



## **Ocwen Continues as Mortgage Modification Leader in Federal HAMP Program, Posting Fastest Turn Times for Converting Trial Modifications to Permanent Solutions for Homeowners**

### **Upfront Underwriting, Scalable Technology, Behavioral Science and Housing Counselor Partnerships Contribute to Ocwen's Leading Track Record Helping Distressed Homeowners**

WASHINGTON, June 24, 2010 -- **Ocwen Financial Corporation** (NYSE:OCN), servicer of subprime mortgages, continues to lead the industry in key performance metrics under the federal government's Home Affordable Modification Program (HAMP).

The U.S. Treasury's just-released HAMP record card [\[link\]](#) confirms Ocwen's superior performance on three critical fronts: percentage of trial modifications converted into permanent solutions, aging of trial modifications and a new metric introduced in this report card, "Trial Length at Conversion (months)."

The report card shows Ocwen's Trial Length at Conversion is three months, significantly faster than the four to over seven months reported for the large banks that are HAMP servicers. A three-month trial length is indeed optimal, as three monthly payments must be received by the servicer from the homeowner on a trial modification before it can be converted to permanent status. Only one other HAMP participant was able to achieve a three-month turn time on its conversions.

Similarly, regarding the aging metric, only 10% of Ocwen's trial modifications were initiated six or more months ago – the lowest aging rate of all servicers and in stark contrast to several larger participants whose aging rates exceed 50%.

Ocwen's conversion rate for May held steady at the same high 83% level reported in the prior period, second only to HomEq's 86%. Separately, Ocwen announced last month its impending acquisition of HomEq from Barclays Bank, expected to close in the third quarter this year. The combined servicing operations, with an aggregate servicing portfolio of over \$80 billion, will make Ocwen among the largest independent servicers.

Said Ronald M. Faris, Ocwen's President, "We are doing everything we can to help make the HAMP program a success. Loan modifications are the best solution for helping American families avoid foreclosure, but modifications have to be sustainable, rigorously formulated and effected on a meaningful scale. We're gratified that the Treasury has recognized that our upfront documentation approach, while process-intensive, benefits homeowners and the program – and that approach is now required of all HAMP servicers."

Mr. Faris added, "Ocwen's success with modifications stems from our over 20-year track record servicing high-risk loans, as well as the firm's proprietary technology that allows us to modify mortgages for distressed homeowners so they're affordable on a sustainable basis while at the same time generating more cash flow to investors than they would get from a foreclosure."

Ocwen has invested over \$100 million in R&D to build loan servicing technology that is scalable for high volumes. The firm also cites its reliance on consumer behavioral science research and long-standing partnerships with grass roots consumer advocacy groups as instrumental in enhancing borrower outreach and effective communications.

#### **About Ocwen**

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 and Georgia and support operations in India and Uruguay. Utilizing proprietary technology and world-class training and processes, we provide solutions that make our clients' loans worth more. Additional information is available at [www.ocwen.com](http://www.ocwen.com).

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