

Mr. CooperGroup®

Earnings Presentation 2Q 2019

August 1, 2019



Important Information

This presentation contains summarized information concerning Mr. Cooper Group Inc. (the "Company") and the Company's business, operations, financial performance and trends. No representation is made that the information in this presentation is complete. For additional financial, statistical and business related information, as well as information regarding business and segment trends, see the Company's most recent Annual Report on Form 10-K ("Form 10-K") and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well other reports filed with the SEC from time to time. Such reports are or will be available in the Investors section of the Company's website (www.mrcoopergroup.com) and the SEC's website (www.sec.gov).

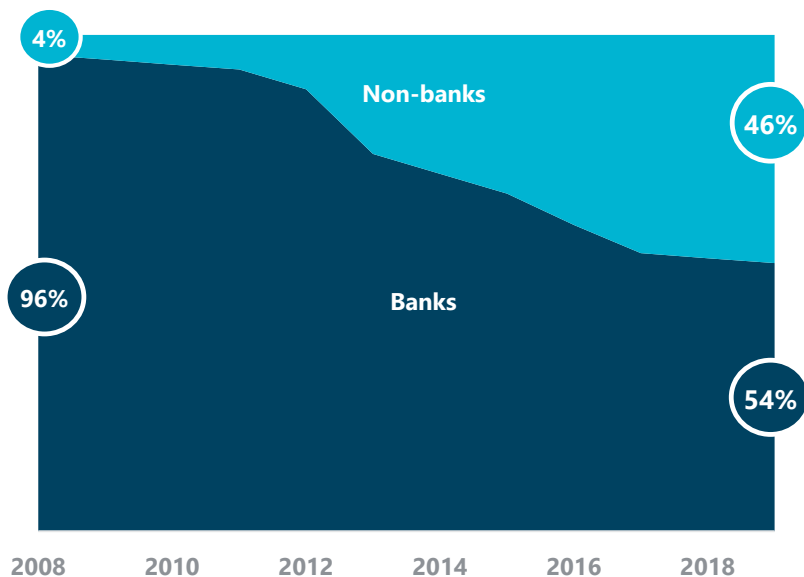
Forward Looking Statements. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including target ROTCE and current initiatives. All statements other than statements of historical or current fact included in this presentation that address activities, events, conditions or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business and these statements are not guarantees of future performance. Forward-looking statements may include the words "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "strategy," "future," "opportunity," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. Certain of these risks are identified and discussed in documents Mr. Cooper has filed or will file from time to time with the SEC. These risk factors will be important to consider in determining future results and should be reviewed in their entirety. These forward-looking statements are expressed in good faith, and Mr. Cooper believes there is a reasonable basis for them. However, the events, results or trends identified in these forward-looking statements may not occur or be achieved. Forward-looking statements speak only as of the date they are made, and Mr. Cooper is not under any obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, except as required by law. Readers should carefully review the statements set forth in the reports that Mr. Cooper has filed or will file from time to time with the SEC.

Basis of Presentation. For purpose of Mr. Cooper's financial statement presentation, Mr. Cooper Group Inc. was determined to be the accounting acquirer in the WMIH Corp. merger. "Predecessor" financial information relates to Nationstar and "Successor" financial information relates to Mr. Cooper. The financial results for the three months ended June 30, 2019, the three months ended March 31, 2019, and the three months ended December 31, 2018 reflect the results of the Successor. With respect to the three months ended September 30, 2018, the Company has presented the results on a "combined" basis by combining the financial results of the Predecessor for the period from July 1, 2018 through July 31, 2018 and the financial results of the Successor for the period from August 1, 2018 through September 30, 2018. Although the separate financial results of the Predecessor for the period from July 1, 2018 through July 31, 2018 and the Successor for the period from August 1, 2018 through September 30, 2018 are each separately presented under generally accepted accounting principles ("GAAP") in the United States, the combined results reported reflect non-GAAP financial measures, because a different basis of accounting was used with respect to the financial results for the Predecessor as compared to the financial results of the Successor. The financial results for the three months ended June 30, 2018 reflect the results of the Predecessor.

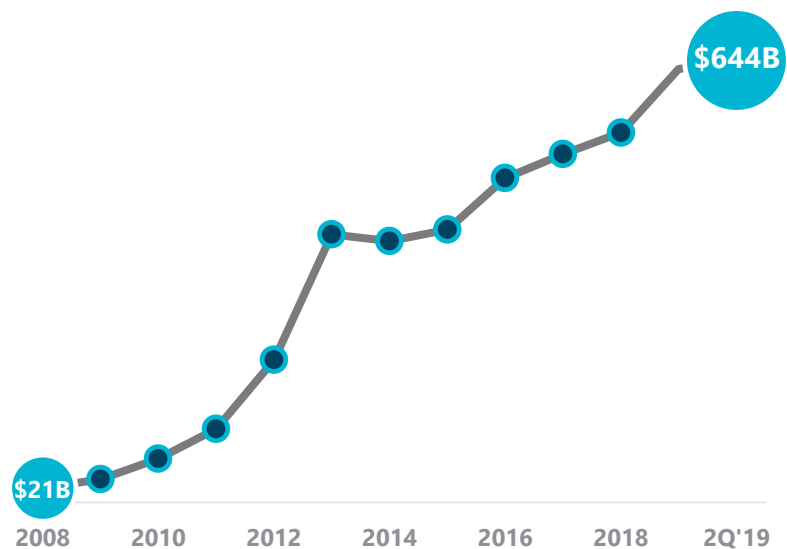
Non-GAAP Measures. This presentation contains certain references to non-GAAP measures. Please refer to the Appendix for more information on non-GAAP measures.

Evolution of the Leading Non-bank Mortgage Servicer

Post Crisis, Servicing Market Share Shifted to Non-banks (%)



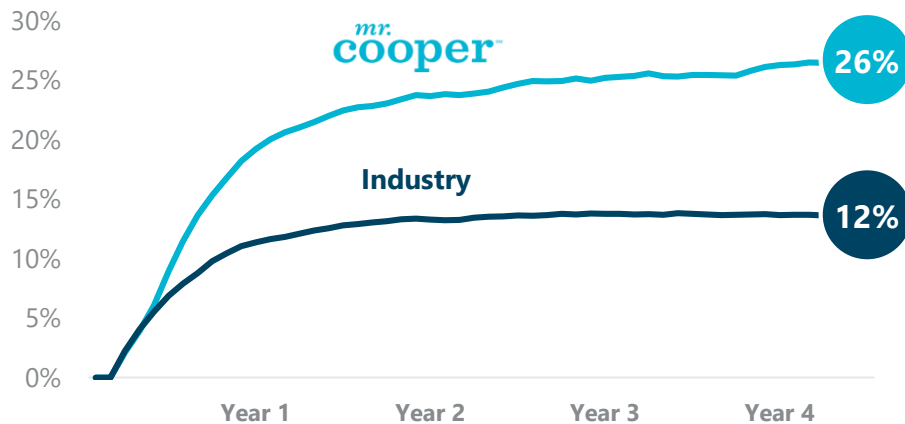
Industry-leading Portfolio Growth



Best-in-Class Operational Skills

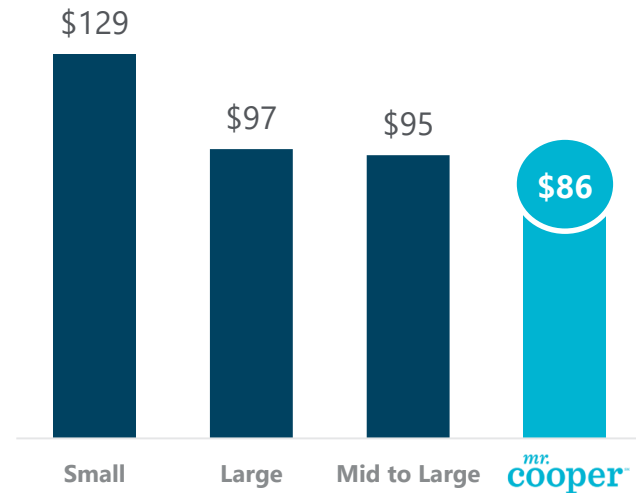
Kept More People in Their Homes

Returning Delinquent Loans to Performing Status at 2X the Industry Rate ⁽¹⁾



Built a Very Efficient Operating Platform

Direct Servicing cost per Loan below Peer Average ⁽²⁾

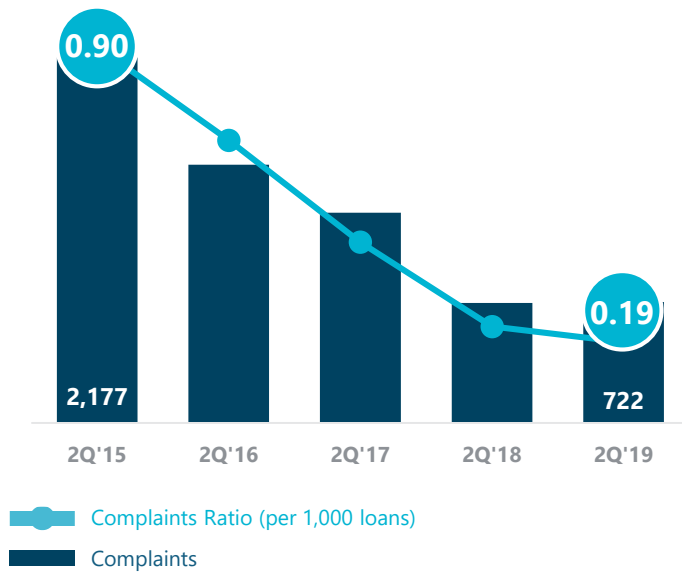


⁽¹⁾ Percentage of loans boarded delinquent brought back to performing status, compared to industry reperformance for buckets of similar loans. Source: Core Logic

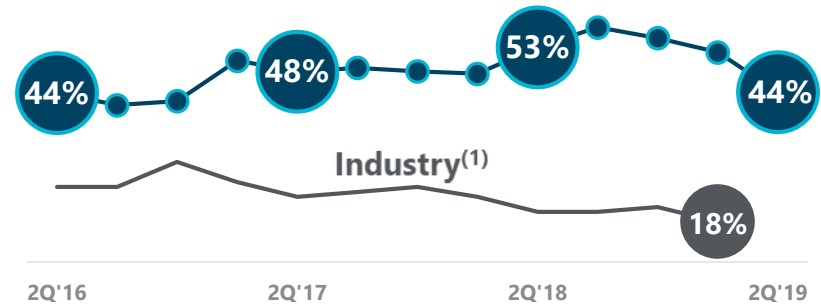
⁽²⁾ Direct servicing cost per loan for performing loans. Categories are defined as prime servicers; "Mid to Large" is 500k-1mm loans, "Large" is greater than 1mm loans, "Small" is less than 100k loans. Source: 2017 MBA Peer Group Study

Rebranding Establishes Customer-centric Culture

Significant Improvement in Customer Experience



Refinance Recapture is a Competitive Advantage



⁽¹⁾ Industry refinance recapture data based on Black Knight's mortgage monitor March 2019 report.

Second Quarter Highlights

- **Reported loss of (\$0.96) per share driven by (\$231) mm mark-to-market and pretax operating income of \$118 mm⁽¹⁾**
- **Generated record Originations EBT of \$118 mm on record funded volume of \$10 bn**
- **Servicing UPB +2% q/q to \$644 bn with an operating margin of 6.7 bps**
- **Xome reported EBT of \$7 mm and pretax operating income of \$10 mm,⁽¹⁾ due to significant progress integrating AMS**

⁽¹⁾ Please see appendix for reconciliations of non-GAAP items

Generating and Sustaining Investor Returns

Current Initiatives

Integration

Pacific Union



Seterus



AMS back-office migration



Investment and Cost Savings

Titan investment

on schedule

\$50 mm corporate actions

on schedule

Deleveraging

2Q'19 steady state discretionary cash flow of \$93 mm



Target debt: adjusted EBITDA <5.0x

5.2x

Target 2021 Return on Tangible Common Equity

+12%

ROTCE shown fully taxed, does not include the cash flow benefits associated with the company's deferred tax asset

Note: ROTCE estimates are forward-looking and are subject to a number of risks, uncertainties and changes in circumstances, certain of which are beyond our control. Actual results could differ materially as a result of several factors, including interest rates, prepayment rates, amortization, economic growth and delinquencies. Assumes stable interest rates and continued economic growth. Please see appendix for reconciliations of non-GAAP items.

Summary 2Q'19 Financial Results

\$ mm's, except per share data	2Q'19	1Q'19	2Q'18
Servicing	\$70	\$73	\$22
Originations	118	45	32
Xome	10	-	10
Corporate debt interest expense	(51)	(51)	(31)
Corporate expense/other	(29)	(19)	(19)
Pretax operating income⁽¹⁾	\$118	\$48	\$14
Other MTM ⁽²⁾	(205)	(268)	66
Merger related costs	(17)	(20)	(1)
Accounting items	-	20	-
Intangible amortization	(13)	(13)	-
Pretax (loss) income	(\$117)	(\$233)	\$79
Net (loss) Income	(\$87)	(\$186)	\$58
Average diluted sharecount	91.1	90.8	99.1
Diluted EPS	(\$0.96)	(\$2.05)	\$0.59

TBV Rollforward⁽¹⁾	\$ mm's	Per share
1Q'19	\$1,536	\$16.91
2Q'19 net loss	(87)	(0.96)
Intangible amortization	13	0.14
Intangible assets related to PacU	(2)	(0.02)
Goodwill related to PacU	(11)	(0.12)
Other	4	0.04
2Q'19	\$1,453	\$15.95

Bridge to Operating Profitability	
Pretax loss	(\$117)
Mark-to-market	231
Fair value amortization	(26)
Merger related costs	17
Intangible amortization	13
Pretax operating income⁽¹⁾	\$118

Summary Investor Returns	\$mm's	ROTCE
GAAP	(\$87)	-23.3%
Fully-taxed operating income ⁽¹⁾⁽³⁾	\$89	23.8%
Cash tax-effected operating income ⁽¹⁾⁽⁴⁾	\$114	30.6%
Discretionary steady state cash flow	\$93	n/a

⁽¹⁾ Please see appendix for reconciliations of non-GAAP items

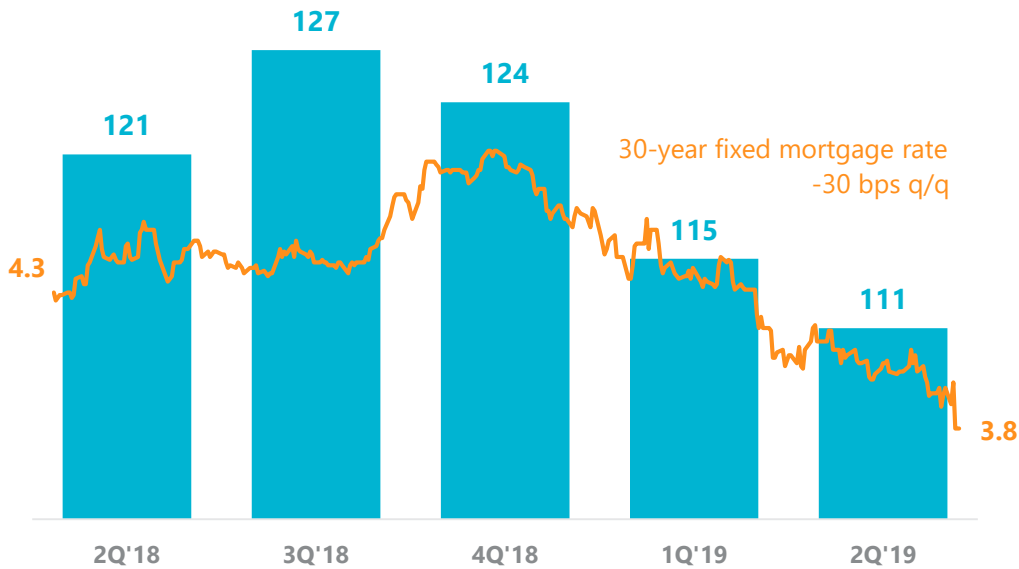
⁽²⁾ Other MTM does not include fair value amortization. Fair value amortization represents the additional amortization required under the fair value amortization method over the cost amortization method

⁽³⁾ Assumes GAAP tax-rate of 24.2% and does not give credit to cash flow benefits of the DTA

⁽⁴⁾ Assumes marginal tax rate of 3.2%

MSR Value Update

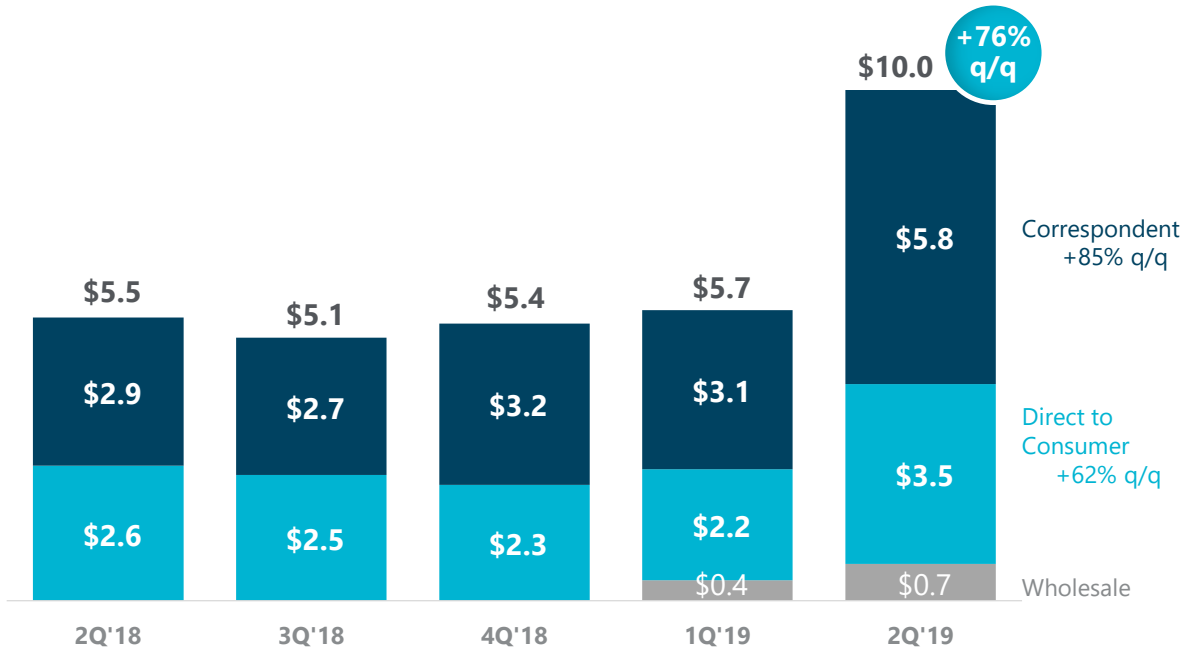
MSR value (bps)



- MSR marked down by 4 bps or 3%, based on 30 bps decline in mortgage rates during the quarter
- Excess spread liabilities include estimated \$145 mm cost of sharing recapture with capital partners, but MSR includes no recapture benefit
- As of 6/30/19, over 1 million customers would save, on average, \$225 per month by refinancing

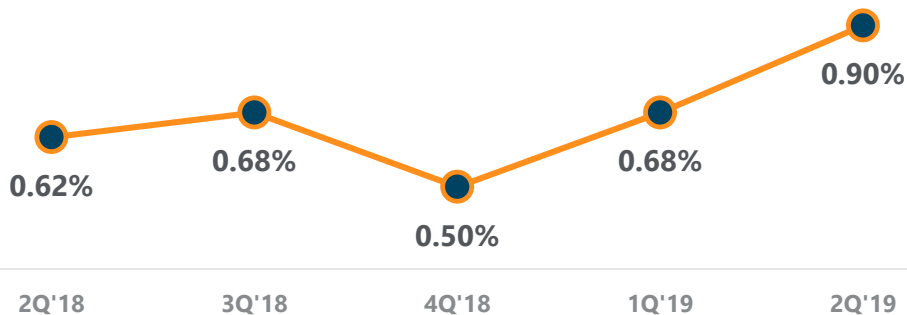
Record Originations Results

Funded Volume By Channel



- Total funded volume of \$10.0 bn was up 76% q/q, while total lock volume was up 87% q/q
- Correspondent volume benefitted from first full quarter of Pacific Union. Integration is now complete
- Correspondent is now our primary channel for new customer acquisition, averaging 78% purchased volume
- DTC margins exceeded 200 bps in the quarter, benefiting from investments in digital platform, customer tools, back office processing, and Home Advisor

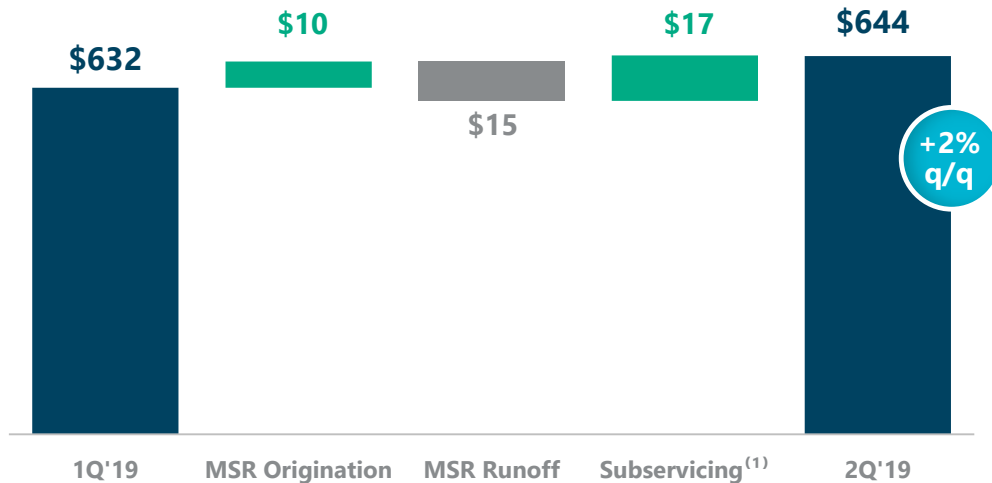
Originations Margin⁽¹⁾



⁽¹⁾ Please see appendix for reconciliations of non-GAAP measures

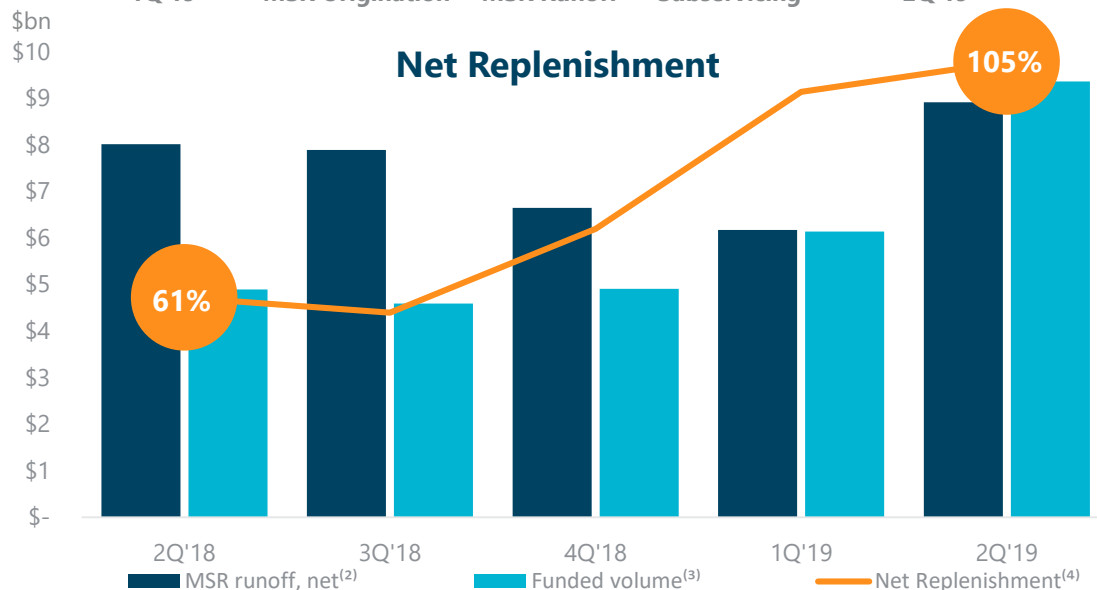
Servicing Portfolio +2% q/q

Portfolio Walk



- Total portfolio increased by 2% sequentially to \$644 bn
- Excluding the economic share of run-off attributable to excess spread partners, the net replenishment rate was 105%
- Subservicing declined from 48% of the portfolio to 47%
- During the quarter, we took on ownership of \$23 bn MSR associated with the Seterus acquisition, which was previously a subservicing contract
- The reverse mortgage portfolio remains in run-off, with balances down 21% y/y
- Bulk acquisitions and sales were minimal during the quarter

Net Replenishment



⁽¹⁾ Excludes Seterus transfer of \$23 bn to MSR Portfolio

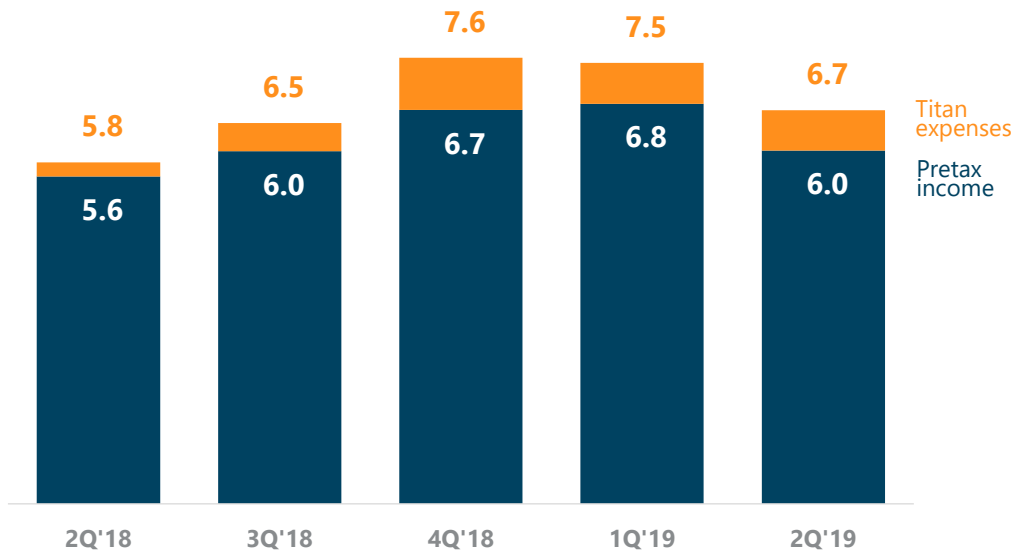
⁽²⁾ \$15 bn MSR runoff, net of economic share of runoff attributable to excess spread partners, estimated at 41% based on ratio of excess spread liability to MSR at 6/30/2019, would be equivalent to \$9 bn in net run-off

⁽³⁾ Excludes subservicing funded originations volume of \$0.6 bn in 2Q19

⁽⁴⁾ Net replenishment is calculated as originations funded volume excluding subservicing divided by MSR runoff, net

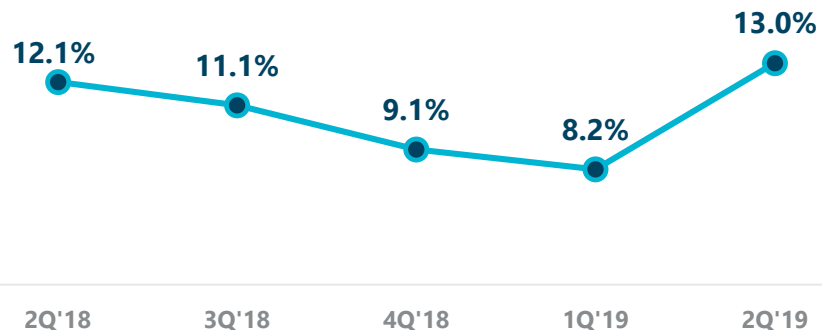
Servicing Margin Impacted by Higher Amortization

Servicing Margin (bps)⁽¹⁾



- Excluding the mark, servicing margin was 6.0 bps, as amortization increased due to rising prepayment speeds
- Servicing margin included \$11 mm in Project Titan expenses. Excluding Titan expenses, servicing margin would have been 6.7 bps
- Titan contributed \$5 mm in EBT in the quarter, primarily due to productivity enhancements related to payoff quotes, late fees, modification workflow processes, and HomeAdvisor
- 60+ day delinquencies improved from 2.4% to 2.3% sequentially

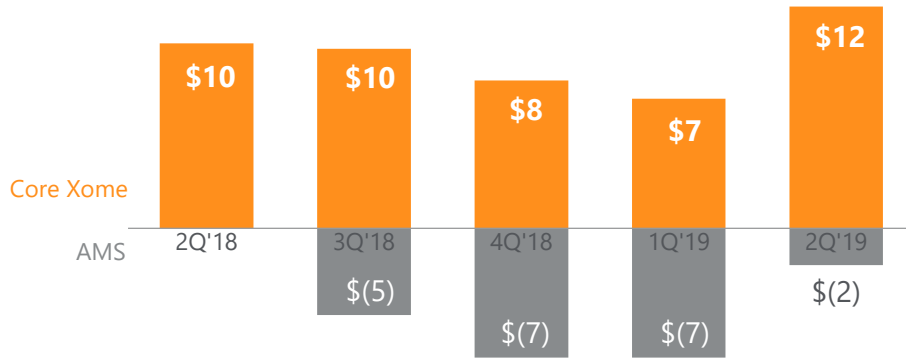
CPR Trend



⁽¹⁾ Please see appendix for reconciliations of non-GAAP measures

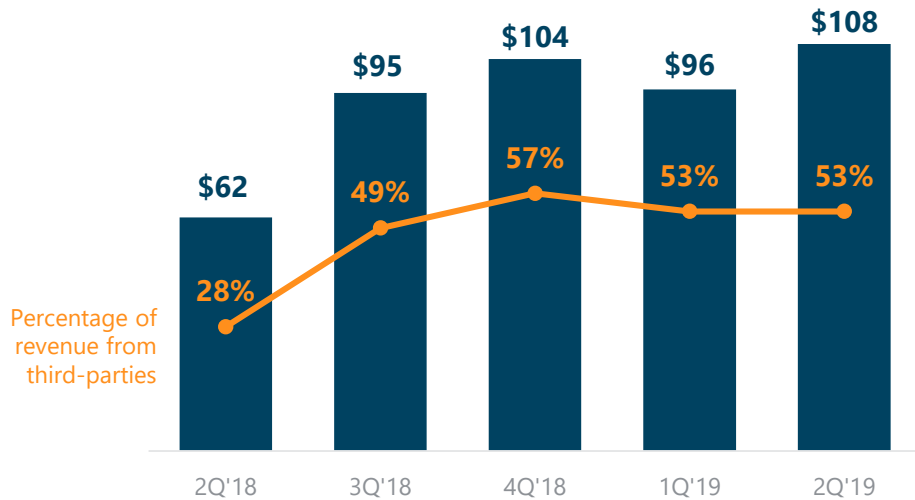
Xome Operating Results Improved to \$10 mm

Operating Profitability (\$ mm's)⁽¹⁾

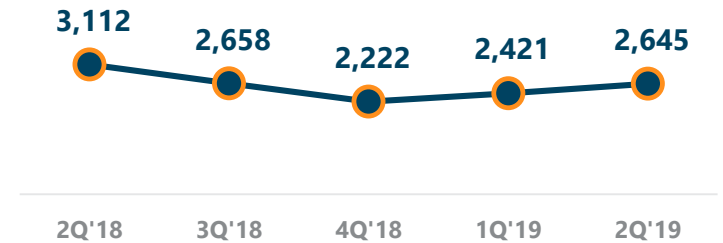


- AMS impact improved \$5 mm q/q, with back office migration completed in July
- Exchange revenues improved due to third-party wins, while title and close benefitted from refinance volumes

Revenue (\$ mm's)



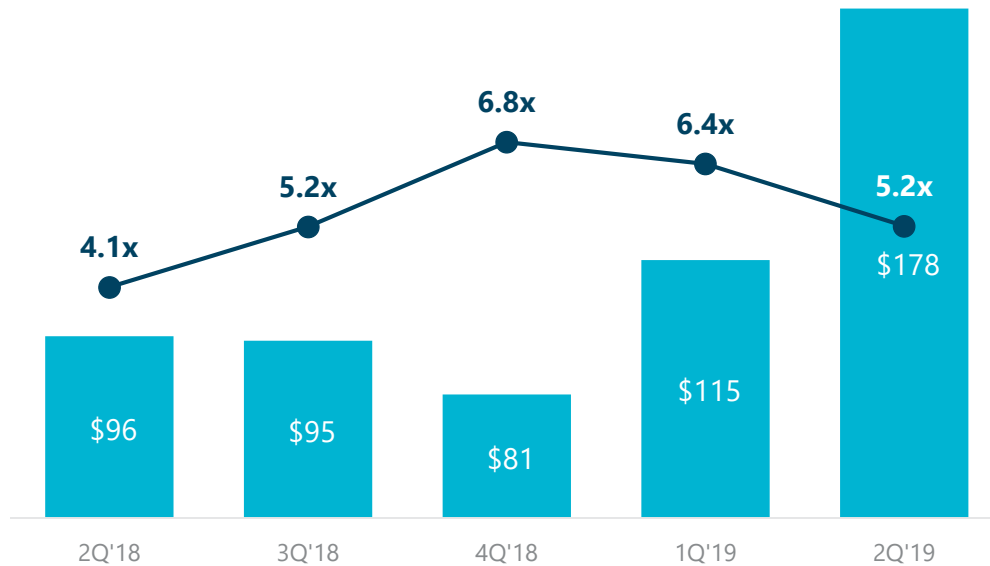
Exchange Property Listings Sold



⁽¹⁾ Please see appendix for reconciliations of non-GAAP measures

Commitment to Strong Capital and Liquidity

Adjusted EBITDA and Debt/Adjusted EBITDA ⁽¹⁾



- Debt: adjusted EBITDA declined to 5.2x
- Estimated steady state cash flow improved to \$93 mm on strong origination profitability
- Warehouse line capacity increased by \$485 mm and MSR lines by \$150 mm

⁽¹⁾ Please see appendix for reconciliations of non-GAAP measures



Mr. CooperGroupSM

Appendix

Segment Operating Income and non-GAAP Reconciliation

\$mm's	Servicing	Originations	Xome	Corporate and Other	Total
Servicing related excluding MTM	\$258	\$20	\$108	(\$18)	\$368
Net gain on mortgage loans held for sale	-	244	-	18	262
Operating revenue excluding MTM	258	264	108	-	630
Salaries, wages and benefits	90	89	36	23	238
General and administrative	99	56	65	34	254
Total expenses	189	145	101	57	492
Interest income / other	136	24	-	3	163
Interest expense	(109)	(25)	-	(2)	(136)
Corporate debt interest expense	-	-	-	(51)	(51)
Total other income (expenses), net	27	(1)	-	(50)	(24)
Pretax income (loss) before MTM	\$96	\$118	\$7	(\$107)	\$114
Fair value amortization	(26)	-	-	-	(26)
Other MTM	(205)	-	-	-	(205)
MTM	(231)	-	-	-	(231)
Pretax (loss) income	(\$135)	\$118	\$7	(\$107)	(\$117)
Other MTM	205	-	-	-	205
Merger related costs	-	-	-	17	17
Intangible amortization	-	-	3	10	13
Pretax operating income (loss)	\$70	\$118	\$10	(\$80)	\$118

Corporate and other includes a reclassification of \$18 million between net gain on sale of loans and service-related, net to eliminate the impact of the Servicing reporting all revenues under service-related, net.

Tangible Book Value (TBV) Reconciliation

\$mm's	4Q'18	1Q'19	2Q'19
Stockholders' equity	\$1,945	\$1,761	\$1,678
Goodwill	(23)	(109)	(120)
Intangible assets	(117)	(116)	(105)
Tangible book value (TBV)	\$1,805	\$1,536	\$1,453
Average diluted sharecount	90.8	90.8	91.1
TBV/share	\$19.89	\$16.91	\$15.95
Beginning TBV	\$1,958	\$1,805	\$1,536
Ending TBV	1,805	1,536	1,453
Average TBV	\$1,882	\$1,671	\$1,494

ROTCE Reconciliation

\$mm's	2Q'19
Pretax loss	(\$117)
Income tax benefit ⁽¹⁾	30
Net loss	(\$87)
ROTCE	-23.3%
Pretax loss	(117)
Mark-to-market	231
Fair value amortization	(26)
Merger related costs	17
Intangible amortization	13
Pretax operating income	\$118
Income tax expense ⁽²⁾	(29)
Fully-taxed operating income	\$89
ROTCE	23.8%
Income tax expense ⁽³⁾	(4)
Cash-taxed operating income	\$114
ROTCE	30.6%
Average TBV	\$1,494

⁽¹⁾ Includes income tax benefit and non-controlling interest

⁽²⁾ Assumes GAAP tax-rate of 24.2% and does not give credit to cash flow benefits of the DTA

⁽³⁾ Assumes marginal tax rate of 3.2%

ROTCE is a non-GAAP financial measure that is computed by dividing earnings by tangible common equity. Tangible common equity equals total stockholders' equity less goodwill and intangible assets. The methodology of determining tangible common equity may differ among companies. Management believes that ROTCE is a useful financial measure because it measures the performance of a business consistently and enables investors and others to assess the Company's use of equity. We are unable to provide a reconciliation of the forward-looking non-GAAP financial measure to its most directly comparable GAAP financial measure because we are unable to provide, without unreasonable effort, a meaningful or accurate calculation or estimate of amounts that would be necessary for the reconciliation due to the complexity and inherent difficulty in forecasting and quantifying future amounts or when they may occur. Such unavailable information could be significant to future results.

Servicing Non-GAAP Reconciliation

\$mm's	2Q'18		3Q'18		4Q'18		1Q'19		2Q'19	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Pretax income (loss)	\$88	7.1	\$65	5.2	(\$100)	(7.6)	(\$186)	(12.9)	(\$135)	(8.4)
Mark-to-market (MTM)	(19)	(1.5)	(49)	(3.9)	188	14.3	293	20.3	231	14.4
Accounting item	-	-	-	-	-	-	(9)	(0.6)	-	-
Merger related costs	-	-	59	4.7	-	-	-	-	-	-
Pretax income excluding MTM and other notable items	\$69	5.6	\$75	6.0	\$88	6.7	\$98	6.8	\$96	6.0
Project Titan expenses	3	0.2	6	0.5	12	0.9	10	0.7	11	0.7
Pretax income excluding MTM, other notable items, and Titan	\$72	5.8	\$81	6.5	\$100	7.6	\$108	7.5	\$107	6.7
Average UPB (\$B)	497		500		526		576		639	

Servicing Profitability

\$mm's	2Q'18		3Q'18		4Q'18		1Q'19		2Q'19	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Operational Revenue										
Base servicing fees	\$214	17.2	\$210	16.8	\$225	17.1	\$240	16.7	\$257	16.1
Modification fees	13	1.1	6	0.5	3	0.2	3	0.2	6	0.4
Incentive fees	4	0.3	4	0.3	3	0.2	1	0.1	1	0.0
Late payment fees	19	1.5	17	1.4	18	1.4	19	1.3	20	1.2
Other ancillary revenues	26	2.1	26	2.1	24	1.8	48	3.3	30	1.9
Total forward MSR operational revenue	276	22.2	263	21.1	273	20.7	311	21.6	314	19.6
Base subservicing fee and other subservicing revenue	37	3.0	40	3.2	40	3.0	52	3.6	62	3.9
Reverse servicing fees	14	1.1	11	0.9	9	0.7	9	0.6	8	0.5
Total servicing fee revenue	327	26.3	314	25.2	322	24.4	372	25.8	384	24.0
MSR financing liability costs	(14)	(1.1)	(12)	(1.0)	(12)	(0.9)	(12)	(0.8)	(11)	(0.7)
Excess spread payments - principal	(36)	(2.9)	(30)	(2.4)	(30)	(2.3)	(36)	(2.5)	(59)	(3.7)
Total operational revenue	277	22.3	272	21.8	280	21.2	324	22.5	314	19.6
Amortization										
Forward MSR amortization	(84)	(6.8)	(80)	(6.4)	(76)	(5.8)	(79)	(5.5)	(125)	(7.8)
Excess spread accretion	36	2.9	33	2.6	32	2.4	36	2.5	59	3.7
Reverse MSL accretion	-	-	6	0.5	9	0.7	18	1.3	11	0.7
Reverse MSR amortization	-	-	-	-	(4)	(0.3)	2	0.1	(1)	(0.1)
Total amortization	(48)	(3.9)	(41)	(3.3)	(39)	(3.0)	(23)	(1.6)	(56)	(3.5)
Mark-to-Market Adjustments										
MSR MTM	25	2.0	93	7.4	(202)	(15.4)	(360)	(25.0)	(227)	(14.2)
Excess spread / financing MTM	(6)	(0.5)	(44)	(3.5)	14	1.1	67	4.7	(4)	(0.2)
Total MTM adjustments	19	1.5	49	3.9	(188)	(14.3)	(293)	(20.3)	(231)	(14.4)
Total revenues	\$248	19.9	\$280	22.4	\$53	3.9	\$8	0.6	\$27	1.7
Average UPB (\$B)	497		500		526		576		639	

Servicing Profitability ^[cont.]

\$mm's	2Q'18		3Q'18		4Q'18		1Q'19		2Q'19	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Salaries, wages and benefits	\$74	6.0	\$77	6.2	\$79	6.0	\$86	6.0	\$90	5.6
Servicing support fees	35	2.8	34	2.7	34	2.6	39	2.7	24	1.5
Corporate and other general and administrative expenses	32	2.6	38	3.0	45	3.4	39	2.7	39	2.4
Foreclosure and other liquidation related expenses	19	1.5	75	6.1	36	2.7	27	1.9	32	2.0
Depreciation and amortization	6	0.5	6	0.5	5	0.4	4	0.3	4	0.3
Total general and administrative expenses	92	7.4	153	12.3	120	9.1	109	7.6	99	6.2
Expenses	\$166	13.4	\$230	18.5	\$199	15.1	\$195	13.6	\$189	11.8
Reverse mortgage interest income	118	9.5	110	8.8	133	10.1	82	5.7	86	5.4
Other interest income	3	0.2	9	0.7	11	0.8	33	2.3	50	3.1
Interest income	121	9.7	119	9.5	144	10.9	115	8.0	136	8.5
Reverse mortgage interest expense	(95)	(7.6)	(93)	(7.4)	(84)	(6.4)	(71)	(4.9)	(46)	(2.9)
Advance interest expense	(12)	(1.0)	(7)	(0.6)	(8)	(0.6)	(9)	(0.6)	(8)	(0.5)
Other interest expense	(8)	(0.6)	(9)	(0.7)	(7)	(0.5)	(34)	(2.4)	(55)	(3.4)
Interest expense	(115)	(9.3)	(109)	(8.7)	(99)	(7.5)	(114)	(7.9)	(109)	(6.8)
Other income (expense)	-	-	5	0.4	1	0.1	-	-	-	-
Total other income (expense), net	\$6	0.5	\$15	1.2	\$46	3.5	\$1	0.1	\$27	1.7
Pretax income (loss)	\$88	7.1	\$65	5.2	(\$100)	(7.6)	(\$186)	(12.9)	(\$135)	(8.4)
Average UPB (\$B)	497		500		526		576		639	

Servicing Portfolio

Unpaid Principle Balance (\$mm's)	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19
Forward balance - beginning of period	\$466,401	\$465,398	\$483,592	\$519,367	\$604,883
Additions:					
Originations	5,545	5,142	5,488	5,295	9,920
Acquisitions	14,655	31,917	55,825	97,811	32,787
Deductions:					
Dispositions	(1,739)	(658)	(9,566)	(1,251)	(2,914)
Principal reductions and other	(4,724)	(4,718)	(4,700)	(5,145)	(5,700)
Voluntary reductions	(13,166)	(12,212)	(10,262)	(10,272)	(19,778)
Involuntary reductions	(1,478)	(1,187)	(920)	(857)	(994)
Net changes in loans serviced by others	(96)	(90)	(90)	(65)	(84)
Runoff	(19,464)	(18,207)	(15,972)	(16,339)	(26,556)
Forward balance - end of period	\$465,398	\$483,592	\$519,367	\$604,883	\$618,120
Reverse balance - end of period	32,264	30,660	28,415	27,014	25,569
Total balance - end of period	\$497,662	\$514,252	\$547,782	\$631,897	\$643,689
Memo:					
Forward MSR balance - end of period	\$278,105	\$274,486	\$295,481	\$303,692	\$316,012
Subservicing balance - end of period	\$187,293	\$209,106	\$223,886	\$301,191	\$302,108
Forward runoff rate ⁽¹⁾	16.7%	15.6%	13.2%	12.6%	17.6%
60+ delinquency (% of loans)	2.8%	2.5%	2.2%	2.4%	2.3%
MSR CPR	12.7%	11.8%	10.1%	9.3%	14.3%
Total CPR	12.1%	11.1%	9.1%	8.2%	13.0%
Fair value amortization ⁽²⁾	(\$47)	(\$38)	(\$35)	(\$25)	(\$26)
MSR carrying value	121 bps	127 bps	124 bps	115 bps	111 bps
MSR original cost	74 bps	76 bps	79 bps	83 bps	85 bps

⁽¹⁾ Forward runoff rate is calculated as the annualized forward servicing runoff divided by forward beginning of period UPB

⁽²⁾ Amount represents the additional amortization required under the fair value amortization method over the cost amortization method

Originations Non-GAAP Reconciliation

\$mm's	2Q'18		3Q'18		4Q'18		1Q'19		2Q'19	
	\$	Margin	\$	Margin	\$	Margin	\$	Margin	\$	Margin
Pretax income	\$32	0.62%	\$32	0.68%	\$11	0.40%	\$45	0.68%	\$118	0.90%
Business shutdown costs	-	-	-	-	5	0.10%	-	-	-	-
Pretax income excluding business shutdown costs	\$32	0.62%	\$32	0.68%	\$16	0.50%	\$45	0.68%	\$118	0.90%

Note: Revenue based on pull through adjusted locked volume, expenses based on funded volume.

Originations Profitability

\$mm's	2Q'18	3Q'18	4Q'18	1Q'19	2'Q19
Service related, net - Originations	\$17	\$14	\$14	\$15	\$20
Net gain on mortgage loans held for sale					
Gain on loans originated and sold	45	48	35	46	84
Fair value adjustments on loans held for sale	6	(9)	14	10	6
Mark-to-market on locks and commitments	3	(3)	(9)	6	65
Mark-to-market on derivative/hedge	(6)	19	(30)	10	(3)
Capitalized servicing rights	69	63	73	61	100
Provision for repurchase reserves, net of release	(1)	(1)	(2)	(2)	(8)
Total net gain on mortgage loans held for sale	116	117	81	131	244
Total revenues	\$133	\$131	\$95	\$146	\$264
Pull through adjusted lock volume	\$5,440	\$5,027	\$4,873	\$5,960	\$11,197
GOS margin	2.13%	2.33%	1.66%	2.20%	2.18%
Revenue margin	2.44%	2.61%	1.95%	2.45%	2.36%
Value of capitalized servicing retained	142 bps	138 bps	147 bps	141 bps	149 bps

Note: Revenue based on pull through adjusted locked volume, expenses based on funded volume

Originations Profitability [cont.]

\$mm's	2Q'18	3Q'18	4Q'18	1Q'19	2'Q19
Salaries, wages and benefits	\$61	\$60	\$56	\$69	\$88
Loan originations expenses	13	14	10	10	17
Corporate and other general and administrative expenses	12	10	11	14	13
Marketing and professional service fee	13	13	9	8	21
Depreciation and amortization	3	3	3	3	6
Expenses	\$102	\$100	\$89	\$104	\$145
Funded volume	\$5,543	\$5,147	\$5,424	\$5,716	\$9,996
Expenses margin	1.84%	1.94%	1.64%	1.82%	1.45%
Interest income	\$17	\$16	\$17	\$17	\$23
Interest expense	(16)	(16)	(16)	(18)	(25)
Other income	-	1	4	4	1
Other income, net	\$1	\$1	\$5	\$3	(\$1)
Funded volume	\$5,543	\$5,147	\$5,424	\$5,716	\$9,996
Other income margin	0.02%	0.02%	0.09%	0.05%	-0.01%
Pretax income	\$32	\$32	\$11	\$45	\$118
Pretax income margin	0.62%	0.68%	0.40%	0.68%	0.90%

Note: Revenue based on pull through adjusted locked volume, expenses based on funded volume

Xome Non-GAAP Reconciliation

\$mm's	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19
Pretax income (loss)	\$10	\$4	(\$2)	\$8	\$7
Business shutdown costs	-	1	1	-	-
Asset sales	-	-	(1)	-	-
Accounting item	-	-	-	(11)	-
Intangible amortization	-	-	3	3	3
Pretax income excluding notable items	\$10	\$5	\$1	\$0	\$10
AMS impact	-	5	7	7	2
Pretax income, excluding notable items, and AMS impact	\$10	\$10	\$8	\$7	\$12

Xome Profitability

\$mm's	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19
Exchange	\$27	\$24	\$19	\$20	\$20
Services	30	65	81	71	82
Data/Technology	5	6	4	5	6
Total revenues	\$62	\$95	\$104	\$96	\$108
Salaries, wages and benefits	25	38	44	38	36
Operational expenses	24	49	60	57	62
Depreciation and amortization	3	3	3	4	3
Expenses	52	90	107	99	101
Other income, net	-	(\$1)	\$1	\$11	-
Pretax income (loss)	\$10	\$4	(\$2)	\$8	\$7
Margin	16.1%	4.2%	-1.9%	8.3%	6.5%
Exchange property listings sold	3,112	2,658	2,222	2,421	2,645
Average exchange property listings	6,621	5,577	5,753	6,275	6,693
Services completed orders	117,093	312,536	531,566	379,585	417,510
Percentage of revenue earned from third-party customers	28%	49%	57%	53%	53%

Adjusted EBITDA

\$mm's	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19
Consolidated GAAP pretax income	\$79	(\$42)	(\$178)	(\$233)	(\$117)
Mark-to-market	(19)	(49)	188	293	231
Adjustments ⁽¹⁾	9	139	29	21	30
MSR amortization, net	48	41	39	23	56
Capitalized servicing rights	(71)	(65)	(77)	(66)	(103)
Depreciation and amortization	14	22	26	21	24
Corporate debt interest expense	31	45	54	51	51
Other	5	4	0	4	5
Adjusted EBITDA	\$96	\$95	\$81	\$115	\$178

Numbers may not add due to rounding

⁽¹⁾ Adjusted EBITDA calculated consistent with the definition in the corporate indentures for senior unsecured notes maturing in 2023 and 2026. 2Q'19 includes merger related cost (\$17 mm), Project Titan expenses (\$11 mm), and other qualifying adjustments (\$2 mm) as per 2023/2026 high yield debt covenants.

2Q'19 Sources and Uses Cash Flow

\$mm's	Servicing	Originations	Xome	Corporate	Consolidated	Discretionary Steady State, excluding notable items ⁽¹⁾
GAAP pretax (loss) income	(\$135)	\$118	\$7	(\$107)	(\$117)	
Settlement of excess spread financing	(57)	-	-	-	(57)	
Intangible amortization	-	-	3	10	13	
Depreciation	1	1	1	8	11	
Share-based compensation	1	1	1	3	5	
Amortization of premiums, net of discount accretion	(29)	-	-	2	(27)	
MSR amortization	115	-	-	-	115	
MTM	231	-	-	-	231	
Business segment cash flow from operations	\$126	\$120	\$12	(\$85)	\$174	\$202
Total working capital change					41	-
Total sources, net					\$215	\$202
Capex					(17)	(17)
Capitalized servicing rights - originations/EBO					(103)	(103)
MSR purchases/Excess spread financing					(99)	11
MSR sales					36	-
Other Investment and Financing					(3)	-
Investing and financing activities					(169)	(92) ⁽²⁾
Total uses, net					(\$186)	(\$109)
Change in cash					\$29	\$93
Change in unrestricted cash					\$64	

⁽¹⁾ Notable items include \$17 mm merger related costs and \$11 mm Project Titan spending

⁽²⁾ Required investment to sustain the net MSR is based on \$(125) mm forward MSR amortization, \$59 mm excess spread accretion, and \$(26) mm fair value amortization