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FOR IMMEDIATE RELEASE**Morningstar Credit Ratings, LLC Affirms its 'MOR SBC2' Commercial Mortgage Primary and Special Servicer Rankings for Ocwen Loan Servicing, LLC**

NEW YORK, Jan. 7, 2014--Morningstar Credit Ratings, LLC today affirmed its 'MOR SBC2' rankings for Ocwen Loan Servicing, LLC as a small-balance commercial mortgage primary and special servicer. The affirmed rankings reflect Morningstar's ongoing assessment of Ocwen's operational infrastructure and portfolio administration capabilities for its respective duties as a primary and special servicer of small-balance commercial assets.

As of June 30, 2013, Ocwen's servicing portfolio consisted of 4,135 loans with an aggregate unpaid principal balance (UPB) of approximately \$1.8 billion. Ocwen has experienced significant growth in small-balance commercial servicing and its management indicates that the company intends to grow its servicing portfolio through Ocwen Financial Corporation's future acquisitions.

Morningstar's assessment and small-balance rankings are based on the following factors:

- **Effective organizational structure:** An enterprise-wide servicing structure that promotes operating efficiencies by effectively leveraging aspects of its residential and commercial loan servicing. As such, Ocwen's larger residential operation handles payment processing and investor reporting for small-balance commercial assets, while Ocwen's small-balance commercial operation is responsible for portfolio management and oversight of loan administration functions.
- **Successful history of technology conversions and portfolio acquisitions:** The company's successful conversion of acquired servicing platforms to its own system, resulting in significant growth in servicing volume throughout 2011 and 2012. In addition, Ocwen has a flexible technology platform and significant capacity suitable for future acquisitions and/or the purchase of servicing rights as a third-party servicer.

- Efficient reporting and compliance environment: Ocwen has servicing capabilities and expertise to meet its third-party reporting and compliance requirements. The company did not incur any material reporting errors or restatements during the past 18 months.
- Experienced and knowledgeable employees: The retention of servicing personnel with in-depth knowledge of loan administration and special servicing functions related to its acquisition of Litton Loan Servicing LP's small-balance portfolio, as well as an increase in staffing to accommodate the acquisition of a small-balance commercial portfolio from Aurora Bank FSB.
- Comprehensive training environment: A well-developed training program that encompasses all aspects of servicing to support the consistent application of prudent loan servicing practices.
- Pervasive continuous improvement culture: Morningstar has a positive opinion of the company's continuing initiative to streamline workloads, policies and procedures, and quality assurance, as well as the continual evaluation of processes designed to improve operational efficiencies.
- Excellent proprietary technology platform: Asset management applications and technology resources that effectively manage loan administration and special servicing functions.
- Effective internal audit program: An expansive audit program covering payment processing and investor reporting functions. Ocwen underwent an initial audit of its entire small-balance commercial portfolio, including portfolio management, during 2013, after the integration of the Litton and Aurora portfolio acquisitions.
- No discernible conflict of interest: Morningstar believes that Ocwen has effective policies and procedures to manage conflicts of interest. Overall, Ocwen is a special servicer that operates without the potential conflicts of interest inherent in transactions in which the special servicer has a close affiliation with the commercial mortgage-backed securities (CMBS) B-piece investor. Ocwen is an independent, third-party special servicer without any investment in subordinate CMBS.

The forecast for both rankings remains Stable. Morningstar believes Ocwen will continue to serve as an effective servicer and special servicer of small-balance commercial mortgage and real estate-owned (REO) loans.

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

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