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FOR IMMEDIATE RELEASE

Morningstar Credit Ratings, LLC Affirms 'MOR CV2' Ranking for Ocwen Loan Servicing, LLC as a Commercial Vendor for REO Asset Management

NEW YORK, Nov. 11, 2014—Morningstar Credit Ratings, LLC today affirmed its 'MOR CV2' ranking for Ocwen Loan Servicing, LLC as a commercial vendor for real estate-owned (REO) asset management. The affirmed ranking reflects Morningstar's assessment of Ocwen's capabilities, specifically for its commercial REO asset management duties, which principally involve the company's assignments for a government-sponsored entity (GSE) client. The affirmed ranking is based on the following factors:

- Solid professional depth: Ocwen has experienced management and staff with a scalable organizational structure suitably designed to address its current portfolio. Morningstar views Ocwen as an adept REO asset manager for multifamily properties, including low-income-housing tax credit (LIHTC) assets.
- Versatile client-reporting capabilities: Morningstar believes that Ocwen has demonstrated the ability to provide detailed, timely reporting for its investor clients as well as the flexibility to meet varying requirements.
- Proactive, controlled asset management procedures: Ocwen has proactive and controlled practices for asset analysis, asset resolution approvals, property manager oversight, and vendor engagements.
- Sound internal audit program: Ocwen continues to have a thorough internal audit function to monitor procedural compliance for REO asset management. The program centers on annual GSE client-commissioned examinations, a Uniform Single Attestation Program letter, and audits conducted approximately every 18 to 24 months by the internal audit department of Ocwen's parent company, Ocwen Financial Corporation. Based on Morningstar's review, the latest audit

reports did not contain any high-risk findings involving operational procedures and control practices.

- Effective technology: Morningstar believes that Ocwen's technology applications provide effective workflow and data management along with sound data security and disaster preparedness protocols. However, Ocwen may gain added efficiency and control by moving some of its tracking reports from separate spreadsheets to its core asset management application, as feasible.
- Excellent record with multifamily REO asset resolutions: Ocwen continues to demonstrate excellent asset resolution results, based on recovery proceeds and disposition time frames. Morningstar acknowledges Ocwen's ability to enhance values and increase net recoveries by successfully administering some sizable property renovation projects.
- Effective property manager oversight: Ocwen has effective controls for property manager engagements and reporting, which includes an audit program commissioned by its GSE client.
- Portfolio and client diversity: The affirmed ranking, which acknowledges Ocwen's expertise with multifamily REO assets, also reflects Ocwen's limited work in recent years with large-scale real estate assets involving other property types. Ocwen has resolved commercial REO properties across the United States, although its portfolio has predominantly involved properties located in regions outside the Northeast.

As of June 30, 2014, Ocwen's large-balance commercial portfolio consisted of 52 multifamily REO properties with a total unpaid principal balance of approximately \$286.2 million, plus a LIHTC portfolio that consisted of three assets.

The forecast for the ranking is Stable. Based on the company's asset resolution record, technology and reporting capabilities, staff experience, operational practices, and audit results, Morningstar expects Ocwen to continue serving as an effective REO asset manager for multifamily assets and related GSE reporting. Ocwen's residential mortgage servicing business is currently the subject of regulatory investigations involving certain operating practices. At this time, the company's commercial asset management operations do not appear to be affected. However, Morningstar will continue to monitor the situation.

To access Morningstar's operational risk assessment methodology and all published reports, please visit <https://ratingagency.morningstar.com>.

About Morningstar Credit Ratings, LLC and Morningstar, Inc.

Morningstar Credit Ratings, LLC is a Nationally Recognized Statistical Rating Organization (NRSRO) that specializes in structured credit research and ratings and offers a wide array of services including new-issue ratings and analysis, operational risk assessments, surveillance services, data, and technology solutions.

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