



## Next Wave of Foreclosures – NATIONSTAR and OCWEN

\*This information was provided to Common Ground by representatives of Nationstar and Ocwen after our meetings with them in Milwaukee in December, 2014.

### **NATIONSTAR – Total Loans 3101**

### **OCWEN – Total Loans 4871**

Delinquent 680	Delinquent 863
Underwater 652	Underwater 1481
Delinquent and Underwater 292	Delinquent and underwater 596
<b>Total=1624</b>	<b>Total=2940</b>
Foreclosures 217	Foreclosures - <i>asking them</i>
REO 81	REO 674

**In order to avert the next wave of foreclosures in the City of Milwaukee, Common Ground has created the HOME/FIELD ADVANTAGE PARTNERSHIP.**

### **Demands of Nationstar included in Common Council Resolution:**

- 1) Nationstar give the City of Milwaukee 300 foreclosed and REO properties plus \$75,000 per property for rehab work and/or principal reduction - \$23 million
- 2) Give the City \$1 million per year for each of five years for 5 - 10 housing counselors to go door-to-door to work with the 1,624 families on the delinquent and underwater list to restructure their mortgage and keep them in their homes
- 3) Assign a full-time person on the Nationstar staff to work with Milwaukee Housing Counselors to restructure mortgages

# Ocwen to Sell \$9.8 Billion in Mortgage-Servicing Rights to Nationstar



Portfolio of about 81,000 loans included in sale are owned by Freddie Mac

Ocwen previously said it would withdraw from the business of servicing mortgages backed by the U.S. government.

*PHOTO: THE PALM BEACH POST/ZUMA PRESS*  
By **CHELSEY DULANEY**

Updated Feb. 23, 2015 6:43 p.m. ET

Ocwen Financial Corp. said Monday that it has agreed to sell \$9.8 billion in mortgage-servicing rights to Nationstar Mortgage Holdings Inc. as the embattled company followed up on previously announced plans to overhaul its business.

In a separate announcement, an Ocwen affiliate, Home Loan Servicing Solutions Ltd. , said it has agreed to be acquired by New Residential Investment Corp. , a real-estate investment trust, for \$18.25 a share, or \$1.3 billion.

Ocwen's shares rose 80 cents, or 8.3%, to \$10.40 Monday, and Home Loan Servicing Solutions' stock rose \$1.59, or 9.5%, to \$18.35.

Ocwen's sale of the servicing rights comes after more than two years of regulatory scrutiny over alleged mishandling of distressed homeowners who were in default on their mortgages, seeking modifications or in foreclosure.

In December, Ocwen's executive chairman resigned as part of a \$150 million settlement with New York's top financial regulator, a deal that also included the appointment of an outside monitor.

Mortgage servicers collect payments from homeowners and distribute the payments to investors who own the loans through mortgage securities.

Ocwen has acknowledged that it didn't properly deal with some distressed homeowners, may have saddled them with excessive charges from affiliated companies and failed to maintain adequate systems for servicing hundreds of billions of dollars in mortgages.

In the wake of the settlement, Ocwen said it would withdraw from the business of servicing mortgages backed by the U.S. government and would instead just focus on so-called nonagency mortgages.

The portfolio of about 81,000 loans included in the sale announced Monday are owned by mortgage giant Freddie Mac . The deal is expected to close by March 31.

Home Loan Servicing Solutions was started by a former Ocwen Financial executive to acquire mortgage-servicing rights. The company hired Ocwen Loan Servicing LLC to service the loans.

Earlier this month, Mangrove Partners Master Fund Ltd. had urged Home Loan Servicing to cut ties with Ocwen and said it might seek to replace Home Loan Servicing's board at its annual meeting.

In a letter to Home Loan Servicing's board, Mangrove said the company's reliance on Ocwen has become a risk, especially as Ocwen has faced pressure from regulators on several fronts.

The New Residential deal is expected to close in the second quarter.

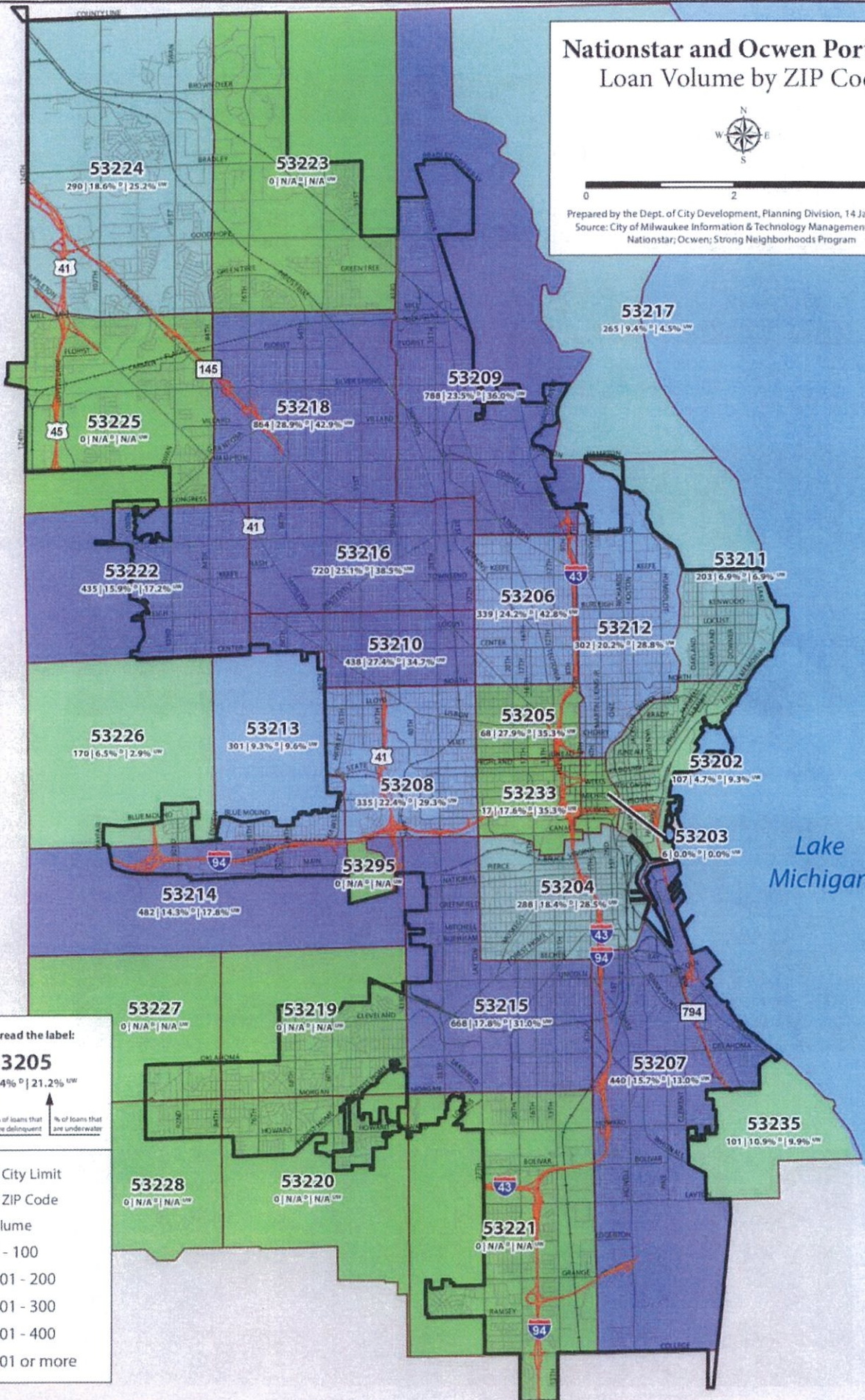


# Nationstar and Ocwen Portfolio Loan Volume by ZIP Code



0 2 4 Miles

Prepared by the Dept. of City Development, Planning Division, 14 January 2015  
Source: City of Milwaukee Information & Technology Management Division;  
Nationstar; Ocwen; Strong Neighborhoods Program



How to read the label:

ZIP code → **53205**

33 | 36.4% | 21.2%

# of loans  
% of loans that are delinquent  
% of loans that are underwater

City Limit

ZIP Code

Loan Volume

0 - 100

101 - 200

201 - 300

301 - 400

401 or more



All NSM loans by zip (w UPB)		
Prop_Zip	#	
53154	194	
53202	46	
53203	3	
53204	155	
53205	33	
53206	111	
53207	197	
53208	142	
53209	263	
53210	153	
53211	73	
53212	118	
53213	109	
53214	210	
53215	267	
53216	260	
53217	97	
53218	353	
53222	172	
53224	114	
53226	67	
53233	3	
53235	36	
Grand Total	3,101	

LOAN_DLQ		
Loans by Zip DLQ		
Prop_Zip	#	
53154	14	
53202	3	
53203	0	
53204	29	
53205	12	
53206	30	
53207	39	
53208	27	
53209	59	
53210	49	
53211	5	
53212	26	
53213	13	
53214	42	
53215	50	
53216	81	
53217	14	
53218	112	
53222	36	
53224	26	
53226	8	
53233	1	
53235	4	
Grand Total	680	

UNDER_WATER		
Loans Under Water		
Prop_Zip	#	
53154	15	
53202	1	
53203	0	
53204	29	
53205	7	
53206	26	
53207	24	
53208	33	
53209	67	
53210	33	
53211	7	
53212	27	
53213	8	
53214	34	
53215	67	
53216	78	
53217	6	
53218	130	
53222	32	
53224	24	
53226	3	
53233	1	
53235	4	
Grand Total	652	

UNDER_WATER LOAN_DLQ		
Loans Under Water and DLQ		
Prop_Zip	#	
53154	3	
53202	1	
53203	0	
53204	12	
53205	7	
53206	15	
53207	10	
53208	14	
53209	26	
53210	13	
53211	1	
53212	17	
53213	4	
53214	13	
53215	22	
53216	42	
53217	3	
53218	60	
53222	15	
53224	11	
53226	1	
53233	1	
53235	1	
Grand Total	292	