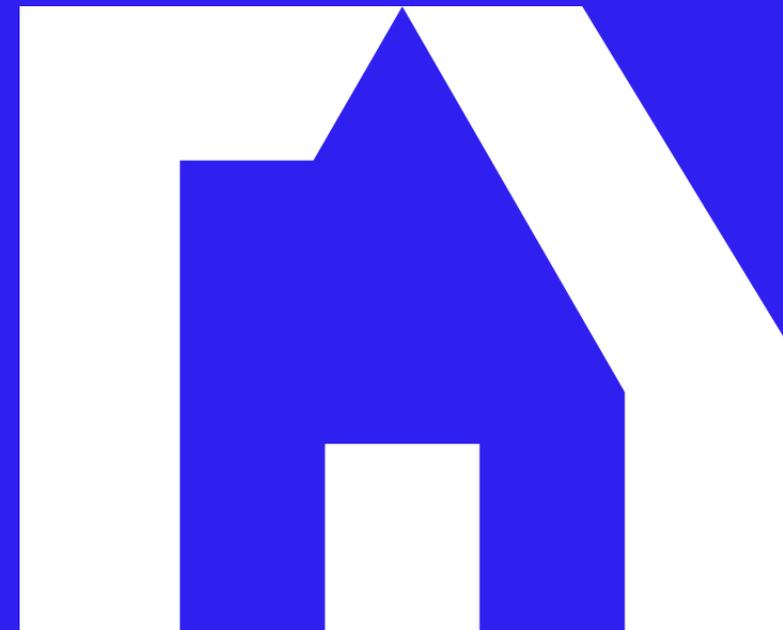




# Business Update

## First Quarter 2025

April 30, 2025



# Disclaimer

## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by a reference to a future period or by the use of forward-looking terminology. Forward-looking statements are typically identified by words such as “expect”, “believe”, “foresee”, “anticipate”, “intend”, “estimate”, “goal”, “strategy”, “plan”, “target” and “project” or conditional verbs such as “will”, “may”, “should”, “could” or “would” or the negative of these terms, although not all forward-looking statements contain these words, and includes statements in this presentation regarding our expectations for financial performance in 2025 and our ability to achieve growth and sustained profitability. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Readers should bear these factors in mind when considering such statements and should not place undue reliance on such statements.

Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. In the past, actual results have differed from those suggested by forward looking statements and this may happen again. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the potential for ongoing disruption in the financial markets and in commercial activity generally as a result of U.S. and global political events, changes in monetary and fiscal policy, and other sources of instability; the impacts of inflation, employment disruption, and other financial difficulties facing our borrowers; whether we will release some or all of the valuation allowance offsetting our net U.S. deferred tax asset, and the timing and amount of such release; the adequacy of our financial resources, including our sources of liquidity and ability to sell, fund and recover servicing advances, forward and reverse whole loans, future draws on existing reverse loans, and HECM and forward loan buyouts and put backs, as well as repay, renew and extend borrowings, borrow additional amounts as and when required, meet our MSR or other asset investment objectives and comply with our debt agreements, including the financial and other covenants contained in them; our ability to interpret correctly and comply with current or future liquidity, net worth and other financial and other requirements of regulators, the Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Mortgage Corporation (Freddie Mac) (together, the GSEs), and the Government National Mortgage Association (Ginnie Mae), including our ability to implement a cost-effective response to Ginnie Mae’s risk-based capital requirements by the extended deadline granted to us by Ginnie Mae of October 1, 2025; our ability to timely reduce operating costs, or generate offsetting revenue, in proportion to the industry-wide decrease in originations activity; the impact of cost-reduction initiatives

on our business and operations; the impact of our rebranding initiative; the amount of senior debt or common stock that we may repurchase under any repurchase programs, the timing of such repurchases, and the long-term impact, if any, of repurchases on the trading price of our securities or our financial condition; breach or failure of Onity’s, our contractual counterparties’, or our vendors’ information technology or other security systems or privacy protections, including any failure to protect customers’ data, resulting in disruption to our operations, loss of income, reputational damage, costly litigation and regulatory penalties; our reliance on our technology vendors to adequately maintain and support our systems, including our servicing systems, loan originations and financial reporting systems, and uncertainty relating to our ability to transition to alternative vendors, if necessary, without incurring significant cost or disruption to our operations; the future of our long-term relationship with Rithm Capital Corp. (Rithm); our ability to close acquisitions of MSRs and other transactions, including the ability to obtain regulatory approvals; our ability to grow our reverse servicing business; our ability to retain clients and employees of acquired businesses, and the extent to which acquisitions and our other strategic initiatives will contribute to achieving our growth objectives; increased servicing costs based on increased borrower delinquency levels or other factors; uncertainty related to past, present or future claims, litigation, cease and desist orders and investigations regarding our servicing, foreclosure, modification, origination and other practices brought by government agencies and private parties, including state regulators, the Consumer Financial Protection Bureau (CFPB), State Attorneys General, the Securities and Exchange Commission (SEC), the Department of Justice or the Department of Housing and Urban Development (HUD); the reactions of key counterparties, including lenders, the GSEs and Ginnie Mae, to our regulatory engagements and litigation matters; 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 the requirements of the GSEs and Ginnie Mae and maintain our seller/servicer and other statuses with them; our ability to fund future draws on existing loans in our reverse mortgage portfolio; our servicer and credit ratings as well as other actions from various rating agencies, including any future downgrades; as well as other risks and uncertainties detailed in our reports and filings with the SEC, including our annual report on Form 10-K for the year ended December 31, 2024. Anyone wishing to understand Onity’s business should review our SEC filings. Our forward-looking statements speak only as of the date they are made and, we disclaim any obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

## NON-GAAP FINANCIAL MEASURES

This presentation contains references to adjusted pre-tax income (loss) and adjusted pre-tax return on equity, both non-GAAP financial measures.

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

The Company has not provided reconciliations of guidance for Adjusted ROE, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include the change in fair value of our net MSR exposure due to changes in market interest rates and assumptions which can vary significantly between periods and are difficult to predict in advance in order to include in a GAAP estimate.

*See slide titled “Note Regarding Non-GAAP Financial Measures” for additional information.*



# Delivered powerful first quarter results, exceeding guidance

**ONITY™**

We get it done

NYSE: ONIT

- ✓ Accelerating growth in Originations and Servicing
- ✓ Book value growth and high adjusted ROE<sup>(a)</sup> demonstrate our sound strategy and strong execution
- ✓ Balanced business positions us for success in high or low-rate environment



# Financial results exceed full-year 2025 guidance

## Strong Operating Performance

First Quarter 2025

  vs Q1'24

Adjusted PTI<sup>(a)</sup> **\$25M**  *10<sup>th</sup> quarter of positive PTI*

GAAP Net Income\* **\$21M**  *19% ROE*  
*\$2.50 Diluted EPS*

Book Value Per Share **\$58**  *+\$2.15 year-over-year*

## Exceeding Guidance and Accelerating Growth

First Quarter 2025

  vs Q1'24

Adjusted ROE<sup>(a)</sup> **22%**  *exceeded 16-18% guidance<sup>(b)</sup>*

Servicing Avg UPB **\$305B**  *+\$13B year-over-year*

Servicing Additions **\$17B**  *includes \$12B in MSR growth*

\*attributable to common stockholders



# We believe our demonstrated resiliency will enable us to successfully navigate increasing interest rate and economic uncertainty

## Expectations

- Continued interest rate and GSE price volatility will drive higher hedge costs
- Originations industry volume<sup>(a)</sup> forecasted up 17% FY'25 vs FY'24
- Unpredictable surges of refinancing activity
- Increased industry M&A activity following RKT / COOP acquisition announcement
- Increased probability of a recession

## Our Positioning

- Balanced business designed to perform well during high and low interest rates
- Top-tier servicing performance delivers value for customers and investors
- Portfolio mix and special servicing skills minimize advancing and create growth opportunities
- Accelerating growth through increased MSR originations and product expansion
- High-performing recapture platform continues to close the gap to best practice

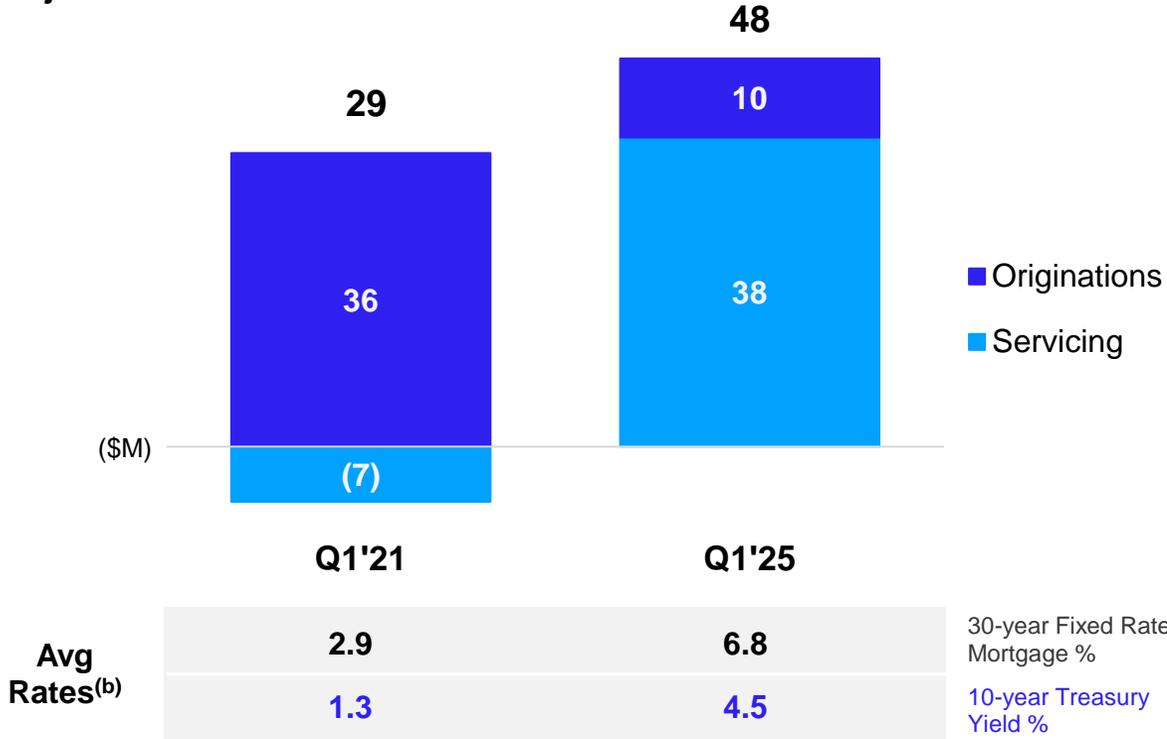
**Maintaining agility to evaluate all options to create value for shareholders**



# Balanced business designed to perform well in high and low interest rates

## Originations and Servicing complement each other

Adjusted Pre-tax Income<sup>(a)</sup>



2021 reflects the last year before sharp rise in interest rates

## Impact of market scenarios on profitability

	Rates Down	Rates Up
Originations	↑	↓
Forward Owned Servicing	↓	↑
Reverse Owned Servicing	↑	↓
Subservicing	↔	↔

Scenarios based on change in mortgage rates going forward and financial expectations from end of Q1'25; assumes parallel rate shifts



# Top-tier servicing performance delivers value for customers and investors

### Top-Tier Investor Performance<sup>(a)</sup>



**Commitment to Technology**



**2024 Best-in-Class Center of Excellence Intelligent Automation Award**

**Competitive Cost Structure<sup>(b)</sup>**

Performing Loans	Non-Performing Loans
18%+ Lower	52%+ Lower

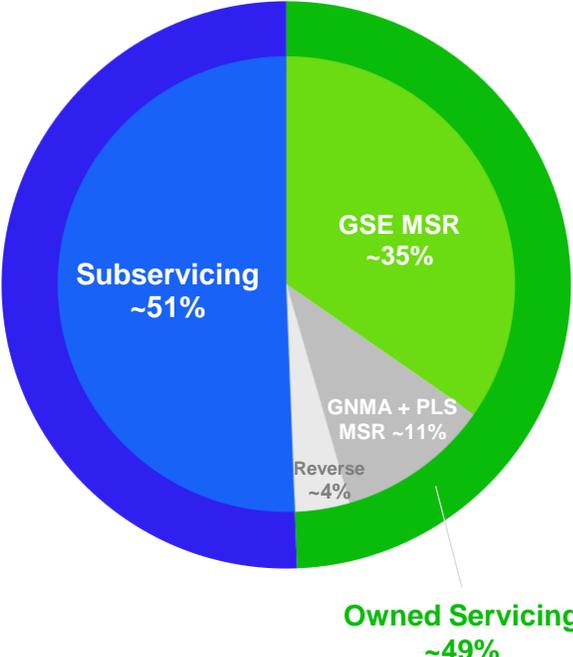
### Customer Experience<sup>(c)</sup>



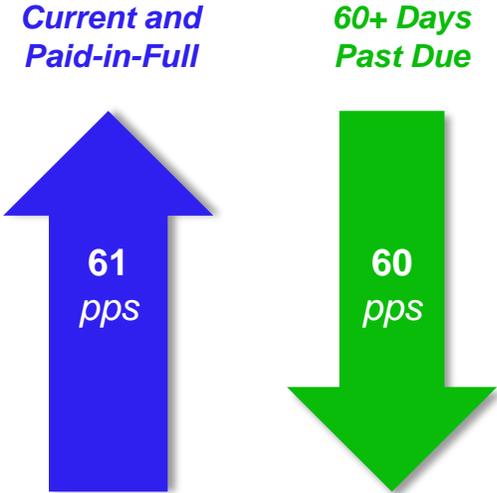
**NAMB** 2023 and 2024 Affiliate Company of the Year for Reverse Mortgage

# Portfolio mix and special servicing skills minimize advancing and create growth opportunities

**Subservicing and GSE portfolio mix<sup>(a)</sup> reduces exposure to advances**

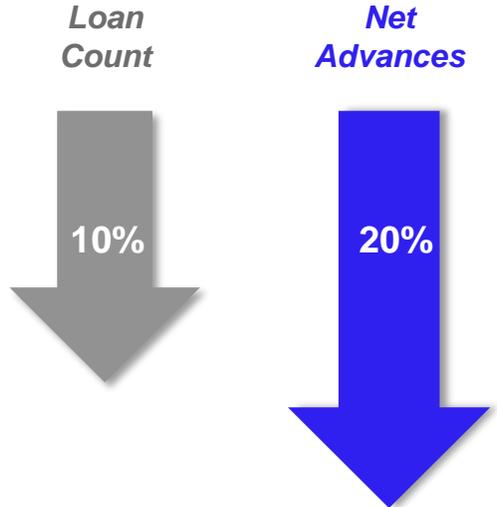


**Proven ability to reduce loan delinquency<sup>(b)</sup>**



*Delinquent loans boarded in 2021-2023, 12 months after boarding*

**Declining advances on legacy assets outpacing change in loan count**

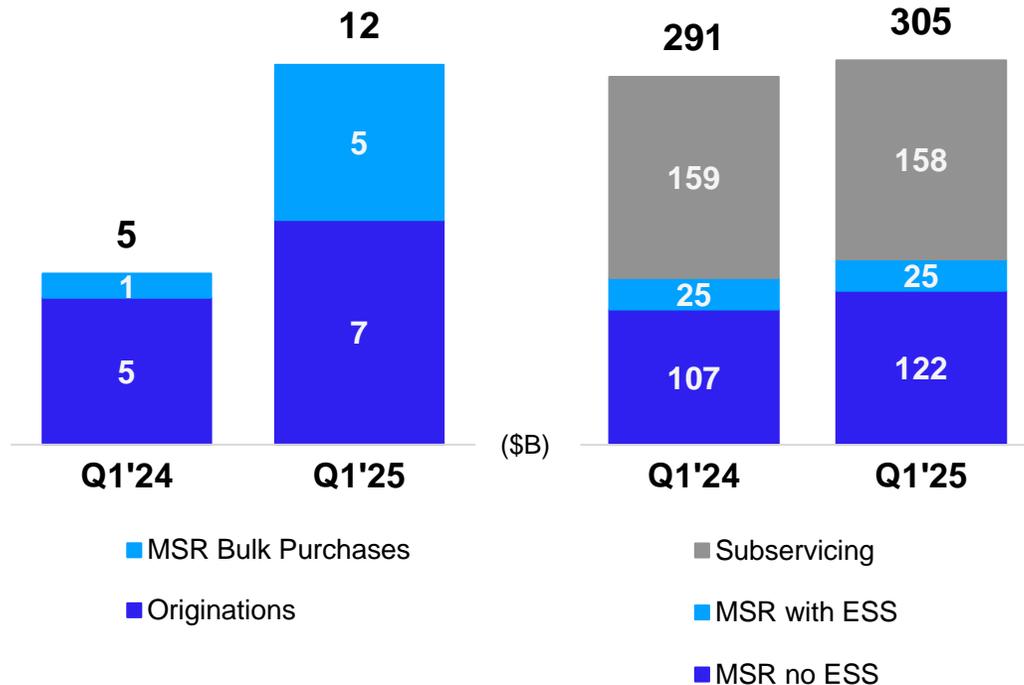


*PLS legacy assets' net advances year-over-year as of Mar'25 (owned servicing originated/acquired prior to 2019)*



# Accelerating growth through increased MSR originations and product expansion

## MSR additions up over 2x YoY



## Expanding high-margin products

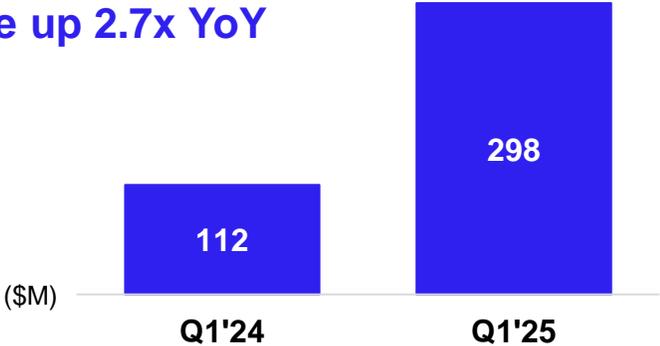
- ✓ Enhanced home equity loans launched
  - Redesigned product in response to customer feedback
  - 2<sup>nd</sup> lien locks have increased 3.6x Q1'25 vs Q1'24
- ✓ Proprietary reverse mortgage (EquityIQ) launched in April
  - Higher margin, broader market opportunity
  - Available in Wholesale and Consumer Direct, and later in Correspondent
- ✓ Proprietary expanded credit products growing
  - Includes Non-Qualified Mortgages and Debt Service Coverage Ratio products
  - Enhanced product set targeted for Q3'25 in Correspondent

**Originations volume up 53% YoY, exceeding 8% industry growth<sup>(a)</sup>**

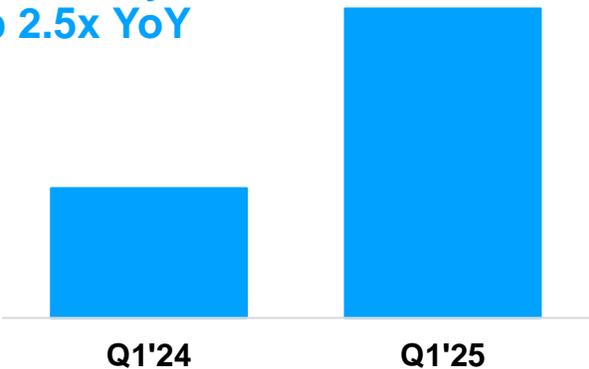


# High-performing recapture platform continues to close the gap to best practice

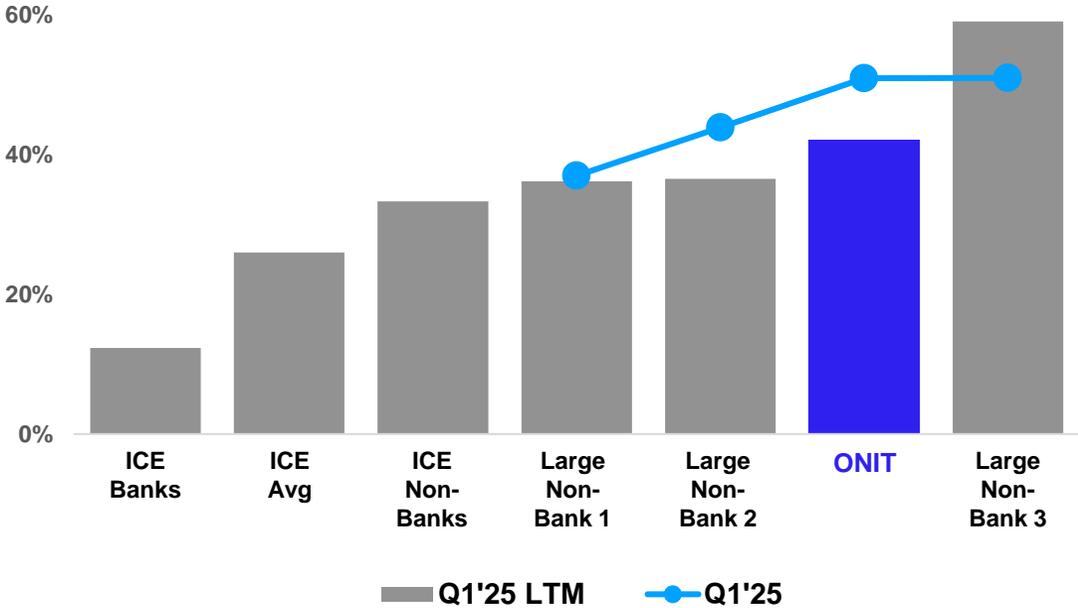
Consumer Direct funded volume up 2.7x YoY



Consumer Direct daily lock volume up 2.5x YoY



Refinance Recapture Rate 1.6x industry average<sup>(a)</sup>

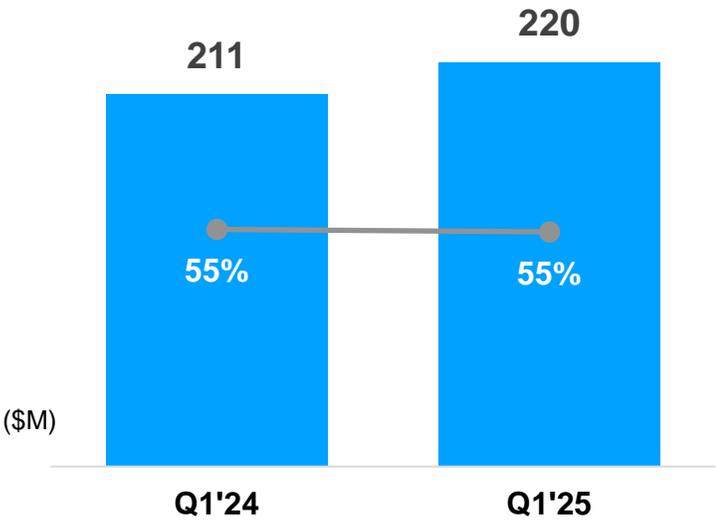


Platform flexibility to address mortgage rate volatility



# Strong start to the year in our key metrics

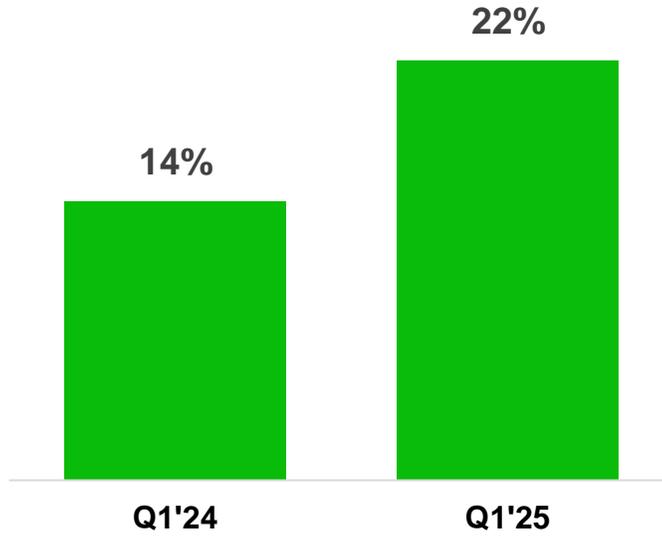
Revenue up 5% YoY, maintaining operating efficiency<sup>(a)</sup>



Adjusted Revenue — Operating Efficiency

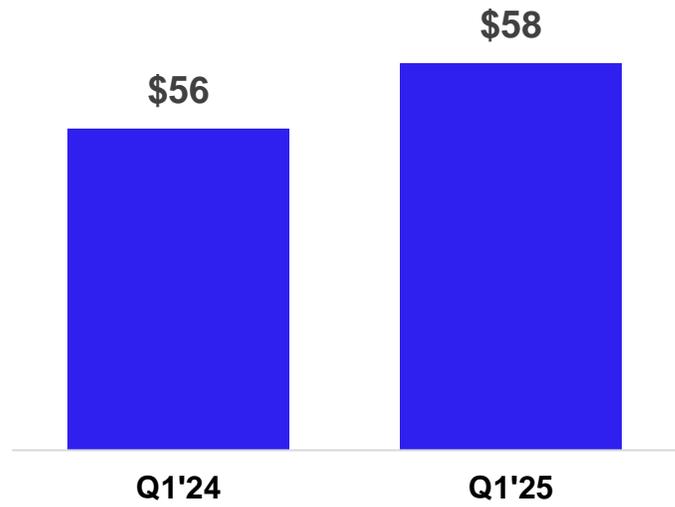
Operating Efficiency = Adj Opex as % of Adj Revenue (excluding float earnings)

Adjusted ROE<sup>(b)</sup> continues momentum, up 8pp YoY



Adjusted PTI

Book value per share up over \$2 YoY



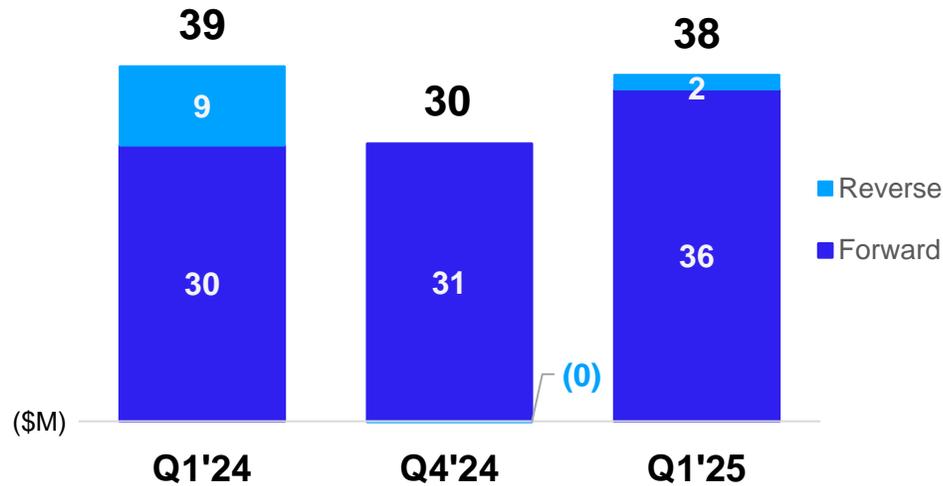
Servicing Avg UPB

Adjusted ROE tracking ahead of guidance<sup>(c)</sup>

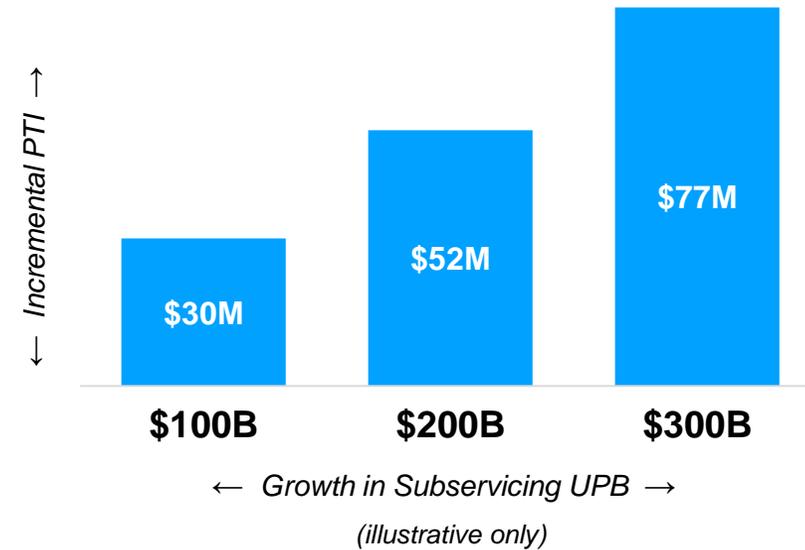


# Servicing contributes robust returns with Adjusted PTI up 25% quarter-over-quarter

Servicing Adjusted Pre-Tax Income<sup>(a)</sup>



Portfolio growth leverages cost structure to enhance profitability<sup>(b)</sup>

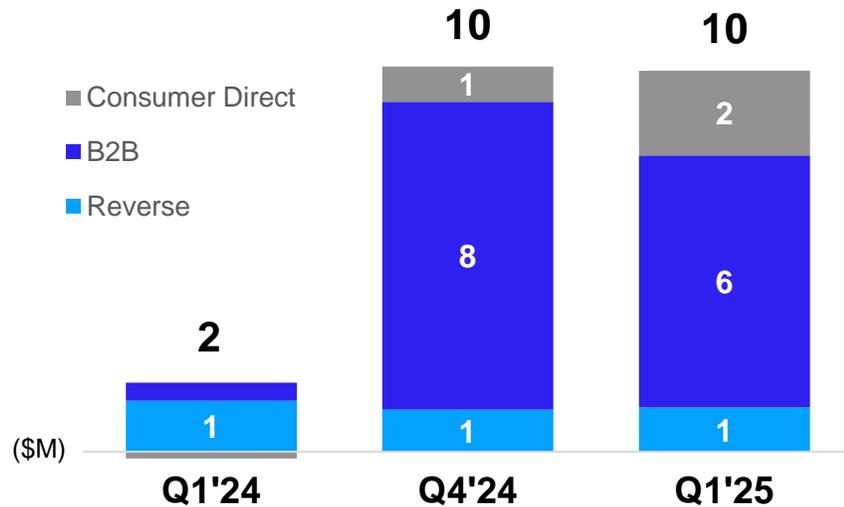


- Forward servicing fees at 4-year high, up 5% vs Q4'24 and 6% vs Q1'24
- Forward owned avg servicing UPB up 9% vs Q4'24
- Lower MSR runoff vs Q4'24 offsets seasonally low float earnings
- Reverse lower vs Q1'24 due to strong asset gains in '24 and valuation adjustments on buyout loans in '25

- Stable fixed costs and industry-leading cost structure allow us to grow income as we improve scale
- Recent shifts in competitive landscape create opportunities

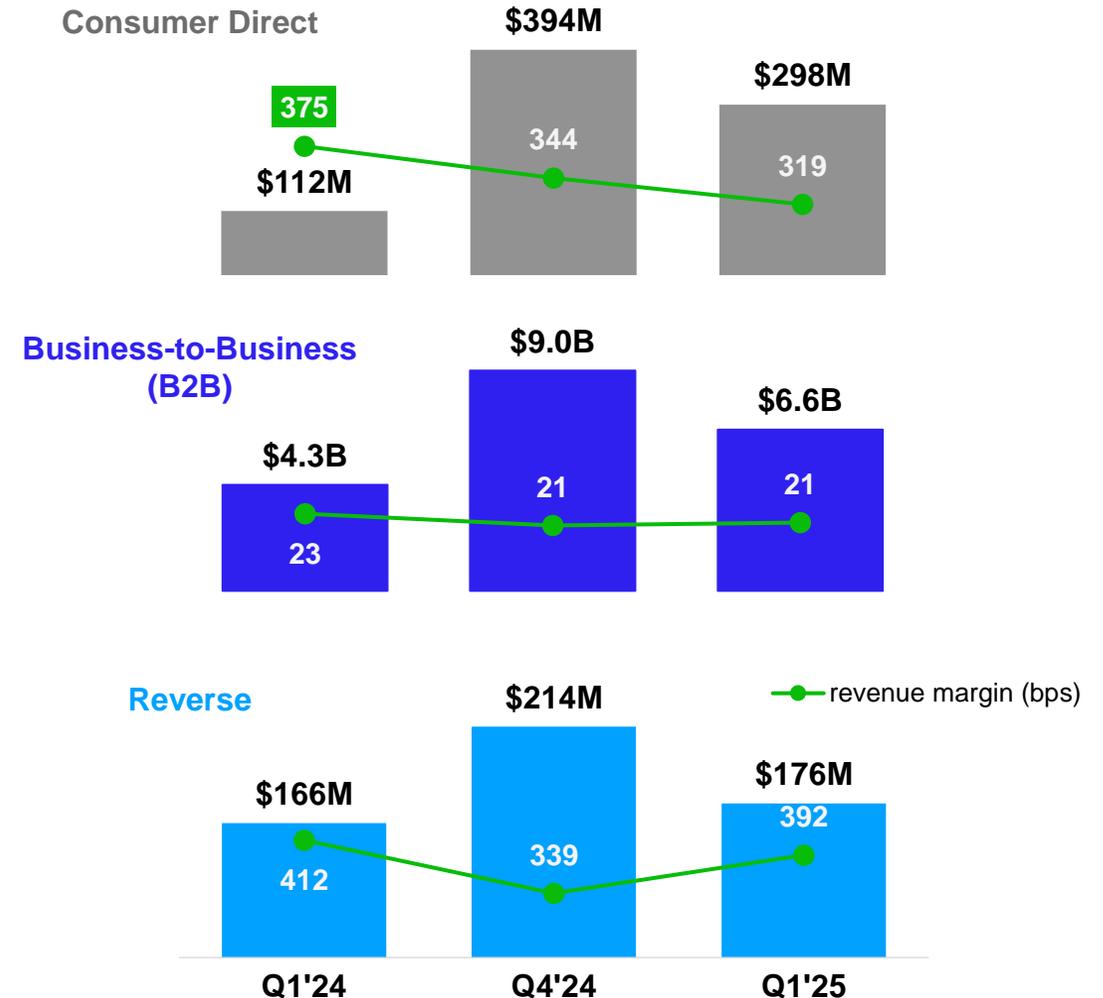
# Originations delivers strong performance despite seasonal and market headwinds

Originations Adjusted Pre-Tax Income<sup>(a)</sup>



- Funded volume up 53% vs Q1'24, exceeding 8% industry growth<sup>(b)</sup>
- Industry volume<sup>(b)</sup> down 22% vs Q4'24
- Consumer Direct lock volume up 20% vs Q4'24 driven by recapture capabilities, resulting in increased profitability
- Improved net interest margin and cost discipline maintained constant income

Funded Volume & Revenue Margin<sup>(c)</sup>



# We confirm our guidance for 2025 and add positive outlook for deferred tax asset

## Financial Objectives

- ❖ Sustain Adjusted PTI<sup>(a)</sup> performance
- ❖ Maintain earnings stability
- ❖ Increase scale of platform
- ❖ Capitalize on market-cycle opportunities

## Full-Year 2025 Updated Guidance<sup>(b)</sup>



= confirmed guidance

= updated or new guidance

- ✓ Adjusted ROE<sup>(c)</sup> of 16-18%
- ✓ Increase total servicing UPB 10+<sup>(d)</sup>
- ✓ Maintain 90-110% target MSR hedge coverage
- ✓ Maintain efficiency ratio<sup>(e)</sup>
- ↑ Release of deferred tax valuation allowance (VA) by year-end\*
  - Accretive to net income and book value
  - \$180M (~\$22 per share<sup>(f)</sup>) total VA (US) as of 12/31/24

\* As a result of improving earnings and other factors, it is reasonably possible we could release some or all of our US VA by year-end



# Sound strategy and strong execution are delivering results

## Strategy

Balance and Diversification | Prudent Capital-Light Growth | Industry-Leading Cost Structure<sup>(a)</sup>  
Top-Tier Operating Performance and Capabilities<sup>(b)</sup> | Dynamic Asset Management

## Operating Priorities



### Accelerate Growth

- Retain more MSRs
- Add new products
- Increase recapture / win rate
- Broaden asset management



### Differentiate Operating Performance

- Align value drivers
- Increase predictive analytics
- Expand robotics and AI



### Elevate the Customer Experience

- Engaged and personalized
- High-tech, high-touch
- Low customer effort

**Maintaining agility to capitalize on all opportunities to create value for shareholders**



**ONITY™**

**We get it done**

Customer first. Better together. We say. We do.

# Appendix

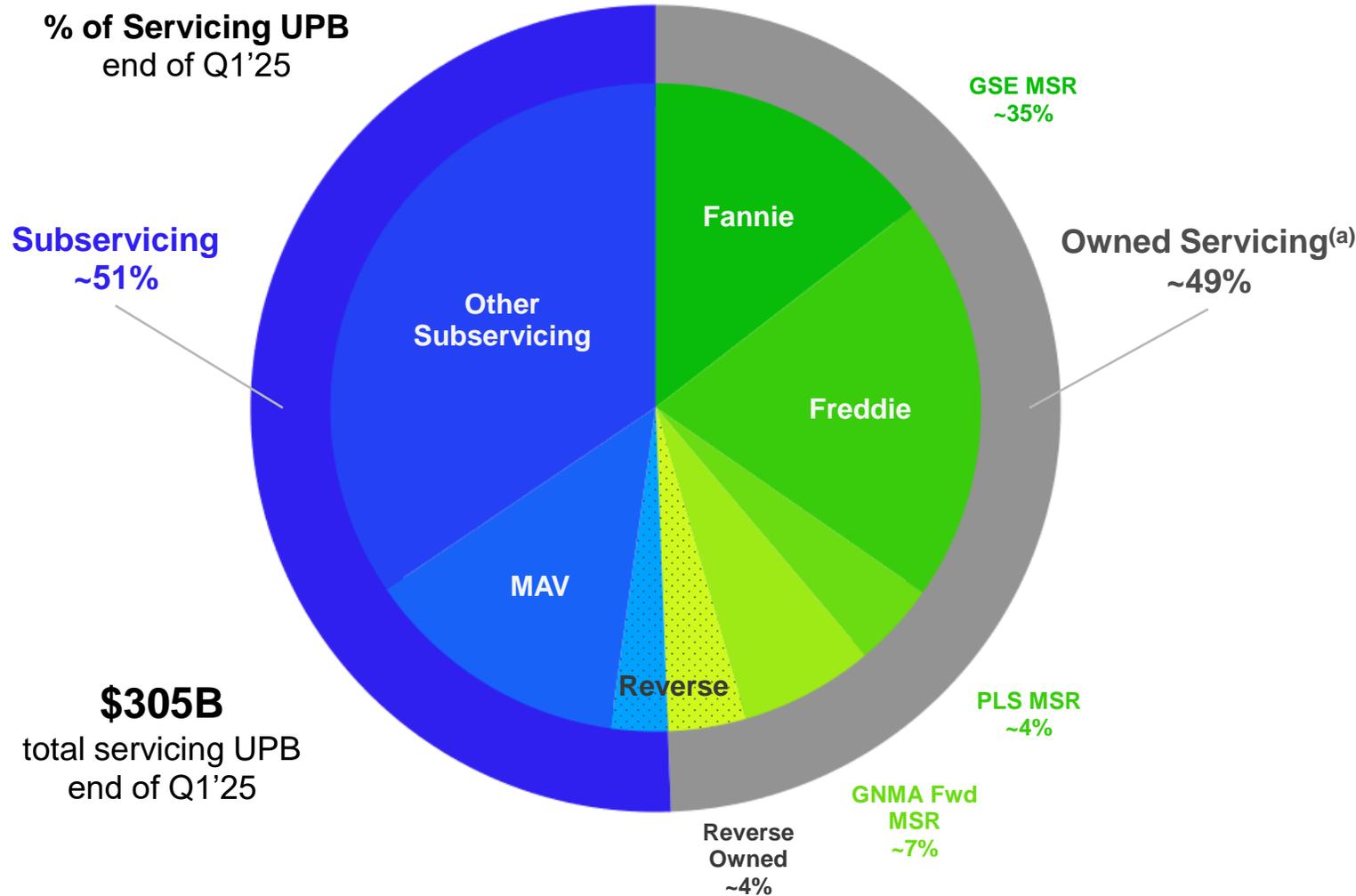


# Delivered tenth straight quarter of positive Adjusted Pre-tax Income

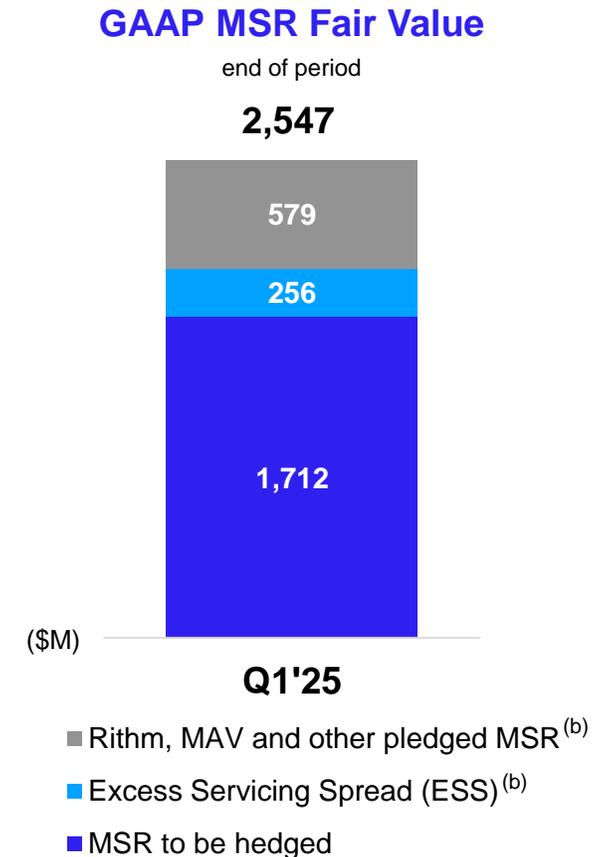
(Dollars in millions, except per share metrics)	Q1'24	Q4'24	Q1'25
<b>Adjusted pre-tax income<sup>(a)</sup></b>	<b>15</b>	<b>11</b>	<b>25</b>
MSR valuation adjustments due to rates and assumption changes, net <sup>(b)</sup>	19	(1)	(2)
<b>A</b> Corporate debt restructuring cost notables	-	(41)	-
Other notables (net of <b>A</b> )	(2)	(3)	(14)
Income tax benefit (expense)	(2)	6	13
<b>GAAP net income (loss)</b>	<b>30</b>	<b>(28)</b>	<b>22</b>
Preferred stock dividend	-	(1)	(1)
<b>GAAP net income (loss) attributable to common stockholders</b>	<b>30</b>	<b>(29)</b>	<b>21</b>
Diluted earnings (loss) per share <sup>(c)</sup>	\$3.74	(\$3.63)	\$2.50
Basic earnings (loss) per share <sup>(c)</sup>	\$3.91	(\$3.63)	\$2.68
Book value per common share	\$56	\$56	\$58
GAAP ROE <sup>(d)</sup>	29%	(25%)	19%
<b>Adjusted ROE<sup>(e)</sup></b>	<b>14%</b>	<b>10%</b>	<b>22%</b>
Available liquidity <sup>(f)</sup> end of period	219	248	239
Servicing additions (\$B)	\$23	\$25	\$17
Servicing average UPB (\$B)	\$291	\$300	\$305



# Diversified servicing portfolio mitigates risk



# MSR to be hedged



# MSR<sup>(a)</sup> Valuation

(Dollars in millions)

as of 3/31/2024				
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained	
UPB	91,288	19,797	13,370	124,455
Loan Count (000s)	356	102	85	543
Fair Value	1,287	312	108	1,707
<b>Fair Value (% of UPB)</b>	<b>1.41%</b>	<b>1.58%</b>	<b>0.81%</b>	<b>1.37%</b>

as of 12/31/2024				
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained	
UPB	97,827	19,611	12,353	129,791
Loan Count (000s)	380	92	80	551
Fair Value	1,422	344	104	1,870
<b>Fair Value (% of UPB)</b>	<b>1.45%</b>	<b>1.75%</b>	<b>0.84%</b>	<b>1.44%</b>

as of 3/31/2025				
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained	
UPB	105,665	20,113	12,028	137,805
Loan Count (000s)	411	93	78	582
Fair Value	1,508	347	101	1,956
<b>Fair Value (% of UPB)</b>	<b>1.43%</b>	<b>1.73%</b>	<b>0.84%</b>	<b>1.42%</b>

## Collateral Metrics:

Weighted Average Note Rate	4.012	4.974	4.674	4.235
Weighted Average Svc Fee	0.256	0.408	0.328	0.288
Weighted Average Rem Term	299	308	165	286
% D30 (MBA definition)	1.2%	5.7%	7.2%	3.0%
% D60 (MBA definition)	0.2%	1.8%	2.3%	0.8%
% D90+ (MBA definition)	0.5%	4.2%	5.7%	2.0%
<b>% D30-60-90+</b>	<b>1.9%</b>	<b>11.7%</b>	<b>15.2%</b>	<b>5.9%</b>

Weighted Average Note Rate	4.186	4.833	4.700	4.333
Weighted Average Svc Fee	0.255	0.415	0.328	0.286
Weighted Average Rem Term	301	311	157	289
% D30 (MBA definition)	1.1%	5.3%	6.6%	2.6%
% D60 (MBA definition)	0.2%	1.8%	2.3%	0.8%
% D90+ (MBA definition)	0.5%	4.4%	5.2%	1.8%
<b>% D30-60-90+</b>	<b>1.8%</b>	<b>11.5%</b>	<b>14.1%</b>	<b>5.2%</b>

Weighted Average Note Rate	4.314	4.880	4.651	4.426
Weighted Average Svc Fee	0.255	0.417	0.328	0.285
Weighted Average Rem Term	301	309	143	288
% D30 (MBA definition)	1.3%	4.6%	6.4%	2.5%
% D60 (MBA definition)	0.2%	1.4%	1.8%	0.6%
% D90+ (MBA definition)	0.5%	4.0%	4.9%	1.6%
<b>% D30-60-90+</b>	<b>2.0%</b>	<b>9.9%</b>	<b>13.1%</b>	<b>4.7%</b>

## Fair Value Assumptions<sup>(c)</sup>:

Lifetime CPR <sup>(d)</sup>	6.69	8.41	7.90	7.09
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.6	\$108.7	\$170.4	\$85.9
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$77
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$553	\$665	\$906	\$750
Ancillary Income <sup>(e)</sup>	\$42.2	\$45.4	\$67.8	\$45.4
Discount Rate	9.9	10.9	10.6	10.2

Lifetime CPR <sup>(d)</sup>	6.65	7.60	7.80	6.91
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.7	\$108.0	\$169.0	\$84.2
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$76
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$551	\$664	\$880	\$731
Ancillary Income <sup>(e)</sup>	\$42.5	\$45.8	\$65.7	\$45.2
Discount Rate	9.8	10.9	10.7	10.0

Lifetime CPR <sup>(d)</sup>	7.05	8.19	7.74	7.27
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.6	\$107.7	\$170.4	\$83.2
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$75
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$550	\$665	\$894	\$734
Ancillary Income <sup>(e)</sup>	\$42.8	\$45.8	\$67.7	\$45.4
Discount Rate	9.4	10.5	10.7	9.6

<b>MSR Valuation Multiple</b>	<b>5.50x</b>	<b>3.89x</b>	<b>2.46x</b>	<b>4.77x</b>
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<b>MSR Valuation Multiple</b>	<b>5.70x</b>	<b>4.26x</b>	<b>2.56x</b>	<b>5.04x</b>
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<b>MSR Valuation Multiple</b>	<b>5.60x</b>	<b>4.17x</b>	<b>2.55x</b>	<b>4.99x</b>
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a) Forward owned MSR; includes pledged ESS

b) Includes government MSR with GNMA and non-GNMA investors

c) 3rd party broker assumptions

d) Total voluntary payoffs and involuntary defaults; does not include scheduled payments

e) Annual \$ per loan; ancillary includes REO fee income on Non-Agency MSRs

f) Performing represents Current and D30; NPL represents D60+



# Managing owned MSR to a targeted investment range

(Dollars in billions)	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Forward Owned	127	121	122	124	124	123	124	135
Reverse Owned	8	8	8	8	8	9	11	12
<b>Total Owned MSR Servicing<sup>(a)</sup> Avg UPB</b>	<b>135</b>	<b>129</b>	<b>130</b>	<b>132</b>	<b>132</b>	<b>132</b>	<b>135</b>	<b>147</b>
Forward Owned w/ ESS	25	26	26	25	24	24	24	25
<b>Owned MSR Servicing excluding ESS Avg UPB</b>	<b>110</b>	<b>103</b>	<b>104</b>	<b>107</b>	<b>107</b>	<b>108</b>	<b>111</b>	<b>122</b>

## MSR Investment Range

- \$115-135B including ESS 2023-2024
- \$115-150B excluding ESS beginning in Q1'25

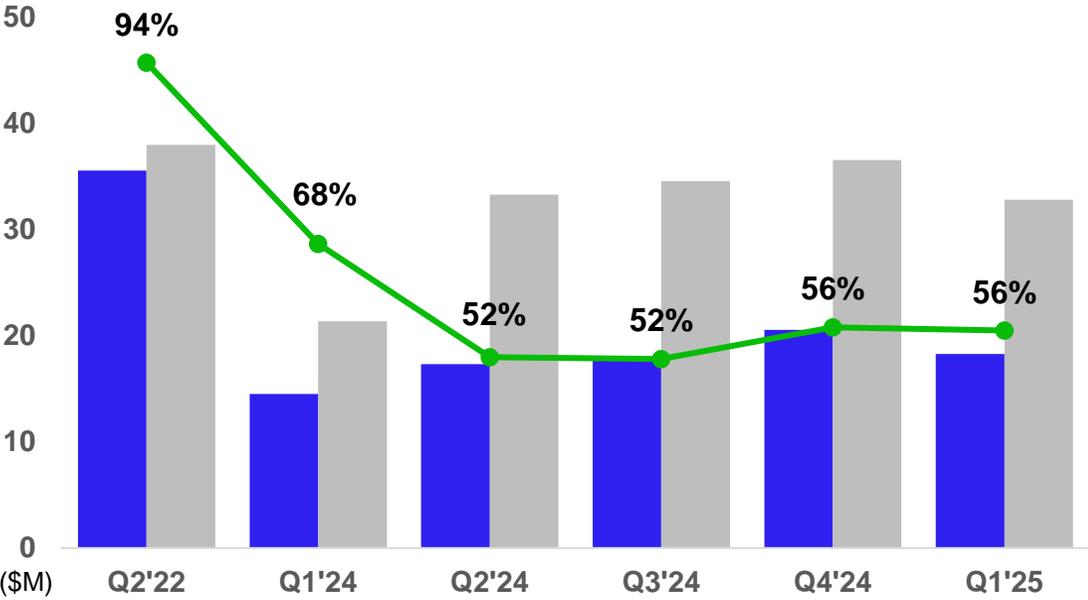
(Dollars in billions)	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
Servicing Released	0.0	0.0	0.0	0.0	6.2	8.6	0.0	0.0
Subservicing Retained	7.8	6.9	0.2	0.4	0.8	0.5	0.7	0.5
<b>MSR Sales</b>	<b>7.8</b>	<b>6.9</b>	<b>0.2</b>	<b>0.5</b>	<b>7.0</b>	<b>9.0</b>	<b>0.7</b>	<b>0.6</b>
Originations Funded Volume	4.7	7.5	5.6	4.6	7.0	8.5	9.6	7.0
Bulk MSR Purchases	0.1	0.1	0.1	0.8	0.3	1.5	8.3	4.9
<b>MSR Additions</b>	<b>4.8</b>	<b>7.6</b>	<b>5.7</b>	<b>5.4</b>	<b>7.3</b>	<b>10.1</b>	<b>17.9</b>	<b>11.9</b>



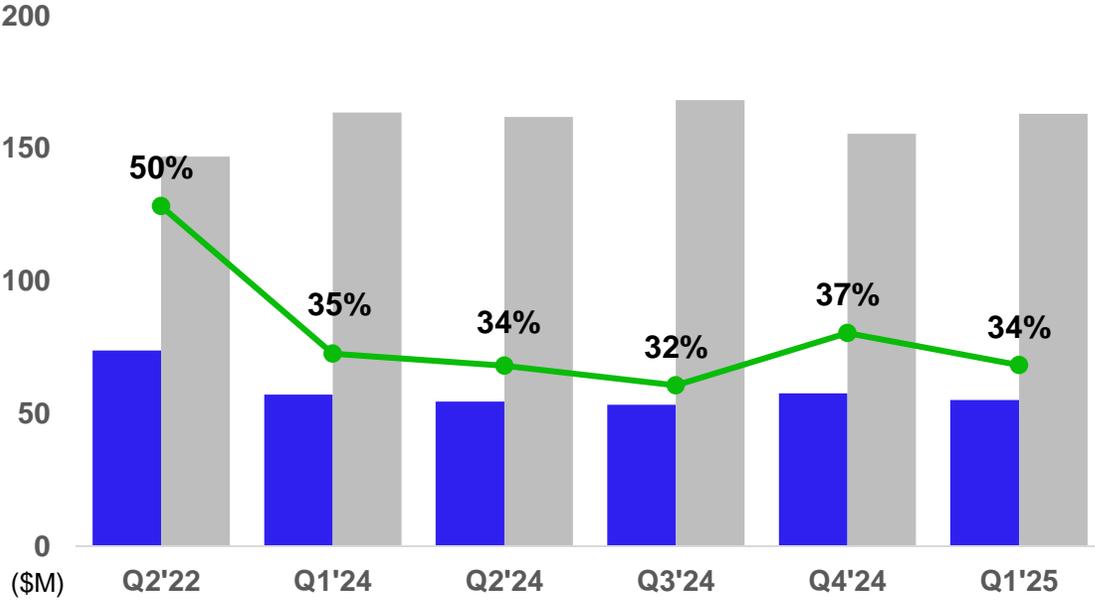
# Scale and diligent cost management maintaining operating efficiency

## Operating Efficiency by Segment

### Originations



### Servicing<sup>(a)</sup>



■ Adj Opex    
 ■ Adj Revenue excl Float    
 —●— Operating Efficiency

Operating Efficiency<sup>(b)</sup> = Adj Opex as % of Adj Revenue (excluding float earnings)



# Value proposition for integrated Reverse originator, servicer and subservicer platform

## Strong contributor to profitability

Adjusted Pre-Tax Income<sup>(a)</sup>

(\$M)	FY'22	FY'23	FY'24
Servicing	11	41	22
Originations	12	(3)	2
<b>Total Reverse</b>	<b>23</b>	<b>38</b>	<b>24</b>

<b>\$176M</b>	Reverse Originations Q1'25 ➢ 2% of total volume
<b>\$21B</b>	Reverse Owned Servicing and Subservicing Avg UPB Q1'25 ➢ 7% of total book
<b>~11%</b>	Natural hedge for forward MSR in Q4'24 + Q1'25

- ✓ Delivers **robust and consistent profitability**
- ✓ Creates **upside potential on originations** market if rates decline
- ✓ Offers **cost-efficient hedge** to the forward MSR
- ✓ Appeals to Correspondent clients that want a **one-stop solution** for all production – few have combined forward and reverse capabilities
- ✓ Provides **pricing prowess and servicing skills** to acquire reverse assets; executed 3 times in last 8 quarters with more in pipeline
- ✓ Generates **significant liquidity and accretive earnings** through securitizations (~\$119M of liquidity Jun'23 to Mar'25)
- ✓ Allows **growth opportunity** with senior home equity at over \$14T in Q4'24, up from ~\$9T in Q1'21<sup>(b)</sup>



# Dilution controlled by Onity due to updated agreements

*In Q1'25, cash used to settle first exercise of warrants to reduce dilution*

As of 3/31/25	Remaining Oaktree Warrant Settlement Method at Onity's discretion					
	Gross Shares Settlement		Net Settlement in Shares		Net Settlement in Cash	
	Book Value	Share Count	Book Value	Share Count	Book Value	Share Count
ONIT Share Price \$32.32						
Book Value in \$M						
<b>I Equity and Outstanding Shares</b>	<b>460.2</b>	<b>7,981,005</b>	<b>460.2</b>	<b>7,981,005</b>	<b>460.2</b>	<b>7,981,005</b>
<b>II Exercise of Warrants (at Onity's discretion)</b>	31.8	1,184,768	-	201,616	(6.5)	-
<b>III Equity and Shares After Dilution of Warrants [ I + II ]</b>	<b>491.9</b>	<b>9,165,773</b>	<b>460.2</b>	<b>8,182,621</b>	<b>453.6</b>	<b>7,981,005</b>
<b>IV Awards &amp; Options</b>	0.2	614,540	0.2	614,540	0.2	614,540
<b>Estimated Equity and Shares After Dilution of Warrants, Awards and Options [ III + IV ]</b>	<b>492.1</b>	<b>9,780,313</b>	<b>460.4</b>	<b>8,797,161</b>	<b>453.9</b>	<b>8,595,545</b>
Book Value Per Share (BVPS) Reported	\$57.66		\$57.66		\$57.66	
BVPS After Dilution of Warrants	\$53.67		\$56.24		\$56.84	
BVPS After Dilution of Warrants, Awards and Options	\$50.32		\$52.33		\$52.80	
<b>Implied Dilution of Warrants</b>	<b>(\$3.99)</b>		<b>(\$1.42)</b>		<b>(\$0.82)</b>	
<b>Implied Dilution of Warrants % of BVPS</b>	<b>(7.4%)</b>		<b>(2.5%)</b>		<b>(1.4%)</b>	

Data is end of period; share and equity data after dilution assumes exercise of all dilutive stock options and warrants and vesting of all equity-settled restricted stock units, assuming target performance where applicable



# Condensed Consolidated Balance Sheets

<b>Assets</b> (Dollars in millions)	<b>March 31, 2024</b>	<b>December 31, 2024</b>	<b>March 31, 2025 <i>unaudited</i></b>
Cash and cash equivalents	185	185	178
Restricted cash	66	81	59
Mortgage servicing rights (MSRs), at fair value	2,375	2,466	2,547
Advances, net	603	577	514
Loans held for sale, at fair value	1,029	1,290	1,402
Loans held for investment, at fair value	8,131	11,125	10,813
Receivables, net	152	176	222
Investment in equity method investee	38	-	-
Premises and equipment, net	12	11	11
Other assets	84	111	106
Contingent loan repurchase asset	416	412	407
<b>Total Assets</b>	<b>13,090</b>	<b>16,435</b>	<b>16,259</b>

<b>Liabilities, Mezzanine &amp; Stockholders' Equity</b>	<b>March 31, 2024</b>	<b>December 31, 2024</b>	<b>March 31, 2025 <i>unaudited</i></b>
Home Equity Conversion Mortgage-Backed Securities (HMBS) related borrowings, at fair value	7,945	10,872	10,588
Other financing liabilities, at fair value	907	847	836
Advance match funded liabilities	440	417	377
Mortgage loan financing facilities, net	1,109	1,528	1,577
MSR financing facilities, net	964	958	1,136
Senior notes, net	552	487	488
Other liabilities	325	421	340
Contingent loan repurchase liability	416	412	407
<b>Total Liabilities</b>	<b>12,658</b>	<b>15,942</b>	<b>15,749</b>
Mezzanine Equity	-	50	50
Stockholders' Equity	432	443	460
<b>Total Liabilities, Mezzanine and Stockholders' Equity</b>	<b>13,090</b>	<b>16,435</b>	<b>16,259</b>



# Condensed Balance Sheet Breakdown

Assets (Dollars in millions)	March 31, 2025 <i>unaudited</i>	Rithm, MAV & other pledged MSR	Reverse mortgages	GNMA EBO	All others
Cash and cash equivalents	178				178
Restricted cash	59				59
Mortgage servicing rights (MSRs), at fair value	2,547	579			1,968
Advances, net	514				514
Loans held for sale, at fair value	1,402				1,402
Loans held for investment, at fair value	10,813		10,588		225
Receivables, net	222				222
Premises and equipment, net	11				11
Other assets	106				106
Contingent loan repurchase asset	407			407	
<b>Total Assets</b>	<b>16,259</b>	<b>579</b>	<b>10,588</b>	<b>407</b>	<b>4,685</b>
Liabilities, Mezzanine & Stockholders' Equity	March 31, 2025 <i>unaudited</i>	Rithm, MAV & other pledged MSR	Reverse mortgages	GNMA EBO	All others
Home Equity Conversion Mortgage-Backed Securities (HMBS) related borrowings, at fair value	10,588		10,588		
Other financing liabilities, at fair value	836	579			256
Advance match funded liabilities	377				377
Mortgage loan financing facilities, net	1,577				1,577
MSR financing facilities, net	1,136				1,136
Senior notes, net	488				488
Other liabilities	340				340
Contingent loan repurchase liability	407			407	
<b>Total Liabilities</b>	<b>15,749</b>	<b>579</b>	<b>10,588</b>	<b>407</b>	<b>4,175</b>
Mezzanine Equity	50				50
Stockholders' Equity	460				460
<b>Total Mezzanine and Stockholders' Equity</b>	<b>510</b>				<b>510</b>
<b>Equity to Asset Ratio</b>	<b>3.1%</b>				<b>10.9%</b>



# Condensed Consolidated Statement of Operations

(Dollars in millions)	<i>Three months ended</i>	<b>March 31, 2024</b>	<b>December 31, 2024</b> <i>unaudited</i>	<b>March 31, 2025</b> <i>unaudited</i>
<b>Revenue</b>				
Servicing and subservicing fees		205	206	203
Gain on reverse loans held for investment and HMBS-related borrowings, net		15	1	24
Gain on loans held for sale, net		11	6	12
Other revenue, net		8	12	11
<b>Total Revenue</b>		<b>239</b>	<b>225</b>	<b>250</b>
<b>MSR Valuation Adjustments, net</b>		<b>(12)</b>	<b>(20)</b>	<b>(39)</b>
<b>Operating Expenses</b>				
Compensation and benefits		54	64	57
Servicing and origination		15	12	13
Technology and communications		13	14	15
Professional services		12	13	23
Occupancy, equipment and mailing		8	8	8
Other expenses		3	4	4
<b>Total Operating Expenses</b>		<b>104</b>	<b>116</b>	<b>120</b>
<b>Other Income (Expense)</b>				
Interest income		17	29	26
Interest expense		(67)	(74)	(67)
Pledged MSR liability expense		(45)	(42)	(42)
Gain (loss) on extinguishment of debt		1	(51)	-
Earnings of equity method investee		3	16	-
Other, net		(1)	0	1
<b>Total Other Income (Expense), net</b>		<b>(91)</b>	<b>(122)</b>	<b>(82)</b>
Income (loss) before income taxes		32	(34)	9
Income tax expense (benefit)		2	(6)	(13)
<b>Net income (loss)</b>		<b>30</b>	<b>(28)</b>	<b>22</b>
Preferred stock dividend		-	(1)	(1)
<b>Net Income (loss) attributable to common stockholders</b>		<b>30</b>	<b>(29)</b>	<b>21</b>



# Note Regarding Non-GAAP Financial Measures

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

The Company has not provided reconciliations of guidance for Adjusted ROE, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include the change in fair value of our net MSR exposure due to changes in market interest rates and assumptions which can vary significantly between periods and are difficult to predict in advance in order to include in a GAAP estimate.

Beginning with the three months ended December 31, 2024, for purposes of calculating Income Statement Notables and Adjusted Pre-Tax Income, we changed the methodology used to calculate Other Income Statement Notables to include change in fair value due to interest rates for reverse loan buyouts (reported in gain/loss on loans held for sale, at fair value). We made this change to align with the change to our risk management approach to include changes in fair value of reverse loan buyouts due to interest rates in our MSR hedge strategy, consistent with other notables, such as Forward MSR Valuation Adjustments due to rates and assumption changes, net and Reverse Mortgage Fair Value Change due to rates and assumption changes. Other Income Statement Notables (a component of Other Notables) for the first three quarters of 2024 have been revised from prior presentations to reflect the methodology we adopted during the fourth quarter of 2024.

On the slide titled "Notables and Adjusted Pre-tax Income (Loss) Calculation", we adjust GAAP pre-tax income (loss) for the following factors: MSR valuation adjustments, expense notables, and other income statement notables. MSR valuation adjustments are comprised of changes to Forward MSR and Reverse mortgage valuations due to rates and assumption changes. Expense notables include significant legal and regulatory settlement expenses, expense recoveries, severance and retention costs, LTIP stock price changes, consolidation of office facilities and other expenses (such as costs associated with strategic transactions). Other income statement notables include non-routine transactions that are not categorized in the above.

On the slide titled "ROE Calculations", we present our calculation of annualized return on equity based on GAAP net income, as well as an annualized return on equity calculation based on adjusted pre-tax income (loss) as calculated in the following slide.



# Notables and Adjusted Pre-tax Income (Loss) Calculation

(Dollars in millions)	Q1'21	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	FY'21	FY'22	FY'23	FY'24
<b>I Reported net income (loss)</b>	<b>9</b>	<b>30</b>	<b>11</b>	<b>21</b>	<b>(28)</b>	<b>22</b>	<b>18</b>	<b>26</b>	<b>(64)</b>	<b>34</b>
<b>A</b> Income tax benefit (expense)	(3)	(2)	(3)	(6)	6	13	22	1	(6)	(5)
<b>II Reported pre-tax income (loss) [ I – A ]</b>	<b>12</b>	<b>32</b>	<b>14</b>	<b>28</b>	<b>(34)</b>	<b>9</b>	<b>(4)</b>	<b>25</b>	<b>(58)</b>	<b>39</b>
Forward MSR valuation adjustments due to rates and assumption changes, net <sup>(a)(b)</sup>	25	18	(13)	(1)	14	(12)	11	151	(121)	17
Reverse mortgage fair value change due to rates and assumption changes <sup>(b)(c)</sup>	(4)	1	(4)	9	(15)	10	(23)	(48)	(3)	(7)
<b>III Total MSR valuation adjustments due to rates and assumption changes, net</b>	<b>21</b>	<b>19</b>	<b>(17)</b>	<b>8</b>	<b>(1)</b>	<b>(2)</b>	<b>(12)</b>	<b>103</b>	<b>(124)</b>	<b>10</b>
Significant legal and regulatory settlement expenses	-	(2)	2	(6)	(2)	(14)	(12)	7	21	(8)
Expense recoveries	-	-	-	-	-	-	(3)	4	-	-
Severance and retention <sup>(d)</sup>	-	(2)	(1)	(0)	(0)	(0)	-	(19)	(7)	(3)
LTIP stock price changes <sup>(e)</sup>	-	3	1	(1)	(1)	0	(6)	6	3	1
Office facilities consolidation	-	(0)	0	(0)	(0)	(0)	(0)	(4)	0	(0)
Other expense notables <sup>(f)</sup>	(1)	(1)	(1)	0	(0)	1	(16)	1	2	(2)
<b>B Total expense notables</b>	<b>(1)</b>	<b>(2)</b>	<b>1</b>	<b>(7)</b>	<b>(4)</b>	<b>(14)</b>	<b>(37)</b>	<b>(5)</b>	<b>18</b>	<b>(12)</b>
<b>C</b> Gain (loss) on extinguishment of debt	(15)	1	0	0	(51)	-	(15)	1	1	(49)
<b>D</b> Gain on sale of MAV canopy	-	-	-	-	14	-	-	-	-	14
<b>E</b> Other income statement notables <sup>(g)</sup>	-	(2)	(3)	(5)	(3)	(0)	(1)	(4)	(2)	(13)
<b>IV Total other notables [ B + C + D + E ]</b>	<b>(16)</b>	<b>(2)</b>	<b>(2)</b>	<b>(12)</b>	<b>(44)</b>	<b>(14)</b>	<b>(52)</b>	<b>(9)</b>	<b>17</b>	<b>(60)</b>
<b>V Total notables<sup>(h)</sup> [ III + IV ]</b>	<b>5</b>	<b>17</b>	<b>(19)</b>	<b>(4)</b>	<b>(45)</b>	<b>(16)</b>	<b>(64)</b>	<b>94</b>	<b>(107)</b>	<b>(51)</b>
<b>Adjusted pre-tax income (loss)<sup>(i)</sup> [ II – V ]</b>	<b>7</b>	<b>15</b>	<b>32</b>	<b>31</b>	<b>11</b>	<b>25</b>	<b>59</b>	<b>(70)</b>	<b>49</b>	<b>90</b>
Weighted average common shares outstanding (diluted) <i>in M</i>	8.9	8.0	7.9	8.1	7.9	8.4	9.4	9.0	7.6	8.1



# ROE Calculations

(Dollars in millions)	Q1'21	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	FY'21	FY'22	FY'23	FY'24
I Reported net income (loss)	9	30	11	21	(28)	22	18	26	(64)	34
A Preferred stock dividend	-	-	-	-	(1)	(1)	-	-	-	(1)
II Reported net income (loss) attributable to common stockholders [ I + A ]	9	30	11	21	(29)	21	18	26	(64)	33
<b>III Annualized net income (loss) [ II * 4 for qtr.]</b>	<b>34</b>	<b>120</b>	<b>42</b>	<b>86</b>	<b>(114)</b>	<b>84</b>	<b>18</b>	<b>26</b>	<b>(64)</b>	<b>33</b>
B Beginning period common equity	415	402	432	446	468	443	415	477	457	402
C Ending period common equity	440	432	446	468	443	460	477	457	402	443
<b>IV Average equity [ ( B + C ) / 2 ]</b>	<b>428</b>	<b>417</b>	<b>439</b>	<b>457</b>	<b>456</b>	<b>452</b>	<b>446</b>	<b>467</b>	<b>429</b>	<b>422</b>
<b>GAAP ROE [ III / IV ] (after tax)</b>	<b>8%</b>	<b>29%</b>	<b>10%</b>	<b>19%</b>	<b>(25%)</b>	<b>19%</b>	<b>4%</b>	<b>6%</b>	<b>(15%)</b>	<b>8%</b>

(Dollars in millions)	Q1'21	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	FY'21	FY'22	FY'23	FY'24
I Reported net income (loss)	9	30	11	21	(28)	22	18	26	(64)	34
II Notable items	5	17	(19)	(4)	(45)	(16)	(64)	94	(107)	(51)
III Income tax benefit (expense)	(3)	(2)	(3)	(6)	6	13	22	1	(6)	(5)
<b>IV Adjusted pre-tax income (loss)<sup>(a)</sup> [ I - II - III ]</b>	<b>7</b>	<b>15</b>	<b>32</b>	<b>31</b>	<b>11</b>	<b>25</b>	<b>59</b>	<b>(70)</b>	<b>49</b>	<b>90</b>
<b>V Annualized adjusted pre-tax income (loss) [ IV * 4 for qtr.]</b>	<b>26</b>	<b>59</b>	<b>128</b>	<b>126</b>	<b>46</b>	<b>102</b>	<b>59</b>	<b>(70)</b>	<b>49</b>	<b>90</b>
A Beginning period common equity	415	402	432	446	468	443	415	477	457	402
C Ending period common equity	440	432	446	468	443	460	477	457	402	443
D Equity impact of notables	(5)	(17)	19	4	45	16	64	(94)	107	51
<b>B Adjusted ending period equity [ C + D ]</b>	<b>435</b>	<b>415</b>	<b>465</b>	<b>472</b>	<b>488</b>	<b>477</b>	<b>540</b>	<b>363</b>	<b>509</b>	<b>493</b>
<b>VI Average adjusted equity [ ( A + B ) / 2 ]</b>	<b>425</b>	<b>408</b>	<b>448</b>	<b>459</b>	<b>478</b>	<b>460</b>	<b>478</b>	<b>420</b>	<b>483</b>	<b>448</b>
<b>Adjusted ROE<sup>(a)</sup> [ V / VI ] (pre-tax)</b>	<b>6%</b>	<b>14%</b>	<b>29%</b>	<b>27%</b>	<b>10%</b>	<b>22%</b>	<b>12%</b>	<b>(17%)</b>	<b>10%</b>	<b>20%</b>



# Q1'25 P&L GAAP to Adjusted Bridge

Servicing Segment (Dollars in millions)		GAAP	Rithm, MAV & Other Pledged MSR Reclss	Reverse Reclss	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclss	Adjusted
Revenue	221	(29)	5	(10)	1			203
MSR Valuation Adjustments, net	(42)		(3)	12				(33)
Operating Expenses	(69)	0	(1)		2	12		(55)
Other Income (Expense)	(78)	29			(1)			(49)
Corporate Overhead Allocations	-					(12)		(12)
<b>Pre-tax Income</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>		<b>38</b>

Originations Segment (Dollars in millions)		GAAP	Rithm, MAV & Other Pledged MSR Reclss	Reverse Reclss	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclss	Adjusted
Revenue	29				4			33
MSR Valuation Adjustments, net	3			(4)				(1)
Operating Expenses	(22)	0				0	4	(18)
Other Income (Expense)	0	(0)						0
Corporate Overhead Allocations	-						(4)	(4)
<b>Pre-tax Income</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>-</b>		<b>10</b>

Consolidated (Dollars in millions)		GAAP	Rithm, MAV & Other Pledged MSR Reclss	Reverse Reclss	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclss	Adjusted
Revenue	250	(29)	5	(6)	1			220
MSR Valuation Adjustments, net	(39)		(3)	8				(34)
Operating Expenses	(120)	0	(1)		14			(107)
Other Income (Expense)	(82)	29			(1)			(54)
<b>Pre-tax Income</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>14</b>	<b>-</b>		<b>25</b>



# End Notes



# End Notes

## SLIDE 3

- a) Annualized adjusted PTI return on common equity; Q1'25 adjusted ROE exceeds 2025 guidance of 16-18% provided in our Q4'24 earnings materials; see slides 28-31 for discussion of non-GAAP measures

## SLIDE 4

- a) See slides 28-31 for discussion of non-GAAP measures; adjusted ROE refers to annualized adjusted PTI return on common equity (see slide 30 for calculation)
- b) Guidance provided on slide 16 of our Q4'24 earnings presentation

## SLIDE 5

- a) Industry growth is avg of MBA Mortgage Finance Forecast as of 4/11/25 and FNMA Housing Forecast as of 4/11/25

## SLIDE 6

- a) See slides 28-31 for discussion of non-GAAP measures
- b) Sources: Freddie Mac Primary Mortgage Market Survey, U.S. Department of the Treasury Resource Center

## SLIDE 7

- a) GSE Awards for last 4 years include FNMA STAR and FHLMC SHARP (2023-2024 recognized as a servicer for SHARP)
- b) Cost per loan (CPL) comparison of Onity to large banks/non-banks (excl. Onity) in FY'23 for forward residential mortgages (source: MBA's 2024 Servicing Operations Study - most recent data available as results are released each May for prior year); CPL defined as fully-loaded opex divided by avg loan count; large banks/non-banks have at least 1 million loans serviced; Survey: Onity's CPL is 18% lower than large non-banks and 33% lower than large banks for performing loans (< 60 days past due), as well as 52% lower than large non-banks and 69% lower than large banks for non-performing loans (60+ days past due)
- c) Positive experience scores for call center and loan boarding based on responses to borrower surveys in 2024 (based on a 5-star rating); client net promoter score based on subservicing client surveys in 2H'24

## SLIDE 8

- a) Percentage of Q1'25 ending servicing UPB; owned servicing includes owned MSRs, reverse mortgage loans (referred to as our reverse MSR) and other whole loans
- b) Performance of static pool of 60+ delinquent loans from our largest bulk boardings in 2021-23; 61% were cured within 12 months

## SLIDE 9

- a) Year-over-year comparison of Q1'25 to Q1'24; industry growth is avg of MBA Mortgage Finance Forecast as of 4/11/25 and FNMA Housing Forecast as of 4/11/25

## SLIDE 10

- a) Onity's refinance recapture rate by balance (Q2'24 through Q1'25) as a multiple of industry rate (avg of Q2'24, Q3'24 and Q4'24); industry data source: ICE Mortgage Monitor report Apr'25; LTM refinance recapture rates for other Non-Banks are estimates of Q2'24 through Q1'25 using data from their earnings materials; Large Non-Banks 1 and 2 for Q1'25 LTM is their refinance recapture rates (excl. closed-end seconds) for FY'24 and Q1'25 as reported in their Q4'24 and Q1'25 earnings materials – weighted by estimated quarterly refinance payoff volume; Large Non-Bank 3 for Q1'25 LTM is their refinance recapture rate as reported in their Q2'24, Q3'24, Q4'24 and Q1'25 earnings materials – weighted by estimated quarterly refinance payoff volume; Q1'25 rates for each of the Large Non-Banks are as reported in their Q1'25 earnings materials

## SLIDE 11

- a) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, operating efficiency would still be 55% for Q1'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) Annualized adjusted PTI return on common equity; see slides 28-31 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted ROE would be 14% for Q1'24 and adjusted PTI would be \$14M for Q1'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- c) Tracking ahead of adjusted ROE guidance provided on slide 16 of our Q4'24 earnings presentation; confirm all full-year guidance previously provided

## SLIDE 12

- a) See slides 28-31 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Reverse Servicing adjusted PTI would be \$8M in Q1'24 and \$(4)M in Q4'24, and total Servicing adjusted PTI would be \$38M in Q1'24 and \$27M in Q4'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) Chart is illustrative only and displays estimated PTI generated from subservicing UPB incremental to our current portfolio; incremental revenue less incremental marginal, fixed, and overhead costs

## SLIDE 13

- a) See slides 28-31 for discussion of non-GAAP measures
- b) Industry growth is avg of MBA Mortgage Finance Forecast as of 4/11/25 and FNMA Housing Forecast as of 4/11/25
- c) Revenue margin defined as total revenue for the channel divided by its funded UPB (pull-through adjusted locks UPB for Consumer Direct)

## SLIDE 14

- a) See slides 28-31 for discussion of non-GAAP measures
- b) Assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters; in the past, results have differed materially from our expectations, and this may happen again
- c) Annualized adjusted PTI return on common equity; see slide 30 for calculation; see slides 28-31 for discussion of non-GAAP measures
- d) 10+% increase in total servicing UPB from year-end 2024 to year-end 2025
- e) Efficiency ratio defined as adjusted operating expenses (which excludes overhead allocation at segment level) divided by adjusted revenue (excluding float earnings)
- f) US deferred tax valuation allowance per outstanding shares 12/31/24

## SLIDE 15

- a) See slide 7 for cost structure comparison to peers from MBA's 2024 Servicing Operations Study
- b) See slide 7 for servicer awards that include HUD Tier 1 ranking for 4 consecutive years



# End Notes

## SLIDE 18

- a) See slides 28-31 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted PTI would be \$14M in Q1'24 and \$8M in Q4'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) MSR valuation adjustments that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall fair value gains / (losses) on MSR hedge, including FV changes of Pledged MSR liabilities associated with MSR transferred to MAV, RITM and others and ESS financing liabilities that are due to changes in market interest rates, valuation inputs or other assumptions, a component of MSR valuation adjustments, net
- c) GAAP net income (loss) attributable to common stockholders per share
- d) GAAP annualized return on common equity; see slide 30 for calculation
- e) Annualized adjusted PTI return on common equity; see slide 30 for calculation; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted ROE would be 14% for Q1'24 and 7% for Q4'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- f) Unrestricted cash plus available credit

## SLIDE 19

- a) Includes owned MSR, reverse mortgage loans (referred to as our reverse MSR) and other whole loans
- b) Fair value of the pledged liability for Rithm, MAV and other pledged MSRs, and for ESS

## SLIDE 20

- a) Forward owned MSR; includes pledged ESS
- b) Includes government MSR with GNMA and non-GNMA investors
- c) 3rd party broker assumptions
- d) Total voluntary payoffs and involuntary defaults; does not include scheduled payments
- e) Annual \$ per loan; ancillary includes REO fee income on Non-Agency MSRs

## SLIDE 20 cont.

- f) Performing represents Current and D30; NPL represents D60+

## SLIDE 21

- a) Includes owned MSRs, reverse mortgage loans (referred to as our reverse MSR) and other whole loans

## SLIDE 22

- a) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Servicing operating efficiency ratio would be 35% in Q1'24, 34% in Q2'24, 31% in Q3'24, and 38% in Q4'24
- b) Each segment's adjusted operating expenses (which excludes overhead allocation) divided by adjusted revenue (excluding float earnings)

## SLIDE 23

- a) See slides 28-31 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Reverse Servicing adjusted PTI would be \$22M in FY'24 and Reverse Servicing and Originations combined adjusted PTI would be \$24M in FY'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) Source: National Reverse Mortgage Lenders Association press releases dated 7/23/21 and 3/31/25

## SLIDE 29

- a) MSR valuation adjustments that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall fair value gains / (losses) on MSR hedge, including FV changes of Pledged MSR liabilities associated with MSR transferred to MAV, Rithm and others and ESS financing liabilities that are due to changes in market interest rates, valuation inputs or other assumptions, a component of MSR valuation adjustments, net; adjustments excludes valuation gains on MSR purchases of \$8.5M for Q1'21, \$19.6M for FY'21, \$9.9M for FY'22 and \$1.9M for FY'23

## SLIDE 29 cont.

- b) The changes in fair value due to market interest rates were measured by isolating the impact of market interest rate changes on the valuation model output as provided by our third-party valuation expert
- c) FV changes of loans HFI and HMBS related borrowings due to market interest rates and assumptions, a component of gain on reverse loans held for investment and HMBS-related borrowings, net
- d) Severance and retention due to organizational rightsizing or reorganization
- e) Long-term incentive program (LTIP) compensation expense changes attributable to stock price changes during the period
- f) Contains costs associated with but not limited to rebranding, MAV upside, and other strategic initiatives and transactions; FY'21 includes costs related to the reverse subservicing acquisition from RMS (MAM)
- g) Contains non-routine transactions including but not limited to early asset retirement and fair value assumption changes on other investments recorded in other income/expense
- h) Certain previously presented notable categories with nil numbers for each period shown have been omitted
- i) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted PTI would be \$14M in Q1'24, \$32M in Q2'24, \$35M in Q3'24, \$8M in Q4'24, and \$89M in FY'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information

## SLIDE 30

- a) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted pre-tax income would be \$14M in Q1'24, \$32M in Q2'24, \$35M in Q3'24, \$8M in Q4'24, and \$89M in FY'24; without this change, adjusted ROE would be 14% in Q1'24, 28% in Q2'24, 31% in Q3'24, 7% in Q4'24, and 20% in FY'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information



# Abbreviations & Definitions

- **Adj:** Adjusted (GAAP pre-tax income, net of notables or revenue/opex, net of notables and reclassifications)
- **Agency:** FHLMC, FNMA, and/or GNMA
- **AI:** Artificial Intelligence
- **B:** Billion
- **B2B:** Business-to-Business (incl. Correspondent and Co-Issue origination channels)
- **bps:** Basis Points (1/100<sup>th</sup> of a percent)
- **BVPS:** Book Value Per Share
- **CFPB:** Consumer Financial Protection Bureau
- **COOP:** Mr. Cooper Inc.
- **CPL:** Cost per Loan
- **CPR:** Conditional Prepayment Rate
- **D##:** ## Days past due (MBA methodology)
- **EBO:** Early Buyout (GNMA)
- **EPS:** Earnings (Loss) Per Share
- **EquityIQ:** Onity's proprietary reverse mortgage product
- **ESS:** Excess Servicing Spread
- **Fannie (Mae):** Federal National Mortgage Association
- **FHLMC:** Federal Home Loan Mortgage Corporation (Freddie Mac)
- **FNMA:** Federal National Mortgage Association (Fannie Mae)
- **Freddie (Mac):** Federal Home Loan Mortgage Corporation
- **FV:** Fair Value
- **Fwd:** Forward Mortgage
- **FY:** Fiscal Year
- **GAAP:** Generally Accepted Accounting Principles
- **Ginnie (Mae):** Government National Mortgage Association
- **GNMA:** Government National Mortgage Association (Ginnie Mae)
- **Gov't:** Government loan types
- **GSE:** Government Sponsored Enterprise (FNMA, FHLMC)
- **#H:** Half of the fiscal year
- **HECM:** Home Equity Conversion Mortgage
- **HFI:** Loans Held for Investment
- **HMBS:** Home Equity Conversion Mortgage-Backed Securities
- **HUD:** U.S. Department of Housing and Urban Development
- **ICE:** Intercontinental Exchange (parent company of Black Knight, Inc. which produces the ICE mortgage monitor report)
- **k:** Thousand
- **LASI:** LoanSpan's AI assistant (Generative AI assisted subservicing client support)
- **LTIP:** Long-term Incentive Program
- **LTM:** Last 12 Months
- **M:** Million
- **MAM:** Mortgage Assets Management, LLC
- **MAV:** MSR Asset Vehicle, LLC (Onity subservices for MAV)
- **MBA:** Mortgage Bankers Association
- **MSR:** Mortgage Servicing Rights
- **NAMB:** National Association of Mortgage Brokers
- **Non-Bank:** Financial institution that originates and/or services mortgages but does not have a banking license
- **NPL:** Non-Performing Loan
- **NPS:** Net Promoter Scores
- **ONIT:** Onity Group, Inc. NYSE stock symbol
- **Opex:** Operating Expenses
- **Orig:** Mortgage Originations Business Segment
- **Perf:** Performing Loan
- **PHH:** PHH Mortgage Corporation, a wholly-owned subsidiary of ONIT
- **PIF:** Paid-in-Full
- **PLS:** Private-Label Securities
- **pp(s):** Percentage Points
- **PTI:** Pre-Tax Income (Loss)
- **Q#:** Quarter of the fiscal year
- **QoQ:** Quarter-over-Quarter
- **Recap:** Recapture
- **Refi:** Mortgage Refinance
- **Rem Term:** Remaining Term
- **REO:** Real Estate Owned
- **RITM:** Rithm Capital Corp.
- **RKT:** Rocket Companies, Inc.
- **RMS:** Reverse Mortgage Solutions, Inc.
- **ROE:** Annualized Return on Equity (common equity unless otherwise stated)
- **Rvs:** Reverse Mortgage
- **SEC:** Securities and Exchange Commission
- **Serv:** Mortgage Servicing Business Segment
- **SHARP:** Servicer Honors and Rewards Program (FHLMC)
- **SSON:** Shared Services & Outsourcing Network
- **STAR:** Servicer Total Achievement Rewards (FNMA)
- **Svc Fee:** Servicing Fee
- **T:** Trillion
- **UPB:** Unpaid Principal Balance
- **VA:** Deferred Tax Valuation Allowance
- **YE:** Year-End
- **YoY:** Year-over-Year
- **YTD:** Year-to-Date



**ONITY™**

**We get it done**

Customer first. Better together. We say. We do.