



**2012 FBR Fall Investor Conference**  
**November 27, 2012**

Financial data as of September 30, 2012

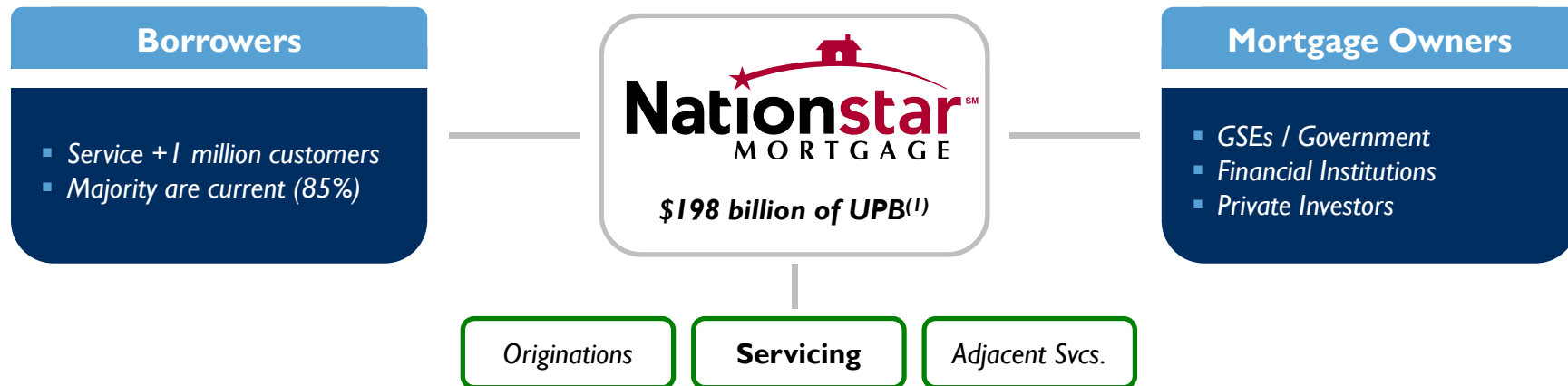
# Forward Looking Statements



*Any statements in this presentation that are not historical or current facts are forward-looking statements. Forward-looking statements include, without limitation, statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. Forward-looking statements convey Nationstar Mortgage Holdings Inc.'s ("Nationstar") current expectations or forecasts of future events. When used in this presentation, the words "anticipate," "appears," "believe," "foresee," "intend," "should," "expect," "estimate," "target," "project," "plan," "may," "could," "will," "are likely" and similar expressions are intended to identify forward-looking statements. These statements involve predictions of our future financial condition, performance, plans and strategies, and are thus dependent on a number of factors including, without limitation, assumptions and data that may be imprecise or incorrect. Specific factors that may impact performance or other predictions of future actions have, in many but not all cases, been identified in connection with specific forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Nationstar's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Certain of these risks and uncertainties are described in the "Risk Factors" section of Nationstar Mortgage LLC's Form 10-K for the year ended December 31, 2011, Nationstar Mortgage Holdings Inc.'s Form 10-Q for the quarter ended June 30, 2012, and other reports filed with the SEC, which are available at the SEC's website at <http://www.sec.gov>. We caution you not to place undue reliance on these forward-looking statements that speak only as of the date they were made. Unless required by law, Nationstar undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date of this presentation.*

# Fee-Based Business Model with Strong Cash Flow

- Earn stable contractual fee for servicing residential customers
- Make money based on volume and effectiveness
- Originate or refinance loans – predominantly based on existing relationships



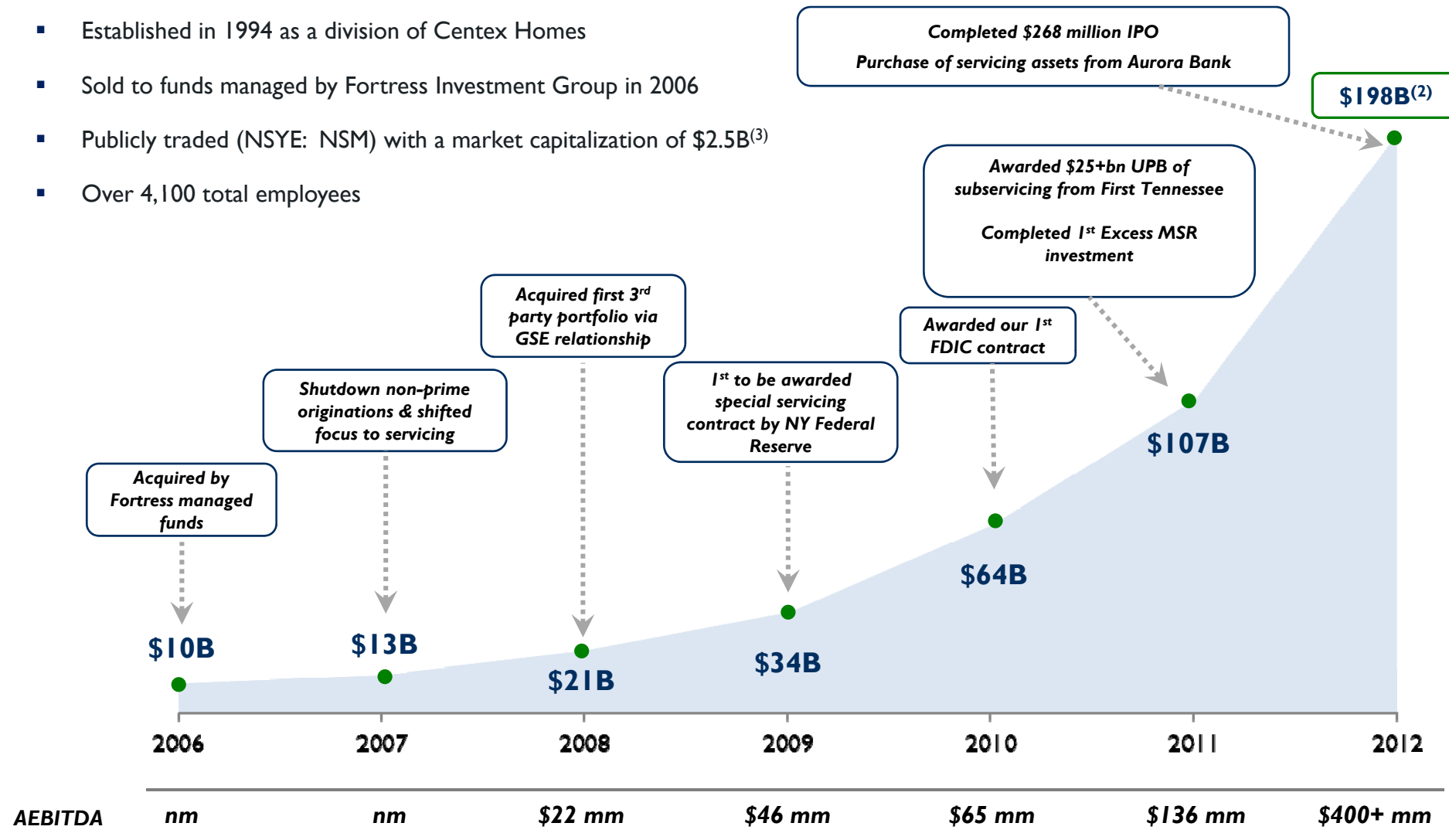
### Addressable Market:

- ✓ \$10+ trillion in servicing UPB
- ✓ 60 million customers

1) As of September 30, 2012

# Historical Progression of Nationstar

- Established in 1994 as a division of Centex Homes
- Sold to funds managed by Fortress Investment Group in 2006
- Publicly traded (NYSE: NSM) with a market capitalization of \$2.5B<sup>(3)</sup>
- Over 4,100 total employees

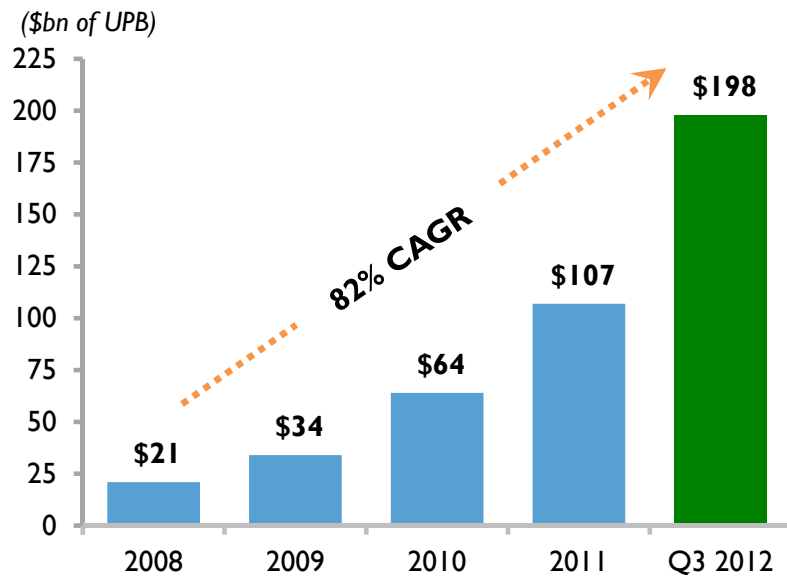


1) Inside Mortgage Finance, Q3 2012 Top 25 Mortgage Servicers. As measured by Unpaid Principal Balance  
 2) As of September 30, 2012  
 3) Market capitalization valuation as of November 20, 2012

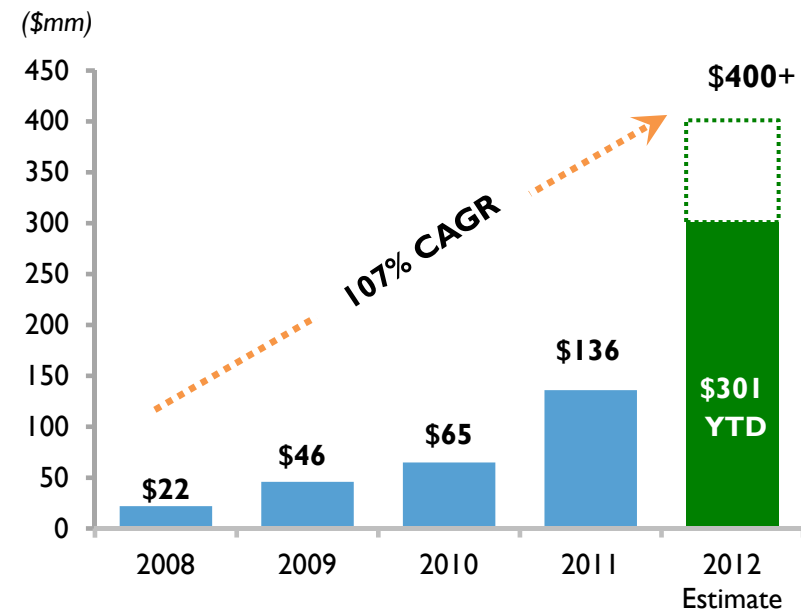
# 2012: Transformative Year

- Significant growth in market value, UPB and AEBITDA
- Acquisition of \$63 billion Aurora portfolio and \$45 billion of other UPB
- March IPO - \$268 million; raised \$775 million of growth capital via debt markets
- Origination platform more than doubled to \$7.3 billion<sup>(1)</sup>
  - Strategic initiative to expand origination segment to capitalize on market dislocation

## Servicing Growth



## AEBITDA Growth<sup>(2)</sup>






1) Annual origination run-rate based on Q3'12 annualized.  
 2) Please see Appendix for information on AEBITDA and reconciliations.

# Servicing: Market Shift

- As banks continue to sell mortgage servicing assets, non-bank servicers are rapidly growing
- Nationstar has a proven track record in acquiring numerous portfolios since 2010
- Nationstar is well-positioned to capitalize on current \$600<sup>(2)(3)</sup>+ billion pipeline

## Multiple bank servicing deals since 2010<sup>(1)</sup>...

	Bank Sellers	UPB	Buyers
2010	2	\$45	 OCWEN METLIFE
2011	5	\$230	 OCWEN FNMA NON-BANK
2012	6	\$116	 OCWEN WALTER
	13	\$391 bn	

## ...with Nationstar acquiring large share

Portfolios	UPB	%
10	\$164	42%



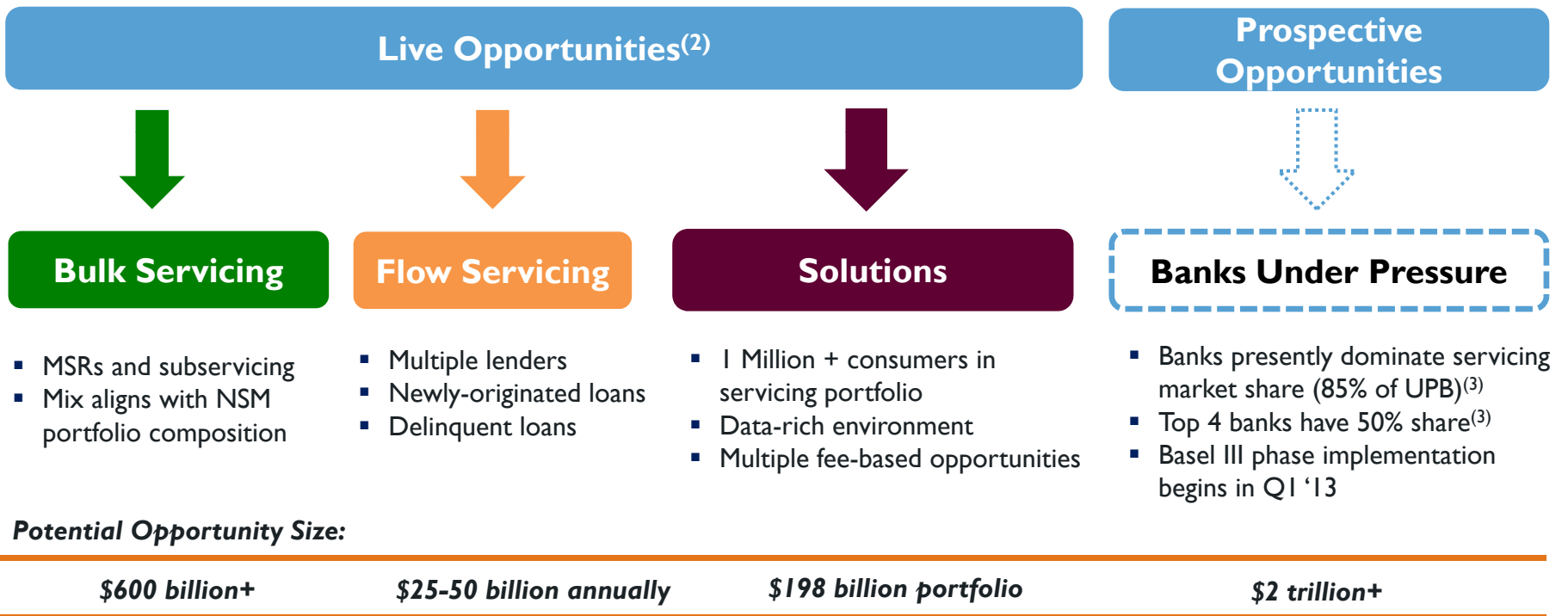
## ...and large pipeline<sup>(2)(3)</sup> today

Portfolios	UPB
10+	\$600+ bn

- Public filings, company presentations and other industry sources; represents purchase MSR deals that have closed as of 11/16.
- The identified opportunities referenced above are not currently serviced by the Company and there can be no assurance that these potential servicing transactions will ultimately be consummated, or will remain the same size. Notwithstanding the above, it is possible that these potential servicing transactions, if consummated, could result in a partial or total loss of any invested capital.
- All pipeline deals are under a signed non-disclosure agreement between Nationstar and the counter-party. Live opportunities exclude ResCap.

# Servicing Pipeline: Future Growth Opportunities<sup>(1)</sup>

- Pipeline of opportunities remains elevated for the foreseeable future
- Macro-thesis of secular shift remains intact; legal, regulatory and headline risk for banks persists
- Growth of customer base presents opportunity for expansion of ancillary services business via Solutions



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 2) All pipeline deals are under a signed non-disclosure agreement between Nationstar and the counter-party. Live opportunities exclude ResCap.  
 3) Inside Mortgage Finance, as of Q2 2012.

**Balanced platform designed to drive fee-based income across the entire economic cycle**



## Servicing

- Acquire servicing at attractive multiples
- Additional revenue streams (mod fees, incentive fees, late fees)
- Servicing costs are higher due to higher delinquencies
- Extended life of servicing cash flows
- Lower portfolio DQs
- Lower servicing costs

## Originations

- Recapture drives strong margins with no customer acquisition costs
- Recapture extends servicing cash flows
- Profitably create servicing assets
- Robust housing market - rising purchase volumes
- Stronger builder and broker channels drive significant purchase money volume
- Healthy economy improves employment and credit - larger pool of eligible buyers

✓ **Ancillary revenue from Solutions attractive in every environment**



# Servicing Initiatives: Driver of Earnings Growth

**Cost Per Loan<sup>(1)</sup>**

**Reduce 20%**

- Expense management delivers margin improvement
  - ✓ Strategic vendor management
  - ✓ Optimize processes
  - ✓ Invest in automation

3.2 bps

**Portfolio Delinquency<sup>(2)</sup>**

**Reduce 5%**

- Reduce portfolio delinquency via high-touch servicing and modifications
  - ✓ Homeownership preservation
  - ✓ Identify high risk early
  - ✓ Advanced loss mitigation technology platform

2.8 bps

**Servicing Advances**

**Reduce advance ratio 80 bps**

- Reduce advance balances
  - Advance ratio on primary pool 1.7% of UPB
- Lower cost of financing

2.0 bps

**Targeting 8 bps improvement<sup>(3)</sup> in profitability through expense reduction by Q3 '14**

✓ **Additional upside from Solutions**

1) Illustrative example of a \$200 billion servicing portfolio with an average loan value of \$150,000. Cost per loan assumes expense ratio of 8/1 (DQ/current) and does not include corporate overhead. Interest expense calculated using weighted average cost of current advance facilities.  
 2) Additional staffing/expense could be necessary to reduce portfolio delinquency which would potentially reduce expected operating savings.  
 3) Amounts are pre-tax for servicing segment on an annualized basis

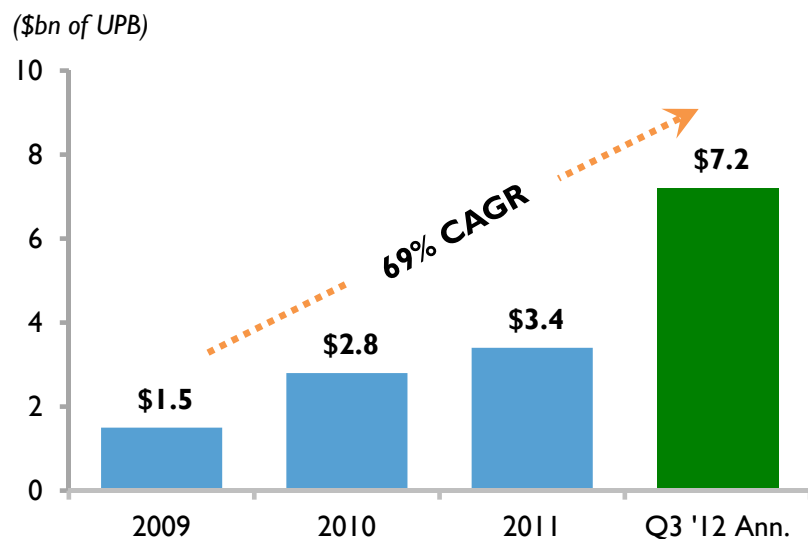
# Originations: Enhances Core Servicing Platform



**Originate primarily conforming loans – typically sold into the market within 30 days**

- “Recapture” of refinanced Nationstar loans – cash flow positive and profitable
- Significant increase in volume and profit since last year driven by:
  - Growth in servicing UPB – recapturing from a larger universe
  - Market dynamics such as low rates, government initiatives and consolidation
  - Improvement YoY in recapture rate

## Origination Volume



## Q3 2012 Unit Economics

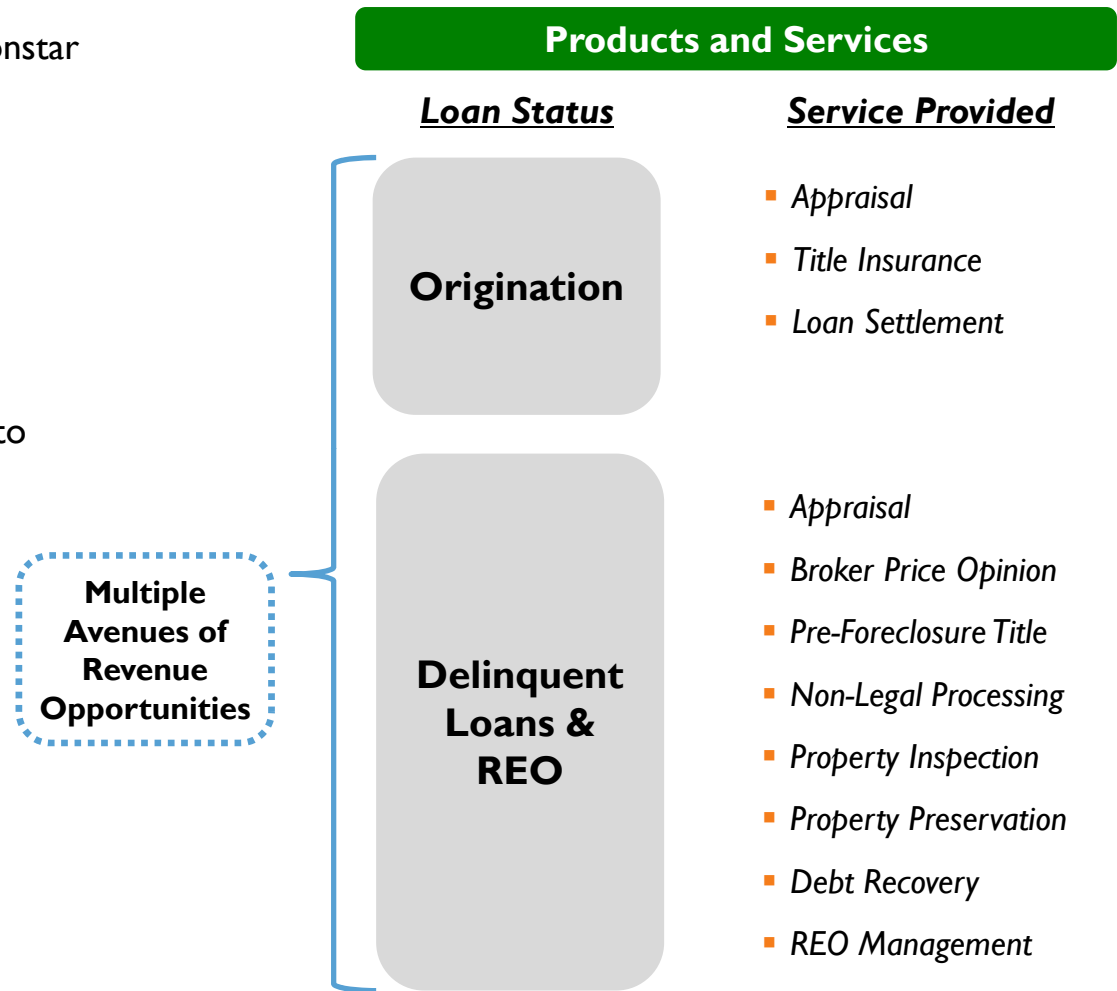
	(\$mm)
Cash – Points, Fees, Gain on Sale	\$90.4
Pipeline Value <sup>(1)</sup>	34.7
<b>Subtotal Cash / Near Cash Revenue</b>	<b>\$125.1</b>
Servicing Asset <i>(Cash value realized over time)</i>	13.5
Other	(3.4)
<b>Total Originations Revenue</b>	<b>\$135.2</b>
Originations Volume	\$1,818
Locked Pipeline <sup>(2)</sup>	\$4,353
Application Pipeline <sup>(2)</sup>	\$5,535

*Cash / near cash is 93% of total revenue*

1) Includes mark-to-market on loans held for sale and derivative/hedges  
 2) As of 9-30-12

# Solutions

- Solutions poised for growth now that Nationstar servicing portfolio has reached critical mass
- Expand offering of end-to-end solutions for originations and default services
- Develop in-house competencies in-lieu of outsourcing to 3<sup>rd</sup> party vendors
- Expand revenue base by providing services to banks, originators, credit investors



**As servicing and origination platform grows, Solutions' opportunities grow**

# Consolidated Performance



- Total GAAP Net Income of \$55 million
- GAAP EPS of \$0.61, Pro-forma EPS of \$0.64<sup>(1)</sup>
- Operating Segment AEBITDA of \$123 million<sup>(2)</sup>
- Servicing segment expense includes \$4 million of transaction-related expenses and \$4 million of interest expense on non-deployed debt proceeds

(\$ millions except where noted)	Q3 '12				Q2'12
	Servicing	Originations	Operating	Total <sup>(3)</sup>	Total
AEBITDA <sup>(2)</sup>	\$42.1	\$80.9	\$123.0	\$121.7	\$93.7
margin%	30%	60%	44%		
Pre-Tax Income	\$5.5	\$77.1	\$82.7	\$79.8	\$49.1
Income Tax Expense				(\$24.7)	(\$12.8)
Net Income - GAAP				\$55.1	\$36.3
<b>Per Share Data:</b>					
Pre-Tax Income			\$0.92	\$0.89	\$0.55
Net Income - GAAP				\$0.61	\$0.41
AEBITDA <sup>(2)</sup>	\$0.47	\$0.90	\$1.37	\$1.36	\$1.05
Average shares outstanding (mm)	89.8	89.8	89.8	89.8	89.5
Pro forma NI excluding transaction expenses <sup>(1)</sup>				\$57.8	\$39.3
Per share				\$0.64	\$0.44

1) Please reference Appendix and reconciliation

2) Please see Appendix AEBITDA reconciliations

3) Includes Legacy Segment

# Appendix



# Balance Sheet



- Moderate leverage with Corporate Debt to AEBITA of 2.2x<sup>(1)</sup>; net of cash, 1.3x
- Significant capital levers in place for additional investment
- Raised \$500 million in debt in Q3 and capacity remains for additional corporate debt

\$ millions	Q3 '12	Q2 '12	\$ millions	Q3 '12	Q2 '12
<b>Assets:</b>			<b>Liabilities:</b>		
Cash and cash equivalents	\$431	\$16	Notes payable <sup>(3)</sup>	\$2,532	\$2,412
Restricted cash	259	120	Senior unsecured notes	1,062	556
Accounts receivable <sup>(2)</sup>	2,866	2,501	Payables and accrued liabilities	762	640
Mortgage loans held for sale	703	838	Nonrecourse debt - Legacy assets	102	106
Mortgage loans held for investment - Legacy	238	238	Excess spread financing at fair value	255	267
Mortgage servicing rights - fair value	593	596	Participating interest financing	415	181
Participating interest in reverse mortgages	453	310	Other liabilities <sup>(4)</sup>	120	101
Mortgage servicing rights - amortized cost	8	8	<b>Total Liabilities</b>	<b>\$5,250</b>	<b>\$4,263</b>
Property and equipment, net	49	39	<b>Shareholders Equity</b>	<b>\$691</b>	<b>\$633</b>
Other assets	342	230			
<b>Total Assets</b>	<b>\$5,941</b>	<b>\$4,896</b>	<b>Total Liabilities and Shareholders Equity</b>	<b>\$5,941</b>	<b>\$4,896</b>

1) Corporate Debt to Q3 run-rate AEBITDA  
 2) Includes receivables from affiliates  
 3) Includes servicing advance facilities and origination warehouse facilities  
 4) Includes derivative financial instruments and mortgage servicing liabilities

# Five-Quarter Income Statement Summary



- Successfully, consistently scaled the business
- Increasing profitability with growth
- Sequential improvement in normalized EPS and AEBITDA per share

(\$ in millions)

	For the three month period ending					Variance		Last twelve months	
	Q3'12	Q2'12	Q1'12	Q4'11	Q3'11	QoQ	YoY	Q3'12	Q2'12
Fee income	\$138	\$98	\$91	\$84	\$61	41%	126%	\$411	\$334
Gain on sale	139	102	71	36	30	36%	363%	348	239
<b>Total revenue</b>	<b>\$277</b>	<b>\$200</b>	<b>\$162</b>	<b>\$119</b>	<b>\$91</b>	<b>39%</b>	<b>204%</b>	<b>\$759</b>	<b>\$573</b>
Expenses and impairments	(155)	(130)	(97)	(86)	(83)	19%	87%	(468)	(396)
Other income (expense)	(43)	(21)	(12)	(18)	(11)	105%	291%	(94)	(62)
Pre-tax income	80	49	53	15	(3)	63%	NM	197	(115)
Income taxes	(25)	(13)	(3)	-	-			(41)	(16)
<b>Net income</b>	<b>\$55</b>	<b>\$36</b>	<b>\$50</b>	<b>\$15</b>	<b>(\$3)</b>	<b>53%</b>	<b>NM</b>	<b>\$156</b>	<b>\$99</b>
<b>Adjusted AEBITDA<sup>(1)</sup></b>	<b>\$123</b>	<b>\$101</b>	<b>\$77</b>	<b>\$47</b>	<b>\$32</b>	<b>22%</b>	<b>284%</b>	<b>\$348</b>	<b>\$257</b>
EPS <sup>(2)</sup>	\$0.61	\$0.41	\$0.67	\$0.21	(\$0.00)	50%	NM	\$1.90	\$1.29
<b>Normalized EPS<sup>(2,3)</sup></b>	<b>\$0.64</b>	<b>\$0.44</b>	<b>\$0.44</b>	<b>\$0.21</b>	<b>(\$0.00)</b>	<b>46%</b>	<b>NM</b>	<b>\$1.73</b>	<b>\$1.09</b>
AEBITDA per share <sup>(2)</sup>	\$1.37	\$1.18	\$1.04	\$0.68	\$0.46	16%	200%	\$4.27	\$3.36

1) Please see Appendix for AEBITDA reconciliations; excludes Legacy segment

2) Calculated using a fully-diluted average share count for Q3 '12, Q2 '12 and Q1 '12 of 89.8, 89.5 and 89.2 million shares, respectively, and 70.0 million shares for 2011 periods

3) Please see Appendix for information on Normalized net income and EPS reconciliation

# Per Share Reconciliations



For Quarters Ending September 30 and June 30, 2012

(\$ in millions)	Q3 '12	Q2 '12
<b>Net Income</b>	<b>\$55.1</b>	<b>\$36.3</b>
Income Tax	24.7	12.8
Pre-Tax Income	79.8	49.1
ResCap and transaction-related expenses	3.9	4.1
<b>Pro-forma Pre-Tax Income</b>	<b>\$83.7</b>	<b>\$53.2</b>
Income Tax - Q3 & Q2 '12 Rate	(25.9)	(13.9)
<b>Pro-Forma Income</b>	<b>\$57.8</b>	<b>\$39.3</b>
<b>Pro-forma Per Share:</b>		
Excluding transaction-related expenses <sup>(1)</sup>	<b>\$0.64</b>	<b>\$0.44</b>
Average shares outstanding	89.8	89.5

1) Calculated using a fully-diluted average share count for Q3 '12 and Q2 '12 of 89.8 and 89.5 million shares respectively



# AEBITDA Reconciliation



For Quarter Ended September 30, 2012

(\$ in millions)

	Servicing Originations		Operating	Legacy	Total
<b>Adjusted EBITDA</b>	<b>\$42.1</b>	<b>\$80.9</b>	<b>\$123.0</b>	<b>(\$1.3)</b>	<b>\$121.7</b>
Interest expense on corporate notes	(15.7)	(1.9)	(17.7)	-	(17.7)
MSR valuation adjustment	(22.4)	-	(22.4)	-	(22.4)
Excess spread adjustment	2.2	-	2.2	-	2.2
Amortization of mort. serv. obligations	2.7	-	2.7	-	2.7
Depreciation & amortization	(2.0)	(0.8)	(2.8)	(0.2)	(3.0)
Stock-based compensation	(1.6)	(1.1)	(2.6)	0.0	(2.6)
Fair value adjustment for derivatives	0.2	-	0.2	(1.3)	(1.1)
<b>Pre-Tax Income</b>	<b>\$5.5</b>	<b>\$77.1</b>	<b>\$82.7</b>	<b>(\$2.9)</b>	<b>\$79.8</b>
Income Tax					(24.7)
<b>Net Income</b>					<b>\$55.1</b>
Earnings per share <sup>(1)</sup>					<b>\$0.61</b>
AEBITDA per share <sup>(1)</sup>	\$0.47	\$0.90	\$1.37	(\$0.02)	\$1.36
Pre-Tax Income per share <sup>(1)</sup>	\$0.06	\$0.86	\$0.92	(\$0.03)	\$0.89

1) Calculated using a fully-diluted average share count of 89.8 million shares

# AEBITDA Reconciliation (continued)



For Quarter Ended June 30, 2012

(\$ in millions)

	Servicing	Originations	Operating	Legacy	Total
<b>Adjusted EBITDA</b>	<b>\$37.4</b>	<b>\$63.8</b>	<b>\$101.2</b>	<b>(\$7.5)</b>	<b>\$93.7</b>
Interest expense on corporate notes	(13.5)	-	(13.5)	-	(13.5)
MSR valuation adjustment	(20.9)	-	(20.9)	-	(20.9)
Excess spread adjustment	(2.4)	-	(2.4)	-	(2.4)
Amortization of mort. serv. obligations	(0.0)	-	(0.0)	-	(0.0)
Depreciation & amortization	(1.2)	(0.5)	(1.8)	(0.1)	(1.9)
Stock-based compensation	(4.1)	(2.2)	(6.4)	0.7	(5.6)
Fair value adjustment for derivatives	0.2	-	0.2	(0.5)	(0.4)
<b>Pre-Tax Income</b>	<b>(\$4.7)</b>	<b>\$61.1</b>	<b>\$56.4</b>	<b>(\$7.4)</b>	<b>\$49.1</b>
Income Tax					(12.8)
<b>Net Income</b>					<b>\$36.3</b>
Earnings per share <sup>(1)</sup>					<b>\$0.41</b>
AEBITDA per share <sup>(1)</sup>	<b>\$0.42</b>	<b>\$0.71</b>	<b>\$1.13</b>	<b>(\$0.08)</b>	<b>\$1.05</b>
Pre-Tax Income per share <sup>(1)</sup>	<b>(\$0.05)</b>	<b>\$0.68</b>	<b>\$0.63</b>	<b>(\$0.08)</b>	<b>\$0.55</b>

1) Calculated using a fully-diluted average share count of 89.5 million shares

# AEBITDA Reconciliation (continued)



For Quarter Ended September 30, 2011

(\$ in millions)

	Servicing	Originations	Operating	Legacy	Total
<b>Adjusted EBITDA</b>	<b>\$24.9</b>	<b>\$8.1</b>	<b>\$33.0</b>	<b>(\$7.5)</b>	<b>\$25.5</b>
Interest expense on corporate notes	(7.5)	-	(7.5)	-	(7.5)
MSR valuation adjustment	(19.0)	-	(19.0)	-	(19.0)
Excess spread adjustment	-	-	-	-	-
Amortization of mort. serv. obligations	-	-	-	-	-
Depreciation & amortization	(0.5)	(0.3)	(0.9)	(0.1)	(1.0)
Stock-based compensation	(1.5)	(0.2)	(1.7)	-	(1.7)
Fair value adjustment for derivatives	0.6	-	0.6	-	0.6
<b>Pre-Tax Income</b>	<b>(\$3.1)</b>	<b>\$7.6</b>	<b>\$4.5</b>	<b>(\$7.6)</b>	<b>(\$3.1)</b>
Income Tax					-
<b>Net Income</b>					<b>(\$3.1)</b>
Earnings per share <sup>(1)</sup>					<b>(\$0.04)</b>
AEBITDA per share <sup>(1)</sup>	\$0.36	\$0.12	\$0.47	(\$0.11)	\$0.36
Pre-Tax Income per share <sup>(1)</sup>	(\$0.04)	\$0.11	\$0.06	(\$0.11)	(\$0.04)

1) Calculated using a fully-diluted average share count of 70.0 million shares

# AEBITDA Reconciliation (continued)



(\$ in thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	Q3 '12	Nine Months Ended 9/30/12
<b>Net Income (loss)</b>	<b>\$ (157,610)</b>	<b>\$ (80,877)</b>	<b>\$ (9,914)</b>	<b>\$ 20,887</b>	<b>\$ 55,067</b>	<b>\$ 141,528</b>
<b>Adjust for:</b>						
Net loss from Legacy Portfolio and Other	164,738	97,263	24,806	24,892	2,874	18,294
Interest expense from unsecured senior notes	-	-	24,628	30,464	17,656	39,714
Depreciation and amortization	1,172	1,542	1,873	3,395	2,772	5,773
Change in fair value of MSRs	11,701	27,915	6,043	39,000	22,430	42,810
Amortization of mortgage servicing obligations	-	-	-	-	(2,652)	(3,276)
Fair value changes on excess spread financing	-	-	-	3,060	(2,213)	5,050
Share-based compensation	1,633	579	8,999	14,764	2,623	11,371
Exit costs	-	-	-	1,836	-	-
Fair value changes on interest rate swaps	-	-	9,801	(298)	(236)	(424)
Ineffective portion of cash flow hedge	-	-	(930)	(2,032)	-	-
Income tax expense	-	-	-	-	24,714	40,639
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 21,634</b>	<b>\$ 46,422</b>	<b>\$ 65,306</b>	<b>\$ 135,968</b>	<b>\$ 123,035</b>	<b>\$ 301,479</b>

1) For Operating Segments; calculated using a fully-diluted average share count of 70.0 million shares for FY 2008 – 2011, 74.6 million shares in Q1 '12, 89.5 million shares in Q2 '12, 89.8 million shares in Q3 '12

**Adjusted EBITDA (“AEBITDA”)** This disclaimer applies to every usage of “Adjusted EBITDA” or “AEBITDA” in this presentation. Adjusted EBITDA is a key performance metric used by management in evaluating the performance of our segments. Adjusted EBITDA represents our Operating Segments' income (loss), and excludes income and expenses that relate to the financing of our senior notes, depreciable (or amortizable) asset base of the business, income taxes (if any), exit costs from our restructuring and certain non-cash items. Adjusted EBITDA also excludes results from our legacy asset portfolio and certain securitization trusts that were consolidated upon adoption of the accounting guidance eliminating the concept of a qualifying special purpose entity (“QSPE”).

**2012 Estimate AEBITDA** 2012 Estimate AEBITDA is based on our expectations of continued growth, current market conditions and increased operating efficiencies in our business in addition to our financial targets for 2012. Target for all non-GAAP figures excludes the same items as we excluded in our 2011 non-GAAP reconciliation, as follows: income and expenses that relate to the financing of the senior notes, depreciable (or amortizable) asset base and several other relevant items. Our actual AEBITDA for 2012 on an annualized basis may differ from our 2012(E) AEBITDA.

NOTE: 2012 Estimate AEBITDA is forward-looking and subject to significant business, economic, regulatory and competitive uncertainties, many of which are beyond control of Nationstar and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that this target will be achieved and Nationstar undertakes no duty to update this target.

**Expected Annual Aurora AEBITDA Contribution** Our expectations regarding the approximate annualized contribution to Adjusted EBITDA and the approximate integration and transition costs are based on a number of assumptions, including, but not limited to, prepayments, delinquencies, ancillary fees, cost to service and recapture rates and margins. The actual annualized contribution to Adjusted EBITDA and the actual integration and transition costs will depend on many factors, some of which are beyond our control, and could differ materially from our estimates. Errors in our financial models or changes in assumptions could result in our estimates and expectations being materially inaccurate which may adversely affect our earnings.

**Pro-forma Earnings Per Share (“Pro-forma EPS”)** This disclaimer applies to every usage of pro-forma EPS in this presentation. Pro-forma EPS is a metric that is used by management to exclude certain non-recurring items in an attempt to provide a better earnings per share comparison to prior periods. Pro-forma Q3 '12 EPS excludes certain expenses related to ResCap and other transactions. These expenses include the advance hiring of servicing staff, recruiting expenses and travel and licensing expenses. Pro-forma Q2 '12 EPS excluded certain expenses incurred in advance of the closing of the Aurora transaction.

**Pro-forma AEBITDA Per Share** This disclaimer applies to every usage of pro-forma AEBITDA per share in this presentation. Pro-forma AEBITDA per share is a metric that is used by management to exclude certain non-recurring items in an attempt to provide a better earnings per share comparison to prior periods. Pro-forma Q3 '12 AEBITDA per share excludes certain expenses related to ResCap and other transactions. These expenses include the advance hiring of servicing staff, recruiting expenses and travel and licensing expenses. Pro-forma Q2 '12 AEBITDA per share excluded certain expenses incurred in advance of the closing of the Aurora transaction.