



Ocwen Completed 44.6% of Industry's Permanent Mortgage Modifications in Initial Months of U.S. Treasury's HAMP Program

Servicer Leads Via Customized Re-Underwriting Approach; Ocwen Aims to Help More Homeowners Avoid Foreclosure and Generate More Fee Income

WASHINGTON and WEST PALM BEACH, Fla., Oct. 12, 2009 -- Almost half of the trial mortgage modifications converted to permanent modifications for distressed homeowners under the Treasury Department's Home Affordable Modification Program (HAMP) are attributable to Ocwen Loan Servicing, LLC, the principal subsidiary of Ocwen Financial Corporation (NYSE:OCN). There are 27 large banks and loan servicers participating in HAMP, but Ocwen alone completed 44.6% of all of the permanent modifications done by the industry.

According to a report released last week by the Congressional Oversight Panel monitoring the government's Troubled Asset Relief Program (TARP), only 1.26% of trial modifications under HAMP were able to convert to permanent status as of September 1, 2009. Ocwen, however, converted 13.9% of its customers' trial modifications during that timeframe, and its conversion rate is now over 20% and climbing.

Servicers collect HAMP incentive fees only for modifications that convert to permanent status. To convert, the servicer must obtain and verify all documentation required of the homeowner under HAMP guidelines and receive three monthly payments on the modified loan during the trial period. The converted modifications can also generate second- and third-year bonus fees for servicers, assuming the loans continue to perform.

"Our technology and analytics-based approach to prudent modifications is paying off, as shown by the proportion of permanent HAMP modifications completed for Ocwen customers. We believe it's better for our business, and better for struggling homeowners, for us to do the difficult, detailed re-underwriting work up front. We're committed to modifications that stick; those are the ones that help homeowners for the long run, mitigate the mortgage crisis and, importantly, generate incremental revenue for our shareholders," said Ocwen President Ronald M. Faris.

Ocwen Supports Obama Administration and Housing Advocacy Groups in Fighting Foreclosures

Ocwen was one of the first servicers to begin executing modifications under HAMP and has pledged to work with the Obama Administration to implement and improve its foreclosure prevention efforts. "Sustainable modifications are the key to a lasting solution to the daunting foreclosure crisis which threatens so many families. We applaud and support the Administration's efforts to assist homeowners with unaffordable mortgages," said Ocwen Chairman and CEO William C. Erbey.

"Ocwen recently convened more than 30 representatives of grassroots and national housing advocacy organizations for a roundtable discussion to share new ideas and insights related to preventing foreclosures and helping homeowners. The Ocwen and community groups representatives agreed upon a number of imperatives, including:

- * Working closely with Treasury to arrive at more flexible guidelines so more distressed homeowners qualify for mortgage modifications under HAMP.
- * Developing a national HAMP awareness and information campaign to increase homeowner outreach.
- * Focusing more intensely on homeowners who are unemployed or under-employed and thus need state or federal assistance to qualify for mortgage modifications.
- * Greater collaboration between servicers and grassroots groups in providing real-time solutions for homeowners -- including being more proactive about helping borrowers early on, before

they face the prospect of foreclosure" said Paul A. Koches,
Executive Vice President of Ocwen.

Since the onset of the mortgage crisis, Ocwen has saved over 100,000 homes from foreclosure, altering loans so distressed homeowners can afford them and so they perform for investors.

About Ocwen Financial Corporation

Ocwen Financial Corporation is a leading provider of residential and commercial loan servicing, special servicing and asset management services. Ocwen is headquartered in West Palm Beach, Florida with offices in California, the District of Columbia, Florida, Georgia and New York and support operations in India and Uruguay. Utilizing our global infrastructure, proprietary technology, world-class training and processes, we provide solutions that make our clients' loans worth more. Additional information is available at www.Ocwen.com.

CONTACT: Sommerfield Communications
Adria Greenberg
212.255.8386
adria@sommerfield.com