

**For immediate release:**

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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:

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

<b>20</b>	Loan Modification Decision/Notification Timeline Compliance	Deemed Fail	NA	Q3 2015
<b>22</b>	Short Sale Decision Timeline Compliance	Deemed Fail	NA	Q3 2015
<b>23**</b>	Short Sale Document Collection Timeline Compliance	Deemed Fail	NA	Q3 2015
<b>27</b>	Dual Track Failure to Postpone Foreclosure Compliance	Deemed Fail	NA	Q3 2015
<b>30</b>	Loan Modification Process	Deemed Fail	NA	Q3 2015
<b>Metrics Deemed Fails Under Global CAP and Also Testing Fails</b>				
<b>19*</b>	Loan Modification Document Collection Timeline Compliance (5-day letter)	Metric 19 Was a Testing Fail in Q1 2014		Q3 2015
<b>23**</b>	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](http://www.nationalmortgagesettlement.com). Further information about Joseph Smith and the Office of Mortgage Settlement Oversight is available at [www.mortgageoversight.com](http://www.mortgageoversight.com)

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