

DEAR FELLOW STOCKHOLDERS:

In 2015, Nationstar enhanced its leadership position in the residential mortgage marketplace. Key to this success was a relentless focus on our customers, all 2.5 million of them. As the largest non-bank residential mortgage services company in the United States, we exist to keep the dream of home ownership alive and are uniquely situated to lead change in the industry, become the brand of choice and ultimately the benchmark for customer service.

Our Servicing segment successfully boarded \$72 billion of acquired portfolios, reduced complaints 59% since January 2014 and reduced 60 plus day delinquencies to 6.9% from 9.9%. In addition, we delivered 65,000 modifications, workouts or other solutions to homeowners that needed us the most.

OUR ORIGINATIONS SEGMENT, which is focused on retaining our existing customers, continued to deliver strong results, recording its best year from a pretax income perspective since 2012. In addition, we funded \$18 billion of newly originated MSR's, a 7% increase over the prior year, with limited capital use. Our Originations segment continues to be the most cost effective way to maintain our servicing portfolio.

FOR XOME, it was a year of investments and revenue growth, including expansion of third-party client relationships. We made strategic investments throughout the year that will help us realize the goal to perfect the residential real estate transaction experience for consumers and real estate professionals. We launched the Xome real estate platform and related mobile apps, achieving over 1+ million downloads in five months with limited marketing spend.

OUR 2015 RESULTS reflect years of effort to establish Nationstar as a leader in the residential real estate market including servicing, originations, and value added transactions. We believe we are on track to deliver solid top- and bottom-line results in 2016. We have a strong, stable client base, growing MSR portfolio, recurring revenue streams, unrivaled domain expertise, operational discipline, and resulting strong free cash flows which all provide a very compelling investment opportunity.

SERVICING: ADVOCATES FOR OUR CUSTOMER, SUSTAINABLE PROFITS FOR OUR STOCKHOLDERS

We ended the year with 2.5 million servicing customers. Our focus remains on improving the customer experience and increasing transparency. In addition, we helped 65,000 customers preserve home ownership through modifications, workouts and other solutions. Our focus on customer experience directly led to us being selected as sub-servicer of a \$55 billion portfolio for a leading diversified financial institution, set to board throughout 2016.

FROM A PROFITABILITY STANDPOINT, the servicing operations ended the year strong with over 5 basis points of profitability in the fourth quarter. Operationally, the main driver of improved profitability was our focus on enhancing the customer experience and preemptively resolving potential issues with our customers. Stated differently, a good customer experience is not only the right thing to do, it makes good business sense. In addition, the underlying performance of the servicing portfolio continued to improve as evidenced by reduction in delinquency ratios.

THE SERVICING PRACTICE has never been better positioned from a financial perspective to contribute solid quarterly earnings and cash flow, and we remain committed to our stated goal of exceeding 5 basis points of profitability on average for 2016. In addition, given the boarding of the previously mentioned sub-servicing portfolio and the production from our originations platform, we expect our overall servicing platform to grow by the end of 2016 with limited use of capital.

ORIGINATIONS: DELIVERING SOLID EARNINGS WHILE REPLENISHING OUR MSR PORTFOLIO

The Originations segment continues to benefit from a favorable interest rate environment and remains focused on retaining existing customers, replenishing MSRs at attractive rates.

IN 2015, under a strengthened leadership team, our Originations business had its best year since 2012 driven principally by our direct to consumer business. In total, the originations business funded \$18 billion in loans at attractive margins for our servicing platform while utilizing limited capital. In addition, we refinanced \$5 billion in HARP loans providing relief to 31,000 customers.

THE ORIGINATIONS STRATEGY is simple – retain our customers. Our recapture rate ended the year at 27%, which was impacted somewhat at year end by the timing of fundings due to new federal regulatory requirements. We are confident that we can further drive customer retention through focused product offerings, targeted marketing campaigns and operational execution. As an example, we recently enhanced our FHA and VA lending capabilities, which will improve our ability to compete in this space and reach customers that would traditionally be underserved.

FOR 2016, our Originations segment should continue to deliver solid operating performance as we invest in service offering enhancements, technology, automation and more targeted marketing campaigns that will drive our cost to fulfill lower and our retention higher.

XOMESM: ENHANCING THE REAL ESTATE TRANSACTION EXPERIENCE

Xome exists to perfect the experience of real estate transactions of consumers and agents by providing end-to-end service offerings. Xome intends to enhance the real estate buying and selling experience through increased connectivity, transparency, convenience and speed through the residential transaction process.

XOME WAS LAUNCHED out of the belief that the real estate marketplace lags many industries in its effective use of data and technology-driven services to reduce costs, improve service, and eliminate paper-intensive processes. This belief drove our investment in data entities such as Real Estate Digital, analytical sciences such as Quantarium and technology enhanced services such as Title365. The investment in acquisitions and new technologies drove revenues 43% higher compared to the prior year, and expanded our base of third-party revenues to 34% from 12% in the prior year.

AS OF YEAR-END there were over 8,400 properties in inventory at Xome Exchange and we substantially sold the same number of properties in 2015 and 2014, yet at higher prices in 2015. Overall, the property sales business remains a strong business for our Xome segment. In addition, we continue to pilot sales for new customers with good results and expect third-party business to grow in 2016.

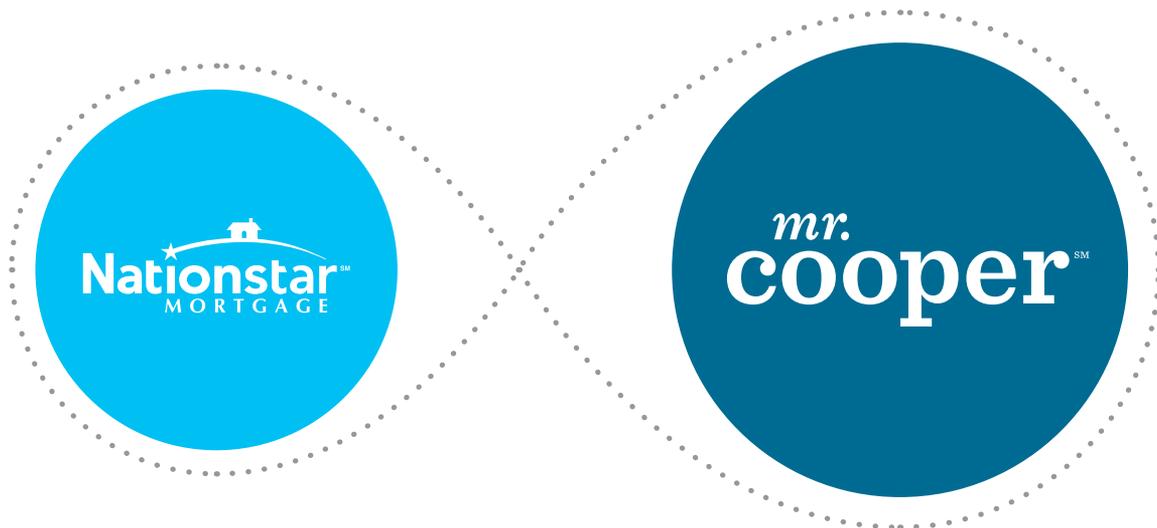
AS WE ENTER 2016, we believe that we have all the pieces in place to better connect the residential real estate market place; and therefore, we will be more measured in our 2016 investments. In addition, given our significant growth in revenue in 2015, we are more focused on optimizing the platform to drive additional margin throughout 2016.



2016 INTO THE FUTURE: BECOMING THE BENCHMARK FOR CUSTOMER SERVICE... INTRODUCING MR. COOPER

Mr. CooperSM is not just a new brand – it is the continuation of a journey that centers around being champions for our customers while we challenge convention and celebrate success. The business case for loving customers is compelling. The way we look at it, a great customer experience means increased retention, reduced expenses and increased opportunities to grow the business.





THE BRAND NAME for our servicing and originations businesses will soon change to Mr. Cooper this summer. While the legal name will remain Nationstar and our ticker NSM, we will consolidate our core servicing and origination offerings under one brand meant to represent our commitment to service. It represents a more personal relationship with a home loan provider and aligns the entire company behind this spirit of customer advocacy.

THIS NEW IDENTITY leverages a key research insight: when a consumer has a positive experience with a home loan, it's usually because one person – typically a realtor, mortgage broker, or customer service agent – held the customer's hand, solved problems on their behalf, and made the experience positive. Our goal is to create an entire company – and a brand – that embodies this spirit of customer advocacy.

MR. COOPER WILL BUILD upon our track record as a leader in mortgage servicing and originations and will initially debut with our current 2.5 million customers later this year. The launch of Mr. Cooper includes a new enhanced website as well as new products and service offerings intended to remove the worry in the home loan process.

IN CONCLUSION

We believe that homeowners deserve more, which is why we have embarked on a journey to create the most customer-focused company in the industry. I'm proud to work alongside the thousands of employees who share this vision and have a passion for helping our customers succeed.

On behalf of Nationstar, the management team and our employees, thank you for your continued support.



A handwritten signature in blue ink that reads "Jay Bray".

JAY BRAY
PRESIDENT & CHIEF EXECUTIVE OFFICER
APRIL 12, 2016