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Monitor reports Ocwen failed four metrics in the second half of 2014

Joseph A. Smith, Jr. releases first report on Ocwen's entire loan portfolio

Raleigh, N.C. – Joseph A. Smith, Jr., Monitor of the National Mortgage Settlement (NMS or Settlement), today filed a report with the United States District Court for the District of Columbia providing the results of his testing of Ocwen Financial Corporation's compliance with the NMS. The [report](#) addresses Ocwen's compliance with the Settlement's rules on the company's entire loan portfolio for the third and fourth quarters of 2014.

In the second half of 2014, Ocwen failed four metrics (Metrics 7, 8, 23 and 31). In addition, the Monitor and Ocwen agreed that several metrics with timeline requirements would be deemed failures. These deemed failures are part of Ocwen's Global Corrective Action Plan (Global CAP) to address previously reported issues with incorrect dates on correspondence to borrowers. The Monitor provided an overview of the Global CAP in his previous [report](#). In all, 10 metrics are subject to corrective action plans after the fourth quarter 2014.

"Ocwen still has work to do," Smith said. "I anticipate that Ocwen will complete its corrective actions later this year or in early 2016. I will report the results of my reviews in my next report, which will also cover compliance for the first and second quarters of 2015."

The following metrics were either fails in the second half of 2014, deemed a fail under the Global CAP, or both:

Metric	Purpose of Metric	Test Period Failed	Error Rate	Anticipated Date for Testing to Resume
Metrics Failed in the Second Half of 2014				
7	Pre-foreclosure Initiation Notification Letters	Q3 2014	8.91%	Q4 2015
8	Fee Adherence to Guidance	Q4 2014	10.90%	Q4 2015
23	Short Sale Document Collection Timeline Compliance	Q3 2014	12.50%	Q3 2015
31	Loan Modification Denial Notice Disclosures	Q3 2014	31.10% (widespread)	Q1 2016
Global CAP Deemed Fails Due to Letter-Dating Issues in Q3 2014				
12	Third-party Vendor Management	Deemed Fail	NA	Q2 2015
19*	Loan Modification Document Collection Timeline Compliance (5-day letter)	Deemed Fail	NA	Q3 2015

20	Loan Modification Decision/Notification Timeline Compliance	Deemed Fail	NA	Q3 2015
22	Short Sale Decision Timeline Compliance	Deemed Fail	NA	Q3 2015
23**	Short Sale Document Collection Timeline Compliance	Deemed Fail	NA	Q3 2015
27	Dual Track Failure to Postpone Foreclosure Compliance	Deemed Fail	NA	Q3 2015
30	Loan Modification Process	Deemed Fail	NA	Q3 2015
Metrics Deemed Fails Under Global CAP and Also Testing Fails				
19*	Loan Modification Document Collection Timeline Compliance (5-day letter)	Metric 19 Was a Testing Fail in Q1 2014		Q3 2015
23**	Short Sale Document Collection Timeline Compliance	Metric 23 Was a Testing Fail in Q3 2014		Q3 2015

*Metric 19 was a testing fail and deemed fail

**Metric 23 was a testing fail and deemed fail

About the office of Mortgage Settlement Oversight

More information about the National Mortgage Settlement is available at www.nationalmortgagesettlement.com. Further information about Joseph Smith and the Office of Mortgage Settlement Oversight is available at www.mortgageoversight.com

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