as soon as practicable (but, in any event, within fifteen (15) days (or, if Seller needs to obtain financing, thirty (30) days)) after the Purchasers' receipt of such written notice from Seller.

9.3 If (x) Holdings has not exercised the Fee Restructuring Payment Option for any Group before the related Option #1 Exercise Deadline, and (y) Seller has not exercised the Purchase Option for any Group before the related Option #2 Exercise Deadline, the Purchasers and their affiliates may, at their option, in their sole and absolute discretion, market the related Servicing Rights for such Group (including the Rights to MSRs and any Transferred Receivables Assets) to any third parties. The following shall apply in the event of any such marketing:

(a) Purchasers shall deliver to Seller (i) all written term sheets, written offers submitted by third parties (including, in each case, those submitted in electronic form) and any non-disclosure agreements, in each case, in connection with such marketing promptly following its receipt thereof, and (ii) on a weekly basis, a written report (which may be delivered via email) generally describing the marketing process and any other written indications of interest that the Purchasers have received in connection with such marketing.

(b) Before the execution of the definitive documentation for any such sale in accordance with clause (f) below, so long as such winning bid is greater than or equal to the related Reservation Price, Seller will have the option to purchase the related Rights to MSRs in respect of such Group at the highest third party bid obtained minus the applicable Fee Restructuring Payment. If the winning bid is less than the related Reservation Price and the Purchasers desire, in their sole and absolute discretion, to proceed with the sale, Seller shall have the option to purchase the related Rights to MSRs in respect of such Group at the highest third party bid obtained. If Seller does purchase such Rights to MSRs for such Group, Seller will also be required to purchase the related Transferred Receivables Assets for a price equal to the outstanding balance thereof. Holdings shall select the winning bid for any particular potential sale.

(c) If the Servicing Rights (including the Rights to MSRs and any Transferred Receivables Assets) are instead sold to a third party, Holdings shall (i) pay Seller an amount equal to the Fee Restructuring Payment in respect of such MSRPA Servicing Agreement on the related closing date and (ii) use reasonable efforts to encourage such third party to engage Seller as a subservicer in respect of such MSRPA Servicing Agreement. The Purchasers are entitled to all proceeds of such sale so long as Holdings pays to Seller the Fee Restructuring Payments in respect of the applicable MSRPA Servicing Agreements as contemplated by the preceding sentence.

(d) Immediately before any such sale to any third party or to Seller pursuant to this Section 9.3(b), Purchasers and any applicable affiliates will transfer to Seller the related Rights to MSRs and the related Transferred Receivables Assets. Each of the parties hereto acknowledges and agrees that any such transfer to Seller before a transfer to a third party is effectuated by Seller merely as an accommodation party in order to facilitate the transfer of such Rights to MSRs and related Transferred Receivables Assets to a third party in accordance with this Section 9.3, and as a result Seller will not acquire beneficial economic ownership of such Rights to MSRs or related Transferred Receivables Assets for tax purposes.

(e) In order to exercise the purchase option under Section 9.3(b), (i) Seller shall give written notice in respect thereof within three (3) Business Days after the date bids are provided to Seller, and (ii) Seller and Purchasers shall work in good faith to consummate such Purchase Option as soon as practicable (but, in any event, within fifteen (15) days (or, if Seller needs to obtain financing, thirty (30) days)) after the Purchasers' receipt of such written notice from Seller.

(f) In the case of marketing and sale of Servicing Rights to a third party pursuant to this Section 9.3, Seller shall (and shall cause its applicable affiliates to) cooperate in connection with such marketing and sale. The definitive documentation for any such sale shall be in the form of a Third Party Purchase Agreement. Seller shall, promptly following Holdings' request therefor, execute and deliver a Third Party Purchase Agreement in connection with such any sale to a third party. In addition, Seller shall use the same level of efforts to obtain any consents to effect any transfer of Servicing Rights to any third party as contemplated by this Section 9.3 as it is required to use pursuant to Sections 8.1, 8.2, and 8.3 hereof in connection with any proposed transfers to NRM.

(g) Seller and Holdings will equally share in the out-of-pocket costs of marketing any Servicing Rights and transferring such Servicing Rights to any third party as contemplated by this Section 9.3 (including legal fees associated with negotiation of a Third Party Purchase Agreement with a third party buyer, Third Party Consent fees, and broker fees). Seller and Holdings shall consult with each other regarding the incurrence of any costs prior to incurring such costs.

9.4 If, after the Option #2 Exercise Deadline for any Group, the Purchasers and their affiliates market the related Servicing Rights for any Group as contemplated by Section 9.3 above and the Purchasers determine that such marketing is not satisfactory for any reason (or if the

Purchasers otherwise determine that such marketing will not be satisfactory), (i) Holdings may, on notice to Seller, exercise the Fee Restructuring Payment Option for such Group on or before the second (2nd) Business Day (or such earlier time as designated by Holdings to Seller) after such determination (or (ii) if Holdings does not exercise the Fee Restructuring Payment Option on or before such second (2nd) Business Day (or such earlier time as designated by Holdings to Seller), Seller may, on notice to Holdings, exercise the Purchase Option for such Group at any time during the next six (6) Business Days. Seller and Purchasers shall work in good faith to consummate such Purchase Option as soon as practicable (but, in any event, within fifteen (15) days (or, if Seller needs to obtain financing, thirty (30) days)) after the Purchasers' receipt of such written notice from Seller.

9.5 Holdings may exercise the Fee Restructuring Payment Option in respect of any Group (i) at any time during the period commencing at the related Consent Non-Delivery Determination Date for such MSRPA Servicing Agreement and ending at the Option #1 Exercise Deadline for such Group and (ii) otherwise in accordance with [Section 9.4](#).

9.6 Seller may exercise the Purchase Option in respect of any Group (i) at any time during the period commencing after the related Option #1 Exercise Deadline for such Group and ending at the Option #2 Exercise Deadline for such Group and (ii) otherwise in accordance with [Section 9.4](#).

9.7 In the event of any transfer of Rights to MSRs and any Transferred Receivables Assets by any Purchaser or any affiliate of any Purchaser pursuant to [Section 9.3\(d\)](#), such transfer will be made pursuant to a transfer agreement substantially in the form attached hereto as [Exhibit 3A](#). In the event of any sale of Rights to MSRs and any Transferred Receivables Assets by any Purchaser or any affiliate of any Purchaser pursuant to [Section 9.2](#), [9.3\(b\)](#) or [9.4](#) hereof, such sale will be made pursuant to a sale agreement substantially in the form attached hereto as [Exhibit 3B](#).

9.8 The Purchasers shall not have any obligation (i) to sell any Rights to MSRs or any Transferred Receivables Assets or (ii) permit the sale of the related Servicing Rights, as applicable, pursuant to [Section 9.2](#), [9.3](#) or [9.4](#) hereof unless and until the Purchasers and any applicable affiliates have received all necessary consents under any applicable SAF or mortgage servicing fee financing transaction. The Purchasers will use best efforts to obtain such necessary consents but shall not be required to refinance any indebtedness in connection with using such best efforts.

9.9 Upon any sale of Rights to MSRs or any Transferred Receivables Assets in accordance with this [Section 9.2](#), [9.3](#) or [9.4](#), the related MSRPA Servicing Agreement shall cease to be a Deferred Servicing Agreement or otherwise subject to the MSR Purchase Agreement and Sale Supplements.

9.10 Holdings and Seller shall each pay 50% of the costs of any appraisals from Approved Third Party Appraisers in connection with this [Section 9](#). Holdings or its affiliates shall engage the Approved Third Party Appraisers in good faith for purposes of any delivery of third party appraisals for purposes of this [Section 9](#).

9.11 Until the earliest of the applicable closing date upon which (x) Holdings exercises the Fee Restructuring Payment Option for any MSRPA Servicing Agreement, (y) the parties have caused such MSRPA Servicing Agreement to cease to be a Deferred Servicing Agreement or otherwise subject to the MSR Purchase Agreement and Sale Supplements pursuant to Section 9.2, 9.3 or 9.4 above or (z) the Transfer Date for such MSRPA Servicing Agreement occurs, such MSRPA Servicing Agreement shall continue to be a “Deferred Servicing Agreement” for purposes of the MSR Purchase Agreement and the applicable Sale Supplement.

Section 10. Standstill; Conditional Waivers of Specified Termination Events.

10.1 Each of the Purchasers agrees that from the Effective Date until the end of the Standstill Period, it will not exercise any contractual rights or remedies under the MSR Purchase Agreement or any Sale Supplement in respect of any Specified Termination Event unless, with respect to a continuing Termination Event in an affected Servicing Agreement, Purchaser determines in good faith that a trustee (or other party entitled to terminate) intends to terminate Seller or its related affiliate as servicer under such affected MSRPA Servicing Agreement. In the case of such a good faith determination of termination, the Purchasers may exercise all contractual rights under the MSR Purchase Agreement and the relevant Sale Supplements with respect to such affected MSRPA Servicing Agreement. Seller agrees to promptly notify Holdings (and to deliver to Holdings a copy of any written notification) of any communication received by Seller from a trustee (or other party entitled to terminate) under an affected Servicing Agreement relating to a solicitation of holders for a vote or request for direction or any communication from or on behalf of a trustee under any Deferred Servicing Agreement that such trustee (or other party entitled to terminate) has an intention to terminate Seller’s appointment as servicer under such Deferred Servicing Agreement provided that a solicitation of holders for a vote or request for direction regarding termination of Seller’s appointment as servicer shall not necessarily evidence, but could evidence depending on the language and the circumstances, intent of such trustee (or other party entitled to terminate) to terminate.

10.2 If the Specified Condition is satisfied prior to the end of the Full Waiver Eligibility Period, each Specified Termination Event shall be automatically waived by each of the Purchasers without any further action by the Purchasers.

10.3 Each of the Purchasers further agrees that, from the Effective Date until the end of the Standstill Period, it will not exercise any rights to cause a Servicing Rights Transfer to Holdings as contemplated by Section 2.2 of the Sale Supplements.

10.4 Nothing in this Section 10 shall in any way limit the right of the Purchasers to exercise any contractual rights or remedies at any time under the MSRPA Purchase Agreement or any Sale Supplement in respect of any Termination Event other than the Specified Termination Events.

Section 11. Sale of Rights to MSRs and Transferred Receivables Assets in Respect of the Designated Servicing Agreements.

11.1 Seller has agreed to buy and Purchaser has agreed to sell, transfer and assign (or cause the its applicable Affiliate(s) to sell, transfer and assign) to Seller all right title and interest

of such Person in and to the Rights to MSRs and Transferred Receivables Assets in respect of each Designated Servicing Agreements promptly following the date on which the Purchasers have received all necessary consents under any applicable SAF or mortgage servicing fee financing transaction for such sale at a purchase price in cash or other immediately available funds equal the sum of (i) the related Designated Servicing Agreement Price, (ii) the outstanding balance of the related Transferred Receivables Assets, and (iii) the outstanding balance of all deferred and unpaid Servicing Fees under such Designated Servicing Agreement.

11.2 In the event of any sale of Rights to MSRs or any Transferred Receivables Assets by any Purchaser or any affiliate of any Purchaser pursuant to Section 11.1 above, such sale will be made pursuant to a sale agreement substantially in the form attached hereto as Exhibit 3B.

11.3 Upon any sale of Rights to MSRs or any Transferred Receivables Assets in accordance with this Section 11, the related MSRPA Servicing Agreement shall cease to be a Deferred Servicing Agreement or otherwise subject to the MSR Purchase Agreement and Sale Supplements.

Section 12. Conditions Precedent to Effectiveness of this Agreement. This Agreement shall become effective on the date first set forth above upon the latest to occur of the following:

12.1 Seller's, the Purchasers' and NRM's receipt of a copy of this Agreement duly executed by each of the parties hereto;

12.2 Seller's, the Purchasers' and NRM's receipt of a copy of the Transfer Agreement and the NRM Subservicing Agreement duly executed by each of the parties thereto;

12.3 New Residential Investment Corp. and Ocwen Financial Corporation have entered into a mutually acceptable Transaction Agreement, dated as of the Effective Date, relating to New Residential Investment Corp.'s acquisition of certain common stock of Ocwen Financial Corporation; and

12.4 Holdings' receipt of an amount equal to \$6,565,101 (an amount equal to (i) the Float True-Up Payment payable to Holdings, plus (ii) the Final Increased Cost Payment payable to Holdings minus (iii) the amount of the Account Cost True-Up payable to Seller).

Section 13. Representations and Warranties of Seller to the Purchasers and NRM. Seller hereby represents and warrants to the Purchasers and NRM as follows as of the Effective Date:

13.1 It is duly organized and validly existing under the laws of the State of Delaware and has all requisite power and authority to execute, deliver and perform this Agreement, the Related Agreements and each other document contemplated hereby to which it is a party and to consummate the transactions herein and therein contemplated.

13.2 The execution, delivery and performance of this Agreement, the Related Agreements and each such other document contemplated hereby, and the consummation of such transactions have been duly authorized by it and this Agreement and each such other document contemplated

hereby constitute its legal, valid and binding obligation, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law).

13.3 The execution, delivery and performance of this Agreement, the Related Agreements and the consummation of the transactions contemplated hereby do not and will not conflict with the provisions of its governing instruments and will not violate any provisions of applicable law or regulation or any order of any court or regulatory body and will not result in the breach of, or constitute a default, or require any consent, under any material agreement, instrument or document to which it is a party or by which it or any of its property may be bound or affected.

13.4 As of the Effective Date, the Seller is not "insolvent" (as such term is defined in Section 101(32)(A) of the U.S. Bankruptcy Code).

13.5 Seller is not entering into the transactions contemplated by this Agreement with any intent to hinder, delay or defraud any of its creditors.

13.6 The aggregate consideration received by Seller pursuant to the transactions contemplated by this Agreement is fair consideration having reasonably equivalent value to the value of the rights and interests transferred hereunder and thereunder.

13.7 Purchasers have a perfected security interest in the Collateral (as defined in the Sale Supplements).

13.8 Seller has not created or granted a Lien or other adverse claim in the Rights to MSRs in respect of any MSRPA Servicing Agreement to any Person since the Sale Date under the applicable Sale Supplement.

Section 14. Representations and Warranties of the Purchasers and NRM to Seller. Each of the Purchasers and NRM hereby represents and warrants to Seller as follows as of the Effective Date:

14.1 It is duly organized and validly existing under the laws of the State of Delaware and has all requisite power and authority to execute, deliver and perform this Agreement, the Related Agreements and each other document contemplated hereby to which it is a party, as applicable, and to consummate the transactions herein and therein contemplated.

14.2 The execution, delivery and performance of this Agreement, the Related Agreements and each such other document contemplated hereby and the consummation of such transactions, as applicable, have been duly authorized by it and this Agreement, the Related Agreements and each such other document contemplated hereby constitute its legal, valid and binding obligation, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law).

14.3 The execution, delivery and performance of this Agreement, the Related Agreements and the consummation of the transactions contemplated hereby, as applicable, do not and will not conflict with the provisions of its governing instruments and will not violate any provisions of applicable law or regulation or any order of any court or regulatory body and will not result in the breach of, or constitute a default, or require any consent, under any material agreement, instrument or document to which it is a party or by which it or any of its property may be bound or affected.

14.4 Holdings represents that it may amend, under the terms of the applicable agreements, the existing SAF transactions to permit the financing of monthly advances and servicing advances arising under the related MSRPA Servicing Agreements currently subject to such SAFs after giving effect to the related Transfer Dates.

14.5 As of the Effective Date, each Purchaser and NRM are not "insolvent" (as such term is defined in Section 101(32)(A) of the U.S. Bankruptcy Code).

14.6 Neither NRM nor any Purchaser is entering into the transactions contemplated by this Agreement with any intent to hinder, delay or defraud any of its creditors.

14.7 The aggregate consideration received by NRM and each Purchaser pursuant to the transactions contemplated by this Agreement is fair consideration having reasonably equivalent value to the value of the rights and interests transferred hereunder and thereunder.

Section 15. Termination.

15.1 This Agreement shall terminate in full upon the earliest of (i) the occurrence of the Transfer Date in respect of all MSRPA Servicing Agreements, (ii) the date on which either NRM or Seller gives written notice the other party that it is terminating the NRM Subservicing Agreement in accordance with the terms thereof (provided that, solely in the case of a notice of termination of the NRM Subservicing Agreement from NRM to Seller delivered in connection with Section 5.1(b) of the NRM Subservicing Agreement, (x) this Agreement will not terminate if NRM provides simultaneous notice to Seller to the effect that both this Agreement and the Transfer Agreement are not also terminated, and (y) if no notice under prior clause (x) is given, this Agreement and the Transfer Agreement will terminate on the last Successor Transfer Date (as defined in the NRM Subservicing Agreement), (iii) the written agreement of each of the parties hereto to terminate this Agreement, and (iv) January 23, 2019. Except as provided in Section 15.2, the termination of this agreement shall not terminate or otherwise alter the parties' rights and obligations under the MSR Purchase Agreement and the Sale Supplements.

15.2 If the NRM Transfer Date occurs in respect of all MSRPA Servicing Agreements, each of the MSR Purchase Agreement and each Sale Supplement shall be terminated. The termination of the MSR Purchase Agreement and each Sale Supplement in accordance with this clause (b) shall not modify any prior sales and assignments of Rights to MSRs; equity interests in Advance SPEs and Transferred Receivables Assets pursuant to the MSR Purchase Agreement and the Sale Supplements. All rights and obligations of the parties to the MSR Purchase Agreement and the Sale Supplements that expressly survive the termination of any such agreement shall survive any termination contemplated by this clause (b).

15.3 The agreements, rights and obligations of the parties hereto under the following provisions of this Agreement shall survive termination of this Agreement: Section 1, Section 2, Section 3, Section 4, Section 5, Section 6, Section 7, Section 8.4, Section 9.10, Section 10.2, Section 13, Section 14, and Section 16.

Section 16. Miscellaneous.

16.1 Cooperation with Financings. Seller hereby agrees to cooperate with the Purchasers, the Purchasers' subsidiaries, NRM, their respective financing sources, any applicable underwriters, any applicable auditors, any applicable rating agencies and any applicable third parties (for example valuation agents and/or trustees) as applicable and consistent with past practices, in the execution, delivery and performance of servicing advance facility agreements and mortgage servicing right financing facility agreements reasonably requested by Purchasers, the Purchasers' subsidiaries and NRM, as applicable, (including, without limitation, the execution, delivery and performance of servicing advance financings substantially similar to the existing servicing advance financing facilities related to the MSRPA Servicing Agreements) in connection with the transactions contemplated by the MSR Purchase Agreement and Sale Supplements (including any amendments related to the financing facilities (i) as contemplated by Section 9 in connection with any transfer) hereunder and (ii) the other transactions contemplated by the Related Agreements. Seller shall not be required to provide covenants, representations or agreements except those that are substantially the same as Seller has provided in connection with existing servicing advance facilities and mortgage servicing rights financing facilities related to the MSRPA Servicing Agreement. Neither Seller nor any affiliate thereof shall be entitled to additional compensation in connection with the execution, delivery and performance of such servicer advance financing facility agreements. ***.

16.2 Limited Effect. Except as expressly set forth above or in the attachments hereto, the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, claim, cause of action, power or remedy of any party hereto, whether arising before or after the Effective Date, or constitute a waiver of any provision of any other agreement.

16.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but the same instrument. Any signature page to this Agreement containing a manual signature may be delivered by facsimile transmission or other electronic communication device capable of transmitting or creating a printable written record, and when so delivered shall have the effect of delivery of an original manually signed signature page.

16.4 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

16.5 Headings. The descriptive headings of the various sections of this Agreement are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions thereof.

16.6 Severability. The failure or unenforceability of any provision hereof shall not affect the other provisions of this Agreement. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

16.7 Further Assurances. Each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Agreement at the request of any other party hereto.

16.8 Exhibits and Schedules. The exhibits and schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

16.9 No Offset. No party hereto shall have any right to offset against any amount payable hereunder or other agreement to any other party, or otherwise reduce any amount payable hereunder as a result of, any amount owing by any other party hereto or any of its Affiliates to such party or any of its Affiliates.

16.10 Notices. All communications, notices, consents, waivers, and other communications under this Agreement, the MSR Purchase Agreement and the Sale Supplements must be in writing and be given in person or by means of facsimile or email (with request for assurance of receipt in a manner typical with respect to communications of that type), by overnight courier or by mail, and shall become effective: (a) on delivery if given in person; (b) on the date of transmission if sent by facsimile or email; (c) one (1) Business Day after delivery to the overnight service; or (d) four (4) Business Days after being mailed, with proper postage and documentation, for first-class registered or certified mail, prepaid.

Notices shall be addressed as follows:

If to Seller, to:

Ocwen Loan Servicing, LLC
1661 Worthington Road, Suite 100
West Palm Beach, FL 33409
Attention: Secretary
Telecopy Number: ***
Confirmation Number: ***

If to Holdings, to:

HLSS Holdings, LLC
c/o New Residential Investment Corp.
1345 Avenue of the Americas, 45th Floor
New York, New York 10105
Attention: ***
Telephone: ***
Email: ***

If to MSR – EBO, to:

HLSS MSR – EBO Acquisition LLC
c/o New Residential Investment Corp.
1345 Avenue of the Americas, 26th Floor
New York, New York 10105
Attention: ***
Telephone: ***
Email: ***

If to NRM, to:

New Residential Mortgage LLC
1345 Avenue of the Americas, 26th Floor
New York, New York 10105
Attention: ***
Telephone: ***
Email: ***

provided, however, that if any party shall have designated a different address by notice to the others, then to the last address so designated.

16.11 Entire Agreement. This Agreement sets forth the entire agreement and understanding of the parties hereto with respect to the transactions contemplated hereby and thereby and supersedes any and all prior agreements, arrangements and understandings, both written and oral, between the parties relating to the subject matter hereof and thereof.

16.12 Submission to Jurisdiction. EACH OF THE PARTIES HERETO IRREVOCABLY (I) SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY; (II) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THE DEFENSE OF AN INCONVENIENT FORUM IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT; (III) CONSENTS TO

SERVICE OF PROCESS UPON IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER OR BY ANY OTHER MANNER IN ACCORDANCE WITH LAW; AND (IV) AGREES THAT A FINAL JUDGMENT IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

16.13 Waiver of Jury Trial. EACH PARTY HERETO IRREVOCABLY AND ABSOLUTELY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH, ARISING UNDER OR RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

16.14 No Strict Construction. The parties agree that the language used in this Agreement and the Related Agreements is the language chosen by the parties to express their mutual intent and that no rule of strict construction is to be applied against either party. The parties and their respective counsel have reviewed and negotiated the terms of this Agreement and the Related Agreements.

16.15 Costs and Expenses. Except as otherwise expressly set expressly in this Agreement or the Related Agreements, each party hereto shall be responsible for its own costs and expenses incurred in connection with the negotiation and execution of this Agreement and all documents relating thereto.

16.16 Assignment; No Third-Party Beneficiaries.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(b) This Agreement may not be assigned or otherwise transferred by operation of law or otherwise by any Purchaser or Seller without the express written consent of all parties to this Agreement and any such assignment or attempted assignment without such consent shall be void; *provided, however*, that (i) a Purchaser may pledge its rights to any Person providing financing to such Purchaser or its Affiliates without the express written consent of Seller, and (ii) without limiting any other transfers that otherwise do not require the consent of Seller, following a Transfer Date, a Purchaser or any assignee or transferee thereof may transfer all or any interest in the Rights to MSRs or any Transferred Receivables Assets to any Person without the express written consent of Seller.

(c) This Agreement may not be assigned by NRM without the express written consent of Seller and any such assignment or attempted assignment without such consent shall be void except that NRM may assign or otherwise transfer any of its rights and obligations hereunder without the consent of Seller to any direct or indirect wholly-owned subsidiary of New Residential Investment Corp. that has been approved by and is in good standing with Fannie Mae, Freddie Mac and each applicable State Agency (as defined in the Transfer Agreement), as necessary, in order to acquire the Servicing Rights (as defined in the Transfer Agreement) pursuant to the Transfer

Agreement, in any case, so long as such assignment and transfer does not materially delay the occurrence of the Transfer Dates contemplated by this Agreement and the Transfer Agreement.

(d) This Agreement is otherwise solely for the benefit of the parties hereto, and no provision of this Agreement shall be deemed to confer upon any other Person any remedy, claim, liability, reimbursement, cause of action or other right.

16.17 Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. All parties hereto are entitled, without limiting their other remedies and without the necessity of proving actual damages or posting any bond, to equitable relief, including the remedy of specific performance or injunction, with respect to any breach or threatened breach of such covenants. Such relief shall be in addition to, and not in lieu of, all other remedies available at law or in equity to each party under this Agreement, the MSR Purchase Agreement, the Sale Supplements, the Transfer Agreement, the New RMSR Agreement or any agreement related thereto.

16.18 Amendment; Waivers. No amendment or modification of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The failure of a party hereto at any time or times to require performance of any provision hereof or claim damages with respect thereto shall in no manner affect its right at a later time to enforce the same. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed and delivered by its respective signatory thereunto duly authorized as of the date above written.

OCWEN LOAN SERVICING, LLC

By: /s/ John P Kim
Name: John P Kim
Title: Senior Vice President

Signature Page to Master Agreement

HLSS HOLDINGS, LLC

By: HLSS Roswell, LLC, its sole member

By: /s/ Matthew Gabriel Hoffman-Johnson
Name: Matthew Gabriel Hoffman-Johnson
Title: Attorney-In-Fact, Agent and Authorized Signatory

Signature Page to Master Agreement

HLSS MSR – EBO ACQUISITION LLC

By: New Residential Investment Corp., its sole member

By: /s/ Matthew Gabriel Hoffman-Johnson

Name: Matthew Gabriel Hoffman-Johnson

Title: Attorney-In-Fact, Agent and Authorized Signatory

Signature Page to Master Agreement

NEW RESIDENTIAL MORTGAGE LLC

By: New Residential Investment Corp., its sole member

By: /s/ Matthew Gabriel Hoffman-Johnson

Name: Matthew Gabriel Hoffman-Johnson

Title: Attorney-In-Fact, Agent and Authorized Signatory

Signature Page to Master Agreement

SCHEDULE 1

Previously Executed Amendments

1. Amendment to Master Servicing Rights Purchase Agreement and Sale Supplements, dated as of December 26, 2012, among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and Home Loan Servicing Solutions, Ltd., as a Purchaser.
2. Amendment to Sale Supplements, dated as of July 1, 2013 among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and Home Loan Servicing Solutions, Ltd., as a Purchaser.
3. Amendment to Sale Supplement, dated as of September 30, 2013 among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and Home Loan Servicing Solutions, Ltd., as a Purchaser.
4. Amendment to Sale Supplements, dated as of February 4, 2014 among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and Home Loan Servicing Solutions, Ltd., as a Purchaser.
5. Amendment No. 2 to Master Servicing Rights Purchase Agreement and Sale Supplements, dated as of April 6, 2015, among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and Home Loan Servicing Solutions, Ltd., as a Purchaser, and HLSS MSR – EBO Acquisition LLC, as Buyer.
6. February 2017 Amendment dated as of February 17, 2017 among Ocwen Loan Servicing, LLC, as Seller, HLSS Holdings, LLC, as a Purchaser, and HLSS MSR – EBO Acquisition LLC, as a Purchaser.

SCHEDULE 2

LUMP-SUM PAYMENT PERCENTAGES

Transfer Date Month	Lump-Sum Payment Percentages, in basis points
Apr-2017	37.2
May-2017	36.6
Jun-2017	36.1
Jul-2017	35.5
Aug-2017	34.9
Sep-2017	34.4
Oct-2017	33.9
Nov-2017	33.3
Dec-2017	32.8
Jan-2018	32.2
Feb-2018	31.5
Mar-2018	30.8
Apr-2018	30.1
May-2018	29.4
Jun-2018	28.6
Jul-2018	27.8
Aug-2018	27.0
Sep-2018	26.2
Oct-2018	25.3
Nov-2018	24.4
Dec-2018	23.5
Jan-2019	22.7
Feb-2019	21.9
Mar-2019	21.1
Apr-2019	20.3
May-2019	19.5
Jun-2019	18.7
Jul-2019	17.8
Aug-2019	16.8
Sep-2019	15.8
Oct-2019	14.6
Nov-2019	13.3
Dec-2019	12.0
Jan-2020	10.6
Feb-2020	8.9
Mar-2020	7.1
Apr-2020	5.2

Schedule 3
Wire Instructions

In the case of any payment to Seller:

Name of Bank: ***

ABA Number: ***
Name of Account: ***
Account Number: ***
Reference: ***

In the case of any payment to Holdings:

Acct #: ***
Acct Name: ***
ABA #: ***
Bank Name: ***

In the case of any payment to MSR-EBO:

Acct #: ***
Acct Name: ***
ABA #: ***
Bank Name: ***

In the case of any payment to NRM:

Acct #: ***
Acct Name: ***

ABA #: ***

Bank Name: ***

EXHIBIT 1

Group Selection Procedures

Unless otherwise agreed in writing between Seller and Holdings, each "Group" shall be determined as follows:

- On each Designation Date, Holdings shall designate a "Group" which shall consist of all of the MSRPA Servicing Agreements for which the Consent Non-Delivery Determination Date occurred on or after the most recent Designation Date (or, in the case of the initial Designation Date, on or after the Effective Date) and prior to such Designation Date.
- On the one-year anniversary of the Effective Date, Holdings shall designate additional Groups in accordance with the following procedures:
 - o The number of Groups designated on such date will be equal to the quotient (rounded up to the next whole number) of (i) the Grouping UPB (as defined below) divided by (ii) \$15.0 billion. For example, if the Grouping UPB is \$33.0 billion, there will be three (3) Groups.
 - § If the number of Groups is two (2) or greater, the Fee Restructuring Payments allocable to such Groups shall be determined as set forth below.
 - o Holdings will then determine the MSRPA Servicing Agreements allocated to each Group based on the related Delinquency Rates (as defined below) for such MSRPA Servicing Agreements such that:
 - § the amount of the Grouping UPB allocated to any particular Group is substantially the same (it being understood that each such allocated amount of the Grouping UPB may vary by Groups by up to 10%); and
 - § the MSRPA Servicing Agreements allocated to any particular Group are allocated based on the related Delinquency Rates of such MSRPA Servicing Agreement. By way of example, if there are three Groups, (i) the MSRPA Servicing Agreements (by Grouping UPB) with the lowest Delinquency Rates will be allocated to one Group, (ii) the MSRPA Servicing Agreements (by Grouping UPB) with the middle Delinquency Rates will be allocated to one Group and (iii) the MSRPA Servicing Agreements (by Grouping UPB) with the highest Delinquency Rates will be allocate to one Group.

For purposes hereof, the following terms shall have the following meanings:

“Delinquency Rate” means, for any MSRPA Servicing Agreement, the percentage (based on interest bearing principal balances) of Primary Mortgage Loans that are Delinquent as of June 30, 2018.

“Delinquent” means for any Mortgage Loan, any monthly payment due thereon is not made by the close of business on the day such monthly payment is required to be paid and remains unpaid for more than 30 days.

“Grouping UPB” means, for all MSRPA Servicing Agreements in respect of which the Consent Non-Delivery Determination Date occurs on the one-year anniversary of this Agreement or otherwise on or after the Designation Date occurring in April 2018, the aggregate unpaid interest bearing principal balance of the Primary Mortgage Loans under such MSRPA Servicing Agreements as of the close of business on June 30, 2018.

Unless otherwise agreed in writing between Seller and Holdings, if two (2) or more Groups are designated on the one-year anniversary of the Effective Date pursuant to the second bullet point in these Group Selection Procedures, the Fee Restructuring Payments for each such Group shall be determined as follows:

1. Step 1: Holdings shall engage two Approved Third Party Appraisers to determine the Average Third Party Marks for each such Group.
2. Step 2: Holding shall determine the Allocation Percentage for each such Group. The “Allocation Percentage” for each such Group shall mean the quotient of (i) the Average Third Party Mark for such Group divided by (ii) the aggregate of all Average Third Party Marks for all such Groups. The sum of the Allocation Percentages for all such Groups shall equal 100%.
3. Step 3: Holdings shall then:
 - a. determine the aggregate Lump-Sum Payments that Holdings would pay Seller if the Transfer Dates for all MSRPA Servicing Agreements in such Groups occurred on the one-year anniversary of the Effective Date. Such amount is the “Gross Amount”; and
 - b. determine the Fee Restructuring Payment for each such Group, which shall equal the product of (i) the Gross Amount and (ii) the Allocation Percentage for such Group.

EXHIBIT 2

Form of Sale Supplement

[attached]

SALE SUPPLEMENT¹

dated as of [Date]

among

OCWEN LOAN SERVICING, LLC, as Seller,

HLSS HOLDINGS, LLC, as Purchaser

and

HLSS MSR – EBO ACQUISITION LLC, as Purchaser

¹ As amended by Section 4 of the Master Agreement, dated as of July 23, 2017, among Ocwen Loan Servicing, LLC, HLSS Holdings, LLC, HLSS MSR-EBO Acquisition LLC and New Residential Mortgage LLC (the “Master Agreement”).

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SALE SUPPLEMENT

This Sale Supplement, dated as of [Date] (this "Sale Supplement"), is among Ocwen Loan Servicing, LLC, a Delaware limited liability company ("Seller"), HLSS Holdings, LLC, a Delaware limited liability company ("Holdings"), and HLSS MSR – EBO Acquisition LLC, a Delaware limited liability company (as assignee of Home Loan Servicing Solutions, Ltd., "MSR – EBO"), each of MSR-EBO and Holdings, a "Purchaser", and together, the "Purchasers").

WITNESSETH:

WHEREAS, Seller and the Purchasers are parties to that certain Master Servicing Rights Purchase Agreement, dated as of February 10, 2012 (as amended, supplemented and modified from time to time), and that certain Master Servicing Rights Purchase Agreement, dated as of October 1, 2012 (as amended, supplemented and modified from time to time, the "Agreement"), in each case with respect to the sale by Seller and the purchase by the Purchasers of the Servicing Rights and other assets; and

WHEREAS, Seller and the Purchasers desire to enter into the transactions described in the Agreement as supplemented by this Sale Supplement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual covenants herein contained, the parties hereto hereby agree as follows:

ARTICLE 1

DEFINITIONS; REFERENCE TO MASTER SERVICING RIGHTS PURCHASE AGREEMENT

Section 1.1 Definitions. (a) For purposes of this Sale Supplement, the following capitalized terms shall have the respective meanings set forth or referenced below:

"Additional Servicing Advance Receivable": As defined in Section 3.1.

"Advance SPEs": Each of (i) HLSS Servicer Advance Facility Transferor II, LLC, HLSS Servicer Advance Facility Transferor MS3 LLC, NRZ Advance Facility Transferor 2015-ON1 LLC, NRZ Servicer Advance Facility Transferor (ON) JPMC LLC, Delaware limited liability companies, HLSS Servicer Advance Receivables Trust II, HLSS Servicer Advance Receivables Trust MS3, NRZ Advance Receivables Trust 2015-ON1, and NRZ Servicer Advance Receivables Trust (ON) JPMC and (ii) such other special purpose subsidiaries of Holdings established from time to time in connection with a Servicing Advance Financing Agreement.

"Amortization Percentage": For each calendar month following the Closing Date, the percentage set forth on Schedule VI to this Sale Supplement for such calendar month.

"Assumed Liabilities": As defined in Section 2.4.

“Closing Date”: [Date]; provided that, with respect to Section 5.3 of the Agreement, the Closing Date shall be the related Servicing Transfer Date.

“Closing Statement”: The statement delivered by Seller to the Purchasers on the Closing Statement Delivery Date setting forth the good faith calculation of the Estimated Purchase Price.

“Closing Statement Delivery Date”: The Closing Date, unless otherwise agreed by Seller and the Purchasers.

“Consent Period”: For each Deferred Servicing Agreement and each related Deferred Servicing Right, the period, if any, from and including the Closing Date to and including the related Servicing Transfer Date.

“Cut-off Date”: [x], or such other date as is agreed by Seller and the Purchasers.

“Deferred Mortgage Loan”: A mortgage loan subject to a Deferred Servicing Agreement.

“Deferred Servicing Agreement”: As of any date of determination, each Servicing Agreement that is not a Transferred Servicing Agreement on such date. For avoidance of doubt, on the Closing Date each Servicing Agreement is a Deferred Servicing Agreement.

“Deferred Servicing Right”: As of any date of determination, each Servicing Right arising under a Servicing Agreement that is a Deferred Servicing Agreement on such date.

“Excess Servicing Advances”: For any calendar month, the amount, if any, by which the outstanding Servicer Advances with respect to the Servicing Agreements as of the last day of such calendar month exceeds an amount equal to (a) the Target Ratio for such calendar month multiplied by (b) the unpaid principal balance of the Mortgage Loans subject to the Servicing Agreements as of the last day of such calendar month.

“Excess Servicing Fees”: For any calendar month, an amount equal to the product of (i) [x] annualized basis points and (ii) the aggregate unpaid principal balance of the Mortgage Loans underlying the Rights to MSRs as of the close of business on the last Business Day of the prior calendar month.

“Excluded Liabilities”: As defined in Section 2.4(c).

“Fannie Mae”: means the Federal National Mortgage Association, or any successor thereto.

“Freddie Mac”: Means the Federal Home Loan Mortgage Corporation, or any successor thereto.

“Indemnified Person”: A Purchaser Indemnified Party or a Seller Indemnified Party, as the case may be.

“Indemnifying Person”: The Seller pursuant to Section 8.1 or the Purchasers pursuant to Section 8.2, as the case may be.

“Initial Servicing Advance Receivable”: As defined in [Section 3.1](#).

“Investor”: With respect to any Securitization Transaction, any holder or other beneficial owner of any securities issued by the related Trust.

“Liability”: As defined in [Section 8.1](#).

“Monthly Remittance Report”: With respect to each Deferred Servicing Agreement, a report substantially in the form attached as [Exhibit A](#) to this Sale Supplement or in such other form as may be agreed to by Seller and the Purchasers from time to time.

“Monthly Servicing Fee”: For each calendar month, the Base Subservicing Fee (as defined in the Subservicing Supplement) for such calendar month together with the Seller Monthly Servicing Fee for such calendar month.

“Monthly Servicing Oversight Report”: A report with respect to all of the Deferred Servicing Agreements and related Mortgage Loans in such form as may be agreed to by Seller and the Purchasers from time to time.

“MSR Purchase Price”: For each Servicing Agreement, an amount equal to the product of (i) the Valuation Percentage for such Servicing Agreement and (ii) the aggregate unpaid principal balance of the Mortgage Loans subject to such Servicing Agreement as of the Closing Date.

“P&I Advance”: As defined in the Subservicing Agreement.

“Performance Fee”: As defined in [Section 7.2](#).

“Purchaser Indemnified Party”: As defined in [Section 8.2](#).

“Purchase Price”: The sum of (a) the aggregate MSR Purchase Price for all of the Servicing Agreements and (b) the aggregate Servicing Advance Receivables Purchase Price for any Initial Servicing Advance Receivables.

“Retained Servicing Fee”: For any calendar month, an amount equal to the sum of (a) the product of the Retained Servicing Fee Percentage for such calendar month and the average unpaid principal balance of all Mortgage Loans subject to the Deferred Servicing Agreements and the Transferred Servicing Agreements during such calendar month and (b) the Retained Servicing Fee Shortfall, if any, for the immediately prior calendar month.

“Retained Servicing Fee Percentage”: For any calendar month, the percentage set forth on [Schedule III](#) to this Sale Supplement.

“Retained Servicing Fee Shortfall”: For any calendar month, beginning in [x], an amount equal to the excess, if any, of (a) the Retained Servicing Fee for such calendar month over (b) the excess, if any, of (x) the aggregate Servicing Advance Receivables Fees actually received by Holdings with respect to the Deferred Servicing Agreements and pursuant to the Transferred Servicing Agreements during such calendar month (whether directly pursuant to such Transferred

Servicing Agreements or pursuant to this Sale Supplement) over (y) the Monthly Servicing Fee for such calendar month.

“Rights to MSRs”: For each Servicing Agreement, each of the following assets:

- (a) all Servicing Fees payable to Seller as of or after the Closing Date under such Servicing Agreement and the right to receive all Servicing Fees accruing and payable as of or after the Closing Date under such Servicing Agreement;
- (b) the right to receive any investment income earned on amounts on deposit in any Custodial Account or Escrow Account related to such Servicing Agreements as of or after the Closing Date;
- (c) the right to purchase the Servicing Rights pursuant to Section 2.2 of this Sale Supplement; and
- (d) any proceeds of any of the foregoing.

“Sale Date”: For each Servicing Advance Receivable, the date on which such Servicing Advance Receivable is transferred to Holdings pursuant to Section 3.1.

“Seller Indemnified Party”: As defined in Section 8.1.

“Seller Monthly Servicing Fee”: As defined in Section 7.1.

“Servicing Advance Financing Agreements”: Each of:

- (a) that certain Fifth Amended and Restated Indenture, dated as of December 22, 2015, among HLSS Servicer Advance Receivables Trust II, as issuer, Deutsche Bank National Trust Company, as indenture trustee, calculation agent, paying agent and securities intermediary, Holdings, as administrator and servicer, Seller, as servicer and as a subservicer, and Barclays Bank PLC, as administrative agent, and each other “Transaction Document” as such term is defined therein, in each case as the same may be amended from time to time;
- (b) that certain Indenture, dated as of May 14, 2015, among HLSS Servicer Advance Receivables Trust MS3, as issuer, Deutsche Bank National Trust Company, as indenture trustee, calculation agent, paying agent and securities intermediary, Holdings, as administrator and servicer, Seller, as servicer and as a subservicer, and Morgan Stanley Bank, N.A., as administrative agent, and each other “Transaction Document” as such term is defined therein, in each case as the same may be amended from time to time;
- (c) that certain Indenture, dated as of August 28, 2015, among NRZ Advance Receivables Trust 2015-ON1, as issuer, Deutsche Bank National Trust Company, as indenture trustee, calculation agent, paying agent and securities intermediary, Holdings, as administrator and servicer, Seller, as servicer and as a subservicer, and Credit Suisse AG, New York Branch, as administrative agent, and each other “Transaction Document” as such term is defined therein, in each case as the same may be amended from time to time;

(d) that certain Indenture, dated as of December 11, 2015, among NRZ Servicer Advance Receivables Trust (ON) JPMC, as issuer, Deutsche Bank National Trust Company, as indenture trustee, calculation agent, paying agent and securities intermediary, Holdings, as administrator and servicer, Seller, as servicer and as a subservicer, and JPMorgan Chase Bank, N.A., as administrative agent, and each other "Transaction Document" as such term is defined therein, in each case as the same may be amended from time to time; and

(e) any other agreement agreed to from time to time by Seller and Holdings as a "Servicing Advance Financing Agreement" for purposes of the Agreement.

"Servicing Advance Payment Date": (a) For any Initial Servicing Advance Receivable, the Closing Date and (b) for any Additional Servicing Advance Receivable, the Funding Date (as defined in the Servicing Advance Financing Agreement) for such Additional Servicing Advance Receivable.

"Servicing Advance Receivable": For each Servicer Advance, the right to receive reimbursement for such Servicer Advance under the Servicing Agreement pursuant to which such Servicer Advance was made.

"Servicing Advance Receivables Fees": For any calendar month, an amount equal to the excess of the aggregate amount of Servicing Fees paid to Seller for such calendar month under each Servicing Agreement over the Excess Servicing Fees for such calendar month.

"Servicing Advance Receivable Purchase Price": With respect to each Servicing Advance Payment Date, for each Servicing Advance Receivable, the outstanding amount that is reimbursable under the related Servicing Agreement with respect to such Servicing Advance Receivable as of such Servicing Advance Payment Date.

"Servicing Agreement": Each of the servicing agreements described on Schedule I and each of the Underlying Documents described on Schedule II governing the rights, duties and obligations of Seller as servicer under such agreements.

"Servicing Fee Reset Date": [Servicing Fee Reset Date as defined in each Sale Supplement in the Master Agreement].

"Servicing Rights Assets": As defined in Section 2.2.

"Servicing Transfer Date": With respect to each Servicing Agreement, the date on which all of the Third Party Consents related to such Servicing Agreement necessary to transfer the related Servicing Rights to the Purchasers are received or such later date mutually agreed to by Seller and the Purchasers, which date shall not occur until the end of the Standstill Period as defined in the Master Agreement.

"Special Damages": As defined in Section 8.3(d).

“Subservicing Agreement”: That certain Master Subservicing Agreement, dated as of October 1, 2012, between the Seller, as subservicer, and Holdings, as servicer, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

“Subservicing Supplement”: That certain Subservicing Supplement, dated as of [Date], between the Seller, as subservicer, and Holdings, as servicer, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

“Summary Schedule”: As defined in Section 4.5(a).

“Target Ratio” for each calendar month shall mean the amount specified in Schedule IV with respect to such month.

“Termination Event” means the occurrence of any one or more of the following events (whatever the reason for the occurrence of such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) Seller fails to remit any payment required to be made under the terms of this Sale Supplement (to the extent not resulting solely from Holdings failing to purchase a Servicing Advance Receivable required to be purchased by Holdings under this Sale Supplement), which continues unremedied for a period of one (1) Business Day after the date on which written notice of such failure shall have been given by Holdings to Seller;

(b) Seller fails to deliver any required information or report that is complete in all material respects as required pursuant to this Sale Supplement in the manner and time frame set forth herein, which failure continues unremedied for a period of two (2) Business Days after the date on which written notice of such failure shall have been given to Seller by Holdings;

(c) Seller fails to observe or perform in any material respect any other covenant or agreement of Seller set forth in the Agreement or this Sale Supplement, which failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure shall have been given to Seller by Holdings; provided, however, in the event that any such default is incurable by its own terms, a Termination Event shall be deemed to occur immediately hereunder without regard to the thirty (30) day cure period set forth above;

(d) a material breach by Seller of any representation and warranty made by it in the Agreement or this Sale Supplement, which breach continues unremedied for a period of thirty (30) days after the date on which written notice of such failure shall have been given to Seller by Holdings; provided, however, in the event that any such default is incurable by its own terms, a Termination Event shall be deemed to occur immediately hereunder without regard to the thirty (30) day cure period set forth above;

(e) Seller fails to maintain residential primary servicer ratings for subprime loans of at least “Average” by Standard & Poor’s Rating Services, a division of Standards & Poor’s Financial

Services LLC (or its successor in interest), "SQ3" by Moody's Investors Service, Inc. (or its successor in interest) and "RPS4" and "RSS4" by Fitch Ratings (or its successor in interest);

(f) Seller ceases to be a Fannie Mae, Freddie Mac or FHA approved servicer;

(g) the occurrence of a Material Adverse Event;

(h) any of the conditions specified in the applicable "Servicer Default", "Servicer Event of Default," "Event of Default," "Servicing Default" or "Servicer Event of Termination" or similar sections of any Deferred Servicing Agreement or any related Underlying Document shall have occurred with respect to Seller for any reason not caused by the Purchasers (other than as a result of any delinquency or loss trigger which was already triggered as of the Closing Date with respect to such Deferred Servicing Agreement); provided that Seller shall be entitled to any applicable cure period set forth in such Deferred Servicing Agreement or Underlying Document;

(i) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against Seller and such decree or order shall have remained in force undischarged or unstayed for a period of thirty (30) days;

(j) Seller shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to Seller or of or relating to all or substantially all of its property; or

(k) Seller shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations.

"Third-Party Claim": As defined in [Section 8.3\(b\)](#).

"Transferred Assets": The Rights to MSRs and the Transferred Servicing Rights.

"Transferred Receivables Assets": As defined in [Section 3.1](#).

"Transferred Servicing Agreement": As of any date of determination, a Servicing Agreement with respect to which the related Servicing Rights have been transferred to the Purchasers pursuant to [Section 2.2](#) of this Sale Supplement or to its designee in accordance with the terms of this Sale Supplement on or prior to such date. For the avoidance of doubt, on the Closing Date no Servicing Agreement is a Transferred Servicing Agreement.

"Transferred Servicing Rights": As of any date of determination, any Servicing Rights that have been transferred to Holdings pursuant to [Section 2.2](#) of this Sale Supplement on or prior to such date.

"UCC": As defined in [Section 3.1](#).

“Valuation Percentage”: For each Servicing Agreement, the valuation percentage for such Servicing Agreement as set forth in Schedule V hereto.

(b) Any capitalized term used but not defined in this Sale Supplement shall have the meaning assigned to such term in the Agreement.

Section 1.2 Reference to the Master Servicing Rights Purchase Agreement. Each of Seller and Purchasers agrees that (a) this Sale Supplement is a “Sale Supplement” executed pursuant to Section 2.1 of the Agreement, (b) the terms of this Sale Supplement are hereby incorporated into the Agreement with respect to the Servicing Agreements and the related Mortgage Loans to the extent set forth therein and herein, and (c) the terms of this Sale Supplement apply to the Servicing Agreements specified herein and not to any other “Servicing Agreement” as that term is used in the Agreement. In the event of any conflict between the provisions of this Sale Supplement and the Agreement, the terms of this Sale Supplement shall prevail; provided, that in the event of any conflict between the provisions of this Sale Supplement and the Master Agreement, the terms of the Master Agreement shall prevail.

ARTICLE 2

PURCHASE AND SALE OF SERVICING RIGHTS AND RIGHTS TO MSRS; ASSUMED LIABILITIES

Section 2.1 Assignment and Conveyance of Rights to MSRs.

(a) As of the Closing Date, subject to the terms and conditions set forth in the Agreement and this Sale Supplement, Seller does hereby sell, convey, assign and transfer, in each case, without recourse except as provided herein, free and clear of any Liens, (i) to MSR – EBO all of its right, title and interest in and to all of the Excess Servicing Fees for each of the Servicing Agreements, and (ii) to Holdings, any and all other right, title and interest in and to all of the Rights to MSRs for each of the Servicing Agreements.

(b) On and after the Closing Date, Holdings shall be obligated to maintain a complete and accurate list of Servicing Agreements that are Deferred Servicing Agreements and Transferred Servicing Agreements, as the same shall be amended and modified from time to time in connection with Deferred Servicing Agreements becoming Transferred Servicing Agreements as contemplated by the terms and provisions of this Sale Supplement. The list of Deferred Servicing Agreements and Transferred Servicing Agreements maintained by the Purchasers under this Section 2.1(b) shall be (x) available for inspection by Seller at any time during normal business hours and (y) presumed to be accurate absent manifest error on the part of the Purchasers.

Section 2.2 Automatic Assignment and Conveyance of Servicing Rights. As of the Servicing Transfer Date with respect to each Servicing Agreement, Seller does hereby sell, convey, assign and transfer to Holdings, without recourse except as provided herein, free and clear of any Liens, without further action by any Person, all of its right, title and interest in and to the following assets (the “Servicing Rights Assets”):

(a) the Servicing Rights in respect of all of the Mortgage Loans and REO Properties related to such Servicing Agreement, in each case together with all related security, collections and payments thereon and proceeds of the conversion, voluntary or involuntary of the foregoing, other than the Excess Servicing Fees previously conveyed to Home Loan Servicing Solutions, Ltd. (and then assigned its interests therein to MSR – EBO) pursuant to Section 2.1;

(b) all Ancillary Income and Prepayment Interest Excess received as of or after the related Servicing Transfer Date under such Servicing Agreements and any rights to exercise any optional termination or clean-up call provisions under such Servicing Agreements;

(c) all Custodial Accounts and Escrow Accounts related to such Servicing Agreement and amounts on deposit therein;

(d) all files and records in Seller’s possession or control, including the related Database, relating to the Servicing Rights Assets specified in clauses (a), (b) and (c);

(e) all causes of action, lawsuits, judgments, claims, refunds, choses in action, rights of recovery, rights of set-off, rights of recoupment, demands and any other rights or claims of any nature, whether arising by way of counterclaim or otherwise, available to or being pursued by Seller to the extent related exclusively to such Servicing Rights Assets and/or the Assumed Liabilities; and

(f) any proceeds of any of the foregoing.

Section 2.3 MSR Purchase Price. Subject to the conditions set forth in this Sale Supplement and the Agreement, as consideration for the purchase of the Rights to MSRs and the Servicing Rights Assets, MSR – EBO shall pay the portion of the MSR Purchase Price attributable to the value of the Excess Servicing Fees for each Servicing Agreement, and Holdings shall pay the portion of the MSR Purchase Price attributable to the value of the remainder of the Rights to MSRs and the Servicing Rights Assets, in each case for each Servicing Agreement, to Seller.

Section 2.4 Assumed Liabilities and Excluded Liabilities.

(a) Upon the terms and subject to the conditions set forth herein and in the Agreement, Holdings shall assume, (i) prior to the Servicer Transfer Date for each Servicing Agreement, and solely as between Holdings and Seller, all of the duties, obligations and liabilities of Seller (other than the Excluded Liabilities), as servicer but subject to such Servicing Agreements, and provided that Seller will continue to act as the servicer as set forth herein and in no event shall Holdings be a subservicer, subcontractor or servicer within the meaning of a Servicing Agreement prior to the related Servicing Transfer Date and (ii) as of or after the Servicing Transfer Date for each Servicing Agreement, all of the duties, obligations, and liabilities of Seller (other than the Excluded Liabilities) as servicer accrued and pertaining solely to the period from and after such Servicing Transfer Date relating to the Servicing Rights that are subject to such Servicing Agreement (the “Assumed Liabilities”).

(b) Holdings hereby agrees to act as servicer under each Servicing Agreement following the related Servicing Transfer Date and assumes responsibility for the due and punctual performance and observance of each covenant and condition to be performed or observed by the servicer under the applicable Servicing Agreement, including the obligation to service each Mortgage Loan in accordance with the terms of the related Servicing Agreement and to pay any Excess Servicing Fees to MSR – EBO on and after such Servicing Transfer Date; provided, however, that the parties hereto acknowledge and agree that neither the Purchasers nor any successor servicer assumes any liabilities of Seller, or any obligations of Seller relating to any period of time prior to the applicable Servicing Transfer Date. Seller hereby acknowledges that neither this Sale Supplement nor the Agreement limits or otherwise releases it from its liabilities for its acts or omissions as the servicer under the Servicing Agreements prior to the related Servicing Transfer Date. Holdings hereby acknowledges that Seller shall have no further obligation as servicer under any of the Servicing Agreements on and after the related Servicing Transfer Date, except to the extent set forth in this Sale Supplement, the Agreement, the Subservicing Agreement and the Subservicing Supplement.

(c) Notwithstanding anything to the contrary contained herein, the Purchasers do not assume any duties, obligations or liabilities of any kind, whether known, unknown, contingent

or otherwise, (i) not relating to the Transferred Servicing Rights or the Assumed Liabilities, (ii) attributable to any acts or omissions to act taken or omitted to be taken by Seller (or any of its Affiliates, agents, contractors or representatives, including, without limitation, any servicer of the Mortgage Loans) prior to the applicable Servicing Transfer Date, (iii) attributable to any actions, causes of action, claims, suits or proceedings or violations of law or regulation attributable to any acts or omissions to act taken or omitted to be taken by Seller (or any of its Affiliates, agents, contractors or representatives, including, without limitation, any servicer of the Mortgage Loans) prior to the applicable Servicing Transfer Date or (iv) relating to any representation and warranty made by Seller or any of its Affiliates with respect to the related Mortgage Loans or the Transferred Assets (the "Excluded Liabilities"). Without limiting the generality of the foregoing, it is not the intention that the assumption by the Purchasers of the Assumed Liabilities shall in any way enlarge the rights of any third parties relating thereto. Nothing contained in the Agreement or this Sale Supplement shall prevent any party hereto from contesting matters relating to the Assumed Liabilities with any third party obligee.

(d) From and after the related Servicing Transfer Date, except as otherwise provided for in Section 8.3 of this Sale Supplement, (i) Holdings shall have complete control over the payment, settlement or other disposition of the Assumed Liabilities and the right to commence, control and conduct all negotiations and proceedings with respect thereto, subject to the terms of the related Servicing Agreements and (ii) Seller shall have complete control over the payment, settlement or other disposition of the Excluded Liabilities and the right to commence, control and conduct all negotiations and proceedings with respect thereto. Except as otherwise provided in this Sale Supplement, (i) Seller shall promptly notify Holdings of any claim made against Seller with respect to the Assumed Liabilities or the Transferred Assets and shall not voluntarily make any payment of, settle or offer to settle, or consent or compromise or admit liability with respect to, any Assumed Liabilities or Transferred Assets without the prior written consent of Holdings and (ii) Holdings shall promptly notify Seller of any claim made against the Purchasers with respect to the Excluded Liabilities and shall not voluntarily make any payment of, settle or offer to settle, or consent or compromise or admit liability with respect to, any Excluded Liabilities without the prior written consent of Seller.

Section 2.5 Remittance of Excess Servicing Fees, Servicing Advance Receivables Fees and Related Amounts.

(a) Seller shall, to the extent permitted under any Deferred Servicing Agreement cause (i) any Excess Servicing Fees to be deposited directly into MSR – EBO's account in accordance with MSR – EBO's written directions and (ii) any Servicing Advance Receivables Fees, any investment income earned on any amounts or deposit in any Custodial Accounts and Escrow Accounts that are payable to Seller on or after the Closing Date under such Deferred Servicing Agreement, to be deposited directly into Holdings' account in accordance with Holdings' written directions. In any case, Seller shall within one (1) Business Day of the receipt thereof, remit to the related Purchaser any such amounts and, to the extent Seller is permitted to retain such amounts under the related Servicing Agreement, any investment income earned on any amounts or deposit in any Custodial Accounts and Escrow Accounts that are received by Seller under any Deferred Servicing Agreement after the Closing Date. Any such amounts shall be remitted in accordance with such Purchaser's written directions.

(b) Seller shall exercise any rights under any Deferred Servicing Agreement to direct the investment of amounts in any Custodial Account or Escrow Account in accordance with Holdings' directions and the terms of the related Deferred Servicing Agreement, the related Mortgage Loan Documents and Applicable Law.

Section 2.6 Payment of Estimated Purchase Price. Subject to the conditions set forth in this Sale Supplement and the Agreement, MSR – EBO and Holdings shall pay the Estimated Purchase Price to Seller at the Closing. The Estimated Purchase Price shall be reconciled to the final Purchase Price in accordance with Section 2.5 of the Agreement.

Section 2.7 Refinancing of Mortgage Loans. If any mortgage loan ("Refinanced Mortgage Loan") included in the sale of Rights to MSRs for any Servicing Agreement listed in Schedule 1 of the Sale Supplements is refinanced by Ocwen Financial Corporation, its affiliates or its vendors, the Seller hereby sells, assigns, transfers and conveys, in each case, without recourse except as provided herein, free and clear of any Liens, (the "Transfer of New Mortgage Loans") to (i) MSR – EBO all of its rights, title and interest in and to all of the Excess Servicing Fees for the related mortgage loan ("New Mortgage Loan"), and (ii) to Holdings, any and all right, title and interest in and to all of the Rights to MSRs for the related New Mortgage Loan. The Transfer of New Mortgage Loans will be effective on the date on which a Refinanced Mortgage Loan is prepaid by the related New Mortgage Loan. On such date, the Seller shall execute and deliver an agreement, with a schedule of mortgage loans, documenting the Transfer of the Excess Servicing Fees and Rights to MSRs of New Mortgage Loans to the Purchaser. For the avoidance of doubt, any New Mortgage Loan shall be deemed to be included in the list of servicing agreements listed in Schedule I of the related Sale Supplement.

The above Section 2.7 Refinancing of Mortgage Loans shall only apply when the aggregate unpaid principal balance of all Refinanced Mortgage Loans refinanced by Ocwen Financial Corporation, its affiliates or its vendors, exceeds 0.50% of the aggregate unpaid principal balance, as measured at the beginning of the most recent calendar year plus the weighted average of the unpaid principal balance of any Rights to MSRs sold to the Purchasers during the calendar year, of all mortgage loans for which the Rights to MSRs have been sold to the Purchasers under the Master Servicing Rights Purchase Agreement.

ARTICLE 3

PURCHASE AND SALE OF SERVICING ADVANCE RECEIVABLES

Section 3.1 Assignment and Conveyance of Servicing Advance Receivables. Commencing on the Closing Date, and continuing until the close of business on the earlier of the related Servicing Transfer Date or date of Seller's termination as servicer pursuant to such Servicing Agreement, subject to the terms and conditions set forth in the Agreement and this Sale Supplement, Seller hereby sells, conveys, assigns and transfers to Holdings, and Holdings acquires from Seller, without recourse except as provided herein, free and clear of any Liens, all of Seller's right, title and interest, whether now owned or hereafter acquired, in, to and under each Servicing Advance

Receivable (i) in existence on the Closing Date that arose under the Servicing Agreements and is owned by Seller as of the Closing Date, if any (the “Initial Servicing Advance Receivables”), (ii) in existence on any Business Day on or after the Closing Date that arises under any Servicing Agreement prior to the earlier of the related Servicing Transfer Date or date of Seller’s termination as servicer pursuant to such Servicing Agreement (“Additional Servicing Advance Receivables”), and (iii) in the case of both Initial Servicing Advance Receivables and Additional Servicing Advance Receivables, all monies due or to become due and all amounts received or receivable with respect thereto and all proceeds (including “proceeds” as defined in the Uniform Commercial Code in effect in all applicable jurisdictions (the “UCC”)), together with all rights of Seller to enforce such Initial Servicing Advance Receivables and Additional Servicing Advance Receivables (collectively, the “Transferred Receivables Assets”). Until the related Servicing Transfer Date, Seller shall, automatically and without any further action on its part, sell, assign, transfer and convey to Holdings, on each Business Day, each Additional Servicing Advance Receivable not previously transferred to Holdings and Holdings shall purchase each such Additional Servicing Advance Receivable. The parties acknowledge and agree that so long as the Servicing Advance Receivables with respect to a Servicing Agreement are being sold by Holdings to the Advance SPEs pursuant to the Servicing Advance Financing Agreements, the sale of such Servicing Advance Receivables by Seller to Holdings shall be made pursuant to and in accordance with the provisions of the Servicing Advance Financing Agreements, and Seller covenants and agrees to comply with the provisions of such Servicing Advance Financing Agreements with respect to such Servicing Advance Receivables.

Section 3.2 Servicing Advance Receivables Purchase Price. In consideration of the sale, assignment, transfer and conveyance to Holdings of the Servicing Advance Receivables and related Transferred Receivables Assets, on the terms and subject to the conditions set forth in this Sale Supplement, Holdings shall, on each related Servicing Advance Payment Date, pay and deliver to Seller, in immediately available funds, a purchase price equal to the Servicing Advance Receivables Purchase Price for such Servicing Advance Receivables sold on such date; provided that Seller shall have complied with the terms of Section 3.1 and Section 3.3 with respect to the related Servicing Advance Receivable. Subject to the proviso of the immediately preceding sentence, to the extent any P&I Advances are required to be made under the terms of the Deferred Servicing Agreements, as determined by Seller and set forth in the applicable Monthly Remittance Report, Holdings shall, on the date the related P&I Advance is required to be made under the related Deferred Servicing Agreement, deposit the Servicing Advance Receivable Purchase Price for such P&I Advances into either the applicable Custodial Account or other applicable account held by the related trustee, master servicer, securities administrator, or trust administrator, as the case may be, in accordance with the requirements of the related Deferred Servicing Agreement (which may be done directly by Holdings or through an account established in connection with the Servicing Advance Facility Agreements) in consideration for such P&I Advance.

Section 3.3 Servicing Advances. Seller covenants and agrees that each Servicer Advance made by Seller under the Servicing Agreements prior to the related Servicing Transfer Date shall (a) be required to be made pursuant to the terms of the related Deferred Servicing Agreement and comply with the terms of such Deferred Servicing Agreement and Applicable Law, (b) comply with Seller’s advance policies and stop advance policies and procedures and not constitute a nonrecoverable Servicer Advance as of the date Seller made such Servicer Advance

and (c) be supported by customary backup documentation. Seller agrees to provide prompt notice to Holdings of any Servicer Advance made by Seller under the Deferred Servicing Agreements and deliver to Holdings such customary backup documentation relating to any Servicer Advance promptly upon request by Holdings. In the event Seller cannot provide, or cause to be provided to Holdings any customary backup documentation, and Holdings is unable to be reimbursed for such Servicer Advance solely as a result of such failure, Seller shall reimburse Holdings for the amount of such unreimbursed Servicer Advances within five (5) Business Days of Holdings' written request, to the extent Holdings paid Seller for such amounts.

Section 3.4 Reimbursement of Servicing Advances. Seller shall, to the extent permitted under any Deferred Servicing Agreement cause the reimbursement of any Servicer Advances under the Deferred Servicing Agreements to be made directly into Holdings' account in accordance with Holdings' written directions. In any case, Seller shall within one (1) Business Day of the receipt thereof, remit to Holdings any amounts that are received by Seller under any Deferred Servicing Agreement after the Closing Date as reimbursement of any Servicer Advance. Any such amounts shall be remitted in accordance with Holdings' written directions.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes the following representations and warranties to the Purchasers as of (a) each of the Closing Date and each Sale Date or (b) as of such other dates specified below:

Section 4.1 General Representations. Each of the representations and warranties set forth in Article 3 of the Agreement are true and correct.

Section 4.2 Title to Transferred Assets. From and including the Closing Date until such Servicing Rights Assets are transferred to Holdings under Section 2.2, Seller shall be the sole holder and owner of such Servicing Rights Assets and shall have good and marketable title to the Servicing Rights Assets, free and clear of any Liens. Upon the sale of such Servicing Rights Assets pursuant to Section 2.2, Seller will transfer to Holdings good and marketable title to the Servicing Rights Assets free and clear of any Liens. Seller is the sole holder and owner of the Rights to MSRs and the sale and delivery to the Purchasers of the Rights to MSRs pursuant to the provisions of this Sale Supplement will transfer to the Purchasers good and marketable title to the Rights to MSRs free and clear of any Liens.

Section 4.3 Right to Receive Servicing Fees. Seller is entitled to receive Servicing Fees, Ancillary Income and Prepayment Interest Excess as servicer under each Servicing Agreement, and the New York Uniform Commercial Code permits the Seller to transfer the Excess Servicing Fees to MSR – EBO and the remainder of the Rights to MSRs to Holdings under the Agreement and this Sales Supplement without violation of any applicable Servicing Agreement.

Section 4.4 Servicing Agreements and Underlying Documents. Schedule I hereto contains a list of all Servicing Agreements (other than the Underlying Documents) related to the

Servicing Rights that are subject to this Sale Supplement and Schedule II hereto contains a list of all Underlying Documents related to such Servicing Agreement, in each case with all amendments and modifications thereto, or supplements thereto with respect to such Servicing Rights.

Section 4.5 Mortgage Pool Information, Related Matters.

(a) Seller has delivered to the Purchasers one or more summary schedules which set forth information with respect to each Mortgage Pool relating to the Servicing Rights (the "Summary Schedules"). Seller acknowledges that the Purchasers have relied on such Summary Schedules to determine the Purchase Price it was willing to pay for the Transferred Assets.

(b) The Summary Schedules, the Mortgage Loan Schedule and the Database are true, accurate and complete in all material respects as of the related Cut-off Date or such other date specified thereon.

(c) The Mortgage Loan Schedule indicates, by code reference, which of the Mortgage Loans have been converted into REO Properties as of the Cut-off Date.

Section 4.6 Enforceability of Servicing Agreements.

(a) Seller has delivered to Purchasers on or prior to the related Closing Date, true and complete copies of all Servicing Agreements listed on Schedule I hereto and all amendment thereto and all Underlying Documents listed on Schedule II hereto and all amendments thereto. There are no other written or oral agreements binding upon Seller or Purchasers that modify, supplement or amend any such Servicing Agreement or Underlying Document.

(b) Seller has not received written notice of any pending or threatened cancellation or partial termination of any Servicing Agreement or Underlying Document or any written notice of any pending or threatened termination of Seller as servicer of any of the Mortgage Loans.

(c) On and prior to the related Servicing Transfer Date, each Servicing Agreement and each of the Underlying Documents is or was a valid and binding obligation of Seller, is or was in full force and effect and enforceable against Seller in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors rights generally and general principles of equity (regardless of whether considered in a proceeding of law or in equity).

Section 4.7 Compliance With Servicing Agreements.

(a) Seller has serviced the Mortgage Loans subject to the Servicing Agreements and has kept and maintained complete and accurate books and records in connection therewith, all in accordance with Applicable Requirements, has made all remittances required to be made by it under each Servicing Agreement and is otherwise in compliance in all material respects with all Servicing Agreements and the Applicable Requirements.

(b) (i) No early amortization event, servicer default, servicer termination event, event of default or other default or breach has occurred under any Servicing Agreement or any Underlying Document (except with respect to the delinquency or loss performance triggers identified in the Summary Schedules), and (ii) no event has occurred, which with the passage of time or the giving of notice or both would: (A) constitute a material default or breach by Seller under any Servicing Agreement, Underlying Document or under any Applicable Requirement; (B) permit termination, modification or amendment of any such Servicing Agreement or Underlying Document by a third party without the consent of Seller; (C) enable any third party to demand that Seller or either Purchaser incur any repurchase obligations pursuant to a Servicing Agreement or an Underlying Document or provide indemnification for any amount of losses relating to a breach of a loan representation or warranty; (D) impose on Seller or either Purchaser sanctions or penalties in respect of any Servicing Agreement or Underlying Document; or (E) rescind any insurance policy or reduce insurance benefits in respect of any Servicing Agreement or Underlying Document which would result in a material breach or trigger a default of any obligation of Seller under any Servicing Agreement or Underlying Document.

(c) There are no agreements currently in place with any subservicers to perform any of Seller's duties under the Servicing Agreements.

(d) Each report and officer's certification prepared by Seller as servicer pursuant to a Servicing Agreement is true and correct in all material respects. Seller has previously made available to the Purchasers a correct and complete description of the policies and procedures used by Seller in connection with servicing the Mortgage Loans related to the Servicing Agreements.

(e) In the preceding twelve (12) month period, no Governmental Authority, Investor, Insurer, rating agency, trustee, master servicer or any other party to a Servicing Agreement has provided written notice to Seller claiming or stating that Seller has violated, breached or not complied with any Applicable Requirements in connection with the servicing of the related Mortgage Loans which has not been resolved by Seller.

(f) All Custodial Accounts and Escrow Accounts have been established and continuously maintained in accordance with Applicable Requirements. All Custodial Account and Escrow Account balances required by the Mortgage Loans and paid for the account of the Mortgagors under the related Mortgage Loans have been credited properly to the appropriate account and have been retained in and disbursed from the appropriate account in accordance with Applicable Requirements.

Section 4.8 No Recourse. None of the Servicing Agreements or other contracts to be assumed by the Purchasers hereunder provide for Recourse to Seller.

Section 4.9 The Mortgage Loans.

(a) Each of the Mortgage Loans and REO Properties related to each Servicing Agreement has been serviced in accordance with Applicable Requirements in all material respects.

(b) Except as disclosed on the Mortgage Loan Schedule, in the related Database and in the related Loan File and consistent with the requirements of the related Servicing Agreement, Seller has not waived any default, breach, violation or event of acceleration under any Mortgage Loan, except to the extent that any such waiver is permitted under the related Servicing Agreement and reflected in the Mortgage Loan Schedule, the related Database and the related Loan File and the disclosure relating to such waiver is reflected consistently in all material respects among the related Mortgage Loan Schedule, the related Database and the related Loan File. The Mortgage related to each Mortgage Loan related to the Servicing Agreements has not been satisfied, cancelled or subordinated, in whole or in part, and except as permitted under the related Servicing Agreement, the related Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such release, cancellation, or subordination.

(c) There is in force with respect to each Mortgaged Property and REO Property related to a Servicing Agreement a hazard insurance policy (including any policy in effect under a forced place insurance policy) and, if applicable, a flood insurance policy that provides, at a minimum, for the coverage as required by the applicable Servicing Agreement. Seller and any prior servicer or subservicer under the Servicing Agreements has taken all necessary steps to maintain any hazard insurance policy, flood insurance policy, primary mortgage insurance policy, and title insurance policy as required under the Servicing Agreements.

(d) Seller is not aware of any repurchase requests or demands being made or threatened to be made with respect to any Mortgage Loans related to the Servicing Agreements in excess of \$10 million with respect to any Servicing Agreement.

(e) Except as disclosed in the related Database, Seller has not received notice from any Mortgagor with respect to the Mortgage Loans related to the Servicing Agreements of a request for relief pursuant to or invoking any of the provisions of the Servicemembers Civil Relief Act or any similar law which would have the effect of suspending or reducing the Mortgagor's payment obligations under a Mortgage Loan or which would prevent such loan from going into foreclosure.

(f) With respect to each adjustable rate Mortgage Loan, Seller and each prior servicer has complied in all material respects with all Applicable Requirements regarding interest rate and payment adjustments.

(g) Each first lien Mortgage Loan is covered by a valid and freely assignable, life of loan, tax service contract, and flood tracking services contract, in full force and effect. All flood zone determination information provided to the Purchasers is true and correct in all material respects.

(h) There are no actions, claims, litigation or governmental investigations pending or, to the knowledge of Seller, threatened, against Seller, or with respect to any Servicing Agreement or any Mortgage Loan, which relate to or affect Seller's rights with respect to the Servicing Rights or Seller's right to sell, assign and transfer the Servicing Rights or the Rights to MSRs or to receive any Servicing Fee, which could reasonably be expected to have a Material Adverse Effect individually or in the aggregate.

(i) Payments received by Seller with respect to any Mortgage Loans related to the Servicing Agreements have been remitted and properly accounted for as required by Applicable Requirements in all material respects. All funds received by Seller in connection with the satisfaction of Mortgage Loans, including foreclosure proceeds and insurance proceeds from hazard losses, have been deposited in the appropriate Custodial Account or Escrow Account and all such funds have been applied to pay accrued interest on the Mortgage Loans, to reduce the principal balance of the Mortgage Loans in question, or for reimbursement of repairs to the Mortgaged Property or as otherwise required by Applicable Requirements or are on deposit in the appropriate Custodial Account or Escrow Account.

(j) Seller is not aware of any Person that has issued any notice or written intention to exercise the optional call or optional redemption provisions under any of the related Servicing Agreements.

(k) No fraudulent action has taken place on the part of Seller in connection with its servicing of any Mortgage Loan related to the Servicing Agreement.

(l) Except with respect to partial releases, actions required by a divorce decree, assumptions, or as otherwise permitted under Applicable Requirements and documented in the Loan File and the Database, (i) the terms of each Mortgage Note and Mortgage have not been modified by Seller or any prior servicer, (ii) no party thereto has been released in whole or in part by Seller or any prior servicer and (iii) no part of the Mortgaged Property has been released by Seller or any prior servicer.

Section 4.10 Servicing Advance Receivables.

(a) From and including the Closing Date until such Servicing Advance Receivable is transferred to Holdings under Section 3.1, Seller is the sole holder and owner of each Servicing Advance Receivable and has good and marketable title to such Servicing Advance Receivable. Seller has not previously assigned, transferred or encumbered the Servicing Advance Receivables other than pursuant to the Agreement, this Sale Supplement and the Servicing Advance Financing Agreements. The sale and delivery to Holdings of the Servicing Advance Receivables pursuant to the provisions of this Sale Supplement will transfer to Holdings good and marketable title to the Servicing Advance Receivables free and clear of any Liens (other than the Liens created pursuant to the Servicing Advance Financing Agreements).

(b) Each Servicing Advance Receivable transferred to Holdings under Section 3.1, is at the time of such transfer a valid and existing account owing to Seller and is carried on the books of Seller at or less than the amount actually advanced or accrued net of any charge-offs or other adjustments by Seller. Seller has not received any notice from a master servicer, securities administrator, trustee, Insurer, Investor or any other Person, which disputes or denies a claim by Seller for reimbursement in connection with any such Servicing Advance Receivable. Each Servicer Advance made by Seller (and each trailing invoice received by Holdings on or after the related Servicing Transfer Date for services rendered prior to such Servicing Transfer Date) that is reimbursed or paid by Holdings to Seller or a third party service provider is fully reimbursable to Holdings as a Servicer Advance under the terms of the related Servicing Agreement.

(c) Each Servicer Advance made by Seller was made in accordance with Applicable Requirements and Seller's advance policies and stop advance policies and procedures in all material respects, and is not subject to any set-off or claim that could be asserted against Holdings. No Servicer Advance made by Seller or any prior servicer under a Servicing Agreement and not reimbursed or paid to Seller prior to the related Sale Date is a Non-Qualified Servicer Advance. Seller has not received any written notice from any Person in which such Person disputes or denies a claim by Seller for reimbursement in connection with a specifically identified Servicer Advance.

Section 4.11 Servicing Agreement Consents and Other Third Party Approvals. None of the execution, delivery and performance of the Agreement and this Sale Supplement by Seller, the transfers of Servicing Rights under Section 2.2, the transfer of Rights to MSRs under Section 2.1, the transfers of Servicing Advance Receivables under Section 3.1 and the other transactions contemplated hereby require any consent, approval, waiver, authorization, penalties, notice or filing to be obtained by Seller or the Purchasers from, or to be given by Seller or the Purchasers to, or made by Seller or the Purchasers with, any Person, except for, with respect to the Servicing Rights Assets, the Third Party Consents.

Section 4.12 Servicing Advance Financing Agreements.

(a) Except as otherwise disclosed to the Purchasers, all of the Servicing Agreements are "Facility Eligible Servicing Agreements," and each Servicer Advance to be owned by an Advance SPE is a "Facility Eligible Receivable," each as defined under the Servicing Advance Financing Agreements.

(b) All of the representations and warranties of Seller in the Servicing Advance Financing Agreements are true and correct, and no early amortization event, default, event of default or similar event has occurred under the Servicing Advance Financing Agreements.

(c) Each of Seller and its Affiliates have complied in all material respects with the terms of the existing Servicing Advance Financing Agreements.

Section 4.13 Anti-Money Laundering Laws. Seller has complied with all applicable anti-money laundering laws and regulations.

Section 4.14 Servicer Ratings. Seller has a residential primary servicer rating for the servicing of subprime residential mortgage loans issued by S&P, Fitch or Moody's at or above "Above Average," "RPS3" and "SQ2-", respectively.

Section 4.15 Eligible Servicer. Seller meets the eligibility requirements of a servicer and a subservicer under the terms of each Servicing Agreement and Underlying Document.

Section 4.16 HAMP. Seller has entered into a Commitment to Purchase Financial Instrument and Servicer Participation Agreement with Fannie Mae, as financial agent of the United States, which agreement is in full force and effect.

ARTICLE 5

CONDITIONS PRECEDENT

Section 5.1 Conditions to the Purchase of Certain Servicing Advance Receivables. Holdings' obligations to purchase any Servicing Advance Receivable pursuant to Section 3.1 and to pay the related Servicing Advance Receivables Purchase Price pursuant to Section 3.2 are subject to the satisfaction or Holdings' waiver of the condition that, on the date of the financing of such Servicing Advance Receivable pursuant to the Servicing Advance Financing Agreements, any required written confirmation from a national statistical rating organization that the rating of the related notes will not be reduced, withdrawn or downgraded shall have been obtained.

Section 5.2 Conditions to the Purchase of the Rights to MSRs. The Purchasers' obligations to make their respective purchases pursuant to Section 2.1, Holdings' obligations to purchase the Servicing Rights pursuant to Section 2.2, and the Purchasers' obligations to pay the Purchase Price (and the Estimated Purchase Price) pursuant to Section 2.3 and Section 2.6 are subject to the satisfaction or the Purchasers' waiver of each of the conditions set forth in Section 6.1 and Section 6.3 of the Agreement (except the requirement to deliver the Third Party Consents necessary to transfer the Servicing Rights pursuant to Section 2.2) with respect to each of the Servicing Agreements and each of the Servicing Rights, as applicable, on the Closing Date and the satisfaction of each of the following conditions:

(a) Seller shall have obtained all consents or approvals required to be obtained to consummate the transfers to the Purchasers pursuant to Section 2.1;

(b) The Servicing Advance Facility Agreements shall have been executed and delivered by each of the parties thereto and all of the conditions precedent to the effectiveness of the Servicing Advance Facility Agreements set forth therein have been satisfied; and

(c) The Subservicing Agreement and the Subservicing Supplement shall have been executed and delivered by each of the parties thereto and all of the conditions precedent to the effectiveness of the Subservicing Agreement and the Subservicing Supplement set forth therein have been satisfied.

ARTICLE 6

SERVICING MATTERS

Section 6.1 Seller as Servicer. Except as expressly set forth in this Sale Supplement, Seller shall perform all of its duties and obligations of under each Servicing Agreement until the related Servicing Transfer Date and shall at all times until the related Servicing Transfer

Date meet any standards and fulfill any requirements applicable to Seller under each Servicing Agreement.

Section 6.2 Servicing. Except as otherwise specifically provided in this Sale Supplement, Seller covenants and agrees to service and administer each Mortgage Loan related to a Servicing Agreement from and after the Closing Date until the related Servicing Transfer Date in accordance with Applicable Law, the terms of the related Mortgage Loan Documents and any applicable private mortgage insurance or pool insurance, the standards, requirements, guidelines, procedures, restrictions and provisions of the related Servicing Agreement and Underlying Documents governing the duties of Seller thereunder, this Sale Supplement and any other Applicable Requirements. Without limiting the foregoing, Seller covenants and agrees that it shall perform its obligations pursuant to this Sale Supplement in a manner that will not cause the termination of Seller as servicer under any Deferred Servicing Agreement, including any termination based on Seller's management of delinquency or loss performance with respect to Mortgage Loans related to such Deferred Servicing Agreement. The parties acknowledge and agree that any termination of Seller as servicer with respect to a Servicing Agreement pursuant to a delinquency or loss performance trigger or for any other reason, other than as a result of a failure by Holdings to purchase Servicing Advance Receivables pursuant to Section 3.1, shall be deemed to be the result of a breach by Seller of its obligations under this Sale Supplement and the Agreement. In the event of a conflict between a Servicing Agreement and this Article 6, the Servicing Agreement shall control.

Section 6.3 Collections from Obligors and Remittances. Seller shall direct the obligors on the Deferred Mortgage Loans to remit payment on the Deferred Mortgage Loans to the Clearing Account (as defined in the Servicing Agreement) and shall within one (1) Business Day of receipt promptly deposit any amounts Seller receives with respect to the Deferred Mortgage Loans in the Clearing Account. Seller shall promptly remit all amounts received by Seller with respect to the Mortgage Loans to the applicable Custodial Account or Escrow Account, but no later than the earlier of two (2) Business Days after receipt thereof or the date required pursuant to the applicable Deferred Servicing Agreement; provided, that Seller shall, subject to the terms of the related Servicing Agreement, remit any such amounts that constitute recovery of a Servicer Advance to the applicable account, if any, specified by Holdings pursuant to Section 3.4 within one (1) Business Day of receipt thereof; provided, further, that Seller shall, subject to the terms of the related Servicing Agreement, remit any such amounts that constitute Servicing Fee to the applicable account, if any, specified by Holdings pursuant to Section 2.5 within one (1) Business Day of receipt thereof. Seller shall also making any compensating interest payments or prepayment interest shortfall payments required to be made by Seller with respect to the Mortgage Loans under the Deferred Servicing Agreements, and shall remit any such payments to the applicable Custodial Account no less than one (1) Business Day prior to the applicable remittance date for such Servicing Agreement.

Section 6.4 Servicing Practices. Seller shall not make any material change to its servicing practices with respect to the Deferred Mortgage Loans after the date hereof, including, any material changes to its cash collection and sweep processes or its advance policies or stop advance policies, without Holdings' prior written consent, which consent shall not be unreasonably withheld or delayed. Holdings shall have the right to direct Seller to implement reasonable changes

to Seller's servicing practices applicable with respect to all or a portion of the Mortgage Loans, including any changes necessary to ensure compliance with any Applicable Laws or governmental programs or directions received pursuant to the applicable Servicing Agreements.

Section 6.5 Servicing Reports. Seller shall simultaneously deliver a copy of any reports delivered by Seller to any Person pursuant to the Deferred Servicing Agreements to Holdings.

Section 6.6 Escrow Accounts. Subject to the terms of the related Deferred Servicing Agreement, Seller shall be entitled to withdraw funds from any Escrow Account related to a Deferred Servicing Agreement only for the purposes permitted in the applicable Servicing Agreement.

Section 6.7 Notices and Financial Information. Until the last Servicing Transfer Date, Seller will furnish, or will cause to be furnished, to the Purchasers:

(a) within two (2) Business Days after the occurrence of a breach by Seller of the Agreement or this Sale Supplement or any Termination Event or other event that would give MSR – EBO the right to direct Seller to transfer the Servicing Rights with respect to any Deferred Servicing Agreement, notice of such event;

(b) any information required to be delivered by Seller pursuant to Section 5.10 of the Subservicing Agreement, which information shall be delivered at such times as specified in Section 5.10 of the Subservicing Agreement, provided that any reference to a "Subject Servicing Agreement" in Section 5.10 of the Subservicing Agreement shall be deemed to be a reference to a "Deferred Servicing Agreement," for the purposes of this Section 6.7; and

(c) such other information regarding the condition or operations, financial or otherwise, of Seller or any of its subsidiaries as MSR – EBO may from time to time reasonably request.

Section 6.8 Defaults under Deferred Servicing Agreements. Seller covenants and agrees to use its reasonable best efforts to cure any breach, default or notice of default with respect to its obligations under any Deferred Servicing Agreement within the timeframe for cure set forth in such Deferred Servicing Agreement.

Section 6.9 Continuity of Business. (a) Seller will maintain a disaster recovery plan in support of the services it performs pursuant to this Sale Supplement and each Deferred Servicing Agreement. Seller's disaster recovery plan shall include, at a minimum, procedures for back-up/restoration of operating and loan administration computer systems; procedures and third-party agreements for replacement equipment (e.g. computer equipment), and procedures and third-party agreements for off-site production facilities. Seller will provide Holdings information regarding its disaster recovery plan upon reasonable request. Seller agrees to annually test its disaster recovery plan to ensure compliance with this Section 6.9. If such test results identify a material failure, Seller shall advise Holdings of the steps Seller will be taking to remedy such failure and shall notify Holdings when Seller has remedied such failure and retested. Seller will notify Holdings anytime Seller's disaster recovery plan is activated. In the event of an activation of the

disaster recovery plan, Seller shall use best efforts to provide redundancy capabilities for a majority of the critical systems within 48 hours in at least one of Seller's other servicing facilities unaffected by the disaster to ensure servicing of the Mortgage Loans will be re-established within such 48 hours.

Section 6.10 Clean Up Call Rights. Seller shall exercise its rights under any optional termination or clean up call rights provided for in the Servicing Agreements and the Underlying Documents (the "Clean Up Call Rights") only at the prior written direction of MSR – EBO specifying the date of exercise, which shall be at least thirty (30) days after the date of such notice from MSR – EBO. In connection with such exercise of Clean Up Call Rights, Seller hereby sells and transfers to MSR – EBO (or its designee) on an exclusive and "as is" basis the right to all economic beneficial rights to such Clean Up Call Rights (including the right to cause Seller to exercise such Clean Up Call Rights), which include the economic beneficial interest in the right to purchase from the related trust for each Deferred Servicing Agreement all of the assets of such trust, including the mortgage loans and REO properties (collectively, the "Mortgage Loans") for a payment of 0.50% of the unpaid principal balance of all Performing Mortgage Loans of such trust (which payment is due upon the exercise of any Clean Up Call Rights). Any purchase and exercise of such Clean Up Call Rights shall be subject to customary "as is" documentation, which MSR – EBO and Seller will negotiate in good faith. Seller shall give MSR – EBO at least thirty (30) days' notice prior to the date on which Seller would have to notify the trustee for the related trust of its intent to exercise the related Clean Up Call Rights and will work in good faith with MSR – EBO and the related trustee with respect to the exercise the Clean Up Call Rights. For the avoidance of doubt, MSR – EBO (or its designee) shall fund the exercise of the Clean Ups Call Rights acquired and pay any expenses associated with such exercise (including any of Seller's reasonable out-of-pocket expenses and any customary transfer expenses and deboarding fees, if applicable) and pay all unreimbursed Servicer Advances and other amounts owed to Holdings with respect to such Servicing Agreement under this Sale Supplement. For purposes of this Section 6.10, "Performing Mortgage Loan" means any Mortgage Loan that is current or thirty (30) days or less delinquent (MBA method). The rights of Seller to payment in respect of any exercise of Clean Up Call Rights under this Section 6.10 by MSR – EBO or its designee shall survive any transfer of servicing pursuant to Section 6.12.

Section 6.11 Amendments to Deferred Servicing Agreements; Transfer of Servicing Rights. Seller hereby covenants and agrees not to amend the Servicing Agreements without the Purchasers' prior written consent. Seller shall not sell or otherwise voluntarily transfer servicing under any of the Deferred Servicing Agreement during the Consent Period except as expressly provided in this Sale Supplement or take any other actions inconsistent with Holdings' right to acquire ownership of Servicing Rights with respect to a Servicing Agreement upon receipt of the required Third Party Consents.

Section 6.12 Assumption of Servicing Duties; Transfer of Rights to MSRs and Servicing Rights. Holdings may from time to time designate any of Seller's servicing obligations under a Deferred Servicing Agreement and assume the performance of such obligations so long as such assumption is permitted pursuant to such Deferred Servicing Agreement and does not limit Seller's right to receive the Servicing Fees pursuant to such Deferred Servicing Agreement.

Notwithstanding anything in the Agreement or this Sale Supplement to the contrary, either Purchaser may transfer the Rights to MSRs to any third party and/or may direct Seller to transfer the Servicing Rights to a third party that can obtain the required Third Party Consents, subject to the right of the Seller to receive the Seller Monthly Servicing Fee, the Performance Fee, the Ancillary Income and, if applicable, the Prepayment Interest Excess owed to Seller with respect to such Deferred Servicing Agreement pursuant to Article 7. For the avoidance of doubt, MSR – EBO shall be entitled to receive all proceeds of such transfer.

Section 6.13 **Termination Event**. In the case that any Termination Event occurs with respect to any Servicing Agreement during the Consent Period, Seller shall, upon MSR – EBO’s written direction to such effect, use commercially reasonable efforts to transfer the Servicing Rights relating to any affected Servicing Agreement to a third party servicer identified by MSR – EBO with respect to which all required Third Party Consents with respect to such Servicing Agreement can be obtained. MSR – EBO shall be entitled to receive all proceeds of such transfer.

Section 6.14 **Servicing Transfer**. Seller and the Purchasers shall, prior to the Servicing Transfer Date with respect to each Servicing Agreement, working good faith to determine and agree upon applicable servicing transfer procedures with respect to such Servicing Agreement.

Section 6.15 **Incorporation of Provisions from Subservicing Agreement**. The provisions of each of Sections 5.3, 5.4, 5.5, 5.6, 5.7, 5.8 (excluding the first sentence thereof), 5.17 and 5.18, and Exhibit A of the Subservicing Agreement are hereby incorporated into this Sale Supplement by reference, mutatis mutandis, as if its provisions were fully set forth herein; provided that any reference therein to the defined terms “Ocwen,” “Servicer,” “Mortgage Loan,” “Subject Servicing Agreement” and “Agreement,” shall be deemed for purposes of this Sale Supplement to be references to the terms “Seller,” “Holdings,” “Deferred Mortgage Loan,” “Deferred Servicing Agreement” and “Sale Supplement,” respectively and any reference therein to the phrase “during the term of this Agreement” shall be deemed for purposes of this Sale Supplement to be references to the phrase “until the last Servicing Transfer Date.”

ARTICLE 7

SELLER SERVICING FEES; COSTS AND EXPENSES

Section 7.1 **Seller Monthly Servicing Fee**. As consideration for Seller servicing the Mortgage Loans pursuant to the Deferred Servicing Agreements during the applicable Consent Period but prior to the earlier of the date on which the Servicing Rights are transferred from Seller with respect to a Deferred Servicing Agreement or Servicing Fee Reset Date, Holdings shall pay to Seller a monthly base servicing fee for each calendar month during such period during which Seller is servicing Mortgage Loans with respect to Deferred Servicing Agreements pursuant to this Sale Supplement equal to 12% of the aggregate Servicing Fees actually received by the Purchasers under this Sale Supplement during such calendar month with respect to the Deferred Servicing Agreements (the “**Seller Monthly Servicing Fee**”).

Section 7.2 Performance Fee. In addition to the Seller Monthly Servicing Fee, Holdings shall pay to Seller for each calendar month during which Seller is servicing Mortgage Loans with respect to Deferred Servicing Agreements pursuant to this Sale Supplement a performance fee ("Performance Fee") equal to the greater of (a) zero and (b) (x) the excess, if any, of the aggregate of all Servicing Fees actually received by the Purchasers with respect to the Deferred Servicing Agreements and pursuant to the Transferred Servicing Agreements (whether directly pursuant to such Transferred Servicing Agreements or pursuant to this Sale Supplement) during such calendar month over the sum of (i) the Monthly Servicing Fee for such calendar month and (ii) the Retained Servicing Fee for such calendar month multiplied by (y) a fraction, (i) the numerator of which is the average unpaid principal balance of all Mortgage Loans subject to the Deferred Servicing Agreements during such calendar month and (ii) the denominator of which is equal to the sum of the average unpaid principal balance of all Mortgage Loans subject to the Transferred Servicing Agreements during such calendar month, or such other allocation percentage which is agreed by Seller and Holdings (the "Allocation Percentage"). The Performance Fee, if any, for any calendar month will be reduced by an amount equal to One-Month LIBOR (calculated using the arithmetic mean of daily rates for the period published by British Bankers' Association) plus 2.75% of the Excess Servicing Advances, if any, for such month multiplied by the Allocation Percentage, and the amount of any such reduction in the Performance Fee shall be retained by Holdings. If the Closing Date does not occur on the first day of a calendar month, the Performance Fee for the period from the Closing Date to the last of the calendar month in which the Closing Date occurs shall be calculated in a pro rata manner based on the number of days in such period. Notwithstanding any provision in this Sale Supplement to the contrary, in the event Holdings has failed to pay Seller any Seller Monthly Servicing Fee or Performance Fees that are past due after ten (10) Business Days of Holdings receiving notice of such failure, Seller shall not be required to continue to act as servicer until such time as Holdings has fully paid such past due Seller Monthly Servicing Fee or Performance Fee; provided that Holdings shall not have notified Seller that it disputes the occurrence or amount of such past due Seller Monthly Servicing Fee or Performance Fee.

Section 7.3 Costs and Expenses. Except as otherwise expressly provided in the Agreement or this Sale Supplement, each party hereto shall be responsible for its own costs and expenses incurred in connection with the negotiation and execution of the Agreement, this Sale Supplement and all documents relating thereto. Seller shall be required to pay all expenses incurred by it in connection with its obligations hereunder to the extent such expenses do not constitute Servicer Advances and shall not be entitled to reimbursement therefor except as specifically provided for herein or in the applicable Deferred Servicing Agreement. Seller shall reimburse the Purchasers for any reasonable out-of-pocket costs, including legal fees, incurred by the Purchasers in connection with obtaining any required Third Party Consents; provided, however, that neither Purchaser shall incur such costs without the prior written approval of Seller.

Section 7.4 Ancillary Income. Seller shall be entitled to retain as additional compensation any Ancillary Income and any Prepayment Interest Excess received by Seller with respect to the Deferred Mortgage Loans, to the extent such Ancillary Income or Prepayment Interest Excess is permitted to be retained by Seller pursuant to the related Deferred Servicing Agreement.

Section 7.5 Calculation and Payment. No later than the second Business Day following the receipt by the Purchasers of the Monthly Servicing Oversight Report for a calendar month, Holdings will remit to Seller in immediately available funds the Seller Monthly Servicing Fee and Performance Fees payable by Holdings to Seller for the related calendar month, along with a report showing in reasonable detail the calculation of such Seller Monthly Servicing Fees and Performance Fees.

Section 7.6 No Offset. Neither party shall have any right to offset against any amount payable hereunder or other agreement to the other party, or otherwise reduce any amount payable hereunder as a result of, any amount owing by the other party or any of its Affiliates to such party or any of its Affiliates.

Section 7.7 Servicing Fee Reset Date. No later than six (6) months prior to the Servicing Fee Reset Date, Holdings shall commence negotiating in good faith an extension of the Servicing Fee Reset Date and the servicing fees payable to Seller. If Seller and Holdings are unable to agree to such servicing fees prior to the Servicing Fee Reset Date, Seller shall, upon Holdings' written direction to such effect, transfer the Servicing Rights relating to all of the Deferred Servicing Agreements to a third party servicer (including any affiliate of Holdings) identified by Holdings with respect to which all required Third Party Consents with respect to the Deferred Servicing Agreements can be obtained. Notwithstanding anything to the contrary in this Sale Supplement, after the Servicing Fee Reset Date and prior to any transfer of servicing under this section, all fees payable to Seller under this Sale Supplement shall continue to be paid and the Servicing Agreement shall continue to be deemed a Deferred Servicing Agreement hereunder. Upon any transfer of servicing pursuant to this Section 7.7, an amount equal to the consideration for the transfer of related accrued and unpaid servicing fees for such Deferred Servicing Agreement shall be paid to Seller so long as Holdings receives the amount of the accrued and unpaid Retained Servicing Fee and Retained Servicing Fee Shortfall, if any, owing Holdings at the date of transfer (whether or not then due and payable hereunder). MSR-EBO shall be entitled to receive all proceeds of such transfer other than the amounts Seller is entitled to in accordance with the immediately preceding sentence.

ARTICLE 8

INDEMNIFICATION

Section 8.1 Seller Indemnification of Purchasers. Seller agrees to indemnify and hold harmless each Purchaser and each officer, director, agent, employee or Affiliate of each Purchaser (each, a "Seller Indemnified Party") from and against any and all claims, losses, damages, liabilities, judgments, penalties, fines, forfeitures, legal fees and expenses, and any and all related costs and/or expenses of litigation, administrative and/or regulatory agency proceedings, and any other costs, fees and expenses (each, a "Liability") suffered or incurred by a Purchaser or any such other Person (whether or not resulting from a third party claim) arising directly or indirectly out of or resulting from (a) any event relating to Transferred Assets occurring prior to the related Servicing Transfer Date, (b) a breach of any of Seller's representations and warranties contained in the Agreement, this Sale Supplement or any other Related Agreement or Seller's failure to observe and

perform any of Seller's duties, obligations, covenants or agreements contained in the Agreement, this Sale Supplement or any other Related Agreement, (c) acts or omissions of Seller, any other servicer of any Mortgage Loans, or any subservicer, contractor or agent engaged by Seller or any other servicer, in each case prior to the related Servicing Transfer Date, relating to the Transferred Assets, including any failure by Seller, any other servicer or any subservicer, contractor or agent engaged by Seller or any other servicer prior to the related Servicing Transfer Date to comply with the Applicable Requirements, (d) the Excluded Liabilities or (e) any acts or omissions by Seller or its employees or agents in performance of its duties or obligations pursuant to this Sale Supplement.

Section 8.2 Purchasers Indemnification of Seller. The Purchasers agree, jointly and severally, to indemnify and hold harmless Seller and each officer, director, agent, employee or Affiliate of Seller (each, a "Purchaser Indemnified Party") from and against any and all Liability suffered or incurred by Seller or any such other Person arising out of or resulting from (a) a breach of any of the Purchasers' representations and warranties or covenants contained in the Agreement, the Sale Supplement or any other Related Agreement or (b) acts or omissions of a Purchaser or any subservicer, contractor or agent (other than Seller or any of Seller's Affiliates) engaged by the Purchasers, in each case after the related Servicing Transfer Date, relating to the Transferred Assets.

Section 8.3 Indemnification Procedures.

(a) As promptly as is reasonably practicable after becoming aware of a claim for indemnification under the Agreement or this Sale Supplement not involving a Third-Party Claim, but in any event no later than fifteen (15) Business Days after first becoming aware of such claim, the Indemnified Person shall give notice to the Indemnifying Person of such claim, which notice shall specify the facts alleged to constitute the basis for such claim and the amount that the Indemnified Person seeks hereunder from the Indemnifying Person; provided, however, that the failure of the Indemnified Person to give such notice shall not relieve the Indemnifying Person of its obligations under this Section 8.3 except to the extent (if any) that the Indemnifying Person shall have been prejudiced thereby.

(b) The Indemnified Person shall give notice as promptly as is reasonably practicable, but in any event no later than ten (10) Business Days after receiving notice thereof, to the Indemnifying Person of the assertion of any claim, or the commencement of any action, suit, claim or proceeding, by any unaffiliated third Person (a "Third-Party Claim") in respect of which indemnity may be sought under the Agreement or this Sale Supplement (which notice shall specify in reasonable detail the nature and amount of such claim); provided, however, that the failure of the Indemnified Person to give such notice shall not relieve the Indemnifying Person of its obligations under this Section 8.3 except to the extent (if any) that the Indemnifying Person shall have been prejudiced thereby. The Indemnifying Person may, at its own expense, (i) participate in the defense of any such Third-Party Claim, and (ii) upon notice to the Indemnified Person, at any time during the course of any such Third-Party Claim, assume the defense thereof with counsel of its own choice and, in the event of such assumption, shall have the exclusive right, subject to clause (i) in the proviso in Section 8.3(c), to settle or compromise such Third-Party Claim. If the Indemnifying Person assumes such defense, the Indemnified Person shall have the right (but not the duty) to participate in the defense thereof and to employ counsel, at its own expense, separate from the

counsel employed by the Indemnifying Person. Whether or not the Indemnifying Person chooses to defend or prosecute any such Third-Party Claim, all of the parties hereto shall cooperate in the defense or prosecution thereof.

(c) Any settlement or compromise made or caused to be made by the Indemnified Person (unless the Indemnifying Person has the exclusive right to settle or compromise under clause (ii) of Section 8.3(b) or the Indemnifying Person, as the case may be), of any such Third-Party Claim shall also be binding upon the Indemnifying Person or the Indemnified Person, as the case may be, in the same manner as if a final judgment had been entered by a court of competent jurisdiction in the amount of such settlement or compromise; provided, however, that (i) no obligation, restriction, loss or admission of guilt or wrongdoing shall be imposed on the Indemnified Person as a result of such settlement or compromise without its prior written consent and (ii) the Indemnified Person will not compromise or settle any Third Party Claim without the prior written consent of the Indemnifying Person.

(d) Except as specifically provided for in the Agreement or this Sale Supplement, no claim may be made by an Indemnified Person for any special, indirect, punitive or consequential damages (“Special Damages”) in respect of any breach or wrongful conduct (whether the claim therefor is based on contract, tort or duty imposed by law) in connection with, arising out of, or in any way related to the transactions contemplated, or relationship established, by this Agreement or any Sale Supplement, or any act, omission or event occurring in connection herewith or therewith, and to the fullest extent permitted by law, Seller and each Purchaser hereby waives, releases and agrees not to sue upon any such claim for Special Damages, whether or not accrued or whether or not known or suspected to exist in its favor.

Section 8.4 Tax Treatment.

(a) Seller and the Purchasers agree that all payments made by any of them to or for the benefit of the other under this Article 8, under other indemnity provisions of the Agreement or this Sale Supplement and for any misrepresentations or breaches of warranties or covenants, shall be treated as adjustments to the Purchase Price for tax purposes and that such treatment shall govern for purposes hereof except to the extent that the Applicable Laws of a particular jurisdiction provide otherwise.

(b) All payments made pursuant to this Agreement shall be made free and clear and without deductions of any kind for taxes.

Section 8.5 Survival. The parties’ obligations under this Article 8 shall survive any termination of the Agreement and/or this Sale Supplement.

Section 8.6 Additional Indemnification.

(a) Without limiting Seller’s obligations under Article 8 of this Sale Supplement, it is agreed by the parties that if Seller is terminated as servicer under any Deferred Servicing Agreement as a result of any action described in clauses (a) through (e) of Section 8.1 above, Seller shall also pay to the Purchasers, as reasonable and just compensation for such termination, an amount

equal to the product of (i) the Purchase Price for such Deferred Servicing Agreement and (ii) the Amortization Percentage for the calendar month in which Seller received notice of such termination, and the Purchasers shall accept such sum as liquidated damages, and not as penalty, in the event of such a termination.

Section 8.7 Specific Performance. Notwithstanding any other provision of the Agreement or this Sale Supplement, (i) it is understood and agreed that the remedy of indemnity payments pursuant to this [Article 8](#) and other remedies at law would be inadequate in the case of any actual or threatened breach of the Agreement or this Sale Supplement by Seller and (ii) the Purchasers shall be entitled, without limiting its other remedies and without the necessity of proving actual damages or posting any bond, to equitable relief, including the remedy of specific performance or injunction, with respect to any breach or threatened breach of such covenants. Such relief shall be in addition to, and not in lieu of, all other remedies available at law or in equity to such party under the Agreement and this Sale Supplement.

ARTICLE 9

GRANT OF SECURITY INTEREST

Section 9.1 Granting Clause. To secure its performance of its obligations under the Agreement and this Sale Supplement, Seller hereby grants to the Purchasers a security interest in all of its right, title and interest in and to the following, whether now owned or hereafter acquired, and all monies "securities," "instruments," "accounts," "general intangibles," "payment intangibles," "goods," "letter of credit rights," "chattel paper," "financial assets," "investment property," (each as defined in the applicable UCC) and other property consisting of, arising from or relating to any of the following:

- (a) the Servicing Rights in respect of all of the Mortgage Loans and REO Properties related to the Deferred Servicing Agreements, in each case together with all related security, collections and payments thereon and proceeds of the conversion, voluntary or involuntary of the foregoing;
- (b) the Rights to MSR's with respect to each Servicing Agreement;
- (c) all Servicing Fees, Ancillary Income and Prepayment Interest Excess received under the Deferred Servicing Agreements and subject to [Section 6.10](#) of this Sale Supplement any rights to exercise any optional termination or clean-up call provisions under the Deferred Servicing Agreements;
- (d) all income from amounts on deposit in Custodial Accounts and Related Escrow Accounts related to the Deferred Servicing Agreements;
- (e) all files and records in Seller's possession or control, including the related Database, relating to the assets specified in [clauses \(a\)](#) through [\(c\)](#);

(f) all causes of action, lawsuits, judgments, claims, refunds, choses in action, rights of recovery, rights of set-off, rights of recoupment, demands and any other rights or claims of any nature, whether arising by way of counterclaim or otherwise, available to or being pursued by Seller to the extent related exclusively to any of the foregoing and/or the Assumed Liabilities; and

(g) any proceeds of any of the foregoing (collectively, the “Collateral”).

This Sale Supplement shall constitute a security agreement under applicable law. Seller agrees that from time to time it shall promptly execute and deliver all additional instruments and documents and take all additional action that the Purchasers may reasonably request in order to perfect the interests of the Purchasers in, to and under, or to protect, the Collateral or to enable the Purchasers to exercise or enforce any of its rights or remedies hereunder. To the fullest extent permitted by applicable law, Seller hereby authorizes the Purchasers to file financing statements and amendments thereto in connection with the grant of a security interest pursuant to this Section 9.1. Seller covenants and agrees to take all necessary action to prevent the creation or imposition of any Lien upon any of the Collateral, and to maintain the Collateral free and clear of all Liens, other than the Lien securing the obligations of Seller arising under this Sale Supplement. Seller agrees to give the Purchasers prior written notice of any change in its legal name or jurisdiction of organization.

ARTICLE 10

MISCELLANEOUS PROVISIONS

Section 10.1 Further Assurances. Without limiting Section 5.7 of the Agreement, each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Sale Supplement at the request of the other party. Without limiting the foregoing, the Seller agrees that it will promptly at the Purchasers’ request execute and deliver an one or more assignment and assumption agreements, in form mutually agreed to by the parties, one or more equity interest assignments, in form mutually agreed to by the parties, or such other documents, instruments or agreements as the Purchasers may reasonably request to evidence the transfers of Rights to MSRs pursuant to Section 2.1, Servicing Rights pursuant to Section 2.2 and Transferred Receivables Assets pursuant to Section 3.1.

Section 10.2 Compliance with Applicable Laws; Licenses. Seller will comply with all Applicable Laws in connection with the performance of its obligations under the Agreement and this Sale Supplement. Seller shall maintain all necessary licenses and approvals in each jurisdiction where the failure to do so would materially and adversely affect the ability of Seller to perform its obligations under the Agreement and this Sale Supplement.

Section 10.3 Merger, Consolidation, Etc. Seller will keep in full effect its existence, rights and franchises as a limited liability company, and will obtain and preserve its qualification to do business as a foreign organization in each jurisdiction in which such qualification

is or shall be necessary to protect the validity and enforceability of the Agreement, this Sale Supplement, each Deferred Servicing Agreement or any of the Deferred Mortgage Loans, or to perform its duties under the Agreement or this Sale Supplement. Seller may be merged or consolidated with or into any Person, or transfer all or substantially all of its assets to any Person, in which case any Person resulting from any merger or consolidation to which Seller shall be a party or acquiring all or substantially all of the assets of Seller, or any Person succeeding to the business of Seller shall be the successor of Seller hereunder and under the Agreement, without the execution or filing of any paper or any further act on the part of any of the parties hereto; provided, however, that the successor or surviving Person shall be an institution whose deposits are insured by FDIC or a company whose business includes the servicing of mortgage loans and shall have a tangible net worth not less than \$25,000,000.

Section 10.4 Annual Officer's Certificate. Not later than March 15 of each calendar year commencing in 2014, Seller shall deliver to the Purchasers an Officer's Certificate stating, as to each signatory thereof, that (i) a review of the activities of Seller during the preceding year and of performance under the Agreement and this Sale Supplement has been made under such officers' supervision and (ii) to the best of such officer's knowledge, based on such review, Seller has fulfilled all of its obligations under the Agreement and this Sale Supplement in all material respects throughout such year, or, if there has been a default in the fulfillment of any such obligation in any material respect, specifying each such default known to such officer and the nature and status thereof.

Section 10.5 Accounting Treatment. Notwithstanding Section 8.14 of the Agreement, the parties acknowledge that until such time as the Third Party Consents with respect to a Servicing Agreement are obtained, the parties shall treat the transaction hereunder with respect to such Servicing Agreement as a financing for accounting purposes.

Section 10.6 Incorporation. The provisions of Article 8 of the Agreement are hereby incorporated into this Sale Supplement by reference, *mutatis mutandis*, as if its provisions were fully set forth herein.

Section 10.7 Third Party Beneficiaries. Seller and each Purchaser acknowledge and agree that the indenture trustee, on behalf of the holders of related notes, with respect to any Servicing Advance Financing Agreements pursuant to which such Purchaser has transferred Servicer Advances made pursuant to a Deferred Servicing Agreement is an express third party beneficiary of this Sale Supplement and the Agreement solely with respect to the Deferred Servicing Agreements related to such Servicing Advance Financing Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Sale Supplement to be executed and delivered by its respective officer thereunto duly authorized as of the date above written.

OCWEN LOAN SERVICING, LLC

By: Ocwen Mortgage Servicing, Inc., as its sole member

By: _____
Name:
Title:

HLSS HOLDINGS, LLC

By: _____
Name:
Title:

HLSS MSR – EBO ACQUISITION LLC

By: _____
Name:
Title:

EXHIBIT A

Form of Monthly Remittance Report

Ocwen Loan Servicing, LLC xxx

Deal Name

Remittance Summary [Month] [Year]

<u>Particulars</u>	<u>Amount (\$)</u>
Scheduled Principal Payments	0.00
Curtailments	0.00
Interest on curtailment	0.00
Pool to Security	0.00
Payoff Principal	0.00
Neg Amt Prin	0.00
Deferred Principal Paid	0.00
Total Principal remitted	0.00
Gross Scheduled Interest	0.00
Less: Service fee amount	0.00
Less: LPMI Premium	0.00
Add: INT on STA Reinstatement	0.00
Add: INT on STA Paid-in-full	0.00
Less: STA PI Recoveries	0.00
Total Interest remitted	0.00
Less: Realized Loss	0.00
Less: Trailing expenses	0.00
Add: Trailing income	0.00
+/- Collection on released loans	0.00
Interest on curtailment	0.00
Add: Prepayment penalty	0.00
+/- Prior period PPP	0.00
Add: Collection on STA loans	0.00
Add: Non recoverable Credits	0.00
Less: Non recoverable advances	0.00
Less: Non Loan level expense	0.00

<u>Particulars</u>	<u>Amount (\$)</u>
Less: Jr Lien Blanket Policy Fee	0.00
Less: Pre-approved legal expense	0.00
+/- -Reconciliation adjustments	0.00
+ / - Arrearage remittance	
Add: Principal Arrearage	0.00
Add: Interest Arrearage	0.00
+ / -: Modification Forgiveness of Debt	
Principal Forgiveness	0.00
Interest Forgiveness	0.00
Expense Forgiveness	0.00
Scheduling Difference	0.00
Deferred Principal Loss	0.00
SAM waived balance loss	0.00
Investor Incentives	0.00
Less: Compensating Interest adjustment	0.00
Total Remittance	0.00
Beg Sch Balance	0.00
Ending Principal Balance	0.00
Beg Actual Balance	0.00
Ending Actual Principal Balance	0.00
Beg Deferred Principal Balance	0.00
Ending Deferred Principal Balance	0.00
Beg Loan count	0.00
Payoffs	0.00
End Loan count	0.00
Principal Roll Test	0.00
Loan Count Test	0.00
Non Supporting Compensating Interest	0.00
Wire of sub - Investor	0.00
Grand Total for PI Wire	0.00

SCHEDULE I
SERVICING AGREEMENTS

SCHEDULE II
UNDERLYING DOCUMENTS

None

II-1

SCHEDULE III
RETAINED SERVICING FEE PERCENTAGE

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TARGET RATIO SCHEDULE

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VALUATION PERCENTAGE

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SCHEDULE VI
AMORTIZATION PERCENTAGE

EXHIBIT 3A

Form of RMSR Transfer Agreement

RMSR Transfer Agreement

[date]

Reference is made to that certain Master Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Master Agreement") dated as of July 23, 2017 by and among Ocwen Loan Servicing, LLC, as seller ("Ocwen"), HLSS Holdings, LLC, as a purchaser ("Holdings"), HLSS MSR – EBO Acquisition LLC, as a purchaser ("MSR – EBO") and New Residential Mortgage LLC. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Master Agreement.

Section 1. Sale of Rights to MSRs and Transferred Receivables Assets.

1.1 Pursuant to Section 9.3 of the Master Agreement, Holdings and MSR – EBO wish to transfer the Rights to MSRs and Transferred Receivables Assets in respect of the MSRPA Servicing Agreements set forth on Schedule 1 hereto (such MSRPA Servicing Agreements, the "Specified Servicing Agreements"), to Ocwen so that such Rights to MSRs and Transferred Receivables Assets can be immediately sold to a third party, [] (the "Third Party Purchaser"), with the proceeds of such sale (the "Third Party Sale") to be paid to Holdings and MSR – EBO, as appropriate.

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Section 2. Representations and Warranties of Holdings and MSR – EBO. Each of Holdings and MSR – EBO hereby represents and warrants to Ocwen as follows as of the date hereof:

2.1 It is duly organized and validly existing under the laws of the State of Delaware and has all requisite power and authority to execute, deliver and perform this RMSR Transfer Agreement (this "Agreement") and to consummate the transactions herein contemplated.

2.2 The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated, have been duly authorized by it and this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law).

2.3 The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with the provisions of its governing instruments and will not violate any provisions of applicable law or regulation or any order of any court or regulatory body and will not result in the breach of, or constitute a default, or require any consent, under any material agreement, instrument or document to which it is a party or by which it or any of its property may be bound or affected.

- 2.4 ***:
a. ***;
b. ***.

2.5 Each of Holdings and MSR – EBO has complied in all material respects with all applicable anti-money laundering Laws (the “Anti-Money Laundering Laws”), and has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws.

Section 3. ***.

Section 4. ***.

Section 5. Miscellaneous.

5.1 Limited Effect. Except as expressly set forth above or in the attachments hereto, the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, claim, cause of action, power or remedy of any party hereto, whether arising before or after the date of this Agreement, or constitute a waiver of any provision of any other agreement.

5.2 Further Assurances. Each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements, including without limitation documents in connection with the SAF related to any Specified Servicing Agreement, and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Sale Agreement at the request of any other party.

5.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but the same instrument. Any signature page to this Agreement containing a manual signature may be delivered by facsimile transmission or other electronic communication device capable of transmitting or creating a printable written record, and when so delivered shall have the effect of delivery of an original manually signed signature page.

5.4 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

5.5 SUBMISSION TO JURISDICTION. EACH OF THE PARTIES HERETO IRREVOCABLY (I) SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY; (II) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THE DEFENSE OF AN INCONVENIENT FORUM IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT; (III) CONSENTS TO SERVICE OF PROCESS UPON IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER OR BY ANY OTHER MANNER IN ACCORDANCE WITH LAW; AND (IV) AGREES THAT A FINAL JUDGMENT IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

5.6 WAIVER OF TRIAL BY JURY. EACH PARTY HERETO IRREVOCABLY AND ABSOLUTELY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH, ARISING UNDER OR RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

5.7 Exhibits and Schedules. The exhibits and schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

5.8 No Offset. No party shall have any right to offset against any amount payable hereunder or other agreement to another party, or otherwise reduce any amount payable hereunder as a result of, any amount owing by another party or any of its Affiliates to such party or any of its Affiliates.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

HLSS HOLDINGS, LLC

By: _____
Name:
Title:

HLSS MSR – EBO ACQUISITION LLC

By: New Residential Investment Corp., its sole member

By: _____
Name:
Title:

[NRZ ADVANCE RECEIVABLES TRUST 2015-ON1]
[HLSS SERVICER ADVANCE RECEIVABLES TRUST MS3]
[NRZ SERVICER ADVANCE RECEIVABLES TRUST (ON) JPMC]

By: [HLSS Holdings, LLC, its administrator]

By: _____
Name:
Title:]

Acknowledged and agreed to as of
the date first above written.

OCWEN LOAN SERVICING, LLC

By: _____
Name:
Title:

Schedule 1 to RMSR Transfer Agreement

Specified Servicing Agreements

[to be attached]

Schedule 2 to RMSR Transfer Agreement

Wire Transfer Instructions

[to be attached]

Form of Sale Agreement

Sale Agreement

[date]

Reference is made to that certain Master Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Master Agreement") dated as of July 23, 2017 by and among Ocwen Loan Servicing, LLC, as seller ("Ocwen"), HLSS Holdings, LLC, as a purchaser ("Holdings"), HLSS MSR – EBO Acquisition LLC, as a purchaser ("MSR – EBO") and New Residential Mortgage LLC. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Master Agreement.

Section 1. Ocwen Purchase of Rights to MSRs and Transferred Receivables Assets.

1.1 Pursuant to Section [9.2][9.4][11] of the Master Agreement, Ocwen wishes to purchase the Rights to MSRs and Transferred Receivables Assets in respect of the MSRPA Servicing Agreements set forth on Schedule 1 hereto (such MSRPA Servicing Agreements, the "Specified Servicing Agreements").

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Section 2. Representations and Warranties of Holdings and MSR – EBO. Each of Holdings and MSR – EBO hereby represents and warrants to Ocwen as follows as of the date hereof:

2.1 It is duly organized and validly existing under the laws of the State of Delaware and has all requisite power and authority to execute, deliver and perform this Sale Agreement (this "Agreement") and to consummate the transactions herein contemplated.

2.2 The execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated, have been duly authorized by it and this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law).

2.3 The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with the provisions of its governing instruments and will not violate any provisions of applicable law or regulation or any

order of any court or regulatory body and will not result in the breach of, or constitute a default, or require any consent, under any material agreement, instrument or document to which it is a party or by which it or any of its property may be bound or affected.

2.4 ***

2.5 Each of Holdings and MSR – EBO has complied in all material respects with all applicable anti-money laundering Laws (the “Anti-Money Laundering Laws”), and has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws.

Section 3. ***

Section 4. ***

Section 5. Miscellaneous.

5.1 Limited Effect. Except as expressly set forth above or in the attachments hereto, the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, claim, cause of action, power or remedy of any party hereto, whether arising before or after the date of this Agreement, or constitute a waiver of any provision of any other agreement.

5.2 Further Assurances. Each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements, including without limitation documents in connection with the SAF related to any Specified Servicing Agreement, and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Sale Agreement at the request of any other party.

5.3 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but the same instrument. Any signature page to this Agreement containing a manual signature may be delivered by facsimile transmission or other electronic communication device capable of transmitting or creating a printable written record, and when so delivered shall have the effect of delivery of an original manually signed signature page.

5.4 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

5.5 SUBMISSION TO JURISDICTION. EACH OF THE PARTIES HERETO IRREVOCABLY (I) SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY ACTION OR

PROCEEDING RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY; (II) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THE DEFENSE OF AN INCONVENIENT FORUM IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT; (III) CONSENTS TO SERVICE OF PROCESS UPON IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER OR BY ANY OTHER MANNER IN ACCORDANCE WITH LAW; AND (IV) AGREES THAT A FINAL JUDGMENT IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

5.6 WAIVER OF TRIAL BY JURY. EACH PARTY HERETO IRREVOCABLY AND ABSOLUTELY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH, ARISING UNDER OR RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

5.7 Exhibits and Schedules. The exhibits and schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

5.8 No Offset. No party shall have any right to offset against any amount payable hereunder or other agreement to another party, or otherwise reduce any amount payable hereunder as a result of, any amount owing by another party or any of its Affiliates to such party or any of its Affiliates.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

HLSS HOLDINGS, LLC

By: _____
Name:
Title:

HLSS MSR – EBO ACQUISITION LLC

By: New Residential Investment Corp., its sole member

By: _____
Name:
Title:

[NRZ ADVANCE RECEIVABLES TRUST 2015-ON1]
[HLSS SERVICER ADVANCE RECEIVABLES TRUST MS3]
[NRZ SERVICER ADVANCE RECEIVABLES TRUST (ON) JPMC]

By: [HLSS Holdings, LLC, its administrator]

By: _____
Name:
Title:]

Acknowledged and agreed to as of
the date first above written.

OCWEN LOAN SERVICING, LLC

By: _____
Name:
Title:

Schedule 1 to Sale Agreement

Specified Servicing Agreements

[to be attached]

Schedule 2 to Sale Agreement

Wire Transfer Instructions

[to be attached]

EXHIBIT 4

List of Specified Termination Events

CONFIDENTIAL - EXHIBIT NOT TO BE PUBLICLY FILED EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW

[ATTACHED]

CONFIDENTIAL - EXHIBIT NOT TO BE PUBLICLY FILED EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW

THE REMAINDER OF THIS PAGE AND THE FOLLOWING PAGE OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

EXHIBIT 5

Third Party Purchase Agreement Documentation Principles

The Third Party Purchase Agreement will be prepared in accordance with the following documentation principles:

THE REMAINDER OF THIS PAGE AND THE FOLLOWING PAGE OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Attachment 1 to Exhibit 5***

THE REMAINDER OF THIS PAGE AND THE FOLLOWING FOUR PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

[ATTACHED]

MORTGAGE SERVICING RIGHTS PURCHASE AND SALE AGREEMENT

by and between

OCWEN LOAN SERVICING, LLC,

as Seller

and

[],

as Purchaser

Dated as of [], 20[]

MSR PURCHASE AND SALE TRANSACTION

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LIST OF EXHIBITS

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Schedules

Preliminary Mortgage Loan Schedule Schedule 3.4(a): Litigation

MORTGAGE SERVICING RIGHTS PURCHASE AND SALE AGREEMENT

THIS MORTGAGE SERVICING RIGHTS PURCHASE AND SALE AGREEMENT, dated as of [], 20[] (this "Agreement"), is executed within the United States Virgin Islands by and between Ocwen Loan Servicing, LLC, a Delaware limited liability company (the "Seller") and a wholly-owned subsidiary of Ocwen Mortgage Servicing, Inc., and [], a [] (the "Purchaser"). Seller and Purchaser are referred to collectively herein as the "Parties" and each individually as a "Party."

Background

WHEREAS, Seller presently services certain mortgage loans, each secured by a first or second lien on residential real property, as more particularly described on the Mortgage Loan Schedule (as defined herein);

WHEREAS, Ocwen Mortgage Servicing, Inc., the parent corporation of Seller, (i) has reviewed, analyzed, and approved this transaction, (ii) has authorized and caused Seller to enter into this Agreement, and (iii) has not delegated any authority to any person outside the United States Virgin Islands to agree to terms on its behalf; and

WHEREAS, Seller and Purchaser desire to set forth the terms and conditions pursuant to which Seller will sell, transfer and assign to Purchaser all of Seller's right, title and interest in and to the Servicing Rights (as defined herein), and Purchaser will purchase and assume all right, title and interest in and to the Servicing Rights.

Terms

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions.

(a) Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Action" means any action, suit, litigation, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.

"Affiliate" shall have the meaning given to such term in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended from time to time.

"Agreement" shall have the meaning given thereto in the preamble hereto, as this Agreement may be amended or modified from time to time in accordance with the provisions hereof.

“Ancillary Fees” means all fees and income derived from and related to the Mortgage Loans, excluding Servicing Fees attributable to the Mortgage Loans, but including late charges, prepayment penalties, incentive fees payable under HAMP, fees received with respect to checks or bank drafts returned by the related bank for non-sufficient funds, assumption fees, optional insurance administrative fees, income on escrow accounts and custodial accounts or other receipts on or with respect to such Mortgage Loans, and all other incidental fees, income and charges collected from or assessed against the Mortgagor, other than those charges payable to the applicable Investor under the terms of the applicable Servicing Agreements or as otherwise agreed by the Parties.

“Applicable Law” means, as of the time of a particular action, omission or event, any Law or Order applicable to the Mortgage Loans, the Servicing Rights or the Contemplated Transactions.

“Applicable Servicing Requirements” means, as applicable, as of the time of a particular action, omission or event (i) all contractual obligations relating to the Servicing of the Mortgage Loans, including those contractual obligations contained in the applicable Servicing Agreements or in the Mortgage Loan Documents; and (ii) all Applicable Laws applicable to the Servicing of the related Mortgage Loans, including any Order with any Regulator.

“Assignment of Mortgage Instrument” means an assignment of Mortgage Instrument, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction where the related Mortgaged Property is located to reflect the transfer of the Mortgage Instrument to the party indicated therein or if the related Mortgage Instrument has been recorded or previously assigned in the name of MERS or its designee, such actions as are necessary to cause the designee to be shown as the owner of the related Mortgage Instrument on the records of MERS for purposes of the system of recording transfers of beneficial ownership of mortgages maintained by MERS.

“Assumption Agreement” means the agreement pursuant to which the Purchaser shall assume the Seller’s rights and obligations under the applicable Servicing Agreement.

“Business Day” means any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions located in the states in which the Parties do business generally are required or authorized by law or executive order to close.

“Closing” means the consummation of the applicable Contemplated Transactions on the Sale Date, at such time on the Sale Date as is mutually agreed to by the Parties.

“Collateral Files” means, with respect to each Mortgage Loan, that file containing the Mortgage Loan Documents or, as permitted by Applicable Servicing Requirements, copies thereof, that are required by the applicable Investor pursuant to Applicable Servicing Requirements to be held by the Custodian.

“Contemplated Transactions” means the transactions contemplated by this Agreement.

“Custodial Accounts” means the accounts in which Custodial Funds are to be deposited and maintained by Servicer.

“Custodial Funds” means all funds held by Servicer with respect to the related Mortgage Loans, including all principal and interest funds, and any other funds due the Investor, maintained by Servicer relating to the Mortgage Loans.

“Custodian” means the party, or its successors or assigns, responsible for the safekeeping and tracking of the Collateral File.

“Effective Date” means the date on which this Agreement is executed by both Parties.

“Encumbrances” means any claims, liens, encumbrances, pledges, easements, servitudes, mortgages, deeds of trust, security interests, options, charges or similar rights of any kind whatsoever.

“Escrow Accounts” means the accounts in which Escrow Funds are to be deposited and maintained by the Servicer.

“Escrow Funds” means funds held by Servicer or on Servicer’s behalf with respect to the related Mortgage Loans for the payment of taxes, assessments, insurance premiums, ground rents, funds from hazard insurance loss drafts, other mortgage escrow and impound items and similar charges (including interest accrued thereon for the benefit of the Mortgagors under the Mortgage Loans, if applicable).

“Escrow Payment” means the portion of a Mortgage Loan Payment in connection with a Mortgage Loan that relates to funds for the payment of taxes, assessments, insurance premiums and other customary mortgage escrow amounts required under the Mortgage Loan Documents.

“Fannie Mae” means the Federal National Mortgage Association (FNMA), or any successor thereto.

“GAAP” means generally accepted accounting principles in the United States.

“Governmental Authority” means any federal, state or local governmental authority, agency, commission or court, including any Regulator.

“HAFAP” means the Home Affordable Foreclosure Alternatives Program, including all Supplemental Directives, in effect as of the Transfer Date, pursuant to regulations promulgated by the U.S. Department of the Treasury.

“HAMP” means the Home Affordable Modification Program, including all Supplemental Directives (including the Principal Reduction Alternatives described in Supplemental Directive 10-05, et. seq. “PRA”), in effect as of the Sale Date, pursuant to regulations promulgated by the U.S. Department of Treasury.

“Insurer” or “Insurers” means any private insurer of Mortgage Insurance and any insurer under any standard hazard insurance policy, any federal flood insurance policy, any title insurance policy or alternative title product, any earthquake insurance policy, or any other insurance policy applicable to a Mortgage Loan, Mortgaged Property or Pool, and any successor thereto.

“Investor” means any private investor, trust or other Person who owns or holds Mortgage Loans or any interest therein (including any trustee on behalf of any holders of any related mortgage backed securities, and not the holders of such related mortgage backed securities) serviced by Seller pursuant to any Servicing Agreement, provided, that if Seller only owes Servicing obligations to a Person other than the owner or holder of a Mortgage Loan or any interest therein (including any trustee on behalf of any holders of any related mortgage backed securities) under a Servicing Agreement, such other Person shall be deemed to be the Investor for the purposes of this Agreement.

“Law” means any federal, state, local, municipal, or other constitution, law, rule, standard, requirement, administrative ruling, order, ordinance, principle of common law, legal doctrine, code, regulation, or statute relating to the making, servicing, purchasing, selling, or holding, or securitizing residential mortgage loans, including, for the avoidance of doubt, (i) the Real Estate Settlement Procedures Act, the federal Truth in Lending Act, the Equal Credit Opportunity Act, the Fair Housing Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Home Mortgage Disclosure Act, the Federal Trade Commission Act, the Gramm-Leach-Bliley Act and all applicable state laws similar to or related to the foregoing, (ii) laws covering predatory lending, fair housing and unfair and deceptive practices and (iii) state adaptations of the Uniform Commercial Code and the Uniform Consumer Credit Code.

“Losses” means any and all actual and direct out-of-pocket losses, costs, deficiencies, claims, damages or expenses, including reasonable attorneys’ fees and disbursements in respect of any obligation to indemnify any Person pursuant to the terms of this Agreement; provided, however, that Losses shall not include (i) any consequential, punitive, indirect or special losses or damages, other than such damages or losses paid to a third party or imposed under legal authority on an Indemnified Party by a third party, including any Regulator or (ii) amounts attributable to or arising from overhead allocations, general or administrative costs and expenses, or any cost for the time of either Party’s employees.

“MERS” means the Mortgage Electronic Registration System that enables MERS members to track servicing and beneficial rights ownership without the need for the execution, delivery and recordation of an Assignment of Mortgage Instrument with respect to a Mortgage Loan from the existing Servicer to the new Servicer when the servicing with respect to the Mortgage Loan is transferred.

“MOM Loan” means a Mortgage Loan with respect to which the granting clause of the uniform security instrument has been modified according to applicable Investor requirements so that the Mortgagor grants the mortgage to MERS rather than to the original lender and which, when recorded, reflects MERS as the original mortgagee.

“Mortgage Instrument” means any deed of trust, security deed, mortgage, security agreement or any other instrument which constitutes a lien or encumbrance on real estate securing payment by a Mortgagor of a Mortgage Note.

“Mortgage Insurance” means the default insurance provided by private mortgage insurance companies on certain Mortgage Loans, whether lender-paid or borrower-paid.

“Mortgage Loan” means the one- to four-family residential mortgage loans or REO identified on the Mortgage Loan Schedule with respect to which, prior to the Sale Date, Seller is the owner of the Servicing Rights and which are the subject of this Agreement.

“Mortgage Loan Documents” means, with respect to any Mortgage Loan, the original Mortgage Loan related documents held by the Custodian, including, if applicable, the Mortgage Note; Mortgage Instrument; Assignments of the Mortgage Instrument, if any; title insurance policy or alternative title product; power of attorney; assumption, modification or consolidation agreements, if any, in each case if and to the extent required by Applicable Servicing Requirements.

“Mortgage Loan Payment” means, with respect to any Mortgage Loan, the amount of each monthly installment of principal and interest and/or escrow or other payment, as applicable, on such

Mortgage Loan, whether required or permitted to be paid by the Mortgagor in accordance with the terms of the Mortgage Loan Documents.

[“Mortgage Loan Schedule” means the schedule of the Mortgage Loans setting forth the information with respect to each Mortgage Loan identified in **Exhibit C**, which information may be updated and amended pursuant to Section 2.4 hereof or as otherwise agreed by the Parties, and which will be delivered in electronic form.}]

“Mortgage Note” means the original or a certified true and correct copy of the promissory note executed by a Mortgagor, or lost note affidavit, as applicable, secured by a Mortgage Instrument and evidencing the indebtedness of the Mortgagor under a Mortgage Loan.

“Mortgaged Property” means the property that secures a Mortgage Note and that is subject to a Mortgage Instrument.

“Mortgagor” means any obligor under a Mortgage Note or a Mortgage Instrument.

“Order” means any order, injunction, judgment, decree, ruling, writ, assessment, agreement, or arbitration award of a Governmental Authority.

“Origination Source”: Any Person who, in connection with the origination of a Mortgage Loan or the program under which such Mortgage Loan was originated, retained the right to consent to the subsequent transfer of servicing of such Mortgage Loan and/or sale of the related Servicing Rights.

“Origination Source Consent”: The written consent of an Origination Source.

¹ To be updated based on type of servicing rights being sold.

“Party” or “Parties” means Seller and Purchaser.

“Permit” means any license, permit, order, consent, registration, authorization qualification, certificate or filing with any Governmental Authority or pursuant to any Law or Servicing Agreement.

“Person” means an individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an unincorporated association or organization, or a government body, agency or instrumentality.

“Pool” means one or more Mortgage Loans that have been aggregated pursuant to the requirements of the applicable Investor, and have been pledged or sold to secure or support payments on specific securities or participation certificates or whole loan pools.

“Preliminary Cut-Off Date” means, with respect to the Servicing Rights, the close of business on the fifth (5th) Business Day prior to the Sale Date.

“Purchase Price” means, []

“Purchaser Material Adverse Effect” means any event that has had, or would be reasonably expected to have, a material and adverse effect upon the ability of Purchaser to consummate the

Contemplated Transactions or perform its obligations under this Agreement or any of the Transfer Confirmations.

“Regulator” means the Consumer Financial Protection Bureau, or any successor thereto or other Governmental Authority having jurisdiction over Seller or Purchaser.

“REO” means any residential real property owned by Seller, any of its Affiliates or an Investor (whether for its own account or on behalf of an Investor), as a result of an actual completion of foreclosure proceedings or other acquisition of title with respect to a Mortgage Loan.

“Representatives” means each of the respective attorneys, accountants, officers, employees and other authorized agents, advisors and representatives of Purchaser or Seller.

“Required Consent”: With respect to each Mortgage Loan and the related Servicing Rights, each and every consent, approval, notice, confirmation, agreement or other documentation required by the applicable Servicing Agreement and Applicable Servicing Requirements in order to sell, assign and transfer the Servicing Rights to the Purchaser in accordance with this Agreement, including, without limitation, as applicable, Investor consent, Insurer consent, Origination Source Consent, trustee consent, master servicer consent and rating agency confirmation.

“Sale” means a sale of Servicing Rights on the Sale Date, as provided in this Agreement.

“Sale Date” means [____], 20[___] or a date that is mutually agreed to in writing by Seller and Purchaser, in each case assuming that all conditions precedent to Closing have been satisfied in accordance with Article IV.

“Seller Material Adverse Effect” ***.

“Servicer” means, with respect to any Mortgage Loan, a party contractually obligated to service the Mortgage Loan in accordance with the applicable Servicing Agreement.

“Servicing” means the responsibilities with respect to servicing the Mortgage Loans under the Applicable Servicing Requirements.

“Servicing Agreements” With respect to any Mortgage Loan, all of the contracts (including, without limitation, any pooling agreement, servicing agreement, custodial agreement or other agreement or arrangement) establishing and relating to the rights and obligations of the Servicer, whether as master servicer, servicer, sub-servicer or other similar role, as applicable.

“Servicing Fees” means all compensation payable to Seller under the applicable Servicing Agreements, including each servicing fee payable based on a percentage of the outstanding principal balance of the Mortgage Loans and any payments received in respect of the foregoing and proceeds thereof but excluding any servicing fees payable on monthly payments that were due in any month prior to the Transfer Date, that remain unpaid or collected following such Transfer Date, excluding any other servicing compensation, such as Ancillary Fees and investment income.

“Servicing File” means, with respect to each Mortgage Loan, the physical and electronic files and records maintained by the Seller in connection with its servicing of such Mortgage Loan,

including, without limitation, Mortgage Loan Documents, payment histories and Mortgagor communications, in each case to the extent applicable.

“Servicing Rights” means any and all of the following: (i) the rights and obligations to service, administer, collect payments for the reduction of principal and application of interest thereon, collect payments on account of taxes and insurance, pay taxes and insurance, remit collected payments, provide foreclosure services, provide full escrow administration, (ii) any other obligations required by any Investor or Insurer in, of, for or in connection with such Mortgage Loan pursuant to the applicable Servicing Agreement, (iii) the right of the applicable

Servicer to possess any and all documents, files, records, mortgage file, servicing documents, servicing records, data tapes, computer records, or other information pertaining to such Mortgage Loan or pertaining to the past, present or prospective servicing of such Mortgage Loan, (iv) the right to receive the Servicing Fees and any Ancillary Fees arising from or connected to such Mortgage Loan and the benefits derived from and obligations related to any accounts arising from or connected to such Mortgage Loan and (v) all rights, powers and privileges incident to any of the foregoing, subject, in each case, to any rights, powers and prerogatives retained or reserved by the Investors.

“Servicing Transfer Instructions” means the instructions detailing the procedures pursuant to which Seller shall cause the transfer of servicing of the Mortgage Loans to Purchaser attached hereto as **Exhibit D**.

***.

“Termination Date” means [DATE], unless a different date is mutually agreed upon by the Parties in writing.

“Transaction Documents” means this Agreement and the Transfer Confirmations (including, in each case, any and all exhibits, schedules and attachments to any such documents and any other documents executed or delivered in connection therewith).

“Transfer Confirmation” means a document, substantially in the form of **Exhibit E** hereto, executed by Seller and Purchaser, which confirms the sale, transfer and assignment of the Servicing Rights to Purchaser for Servicing on the Transfer Date.

“Transfer Date” means [____], 20[___]; provided that the applicable Required Consents, and the other conditions to the transfer of the Servicing Rights have been obtained, satisfied or waived. The Sale Date and the Transfer Date will be the same date.

ARTICLE II

PURCHASE AND SALE OF THE PURCHASED ASSETS; CLOSING

2.1 Purchase and Sale.

(a) In exchange for the Purchase Price, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the Servicing Rights relating to the Mortgage Loans and Pools identified on the Mortgage Loan Schedule. Upon the terms and subject to the conditions of this Agreement, and subject to the Applicable Servicing Requirements, Seller shall, on the Sale Date, sell and assign to Purchaser, and Purchaser shall purchase and assume from Seller, all right,

title, interest and obligation of Seller in and to the Servicing Rights to the Mortgage Loans identified on the Mortgage Loan Schedule as being sold on that date (the "Purchased Assets").

(b) Prior to the Sale Date or the Transfer Date, as applicable, Purchaser and Seller shall execute (or cause to be executed) and deliver the documents required by the Investor in connection with the transfer of the related Servicing Rights hereunder, in form and substance reasonably satisfactory to Purchaser and Seller, and shall execute and deliver such other instruments or documents as Purchaser and Seller shall reasonably determine are necessary to evidence the transactions contemplated hereby.

2.2 Sale Date and Transfer Date.

(a) Subject to the terms and conditions of this Agreement, including the receipt of the Required Consents, on the Sale Date, all legal, beneficial and equitable ownership of and to the applicable Purchased Assets shall be sold, assigned, transferred, conveyed and delivered by Seller to Purchaser, and Purchaser shall purchase from Seller, all legal, beneficial and equitable ownership of and to such Purchased Assets, free and clear of all liens.

(b) Notwithstanding any provision in this Agreement to the contrary, all rights, title (including any document of title), interest, beneficial ownership, and risk of loss in the Servicing Rights that are sold, transferred, assigned, set over, and conveyed to Purchaser on the Sale Date shall pass by Seller to Purchaser in the United States Virgin Islands upon the Sale Date, subject to the terms and conditions of this Agreement.

(c) On the Transfer Date, (x) Seller shall cease to be the servicer, under the related Servicing Agreement in respect of the Mortgage Loans and (y) the physical transfer of Servicing Rights to Purchaser shall occur on the books and records of the Investor.

2.3 Closing Obligations.

(a) Deliveries of Seller.

(i) No later than the close of business on the Business Day prior to the Sale Date, Seller shall deliver to Purchaser the Required Consents.

(ii) No later than two (2) Business Days prior to the Sale Date, Seller shall deliver to Purchaser payment instructions indicating the bank account or accounts to which Purchaser should pay, by wire transfer of immediately available funds, the Purchase Price relating to the Servicing Rights.

(iii) On the Sale Date, Seller shall deliver to Purchaser, or shall cause to be delivered to Purchaser, (A) a duly executed Assignment and Assumption Agreement in the form attached hereto as **Exhibit H**; and (B) any and all other agreements, certificates, instruments and documents otherwise required of Seller under this Agreement or as may reasonably be requested by Purchaser.

(b) Deliveries of Purchaser. On the Sale Date, Purchaser shall deliver to Seller (A) a duly executed Assignment and Assumption Agreement in the form attached hereto as **Exhibit H**; and (B) the Purchase Price in accordance with Section 2.6(a).

(c) Assumed Obligations. Subject to the terms and conditions of this Agreement, including Seller's indemnification obligations in Article VII, on the Sale Date, Purchaser shall assume and shall agree to pay, perform and discharge all of the obligations, covenants, and agreements of as Servicer under the Servicing Agreements assigned on the Sale Date, solely to the extent arising on or after the Sale Date, and not relating to an act or omission of Servicer or any other Person prior to the Sale Date (collectively, the "Assumed Liabilities"). For the avoidance of doubt, Seller and Purchaser agree that Purchaser is not assuming any agreements other than the Servicing Agreements and related loss mitigation agreements referenced in Section 5.9.

2.4 Sale Date Data Tapes.

No later than three (3) Business Days before the Sale Date, Seller shall provide Purchaser with a preliminary tape(s) containing the information reasonably required hereunder to purchase the Servicing Rights to be transferred on the Sale Date. Without limiting the foregoing, the data tape or tapes delivered in connection with the Sale Date shall contain the information specified on the Mortgage Loan Schedule as of the Preliminary Cut-Off Date.

2.5 [RESERVED].

2.6 Payment of Purchase Price.

(a) In full consideration for the sale of the Servicing Rights, and subject to Article VI hereof, on the Sale Date, Purchaser shall [PURCHASE PRICE MECHANIC TO BE UPDATED].

2.7 [RESERVED].

2.8 [RESERVED].

2.9 Transfer of Ownership.

From and after the Sale Date, all legal, beneficial and equitable ownership of and to the related Servicing Rights shall vest in Purchaser. The possession by any Person of all Servicing Files, Collateral Files, Custodial Accounts and Escrow Accounts following the Sale Date, is solely in a custodial capacity for and at the will of Purchaser, subject to Investor requirements.

2.10 Servicing Transfer Instructions.

In connection with the transfer of Servicing Rights from Seller to Purchaser pursuant to this Agreement, Seller and Purchaser shall follow the Servicing Transfer Instructions in all material respects and shall take all steps necessary or appropriate to effectuate and evidence the transfer of the servicing of the related Mortgage Loans and Pools to Purchaser. In any instance in which the Servicing Transfer Instructions conflict with the terms of this Agreement, the terms of this Agreement shall control. Seller and Purchaser shall work cooperatively to ensure that the process of transferring the Servicing Rights complies with Applicable Servicing Requirements, including those of the Regulators, and the Servicing Transfer Instructions shall conform to such

Applicable Servicing Requirements. Each of Seller and Purchaser shall comply with servicing transfer guidance issued by the Consumer Financial Protection Bureau.

2.11 Document and Data Transfer.

(a) Seller shall provide or cause to be provided to Purchaser or its designee accurate and complete Mortgage Loan information and documentation (including, without limitation, all servicing notes, collateral documents and other agreements related to the Mortgage Loans) in Seller's possession and control at the time of the Transfer Date so as to enable Purchaser or its designee, to service the Mortgage Loans on and after the Transfer Date. To the extent not previously provided, the following items will be delivered within the timeframes set forth in the Servicing Transfer Instructions:

(i) One or more readable tapes or electronic data files, in a form and content as mutually agreed, to allow Purchaser to service such Mortgage Loans in accordance with the applicable Servicing Agreements following the Transfer Date;

(ii) Electronic images of the Servicing Files in the possession of Seller in accordance with the terms of the Agreement, or access to Seller's web portal containing such documents, that are reasonably sufficient to enable Purchaser to assume the responsibility for and to conduct the Servicing of such Mortgage Loans in all material respects following the Transfer Date;

(iii) [Reserved];

(iv) If reasonably available and without any representation or warranty as to accuracy, Seller shall provide to Purchaser for each related Servicing Agreement, with respect to delinquent Mortgage Loans, the most recent broker price opinions made with respect to the related Mortgage Loans, which may be included in the related Servicing File; and

(v) On the Transfer Date, the applicable Transfer Confirmation.

(b) Anything to the contrary contained in this Agreement notwithstanding, except for Applicable Servicing Requirements which must be satisfied, with respect to each Mortgage Loan, Seller may deliver any documents required to be delivered to Purchaser by means of electronic data containing the relevant information or a computer disk containing scanned images of some or all documents relating to the Mortgage Loan; provided, that any such electronic data shall be in a format mutually agreed upon by the Parties.

(c) Seller shall cooperate with Purchaser in connection with reasonable loan level testing, through review of images and reports, to allow Purchaser to prepare for the transfer of servicing of the Mortgage Loans. Any images provided to Purchaser shall be in PDF, TIF or multi-TIF format.

2.12 Assignments; Endorsements.

(a) As soon as practicable after the Transfer Date, Purchaser will provide notification of endorsements needed from Seller's name to Purchaser or the applicable Investor based on its receipt of custodial exception reports. Within one hundred twenty (120) days of receipt of such notification (or such earlier time as required under Applicable Servicing Requirements if requested by Purchaser with respect to a particular Mortgage Loan in order to service such Mortgage Loan in accordance with Applicable Servicing Requirements), Seller shall complete endorsements

from its name to Purchaser or the applicable Investor. Seller shall provide Purchaser a semi-monthly status report of endorsements in progress. If the original Mortgage Note is endorsed to a specific party or to Seller, Seller will endorse the original Mortgage Note "pay to the order of blank/Purchaser or its designee, without recourse" signed in the name of Seller by an authorized officer. If the original Mortgage Note is endorsed "pay to the order of 'blank'", Seller will deliver the Mortgage Note to Purchaser or its designee, and will not complete an additional endorsement.

(b) If the Mortgage Instrument or Assignment of Mortgage Instrument is in the name of Seller, Seller will no later than one hundred twenty (120) days after the Transfer Date, prepare and submit to the appropriate county office for recordation an Assignment of Mortgage Instrument to Purchaser or its designee. Seller shall bear all costs associated with the preparation and recording of such Assignments of Mortgage Instrument. For the avoidance of doubt, Seller shall not be obligated to prepare or record any such Assignment of Mortgage Instrument if there is an executed Assignments of Mortgage Instrument in blank in the related Collateral File.

(c) With respect to Mortgage Loans registered with MERS, Seller shall provide Purchaser with the MERS mortgage loan identification number for each such Mortgage Loan and take such other actions with respect to MERS as set forth in the Servicing Transfer Instructions. For each Mortgage Loan registered with MERS that has a status of "Active (Registered)" in the MERS system as of the Transfer Date, Purchaser shall follow the requirements of the applicable Investor and MERS to reflect in the records of MERS the assignment and transfer of the applicable Servicing Rights from Seller to Purchaser. For each Mortgage Loan registered with MERS or closed as a MOM Loan, Seller shall bear all costs and responsibility associated with the reflection of the transfer of Servicing Rights in the records of MERS, which costs shall include, for the avoidance of doubt, the expense associated with the registration of the assignment of the Servicing Rights from Seller to Purchaser on the MERS system. Purchaser or its designee shall provide the MERS Servicer and Investor ORG ID to Seller ten (10) Business Days prior to the Sale Date.

2.13 Required Consents.

From the date hereof until the Sale Date, or the Termination Date, Purchaser shall use its commercially reasonable efforts to obtain, and Seller shall cooperate with Purchaser to obtain, the applicable Required Consents on or prior to the Sale Date. Seller will be responsible for all costs and expenses (including any indemnification obligations that are acceptable to Seller) arising out of or relating to obtaining such consents; provided, however, that Purchaser shall be responsible for any costs or expenses of Seller or its counsel. The Parties shall use commercially reasonable efforts to minimize the cost and expenses incurred in connection with obtaining the applicable Required Consents.

Prior to the Sale Date, Purchaser and Seller shall (i) execute (or cause to be executed) and deliver the documents required by the applicable Investors in connection with the transfer of the related Servicing Rights and, as applicable, the Servicing Agreements, hereunder, in form and substance reasonably satisfactory to both Parties, and (ii) cooperate with each other to transfer (to the extent permitted by the applicable Investor) from Seller to Purchaser the benefit of any waivers granted by Investors directly related to Servicing the Mortgage Loans (which, for the avoidance of doubt, includes waivers related to Collateral Files), including with respect to Mortgage Loan Documents required to be held in the Collateral File to the extent held by the Custodian.

2.14 Costs of Transfer.

Except as otherwise provided herein, each of the Parties hereto shall bear its own fees, expenses and commissions of financial, legal and accounting advisors and other outside consultants incurred in connection with the due diligence, negotiation and execution of this Agreement and the consummation of the Contemplated Transactions.

2.15 Notice to Borrowers.

Seller and Purchaser shall work jointly to provide servicing transfer notices and any other similar notices to Mortgagors if and as may be required under the Applicable Servicing Requirements, including the Federal Real Estate Settlement Procedures Act codified § 2601 et seq. and implemented by Regulation X, 24 C.F.R. Part 3500, and if any such notices shall be required to be sent (or are otherwise sent) by either Party (or both Parties), each Party shall bear the expense of sending its own notices. In addition, and without limiting the generality of the foregoing sentence, at least fifteen (15) days prior to the Transfer Date, Seller shall, at Seller's expense, (a) in accordance with Applicable Servicing Requirements, notify the Mortgagor of each related Mortgage Loan of the transfer of the servicing to Purchaser and instruct the Mortgagor to remit all monthly payments to Purchaser after the Transfer Date, and (b) by the Transfer Date, notify any custodian, real estate tax authorities and insurance companies and/or agents, that the Servicing Rights are being transferred and instruct such entities to deliver all payments, notices, tax bills and insurance statements to Purchaser after the Transfer Date. No later than fifteen (15) days after the Transfer Date, Purchaser shall, at Purchaser's expense, in accordance with Applicable Servicing Requirements, notify the Mortgagor of each related Mortgage Loan of the transfer of the servicing to Purchaser and instruct the Mortgagor to remit all monthly payments to Purchaser after the Transfer Date. The form of such "goodbye letter" and "welcome letter" shall be approved not less than three (3) weeks in advance of the first Transfer Date by both Parties, which such approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Seller and Purchaser may mutually agree to provide joint notifications to the Mortgagors consistent with Applicable Servicing Requirements.

2.16 Flood Contracts.

No later than the Transfer Date, Seller shall assign to Purchaser, at Seller's expense, a fully paid, freely assignable, completed life of loan flood certificate on each Mortgage Loan, including appropriate loan-level flood determination data. If Seller is unable to assign such certificate, but does provide a fully paid, freely assignable, completed life of loan flood

certificate issued by a vendor other than CoreLogic on each Mortgage Loan, including appropriate loan-level flood determination data, Seller shall pay Purchaser \$3.50 for each such Mortgage Loan. If Seller is unable to assign such life of loan certificates for each Mortgage Loan, Seller shall pay Purchaser \$6.00 for each such Mortgage Loan.

2.17 Tax Records Monitoring.

No later than the Transfer Date, Seller shall assign to Purchaser a fully paid, freely assignable, life of loan tax service contract on each Mortgage Loan, if and to the extent assignable at Seller's expense. If Seller fails to deliver such contract for any Mortgage Loan, Seller shall pay Purchaser \$25.00 for each such Mortgage Loan.

2.18 Loan Tapes.

Seller will provide to Purchaser a test tape, trial tape, and an accurate conversion tape containing all available history, and loan information and all other information necessary to service the Mortgage Loans in accordance with the Applicable Servicing Requirements as of the Transfer Date so as to complete the conversion of all Mortgage Loans, and security information, in each case in such manner as reasonably requested by Purchaser, including the information set forth in the Servicing Transfer Instructions. A test tape described above with a cut-off date sixty

(60) days prior to the Transfer Date shall be provided by Seller to Purchaser within five (5) Business Days following such cut-off date.

2.19 Custodian.

Purchaser shall continue to use the Custodian presently used by the Investor pursuant to the Servicing Agreement.

2.20 Transfers of REO.

In connection with any REOs acquired in the name of Seller in accordance with Applicable Servicing Requirements for the account of the applicable Investor, Purchaser, at Seller's sole cost and expense, shall transfer record title from Seller to Purchaser or its designee.

2.21 [RESERVED.]

2.22 Mortgage Insurance.

Seller will agree to provide reasonable cooperation in connection with the resolution of curtailments and rescissions, including, without limitation, providing documentation, data and backup with respect thereto that is in the possession or control of Seller and not previously provided to or otherwise in the possession of Purchaser. In addition, Seller and Purchaser understand that the master servicer of the securitizations may condition its consent of the servicing transfer on the implementation of certain processes. If such request is made by the master servicer, Seller and Purchaser shall work together in good faith to resolve such request.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

THE REMAINDER OF THIS PAGE AND THE FOLLOWING FOUR PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller as of the date hereof, as of the Sale Date and as of the Transfer Date as follows:

4.1 Organization, Authority. Purchaser is duly organized and validly existing as a [_____] in good standing under the laws of [_____]. Purchaser has all corporate or similar power and corporate or similar authority and is duly qualified or otherwise authorized in all material respects to do business in each jurisdiction where the ownership or operation of the Purchased Assets requires such qualification. All necessary corporate or similar action and other proceedings required to be taken by Purchaser to authorize the execution, delivery and performance of this Agreement and the Transfer Confirmations and the consummation of the Contemplated Transactions have been duly taken. This Agreement has been, and each of the Transfer Confirmations will be, duly executed and delivered by or on behalf of Purchaser and, assuming the due execution by Seller of this Agreement and the Transfer Confirmations, constitute the legal, valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforceability may be limited by Laws applicable to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar Laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies or by general principles of equity.

4.2 No Conflict.

- (a) The execution, delivery and performance by Purchaser of this Agreement and the consummation by Purchaser of the Contemplated Transactions will not:
- (i) violate or conflict with the organizational documents of Purchaser;
 - (ii) violate any provision of Law to which Purchaser is subject or violate or conflict with any Order applicable to Purchaser; or

(iii) violate, breach or constitute a default (with or without notice or lapse of time or both) under or give rise to a right of termination, cancellation or acceleration of any right, remedy or obligation under any term or provision of any material contract or agreement to which Purchaser is a party which breach could reasonably be expected to (A) result in a Purchaser Material Adverse Effect, (B) impair in any material respect the ability of Purchaser to perform its obligations under this Agreement or any of the Transfer Confirmations or (C) prevent or materially impede or delay the consummation of the Contemplated Transactions.

(b) Except for the Required Consents, the execution, delivery and performance by Purchaser of this Agreement and the consummation by Purchaser of the Contemplated Transactions do not require any consent from, registration, declarations or other filing with or approval or authorization of any Governmental Authority by or with respect to Purchaser.

4.3 Litigation.

No Actions are pending or, to Purchaser's knowledge, threatened against Purchaser which would have a Purchaser Material Adverse Effect. Purchaser is not subject to any Order that would have a Purchaser Material Adverse Effect.

4.4 Permits.

(a) Purchaser has all of the Permits that are required to own and administer the Servicing Rights, except where the failure to obtain such Permits would not delay the consummation of the Contemplated Transactions or have, individually or in the aggregate, a Purchaser Material Adverse Effect. Purchaser has complied in all material respects with all requirements in connection with such Permits and such Permits are in full force and effect and, to the knowledge of Purchaser, no suspension or cancellation of any of them has been threatened and the Permits will not be subject to suspension, modification or revocation as a result of this Agreement or the consummation of the Contemplated Transactions, except where any such failures to hold or comply or any such suspension, modification or revocation would not either delay the consummation of the Contemplated Transactions or have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(b) Without limiting the generality of Section 4.4(a), Purchaser is (i) properly licensed and qualified to do business and in good standing in each jurisdiction in which such licensing and qualification is necessary to act as the servicer under any of the Servicing Agreements and applicable law, and (ii) qualified to act as the servicer under each Servicing Agreement, and no event has occurred which would make Purchaser unable to comply with all such eligibility requirements or which would require notification to an Investor.

(c) Purchaser is an approved member in good standing of the MERS system.

4.5 Financial Ability.

Purchaser will have (when required under this Agreement) immediate access to all funds necessary to pay the Purchase Price and related fees and expenses and Purchaser will have (when required under this Agreement) the financial capacity to perform all of its other obligations under this Agreement.

4.6 [No Brokers.

No agent, broker, investment banker, financial advisor or other Person is or will be entitled to any broker's or finder's fee or any other similar commission or fee from Purchaser or any of its Affiliates in connection with any of the Contemplated Transactions.¹

4.7 No Impediment.

Except as previously disclosed to Seller or disclosed in Purchaser's public filings with the Securities and Exchange Commission, if any, to Purchaser's knowledge, there is no event relating to Purchaser's business, operations, management, financial condition, legal status or other such factor that would reasonably be expected to adversely affect in any material respect

(a) the likelihood that any of the conditions set forth in Article VI and Article VII could not reasonably be satisfied within the time period contemplated by this Agreement, including timely receipt of Required Consents or related third-party consents in accordance with Section 2.13 hereof, and the absence of any actual or threatened material Actions related to Purchaser's servicing of residential mortgage loans or acceptance of servicing transfers, (b) the ability of Purchaser to perform its obligations under this Agreement, or (c) on Seller, including material adverse reputation risk.

4.8 Servicer Participation Agreement.

Purchaser is a party in good standing to a Servicer Participation Agreement with Fannie Mae, acting on behalf of the U.S. Department of the Treasury, for the implementation of HAMP, and such Servicer Participation Agreement is not subject to any termination based on a breach or default by Purchaser.

4.9 Sophisticated Purchaser.

Purchaser is a sophisticated investor and its bid and decision to purchase the Servicing Rights is based upon Purchaser's own independent experience, knowledge, due diligence and evaluation of the transactions contemplated in this Agreement. Purchaser has relied solely on such experience, knowledge, due diligence and evaluation and has not relied on any oral or written information provided by Seller or Seller's agents other than the representations and warranties made by Seller herein.

¹Subject to change if NRM is permitted to use a broker

ARTICLE V

COVENANTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING SEVEN PAGES HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

ARTICLE VI

CONDITIONS TO CLOSING

6.1 Conditions to the Obligations of Purchaser and Seller.

The respective obligations of Purchaser and Seller to effect the Contemplated Transactions shall be subject to the satisfaction or waiver by Purchaser and Seller at or prior to each Closing, of the following conditions:

(a) No Law or Orders. (i) No Law that restrains, enjoins or otherwise prohibits the Contemplated Transactions shall have been enacted, adopted or promulgated and be in effect, (ii) no temporary restraining order, preliminary or permanent injunction, decree, judgment, legal restraint or other Order of a court of competent jurisdiction or other Governmental Authority which materially impairs, restrains, enjoins or otherwise prohibits the Contemplated Transactions shall have been issued, entered or enforced and be in effect and (iii) no action or proceeding by a Governmental Authority seeking such an Order shall be pending.

(b) Required Consents. Purchaser and Seller shall have received the Required Consents on or before the Sale Date.

(c) Other Documents. Each Party shall have delivered to the other Party all such other documents as it may reasonably request in order to consummate the Contemplated Transactions.

(d) Absence of Certain Regulatory Objections. The Consumer Financial Protection Bureau shall not have raised (or, if raised, shall have subsequently not withdrawn), any material objection to the consummation of the Contemplated Transactions.

6.2 Conditions to the Obligations of Purchaser.

The obligation of Purchaser to effect the Contemplated Transactions shall be subject to the satisfaction or waiver by Purchaser at or prior to each Closing, of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement:

(i) that are qualified as to materiality or Seller Material Adverse Effect shall be true and correct, and those not so qualified shall be true and correct in all material respects, as of the Effective Date (or in the case of any representation and warranty which specifically relates to an earlier date, as of such earlier date), and

(ii) shall be true and correct as of the Sale Date, as though made on and as of the Sale Date (or in the case of any representation and warranty which specifically relates to an earlier date, as of such earlier date), except for the failure or failures of such representations and warranties to be so true and correct that (after excluding any effect of materiality or Seller Material Adverse Effect qualifications set forth in any such representation or warranty) have not had and would not have, individually or in the aggregate, a Seller Material Adverse Effect.

(b) Covenants and Agreements. Seller shall have performed in all material respects all of the covenants and agreements required to be performed by it under this Agreement prior to the Closing.

(c) Closing Deliveries. Seller shall have delivered all of the closing deliveries set forth in Section 2.3(a).

(d) Assumption Agreements. Purchaser shall be in receipt of, with respect to each underlying securitization transaction, an Assumption Agreement, executed by the related trustee and each other required party for such Contemplated Transaction, in form and substance reasonably acceptable to Purchaser.

(e) Other Documents. Seller shall have delivered to Purchaser all such other documents as Purchaser may reasonably request in order to consummate the Contemplated Transactions.

6.3 Conditions to the Obligations of Seller.

The obligation of Seller to effect the Contemplated Transactions shall be subject to the satisfaction or waiver by Seller at or prior to the Closing, of the following conditions:

(a) Representations and Warranties. All representations and warranties of Purchaser contained in this Agreement:

(i) that are qualified as to materiality or Purchaser Material Adverse Effect shall be true and correct, and those not so qualified shall be true and correct in all material respects, as of the Effective Date (or in the case of any representation and warranty which specifically relates to an earlier date, as of such earlier date), and

(ii) shall be true and correct as of the Sale Date, as though made on and as of the Sale Date (or in the case of any representation and warranty which specifically

relates to an earlier date, as of such earlier date), in the case of Section 4.8 without regard to any knowledge qualifier therein and except for the failure or failures of such representations and warranties to be so true and correct that (after excluding any effect of materiality or Purchaser Material Adverse Effect qualifications as set forth in any such representation or warranty) have not had and would not have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(b) Covenants and Agreements. Purchaser shall have performed in all material respects all of the covenants and agreements required to be performed by it under this Agreement prior to the Closing.

(c) Closing Deliveries. Purchaser shall have delivered all of the closing deliveries set forth in Section 2.3(b).

(d) No Actions. There are no actual or threatened material Actions related to Purchaser's servicing of residential mortgage loans or acceptance of servicing transfers that could reasonably be expected to have a material adverse effect on Seller, including material adverse reputation risk, if the Contemplated Transaction were consummated.

ARTICLE VII

INDEMNIFICATION

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

ARTICLE VIII

MISCELLANEOUS

8.1 Assignment.

This Agreement and the rights hereunder shall not be assignable or transferable by either Party hereto without the prior written consent of the other Party hereto; provided, however, that Purchaser shall have the right to assign (a) its rights and interests in the Servicing Rights and (b) this Agreement and all or any part of its rights hereunder and to delegate all or any part of its obligations hereunder to any Affiliate of Purchaser, but in such event Purchaser shall remain fully liable for the performance of all of such obligations in the manner prescribed in this Agreement.

Notwithstanding the above, this Agreement shall inure to the benefit of, and be binding upon and enforceable against, the respective successors and permitted assigns of the Parties.

8.2 No Third-Party Beneficiaries.

Except for Section 5.9 (Loss Mitigation) and Article VII (relating to Indemnified Parties), this Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns, and nothing herein expressed or implied shall give or be construed to give to any Person (including employees), other than the Parties and such respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

8.3 Termination.

(a) This Agreement may be terminated at any time prior to the Closing with respect to the sale of Servicing Rights pertaining to a particular Servicing Agreement:

(i) by the mutual written consent of Seller and Purchaser;

(ii) with respect to all or any portion of the Servicing Rights, by Seller or Purchaser if the Closing shall not have occurred on or before the Termination Date, provided, that neither Party may terminate this Agreement pursuant to this Section 8.3(a)(ii) if the failure of the Closing to have occurred on or before the Termination Date was due to such Party's willful breach of any representation or warranty or material breach of any covenant or other obligation contained in this Agreement;

(iii) by either Seller or Purchaser, if (A) any Governmental Authority which must grant a required Purchaser Governmental Approval or Seller Governmental Approval has denied such approval and such denial has become final and nonappealable or (B) any Governmental Authority shall have issued a final nonappealable Order enjoining or otherwise prohibiting the consummation of the Contemplated Transactions;

(iv) by Purchaser, if it is not in material breach of its representations, warranties, covenants or other obligations under this Agreement (after, in the case of such representations and warranties, excluding any effect of materiality or Purchaser Material Adverse Effect qualifications), and if (A) at any time that any of the representations and warranties of Seller herein become untrue or inaccurate such that Section 6.2(a) would not be satisfied or (B) there has been a breach on the part of Seller of any of its covenants or agreements contained in this Agreement such that Section 6.2(b) would not be satisfied, and, in both case (A) and case (B), such breach (if curable) has not been cured within thirty (30) days after Purchaser has provided written notice of such breach to Seller;

(v) by Seller, if it is not in material breach of its representations, warranties, covenants or other obligations under this Agreement (after, in the case of any other representations and warranties, excluding any effect of materiality or Seller Material Adverse Effect qualifications), and if (A) at any time that any of the representations and warranties of Purchaser herein become untrue or inaccurate such that Section 6.3(a) would not be satisfied or (B) there has been a breach on the part of Purchaser of any of its covenants

or agreements contained in this Agreement such that Section 6.3(b) would not be satisfied, and, in both case (A) and case (B), such breach (if curable) has not been cured within thirty (30) days after Seller has provided written notice of such breach to Purchaser; or

(vi) by Purchaser, in the event that prior to the Sale Date there shall have occurred (x) a material change in financial markets, an outbreak or escalation of hostilities or a material change in national or international political, financial or economic conditions; (y) a general suspension of trading on major stock exchanges; or (z) a disruption in or moratorium on commercial banking activities or securities settlement services; in any such case, Purchaser shall have the right to terminate this Agreement or negotiate in good faith an adjustment to the Purchase Price to be paid as of the Sale Date.

(b) In the event of termination by Seller or Purchaser pursuant to Section 8.3(a), written notice thereof shall forthwith be given to the other Party, this Agreement shall become void and have no effect and the Contemplated Transactions shall be terminated without further action by any Party; provided, that, in the event this Agreement is terminated only with respect to the sale of certain Servicing Rights pertaining to any particular Servicing Agreement, it shall become void and have no effect and the Contemplated Transactions shall be terminated without further action by any Party only with respect to such sale of such Servicing Rights and shall otherwise remain in full force and effect between the Parties. If the Contemplated Transactions (or a portion thereof) are terminated as provided herein:

(i) each Party shall return to the other Party hereto within thirty (30) days of termination all documents and other material received from such other Party or its respective Affiliates or Representatives relating to the Contemplated Transactions (or such portion thereof), whether so obtained before or after the execution hereof;

(ii) all confidential information received by each Party hereto with respect to Seller's or Purchaser's servicing business shall be treated in accordance with the Confidentiality Agreement, which shall remain in full force and effect notwithstanding the termination of this Agreement; and

(iii) the provisions of Section 5.2(a) (Confidentiality), Section 5.4 (Publicity), Article VII (Indemnification) and this Article VIII shall remain in full force and effect, along with any other Section which, by its terms, relates to post-termination rights or obligations.

(c) In no event shall any termination of this Agreement limit or restrict the rights and remedies of a Party hereto against the other Party with respect to any liabilities or Losses incurred or suffered by such Party as a result of the breach by the other Party of any of its representations, warranties, covenants or agreements in this Agreement.

8.4 Expenses.

Except as otherwise provided herein, Seller and Purchaser will each be liable for its own costs and expenses incurred in connection with the negotiation, preparation, execution or performance

of this Agreement and the Transfer Confirmations, whether or not the Closing shall have occurred. Neither Party shall have the right to set-off against the other Party any amounts which may be due and payable by such Party pursuant to a separate agreement, from any amounts which are due and payable pursuant to this Agreement.

8.5 Amendment and Modification.

This Agreement may not be amended except by an instrument or instruments in writing signed and delivered on behalf of each of the Parties hereto.

8.6 Notices.

All notices and other communications hereunder shall be in writing and shall be deemed given (a) on the date of delivery if delivered personally, (b) on the date of transmission if sent via facsimile transmission to the facsimile number given below, and telephonic confirmation of receipt is obtained promptly after completion of transmission, (c) on the Business Day after delivery to a reputable nationally recognized overnight courier service or (d) upon receipt after being mailed by registered or certified mail (return receipt requested) to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice):

(i) If to Purchaser, to:

[]

[]

[]

Attention: []

With a required copy (which shall not constitute notice) to:

[]

[]

[]

Attention: []

(ii) If to Seller, to:

Ocwen Loan Servicing, LLC 402 Strand Street

Frederiksted, USVI 00840

Attention: Secretary and General Counsel

Such addresses may be changed from time to time by means of a notice given in the manner provided in this Section 8.6 (provided, that no such notice shall be effective until it is received by the other Party hereto).

8.7 Governing Law.

(a) This Agreement and the powers of attorney shall be governed by, and construed in accordance with, the Laws of the State of New York applicable to contracts executed

in and to be performed in that state. All Actions arising out of or relating to this Agreement shall be heard and determined exclusively in any New York federal court sitting in the Borough of Manhattan of The City of New York; provided, however, that if such federal court does not have jurisdiction over such Action, such Action shall be heard and determined exclusively in any New York state court sitting in the Borough of Manhattan of The City of New York. Consistent with the preceding sentence, the Parties hereto hereby (i) submit to the exclusive jurisdiction of any federal or state court sitting in the Borough of Manhattan of The City of New York for the purpose of any Action arising out of or relating to this Agreement brought by any Party and (ii) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the Action is brought in an inconvenient forum, that the venue of the Action is improper, or that this Agreement or the Contemplated Transactions may not be enforced in or by any of the above-named courts.

(b) EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR THE CONTEMPLATED TRANSACTIONS. EACH PARTY CERTIFIES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS SET FORTH IN THIS SECTION 8.7.

8.8 Severability.

If any provision of this Agreement or the application of any such provision to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect the legality, validity or enforceability of any other provision hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is found by a court or other Governmental Authority of competent jurisdiction to be invalid or unenforceable, (a) a suitable and equitable provision will be substituted therefore in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances will not be affected by such invalidity or unenforceability, nor will such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

8.9 Waiver.

Waiver of any term or condition of this Agreement by either Party shall be effective if in writing and shall not be construed as a waiver of any subsequent breach or failure of the same term or condition, or a waiver of any other term of this Agreement. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

8.10 Counterparts; Facsimile.

This Agreement may be executed in any number of counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more such counterparts have been signed by each Party and delivered to the other Party. Signatures of the Parties transmitted by facsimile or other electronic communication means shall be binding and effective for all purposes. Such Party shall subsequently deliver to the other Party an original, executed copy of this Agreement; provided, however, that a failure to deliver such original shall not invalidate a facsimile or other electronic signature.

8.11 Entire Agreement.

This Agreement, including the Schedules and Exhibits hereto, and the Transfer Confirmations contain the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and supersede all prior and contemporaneous agreements, negotiations, correspondence, undertakings and understandings, oral or written, relating to such subject matter.

8.12 Interpretation.

All references to immediately available funds or dollar amounts contained in this Agreement shall mean United States dollars. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. References in this Agreement to any gender include references to all genders, and references to the singular include references to the plural and vice versa. The words "include," "includes" and "including" when used in this Agreement shall be deemed to be followed by the phrase "without limitation." Unless the context otherwise requires, references in this Agreement to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement. Unless the context otherwise requires, the words "hereof," "hereby" and "herein" and words of similar meaning when used in this Agreement refer to this Agreement in its entirety and not to any particular Article, Section or provision of this Agreement. The Parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any provision of this Agreement. Nothing in this Agreement shall be construed to require either Party hereto to violate any Law.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first written above.

PURCHASER:

[]

By:
Name: Title:

ACKNOWLEDGMENT

Territory of the U.S. Virgin Islands) ss: Judicial District of St. Thomas-St. John)

On this ____ day of [____], 2017, before me personally appeared _____, who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

Personally Known

Produced Identification

Type of ID Produced _____

NOTARY PUBLIC

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first written above.

SELLER:

OCWEN LOAN SERVICING, LLC

By:

Name: Title:

ACKNOWLEDGMENT

Territory of the U.S. Virgin Islands) ss: Judicial District of St. Thomas-St. John)

On this ____ day of [____], 2017, before me personally appeared _____, who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

Personally Known

Produced Identification

Type of ID Produced _____

NOTARY PUBLIC

EXHIBIT A-1 [RESERVED]

EXHIBIT C

DATA FIELDS FOR MORTGAGE LOAN SCHEDULE

EXHIBIT D

SERVICING TRANSFER INSTRUCTIONS

[Attached]

EXHIBIT E

FORM OF TRANSFER CONFIRMATION

[DATE]

[PURCHASER ADDRESS]

Re: Transfer Confirmation Ladies and Gentlemen:

This transfer confirmation (this "Transfer Confirmation") between Ocwen Loan Servicing, LLC (the "Seller") and [_____] (the "Purchaser") sets forth our acknowledgement, pursuant to which the Purchaser is assuming responsibility for the Servicing, and the Seller is transferring the Servicing of those certain Mortgage Loans (and only those certain Mortgage Loans) identified on Schedule 1 hereto and more particularly described herein (the "Servicing Rights"), effective as of the date of this Transfer Confirmation which, notwithstanding anything to the contrary in the Agreement, shall be the "Transfer Date" for such Servicing and the related Mortgage Loans and Servicing Rights.

The transfer of the Servicing as contemplated herein shall be governed by that certain Mortgage Servicing Rights Purchase and Sale Agreement, dated as of [____], 20[___], between the Seller and the Purchaser (the "Agreement").

All schedules hereto are incorporated herein in their entirety. In the event there exists any inconsistency between the Agreement and this Transfer Confirmation, the Agreement shall be controlling notwithstanding anything contained in this Transfer Confirmation to the contrary. All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

[Signature page follows.]

Kindly acknowledge your agreement to the terms of this Transfer Confirmation by signing in the appropriate space below and returning this Transfer Confirmation to the undersigned. Telecopy or electronically imaged signatures (including by PDF) shall be deemed valid and binding to the same extent as the original.

OCWEN LOAN SERVICING, LLC [PURCHASER]

By:

Name: Title:

By:

Name: Title:

SCHEDULE 1 TO TRANSFER CONFIRMATION MORTGAGE LOANS

EXHIBIT F

[LITIGATION PROTOCOL]⁴

⁴Discuss if needed.

EXHIBIT G

FORM OF POWER OF ATTORNEY

[Attached]

EXHIBIT H

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this “Agreement”), dated [] (the “Sale Date”), is by and between Ocwen Loan Servicing, LLC (the “Seller”) and [] (the “Purchaser”).

WHEREAS, Seller and Purchaser have entered into that certain Mortgage Servicing Rights Purchase and Sale Agreement, dated as of [], 20[] (the “Purchase Agreement”), pursuant to which Seller has agreed to sell, transfer and assign to Purchaser certain Purchased Assets; and

WHEREAS, Seller and Purchaser are executing this Agreement in connection with the consummation of certain transactions contemplated by the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Definitions**. Unless otherwise defined herein, capitalized terms used but not defined herein shall be as defined in the Purchase Agreement.
2. **Sale and Assignment**. Upon the terms and subject to the conditions of the Purchase Agreement, and subject to the Applicable Servicing Requirements, Seller, on the Sale Date, hereby sells and assigns to Purchaser, and Purchaser purchases and assumes from Seller, all right, title, interest and obligation of Seller in and to the Servicing Rights to the Mortgage Loans identified on the Mortgage Loan Schedule attached hereto as **Schedule I** and the related Servicing Agreements listed on **Schedule II** attached hereto.
3. **Incorporation of Terms of the Purchase Agreement**. This Agreement is made, executed and delivered pursuant to the Purchase Agreement, and is subject to all the terms, provisions and conditions thereof. Except as expressly contemplated by the Purchase Agreement, to the extent any provisions of this Agreement conflict with any provisions of the Purchase Agreement, the Purchase Agreement shall control, including with respect to the enforcement of the rights and obligations of the parties to this Agreement.
4. **Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties hereto and their successors and assigns, any rights, obligations, remedies or liabilities.
5. **Applicable Law**. This Agreement shall be construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with the laws of the State of New York applicable to contracts executed in and to be performed in that state, except to the extent preempted by Federal law.

6. Counterparts. This Agreement may be executed in counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument.

7. Assignment. Neither party may assign all or any part of this Agreement, or any interest herein, without the prior written consent of the other party, and any permitted assignee shall assume the assignor's obligations under this Agreement.

8. No Third Party Beneficiaries. This Agreement is for the sole benefit of the parties and their respective successors and permitted assigns, and nothing herein expressed or implied shall give or be construed to give to any Person, other than the parties and such respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

[signatures on following page]

IN WITNESS WHEREOF, each of the parties to this Agreement has caused this Agreement to be executed and delivered by its duly authorized officer or agent as of the day and year first written above.

SELLER:

OCWEN LOAN SERVICING, LLC

By: Name: Title:

PURCHASER:

[]

By: Name: Title:

SCHEDULE I

MORTGAGE LOAN SCHEDULE

SCHEDULE II

SERVICING AGREEMENTS

EXHIBIT I

FORM OF HAMP/HAFB ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") is entered into as of [TRANSFER DATE] by and between Ocwen Loan Servicing, LLC ("Assignor") and [_____] ("Assignee").

All terms used, but not defined, herein shall have the meanings ascribed to them in the Underlying Agreement (defined below).

WHEREAS, Assignor and Federal National Mortgage Association, a federally chartered corporation, as financial agent of the United States ("Fannie Mae"), are parties to a Commitment to Purchase Financial Instrument and Servicer Participation Agreement, a complete copy of which (including all exhibits, amendments and modifications thereto) is attached hereto and incorporated herein by this reference (the "Underlying Agreement");

WHEREAS, Assignor has agreed to assign to Assignee all of its rights and obligations under the Underlying Agreement with respect to the Eligible Loans that are identified on the schedule attached hereto as Schedule 1 (collectively, the "Assigned Rights and Obligations"); and

WHEREAS, Assignee has agreed to assume the Assigned Rights and Obligations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment. Assignor hereby assigns to Assignee all of Assignor's rights and obligations under the Underlying Agreement with respect to the Assigned Rights and Obligations.
2. Assumption. Assignee hereby accepts the foregoing assignment and assumes all of the rights and obligations of Assignor under the Underlying Agreement with respect to the Assigned Rights and Obligations.
3. Effective Date. The date on which the assignment and assumption of rights and obligations under the Underlying Agreement is effective is [TRANSFER DATE].
4. Successors. All future transfers and assignments of the Assigned Rights and Obligations transferred and assigned hereby are subject to the transfer and assignment provisions of the Underlying Agreement. This Assignment and Assumption Agreement shall inure to the benefit of, and be binding upon, the permitted successors and assigns of the parties hereto.
5. Counterparts. This Assignment and Assumption Agreement may be executed in counterparts, each of which shall be an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee, by their duly authorized officials, hereby execute and deliver this Assignment and Assumption Agreement, together with Schedule I, effective as of the date set forth in Section 3 above.

ASSIGNOR: OCWEN LOAN SERVICING, LLC

By:

Name: Title:

ASSIGNEE: []

By:

Name: Title:

Schedule I

Mortgage Loans

SCHEDULE 3.4(a)

LITIGATION

[Attached]

SCHEDULE 5.12(a)

SUBJECT LITIGATION

[Attached]

Attachment 3 to Exhibit 5

Seller Indemnification

THE REMAINDER OF THIS PAGE AND THE FOLLOWING TWO PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

EXHIBIT 6

[RESERVED]

EXHIBIT 7

Major Shelf Groups
[attached]

EXHIBIT 7

Major Shelf Groups

THE REMAINDER OF THIS PAGE AND THE FOLLOWING 40 PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

EXHIBIT 8

New RMSR Agreement Documentation Principles

The New RMSR Agreement will provide that the Seller and the Purchasers will have similar interests and economics in the related Servicing Rights and Rights to MSRs for the MSRPA Servicing Agreement subject to the New RMSR Agreement that NRM and the Purchasers would have under the NRM Subservicing Agreement (including any related portfolio defense or MSR recapture arrangements) if the related Transfer Date for such MSRPA Servicing Agreement occurred except as otherwise set forth in this Exhibit 8.

The New RMSR Agreement will be based, to the extent possible, unless explicitly prohibited by Applicable Requirements (as defined in the NRM Subservicing Agreement) or any other contractual requirements in effect as of the Effective Date, including any MSRPA Servicing Agreement, upon the NRM Subservicing Agreement, consistent with any changes contemplated by the items described below and such other changes mutually agreed in writing by Holdings and Seller:

1. Seller, not NRM, will be the named servicer or sub-servicer, as applicable, under the related MSRPA Servicing Agreements subject to the New RMSR Agreement. Seller shall service the related Mortgage Loans in respect of the MSRPA Servicing Agreements in a manner substantially similar to the NRM Subservicing Agreement but for the benefit of the Purchasers because of the Purchasers' interests in the related Rights to MSRs and other interests under the RMSR Servicing Agreement. Subject to Applicable Requirements (as defined in the NRM Subservicing Agreement), the Purchasers shall have substantively the same rights and interests (including any and all applicable representations, warranties, covenants and indemnities) in connection with the servicing of the related Mortgage Loans under the related MSRPA Servicing Agreements subject to the New RMSR Agreement that NRM has under the NRM Subservicing Agreement, as long as Seller is servicing the loans, including, but not limited to, rights to receive reports and data from Seller, vendor oversight of Seller's vendors, rights related to REO downstream services, and audit rights of Seller. Seller shall not be required to take an action with respect to a Change Request (as defined in the NRM Subservicing Agreement) which, in Seller's reasonable opinion, may violate Applicable Requirements (as defined in the NRM Subservicing Agreement) as detailed in an Initial Response Notice (as defined in the NRM Subservicing Agreement).
2. Holdings will pay Seller the same fees and other compensation under the New RMSR Agreement for any applicable MSRPA Servicing Agreement and the related Mortgage Loans that NRM would have otherwise paid Seller under the NRM Subservicing Agreement for such MSRPA Servicing Agreement and the related Mortgage Loans had the related Transfer Date had occurred. The Purchasers will be entitled to all other economic interests under the related Servicing Rights (either under the New RMSR Agreement or because of their ownership of the Rights to MSRs under the MSR Purchase Agreement and the Sale Supplements) in the same

manner that NRM would have under the NRM Subservicing Agreement had the related Transfer Date occurred. Seller will, subject to Applicable Requirements and any other contractual requirements as in effect as of the Effective Date, refer to a Purchaser or a Purchaser's designee all services giving rise to Downstream Ancillary Income (as defined in the NRM Subservicing Agreement) in respect of the relevant MSRPA Servicing Agreements. Seller will not receive any fees or other compensation for such referrals.

3. Seller will sell (and Holdings will purchase) all related Servicing Advance Receivables in a manner consistent with Article 3 of the Sale Supplements.
4. The Purchasers shall not be required to pay any consideration to Seller in connection with any assignment of any Clean Up Call Rights to Purchaser (or any Purchaser's designee), but the Purchasers (or any applicable designee) will be required to comply with provisions related to "Securitization Transactions" substantially identical to those contemplated by the NRM Subservicing Agreement.
5. Seller will grant to each of the Purchasers a security interest in Collateral in scope consistent with Article 9 of the Sale Supplements to secure Seller's obligations under the New RMSR Agreement.
6. Upon either Purchaser's written direction, Seller and Purchasers shall use best efforts to transfer any Servicing Rights subject to the New RMSR Agreement to NRM. Any such transfer will be subject to obtaining any requisite third-party consents. Upon any such transfer, the related Servicing Rights will be subject to the NRM Subservicing Agreement. To the extent any costs of such transfers are incurred on or prior to the one-year anniversary of the related MSRPA Servicing Agreement becoming subject to the New RMSR Agreement, such will be allocated in accordance with Section 8 of this Agreement. To the extent any particular cost arises after the one year anniversary of the related MSRPA Servicing Agreement becoming subject to the New RMSR Agreement, (i) such cost shall be paid by the Purchasers if the NRM Subservicing Agreement has been terminated when such cost is incurred, and (ii) such cost will be allocated in accordance with Section 8 of this Agreement if the NRM Subservicing Agreement has not terminated when such cost is incurred. In the event the parties are unable to transfer any Servicing Rights, the related MSRPA Servicing Agreements will remain subject to the New RMSR Agreement until the Servicing Rights can be transferred.
7. If NRM terminates the NRM Subservicing Agreement without cause, Seller and Purchasers shall use best efforts to transfer any Servicing Rights subject to the New RMSR Agreement to a party selected by Holdings as promptly as practical. Any such transfer will be subject to obtaining any requisite third-party consents and the cooperation of the Purchasers. Purchasers will be entitled to keep all of the proceeds of any such transfer. In such a case of transfer without cause, Seller will be entitled to compensation consistent with the compensation for a termination without cause contemplated by the NRM Subservicing Agreement, including, without limitation,

with respect to process and timing. The Purchasers will pay the costs of any such transfer. In the event the parties are unable to transfer any Servicing Rights, the related MSRPA Servicing Agreements will remain subject to the New RMSR Agreement until the Servicing Rights can be transferred.

8. If NRM terminates the NRM Subservicing Agreement for cause, Seller and Purchasers shall use best efforts to transfer any Servicing Rights subject to the New RMSR Agreement to a party selected by Holdings as promptly as practicable. Any such transfer will be subject to obtaining any requisite third-party consents and the cooperation of the Purchasers. Purchasers will be entitled to keep all of the proceeds of any such transfer. Except as otherwise set forth herein, any such transfer shall be subject to terms and conditions substantially similar to those set forth in Section 5.4 of the NRM Subservicing Agreement, including without limitation, with respect to processes and timing, except that the costs of any such transfer will be paid by Seller to the extent such costs are incurred on or prior to the one-year anniversary of the related MSRPA Servicing Agreement becoming subject to the New RMSR Agreement, and any costs arising thereafter shall be paid by the Purchasers. In the event the parties are unable to transfer any Servicing Rights, the related MSRPA Servicing Agreements will remain subject to the New RMSR Agreement until the Servicing Rights can be transferred.
9. The "Step-Up Fee" contemplated by Section 5.4(d) of the NRM Subservicing Agreement will not apply in respect of the New RMSR Agreement.
10. Subject to the penultimate sentence of this documentation principle, in the event that a Purchaser directs Seller to engage a third party to act as subservicer and to perform any primary servicing obligations in respect of the MSRPA Servicing Agreements, (A) such third party shall be reasonably acceptable to Seller and shall be licensed and qualified as a subservicer under such MSRPA Servicing Agreements, and (B) Seller shall be entitled to (i) indemnification from Purchasers in respect of acts or omissions of any such subservicer in connection with the subservicing of the related mortgage loans (which indemnification shall be no less favorable to Seller than the indemnification in favor of NRM in the NRM Subservicing Agreement), and (ii) substantially the same reporting and information access in respect of the related mortgage loans from any such subservicer as Seller is required to deliver NRM under the NRM Subservicing Agreement. Notwithstanding anything to the contrary herein, no Purchaser shall have the right to direct Seller to engage a third party to act as subservicer or to perform any primary servicing obligations in respect of any MSRPA Servicing Agreement unless any Purchaser or Seller has reasonably demonstrated that the Servicing Rights in respect of such MSRPA Servicing Agreement cannot be otherwise transferred in accordance with the terms of such MSRPA Servicing Agreements. The terms and conditions of any subservicing agreement by and among Seller and such third-party subservicer relating to reporting, oversight and indemnification shall be no less favorable to Seller than the terms and conditions of the NRM Subservicing Agreement.

11. The initial term of the New RMSR Agreement will be the same as the initial term of the NRM Subservicing Agreement. Upon either Purchaser's direction therefor following the expiration of the New RMSR Agreement, Seller and Purchasers shall use best efforts to transfer any Servicing Rights subject to the New RMSR Agreement to a party selected by Holdings. Any such transfer will be subject to obtaining any requisite third-party consents and the cooperation of the Purchasers. Purchasers will be entitled to keep all of the proceeds of any such transfer. To the extent any particular cost arises in connection with any such transfer, (i) such cost shall be paid by the Purchasers if the NRM Subservicing Agreement has been terminated or has otherwise expired when such cost is incurred, and (ii) such cost will be allocated in accordance with Section 8 of this Agreement if the NRM Subservicing Agreement has not terminated when such cost is incurred. In the event that the term of the New RMSR Agreement expires and the parties are unable to transfer any Servicing Rights, the related MSRPA Servicing Agreements will remain subject to the New RMSR Agreement, on the same economic terms as immediately before the expiration, until the Servicing Rights can be transferred.

EXHIBIT 9

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

EXHIBIT 10
Designated Servicing Agreements

Designated Servicing Agreement (referenced by Investor ID)	Designated Servicing Agreement (Deal Name)	Designated Servicing Agreement Price
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ANNEX I

Schedules I–VI to Sale Supplement, dated as of February 10, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING 28 PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX II

Schedules I –VI to Sale Supplement, dated as of May 1, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX III

Schedules I –VI to Sale Supplement, dated as of August 1, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

Underlying Documents

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V
VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX IV

Schedules I–VI to Sale Supplement, dated as of September 13, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING FIVE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

Underlying Documents

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX V

Schedules I–VI to Sale Supplement, dated as of September 28, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING SIX PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX VI

Schedules I–VI to Sale Supplement, dated as of December 26, 2012

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING TEN PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

ANNEX VII

Schedules I–VI to Sale Supplement, dated as of March 13, 2013

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX VIII

Schedules I –VI to Sale Supplement, dated as of May 21, 2013

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING TWO PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX IX

Schedules I –VI to Sale Supplement, dated as of July 1, 2013

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING 29 PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

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ANNEX X

Schedules I –VI to Sale Supplement, dated as of October 25, 2013

[attached]

SCHEDULE I

SERVICING AGREEMENTS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING EIGHT PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

SCHEDULE II

UNDERLYING DOCUMENTS

None

SCHEDULE III

RETAINED SERVICING FEE PERCENTAGE

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SCHEDULE IV

TARGET RATIO SCHEDULE

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SCHEDULE V

VALUATION PERCENTAGE

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SCHEDULE VI

AMORTIZATION PERCENTAGE

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

AMENDMENT NO. 1
TO MASTER AGREEMENT

This Amendment No. 1 (the "Amendment"), dated as of October 12, 2017 (the "Amendment Effective Date"), is by and among:

- (i) OCWEN LOAN SERVICING, LLC, a Delaware limited liability company ("Seller");
- (ii) HLSS HOLDINGS, LLC, a Delaware limited liability company ("Holdings");
- (iii) HLSS MSR – EBO ACQUISITION LLC, a Delaware limited liability company ("MSR – EBO" and together with Holdings, the "Purchasers"); and
- (iv) NEW RESIDENTIAL MORTGAGE LLC, a Delaware limited liability company ("NRM" and collectively, the "Parties").

WITNESSETH:

WHEREAS, Seller, Holdings, and MSR – EBO (as assignee of Home Loan Servicing Solutions, Ltd.) are parties to that certain Master Servicing Rights Purchase Agreement, dated as of October 1, 2012 (as amended or modified prior to the Amendment Effective Date, the "MSR Purchase Agreement") and the Sale Supplements to the MSR Purchase Agreement, dated as of February 10, 2012, May 1, 2012, August 1, 2012, September 13, 2012, September 28, 2012, December 26, 2012, March 13, 2013, May 21, 2013, July 1, 2013, and October 25, 2013 (collectively, as amended or modified prior to the Amendment Effective Date, the "Sale Supplements");

WHEREAS, pursuant to the MSR Purchase Agreement and the Sale Supplements, Seller sold to the Purchasers (without recourse, except as otherwise provided therein) the Rights to MSRs, the Excess Servicing Fees, and the Transferred Receivables Assets, and the Purchasers assumed the Assumed Liabilities with respect to all Servicing Agreements described or otherwise referenced on Schedule I to each of the Sale Supplements (the "MSRPA Servicing Agreements");

WHEREAS, Seller, Holdings, MSR – EBO, and NRM entered into that certain Master Agreement, dated as of July 23, 2017 (the "Master Agreement"), pursuant to which the Parties agreed to complete the transactions contemplated by the MSR Purchase Agreement and Sale Supplements by undertaking certain actions to facilitate the transfer of the remaining MSRPA Servicing Agreements from Seller to Purchasers;

WHEREAS, Ocwen Mortgage Servicing, Inc. ("OMS"), the parent corporation of Seller, (i) has reviewed, analyzed, and approved this transaction and (ii) has authorized and caused Seller to enter into this Amendment; and

WHEREAS, the Parties desire to amend the amounts of the Account Cost True-Up Payment and Float True-Up Payment in the Master Agreement in accordance with the terms hereof;

NOW, THEREFORE, in connection with the foregoing, in consideration of the promises and the mutual covenants herein contained, the Parties hereby agree as follows:

Section 1. Amendments to Master Agreement. The Master Agreement is hereby amended as follows:

1.1 Section 6.3 of the Master Agreement is hereby amended by deleting the "\$7,474,735" amount for the Account Cost True-Up Payment and replacing it with the amount of "\$8,546,544".

1.2 Section 7.1 of the Master Agreement is hereby amended by deleting the "\$13,011,836" amount for the Float True-Up Payment and replacing it with the amount of "\$17,098,120".

Section 2. Payment to Holdings. Seller agrees to pay to Holdings within two (2) Business Days after the date hereof an amount in cash equal to \$3,014,475 in full satisfaction of the adjustments to the Account Cost True-Up Payment and the Float True-Up Payment contemplated by this Amendment.

Section 3. Miscellaneous.

3.1 Limited Effect. Upon the effectiveness of this Amendment, each reference in the Master Agreement to "the Agreement", "hereunder", "hereof", "herein", or words of like import shall mean and be a reference to the Master Agreement as amended hereby, and each reference to the Master Agreement in any other document, instrument or agreement, executed and/or delivered in connection with any transaction contemplated in the Master Agreement shall mean and be a reference to the Master Agreement as amended hereby. Except as expressly set forth above or in the attachments hereto, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, claim, cause of action, power or remedy of any party hereto, whether arising before or after the Amendment Effective Date, or constitute a waiver of any provision of any other agreement.

3.2 Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but the same instrument. Any signature page to this Amendment containing a manual signature may be delivered by facsimile transmission or other electronic communication device capable of transmitting or creating a printable written record, and when so delivered shall have the effect of delivery of an original manually signed signature page.

3.3 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES

HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

3.4 Definitions. Capitalized terms used but not defined herein have the meaning set forth in the Master Agreement.

3.5 Headings. The descriptive headings of the various sections of this Amendment are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions thereof.

3.6 Severability. The failure or unenforceability of any provision hereof shall not affect the other provisions of this Amendment. Whenever possible each provision of this Amendment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment.

3.7 Further Assurances. Each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Amendment at the request of any other party hereto.

3.8 No Strict Construction. The Parties agree that the language used in this Amendment is the language chosen by the Parties to express their mutual intent and that no rule of strict construction is to be applied against any party. The Parties and their respective counsel have reviewed and negotiated the terms of this Amendment.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Amendment to be executed and delivered by its respective signatory thereunto duly authorized as of the date above written.

OCWEN LOAN SERVICING, LLC

By: /s/ John P. Kim
Name: John P. Kim
Title: Senior Vice President

HLSS HOLDINGS, LLC

By: /s/ Cameron MacDougall
Name: Cameron MacDougall
Title: Secretary

Signature Page to Amendment No. 1 to Master Agreement

HLSS MSR- EBO ACQUISITION LLC

By: New Residential Investment Corp., its sole

Member

By: /s/ Nicola Santoro, Jr.
Name: Nicola Santoro, Jr.
Title: Chief Financial Officer

Signature Page to Amendment No. 1 to Master Agreement

NEW RESIDENTIAL MORTGAGE LLC

By: /s/ Cameron MacDougall
Name: Cameron MacDougall
Title: President

Signature Page to Amendment No. 1 to Master Agreement

EXECUTION COPY

CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 24B-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

TRANSFER AGREEMENT

by and between

Ocwen Loan Servicing, LLC

as the Seller

and

New Residential Mortgage LLC,

as the Purchaser

and

**solely for purposes of Articles I, X and XI,
Ocwen Financial Corporation,
as Ocwen Parent**

and

**solely for purposes of Articles I, X and XI,
New Residential Investment Corp.,
as Purchaser Parent**

Dated as of July 23, 2017

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This TRANSFER AGREEMENT (the "Agreement"), dated as of July 23, 2017 (the "Effective Date"), and is executed within the United States Virgin Islands by and between Ocwen Loan Servicing, LLC, a Delaware limited liability company (the "Seller") and New Residential Mortgage LLC, a Delaware limited liability company (the "Purchaser").

WITNESSETH:

WHEREAS, pursuant to the Master Agreement (as defined herein) as supplemented by the Sale Supplements (as defined herein), Holdings (as defined herein) acquired certain Rights to MSRs (as defined in the Sale Supplements) relating to certain Mortgage Loans from Seller.

WHEREAS, the Sale Supplements provided that the Servicing Rights Assets (as defined in the Sale Supplements) related to the Rights to MSRs would be sold, conveyed, assigned and transferred to Holdings as of the applicable Servicing Transfer Date (as defined in the Sale Supplements).

WHEREAS, Holdings desires that notwithstanding the terms of the Sale Supplements, the Servicing Rights Assets be sold, conveyed, assigned and transferred to Purchaser pursuant to the terms of this Agreement.

WHEREAS, Ocwen Mortgage Servicing, Inc. ("OMS"), the parent corporation of Seller, (i) has reviewed, analyzed, and approved this transaction, (ii) has authorized and caused Seller to enter into this Agreement, and (iii) has not delegated any authority to any person outside the United States Virgin Islands to agree to terms on its behalf.

WHEREAS, the Seller, the Ocwen Parent, the Purchaser and the Purchaser Parent shall each execute this Agreement in the United States Virgin Islands.

WHEREAS, on the terms and conditions set forth herein, the Seller wishes to sell, transfer and convey to the Purchaser, and the Purchaser wishes to buy and acquire from the Seller, all of the Seller's right, title and interest in and to the Servicing Rights.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms and subject to the conditions set forth herein, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS AND CONSTRUCTION

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the meanings specified below:

"Accepted Servicing Practices": With respect to any Mortgage Loan, those mortgage servicing standards, policies and practices that are in accordance with (i) generally accepted and prudent mortgage servicing practices (including collection procedures) with respect to a mortgage

loan of that type, (ii) the terms of the related Mortgage Loan Documents, (iii) Applicable Requirements and (iv) the terms of this Agreement.

“Affiliate”: (i) With respect to the Purchaser, Purchaser Parent and its direct or indirect wholly-owned subsidiaries and (ii) with respect to the Seller, Ocwen Parent and the direct or indirect wholly-owned subsidiaries of Ocwen Parent.

“Agreement”: This Transfer Agreement, including all amendments hereof and supplements hereto, and all Exhibits, Annexes and Schedules attached hereto or delivered pursuant hereto.

“Ancillary Fees”: All incidental servicing fees (such as late fees, returned check fees, prepayment penalties, payoff quote fees, lien release fees, assumption fees, subordination fees, pay-by-phone fees, HAMP fees, modification fees and incentive income, etc.), any interest received on funds deposited in the Custodial Accounts and any other similar fees and charges collected from or assessed against a Mortgagor in accordance with Applicable Requirements.

“Applicable Requirements”: As of the time of reference, with respect to the applicable capacity of Seller as set forth in Exhibit B, (i) all applicable legal and contractual obligations (including by operation of law) of the Seller and its Affiliates with respect to the Mortgage Loans and the applicable Servicing Rights, including without limitation the applicable contractual obligations contained in this Agreement, the Servicing Agreements the MSR Purchase Agreement and the Sale Supplements, in any agreement with any Insurer, Investor or other Person or in the Mortgage Loan Documents; (ii) all federal, state and local legal and regulatory requirements (including, without limitation, laws, statutes, rules, regulations and ordinances) applicable to the Seller and the applicable Servicing Rights, including without limitation the applicable requirements and guidelines of any Investor or Insurer, the Consumer Financial Protection Bureau, or any other governmental agency, board, commission, instrumentality or other governmental or quasi-governmental body or office; (iii) all other judicial and administrative judgments, orders, stipulations, consent decrees, awards, writs and injunctions applicable to the Seller, the applicable Servicing Rights and the Mortgage Loans, and (iv) the terms of the related Mortgage Instruments and Mortgage Notes.

“Assignment Agreement”: An agreement substantially in the form of Exhibit A to this Agreement or in such other form as mutually agreed upon by the Parties in writing.

“Bifurcation”: With respect to each Mortgage Loan and the applicable Servicing Rights, an agreement from the applicable Investor as evidenced by documentation which shall be in form and substance satisfactory to the Purchaser in its reasonable discretion, consenting to a bifurcation of liability between the Seller and the Purchaser, whereby such Investor agrees that (i) the Purchaser shall solely be responsible for the obligations and covenants of the Servicer under the Servicing Agreements to the extent related to the applicable Servicing Rights after the applicable Transfer Date and that (ii) the Seller shall solely be responsible for the obligations and covenants of the Servicer under the Servicing Agreements to the extent related to the applicable Servicing Rights prior to the applicable Transfer Date.

“Business Day”: Any day other than (a) a Saturday or Sunday, (b) a day on which banking institutions in the State of New York are authorized or obligated by law or by executive order to be closed or (c) such other days as agreed upon by the Parties in writing.

“Claim”: Any claim, demand or litigation related to the Mortgage Loans, the Servicing Rights or this Agreement.

“Confidential Information”: Any and all information regarding the transactions contemplated by this Agreement, Consumer Information, the proprietary, confidential and non-public information or material relating to the business (including business practices) of the Disclosing Party (or the Disclosing Party’s clients and investors), information regarding the financial condition, operations and prospects of the Disclosing Party, and any other information that is disclosed to one party by or on behalf of the other party or any of their respective Affiliates or representatives, either directly or indirectly, in writing, orally or by drawings or by permitting inspection of documents or other tangible expression, whether exchanged before or after the date of this Agreement, and contained in any medium, which such entity considers to be non-public, proprietary or confidential. Confidential Information includes (but is not limited to) all (a) information relating to the Purchaser’s interest in the Servicing Rights or the amount, characteristics or performance of the Mortgage Loans or any economic or noneconomic terms of this Agreement, (b) information relating to research and development, discoveries, formulae, inventions, policies, guidelines, displays, specifications, drawings, codes, concepts, practices, improvements, processes, know-how, patents, copyrights, trademarks, trade names, trade secrets, and any application for any patent, copyright or trademark; and (c) descriptions, financial and statistical data, business plans, data, pricing, reports, business processes, recommendations, accounting information, identity of suppliers, business relationships, personnel information, technical specifications, computer hardware or software, information systems, customer lists, costs, product concepts and features, corporate assessments strategic plans, services, formation of investment strategies and policies, other plans, or proposals, and all information encompassed in the foregoing. Information relating to the Disclosing Party’s consultants, employees, clients, investors, customers, members, vendors, research and development, software, financial condition or marketing plans is also considered Confidential Information.

“Consent Non-Delivery Determination Date”: As defined in the Master Agreement.

“Consumer Information”: Any personally identifiable information relating to a Mortgagor which is considered “nonpublic personal information” of “customers” and “consumers” as those terms are defined in the GLBA.

“Custodial Accounts”: The accounts in which Custodial Funds are deposited and held by or on behalf of the Servicer, which, for the avoidance of doubt, do not include “clearing accounts” or accounts held by third party servicers under SBO Contracts.

“Custodial Funds”: All funds held by or on behalf of the Seller with respect to the Mortgage Loans, including, but not limited to, all principal and interest funds and any other funds due Investors, buydown funds, funds for the payment of taxes, assessments, insurance premiums, ground rents and similar charges, funds from hazard insurance loss drafts and other mortgage escrow and impound

amounts (including interest accrued thereon for the benefit of the Mortgagors under the Mortgage Loans, if required by law or contract) maintained by or on behalf of the Seller relating to the Mortgage Loans.

“Data Tape”: With respect to each Transfer Date, the list of all Mortgage Loans, dated as of the date specified therein, whose Servicing Rights will be transferred, or that are anticipated to be transferred, as applicable, to the Purchaser pursuant to this Agreement on such Transfer Date, including the data fields set forth on Annex A hereto.

“Designated Event”: The Seller’s receipt of notice from Purchaser that Purchaser has elected to exercise its right to terminate the Seller as “Subservicer” “for convenience” pursuant to Section 5.1(b) of the Subservicing Agreement, which includes or is accompanied by Purchaser’s written election not to terminate this Agreement and the Master Agreement in connection with such termination of the Subservicing Agreement. If no election is made in such notice, this Agreement shall terminate concurrently with the Subservicing Agreement.

“Disclosing Party”: As defined in Section 11.19(a) of this Agreement.

“Effective Date”: As defined in the preamble to this Agreement.

“Excluded Obligations”: Except to the extent assumed as an “Assumed Liability” (as defined in the Sale Supplements) by Holdings pursuant to the MSR Purchase Agreement or the applicable Sale Supplement, (i) duties, obligations or liabilities of any kind, whether known, unknown, contingent or otherwise (for the purpose of this definition “Obligations”), attributable to any acts or omissions to act taken or omitted to be taken by the Seller (or any of its Affiliates, agents, contractors or representatives, including any subservicer of the Mortgage Loans) prior to the applicable Transfer Date, and (ii) Obligations arising out of or resulting from any actions, causes of action, claims, suits or proceedings or violations of law or regulation attributable to any acts or omissions to act taken or omitted to be taken by the Seller in the performance of its duties under the Servicing Agreements.

“Expiration Date”: With respect to each applicable Mortgage Loan and related Servicing Rights, the date that is the later of (a) the *** of the Effective Date (in the case of the representation set forth in Section ***) or the applicable Transfer Date (in the case of the Transfer Date Representations) and (b) the date on which Seller ceases to service such Mortgage Loan, or in the case of the representation made in Section *** , the date on which Seller no longer services any of the Mortgage Loans; provided that if Seller has been terminated for cause as subservicer pursuant to Section 5.3 of the Subservicing Agreement with respect to the related Mortgage Loan, the Expiration Date shall be the later of (i) the *** of the Effective Date and (ii) the *** of the effectiveness of such termination.

***.

“FHA”: The Federal Housing Administration of the United States Department of Housing and Urban Development, or any successor thereto.

“GAAP”: The generally accepted accounting principles in effect from time to time in the United States of America.

“GLBA”: The Gramm-Leach-Bliley Act of 1999 as amended, modified, or supplemented from time to time, and any successor statute, and all rules and regulations issued or promulgated in connection therewith.

“Governmental Authority”: Any court, board, agency, commission, office or other authority or quasi-governmental authority or self-regulatory organization of any nature whatsoever for any governmental unit (foreign, federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence, in each case having relevant jurisdiction.

“Holdings”: HLSS Holdings, LLC.

“Homeward”: Homeward Residential, Inc.

“Homeward Servicing Rights”: Those Servicing Rights with respect to which Homeward is the named servicer and are identified on Exhibit C.

“Initial Transfer Date”: The first Transfer Date relating to one or more Investors occurring pursuant to the terms of this Agreement.

“Insurer” or “Insurers”: FHA, VA or any private mortgage insurer, pool insurer and any insurer or guarantor under any standard hazard insurance policy, any federal flood insurance policy, any title insurance policy, any earthquake insurance policy or other insurance policy, and any successor thereto, with respect to the Mortgage Loan or the Mortgaged Property.

“Investor” or “Investors”: With respect to any Mortgage Loan, the owner thereof, which may include a trustee acting on behalf of investors and if applicable, the FHA or VA.

“Loss” or “Losses”: Any and all direct, actual losses, damages, deficiencies, claims, actual costs or expenses, including without limitation reasonable costs of investigation (solely to the extent such investigation is reasonably required to address a third party claim), attorneys’ fees and disbursements, and subject to Section 11.17.

“March Data Tape”: With respect to all Mortgage Loans with respect to which the related Servicing Rights are transferred to the Purchaser pursuant to this Agreement, the fields of information described in Annex B and contained in the data tapes delivered by Seller to Purchaser on April 12, 2017 (with respect to Primary Mortgage Loans) and on April 25, 2017 (with respect to Master Servicing Rights).

“Master Agreement”: The Master Agreement, dated as of July 23, 2017, among Seller, Purchaser, Holdings and HLSS MSR-EBO Acquisition LLC.

“Master Servicing Rights”: The Servicing Rights identified as master servicing rights on Exhibit B hereto.

“Material Adverse Change”: With respect to any Person, any material adverse change in the business, condition (financial or otherwise), or operations, of such person.

“Material Adverse Effect”: With respect to the Seller (a) a Material Adverse Change with respect to the Seller or any of its Affiliates taken as a whole; (b) a material impairment of the ability of the Seller to perform under this Agreement or the Subservicing Agreement; (c) a material adverse effect upon the legality, validity, binding effect or enforceability of this Agreement against the Seller; or (d) a material adverse effect upon the value or marketability of a material portion of the Servicing Rights. With respect to the Servicing Rights transferred to the Purchaser pursuant to this Agreement, a material adverse effect (a) upon the value or marketability of such Servicing Rights taken as a whole or (b) on the ability of the Seller to realize the full benefits of such Servicing Rights.

“MERS”: Mortgage Electronic Registration Systems, Inc., or any successor thereto.

“Mortgage Escrow Payment”: The portion, if any, of a Mortgage Loan Payment in connection with a Mortgage Loan that relates to funds for the payment of taxes, assessments, insurance premiums and other customary mortgage escrow amounts required under the Mortgage Loan Documents.

“Mortgage Instrument”: Any deed of trust, security deed, mortgage, security agreement or any other instrument which constitutes a first lien on real estate (or shares of stock in the case of cooperatives) securing payment by a Mortgagor of a Mortgage Note.

“Mortgage Loan”: Each of the mortgage loans serviced by Seller and corresponding to the applicable investor code set forth on Exhibit B hereto.

“Mortgage Loan Documents”: With respect to any Mortgage Loan, the Mortgage Loan documents included in the related mortgage file, including but not limited to, any Mortgage Note, any recorded Mortgage Instrument(s), any assignments of Mortgage Instruments and copies of any final title policies.

“Mortgage Loan Payment”: With respect to a Mortgage Loan, the amount of each monthly installment on such Mortgage Loan, whether principal and interest or escrow or other payment, required or permitted to be paid by the Mortgagor in accordance with the terms of the Mortgage Loan Documents.

“Mortgage Note”: The promissory note executed by a Mortgagor and secured by a Mortgage Instrument evidencing the indebtedness of the Mortgagor under a Mortgage Loan.

“Mortgaged Property”: The real property that is encumbered by a Mortgage Instrument, including all buildings and fixtures thereon.

“Mortgagor”: Any obligor under a Mortgage Note and Mortgage Instrument.

“MSR Purchase Agreement”: As defined in the Master Agreement.

“MSRPA Servicing Agreement”: As defined in the Master Agreement.

“Non-Consented Servicing Rights”: Any Servicing Rights with respect to which the Required Consent has not been obtained by the Consent Non-Delivery Determination Date.

“Obligations”: As defined in the definition of Excluded Obligations for purposes of that definition.

“Ocwen Parent”: Ocwen Financial Corporation and its permitted successors and assigns.

“Origination Source”: Any Person who, in connection with the origination of a Mortgage Loan or the program under which such Mortgage Loan was originated, retained the right to consent to the subsequent transfer of servicing of such Mortgage Loan and/or sale of the related Servicing Rights.

“Origination Source Consent”: The written consent of an Origination Source.

“Parties” (or each, a “Party”): The Seller, the Ocwen Parent, the Purchaser and the Purchaser Parent.

“Person”: An individual, a corporation, a partnership, a limited liability company, a joint venture, a trust, an unincorporated association or organization, a government body, agency or instrumentality or any other entity.

“Primary Mortgage Loan”: Any Mortgage Loan with respect to which Seller is performing “primary” mortgage servicing functions with respect to the related Mortgage Loan, whether in its capacity as master servicer, servicer, primary servicer, subservicer or otherwise.

“Purchaser”: As defined in the preamble to this Agreement.

“Purchaser Indemnitee”: As defined in Section 9.01 of this Agreement.

“Purchaser Parent”: New Residential Investment Corp. and its permitted successors and assigns.

“Recipient”: As defined in Section 11.19(a) of this Agreement.

“Required Consent”: With respect to each Mortgage Loan and the related Servicing Rights, each and every consent, approval, notice, confirmation, agreement or other documentation required by the applicable Servicing Agreement and Applicable Requirements in order to sell, assign and transfer the Servicing Rights to the Purchaser in accordance with this Agreement, including, without limitation, as applicable, Investor consent, Insurer consent, Origination Source Consent, trustee consent, master servicer consent and rating agency confirmation.

“Sale Supplements”: As defined in the Master Agreement.

“SBO Contract”: A contract between Seller and an unaffiliated third-party servicer or subservicer pursuant to which the third party services mortgage loans with respect to which Seller

performs in the capacity of master servicer, but solely to the extent such contract relates to the Master Servicing Rights and not to the extent such contract relates to any other servicing rights.

“Seller”: As defined in the preamble to this Agreement.

“Seller Indemnitee”: As defined in Section 9.02 of this Agreement.

“Seller Information”: Any information listed and otherwise described in Schedule 4.10 attached hereto.

“Servicer”: The Person contractually obligated, at any time, to administer the applicable Servicing Rights under the Servicing Agreements.

“Servicing Agreements”: With respect to any Mortgage Loan, all of the contracts (including, without limitation, any pooling agreement, servicing agreement, custodial agreement or other agreement or arrangement) establishing and relating to the rights and obligations of the Servicer, whether as master servicer, servicer, sub-servicer or other similar role, as applicable.

“Servicing Compensation”: The annual aggregate amount payable to Servicer under the applicable Servicing Agreement with respect to Servicing Rights related to a Mortgage Loan as consideration for servicing such loan, expressed as a percentage of the unpaid principal balance thereof, and excluding Ancillary Fees.

“Servicing File”: With respect to each Mortgage Loan, the physical and electronic files and records maintained by the Seller in connection with its servicing of such Mortgage Loan, including, without limitation, Mortgage Loan Documents, payment histories and Mortgagor communications, in each case to the extent applicable.

“Servicing Rights”: With respect to each Mortgage Loan, solely to the extent applicable to the relevant capacity of Seller under the applicable Servicing Agreements as set forth in Exhibit B, and excluding all other rights, obligations, powers and privileges applicable to Seller in any other capacity (whether owned by Seller, an Affiliate of Seller or a third party), any and all of the following: (i) the rights and obligations to service, administer, collect payments for the reduction of principal and application of interest thereon, collect payments on account of taxes and insurance, pay taxes and insurance, remit collected payments, provide foreclosure services, provide full escrow administration, (ii) any other obligations required by any Investor or Insurer in, of, for or in connection with such Mortgage Loan pursuant to the applicable Servicing Agreement (but not, for the avoidance of doubt, the Subservicing Agreement), (iii) the right of the applicable Servicer to possess any and all documents, files, records, mortgage file, servicing documents, servicing records, data tapes, computer records, or other information pertaining to such Mortgage Loan or pertaining to the past, present or prospective servicing of such Mortgage Loan, (iv) the right to receive the Servicing Compensation and any Ancillary Fees arising from or connected to such Mortgage Loan and the benefits derived from and obligations related to any accounts arising from or connected to such Mortgage Loan and (v) all rights, powers and privileges incident to any of the foregoing, subject, in each case, to any rights, powers and prerogatives retained or reserved by the Investors; provided that, for the avoidance of doubt, “Servicing Rights” does not include any right title and

interest in any of the foregoing items that has been previously sold, assigned and/or transferred by Seller to Holdings or HLSS MSR-EBO Acquisition LLC pursuant to the MSR Purchase Agreement.

“State Agency”: Any state or local agency with authority to (i) regulate the business of the Purchaser or the Seller, including without limitation any state or local agency with authority to determine the investment or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Purchaser or the Seller or (ii) originate, purchase or service mortgage loans, or otherwise promote mortgage lending, including without limitation state and local housing finance authorities.

“Subservicer”: Ocwen Loan Servicing, LLC, in its capacity as subservicer under the Subservicing Agreement.

“Subservicing Agreement”: As defined in the Master Agreement.

“Termination Party”: As defined in the Subservicing Agreement.

“Transfer Date”: The date, as mutually agreed upon by the Seller and the Purchaser following satisfaction of the applicable conditions precedent set forth herein, on which servicing of a Mortgage Loan is transferred from the Seller to the Purchaser with respect to the applicable Servicing Right in accordance with the applicable Servicing Agreement.

“Transfer Date Representations”: Each of the representations and warranties set forth in Sections ***.

“VA”: The United States Department of Veterans Affairs or any successor thereto.

General Interpretive Principles. For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) Terms used in this Agreement have the meanings assigned to them in this Agreement (as defined herein), and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender.

(b) Accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP.

(c) References herein to a “Section,” shall be to the specified section(s) of this Agreement and shall include all subsections of such section(s).

(d) The words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular provisions.

(e) Section headings and other similar headings are not to be considered part of this Agreement, are solely for convenience of reference, and shall not affect the meaning or interpretation of this Agreement or any of its provisions.

- (f) Each reference to any federal, state or local statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder.
- (g) References to days shall mean consecutive calendar days unless otherwise specified as “Business Days”.
- (h) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

Homeward Servicing Rights. The parties acknowledge that notwithstanding anything herein to the contrary, Homeward is the named servicer with respect to, and holds legal title to, the Homeward Servicing Rights. Seller shall cause Homeward to sell, transfer and convey all of its rights and interest in the Homeward Servicing Rights to Purchaser on the applicable Transfer Date, subject to the conditions set forth in Section 2.01, including, without limitation, execution and delivery of an Assignment Agreement by Homeward. The parties acknowledge and agree that subject to the foregoing, this Agreement shall apply to the Homeward Servicing Rights as if Seller was the named servicer and held legal title thereto and any action or inaction or obligation of Homeward with respect to the Homeward Servicing Rights (assuming it was the “Seller” hereunder) shall be attributed to and be an obligation of Seller for all purposes hereunder, and Seller shall be entitled to (and the only Person entitled to) enforce this Agreement as the Seller on behalf of Homeward (assuming Homeward was the “Seller” hereunder) with respect to the Homeward Servicing Rights.

ARTICLE II.

TRANSFER OF SERVICING RIGHTS AND RELATED MATTERS

Section 2.01 Items to be Sold, Transferred and Assigned. Upon the terms and subject to the conditions of this Agreement, pursuant to an Assignment Agreement executed by the Purchaser and the Seller in accordance with the provisions of Section 2.02, and subject to the Applicable Requirements, the Seller shall, or shall cause its Affiliates to, on and as of each Transfer Date, sell, transfer, assign and otherwise convey to the Purchaser, and the Purchaser shall purchase, assume and otherwise acquire from the Seller, all of the Seller’s right, title, interest in and to, and all of the Seller’s obligations and covenants arising after such Transfer Date under the applicable (i) Servicing Rights, (ii) Custodial Funds and (iii) Servicing Files; provided, however, that the Purchaser does not purchase, assume or otherwise acquire any Excluded Obligation. Notwithstanding anything contained herein to the contrary, the Purchaser shall not acquire any Non-Consented Servicing Rights.

Section 2.02 Evidence of Transfer. Prior to the applicable Transfer Date, the Purchaser and the Seller shall execute and deliver the documents required by each Investor in connection with the transfer of the Servicing Rights hereunder, in form and substance reasonably satisfactory to the Purchaser and the Seller and in compliance with the Applicable Requirements. At least ten (10) Business Days prior to the applicable Transfer Date, the Seller shall deliver a Data Tape relating to

such Transfer Date to the Purchaser in mutually agreeable form. On each Transfer Date, the Seller and the Purchaser shall execute and deliver an Assignment Agreement with respect to the Servicing Rights being transferred on such Transfer Date (subject to the satisfaction of the terms of this Agreement, including but not limited to, the representations, warranties, covenants and conditions precedent set forth herein).

Section 2.03 Consideration for Transfer. Each of the parties acknowledges and agrees that it has received adequate consideration and fair value for its covenants and obligations hereunder, including for the items sold, transferred, and assigned pursuant to Sections 2.01 and 2.02; provided that the parties agree that the Seller is not receiving any cash consideration hereunder for such items.

Section 2.04 Subservicing. All Mortgage Loans with respect to which the Servicing Rights have been transferred pursuant to this Agreement shall be subserviced by Seller in accordance with the terms of the Subservicing with respect to such transferred Servicing Rights.

Section 2.05 Custodial Accounts. On or promptly after the applicable Transfer Date, the Seller and the Purchaser will agree to a process to transfer, and the Seller shall transfer, the applicable Custodial Funds to Custodial Accounts established by or owned by Purchaser. Prior to the applicable Transfer Date, the Seller will send direction letters to the applicable institutions directing them to novate such Custodial Accounts to the Purchaser as of such Transfer Date.

ARTICLE III.

PAYMENTS GENERALLY

Section 3.01 Form of Payment to be Made. Unless otherwise agreed to by the Parties, all payments to be made by a Party to another Party, or such other Party's designee, shall be made by wiring immediately available funds in United States dollars to the accounts designated by the receiving Party in accordance with such Party's written instructions as set forth in Exhibit 3.05 attached hereto or such other instructions as a Party may require after written notice hereunder.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES OF THE SELLER

Purchaser acknowledges that Seller is providing the representations and warranties in Article IV solely for the purposes of establishing a basis on which claims for indemnification may be brought under this Agreement as specified in Section 9.01, and for purposes of defining certain conditions to Purchaser's obligation to consummate the transactions hereunder as contemplated in Article VII, irrespective of whether Seller knows or should know of such breach.

Purchaser acknowledges that Seller is not making any representations, warranties, covenants or commitments of any kind whatsoever, oral or written, express or implied, whether at law or in equity, other than those set forth in this Agreement, and expressly disclaims reliance on any

statements or information made or provided by Seller other than the provisions set forth in this Agreement.

The Seller represents and warrants as follows (it being understood that (x) other than the Transfer Date Representations, which are made only as of the applicable Transfer Date, all such representations and warranties, unless otherwise expressly provided herein, are made to the Purchaser as of the Effective Date and as of each applicable Transfer Date) and (y) all of the representations and warranties of the Seller contained herein *** shall, subject to the limitations of applicable law, survive each such Transfer Date, as applicable and the termination of this Agreement):

Section 4.01 Due Organization and Good Standing. The Seller is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Delaware. The Seller has, and at all relevant times has had, in full force and effect (without notice of possible suspension, revocation or impairment) all required qualifications, permits, approvals, licenses, and registrations to conduct all activities in all states in which its activities with respect to the Mortgage Loans and the Servicing Rights require it to be qualified or licensed, except where the failure of the Seller to possess such qualifications, licenses, permits, approvals, and registrations would not be reasonably expected to have a Material Adverse Effect.

Section 4.02 Authority and Capacity. The Seller has all requisite limited liability company power, authority and capacity to carry on its business as it is now being conducted, to execute and deliver this Agreement and to perform all of its obligations hereunder. Seller does not believe, nor does it have any cause or reason to believe, that it cannot perform each and every covenant required of it contained in this Agreement.

Section 4.03 Effective Agreement. The execution, delivery and performance of this Agreement by the Seller and consummation of the transactions contemplated hereby have been or will be duly and validly authorized by all necessary limited liability company or other action. This Agreement has been duly and validly executed and delivered by the Seller, and this Agreement is a valid and legally binding agreement of the Seller enforceable against the Seller in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting generally the enforcement of creditor's rights and the discretion of a court to grant specific performance.

Section 4.04 No Conflict. Neither the execution, delivery or performance of this Agreement nor the consummation of the transactions contemplated hereby, nor compliance with the terms and conditions of this Agreement, shall (a) violate, conflict with, result in the breach of, or constitute a default under, be prohibited by, or require any additional approval (except as shall have been obtained or made as of the related Transfer Date) under any of the terms, conditions or provisions of (i) the Seller's certificate of formation, limited liability company agreement or other organizational documents of the Seller, (ii) any mortgage, indenture, deed of trust, loan or credit agreement or other material agreement or instrument to which the Seller is now a party or by which the Seller is bound, or (iii) any provision of any applicable law, ordinance, rule, regulation of any Governmental Authority applicable to the Seller, or any order, judgment, government directive or decree of any court or Governmental Authority applicable to the Seller or its assets, except where such conflict by Seller would not reasonably be expected to have a Material Adverse Effect, or (b)

result in the creation or imposition of any lien, charge or encumbrance of any nature upon, the Servicing Rights, any of the Mortgage Loans or any of the properties or assets of the Seller other than as contemplated by this Agreement.

Section 4.05 Consents, Approval and Compliance. Except for the Required Consents, there is no requirement applicable to the Seller to make any filing with, or to obtain any permit, authorization, consent or approval of, any Person as a condition to the execution and delivery by the Seller of, and the lawful performance by the Seller of its obligations under, this Agreement. The Seller has complied with, and is not in default under, any law, ordinance, requirement, regulation, rule, or order applicable to its business or properties, the violation of which might materially and adversely affect the operations or financial condition of the Seller or its ability to perform its obligations hereunder.

Section 4.06 Ability to Transfer. The Seller has complied with the Hart-Scott-Rodino Antitrust Improvements Act, or the bulk transfer or any similar statutory provisions in effect in any jurisdiction, the laws of which apply to such transfer, assignment and conveyance, and received any required approvals thereunder in connection with the transfer, assignment and conveyance of the Servicing Rights by the Seller pursuant to this Agreement.

Section 4.07 Insurance. Errors and omissions and fidelity insurance coverage, in amounts as required by the Applicable Requirements, is in effect with respect to the Seller. The Seller shall maintain such coverage, in amounts as required by the Applicable Requirements, until the transactions contemplated by this Agreement have been consummated in accordance with terms hereof.

Section 4.08 Litigation. Other than as disclosed in Schedule 4.08A, as of the Effective Date and the date of delivery of updated schedules under Section 6.08, there is no litigation, claim, demand, proceeding or governmental investigation pending or threatened in writing, or any order, injunction or decree outstanding, against or relating to the Seller or with respect to any Servicing Agreement (to the extent related to the applicable Servicing Rights) that could reasonably be expected to have a Material Adverse Effect. As of the Effective Date and the date of delivery of updated schedules under Section 6.08, other than as disclosed in Schedule 4.08B, no governmental agency, Investor, Insurer, trustee, master servicer or any other party to a Servicing Agreement has provided written notice to the Seller claiming or stating that the Seller has violated, breached or not complied with any Applicable Requirements in connection with the Servicing Rights applicable to the related Mortgage Loans which has not been resolved by the Seller that in each case could reasonably be expected to have a Material Adverse Effect.

Section 4.09 [Reserved.]

Section 4.10 Facts and Omissions. None of the Seller Information to the extent that it relates to Servicing Rights with respect to which the Transfer Date has occurred contains any material misstatement of fact or will omit to state a material fact necessary in order to make the statements, in light of the circumstances in which they are made, not materially misleading, in each case at the time specified therein or, if no time is specified therein, at the time delivered to Purchaser; provided,

that, Seller makes no representation and warranty with respect to any Seller Information that based on or derived from inaccurate information provided to Seller by Purchaser.

Section 4.11 Sanctions; Anti-Corruption Compliance. None of the Seller, the Ocwen Parent, OMS, Homeward Residential Holdings, Inc. and Homeward Residential, Inc., or, to the best of Seller's knowledge, any of their directors, officers, or employees is a person that is (i) a target of United States economic, financial, or trade sanctions in force from time to time, (ii) named, identified, or described on any blocked person list, specially designated nationals lists, prohibited persons list, or other official list of restricted persons with whom United States persons may not conduct business, including, but not limited to, restricted party lists published or maintained by the United States government, including, without limitation, the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control and the United States Department of State, or (iii) owned or controlled by, or an actor on behalf of, any persons described in clauses (i) and (ii).

Section 4.12 Mortgage Loans and Servicing Rights.

4.12.1 General Compliance. Each Mortgage Loan has been serviced by the Seller in compliance with all Applicable Requirements and Accepted Servicing Practices in all material respects. All collection efforts by or on behalf of the Seller have been performed in compliance with all Applicable Requirements and Accepted Servicing Practices, in each case in all material respects. No servicer default, servicer termination event, event of default or other default or breach has occurred by the Seller under any Servicing Agreement, and to the Seller's knowledge, following the execution of the related Servicing Agreement, no event has occurred which with the passage of time or the giving of notice or both would: (A) constitute a material default or breach by the Seller under any Servicing Agreement or under any Applicable Requirement; or (B) permit termination of any such Servicing Agreement with respect to the applicable Servicing Right by a third party without the consent of the Seller, other than as a result of a collateral performance trigger such as delinquency or loss ratios or rating agency rating.

4.12.2 No Default/No Waiver. Other than as disclosed to the Purchaser on the related Data Tape, Seller has not waived any default, breach, violation or event of acceleration existing under any Mortgage Loan other than in accordance with Applicable Requirements. Except as disclosed to the Purchaser on the related Data Tape, the Seller has not, except in accordance with Applicable Requirements, (i) agreed to any material modification, extension or forbearance in connection with any Mortgage Note or Mortgage Instrument, (ii) released, satisfied or canceled any Mortgage Note or Mortgage Instrument in whole or in part or released any party thereto in whole or in part, or (iii) subordinated any Mortgage Instrument in whole or in part.

4.12.3 Application of Funds. All payments received by the Seller with respect to any Mortgage Loan have been remitted and properly accounted for in compliance with and as required by Applicable Requirements and Accepted Servicing Practices in all material respects.

4.12.4 Mortgage Insurance. As to each mortgage insurance, pool insurance or guaranty certificate, Seller has complied with Applicable Requirements for processing of claims

and payment of premiums. Seller has complied with federal statutes and regulations regarding processing of insurance policies.

4.12.5 Compliance with Laws. The Seller has complied with the Applicable Requirements with respect to the Mortgage Loans in all material respects, including, without limitation, the federal Fair Housing Act, federal Equal Credit Opportunity Act and Regulation B, federal Fair Credit Reporting Act, federal Truth in Lending Act and Regulation Z, National Flood Insurance Act of 1968, federal Flood Disaster Protection Act of 1973, federal Real Estate Settlement Procedures Act and Regulation X, federal Fair Debt Collection Practices Act, federal Home Mortgage Disclosure Act, federal Homeowners Protection Act of 1998, and state consumer credit and usury codes and laws in all material respects. The Seller has, at all times during which it has been the Servicer of the Mortgage Loans, been (1) in compliance with any and all applicable licensing requirements of the laws of the jurisdiction and state wherein the related Mortgaged Property is located and had all requisite licenses, permits and approvals required in such jurisdiction, and (2) either (A) organized under the laws of such state, (B) qualified to do business in such state, (C) federal savings and loan associations or national banks having principal offices in such state, or (D) not doing business in such state; except where the failure to be so qualified or in compliance or to possess such licenses, permits and approvals would not be reasonably likely to have a Material Adverse Effect.

4.12.6 Filing of Reports. The Seller has filed or will file in a timely manner all reports required by the Investors, Insurers and other Applicable Requirements with respect to the Mortgage Loans and the Servicing Rights during the time that the Seller has serviced the Mortgage Loans. The Seller has filed (or caused to be filed), all IRS Forms, including but not limited to Forms 1041-K1, 1041, 1099-INT, 1099-MISC, 1099A and 1098, as appropriate, which are required to be filed pursuant to Applicable Requirements with respect to the Servicing Rights for activity that occurred on or before each applicable Transfer Date and during the time that the Seller has serviced the Mortgage Loans.

4.12.7 Custodial Accounts. All Custodial Accounts required to be maintained by the Seller have been established and continuously maintained in compliance with Applicable Requirements and Accepted Servicing Practices in all material respects. Custodial Funds received by the Seller have been properly credited to the appropriate Custodial Account in a timely manner and in material compliance with Applicable Requirements and Accepted Servicing Practices, and have been retained in and disbursed from the Custodial Accounts in material compliance with the Applicable Requirements and Accepted Servicing Practices. Mortgage Escrow Payments received by the Seller have been credited to the appropriate Custodial Account maintained for escrow payments, and have been retained in and disbursed from such Custodial Account in accordance with the Applicable Requirements. With regard to Primary Mortgage Loans that provide for Mortgage Escrow Payments, the Seller has (a) computed the amount of such payments in compliance with Applicable Requirements, (b) paid on a timely basis all charges and other items to be paid out of the Mortgage Escrow Payments in material compliance with the Applicable Requirements, and when required by the applicable Servicing Agreement have advanced their own respective funds to pay such charges and items, and (c) timely delivered to the related Mortgagors the statements and notices required by Applicable Requirements in connection with Custodial Accounts, including

without limitation statements of taxes and other items paid out of the Mortgage Escrow Payments and notices of adjustments to the amount of the Mortgage Escrow Payments, in each case in material compliance with Applicable Requirements. All funds received by the Seller in connection with the satisfaction of Mortgage Loans, including foreclosure proceeds and insurance proceeds from hazard losses, have been deposited in the appropriate Custodial Account and all such funds have been applied to pay accrued interest on the Mortgage Loans, to reduce the principal balance of the Mortgage Loans in question, or for reimbursement of repairs to the Mortgaged Property or as otherwise required by Applicable Requirements or are on deposit in the appropriate Custodial Account.

4.12.8 Investor Reporting. During the time the Seller has serviced the Mortgage Loans, the Seller has properly prepared and timely submitted to each Investor all reports required to be delivered by the Seller in connection with such payments required by the Applicable Requirements and Accepted Servicing Practices in all material respects.

4.12.9 Taxes and Charges. With respect to each Primary Mortgage Loan, during the time the Seller has serviced such Primary Mortgage Loan, all taxes, governmental assessments, insurance premiums, water, sewer and municipal charges, leasehold payments and ground rents relating to such Primary Mortgage Loan have been timely paid by the Seller in material compliance with the Applicable Requirements and Accepted Servicing Practices to the extent such items are required to have been paid pursuant to Applicable Requirements.

4.12.10 Hazard and Related Insurance. All improvements upon each Mortgaged Property related to a Primary Mortgage Loan are insured against loss by fire, hazard (and, where required pursuant to Applicable Requirements, flood) and/or extended coverage insurance policies, in the amount, by an Insurer and otherwise in compliance with and in the manner as may be required by Applicable Requirements. There has been no unremedied act or omission of the Seller that would or may invalidate any such insurance, there has been no unremedied event or condition which may result in the revocation, cancellation or expiration of such coverage, and the insurance is or, when issued, will be, and will remain in full force and effect with respect to each Mortgage Loan. There are no defenses, counterclaims, or rights of set-off against the Seller affecting the validity or enforceability of any such insurance.

4.12.11 [Reserved].

4.12.12 Good Title. Subject to the rights of HLSS Holdings, LLC and HLSS MSR-EBO Acquisition LLC, except as disclosed on Schedule 4.12.12, the Seller is the sole owner and holder of all right, title and interest in and to the Servicing Rights immediately prior to the conveyance thereof pursuant to Section 2.01 of this Agreement. Subject to Seller's rights under the Subservicing Agreement, on the applicable Transfer Date, Seller's right, title and interests in the Servicing Rights will be transferred to Purchaser free and clear of any lien, right or interest held or claimed by Seller or its Affiliates or their respective creditors.

4.12.13 Fraud. No misrepresentation, error or fraudulent action or omission has occurred on the part of Seller or any of its Affiliates in connection with the servicing of any Mortgage

Loan, any Servicing Agreement or the application of any insurance proceeds with respect to a Mortgage Loan or the Mortgaged Property.

4.12.14 Accuracy of Data. The information with respect to the Mortgage Loans and Servicing Rights included in the March Data Tape (solely with respect to Servicing Rights with respect to which the Seller has received the related Settlement Payment or Fee Restructuring Payment (each as defined in the Master Agreement)) and the Data Tape provided to the Purchaser with respect to such Transfer Date, are true and accurate in all material respects as of the dates specified therein.

4.12.15 No Recourse. Other than with respect to those Servicing Agreements listed in Schedule 4.12.15, (a) prior to the Effective Date, (i) the Seller has not incurred any losses pursuant to a Servicing Agreement (including pursuant to any repurchase, reimbursement or indemnity obligation), as the result of the default or foreclosure of, or acceptance of a deed in lieu of foreclosure or other transfer or sale of the Mortgaged Property in connection with, a Mortgage Loan or as a result of any provision of a Servicing Agreement that has imposed considerable obligations in addition to those that are of a type that are from time to time imposed upon servicers of private label servicing, except insofar as such losses are based upon a failure of the Servicer to comply with the Applicable Requirements and (ii) no Termination Party (as defined in the Subservicing Agreement) has delivered to Seller in writing any claim or demand that the Seller should bear or otherwise be responsible for the losses described clause (a)(i) above (other than any claim that are generally or publicly known information in the United States residential mortgage industry) and (b) no Servicing Agreement (in each case, other than due to the servicer's breach of the applicable Servicing Agreement) (i) contains buydown loans that the servicer must fund, HELOCs open to draw that the servicer must fund, loans required to be repurchased by the Servicer (excluding real properties repurchased by Servicer in ordinary course), loans subject to a settlement with Investors, securityholders, State Agencies and/or Governmental Authorities that imposes restrictions or requirements on the Seller as servicer (and not on servicers more generally) that would apply to the Purchaser as successor servicer to Seller and would not otherwise apply to Purchaser as servicer, any FHA, VA or USDA loans where advances may systematically be not fully reimbursed on a regular basis, (ii) requires the servicer to compensate the related Investor for any interest rate reduction (via modification, shortfall between mortgage rate (net or gross) and the debenture rate or otherwise) and (iii) provides that the servicer is not entitled to be reimbursed by the Investor for servicer legal expenses related to repurchase proceedings due to the fact that the original servicer was also the loan seller.

4.12.16 ARM Loans. With respect to each adjustable rate Primary Mortgage Loan, the Seller has properly and accurately and in material compliance with all Applicable Requirements and Accepted Servicing Practices (a) entered into its system all data required to service such Primary Mortgage Loan, (b) adjusted the mortgage interest rate on each interest adjustment date, (c) adjusted the monthly payment on each payment adjustment date, (d) calculated the amortization of principal and interest on each payment adjustment date, and (e) executed and delivered any and all notices regarding interest rate and payment adjustments.

4.12.17 Tax Service Contracts and Initial Flood Certifications. To the extent required by Applicable Requirements, each Primary Mortgage Loan has, and at all times during which Seller has serviced such Primary Mortgage Loan has had, a valid tax service contract with an Investor-approved tax service provider. To the extent required by Applicable Requirements, each Primary Mortgage Loan has, and at all times during which Seller has serviced such Primary Mortgage Loans has had, a valid flood certification contract with an Investor-approved flood certification provider. Each Primary Mortgage Loan has had a flood zone determination conducted in compliance with the Applicable Requirements. Except as set forth on Schedule 4.12.17, each such tax service and flood certification contract is transferable to the Purchaser as a fully paid, transferable, life of the loan tax service contract or flood certification contract.

4.12.18 Credit Information; Credit Reporting. The Seller has, in its capacity as servicer for each Mortgage Loan, caused to be furnished to credit reporting agencies, accurate and complete information (i.e., favorable and unfavorable) on each Mortgagor, in accordance with the Applicable Requirements.

4.12.19 Casualty Insurance Proceeds. With respect to each Primary Mortgage Loan, during the time that Seller has serviced such Primary Mortgage Loan, Seller has applied all casualty insurance proceeds for property damage in accordance with Applicable Requirements.

4.12.20 Servicing Agreements. On or before the applicable Transfer Date, the Seller has provided or made available to the Purchaser true and correct copies of all of the Servicing Agreements in Seller's possession or reasonably available to Seller; and such Servicing Agreements contain all of the terms and provisions necessary to service the Mortgage Loans in accordance with Applicable Requirements.

4.12.21 Other Agreements. Other than as disclosed in public filings or as identified on Schedule 4.12.21, the Seller is not a party to or subject to any agreement, stipulation, conditional approval, memorandum of understanding, notice of determination, consent decree, advisory settlement, compromise, litigation or other agreement or understanding with any Investor, court, Governmental Authority or body, or other Person which (i) in any material way seeks to modify or clarify or has the effect of modifying or clarifying any of the terms of the Applicable Requirements (solely with respect to the Servicing Rights and/or the Mortgage Loans), (ii) otherwise materially affects (A) the Seller's or the Purchaser's servicing obligations and practices (solely with respect to the Servicing Rights and/or the Mortgage Loans) including, but not limited to, escrow practices and except as otherwise addressed in this Agreement, (B) the Purchaser's rights and duties set forth in this Agreement, including with respect to the Servicing Rights being acquired by the Purchaser, or (C) the economic value of the Servicing Rights being acquired by the Purchaser.

4.12.22 Repurchase. As of the applicable Transfer Date, there is no Mortgage Loan for which the applicable Investor has demanded that Seller repurchase such Mortgage Loan.

4.12.23 Improper Allegations in Servicing File. Any written allegation of an improper act or omission by the Seller that has been received by the Seller after June 1, 2012 from any Mortgagor is part of the related Servicing File.

Section 4.13 Quality Control Program.

4.13.1 Ongoing Program. The Seller maintains internal quality control procedures designed to detect and prevent dishonest, fraudulent or negligent acts, errors and omissions by officers, employees or other unauthorized persons.

4.13.2 Prior Audits. Within the three (3) years immediately preceding the Effective Date, Seller's internal quality control procedures and audits have not revealed a failure to comply with Applicable Requirements that could reasonably be expected to have a Material Adverse Effect on all or any substantial portion of the Servicing Rights or on Seller's ability to perform its obligations under this Agreement.

Section 4.14 Broker's Fees. There are no fees or commissions or any expenses of any broker, finder or investment banker or anyone else acting in the capacity of a broker, finder or investment banker for the Seller in connection with the transactions contemplated hereby.

ARTICLE V

REPRESENTATIONS and WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants as follows (it being understood that, unless otherwise expressly provided herein, each such representation and warranty is made to the Seller as of the date hereof and each applicable Transfer Date, and all of the representations and warranties of the Purchaser contained herein shall, subject to the limitations of applicable law, survive each Transfer Date and the termination of this Agreement):

Section 5.01 Due Formation and Good Standing. The Purchaser is a limited liability company, duly organized, validly existing, and in good standing under the laws of the State of Delaware. Except for the Required Consents, the Purchaser has, and at all relevant times has had, in full force and effect (without notice of possible suspension, revocation or impairment) all required qualifications, permits, approvals, licenses, and registrations to conduct all activities in all states in which its activities with respect to the Mortgage Loans or the Servicing Rights require it to be qualified or licensed, except where the failure of the Purchaser to possess such qualifications, licenses, permits, approvals and registrations would not be reasonably expected to have a material adverse effect on the Seller or the transactions contemplated under this Agreement. The Purchaser is an approved member in good standing in the MERS system. No event has occurred, including but not limited to a change in insurance coverage, that would make the Purchaser unable to comply with the eligibility requirements of MERS to the extent applicable to the Servicing Rights being sold on such Transfer Date.

Section 5.02 Authority and Capacity. The Purchaser has all requisite corporate power, authority and capacity, to execute and deliver this Agreement and to perform all of its obligations hereunder. The Purchaser does not believe, nor does it have any cause or reason to believe, that it cannot perform each and every covenant required of it contained in this Agreement.

Section 5.03 Effective Agreement. The execution, delivery and performance of this Agreement by the Purchaser and consummation of the transactions contemplated hereby have been or will be duly and validly authorized by all necessary corporate, shareholder or other action; and this Agreement has been duly and validly executed and delivered by the Purchaser, and this Agreement is a valid and legally binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting generally the enforcement of creditor's rights and the discretion of a court to grant specific performance.

Section 5.04 No Conflict. Neither the execution, delivery or performance of this Agreement nor the consummation of the transactions contemplated hereby, nor compliance with the terms and conditions of this Agreement, shall (a) violate, conflict with, result in the breach of, or constitute a default under, be prohibited by, or require any additional approval (except as shall have been obtained or made as of the related Transfer Date) under any of the terms, conditions or provisions of (i) the Purchaser's certificate of formation or limited liability company agreement, (ii) any mortgage, indenture, deed of trust, loan or credit agreement or other agreement or instrument to which the Purchaser is now a party or by which the Purchaser is bound, or (iii) any provision of any applicable law, ordinance, rule, regulation of any Governmental Authority applicable to the Purchaser, or any order, judgment, government directive or decree of any court or Governmental Authority applicable to the Purchaser, or (b) result in the creation or imposition of any lien, charge or encumbrance of any nature upon any of the properties or assets of the Purchaser.

Section 5.05 Consents, Approvals and Compliance. Except for the Required Consents (i) there is no requirement applicable to the Purchaser to make any filing with, or to obtain any permit, authorization, consent or approval of, any Person as a condition to the lawful performance by the Purchaser of its obligations hereunder; and (ii) the Purchaser has complied with, and is not in default under, any law, ordinance, requirement, regulation, rule, or order applicable to its business or properties, the violation of which might materially and adversely affect the operations or financial condition of the Purchaser or its ability to perform its obligations hereunder.

Section 5.06 Ability to Acquire. The Purchaser has complied with the Hart-Scott-Rodino Antitrust Improvements Act, or the bulk transfer or any similar statutory provisions in effect in any jurisdiction, the laws of which apply to such transfer, assignment and conveyance, and received any required approvals thereunder in connection with the acquisition of the Servicing Rights by the Purchaser pursuant to this Agreement.

Section 5.07 Licenses. As of the date hereof, the Purchaser has been approved by and is in good standing with each applicable State Agency, as necessary, in order to purchase the Servicing Rights hereunder.

Section 5.08 Litigation. There is no litigation, claim, demand, proceeding or governmental investigation existing or pending, or to the Purchaser's knowledge, threatened, or any order, injunction or decree outstanding, against or relating to the Purchaser that could materially and adversely affect or delay the performance by the Purchaser of its obligations under this Agreement.

Section 5.09 Sophisticated Purchaser. The Purchaser is a sophisticated investor and its bid and decision to purchase the Servicing Rights is based upon the Purchaser's due diligence and evaluation of the information and documents provided by the Seller and the terms of this Agreement. The Purchaser has consulted with such investment, legal, tax, accounting and other advisers as it deems necessary.

Section 5.10 [Reserved.]

Section 5.11 Sanctions: Anti-Corruption Compliance. None of the Purchaser, its Affiliates, or, to the best of Purchaser's knowledge, any of their directors, officers, or employees (or any employees, officers or directors of Fortress Investment Group LLC participating in the negotiation or performance of this Agreement) is a person that is (i) a target of United States economic, financial, or trade sanctions in force from time to time, (ii) named, identified, or described on any blocked person list, specially designated nationals lists, prohibited persons list, or other official list of restricted persons with whom United States persons may not conduct business, including, but not limited to, restricted party lists published or maintained by the United States government, including, without limitation, the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control and the United States Department of State, or (iii) owned or controlled by, or an actor on behalf of, any persons described in clauses (i) and (ii).

Section 5.12 Broker's Fees. There are no fees or commissions or any expenses of any broker, finder or investment banker or anyone else acting in the capacity of a broker, finder or investment banker for the Purchaser in connection with the transactions contemplated hereby.

ARTICLE VI.

COVENANTS

Section 6.01 Required Consents.

(a) The transfer of the Servicing Rights pursuant to Article II hereof and the appointment of the Subservicer as subservicer for the Mortgage Loans are subject to obtaining the applicable Required Consents on or before the applicable Transfer Date. Seller and Purchaser shall comply with the provisions of Section 8 of the Master Agreement in connection with obtaining such consents. The Seller will instruct the holders of any Required Consents, any rating agencies, custodians, trustees and their representatives and advisors to (i) recognize the Purchaser as a full, interested party in the relevant servicing transaction, (ii) include the Purchaser in correspondence, and (iii) provide to the Purchaser and its advisors and representatives with full access to all documentation, in each case regarding servicing transfers in respect of the MSRPA Servicing Agreements.

(b) The costs and expenses of the Seller and the Purchaser in connection with, arising out of or relating to the transfer of the Servicing Rights shall be payable pursuant to the terms of the Master Agreement.

Section 6.02 Servicing Files. To the extent that Purchaser or its successors or any subservicer, as applicable, is unable, despite its or its successor servicer's best efforts, to service a Mortgage Loans in accordance with Applicable Requirements because the related Servicing File does not contain the documents or information required to be maintained by the Seller under Applicable Requirement and are necessary to service the applicable Mortgage Loan in compliance with Applicable Requirements, Seller shall reimburse the Purchaser for any reasonable out-of-pocket expenses incurred by Purchaser in curing such deficiency and indemnify Purchaser for any Losses that it incurs due to the inability to service in accordance with Applicable Requirements; provided that the Purchaser shall have (and shall have caused its successors and any subservicer to) used best efforts to obtain reimbursement from the applicable Investor for any such unreimbursed expenses or Losses prior to making a claim hereunder.

Section 6.03 Undertakings by the Seller.

(a) [Reserved.]

(b) IRS Reporting. The Seller shall, at its sole cost and expense, prepare and file with the Internal Revenue Service all reports, forms, notices and filings required by the Internal Revenue Code and rules, regulations and interpretations thereunder in connection with the Servicing Rights and Mortgage Loans with respect to events that occurred prior to the applicable Transfer Date thereof, including without limitation, the reporting of all interest paid by the Seller for the account of Mortgagors under the Mortgage Loans, all in material compliance with Applicable Requirements and Accepted Servicing Practices.

Section 6.04 Non-Solicitation. From and after the applicable Transfer Date, except as permitted under the Subservicing Agreement, the Seller shall not, and shall cause its Affiliates, officers and employees to not, and shall not engage any brokers, correspondent lenders, agents and independent contractors to, directly or indirectly, solicit the Mortgagors, during the remaining term of any of the Mortgage Loans, by telephone, by mail, by internet, by facsimile, by personal solicitation, by electronic media or otherwise take any action to solicit the Mortgagors; it being understood and agreed that all rights and benefits relating to direct solicitation of such Mortgagors with respect to any matter relating to the Mortgage Loans and all attendant right, title and interest in and to the list of such Mortgagors and data relating to their Mortgage Loans (including renewal dates) shall be transferred to Purchaser on the applicable Transfer Date. It is understood and agreed that the foregoing is not intended to prohibit responding to Mortgagor inquiries, general advertising or solicitations directed to the public generally.

Section 6.05 Regulatory Update. Periodically, not less frequently than monthly unless otherwise agreed to by Seller and Purchaser, the Seller will arrange for a meeting between Seller's chief compliance officer and one or more representatives of the Purchaser to provide an update with respect to Seller's ongoing regulatory matters, substantially similar in scope and substance to the updates Seller provides to Fannie Mae and Freddie Mac and the update that Seller provided to Purchaser on June 21, 2017.

Section 6.06 Notice of Breach. Promptly upon a responsible officer of Seller becoming aware of a breach by Seller of any representation or warranty made by Seller pursuant to this

Agreement but in no event more than five (5) Business Days thereafter. Seller shall notify Purchaser in writing of such breach.

Section 6.07 Ordinary Course Servicing. The Seller shall continue to service (or, as applicable, shall continue to cause to have serviced) the Mortgage Loans pursuant to the terms and conditions of the MSR Purchase Agreement, the applicable Sale Supplements and in compliance with all Applicable Requirements and Accepted Servicing Practices, up to the transfer of the Servicing Rights on the applicable Transfer Date. Subject to the foregoing, the Seller will use commercially reasonable efforts to not take or omit to take any actions that could reasonably be expected to cause a Material Adverse Effect to the Servicing Rights and related assets and liabilities prior to the applicable Transfer Date.

Section 6.08 Updated Litigation Schedule. The Seller shall deliver to the Purchaser updated Schedules 4.08A and 4.08B on or before the fifth Business Day of each month.

Section 6.09 Notice of Material Events. To the extent not prohibited by Applicable Requirements and any applicable confidentiality provisions, the Seller shall promptly give the Purchaser written notice of (i) the occurrence of any breach by the Seller of any of its obligations hereunder or the commencement of any material litigation or proceeding or any other material adverse event, in each case, that could reasonably be expected to have a Material Adverse Effect, (ii) any event which, with the passage of time, could reasonably be expected to result in a termination of any Servicing Agreement with respect to the Servicing Rights, (iii) any written notices from any Investor (including copies of such notices) of any breach, potential breach, default or potential default by Seller under any Servicing Agreement, and with copies of any notices from such Investor, of any termination, potential termination or threatened termination of any Servicing Agreement, and (iv) any material notices, requests, orders or inquiries received from any Governmental Authority with respect to Seller's interests in the Servicing Rights and any further correspondence in connection therewith and any periodic update with respect to the status of any such material notices, requests, orders or inquiries.

Section 6.10 Governmental Inquiries. The Parties shall cooperate in good faith with each other in responding to any inquiries from any of the Parties' regulators or examiners regarding the origination or servicing of the Mortgage Loans (including providing copies of audits, documents and other information requested by any regulator or examiner); provided that, if (i) prohibited by Applicable Requirements from providing any such requested information or (ii) the underlying contract prohibits disclosure of the requested information, the applicable Party shall give the other Party prompt notice thereof and shall cooperate with such Party in responding to the applicable regulator or examiner's request and/or in seeking exemption from such prohibition. The cooperating Party shall be reimbursed by the requesting Party for any reasonable out of pocket costs or expenses incurred in connection with the foregoing.

Section 6.11 Seller Information. Seller shall deliver monthly reports on or before the fifth (5th) Business Day of each month pertaining to complaints and litigation matters with respect to the Primary Mortgage Loans, substantially in the form and containing the information set forth in Exhibits 6.11-A and 6.11-B, respectively.

Section 6.12 Cooperation. To the extent reasonably possible, the Parties shall cooperate with and assist each other, as requested, in carrying out the purposes of this Agreement. The Purchaser shall cooperate as reasonably required by the Seller in the Seller's efforts to obtain Required Consents and final certifications and recertifications as required hereunder. In addition, the Parties agree to cooperate and work in good faith to solve any and all issues or developments that arise during the course of the business relationship evidenced hereby.

Section 6.13 Custodial Account Verification. The Purchaser reserves the right to independently verify the sufficiency of the Custodial Accounts, employing such industry accepted practices such as, among other things, a test for minimum cash required. Should the Purchaser, any Investor or an auditor determine that the Custodial Account(s) did not contain the required deposits as of the applicable Transfer Date, then the Seller shall immediately reconcile all such accounts and deliver to the Purchaser within five (5) Business Days the amount of the identified shortage. Notwithstanding the foregoing, any right of the Purchaser to verify deposits in the Custodial Accounts shall in no way impair the Purchaser's or any of its successors' rights to any remedies provided under this Agreement and/or by law for any failure to maintain such accounts as required by this Agreement.

Section 6.14 Quality Control Procedures. The Seller shall maintain its current internal quality control program that the Seller reviews, on a regular basis, its compliance with and conformity to all Applicable Requirements to which the Seller is subject. The program shall include evaluating and monitoring the overall quality of the Seller's (or the Seller's subservicer's) loan servicing activities, including collection call programs, in accordance with industry standards and this Agreement.

Section 6.15 Due Diligence. The Purchaser, at its expense, shall have the right to conduct diligence on the Seller and the Servicing Rights as described in the first three sentences of Section 2.11(a) of the Subservicing Agreement.

ARTICLE VII.

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE PURCHASER

The obligations of the Purchaser under this Agreement to purchase and assume the applicable Servicing Rights on any Transfer Date are subject to the satisfaction of each of the following conditions on the date or dates specified in the applicable section of this Article VII, any or all of which may be waived in writing by the Purchaser:

Section 7.01 Correctness of Representations and Warranties. The representations and warranties made by the Seller in this Agreement shall be true and correct in all material respects as of such Transfer Date.

Section 7.02 Compliance with Covenants. All terms and covenants contained in this Agreement required to be complied with and performed by the Seller shall have been duly complied with and performed by the Seller in all material respects as of such Transfer Date.

Section 7.03 Required Consents. On or before the Transfer Date, the applicable Required Consents shall have been issued by all appropriate Persons and delivered to the Purchaser.

Section 7.04 Litigation. As of the Transfer Date, no litigation, claim, demand, administrative or regulatory proceeding or governmental investigation shall be pending or threatened and no order, injunction, or decree shall have been entered that either (i) would reasonably be expected to have a Material Adverse Effect with respect to the Servicing Rights or the Seller, or (ii) which is brought by a bona fide party in interest or a governmental authority with applicable jurisdiction and which enjoins, restrains or prohibits or seeks to enjoin, restrain or prohibit this Agreement or consummation of the transactions contemplated by this Agreement. As of the Transfer Date, no settlement or agreement shall have been entered into by the Seller that would reasonably be expected to have a Material Adverse Effect with respect to the Servicing Rights or the Seller.

Section 7.05 Condition of the Seller. There has been no Material Adverse Effect with respect to the Seller's operations, systems or processes since the Effective Date and the Seller shall have provided to the Purchaser, if requested by the Purchaser, such information reasonably satisfactory to the Purchaser confirm the same.

Section 7.06 Required Documentation. On or prior to such Transfer Date, the Purchaser shall have reasonably approved and accepted all documentation required under the applicable Servicing Agreement to effectuate the purchase and transfer of the Servicing Rights as contemplated hereunder, with such documentation providing for Bifurcation.

Section 7.07 Replacement Subservicer. If the Subservicing Agreement has been terminated following a Designated Event, Purchaser shall have selected a replacement subservicer and such replacement subservicer shall be able to on-board the related Mortgage Loans in respect of the Servicing Rights to be transferred on such Transfer Date.

Section 7.08 Release of Liens on Servicing Rights. On or before the Initial Transfer Date, the Purchaser shall have received (i) an instrument, in a form reasonably satisfactory to the Purchaser, evidencing the release of any lien to which the Servicing Rights transferred to the Purchaser on such Transfer Date may have been subject and (ii) authorization (subject only to the consummation of such transfer) from the applicable secured party to file a UCC-3 financing statement in a form reasonably satisfactory to the Purchaser, terminating any lien referred to in the foregoing clause (i).

Section 7.09 Transfer Date Documentation. On or before the Transfer Date, the Purchaser shall have received, in form and substance reasonably satisfactory to the Purchaser (i) an Assignment Agreement providing for the conveyance of the applicable Servicing Rights on such Transfer Date and (ii) to the extent Master Servicing Rights are being conveyed on such Transfer Date, an assignment agreement providing for the assignment of each related SBO Contract with respect to such Master Servicing Rights. On or before the Effective Date, the Purchaser shall have received, in form and substance reasonably satisfactory to the Purchaser an opinion of counsel to Seller relating to corporate matters and enforceability, and the costs of the opinion of counsel shall be borne by the Seller.

Section 7.10 Licenses. On or before the applicable Transfer Date, the Purchaser has been approved by and is in good standing with each applicable State Agency as necessary, in order to purchase and assume responsibility for the related Servicing Rights.

Section 7.11 Reserved.

Section 7.12 Reserved.

Section 7.13 Secretary's Certificate of Seller. The Purchaser shall have received, on or before the Effective Date, (i) a Secretary's Certificate dated as of the Effective Date, reasonably acceptable to the Purchaser and (ii) applicable corporate resolution authorizing the Seller to enter into the types of transactions set forth herein and authorizing the officers of Seller to execute this Agreement and such other documents as may be necessary to accomplish the transactions contemplated hereby.

Section 7.14 Reserved.

Section 7.15 Reserved.

Section 7.16 Subservicing Agreement. A Subservicing Agreement (including any supplement or acknowledgement relating thereto) relating to the Servicing Rights to be sold to the Purchaser by the Seller pursuant to this Agreement shall have been executed and delivered by the Purchaser and the Subservicer and shall be in full force and effect as of the applicable Transfer Date.

ARTICLE VIII.

CONDITIONS PRECEDENT TO OBLIGATIONS OF THE SELLER

The obligations of the Seller to sell, transfer and assign Servicing Rights under this Agreement are subject to the satisfaction of each of the following conditions on the date or dates specified in the applicable section of this Article VIII, any or all of which may be waived in writing by the Seller:

Section 8.01 Correctness of Representations and Warranties. The representations and warranties made by the Purchaser in this Agreement are true and correct in all material respects as of the applicable Transfer Date.

Section 8.02 Compliance with Covenants. All terms and covenants in the Agreement required to be complied with and performed by the Purchaser shall have been duly complied with and performed by the Purchaser in all material respects, as applicable, as of the applicable Transfer Date.

Section 8.03 Proceedings. As of the Transfer Date, no court order shall have been entered in any action or proceeding instituted by any Person which enjoins, restrains or prohibits or seeks to enjoin, restrain or prohibit this Agreement, the transaction contemplated with respect to the consummation of any transaction contemplated by this Agreement.

Section 8.04 Required Consents. On or before the Transfer Date, the applicable Required Consents shall have been issued by all appropriate Persons and delivered to the Seller.

Section 8.05 Settlement Payment. The Seller shall have received the applicable Settlement Payment.

Section 8.06 Opinion. On or before the Effective Date, the Seller shall have received, in form and substance reasonably satisfactory to the Seller an opinion of counsel to Purchaser relating to corporate matters and enforceability. The costs of such opinion shall be borne by the Purchaser.

Section 8.07 Secretary's Certificate of Purchaser. The Seller shall have received, on or before the Effective Date, (i) a Secretary's Certificate dated as of the Effective Date, reasonably acceptable to the Seller, containing an incumbency certificate of the Purchaser dated as of the Effective Date identifying the Person(s) authorized to bind the Purchaser to this Agreement and (ii) applicable corporate resolution authorizing the Seller to enter into the types of transactions set forth herein and authorizing the officers of Purchaser to execute this Agreement and such other documents as may be necessary to accomplish the transactions contemplated hereby.

ARTICLE IX.

INDEMNIFICATION AND OTHER PAYMENTS

Section 9.01 Indemnification of the Purchaser.

(a) The Seller shall indemnify, defend and hold the Purchaser and its officers, directors, employees, agents and its Affiliates (each, a "Purchaser Indemnitee") harmless from, and will reimburse such Purchaser Indemnitee for, any and all Losses incurred by such Purchaser Indemnitee to the extent that such Losses arise out of or result from:

- (i) the inaccuracy of any representation or warranty made by the Seller in this Agreement;
- (ii) the failure by the Seller to perform or observe any term, provision and/or covenant of this Agreement;
- (iii) any inadequate, inaccurate or improper acts or omissions by the Seller, actual or alleged, related to the servicing of the Mortgage Loans with respect to which the Transfer Date has occurred, including, without limitation, any failure, actual or alleged, to comply with Applicable Requirements, relating to the period prior to the related Transfer Date;
- (iv) any Excluded Obligation with respect to Servicing Rights with respect to which the Transfer Date has occurred;

(v) the matters described in Section 6.02, subject to the limitations set forth therein; or

(vi) any act or omission of the Seller in the performance of its obligations under this Agreement.

(b) Notwithstanding anything in this Agreement to the contrary, for purposes of establishing whether any matter is indemnifiable under Section 9.01(a), the accuracy of the representations and warranties of the Seller contained herein shall be determined without giving effect to the qualifications to such representations and warranties concerning knowledge, materiality or other exception (including, without limitation, any reference to “material adverse effect,” “the best of Seller’s knowledge,” or any other terms similar thereto). In that regard, the Parties acknowledge and agree that regardless of any qualifications or limitations contained in this Agreement regarding the Seller’s knowledge, or to materiality or to exceptions noted in a representation or warranty or disclosed in any schedule, the Seller shall be required to fully indemnify the Purchaser for all Losses arising in whole or in part from the breach of such representation or warranty ***.

(c) In addition, and notwithstanding anything in this Agreement to the contrary, but subject to the limitations of applicable law, the indemnification obligations of the Seller under this Agreement shall not be limited by time ***.

(d) Seller shall pay to Purchaser Indemnitee any non-disputed Losses within thirty (30) days of the Seller’s receipt of an invoice therefor, together with reasonable supporting documentation.

Section 9.02 Indemnification by Purchaser.

(a) The Purchaser shall indemnify, defend and hold the Seller and its officers, directors, employees, agents and its Affiliates (each, a “Seller Indemnitee”) harmless from, and will reimburse such Seller Indemnitee for, any and all Losses incurred by such Seller Indemnitee to the extent that such Losses arise out of or result from:

(i) Any breach of a representation or warranty by Purchaser made in this Agreement;

(ii) Any breach of any covenant, agreement or obligation of Purchaser contained in this Agreement; and

(iii) Any Claim that is brought against Seller after the relevant Transfer Date that relates to the Mortgage Loans and the Servicing Rights with respect to which the Transfer Date has occurred, except (i) to the extent Seller is liable therefor under this Agreement, the MSR Purchase Agreement, the Sale Supplements, the Subservicing Agreement or any other agreement between the Seller and the Purchaser or any Affiliate or (ii) to the extent such Claim results from or arises out of any matter related to the period prior to the Transfer Date.

(b) Notwithstanding anything in this Agreement to the contrary, for purposes of establishing whether any matter is indemnifiable under Section 9.02(a), the accuracy of the representations and warranties of the Purchaser contained herein shall be determined without giving effect to the qualifications to such representations and warranties concerning knowledge, materiality or other exception (including, without limitation, any reference to “material adverse effect,” “the best of Purchaser’s knowledge,” or any other terms similar thereto). In that regard, the Parties acknowledge and agree that regardless of any qualifications or limitations contained in this Agreement regarding the Purchaser’s knowledge, or to materiality or to exceptions noted in a representation or warranty or disclosed in any schedule, the Purchaser shall be required to fully indemnify the Seller for all Losses arising in whole or in part from the breach of such representation or warranty.

(c) In addition, and notwithstanding anything in this Agreement to the contrary, but subject to the limitations of applicable law, the indemnification obligations of the Purchaser under this Agreement shall not be limited by time.

(d) Purchaser shall pay to Seller Indemnitee any non-disputed Losses within thirty (30) days of the Seller’s receipt of an invoice therefor, together with reasonable supporting documentation.

Section 9.03 ***.

Section 9.04 Reserved.

Section 9.05 Claims. An indemnified party under this Article IX shall notify an indemnifying party under this Article IX if a claim is made by a third party with respect to this Agreement or the Mortgage Loans that would give rise to a claim in this Article IX (other than counterclaims made in the course of servicing the Mortgage Loans). The indemnifying party shall assume (with the prior written consent of indemnified party, not to be unreasonably withheld or delayed) the defense of any such claim and pay all expenses in connection therewith, including counsel fees, shall promptly pay, discharge and satisfy any judgment or decree which may be entered against it or the indemnified party in respect of such claim and shall follow any reasonable written instructions received from the indemnified party in connection with such claim. In no event shall a party settle any claim subject to this Article IX without the prior written consent of the other party (which shall not be unreasonably withheld or delayed). The indemnified party may participate in the defense of claims at its own expense. The indemnified party may further assume control of any claim to the extent the indemnifying party is not in the reasonable, good faith opinion of the indemnified party properly conducting defense of the claim.

Section 9.06 Additional Remedy Considerations. No information or knowledge of the Purchaser, nor the results of any due diligence or investigation by the Purchaser (including, without limitation, in relation to the Seller, the Mortgage Loans, the Servicing Rights or other assets), shall affect, waive, modify, limit, or diminish: (i) any representation or warranty of the Seller contained in this Agreement; or (ii) the Purchaser’s right to rely upon such representations and warranties of the Seller, including with respect to any claims for indemnification hereunder.

Section 9.07 Mitigation. Each Party that is eligible for indemnification under Sections 9.01 or 9.02 or reimbursement for costs and expenses under this Agreement, as the case may be, in respect of a Loss or cost and expense shall use its commercially reasonable efforts consistent with requirements of Applicable Requirements with respect to mitigation of damages to mitigate such Loss or cost and expense in a commercially reasonable manner; provided, however, that such mitigation will not cause such indemnified Party to incur any costs and expenses without being reimbursed therefor; and, provided further, the failure to mitigate by either Party shall not affect the indemnifying Party's obligation to indemnify the indemnified Party except to the extent such failure to mitigate results in any material prejudice to the indemnifying Party and then only to the extent of such material prejudice and a violation of requirements of Applicable Requirements with respect to mitigation of damages. Each such indemnified Party (or Party eligible for reimbursement) shall furthermore reasonably cooperate with the indemnifying Party (or responsible Party), at the indemnifying (or responsible Party's) reasonable request and expense, in connection with any efforts by the indemnifying Party (responsible Party) to mitigate such Loss.

ARTICLE X.

TERMINATION.

Section 10.01 Termination.

(a) The Purchaser may immediately terminate this Agreement if any of the following shall occur:

(i) Reserved;

(ii) Reserved;

(iii) the Seller or the Ocwen Parent breaches, in any material respect, any representation or warranty, covenant, obligation or agreement set forth in this Agreement and such breach is not cured within fifteen (15) days following such party's receipt of the Purchaser's written notice thereof;

(iv) any filing of an insolvency proceeding by or on behalf of the Seller, any consent by or on behalf of the Seller to the filing of an insolvency proceeding against the Seller or any admission by or on behalf of the Seller of its inability to pay its debts generally as the same become due;

(v) any filing of an insolvency proceeding against the Seller that remains undismissed or unstayed for a period of sixty (60) days after the filing thereof;

(vi) any issuance of any attachment or execution against, or any appointment of a conservator, receiver or liquidator with respect to, all or substantially all of the assets of the Seller.

(b) The Seller may immediately terminate this Agreement if any of the following shall occur:

(i) the Purchaser or the Purchaser Parent breaches, in any material respect, any representation or warranty, covenant, obligation or agreement set forth in this Agreement and such breach is not cured within fifteen (15) days following such party's receipt of the Seller's written notice thereof;

(ii) any filing of an insolvency proceeding by or on behalf of the Purchaser, any consent by or on behalf of the Purchaser to the filing of an insolvency proceeding against the Purchaser or any admission by or on behalf of the Seller of its inability to pay its debts generally as the same become due;

(iii) any filing of an insolvency proceeding against the Purchaser that remains undismissed or unstayed for a period of sixty (60) days after the filing thereof; or

(iv) any issuance of any attachment or execution against, or any appointment of a conservator, receiver or liquidator with respect to, all or substantially all of the assets of the Purchaser.

(c) This Agreement shall automatically terminate on the earlier of (i) the date which is eighteen (18) months after the Effective Date and (ii) the date on which the Subservicing Agreement is terminated pursuant to the terms thereof (other than in connection with a Designated Event), in each case solely with respect to any Servicing Rights with respect to which the Transfer Date has not occurred as of such date.

Section 10.02 **Designated Events.** If the Subservicing Agreement has been terminated following a Designated Event, Seller and Purchaser shall cooperate in good faith to comply with the Transfer Out Procedures (as defined in the Subservicing Agreement) set forth in Exhibit P-1 and Exhibit P-2 of the Subservicing Agreement and transfer servicing in accordance with industry standard transfer procedures. and (ii) Purchaser shall use commercially reasonable efforts to require any successor servicer or subservicer to comply with the Transfer Out Procedures set forth in Exhibit P-1 and Exhibit P-2 of the Subservicing Agreement and transfer servicing in accordance with industry standard transfer procedures. In addition, Purchaser shall not utilize any successor servicer or subservicer unless such successor servicer or subservicer has been approved by and is in good standing with Fannie Mae, Freddie Mac and each applicable State Agency.

Section 10.03 **Effect of Termination.** Except as otherwise provided in an agreement among the Parties, the termination of this Agreement shall not affect any other agreement among the Parties. In respect of any termination based upon a Party's (i) failure to remit any sum payable to the other Party hereunder when due (subject to applicable grace and/or cure periods if any), (ii) insolvency or (iii) loss of Investor approval, all Servicing Rights that have been sold, transferred and assigned to the Purchaser pursuant to this Agreement shall remain subject to the terms of this Agreement. In respect of any other termination of this Agreement, all Servicing Rights in respect of which the applicable Transfer Date has occurred at the time of such termination shall remain subject to the terms of this Agreement and, if the Purchaser continues to be an Investor-approved servicer, the sale of such Servicing Rights shall be consummated in accordance with the terms of this Agreement as if such termination did not occur. With respect to any termination of particular obligations under

this Agreement, the obligated Party shall have no further obligation to the other Party with respect to the terminated obligation.

ARTICLE XI.

MISCELLANEOUS

Section 11.01 Supplementary Information. From time to time prior to and after each Transfer Date, each Party shall furnish to the other Party such information supplementary to the information contained in the documents and schedules delivered pursuant hereto which is reasonably available and may reasonably be requested or which may be necessary to file any reports due to the Investors in connection with the Mortgage Loans and the Servicing Rights.

Section 11.02 Restriction on Notices; Information and Disclosure. Notwithstanding anything else herein, nothing in this Agreement shall require any party to provide any notice, information, investigation, audit, correspondence, and any other communication (collectively, "Information") to any other party (1) if providing such Information is prohibited by Applicable Requirements or any other contractual or legal obligation or (2) upon any advice of counsel (which may be internal counsel), if providing such Information may cause such party to lose attorney-client privilege, attorney work product privilege or other similar protections (governed by the applicable jurisdiction); provided that, in the case of clause (1), except with respect to any such prohibition imposed by a Governmental Authority, Freddie Mac or Fannie Mae, the disclosing party shall use commercially reasonable efforts to obtain consent to such disclosure from the applicable third party unless disclosing party reasonably believes that such consent will not be attainable.

Section 11.03 Further Assurances. Each party hereto shall execute and deliver in a reasonable timeframe such reasonable and appropriate additional documents, instruments or agreements and take such reasonable actions as may be necessary or appropriate to effectuate the purposes of this Agreement at the request of the other party.

Section 11.04 Survival. Notwithstanding anything to the contrary contained herein, but subject to limitations of applicable law, the representations and warranties of the Parties contained herein, as well as the Parties' respective rights and obligations arising under Article IX of this Agreement shall survive the termination of this Agreement and shall inure to the benefit of the Parties and their successors and assigns ***.

Section 11.05 Assignment.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(b) This Agreement may not be assigned or otherwise transferred by operation of law or otherwise by Purchaser or Seller without the express written consent of all parties to this Agreement and any such assignment or attempted assignment without such consent shall be void; provided, however, that (i) Purchaser may pledge its rights to any Person providing financing to such Purchaser or its Affiliates without the express written consent of Seller, (ii) without limiting

any other transfers that otherwise do not require the consent of Seller, following a Transfer Date, Purchaser or any assignee or transferee thereof may transfer all or any interest in the Rights to MSRs or any Transferred Receivables Assets to any Person without the express written consent of Seller and (iii) Purchaser may assign or otherwise transfer any of its rights and obligations hereunder without the consent of Seller to any direct or indirect wholly-owned subsidiary of Purchaser Parent that has been approved by and is in good standing with Fannie Mae and Freddie Mac and each applicable State Agency, as necessary, in order to acquire the Servicing Rights hereunder, in any case, so long as such assignment and transfer does not materially delay the occurrence of the Transfer Dates contemplated by the Master Agreement and this Agreement.

(c) This Agreement is otherwise solely for the benefit of the parties hereto, and no provision of this Agreement shall be deemed to confer upon any other Person any remedy, claim, liability, reimbursement, cause of action or other right, except to the extent expressly set forth herein.

Section 11.06 Notices.

(a) All communications, notices, consents, waivers, and other communications under this Agreement must be in writing and be given in person or by means of email (with request for assurance of receipt in a manner typical with respect to communications of that type), by overnight courier or by mail, and shall become effective: (a) on delivery if given in person; (b) on the date of transmission if sent email, except with respect to notices delivered pursuant to Article X which shall be confirmed by a similar mailed writing; (c) one (1) Business Day after delivery to the overnight service; or (d) four (4) Business Days after being mailed, with proper postage and documentation, for first-class registered or certified mail, prepaid.

Notices shall be addressed as follows:

(i) If to the Purchaser, to:

[***]

With a copy to:

[***]

(ii) If to the Seller to:

Ocwen Loan Servicing, LLC
1661 Worthington Road, Suite 100
West Palm Beach, FL 33409
Attention: Secretary

with a copy (which shall not constitute notice) to:

Ocwen Loan Servicing LLC
(physical address)

Hamilton House, 56 King Street, 3rd Floor
Christiansted, St. Croix VI 00820

(mailing address)
1108 King Street
Christiansted, VI 00820

Attention: General Counsel

with a copy to:

provided, however, that if any party shall have designated a different address by notice to the others, then to the last address so designated.

Section 11.07 Entire Agreement. This Agreement, the Master Agreement and any agreements referenced herein or therein set forth the entire agreement and understanding of the parties hereto with respect to the transactions contemplated hereby and thereby and supersede any and all prior agreements, arrangements and understandings, both written and oral, between the parties relating to the subject matter hereof and thereof.

Section 11.08 Exhibits and Schedules. The exhibits and schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 11.09 Binding Effect; Third Parties. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person, other than the parties hereto and their successors and permitted assigns, any rights, obligations, remedies or liabilities.

Section 11.10 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 11.11 Submission to Jurisdiction. EACH OF THE PARTIES HERETO IRREVOCABLY (I) SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY; (II) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THE DEFENSE OF AN INCONVENIENT

FORUM IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT; (III) CONSENTS TO SERVICE OF PROCESS UPON IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER OR BY ANY OTHER MANNER IN ACCORDANCE WITH LAW; AND (IV) AGREES THAT A FINAL JUDGMENT IN ANY ACTION OR PROCEEDING IN ANY SUCH COURT SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

Section 11.12 Waiver of Jury Trial. EACH PARTY HERETO IRREVOCABLY AND ABSOLUTELY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH, ARISING UNDER OR RELATING TO THIS AGREEMENT OR ANY MATTERS CONTEMPLATED HEREBY, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

Section 11.13 No Strict Construction. The parties agree that the language used in this Agreement is the language chosen by the parties to express their mutual intent and that no rule of strict construction is to be applied against either party. The parties and their respective counsel have reviewed and negotiated the terms of this Agreement.

Section 11.14 Costs and Expenses. Except as otherwise expressly set expressly in this Agreement, each party hereto shall be responsible for its own costs and expenses incurred in connection with the negotiation and execution of this Agreement and all documents relating thereto.

Section 11.15 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument. Any signature page to this Agreement containing a manual signature may be delivered by facsimile transmission or other electronic communication device capable of transmitting or creating a printable written record, and when so delivered shall have the effect of delivery of an original manually signed signature page.

Section 11.16 Headings. The descriptive headings of the various sections of this Agreement are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions thereof.

Section 11.17 No Remedy Exclusive. No remedy under this Agreement is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to any remedies given under this Agreement or existing at law or in equity. Notwithstanding the foregoing, neither Party shall be responsible under or resulting from this Agreement to the other, and whether for indemnity, general common law contract damages, or other damages, for any consequential, punitive, incidental, indirect, exemplary or special losses or damages, including lost profits, even when advised of the possibility of any of the foregoing damages; provided that such limitation will not be applicable to any such damages paid to a third party as a result of any third party claims subject to indemnification under Section 9.01 or 9.02; provided further that the Seller

will be obligated to pay Average Third Party Mark Payments required under, and as defined in, the Subservicing Agreement.

Section 11.18 Waiver. Any forbearance by a Party in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver or preclude the exercise of that or any other right or remedy.

Section 11.19 Confidentiality.

(a) Each Party acknowledges that it may, in the course of performing its responsibilities under this Agreement, be exposed to or acquire Confidential Information that is proprietary to or confidential to the other Party, its Affiliates, their respective clients and investors or to third parties to whom the other Party owes a duty of confidentiality. The party providing Confidential Information in each case shall be called the "Disclosing Party" and the party receiving the Confidential Information shall be called the "Recipient". With respect to all such Confidential Information, the Recipient shall (i) act in accordance and comply with all Applicable Requirements (including, without limitation, security and privacy laws with respect to its use of such Confidential Information), (ii) maintain, and shall require all third parties that receive Confidential Information from the Recipient as permitted hereunder to maintain, effective information security measures to protect Confidential Information from unauthorized disclosure or use, and (iii) provide the Disclosing Party with information regarding such security measures upon the reasonable request of the Disclosing Party and promptly provide the Disclosing Party with information regarding any failure of such security measures or any security breach. The Recipient shall hold the Disclosing Party's Confidential Information in strict confidence, exercising no less care with respect to such Confidential Information than the level of care exercised with respect to the Recipient's own similar Confidential Information and in no case less than a reasonable standard of care, and shall not copy, reproduce, summarize, quote, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such information to third parties or use such information for any purposes other than the provision of the services to the Disclosing Party without the prior written authorization of the Disclosing Party. In addition, the Recipient shall not use the Confidential Information to make any contact with any of the parties identified in the Confidential Information without the prior authorization of the Disclosing Party, except in the course of performing its obligations under the terms of this Agreement.

(b) The Recipient may disclose the Disclosing Party's Confidential Information only (i) to its and its Affiliates' officers, directors, attorneys, accountants, employees, agents and representatives and, with respect to the Purchaser only, rating agencies, consultants, bankers, financial advisors and potential financing sources (collectively, "Representatives") who need to know such Confidential Information and who are subject to a duty of confidentiality (contractual or otherwise) with respect to such Confidential Information, (ii) to those Persons within the Recipient's organization directly involved in the transactions hereunder, and who are bound by confidentiality terms substantially similar to the terms set forth herein, (iii) to the Recipient's regulators and examiners, (iv) to defend itself in connection with a legal proceeding regarding the transactions hereunder and (v) as required by Applicable Requirements. The Recipient shall be

liable for any breach of its confidentiality obligations and the confidentiality obligations of its Representatives.

(c) The Parties shall not, without the other Party's prior written authorization, publicize, disclose, or allow disclosure of any information about the other Party, its present or former partners, managing directors, directors, officers, employees, agents or clients, its or their business and financial affairs, personnel matters, operating procedures, organization responsibilities, marketing matters and policies or procedures, with any reporter, author, producer or similar Person or entity, or take any other action seeking to publicize or disclose any such information in any way likely to result in such information being made available to the general public in any form, including books, articles or writings of any other kind, as well as film, videotape, audiotape, or any other medium except as required by Applicable Requirements.

(d) The obligations under this Section 11.19 shall survive the termination of this Agreement.

(e) In addition to the foregoing, the parties agree that any information provided hereunder shall be subject to the terms of the Confidentiality Agreement, dated as of May 5, 2015 (the "Confidentiality Agreement"), by and between New Residential Investment Corp. and Seller; provided that if there exists any conflict between this Agreement and the terms of the Confidentiality Agreement, this Agreement shall control.

Section 11.20 Tax Treatment of Sales of Servicing Rights. The Parties agree that each sale of Servicing Rights pursuant to Article II of this Agreement shall be characterized as (i) a transfer of bare legal title (and not beneficial ownership) for tax purposes, and neither Party shall take any position on any tax return or tax filing or otherwise inconsistent therewith and (ii) an absolute transfer for all other purposes. In the event, however, that it were to be determined that the transactions evidenced hereby constitute a loan and not an absolute transfer, this Agreement constitutes a security agreement under applicable law, the Seller hereby grants to the Purchaser a first priority perfected security interest in all of Seller's right, title and interest, whether now owned or hereafter acquired, in, to and under the Servicing Rights with respect to which the Transfer Date has occurred, and the related Custodial Funds and Servicing Files to secure the Seller's obligations hereunder and under any agreement, document or instrument delivered in connection with this Agreement. The Seller authorizes and agrees to cooperate with the Purchaser, and the Purchaser may file, at the expense of the Purchaser, any financing statements (and continuation statements and amendments to such financing statements) reasonably acceptable to Seller with respect to the Servicing Rights, now existing and hereafter created, meeting the requirements of applicable law in such manner and in such jurisdictions as are necessary to perfect, and maintain perfection of, the rights and interests of the Purchaser in and to the Servicing Rights.

Section 11.21 Third Party Beneficiaries. Except for HLSS Holdings, LLC and each Person indicated in Sections 9.01 and 9.02, this Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns, and nothing herein expressed or implied gives or may be construed to give to any Person, other than the Parties and such respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement. The parties hereby designate HLSS Holdings, LLC as an express third-party beneficiary

of this Agreement having the right to enforce the terms herein. For the avoidance of doubt, except as set forth above, the Seller and the Purchaser acknowledge and agree that Mortgagors are not third party beneficiaries of this Agreement.

Section 11.22 Severability. The failure or unenforceability of any provision hereof shall not affect the other provisions of this Agreement. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 11.23 Reproduction of Documents. This Agreement and all documents relating hereto, including (a) consents, waivers and modifications which may hereafter be executed and (b) financial statements, certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process. The parties agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 11.24 Limited Effect. Except as expressly set forth above or in the attachments hereto, the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, claim, cause of action, power or remedy of any party hereto, whether arising before or after the date of this Agreement, or constitute a waiver of any provision of any other agreement.

Section 11.25 Ocwen Parent Guaranty.

(a) Ocwen Parent hereby absolutely and unconditionally guarantees to the Purchaser the prompt, full and proper performance of each and every obligation and duty of the Seller under this Agreement, including the Seller's obligations under Article IX hereof.

(b) The guaranty described in this Section 11.25 is a guarantee of payment and performance, and not of collection. The Purchaser's remedies are cumulative, such that the remedies recited in this Agreement with respect to this guaranty are in addition to, and not in lieu of, any remedies the Purchaser may otherwise have under this Agreement, at law, in equity, or otherwise.

(c) Ocwen Parent hereby represents, warrants, and (as applicable) covenants to the Purchaser as follows: (i) Ocwen Parent is duly organized, validly existing and in good standing under the laws of Delaware; (ii) the execution, delivery and performance by Ocwen Parent of this Agreement are within Ocwen Parent's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (A) Ocwen Parent's charter or by-laws, as applicable, or (B) any law or any contractual or regulatory restriction binding upon or affecting Ocwen Parent; (iii) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by Ocwen Parent of this Agreement; and (iv) this Agreement is and will continue to be the legal, valid and

binding obligation of Ocwen Parent, enforceable against it in accordance with its terms, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally.

Section 11.26 Purchaser Parent Guaranty.

(a) Purchaser Parent hereby absolutely and unconditionally guarantees to the Seller the prompt, full and proper performance of each and every obligation and duty of the Purchaser under this Agreement, including the Purchaser's obligations under Article IX hereof.

(b) The guaranty described in this Section 11.26 is a guarantee of payment and performance, and not of collection. The Seller's remedies are cumulative, such that the remedies recited in this Agreement with respect to this guaranty are in addition to, and not in lieu of, any remedies the Seller may otherwise have under this Agreement, at law, in equity, or otherwise.

(c) Purchaser Parent hereby represents, warrants, and (as applicable) covenants to the Seller as follows: (i) Purchaser Parent is duly organized, validly existing and in good standing under the laws of Delaware; (ii) the execution, delivery and performance by Purchaser Parent of this Agreement are within Purchaser Parent's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (A) Purchaser Parent's charter or by-laws, as applicable, or (B) any law or any contractual or regulatory restriction binding upon or affecting Purchaser Parent; (iii) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by Purchaser Parent of this Agreement; and (iv) this Agreement is and will continue to be the legal, valid and binding obligation of Purchaser Parent, enforceable against it in accordance with its terms, subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally.

Section 11.27 No Offset. Neither party shall have any right to offset against any amount payable hereunder or other agreement to the other party, or otherwise reduce any amount payable hereunder as a result of, any amount owing by the other party or any of its Affiliates to such party or any of its Affiliates.

Section 11.28 Amendment; Waivers. No amendment or modification of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The failure of a party hereto at any time or times to require performance of any provision hereof or claim damages with respect thereto shall in no manner affect its right at a later time to enforce the same. All rights and remedies

existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

Section 11.29 SBO Contracts. The Parties hereto acknowledge and agree that, upon the transfer of any Master Servicing Rights, on the related Transfer Date, Seller shall assign to Purchaser, and Purchaser shall assume, to the extent applicable, the obligations and rights of Seller under any applicable SBO Contract, solely to the extent such rights and obligations relate to the particular Master Servicing Rights that are assigned on such Transfer Date, provided that any amendments to such SBOs Contracts while Seller is still performing the master servicing function as servicer on behalf of Purchaser for such SBO Contract shall be made in accordance with the terms of Exhibit R of the Subservicing Agreement.

[Signature page follows]

IN WITNESS WHEREOF, each of the undersigned parties to this Agreement has caused this Agreement to be duly executed in its name by one of its duly authorized officers on the date first set forth above.

New Residential Mortgage LLC,
as the Purchaser

By: New Residential Investment Corp., its sole member

By: /s/ Matthew Gabriel Hoffman-Johnson

Name: Matthew Gabriel Hoffman-Johnson

Title: Attorney-In-Fact, Agent and Authorized Signatory

Signature Page to Transfer Agreement

Solely for purposes of Articles I, X and XI:

New Residential Investment Corp.,
as Purchaser Parent

By: /s/ Matthew Gabriel Hoffman-Johnson
Name: Matthew Gabriel Hoffman-Johnson
Title: Attorney-In-Fact, Agent and Authorized Signatory

Signature Page to Transfer Agreement

Ocwen Loan Servicing, LLC,
as the Seller

By: /s/ John P Kim
Name: John P Kim
Title: Senior Vice President

Signature Page to Transfer Agreement

Solely for purposes of Articles I, X and XI:

Signature Page to Transfer Agreement

Ocwen Financial Corporation,
as Ocwen Parent

By: /s/ John V. Britti
Name: John V. Britti
Title: EVP

Signature Page to Transfer Agreement

Exhibit A

FORM OF ASSIGNMENT AGREEMENT FOR SERVICING RIGHTS

Dated [____], [__]

Subject to, and upon the terms and conditions of the Transfer Agreement, dated as of July 23, 2017 (the “**Agreement**”), by and among [____], a [____] limited liability company (the “**Seller**”) and NEW RESIDENTIAL MORTGAGE LLC, a Delaware limited liability company (the “**Purchaser**”), as may be amended, restated, or otherwise modified and in effect from time to time, the Seller hereby assigns, transfers and delivers to the Purchaser all of the Seller’s right, title and interest in and to (i) Servicing Rights, (ii) Custodial Funds and (iii) the Servicing Files, in each case, for each of the Mortgage Loans set forth in Annex A attached hereto and all proceeds thereof; provided, however, that the Purchaser neither purchases nor assumes any Excluded Obligation. The Seller and the Purchaser hereby agree that as of the applicable Transfer Date, the applicable Mortgage Loan shall be deemed to be a “Mortgage Loan” for all purposes of the Agreement.

All of the terms, covenants, conditions and obligations of the Agreement required to be complied with and performed by the Seller on or prior to the date hereof have been duly complied with and performed in all material respects. All conditions precedent set forth in Article VII and Article VIII of the Agreement with respect to such Transfer Date have been complied.

Capitalized terms used in this Assignment Agreement have the meanings given to such terms in, or incorporated by reference into, the Agreement.

OCWEN LOAN SERVICING, LLC

as the Seller

By: _____

Name: _____

Title: _____

A-1-2

NEW RESIDENTIAL MORTGAGE LLC

as the Purchaser

By: ____

Name: ____

Title: ____

A-1-3

[ATTACH ANNEX A, WHICH MAY BE ON COMPUTER TAPE, COMPACT DISK, OR MICROFICHE, CONTAINING THE INFORMATION SET FORTH BELOW]

Servicing Type

***	***			X	
***	***		X	X	
***	***			X	
***	***			X	
***	***			X	
***	***		X	X	
***	***			X	
***	***			X	
***	***			X	
***	***		X	X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***			X	
***	***		X	X	
***	***		X	X	
***	***			X	
***	***		X	X	
***	***			X	
***	***		X	X	
***	***			X	
***	***		X	X	

Servicing Type

***	***				X
-----	-----	--	--	--	---

EX. B

Exhibit 6.11-A

Seller Information: Complaint Report

LOAN_NUM
CASE_PRMRY_BRWR_NM
CASE_RCVD_DT
CASE_CLOSED_DT
TAT
CASE_TYP
CASE_CNTC_METHOD
CASE_NUM
ISU_CAT
ISSUE_DESCRIPTION
DRILLDOWN
CASE_DET
RES_SUMMARY
STAGE1_RES
ASSIGNED_TO

In addition, the complaint report will include fields for:

Property State
Property Zip Code

Within 30 days of the Effective Date, (i) Seller will provide information as to the availability of data to report on the dates when Seller acknowledges Mortgagor complaints and (ii) will develop a summary report including: (1) aggregate number of complaints outstanding, (2) breakdown of all complaints by issue type, (3) number of new complaints each month and (4) number of complaints resolved each month.

Ex. 6.11-A

Exhibit 6.11-B

Seller Information: Litigation Report

DATA_ASOF_DATE
LOAN_NUM
LOAN_NUM_PRIOR
LOAN_NUM_INV
INV_CODE
INV_NAME
INV_DEAL_ID
PRIN_BALANCE
DELQ_STATUS
PROP_STATE
USERCDELIST

In addition, the complaint report will include fields for:

Property State
Property Zip Code
Type of Case (Foreclosure, Bankruptcy, etc.) (unless the report is separated by type)

Within 30 days of the Effective Date, Seller will provide information related to the ability to provide case comments, will work with Purchaser to agree to a process by which case comments will be provided and will develop a summary report including: (1) aggregate number of litigation matters outstanding, (2) breakdown of all complaints by issue type, (3) number of new complaints each month and (4) number litigation matters resolved each month and mutually agreed upon additional litigation fields reasonably requested by NRZ and based on discussions with Seller's internal litigation counsel.

Schedule 4.08A

Any litigation, claim, demand, proceeding or governmental investigation or other matter disclosed in the Regulatory and Contingencies Footnotes in the Amended 2016 Form 10-K or First Quarter 2017 Form 10-Q of Ocwen Financial Corporation filed with the Securities and Exchange Commission or in the information contained in the email from *** to *** on Sunday, July 23, 2017.

Schedule 4.08B

Any written notice to the Seller claiming or stating that the Seller has violated, breached or not complied with any Applicable Requirements in connection with the Servicing Rights, which claim remains unresolved, as disclosed in the Regulatory and Contingencies Footnotes in the Amended 2016 Form 10-K or First Quarter 2017 Form 10-Q of Ocwen Financial Corporation filed with the Securities and Exchange Commission or in the information contained in the email from *** to *** on Sunday, July 23, 2017.

Schedule 4.10

SELLER INFORMATION

1. The information provided to Purchaser pursuant to Section 6.11 of this Agreement.
2. List of investor codes that were reflected on Seller's systems as allowing stop advance as of November 2, 2016.
3. List of investor codes that were reflected on Seller's systems as allowing recoupment of advances as of November 2, 2016.
4. The following information provided by Seller to Purchaser (or its Affiliates):
 - a. stop advance loan counts and balances as set forth in NRZ/Fortress - Monthly Stop Advance and Advance Recoup Trends Report delivered to Purchaser on June 20, 2017
 - b. recoup amounts as set forth in NRZ/Fortress - Monthly Stop Advance and Advance Recoup Trends Report delivered to Purchaser on June 20, 2017
 - c. recapture loan counts, balances and recapture rate as set forth in HLSS/NRZ - Refinanced Loans (April 1, 2015 - May 31, 2017) delivered to the Purchaser on July 17, 2017
 - d. monthly loan tape for primary servicing, subservicing and master servicing for the prior 12-month period from June 2016 through and including June 2017, the below fields (for example, (i) the June 2017 data for primary servicing is set forth in NRZ/HLSS - Primary MSR Data Tape delivered to the Purchaser on July 11, 2017 and (ii) the April 2017 data for master servicing is set forth in HLSS/NRZ - Master MSR Data Tape - As_Of_Date 04/30/2017 delivered to the Purchaser on June 26, 2017):
 - i. loan_number
 - ii. as_of_dt
 - iii. next_due_dt
 - iv. end_bal
 - v. dq_stat
 - vi. maturity_dt
 - vii. mod_dt
5. Historical loss information with respect to losses incurred by Seller pursuant to certain Servicing Agreements as set forth in an email delivered by Seller to Purchaser on June 7, 2017.

Schedule 4.10

6. Loan-level P&I Advance, Servicing Advance (Escrow and Corporate Advances, but excluding NBB advance balances) balances as of June 30, 2017 (P&I Advance balances representing a reasonable approximation of such balance at such time and not out-of-pocket advances funded by the Seller or Purchaser).
7. Loan-level NBB advance balances as delivered by the Seller to the Purchaser on July 7, 2017.
8. Loan-level deferred servicing fee information as of May 31, 2017, as delivered by the Seller to the Purchaser on July 5, 2017.
9. All pre-onsite visit materials provided by Seller to Purchaser via the FirmX website but solely to the extent included in the "Ocwen – New Residential Mortgage Directory".
10. PowerPoint presentations delivered by Seller to Purchaser on June 20, 2017 in connection with Purchaser's onsite visit.

Schedule 4.10

Schedule 4.12.12

- (1) The economics of certain call rights associated with the Servicing Rights were previously transferred to an affiliate of OLS, Ocwen Mortgage Asset Partners, L.P. ("OMAP"), a Cayman Islands exempted limited partnership, pursuant to certain participation arrangements. As a result, the sale to Purchaser of such call rights upon the applicable Transfer Date of the related Servicing Rights is to be effectuated by Seller acting as an accommodation party for OMAP, pursuant to various direction letters and validly executed corporate consents authorizing such sale.
- (2) The Homeward Servicing Rights, as described in Section 1.03 of this Agreement; provided however that such representation and warranty is true and correct with respect to Homeward .

Schedule 4.12.12

***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(D)
***	***	(E)
***	***	(E)
***	***	(E)

References

- (A) contains FHA, VA or USDA insured Mortgage Loans
- (B) Subservicer has incurred legal expenses incurred on behalf of the trust fund in connection with breaches of the seller (Option One), with such expenses not being reimbureable from general collections due to the relationship between the prior servicer and originator/seller (both Option One)
- (C) Subservicer has incurred losses related to non-recoverable advances (with such losses not based upon a failure of the servicer to comply with the Applicable Requirements)
- (D) Subservicer has been required to pay expenses and other indemnification payments incurred by the trustee in connection with its duties and be reimbursed from the trust, with servicer reimbursement or indemnification payable by the trust being subsequent to certain other distributions
- (E) contains FNMA or FHLMC loans

Schedule 4.12.17

The tax service contracts related to 535,323 Mortgage Loans and the flood certification contracts related to 70,285 Mortgage Loans identified to Purchaser as of June 2017.

Schedule 4.12.17

Schedule 4.12.21

None.

Schedule 4.12.21

Annex A

Data Fields with respect to each Data Tape

[***]

Annex A-1

Annex B

MARCH DATA TAPE FIELDS

1. as_of_dt
2. closing_dt
3. prod_type
4. next_due_dt
5. sch_mnth_p
6. int_rate
7. sfee_rate
8. end_bal
9. dq_stat
10. maturity_dt
11. state
12. lien
13. curr_val
14. orig_val
15. tot_pmt
16. mod_dt
17. loan_term
18. PI_ADV_BAL
19. ESC_ADV_BAL
20. CORP_ADV_BAL
21. remit_type
22. purpose
23. index_id
24. margin
25. arm_first_reset
26. arm_rate_chg_dt
27. zip
28. orig_bal
29. rate_reset

Annex A-2

CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY ***, HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 24B-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

SUBSERVICING AGREEMENT

NEW RESIDENTIAL MORTGAGE LLC
as the Owner/Servicer

and

OCWEN LOAN SERVICING, LLC
as the Subservicer

Dated: July 23, 2017

Mortgage Loans

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SUBSERVICING AGREEMENT

THIS SUBSERVICING AGREEMENT (this "Agreement"), dated as of July 23, 2017, (the "Effective Date"), is by and between New Residential Mortgage LLC (the "Owner/Servicer"), having an office at 1345 Avenue of the Americas, 45th Floor, New York, New York 10105, and Ocwen Loan Servicing, LLC (the "Subservicer"), having an office at 1661 Worthington Road, Suite 100, West Palm Beach, FL 33409.

RECITALS

WHEREAS, the Subservicer is engaged in the business of servicing and subservicing mortgage loans evidenced by notes and secured by deeds of trust, mortgages, trust deeds or like security instruments;

WHEREAS, the Owner/Servicer owns or will acquire from time to time the right to service the mortgage loans or pools of mortgage loans identified on a schedule attached (i) with respect to Servicing Rights not transferred under the Transfer Agreement, to the related Acknowledgment Agreement or other schedule or data file delivered and accepted by the Subservicer or (ii) to the applicable Assignment Agreement (as defined in Transfer Agreement) relating to the Servicing Rights transferred under the Transfer Agreement;

WHEREAS, the Subservicer has the capacity to subservice such mortgage loans for the Owner/Servicer;

WHEREAS, the Owner/Servicer desires that the Subservicer perform, as a subservicer, the Subservicing and the Subservicer is agreeable thereto;

WHEREAS, Ocwen Mortgage Servicing, Inc. ("OMS"), the parent corporation of Seller, (i) has reviewed, analyzed, and approved this transaction, (ii) has authorized and caused Seller to enter into this Agreement, and (iii) has not delegated any authority to any person outside the United States Virgin Islands to agree to terms on its behalf; and

WHEREAS, the Owner/Servicer and the Subservicer shall each execute this Agreement in the United States Virgin Islands.

NOW, THEREFORE, in consideration of the mutual recitals, promises and covenants set forth herein, and other good and valuable consideration herein received for, but not herein recited, the receipt of which is hereby acknowledged, the parties hereto agree and covenant as follows:

ARTICLE I DEFINITIONS

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings specified in this Article I:

Acknowledgment Agreement: The document substantially in the form attached hereto as Exhibit A, to be executed by the Owner/Servicer and the Subservicer prior to each Transfer Date with respect to Subservicing any Mortgage Loans identified on the schedule attached thereto pursuant to this Agreement.

Advance Policy: The policies and procedures set forth on Exhibit K that the Subservicer shall be required to follow in connection with making new P&I Advances and Servicing Advances after the Transfer Date and seeking recovery of P&I Advances and Servicing Advances, which policies and procedures may be modified by the Owner/Servicer pursuant to Section 2.3 hereof.

Affiliate: (i) With respect to Subservicer, Corporate Parent, OMS, Homeward Residential Holdings, Inc., Homeward Residential Inc. and the direct or indirect wholly-owned subsidiaries of Subservicer and the direct or indirect subsidiaries of Corporate Parent involved in forward mortgage servicing, forward mortgage lending or related ancillary services and (ii) with respect to Owner/Servicer, New Residential Investment Corp. and the direct or indirect wholly-owned subsidiaries of Owner/Servicer.

Agency: Each of Fannie Mae, Freddie Mac and Ginnie Mae, as applicable.

Agency Guidelines: The Fannie Mae Guide, Freddie Mac Guide or Ginnie Mae Guide, as applicable, as such Agency Guidelines may be modified from time to time or enacted subsequent to the date of this Agreement, and any other applicable agreements, rules, regulations, directives, announcements, bulletins and instructions of the applicable Agency relating to the servicing or subservicing of residential mortgage loans.

Agreement: This Agreement as the same may be amended from time to time by the Owner/Servicer and the Subservicer.

Ancillary Income: All income, fees and charges derived from the Mortgage Loans and REO Properties (other than (i) Servicing Compensation, (ii) any Float Benefit, (iii) any prepayment premiums attributable to the Mortgage Loans not payable to an Investor and (iv) any Downstream Ancillary Income), which the Subservicer is entitled to collect (for the Owner/Servicer) solely from third parties (and not from the Owner/Servicer) under Applicable Requirements and Section 4.1, including but not limited to late fees, payoff fees, assumption fees, reinstatement fees, fees received with respect to checks on bank drafts returned by the related bank for insufficient funds, fees payable by third parties (in connection with HAMP, or other incentive fees associated with private label securities), loss mitigation fees, and similar types of fees arising from or in connection with any Mortgage Loan, in any case to the extent not exceeding or violating any applicable amounts or limitations under Applicable Requirements. In no event shall any Ancillary Income be paid from Owner/Servicer Economics, reimbursed Servicing Advances or reimbursed P&I Advances.

AP Modifications: As defined in Section 2.3.

Applicable Requirements: As to any Mortgage Loan as of the time of reference with respect to the applicable capacity of Owner/Servicer, whether as master servicer, primary servicer or subservicer, (i) all contractual obligations of the Subservicer or the Owner/Servicer as servicer with

respect to the Mortgage Loans and/or the Servicing Rights, including without limitation those contractual obligations contained in this Agreement, the Servicing Agreements, any agreement with any Insurer, Investor or other Person or in the Mortgage Loan Documents; (ii) all federal, state and local legal and regulatory requirements (including, without limitation, laws, statutes, rules, regulations and ordinances) applicable to the Subservicer, the Owner/Servicer, the Servicing Rights or the Subservicing thereof, including without limitation the Vendor Oversight Guidance, the applicable requirements and guidelines of any Investor or Insurer, the CFPB, or any other Governmental Authority; (iii) all other judicial and administrative judgments, orders, stipulations, directives, consent decrees, awards, writs and injunctions applicable to the Subservicer, the Owner/Servicer, the Servicing Rights or the Mortgage Loans, (iv) the terms of the related Mortgage Instruments and Mortgage Notes, (v) the applicable Governmental Entity Guidelines with respect to any Mortgage Loan solely to the extent necessary to maintain or collect on insurance or guaranty from FHA, VA or USDA.

Approved Party: As defined in Section 2.10.

Approved Third-Party Appraisers: The following parties and any other residential mortgage servicing appraisal service provider provided agreed upon by Owner/Servicer and the Subservicer as an "Approved Third-Party Appraiser" for purposes of this Agreement: ***, or any successors thereto, unless either party hereto provides written notice to the other party of its disapproval of such successor.

Average Third Party Mark: In respect of any Servicing Rights, the average of two appraisals from two Approved Third-Party Appraisers engaged by the Owner/Servicer pursuant to Section 8.1. If any particular appraisal is a range of values, then such appraisal shall be the mean of such range of values for purpose of this definition.

Average Third Party Mark Payment: As defined in Section 8.1.

Bankruptcy Code: As defined in Section 10.16.

BCP: As defined in Section 2.18.

Business Day: Any day other than (a) a Saturday or Sunday, (b) a day on which banking institutions in the States of New York, California, Florida, Iowa or Texas or the Commonwealth of Pennsylvania are authorized or obligated by law or by executive order to be closed, (c) a day that is not a business day as provided in the applicable Servicing Agreement or (d) such other days as agreed upon by the parties in writing.

Calculation Date: The close of business on the last Business Day occurring in March, June, September and December of each calendar year, beginning in June 2017.

CFPB: The Consumer Financial Protection Bureau, an independent federal agency operating as part of the United States Federal Reserve System.

Change of Control: Unless otherwise consented to by Owner/Servicer (a decision on which shall not be unreasonably delayed) with respect to the Subservicer, shall mean (i) any transaction or event as a result of which the Corporate Parent ceases to own, directly or indirectly, more than 50% of the stock of Subservicer; (ii) the sale, transfer, or other disposition of all or substantially all of Subservicer's assets (excluding any such action taken in connection with any securitization transaction or routine sales of mortgage loans); or (iii) the consummation of a merger or consolidation of Subservicer with or into another entity or any other corporate reorganization, if more than fifty percent (50%) of the combined voting power of the continuing or surviving entity's equity outstanding immediately after such merger, consolidation or such other reorganization is owned by persons who were not equityholders of the Subservicer immediately prior to such merger, consolidation or other reorganization. Unless otherwise consented to by Owner/Servicer (a decision on which consent shall not be unreasonably delayed) with respect to the Corporate Parent, shall mean (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Effective Date) shall have obtained the power (whether or not exercised) to elect a majority of the board of directors (or equivalent governing body) of the Corporate Parent (ii) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Effective Date) is or shall become the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under the Exchange Act as in effect on the Effective Date), directly or indirectly, of forty nine percent (49%) or more on a fully diluted basis of the voting interests in the Corporate Parent's Equity Interests, or (iii) the current members of the Corporate Parent's board of directors as of the Effective Date (or equivalent governing body) shall cease to represent a majority of the directors of the Corporate Parent's board of directors (or equivalent governing body). Notwithstanding the foregoing, Owner/Servicer agrees that it will use its reasonable discretion in evaluating certain transactions as further identified on Schedule 1.1.

Change Request: As defined in Section 2.3

Change Notice: As defined in Section 2.3

Charged-off Loans: Any Mortgage Loans that have been charged off in accordance with Applicable Requirements and Servicing Procedures.

Claim: Any claim, demand or litigation related to the Mortgage Loans, the Subservicing, the Servicing Rights or this Agreement.

Client Contract: A "Subservicing Agreement" as defined in the applicable Servicing Agreement (or other like terminology used to reference the agreement giving rise to the applicable SBO Servicer's obligations to service the Mortgage Loans related to such Servicing Agreement).

Commission: The United States Securities and Exchange Commission.

Compensating Interest: Amounts required to be paid to the applicable Investor pursuant to the applicable Servicing Agreement for shortfalls in interest payments, if any, in connection with respect to principal prepayments or shortfalls (which shortfalls are not attributable to the failure of the Subservicer to service in accordance with Applicable Requirements), if any.

Compensatory Fees: Any compensatory fees, fines, penalties or other monies assessed by the Governmental Entity for failure to adhere to the applicable Governmental Entity Guidelines in servicing the Mortgage Loans, including without limitation applicable foreclosure, reporting and remitting timelines.

Confidential Information: Any and all information regarding the transactions contemplated by this Agreement, Consumer Information, the proprietary, confidential and non-public information or material relating to the business (including business practices) of the Disclosing Party (as defined in [Section 10.12](#)) (or the Disclosing Party's clients and investors), information regarding the financial condition, operations and prospects of the Disclosing Party, and any other information that is disclosed to one party by or on behalf of the other party or any of their respective Affiliates or representatives, either directly or indirectly, in writing, orally or by drawings or by permitting inspection of documents or other tangible expression, whether exchanged before or after the date of this Agreement, and contained in any medium, which the Disclosing Party considers to be non-public, proprietary or confidential. Confidential Information includes (but is not limited to) all (a) information relating to the Owner/Service's interest in the Servicing Rights or the amount, characteristics or performance of the Mortgage Loans or any economic or noneconomic terms of this Agreement, (b) information relating to research and development, discoveries, formulae, inventions, policies, guidelines, displays, specifications, drawings, codes, concepts, practices, improvements, processes, know-how, patents, copyrights, trademarks, trade names, trade secrets, and any application for any patent, copyright or trademark; and (c) descriptions, financial and statistical data, business plans, data, pricing, reports, business processes, recommendations, accounting information, identity of suppliers, business relationships, personnel information, technical specifications, computer hardware or software, information systems, customer lists, costs, product concepts and features, corporate assessments strategic plans, services, formation of investment strategies and policies, other plans, or proposals, and all information encompassed in the foregoing. Information relating to the Disclosing Party's consultants, employees, clients, investors, customers, members, vendors, research and development, software, financial condition or marketing plans is also considered Confidential Information.

Consumer Information: Any personally identifiable information relating to a Mortgagor which is considered "nonpublic personal information" of "customers" and "consumers" as those terms are defined in the GLBA.

Corporate Parent: Ocwen Financial Corporation, or any successor thereto.

Critical REO Disposition Vendor: As defined in [Section 2.10\(b\)](#).

Critical Report: The reports (other than the Owner/Service Regulatory Reports) identified as such on [Exhibit E-1](#) attached hereto which the Subservicer is required hereunder to deliver to the Owner/Service, which report list shall be amended from time to time upon mutual agreement of the Subservicer and Owner/Service.

Critical Vendor: As defined in [Section 2.4\(a\)](#).

Custodial Account: With respect to each Investor, the accounts created and maintained at a Qualified Depository designated by the Owner/Servicer in which Custodial Funds for the related Mortgage Loans are deposited and held in the name of the Owner/Servicer to the extent not prohibited by the applicable Servicing Agreement.

Custodial Funds: All funds held by or on behalf of the Subservicer with respect to the Mortgage Loans, including, but not limited to, all principal and interest funds and any other funds due Investors, buydown funds maintained by or on behalf of the Subservicer relating to the Mortgage Loans, exclusive of Escrow Payments.

Custodian: With respect to each Mortgage Loan, the document custodian designated by the Owner/Servicer (to the extent permitted in the applicable Servicing Agreement) or the applicable Investor to act as custodian of the Mortgage Loan Documents for such Mortgage Loan.

Default Firms: Shall have the meaning assigned to such term in [Section 2.4](#).

Delinquency or Delinquent: With respect to any Mortgage Loan, the Mortgage Loan that would be considered one month or more delinquent following the OTS Methodology.

Downstream Ancillary Income: Any and all income or fees referenced on the applicable HUD-1/closing disclosure relating to REO Disposition Services.

Depositor: The depositor, as such term is defined in Regulation AB, with respect to any securitization transaction.

Effective Date of Termination: With respect to the termination of Subservicer, (i) if terminated pursuant to [Section 5.1\(b\)](#) during the Initial Term, the day which is one hundred and eighty (180) days following the date on which the Owner/Servicer notified the Subservicer of its termination, (ii) if, after the Initial Term, not affirmatively renewed for an additional term pursuant to [Section 5.1\(b\)](#), the last day of the then-current term and (iii) if terminated pursuant to [Section 5.1\(d\)](#), or [Section 5.3](#), the date Owner/Servicer notifies Subservicer of its termination. With respect to a termination of Owner/Servicer, (i) if terminated pursuant to [Section 5.1\(c\)](#) the last Business Day of the term in which the Subservicer notified Owner/Servicer of its termination and (ii) if terminated pursuant to [Section 5.6](#), the date Subservicer notifies Owner/Servicer of its termination.

Equity Interests: With respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interest in (however designated) equity of such Person, including any common stock, preferred stock, any limited or general partnership interest and any limited liability company membership interest, as applicable; provided that, for the avoidance of doubt and without limitation, "Equity Interests" shall exclude the convertible notes and any other indebtedness convertible into or exchangeable for Equity Interests.

Escrow Account: With respect to each Investor, a time deposit or demand account (in the name of the Owner/Servicer to the extent not prohibited by the applicable Servicing Agreement) created and maintained at a financial institution designated by the Owner/Servicer for the deposit of Escrow Payments and related disbursements, as required by the applicable Servicing Agreement.

Escrow Agent: The Bank of New York Mellon Trust Company or such other Person as mutually agreed upon by the Owner/Servicer and the Subservicer.

Escrow Agreement: That certain agreement among the Owner/Servicer, the Subservicer and the Escrow Agent, entered into prior to the applicable Successor Transfer Date.

Escrow Payments: The amounts required to be escrowed by the Mortgagor pursuant to any Mortgage Loan and held in Escrow Accounts pursuant to the Applicable Requirements (including interest accrued thereon for the benefit of the Mortgagors under the Mortgage Loans, if required by law or contract).

Exchange Act: The Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Exit Fee: An amount equal to the product of (A) the unpaid principal balance of the Mortgage Loans to be included in the related Resecuritized Transaction where the Subservicer is not being retained under the Resecuritization Transaction pursuant to Section 5.1(d) and (B) the applicable Exit Fee Percentage.

Exit Fee Percentage: The applicable basis points set for in Exhibit D associated as of the actual transfer date set forth in Exhibit D.

Fannie Mae: The Federal National Mortgage Association, or any successor thereto.

Fannie Mae Guide: The Fannie Mae Single Family Servicing Guide, as amended, supplemented or otherwise modified from time to time.

FDIC: The Federal Deposit Insurance Corporation, or any successor thereto.

FHA: The Federal Housing Administration of the Department of Housing and Urban Development of the United States of America, or any successor.

FHA Regulations: Regulations promulgated by HUD under the National Housing Act, codified in Title 24 of the Code of Federal Regulations, and other HUD issuances relating to mortgage loans insured by the FHA.

Fidelity and Errors and Omissions Insurance: As defined in Section 2.12.

Float Benefit: All benefit (including interest or earnings) related to the Escrow Accounts (net of amounts due to the related Mortgagors under applicable law) and the Custodial Accounts, as applicable, with respect to the Mortgage Loans.

Foreclosure Liquidation: The liquidation of a defaulted Mortgage Loan through foreclosure sale.

Formatted Servicer Report: As defined in Section 2.8(c).

Freddie Mac: The Federal Home Loan Mortgage Corporation, or any successor thereto.

Freddie Mac Guide: The Freddie Mac Single Family Servicing Guide, as amended, supplemented or otherwise modified from time to time.

GAAP: Generally accepted accounting principles in effect from time to time in the United States of America.

Ginnie Mae: The Government National Mortgage Association, or any successor thereto.

Ginnie Mae Guide: The Ginnie Mae Mortgage Backed Securities (MBS) Guide, as amended, supplemented or otherwise modified from time to time.

GLBA: The Gramm-Leach-Bliley Act of 1999 as amended, modified, or supplemented from time to time, and any successor statute, and all rules and regulations issued or promulgated in connection therewith.

Governmental Authority: Any court, board, agency, State Agency, commission, office or other authority or quasi-governmental authority or self-regulatory organization of any nature whatsoever for any governmental unit (foreign, federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

Governmental Entity: Each of FHA, USDA and VA, as applicable.

Governmental Entity Guidelines: The FHA Regulations, USDA Regulations, or VA Regulations, as applicable, as such Governmental Entity Guidelines may be modified from time to time or enacted subsequent to the date of this Agreement, and any other applicable agreements, rules, regulations, directives, announcements, bulletins and instructions of the applicable Governmental Entity relating to the servicing or subservicing of residential mortgage loans.

HAMP: The Home Affordable Modification Program implemented by the United States Department of Treasury pursuant to Section 101 and 109 of the Emergency Economic Stabilization Act of 2008, as the same may be amended or modified.

HLSS: HLSS Holdings, LLC.

HUD: The United States Department of Housing and Urban Development, or any successor thereto.

Initial Response: As defined in Section 2.3.

Initial Response Backup: As defined in Section 2.3.

Initial Response Notice: As defined in Section 2.3.

In-process Loan Modification: A trial or permanent loan modification offered by the Subservicer or any prior servicer that was either accepted by the Mortgagor or for which the time

for the Mortgagor to accept the offer has not expired and the offer has not been rejected. The term also means and includes (a) trial modifications in which the Subservicer or any prior servicer agreed to modify the payment terms of the Mortgage Loan unless the Subservicer or a prior servicer has clear written evidence that the Mortgagor has failed to perform under the trial loan modification terms and (b) modifications in which the Mortgagor completed making the trial payments, but the permanent modification was not input into the Subservicer or any prior servicer's system.

Insurer: FHA, VA, USDA or any private mortgage insurer, pool insurer and any insurer or guarantor under any standard hazard insurance policy, any federal flood insurance policy, any title insurance policy, any earthquake insurance policy or other insurance policy, and any successor thereto, with respect to the Mortgage Loan or the Mortgaged Property.

Interim Servicing Agreement: The agreements entered into by the Subservicer, the Owner/Servicer, Affiliates thereof and/or certain other parties on the dates of related clean-up calls with respect to certain identified Mortgage Loans serviced hereunder which agreements shall be substantially similar to the following documents: ***.

Internal Cost Variance: As defined in Section 2.10.

Investor: Any securitization trust, issuer or other owner of the Mortgage Loans for which the Owner/Servicer services such Mortgage Loans pursuant to a Servicing Agreement or, with respect to Mortgage Loans owned by the Owner/Servicer, the Owner/Servicer. For purposes of this Agreement, references to the Investor shall include a trustee, master servicer, securities administrator or other party acting on behalf of an Investor but shall not include any Agency.

***.

Loss or Losses: Any and all losses, damages, deficiencies, Claims, liabilities, penalties, costs or expenses, including without limitation reasonable costs of investigation (solely to the extent such investigation is required to address a third party claim), attorneys' fees and disbursements.

Loss Mitigation: With respect to any Mortgage Loan, any modified or proposed payment arrangement, proposed, trial or permanent loan modification, In-process Loan Modification, forbearance plan, short sale, deed-in-lieu agreement, HAMP and any other non-foreclosure home retention or non-retention option offered by the Subservicer or any prior servicer that is made available to the Mortgagor by or through the Subservicer or any prior servicer, including any application or request of a Mortgagor for any of the foregoing. For avoidance of doubt, this definition shall apply only to Mortgage Loans in loss mitigation or where a loss mitigation application is pending.

Master Agreement: The Master Agreement, dated as of July 23, 2017, among Subservicer, Owner/Servicer, HLSS and MSR-EBO.

Master Servicer: The "Master Servicer" as defined in the applicable Servicing Agreement (or other like terminology used to reference the entity that performs Master Servicing functions under such Servicing Agreement).

Master Servicing: Subject to Applicable Requirements, the master servicing functions related to the Servicing Rights under the applicable Servicing Agreement, Client Contract and this Agreement, including, without limitation, the operational functions of receiving and reconciling funds from SBO Servicers, reconciling servicing activity with respect to servicing performed by SBO Servicers, calculating remittance amounts to certificateholders, sending remittances to the trustee for distributions to certificateholders, investor and tax reporting, bond administration, coordinating loan repurchases, overseeing of servicing of the SBO Servicers, approving SBO Servicers' requests for non-delegated activities, and/or management and liquidation of REO Properties (including appraisals and brokerage services).

Master Servicing Addendum: As defined in Section 2.1(b).

Material Adverse Change: With respect to any Person, any material adverse change in the business, condition (financial or otherwise), or operations, of such Person.

Material Adverse Effect: With respect to the Subservicer (a) a Material Adverse Change with respect to the Subservicer or any of its Affiliates taken as a whole; (b) a material impairment of the ability of the Subservicer to perform under this Agreement, or to avoid a Subservicer Termination Event; (c) a material adverse effect upon the legality, validity, binding effect or enforceability of this Agreement against the Subservicer; or (d) a material adverse effect upon the value or marketability of a material portion of the Servicing Rights related to the Mortgage Loans subserviced pursuant to this Agreement. With respect to the Servicing Rights related to the Mortgage Loans subserviced pursuant to this Agreement, a material adverse effect (a) upon the value or marketability of a material portion of the Servicing Rights or (b) on the ability of the Subservicer to realize the full benefits of the Servicing Rights. With respect to the Owner/Servicer (a) a Material Adverse Change with respect to the Owner/Servicer or any of its Affiliates taken as a whole; (b) a material impairment of the ability of the Owner/Servicer to perform under this Agreement, or to avoid any Owner/Servicer Termination Event under this Agreement (that cannot be timely cured, to the extent a cure period is applicable); (c) a material adverse effect upon the legality, validity, binding effect or enforceability of this Agreement against the Owner/Servicer; or (d) a material adverse effect upon the value or marketability of a material portion of the Servicing Rights related to the Mortgage Loans subserviced pursuant to this Agreement.

Material Debt Agreement: Any debt, repurchase agreement, loan and security agreement or similar credit facility or agreement for borrowed funds in the amount of twenty million dollars (\$20,000,000) or more in the aggregate between a lender and the Subservicer, the Corporate Parent or any subsidiary or Affiliate of Subservicer (other than Automotive Capital Services, Inc. and Liberty Home Equity Solutions, Inc.).

Measurement Balance: As of any date of determination, the unpaid principal balance of the Measurement Loans.

Measurement Loans: The Prior Ocwen Serviced Loans and any Mortgage Loans subject to the Master Agreement other than the Mortgage Loans with respect to which (x) the Servicing Rights have been transferred to a third party pursuant to Section 9.3 of the Master Agreement or (y) the Rights to MSRs and Transferred Receivables Assets (as defined in the Master Agreement) have

been transferred to Subservicer from an Affiliate of Owner/Servicer pursuant to the Purchase Option (as defined in the Master Agreement).

MERS: Mortgage Electronic Registration Systems, Inc., or any successor thereto.

***.

Monthly Financial Covenant Certification: As defined in Section 2.22.

Mortgage: The mortgage, deed of trust or other instrument creating a first or second lien on a Mortgaged Property securing a Note (or a first or second lien on (a) in the case of a cooperative, the related shares of stock in the cooperative securing the Note and (b) in the case of a ground rent, the leasehold interest securing the Note).

Mortgage Loan: Fixed or adjustable rate mortgage loans identified by the Owner/Servicer pursuant to Section 2.1 for which the Subservicer accepts subservicing from the Owner/Servicer from time to time for inclusion under the terms of this Agreement and any REO Property resulting from Mortgage Loans described in this definition.

Mortgage Loan Documents: With respect to each Mortgage Loan, (a) the original Mortgage Loan documents held by the Custodian, including the Note, and if applicable, cooperative mortgage loan related documents and (b) all documents required by the applicable Investor to be held by the Custodian under Applicable Requirements.

Mortgage Servicing File: With respect to each Mortgage Loan, all documents whether in hard copy, computer record, microfiche or any other format, evidencing and pertaining to a particular Mortgage Loan and relating to the processing, origination, servicing, collection, payment and foreclosure of such Mortgage Loan, necessary to service the Mortgage Loans in accordance with Applicable Requirements or required to be held by the servicers under Applicable Requirements, including without limitation the following documents with respect to each Mortgage Loan: (a) a schedule of all transactions credited or debited to the Mortgage Loan, including the Escrow Account and any suspense account; (b) copies of the Mortgage Loan Documents; (c) any notes created by the Subservicer (or any prior servicer) personnel reflecting communications with the Mortgagor about the Mortgage Loan; (d) any reports specific to the Mortgage Loan created by the Subservicer (or any prior servicer) in connection with the Subservicing of the Mortgage Loan; (e) copies of information or documents provided by Mortgagor to the Subservicer in connection with any error resolution or loss mitigation; and (f) any documents or records required to be maintained by the servicer under the applicable Servicing Agreement.

Mortgaged Property: The real property securing a Mortgage Loan, including all buildings and fixtures thereon.

Mortgagor: The mortgagor, grantor of security deeds, grantor of trust deeds and deeds of trust, and the grantor of any Mortgage.

MSR-EBO: HLSS MSR-EBO Acquisition LLC.

MSRPA: As defined in Section 2.16(a).

New Mortgage Loan: With respect to any existing Mortgage Loan subject to this Agreement, a new mortgage loan (i) which is originated when the related Mortgagor (A) refinances such existing Mortgage Loan with proceeds from such new mortgage loan which is secured by the same mortgaged property or (B) pays off in full such existing Mortgage Loan and obtains a new mortgage loan secured by a different mortgaged property and, in each case, such refinancing or new borrowing resulted from the solicitation efforts of the Subservicer or any brokers, correspondent lenders, agents or independent contractors that Subservicer engaged to solicit such refinancing or new borrowing on its behalf and (ii) for which the related Servicing Rights are transferred to the Owner/Servicer pursuant to Exhibit B.

Note: The original executed note evidencing the indebtedness of a Mortgage.

Off-shore Vendor: Any Vendor which is located outside the United States of America and/or the services provided by any Vendor are being performed outside the United States of America.

O/S Direction: As defined in Section 2.3.

OTS Methodology: A method of calculating delinquency of a Mortgage Loan based upon The Office of Thrift Supervision method, under which method a Mortgage Loan is considered delinquent if the payment has not been received by the Mortgage Loan's next due date. For example, a Mortgage Loan with a due date of August 1, 2017, with no payment received by the close of business on September 1, 2017, would have been reported as delinquent on October 1, 2017.

Owner/Servicer Economics: The sum of the following, without duplication, (i) all Servicing Compensation payable to the Owner/Servicer as servicer of the Mortgage Loans under the applicable Servicing Agreement and/or received during the applicable Investor accounting cycle, (ii) all amounts payable to the Owner/Servicer as the Investor of any Mortgage Loans during the related collection period, (iii) all recoveries on the Mortgage Loans of Servicing Advances and P&I Advances previously funded or reimbursed by the Owner/Servicer to the Subservicer or the prior servicer, (iv) if positive, the excess of all penalties assessed pursuant to Section 2.7(d) minus all bonuses payable pursuant to Section 2.7(d), and (v) all other outstanding amounts collected and payable to the Owner/Servicer under this Agreement (including Float Benefit pursuant to Section 2.8(h)).

Owner/Servicer Expenses: "Out-of-pocket" costs to third parties incurred in accordance with Applicable Requirements by the Subservicer in servicing the Mortgage Loans and REO Properties that are not reimbursable by the related Mortgagor, by the related Investor or from Liquidation Proceeds in accordance with the applicable Mortgage Loan Documents and/or Servicing Agreement, as applicable, and that constitute the cost of (a) Mortgagor counseling fees payable to a third party, (b) any Mortgage Loan Assignment, recording, trustee, endorsement or release fee including recordation of powers of attorney and any MERS charges, which fees are not reimbursable to Subservicer by any other party, (c) solely with respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, life of loan flood tracking contracts to the extent such Mortgage Loan did not have a life of loan flood tracking contract on the related Transfer Date, (d) solely with respect

to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, life of loan tax service contracts to the extent such Mortgage Loan did not have a life of loan tax service contract on the related Transfer Date, (e) solely with respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, tax certifications performed to research past due tax amounts, (f) funds to repurchase Mortgage Loans from the applicable Investor to the extent the Subservicer obtained the prior written consent of the Owner/Servicer to repurchase such Mortgage Loan(s), (g) interest on escrow payable to Mortgagors in accordance with [Section 2.2\(a\)\(iv\)](#), (h) LPMI premiums, (i) changing a Custodian at the direction of the Owner/Servicer, (j) Compensating Interest, (k) amounts payable by the Owner/Servicer in accordance with [Section 2.3](#) of this Agreement (l) solely with respect to the applicable Mortgage Loans related to the Master Servicing Rights, the compensation of the applicable trustee to the extent the related Servicing Agreement requires that the Master Servicer is required to pay the trustee its compensation as calculated thereunder and (m) any other fees or amounts expressly agreed to be paid by the Owner/Servicer pursuant to this Agreement (other than indemnity payments to be made in accordance with [Article VIII](#)).

Owner/Servicer Regulatory Report: The reports identified "Regulatory Reports" in the Formatted Servicing Reports attached hereto which the Subservicer is required hereunder to deliver to the Owner/Servicer, which report list shall be amended from time to time pursuant to [Section 2.3](#).

Owner/Servicer Termination Event: As defined in [Section 5.6](#).

P&I: Principal and interest.

P&I Advance: Principal and interest, if any, advanced to an Investor related to a Mortgage Loan, required to be made under the applicable Servicing Agreement.

Performance Triggers: Any of the events set forth on [Exhibit J](#), as may be modified by mutual agreement of the parties from time to time, including upon the addition of additional Mortgage Loans as reflected in an Acknowledgment Agreement, or through other written agreement of the parties.

Person: Any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, limited partnership, government or any agency or political subdivision thereof or any similar entity.

PMI: Private mortgage insurance.

PMI Companies: The insurance companies that have issued PMI policies insuring any of the Mortgage Loans.

Prime Rate: The prime rate announced to be in effect from time to time, as published as the average rate in *The Wall Street Journal (Northeast edition)*.

Prior Ocwen Serviced Loans: As defined in [Section 2.1\(d\)](#).

Qualified Depository: A depository (a) the accounts of which are insured by the Federal Deposit Insurance Corporation, or any successor thereto and (b) that is compliant with Applicable Requirements.

Rating Agencies: Standard & Poor's Financial Services LLC, Moody's Corporation, Fitch Ratings, Inc., DBRS, Inc., Kroll Bond Rating Agency, Inc. and, if specified in any related Securitization Transaction, any other nationally recognized statistical rating organization or their respective successors, or any successor in interest thereto.

Reconciliation Report: As defined in Section 4.1.

Reconstitution Date: The date(s) on which any or all of the Mortgage Loans serviced under this Agreement (or the related Servicing Rights) shall be removed from this Agreement and reconstituted as part of a Securitization Transaction pursuant to Section 9.1.

Regulation AB: Subpart 229.1100 – Asset Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Commission in (a) the adopting release (Asset-Backed Securities, Securities Act Release No. 33-8518, 70 Fed. Reg. 1,506, 1,631 (Jan. 7, 2005)), (b) the adopting release (Asset-Backed Securities, Securities Act Release Nos. 33-9638 and 34-72982, 79 Fed. Reg. 57,183, 57,346 (September 24, 2014)) or (c) by the staff of the Commission, or as may be provided by the Commission or its staff from time to time.

REMIC: A “real estate mortgage investment conduit” within the meaning of Section 860D of the Code.

REMIC Provisions: Provisions of the federal income tax law relating to REMICs, which appear in Sections 860A through 860G of Subchapter M of Chapter 1, Subtitle A of the Code, and related provisions, and regulations, rulings, or pronouncements promulgated thereunder, as the foregoing may be in effect from time to time.

Remittance Date: The monthly remittance date as set forth in the related Servicing Agreement.

REO Disposition Services: The services provided by a vendor or services which such vendor controls, which shall include, without limitation, valuation services, property preservation and inspection, trustee services, insurance, title services, management services, liquidation services (REO sales, short sales), due diligence services, mortgage charge off collection, mortgage fulfillment and underwriting services unless otherwise agreed to by the parties, but shall exclude umbrella insurance on REO Properties.

REO Property: A Mortgaged Property acquired on behalf of an Investor by foreclosure or other similar process.

Reporting Date: With respect to each report listed in Exhibit E-1, the date specified therein.

Representatives: With respect to the Owner/Servicer, its employees, managers, advisors, agents, contractors, counsel, auditors and other representatives of the Owner/Servicer.

SBO Servicer: A "Servicer" or "Subservicer" as defined in the applicable Servicing Agreement for servicing and administration (or other like terminology used to reference the entity that is overseen by the Master Servicer under such Servicing Agreement), which may be the Subservicer.

Securitization Servicing Agreement: The agreement entered into by the Subservicer, the Owner/Servicer and certain other parties on the Reconstitution Date or Reconstitution Dates with respect to certain identified Mortgage Loans serviced hereunder in connection with a Securitization Transaction, which agreement shall be substantially similar to *** (including, but not limited to, with respect to the compensation of the Subservicer and the payment of a portion of the servicing fee arising under such Securitization Servicing Agreement to Owner/Servicer or its Affiliate pursuant to the ***), or such other securitization servicing agreement as the Owner/Servicer and Subservicer may mutually agree upon.

Securitization Transaction: Any transaction involving either (a) a sale or other transfer of certain identified Mortgage Loans directly or indirectly by New Residential Investment Corp. or its Affiliates to an issuing entity in connection with an issuance of publicly offered or privately placed, rated or unrated mortgage-backed securities or (b) an issuance of publicly offered or privately placed, rated or unrated securities (directly or indirectly by New Residential Investment Corp. or its Affiliates), the payments on which are determined primarily by reference to one or more portfolios of residential mortgage loans consisting, in whole or in part, of some or all of the Mortgage Loans.

Service Level Agreements or SLAs: As defined in Section 2.7(a) of this Agreement.

Servicer Transfer Data: The computer records provided by the prior servicer to the Subservicer reflecting the status of payments, balances and other pertinent information with respect to the Mortgage Loans necessary to subservice the Mortgage Loans in accordance with Applicable Requirements.

Servicing Advance: All customary, reasonable and necessary actual "out of pocket" costs and expenses incurred by the Subservicer in accordance with the Applicable Requirements and the Advance Policy, and after the Transfer Date, subject to the terms of this Agreement, excluding any P&I Advance or indemnification amounts payable by the Subservicer pursuant to this Agreement.

Servicing Agreement: With respect to each Mortgage Loan, the related servicing agreement, pooling and servicing agreement, subservicing agreement or similar agreement pursuant to which the Owner/Servicer is a party as the servicer (including master, special, primary or subservicer) thereunder as of the related Transfer Date, addressing the Servicing Rights and servicing obligations with respect to such Mortgage Loan, which servicing agreement shall be identified (i) on a schedule attached to the related Acknowledgment Agreement or (ii) on a schedule attached to the related Assignment Agreement (as defined in the Transfer Agreement). Servicing Agreements shall also include other agreements under which the Owner/Servicer has been assigned rights and/or has

assumed obligations with respect to its role as servicer (including master, special, primary or subservicer) of the related Mortgage Loans.

Servicing Compensation: The aggregate amount payable to the Owner/Servicer under the applicable Servicing Agreement (including any deferred servicing fees and Downstream Ancillary Income) related to a Mortgage Loan as consideration for servicing such loan, expressed as a percentage of the unpaid principal balance thereof or a dollar amount per Mortgage Loan and excluding Ancillary Income. In addition, solely with respect to the applicable Mortgage Loans related to the Master Servicing Rights, any net gain from REO Properties resulting from liquidation proceeds exceeding the amount due to certificateholders or the applicable Investor after reimbursement of all expenses to the related SBO Servicer.

Servicing Criteria: The “servicing criteria” used and identified in the Subservicer's 2016 Regulation AB reporting as the same may be modified from time to time to comply with any amendments, modifications, supplements or interpretations that relate to Item 1122(d) of Regulation AB.

Servicing Procedures: The Subservicer’s internal written procedures applicable to the servicing and subservicing of mortgage loans similar to the Mortgage Loans, including but not limited to delinquency and loss mitigation efforts (i.e., modification, short sales, deed-in-lieu, cash for keys, etc.), as such procedures may be modified from time to time in accordance with Section 2.3.

Servicing Rights: Subject to any applicable Servicing Agreement, with respect to a Mortgage Loan, solely to the extent applicable to the relevant capacity of Owner/Servicer, whether as master servicer, primary servicer or subservicer, collectively, (i) the rights and obligations to service, administer, collect payments for the reduction of principal and application of interest thereon, collect payments on account of taxes and insurance, pay taxes and insurance, remit collected payments, provide foreclosure services, provide full escrow administration, (ii) any other obligations required by any Investor in connection with such Mortgage Loan pursuant to the applicable Servicing Agreement, (iii) the right to possess any and all documents, files, records, Mortgage Servicing File, servicing documents, servicing records, data tapes, computer records, or other information pertaining to such Mortgage Loan or pertaining to the past, present or prospective servicing of such Mortgage Loan, (iv) the right to receive the Servicing Compensation and any Ancillary Income arising from or connected to such Mortgage Loan and the benefits derived from and obligations related to any accounts arising from or connected to such Mortgage Loan, (v) the rights of the servicer, if any, to exercise option redemption, optional termination or clean-up call rights under the applicable Servicing Agreement, (vi) any other rights of the servicer set forth in the applicable Servicing Agreement and (vii) all rights, powers and privileges incident to any of the foregoing, subject, in each case, to any rights, powers and prerogatives retained or reserved by the Investors.

Servicing Transfer Costs: All reasonable out-of-pocket costs and expenses incurred in connection with the transfer of the servicing of the Mortgage Loans, including, without limitation, any reasonable costs or expenses associated with the complete transfer of all servicing data and the completion, correction or manipulation of such servicing data as may be required by the transferee subservicer to correct any errors or insufficiencies in the servicing data or otherwise enable the

transferee servicer or subservicer to service the Mortgage Loans properly and effectively, all costs and expenses incurred in connection with the transfer and delivery of the Mortgage Loans, if applicable, including costs and expenses incurred to transfer existing imaged copies (with existing indexing) of all documents related to the Mortgage Loans, recording fees, fees for the preparation, delivery, tracking and recording of assignments of Mortgages or any MERS transfer related costs related to a transfer of servicing and all costs associated with the transfer of (or, if not transferable to a successor servicer or subservicer, the purchase of) life of loan tax service and flood certification contracts. For the avoidance of doubt, "Servicing Transfer Costs" shall not include any boarding or deboarding fees.

SP Modifications: As defined in Section 2.3.

State Agency: Any state or local agency with authority to (i) regulate the business of the Owner/Servicer or the Subservicer or the Corporate Parent, including without limitation any state or local agency with authority to determine the investment or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Owner/Servicer or the Subservicer or the Corporate Parent, or (ii) originate, purchase or service mortgage loans, or otherwise promote mortgage lending, including without limitation state and local housing finance authorities.

Step-up Fee: With respect to each day between the Effective Date of Termination and the Successor Transfer Date described in Section 5.4(d)(i)(A) or 5.4(d)(ii)(A), *** basis points (***), and, with respect to each day between the Effective Date of Termination and the Successor Transfer Date described in Section 5.4(d)(i)(B) or 5.4(d)(ii)(B), *** basis points (***).

Subservicer Economics: With respect to any calendar month, an amount equal to the sum of (A) if positive, the excess of all bonuses payable pursuant to Section 2.7(d) over all penalties assessed pursuant to Section 2.7(d) and (B) an amount equal to (x) the product of (i) either (A) *** or (B) if the conditions set forth in Section 5.4(d) have occurred, the applicable Step-up Fee, and (ii) the total unpaid principal balance of the Mortgage Loans as of the first Business Day of such calendar month that were subserviced by the Subservicer during such calendar month, excluding those Mortgage Loans which the Subservicer is solely performing Master Servicing functions in this Agreement divided by (y) twelve (12) and (C) with respect to those Mortgage Loans the Subservicer is performing Master Servicing functions in this Agreement (which may be in addition to amounts described in clause (B)), an amount equal to (x) the product of (i) *** and (ii) the total scheduled unpaid principal balance of such Mortgage Loans (which the Subservicer is performing Master Servicing functions in this Agreement) as of the first Business Day of such calendar month divided by (y) twelve (12); provided, however, in all cases, the Subservicer shall only be entitled to a pro rata portion of such fees for Mortgage Loans boarded or deboarded during the related month.

Subservicer Termination Event: As defined in Section 5.3(a).

Subservicing: Subject to Applicable Requirements, the servicing functions for the Mortgage Loans under the applicable Servicing Agreement and this Agreement, including, without limitation, the usual servicing operational functions of providing customer statements, accepting and applying customer payments, calculating, holding and applying escrowed amounts, providing customer service, collecting defaulted accounts, performing loss mitigation and any other obligations of the

Owner/Servicer under the applicable Servicing Agreements and performing portfolio defense services in accordance with the provisions contained in Exhibit B.

Substitute Vendor: Any Person having all applicable qualifications, licenses and/or requisite approvals to provide similar services under this Agreement which a Vendor is currently performing and, in connection with Subservicer's obligation to reasonably cooperate with a Substitute Vendor that "is reasonably acceptable to Subservicer", the parties hereby agree that it would be "reasonably acceptable" if the Substitute Vendor has been approved, consistent with process set forth in Section 2.3(f).

Successor Transfer Date: As defined in Section 5.4(a).

Superior Lien: With respect to any second lien Mortgage Loan, any other mortgage loan relating to the corresponding Mortgaged Property which creates a lien on the Mortgaged Property which is senior to the lien securing the Mortgage Loan.

Termination Fee: The fee payable by the Owner/Servicer to the Subservicer as provided in Section 5.4(a) and (b) which fee, if any, shall equal the applicable amount set forth in Exhibit C-1 and calculated in accordance with Exhibit C-2, shall not be refundable under any circumstances, and shall not be subject to reduction by way of setoff, recoupment, defense, counterclaim, or otherwise.

Termination Party: With respect to any Servicing Agreement, a trustee, master servicer, or any other third party that is not an Affiliate of Owner/Servicer (or induced by Owner/Servicer or any of its Affiliates) with, in each case, the contractual right under such Servicing Agreement to terminate the servicer or subservicer thereunder, or to direct another party to terminate the servicer or subservicer, upon a servicer default, which, in the case of securityholders, means having current and actual ownership of a sufficient percentage of securities to exercise such right.

T&I: Taxes and insurance.

Transfer Agreement: That certain Transfer Agreement dated as of July 23, 2017, among Subservicer, Owner/Servicer, Corporate Parent and New Residential Investment Corp.

Transfer Date: With respect to any particular Mortgage Loan, the date on which Subservicing of the Mortgage Loan is transferred to the Subservicer and the Subservicer commences Subservicing such Mortgage Loan pursuant to this Agreement, which date shall be (i) the date of the applicable Assignment Agreement (as defined in the Transfer Agreement) or (ii) the date set forth on the related Acknowledgment Agreement, if any, or otherwise the date on which the servicing of such Mortgage Loan is boarded on the Subservicer's servicing system following the identification of such Mortgage Loan pursuant to Section 2.1.

Transfer Procedures: With respect to each Mortgage Loan, the procedures with respect to the transfer of subservicing of such Mortgage Loan to or from the Subservicer as mutually agreed to by the parties and set forth in Exhibit P-1 or Exhibit P-2 hereto, as applicable, as may be amended from time to time as mutually agreed by the parties hereto.

USDA: The United States Department of Agriculture or any successor thereto.

USDA Regulations: The regulations promulgated by the USDA and other USDA issuances relating to mortgage loans guaranteed by the USDA.

VA: The United States Department of Veterans Affairs or any successor thereto.

VA Regulations: The regulations promulgated by the VA pursuant to the Serviceman's Readjustment Act, as amended, codified in Title 38 of the Code of Federal Regulations, and other VA issuances relating to mortgage loans guaranteed by the VA.

Vendor: Any third-party contractor, vendor and/or service provider engaged by the Subservicer and involved in providing services with respect to any Mortgage Loans or Subservicing in accordance with and subject to the terms of this Agreement.

Vendor Oversight Guidance: All applicable requirements and guidelines related to the oversight of third-party contractors, vendors and/or service providers as set forth in Applicable Requirements. For the avoidance of doubt, Vendor Oversight Guidelines includes, but is not limited to, guidance issued by Governmental Authorities from time to time, including but not limited to the following Governmental Authorities: (i) the CFPB (including but not limited to CFPB Bulletin 2016-03), (ii) the Board of Governors of the Federal Reserve System (including but not limited to the "Guidance on Managing Outsourcing Risk" dated December 5, 2013), (iii) the FDIC (including but not limited to FIL-44-2008 ("Guidance for Managing Third-Party Risk")) and (iv) the Office of the Comptroller of the Currency (the "OCC"), including but not limited to OCC Bulletin 2013-29 ("Risk Management Guidance").

ARTICLE II AGREEMENTS OF THE SUBSERVICER

Section 2.1. General.

(a) The Subservicer hereby agrees to subservice the Mortgage Loans on behalf of the Owner/Servicer pursuant and subject to the terms of this Agreement. Throughout the term of this Agreement, the Subservicer shall (i) maintain and satisfy all applicable eligibility and other requirements as subservicer to the Owner/Servicer to act as servicer (including master, special, primary or subservicer) under the applicable Servicing Agreements, (ii) maintain any required qualifications, licenses or approvals to do business, to service mortgage loans, or to otherwise collect debts or perform any activities relating to mortgage loans in any jurisdiction where the Mortgaged Properties are located, to the extent required under Applicable Requirements and (iii) preserve and maintain its legal existence. In conjunction with the process set forth in the Transfer Agreement, upon compliance with the terms thereunder (including the execution of the applicable Assignment Agreement (as defined therein), the Servicing Rights related to the Mortgage Loans transferred thereunder shall automatically be deemed to be subject to the terms of this Agreement. In addition to the foregoing, in conjunction with the process set forth in Section 2.16(a) regarding the Subservicer's approval of additional Mortgage Loans through acceptance of an MSRPA,

and Section 3.1 regarding the transfers to the Subservicer, at least sixty (60) days (or such shorter period as agreed by the parties) prior to each Transfer Date, the Owner/Servicer shall deliver by electronic transmission to the Subservicer a data tape identifying the Mortgage Loans to be included under this Agreement on such Transfer Date. Upon execution of an Acknowledgment Agreement, such Mortgage Loans acquired through an MSRPA shall thereby be deemed to be subject to the terms of this Agreement unless removed by the Owner/Servicer prior to the Transfer Date. Such Acknowledgment Agreement shall identify the Mortgage Loans to be made subject to this Agreement on such Transfer Date and may further set forth any additional business terms mutually agreed upon by the parties with respect to such Mortgage Loans. For the avoidance of doubt, notwithstanding any provision in this Agreement to the contrary, the Owner/Servicer shall continue to own the Servicing Rights following the related Transfer Date.

(b) With respect to non-Prior Ocwen Serviced Loans, the Subservicer shall cooperate with the Owner/Servicer in connection with obtaining any necessary consents or approvals required for the Subservicer to act as subservicer under the applicable Servicing Agreements, including responding to requests for information regarding the Subservicer by or on behalf of the related Investor and other third parties.

(c) [Reserved]

(d) Notwithstanding any provision in this Agreement to the contrary, the parties acknowledge that one or more portfolios of Mortgage Loans that become subject to this Agreement are or may be serviced or subserviced by the Subservicer immediately preceding the Transfer Date (each, a "Prior Ocwen Serviced Loan") and that no physical transfer of servicing shall be required with respect to such Prior Ocwen Serviced Loan except as may be necessary to reflect the Owner/Servicer's ownership of the Servicing Rights and any related requirements under Applicable Requirements. For such Prior Ocwen Serviced Loans, the parties' respective obligations and liabilities with respect to the Prior Ocwen Serviced Loans relating to matters occurring during the period of time prior to the applicable Transfer Date shall be as set forth in the Transfer Agreement.

(e) Upon the Owner/Servicer's request, the Subservicer shall reasonably cooperate with the Owner/Servicer and any backup servicer designated by the Owner/Servicer, including, but not limited to, working and coordinating with such backup servicer's personnel to provide applicable mapping system fields, data checks, conversion routines and such other assistance to enable such backup servicer to receive readable data from the Subservicer on a periodic basis. On a monthly basis, at no additional charge (unless requested more frequently than monthly), Subservicer shall provide to Owner/Servicer and to any backup servicer designated by the Owner/Servicer the information, in readable form, set forth in Schedule 2.1(e) with respect to the Mortgage Loans subserviced hereunder. In addition, the Subservicer shall provide information and data regarding the Mortgage Loans and Servicing Rights to the designated backup servicer as required by such backup servicer, including but not limited to contacts for Vendors and Default Firms performing services on the Mortgage Loans, images of Mortgage Servicing Files in Subservicer's possession or

control, and reports identifying the party in possession of the Mortgage Loan Documents from the Custodian. Except with respect to the monthly data transmission described above, the Owner/Servicer shall reimburse the Subservicer for its out-of-pocket costs and expenses or its internally allocated costs and expenses, as applicable, incurred by the Subservicer in connection with its cooperation with such backup servicer in accordance with the process set forth in Section 2.3(d) of this Agreement. The Subservicer's obligation to provide any information to a back-up servicer shall only arise following the backup servicer and Subservicer entering into a customary, mutually agreeable non-disclosure agreement which will limit such back-up servicer's use of information provided by or on behalf of Subservicer to the purpose of providing such back-up services.

(f) The Subservicer shall provide portfolio defense services relating to the Mortgage Loans as set forth on Exhibit B attached hereto, as may be amended from time to time upon mutual agreement of the parties pursuant to Section 2.3.

(g) For any New Mortgage Loans, the Subservicer shall subservice each such New Mortgage Loan pursuant to a mutually agreeable subservicing agreement substantially similar to this Agreement in form and substance (other than the subservicing fee arrangements which shall be modified to reflect a market standard subservicing fee for agency mortgage servicing rights) and the Subservicer shall be obligated therein to indemnify and hold the Owner/Servicer harmless for any and all actions, errors or omissions in the servicing, solicitation and/or origination of any New Mortgage Loan and/or compliance with the applicable Governmental Entity Guidelines or Agency Guidelines by the Subservicer with respect to such New Mortgage Loans including, but not limited to, Agency-related Compensatory Fees and unrecovered servicing advances and principal and interest advances related thereto.

(h) Notwithstanding anything set forth in this Agreement to the contrary, with respect to the Servicing Rights for which Owner/Servicer is acting as Master Servicer, the Subservicer shall not have the obligations specifically excluded under the addendum set forth in Exhibit R (the "Master Servicing Addendum") attached hereto; provided that such exclusions shall only apply to the Subservicer's performance of the Master Servicer's obligations of the Subservicer and not to any primary or subservicing obligations relating to the same Mortgage Loans with respect to the Subservicer acting as SBO Servicer.

Section 2.2. Subservicer to Service in Compliance with Applicable Requirements.

(a) The Subservicer, as an independent contractor, shall service and administer each Mortgage Loan and REO Property in compliance with all Applicable Requirements and, subject to the terms and provisions of this Agreement, the Subservicer shall have full power and authority, acting alone, to do any and all things in connection with such servicing and administration which the Subservicer may deem necessary or desirable in connection with the performance of its obligations under this Agreement. Subject to the terms of this Agreement, the Owner/Servicer shall not itself attempt to perform the duties and activities of the Subservicer hereunder, and Owner/Servicer shall refer to Subservicer any Mortgagor

inquiries or correspondence, payments or payoff funds, or similar matters within the Subservicer's responsibilities hereunder that Owner/Servicer may receive; *provided* that Subservicer and Owner/Servicer have had prior discussion related to such failure to perform and so long as Owner/Servicer has given Subservicer one (1) Business Day prior written notice of its intent to so perform, the Owner/Servicer may perform any non-borrower facing activity required under a Servicing Agreement that the Subservicer fails to perform in accordance with such applicable Servicing Agreement which would reasonably be expected to result in a material Loss to Owner/Servicer, including but not limited to an event of default or other termination event under the applicable Servicing Agreement. Where Applicable Requirements appear to be in conflict, the Subservicer shall notify the Owner/Servicer of such conflict, and the parties shall address such conflict in accordance with the procedures set forth in Section 2.3(c). Until the principal and interest of each Mortgage Loan is paid in full, unless this Agreement is sooner terminated pursuant to the terms hereof, and subject to this Section 2.2(a), the Subservicer shall:

(i) Collect, accept and apply payments of Custodial Funds and Escrow Payments only in accordance with the Mortgage Loan and Applicable Requirements. Deficiencies or excesses in payments shall be accepted and applied, or accepted and not applied, or rejected in a manner consistent with the Subservicer's payment hierarchy and payment application rules and in accordance with Applicable Requirements;

(ii) Maintain permanent mortgage account records capable of producing, in chronological order: the date, amount, distribution, installment due date, or other transactions affecting the amounts due from or to the Mortgagor and indicating the latest outstanding balances of principal, escrow accounts, advances, and unapplied payments;

(iii) Make interest rate adjustments in compliance with Applicable Requirements and the Mortgage Loan Documents to reflect the movements of the applicable Mortgage Loan rate index. The Subservicer shall deliver to the Mortgagors all appropriate notices required by Applicable Requirements and the applicable Mortgage Loan Documents regarding such interest rate adjustments including, without limitation, timely notification to the Investor if required of (i) the applicable date and information regarding such interest rate adjustment, (ii) the methods of implementation of such interest rate adjustments, (iii) new schedules of Investor's share of collections of principal and interest, and (iv) all prepayments of any Mortgage Loan hereunder by Mortgagor. The Subservicer shall be responsible for any liabilities under the applicable Servicing Agreement resulting from the failure to properly and timely make interest rate adjustments on the related Mortgage Loans;

(iv) Pay interest on Escrow Accounts if any Applicable Requirement requires the payment of interest on such amounts. Such interest amounts paid by the Subservicer shall be reimbursed by the Owner/Servicer and included as part of the Subservicer Economics payable to the Subservicer. As applicable, the

Subservicer will determine the amount of Escrow Payments to be made by Mortgagors and will furnish to each Mortgagor, at least once a year, an analysis of each Mortgagor's Escrow Account in accordance with Applicable Requirements;

(v) Maintain accurate records reflecting the status of taxes, ground rents, and other recurring similar charges generally accepted by the mortgage servicing industry, which would become a lien on the Mortgaged Property. For all Mortgage Loans providing for the payment to and collection by the Subservicer of Escrow Payments for taxes, ground rents, or such other recurring charges, the Subservicer shall remit payments for such charges before any penalty date. The Subservicer assumes responsibility for the timely remittance of all such payments and will hold harmless and indemnify the Owner/Servicer and the applicable Investor from any and all Losses resulting from the Subservicer's failure to discharge said responsibility subsequent to the Transfer Date of the particular Mortgage Loan by the Subservicer. The Subservicer shall promptly notify the Owner/Servicer if it becomes aware of any missing or erroneous information with respect to the Mortgage Loans that is preventing or impeding the Subservicer from timely meeting tax or other payments obligations with respect to the Mortgage Loans or from otherwise meeting the Subservicer's obligations under this Agreement. Within thirty (30) days of each Transfer Date, the Subservicer shall notify the Owner/Servicer in writing identifying the related Mortgage Loans for which assignable life-of-loan tax service or life of loan flood service contracts have not been provided to the Subservicer in connection with the servicing transfer;

(vi) For all Mortgage Loans for which no provision has been made for the payment to and collection by the Subservicer of Escrow Payments, the Subservicer shall use commercially reasonable efforts to determine whether any such payments are made by the Mortgagor in a manner and at a time that avoids the loss of the Mortgaged Property due to a tax sale or the foreclosure of a tax lien and otherwise satisfies Applicable Requirements. The Subservicer shall make Servicing Advances to effect such payments and shall seek reimbursement of such Servicing Advances on the Owner/Servicer's behalf from the Mortgagor, Insurer or Investor in accordance with the applicable Mortgage Loan Documents or otherwise as permitted by Applicable Requirements. The Owner/Servicer shall reimburse the Subservicer for such Servicing Advances in accordance with Section 2.13 hereof;

(vii) When a Mortgagor's Escrow Payments are insufficient to pay taxes, assessments, mortgage insurance premiums, hazard or flood insurance premiums, or other items due therefrom, pay such amounts as a Servicing Advance and seek reimbursement from the Mortgagor or Investor. The Owner/Servicer shall reimburse the Subservicer for all outstanding deficiencies, and any other Servicing Advances made by the Subservicer to protect the security of the Investor, in accordance with Section 2.13 hereof;

(viii) Unless otherwise directed by the Owner/Servicer, maintain any optional insurance in effect on the Transfer Date;

(ix) With respect to Mortgage Loans covered by PMI policies, the Subservicer shall comply with all requirements of the applicable PMI Companies, including requirements concerning the giving of notices and submitting of claims required to be given or submitted pursuant to Applicable Requirements. In connection with any assumption or substitution agreement entered into or to be entered as permitted under Applicable Requirements, the Subservicer shall promptly notify the related PMI Company, if any, of such assumption or substitution of liability in accordance with the terms of the PMI policy. The Subservicer shall provide to the Owner/Servicer a monthly report as set forth in Exhibit E regarding notices of rescission of PMI policies;

(x) Ensure that improvements on a Mortgaged Property and REO Property are insured by a hazard insurance policy, pursuant to Applicable Requirements, and, if required by Applicable Requirements, a flood insurance policy, in each case meeting the requirements under the applicable Servicing Agreement. The Subservicer may use, at no expense to Owner/Servicer, a blanket policy insuring against fire and hazard losses on Mortgage Loans to the extent permitted and in accordance with the requirements under the applicable Servicing Agreement, ***;

(xi) Administer the release of any insurance proceeds or condemnation proceeds received with respect to the Mortgaged Property to the Mortgagor to be applied to the restoration or repair of the Mortgaged Property to the extent such release is consistent with Applicable Requirements. The Subservicer shall comply with Applicable Requirements and, unless inconsistent with Applicable Requirements, release insurance proceeds or condemnation proceeds in a manner consistent with the Servicing Procedures;

(xii) Subject to Section 2.3, comply with any and all procedures outlined in any applicable Servicing Agreement and any applicable guidelines promulgated by a Governmental Authority, which procedures shall control in the event of any conflict with the terms of this Agreement;

(xiii) In accordance with Applicable Requirements, report Mortgagor payment history to consumer reporting agencies with respect to the period following the related Transfer Date;

(xiv) With respect to any MERS Mortgage Loan, update all required MERS fields, with the cooperation of the Owner/Servicer, as necessary and comply with all applicable requirements of MERS; it being understood and agreed that following the initial update on or after the applicable Transfer Date any further update shall be an Owner/Servicer Expense;

(xv) If a REMIC election has been made with respect to the Mortgage Loans relating to any Investor, comply with the REMIC Provisions and all relevant provisions under the applicable Servicing Agreement;

(xvi) Upon payment of a Mortgage Loan in full, and subject to Section 3.2 hereof, prepare and file any necessary release or satisfaction documents, continue Subservicing the Mortgage Loan pending final settlement, and refund amounts due the Mortgagor in accordance with Applicable Requirements; and

(xvii) Maintain the Mortgage Servicing Files and the Mortgage Loan Documents in its possession pursuant to Applicable Requirements and maintain a record of its handling of such documents and files. Any Mortgage Loan Documents that are in the possession of the Subservicer shall be held in secure and fireproof facilities or storage areas in accordance with customary standards for the custody of similar documents and Applicable Requirements. The Subservicer shall allow the Owner/Servicer, its Affiliates and its agents to conduct such audits, from time to time, to confirm the Subservicer's recordkeeping, storage and security practices with respect to such files and documents. The Subservicer shall only release Mortgage Servicing Files and Mortgage Loan Documents in its possession pursuant to this Agreement and Applicable Requirements. Notwithstanding the foregoing sentence, in connection with an examination or any request by any Investor or Governmental Authority, the Subservicer shall use all commercially reasonable efforts to release any requested Mortgage Servicing Files and/or Mortgage Loan Documents in its possession pursuant to this Agreement and Applicable Requirements and shall deliver any such documents within the time frame set forth by such Investor or Governmental Authority. Any documents or files that are released by the Subservicer shall be properly tracked and pursued to the extent such documents or files are not returned to the Subservicer or to the Custodian. The Subservicer shall provide the Owner/Servicer with information related to documents or files that have been released by the Subservicer promptly upon request. The Subservicer shall cooperate in good faith with the Owner/Servicer in connection with clearing any document exceptions with respect to such releases, consistent with Applicable Requirements.

(b) With respect to Mortgage Loans and/or REO Properties for which the Owner/Servicer is the sole Investor, the Subservicer shall service such Mortgage Loans and REO Properties in accordance with the terms of the applicable Servicing Agreement with respect to which such Mortgage Loans were previously serviced; provided, however, that (i) the Subservicer shall, on each Business Day remit to the Owner/Servicer all collections received by the Subservicer two (2) Business Days prior to such Business Day, on an "actual/actual" basis, (ii) the parties may agree in writing to provide for servicing provisions different from the terms of the applicable Servicing Agreement, pursuant to the process set forth in Section 2.3.

(c) To the extent any servicing provision in this Agreement is inconsistent with the applicable Servicing Agreement, the Subservicer shall promptly, upon obtaining

knowledge of a specific event, occurrence or condition leading Subservicer to make such determination, notify the Owner/Servicer of such inconsistency and address such inconsistency in accordance with the procedures set forth in Section 2.3(c).

(d) Where applicable, the Subservicer will comply with the National Housing Act, as amended, and with the Servicemembers Civil Relief Act of 2003, as amended, and with all rules and regulations issued under each of those statutes.

(e) The Subservicer shall maintain its current internal quality control program that reviews, on a regular basis, its compliance with and conformity to all Applicable Requirements (including all applicable regulations, rules, directives and published guidance of the CFPB, as such may be amended, modified or supplemented from time to time) to which the Subservicer and the Subservicer Parent is subject. The quality control program shall include (i) evaluating and monitoring the overall quality of the Subservicer's loan servicing and origination activities, including collection call programs, in accordance with industry standards and this Agreement and (ii) tests of business process controls and loan level samples. Subject to Section 10.17, the Subservicer shall provide to the Owner/Servicer reports related to such quality control program as set forth on Exhibit Q. The Subservicer shall provide the Owner/Servicer with a copy of its quality control program on or prior to the Effective Date, and shall provide or make available the quality control program in accordance with Exhibit Q. The Subservicer shall provide the Owner/Servicer with notice of any material modifications to the quality control program as promptly as possible and in any event not later than within one calendar month following the implementation of such material modification. In the event of a material modification to the quality control program, the Owner/Servicer shall have the option to perform a due diligence review of the revised quality control program on reasonable notice to the Subservicer and the Subservicer shall cooperate with due diligence requests from the Owner/Servicer.

Section 2.3. Procedures, Owner/Servicer Change Requests and Servicing Cost Increase

(a) The Subservicer shall maintain Servicing Procedures that are consistent with and satisfy Applicable Requirements. The Subservicer shall provide such Servicing Procedures, including with respect to its charge-off policy, at the timing set forth in Exhibit E-1 and in the format set forth on Exhibit Q, and Owner/Servicer acknowledges that the Servicing Procedures constitute Subservicer's confidential and proprietary information.

(b) Except with respect to non-significant changes as mutually agreed upon by the parties, if, following the date of this Agreement, Owner/Servicer shall propose to modify (i) the Servicing Procedures ("SP Modifications"), the Advance Policy ("AP Modifications"), (ii) reports, or (iii) otherwise alter, amend or supplement the servicing activities or if Owner/Servicer becomes subject to such judicial or administrative judgment, order, stipulation, directive, consent decree, award, writ or injunction after the date of this Agreement that would modify the servicing or Subservicing of the Mortgage Loans hereunder (any such modification being herein referred to as a "Change Request"), the Owner/Servicer shall provide written notice of each such proposed Change Request to the

Subservicer by providing (i) a specimen of each procedure proposed to be amended, supplemented or introduced, in the form in which it is proposed to be amended, supplemented or introduced; and/or (ii) a written description of each proposed amendment, supplement or other alteration to the Servicing Procedures, which description shall in each case be sufficiently clear, comprehensive and detailed to provide a reasonable basis for the Subservicer to adequately assess the Change Request.

(c) ***.

(d) To the extent such Change Requests or Subservicer's compliance with Section 2.1(e), would result in the Subservicer incurring any additional out-of-pocket costs or expenses or internally allocated costs or expenses, which collectively are in excess of \$*** in connection with the implementation of such changes, the Subservicer shall provide the Owner/Servicer with a good faith estimate regarding the costs and expenses needed to implement the contemplated work on the Owner/Servicer's behalf and reasonable supporting documentation. If such work will involve third party costs or expenses, the Subservicer shall follow Owner/Servicer's reasonable instructions regarding the retention of such third party providers, including the terms of such retention, related requests for proposals, seeking fixed prices or caps or similar arrangements and establishing time commitments from such third parties. Any such estimate shall also include the anticipated time frame for implementation of such work. Such estimate shall also include the ongoing incremental expense of performing the work in a modified manner as described in the Change Request. If the Owner/Servicer consents to the Subservicer performing such work on its behalf, the parties will enter into a mutually acceptable agreement for implementation of such work (such agreement, a "Statement of Work"), which shall be performed by the Subservicer on a commercially-reasonable, best-efforts basis. Upon the due execution by both parties, the Statement of Work shall constitute an amendment to this Agreement without further action on the part of either party. The Subservicer shall perform the services set forth in the Statement of Work in the manner provided therein, and the Owner/Servicer shall pay for any agreed upon cost, if any, of the implementation and any additional services resulting therefrom, in each case in accordance with the terms of the Statement of Work and this Agreement in accordance with the process set forth in Section 2.3(d) of this Agreement. If the actual internally allocated costs and expenses are greater than the estimated amount, (i) the Owner/Servicer shall not be liable for any amounts in excess of such invoiced amount and (ii) the Subservicer shall perform all such contemplated work within the agreed upon timeframe. Subject to Owner/Servicer's approval of the terms of retention of the applicable third parties in accordance with this Section 2.3(d), if the actual out-of-pocket costs and expenses are greater than the estimated amount, the Owner/Servicer shall reimburse the Subservicer for all such amounts. Subservicer shall regularly communicate with Owner/Servicer regarding the status of performance of any Statement of Work hereunder, including with respect to any actual or expected delays or cost overruns. For the avoidance of doubt, the parties understand and agree that a Statement of Work shall not be required to implement (i) the services already enumerated or contemplated under this Agreement (other than the services contemplated by this Section 2.3 or any other services or activities in this Agreement that are expressly subject to the Statement of Work process set forth in this Section 2.3) or

(ii) other services or projects previously commenced by the Subservicer on behalf of the Owner/Servicer.

(e) If any legal, regulatory or governmental policy enactment, amendment, reform or similar matter or matters applicable to non-bank servicers generally, individually or in the aggregate, have or are reasonably expected to have, caused an increase or decrease in the Subservicer's cost to service the Mortgage Loans by more than ***, then the Subservicer or the Owner/Servicer, respectively, may give written notice ("Change Notice") to the other party of such changed matter or matters. In the event of such Change Notice, the parties agree to review and discuss in good faith the Subservicer Economics and any other fees paid by Owner/Servicer, the performance standards and/or the services to be performed under this Agreement in order to reflect such change in Subservicer's cost to deliver the services under this Agreement in compliance with, or to otherwise address any effect on the economics of the transaction from, any such event or occurrence described above.

(f) *Approval Process.* Any Approved Party, Substitute Vendor *** shall be subjected to Subservicer's usual and customary vendor onboarding process (consistent with its practices prior to the Effective Date or improvements that Subservicer makes to such process on a platform-wide basis). Following such onboarding process, if Subservicer identifies that such Person has material deficiencies or would be reasonably likely to violate Applicable Requirements, in each case consistent with Subservicer's practices prior to the Effective Date or improvements that Subservicer makes to such process on a platform-wide basis, Subservicer shall notify Owner/Servicer in writing and shall provide the basis for determining that such Person has material deficiencies and/or would be reasonably likely to violate Applicable Requirements. ***.

(g) In addition to the Owner/Servicer's indemnification obligations set forth in Section 8.3, the Owner/Servicer shall indemnify and hold the Subservicer harmless against any and all Losses resulting from or arising out of ***. For purposes of this Section 2.3(g), a "Directed Provider" shall be any Approved Party, Substitute Vendor *** proposed by the Owner/Servicer in accordance with the terms of this Agreement and onboarded in accordance with and subject to Section 2.3(f). For the avoidance of doubt, Subservicer's interaction and/or cooperation with any Directed Provider shall not constitute an endorsement, evaluation or view of or by the Subservicer as to whether any agreement between Owner/Servicer and any Directed Provider complies with Applicable Requirements.

Section 2.4. Engagement of Contractors.

(a) Exhibit I-1 will set forth the following lists (in a format reasonably acceptable to the Owner/Servicer): (i) Vendors (excluding Off-shore Vendors) that the Subservicer engages to perform under this Agreement and to which the Subservicer has assigned a tier 1 or tier 2 risk tier rating, a summary of the related activities performed by each such Vendor and the applicable risk tier the Subservicer has assigned such Vendor, (ii) Off-shore Vendors that the Subservicer engages to perform under this Agreement to which the Subservicer has

assigned a tier 1 or tier 2 risk tier rating, a summary of the related activities performed by each such Off-shore Vendor and the applicable risk tier the Subservicer has assigned such Off-shore Vendor, and (iii) Default Firms engaged by the Subservicer for foreclosures and bankruptcies only (collectively, the "Critical Vendors"), in each case, to the extent such Critical Vendor is performing any activity relevant to any Mortgage Loan. All Default Firms shall be deemed to have a tier 1 risk tier rating for purposes of this Agreement.

(b) From time to time, the Subservicer may engage other Vendors in addition to those appearing on Exhibit I-1 to provide services to the Subservicer that are related to the Mortgage Loans. The Subservicer shall not engage any Vendors or Default Firms to provide services with respect to any Mortgage Loan if such Vendor or Default Firm is on any of the (i) Freddie Mac Exclusionary List, (ii) Specifically Designated Nationals and Blocked Persons List published by OFAC, (iii) Suspended Counterparty Program list published by FHFA or (iv) Subservicer's internal exclusionary list, and shall promptly (x) notify Owner/Service if any such Vendor or Default Firm becomes subject to any such exclusionary list, and (y) replace any such Vendor or Default Firm. In the event any such additional Critical Vendor is identified by the Owner/Service as having been deficient in the reasonable judgment of the Owner/Service, the Owner/Service shall notify the Subservicer with its concerns of such Critical Vendor. The Subservicer shall notify the Owner/Service of additional Critical Vendors at the timing set forth in Exhibit E-1. The Subservicer shall promptly respond to the Owner/Service and the parties hereto shall cooperate in good faith to resolve the Owner/Service's concerns and/or findings relating to Critical Vendors, including but not limited to determining if such deficiencies can be corrected or to replace Critical Vendors, as applicable, with another Vendor or Default Firm, as applicable, mutually acceptable to the parties and in accordance with Applicable Requirements. In addition, the Subservicer shall promptly notify the Owner/Service of any material deficiencies with respect to any Vendor and/or Default Firm used by the Subservicer with respect to any Mortgage Loan.

(c) With respect to any Vendor that performs any Mortgagor-facing activity, Owner/Service-facing activity and/or Investor-facing activity, the Subservicer shall routinely, in accordance with Applicable Requirements, (i) examine and audit the books, records, and/or other information of any such Vendor and (ii) monitor the activities of such Vendor (including but not limited to reviewing call transcripts and listening to audio-recordings of calls to Mortgagors). The Subservicer shall promptly deliver to the Owner/Service at least ninety (90) calendar days (or if a shorter period of time is necessary for Subservicer's ongoing business continuity purposes, not later than the date the potential vendor enters into Subservicer's input process) advance written notice of any Off-shore Vendors that the Subservicer intends to cause to perform any Mortgagor-facing activity, Owner/Service-facing activity and/or Investor-facing activity.

(d) All foreclosure attorneys, bankruptcy attorneys and eviction attorneys (collectively, "Default Firms") and all Vendors to be used in connection with the servicing and administration of the Mortgage Loans and REO Properties shall (i) be engaged in accordance with Applicable Requirements and (ii) have any and all qualifications, licenses

and/or approvals necessary to perform their respective services in this Agreement in accordance with Applicable Requirements. The Subservicer shall (x) review on at least an annual basis that each Default Firm providing foreclosure or bankruptcy services that its attorneys are licensed to practice in the relevant jurisdiction and are in good standing in the relevant jurisdictions and bars, (y) provide an annual certification to the Owner/Servicer to the matters in clause (x) of this Section 2.4(d) (by the Subservicer or each Default Firm) and shall state each Default Firm meets Agency requirements and Applicable Requirements, and (z) provide the Owner/Servicer with copies of such evidence available to the Subservicer upon reasonable request of the Owner/Servicer. Within thirty (30) days of the Effective Date, the Subservicer shall (i) provide a report to the Owner/Servicer identifying any Default Firm which received an "objection" or other similar classification from any Agency to the extent the Subservicer submitted such Default Firm to an Agency for servicing Agency loans in the Subservicer's servicing portfolio and (ii) shall cooperate with Owner/Servicer to evaluate what steps, if any, should be taken as a result of such objection.

(e) Other than with respect to any Vendors performing REO Disposition Services, (i) the Subservicer shall cause any Vendors, Off-shore Vendors and/or Default Firms hired by the Subservicer to perform its duties and service the Mortgage Loans in compliance with Applicable Requirements and (ii) the use of any Vendor, Off-shore Vendor or Default Firm by the Subservicer shall not relieve the Subservicer of its obligations under this Agreement or any related remedies under this Agreement. Any such Vendor, Off-shore Vendor and/or Default Firms engaged by the Subservicer shall be engaged on a commercially reasonable, arm's length basis and at competitive rates of compensation consistent with Applicable Requirements.

(f) The Subservicer shall oversee all Vendors, Off-shore Vendors and Default Firms in accordance with the Vendor Oversight Guidance and its third-party management policy, and require that all Vendors, Off-shore Vendors and Default Firms on the Vendor List maintain and provide policies and procedures applicable to the services provided in a manner consistent with all Applicable Requirements, the Vendor Oversight Guidance and the servicing standards under this Agreement. Solely as it relates to a violation or non-compliance with Applicable Requirements by a Vendor that materially and adversely affects any Mortgage Loan or the related Servicing Rights, within twenty-one (21) Business Days of confirmation of the violation or non-compliance with Applicable Requirements, (i) the Subservicer shall provide to the Owner/Servicer notice of such violations or such non-compliance with Applicable Requirements of which the Subservicer has knowledge by any Vendor, Off-shore Vendor and/or Default Firm under the Vendor Oversight Guidance, the Subservicer's third-party management policy and/or Applicable Requirements, (ii) the Subservicer agrees to cooperate with the Owner/Servicer to remedy such non-compliance and to maintain regular communication with the Owner/Servicer regarding the progress of any remediation efforts, (iii) the Subservicer shall provide to the Owner/Servicer a summary and action-plan by the Subservicer detailing how such violation(s) or non-compliance will be remediated, (iv) to the extent permitted under the applicable Vendor contract or consented to by such Vendor, the Owner/Servicer may directly participate in cooperation with the Subservicer in any of the material activities described in this paragraph and (v) the

Subservicer shall provide to the Owner/Servicer, if applicable, a request in writing for an extension of the twenty-one (21) Business Day period. The Subservicer shall provide the Owner/Servicer with the Subservicer's then current third-party management policy or policies at the timing set forth in Exhibit E-1 in an acceptable searchable electronic format that allows for comparison of the current policies against the policies from the prior period and shall provide the Owner/Servicer with immediate written notice following the implementation of a material change to any such policy or policies.

(g) The Subservicer shall conduct periodic reviews of the Vendors, Off-shore Vendors and Default Firms that the Subservicer engages to perform under this Agreement in accordance with its third-party management policy and Vendor Oversight Guidance to confirm compliance, timeliness and completeness with respect to the terms of this Agreement and Applicable Requirements and that the Vendors, Off-shore Vendors and Default Firms are not subject to litigation or other enforcement actions that could have a material effect on such Vendor's, Off-shore Vendor's and/or Default Firm's financial viability or reputation. At the timing set forth in Exhibit E-1, the Subservicer shall provide to the Owner/Servicer the results of all periodic reviews concluded by or on behalf of the Subservicer during the prior three (3) month period for any Critical Vendor in a manner consistent with Exhibit Q, which shall be in the form of performance scorecards, risk rating and risk-tier assignment system, in each case, in a format reasonably acceptable to the Owner/Servicer. During each such quarterly update, the Subservicer shall notify the Owner/Servicer of any changes to the Subservicer's scorecard, risk-rating, or risk-tiering methodology, to the extent such information is available or obtainable for each Vendor, Off-shore Vendor and Default Firm.

(h) In accordance with the terms and conditions of the Subservicer's agreement with the applicable Vendor, Off-shore Vendor and/or Default Firm, the Subservicer shall satisfy in a timely manner its financial obligations to the Vendors, Off-shore Vendors and Default Firms providing services with respect to this Agreement. The Subservicer shall maintain appropriate controls to ensure that (i) compensation paid to the Vendors, Off-shore Vendors and Default Firms on the Vendor List providing foreclosure services with respect to the Mortgage Loans is based on a method that is consistent with Applicable Requirements and considers the accuracy, completeness and legal compliance of foreclosure filings and (ii) that such services are provided only as frequently as reasonably necessary in light of the circumstances, and, in the case of both (i) and (ii) above, is not based solely on increased foreclosure volume or meeting processing timelines.

(i) The Subservicer shall maintain a third-party risk management program to monitor the Vendors, Off-shore Vendors and Default Firms. This program will include evaluating Default Firms used by the Subservicer for compliance with Applicable Requirements, including verification of all documents filed or otherwise utilized by such firms in any foreclosure or bankruptcy proceeding or other foreclosure-related litigation and that all compensation arrangements with such Default Firms are consistent with this Agreement and Applicable Requirements.

(j) Subject to Section 10.17, if reasonably necessary for the Owner/Servicer to comply with the requirements of any Governmental Authority that exercises authority over the Owner/Servicer, the Subservicer shall, at the request of the Owner/Servicer, make available to the Owner/Servicer copies of any contracts electronically through an electronic portal, ftp site, or otherwise, by or with any Vendors, Off-shore Vendors and/or Default Firms on the Vendor List and any reports, audits, evaluations, reviews or assessments with respect to such contractors. Subject to Section 10.17, in the event the Subservicer is not able to make available copies contracts, reports, evaluations, reviews or assessments with respect to any Vendors, Off-shore Vendors or Default Firms that are required to be made available to the Owner/Servicer under this Section 2.4 or are otherwise reasonably requested by the Owner/Servicer in order for it to comply with Applicable Requirements because such materials are subject to confidentiality or other non-disclosure restrictions that would prevent disclosing such materials, (i) the Subservicer shall make reasonable efforts to obtain consent to disclosure from the related Vendors, Off-shore Vendors or Default Firms, with the understanding that pricing or other confidential business terms may be redacted and (ii) the Subservicer shall provide the Owner/Servicer with such relevant information or summaries with respect to the related matter that would not be prohibited.

(k) Upon Owner/Servicer's request, to the extent Substitute Vendor is reasonably acceptable to Subservicer, the Subservicer shall reasonably cooperate with Substitute Vendor as contractually engaged by Owner/Servicer so long as (i) any related contract with the Substitute Vendor is approved in accordance with Section 2.3 and (ii) such Substitute Vendor does not significantly disrupt the operations of or increase the Subservicer's internal or third-party cost unless compensated by Owner/Servicer in accordance with Section 2.3 ***.

(1) ***

Section 2.5. Establishment and Maintenance of Custodial and Escrow Accounts.

(a) Pending disbursement, the Subservicer shall segregate and deposit Custodial Funds and Escrow Payments collected in one or more Custodial Accounts or Escrow Accounts, as applicable. The Subservicer at the direction of the Owner/Servicer, or the Owner/Servicer itself, shall establish such Custodial Accounts and Escrow Accounts at a Qualified Depository provided that in each case, such accounts shall be owned by the Owner/Servicer. Such Custodial Accounts and Escrow Accounts shall be established for each Investor in such manner as to show the custodial nature thereof, and so that each Investor and each separate Mortgagor whose funds have been deposited into such account or accounts will be individually insured under the rules of the FDIC. The Subservicer's records shall show the respective interest of each Investor and each Mortgagor in all such Custodial Accounts and Escrow Accounts. All Custodial Accounts and Escrow Accounts shall be maintained at the applicable insured financial institution in the name of Owner/Servicer as "trustee" for the Owner/Servicer and/or Investors and/or Mortgagors, with reference to the Subservicer as servicer for Owner/Servicer, except as may otherwise be required by Applicable Requirements. To the extent any Custodial Accounts and/or Escrow Accounts are prohibited (or otherwise not permitted) by Applicable Requirements to be in the name

of Owner/Service, the Subservicer shall identify such accounts to the Owner/Service (i) on or before the date hereof and (ii) from time to time following the request of the Owner/Service.

(b) Amounts on deposit in the Custodial Accounts may at the option of the Owner/Service be invested in accordance with Applicable Requirements. Any such investment shall mature no later than one day prior to the Remittance Date in each month; provided, however, that if such investment is an obligation of a Qualified Depository that maintains the Custodial Account, then such investment must mature on the related Remittance Date. Any losses incurred in respect of any such investment shall be deposited in the Custodial Account, by the Owner/Service out of its own funds prior to the subsequent Remittance Date.

(c) The Owner/Service shall not withdraw any funds from the Custodial Accounts or Escrow Accounts except to pay itself any Float Benefit pursuant to Section 4.1.

(d) All suspense, clearing and disbursement accounts in which funds relating to the Mortgage Loans and REO Properties are deposited shall be established and owned by the Subservicer with a Qualified Depository, in a manner which shall provide maximum available insurance thereunder.

(e) The Subservicer shall have full access rights to the Custodial Accounts and Escrow Accounts for the purposes of performing its duties as described in this Agreement. Owner/Service shall ensure that Subservicer is provided with on-line access to the Custodial Accounts and Escrow Accounts and bank statements, subject to the terms of the account agreement with the applicable bank that may permit such bank to suspend or cease to provide such access; provided that if any such bank ceases to provide such online access, the Owner/Service shall use commercially reasonable efforts to move the affected accounts to a banking institution that will provide such access as soon as reasonably practicable, subject to Section 2.5(f). Subservicer shall notify Owner/Service of each individual with access rights to access any of the Custodial Accounts or Escrow Accounts and of any such individual that either ceases to be employed by the Subservicer or ceases performing functions that require such access, in each case not later than three (3) Business Days following the date on which such individual ceases employment or ceases performing such functions; provided, that Subservicer shall cause at least two (2) individuals to have access rights to such Custodial Accounts or Escrow Accounts at all times other than the three (3) Business Days following the date on which such individual ceases employment or ceases performing such functions.

(f) The Owner/Service may at its sole cost and expense, change Qualified Depositories by providing to the Subservicer thirty (30) days prior written notice for up to 100 accounts and sixty (60) days prior written notice for all accounts. The Subservicer shall cooperate with the Owner/Service to effectuate any such changes.

Section 2.6. Other Services.

Subject to Applicable Requirements, the Subservicer shall be responsible for further safeguarding the applicable Investor's interest in each Mortgaged Property as follows:

(a) Each party shall identify a relationship manager with respect to the Mortgage Loans, who shall serve as the principal point of contact for the other party for purposes of answering questions with respect to the Subservicing pursuant to this Agreement. Each party will provide prompt notice to the other party if a change occurs with the relationship manager;

(b) Subject to Section 10.17, the Subservicer shall (i) notify the Owner/Servicer as promptly as possible, and in no event later than ten (10) Business Days from the Subservicer's or the Corporate Parent's receipt from any Insurer (as determined by the login information pursuant to Subservicer's intake procedures), Investor or Governmental Authority of any written notice or inquiry relating to an alleged violation or non-compliance of Applicable Requirements with respect to any Mortgage Loans that would reasonably be expected to result in a sanction, fee or other liability to the Owner/Servicer (including, but not limited to, termination under the applicable Servicing Agreement(s)), the Corporate Parent or otherwise materially adversely affect the Owner/Servicer or the Subservicer's ability to perform its obligations under this Agreement, including, but not limited to, any allegations of discrimination by the Subservicer or the Corporate Parent and any civil investigative demand or request for information, and shall promptly provide a copy of any such notice, allegation, demand or inquiry to the Owner/Servicer, and (ii) cooperate fully with the Owner/Servicer to respond promptly and completely to any such allegations or inquiries and similarly to any such allegations or inquiries received by the Owner/Servicer. Subject to Section 10.17, the Subservicer shall notify the Owner/Servicer as promptly as possible, and in no event later than ten (10) Business Days of learning (as determined by the login information pursuant to Subservicer's intake procedures) that an investigation of the Corporate Parent or the Subservicer's servicing practices by any Governmental Authority has determined that material deficiencies in servicing performance or a material violation or non-compliance of Applicable Requirements has occurred; provided, however, that the Subservicer shall provide prompt notice but in no event later than ten (10) Business Days to the Owner/Servicer if (i) the Subservicer reasonably believes that a Governmental Authority is reasonably likely to suspend, revoke or limit any license or approval necessary for the Subservicer to service the Mortgage Loans in accordance with the terms of this Agreement, (ii) any notice from Fannie Mae, Freddie Mac or HUD regarding the termination or potential termination of the Subservicer as an eligible servicer for Fannie Mae, Freddie Mac or HUD, as applicable, (iii) any downgrade or actual notice of any anticipated downgrade of the Subservicer's servicer ratings, if any, with any Rating Agency or (iv) a special investigation or non-routine exam of the Subservicer or the Corporate Parent commenced by a Governmental Authority is reasonably likely to result in a Material Adverse Effect with respect to the Servicing Rights. The Subservicer shall then periodically, as often as the Owner/Servicer may reasonably request, confer with the Owner/Servicer to advise the Owner/Servicer of the status of any such investigation. In addition, subject to Section 10.17, within ten (10) Business Days of the Subservicer's or the Corporate Parent's receipt (as determined by the login information pursuant to Subservicer's or Corporate Parent's

intake procedures, as applicable), the Subservicer shall deliver to the Owner/Servicer (x) any reports and/or findings with respect to such investigation relating to any material deficiencies in servicing performance or material violations or non-compliance with Applicable Requirements and (y) any consent decree terms and/or any proposed consent decree terms in connection with any investigation or settlement negotiations of the Subservicer Parent or the Subservicer's servicing practices by any Governmental Authority that would materially affect the servicing activities hereunder or that would result in a Material Adverse Effect with respect to the Servicing Rights or the Owner/Servicer. In the event the Subservicer is prohibited under applicable rules of privilege and confidentiality based upon the express advice of counsel from providing specific information or documentation under this Section 2.6, the Subservicer shall provide (and to the extent prohibited, the Subservicer shall provide to the maximum extent possible the information that is not prohibited from being disclosed) the Owner/Servicer with such relevant information or summaries with respect to the related matter that would not be prohibited under such rules. Any report made pursuant to this Section 2.6 related to regulatory investigation or other regulatory contact with the Subservicer and/or Subservicer's Parent, shall be at the timing set forth in Exhibit E-1 and in the format set forth in the related Formatted Servicing Report;

(c) The Subservicer shall maintain a log of all "qualified written requests" (as such term is used in the Real Estate Settlement Procedures Act) relating to the Mortgage Loans and a log of all escalated telephone complaints related to the Mortgage Loans. The Subservicer shall (i) provide copies of such logs the following month no later than the Reporting Date (or promptly upon the request by the Owner/Servicer) and (ii) make copies of any correspondence or documentation relating to any items included in such logs available electronically or on the Subservicer's systems for access to data and reports. The Subservicer shall provide basic complaint reporting and an Escalated Complaint Case Data Report, at the timing set forth in Exhibit E-1 and in the format set forth in the related Formatted Servicing Report, respectively, and a Notice of Error and Request for Information Report, in each case, at the timing set forth in Exhibit E and in the format set forth in the related Formatted Servicing Report. The Subservicer shall handle all complaints received by the Subservicer in accordance with Applicable Requirements, and shall:

(i) Maintain an internal procedure to provide for the management, acknowledgment, response, tracking, and reporting of written and telephonic complaints made to, or received by, the Subservicer in accordance with Applicable Requirements. The Subservicer shall provide the Owner/Servicer with a copy of such procedures and any material changes to such procedures at the timing set forth in Exhibit E-1. For the avoidance of doubt, for any purposes under this Agreement, written complaints include any complaints delivered in hard copy or in electronic form, including as obtained electronically through the CFPB or other regulatory portals.

(ii) The Subservicer shall make available promptly upon request of the Owner/Servicer with copies of a written complaint or transcripts of any telephonic

complaints with respect to a Mortgage Loan (whether by or on behalf of Mortgagors or any third party), and any ongoing correspondence related thereto and the final written response to such complaint, and other reasonably related documents or information, upon request of the Owner/Servicer.

(iii) The Subservicer also shall include in its complaint monitoring, handling, and response activities any complaints and requests regarding the services provided by the Subservicer hereunder initially received by the Owner/Servicer and forwarded to the Subservicer for review and response.

(d) The Subservicer shall keep accessible and retrievable, and shall transmit or make available to the Owner/Servicer upon request, copies of all records relating to the Subservicing, including records related to foreclosure that the Subservicer has produced, or has received from a prior subservicer; and

(e) Subject to Section 10.17, the Subservicer shall maintain policies and procedures designed to comply with all MERS requirements and shall be a member of MERS in good standing throughout the duration of this Agreement. At the timing set forth in Exhibit E-1, the Subservicer shall provide such policies and procedures in accordance with Exhibit Q. The Subservicer agrees to cooperate in good faith in addressing any questions or concerns of the Owner/Servicer regarding any material modification to such policies. The Subservicer shall cooperate with any audit by the Owner/Servicer with respect to any Mortgage Loan registered with MERS and compliance with the MERS requirements, including providing access to any relevant documentation or information in connection therewith.

Section 2.7. Service Level Agreements.

(a) The Subservicer shall comply with the Service Level Agreements (“SLAs”) as set forth from time to time on Exhibit F, or as modified pursuant to this Section 2.7; provided, however, that the Subservicer will not be responsible for delays, errors or omissions caused by the Owner/Servicer or any verifiable factors outside of the Subservicer’s control.

(b) No later than the applicable reporting schedule or deadline as set forth in any SLA, the Subservicer shall provide to the Owner/Servicer a report that sets forth the Subservicer’s actual results with respect to such SLA for the applicable prior reporting period. In the event the Subservicer fails to comply with any SLA for a particular reporting period, the Subservicer shall provide to the Owner/Servicer in either the same reporting period or the immediately subsequent reporting period an explanation in writing of the reasons for failing to comply with each SLA and the proposed actions that the Subservicer shall undertake to address such failure. The Owner/Servicer and the Subservicer shall cooperate in good faith to resolve any questions or issues regarding the SLAs and the Subservicer’s performance with respect to such SLAs.

(c) At either party’s request, the Owner/Servicer and the Subservicer shall review the SLAs and any proposed modifications to the SLAs (including the related tools and methodologies for measuring or calculating compliance with such SLAs). Such

modifications shall be implemented and shall become effective when such modification is acknowledged in writing and signed by both parties.

(d) The financial penalties or bonuses relating to the SLAs set forth in Exhibit F shall be included in the calculation of the Owner/Servicer Economics or Subservicer Economics, as applicable, in such other manner as agreed by the parties.

Section 2.8. Accounting, Reporting and Remittances.

Subject to Applicable Requirements, including without limitation the applicable Servicing Agreement:

(a) On the applicable Remittance Date, the Subservicer shall remit to each Investor all principal, interest and any other amounts due to such Investor by Owner/Servicer.

(b) The Subservicer shall prepare and submit all reports to Investors as required by the applicable Servicing Agreement and make such reports available concurrently to Owner/Servicer. The Subservicer shall maintain an online portal accessible to the general public, to which it will post publically available data within the timeframes and containing the information, in each case, consistent with its practices prior to the Effective Date.

(c) The Subservicer shall provide the Owner/Servicer with the daily and monthly servicing reports in accordance with the timing set forth in Exhibit E-1 or otherwise required under this Agreement. The monthly servicing reports shall be delivered no later than the Reporting Date, unless otherwise set forth in Exhibit E-1 or agreed by the parties. Such reports shall be delivered electronically in a manner acceptable to the Owner/Servicer or made accessible to the Owner/Servicer on the Subservicer's reporting website (as described in Section 2.11(c)) and shall be in a format substantially in the forms attached to Exhibit E-2 (each, a "Formatted Servicing Report"), as applicable, or in such other format mutually agreed by the parties. In addition, upon request, the Subservicer shall provide the Owner/Servicer with a loan-level download (in a format reasonably requested by the Owner/Servicer) of servicing system collection comments within fifteen (15) calendar days of such request for up to *** Mortgage Loans per quarter, or such longer period of time as the parties reasonably agree for more than *** Mortgage Loans per quarter, unless the volume of loans requires a longer time period as determined in good faith by Subservicer in which case parties shall agree upon a reasonable timeframe to provide such comments. The Subservicer also shall cooperate in good faith with the Owner/Servicer to provide any additional reports or data as may be reasonably requested from time to time, including but not limited to any Owner/Servicer Regulatory Report subject to the process set forth in Section 2.3.

(d) The Subservicer shall provide the Owner/Servicer in an electronic format, with a month end collection and delinquency report set forth in in the related Formatted Servicing Report identifying on a loan-level basis the status of any Delinquent Mortgage Loans, and any Loss Mitigation efforts, including, but not limited to, loan modifications and forbearances. Loan-level monthly reports shall be properly coded by the Subservicer to identify Mortgage Loans affected by Loss Mitigation efforts or other changes in payment

terms and such reports shall reflect such pending payment terms. In the event a Governmental Authority or an Investor requests a report or delivery of data or information, the Subservicer and the Owner/Servicer shall follow the process set forth in Section 2.3.

(e) The Subservicer shall provide, at the timing set forth in Exhibit E-1, the Mortgagor Litigation Reports as set forth in in the related Formatted Servicing Report summarizing current litigation, foreclosure and bankruptcy activity with respect to any of the Mortgage Loans. In addition, the Subservicer shall provide at the timing set forth in Exhibit E, a report relating to the oversight of foreclosure and bankruptcy attorneys in a form to be reasonably agreed upon by the parties. The Subservicer's monthly reporting shall include updates regarding the status of any known litigation, including matters resolved and new matters and associated costs and expenses and upon reasonable request, the Subservicer shall promptly provide to the Owner/Servicer copies of all notices, pleadings and subpoenas regarding any such known litigation relating to a Mortgage Loan. The parties hereby agree that such report will include the following information: ***. The parties may agree to additional reporting, on an as-needed basis, for specific individual litigation proceedings pursuant to Section 2.3(b). The Subservicer shall cooperate in good faith with any requests or instructions from the Owner/Servicer regarding such litigation and related proceedings.

(f) On each Business Day, no later than two (2) Business Days after receipt thereof, the Subservicer shall remit to the Owner/Servicer the applicable Owner/Servicer Economics with respect to the Mortgage Loans pursuant to Section 4.1; provided, however, the Subservicer shall promptly notify the Owner/Servicer of any disputed amounts as forth in Section 4.3 and any disputed amounts shall not be included in the calculation until resolved in a mutually acceptable fashion pursuant to Section 4.3. The Subservicer shall provide the Owner/Servicer with the Reconciliation Report (as defined in Section 4.1) to confirm and reconcile the calculation of the Owner/Servicer Economics and the Subservicer Economics each month, including the appropriate breakdown and support of the various components of the daily Owner/Servicer Economics and monthly Owner/Servicer Economics and Subservicer Economics (on a loan-by-loan basis) and reflecting all applicable fees payable to the Owner/Servicer and to the Subservicer.

(g) The Subservicer shall promptly deliver to the Owner/Servicer any notice received by the Subservicer from an Investor that instructs the Subservicer to transfer servicing of any Mortgage Loan. In the event of a conflict between the Investor instructions and instructions by the Owner/Servicer, the Owner/Servicer and the Subservicer agree to work with such Investor and each other in good faith to resolve the conflict.

(h) Except as otherwise required by Applicable Requirements, all Float Benefit shall be payable to the Owner/Servicer, which amounts shall be included in the calculation of the Owner/Servicer Economics in accordance with Section 4.1. The Owner/Servicer shall be responsible for interest payments to Mortgagors, and Subservicer shall invoice such net amount as an Owner/Servicer Expense in accordance with Section 4.1. The Owner/

Servicer shall be responsible for all fees and charges associated with maintaining any Custodial Account or Escrow Account.

(i) Subject to the Subservicer's obligations set forth in Section 2.13(d), the Owner/Servicer shall pay the amount necessary to cover any Compensating Interest, which amount will be invoiced as an Owner/Servicer Expense. Following receipt of such invoice, the Owner/Servicer shall notify the Subservicer of any disputed amounts as forth in Section 4.3 and any disputed amounts shall not be included in the calculation of Owner/Servicer Expense until resolved in a mutually acceptable fashion pursuant to Section 4.3.

(j) [Reserved.]

(k) The Subservicer shall cause an independent certified public accountant selected and employed by it to provide the Owner/Servicer not later than March 15th (or such earlier date required under the applicable Servicing Agreement) of each calendar year to furnish a statement to the effect that such firm has examined certain documents and records relating to the servicing of assets similar in nature to the Mortgage Loans and that such firm is of the opinion that the provisions of this Agreement or similar agreements have been complied with, and that, on the basis of such examination conducted substantially in compliance with the Uniform Single Attestation Program for Mortgage Bankers, nothing has come to their attention which would indicate that such servicing has not been conducted in compliance therewith, except for (i) such exceptions as such firm shall believe to be immaterial, and (ii) such other exceptions as shall be set forth in such statement.

(l) In the event any items of material noncompliance with Applicable Requirements are discovered, or are specifically noted in connection with any audit or examination of the Subservicer Parent or the Subservicer's servicing of any of the Mortgage Loans, the Subservicer shall promptly address and resolve such items and report the status, findings and resolution of such items in a timely manner to the Owner/Servicer and as otherwise required under Applicable Requirements.

(m) The Subservicer shall promptly notify the Owner/Servicer if it becomes aware of any repurchase claim against the Owner/Servicer or that would result in a Loss to Owner/Servicer by the applicable Investor with respect to any Mortgage Loan and shall cooperate with any reasonable requests of the Owner/Servicer for information with respect to such Mortgage Loan and in connection with coordinating the repurchase claim (including, but not limited to, providing copies of related collection system comments) and delivery of the applicable Mortgage Loan file and related documents to the Owner/Servicer or its designee with respect to such repurchase transaction.

(n) *Ramp-Up Period.* The Subservicer shall implement the reporting described on Exhibit E within the time periods specified for such reports on Exhibit E. The Subservicer shall implement the activities described on Schedule 2.8(u) attached hereto within the time periods specified for such activities on Schedule 2.8(u) attached hereto. The Subservicer shall complete implementation of such activities no later than December 31, 2017. The Subservicer and the Owner/Servicer agree that once Schedule 2.8(u) attached hereto is

mutually agreed upon, it shall be attached as Schedule 2.8(n) hereto as soon as practicable following the Effective Date without any further action by the parties. Promptly following the Effective Date, the Subservicer shall (i) prepare a proposal identifying the activities to be inserted into Schedule 2.8(n) attached hereto and the Subservicer's implementation strategy thereto and (ii) deliver and present such proposal to the Owner/Servicer. On a monthly basis, the Subservicer shall provide the Owner/Servicer with an updated proposal which shows the actual progress achieved by the Subservicer in the implementation of such activities identified on Schedule 2.8(n), attached hereto and the original projected implementation progress of such activities from the initial proposal presented to the Owner/Servicer. Subservicer shall use its commercially reasonable efforts to fully implement such reports and activities as soon as reasonably practicable but not later than the timelines set forth in Exhibit E hereto or Schedule 2.8(n) attached hereto, respectively.

Section 2.9. Delinquency Control.

The Subservicer shall, in accordance with and subject to Applicable Requirements, including without limitation the applicable Servicing Agreement:

(a) Maintain a delinquent mortgage servicing program that shall include an adequate accounting system that indicates the existence of Delinquent Mortgage Loans, a procedure that provides for sending delinquent notices, assessing late charges, and returning inadequate payments, and a procedure for the individual analysis of distressed or chronically delinquent Mortgage Loans;

(b) Maintain a collection department and an on-line automated collection system that complies in all material respects with Applicable Requirements and the Servicing Procedures;

(c) Conduct property inspections with respect to defaulted Mortgage Loans and REO Properties in accordance with Applicable Requirements, including without limitation the terms of the applicable Servicing Agreement and the Servicing Procedures.

(d) In accordance with Applicable Requirements, administer the foreclosure or other acquisition of the Mortgaged Property relating to any Mortgage Loan in the name of the applicable Investor, process claims for any applicable insurance and until the transfer of such Mortgaged Property to the Investor or a private mortgage Insurer, if applicable, protect such property from waste and vandalism. In no event shall the Subservicer have title to a Mortgaged Property conveyed in the name of the Owner/Servicer without the Owner/Servicer's prior written consent not to be unreasonably withheld or delayed.

(e) The Subservicer shall take appropriate measures to ensure, on an ongoing basis, the accuracy of all documents filed or otherwise utilized by the Subservicer or its Vendors, Off-shore Vendors and/or Default Firms in any judicial or non-judicial foreclosure proceeding, related bankruptcy proceeding or in other foreclosure-related litigation, including but not limited to, documentation sufficient to establish ownership of the Mortgage Loan by the related Investor or the Owner/Servicer (if the Owner/Servicer is the Investor

with respect to such Mortgage Loan) and the right to foreclose at the time the foreclosure action is commenced in the name of the Investor. The Subservicer shall be required to maintain, and to cause its Vendors, Off-shore Vendors and Default Firms to maintain, current and accurate records relating to any foreclosure or related bankruptcy proceedings or related litigation, with a clear auditable trail of documentation capable of validating foreclosure that the Subservicer has produced, or has received from a prior subservicer, and shall cause its Vendors, Off-shore Vendors and Default Firms to do the same. In connection with any foreclosure proceeding, the Subservicer shall handle such foreclosure proceedings in the name of the Investor, unless otherwise set forth pursuant to the Applicable Requirements, and the Subservicer shall comply with all Applicable Requirements; provided that, in no event shall the Subservicer (i) foreclose on the related Mortgaged Property in the name of the Owner/Servicer or (ii) have title to the Mortgaged Property conveyed in the name of the Owner/Servicer, in each case, without the Owner/Servicer's prior written consent not to be unreasonably withheld or delayed.

(f) With respect to any second lien Mortgage Loan, if the Subservicer is notified that any superior lienholder has accelerated or intends to accelerate the obligations secured by the Superior Lien, or has declared or intends to declare a default under the mortgage or the promissory note secured thereby, or has filed or intends to file an election to have the Mortgaged Property sold or foreclosed, the Subservicer shall take, whatever actions are necessary to protect the interests of the Investor consistent with Applicable Requirements; provided that such expense is treated as a reimbursable advance from the Investor.

(g) The Subservicer shall comply with the Applicable Requirements, including without limitation the applicable Servicing Agreement, and the Servicing Procedures in connection with procedures and requirements relating to Charged-off Loans and shall include in its monthly reporting to the Owner/Servicer when any such Mortgage Loans become Charged-off Loans. Unless otherwise required under Applicable Requirements, the Subservicer shall not make any Servicing Advances or P&I Advances with respect to Charged-off Loans and shall not be entitled to any Servicing Fees or other compensation with respect to Charged-off Loans. To the extent consistent with Subservicer's Servicing Procedures and in accordance with Section 2.4, Subservicer may utilize a Vendor for recovery collection on such Charged-off Loans.

Section 2.10. REO Properties.

(a) In the event that title to a Mortgaged Property is acquired in foreclosure, redemption, ratification or by deed in lieu of foreclosure, the deed or certificate of sale shall be taken in the name of the Investor, or its designee (or as otherwise required by the applicable Servicing Agreement); provided that, in no event shall the Subservicer have title to the Mortgaged Property conveyed in the name of the Owner/Servicer without the Owner/Servicer's prior written consent not to be unreasonably withheld or delayed.

(b) Notwithstanding anything to the contrary in this Agreement, (i) the Subservicer shall not engage any Vendor to perform any form of REO Disposition Services on any REO Property subserviced hereunder unless the Owner/Servicer has directed the

Subservicer in writing to engage a Vendor to perform REO Disposition Services and any such Vendor shall be approved in writing by the Owner/Servicer in its sole discretion and subject to the Owner/Servicer approving the terms and conditions of the arrangement with such Vendor, provided that Subservicer's Vendors performing REO Disposition Services and identified on Exhibit I-2 (each a "Critical REO Disposition Vendor") shall be deemed to have been approved by Owner/Servicer until otherwise directed by Owner/Servicer, (ii) the Owner/Servicer shall engage any third party having all qualifications, licenses and/or approvals necessary to perform REO Disposition Services in accordance with the terms of this Agreement and otherwise acceptable to the Owner/Servicer (each an "Approved Party") to perform REO Disposition Services on any REO Property subserviced hereunder; provided that the Owner/Servicer may, in its sole discretion, consult the Subservicer for its opinion regarding particular third party's competence to perform REO Disposition Services, (iii) the Subservicer shall cooperate with such Approved Party in connection with it providing REO Disposition Services, including but not limited to, responding to inquiries regarding any REO Property and providing information and data regarding the REO Properties to the Approved Party as required by such Approved Party, (iv) the Subservicer shall (x) review any reporting and/or data provided by such Approved Party, (y) incorporate such information to Subservicer's servicing systems and (z) report such information to the applicable Investors in accordance with the applicable Servicing Agreement, (v) the Owner/Servicer shall be entitled to any and all Downstream Ancillary Income, (vi) the Subservicer shall be responsible for any and all costs associated with terminating Critical REO Disposition Vendors, including the costs, expenses, termination fees, or other amounts payable, if any, under its existing arrangements with such Critical REO Disposition Vendors, and (vii) the Owner/Servicer shall be responsible for any and all costs and expenses incurred by the Owner/Servicer for engaging any third-party to assist the Owner/Servicer in oversight of this Agreement (except as set forth in Section 2.11(a)).

(c) To the extent the ongoing internal costs and expenses related to the Subservicer's interaction and/or cooperation with any Approved Party materially exceeds the costs Subservicer had previously experienced with respect to REO Disposition Services (the "Internal Cost Variance"), the Owner/Servicer shall reimburse the Subservicer the documented incremental costs and incremental expenses incurred by Subservicer with respect to interaction and cooperation with any Approved Party that exceeds the Subservicer's prior costs related thereto; provided that (i) the Subservicer shall use commercially reasonable efforts to minimize such incurred costs and expenses and (ii) the Owner/Servicer shall have no obligation to reimburse the Subservicer for any costs and expenses related to changes in Subservicer's servicing systems, technology systems, servicing processes and/or training/re-training employees, in each case, in connection with the initial implementation and on-boarding. The Subservicer shall provide the Owner/Servicer any and all supporting documentation reasonably necessary to review the Internal Cost Variance asserted by Subservicer (supporting documentation may include invoices, reports and any other documentation or evidence which reasonably substantiates the alleged Internal Cost Variance) and the Owner/Servicer must reasonably agree with such Internal Cost Variance prior to the Owner/Servicer reimbursing the applicable incremental costs and incremental expenses as set forth above. The Owner/Servicer shall be reasonable with

respect to any requests to change any Approved Party or Critical REO Disposition Vendor. In connection with the foregoing, the parties hereby agree that it would not be "reasonable" ***. Any Approved Party shall be onboarded in accordance with and subject to the provisions in Section 2.3(f) of this Agreement.

(d) Subject to the terms of the Subservicer's existing contracts, as soon as reasonably practicable and in no event later than ninety (90) calendar days after the date hereof, the Subservicer shall not sign any new property-level listing agreements which cannot be terminated within sixty (60) calendar days after the applicable Transfer Date.

(e) To the extent that the Owner/Servicer does not engage an Approved Party and directs the Subservicer in writing to either (i) engage a vendor to perform REO Disposition Services (which such vendor shall be approved by the Owner/Servicer in its sole discretion and subject to the Owner/Servicer approving the terms and conditions of the arrangement with such vendor) or (ii) utilize the Critical REO Disposition Vendor(s), in each case, the Subservicer shall comply with all Applicable Requirements related to the maintenance of REO Property, including without limitation all requirements set forth in the applicable Servicing Agreement. The Subservicer shall maintain on each REO Property monthly fire, hazard and, to the extent required and available under the national flood insurance program, flood insurance, all in the amounts and with such coverage as required under Applicable Requirements.

(f) In addition to the Subservicer's indemnification obligations set forth in Section 8.2, the Subservicer hereby agrees to indemnify and hold the Owner/Servicer harmless against any and all Losses resulting from or arising out of Subservicer ***.

(g) The Owner/Servicer shall be responsible for obtaining and maintaining any liability coverage insuring the Owner/Servicer.

Section 2.11. Books and Records; Access to Facilities.

(a) Subject to Section 10.17, the Subservicer shall keep accessible and retrievable, and make available to the Owner/Servicer upon the Owner/Servicer's reasonable request, copies of all records relating to the Subservicing of the Mortgage Loans under this Agreement, including records related to foreclosure and Loss Mitigation. The Owner/Servicer shall have the right to examine, audit or conduct diligence on the Subservicer and the Servicing Rights, Mortgage Loans. In such reviews, the Subservicer will allow the Owner/Servicer, its Affiliates, and its Representatives (other than Representatives that are business competitors of Subservicer), during normal business hours and upon reasonable notice and provided that such review shall not unduly or unreasonably interrupt the Subservicer's business operations, to, at any time and from time to time, access to review all of Subservicer's origination and servicing platform, the Mortgage Files, facilities, employees, servicing files, servicing documents, servicing records, data tapes, computer records, servicing systems, and other computer and technology systems or other information pertaining to this Agreement, any Servicing Agreement, the Servicing Rights, the Mortgage Loans, P&I Advances, the Servicing Advances and the Subservicer's general servicing

practices and procedures. The Subservicer may require that any Persons performing such due diligence on behalf of the Owner/Servicer agree to the same non-disclosure and confidentiality agreements set forth in Section 10.12. In furtherance thereof, the Subservicer shall provide such information, data and materials as reasonably requested by the Owner/Servicer in furtherance of this Section 2.11. The Owner/Servicer shall pay its own expenses in connection with any such examination; provided further, to the extent the Owner/Servicer reasonably determines that additional diligence is necessary as a result of (x) incorrect or inaccurate information provided to Owner/Servicer by Subservicer or (y) the Subservicer's (actual or reasonably alleged) failure to observe or perform any or all of the Subservicer's covenants and obligations under this Agreement (including errors in judgment), in each case, the Subservicer shall reimburse the Owner/Servicer up to \$500,000.00 per year for the incremental costs and expenses of conducting such additional diligence. With respect to any reviews under this clause (a) that exceed one (1) review in any three-month period (absent an event occurring under Section 5.3), the out-of-pocket and internally allocated costs and expenses, as applicable, incurred by the Subservicer in connection with such additional review shall be at the Owner/Servicer's expense as further set forth in Section 2.3(d). In addition, upon Owner/Servicer's request, the Subservicer shall make its chief financial officer, treasurer or other senior executive that is both authorized and sufficiently well-informed to speak to Subservicer's financial condition, available to discuss Subservicer's financial condition, including its current liquidity, promptly but no less than two (2) Business Days after such request.

(b) The Subservicer shall cooperate in good faith with the Owner/Servicer and its Representatives and regulators in responding to any reasonable inquiries regarding the Subservicer's Subservicing of the Mortgage Loans and the Subservicer's compliance with, and ability to perform its obligations under, the provisions of this Agreement and Applicable Requirements, including without limitation inquiries regarding the Subservicer's qualifications, expertise, capacity and staffing levels, training programs, work quality and workload balance, reputation (including complaints), information security, document custody practices, business continuity and financial viability, monitoring and oversight of the Vendors, Off-shore Vendors and Default Firms as well as the current accuracy of the representations and warranties made by the Subservicer in Article VII. The Subservicer shall reasonably cooperate to provide to the regulatory authorities supervising Owner/Servicer or its Affiliates and the examiners and supervisory agents of such authorities, access to the documentation required by applicable regulations of such authorities supervising Owner/Servicer or its Affiliates with respect to the Mortgage Loans. The Owner/Servicer may request, and the Subservicer shall cooperate with, reasonable periodic reviews of the Subservicer's performance and competence under this Agreement to confirm timeliness, completeness, and compliance with all Applicable Requirements and the provisions of this Agreement, and to confirm that foreclosures are conducted in a manner consistent with Applicable Requirements and any regulatory orders, directives or guidance applicable to the Owner/Servicer, the Subservicer, or their Affiliates. The Subservicer shall provide the Owner/Servicer with at least ninety (90) days' prior written notice if it intends to discontinue or change its current servicing system of record.

(c) The Subservicer shall provide the Owner/Servicer and its Representatives with access to its systems for access to data and reports to allow the Owner/Servicer to monitor the Mortgage Loans. Owner/Servicer shall not have any limitations on the amount of access to such systems and shall not have any limitation on "page views" or downloading therein. Through such access to systems, the Owner/Servicer shall be provided with unlimited access on demand to certain reports and data referenced in this Agreement. Such access to systems shall have targeted availability of twenty-four hours a day, three-hundred sixty-five (365) days per calendar year with a targeted uptime of ninety-eight percent (98%) per month not to include scheduled maintenance. The Subservicer shall provide the Owner/Servicer at least five (5) Business Days' notice prior to any scheduled maintenance or other scheduled access interruption of such access to systems; provided that the Subservicer shall immediately notify the Owner/Servicer of any unscheduled access interruptions. The Subservicer shall use commercially reasonable efforts to address any access or availability issues on the same Business Day on which such issues arises. During any such unscheduled access interruptions, the Subservicer shall use commercially reasonable efforts to provide the Owner/Servicer certain reports and data in an alternative medium. The Subservicer's access to systems shall allow access to the following data and documents: (i) imaged Mortgage Loan Documents and Mortgage Servicing Files in Subservicer's possession or control; (ii) imaged copies of all Mortgagor communications; (iii) records of all Mortgagor communications; (iv) imaged copies of all litigation, bankruptcy, foreclosure related solely to each Mortgage Loan (for the avoidance of doubt, such imaged copies of litigation, bankruptcy and foreclosure will not include those unrelated to the Mortgage Loans); (v) current commentary regarding all Mortgagor communications and all activity related to each Mortgage Loan with sufficient detail to understand the status of any issues; (vi) an identifier of the Default Firm(s) engaged relating to the Mortgage Loan, if applicable; (vii) call transcripts; (viii) call recordings (unless call recordings are otherwise electronically made available to the Owner/Servicer, (ix) insurance, including ***, if applicable, and hazard and flood insurance; (x) single point of contact; and (xi) the documents and materials described in Section 2.18(e).

(d) Subject to Section 10.17, the Subservicer shall deliver to the Owner/Servicer the results of any and all reviews or audits conducted by or obtained by the Corporate Parent, the Subservicer, its Vendors, Off-shore Vendors, Default Firms, agents or representatives (including internal and external auditors) to the extent set forth in Exhibit Q hereto. To the extent the Subservicer is prohibited from delivering such results to the Owner/Servicer, the Owner/Servicer and the Subservicer agree that such reporting may be conducted onsite at the Subservicer's location, or may be accomplished via secure electronic means, to the extent such onsite or electronic diligence is otherwise permitted. The Subservicer and the Owner/Servicer acknowledge that the availability of certain information from the Subservicer's Vendors, Off-shore Vendors, Default Firms and/or other agents and representatives is subject to the requirements and limitations of the contractual relationship between the Subservicer and that party.

(e) For critical systems relied upon by the Subservicer in connection with its obligations under this Agreement, the Subservicer shall, for each year starting the year in

which the Effective Date occurs and for so long as Subservicer performs the Subservicing under this Agreement and in accordance with the delivery timing set forth in Exhibit E-1, provide (i) the Owner/Serviceur with a copy of the SOC 1 Type II report applicable to the services or products (or equivalent report(s), solely to the extent Subservicer proposes such equivalent report(s) in advance to Owner/Serviceur and are reasonably satisfactory to Owner/Serviceur) of Subservicer's data processing environment and internal controls related to the obligations or services under this Agreement, as well as (ii) copies of each SOC report or equivalent report(s) applicable to the services or products provided by the Critical Vendors. Each report described in clauses (i) and (ii) above must be performed by a nationally recognized independent audit firm (provided that Subservicer's current audit firm shall be deemed acceptable) and shall be substantially consistent with the scope and form provided to Owner/Serviceur in the report related to the period from October 1, 2015 to September 30, 2016. Any requests by the Owner/Serviceur to expand the scope of such reports shall be subject to Section 2.3. To the extent any such SOC 1 Type II attestation (or permitted equivalent report(s)) described in clause (i) or (ii) above results in findings, the Subservicer shall make commercially reasonable efforts to remediate and respond promptly to any reasonable inquiries regarding any such findings from the Owner/Serviceur and its external auditor. Subject to Section 10.17, in the event the Subservicer is prohibited from providing any of the reports or reviews required under this Section 2.11(e) to the Owner/Serviceur, the Subservicer shall cooperate with the Owner/Serviceur and use commercially reasonable efforts to obtain the necessary consents to provide such reports or reviews to the Owner/Serviceur.

(f) The Subservicer shall promptly upon written request provide to the Owner/Serviceur and any Master Serviceur, or any Depositor (or any designee of the Depositor, such as an administrator) if a Master Serviceur has not been identified under the applicable Servicing Agreement, a written description (in form and substance reasonably satisfactory to the Owner/Serviceur) of the role and function of each Vendor utilized by the Subservicer, specifying (i) the identity of each such Vendor, (ii) which (if any) of such Vendors are "participating in the servicing function" within the meaning of Item 1122 of Regulation AB and (iii) which elements of the Servicing Criteria will be addressed in assessments of compliance provided by each Vendor identified pursuant to clause (ii) of this Section 2.11(f). The Subservicer shall cause any Vendor determined by the Subservicer in its commercially reasonable discretion, applying substantially the same criteria in its determination as applied in the Subservicer's 2016 Regulation AB reporting, to be "participating in the servicing function" used by the Subservicer to comply with the provisions of Section 2.11(g) of this Agreement to the same extent as if such Vendor were the Subservicer.

(g) Each calendar year, on or before five (5) Business Days prior to the earliest due date under any Servicing Agreement applicable to Subservicer in its role as Master Serviceur or any Servicing Agreement applicable to Subservicer in its role as subservicer, the Subservicer shall (to the extent provided for under the applicable Servicing Agreement) with respect to each Investor:

(i) deliver to the Owner/Servicer a report regarding the Subservicer's assessment of compliance during the immediately preceding calendar year substantially in the form of the Subservicer's 2016 Regulation AB reports as primary servicer and master servicer (or as otherwise specified in the applicable Servicing Agreement), as required under Rules 13a-18(c) and 15d-18(c) of the Exchange Act and Item 1122(b) of Regulation AB. Such report shall be signed by an authorized officer of the Subservicer;

(ii) deliver to the Owner/Servicer a report of a nationally recognized independent audit firm that attests to, and reports on, the assessment of compliance made by the Subservicer and delivered pursuant to Section 2.11(g)(i). Such attestation shall be in accordance with Rules 1-02(a)(3) and 2-02(g) of Regulation S-X under the Securities Act and the Exchange Act;

(iii) cause each Vendor determined by the Subservicer pursuant to Section 2.11(f) to be "participating in the servicing function" within the meaning of Item 1122 of Regulation AB, to deliver to the Subservicer, an assessment of compliance and accountants' attestation as and when provided in this Section 2.11(g), which shall be delivered with the Subservicer's report as provided in 2.3(g)(i);

(iv) if required by the Servicing Agreement, deliver, and cause each Vendor described in Section 2.11(g)(iii) to deliver, to the Owner/Servicer, and any other Person that will be responsible for signing the certification (a "Sarbanes Certification") required by Rules 13a-14(d) and 15d-14(d) under the Exchange Act (pursuant to Section 302 of the Sarbanes-Oxley Act of 2002) on behalf of an asset-backed issuer with respect to a securitization transaction a certification, signed by the appropriate officer of the Subservicer, in the form set forth in the applicable Servicing Agreement; and

(v) deliver to the Owner/Servicer a statement of compliance addressed to the Owner/Servicer and such Depositor and signed by an authorized officer of the Subservicer, to the effect that (A) a review of the Subservicer's activities during the immediately preceding calendar year (or applicable portion thereof) and of its performance under this Agreement (which shall be delivered as a separate statement to the Owner/Servicer only) and any applicable Servicing Agreement during such period has been made under such officer's supervision, and (B) to the best of such officers' knowledge, based on such review, the Subservicer has fulfilled all of its obligations under this Agreement and any applicable Servicing Agreement in all material respects throughout such calendar year (or applicable portion thereof) or, if there has been a failure to fulfill any such obligation in any material respect, specifically identifying each such failure known to such officer and the nature and the status thereof.

Section 2.12. Insurance.

The Subservicer shall maintain, at its own expense, a blanket fidelity bond and an errors and omissions insurance policy (collectively, the “Fidelity and Errors and Omissions Insurance”), with broad coverage on all officers, employees or other Persons acting in any capacity with regard to the Mortgage Loans to handle funds, money, documents and papers relating to the Mortgage Loans. The Fidelity and Errors and Omissions Insurance shall be underwritten by an Insurer that has a current rating acceptable under Fannie Mae and Freddie Mac requirements and the applicable Servicing Agreement. The Fidelity and Errors and Omissions Insurance shall protect and insure the Subservicer against Losses, including forgery, theft, embezzlement, errors and omissions, negligent and fraudulent acts of such Persons. The Fidelity and Errors and Omissions Insurance shall also protect and insure the Subservicer against Losses in connection with the failure to maintain any insurance policies required pursuant to this Agreement and Applicable Requirements and the release or satisfaction of a Mortgage Loan without having obtained payment in full of the indebtedness secured thereby.

No provision of this Section 2.12 requiring the Fidelity and Errors and Omissions Insurance shall diminish or relieve the Subservicer from its duties and obligations as set forth in this Agreement. The minimum coverage under any such Fidelity and Errors and Omissions Insurance shall be at least equal to the greater of (i) the corresponding amounts required pursuant to the Fannie Mae Guides or as otherwise waived or permitted by Fannie Mae, (ii) the corresponding amounts required by Applicable Requirements or (iii) such other amount required under the applicable Servicing Agreement. Promptly following request of the Owner/Servicer or the Investor, the Subservicer shall cause to be delivered proof of coverage of the Fidelity and Errors and Omissions Insurance. At the timing set forth in Exhibit E-1, the Subservicer will deliver or make available its then-current Fidelity and Errors and Omissions Insurance and will notify the Owner/Servicer promptly if such Fidelity and Errors and Omissions Insurance is terminated without replacement.

Section 2.13. Advances.

(a) Servicing Advances.

The Subservicer shall, from time to time during the term of this Agreement, make Servicing Advances as required under the applicable Servicing Agreement and Applicable Requirements, provided, however, that such Servicing Advances shall be made in compliance with the Advance Policy. For the avoidance of doubt, the Advance Policy, as it relates to the making of Servicing Advances, does not apply to any Servicing Advance made prior to the applicable Transfer Date.

The Subservicer shall not make any Servicing Advance unless such Servicing Advance is in compliance with the Advance Policy unless otherwise expressly directed by Owner/Servicer in writing to make such Servicing Advance in accordance with Section 2.3 of this Agreement.

The Subservicer shall not have any obligation to notify the Owner/Servicer before making any Servicing Advances that are permitted under the Advance Policy and the applicable Servicing Agreement.

The Subservicer shall provide the Owner/Servicer such loan-level detail and advance-level detail information regarding Servicing Advances made in the format and timing set forth in Exhibit

E-1. On an as-needed basis, the Subservicer shall identify any outstanding Servicing Advances which the Subservicer has determined are not recoverable and the specific reason why such Servicing Advances are not recoverable and whether such Servicing Advance, if made by the Subservicer, complied with the Advance Policy. For the avoidance of doubt, the Subservicer shall make any advance necessary as required by all federal, state and local legal and regulatory requirements (including, without limitation, laws, statutes, rules, regulations and ordinances).

(b) P&I Advances.

The Subservicer shall, from time to time during the term of this Agreement, make P&I Advances as required under the applicable Servicing Agreement and Applicable Requirements, provided, however, that such P&I Advances shall be made in compliance with the Advance Policy.

The Subservicer shall not make any P&I Advance unless such P&I Advance is in compliance with the Advance Policy unless otherwise expressly directed in writing by Owner/Servicer to make such P&I Advance in accordance with Section 2.3 of this Agreement.

If the Subservicer reasonably determines that on any Remittance Date for an Investor there will not be adequate Custodial Funds in the related Custodial Account to be remitted for payment to an Investor, then the Subservicer shall provide the Owner/Servicer written notice of the amount required to be deposited in such Custodial Account pursuant to the applicable Servicing Agreement so that the Custodial Account will have funds on deposit at least equal to the amount required to be remitted to the applicable Investor. The Subservicer shall provide the Owner/Servicer and the Owner/Servicer's lender(s) (as identified to the Subservicer by the Owner/Servicer) such written notice no later than 1:00 p.m. New York City time on the first (1st) Business Day prior to the date on which the respective Custodial Accounts are required to be funded with regard to the respective Remittance Date which notice shall contain an estimate of the P&I Advance required to be advanced by the Owner/Servicer. Subject to resolution of any obvious or manifest errors in such estimate, on such date, the Owner/Servicer shall fund (or cause to be funded) the amount set forth in the written notice provided by the Subservicer (or such lesser amount as reasonably determined by the Subservicer) via wire transfer into the applicable Custodial Account or such other aggregation account as directed by the Subservicer. To the extent the amounts that the Owner/Servicer (or its lender(s)) fund exceed the amounts required to be remitted to the applicable Investor on the applicable Remittance Date, the Subservicer shall remit such excess funds to the Owner/Servicer or lender(s), as applicable, no later than two (2) Business Days after such Remittance Date (or netted against the next Business Days' advance reimbursements if mutually agreed by the parties).

(c) Reimbursement of Servicing Advances.

(i) The Subservicer shall cooperate with the Owner/Servicer, Owner/Servicer's lender(s) and any Rating Agency or other third party in connection with the Owner/Servicer's financing of any Servicing Advances.

(ii) The Subservicer shall be entitled to be reimbursed for all Servicing Advances made by the Subservicer in accordance with this Agreement on a daily basis as further described in this Section 2.13(c). Each Business Day, the Subservicer

shall provide the Owner/Servicer and the Owner/Servicer's lender(s) (as identified to the Subservicer by the Owner/Servicer) with a report as set forth on Exhibit E-1 evidencing Servicing Advances made by the Subservicer in the previous Business Day. For the avoidance of doubt, images of invoices will not be required for purposes of reimbursement pursuant to this Section 2.13(c)(ii).

(iii) Promptly upon Owner/Servicer's lender's receipt of the information provided pursuant to Section 2.13(c)(ii) (the "Servicing Advances Reimbursement Date"), subject to resolution of any obvious or manifest errors, the Owner/Servicer shall remit (or cause to be remitted) the amount set forth in the written invoice or other customary documentation provided by the Subservicer for all such Servicing Advances (or such lesser amount as reasonably determined by the Subservicer) via wire transfer to the Subservicer on such Servicing Advances Reimbursement Date.

(iv) Except with respect to obvious or manifest errors, Subservicer and Owner/Servicer shall resolve any disputes regarding Servicing Advances in accordance with Section 2.13(e).

(v) Notwithstanding any provision in this Agreement to the contrary, the Subservicer shall reimburse the Owner/Servicer for any Servicing Advances (as part of the daily remittance of the Owner/Servicer Economics) made by the Subservicer and reimbursed by the Owner/Servicer in the event (x) the applicable Investor declines to reimburse such Servicing Advance as a result of the failure of the Subservicer to service the related Mortgage Loan in accordance with Applicable Requirements or (y) it is determined that such Servicing Advance is not eligible for reimbursement under the applicable Servicing Agreement (unless such Servicing Advance is permitted to be made under the Advance Policy and in accordance with Section 2.13(a)).

(d) Recovery of P&I Advances and Servicing Advances from Mortgagors.

The Subservicer shall use commercially reasonable efforts to collect and recover from the related Mortgagors, Investors, or Insurers in accordance with Applicable Requirements and the Advance Policy, all P&I Advances, Owner/Servicer Expenses (to the extent applicable) and Servicing Advances made by the Subservicer or any prior servicer or subservicer.

The Subservicer shall withdraw funds from the Custodial Accounts to reimburse any Servicing Advances, Owner/Servicer Expenses and/or P&I Advances as soon as possible as permitted under the related Servicing Agreements and the Advance Policy; provided that, the Advance Policy shall allow for certain delays related to the protection of investment grade bonds. Any reimbursements of Servicing Advances and/or P&I Advances shall be deposited to the Subservicer's clearing account within one (1) Business Day after its receipt thereof. The Subservicer shall then remit any such reimbursements to such account or accounts designated in writing from time to time by the Owner/Servicer (or any transferee of the rights to reimbursement therefor) no later than two (2) Business Days after such amounts are deposited into the clearing account.

To the extent any Servicing Agreement does not have provisions or otherwise contemplate the prioritization for recovery of Servicing Advances, Servicing Fees and/or P&I Advances, the Subservicer shall calculate any loss at liquidation associated with nonrecoverable advances in a manner that minimizes such loss to the Owner/Servicer (i.e., utilizing loan-level proceeds to reduce items which do not benefit from a general collections backstop before items which may be reimbursed on a pool-level basis).

The Subservicer shall cooperate in good faith with the Owner/Servicer to pursue full reimbursement of outstanding P&I Advances, Owner/Servicer Expense and Servicing Advances and shall indicate in the monthly reporting if it determines the recoverability of any such P&I Advances or Servicing Advances is at risk.

In the event a P&I Advance or a Servicing Advance is determined to be nonrecoverable under the applicable Servicing Agreement as a result of the Subservicer's failure to comply with the Advance Policy (other than as a result of Subservicer's compliance with the instruction of Owner/Servicer in accordance with Section 2.3), the Subservicer shall be required to reimburse the Owner/Servicer for the amount of any such advance that was funded or reimbursed by the Owner/Servicer within ten (10) Business Days following the determination that such advance was nonrecoverable.

(e) Advance Dispute Resolution.

Except with respect to obvious and manifest errors otherwise resolved by the parties, disputes regarding P&I Advances or Servicing Advances shall be resolved in the manner set forth in Schedule 2.13(e).

Section 2.14. Solicitation.

Except as otherwise permitted under Exhibit B of this Agreement, the Subservicer, the Corporate Parent, their respective Affiliates, agents and representatives shall not, without the prior written consent of the Owner/Servicer, solicit Mortgagors for a refinance of the Mortgage Loans, or for accident, health, life, property and casualty insurance, or any other non-mortgage related products or services, except for products or processes that facilitate normal servicing activities, such as "speedpay" or automatic payment plans. Only upon receipt of the prior written consent of the Owner/Servicer and in accordance with Applicable Requirements, shall the Subservicer be entitled to solicit individual Mortgagors for accident, health, life, property and casualty insurance and any other mortgage refinancing or non-mortgage related products or services that the Subservicer and the Owner/Servicer deem appropriate. The Subservicer shall retain any resulting commission or other income in such amounts not to exceed those approved by the Owner/Servicer. The Subservicer covenants to the Owner/Servicer that it shall not solicit any Mortgagor for prepaid single-premium credit life, credit disability, credit unemployment, credit property, accident or health insurance, or any other single-premium insurance product. For the avoidance of doubt, it is understood and agreed that advertising and promotions undertaken by the Subservicer or any Affiliate of the Subservicer which are directed to the general public at large or segments thereof that do not target the Mortgagors, including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio, television advertisements and advertisements and offers appearing to the general public on Subservicer's website, which may also appear on Subservicer's webpages

following log-in by consumers (provided such advertisements are not targeted to such consumers), shall not constitute solicitation under this [Section 2.14](#).

Section 2.15. HAMP.

The Subservicer acknowledges that the Mortgage Loans may include mortgage loans modified under HAMP and Mortgage Loans that may now or in the future be subject to other local, state or federal government mortgage-related programs that currently exist or may exist in the future. The Subservicer confirms that it is aware of the special requirements for such Mortgage Loans that currently exist or may exist in the future and the Subservicer agrees to assume the additional responsibilities associated with servicing such Mortgage Loans and to take such actions as are necessary to comply with such programs. With respect to each Mortgage Loan subject to a trial payment period pursuant to HAMP as of the related Transfer Date, the Subservicer shall take all actions required of a servicer participating in HAMP to complete such trial payment period and implement the related loan modification. The Subservicer will cooperate in good faith in connection with any audit, inspection, review, or investigation of the Subservicer's compliance with or reporting under HAMP or other government program related to the Mortgage Loans.

The Owner/Servicer shall take all commercially reasonable actions necessary to enable HAMP fees to be paid to Subservicer.

Section 2.16. Purchase Agreement Obligations.

From time to time during the term of this Agreement, the Owner/Servicer may enter (or has already entered) into certain mortgage servicing rights purchase agreements or similar agreements other than the Transfer Agreement (each such other agreement, an "MSRPA" and collectively, the "MSRPAs") which set forth conditions, qualifications and covenants, and servicing, cooperation, reporting, servicing transfer and qualification requirements that the Owner/Servicer is obligated to meet or obligated to cause its subservicer to meet (the "MSRPA Requirements"). To the extent the Owner/Servicer anticipates utilizing the Subservicer as the subservicer pursuant to this Agreement for servicing rights purchased pursuant to an MSRPA, the Owner/Servicer shall provide the Subservicer with a copy of the current draft or executed version, as applicable, of such MSRPA (redacted for confidential information) for the Subservicer's review and approval. If (i) the Subservicer notifies the Owner/Servicer of its approval of any such MSRPA (which may be delivered via e-mail), and (ii) solely with respect to MSRPA which have not been executed prior to the Effective Date, the Owner/Servicer executes the same, such MSRPA shall be included as part of [Exhibit L](#) to this Agreement, containing all operative MSRPAs relevant hereto. By its approval of any MSRPA, the Subservicer shall be obligated hereunder to perform the obligations of the Owner/Servicer under such MSRPA to the extent necessary to satisfy any such MSRPA Requirements. The Owner/Servicer and the Subservicer shall consider whether such additional MSRPA obligations or loan-level characteristics require revision to the Performance Triggers and shall reflect any agreed upon adjustments in the related Acknowledgment Agreement or other documentation acceptable to the parties.

Section 2.17. Pending and Completed Loss Mitigation.

With respect to the Mortgage Loans, the Subservicer shall (a) accept and continue processing any loan modification, deed in lieu, short sale, or other Loss Mitigation requests pending at the time of the applicable Transfer Date in accordance with Applicable Requirements, (b) honor outstanding trial and permanent loan modification, deeds in lieu, short sales, or other Loss Mitigation agreements in accordance with Applicable Requirements, including without limitation, any trial or permanent loan modifications made under HAMP, and (c) correctly apply payments with respect to Mortgage Loans for which the related Mortgagor is a debtor in a case under Chapter 13 of the United States Bankruptcy Code of 1986, as amended, at the time of the applicable Transfer Date. Owner/Service and Subservicer acknowledge and agree that the Mortgagors under the Mortgage Loans subject to any of the modification or loss mitigation actions described in the preceding sentence shall be third party beneficiaries of the obligations in the preceding sentence.

Section 2.18. Disaster Recovery Plan.

The Subservicer shall maintain its current business continuity plan (“BCP”) that addresses the continuation of services if an incident (act or omission) impairs or disrupts the Subservicer’s obligation to provide the services contemplated under this Agreement, as may be modified from time to time. The Subservicer agrees to provide the Owner/Service (and any applicable regulatory agencies having jurisdiction over the Owner/Service) with a copy of its entire BCP promptly following the Owner/Service’s request. The Subservicer warrants that the BCP conforms to Applicable Requirements and generally accepted industry standards for business continuity planning (collectively, the “BCP Standards”), which include, but are not limited to, recovery strategy, loss of critical personnel, restoring access to documents and data to the Owner/Service, documented recovery plans covering all areas of operations pursuant to this Agreement, vital records protection, and testing plans. The Subservicer will maintain and test the BCP at regular intervals (no less frequently than annually) to ensure that the BCP complies with BCP Standards and shall provide reporting of the test results to the Owner/Service upon request. The Subservicer will comply with the BCP during the term of this Agreement. The Subservicer shall notify the Owner/Service promptly of any material modifications to the BCP.

The Subservicer shall provide disaster recovery and backup capabilities and facilities through which it will be able to perform its obligations under this Agreement with minimal disruptions or delays. The recovery strategy shall, at a minimum, provide for recovery after short and long term disruptions in facilities, environmental support, workforce availability and data processing equipment. If requested by the Owner/Service, the Subservicer must provide evidence of its capability to meet any applicable regulatory requirement concerning business continuity applicable to the Owner/Service or the Subservicer. The Subservicer shall notify the Owner/Service immediately (and in any event, within twelve (12) hours) of the occurrence of any catastrophic event that affects or could affect the Subservicer’s performance of the services contemplated under this Agreement.

The BCP shall include appropriate provisions to ensure the continued availability of critical third-party services and to ensure an orderly transition to new service providers should that become necessary. The Subservicer shall comply with the Vendor Oversight Guidance with respect to business continuity plans of Vendors. Subject to Sections 10.17 and 2.4, the Subservicer shall

require that any of its Vendors, Off-shore Vendors and Default Firms providing critical services with respect to this Agreement provide copies of their own business continuity plans to the Subservicer and the Subservicer shall make such plans available to the extent set forth in Exhibit Q.

Section 2.19. Subservicer Performance Standards.

The Subservicer shall perform its obligations under this Agreement in accordance with the following standards:

(a) The Subservicer shall (i) develop and maintain client management protocols (escalation procedures to be utilized by Owner/Servicer, if needed) as set forth in Exhibit N and (ii) dedicate to its relationship with Owner/Servicer two (2) fulltime employees, who will be available to Owner/Servicer during normal business hours to answer questions, handle requests for information, coordinate change requests, monitor reporting timelines, and to schedule calls with business units in accordance with such protocols.

(b) The Subservicer shall use commercially reasonable efforts to resolve to the reasonable satisfaction of the Owner/Servicer any instances of failure to service the Mortgage Loans in accordance with Applicable Requirements or this Agreement identified by the Owner/Servicer within a reasonable and mutually agreed upon timeframe.

(c) The Subservicer will maintain adequate staffing, training and procedures in fulfillment, collections, Loss Mitigation, customer service, customer complaint, foreclosure, REO and bankruptcy departments in accordance with Applicable Requirements, including without limitation guidance provided by the CFPB and other Governmental Authorities.

(d) The Subservicer will maintain adequate foreclosure/bankruptcy staffing to address market conditions and heightened industry focus on current mortgage servicing issues as it relates to defaulted loans and ownership.

(e) The Subservicer shall input all material information concerning each Mortgage Loan into the Subservicer's servicing system of record and shall image and maintain all correspondence and Subservicing documents it prepares or obtains relating to the Mortgage Loans.

(f) All data and information provided by the Subservicer to the Owner/Servicer or an Investor, or to any other third party at the request or on behalf of the Owner/Servicer pursuant to this Agreement, shall be true, accurate and complete in all material respects; provided, that, the Subservicer shall not be liable for inaccurate information that is based on information provided by the Owner/Servicer, an originator, or a prior servicer (other than the Subservicer or an Affiliate of the Subservicer) unless the Subservicer knew of such inaccuracy or reasonably should have known of such inaccuracy pursuant to Applicable Requirements.

(g) Unless otherwise agreed to by the Subservicer and the Owner/Servicer in a SLA attached hereto, no later than forty-five (45) calendar days after the end of each calendar quarter, the Subservicer shall deliver to the Owner/Servicer the following platform-wide customer service statistics (or such other statistics reasonably requested by the Owner/Servicer): (i) staffing numbers changes, including turnover numbers and outsourced vs. internal; (ii) staffing location changes, including off-shore moves; (iii) advance notice of any outsourcing of consumer-facing staff; (iv) changes to staff scoring methodology; (v) changes to training programs; (vi) numbers of calls/month; (vii) numbers of call monitored each month; (viii) changes to credit-reporting practice; and (ix) answer times, hold times and other measurements of consumer call performance as reasonably requested by the Owner/Servicer.

Section 2.20. Sanction Lists; Suspicious Activity Reports.

(a) The Subservicer represents, warrants and covenants that it has, and shall maintain, policies and internal controls reasonably designed to comply with the economic sanctions (the "Sanction Lists") administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") and the requirements of this Section 2.20(a). The Subservicer shall screen all existing Mortgages and related mortgage participants monthly against the Sanction Lists. The Subservicer's policies shall detail steps (i) to identify and resolve potential matches against the Sanction Lists, and (ii) required for record retention in accordance with regulatory requirements. The Subservicer shall promptly notify the Owner/Servicer of any unresolved potential matches against the Sanction Lists.

(b) The Subservicer represents, warrants and covenants that it has, and shall maintain, policies, training and internal controls reasonably designed to detect and investigate potential suspicious activity and fraud by Mortgages and related mortgage participants in compliance with the requirements of this Section 2.20(b). The Subservicer will promptly disclose to the Owner/Servicer potentially suspicious or unusual activity detected as part of the services performed on behalf of the Owner/Servicer. The Subservicer represents and warrants that it has processes in place for such escalation and disclosure process. The Subservicer represents that it will coordinate the filing of any necessary Suspicious Activity Reports ("SARs") with respect to the Mortgages and related mortgage participants with a designated representative of the Owner/Servicer, if appropriate, and will maintain records of all such SARs filed and investigations performed in accordance with regulatory requirements. The Subservicer further represents, warrants and covenants that it has, and shall maintain, policies regarding (i) conducting investigations in a timely manner that is consistent with regulatory expectations and requirements, (ii) maintaining appropriate records for reviews, investigations and escalations, and (iii) if applicable, reviewing requests made pursuant to Section 314(a) of the USA PATRIOT ACT through the Financial Crimes Enforcement Network.

Section 2.21. Litigation Management.

Any litigation related solely to a single Mortgage Loan and incidental to the Subservicer's servicing obligations hereunder (other than litigation between or among the Owner/Servicer, on the

one hand, and the Subservicer, on the other hand) shall be managed by the Subservicer or its counsel on behalf of the Owner/Servicer or the Investor, as applicable, such as foreclosure, evictions, quiet title and bankruptcy filings, at the Subservicer's internal expense with respect to administration of such litigation (excluding, however, third party costs such as reasonable out-of-pocket attorneys' fees and expenses for which the Owner/Servicer shall remain responsible and which shall be a Servicing Advance hereunder) unless reimbursed from a third party pursuant to Applicable Requirements. Any and all such proceedings described in this paragraph shall be taken by the Subservicer in its own name on behalf of the Owner/Servicer or the Investor, as applicable.

At any time subsequent to the Effective Date, the parties may mutually agree to specific litigation protocols for the purpose of managing litigation relating to the Mortgage Loans.

Section 2.22. Financial Covenants and Information; Covenant Compliance Reporting; *.**

(a) The Subservicer shall at all times comply with all (i) financial requirements set forth in the applicable Servicing Agreement ***.

(b) On a monthly basis, the Subservicer shall provide the Owner/Servicer with sufficient supporting documentation and backup that will allow the Owner/Servicer to verify and validate that the Subservicer is in compliance with the financial requirements set forth in the applicable Servicing Agreement ***. No later than the last day of the month (or if such day is not a Business Day, the next succeeding Business Day) after the end of each month, the Subservicer shall provide the Owner/Servicer with a certificate, signed by the chief financial officer of the Subservicer and the Corporate Parent, in the form attached hereto as Exhibit H (the "Monthly Financial Covenant Certification"), with supporting documentation and backup (including but not limited to any interim and audited financial statements prepared by the Subservicer, Corporate Parent's and any accountant engaged by the Subservicer or Subservicer's Parent) that will allow the Owner/Servicer to verify, validate and corroborate the certifications made in each Monthly Financial Covenant Certification.

(c) ***.

**ARTICLE III
AGREEMENTS OF THE OWNER/SERVICER**

Section 3.1. Transfers to Subservicer.

(a) With respect to any Transfer Date and solely with respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, the Owner/Servicer shall deliver the Servicing Transfer In Procedures to the prior subservicer and shall request that such subservicer comply with the Servicing Transfer In Procedures in all material respects. The Subservicer shall work in good faith with prior servicers or subservicers and the Owner/Servicer to finalize and effectuate the Servicing Transfer In Procedures. The Subservicer and the Owner/Servicer shall comply with all Applicable Requirements with respect to servicing transfers, including the CFPB's rules and/or guidelines with respect to servicing transfers, including without limitation its Bulletin 2014-1 issued on August 19, 2014, which

may be amended or updated from time to time. The Subservicer and the Owner/Servicer shall provide all reasonable cooperation and assistance as may be requested by the other party in connection with compliance with such requirements, rules and/or guidelines. The Subservicer and the Owner/Servicer shall cooperate after the applicable Transfer Date to promptly resolve all customer complaints, disputes and inquiries related to activities that occurred prior to such Transfer Date or in connection with the transfer of servicing.

(b) With respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, pursuant to the Servicing Transfer In Procedures and Applicable Requirements, prior to each Transfer Date, the Subservicer shall use commercially reasonable efforts to obtain the Servicer Transfer Data and the Mortgage Servicing Files from the prior subservicer. The Subservicer may undertake an audit of a sampling of the Servicer Transfer Data and the Mortgage Servicing Files to determine the existence therein of any materially inaccurate or incomplete or missing data, information or documents. If the Subservicer determines, in its reasonable discretion, that there are deficiencies in Servicer Transfer Data or in the related Mortgage Servicing File, the Owner/Servicer and the Subservicer shall cooperate in good faith to cure or correct such deficiencies reasonably necessary for the Subservicer to service the related Mortgage Loans pursuant to this Agreement, subject to reimbursement from Owner/Servicer as set forth in this [Section 3.1\(b\)](#).

(i) For any Mortgage Loan which is not a Prior Ocwen Serviced Loan, the Owner/Servicer may elect to (a) cure or correct any material deficiencies in the Servicer Transfer Data or the related Mortgage Servicing Files, at the expense of the Owner/Servicer or (b) request that the Subservicer cure or correct such items, in which case the reasonable, actual and documented out-of-pocket costs and expenses or the reasonable, actual and documented internally allocated costs and expenses, as applicable, incurred by the Subservicer in connection with such cure or correction shall be reimbursed by the Owner/Servicer pursuant to [Section 2.3\(d\)](#). To the extent the Owner/Servicer request the Subservicer to cure or correct such items, the Subservicer shall promptly cure or correct such items.

(ii) [Reserved]

(iii) Solely with respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, to the extent the Owner/Servicer declines to cure or correct any material deficiencies in the Servicer Transfer Data or the related Mortgage Servicing Files or declines to engage the Subservicer to do so on its behalf or, upon reasonable effort, such deficiencies are not able to be cured or corrected and are reasonably necessary to be cured or corrected for the Subservicer to service the related Mortgage Loans pursuant to this Agreement, then the Subservicer will have the right to reject the obligation to subservice the related Mortgage Loan by providing Owner/Servicer written notice of such rejection within fifteen (15) Business Days after Owner/Servicer declines to cure or correct such deficiencies.

(c) The Owner/Servicer shall cooperate and shall use reasonable efforts to cause the prior subservicer to cooperate with the Subservicer in providing timely responses to

inquiries from Mortgagors to the extent information provided with respect to the Mortgage Loans is insufficient to allow the Subservicer to adequately respond without such cooperation.

(d) The Subservicer shall provide the Owner/Servicer with any proposed changes to the Servicing Transfer In Procedures at least sixty (60) days prior to boarding any Mortgage Loans under this Agreement which the Subservicer is not already servicing or subservicing. The Subservicer and the Owner/Servicer shall cooperate in good faith to reach agreement on any proposed changes to the Servicing Transfer In Procedures.

Section 3.2. Pay-off of Mortgage Loan; Release of Mortgage Loan Documents.

(a) Upon pay-off of a Mortgage Loan, the Subservicer will request the applicable Mortgage Loan Documents from the Custodian or the applicable Investor, as the case may be, and upon receipt of same will prepare the appropriate discharge/satisfaction documents, and shall request execution of any document necessary to satisfy the Mortgage Loan or shall execute such document pursuant to a limited power of attorney to be provided by the applicable Investor or shall request such document to be executed by the applicable Investor. The Subservicer shall prepare, execute, and record all satisfactions and releases in accordance with the timeframes and requirements of all Applicable Requirements, and the Subservicer shall reimburse the Owner/Servicer for any and all documented Losses it may incur as a result of the Subservicer's failure to act in accordance with such Applicable Requirements.

(b) In the event the Subservicer prepares a satisfaction or release of a Mortgage without having obtained payment in full (excluding payments in full or other satisfactions as provided for in a Loss Mitigation plan permitted under Applicable Requirements) of the indebtedness secured by the Mortgage or should it otherwise prejudice any enforcement right the related Investor may have under the mortgage instruments, the Subservicer, upon written demand, shall (i) use commercially reasonable efforts to expunge such satisfaction or release or (ii) if such satisfaction or release cannot be expunged by the Subservicer in such timeframe required under Applicable Requirements, the Subservicer shall remit to the Investor, or indemnify and reimburse the Owner/Servicer for, all amounts required to be paid by the Owner/Servicer under Applicable Requirements as a result of such satisfaction or release.

(c) From time to time and as appropriate for the Subservicing (including, without limitation, insurance claims) or foreclosure of each Mortgage Loan, the Owner/Servicer shall cause the Custodian to, upon request of the Subservicer and only upon delivery to the Custodian of an acceptable servicing receipt signed by an authorized employee of the Subservicer, release the portion of the Mortgage Loan Documents held by the Custodian to the Subservicer. If any Mortgage Loan Documents are to be released to a third-party attorney for purposes of facilitating foreclosure, bankruptcy, or litigation proceedings on behalf of the Subservicer or the Investor, the Subservicer must obtain a commercially acceptable attorney bailee agreement from such attorney, a copy which shall be provided to the Custodian on an as-needed basis.

(d) The Subservicer shall return the related Mortgage Loan Documents to the Custodian within a timeframe consistent with applicable industry standards following the time such documents are no longer needed by the Subservicer, unless the Mortgage Loan has been liquidated and the liquidation proceeds relating to the Mortgage Loan have been deposited in the related Custodial Account. The Subservicer shall indemnify the Owner/Servicer pursuant to Section 8.2 for any loss or damage of such Mortgage Loan Documents by the Subservicer or its agents, Vendors, Off-shore Vendors or Default Firms.

Section 3.3. Notices.

(a) With respect to Mortgage Loans that are not Prior Ocwen Serviced Loans, the Owner/Servicer shall cause to be provided servicing transfer notices to the related Mortgagors in a timely manner as may be required under Applicable Requirements, including the Real Estate Settlement Procedures Act, as amended, and CFPB Bulletin 2014-1 issued on August 19, 2014. Within fifteen (15) days following each Transfer Date to the extent required pursuant to the Applicable Requirements, the Subservicer shall deliver to each related Mortgagor a "Welcome Letter" in accordance with Applicable Requirements. Notwithstanding the above, the Owner/Servicer, the Subservicer, and the prior servicer or subservicer may agree to send in accordance with Applicable Requirements a joint notification to the related Mortgagors regarding the transfer of the servicing function to the Subservicer. The Subservicer and the Owner/Servicer agree that the form of any notice sent to Mortgagors under this Section 3.3(a) shall be subject to approval by the Owner/Servicer and the Subservicer, not to be unreasonably withheld or delayed.

(b) The Subservicer shall furnish to each Mortgagor each notice (including all required privacy notices, cover letters or other related correspondence) that the Owner/Servicer determines is required to be provided to such Mortgagors in accordance with, and in a form consistent with, Applicable Requirements. In the event the Owner/Servicer requests that the Subservicer provide the annual privacy notice on the Owner/Servicer's behalf, the Owner/Servicer shall provide the Subservicer with its form notice (and related correspondence for privacy notices) to be furnished to each Mortgagor and reimburse Subservicer for the incremental out-of-pocket printing and mailing expense, provided that Subservicer shall provide Owner/Servicer with a good faith estimate of such expense prior to commencing such mailing. The Subservicer shall not make any material changes to the forms of privacy notice or other related correspondence for privacy notices without the prior approval of the Owner/Servicer. The Subservicer shall comply with all applicable federal and state requirements relating to privacy notices and shall provide the Owner/Servicer upon request with its policies and procedures for complying with Applicable Requirements relating to privacy notices. Any Subservicer privacy notice sent pursuant to this Agreement shall be at the sole cost and expense of the Subservicer without reimbursement. Solely with respect to any relationship letter the Owner/Servicer requests be mailed, which may be effectuated through a stand-alone mailing or via insertion in any Mortgagor's monthly statement, the Owner/Servicer shall pay the incremental costs incurred by the Subservicer with respect to the creation of such letter and the mailing and/or insertion of such letter in the applicable monthly statement. The Subservicer shall track and provide quarterly

reporting to the Owner/Servicer regarding privacy notices on a loan level basis, including (i) the date the initial and annual privacy notices are mailed to each Mortgagor and (ii) relevant data and information regarding opt-out and opt-in states and elections made by the related Mortgagors.

(c) The Subservicer shall include in the related Mortgage Servicing File a copy of each notice furnished to a Mortgagor pursuant to this [Section 3.3](#).

Section 3.4. Mortgagor Requests.

The Subservicer shall process requests for partial releases, easements, substitutions, division, subordination, alterations, waivers of security instrument terms, or similar matters in accordance with Applicable Requirements and the Subservicer shall provide a monthly report identifying such processed requests (other than partial releases).

Section 3.5. Power of Attorney.

The Subservicer shall prepare and request the applicable Investors to execute limited powers of attorney that are reasonably necessary in connection with the Subservicing of the Mortgage Loans under the applicable Servicing Agreement. The Owner/Servicer shall cooperate with the Subservicer as necessary to obtain such limited powers of attorney from the applicable Investors. Upon request of Subservicer, the Owner/Servicer shall execute a mutually agreed upon number of limited powers of attorney substantially in the form set forth in [Exhibit M](#) hereto and provide such original executed limited powers of attorney to the Subservicer for use in connection with the servicing activities contemplated in this Agreement. The Owner/Servicer agrees to provide additional original executed limited powers of attorney as may be requested by the Subservicer from time to time.

Section 3.6. Affiliated Transactions.

The Owner/Servicer shall comply with its internal policies and procedures concerning transactions with affiliates and related parties in connection with the transactions hereunder.

**ARTICLE IV
COMPENSATION**

Section 4.1. Subservicing Compensation.

On or prior to each Reporting Date, the Subservicer shall provide the Owner/Servicer, in an electronic format, a monthly report containing data elements detailing all the Owner/Servicer Economics, the Owner/Servicer Expenses and the Subservicer Economics (the "[Reconciliation Report](#)") as set forth in in the related Formatted Servicing Report; it being understood that the amounts described in [clauses \(iv\)](#) and [\(v\)](#) of Owner/Servicer Economics, and Owner/Servicer Expenses, may relate to prior periods. Pursuant to [Section 2.8\(f\)](#), the Subservicer shall provide the Owner/Servicer with sufficient information to reflect the calculation (daily and monthly, as applicable) of the Owner/Servicer Economics, the Owner/Servicer Expenses and the Subservicer

Economics, including the fees payable to the Subservicer by the Owner/Servicer under this Agreement.

The Owner/Servicer shall pay all non-disputed amounts of the Subservicer Economics and all non-disputed amounts of Owner/Servicer Expenses on a monthly basis, in arrears, on the later of the last Business Day of each month and five (5) Business Days following receipt of the Reconciliation Report, and if reasonably necessary, additional information to confirm and reconcile the Owner/Servicer Economics, Owner/Servicer Expenses and the Subservicer Economics relating to the applicable periods included in the Reconciliation Report, subject to Section 4.3. To the extent (i) the Owner/Servicer does not pay all non-disputed amounts of the Subservicer Economics within the applicable timeframe set forth in the prior sentence or any amounts owed to the Subservicer hereunder within the timeframe set forth herein (or if not set forth, within two (2) Business Days of Subservicer notifying Owner/Servicer of such amounts being owed) and (ii) the Subservicer provided the Owner/Servicer at least two (2) Business Days' prior notice of its intention to net such non-disputed amounts, the Subservicer is entitled net and retain all such non-disputed amounts of the Subservicer Economics from the applicable remittance Subservicer makes to the Owner/Servicer pursuant to Section 2.8(f); provided, further, that the Subservicer may not net or set-off against any portion from the applicable remittance Subservicer makes to the Owner/Servicer pursuant to Section 2.8(f) that have been sold and/or pledged by the Owner/Servicer in connection with a financing or securitization involving such remittance, including, without, limitation any servicing advance facility or servicing rights financing, in each case except as expressly permitted in writing by the applicable transaction agreements or the applicable purchaser, lender or secured party.

With respect to disputed amounts of the Subservicer Economics, the parties shall follow the procedures set forth in Section 4.3 for resolution of disputes to the extent not otherwise resolved.

The Subservicer shall be entitled to all amounts, to the extent paid, allowed to a servicer from time to time by any governmental or quasi-governmental programs or PMI Companies, as applicable, for engaging in Loss Mitigation with respect to the Mortgage Loans. The Owner/Servicer shall be entitled to the Float Benefit, which amounts (i) shall be remitted by the Subservicer to the Owner/Servicer as part of the Owner/Servicer Economics pursuant to Section 2.8(f) to the extent the applicable Custodial Account(s) or Escrow Account(s) are not in the name of the Owner/Servicer and (ii) Owner/Servicer shall withdraw directly from the applicable Custodial Account(s) or Escrow Account(s) to the extent the applicable Custodial Account(s) or Escrow Account(s) are in the name of the Owner/Servicer. The Subservicer shall be entitled to Ancillary Income and, pursuant to its reporting obligations hereunder, provide to the Owner/Servicer information and data related to the Ancillary Income received and/or paid to the Subservicer. The Subservicer shall provide or make available to the Owner/Servicer its schedule of Ancillary Income charged to the Mortgagors on a quarterly basis in an acceptable searchable electronic format that allows for comparison of the current schedule of Ancillary Income against the schedule of Ancillary Income from the prior quarterly period.

Except as otherwise set forth in this Agreement, the Subservicer and the Owner/Servicer shall each be required to pay all expenses incurred by each, respectively, in connection with their

respective performance of obligations hereunder, including but not limited to their respective overhead costs and employee salaries.

Section 4.2. Due Date of Payments; Penalties.

In the event either party fails to make a required payment under this Agreement to the other party, the owing party shall be required to pay the other party a finance charge on such amount for each day such payment is delinquent at an annual rate equal to one percent (1%) over the Prime Rate, but in no event greater than the amount permitted by applicable law. Such interest shall be paid by the applicable party on the date such late payment is made and shall cover the period commencing with the day following the Business Day on which such payment was due and ending with the Business Day on which such payment is made, both inclusive. The payment by Subservicer of any such interest shall not be deemed an extension of time for payment or a waiver of any rights the Owner/Service has under this Agreement. Subservicer shall be responsible for late payment interest or penalties incurred as a result of any late remittances made by Subservicer with respect to any of the Servicing Agreements, provided that the late remittance was not the result of the Owner/Service failing to timely make any required payments under this Agreement.

Section 4.3. Resolution of Disputes and Monetary Errors.

In the event either party, in good faith, disputes any sum the other party contends are due and payable hereunder, such disputing party shall deliver to the contending party a written notice explaining the justification for such dispute in sufficient detail to permit the contending party to evaluate and respond to such dispute, together with any documentation available to such disputing party to support such dispute. All sums that are not disputed shall be paid as and when due under this Agreement. If the contending party demonstrates that the disputed amount is properly due and payable, including by providing supporting documentation and/or analysis, the disputing party shall pay such amount within five (5) Business Days after receipt of such documentation. If the disputing party continues to dispute all or any portion of such amount and the parties cannot thereafter reconcile such dispute within a reasonable period of time not to exceed thirty (30) days, the contending party shall be entitled, upon ten (10) days' written notice to the disputing party, to submit such matter to a dispute resolution process (other than litigation) and if such amounts are subsequently determined to be proper, contending party shall be entitled to recover as part of its claim its reasonable, out of pocket costs and expenses, including reasonable out-of-pocket attorneys' fees, incurred in prosecuting such claim with interest on the disputed amount at an annual rate of five percent (5%) over the Prime Rate, but in no event greater than the amount permitted by applicable law. If such disputed amounts are subsequently determined not to be due and payable to the contending party, the disputing party shall be entitled to recover as part of its claim its reasonable out-of-pocket costs and expenses, including attorneys' fees, incurred in connection with prosecuting such claim.

**ARTICLE V
TERM AND TERMINATION**

Section 5.1. Term.

(a) The initial term of this Agreement shall be from the Effective Date until the date that is the fifth (5th) year anniversary of the Effective Date (the “Initial Term”). Except as otherwise set forth in this Section 5.1 and Section 5.6, the Subservicer shall not be permitted to terminate this Agreement prior to the expiration of the Initial Term. If this Agreement has not otherwise been terminated pursuant to this Article V, then the term of this Agreement for the Subservicer shall automatically be renewed for successive one (1) year terms after the expiration of the Initial Term. The Subservicer shall not resign from the obligations and duties hereby imposed on it, except upon determination that its duties hereunder are no longer permissible under applicable law and such incapacity cannot be cured by Subservicer or the Owner/Servicer. If Subservicer terminates this Agreement pursuant to Section 5.6, such termination shall be treated as a termination without cause by Owner/Servicer under this Agreement. If Subservicer resigns, such resignation of the Subservicer shall be treated as a termination for cause by Owner/Servicer under this Agreement. Any such determination that Subservicer’s duties hereunder are no longer permissible under applicable law shall be evidenced by an opinion of counsel written by a law firm reasonably acceptable to Owner/Servicer to such effect in form and substance reasonably acceptable to Owner/Servicer.

(b) During the Initial Term, the Owner/Servicer may terminate this Agreement in whole, but not in part (unless otherwise expressly permitted pursuant to this Agreement) for convenience, by delivering written notice of such termination to the Subservicer. Following the Initial Term, the term of this Agreement may be extended by the Owner/Servicer for successive three (3) month renewal periods (which, if extended, shall commence on the expiration date of the then-current term and end on the calendar day that is the three (3) month anniversary of the preceding term’s expiration date (or if such day is not a Business Day, on the first Business Day immediately following such day)), by delivering written notice of such three month extension (which may be by electronic mail). Such notice shall be delivered at least thirty (30) calendar days preceding such extension (or if such day is not a Business Day, the first Business Day immediately preceding such day), provided that any such extension notice that is delivered prior to the expiration of the then current term shall be effective. Unless earlier terminated pursuant to any other provision in this Article V, this Agreement shall terminate at the expiration of the then-current term if the Owner/Servicer fails to notify the Subservicer of a three (3) month extension prior to such expiration.

(c) The Subservicer may terminate this Agreement at the end of the Initial Term or at the end of any subsequent one year term, in whole but not in part upon written notice to the Owner/Servicer at least two-hundred twenty five (225) days prior to the end of the applicable term.

(d) Any Mortgage Loans removed from a Servicing Agreement pursuant to the exercise of an early termination or other reconstitution provision and (i) included in a

Securitization Transaction (a "Resecuritized Transaction") where the applicable Securitization Servicing Agreement or Interim Servicing Agreement is reasonably acceptable to the Subservicer shall be removed from this Agreement and shall be serviced by the Subservicer pursuant to such Securitization Servicing Agreement or Interim Servicing Agreement, as applicable, or (ii) not included in the related Securitization Transaction shall be removed from this Agreement and shall be serviced by the Subservicer under an Interim Servicing Agreement. For the avoidance of doubt, no Termination Fee, deboarding fee or other compensation (other than accrued Subservicer Economics) shall be payable to Subservicer for a termination under this Section 5.1(d). The Subservicer shall use its best efforts to remain in good standing with the Rating Agencies and otherwise comply with the requirements of Rating Agencies. With respect to any Resecuritized Transaction in which the Subservicer has agreed to execute the applicable Securitization Servicing Agreement but is otherwise not permitted to service in such Resecuritized Transaction solely as a result of the requirement of the related Rating Agency (which is rating such Resecuritized Transaction) (in either case, a "Barred Transaction"), the Owner/Servicer shall use reasonable efforts to consult with the applicable Rating Agencies and reasonably advocate for the Subservicer's participation in such Barred Transaction (and such participation does not have, or result in, any adverse impact or effect on the Owner/Servicer, the related Barred Transaction and/or the securities being issued thereunder). The Owner/Servicer shall not select any Rating Agency with the sole intention of excluding the Subservicer from participating in a Barred Transaction. If the Owner/Servicer determines, in the Owner/Servicer's reasonable discretion (as supported by reasonable documentation or analysis provided by the Owner/Servicer to Subservicer in writing), that retaining Subservicer to service loans in a Resecuritized Transaction could have a material adverse impact on the related Resecuritized Transaction and/or the securities being issued thereunder, then the Owner/Servicer shall not be obligated to utilize the Subservicer in such Resecuritized Transaction, in which event the Subservicer shall interim service such Mortgage Loans pursuant to the terms of this Agreement until the transfer of servicing to the successor servicer. If the Owner/Servicer determines, in the Owner/Servicer's reasonable discretion, that retaining Subservicer to service loans in a Resecuritized Transaction does not have a material adverse impact on the related Resecuritized Transaction and/or the securities being issued thereunder and, accordingly, elects not to retain the Subservicer in such Resecuritized Transaction, (i) the Subservicer shall interim service such Mortgage Loans pursuant to the terms of this Agreement until the transfer of servicing to the successor servicer and (ii) the Owner/Servicer shall pay the applicable Exit Fee on the date that the related transfer of servicing to the successor servicer is completed. Notwithstanding any provision in this Agreement to the contrary, the Owner/Servicer may terminate this Agreement with respect to one or more Mortgage Loans which are not Prior Ocwen Serviced Loans, in which event the Subservicer shall interim service such Mortgage Loans pursuant to the terms of this Agreement until the transfer of servicing to the successor servicer; provided that, the Owner/Servicer shall provide the Subservicer with at least forty five (45) days' written notice prior to such termination and transfer of servicing to a successor servicer.

(e) This Agreement shall otherwise terminate upon the earliest of (i) the distribution of the final payment on or liquidation of the last Mortgage Loan and REO Property subject to this Agreement or (ii) as otherwise set forth in this Article V.

Section 5.2. [Reserved].

Section 5.3. Termination with Cause.

(a) The Owner/Servicer may terminate this Agreement immediately for cause, in whole, but not in part (except with respect to clause (C) of Section 5.3(a)(xviii)), by providing written notice of its intent to terminate Subservicer based on any of the following events (each such event and any other event mutually agreed upon by the parties, a "Subservicer Termination Event"), which as of the date of such notice, shall not have been waived in writing:

(i) any failure by the Subservicer to remit the Owner/Servicer Economics or any other payment due the Owner/Servicer pursuant to this Agreement (including, but not limited to, any Average Third Party Mark Payment or any Investor payment with respect to the Mortgage Loans) not in dispute pursuant to Section 4.3, which failure continues unremedied for a period of two (2) Business Days after the date on which such payment was required to be remitted under the terms of this Agreement or Applicable Requirements, as applicable;

(ii) any failure by the Subservicer to provide to the Owner/Servicer (1) any Critical Report unless such failure to deliver a Critical Report was a direct result of Owner/Servicer's failure to provide material information (which was not in the possession or control of the Subservicer) necessary to complete such Critical Report, which failure continues unremedied for a period of five (5) Business Days following the date such Critical Report was due and/or (2) any Owner/Servicer Regulatory Reports, which failure continues unremedied for a period of five (5) Business Days following the date such Owner/Servicer Regulatory Report was due;

(iii) (A) *** and/or (B) deliver the Monthly Financial Covenant Certification to the Owner/Servicer within the timeframes set forth in Section 2.22, which failure in the case of clause (B) continues unremedied for a period of five (5) Business Days;

(iv) any default and/or failure by Subservicer to duly observe or perform, in any material respect, any covenants, obligations or agreements of Subservicer set forth in this Agreement (including the Schedules and Exhibits hereto), to the extent such default or failure is susceptible of being cured, irrespective of the date on which the covenant or obligation was to be performed or observed, continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Subservicer by the Owner/Servicer;

(v) any representation or warranty made by the Subservicer hereunder shall prove to be untrue or incomplete in any material respect and such representation or warranty continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Subservicer by the Owner/Servicer;

(vi) the Subservicer shall fail to comply in any material respect with any audit procedures pursuant to Section 2.11(b) or (e) of this Agreement, which failure continues unremedied for a period of seven (7) Business Days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Subservicer by the Owner/Servicer and such failure to deliver could be reasonably expected to result in a material Loss by, or have a material adverse effect on, Owner/Servicer;

(vii) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator or other similar official in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Subservicer and/or the Corporate Parent and such decree or order shall have remained in force, undischarged or unstayed for a period of forty-five (45) days;

(viii) the Subservicer and/or the Corporate Parent shall (i) consent to the appointment of a conservator, receiver, or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities, or similar proceedings of or relating to the Subservicer's and/or the Corporate Parent's property or relating to all or substantially all of the Subservicer's and/or the Corporate Parent's property or (ii) admit in writing its inability to pay its debt as it becomes due, admit in writing its intention not to perform any of its obligations, file a petition to take advantage of any applicable insolvency or bankruptcy statute, voluntarily suspend payment of any of its obligations, or make an assignment for the benefit of its creditors;

(ix) (A) the Subservicer shall cease being an approved subservicer/servicer in good standing with any Agency or Governmental Entity or a HUD approved mortgagee or (B) any Governmental Entity or HUD provides a written notice of termination to the Subservicer;

(x) Either (i) the occurrence and continuation of a default of any payment of any amounts due under any Material Debt Agreement (after any applicable grace period) or (ii) the occurrence and continuation of a default under a Material Debt Agreement resulting in the acceleration or prepayment thereof;

(xi) any admission by the Subservicer or the Corporate Parent or the final determination of material wrongdoing in connection with any regulatory action commenced by a Governmental Authority (i) that has a Material Adverse Effect on the Owner/Servicer, New Residential Investment Corp., the Servicing Rights and/

or the Servicing Advances and/or P&I Advances related thereto or (ii) in which any investor, lender or other counterparty to New Residential Investment Corp.'s financing or lending arrangement of Servicing Rights, "excess spread", Servicing Advances and/or P&I Advances makes a breach or default claim under such financing or lending arrangement in writing and such Person(s) have the sufficient right and/or own (or control) a sufficient portion of the investment under such arrangement to declare or direct another party to declare a default thereunder;

(xii) a Change of Control has occurred with respect to the Subservicer and/or the Corporate Parent, unless such change of control results from the acquisition of stock or voting interests by Owner/Servicer or any of its Affiliates;

(xiii) the Subservicer and/or Corporate Parent attempts to assign its rights to servicing compensation hereunder without the consent of the Owner/Servicer;

(xiv) any report required herein contains materially inaccurate data or information that has a Material Adverse Effect on the Owner/Servicer, New Residential Investment Corp., the Servicing Rights, P&I Advances and/or the Servicing Advances; provided, that such inaccuracy is not the direct result of inaccurate data or information provided to the Subservicer by the Owner/Servicer or New Residential Investment Corp., or a third party appointed by Owner/Servicer or New Residential Investment Corp.;

(xv) as of any date of determination, the unpaid principal balance of Measurement Loans with respect to which a Termination Party has, other than in connection with any Solicitations to Terminate which has not resulted in a vote or direction to terminate, delivered written notification of intent to terminate or notice of termination or otherwise directed or initiated the process of terminating the Owner/Servicer and/or Subservicer in writing ("PSA Termination Notice"), in the aggregate, equals or exceeds *** of the Measurement Balance, in each case, due to Subservicer's failure to service in accordance with the terms of this Agreement; provided, however that, the unpaid principal balance with respect to a Servicing Agreement will not be counted toward the *** threshold referenced in this Section 5.3(a)(xv) if the related Termination Party delivered the related PSA Termination Notice solely as a result of Subservicer's compliance with a written direction from Owner/Servicer in accordance with Section 2.3 hereof; provided that no termination shall be permitted unless any applicable cure period in the related Servicing Agreement has expired and the related Termination Party has not withdrawn such notification;

(xvi) as of any date of determination, the unpaid principal balance of Measurement Loans with respect to which a Termination Party has sent a solicitation for a vote or request for direction from or on behalf of Investors regarding the termination of Owner/Servicer as servicer under the related Servicing Agreement (a "Solicitation to Terminate"), in the aggregate, equals or exceeds *** of the Measurement Balance, in each case (A) from a Termination Party and (B) due to Subservicer's failure to service in accordance with the terms of this Agreement;

provided, however that, the unpaid principal balance with respect to a Servicing Agreement will not be counted toward the *** threshold referenced in this Section 5.3(a)(xvi) if the related Termination Party delivered the related Solicitation to Terminate solely as a result of Subservicer's compliance with a written direction from Owner/Servicer in accordance with Section 2.3 hereof; provided, further that a Solicitation to Terminate shall no longer be included in calculating the *** threshold on the earlier of the date the Termination Party indicates that it will pursue no action or provides notification indicating that such Solicitation to Terminate has not resulted in a vote to terminate or direction to terminate Owner/Servicer as servicer under the related Servicing Agreement and 135 days following the date of the Solicitation to Terminate if such Solicitation to Terminate has not resulted in a vote to terminate or direction to terminate Owner/Servicer as servicer under the related Servicing Agreement;

(xvii) either (A) the publicly filed annual financial statements or the notes thereto or other opinions or conclusions stated therein of New Residential Investment Corp. or Owner/Servicer shall indicate that New Residential Investment Corp. or Owner/Servicer, as applicable, has a "material weakness" and/or "significant deficiency", or (B) if not publicly filed because not a publically registered entity, the annual financial statements or the notes thereto or other opinions or conclusions stated therein of New Residential Investment Corp. or Owner/Servicer, as applicable, shall indicate that New Residential Investment Corp. or Owner/Servicer has a "material weakness", which, in any such case is caused by either (i) inaccurate information provided by the Subservicer or Corporate Parent and relied upon by the Owner/Servicer or New Residential Investment Corp., as applicable, or (ii) the processes, practices or procedures of the Subservicer or the Corporate Parent;

(xviii) (A) the Owner/Servicer shall cease being an approved subservicer/servicer in good standing with any Agency or Governmental Entity or a HUD approved mortgagee and the applicable Agency or Governmental Entity or HUD identifies the Subservicer's or the Corporate Parent's acts, omissions, processes, practices and/or procedures as a basis from which such action resulted, arose out of or was related to; (B) any act or omission of the Subservicer or the servicing practices or procedures of Subservicer or the Corporate Parent results in any Agency or Governmental Entity or HUD providing a written notice of termination to the Owner/Servicer; or (C) any State Agency withdraws or causes Owner/Servicer to fail to maintain any required qualification, license or approval to do business, to service residential mortgage loans, or to otherwise collect debts or perform any activities relating to residential mortgage loans in any jurisdiction where such State Agency has jurisdiction, provided that, solely with respect to this clause (C), Owner/Servicer may terminate this Agreement pursuant to this clause (C) only with respect to the Mortgage Loans in the applicable state where such State Agency has jurisdiction;

(xix) at any time following the six-month anniversary of the date of this Agreement, the Subservicer's or Corporate Parent's management discloses in their

respective quarterly or annual financial statements that there is substantial doubt about its ability to continue as a going concern; provided, however, that such substantial doubt is not based in material part on the potential early termination of any of the transactions contemplated by this Agreement; or

(xx) failure of the Subservicer to maintain any required qualification, license or approval to do business, to service residential mortgage loans, or to otherwise collect debts or perform any activities relating to residential mortgage loans in any jurisdiction where the Mortgaged Properties are located, to the extent required under Applicable Requirements; provided that, Owner/Servicer may terminate this Agreement pursuant to this Section 5.3(a)(xx) only with respect to the Mortgage Loans in the applicable state where the Subservicer failed to maintain such qualification, license or approval; or

(xxi) the occurrence of a Performance Trigger; or

(xxii) ***;

provided, however, that notwithstanding the foregoing, if Subservicer has provided Owner/Servicer a written notice of its intent to terminate this Agreement with cause pursuant to Section 5.6 or Owner/Servicer has provided written notice of its intent to terminate this Agreement pursuant to Section 5.1(b), the Owner/Servicer may not terminate the Subservicer for cause pursuant to any of Sections 5.3(a)(iii), (x), (xvii) or (xix) if the event specified in such subsection was based in material part on such notice of intent to terminate; provided, further however, that if a Subservicer Termination Event is cured or is no longer continuing, such event shall cease to be a Servicer Termination Event upon the date that is six (6) months following the later of (i) the date such Servicer Termination Event was cured or ceases to continue and (ii) the date Owner/Servicer received notice or otherwise became aware of such Servicer Termination Event.

(b) The Subservicer recognizes that an Investor may rescind its recognition of a Subservicing arrangement if the Investor terminates the Owner/Servicer under the applicable Servicing Agreement, in which event this Agreement would be terminated with respect to the related Mortgage Loans, and such termination shall be treated as:

(i) a termination for cause for purposes of this Agreement if the Investor's action is related to an act or omission, or the processes, practices and/or procedures of the Subservicer or the Corporate Parent (unless such act or omission is related to Subservicer's compliance with the Owner/Servicer's written direction in accordance with Section 2.3; provided, further, that this provision shall not protect the Subservicer from any liability for any breach of its covenants made herein, or failure to perform its obligations in compliance with the terms of this Agreement, including any standard of care set forth in this Agreement, or from any liability which would otherwise be imposed on the Subservicer or any of its directors, officers, agents or employees by reason of the Subservicer's willful misfeasance, bad faith, fraud, or negligence in the performance of its duties hereunder or by reason of its negligent disregard of its obligations or duties hereunder) or

(ii) a termination without cause if the Investor's action is unrelated to an act or omission of the Subservicer or the Corporate Parent, respectively, or related to Subservicer's compliance with the Owner/Servicer's written direction in accordance with Section 2.3.

(c) Each party shall promptly notify the other party in the event of any breach or anticipated breach by the notifying party of its obligations under this Agreement or any event of default or anticipated event of default or other termination event with respect to such party set forth in this Agreement.

(d) The rights of termination, as provided herein, are in addition to all other available rights and remedies, including the right to recover damages in respect of any breach.

Section 5.4. Reimbursement upon Expiration or Termination; Termination Assistance.

(a) If Owner/Servicer:

(i) terminates this Agreement "for cause" pursuant to Section 5.3, Subservicer (A) shall reimburse the Owner/Servicer for Owner/Servicer's Servicing Transfer Costs incurred in connection with transferring the servicing to a successor servicer or subservicer, (b) shall reimburse the Owner/Servicer for any boarding fees of the subsequent servicer which shall be capped at \$*** per Mortgage Loan/REO Property and (C) shall not be entitled to any Termination Fee, deboarding fees or reimbursement of its Servicing Transfer Costs;

(ii) terminates this Agreement "for convenience" pursuant to Section 5.1(b), the Owner/Servicer shall remit to the Subservicer (A) solely if the Effective Date of Termination occurs during the Initial Term, an amount equal to the applicable Termination Fee and (B) irrespective of whether the Effective Date of Termination occurs during the Initial Term, the greater of \$*** per Mortgage Loan/REO Property and Subservicer's Servicing Transfer Costs incurred in connection with transferring the servicing to a successor servicer or subservicer; or

(iii) does not extend the term of this Agreement at the end of the Initial Term or any three-month renewal term thereafter, (A) Owner/Servicer and Subservicer shall each pay 50% of the aggregate Servicing Transfer Costs incurred by both parties in connection with transferring the servicing to a successor servicer or subservicer, (B) neither party shall be responsible for paying any deboarding or boarding fees, and (C) Subservicer shall not be entitled to any Termination Fee.

To the extent the Owner/Servicer is obligated to pay the Termination Fee as set forth above, the Owner/Servicer shall remit to the Escrow Agent, to be held by the Escrow Agent in accordance with the Escrow Agreement, one-hundred percent (100%) of the applicable Termination Fee Deposit Amount (as defined and calculated in accordance with Exhibit

C-2) in immediately available funds at least one (1) Business Day prior to the Subservicer sending the related transferor's notice of transfer of servicing or "goodbye letter" in accordance with the requirements of applicable law solely to the extent the Subservicer has complied and completed all of the servicing transfer requirements set forth in Part I of Exhibit S required to be performed on or before such date thereof; provided that Subservicer shall have no obligation to send any such notices until the Escrow Agent verifies to Subservicer that the Termination Fee Deposit Amount has been received. The Escrow Agent shall pay the Subservicer (i) fifty percent (50%) of the applicable Termination Fee Deposit Amount in immediately available funds within two (2) Business Days after its receipt, with a copy to the Owner/Servicer, from the Subservicer of a certification by the Subservicer and its third party vendor handling the mailing that the Subservicer has sent the related transferor's notice of transfer of servicing or "goodbye letter" and (ii) the remaining fifty percent (50%) of the applicable Termination Fee Deposit Amount in immediately available funds within two (2) Business Days after its receipt, with a copy to the Owner/Servicer, from the Subservicer of a certification by the Subservicer that the Subservicer has completed the Servicing Transfer Requirements set forth in Part III of Exhibit S attached hereto and including the federal reference numbers and wire amounts for the funds required to be remitted in accordance with such Servicing Transfer Requirements. The Subservicer shall send a copy of each of the deliverables under the Servicing Transfer Requirements to the Owner/Servicer at the same time it delivers such deliverable to the applicable successor servicer or subservicer. Owner/Servicer may elect to wait to transfer the servicing with respect to certain Servicing Agreements if the transfer of such Servicing Agreements would result in the unpaid principal balance of the Mortgage Loans that would remain subject to this Agreement following such transfer to be less than ten percent (10%) of the unpaid principal balance of all of the Mortgage Loans subject to this Agreement on the Effective Date of Termination. The Subservicer and Owner/Servicer shall use their best efforts to cooperate to enter into an Escrow Agreement containing the terms as set forth in this paragraph prior to the applicable date a payment is required to be made to the Escrow Agent as described in this paragraph. Notwithstanding anything to the contrary set forth in this Agreement, the Subservicer shall not be entitled to receive any Termination Fee to the extent the Effective Date of Termination occurs after the Initial Term.

In addition, in connection with any of the terminations described in this Section 5.4(a), Owner/Servicer shall pay to the Subservicer an amount equal to the sum of (i) all unreimbursed Servicing Advances and P&I Advances for which Subservicer is entitled to reimbursement under this Agreement (other than any amounts being disputed in accordance with Section 4.3) and (ii) all unpaid Subservicer Economics which have accrued as of the date the servicing transfers to a successor servicer or subservicer ("Successor Transfer Date") (other than any amounts being disputed in accordance with Section 4.3). Other than with respect to the Termination Fee, if applicable, all amounts payable or reimbursable under this Section 5.4(a) shall be paid or reimbursed on the applicable Successor Transfer Date based on customary practices of estimation and true-up. To the extent that any such amounts are not known and/or invoiced by the party entitled to payment prior to the Successor Transfer Date, such amounts shall be paid or reimbursed to the party entitled to payment within ten

(10) Business Days of the other party's receipt of an invoice therefore, together with any documentation required pursuant to this Agreement.

In addition, upon termination of this Agreement, subject to the foregoing, the Owner/Servicer and the Subservicer shall pay or reimburse the other party any other amounts due under this Agreement.

(b) If Subservicer:

(i) terminates this Agreement "for cause" pursuant to Section 5.6, Owner/Servicer (A) shall reimburse the Subservicer for Subservicer's Servicing Transfer Costs incurred in connection with transferring the servicing to a successor servicer or subservicer, (b) shall pay Subservicer a deboarding fee equal to \$*** per Mortgage Loan/REO Property and (C) solely if the Effective Date of Termination occurs during the Initial Term, shall pay Subservicer an amount equal to the applicable Termination Fee;

(ii) resigns pursuant to Section 5.1(a), Subservicer (A) shall reimburse the Owner/Servicer for Owner/Servicer's Servicing Transfer Costs incurred in connection with transferring the servicing to a successor servicer or subservicer, (b) shall reimburse the Owner/Servicer for any boarding fees of the subsequent servicer which shall be capped at \$*** per Mortgage Loan/REO Property and (C) shall not be entitled to any Termination Fee, deboarding fees or reimbursement of its Servicing Transfer Costs; or

(iii) terminates this Agreement at the end of the Initial Term pursuant to Section 5.1(c) or any renewal term thereafter, (A) Owner/Servicer and Subservicer shall each pay 50% of the aggregate Servicing Transfer Costs incurred by both parties in connection with transferring the servicing to a successor servicer or subservicer, (B) neither party shall be responsible for paying any deboarding or boarding fees, and (C) Subservicer shall not be entitled to any Termination Fee.

To the extent the Owner/Servicer is obligated to pay the Termination Fee as set forth above, the Owner/Servicer shall remit to the Escrow Agent, to be held by the Escrow Agent in accordance with the Escrow Agreement, one-hundred percent (100%) of the applicable Termination Fee Deposit Amount (as defined and calculated in accordance with Exhibit C-2) in immediately available funds at least one (1) Business Day prior to the Subservicer sending the related transferor's notice of transfer of servicing or "goodbye letter" in accordance with the requirements of applicable law solely to the extent the Subservicer has complied and completed all of the servicing transfer requirements set forth in Part I of Exhibit S required to be performed on or before such date thereof; provided that Subservicer shall have no obligation to send any such notices until the Escrow Agent verifies to Subservicer that the Termination Fee Deposit Amount has been received. The Escrow Agent shall pay the Subservicer (i) fifty percent (50%) of the applicable Termination Fee Deposit Amount in immediately available funds within two (2) Business Days after its receipt, with a copy to the Owner/Servicer, from the Subservicer of a certification by the Subservicer and its

third party vendor handling the mailing that the Subservicer has sent the related transferor's notice of transfer of servicing or "goodbye letter" and (ii) the remaining fifty percent (50%) of the applicable Termination Fee Deposit Amount in immediately available funds within two (2) Business Days after its receipt, with a copy to the Owner/Servicer, from the Subservicer of a certification by the Subservicer that the Subservicer has completed the Servicing Transfer Requirements set forth in Part III of Exhibit S attached hereto and including the federal reference numbers and wire amounts for the funds required to be remitted in accordance with such Servicing Transfer Requirements. The Subservicer shall send a copy of each of the deliverables under the Servicing Transfer Requirements to the Owner/Servicer at the same time it delivers such deliverable to the applicable successor servicer or subservicer. Owner/Servicer may elect to wait to transfer the servicing with respect to certain Servicing Agreements if the transfer of such Servicing Agreements would result in the unpaid principal balance of the Mortgage Loans that would remain subject to this Agreement following such transfer to be less than ten percent (10%) of the unpaid principal balance of all of the Mortgage Loans subject to this Agreement on the Effective Date of Termination. The Subservicer and Owner/Servicer shall use their best efforts to cooperate to enter into an Escrow Agreement containing the terms as set forth in this paragraph prior to the applicable date a payment is required to be made to the Escrow Agent as described in this paragraph. Notwithstanding anything to the contrary set forth in this Agreement, the Subservicer shall not be entitled to receive any Termination Fee to the extent the Effective Date of Termination occurs after the Initial Term.

In addition, in connection with any of the terminations described in this Section 5.4(b), Owner/Servicer shall pay to the Subservicer an amount equal to the sum of (i) all unreimbursed Servicing Advances and P&I Advances for which Subservicer is entitled to reimbursement under this Agreement (other than any amounts being disputed in accordance with Section 4.3) and (ii) all unpaid Subservicer Economics which have accrued as of the Successor Transfer Date (other than any amounts being disputed in accordance with Section 4.3). Other than with respect to the Termination Fee, if applicable, all amounts payable or reimbursable under this Section 5.4(b) shall be paid or reimbursed on the applicable Successor Transfer Date based on customary practices of estimation and true-up. To the extent that any such amounts are not known and/or invoiced by the party entitled to payment prior to the Successor Transfer Date, such amounts shall be paid or reimbursed to the party entitled to payment within ten (10) Business Days of the other party's receipt of an invoice therefore, together with any documentation required pursuant to this Agreement.

In addition, upon termination of this Agreement, subject to the foregoing, the Owner/Servicer and the Subservicer shall pay or reimburse the other party any other amounts due under this Agreement.

(c) In connection with the termination of this Agreement with respect to some or all of the Mortgage Loans, the Subservicer and the Owner/Servicer shall use commercially reasonable efforts to ensure the prompt transfer of the servicing of such Mortgage Loans to a successor servicer or subservicer designated by the Owner/Servicer, including delivery of

notices to the Mortgagors relating to the servicing transfer in accordance with Applicable Requirements.

(d) Notwithstanding any provision in this Agreement to the contrary, the termination of this Agreement shall not be effective until a successor servicer or subservicer has been appointed by the Owner/Servicer or an Investor, as applicable, and a servicing transfer of all the Mortgage Loans and REO Properties subserviced pursuant to this Agreement has been completed in accordance with Applicable Requirements, and the Subservicer shall not be relieved of its obligations under this Agreement until such time. If no successor servicer or subservicer shall have been so appointed and have taken steps toward becoming the successor within sixty (60) days after the giving of such notice or resignation, the Subservicer may petition any court of competent jurisdiction for the appointment of a successor servicer or subservicer. In addition, if (i) Owner/Servicer terminates for cause pursuant to Section 5.3 or does not renew this Agreement at the end of the Owner/Servicer's Initial Term or Subservicer terminates for cause pursuant to Section 5.6 or resigns pursuant to Section 5.1(a), then, if the days elapsed between the Effective Date of Termination and the Successor Transfer Date, (A) exceed 270 days but are less than 365 days, the Subservicer Economics shall be increased to the applicable Step-up Fee for such period and (B) equal or exceed 365 days, the Subservicer Economics shall be increased to the applicable Step-up Fee for such period or (ii) Owner/Servicer terminates for convenience pursuant to Section 5.1(b) or Subservicer terminates this Agreement at the end of the Subservicer's Initial Term pursuant to Section 5.1(c), then, if the days elapsed between the Effective Date of Termination and the Successor Transfer Date, (A) exceed 180 days but are less than 365 days, the Subservicer Economics shall be to the applicable Step-up Fee for such period and (B) equal or exceed 365 days, the Subservicer Economics shall be increased to the applicable Step-up Fee for such period; provided that no Step-up Fee shall be payable if the delay in transferring servicing is due to any matter(s) outside of the control of the Owner/Servicer or the successor servicer or subservicer selected by Owner/Servicer. The Owner/Servicer and the Subservicer shall discharge such duties and responsibilities during the period from the date each acquires knowledge of such termination until the effective date thereof with the same degree of diligence and prudence that it is obligated to exercise under this Agreement. In addition, (i) Subservicer and Owner/Servicer shall cooperate in good faith to comply with the Transfer Procedures set forth in Exhibit P-1 and Exhibit P-2 hereto and transfer servicing in accordance with industry standard transfer procedures and (ii) Owner/Servicer shall use commercially reasonable efforts to require any successor servicer or subservicer to comply with the Transfer Procedures set forth in Exhibit P-1 and Exhibit P-2 hereto and transfer servicing in accordance with industry standard transfer procedures.

(e) In the event of a servicing transfer to a successor servicer or subservicer with respect to some or all of the Mortgage Loans, the Subservicer shall comply with all Applicable Requirements with respect to servicing transfers. In addition, the Subservicer shall comply with the CFPB's rules and/or guidelines with respect to servicing transfers, including without limitation its Bulletin 2014-1 issued on August 19, 2014, as may be amended or updated. The Subservicer and the Owner/Servicer shall provide all reasonable

cooperation and assistance as may be requested by the other party in connection with compliance with such rules and/or guidelines.

(f) In addition, in connection with the servicing transfer to a successor servicer or subservicer with respect to some or all of the Mortgage Loans, the Subservicer shall (a) to the extent in Subservicer's possession or control, promptly forward to the Owner/Servicer's designee all Mortgage Servicing Files, data, Mortgage Loan Documents, files, data tapes and other information customarily delivered by a servicer upon transfer of servicing of mortgage loans, (b) comply in all material respects with the transfer instructions of the successor servicer or subservicer, (c) provide Owner/Servicer's designee accepted servicing industry documentation meeting all Applicable Requirements regarding outstanding Servicing Advances and P&I Advances related to the Mortgage Loans, (d) take appropriate actions and cooperate with any Investor approval process and in reflecting the servicing transfer on the MERS system for the related Mortgage Loans registered on MERS to the extent the Subservicer is authorized to do so with the MERS system and (e) cooperate with the document custodian recertification process, if any.

(g) Notwithstanding any provision in this Agreement to the contrary, in the event the Owner/Servicer terminates this Agreement with or without cause as to some but not all of the Mortgage Loans, the terms of the Agreement shall remain in full effect with respect to those Mortgage Loans that remain subject to this Agreement.

Section 5.5. Accounting/Records.

Upon expiration or termination of this Agreement and after the completed transfer of the servicing of the Mortgage Loans to a successor servicer or subservicer, the Subservicer will cease all Subservicing activities and account for and turn over to the successor servicer or subservicer, as applicable, all funds collected hereunder, less the compensation and other amounts then due to the Subservicer, and deliver to the successor servicer or subservicer, as applicable, all records and documents relating to each Mortgage Loan and will advise Mortgagors that their mortgages will henceforth be serviced by the successor servicer or subservicer, as applicable.

Section 5.6. Termination Right of the Subservicer.

The Subservicer may terminate this Agreement for cause, in whole but not in part, by providing written notice of its intent to terminate Owner/Servicer based on any of the following events (each such event and any other event mutually agreed upon by the parties, an "Owner/Servicer Termination Event"), which as of the date of such notice, shall have occurred, be continuing and shall not have been cured or otherwise waived:

(a) any failure by the Owner/Servicer to remit any payment not in dispute pursuant to Section 4.3 and due to the Subservicer pursuant to this Agreement, which failure continues unremedied for a period of five (5) Business Days after the date upon which such payment was required to be remitted under the terms of this Agreement except to the extent funds are available to net such payment in accordance with Section 4.1;

(b) Any failure by the Owner/Servicer to duly observe or perform, in any material respect, any other covenants, obligations or agreements of the Owner/Servicer set forth in this Agreement (including the Schedules and Exhibits hereto), which failure continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Owner/Servicer by the Subservicer;

(c) A decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator or other similar official in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Owner/Servicer and such decree or order shall have remained in force, undischarged or unstayed for a period of sixty (60) days;

(d) Any representation or warranty made by the Owner/Servicer hereunder shall prove to be untrue or incomplete in any material respect which is not caused by or results from the actions or inaction of the Subservicer, the Corporate Parent or their Affiliates, vendors (other than any Vendors or Approved Parties selected by Owner/Servicer after the Effective Date) or agents and, if such breach of a representation or warranty is capable of being cured, continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Owner/Servicer by the Subservicer.

Notwithstanding anything to the contrary in this Agreement, for the avoidance of doubt to the extent the Subservicer terminates this Agreement pursuant to this Section 5.6, the Owner/Servicer shall remain the owner of the Servicing Rights and Subservicer shall have no right, title interest or claim to the Servicing Rights.

**ARTICLE VI
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE OWNER/SERVICER**

As of the date of this Agreement and as of each Transfer Date (or such other date as set forth below), the Owner/Servicer hereby represents, warrants and covenants to the Subservicer as follows:

Section 6.1. Authority.

The Owner/Servicer is a duly organized and validly existing limited liability company in good standing under the laws of its state of formation and has all requisite power and authority to enter into this Agreement and the Persons executing this Agreement on behalf of the Owner/Servicer are duly authorized to do so. The Owner/Servicer has all licenses necessary to carry on its business as now being conducted and is duly authorized and qualified to transact, in each state where a Mortgaged Property is located, any and all business contemplated by this Agreement, except where the failure of the Owner/Servicer to possess such qualifications or licenses would not be reasonably expected to have a Material Adverse Effect or where the Owner/Servicer is otherwise exempt under Applicable Requirements from such qualification, or is otherwise not required under Applicable Requirements to effect such qualification.

Section 6.2. Consents.

Except for approvals required from the applicable Investor or under the applicable Servicing Agreement in connection with any Transfer Date, no consent, approval or authorization of any Governmental Authority is required for the execution, delivery, and performance by the Owner/Servicer of or compliance by the Owner/Servicer with this Agreement or the consummation of the transactions contemplated by this Agreement, or if required, such consent, approval, authorization, or order has been obtained except where failure to obtain would not reasonably be expected to have a Material Adverse Effect.

Section 6.3. Litigation.

There is no action, suit, proceeding, or investigation pending or, to its knowledge, threatened against the Owner/Servicer that, either in any one instance or in the aggregate, would draw into question the validity of this Agreement or of any action taken or to be contemplated herein, or would be reasonably likely to impair materially the ability of the Owner/Servicer to perform under the terms of this Agreement.

Section 6.4. Broker Fees.

The Owner/Servicer has not dealt with any broker or agent or anyone else who might be entitled to a fee or commission in connection with this transaction.

Section 6.5. Ownership.

Following the applicable Transfer Date, the Owner/Servicer is the sole owner of all right, title and interest in and to the Servicing Rights related to the Mortgage Loans.

Section 6.6. Ability to Perform.

The Owner/Servicer does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant applicable to it and contained in this Agreement.

Section 6.7. Accuracy of Information.

Solely with respect to each Mortgage Loan which is not a Prior Ocwen Serviced Loan, all information provided to Subservicer by Owner/Servicer required by the Subservicer to perform its obligations hereunder is true and correct in all material respects; provided that, the Owner/Servicer makes no representation, warranty or covenant relating to any information provided to Subservicer which is based on or derived from any information or data provided to the Owner/Servicer by the Subservicer or the Corporate Parent or their respective Affiliates, vendors (other than any Vendors or Approved Parties selected by Owner/Servicer after the Effective Date) or agents.

**ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SUBSERVICER**

As of the date of this Agreement and as of each Transfer Date (or such other date if set forth below), the Subservicer hereby represents, warrants and covenants to the Owner/Service as follows:

Section 7.1. Good Standing.

The Subservicer is an approved servicer for, and in good standing with, each Governmental Entity and a HUD approved mortgagee. No event has occurred, including but not limited to, a change in insurance coverage, that would make the Subservicer unable to comply with eligibility requirements of each Governmental Entity.

Section 7.2. Authority.

The Subservicer is a duly organized and validly existing limited liability company in good standing under the laws of the state of its formation and has all requisite power and authority to enter into this Agreement and the Persons executing this Agreement on behalf of the Subservicer are duly authorized so to do. The Subservicer has all licenses necessary to carry on its business as now being conducted and is duly authorized and qualified to transact, in each state where a Mortgaged Property is located, any and all business contemplated by this Agreement, except where the failure of the Subservicer to possess such qualifications or licenses would not be reasonably expected to have a Material Adverse Effect or where the Subservicer is otherwise exempt under Applicable Requirements from such qualification, or is otherwise not required under Applicable Requirements to effect such qualification.

Section 7.3. Consents.

Except for approvals required from the applicable Investor or under the applicable Servicing Agreement in connection with any Transfer Date, no consent, approval or authorization of any Governmental Authority is required for the execution, delivery, and performance by the Subservicer of or compliance by the Subservicer with this Agreement or the consummation of the transactions contemplated by this Agreement, or if required, such consent, approval, authorization, or order has been obtained except where failure to obtain would not reasonably be expected to have a Material Adverse Effect.

Section 7.4. Litigation.

There is no action, suit, proceeding or investigation pending or, to its knowledge, threatened against the Subservicer that, either in any one instance or in the aggregate, would draw into question the validity of this Agreement or of any action taken or to be contemplated herein, or would be reasonably likely to impair materially the ability of the Subservicer to perform under the terms of this Agreement or Applicable Requirements.

Section 7.5. Accuracy of Information.

Information furnished to the Owner/Service or, any Investor by the Subservicer regarding its financial condition or its servicing operations is true and correct as of the date specified in such information or, if not specified, the date provided, in all material respects.

Section 7.6. Broker Fees.

The Subservicer has not dealt with any broker or agent or anyone else who might be entitled to a fee or commission in connection with this transaction.

Section 7.7. MERS.

The Subservicer is a member of MERS in good standing.

Section 7.8. Ability to Perform.

The Subservicer does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant applicable to it and contained in this Agreement.

Section 7.9. HAMP.

The Subservicer is participating in HAMP. The Subservicer has entered into a Servicer Participation Agreement ("SPA") with Fannie Mae, as financial agent of the United States, pursuant to HAMP. As such, the Subservicer: (a) has implemented HAMP as required by the SPA; (b) will report to Fannie Mae throughout the term of this Agreement the transfer of servicing of any Mortgage Loans that are "Eligible Loans" (as defined by the SPA) to extent required in order to ensure compliance with the SPA; and (c) will service any of the Mortgage Loans that are "Eligible Loans" in accordance with HAMP requirements throughout the term of this Agreement to the extent HAMP is still in effect or otherwise applicable.

Section 7.10. Eligibility under the Servicing Agreements.

The Subservicer satisfies all applicable eligibility and other requirements as subservicer to the Owner/Servicer to act as servicer (including master, special, primary or subservicer) under the applicable Servicing Agreements as of the applicable Transfer Date.

Section 7.11. Advances.

The representations and warranties set forth on Schedule 7.11 are true and correct with respect to the applicable P&I Advances and Servicing Advances as of the dates set forth in Schedule 7.11.

Section 7.12. ***

**ARTICLE VIII
INDEPENDENCE OF PARTIES; INDEMNIFICATION SURVIVAL**

Section 8.1. Independence of Parties.

The Subservicer shall have the status of, and act as, an independent contractor. Nothing herein contained shall be construed to create a partnership or joint venture between the Owner/Servicer and the Subservicer.

Subservicer and Owner/Servicer will each promptly notify the other of any communication received in connection with a Servicing Agreement (and promptly deliver a copy of such communication to the other party) (i) from a trustee, master servicer (or other party entitled, or purporting to be entitled, to terminate) that is a solicitation of holders for a vote, or a request for direction regarding termination or (ii) from, or on behalf of, a trustee, master servicer (or other party entitled, or purporting to be entitled, to terminate) stating that such trustee, master servicer or other party has an intention to terminate Owner/Servicer or Subservicer as servicer, subservicer or master servicer under such Servicing Agreement. The parties will fully cooperate to resolve any such matter to avoid termination. To the extent Subservicer or the Owner/Servicer is terminated under any Servicing Agreement related to any Mortgage Loan subserviced hereunder and either (x) the basis of such termination is resulting from, arising out of or related to any enumerated items set forth in Section 8.2 (other than as a result of any delinquency or loss triggers with respect to such Servicing Agreement) or (y) other than with respect to any Mortgage Loan with respect to which any optional termination or clean-up call right has been exercised pursuant to the related Servicing Agreement or any Mortgage Loan subject to the Servicing Agreements set forth in Schedule 8.1, such termination was "without cause," "for convenience" or on a similar basis and the related Servicing Agreement was terminable by the applicable Investor on such basis as of the Servicing Transfer Date, then, in each case, the Subservicer shall remit to the Owner/Servicer the Average Third Party Mark of the affected Servicing Rights within ten (10) Business Days following receipt of such Average Third Party Mark (the "Average Third Party Mark Payment"); provided that in the case of any termination described in clause (y) above, the Average Third Party Mark Payment will be reduced by any termination or similar payments received by the Owner/Servicer under the applicable Servicing Agreement in connection with such termination; provided, further, that if any such termination payments exceed the Average Third Party Mark of the affected Servicing Rights, the Owner/Servicer will pay such excess to the Subservicer.

Section 8.2. Indemnification by the Subservicer.

The Subservicer shall indemnify and hold the Owner/Servicer harmless against any and all Losses resulting from or arising out of:

(a) the Subservicer's failure to observe or perform any or all of the Subservicer's covenants and obligations under this Agreement, including without limitation the failure to comply following the applicable Transfer Date with any provisions under any Servicing Agreement relating to the servicing or Subservicing of the related Mortgage Loans;

(b) the Subservicer's breach of its representations and warranties contained in this Agreement;

(c) any event of termination described in Section 5.3;

(d) the matters set forth on Schedule 4.12.15 to the Transfer Agreement; provided that such Loss is incurred prior to the later of (i) the fifth anniversary of the Effective Date and (ii) the two year anniversary of the termination of the Subservicer under this Agreement;

(e) any Compensatory Fees or other Governmental Entity-imposed fees, penalties or curtailments imposed on the Owner/Servicer related to (a) any Mortgage Loan foreclosures exceeding the applicable Governmental Entity's required timelines or (b) other servicing acts or omissions relating to the Mortgage Loans, in each case relating to or arising from the Subservicer's failure to meet a timeline or requirement under the applicable Governmental Entity Guidelines on or after the related Transfer Date, but only to the extent and amount such Compensatory Fee or other fee, penalty or curtailment is attributable to the Subservicer; or

(f) the matters for which Subservicer is required to indemnify the Owner/Servicer pursuant to Section 2.3;

provided, however, the Subservicer shall not be obligated to indemnify the Owner/Servicer (i) with respect to any liabilities, Claims, costs or expenses which are covered in Section 8.3 or (ii) to the extent such Loss is due to the willful misconduct, bad faith or gross negligence of the Owner/Servicer or any of its Affiliates or the Owner/Servicer's breach of this Agreement.

Section 8.3. Indemnification by the Owner/Servicer.

Except as otherwise stated herein, the Owner/Servicer shall indemnify and hold the Subservicer harmless against any and all Losses resulting from or arising out of:

(a) the Owner/Servicer's failure to observe or perform any or all of the Owner/Servicer's covenants and obligations under this Agreement or breach of its representations and warranties contained in this Agreement;

(b) the matters for which the Owner/Servicer is required to indemnify the Subservicer pursuant to Section 2.3;

(c) any failure of any successor servicer or subservicer to service the Mortgage Loans in accordance with Applicable Requirements following the related transfer of servicing to such successor;

(d) any Claim that is brought against Subservicer after the relevant Transfer Date that relates to the Mortgage Loans and the Servicing Rights, except (i) to the extent Subservicer is otherwise liable therefor under this Agreement, the MSR Purchase Agreement, the Sale Supplements, the Transfer Agreement or any other agreement between

the Owner/Servicer and the Subservicer or any Affiliate or (ii) solely with respect to Prior Ocwen Serviced Loans, to the extent such Claim results from or arises out of any matter related to the period prior to the applicable Transfer Date;

(e) solely with respect to any Mortgage Loan which is not a Prior Ocwen Serviced Loan, any act or omission by any Person other than Corporate Parent, Subservicer or their respective Affiliates prior to the applicable Transfer Date unless (i) the Subservicer knew or reasonably should have known of such deficiencies or (ii) the Subservicer is curing or correcting such deficiencies; or

(f) any event of termination described in Section 5.6;

provided, however, the Owner/Servicer shall not be obligated to indemnify the Subservicer (i) with respect to any liabilities, Claims, costs or expenses which are covered in Section 8.2 or (ii) to the extent such Loss is due to the willful misconduct, bad faith or gross negligence of the Subservicer, Corporate Parent or any of their respective Affiliates or the Subservicer's breach of this Agreement.

Section 8.4. Indemnification Procedures.

Promptly after receipt by an indemnified party under Sections 8.2 or 8.3 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under Sections 8.2 or 8.3, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party will not relieve the indemnifying party from any liability that it may have to any indemnified party under Sections 8.2 or 8.3, except to the extent that it has been prejudiced in any material respect, or from any liability that it may have, otherwise than under Sections 8.2 or 8.3. The indemnifying party shall assume the defense of any such claim (provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party) and pay all expenses in connection therewith, including attorneys' fees, and promptly pay, discharge, and satisfy any judgment or decree that may be entered against it or the indemnified party in respect of such claim. The indemnifying party shall follow any reasonable written instructions received from the indemnified party in connection with such claim. The provisions of Sections 8.2 or 8.3 shall survive for five (5) years following termination of this Agreement. The Subservicer shall provide the Mortgagor Litigation Reports set forth in the related Formatted Servicing Report regarding legal action(s) by individual Mortgagor(s) relating to the Mortgage Loans and against the Subservicer or the Owner/Servicer. With respect to any third party claim subject to indemnification under this Agreement, the indemnified party agrees to reasonably cooperate and cause its Affiliates to reasonably cooperate in good faith with the indemnifying party in connection with the defense of any such claim. The indemnifying party shall pay the indemnified party any non-disputed Losses within thirty (30) days of the indemnifying party's receipt of an invoice therefor, together with reasonable supporting documentation.

Section 8.5. Mitigation.

Each party that is eligible for indemnification under Sections 8.2 or 8.3 for reimbursement for costs and expenses under this Agreement shall use its commercially reasonable efforts consistent with requirements of Applicable Requirements with respect to mitigation of damages to mitigate such Loss and; provided, however, that the failure to mitigate by either party shall not affect the indemnifying party's obligation to indemnify the indemnified party except to the extent such failure to mitigate results in any material prejudice to the indemnifying party and then only to the extent of such material prejudice and a violation of requirements of Applicable Requirements with respect to mitigation of damages.

Section 8.6. Survival.

The representations, warranties, and indemnifications set forth in Article VII and this Article VIII shall survive for five (5) years following the termination of this Agreement.

Section 8.7. Limitation of Damages.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, THE PARTIES AGREE THAT NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY PUNITIVE, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, WHATSOEVER, IN EACH CASE WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR ANY OTHER LEGAL OR EQUITABLE PRINCIPLE, EVEN IF APPRISED OF THE POSSIBILITY THEREOF; PROVIDED, HOWEVER, THAT SUCH LIMITATION WILL NOT BE APPLICABLE WITH RESPECT TO ANY SUCH DAMAGES PAID TO A THIRD PARTY AS A RESULT OF ANY THIRD PARTY CLAIMS MADE AGAINST A PARTY THAT IS SUBJECT TO AN INDEMNIFICATION OBLIGATION PROVIDED FOR UNDER SECTION 8.2 OR 8.3, AS APPLICABLE.

Section 8.8. Owner/Servicer's Direction

The Subservicer may rely in good faith on any document of any kind that, prima facie, is executed and submitted by any appropriate Person respecting any matters arising hereunder by or on behalf of Owner/Servicer. Notwithstanding anything in this Agreement to the contrary and for the avoidance of doubt, in no event shall the Subservicer be required to comply with any instruction by the Owner/Servicer that would violate any federal, state and local legal and regulatory requirements (including, without limitation, laws, statutes, rules, regulations and ordinances); provided that the Subservicer shall address such conflict in accordance with the procedure set forth in Section 2.3(c).

**ARTICLE IX
SECURITIZATION TRANSACTIONS**

Section 9.1. Removal of Mortgage Loans from Inclusion Under This Agreement Upon a Securitization Transaction on One or More Reconstitution Dates.

To the extent some or all of the Mortgage Loans are removed from a Servicing Agreement pursuant to the exercise of an early termination or other reconstitution provision, the termination and subsequent servicing of such Mortgage Loans shall be addressed as set forth in Section 5.1(d).

**ARTICLE X
MISCELLANEOUS**

Section 10.1. Assignment.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(b) This Agreement may not be assigned or otherwise transferred by operation of law or otherwise by either Owner/Servicer or Subservicer without the express written consent of the other and any such assignment or attempted assignment without such consent shall be void; provided, however, that (i) Owner/Servicer may pledge its rights to any Person providing financing to Owner/Servicer or its Affiliates without the express written consent of Subservicer, (ii) without limiting any other transfers that otherwise do not require the consent of Subservicer, following a Transfer Date, Owner/Servicer or any assignee or transferee thereof may transfer all or any interest in the Rights to MSRs or any Transferred Receivables Assets (each as defined in the Transfer Agreement) to any Person without the express written consent of Subservicer, (iii) Owner/Servicer may assign or otherwise transfer any of its rights and obligations hereunder without the consent of Subservicer to any direct or indirect wholly-owned subsidiary of New Residential Investment Corp. that has been approved by and is in good standing with Fannie Mae, Freddie Mac and each applicable State Agency (as defined in the Transfer Agreement), as necessary, in order to acquire the Servicing Rights (as defined in the Transfer Agreement) pursuant to the Transfer Agreement, in any case, so long as such assignment and transfer does not materially delay the occurrence of the Transfer Dates contemplated by this Agreement, the Master Agreement and the Transfer Agreement, (iv) Owner/Servicer may assign this Agreement in whole in connection with a sale of all or substantially all of the assets of Owner/Servicer so long as this Agreement is assigned to no more than one (1) assignee that has been approved by and is in good standing with Fannie Mae, Freddie Mac and each applicable State Agency (as defined in the Transfer Agreement), as necessary, in order to acquire the Servicing Rights (as defined in the Transfer Agreement) and (v) nothing herein shall in any way restrict any direct or indirect assignment, sale or other transfer of the equity interests of Owner/Servicer, whether by operation of law or otherwise.

(c) This Agreement is otherwise solely for the benefit of the parties hereto, and no provision of this Agreement shall be deemed to confer upon any other Person any remedy, claim, liability, reimbursement, cause of action or other right.

Section 10.2. Prior Agreements.

If any provision of this Agreement is inconsistent with any prior agreements between the parties, oral or written, with respect to the Mortgage Loans, the terms of this Agreement shall prevail, and after the Effective Date of this Agreement, the relationship and agreements between the Owner/

Servicer and the Subservicer with respect to the Mortgage Loans shall be governed in accordance with the terms of this Agreement.

Section 10.3. Entire Agreement.

Except as otherwise set forth herein, this Agreement contains the entire agreement between the parties hereto and cannot be modified in any respect except by an amendment in writing signed by both parties.

Section 10.4. Invalidity.

Any part, provision, representation or warranty of this Agreement which is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall be ineffective, as to such jurisdiction, to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction as to any Mortgage Loan shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties hereto waive any provision of law which prohibits or renders void or unenforceable any provision hereof. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate, in good-faith, to develop a structure the economic effect of which is as close as possible to the economic effect of this Agreement without regard to such invalidity.

Section 10.5. Governing Law; Jurisdiction.

THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS THEREOF (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

ANY LEGAL ACTION, SUIT OR OTHER PROCEEDING ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK, OR IN THE UNITED STATES COURTS FOR THE SOUTHERN DISTRICT OF NEW YORK. WITH RESPECT TO ANY SUCH PROCEEDING IN ANY SUCH COURT: (A) EACH PARTY GENERALLY AND UNCONDITIONALLY SUBMITS ITSELF AND ITS PROPERTY TO THE EXCLUSIVE JURISDICTION OF SUCH COURT; AND (B) EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION IT HAS OR HEREAFTER MAY HAVE TO THE VENUE OF SUCH PROCEEDING, AS WELL AS ANY CLAIM IT HAS OR MAY HAVE THAT SUCH PROCEEDING IS IN AN INCONVENIENT FORUM.

Section 10.6. Waiver of Jury Trial.

EACH OF THE SUBSERVICER AND THE OWNER/SERVICER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OR ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT.

Section 10.7. Notices.

All communications, notices, consents, waivers, and other communications under this Agreement must be in writing and be given in person or by means of email (with request for assurance of receipt in a manner typical with respect to communications of that type), by overnight courier or by mail, and shall become effective: (a) on delivery if given in person; (b) on the date of transmission if sent email, except with respect to notices delivered pursuant to Article V which shall be confirmed by a similar mailed writing ; (c) one (1) Business Day after delivery to the overnight service; or (d) four (4) Business Days after being mailed, with proper postage and documentation, for first-class registered or certified mail, prepaid.

- (a) in the case of the Subservicer:

Ocwen Loan Servicing, LLC
1661 Worthington Road, Suite 100
West Palm Beach, FL 33409
Attention: Secretary

with a copy (which shall not constitute notice) to:

Ocwen Loan Servicing LLC
(physical address)
Hamilton House, 56 King Street, 3rd Floor
Christiansted, St. Croix VI 00820

(mailing address)
1108 King Street
Christiansted, VI 00820

Attention: General Counsel

with a copy to:

- (b) in the case of the Owner/Servicer:

New Residential Mortgage LLC

1345 Avenue of the Americas, 26th Floor
New York, New York 10105
Attention: Operations

with a copy (which shall not constitute notice) to:

New Residential Mortgage LLC
1345 Avenue of the Americas, 45th Floor
New York, New York 10105
Attention: Legal

All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. (New York time) in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 10.8. Amendment, Modification and Waiver.

No amendment to this Agreement shall be effective unless it shall be in writing and signed by each party. Any failure of a party to comply with any obligation, covenant, agreement or condition contained in this Agreement may be waived by the party entitled to the benefits thereof only by a written instrument duly executed and delivered by the party granting such waiver, but such waiver or failure or delay to insist upon strict compliance with such obligation, covenant, agreement or condition or any waiver, failure or delay in exercising any right, power or privilege hereunder or any single or partial exercise thereof shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure of compliance or preclude any other or further exercise thereof or any other right, power or privilege hereunder. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 10.9. Binding Effect.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

Section 10.10. Headings.

Headings of the Articles and Sections in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect.

Section 10.11. Force Majeure.

Each party will be excused from performance under this Agreement, except for any payment obligations for services that have been or are being performed hereunder, for any period and to the extent that it is prevented from performing, in whole or in part, as a result of delays caused by the other party or any act of God, war, civil disturbance, court order, labor dispute, or other cause beyond its reasonable control, including failure, fluctuations, or unavailability of heat, light, air conditioning, or telecommunications equipment (a "Force Majeure Event"). A party excused from performance pursuant to this Section 10.11 shall exercise commercially reasonable efforts to continue to perform its obligations hereunder and shall thereafter continue with reasonable due diligence and good faith to remedy its inability to so perform, except that nothing herein shall obligate either party to settle a strike or labor dispute when it does not wish to do so. Such nonperformance will not be deemed a breach of this Agreement as long as the party affected by the Force Majeure Event uses commercially reasonable efforts to expeditiously remedy the problem causing such nonperformance and to execute its disaster recovery plan then in existence. If the failure of a party to perform under this Agreement as a result of a Force Majeure Event exceeds fifteen (15) days, the other party may terminate this Agreement immediately without liability and the parties shall cooperate in good faith to facilitate the transfer of servicing to a successor servicer or subservicer designated by the Owner/Servicer.

Section 10.12. Confidentiality; Security.

(a) Each party acknowledges that it may, in the course of performing its responsibilities under this Agreement, be exposed to or acquire Confidential Information that is proprietary to or confidential to the other party, its Affiliates, their respective clients and investors or to third parties to whom the other party owes a duty of confidentiality. The party providing Confidential Information in each case shall be called the "Disclosing Party," and the party receiving the Confidential Information shall be called the "Recipient". With respect to all such Confidential Information, the Recipient shall (i) act in accordance and comply with all Applicable Requirements (including, without limitation, security and privacy laws with respect to its use of such Confidential Information), (ii) maintain, and shall require all third parties that receive Confidential Information from the Recipient as permitted hereunder to maintain, effective information security measures to protect Confidential Information from unauthorized disclosure or use, and (iii) provide the Disclosing Party with information regarding such security measures upon the reasonable request of the Disclosing Party and promptly provide the Disclosing Party with information regarding any failure of such security measures or any security breach. The Recipient shall hold the Disclosing Party's Confidential Information in strict confidence, exercising no less care with respect to such Confidential Information than the level of care exercised with respect to the Recipient's own similar Confidential Information and in no case less than a reasonable standard of care, and shall not copy, reproduce, summarize, quote, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such information to third parties or use such information for any purposes other than the provision of the services to the Disclosing Party without the prior written authorization of the Disclosing Party. In addition, the Recipient shall not use the Confidential Information to make any contact with any of the parties identified in the Confidential Information without the prior authorization

of the Disclosing Party, except in the course of performing its obligations under the terms of this Agreement.

(b) The Recipient may disclose the Disclosing Party's Confidential Information only (i) to its and its Affiliates' officers, directors, attorneys, accountants, employees, agents and representatives and, with respect to the Owner/Servicer only, Rating Agencies, consultants, bankers, financial advisors and potential financing sources (collectively, "Confidential Representatives") who need to know such Confidential Information and who are subject to a duty of confidentiality (contractual or otherwise) with respect to such Confidential Information, (ii) to those Persons within the Recipient's organization directly involved in the transactions contemplated in this Agreement, and who are bound by confidentiality terms substantially similar to the terms set forth herein, (iii) to the Recipient's regulators and examiners, (iv) to defend itself in connection with a legal proceeding regarding the transactions contemplated in this Agreement, (v) as required by Applicable Requirements, and (vi) in the case of the Owner/Servicer, and subject to, and otherwise limited to the information provided pursuant to, Section 2.1(e), to a backup servicer. The Recipient shall be liable for any breach of its confidentiality obligations and the confidentiality obligations of its Confidential Representatives.

(c) The parties shall not, without the other party's prior written authorization, publicize, disclose, or allow disclosure of any information about the other party, its present or former partners, managing directors, directors, officers, employees, agents or clients, its or their business and financial affairs, personnel matters, operating procedures, organization responsibilities, marketing matters and policies or procedures, with any reporter, author, producer or similar Person or entity, or take any other action seeking to publicize or disclose any such information in any way likely to result in such information being made available to the general public in any form, including books, articles or writings of any other kind, as well as film, videotape, audiotape, or any other medium except as required by Applicable Requirements.

(d) The obligations under this Section 10.12 shall survive the termination of this Agreement.

(e) In addition to the foregoing, the parties agree that any information provided hereunder shall be subject to the terms of the Confidentiality Agreement, dated as of May 5, 2015 (the "Confidentiality Agreement"), by and between New Residential Investment Corp. and Subservicer; provided that if there exists any conflict between this Agreement and the terms of the Confidentiality Agreement, this Agreement shall control.

Section 10.13. Further Assurances.

Each of the Owner/Servicer and the Subservicer shall cooperate with and assist the other party as reasonably requested in connection with such other party's duties and obligations under this Agreement and in connection therewith shall execute and deliver all such papers, documents and instruments as may be necessary and appropriate in furtherance thereof.

The Subservicer shall reasonably cooperate with the Owner/Servicer, the Affiliates of Owner/Servicer, any third-party originator, servicer and/or other service provider engaged by the Owner/Servicer to provide portfolio defense services, any Rating Agency, any trustee, bond insurers, Owner/Servicer's lender(s), any agents or consultants of Owner/Servicer, any regulator of the Owner/Servicer, any third-party due diligence provider and/or any prospective purchaser(s), in each case, with respect to any proposed Securitization Transactions, any financings contemplated by the Owner/Servicer, and/or any other activity reasonably requested by the Owner/Servicer related to the Mortgage Loans, Servicing Rights, Servicing Advances or P&I Advances. The Owner/Servicer will pay Subservicer's reasonable and documented out-of-pocket costs related to such cooperation and, with respect to the servicing advance facilities, consistent with the caps and limitations set forth on Exhibit Q attached hereto.

The Subservicer covenants and agrees to cooperate fully with its obligations under Section 5.4 of this Agreement and any reasonable written request of Owner/Servicer to protect and preserve the value of the Servicing Rights.

Section 10.14. Execution of Agreement.

This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. This Agreement shall be deemed binding when executed by both the Owner/Servicer and the Subservicer. Telecopy or electronically transmitted signatures shall be deemed valid and binding to the same extent as the original.

Section 10.15. Publicity.

The Subservicer and the Corporate Parent shall not issue any media releases, public announcements and public disclosures, relating to this Agreement or use the name or logo of the Owner/Servicer, including, without limitation, in promotional or marketing material or on a list of customers, without the prior written consent of the Owner/Servicer; provided, that nothing in this paragraph shall restrict compliance with this Agreement or any disclosure required by legal, accounting or regulatory requirements.

Section 10.16. Executory Contract.

Notwithstanding any provision in this Agreement to the contrary, the Subservicer acknowledges and agrees that, in the event it files bankruptcy under 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), this Agreement is an "executory contract" within the meaning of Section 365 of the Bankruptcy Code and, therefore, the Subservicer shall have no right to modify on any basis whatsoever (other than in accordance with the terms hereof), including without limitation Section 105 of the Bankruptcy Code, any of the terms, provisions or conditions of this Agreement in any such bankruptcy proceeding and hereby irrevocably waives any such right. Further, the Subservicer acknowledges and agrees that its services provided under this Agreement are essential and should the Subservicer fail to perform its obligations under this Agreement, the Owner/Servicer shall suffer irreparable harm and, consequently, the Owner/Servicer shall have the right to seek on an expedited basis an order from the bankruptcy court: (a) lifting the Section 362 automatic stay so as to permit

the Owner/Service to terminate this Agreement; and (b) compelling the Subservicer to immediately assume or reject this Agreement in accordance with the provisions of Section 365 of the Bankruptcy Code. In the event this Agreement is rejected under Section 365 of the Bankruptcy Code, this Agreement shall be terminated and the Subservicer agrees to immediately comply with its obligations under this Agreement with respect to termination of this Agreement in accordance with Section 5.4 hereof. Finally, the Subservicer acknowledges and agrees that Section 506(c) of the Bankruptcy Code has no application to this Agreement and, even if it did, the Subservicer hereby expressly waives any right to surcharge the Owner/Service under Section 506(c) of the Bankruptcy Code.

Section 10.17. Restrictions of Notices; Information and Disclosure.

Notwithstanding anything else herein, nothing in this Agreement shall require any party to provide any notice, information, investigation, audit, correspondence, and any other communication (collectively, "Information") to any other party (1) if providing such Information is prohibited by Applicable Requirements or any other contractual or legal obligation or legal restriction or (2) upon any advice of counsel (which may be internal counsel), if providing such Information may cause such party to lose attorney-client privilege, attorney work product privilege or other similar protections (governed by the applicable jurisdiction); provided that, in the case of clause (1), except with respect to any such prohibition imposed by a Governmental Authority, Freddie Mac or Fannie Mae, the disclosing party shall use commercially reasonable efforts to obtain consent to such disclosure from the applicable third party unless disclosing party reasonably believes that such consent will not be attainable.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused this instrument to be signed in its corporate name on its behalf by its proper officials duly authorized as of the day, month and year first above written.

OCWEN LOAN SERVICING, LLC

By: /s/ John P Kim

Name: John P Kim

Title: Senior Vice President

[Signature Page to Subservicing Agreement]

NEW RESIDENTIAL MORTGAGE LLC

By: /s/ Matthew Gabriel Hoffman-Johnson

Name: Matthew Gabriel Hoffman-Johnson

Title: Attorney-In-Fact, Agent and Authorized Signatory

[Signature Page to Subservicing Agreement]

EXHIBIT A

FORM OF ACKNOWLEDGMENT AGREEMENT

On this _____ day of _____, 20____, New Residential Mortgage LLC (the "Owner/Servicer") and Ocwen Loan Servicing, LLC (the "Subservicer"), hereby acknowledge that the Mortgage Loans listed on the Mortgage Loan Schedule attached hereto as Schedule I are subject to (a) that certain Subservicing Agreement, dated as of July 23, 2017, by and between the Owner/Servicer and the Subservicer (the "Agreement") and (b) those certain servicing agreements (the "Underlying Servicing Agreements"), as listed on Schedule II attached hereto. Notwithstanding any provision to the contrary, the Owner/Servicer retains all rights and obligations to the Servicing Rights relating to the Mortgage Loans subject to the contractual provisions of the Agreement and the Underlying Servicing Agreements. The Subservicer hereby agrees to service such Mortgage Loans pursuant to the terms of the Agreement.

1. With respect to the Mortgage Loans made subject to the Agreement hereby, the Transfer Date shall be [_____].
2. With respect to the Mortgage Loans made subject to the Agreement hereby, the following terms shall apply:

[Insert any amendments to the Agreement, including any update Performance Triggers]

All other terms and conditions of this transaction shall be governed by the Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Agreement.

This Acknowledgment Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. Teletype or electronically transmitted signatures shall be deemed valid and binding to the same extent as the original.

Exhibit A-1

IN WITNESS WHEREOF, the Owner/Service and the Subservicer have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the day and year first above written.

NEW RESIDENTIAL MORTGAGE LLC,
as the Owner/Service

By: _____

Name: _____

Title: _____

Exhibit A-2

OCWEN LOAN SERVICING, LLC,
as the Subservicer

By: _____

Name: _____

Title: _____

Exhibit A-3

EXHIBIT B

MSR PORTFOLIO DEFENSE ADDENDUM

To be mutually agreed upon following the Effective Date but (i) shall include that failure to recapture loans will not constitute a Servicer Termination Event or a basis for indemnification for loss in value of Servicing Rights and (ii) shall be generally in the form of the draft of such addendum circulated prior to the Effective Date dated July 20, 2017 and confirmed in the email from *** to *** on Saturday, July 22, 2017.

Exhibit B-1

EXHIBIT C-1
TERMINATION FEE

For any Effective Date of Termination during the Initial Term, the Termination Fee shall be an amount equal to the sum of the amounts in each of the "Primary/Subservicing" and, if applicable, the "Master Servicing" columns opposite the applicable period in which such Effective Date of Termination occurs and calculated pursuant to Exhibit C-2.

Final

5 Years Ending July, 2022

Period	Primary	Master
Jul-17	***	***
Aug-17	***	***
Sep-17	***	***
Oct-17	***	***
Nov-17	***	***
Dec-17	***	***
Jan-18	***	***
Feb-18	***	***
Mar-18	***	***
Apr-18	***	***
May-18	***	***
Jun-18	***	***
Jul-18	***	***
Aug-18	***	***
Sep-18	***	***
Oct-18	***	***
Nov-18	***	***
Dec-18	***	***
Jan-19	***	***
Feb-19	***	***
Mar-19	***	***
Apr-19	***	***
May-19	***	***
Jun-19	***	***
Jul-19	***	***
Aug-19	***	***
Sep-19	***	***
Oct-19	***	***
Nov-19	***	***
Dec-19	***	***
Jan-20	***	***
Feb-20	***	***

Exhibit C-1-1

Mar-20	***	***
Apr-20	***	***
May-20	***	***
Jun-20	***	***
Jul-20	***	***
Aug-20	***	***
Sep-20	***	***
Oct-20	***	***
Nov-20	***	***
Dec-20	***	***
Jan-21	***	***
Feb-21	***	***
Mar-21	***	***
Apr-21	***	***
May-21	***	***
Jun-21	***	***
Jul-21	***	***
Aug-21	***	***
Sep-21	***	***
Oct-21	***	***
Nov-21	***	***
Dec-21	***	***
Jan-22	***	***
Feb-22	***	***
Mar-22	***	***
Apr-22	***	***
May-22	***	***
Jun-22	***	***
Jul-22	***	***
Aug-22	-	-

Exhibit C-1-2

EXHIBIT C-2

TERMINATION FEE CALCULATION

Definitions

Deal-Level UPB: By Ocwen investor code (“deal”), the unpaid principal balance of Mortgage Loans associated with each deal will be fixed for the purposes calculations under this Exhibit C-2 as of the month-end following Subservicer’s receipt of notification of termination without cause. To the extent Mortgage Loans serviced under RMSR 2.0 are transferred to a third party while this Agreement is still in effect, Deal-Level UPB will be based on the month-end UPB immediately preceding such transfer date.

MSRPA Servicing Agreements: As defined in the Master Agreement.

Primary Mortgage Loans: As defined in the Master Agreement.

RMSR 2.0: The New RMSR Agreement (as defined in the Master Agreement).

Transferred Percentage: A fraction which equals (A) the Deal-Level UPB of Mortgage Loans being subserviced under this Agreement and serviced under RMSR 2.0 that with respect to which the subservicing or servicing is being terminated for any reason under this Agreement (other than Section 5.3) divided by (B) the sum of (i) the aggregate Deal-Level UPB with respect to all Mortgage Loans being subserviced under this Agreement, (ii) the aggregate Deal-Level UPB with respect to all Mortgage Loans being serviced under RMSR 2.0, (iii) the aggregate Deal-Level UPB with respect to all Primary Mortgage Loans being serviced under MSRPA Servicing Agreements, (iv) the aggregate Deal-Level UPB in respect of any Primary Mortgage Loans serviced under MSRPA Servicing Agreements the interests in which have been transferred to Ocwen pursuant to Section 9.2, 9.3 or 9.4 of the Master Agreement and (v) the aggregate Deal-Level UPB in respect of any Primary Mortgage Loans serviced under MSRPA Servicing Agreements the interests in which have been transferred to a third party pursuant to Section 9.3 of the Master Agreement (calculated at the time of sale of such interests to third parties and amortized at 15%/year until the month-end following Subservicer’s receipt of notification of termination without cause).

Termination Fee Deposit Amount: With respect to the termination of Subservicer under this Agreement or RMSR 2.0 transferred pursuant to a termination without cause or an RMSR 2.0 transfer to a third party in the first 5 years of this Agreement is calculated for each date on which subservicing or RMSR 2.0 is transferred by multiplying the Transferred Percentage by the Termination Fee associated as of the actual transfer date from Exhibit C-1.

EXHIBIT D
EXIT FEE PERCENTAGE

Period	Exit Fee Percentage (basis points)
Jul-17	***
Aug-17	***
Sep-17	***
Oct-17	***
Nov-17	***
Dec-17	***
Jan-18	***
Feb-18	***
Mar-18	***
Apr-18	***
May-18	***
Jun-18	***
Jul-18	***
Aug-18	***
Sep-18	***
Oct-18	***
Nov-18	***
Dec-18	***
Jan-19	***
Feb-19	***
Mar-19	***
Apr-19	***
May-19	***
Jun-19	***
Jul-19	***
Aug-19	***
Sep-19	***
Oct-19	***
Nov-19	***
Dec-19	***
Jan-20	***
Feb-20	***
Mar-20	***
Apr-20	***
May-20	***
Jun-20	***
Jul-20	***
Aug-20	***

Exhibit D-1

Sep-20	***
Oct-20	***
Nov-20	***
Dec-20	***
Jan-21	***
Feb-21	***
Mar-21	***
Apr-21	***
May-21	***
Jun-21	***
Jul-21	***
Aug-21	***
Sep-21	***
Oct-21	***
Nov-21	***
Dec-21	***
Jan-22	***
Feb-22	***
Mar-22	***
Apr-22	***
May-22	***
Jun-22	***
Jul-22	***

Exhibit D-2

EXHIBIT E-1
LIST OF SERVICING REPORTS

<u>"Critical Report"</u>	<u>"Regulatory Report"</u>	<u>Name of Report</u>	<u>Report #</u>	<u>Updates #</u>	<u>Frequency</u>	<u>Implementation</u>
Yes	No	Navigant Daily File Loan Level Extract	E-1	*	Daily (by noon ET)	84 Fields: 11/1/2017 Remaining Fields: TBD
Yes	No	Service Fee Reports ("Service Fee Daily Report")	E-2(a)	*	Daily (by noon ET)	Effective Date
Yes	No	Service Fee Reports ("NRZ MS Dynamics File")	E-2(b)	*	Daily (by noon ET)	Effective Date
Yes	No	Remittance File	E-3	*	Daily (by noon ET)	Effective Date
Yes	No	NRZ Primary MSR Data Tape	E-4	*	Monthly by 7th BU day	Effective Date
Yes	No	Reconciliation Report	E-5	*	As specified Section 4.1	Effective Date
Yes	No	Advance Reports ("MRA AF Daily File")	E-6(a)	*	Daily (by noon ET)	Effective Date
Yes	No	Advance Reports ("NRZ NBB Loan Level File")	E-6(b)	*	Monthly by 7th BU day	Effective Date
Yes	No	Portfolio Strat Reports	E-7	*	Monthly by 7th BU day.	10/1/2017
No	No	Mortgagor Litigation Report	E-8	*	Monthly (by 5th BU day)	10/1/2017
No	No	Corporate Matters Report	E-9	*	Monthly (by 15th)	10/1/2017
No	No	Performance Reports	E-10	*	Monthly (by 20th)	10/1/2017
No	No	Material Changes to Subservicer's, Subservicer's Parents or any of their respective Affiliates' Policies and Procedures	*	E-A1	Monthly (by 20th)	11/1/2017
No	No	Basic Complaint Report	E-12(a)	*	Monthly (by 5th BU day)	10/1/2017
No	No	Escalated Complaint Case Data Report	E-12(b)	*	Monthly (by 5th BU day)	10/1/2007
No	No	Notice of Error and Request for Information Reports	E-13	*	Monthly (by 7th BU day)	10/1/2007
No	No	Portfolio Roll Rate Reports	E-14	*	Monthly (by 7th BU day)	10/1/2017
No	No	Monthly Financial Covenant Certification	*	E-A2	As provided in Section 2.22	Effective Date

Exhibit E-1

<u>"Critical Report"</u>	<u>"Regulatory Report"</u>	<u>Name of Report</u>	<u>Report #</u>	<u>Updates #</u>	<u>Frequency</u>	<u>Implementation</u>
No	No	Advance Threshold Report	E-15	*	Monthly (by 20th)	11/1/2017
No	No	Back-up Servicer Files	E-16	*	As agreed to with the Back-up Servicer	As agreed to with the Back-up Servicer
No	No	MI Rescission Report	E-17	*	Monthly (by 15th)	10/1/2017
No	No	Land Title Adjustment Report	E-18	*	Monthly (by 7th BU day)	12/1/2017
No	No	Ancillary Income Report	E-19	*	Monthly (by 15th)	10/15/2017
No	No	Ocwen Daily Subservicing File	E-20	*	Daily (by noon ET)	9/1/2017
No	No	Ocwen Monthly Subservicing File	E-21	*	Monthly (by 7th BU day)	10/1/2017
No	No	Exhibit Q Information	*	E-A3	Quarterly (by 45th calendar day)	Beginning with 3rd Quarter 2017 Updates
No	No	Provide Fidelity and Errors and Omissions Insurance	*	E-A4	Quarterly (by 45th calendar day)	Beginning with 3rd Quarter 2017 Updates
No	No	Customer Service Statistics	E-22	*	Quarterly (by 45th calendar day)	Beginning with 3rd Quarter 2017 Updates
No	No	Tracking Report regarding Privacy Notices	E-23	*	Quarterly (by 20th)	10/1/2017 (any privacy notices sent prior to 10/1/2017 will be captured once report has been implemented)
No	Yes	NYS VOSR Template	E-24	*	Quarterly (20 days after Quarter-End)	Beginning with 3rd Quarter 2017 Updates
No	Yes	MBFRF Template	E-25	*	Quarterly (20 days after Quarter-End)	Beginning with 3rd Quarter 2017 Updates
No	Yes	MCR Template	E-26	*	Quarterly (30 days after Quarter-End)	Beginning with 3rd Quarter 2017 Updates
No	Yes	Illinois Default and Foreclosure Template	E-27	*	Semi-Annual (by 20th calendar day of July)	Beginning with 2017 Fiscal Year End
No	Yes	California CRMLA Template	E-28	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End
No	Yes	Illinois Report of Servicing Activity Template	E-29	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End
No	Yes	Michigan Mortgage Brokers, Lenders and Servicers Template	E-30	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End

Exhibit E-2

<u>"Critical Report"</u>	<u>"Regulatory Report"</u>	<u>Name of Report</u>	<u>Report #</u>	<u>Updates #</u>	<u>Frequency</u>	<u>Implementation</u>
No	Yes	Missouri Report of Residential Mortgage Loan Broker Activity Template	E-31	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End
No	Yes	Washington Consumer Loan Assessment Report Template	E-32	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End
No	Yes	Washington Consumer Loan Assessment Report Template	E-33	*	Annual (by 45th calendar day after fiscal year-end)	Beginning with 2017 Fiscal Year End
No	No	Regulation AB Compliance Report	*	E-A5	As defined in Agreement	Beginning with 2017 Fiscal Year End
No	No	Uniform Single Attestation Program Compliance Report	*		As defined in Agreement	Beginning with 2017 Fiscal Year End
No	No	SOC 1 Type II of Critical Vendors of Subservicer (or such other Type as may be reasonably satisfactory to Owner/Servicer)	*	E-A6	Within 30 days of receipt, but no later than January 31	Beginning with 2017 Fiscal Year End
No	No	SOC 1 Type II of Subservicer covering a minimum period of nine (9) months	*	E-A7	Within 30 days of receipt, but no later than January 31	Beginning with 2017 Fiscal Year End
No	No	SOC 1 Type II Bridge Letter of Subservicer covering a maximum period of three (3) months	*	E-A8	No later than January 31	Beginning with 2017 Fiscal Year End

Exhibit E-3

EXHIBIT E-2

FORMATTED SERVICING REPORTS

To be mutually agreed upon following the Effective Date but shall be consistent with the formats previously agreed upon and otherwise substantially similar to the most recent drafts circulated prior to the Effective Date and shall be populated by the Subservicer within five (5) Business Days following the Effective Date.

Exhibit E-1-1

EXHIBIT F
SERVICE LEVEL AGREEMENTS

The following constitute the SLAs with respect to primary and subservicing (the "SLAs"), as may be updated from time to time in accordance with the terms hereof:

Notes to Primary/Subservicing SLAs:

- As a reference population, "**Total Servicing Portfolio**" means, for any measurement period, all mortgage loans serviced by Subservicer, other than (1) mortgage loans with respect to which the Subservicer is solely performing master servicing functions, (2) reverse mortgage loans and (3) commercial mortgage loans. "**NRM Portfolio**" means, as of any date of determination, all mortgage loans serviced by Subservicer under any agreement between the Subservicer and the Owner/Servicer or any of its Affiliates, excluding (1) mortgage loans with respect to which the Subservicer is solely performing master servicing functions, (2) reverse mortgage loans and (3) commercial mortgage loans.
- The penalty amount is the baseline penalty assessed in case the penalty threshold is exceeded. This baseline value is subject to a multiplier of either two or three, depending on whether the double penalty threshold or the triple penalty threshold, respectively, is exceeded.
- In the event of a major computer software system change to the Subservicer's primary servicing system, the parties will agree to waive the Excessive SLA Failure Trigger Event and the Excessive SLA Failure Trigger for a period of six (6) calendar months from the date that such system change was implemented; provided that the Subservicer provided at least ninety (90) days' notice to the Owner/Servicer of such system change. The same applies to all relevant SLAs in case of major changes to a particular area of Subservicer's servicing (for example, foreclosure activities).
- Penalties can only be assessed for a particular frequency period if the penalty threshold was exceeded both in that frequency period and in the prior frequency period.
- Penalties for SLAs will be waived by mutual agreement of the parties on the basis of major events beyond Subservicer's control that could be reasonably expected to have a material impact on the NRM Portfolio, conflicts or issues with vendors selected by Owner/Servicer, regulatory changes, force majeure events, or events affecting the mortgage servicing industry as a whole and not specific to Subservicer. In these cases, the specific penalty and incentive thresholds and amounts may also be recalibrated on an ongoing basis or for a specific period of time upon mutual agreement. In addition, recalibrations of this sort will be mutually agreed to in case of changes to measurement methodologies and regulatory or investor requirements or requests.

Exhibit F-1

- To the extent the parties do not mutually agree on the basis of any event or conditions giving rise to a waiver of all penalties, accelerated penalties or a recalibration of the penalty thresholds, the party requesting such waiver or recalibration shall provide a written justification for such request, with sufficient detail to permit the other party to evaluate and respond. If such party continues to dispute the basis of the requested waiver or recalibration, within a reasonable period of time not to exceed thirty (30) days, the parties shall submit such matter to a dispute resolution process (other than litigation). Upon resolution, the successful party shall be entitled to recover as part of its claim its reasonable, out of pocket costs and expenses, including reasonable out-of-pocket attorneys' fees, incurred in prosecuting such claim. To the extent any unpaid amounts are determined to be payable, such amounts will be paid at an annual rate of five percent (5%) over the Prime Rate.
- For any SLA, if the total number of loans in the applicable population which serves as the denominator in the calculation falls below 100 for any month, (i) that month shall be excluded from monthly SLA calculations and (ii) such measurement period will increase from monthly to quarterly (or quarterly to annually, as applicable) so that there are 100 measurements.
- For each SLA, performance statistics will be calculated on the basis of reference data with a typical trailing period of one month but no more than two months, except in cases where the SLA metric indicates a longer moving average calculation.
- The maximum net penalty or incentive amount for all applicable SLAs in a given month is capped at 15% of the monthly base subservicing fee that Subservicer receives under the Subservicing Agreement, except during the 6 month period immediately following a major system change in which the maximum net penalty or incentive amount for all applicable SLAs in a given month for such 6-month period is then capped at 25% of the monthly base subservicing fee that Subservicer receives under the Subservicing Agreement.
- The SLA reporting will begin with the data collected during the measurement period beginning on October 1, 2017, and the first reports of SLA data will be provided in December 2017; provided that, to the extent sufficient data is available to calculate metrics or estimates, Subservicer shall provide interim reporting during the period prior to December 2017 for such SLAs.
- In addition to the Subservicer's other reporting obligations set forth in Section 2.8 of the Agreement, Subservicer will report on SLA metrics and calculations in a format reasonably requested by the Owner/Service, and as described below. Subservicer will report these calculations within the first five business days of the month, and any exceptions to the timeline are to be reported as soon as possible, with the applicable reports delivered no later than the tenth business of the month.
 - o With respect to monthly SLAs, on a monthly basis, taking into account a one- or two-month trailing period, the Subservicer will provide the Owner/Service a report setting forth the following:

Exhibit F-2

- § the monthly performance metric for each monthly SLA and the monthly data that was used to calculate this metric or (i) notification of SLAs requiring a two-month trailing period and to be included on the following month's report or (ii) reclassification of any monthly SLA as a quarterly SLA due to the decreased volume of the applicable population;
 - § any complete waivers or waivers of double or triple penalties for any SLAs;
 - § the applicable penalty or incentive rates for each SLA¹; and
 - § the penalty or incentive dollar amounts assessed for each SLA.
- o With respect to quarterly SLAs, in addition to monthly reports on the estimated performance metrics (to the extent available), on a quarterly basis, taking into account a one- or two-month trailing period, the Subservicer will provide the Owner/Service provider with a report setting forth the following:
- § the quarterly performance metric for each SLA and the relevant monthly data that was used to calculate this metric or (i) notification of SLAs requiring a two-month trailing period and to be included on the following month's report or (ii) reclassification of any quarterly SLA as an annual SLA due to the decreased volume of the applicable population;
 - § any complete waivers or waivers of double or triple penalties for any SLAs for any month in the applicable quarter;
 - § the penalty or incentive rates for each SLA in each month of the applicable quarter²;
 - § the penalty or incentive dollar amounts assessed for each SLA in each month of the applicable quarter; and
 - § the total penalty or dollar amount assessed for the applicable quarter.
- o Reporting on annual SLAs (if applicable due to volume considerations) will be similar to the reporting for quarterly SLAs, with monthly estimates of performance metrics provided on a monthly basis (to the extent available) and definitive reports provided on an annual basis.

¹ Note that in the case of waived SLAs, or SLAs where the penalty threshold was not exceeded in the prior frequency period, the penalty rate will be zero.

² Note that this rate will be the same for each of the three months in the quarter unless a complete waiver or waiver of double or triple penalties was in effect for some but not all months of that quarter.

The following constitute the service level agreements with respect to Master Servicing (the "Master Servicing SLAs"), as may be updated from time to time in accordance with the terms hereof:

Notes to Master Servicing SLAs:

- As a reference population, "**NRM Portfolio**" means, for any measurement period, all mortgage loans with respect to which the Subservicer is performing master servicing functions under any agreement between the Subservicer and the Owner/Servicer or any of its Affiliates. "**All Primary Servicers > 1,000 Loans**" means, for any measurement period, all primary servicers that are servicing more than 1,000 loans in the NRM Portfolio.
- All penalties and incentives for Master Servicing SLAs are calculated as a percentage of the monthly base subservicing fee that Subservicer receives for performing Master Servicing functions under the Subservicing Agreement (the "Monthly Sub-Master Servicing Fee").
- For each quarterly Master Servicing SLA, the Subservicer will assess performance during each of the three months of a given calendar quarter (with a trailing period of one month) and, when such performance assessments have been made for all three months of the quarter, the Subservicer will calculate the average of the monthly performance metrics, which will be the "quarterly performance metric" for such Master Servicing SLA.
- Penalty and incentive rates for each quarterly Master Servicing SLA will be assessed on a monthly basis by comparing the quarterly performance metric for the calendar quarter in which that month occurs with each of the penalty, exception and incentive thresholds that are applicable in that month.
- With respect to each quarterly Master Servicing SLA, the dollar amount of the penalty or incentive for each month is the product of the Monthly Sub-Master Servicing Fee and the penalty or incentive rate for that month. The dollar amount of the penalty or incentive for each calendar quarter is the sum of the penalties or incentives for each of the three months in that calendar quarter.
- Annual Master Servicing SLAs will be assessed in an analogous manner to quarterly Master Servicing SLAs, except that the adjustments to the monthly performance metric will be based on annual rather than quarterly adjustments.
- Penalties can only be assessed for a particular frequency period if the penalty threshold was exceeded both in that frequency period and in the prior frequency period.

Exhibit F-4

- In the case of any system conversion relating to Master Servicing core systems (SBO2000, DDS, DMS), penalties will be assessed on the basis of the exception threshold instead of the penalty threshold. In addition, (a) for any Master Servicing SLA in the "Securities Administration" category, the exception threshold will apply in case either (i) the number of cleanup calls involving loans in the reference population in a given month exceeds twenty (20) or (ii) the number of new deals involving loans in the reference population in a given month is greater than or equal to five (5); and (b) for any Master Servicing SLA in the "Servicer Management" or "Loan Operations" categories, the exception threshold will apply in case of the addition of three (3) or more new primary servicers in a given month. Exception thresholds will apply for three (3) consecutive months including the month during which the exception event occurs.
- Penalties for Master Servicing SLAs may be waived by the parties on the basis of major events beyond Ocwen's control, conflicts or issues with vendors selected by NRM, regulatory changes, force majeure events, or events affecting the mortgage servicing industry as a whole and not specific to Ocwen. In these cases, the specific penalty and incentive thresholds and rates may also be recalibrated on an ongoing basis or for a specific period of time. In addition, recalibrations of this sort will be considered in case of changes to measurement methodologies and regulatory or investor requirements or requests.
- Any newly boarded loans will not be included in the referenced population for the purpose of calculations for a period of time agreed to by the parties, after which period the thresholds may be recalibrated by mutual agreement of the parties. In addition, any loans that are impacted by errors or delays caused by prior servicers will be excluded from the referenced population.
- If the total number of securitization trusts in the NRM Portfolio falls below 400, all Master Servicing SLAs will be recalibrated.
- To the extent the parties do not mutually agree on the basis of any event or conditions giving rise to a waiver of all penalties, accelerated penalties or a recalibration of the penalty thresholds, the party requesting such waiver or recalibration shall provide a written justification for such request, with sufficient detail to permit the other party to evaluate and respond. If such party continues to dispute the basis of the requested waiver or recalibration, within a reasonable period of time not to exceed thirty (30) days, the parties shall submit such matter to a dispute resolution process (other than litigation). Upon resolution, the successful party shall be entitled to recover as part of its claim its reasonable, out of pocket costs and expenses, including reasonable out-of-pocket attorneys' fees, incurred in prosecuting such claim. To the extent any unpaid amounts are determined to be payable, such amounts will be paid at an annual rate of five percent (5%) over the Prime Rate.
- The Master Servicing SLA reporting will begin with the data collected during the measurement period beginning on the later of (i) October 1, 2017 and (ii) the first

of the month following the date on which Subservicer begins Master Servicing under this Agreement.

- In addition to reports on monthly estimates for Master Servicing SLA performance metrics, within the first five business days of the second month of each calendar quarter, Subservicer will provide Owner/Serviceicer with a report setting forth:
 - o the quarterly performance metric for each of the Master Servicing SLAs from the prior calendar quarter and all monthly data that was used in the calculation of this metric;
 - o any exception events that occurred in the prior calendar quarter and, for each Master Servicing SLA and each month of the prior calendar quarter, whether the exception threshold applied in that month;
 - o the penalty or incentive rates for each Master Servicing SLA in each month of the prior calendar quarter³;
 - o the penalty or incentive dollar amounts assessed for each Master Servicing SLA in each month of the prior calendar quarter; and
 - o the total penalty or incentive dollar amounts assessed for the prior calendar quarter.
- Reporting on annual Master Servicing SLAs will be similar to the reporting for quarterly SLAs, with monthly estimates of performance metrics provided on a monthly basis and definitive reports provided on an annual basis.

³Note that this rate will be the same for each of the three months in the calendar quarter unless the exception threshold applies in some but not all of these months

EXHIBIT G

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Exhibit G-1

EXHIBIT H

FORM OF MONTHLY FINANCIAL COVENANT CERTIFICATION

I, _____, chief financial officer of Ocwen Loan Servicing LLC (“Subservicer”), do hereby certify that:

- (i) ***;
- (ii) ***;
- (iii) [CHOOSE ONE:] *** ; and
- (iv) the attached supporting documentation and backup attached to this Monthly Financial Covenant Certification are true and correct.

Capitalized terms used but not defined herein shall have the meanings assigned thereto in the Subservicing Agreement, dated as of July 23, 2017 (the “Agreement”), between New Residential Mortgage LLC and the Subservicer.

IN WITNESS WHEREOF, I have signed this certificate.

Date: _____, 20__

[_____]

By: _____,

Name:

Title:

EXHIBIT I-1
CRITICAL VENDORS

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 2.0	Writes custom software code ***	No
***	Tier 2.0	Providing image extraction services	No
***	Tier 2.0	Used to have *** signed electronically	No
***	Tier 2.0	Optional *** Product	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Print and Mail Services ***	No
***	Tier 1.0	***	Yes
***	Tier 1.0	Collections ***	Yes
***	Tier 1.0	Default software solutions for lenders, servicers, real estate agents and other mortgage and real estate industry professionals.	Yes
***	Tier 1.0	Title/Loss Mitigation ***	Yes
***	Tier 1.0	*** Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Property Preservation & Inspection ***	Yes
***	Tier 1.0	*** Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	*** Short Sale Deed in Lieu	Yes
***	Tier 1.0	Loss Mitigation Title	Yes
***	Tier 1.0	Loss Mitigation Services	Yes
***	Tier 1.0	Valuations	Yes
***	Tier 1.0	Foreclosure, Bankruptcy & Closing or Trustee	No

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.0	Servicing platform	Yes
***	Tier 2.0	Document and title policy retrieval	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Software/call center. Acquires new hardware, software and/or maintenance and support.	No
***	Tier 1.0	*** Flood, and Wind insurance vendor as well as Loss Draft claim processing	Yes
***	Tier 2.0	Provides Optional *** products to Ocwen borrowers	No
***	Tier 2.0	***	Yes
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.0	*** Communications and Contact Center Solution.	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.0	Online Credit Reports	No
Center for NYC Neighborhoods	Tier 2.1	Community Outreach	No
Citizen Action of New Jersey	Tier 2.1	Community Outreach	No

Exhibit I-1-2

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	*** QA Review Process	No
***	Tier 2.0	Provider of Asset Disposal Services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Document Imaging and repository services	Yes
***	Tier 1.0	Flood insurance determinations & tracking *** *** flood zone monitoring	Yes
***	Tier 1.0	Review of Real Estate Taxes Owed	Yes
***	Tier 1.0	*** AVM	Yes
***	Tier 2.2	*** Document Custodians	Yes
***	Tier 2.0	*** claim recovery services	No
***	Tier 2.1	Nonprofit organization offering borrower outreach and housing counseling services.	No
***	Tier 2.0	*** Credit Reports to Borrowers	No
***	Tier 2.0	IT Asset Recovery and disposal services	No
***	Tier 2.0	***	No
***	Tier 1.1	Services related to Deed in Lieu ***	Yes
***	Tier 2.0	***	No
***	Tier 1.1	Verbal translation services	No

Exhibit I-1-3

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
H.E.L.P. Community Development Corporation	Tier 2.1	Community Outreach	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Collections/Recovery	No
HomeFree USA	Tier 2.1	Community Outreach	No
HomeFree USA	Tier 2.1	Community Outreach	No
Homeownership Preservation Foundation	Tier 1.1	Community Outreach	No
Hope Loan Port Inc	Tier 2.0	Portal for modification submission	No
***	Tier 2.0	Platform that manages the borrower complaints	Yes
***	Tier 1.1	Lien Release, Assignment preparation and recording services	Yes
***	Tier 2.0	Software license agreement for MortgageRx cloud-based software. MortgageRx will be used by Ocwen Investor Services department for QA process compliance tests.	Yes
***	Tier 2.0	Document storage and shredding	Yes
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.0	Document Storage	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Collections/Recovery	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No

Exhibit I-1-4

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 2.0	IT consulting service ***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.2	Maintains database ***	No
***	Tier 2.0	*** services and support	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Electronic payment provider	Yes
National Community Reinvestment Coalition (NCRC)	Tier 2.1	Community Outreach	No
National Council of LaRaza (NCRL)	Tier 2.1	Community Outreach	No
***	Tier 2.2	Mortgage Insurance company	No
Neighborhood Housing Services of Chicago Inc	Tier 2.1	Community Outreach	No
Neighborhood Housing Services of Greater Cleveland	Tier 2.1	Community Outreach	No
Neighborhood Housing Services of New York City Inc	Tier 2.1	Community Outreach	No

Exhibit I-1-5

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.1	*** Notary Services	No
***	Tier 2.0	*** updating consumer data and processing ***	Yes
***	Tier 1.0	Electronic payment provider ***	No
***	Tier 1.1	Accounts Payable (AP) platform	Yes
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.2	***	No
***	Tier 1.0	Valuation, ***	No
***	Tier 1.1	Provides Security Services ***	Yes
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	*** data center, ***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Collections/Recovery	No
***	Tier 2.2	Document Custodian	No
***	Tier 2.0	*** computer-assisted legal research.	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No

Exhibit I-1-6

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
Sacramento Neighborhood Housing Services, Inc dba NeighborWorks HomeOwnership Center Sacramento Region	Tier 2.1	Community Outreach	No
***	Tier 1.0	Property Preservation and Inspection services ***	No
***	Tier 2.0	Document redaction services ***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Recording Services	No
***	Tier 2.0	Research Websites ***	No
***	Tier 2.0	Provides Broker Price Opinion Valuation Services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1		No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No

Exhibit I-1-7

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
Springboard Non Profit Consumer Credit Management, Inc.	Tier 2.1	Community Outreach	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	*** print and mailing services	No
***	Tier 2.2	Document Custodian	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.0	Credit Bureau. ***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 2.2	Document Custodian	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	Print and Mailing services	No
***	Tier 1.0	Printing and Mailing Letters - ***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	***	No
***	Tier 1.0	Lockbox ***	No
***	Tier 1.0	Document Custodian	No
***	Tier 1.0	Electronic payment provider	Yes
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No

Exhibit I-1-8

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 2.2	Document Custodian	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No
***	Tier 1.0	***	No
***	Tier 1.1	Foreclosure, Bankruptcy & Closing or Trustee services	No

Exhibit I-1-9

EXHIBIT I-2
CRITICAL REO DISPOSITION VENDORS

Vendor Name	Vendor Tier Final	Description	Offshore
***	Tier 1.0	Real Estate Owned (REO) Management	Yes
***	Tier 2.0	REO Property Manager	No
***	Tier 2.0	REO management services	No

Exhibit I-2-1

EXHIBIT J
PERFORMANCE TRIGGERS

A. Initial Performance Triggers

The following shall represent the applicable Performance Triggers, as may be modified from time to time in accordance with the terms hereof, and to be assessed on the basis of data collected from the first full Quarter following the Effective Date:

1. the Quarterly Average Delinquency Ratio exceeds *** (the "Delinquency Trigger Event");
2. the Quarterly Average Foreclosure Sale Ratio falls below *** (the "Foreclosure Sale Trigger") for two consecutive Quarters (the "Foreclosure Sale Trigger Event");
3. the Quarterly Average Workout Ratio falls below *** (the "Workout Trigger") for two consecutive Quarters (the "Workout Trigger Event"); and
4. the Net SLA Monthly Penalty Amount exceeds *** of the Monthly Fee Amount for such month (the "Excessive SLA Failure Trigger") in every month for two consecutive Quarters (the "Excessive SLA Failure Trigger Event").

Subject to the automatic modification of the Workout Trigger as set for in Section D below, any modifications to Performance Triggers shall be evidenced in writing and shall take effect in the Quarter during which such modifications were agreed to, unless the parties mutually agree otherwise. In addition to the specific provisions set forth in Sections B, C and D of this Exhibit J relating to the conditions under which a Performance Trigger may be modified, the Owner/Servicer and Subservicer agree to modify any of the above Performance Triggers from time to time in cases where there have been or will be material changes to the portfolio of Subject Loans constituting the reference class of the applicable Performance Trigger. Upon the occurrence of any Force Majeure Event, that has a material impact on the Subservicer's ability to service the Subject Loans pursuant to the Agreement, the parties will agree to waive any of the Performance Triggers to the extent affected.

B. Delinquency Trigger Resets

The Subservicer and Owner/Servicer shall mutually agree to a modification of the Delinquency Trigger under each of the following circumstances: (i) (x) in the event that the delinquency rate set forth in the "Seriously Delinquent As a % of Total Loans NSA" quarterly index from Mortgage Bankers Association (FORLTOSD Index on Bloomberg) (the "Index") increases by more than three percentage points from the rate set forth in such report for the month ending June 2017 and (y) thereafter, in the event of any subsequent material increase in such rate or (ii) to the extent that the Index does not capture the impact of industry-wide events which would materially impact delinquency rates (for example, industry-wide foreclosure holds imposed by states regulators).

C. **Foreclosure Sale Trigger Resets**

The Subservicer and Owner/Servicer shall mutually agree on a modification to the Foreclosure Sale Trigger in the event that one or more judicial rulings or state regulatory actions, decrees, interpretations or guidance occurs that impact more than *** percent (***) of the total number of Subject Loans counted in the Subservicer's active foreclosure inventory on the date of such occurrence.

D. **Workout Trigger Resets**

(a) The Workout Trigger shall be modified, effective as of January 1, 2019, to an amount equal to *** of the average monthly Workout Ratio for the calendar year of 2018 and, for each subsequent calendar year, effective as of January 1st of such year, the Workout Trigger shall be modified to an amount equal to *** of the average monthly Workout Ratio of the prior calendar year; provided that, to the extent the Quarterly Average Workout Ratio falls below the Workout Trigger for the Quarter beginning in October and the Quarterly Average Workout Ratio is above the Workout Trigger for the following Quarter beginning in January solely as a result of the automatic modification of the Workout Trigger as set forth in this sentence, then the Workout Trigger for the Quarter beginning in January shall not be included for purposes of calculating the Workout Trigger Event and the parties agree to use the Workout Trigger for the Quarters beginning in October and April to determine if a Workout Trigger Event occurred. The parties agree that the Workout Trigger may be recalibrated after January 1, 2019 based on quarterly rather than annual averages in order to reflect seasonal fluctuations.

(b) The Subservicer and Owner/Servicer shall mutually agree on a modification to the existing (or automatically modified pursuant to clause (a) above) Workout Trigger under each of the following circumstances: (i) any regulatory changes that result in substantially lower modification rates on an industry-wide basis, (ii) the previously modified proportion of the portfolio of Subject Loans that are 60+ Day Delinquent increases to more than *** (***), and thereafter, for each subsequent increase of *** (iii) a decrease in modification eligibility of the Subject Loans due to substantial macroeconomic changes, including but not limited to, material changes in (x) home prices, (y) interest rates and/or (z) unemployment rates, and (iv) conditions materially affecting modification rates, including, for example, the availability and funding of governmental modification programs.

The Subservicer and Owner/Servicer shall mutually agree on a modification or reconstruction of the Workout Trigger to compare the Subservicer's loss mitigation performance against the performance of the mortgage servicing industry (in which the Subservicer would be expected to be within a range of average industry levels) to the extent a reliable industry benchmarking loss mitigation data has been introduced and is generally acceptable to the secondary mortgage market.

E. **Excessive SLA Failure Trigger Waivers and Applicability**

The SLAs used to calculate the Aggregate Net SLA Monthly Penalty Rate shall include all SLAs other than (i) any SLA identified as inapplicable to the Excessive SLA Failure Trigger on

Exhibit F of the Agreement, as updated from time to time by mutual agreement of the parties and (ii) any SLAs that the Owner/Servicer and Subservicer have agreed to waive or exclude on the basis of major events beyond the Subservicer's control which materially and adversely affect the servicing of the Subject Loans under the Agreement, including, without limitation, conflicts or issues with Approved Parties or Vendors selected by the Owner/Servicer, regulatory changes, Force Majeure Events or events affecting the mortgage servicing industry as a whole and not specific to Subservicer.

In the event of a major computer software system change to the Subservicer's primary servicing system, the parties will agree to waive the Excessive SLA Failure Trigger Event and the Excessive SLA Failure Trigger for a period of six (6) calendar months from the date that such system change was implemented; provided that the Subservicer provided at least ninety (90) days' notice to the Owner/Servicer of such system change.

F. **Definitions**

"60+ Day Delinquent": With respect to any Subject Loan, the Mortgage Loan that would be considered sixty (60) days or more contractually delinquent following the OTS Methodology.

"90+ Day Delinquent": With respect to any Subject Loan, the Mortgage Loan that would be considered ninety (90) days or more contractually delinquent following the OTS Methodology.

"Affected SLA": (i) In the event that there are major system changes impacting the Subservicer's servicing platform as a whole, for a period of six months following such changes or increase, all SLAs and (ii) in the event that there are major system changes impacting particular areas of the Subservicer's servicing activities, for a period of six months following such changes, all SLAs related to such areas.

For the avoidance of doubt, if there is a system change, the double and triple SLA penalties shall not count towards the Excessive SLA Failure Trigger. However, they shall count towards the subservicer economics and during the six month period reference above the 25% cap on adjustments to subservicer economics shall be in place.

"Delinquency Ratio": With respect to the Subject Loans, as of the end of each calendar month, the percentage equivalent of a fraction, (x) the numerator of which is the total unpaid principal balance of the Subject Loans which are 90+ Day Delinquent, including Subject Loans in foreclosure which are 90+ Day Delinquent, Subject Loans in bankruptcy which are 90+ Day Delinquent, plus the loan balance (prior to conversion to REO) of REO Properties, that were subserviced by the Subservicer during such month and (y) the denominator of which is the total unpaid principal balance of all Subject Loans.

"Force Majeure Event": Any event beyond the reasonable control of the Subservicer including, without limitation, strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services.

“Foreclosure Sale Ratio”: With respect to the Subject Loans, as of the end of each calendar month, the percentage equivalent of a fraction, (x) the numerator of which is total number of Subject Loans with respect to which the foreclosure sale has been completed as of the end of the day on the last day of such calendar month, and (y) the denominator of which is the total number of Subject Loans counted in the Subservicer’s foreclosure inventory (whether active or on hold) as of the end of the day on the last day of such calendar month.

“Incentive Amount”: For each SLA, the amount computed pursuant to Exhibit F, if applicable.

“Measurement Loans”: Other than any Mortgage Loans with respect to which the Subservicer is solely performing Master Servicing functions, the Prior Ocwen Serviced Loans and any Mortgage Loans subject to a Deferred Servicing Agreement (as defined in the Master Agreement) as of the date of the Master Agreement or were previously subject to a Deferred Servicing Agreement and are being serviced or subserviced by the Subservicer, including on an interim basis, other than the Mortgage Loans with respect to which (x) the Servicing Rights have been transferred to a third party pursuant to Section 9.3 of the Master Agreement or (y) the Rights to MSRs and Transferred Receivables Assets (as defined in the Master Agreement) have been transferred to Subservicer from an Affiliate of Owner/Servicer pursuant to the Purchase Option (as defined in the Master Agreement).

“Monthly Fee Amount”: For each month, an amount equal to (A) the product of (i) *** and (ii) the total unpaid principal balance of the Mortgage Loans as of the first Business Day of such calendar month that were subserviced by the Subservicer during such calendar month, excluding those Mortgage Loans for which the Subservicer is solely performing Master Servicing functions in this Agreement, (B) divided by 12.

“Net SLA Monthly Penalty Amount”: For each month, the amount, if positive, equal to (A) the aggregate Penalty Amounts payable by the Subservicer, if any, with respect to the SLAs in such month minus (B)(i) if applicable, any such amounts paid as the result of a double or triple penalty multiplier for any Affected SLA and (ii) the aggregate Incentive Amounts payable to the Subservicer, if any, with respect to the SLAs in such month; provided that the amount to be included in clause (A) or (B) with respect to each Quarterly SLA shall be zero in each month prior to the initial calculation of such Quarterly SLA and for each month following such initial calculation shall be the Penalty Amount or Incentive Amount, if applicable, from the most recent calculation of such Quarterly SLA. For the avoidance of doubt penalties and incentives related to Master Servicing SLAs shall not count towards the calculation of the Net SLA Monthly Penalty Amount.

“New Mortgage Loan”: With respect to any existing Mortgage Loan subject to this Agreement, a new mortgage loan (i) which is originated when the related Mortgagor (A) refinances such existing Mortgage Loan with proceeds from such new mortgage loan which is secured by the same mortgaged property or (B) pays off in full such existing Mortgage Loan and obtains a new mortgage loan secured by a different mortgaged property and, in each case, such refinancing or new borrowing resulted from the solicitation efforts of the Subservicer or any brokers, correspondent lenders, agents or independent contractors that Subservicer engaged to solicit such refinancing or

new borrowing on its behalf and (ii) for which the related Servicing Rights are transferred to the Owner/Servicer pursuant to [Exhibit B](#).

“OTS Methodology”: A method of calculating delinquency of a Subject Loan based upon The Office of Thrift Supervision method, under which method a Subject Loan is considered delinquent if the payment has not been received by the Subject Loan’s next due date. For example, a Subject Loan with a due date of August 1, 2017, with no payment received by the close of business on September 1, 2017, would have been reported as delinquent on October 1, 2017.

“Penalty Amount”: For each SLA, the amount computed pursuant to [Exhibit F](#), including, without limitation, the application of any applicable double penalties, triple penalties or waivers and taking into account the consecutive failure requirement for a penalty to be assessed.

“Quarter”: A period consisting of three consecutive calendar months and beginning with either January, April, July or October.

“Quarterly Average Delinquency Ratio”: With respect to each Quarter, the percentage equivalent of a fraction, (x) the numerator of which is the sum of the Delinquency Ratios for each of the applicable three months and (y) the denominator of which is three.

“Quarterly Average Foreclosure Sale Ratio”: With respect to each Quarter, the percentage equivalent of a fraction, (x) the numerator of which is the sum of the Foreclosure Sale Ratios for each of the applicable three months and (y) the denominator of which is three.

“Quarterly Average Workout Ratio”: With respect to each Quarter, the percentage equivalent of a fraction, (x) the numerator of which is the sum of the Workout Ratios for each of the applicable three months and (y) the denominator of which is three.

“Quarterly SLAs”: Each SLA with a designated frequency of “quarterly” on [Exhibit E](#).

“Subject Loans”: Each of (i) the Measurement Loans and (ii) any Transferred-In Loans agreed upon by the parties; provided that (x) with respect to the calculation of the Foreclosure Sale Ratio, a Transferred-In Loan shall not be deemed a Subject Loan until a date that is mutually agreed by the parties and (y) with respect to the calculation of the Workout Ratio, a Transferred-In Loan shall not be deemed a Subject Loan until a date that is mutually agreed to by the parties.

“Transferred-In Loans”: Other than any Mortgage Loans with respect to which the Subservicer is solely performing Master Servicing functions in this Agreement, each of (i) any New Mortgage Loans and (ii) any Mortgage Loans that become subject to this Agreement pursuant to an Acknowledgement Agreement with respect to which the Subservicer is not solely performing Master Servicing functions.

“Workout Ratio”: With respect to the Subject Loans, as of the end of each calendar month, the percentage equivalent of a fraction, (x) the numerator of which is total number of the Subject Loans with respect to which, during such month either a non-HAMP modification, a short-sale or a deed-in-lieu agreement, in each case, has been completed, and (y) the denominator of which is

the total number of Subject Loans which are 60+ Day Delinquent, but excluding any Subject Loans for which the related Mortgaged Property has become an REO Property.

G. Reporting

In addition to the Subservicer's other reporting obligations set forth in Section 2.8 of the Agreement, with respect to the Performance Triggers, the Subservicer will, in a format reasonably requested by the Owner/Servicer, report the following:

- a) With respect to the Delinquency Trigger, the Foreclosure Sale Trigger and the Workout Trigger, (i) on a monthly basis, when available, but in no case later than ten Business Days after the end of the following month, the prior month's Delinquency Ratio, Foreclosure Sale Ratio and Workout Ratio, together with the relevant data used to calculate such ratios and (ii) on a quarterly basis, when available, but in no case later than ten Business Days after the end of the first month following the applicable quarter, the Quarterly Average Delinquency Ratio, the Quarterly Average Foreclosure Sale Ratio and the Quarterly Average Workout Ratio and a comparison of such ratios to the Delinquency Trigger, the Foreclosure Sale Trigger and the Workout Trigger, respectively.
- b) With respect to the Excessive SLA Failure Trigger, (i) on a monthly basis, when available, but in no case later than fifteen Business Days after the end of the following month, the Net SLA Monthly Penalty Amount for such month, which report shall include (i) a comparison to the Excessive SLA Failure Trigger, (ii) an identification of the applicable SLAs used to calculate the Net SLA Monthly Penalty Amount, (iii) any applicable Penalty Amount or Incentive Amount used to calculate the Net SLA Monthly Penalty Amount and (iv) any other relevant information (in addition to the previously delivered monthly and quarterly reports under Exhibit F to the Agreement).

Exhibit J-6

EXHIBIT K

ADVANCE POLICY

THE REMAINDER OF THIS PAGE AND THE FOLLOWING 14 PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Exhibit K-1

EXHIBIT L
MSRPA SCHEDULE

MSRPA	(parties to add list of MSRPA provisions)
MSRPA	(parties to add MSRPA description)
MSRPA	(parties to add MSRPA description)

Exhibit L-1

EXHIBIT M
FORM OF LIMITED POWER OF ATTORNEY

Document drafted by and
After Recording Return Document To:
Ocwen Loan Servicing, LLC
5720 Premier Park Drive, Building 3
West Palm Beach, Florida 33407
Attention: Record Services

LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that New Residential Mortgage LLC (the "Company"), having a place of business at 1345 Avenue of the Americas, 45th Floor, North Suite, New York, New York 10105, does hereby constitute and appoint Ocwen Loan Servicing, LLC a Delaware limited liability company ("Ocwen"), having an office at 1661 Worthington Road, Suite 100, West Palm Beach, Florida 33409, by and through its officers, its true and lawful Attorney-in-Fact, in its name, place and stead and for its benefit, in connection with mortgage loans serviced by Ocwen on behalf of the Company (the "Mortgage Loans") pursuant to and subject to the terms and conditions of that certain Subservicing Agreement, as described on Exhibit A between Ocwen and the Company (the "Subservicing Agreement") for the purpose of performing all acts and executing all documents in the name of the Company necessary and incidental to the servicing of the Mortgage Loans, including but not limited to:

1. Foreclosing delinquent Mortgage Loans or discontinuing such foreclosure proceedings, including, but not limited to, the execution of notices of default, notices of sale, assignments of bids, and assignments of deficiency judgments, and appearing in the prosecuting bankruptcy proceedings;
2. Selling, transferring or otherwise disposing of real property that is or becomes subject to the Subservicing Agreement, whether acquired through foreclosure or otherwise, including, but not limited to, executing all contracts, agreements, deeds, assignments or other instruments necessary to effect such sale, transfer or disposition, and receiving proceeds and endorsing checks made payable to the order of the Company from such proceedings;
3. Preparing, executing, and delivering satisfactions, cancellations, discharges or full or partial releases of lien, subordination agreements, modification agreements, assumption agreements, substitutions of trustees under deeds of trust, and UCC-3 Continuation Statements;
4. Endorsing promissory notes and executing assignments of mortgages, deeds of trust, deeds to secure debt, and other security instruments securing said promissory notes in connection with Mortgage Loans for which Ocwen has received full payment of all outstanding amounts due on behalf of the Company;

Exhibit M-1

5. Endorsing insurance proceeds checks and mortgage payment checks to the order of the Company; and
6. Any and all such other acts of any kind and nature whatsoever that are necessary and prudent to service the Mortgage Loans, in each case, in accordance with the terms and conditions in the Subservicing Agreement.

The Company further grants to Ocwen full power and authority to do and perform all acts necessary for Ocwen to carry into effect the power or powers granted by or under this Limited Power of Attorney as fully as the Company might or could do with the same validity as if all and every such act had been herein particularly stated, expressed and especially provided for, and hereby ratifies and confirms all that Ocwen shall lawfully do by virtue of the powers and authority granted and contemplated hereby, and all that Ocwen has previously done pursuant to or in connection with the Subservicing Agreement or any Limited Power of Attorney previously granted by the Company to Ocwen. This Limited Power of Attorney shall be in full force and effect as of August 16, 2017 (Date) until the earlier of the date of termination of the Subservicing Agreement or the date the Company revokes or terminates this Limited Power of Attorney by written notice to Ocwen.

Nothing herein shall give the Attorney-in-Fact hereunder the right or power to negotiate or settle any suit, counterclaim or action against the Company. The Company shall have no obligation to inspect or review any agreement or other document or item executed by the Attorney-in-Fact hereunder on behalf of the Company pursuant to this Limited Power of Attorney and as such, the Attorney-in-Fact hereunder expressly acknowledges that the Company is relying upon such Attorney-in-Fact to undertake any and all necessary procedures to confirm the accuracy of any such agreement, document or other item. This Limited Power of Attorney and each grant of power and authority hereunder shall at all times be limited by and subject to the terms and conditions of the Subservicing Agreement.

Third parties without actual notice may rely upon the exercise of the power granted under this Limited Power of Attorney, and may be satisfied that this Limited Power of Attorney has not been revoked by the Company, unless a revocation has been recorded in the public records of the jurisdiction where this Limited Power of Attorney has been recorded, or unless such third party has received actual written notice of a revocation.

NEW RESIDENTIAL MORTGAGE LLC
(Company)

Exhibit M-2

By: _____

Name: _____

Title: _____

Witness – _____

Witness – _____

STATE OF NEW YORK

COUNTY OF NEW YORK

On this ___ day of _____, 20__, before me, the undersigned, a Notary Public in and for said State and County, personally appeared _____, personally known to me to be the person who executed the within instrument as _____, on behalf of New Residential Mortgage LLC, and he or she acknowledged that said instrument is the act and deed of said New Residential Mortgage LLC, and that he or she, being authorized to do so, executed and delivered said instrument for the purposes therein contained.

WITNESS by hand and official seal.

Notary Public

[Seal]

My Commission Expires

Exhibit M-3

Exhibit A

SUBSERVICING AGREEMENT, DATED AS OF JULY 23, 2017, BY AND BETWEEN NEW RESIDENTIAL MORTGAGE LLC AND OCWEN LOAN SERVICING, LLC

Exhibit M-4

EXHIBIT N

CLIENT MANAGEMENT PROTOCOLS

Subservicer's Client Management Protocols are comprised of five components (i) Client Relations/Issue Management, (ii) Client Integration, (iii) Change Management, (iv) Client Reporting and (v) Audit/Testing Management. The staff specifically dedicated to managing the relationship ("Client Relationship Managers" or "CRMs") shall utilize the protocols herein, as may be changed from time to time and mutually agreed by both parties, to coordinate the resources of Subservicer to address the requests of Owner/Service.

THE REMAINDER OF THIS PAGE AND THE FOLLOWING PAGE OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Exhibit N-1

EXHIBIT O

ADVANCE FACILITY COOPERATION COSTS

1. *** for amendments with no certificates or opinions
2. *** for new facilities or amendments with opinions
3. *** for public deals (which would include opinion and disclosure related work)

Exhibit O-1

**EXHIBIT P-1
TRANSFER PROCEDURES**

(PRIMARY SERVICING)

THE REMAINDER OF THIS PAGE AND THE FOLLOWING 11 PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Exhibit P-1-1

EXHIBIT P-2

TRANSFER PROCEDURES

(MASTER SERVICING)

TO BE MUTUALLY AGREED UPON FOLLOWING THE EFFECTIVE DATE

Exhibit P-2-1

EXHIBIT Q

LEVEL OF DISCLOSURE SCHEDULE

THE REMAINDER OF THIS PAGE AND THE FOLLOWING PAGE OF THIS EXHIBIT HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Exhibit Q-1

EXHIBIT R

MASTER SERVICING ADDENDUM

Section 2B.01

DEFINITIONS

Whenever used in this Exhibit R, the following words and phrases, unless the context requires otherwise, shall have the meanings specified below. Capitalized terms used in this Exhibit R but not otherwise defined shall have the meanings set forth in Article I of the Agreement (except to the extent modified pursuant to Section 2B.02 below).

Master Servicing Addendum: The rights and obligations specifically set forth in this Exhibit R.

Master Servicing Rights: The Servicing Rights identified as master servicing rights on Exhibit B of the Transfer Agreement.

Servicer Guide: The "Servicer Guide", as referenced or defined in the applicable Servicing Agreement and Client Contract.

Section 2B.02

The Owner/Servicer hereby agrees that Subservicer has full power and authority to enforce the Client Contracts and Servicer Guide on behalf of Owner/Servicer solely with respect to the applicable Mortgage Loans related to the Master Servicing Rights.

The Owner/Servicer and Subservicer acknowledge and agree that the servicing function with respect to the Mortgage Loans related to the Master Servicing Rights is performed by various SBO Servicers (and may include the Subservicer in its capacity as a primary servicer).

The Owner/Servicer may amend any Client Contract pursuant to a Change Request and otherwise subject to the procedures set forth in Section 2.3 of the Agreement.

Solely with respect to the Mortgage Loans related to the Master Servicing Rights, the Subservicer hereby agrees to perform Master Servicing on behalf of the Owner/Servicer in accordance with the terms of (i) the Agreement (unless expressly set forth below) (ii) the applicable Servicing Agreement, (iii) applicable Client Contract, and (iv) the applicable Servicer Guide; provided that, with respect to any REO Disposition Services that are permitted under the related Servicing Agreement with respect to the Master Servicing Rights and referred to the Subservicer as an SBO Servicer, the Subservicer shall comply with Section 2.10 of the Agreement and the Owner/Servicer shall be entitled to all Downstream Ancillary Income in connection therewith. For the avoidance of doubt, solely with respect to the Mortgage Loans related to the Master Servicing Rights, the Subservicer

shall have no obligation to perform any of the duties and obligations that are enumerated below; provided that nothing herein shall limit or constrain any obligation of the Subservicer in the Agreement related to Subservicer in its capacity as a primary servicer.

- (a) No SBO Servicer shall be considered a "Vendor" as defined in Article I of the Agreement; provided that nothing herein shall limit or restrict any monitoring, oversight, audit rights or other obligations, in each case, the Subservicer has, on behalf of the Owner/Servicer as the owner of the Master Servicing Rights, under the applicable Servicing Agreement, the applicable Client Contract, and the applicable Servicer Guide.
- (b) Section 2.1(f) shall not apply.
- (c) Section 2.1(g) shall not apply.
- (d) Section 2.2(a) shall not apply unless required by Applicable Requirements.
- (e) Section 2.2(b) shall not apply unless required by Applicable Requirements.
- (f) Section 2.5 shall not apply to (i) Escrow Accounts unless required by Applicable Requirements and (ii) notwithstanding anything set forth in clause (i), any Custodial Accounts or Escrow Accounts held by an SBO Servicer.
- (g) Section 2.6(c) shall not apply unless required by Applicable Requirements.
- (h) Section 2.6(d) shall apply to (i) records relating to Master Servicing and (ii) records relating to the Subservicing to the extent required by Applicable Requirements.
- (i) Section 2.6(e) shall not apply unless required by Applicable Requirements.
- (j) Section 2.8(a) and (b) shall only apply with respect reports and remittances the Subservicer makes to certificateholders as part of the Master Servicing obligations pursuant to Applicable Requirements.
- (k) Sections 2.8(c) and (d) shall only apply with respect to reports relating to Master Servicing and any such report shall be separate and may differ from the reports provided by Subservicer in its capacity as subservicer. Notwithstanding the forgoing, the Subservicer shall provide access, either through an online portal or FTP, to the Owner/Servicer, upon reasonable request, for any other report(s), data or information that the Subservicer receives in its capacity as Master Servicer which the Subservicer is not otherwise required to deliver to the Owner/Servicer hereunder.
- (l) Section 2.8(e) shall only apply with respect to reports related to (i) litigation for which the Subservicer (in its capacity as Master Servicer) is directly managing and (ii) litigation that names Subservicer as a party as Master Servicer on behalf of Owner/Servicer and any such report shall be separate and may differ from the reports provided by Subservicer in its

capacity as subservicer; it being agreed that the Subservicer shall have no obligation to oversee foreclosure and bankruptcy attorneys in its Master Servicing role unless required by Applicable Requirements.

(m) Section 2.9 shall not apply.

(n) Section 2.15 shall not apply.

(o) Section 2.17 shall not apply.

(p) Section 2.20 shall not apply unless required by Applicable Requirements.

(q) Section 2.21 shall not apply unless required by Applicable Requirements.

(r) Section 3.1 shall not apply.

(s) Section 3.2 shall not apply.

(t) Section 3.3 shall not apply.

(u) Section 3.4 shall not apply.

(v) Articles VI and VII shall only apply with respect to the Master Servicing and Master Servicing Rights and shall not extend to SBO Servicers.

(w) Article VIII shall only apply with respect to the Master Servicing and Master Servicing Rights and shall not extend to SBO Servicers; provided that nothing herein shall limit, restrict or qualify the Owner/Servicer's rights to indemnification and remedies (as owner of the Master Servicing Rights) that are set forth in the applicable Servicing Agreement, the applicable Client Contract, and/or the applicable Servicer Guide.

(x) For the avoidance of doubt the following Exhibits shall not apply: B, C, D, P-1.

(y) The Service Level Agreements with respect to Master Servicing shall only be those specifically identified as "Master Servicing SLAs".

Exhibit R-3

EXHIBIT S
TRANSFER MILESTONES

PART I

Requirements of Ocwen for NRZ to fund 100% of Termination Fee Deposit Amount to Escrow Account

PART II

Requirements of Ocwen for Escrow Agent to release Initial 50% of Termination Fee Deposit Amount

PART III

Requirements of Ocwen for Escrow Agent to release Second 50% of Termination Fee Deposit Amount

Exhibit S-1

SCHEDULE 1.1

CHANGE OF CONTROL

Owner/Servicee agrees that it will apply its reasonable discretion in evaluating a proposed transaction pursuant to which *** would become the direct or indirect owner(s) of the majority of the stock of the Subservicer and such discretion shall be limited to determining that the transaction does not expose Owner/Servicee to increased risk relating to financial or servicing performance, regulatory compliance, operations, portfolio defense or the ability to finance.

Schedule 1.1-1

SCHEDULE 2.1(e)

BACK-UP SERVICING REPORTS

Schedule 2.1(e)-1

SCHEDULE 2.8(n)

RAMP-UP ACTIVITIES

THE REMAINDER OF THIS PAGE HAS BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Schedule 2.8(n)-1

SCHEDULE 2.13(e)

ADVANCE DISPUTE RESOLUTION MECHANICS

THE REMAINDER OF THIS PAGE AND THE FOLLOWING THREE PAGES OF THIS EXHIBIT HAVE BEEN OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

Schedule 2.13(e)-1

SCHEDULE 7.11

REPRESENTATIONS REGARDING ADVANCES

Representations and Warranties:

As of each Advance Reimbursement Date (or such other date if set forth below), the Subservicer hereby represents and warrants to the Owner/Servicer that the following representations and warranties are true and correct with respect to the related Advances:

- Each Advance is an Eligible Advance and arising under a Servicing Agreement that is an Eligible Servicing Agreement and has been fully funded by the Subservicer using its own funds and/or Amounts Held for Future Distribution (to the extent permitted under the related Eligible Servicing Agreement) and/or amounts received by the Subservicer from Owner/Servicer under this Agreement; provided, that notwithstanding the foregoing Subservicer makes no representation or warranty as to the status of title or any interest of a depositor, an issuer or an indenture trustee under a Servicing Agreement to or in any Advance.
- The Owner/Servicer is entitled to reimbursement for each Advance made pursuant the related Eligible Servicing Agreement.
- The Subservicer has no reason to believe that the related Advance will not be reimbursed or paid in full.
- Such Advance has not been identified by the Subservicer or reported to the Subservicer by the related trustee or Investor as having resulted from fraud perpetrated by any Person.
- Such Advance is not secured by real property and is not evidenced by an instrument.
- Such Advance is not due from the United States of America or any state or from any agency, department or instrumentality of the United States of America or any state thereof.

Definitions:

Whenever used in this Schedule 7.11, the following words and phrases, unless the context requires otherwise, shall have the meanings specified below. Capitalized terms used in this Schedule 7.11 but not otherwise defined shall have the meanings set forth in Article I of the Agreement.

Advance: Any P&I Advance or Servicing Advance.

Advance Reimbursement Date: Each date from which the Owner/Servicer paid and/or reimbursed the Subservicer for any Advances, in each case, pursuant to the terms of this Agreement.

Amounts Held for Future Distribution: To the extent permitted under the Eligible Servicing Agreement, the Owner/Servicer's right to remit amounts held for distribution to the related trustee or Investor in a future month on deposit in each Custodial Account, to the related trustee or Investor as part of the Owner/Servicer's monthly P&I Advances required under the related Eligible Servicing Agreement.

Eligible Advance: An Advance:

(i) which constitutes a "general intangible" or "payment intangible" within the meaning of Section 9-102(a)(42) (or the corresponding provision in effect in a particular jurisdiction) of the UCC as in effect in all applicable jurisdictions;

(ii) which is denominated and payable in United States dollars;

(iii) which arises under and pursuant to the terms of a Eligible Servicing Agreement and, at the time the related Advance was made or any deferred servicing fee accrued, (A) was determined by the Subservicer, in good faith to (1) be ultimately recoverable from the proceeds of the related Mortgage Loan, related liquidation proceeds or otherwise from the proceeds of or collections on the related Mortgage Loan and (2) comply with all requirements for reimbursement or payment under, the related Eligible Servicing Agreement and as to which the Subservicer has complied with all of the requirements for reimbursement under the related Eligible Servicing Agreement and, and (B) was authorized pursuant to the terms of the related Eligible Servicing Agreement; provided, that any mandatory Advances, including, without limitation, foreclosure litigation expenses or broker price opinion costs permitted or required under the related Servicing Agreement shall not be disqualified under this clause even if not recoverable from collections on or proceeds of the related Mortgage Loan if, and only if, they are recoverable from other collections with respect to the related pool of Mortgage Loans pursuant to the related Servicing Agreement and the Advance Policy and the Subservicer has determined in good faith to be ultimately recoverable from such funds;

(iv) with respect to which, as of the related Advance Reimbursement Date, the Subservicer had not (A) taken any action that would materially and adversely impair the right, title and interest of Owner/Servicer or any assignee of Owner/Servicer, or (B) failed to take any action that was necessary to avoid materially and adversely impairing the Owner/Servicer or Owner/Servicer's assignee right, title or interest therein;

(v) the Advance related to which has been fully funded by the Subservicer using its own funds and/or Amounts Held for Future Distribution (to the extent permitted under the related Eligible Servicing Agreement);

(vi) which, if arising under a Servicing Agreement which is not related to a closed-end securitization trust, provides for reimbursement or payment to the Owner/Servicer in

respect of the related Advance in full at the time the servicing of such Mortgage Loan is transferred out of such Servicing Agreement such that it is no longer subject to such Servicing Agreement; and

(vii) made in accordance with the terms of the Agreement.

Eligible Servicing Agreement: As of any date of determination, any Servicing Agreement which meets the following criteria:

(i) pursuant to the terms of such Servicing Agreement:

(A) under such agreement, the Owner/Servicer is permitted to reimburse itself for the related Advance out of late collections of the amounts advanced, including from insurance proceeds and liquidation proceeds from the Mortgage Loan with respect to which such Advance was made, prior to any holders of any notes, certificates or other securities backed by the related mortgage loan pool or any other owner of or investor in the Mortgage Loan, and prior to payment of any party subrogated to the rights of the holders of such securities (such as a reimbursement right of a credit enhancer) or any hedge or derivative termination fees, or to any related Mortgage Pool or any related trustee, custodian, hedge counterparty or credit enhancer; provided, that reimbursement of any Advance with respect to a second lien Mortgage Loan shall be subject to any first lien on the related Mortgaged Property or REO Property, as applicable, under which such Advance arises;

(B) under such agreement, if the Owner/Servicer determines that an Advance will not be recoverable out of late collections of the amounts advanced or out of insurance proceeds or liquidation proceeds from the Mortgage Loan with respect to which the Advance was made, the Owner/Servicer has the right to reimburse or pay itself for such Advance out of any funds (other than prepayment charges) in the Custodial Account or out of general collections received by the Owner/Servicer or Subservicer on its behalf with respect to any Mortgage Loans serviced under the same Eligible Servicing Agreement, prior to any payment to any holders of any notes, certificates or other securities backed by the related mortgage loan pool or any other owner of or investor in the Mortgage Loan, and prior to payment of any party subrogated to the rights of the holders of such securities (such as a reimbursement right of a credit enhancer) or any hedge or derivative termination fees, or to the related Mortgage Pool or any related trustee, custodian or credit enhancer (a "General Collections Backstop"), except that this clause (i)(B) shall not apply to Loan-Level Advance;

(ii) all Advances arising under such Servicing Agreement are free and clear of any adverse claim in favor of any Person (other than the Owner/Servicer);

(iii) the Eligible Servicing Agreement is in full force and effect;

Schedule 7.11-3

(iv) the Servicing Agreement arises under and is governed by the laws of the United States or a State within the United States; and

(v) The Subservicer has not voluntarily elected to change the reimbursement mechanics of Advances under such Servicing Agreement from a pool-level reimbursement mechanic or payment mechanic to a loan-level reimbursement mechanic or payment mechanic or from a loan-level reimbursement mechanic or payment mechanic to a pool-level reimbursement mechanic or payment mechanic without consent of Owner/Servicer.

Loan-Level Advance: An Advance that arises under a Eligible Servicing Agreement that does not provide that the related Advance is reimbursable from general collections and proceeds of the entire related mortgage pool if such Advance is determined to be a Nonrecoverable Advance.

Nonrecoverable Advance: An Advance that is determined to be "non-recoverable" from late collections or liquidation or other proceeds of the Mortgage Loan in respect of which such Advance was made.

Schedule 7.11-4

TRANSACTION AGREEMENT

DATED AS OF

JULY 23, 2017

BY AND BETWEEN

NEW RESIDENTIAL INVESTMENT CORP.

AND

OCWEN FINANCIAL CORPORATION

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TRANSACTION AGREEMENT

TRANSACTION AGREEMENT (this "Agreement"), dated as of July 23, 2017, by and between NEW RESIDENTIAL INVESTMENT CORP., a Delaware corporation (the "Investor"), and OCWEN FINANCIAL CORPORATION, a Florida corporation (the "Company"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Article I.

WITNESSETH:

WHEREAS, the Company will issue to the Investor, and the Investor will purchase from the Company, 6,075,510 shares of newly issued common stock, par value \$0.01 per share, of the Company (the "Common Stock"), at a price per share equal to the Purchase Price Per Share in cash, on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Company and the Investor have determined that it is in their respective best interests to enter into this Agreement to set forth the terms and conditions of the Sale (as defined below).

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and agreements set forth in this Agreement, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Defined Terms. For the purposes of this Agreement, the following terms have the following meanings:

(a) "Action" shall mean any action, suit, notice of violation, proceeding (including any partial proceeding such as a deposition) or investigation pending or threatened in writing against the Company, any Subsidiary of the Company or any of their respective properties or any officer, director or employee of the Company or any Subsidiary of the Company acting in his or her capacity as an officer, director or employee before or by any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, or regulatory authority.

(a) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under the Exchange Act.

(b) "Business Day" shall mean any day other than (i) a Saturday or a Sunday or (ii) a day on which banking and savings and loan institutions are authorized or required by Law to be closed in New York City.

(c) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(d) "Company Material Adverse Effect" shall mean, when used in connection with the Company or any of its Subsidiaries, any event, circumstance, change or effect individually or collectively with one or more other events, circumstances, changes or effects, that (i) has had, or is reasonably likely to have, a material adverse effect on the business, assets, financial condition or results of operations of the Company and its Subsidiaries taken as a whole, or (ii) is, or is reasonably likely to, prevent or materially delay the consummation of the Sale; provided, however, that any event, circumstance, change or effect resulting from any of the following, individually or collectively, will not be considered when determining whether a Company Material Adverse Effect has occurred for purposes of clause (i) above: (A) any change in economic conditions generally or capital and financial markets generally, including changes in interest or exchange rates, (B) any change in the industry generally in which the Company or its Subsidiaries operate, (C) any change in Laws or accounting standards, or the enforcement or interpretation thereof, applicable to the Company

or its Subsidiaries, (D) conditions in jurisdictions in which the Company or its Subsidiaries operate, including hostilities, acts of war, sabotage, terrorism or military actions, or any escalation or worsening of any of the foregoing, (E) any action taken by the Investor and any of its Affiliates or representatives, (F) any hurricane, flood, tornado, earthquake or other natural disaster, (G) the failure in and of itself of the Company or its Subsidiaries to achieve any financial projections or forecasts (but not the underlying cause of such failure), (H) changes in the trading price or trading volume of the Common Stock or (I) any change in the status of, or the resolution of, any Action disclosed in the SEC Reports; provided, that any adverse effects resulting from matters described in any of the foregoing clauses (A), (B), (C), (D), (F) or (H) may be taken into account in determining whether there is or has been a Company Material Adverse Effect to the extent, and only to the extent, that they have a disproportionate effect on the Company or its Subsidiaries relative to other participants in the industries or geographies in which the Company or its Subsidiaries operate.

(e) "Equity Compensation Plans" shall mean Ocwen Financial Corporation 1996 Stock Plan for Directors, as amended, Ocwen Financial Corporation 1998 Annual Incentive Plan, as amended, Amended Ocwen Financial Corporation 1991 Non-Qualified Stock Option Plan, dated October 26, 1999, Ocwen Financial Corporation Deferral Plan for Directors, dated March 7, 2005, Ocwen Financial Corporation 2007 Equity Incentive Plan, dated May 10, 2007, Ocwen Mortgage Servicing, Inc. Amended and Restated 2013 Preferred Stock Plan and Ocwen Financial Corporation 2017 Performance Incentive Plan.

(f) "Equity Securities" shall mean capital stock or other equity interests of the Company and options, warrants or other securities that are directly or indirectly convertible into, exchangeable for or exercisable for capital stock or other equity interests of the Company.

(g) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(h) "GAAP" shall mean generally accepted accounting principles.

(i) "Governmental Authority," shall mean any national, federal, state, provincial or local governmental, regulatory or administrative authority, agency, instrumentality, commission, court, tribunal, arbitral body or self-regulated entity, whether domestic or foreign.

(j) "Investor Material Adverse Effect" shall mean, with respect to the Investor, any event, circumstance, change or effect individually or collectively with one or more other events, circumstances, changes or effects, that is or would be reasonably likely to prevent or materially delay the consummation of the Sale.

(k) "Laws" shall include all foreign, federal, state and local laws, statutes, ordinances, rules, regulations, orders, judgments and decrees.

(l) "Liens" shall mean any liens, pledges, security interests, claims, options, rights of first offer or refusal, charges or other encumbrances.

(m) "NYSE" shall mean the New York Stock Exchange.

(n) "Organizational Documents" shall mean, with respect to any entity, the certificate or articles of incorporation and by-laws of such entity, or any similar organizational documents of such entity in effect as of the date of this Agreement.

(o) "Permitted Transferee" shall mean any Subsidiary of the Investor.

(p) "Person" shall mean any individual, firm, corporation, partnership, limited liability company or other entity, and shall include any successor (by merger, amalgamation or otherwise) of such entity.

(q) "Purchase Price Per Share" shall mean \$2.29 per share of Common Stock.

(r) "SEC" shall mean the United States Securities and Exchange Commission.

(s) "SEC Reports" shall mean the Company's Amendment No. 1 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed with the SEC on May 15, 2017, the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2017 filed with the SEC on May 15, 2017, the Company's Current Reports on Form 8-K filed with the SEC on March 20, 2017, March 27, 2017, May 16, 2017, May 24, 2017 and July 20, 2017, and the information specifically incorporated into the Company's Amendment No. 1 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2016 from the Company's Definitive Proxy Statement on Schedule 14A filed with the SEC on April 10, 2017 (including, in each case, the exhibits thereto and documents incorporated by reference therein).

(t) "Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(u) "Subsidiary," shall mean, when used with respect to the (i) Investor, any other Person that the Investor directly or indirectly owns or has the power to vote or control more than 50.0% of (A) any class or series of capital stock of such Person, (B) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited liability company or (C) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association, joint venture or other entity, and (ii) Company, the Persons set forth on Exhibit 21.1 of the Company's Amendment No. 1 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (filed with the SEC on May 15, 2017).

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Section 1.2 Construction.

(a) For the purposes of this Agreement (i) words (including capitalized terms defined herein) in the singular shall be held to include the plural and vice versa and words (including capitalized terms defined herein) of one gender shall be held to include the other gender as the context requires, (ii) the terms "hereof," "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article and Section references are to Articles and Sections of this Agreement, unless otherwise specified, (iii) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," (iv) all references to any period of days shall be deemed to be to the relevant number of calendar days unless otherwise specified, and (v) all references herein to "\$" or dollars shall refer to United States dollars, unless otherwise specified.

(b) This Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

ARTICLE II

PURCHASE AND SALE OF SHARES

Section 2.1 Sale. On the date hereof and simultaneously with the Closing, the Company shall issue and sell to the Investor, and the Investor shall purchase from the Company, 6,075,510 shares of newly-issued Common Stock (the "Shares") in exchange for the aggregate purchase price of \$13,912,917.90, representing the Purchase Price Per Share multiplied by the number of Shares (the amount so calculated, the "Purchase Price" and, such transaction, the "Sale").

Section 2.2 Closing. The closing of the Sale (the "Closing") shall take place at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, New York, simultaneously with the execution and delivery of this Agreement.

(a) At the Closing, the Company shall, unless the Investor otherwise instructs the Company to transmit Shares to the Investor by other means, cause the Company's transfer agent to deliver to the Investor a certificate representing the Shares against delivery by the Investor of the aggregate Purchase Price by wire transfer of immediately available funds to an account designated in writing by the Company. In addition, on or prior to the date hereof, each of the Company and the Investor shall deliver all documents, instruments and writings required to be delivered by either of them pursuant to this Agreement in order to implement and effect the Sale.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Investor that:

Section 3.1 Organization, Standing and Power; Subsidiaries.

(a) Each of the Company and its Subsidiaries is duly incorporated or organized, validly existing and in good standing, to the extent applicable, under the laws of its jurisdiction of incorporation or organization, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted, and is duly qualified and in good standing, to the extent applicable, to do business as a foreign corporation or other legal entity in each other jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification necessary, except in each case where the failures to be so incorporated or organized, existing or in good standing or to have such power and authority or so to qualify would not, individually or in the aggregate, reasonably be likely to have a Company Material Adverse Effect. None of the Company or any of its Subsidiaries is in violation of its Organizational Documents.

(b) Exhibit 21.1 of the Company's Amendment No. 1 to the Annual Report on Form 10-K for the year ended December 31, 2016 (filed with the SEC on May 15, 2017) contains all of the Company's "significant subsidiaries" as defined in Regulation S-X Rule 1-02(w) under the Exchange Act. All the outstanding shares of capital stock of, or other equity interests in, each of the Company's Subsidiaries have been validly issued and are fully paid and non-assessable and are owned directly or indirectly by the Company (except that (i) certain executives of Ocwen Mortgage Servicing, Inc. own shares of non-voting, non-participating, and non-transferable preferred stock issued under the Ocwen Mortgage Servicing, Inc. Amended and Restated 2013 Preferred Stock Plan, (ii) the Company directly owns 87.35% of the limited liability company interests of Ocwen Structured Investments, LLC and (iii) the Company indirectly owns 99.99% of the common stock of Ocwen Business Solutions, Inc.), free and clear of all Liens, except for restrictions imposed by applicable securities laws and Liens under the Company's outstanding debt agreements.

Section 3.2 Authority. The Company has all necessary power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Sale. The execution and delivery of this Agreement by the Company and the consummation by the Company of the Sale have been duly and validly authorized by all necessary action, and no other proceedings on the part of the Company are necessary to authorize this Agreement or to consummate the Sale. This Agreement has been duly and validly executed and delivered by the Company, and, assuming due authorization, execution and delivery by the Investor, constitutes legal, valid and binding obligations of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to or affecting creditors generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 3.3 Capital Structure.

(a) The authorized capital stock of the Company consists of 200,000,000 shares of Common Stock and 20,000,000 shares of preferred stock. As of July 20, 2017, 124,597,673 shares of Common Stock were issued and outstanding, no shares of preferred stock were issued and outstanding, and 9,748,168 shares of Common Stock were reserved for issuance pursuant to the equity grants outstanding under Equity Compensation Plans. No shares of Common Stock are held by any Subsidiary of the Company. Since July 20, 2017 to the date of this Agreement, there have been no issuances of Equity Securities other than securities that were reserved for issuance pursuant to the Equity Compensation Plans. All issued and outstanding shares of the Company are duly authorized, validly issued, fully paid and non-assessable, and no class of the Company's capital stock is entitled to preemptive or other similar rights.

(b) Except for the Equity Securities issued or reserved for issuance pursuant to the Equity Compensation Plans and as contemplated by this Agreement, and the shares of Common Stock issuable pursuant to the litigation settlement described in the Company's Current Report on Form 8-K filed with the SEC on July 20, 2017, there are no securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which the Company is a party or by which it is bound obligating the Company to issue, deliver or sell, or cause to be issued, delivered or sold, Equity Securities or other securities of the Company or obligating the Company to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking. As of the date of this Agreement, there are no outstanding obligations of the Company to repurchase, redeem or otherwise acquire any Equity Securities or other securities of the Company.

Section 3.4 Shares. The Shares as issued pursuant to the Sale in accordance with the terms hereof (i) will be validly issued, fully paid and nonassessable and (ii) assuming the representations and warranties of the Investor are true and accurate, will be issued in compliance with all applicable Laws.

Section 3.5 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Company do not, and the consummation by the Company of the Sale will not, conflict with, result in a violation of, or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result by its terms in the termination, amendment, cancellation or acceleration of any obligation or the loss of a material benefit under, or the creation of a Lien on, or the loss of, any assets pursuant to: (i) any provision of the Organizational Documents of the Company or (ii) except as, in the aggregate, would not reasonably be likely to have a Company Material Adverse Effect, subject to obtaining or making the consents, approvals, orders, authorizations, registrations, declarations and filings referred to in paragraph (b) below, (A) any loan, credit agreement, note, mortgage, bond, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise or license of the Company or any Subsidiary of the Company, or (B) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Company or any Subsidiary of the Company or their respective properties or assets.

(b) The execution and delivery of this Agreement by the Company do not, and the consummation of this Agreement by the Company will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority or any other Person, other than:

- (i) filings and reports required under the Exchange Act;
- (ii) any filings required by applicable state securities laws; and
- (iii) compliance with the rules and regulations of the NYSE (including the application to list the Shares with the NYSE).

Section 3.6 SEC Filings; Financial Statements.

(a) The Company has filed on a timely basis the SEC Reports. The SEC Reports (i) were prepared in accordance with the requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations promulgated thereunder, and (ii) did not at the time they were filed contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(b) Each of the consolidated financial statements (including, in each case, any notes thereto) contained in the SEC Reports was prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated (except as may be indicated in the notes thereto and, in the case of quarterly financial statements, as

permitted by Quarterly Reports on Form 10-Q under the Exchange Act) and each fairly presented in all material respects the consolidated financial position, results of operations and cash flows of the Company and its consolidated subsidiaries as at the respective dates thereof and for the respective periods indicated therein, except as otherwise noted therein (subject, in the case of unaudited statements, to normal and recurring year-end adjustments).

Section 3.7 Material Changes. Since the date of the latest audited financial statements included within the SEC Reports, except as disclosed in subsequent SEC Reports filed prior to the date hereof, there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect. Since the date of the latest audited financial statements included within the SEC Reports, except for the transactions contemplated by this Agreement, no event, liability or development has occurred or exists with respect to the Company or its Subsidiaries or their respective business, properties, operations or financial condition that is required to have been disclosed by the Company under applicable U.S. federal securities laws at the time this representation is made that has not been publicly disclosed at least one Business Day prior to the date that this representation is made.

Section 3.8 Compliance. Except as disclosed in the SEC Reports, neither the Company nor any of its Subsidiaries (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any of its Subsidiaries under), nor has the Company or any of its Subsidiaries received written notice of a claim that it is in default under or that it is in violation of, any loan, credit agreement, note, mortgage, bond, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license or other contract (whether or not such default or violation has been waived), (ii) is in violation of any order of which the Company or any of its Subsidiaries has been made aware in writing of any court, arbitrator or governmental body having jurisdiction over the Company or any of its Subsidiaries or their respective properties or assets, or (iii) is in violation of, or in receipt of written notice that it is in violation of, any statute, rule or regulation of any Governmental Authority applicable to the Company or any of its Subsidiaries, except in each case as would not have or reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 3.9 Brokers. No broker, finder, investment banker or other person is entitled to any brokerage, finder's or other fee or commission in connection with the Sale based upon arrangements made by or on behalf of the Company.

Section 3.10 Private Placement. Assuming the accuracy of the Investor's representations and warranties set forth herein, (i) no registration under the Securities Act is required for the Sale and (ii) the Sale does not contravene the rules and regulations of the NYSE.

Section 3.11 Listing and Maintenance Requirements. The Company's Common Stock is registered pursuant to Section 12(b) of the Exchange Act, and the Company has taken no action designed to terminate the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the SEC is contemplating terminating such registration. The Company has not, in the 12 months preceding the date hereof, received written notice from the NYSE to the effect that the Company is not in compliance with the listing or maintenance requirements thereof. The Company is in compliance in all material respects with the listing and maintenance requirements for continued trading of the Common Stock on the NYSE. The Shares shall have been approved for listing with the NYSE in accordance with its listing standards.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE INVESTOR

The Investor hereby represents and warrants to the Company, as follows:

Section 4.1 Organization. The Investor is duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the requisite power and authority and all necessary governmental approvals to own, lease and operate its properties and to carry on its business as it is now being conducted, except where the failure to be so incorporated, existing or in good standing or to have such power, authority and governmental approvals would not prevent or delay consummation of the Sale, or otherwise prevent the Investor from performing its obligations under this Agreement.

Section 4.2 Authority. The Investor has all necessary power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Sale. The execution and delivery of this Agreement by the Investor and the consummation by the Investor of the Sale have been duly and validly authorized by all necessary action, and no other proceedings on the part of the Investor are necessary to authorize this Agreement or to consummate the Sale. This Agreement has been duly and validly executed and delivered by the Investor, and, assuming due authorization, execution and delivery by the Company, constitutes legal, valid and binding obligations of the Investor enforceable against the Investor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to or affecting creditors generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 4.3 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Investor does not, and the consummation by the Investor of the Sale will not, conflict with, or result in a violation of, constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result by its terms in the termination, amendment, cancellation or acceleration of any obligation or the loss of a material benefit under, or the creation of a Lien on, or the loss of, any assets pursuant to: (i) any provision of the Organizational Documents of the Investor or (ii) except as, in the aggregate, would not reasonably be likely to have an Investor Material Adverse Effect, subject to obtaining or making the consents, approvals, orders, authorizations, registrations, declarations and filings referred to in paragraph (b) below, (A) any loan, credit agreement, note, mortgage, bond, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license, or (B) any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Investor or any Subsidiary of the Investor or their respective properties or assets.

(b) The execution and delivery of this Agreement by the Investor do not, and the consummation of this Agreement by the Investor does not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority or any other Person, other than:

- (i) filings and reports required under the Securities Act and the Exchange Act;
- (ii) any filings required by applicable state securities laws; and
- (iii) compliance with the rules and regulations of the NYSE (including the application to list the Shares with the NYSE).

Section 4.4 Non-Distribution. The Investor is purchasing the Shares for its own account for investment purposes only and not with a view towards, or for resale in connection with, the public sale or distribution thereof in violation of applicable Laws.

Section 4.5 Accredited Investor Status. The Investor is an "accredited investor" as that term is defined in Rule 501(a)(3) of Regulation D promulgated under the Securities Act. The Investor was not organized solely for the purpose of acquiring the Shares.

Section 4.6 Reliance on Exemptions. The Investor understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of, and the Investor compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Investor set forth herein in order to determine the availability of such exemptions and the eligibility the Investor to acquire the Shares.

Section 4.7 Information. The Investor and its advisors have been furnished with all materials relating to the business, finances and operations of the Company and its Subsidiaries and materials relating to the offer and sale of the Shares which have been requested by the Investor. The Investor and its advisors have been afforded the opportunity to ask questions of the Company and have received complete and satisfactory answers to any such inquiries. The Investor understands that its investment in the Shares involves a high degree of risk. The Investor has sought such accounting, legal, tax and other advice as it has considered necessary to an informed investment decision with respect to its acquisition of the Shares. The Investor is able to bear the economic risk of holding the Shares for an indefinite period (including total loss of its investment), and has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risk of such investment.

Section 4.8 Transfer or Resale. The Investor understands that the Shares have not been and are not being registered under the Securities Act or any state securities laws, and may not be transferred unless subsequently registered thereunder or sold or transferred pursuant to an exemption from such registration.

Section 4.9 Legends. Any certificate representing the Shares issued to the Investor shall be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION. ANY SUCH SALE, ASSIGNMENT OR TRANSFER MUST ALSO COMPLY WITH OR BE EXEMPT FROM APPLICABLE STATE SECURITIES LAWS.

The legend set forth above as it appears on the certificate(s) representing the Shares shall be removed and the Company shall issue a certificate without such legend to the holder of such shares upon which it is stamped, if, unless otherwise required by federal or state securities laws, (a) the sale of such shares is registered under the Securities Act, or (b) in connection with a sale transaction, such holder provides the Company with an opinion of counsel, in form, substance and scope reasonably acceptable to the Company, to the effect that a public sale or transfer of such shares may be made without registration under the Securities Act, or (c) such holder provides the Company with an opinion of counsel experienced in such matters that the shares can be sold pursuant to Rule 144 under the Securities Act (or a successor rule thereto) without any restriction as to the number of securities acquired as of a particular date that can then be immediately sold.

Section 4.10 Brokers. No broker, finder, investment banker or other person is entitled to any brokerage, finder's or other fee or commission in connection with the Sale based upon arrangements made by or on behalf of the Investor.

Section 4.1 Transactions Impacting Price of Common Stock. Since the Investor and the Company first began discussing the transactions contemplated hereby, none of the Investor nor any Person acting on behalf or in concert with the Investor has, directly or indirectly, effected or agreed to effect, any short sale or taken any other

action with respect to trading in the Common Stock or derivatives thereof with the intention of lowering the trading price of the Common Stock or otherwise sought to hedge its position in the Shares.

ARTICLE V

MISCELLANEOUS

Section 5.1 Survival. The representations, warranties and covenants contained in this Agreement shall survive the Closing for a period of one year.

Section 5.2 Public Announcements. The parties shall consult with each other before issuing any press release with respect to this Agreement or the Sale and neither shall issue any such press release, make any such public statement or make any filings required by Law without the prior consent of the other, which consent shall not be unreasonably withheld or delayed; provided, however, that a party may, without the prior consent of the other party, issue such press release, make such public statement or disclosure or make such required filing as may upon the advice of counsel be required by Law or any exchange on which the Company's securities are listed if, to the extent time permits, it has used all reasonable efforts to consult with the other party prior thereto; provided, further, however, that a party may publish, make, repeat or otherwise use any statement previously consented to by the other unless and until such other party objects in writing to the use thereof.

Section 5.3 Reporting Requirements; Rule 144. Until the first anniversary of the date of this Agreement, the Company shall use its best efforts (a) to be and remain in compliance with the periodic filing requirements imposed under the SEC's rules and regulations, including the Exchange Act, and any other applicable laws or rules, and (b) to timely file all forms, reports and documents required to be filed by the Company with the SEC (including the exhibits thereto and documents incorporated by reference therein), including pursuant to Section 13(a) or 15(d) of the Exchange Act to enable Investor to sell the Shares without registration under the Securities Act consistent with the exemptions from registration under the Securities Act provided by (i) Rule 144 under the Securities Act, as amended from time to time, or (ii) any similar SEC rule or regulation then in effect. Until the first anniversary of the date of this Agreement, the Company shall forthwith upon request furnish the Investor (x) a written statement by the Company as to whether it has complied with such requirements and, if not, the specifics thereof, (y) a copy of the most recent annual or quarterly report of the Company and (z) such other reports and documents filed by the Company with the SEC as the Investor may reasonably request in availing itself of an exemption for the sale of Shares without registration under the Securities Act.

Section 5.4 Holding Period. The Investor agrees that, for a period commencing on the date hereof and ending on the date that is nine months after the date hereof, the Investor will not, and will cause any of its Permitted Transferees not to, sell, offer to sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any of the Shares, enter into a transaction which would have the same effect as the foregoing, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares; provided, however, that such restrictions shall not apply to (i) any assignment permitted by Section 5.6 hereof and (ii) any disposition to the extent Investor determines in its sole discretion that such disposition is reasonably necessary or advisable to permit Investor or any Affiliate of Investor (including any Permitted Transferee) to qualify or maintain its qualification for taxation as a real estate investment trust under Sections 856 through 860 of the Code in circumstances where the potential failure to qualify or maintain such qualification results from any action taken by the Company.

Section 5.5 Further Assurances. At any time or from time to time after the Closing, the parties agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action (including reasonably cooperating and consulting with each other in connection with the making of all filings or notifications, if any, as may be required with any Governmental Authorities) as the other party may reasonably request in order to evidence or effectuate the consummation of the Sale and to

otherwise carry out the intent of the parties hereunder or thereunder. Each of the parties hereto agrees to cooperate and use all reasonable efforts to vigorously contest and resist any litigation, suit, claim, action or proceeding, and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that challenges the consummation of the Sale.

Section 5.6 Successors and Assigns. Except as otherwise provided herein, all the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the respective successors and permitted assigns of the parties hereto. The Investor may not assign any of its rights hereunder to any Person other than a Permitted Transferee. Each Permitted Transferee of the Investor shall become subject to all of the terms of this Agreement by executing and delivering a joinder hereto, and such Person shall be entitled to receive the benefits of and be conclusively deemed to have agreed to be bound by and to comply with all of the terms and provisions of this Agreement; provided, however, no transfer of rights permitted hereunder shall be binding upon or obligate the Company unless and until (i) the Company shall have received written notice of such transfer and the joinder of the transferee to the Company and (ii) such transferee can establish beneficial ownership or ownership of record of Shares. Notwithstanding anything in this Section 5.6 to the contrary, no assignment of this Agreement shall relieve the assigning party of its obligations hereunder. Other than pursuant to this Section 5.6, nothing in this Agreement, whether express or implied, is intended to or shall confer any rights, benefits or remedies under or by reason of this Agreement on any Person other than the parties, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party.

Section 5.7 Entire Agreement. This Agreement (including the Schedules) constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and there are no promises, representations, warranties, covenants, conditions or undertakings with respect to the subject matter hereof, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.

Section 5.8 Fees and Expenses. All fees and expenses incurred in connection with or related to this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fees or expenses, whether or not such transactions are consummated; provided, however, that in any action or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees (in addition to any award or other recovery that such prevailing party may be otherwise entitled to receive).

Section 5.9 Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or sent by electronic mail, facsimile, nationally recognized overnight courier or first class registered or certified mail, return receipt requested, postage prepaid, addressed to such party at the address set forth below or such other address as may hereafter be designated on the signature pages of this Agreement or in writing by such party to the other parties:

(i) if to the Company, to:

Ocwen Financial Corporation
1661 Worthington Road, Suite 100
West Palm Beach, FL 33409
Attn: John Britti

Email: john.britti@ocwen.com
timothy.hayes@ocwen.com
adrienne.coffin@ocwen.com
michael.stanton@ocwen.com

with a copy to (which shall not constitute notice):

O'Melveny & Myers LLP
400 South Hope Street
Los Angeles, CA 90071
Attn: John-Paul Motley, Esq.
Email: jpmotley@omm.com

(ii) if to the Investor, to:

New Residential Investment Corp.
1345 Avenue of the Americas
New York, NY 10105
Fax: (917) 591-8312
Attn: Cameron D. MacDougall
Email: cmacdougall@fortress.com

with a copy to (which shall not constitute notice):

Skadden, Arps, Slate, Meagher & Flom LLP
4 Times Square
New York, NY 10036-6522
Fax: (212) 735-2000
Attn: Michael J. Zeidel, Esq.
Peter D. Serating, Esq.
Email: michael.zeidel@skadden.com
peter.serating@skadden.com

All such notices, requests, consents and other communications shall be deemed to have been given or made if and when received (including by overnight courier) by the parties at the above addresses or sent by electronic transmission, with confirmation received, to the facsimile numbers specified above (or at such other address or telecopy number for a party as shall be specified by like notice). Any notice delivered by any party hereto to any other party hereto shall also be delivered to each other party hereto simultaneously with delivery to the first party receiving such notice.

Section 5.10 Amendments. This Agreement may not be amended, modified or supplemented unless such amendment, modification or supplement is in writing and signed by the Investor and the Company. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

Section 5.11 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same Agreement.

Section 5.12 Headings. The headings in this Agreement are for convenience of reference only and shall not control or effect the meaning or construction of any provisions hereof.

Section 5.13 Applicable Law. The laws of the State of New York shall govern the interpretation, validity and performance of the terms of this Agreement, without regard to conflicts of law doctrines (other than Sections 5-1401 and 1-402 of the New York Business Corporation Law).

Section 5.14 SUBMISSION TO JURISDICTION. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT AND ANY ACTION FOR ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS AND THE APPELLATE COURTS THEREOF. EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY AT THE ADDRESS FOR NOTICES SET FORTH HEREIN. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT BROUGHT IN THE COURTS REFERRED TO ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

Section 5.15 WAIVER OF JURY TRIAL. THE PARTIES HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

Section 5.16 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid, but if any provision of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not render invalid or unenforceable any other provision of this Agreement.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement as of the date first above written.

NEW RESIDENTIAL INVESTMENT CORP.

By: /s/ Matthew Gabriel Hoffman-Johnson
Name: Matthew Gabriel Hoffman-Johnson
Title: Authorized Signatory

[Signature Page to NRZ-OCN Transaction Agreement]

OCWEN FINANCIAL CORPORATION

By: /s/ John V. Britti
Name: John V. Britti
Title: EVP

[Signature Page to NRZ-OCN Transaction Agreement]

CERTIFICATIONS

I, Ronald M. Faris, certify that:

- (1) I have reviewed this quarterly report on Form 10-Q of Ocwen Financial Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and the other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a—15(e) and 15d—15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a—15(f) and 15d—15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2017

/s/ Ronald M. Faris
Ronald M. Faris, President
and Chief Executive Officer

CERTIFICATIONS

I, Michael R. Bourque, Jr., certify that:

- (1) I have reviewed this quarterly report on Form 10-Q of Ocwen Financial Corporation;
- (2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- (3) Based on my knowledge, the financial statements, and the other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- (4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a—15(e) and 15d—15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a—15(f) and 15d—15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- (5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2017

/s/ Michael R. Bourque, Jr.

Michael R. Bourque, Jr., Executive Vice President
and Chief Financial Officer

CERTIFICATIONS

I, Ronald M. Faris, state and attest that:

- (1) I am the Chief Executive Officer of Ocwen Financial Corporation (the "Registrant").
- (2) I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that
 - the Quarterly Report on Form 10-Q of the Registrant for the quarter ended September 30, 2017 (the "periodic report") containing financial statements fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
 - the information contained in the periodic report fairly represents, in all material respects, the financial condition and results of operations of the Registrant for the periods presented.

Name: /s/ Ronald M. Faris

Title: President and Chief Executive Officer

Date: November 1, 2017

CERTIFICATIONS

I, Michael R. Bourque, Jr., state and attest that:

- (1) I am the Chief Financial Officer of Ocwen Financial Corporation (the "Registrant").
- (2) I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that
 - the Quarterly Report on Form 10-Q of the Registrant for the quarter ended September 30, 2017 (the "periodic report") containing financial statements fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
 - the information contained in the periodic report fairly represents, in all material respects, the financial condition and results of operations of the Registrant for the periods presented.

Name: /s/ Michael R. Bourque, Jr.

Title: Executive Vice President and Chief Financial Officer

Date: November 1, 2017