UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number: 001-35449

Mr. Cooper Group Inc.

(Exact name of registrant as specified in its charter)

Delaware	**91-1653725**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8950 Cypress Waters Blvd, Coppell, TX	**75019**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (469) 549-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	**COOP**	**The Nasdaq Stock Market**

Securities registered pursuant to Section 12(g) of the Act: None

---

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12(b)-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of the error corrections are restatements that required recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock, $0.01 par value, outstanding as of February 22, 2024 was 64,602,234.

As of June 30, 2023 (the last business day of the registrant's most recently completed second fiscal quarter), the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $3,275,695,445 based on the closing sales price of $50.64 as reported on the Nasdaq Stock Market.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of our definitive Proxy Statement, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days of the Company's fiscal year-end, are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K.

MR. COOPER GROUP INC.
ANNUAL REPORT ON FORM 10-K
TABLE OF CONTENTS

		Page
	PART I	
Item 1.	Business	4
Item 1A.	Risk Factors	9
Item 1B.	Unresolved Staff Comments	31
Item 1C.	Cybersecurity	31
Item 2.	Properties	32
Item 3.	Legal Proceedings	32
Item 4.	Mine Safety Disclosures	32
	PART II	
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	33
Item 6.	[RESERVED]	34
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	35
Item 7A.	Quantitative and Qualitative Disclosures about Market Risk	50
Item 8.	Financial Statements and Supplementary Data	62
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	113
Item 9A.	Controls and Procedures	113
Item 9B.	Other Information	115
Item 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	115
	PART III	
Item 10.	Directors, Executive Officers and Corporate Governance	115
Item 11.	Executive Compensation	115
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	115
Item 13.	Certain Relationships and Related Transactions, and Director Independence	115
Item 14.	Principal Accountant Fees and Services	115
Item 15.	Exhibits and Financial Statement Schedules	115
Item 16.	Form 10-K Summary	126
Signatures		127

PART I.

Item 1. *Business*

The disclosures set forth in this item are qualified by Item 1A. Risk Factors and the section within Item 1, captioned "Caution Regarding Forward-Looking Statements." Management's Discussion and Analysis of Financial Condition and Results of Operations of this report and other cautionary statements are set forth elsewhere in this report.

OVERVIEW

Mr. Cooper Group Inc., including our consolidated subsidiaries (collectively, "Mr. Cooper," the "Company," "we," "us" or "our"), is the largest non-bank servicer of residential mortgage loans in the U.S. according to the latest publications from Inside Mortgage Finance as of the third quarter of 2023, and a major mortgage originator. We also provide Real Estate disposition services through our Xome subsidiary.

Our success depends on working with residential mortgage borrowers (our customers), government sponsored and private investors, and business partners, to help customers achieve home ownership and manage what is typically their largest and most important financial asset. Investors primarily include government sponsored enterprises ("GSE") such as the Federal National Mortgage Association ("Fannie Mae" or "FNMA") and the Federal Home Loan Mortgage Corp ("Freddie Mac" or "FHLMC"), investors in private-label securitizations, the Government National Mortgage Association ("Ginnie Mae" or "GNMA"), as well as organizations owning mortgage servicing rights ("MSR"), which engage us to subservice. We are regulated both at the Federal and individual state levels.

We have provided a glossary of terms, which defines certain industry-specific and other terms that are used herein, in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A")*, of this Form 10-K.

In 2023, we continued to grow our servicing portfolio with the acquisition of Home Point Capital Inc. ("Home Point") and expanded our special servicing product offering with the acquisition of Rushmore Loan Management Services, LLC ("Rushmore"). We also broadened our business offerings with the acquisition of investment advisor Roosevelt Management Company, LLC ("Roosevelt"). For further discussion regarding these transactions, refer to *Note 3, Acquisitions* in the Notes to Consolidated Financial Statements within Item 8.

BUSINESS SEGMENTS

We conduct our operations through two operating segments: Servicing and Originations.

See Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations,* and *Note 21, Segment Information* in the Notes to Consolidated Financial Statements within Item 8, for additional financial information about our segments.

Servicing

As of December 31, 2023, we served 4.6 million customers with an aggregate unpaid principal balance ("UPB") of $992 billion, consisting of $588 billion in owned servicing and $404 billion in subservicing and other. During 2023, we acquired $340 billion UPB of loans, with $97 billion of UPB related to subservicing.

We service loans on behalf of investors or owners of the underlying mortgages. Servicing consists of collecting loan payments, remitting principal and interest payments to investors, managing escrow funds for the payment of mortgage-related expenses, such as taxes and insurance, performing loss mitigation activities on behalf of investors and otherwise administering our mortgage loan servicing portfolio.

Servicing

Where we own the right to service loans, we recognize MSR assets in our consolidated financial statements and have elected to mark this portfolio to fair value each quarter. We primarily generate recurring revenue through contractual servicing fees, which include late payment, modification, and other ancillary fees and interest income on custodial deposits. As the MSR owner, we are obligated to make servicing advances to fund scheduled principal, interest, tax and insurance payments when the mortgage loan borrower has failed to make the scheduled payments and to cover foreclosure costs and various other items that are required to preserve the assets being serviced. As the MSR owner, we generally have the right to solicit our customers for refinance opportunities, which are processed through our direct-to-consumer channel in our Originations segment. Additionally, we may be able to modify or refinance loans pursuant to government programs and earn incentive fees or gain-on-sale revenues from redelivering modified loans to new securitizations.

Subservicing

We service loans on behalf of clients who own the underlying servicing rights. Since we do not own the right to service the loan, we do not recognize an MSR asset in our consolidated financial statements. We primarily generate revenue based upon a stated fee per loan per month that varies based on the loan's delinquency status. As a subservicer, we may be obligated to make servicing advances; however, advances are generally limited, with recoveries typically following within 30 days. Additionally, our exposure to foreclosure-related costs and losses is generally limited in our subservicing relationships as those risks are retained by the owner of the MSR. Capital requirements for subservicing arrangements are substantially lower than for owned MSRs. We also offer high-touch, special servicing through our brand Rushmore Servicing in connection with the acquisition of Rushmore Loan Management Services, LLC. The acquisition of the Rushmore Servicing special servicing business brings us additional capacity and positions us for revenue growth opportunities across a wide range of adverse environments.

As of December 31, 2023, our subservicing portfolio had a total UPB of $404 billion, which accounted for 41% of the total servicing portfolio. We believe the subservicing operations allows us to leverage the scale of our technology and labor capital to provide cost effective servicing to customers while limiting the use of cash resources, thereby producing a higher return on equity.

Focus on the Customer

We are focused on providing quality service to our customers and building strong, lasting relationships. We have developed a culture of customer advocacy and celebrate and reward our team members for providing excellent service that helps our customers achieve their goal of homeownership and manage what is for many of them their largest financial asset. Additionally, we have invested significantly in technology solutions to improve the customer experience.

For each loan we service or subservice, we utilize a customer-centric model designed to increase borrower performance and to decrease borrower delinquencies. Keys to this model include frequent borrower interactions and utilization of multiple loss mitigation strategies, particularly in the early stages of default. We train our customer service representatives to find solutions that work for homeowners when circumstances allow. We believe this commitment to continued home ownership helps preserve neighborhoods and home values and improves asset performance for our investors.

Originations

Our Originations segment originates residential mortgage loans, providing both purchase and refinance opportunities to our existing servicing customers through our direct-to-consumer channel and purchases loans from other originators through our correspondent channel. According to the latest publication by Inside Mortgage Finance, as of the third quarter of 2023, we were the 26th largest overall mortgage loan originator in the United States. During the year ended December 31, 2023, we funded $12.6 billion mortgage loans. We generate revenue through gains related to the selling of mortgage loans sourced through our direct-to-consumer and correspondent channels and fees associated with originating loans. We originate and purchase conventional mortgage loans conforming to the underwriting standards of the GSEs. We also originate and purchase government-insured mortgage loans, which are insured by the Federal Housing Administration ("FHA"), Department of Veterans Affairs ("VA") and U.S. Department of Agriculture ("USDA"). Additionally, we offer non-agency Jumbo purchase loans and closed-end second lien refinance loans in our direct-to-consumer channel, originating to the standards of our investors.

We utilize warehouse facilities to fund originated loans. When we sell originated mortgage loans to secondary market investors, we generally retain the servicing rights on mortgage loans sold. The mortgage loans are typically sold within 30 days of origination in order to both mitigate credit risk and minimize the capital required. The majority of our mortgage loans were sold to, or were sold pursuant to, programs sponsored by Fannie Mae, Freddie Mac or Ginnie Mae.

Direct-to-Consumer Channel

We originate loans directly with borrowers through our direct-to-consumer channel. This channel utilizes our call centers, website and mobile apps, specially-trained teams of licensed mortgage originators, predictive analytics and modeling utilizing proprietary data from our servicing portfolio to reach those of our existing 4.6 million servicing customers who may benefit from a new mortgage. Depending on borrower eligibility, we will refinance existing loans into conventional, government or non-agency products. Through lead campaigns and direct marketing, the direct-to-consumer channel seeks to convert leads into loans in a cost-efficient manner. We earn gain-on-sale revenues from securitizing newly-originated loans.

Our direct-to-consumer channel represented 47% and 63% of our mortgage originations for the years ended December 31, 2023 and 2022, respectively, based on funded volume. Pull through adjusted lock volume for this channel was $5.7 billion and $14.8 billion in 2023 and 2022, respectively.

Correspondent Channel

We purchase closed mortgage loans from community banks, credit unions, mortgage brokers and independent mortgage bankers. We primarily generate revenue from the receipt of underwriting fees from correspondents earned on a per loan basis, as well as the gain on sale of loans sold into the secondary market. The correspondent channel serves as a cost-effective means of acquiring new customer relationships for our servicing portfolio.

Our correspondent channel represented 53% and 37% of our mortgage originations for the years ended December 31, 2023 and 2022, respectively, based on funded volume. Pull through adjusted lock volume for this channel was $7.1 billion and $10.1 billion in 2023 and 2022, respectively.

Competition

Our Servicing segment primarily competes against large financial institutions and non-bank servicers. The subservicing market in which we operate is also highly competitive and we face competition related to subservicing pricing and service delivery. Our competitive position is also dependent on our ability to provide excellent customer service, manage delinquent loans and mitigate investor losses, demonstrate compliance with local, state, federal and investor regulations, and improve technology and processes while controlling our costs.

Our Originations segment competes based on product offerings, rates, fees and customer service. Many of our competitors consist of large banks or other financial institutions with greater financial resources, more diverse funding sources with lower funding costs, and less reliant on the sale of mortgage loans into the secondary markets to maintain their liquidity. Additionally, newer competitors are reinventing aspects of the mortgage loan industry and capturing profit pools historically collected by existing market participants.

Our primary competitive strength flows from our ability to market our products to our servicing portfolio customers. We believe our origination capabilities provide a significant advantage compared to other servicers and subservicers. Our Originations segment is highly dependent on our customer relationships. Many smaller and mid-sized financial institutions may find it difficult to compete in the mortgage industry due to the significant market share of the largest competitors, along with the continual need to invest in technology in order to reduce operating costs while maintaining compliance with underwriting standards and regulatory requirements. Our ability to win new clients and maintain existing customers is largely driven by the level of customer service we provide and our ability to comply and adapt to an increasingly complex regulatory environment.

Government Regulation

The residential mortgage industry is highly regulated. We are required to comply with a wide array of federal, state and local laws and regulations that regulate, among other things, the manner in which we conduct our servicing, originations and ancillary business and the fees we may charge. These regulations directly impact our business and require constant compliance.

Cyclicality and Seasonality

The U.S. residential real estate industry is seasonal, cyclical and affected by changes in general economic conditions. Industry demand is affected by consumer demand for home loans and the market for buying, selling, financing and/or refinancing residential real estate, which in turn, is affected by the national and global economy, regional trends, property valuations, interest rates, and socio-economic trends by state and federal regulations and programs which may accelerate or slow certain real estate trends.

Human Capital Resources

Over the last few years, we have cultivated a people-first culture, utilizing team member feedback to drive new initiatives. Mr. Cooper had approximately 6,800 employees as of December 31, 2023 across the U.S. and India.

As a company, Mr. Cooper is grounded in a set of intangible values - being challengers of convention, champions for our customers and cheerleaders for our team. Our most recent engagement survey, which led to our fifth Great Place to Work® certification and inclusion on the 2023 Great Place to Work® and Fortune Best in Financial Services and Best Workplaces in Texas lists, shows how these intentional efforts are making a difference, with 88% of survey participants having said that Mr. Cooper is a great place to work.

These efforts are governed by the Company’s policy, which outlines Mr. Cooper Group’s dedication to supporting human rights through a robust diversity, equity, and inclusion (DE&I) Team Member programs and competitive compensation.

Diversity and Inclusion Initiatives: Our success as a business is directly tied to our ongoing efforts to attract and retain diverse talent, promote fairness and equity, and maintain an inclusive and progressive environment where each team member can thrive. We established our internal Office of Diversity, Equity, and Inclusion to serve as a driver and a resource for our team members and the community. The Office of Diversity, Equity, and Inclusion has spearheaded numerous programs and oversees 11 Employee Resource Teams as of December 31, 2023. The Office of DE&I facilitated events honoring Heritage Months, while our Employee Resource Teams sponsored events, comprised of speaking engagements, career development workshops, and community service. With our expanded educational offerings, in 2023, we offered courses for team members across a variety of DE&I topics.

In addition to creating an inclusive environment for our team members, we understand the importance of supporting the communities where we live and work. In 2023, we continued our efforts in the community by providing housing education and outreach, resulting in $360 million in governmental funding secured to support homeowners in need. As part of our community support, in 2023, we also created a supplier diversity program, including launching a supplier diversity web portal to ensure we maintain a robust and diverse vendor pipeline as part of our procurement efforts. We recognize supplier diversity as a business strategy that strengthens the local, national and broader global community while generating economic opportunity for disadvantaged communities. We appreciate the strategic benefits and value derived from robust supplier diversity initiatives and commit to their continuous improvement.

Talent Management: We invest in attracting, developing and retaining the best talent, and we know that focusing on a holistic experience will continue to be key in our journey from better to best. We operate an overarching Talent Management function, which combines our Training, Leadership Development and Talent Acquisition teams into one group. Over the past year, we offered our employees training across a broad range of categories, including leadership, inclusion, professional skills, and performance management.

Performance Management and Compensation: We abide by a pay for performance philosophy that links rewards to a team member's performance. Rewards are differentiated, which results in top performers receiving higher rewards, showing team members they are being compensated based on their individual contributions. To ensure our compensation practices are fair and market competitive, we evaluate our pay ranges every year using data from several industry surveys.

Additional Information

To learn more about Mr. Cooper Group Inc., please visit our website at www.mrcoopergroup.com. From time to time, we use our website as a channel of distribution of material Company information. We make our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 ("Exchange Act") available free of charge under the Investors section of our website as soon as reasonably practicable after we electronically file the reports with, or furnish them to, the Securities and Exchange Commission ("SEC"). Our reports, proxy and information statements and other information filed electronically with the SEC can also be accessed at *www.sec.gov*.

Our website also provides access to reports filed by our directors, executive officers and certain significant stockholders pursuant to Section 16 of the Exchange Act. In addition, our Corporate Governance Guidelines, Code of Business Conduct and Ethics, Code of Ethics, and charters for the standing committees of our Board of Directors are available on our website. Any information on our website is not incorporated by reference into this Annual Report on Form 10-K.

CAUTIONS REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of the U.S. federal securities laws. These forward-looking statements include, without limitation, statements concerning plans, objectives, goals, projections, strategies, core initiatives, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. When used in this discussion, the words “anticipate,” “appears,” “believe,” “foresee,” “intend,” “should,” “expect,” “estimate,” “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. As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances, and we are under no obligation to, and expressly disclaim any obligation to, update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.

A number of important factors exist that could cause future results to differ materially from historical performance and these forward-looking statements. Factors that might cause such a difference include, but are not limited to:

- macroeconomic and U.S. residential real estate market conditions;
- changes in prevailing interest rates and/or changes in home prices;
- our ability to maintain or grow the size of our servicing portfolio;
- our ability to maintain or grow our originations volume and profitability;
- our ability to recapture voluntary prepayments related to our existing servicing portfolio;
- our shift in the mix of our servicing portfolio to subservicing, which is highly concentrated;
- our ability to prevent cyber intrusions and mitigate cyber risks;
- delays in our ability to collect or be reimbursed for servicing advances;
- our ability to obtain sufficient liquidity and capital to operate our business;
- disruptions in the secondary home loans market;
- our ability to successfully implement our strategic initiatives and hedging strategies;
- our ability to realize anticipated benefits of our previous acquisitions;
- our ability to use our net operating loss, other tax carry forwards and certain built-in losses or deductions;
- changes in our business relationships or changes in servicing guidelines with Fannie Mae, Freddie Mac and Ginnie Mae;
- third-party credit, servicer and correspondent risks;
- our ability to pay down debt;
- our ability to manage legal and regulatory examinations and enforcement investigations and proceedings, compliance requirements and related costs;
- issues related to the development and use of artificial intelligence;
- health pandemics, hurricanes, earthquakes, fires, floods and other natural catastrophic events; and
- our ability to maintain our licenses and other regulatory approvals.

All of these factors are difficult to predict, contain uncertainties that may materially affect actual results and may be beyond our control. New factors emerge from time to time, and it is not possible for our management to predict all such factors or to assess the effect of each such factor on our business. Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and any of these statements included herein may prove to be inaccurate. Given the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved. Please refer to Item 1A, *Risk Factors,* and Item 7, *Management’s Discussion and Analysis of Financial Condition and Results of Operations,* sections of this report for further information on these and other factors affecting our business.

Item 1A. ***Risk Factors***

You should carefully consider the following risk factors together with all of the other information included in this report, including the financial statements and related notes, when deciding to invest in us. The risks and uncertainties described below could materially adversely affect our business, financial condition and results of operations in future periods and are not the only risks facing our Company. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and results of operations in future periods.

Risk Factor Summary

Market, Financial Reporting, Credit and Liquidity Risks

- Our revenues in Originations and Servicing are highly dependent on macroeconomic and U.S. residential real estate market conditions.
- Our earnings may decrease because of changes in prevailing interest rates and/or declines in home prices.
- We may be unable to obtain sufficient capital to operate our business, and our substantial indebtedness may limit our financial and operating activities and our ability to incur additional debt to fund future needs.
- A disruption in the secondary home loan market, including the MBS market, could have a detrimental effect on our business.
- If our estimates or assumptions in our financial models prove to be incorrect, it may affect our earnings.
- We may not realize all of the anticipated benefits of previous or potential acquisitions and dispositions.
- Our hedging strategies may not be successful in mitigating our risks associated with interest rates.
- We have third-party credit, servicer and correspondent risks.
- Changes in tax legislation and challenges from tax authorities may have an adverse impact on our financial condition.
- We may not be able to fully utilize our net operating loss ("NOL"), other tax carry forwards and certain built-in losses or deductions.

Business & Operational Risks

Servicing

- A significant increase in delinquencies for the loans that we own and service could have a material impact on our revenues, expenses and liquidity and on the valuation of our MSRs.
- We may not maintain or grow our business if we do not acquire MSRs or enter into favorable subservicing agreements.
- We service higher risk loans which are more expensive to service than conventional mortgage loans.
- We are required to make servicing advances that can be subject to delays in recovery or may not be recoverable.
- Our counterparties may terminate our servicing rights and subservicing contracts.
- We could have a downgrade in our servicer ratings.

Originations

- We may not be able to maintain the volumes in our loan originations business.
- We may be required to indemnify or repurchase loans we sold, or will sell, if these loans fail to meet certain criteria.
- We are highly dependent upon loan programs administered by the Agencies to generate revenues.

Corporate/Other

- Our Real Estate exchange business could be further impacted by delays in foreclosure sales, as well as economic slowdowns and recessions.

General Business & Operational Risks

- We may not be successful in implementing certain strategic initiatives.
- Technology failures or cyber-attacks against us or our vendors could damage our business operations, and new laws and regulations could increase our costs.
- Our capital investments in technology may not achieve anticipated returns.
- We and our vendors have operations in India that could be adversely affected by changes in political or economic stability or by government policies.
- Our vendor relationships subject us to a variety of risks.
- Our risk management policies and procedures may not be effective.
- We could have, appear to have or be alleged to have conflicts of interest with Xome.
- Our business could suffer if we fail to attract, or retain, highly skilled employees and changes in our executive management team may be disruptive to our business.
- Negative public opinion could damage our reputation and adversely affect our business.
- Issues related to the development and use of artificial intelligence could give rise to legal and/or regulatory action, damage our reputation or otherwise materially harm our business.
- We may have lapses in disclosure controls and procedures or internal control over financial reporting.
- Our business is subject to the risks of natural catastrophic events and health pandemics.

Regulatory, Compliance and Legal Risks

- We operate within a highly regulated industry on federal, state and local levels.
- We are subject to numerous legal proceedings, federal, state or local governmental examinations and enforcement investigations.
- We are subject to state licensing and operational requirements that result in substantial compliance costs.
- Our business would be adversely affected if we lose our licenses.
- We may incur increased litigation costs and related losses if a court overturns a foreclosure or if a loan we are servicing becomes subordinate to a Home Owners Association lien.
- Delays in residential mortgage foreclosure proceedings could have a negative effect on our ability to liquidate loans timely and slow the recovery of advances and thus impact our earnings or liquidity.

Risks Related to Owning our Stock

- Our common stock is subject to transfer restrictions.
- Anti-takeover provisions in our charter and under Delaware law could limit certain stockholder actions.
- The market price of our common stock may decrease, resulting in a loss for investors.

Risk Factors

Market, Financial Reporting, Credit and Liquidity Risks

Our revenues in Originations and Servicing are highly dependent on macroeconomic and U.S. residential real estate market conditions.
Our success depends largely on the health of the U.S. residential real estate industry, which is seasonal, cyclical and affected by changes in general economic conditions beyond our control. Economic factors such as increased interest rates, inflation, slow economic growth or recessionary conditions, the pace of home price appreciation or the lack of it, changes in household debt levels, and increased unemployment or stagnant or declining wages affect our customers' income and thus their ability and willingness to make loan payments. Although inflation has slowed during 2023, it remains above the Federal Reserve's 2% target, and it is expected that interest rates will remain elevated for some time. Additionally, global events affect all such macroeconomic conditions. Instability in the global credit markets, the impact of uncertainty regarding global central bank monetary policy, the instability in the geopolitical environment in many parts of the world (including as a result of the on-going Ukraine-Russia conflict, China-Taiwan relations, and the recent eruption of hostilities in Israel and Gaza), global economic ramifications of the current economic challenges in China, and other disruptions may continue to put pressure on global economic conditions. Weak, or a significant deterioration in economic conditions, reduces the amount of disposable income consumers have, which in turn reduces consumer spending and the willingness of qualified potential customers to take out loans. As a result, such economic factors affect loan origination volume. Additional macroeconomic factors including, but not limited to, rising government debt levels, the withdrawal or augmentation of government interventions into the financial markets, changing U.S. consumer spending patterns, changing expectations for inflation and deflation, and weak credit markets may create low consumer confidence in the U.S. economy or the U.S. residential real estate industry. Excessive home building or high foreclosure rates resulting in an oversupply of housing in a particular area may also increase the amount of losses incurred on defaulted mortgage loans. Any or all of the circumstances described above may lead to further volatility in or disruption of the credit markets at any time and adversely affect our financial condition.

Any uncertainty or deterioration in market conditions that leads to a decrease in loan originations will result in lower revenue on loans sold into the secondary market. Lower loan origination volumes generally place downward pressure on margins, thus compounding the effect of the deteriorating market conditions. Companies focusing on mortgage originations may experience severe financial distress and this may result in numerous companies exiting the mortgage business or filing bankruptcy. This could cause a contagion effect resulting in the banks which provide us financing lines to reduce the lines or increase financing costs. Such events could be detrimental to our business. Moreover, any deterioration in market conditions that leads to an increase in loan delinquencies will result in lower revenue for loans we service for the GSEs and Ginnie Mae as servicing fees are collected only for current performing loans. While increased delinquencies generate higher ancillary revenues, including late fees, these fees are sometimes unrecoverable if the related loan is liquidated. Increased delinquencies may also increase the cost of servicing the loans for all market participants. The decreased cash flow from lower servicing fees or higher cost to service could decrease the estimated value of our MSRs, resulting in recognition of losses when we write down those values. In addition, an increase in delinquencies lowers the interest income we receive on cash held in collection and increases our obligation to advance certain principal, interest, tax and insurance obligations owed by the delinquent mortgage loan borrower. An increase in delinquencies could therefore be detrimental to our business.

Our earnings may decrease because of changes in prevailing interest rates and/or declines in home prices.
Our profitability is directly impacted by changes in prevailing interest rates. Interest rates have risen further and faster than any time in modern history. The following are certain material risks we face related to changes in interest rates:

Servicing:

- a decrease in interest rates may increase prepayment speeds which lead to (i) increased amortization expense; (ii) decreased servicing fees; and (iii) decreased fair value of our MSRs;

- an increase in interest rates, together with an increase in monthly payments when an adjustable mortgage loan's interest rate adjusts upward from an initial fixed rate or a low introductory rate, may cause increased delinquency, default and foreclosure. Increased mortgage defaults and foreclosures may adversely affect our business as they increase our expenses and reduce the number of mortgages service fees that are collected. Additionally, payment savings on modifications are directly tied to market interest rates, and increasing interest rates may reduce the number of customers eligible to receive modifications or increase the likelihood of re-default for those who receive a modification. Loan modifications for government insured mortgages are more difficult in a high-rate environment, which may result in higher delinquency levels for loans in Ginnie Mae securities. An increase in interest rates also lowers unhedged early buyout ("EBO") revenues;

Originations:

- an increase in interest rates could adversely affect our loan originations volume because refinancing an existing loan would be less attractive for homeowners and qualifying for a purchase money loan may be more difficult for consumers;
- an increase in interest rates could also adversely affect our production margins due to increased competition among originators;

Other:

- an increase in interest rates could adversely affect Xome's Real Estate exchange property sales, particularly non-distressed sales, as financing may become less attractive to borrowers;
- an increase in interest rates could increase the cost of servicing our outstanding debt, including our ability to finance servicing advances and loan originations and for borrowing for acquisitions; and
- a decrease in interest rates could reduce our earnings from our custodial deposit accounts.

Home prices in many areas of the country have risen dramatically. Home values may deflate significantly, especially in those areas with the highest rates of increase. Falling home prices may result in higher defaults, greater loss severity, increased foreclosures and losses to investors and stakeholders. The decrease in housing values may greatly affect mortgage loan originations for years, with dramatic decreases in volume due in part from borrowers' inability to sell or refinance their properties as a result of the lower values. In addition, as investors take losses and liquidity in capital markets evaporates, investors and originators may tighten underwriting criteria and scrutiny of loan production. These events could decrease our revenue from loan originations or loan purchases, and increase our expenses due to repurchases, the resources needed to validate claims, and servicing costs to manage higher defaults and foreclosures.

Any of the foregoing could adversely affect our business, financial condition and results of operations.

A disruption in the secondary home loan market, including the MBS market, could have a detrimental effect on our business.
Demand in the secondary market and our ability to complete the sale or securitization of our mortgage loans depends on a number of factors, many of which are beyond our control. This includes general economic conditions, general conditions in the banking system, the willingness of lenders to provide funding for mortgage loans, the willingness of investors to purchase mortgage loans and MBS, and changes in regulatory requirements. In September 2022, the U.S. Federal Reserve withdrew from the mortgage securities market and ceased purchasing MBS. Additionally, the yield on U.S. Treasury bonds, often referred to as one of the primary market indicator rates, remains high and the spread between mortgage rates and 10-year Treasury yield continues to remain at 2008 financial crisis levels. Customers have little to no rate incentive to refinance and there is minimal demand from buyers of MBS. Any continued significant disruption or period of illiquidity in the general MBS market could directly affect our liquidity because no existing alternative secondary market would likely be able to accommodate on a timely basis the volume of loans that we typically sell in any given period. Accordingly, if the MBS market experiences a period of illiquidity, we may be prevented from selling the loans that we produce into the secondary market in a timely manner or at favorable prices, which could be detrimental to our business.

We may be unable to obtain sufficient capital to operate our business.
Our financing strategy includes the use of significant leverage because, to make servicing advances and fund originations, we require liquidity in excess of the capital generated by our operations. Accordingly, our ability to finance our operations depends on our ability to secure financing on acceptable terms and to renew and/or replace existing financings as they expire. These financings may not be available on acceptable terms or at all. If we are unable to obtain these financings, we may need to raise the funds we require in the capital markets or through other means, any of which may increase our cost of funds.

We are generally required to renew a significant portion of our debt financing arrangements each year, which exposes us to refinancing and interest rate risks. Our ability to refinance existing debt and borrow additional funds is affected by a variety of factors including:

- the available liquidity in the credit markets;

- prevailing interest rates;
- an event of default, a negative ratings action by a rating agency and limitations imposed on us under the indentures governing our current debt that contain restrictive covenants and borrowing conditions that may limit our ability to raise additional debt;
- the strength of the lenders from which we borrow; and
- limitations on borrowings on advance facilities imposed by the amount of eligible collateral pledged, which may be less than the borrowing capacity of the advance facility.

Additionally, the Basel III "endgame" regulations released in response to recent regional bank failures are expected to discourage banks from investing in MSRs and other mortgage assets, which may make it more difficult to secure or to obtain acceptable terms for our various debt facilities.

If we are unable to obtain sufficient capital on acceptable terms for any of the foregoing reasons, this could adversely affect our business, financial condition and results of operations.

Our substantial indebtedness may limit our financial and operating activities and our ability to incur additional debt to fund future needs.
As of December 31, 2023, the aggregate principal amount of our unsecured senior notes was $3,200 million. Although we and our subsidiaries have substantial indebtedness, we believe we have the ability to incur additional indebtedness in the future, subject to the limitations contained in the agreements governing our indebtedness. These agreements generally restrict us and our restricted subsidiaries from incurring additional indebtedness; however, these restrictions are subject to important exceptions and qualifications. If we incur additional debt, the related risks could be magnified and could limit our financial and operating activities.

Our current and any future indebtedness could:

- require us to dedicate a substantial portion of cash flow from operations to the payment of principal and interest on our current indebtedness and any indebtedness we may incur in the future, thereby reducing the funds available for other purposes;
- make it more difficult for us to satisfy and comply with our obligations with respect to the unsecured senior notes;
- subject us to increased sensitivity to increases in prevailing interest rates;
- place us at a competitive disadvantage to competitors with relatively less debt in economic downturns, adverse industry conditions or catastrophic external events; or
- reduce our flexibility in planning for or responding to changing business, industry and economic conditions.

In addition, our substantial level of indebtedness could limit our ability to obtain financing or additional financing on acceptable terms to fund future acquisitions, working capital, capital expenditures, debt service requirements, and/or general corporate and other purposes, which could have a material adverse effect on our business and financial condition. Our liquidity needs could vary significantly and may be affected by general economic conditions, industry trends, performance and many other factors outside of our control. Our substantial obligations could have other important consequences. For example, our failure to comply with the restrictive covenants in the agreements governing our indebtedness, which limit our ability to incur liens, to incur debt and to sell assets, could result in an event of default that, if not cured or waived, could harm our business or prospects and could result in our bankruptcy.

We use financial models that rely heavily on estimates in determining the fair value of certain assets and liabilities, such as MSRs and MSR financing liabilities, and if our estimates or assumptions prove to be incorrect, it may affect our earnings.
We use internal financial models that utilize, wherever possible, market participant data to value certain of our assets, including our MSRs and MSR financing liabilities and for purposes of financial reporting. These models are complex and use asset-specific collateral data and market inputs for interest and discount rates. In addition, the modeling requirements of MSRs are complex because of the high number of variables that drive cash flows associated with MSRs. Even if the general accuracy of our valuation models is validated, valuations are highly dependent upon the reasonableness of our assumptions and the predictability of the relationships that drive the results of the models. In determining value for MSRs, we make certain assumptions, many of which are beyond our control, including, among other things:

- the rates of prepayment and repayment within the underlying pools of mortgage loans and our ability to recapture mortgage prepayments through the origination platform;
- projected rates of delinquencies, defaults and liquidations;
- future interest rates;
- cost to service the loans;
- ancillary revenues; and
- amounts of future servicing advances.

If these assumptions or relationships prove to be inaccurate, if market conditions change or if errors are found in our models, the value of certain assets and liabilities could materially vary, which could impact our ability to satisfy minimum net worth covenants and borrowing conditions in our debt agreements and adversely affect our business, financial condition and results of operations.

We may not realize all of the anticipated benefits of previous or potential acquisitions and dispositions.
Our ability to realize the anticipated benefits of previous or potential acquisitions, including the acquisition of assets, will depend, in part, on our ability to scale-up to appropriately service these assets and integrate the businesses of the acquired companies with our business.

The risks associated with acquisitions include, among others:

- unknown or contingent liabilities;
- unanticipated issues in integrating information, management style, controls and procedures, servicing practices, communications and other systems including information technology systems;
- the value of non-cash consideration received and its potential change in value;
- unanticipated incompatibility of purchasing, logistics, marketing and administration methods;
- not retaining key employees or clients; and
- inaccuracy of valuation and/or operating assumptions supporting our purchase price.

When we acquire a platform, we may elect to operate this platform in addition to our current platform for a period of time or indefinitely. Individually or collectively, these transactions could substantially increase the UPB, or alter the composition of our portfolio of mortgage loans that we service or have an otherwise significant impact on our business. Additionally, we may make potentially significant acquisitions which could expose us to greater risks than we currently experience in servicing our current portfolio and adversely affect our business, financial condition and results of operations.

The risks associated with disposition include, among other things:

- difficulty in finding buyers or alternative exit strategies on acceptable terms in a timely manner;
- destabilization of the applicable operations;
- loss of key personnel;
- ability to obtain necessary governmental or regulatory approvals;
- post-disposal disputes and indemnification obligations;
- access by purchasers to certain of our systems and tools during transition periods;
- the migration of data and separation of systems; and
- data privacy matters.

We can provide no assurances that we will enter into any such agreements or as to the timing of any potential strategic transactions. The strategic transaction process may disrupt our business including diverting management's attention from ongoing business concerns. We also may not realize all of the anticipated benefits of potential future strategic transactions, which could adversely affect our business, financial condition and results of operations.

Our hedging strategies may not be successful in mitigating our risks associated with interest rates.
We use various derivative financial instruments to provide a level of protection against interest rate risks related to our both our pipeline (LHFS and IRLCs spanning our Originations and Servicing segments) and our MSR portfolio (in our Servicing segment), but no hedging strategy can protect us completely. The nature and timing of hedging transactions influence the effectiveness of these strategies. Poorly designed strategies, improperly executed and documented transactions or inaccurate assumptions could increase our risks and losses. In addition, hedging strategies involve transaction and other costs. Our hedging strategies and the derivatives that we use may not be able to adequately offset the risks of interest rate volatility, and our hedging transactions may result in or magnify losses. Furthermore, interest rate derivatives may not be available on favorable terms or at all, particularly during periods of heightened volatility or economic downturns. Any of the foregoing risks could adversely affect our business, financial condition and results of operations.

We have third-party credit, servicer and correspondent risks which could have a material adverse effect on our business, liquidity, financial condition and results of operation.
Consumer Credit Risk: We provide representations and warranties to purchasers and insurers of the loans that we sell that range between three years and the life of the loan. In the event of a breach of these representations and warranties, we may be required to repurchase a mortgage loan or indemnify the purchaser, and any subsequent loss on the mortgage loan may be borne by us. Our loss estimates are affected by factors both internal and external in nature, including, level of loan sales, as well as to whom the loans are sold, the expectation of credit loss on repurchases and indemnifications, our success rate at appealing repurchase demands, our ability to recover any losses from third parties, the overall economic condition in the housing market, the economic condition of borrowers, the political environment at investor agencies and the overall U.S. and world economies. Many of the factors are beyond our control and may lead to judgments that are susceptible to change. In adverse market conditions, loans may decrease in value due to an increase in delinquencies, borrower defaults and non-payments. In addition, property values may experience losses at liquidation due to extensions in foreclosure and real estate owned ("REO") sales timelines, as well as home price depreciation.

Counterparty Credit Risk: We are exposed to counterparty credit risk in the event of non-performance by counterparties to various agreements. Although certain credit facilities and warehouse lines are committed, we may experience a disruption in operations due to a lender withholding funds of a borrowing request on the respective credit facility.

Prior Servicer Risk: We service mortgage loans under guidelines set forth by regulatory agencies and GSEs. Failure to meet stipulations of the servicing guidelines can result in the assessment of fines and loss of reimbursement of loan related advances, expenses, interest and servicing fees. When the servicing of a portfolio is assumed either through purchase of servicing rights or through a subservicing arrangement, various loans in the acquired portfolio may have been previously serviced in a manner that will contribute towards our not meeting certain servicing guidelines. If not recovered from a prior servicer, such events frequently lead to the eventual realization of a loss to us. The recovery process against a prior servicer can be prolonged based upon the time required by us to meet minimum loss deductibles under the indemnification provisions in our agreements with the prior servicer and for the time requirements by the prior servicer to review underlying loss events and our request for indemnification. The amounts ultimately recovered from prior servicers may differ from our estimated recoveries recorded based on the prior servicer's interpretation of responsibility for loss, which could lead to our realization of additional losses.

Correspondent Risk: We purchase closed loans from correspondent lenders. The failure of these correspondent lenders to comply with any applicable laws, regulations and rules may subject us to monetary penalties or other losses. Although we have controls and procedures designed to assess areas of risk with respect to these acquired loans, including, without limitation, diligence regarding compliance with underwriting guidelines and applicable laws or regulations, we may not detect every violation of law by these correspondent lenders. In an economic downturn, a number of these correspondent lenders may not be financially viable, and any issues with respect to loans purchased from them and sold to Fannie Mae and Freddie Mac would transfer any manufacturing defect risk of origination to us. Additionally, we expect occupancy fraud and income fraud in the correspondent channel to increase. As housing prices and interest rates increase, loan terms become less favorable, and affordability becomes more challenging. As a result, borrowers may be more inclined to either inflate their income or misrepresent their occupancy intentions.

Any of the above could adversely affect our business, liquidity, financial condition and results of operations.

Changes in tax legislation and challenges from tax authorities may have an adverse impact on our financial condition.
U.S. federal and state tax authorities may periodically revise legislation that may result in changes to the interpretation of established tax concepts. Future revisions in tax legislation and interpretations thereof could adversely impact our provision for income taxes, cash flow and financial condition. In addition, challenges arising from taxing authorities, including the Internal Revenue Service (IRS) and state and local jurisdictions, on the interpretation of tax laws and regulations could result in adjustments to our effective tax rate, the amount of taxes due or otherwise have an adverse impact on our financial condition.

We may not be able to fully utilize our NOLs, other tax carry forwards and certain built-in losses or deductions.
As of December 31, 2023, we had U.S. federal NOLs of $354 million, of which $186 million were not subject to limitation under Section 382 of the United States Internal Revenue Code of 1986, as amended (the "Code"). Our ability to utilize NOLs, other tax carry forwards and certain built-in losses or deductions to reduce taxable income in future years could be limited for various reasons, including if projected future taxable income is insufficient to recognize the full benefit of such NOL carry forwards prior to their expiration. Although we have certain transfer restrictions in place under our Certificate of Incorporation, our Board could issue additional shares of stock or permit or effect future conversions, amendments or redemptions of our stock, which, depending on their magnitude, could result in ownership changes that would trigger the imposition of additional limitations on the utilization of our NOLs under Sections 382 and 383 of the Code. Similar provisions of state tax law may also apply. In an attempt to minimize the likelihood of an additional ownership change occurring, our Certificate of Incorporation contains transfer restrictions limiting the acquisition (and disposition) of our stock or any other instrument treated as stock for purposes of Section 382 by persons or group of persons treated as a single entity under Treasury Regulation Section 1.382-3 owning (actually or constructively), or who would own as a result of the transaction, 4.75% of the total value of our stock (including any other interests treated as stock for purposes of Section 382). Nevertheless, it is possible that we could undergo an ownership change, either by events within or outside of the control of our Board, e.g., indirect changes in the ownership of persons owning 5% of our stock. In the event of a subsequent ownership change, all or part of the NOLs or built-in losses that were not previously subject to limitations under Section 382 could also become subject to an annual limitation. Section 384 may also apply in the event of an ownership change resulting from an acquisition, which would limit the utilization of our NOLs to only certain income or gains generated from assets owned subsequent to the acquisition. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

Business & Operational Risks

Servicing

A significant increase in delinquencies for the loans that we own and service could have a material impact on our revenues, expenses and liquidity and on the valuation of our MSRs.

- *Revenue.* An increase in delinquencies will result in lower revenue for loans we service for GSEs and Ginnie Mae as servicing fees are collected only for current performing loans. Additionally, while increased delinquencies generate higher ancillary revenues, including late fees, these fees do not offset the higher cost to service a delinquent loan and are sometimes unrecoverable if the loan is liquidated. In addition, an increase in delinquencies reduces cash held in collections and other accounts and lowers the interest income we receive.

- *Expenses.* An increase in delinquencies will result in a higher cost to service due to the increased time and effort required to collect payments from delinquent borrowers and an increase in interest expense as a result of an increase in our advancing obligations.

- *Liquidity.* An increase in delinquencies could also negatively impact our liquidity because of an increase in servicing advances resulting in an increase in borrowings under advance facilities and/or insufficient financing capacity to fund increases in advances.

- *Valuation of MSRs.* We base the price we pay for MSRs on, among other things, our projections of the cash flows from the related pool of mortgage loans based on market participant assumptions. Expectation of delinquencies is a significant assumption underlying those cash flow projections. If delinquencies were significantly greater than expected, the estimated fair value of our MSRs could be diminished. If the estimated fair value of MSRs is reduced, we would record a loss which would adversely impact our ability to satisfy borrowing conditions in our debt agreements which could have a negative impact on our financial results.

An increase in delinquency rates could therefore adversely affect our business, financial condition and results of operations.

We may not be able to maintain or grow our business if we do not acquire MSRs or enter into additional subservicing agreements on favorable terms.

Our servicing portfolio is subject to "run off," meaning that mortgage loans serviced by us may be prepaid prior to maturity or repaid through standard amortization of principal. As a result, our ability to maintain the size of our servicing portfolio depends on our ability to acquire the right to service additional pools of residential mortgages, enter into additional subservicing agreements or to retain the servicing rights on newly originated mortgages. We have also shifted the mix of our servicing portfolio to a greater mix of subserviced loans. While we expect this strategy to have longer-term benefits, in the short-term, since subservicing revenues are earned on a fee per loan basis, this shift in our servicing portfolio to subservicing could reduce our revenue and earnings. In addition, we may not be able to maintain our pipeline of subservicing opportunities. and do not have control of whether a subservicing client sells off its portfolio or the volume and timing of such sales.

The Federal Housing Finance Agency ("FHFA") could enact more stringent requirements on the GSEs, or other federal or state agencies may enact additional requirements that are more stringent regarding the purchase or sale of MSRs. Additionally, if we do not comply with our seller/servicer obligations, the investors may not consent to approve future transfers of MSRs.

If we do not acquire MSRs or enter into additional subservicing agreements on terms favorable to us, our business, financial condition and results of operations could be adversely affected.

Some of the loans we service are higher risk loans, which are more expensive to service than conventional mortgage loans and may lead to liquidity challenges.

Some of the mortgage loans we service are higher risk loans, meaning that the loans are to less credit worthy borrowers, delinquent or for properties the value of which has decreased. These loans are more expensive to service because they require more frequent interaction with customers and greater monitoring and oversight. Additionally, in connection with the ongoing mortgage market reform and regulatory developments, servicers of higher risk loans are subject to increased scrutiny by state and federal regulators and will experience higher compliance and regulatory costs, which could result in a further increase in servicing costs. We may not be able to pass along any of the additional expenses we incur in servicing higher risk loans to our servicing clients. The greater cost of servicing higher risk loans, which may be further increased through regulatory reform, consent decrees or enforcement, could adversely affect our business, financial condition and results of operations. We have a portfolio of higher risk loans guaranteed by Ginnie Mae. In an adverse economic scenario or a pandemic similar to COVID-19, where defaults rise rapidly and unexpectedly, we may have funding challenges since Ginnie Mae does not allow the separate utilization of advances as a form of collateral, and we may not be able to secure financing for advances on acceptable terms or at all. If we are unable to obtain these financings, we may need to raise the funds we require in the capital markets or through other means, any of which may increase our cost of funds. Additionally, Ginnie Mae issued new guidelines on early buyouts of reperforming loans which could affect our liquidity.

As a result of the COVID pandemic, most investors have changed their loss mitigation program procedures and requirements. New program interpretation, implementation, and testing are time intensive and are subject to operational risk. While we have extensive validation in place to ensure timeliness and accuracy of these updated loss mitigation programs, the multitude of changes and differences in programs announced by each investor creates risk of error. The risk subjects us to loss indemnification requirements.

We are required to make servicing advances that can be subject to delays in recovery or may not be recoverable in certain circumstances.

During any period in which a borrower is not making payments, we are required under most of our servicing agreements to advance our own funds to meet contractual principal and interest remittance requirements for investors, pay property taxes and insurance premiums, legal expenses and other protective advances. We also advance funds to maintain, repair and market real estate properties on behalf of investors. As home values change, we may have to reconsider certain of the assumptions underlying our decisions to make advances, and in certain situations our contractual obligations may require us to make certain advances for which we may not be reimbursed. In addition, when a mortgage loan serviced by us defaults or becomes delinquent, the repayment to us of the advance may be delayed until the mortgage loan is repaid or refinanced or liquidation occurs. Market disruptions where a temporary period of forbearance may be offered for customers unable to pay on certain mortgage loans may also increase the number of defaults, delinquencies or forbearances related to the loans we service, increasing the advances we make for such loans.

We have sold to a joint venture capitalized by certain entities formed and managed by Rithm Capital Corp. (“Rithm”) and certain third-party investors the rights to mortgage servicing rights and servicer advances related to certain loan pools. In connection with these transactions, Rithm purchased the equity of wholly owned special purpose subsidiaries of Mr. Cooper Group that issued limited recourse funding to finance the advances. We continue to service these loans. In the event that Rithm receives requests for advances in excess of amounts that they or their co-investors are willing or able to fund, we are obligated to fund these advance requests. Since we have transferred the related advance facilities to Rithm, we may have to obtain other sources of financing which may not be available. Our inability to fund these advances could result in a termination event under the applicable servicing agreement, an event of default under the advance facilities and a breach of our purchase agreement with Rithm. Our inability to fund these advance requests could adversely affect our business, financial condition and results of operations.

Our counterparties may terminate our servicing rights and subservicing contracts.

The owners of the loans we service and the primary servicers of the loans we subservice may, under certain circumstances, terminate our MSRs or subservicing contracts, respectively.

Agency Servicing: We are party to seller/servicer agreements and/or subject to guidelines and regulations (collectively, seller/servicer obligations) with both of the GSEs, FHA and Ginnie Mae. As is standard in the industry, under the terms of these seller/servicer agreements, the agencies have the right to terminate us as servicer of the loans we service on their behalf at any time and also have the right to cause us to sell the MSRs to a third party.

We are subject to minimum financial eligibility requirements established by the Agencies. These minimum financial requirements, include net worth, capital ratio and/or liquidity criteria in order to set a minimum level of capital needed to adequately absorb potential losses and a minimum amount of liquidly needed to service Agency mortgage loans and MBS and cover the associated financial obligations and risks. To meet these minimum financial requirements, we are required to maintain cash and cash equivalents in amounts that could impede us from growing our business and place us at a competitive disadvantage in relation to federally chartered banks and certain other financial institutions. These seller/servicer obligations include financial covenants that include capital requirements related to tangible net worth. The FHFA and Ginnie Mae have updated their minimum financial eligibility requirements for GSE seller/servicers and Ginnie Mae issuers, the majority of which became effective on September 30, 2023. The updated minimum financial eligibility requirements modify the definitions of tangible net worth and eligible liquidity, modify their minimum standard measurement and include a new risk-based capital ratio, among other changes. On October 21, 2022, Ginnie Mae extended the compliance date for its risk-based capital requirements to December 31, 2024. Although we believe that we will be in compliance with these updated requirements, to the extent that these capital and liquidity requirements are not met, the applicable agency may suspend or terminate these agreements, which would prohibit us from further servicing these specific types of mortgage loans or being an approved servicer. If we are unable to meet these capital and liquidity requirements, this could adversely affect our business, financial condition and results of operations.

Subservicing: Our subservicing portfolio is highly concentrated with a small number of parties who may elect to transfer their subservicing relationship to other counterparties or may go out of business. As of December 31, 2023, 93% of our subservicing portfolio is with 6 counterparties. Under our subservicing contracts, the primary servicers for which we conduct subservicing activities have the right to terminate our subservicing contracts with or without cause, with limited notice and with no termination fee upon a change of control. Entering into additional subservicing contracts will expose us to similar risks with new counterparties.

If our servicing rights or subservicing contracts are terminated on a material portion of our servicing portfolio, this could adversely affect our business, financial condition and results of operations.

We could have a downgrade in our servicer ratings.
Standard & Poor's and Fitch rate us as a residential loan servicer. Favorable ratings from these agencies are important to the conduct of our loan servicing business. Downgrades in servicer ratings could:

- adversely affect our ability to finance servicing advances and maintain our status as an approved servicer by Fannie Mae, Freddie Mac, Ginnie Mae, and other investors;
- lead to the early termination of existing advance facilities and affect the terms and availability of advance facilities that we may seek in the future;
- cause our termination as servicer in our servicing agreements that require that we maintain specified servicer ratings; and
- further impair our ability to consummate future servicing transactions.

Any of the above could adversely affect our business, financial condition and results of operations.

Originations

We may not be able to maintain the volumes in our loan originations business, which would adversely affect our ability to replenish our servicing business.
The volume of loans funded within our loan originations business is subject to multiple factors, including changes in interest rates and availability of government programs. Volume in our originations business is based on the refinancing of existing mortgage loans that we service, which is highly dependent on interest rates and other macroeconomic factors, and originations through our Correspondent channel. Our loan origination volume may decline if interest rates increase, if government programs terminate and are not replaced with similar programs or if we cannot replace this volume with other loan origination channels such as Correspondent, new customer acquisitions or purchase money loans. Any such slowdown may materially decrease the number and volume of mortgages we originate. As interest rates have rapidly risen, our refinancing volumes have significantly decreased as fewer consumers are incentivized to refinance their mortgages. As a result, our Originations revenues have decreased substantially. In addition, consumers are increasingly completing the mortgage process using online and/or digital tools. The proliferation of these tools and their ease of use may present challenges in retaining and attracting new loan applicants if we are unable to effectively implement new technology-driven products and services as quickly as competitors or be successful in marketing these products and services to consumers. Additionally, newer market participants, often called "disruptors," are reinventing aspects of the mortgage loan industry and capturing profit pools historically collected by existing market participants. As a result, the lending industry could become even more competitive if new market participants are successful in capturing market share from existing market participants such as ourselves. If we are unable to maintain our loan originations volume, our business, financial condition and results of operations could be adversely affected.

We may be required to indemnify or repurchase loans we sold, or will sell, if these loans fail to meet certain criteria or characteristics or under other circumstances.
The indentures governing our securitized pools of loans and our contracts with purchasers of our whole loans contain provisions that require us to indemnify or repurchase the related loans under certain circumstances. While our contracts vary, they contain provisions that require us to repurchase loans if:

- our representations and warranties concerning loan quality and loan circumstances are inaccurate, including representations concerning the licensing of a mortgage broker;
- we fail to secure adequate mortgage insurance within a certain period after closing;
- a mortgage insurance provider denies coverage;
- we fail to comply, at the individual loan level or otherwise, with regulatory requirements in the current dynamic regulatory environment; or
- the borrower fails to make certain initial loan payments due to the purchaser, or terminates employment between the time validation is performed and the time the loan funds.

We are subject to repurchase claims and may continue to receive claims in the future. If we are required to indemnify or repurchase loans that we originate or have previously originated and sell or securitize that result in losses that exceed our reserve, this could adversely affect our business, financial condition and results of operations.

We are highly dependent upon loan programs administered by Fannie Mae, Freddie Mac, the Federal Housing Administration, the Department of Veterans Affairs, the US Department of Agriculture and Ginnie Mae (collectively, the "Agencies") to generate revenues through mortgage loan sales to institutional investors.
There are various proposals which deal with GSE reform, including winding down the GSEs and reducing or eliminating over time the role of the GSEs in guaranteeing mortgages and providing funding for mortgage loans, as well as proposals to implement reforms relating to borrowers, lenders and investors in the mortgage market, including reducing the maximum size of loans that the GSEs can guarantee, phasing in a minimum down payment requirement for borrowers, improving underwriting standards and increasing accountability and transparency in the securitization process. Uncertainty remains regarding the future of the GSE's, including with respect to the duration of conservatorship, the extent of their roles in the market and what forms they will have, and whether they will be government agencies, government-sponsored agencies or private for-profit entities. The extent and timing of any regulatory reform regarding the GSEs and the U.S. housing finance market, as well as any effect on our business operations and financial results, are uncertain. It is not yet possible to determine whether such proposals will be enacted and, if so, when, what form any final legislation or policies might take or how proposals, legislation or policies may impact our business.

Our ability to generate revenues through mortgage loan sales to institutional investors depends to a significant degree on programs administered by the Agencies that facilitate the issuance of mortgage-backed securities in the secondary market. These Agencies play a critical role in the residential mortgage industry, and we have significant business relationships with many of them. Almost all of the conforming loans we originate qualify under existing standards for inclusion in guaranteed mortgage securities backed by one of these Agencies. We also derive other material financial benefits from these relationships, including the assumption of credit risk on loans included in such mortgage securities in exchange for our payment of guarantee fees and the ability to avoid certain loan inventory finance costs through streamlined loan funding and sale procedures. If it is not possible for us to complete the sale or securitization of certain of our mortgage loans due to changes in Agency programs, we may lack liquidity under our mortgage financing facilities to continue to fund mortgage loans, and our revenues and margins on new loan originations would be materially and negatively impacted.

Our GNMA loan portfolio may experience higher default risk as these loans typically have high Loan to Value Ratios (LTV). In case of default, we may not recover all servicing expenses and experience losses due to limited collateral value. The loss can be higher if there is any structural damage to the property due to natural disasters such as floods, fire, hurricanes and other environmental factors from climate change. A requirement of FHA is to convey property in habitable condition, and damage from natural hazards may require us to repair properties to conveyable condition. Our loan originations business may not be able to sell these loans, and we may not recover all our capital which leads to higher losses. Additionally, we may not be able to recover all expenses related to damage caused by water and wind. Inflationary pressures may limit a borrower's disposable income which may lead to additional incumbrances on title, impeding our foreclosure efforts. Our REO portfolio from foreclosed government loans, may experience higher losses due to declines in market value and extended sale timelines. This may occur due to multiple factors beyond our control, such as higher interest rates, which would limit a potential buyer's capacity to purchase, inflationary pressure limiting surplus cash or economic deterioration of local neighborhoods where properties are located. Our servicing business may experience higher advance requirements, increasing our interest expense cost from credit lines.

We are largely reliant on Agency MBS issuances to sell the loans that we originate. In recent years, the Agencies have instituted periodic limits on products such as investor properties, second homes, and products with multiple risk characteristics such as borrowers with below average credit scores and high LTV. If these periodic limits for purchasing these loans become permanent, we must find other investors for loans within our pipeline, which may be at a material discount to the expected pricing.

Any discontinuation of, or significant reduction in, the operation of these Agencies or any significant adverse change in the level of activity in the secondary mortgage market or the underwriting criteria of these Agencies could materially and adversely affect our business, liquidity, financial position and results of operations.

Corporate/Other

Our Real Estate exchange business could be further impacted by delays in foreclosure sales, as well as economic slowdowns and recessions.

The foreclosure moratoriums instituted during the COVID-19 pandemic have impacted and are continuing to impact our REO exchange business. The Exchange business consists of the Xome.com auction platform that provides efficient execution for sales of foreclosed properties. States, agencies and regulators have previously issued forbearance programs and placed a moratorium on foreclosures and evictions. Many of the measures have been lifted; however, there has been a delay in the selling of FHA foreclosed properties, which adversely impacts our REO exchange revenues. A continued economic slowdown, recession, or declining consumer confidence in the economy could have a material adverse effect on values of residential real estate properties. The volume of residential real estate transactions is highly variable which is primarily affected by the average price of real estate sales, the availability of funds to finance purchases, mortgage interest rates, consumer confidence in the economy and general economic factors affecting the real estate markets. A decline in real estate transactions could materially and adversely affect our REO exchange business.

General Business & Operational Risks

We may not be successful in implementing certain strategic initiatives.

Certain strategic initiatives, which we discuss in our MD&A, are designed to improve our results of operations and drive long-term stockholder value.

There is no assurance that we will be able to successfully implement these strategic initiatives, that we will be able to realize all of the projected benefits of our plans or that we will be able to compete successfully in new markets and our efforts may be more expensive and time consuming than we expect, which could adversely affect our business, financial condition and results of operations.

Technology failures or cyber-attacks against us or our vendors could damage our business operations, and new laws and regulations could increase our costs.

The business industry as a whole is characterized by rapidly changing technologies, system disruptions and failures caused by fire, power loss, telecommunications failures, system misuse, unauthorized intrusion (cyber-attack), computer viruses and disabling devices, natural disasters, health pandemics and other similar events that may interrupt or delay our ability to provide services to our borrowers. As a part of conducting business, we receive, transmit and store a large volume of personally identifiable information and other user data. Additionally, Xome, which utilizes a real estate auction website, is reliant on information technology networks and systems to securely process, transmit and store sensitive electronic information. Cybersecurity risks for the financial services industry have increased significantly in recent years due to new technologies, the reliance on technology to conduct financial transactions and the increased sophistication of organized crime and hackers. Those parties also may attempt to misrepresent personal or financial information to obtain loans or other financial products from us or attempt to fraudulently induce employees, customers, or other users of our systems to disclose confidential information in order to gain access to our data or that of our customers. Additionally, cyberattacks on financial institutions are increasingly becoming a tactical risk of modern warfare. Cyberattacks performed as an act of war are typically excluded from insurance coverage and could result in material financial loss to the organization with limited recourse from insurance providers. We and others in our industry are regularly the subject of attempts by attackers to gain unauthorized access to our networks, systems, and data, or to obtain, change, or destroy confidential data (including personal identifying information of individuals) through a variety of means, including computer viruses, malware, phishing, ransomware and other attack vectors. These attacks may result in unauthorized individuals obtaining access to our confidential information or that of our customers, or otherwise accessing, damaging, or disrupting our systems or infrastructure. In particular, as initially disclosed on November 2, 2023, and supplemented in our disclosures on November 9, 2023, and December 15, 2023, on October 31, 2023, we experienced a cybersecurity incident in which an unauthorized third party gained access to certain of our technology systems and obtained personal information relating to substantially all of our current and former customers.

In addition, to access our products and services, including our Home Intelligence app, our customers may use personal smartphones, tablet PCs, and other mobile devices that are beyond our control systems. Third parties with which we do business or that facilitate our business activities or vendors that provide services or security solutions for our operations could also be sources of operational risk and information security risk to us, including from cyber-attacks, information breaches or loss, breakdowns, disruptions or failures of their own systems or infrastructure, or any deficiencies in the performance of their responsibilities. Additional security breaches, acts of vandalism and developments in computer intrusion capabilities could cause our financial, accounting, data processing or other operating systems and facilities to fail to operate properly or become disabled and could result in a compromise or breach of the technology that we or our vendors use to protect our borrowers' personal information and transaction data.

Despite our efforts to ensure the integrity of our systems, it is possible that we may not be able to anticipate or implement effective preventive measures against additional internal and external security breaches, especially because the techniques used change frequently, are becoming more sophisticated and are not recognized until launched, and because security attacks can originate from a wide variety of sources. This is especially applicable in the shift to having most of our team members work in a home-centric environment, as our team members access our secure networks through their home networks. These risks may increase in the future as we continue to increase our reliance on telecommunication technologies (including mobile devices), the internet and use of web-based product offerings.

While we have implemented policies and procedures designed to help mitigate cybersecurity risks and cyber intrusions, there can be no assurance that cyber intrusions, whether external or internal, will not occur. An additional successful penetration or circumvention of the security of our or our vendors' systems or a defect in the integrity of our or our vendors' systems or cybersecurity could cause serious negative consequences for our business, including significant disruption of our operations, misappropriation of our confidential information or that of our customers, or damage to our computers or operating systems and to those of our customers and counterparties. Any of the foregoing events could result in violations of applicable privacy and other laws, financial loss to us or to our customers, loss of confidence in our security measures, customer dissatisfaction, significant litigation exposure and harm to our reputation, all of which could adversely affect our business, financial condition and results of operations. This risk is enhanced in certain jurisdictions with stringent data privacy laws. For example, the California Consumer Privacy Act of 2018 which went into effect in January 2020, as amended by the California Privacy Rights Act, which went into effect in January 2023 (collectively, the "Privacy Acts"), provides data privacy rights for consumers and operational requirements for us. The Privacy Acts include a statutory damages framework and private rights of action against businesses that fail to comply with certain Privacy Acts terms or implement reasonable security procedures and practices to prevent data breaches. Several other states have enacted similar legislation, and many other states are currently considering similar legislation, and there remains increased interest at the federal level as well. Additionally, while we have obtained insurance to cover us against certain cybersecurity risks and information theft, there can be no guarantee that all losses will be covered or that the insurance limits will be sufficient to cover such losses.

In addition, increasing attention is being paid by the media, regulators and legislators to matters relating to cybersecurity, and regulators and legislators may enact laws or regulations regarding cybersecurity. For example, the New York Department of Financial Services has adopted regulations that are far-ranging in scope, including not only specific technical safeguards but also requirements regarding governance, incident planning, data management and system testing, and the FTC promulgated a revised Safeguards Rule. New laws and regulations could result in significant compliance costs, which may adversely affect our cash flows and net income.

Our capital investments in technology may not achieve anticipated returns.

Our business is becoming increasingly reliant on technology investments, and the returns on these investments are less predictable. We are currently making, and will continue to make, significant technology investments to support our originations and servicing offerings by implementing improvements to our customer-facing technology and evolving our information processes and computer systems to run our business more efficiently and remain competitive and relevant to our customers. Additionally, we have sold certain intellectual property rights related to our proprietary, cloud-based technology platform for mortgage servicing and received an equity stake in the buyer. These technology initiatives might not provide the anticipated benefits or may provide them on a delayed schedule or at a higher cost. We must monitor and choose the right investments and implement them at the right pace. Failing to make the best investments or making an investment commitment significantly above or below our needs could result in the loss of our competitive position and adversely impact our financial condition and results of operations.

We and our vendors have operations in India that could be adversely affected by changes in political or economic stability or by government policies.

We currently have operations located in India, which is subject to relatively higher degrees of political and social instability and may lack the infrastructure to withstand political unrest or natural disasters. The political or regulatory climate in the United States, or elsewhere, also could change so that it would not be lawful or practical for us to use international operations in the manner in which we currently use them. If we or our vendors had to curtail or cease operations in these countries and transfer some or all of these operations to another geographic area, we would incur significant transition costs as well as higher future overhead costs that could materially and adversely affect our results of operations. In many foreign countries, particularly in those with developing economies, it may be common to engage in business practices that are prohibited by laws and regulations applicable to us, such as The Foreign Corrupt Practices Act of 1977, as amended ("FCPA"). Any violations of the FCPA or local anti-corruption laws by us, our subsidiaries or our local agents could have an adverse effect on our business and reputation and result in substantial financial penalties or other sanctions.

Our vendor relationships subject us to a variety of risks.
We have significant vendors that, among other things, provide us with financial, technology and other services to support our businesses. With respect to vendors engaged to perform activities required by the applicable servicing criteria, we assess compliance with the applicable servicing criteria for the applicable vendor (or in certain cases require vendors to provide their own assessments and attestations) and are required to have procedures in place to provide reasonable assurance that the vendor's activities comply in all material respects with servicing criteria applicable to the vendor. In the event that a vendor's activities do not comply with the servicing criteria, it could negatively impact our servicing agreements. Additionally, key vendors may misuse our data which could expose our customers to unauthorized transactions or other potential adverse events, which may adversely affect our business and reputation. In addition, if our current vendors were to stop providing services to us on acceptable terms, including as a result of one or more vendor bankruptcies, we may be unable to procure alternatives from other vendors in a timely and efficient manner and on acceptable terms, or at all. Further, we may incur significant costs to resolve any such disruptions in service and this could adversely affect our business, financial condition and results of operations.

We could have, appear to have or be alleged to have conflicts of interest with Xome.
Xome provides services to us which could create, appear to create or be alleged to create conflicts of interest. By obtaining services from a subsidiary, there is risk of possible claims of collusion or claims that such services are not provided by Xome upon market terms. We have adopted policies, procedures and practices that are designed to identify and address conflicts of interest. In addition, we undertake practices to identify and deal with potential conflicts. Further, we have engaged an independent third party to conduct a pricing study in an attempt to ensure that the fees charged are customary and reasonable. However, there can be no assurance that such measures will be effective in eliminating all conflicts of interest or that third parties will refrain from making such allegations. Appropriately identifying and dealing with conflicts of interest is complex and difficult, and our reputation, which is one of our most important assets, could be damaged and the willingness of counterparties to enter into transactions with us may be affected if we fail, or appear to fail, to identify, disclose and deal appropriately with conflicts of interest. In addition, potential or perceived conflicts could give rise to litigation or regulatory enforcement actions.

Our risk management policies and procedures may not be effective.
Our risk management framework seeks to mitigate risk and appropriately balance risk and return. We have established policies and procedures intended to identify, monitor and manage the types of risk to which we are subject, including credit risk, market and interest rate risk, liquidity risk, cyber risk, regulatory, legal and reputational risk. Although we have devoted significant resources to develop our risk management policies and procedures and expect to continue to do so in the future, these policies and procedures, as well as our risk management techniques such as our hedging strategies, may not be fully effective. There may also be risks that exist, or that develop in the future, that we have not appropriately anticipated, identified or mitigated. As regulations and markets in which we operate continue to evolve, our risk management framework may not always keep sufficient pace with those changes. If our risk management framework does not effectively identify or mitigate our risks, we could suffer unexpected losses and could be materially adversely affected.

Our business could suffer if we fail to attract, or retain, highly skilled employees and changes in our executive management team may be disruptive to our business.
Our future success will depend on our ability to identify, hire, develop, motivate and retain highly qualified personnel for all areas of our organization. Many of the companies with which we compete for experienced employees are large banks who have greater resources than we have and may be able to offer more attractive terms of employment. In addition, we invest significant time and expense in training our employees, which increases their value to competitors who may seek to recruit them. We may not be able to attract, develop and maintain an adequate skilled workforce necessary to operate our businesses and labor expenses may increase as a result of a shortage in the supply of qualified personnel. If we are unable to attract and retain such personnel, we may not be able to take advantage of acquisitions and other growth opportunities that may be presented to us and this could materially affect our business, financial condition and results of operations. From time to time, we may have staffing reductions and may be exposed to unanticipated consequences of our staffing reductions, including attrition beyond the planned reductions, increased difficulties in our day-to-day operations, including a loss of continuity, loss of accumulated knowledge and/or efficiency, reduced employee morale and reduced ability to attract and retain qualified personnel. Employees who were not affected by our planned staffing reductions may seek alternate employment, which may harm our productivity.

Additionally, the experience of our executive management team is a valuable asset to us. Our executive management team has significant experience in the residential loan originations and servicing industry and would be difficult to replace. Disruptions in management continuity could result in operational or administrative inefficiencies and added costs, which could adversely impact our results of operations and stock price, and may make recruiting for future management positions more difficult or costly.

Negative public opinion could damage our reputation and adversely affect our business.
Reputational risk, or the risk to our business, earnings and capital from negative public opinion, is inherent in our business. Negative public opinion can result from our actual or alleged conduct in any number of activities, including lending and debt collection practices, technology failures, cyber attacks, corporate governance, and actions taken by government regulators and community organizations in response to those activities. Negative public opinion can also result from media coverage, whether accurate or not. Additionally, the proliferation of social media websites as well as the personal use of social media by our employees and others, including personal blogs and social network profiles, also may increase the risk that negative, inappropriate or unauthorized information may be posted or released publicly that could harm our reputation or have other negative consequences, including as a result of our employees interacting with our customers in an unauthorized manner in various social media outlets.

Our reputation may also be negatively impacted by our environmental, social and governance ("ESG") practices and disclosures, including climate change practices and disclosures. In addition, various private third-party organizations have developed ratings processes for evaluating companies on their approach to ESG matters. These third party ESG ratings may be used by some investors to assist with their investment and voting decisions. Any unfavorable ESG ratings may lead to reputational damage and negative sentiment among our investors and other stakeholders.

These factors could impair our working relationships with government agencies and investors, expose us to litigation and regulatory action, negatively affect our ability to attract and retain customers and employees, and adversely affect our results of operations.

Issues related to the development and use of artificial intelligence (AI) could give rise to legal and/or regulatory action, damage our reputation or otherwise materially harm our business.
We currently incorporate generative AI driven automation in our call centers. We also developed a mortgage-centric AI platform to onboard loan portfolios that we use internally and market to third parties. Our research and development of such technology remains ongoing, and we may begin to use AI in other areas in our business operations. AI presents risks, challenges, and unintended consequences that could affect our and our customers' adoption and use of this technology. AI algorithms and training methodologies may be flawed. Additionally, AI technologies are complex and rapidly evolving. While we aim to develop and use AI responsibly and attempt to identify and mitigate ethical and legal issues presented by its use, we may be unsuccessful in identifying or resolving issues before they arise. AI-related issues, deficiencies and/or failures could (i) give rise to legal and/or regulatory action, including as a result of new applications of existing data protection, privacy, intellectual property, and other laws; (ii) damage our reputation; or (iii) otherwise materially harm our business.

Lapses in disclosure controls and procedures or internal control over financial reporting could materially and adversely affect our operations, profitability or reputation.
Our disclosure controls and procedures may not be effective in every circumstance. Similarly, we may experience a material weakness or significant deficiency in internal control over financial reporting. Any lapses or deficiencies may materially and adversely affect our business and results of operations or financial condition, restrict our ability to access the capital markets, require us to spend significant resources to correct the lapses or deficiencies, expose us to regulatory or legal proceedings, subject us to fines, penalties or judgments, harm our reputation, or otherwise cause a decline in investor confidence.

Our business is subject to the risks of earthquakes, hurricanes, fires, floods, health pandemics and other natural catastrophic events.
Earthquakes, hurricanes, fires, floods, health pandemics, and similar events could have a material adverse effect on the macro economy and affect our loan servicing costs, increase our servicing advances, increase servicing defaults and negatively affect the value of our MSRs and loans in our pipeline.

Regulatory, Compliance and Legal Risks

We operate within a highly regulated industry on federal, state and local levels and our business results are significantly impacted by the laws and regulations to which we are subject, as well as scrutiny from governmental or regulatory agencies.
Our businesses are subject to extensive, complex and comprehensive regulation under federal, state and local laws in the United States, as well as governmental scrutiny from regulators and law enforcement agencies. These laws, regulations and governmental inquiries can significantly affect the way that we do business, can restrict the scope of our existing businesses, limit our ability to expand our product offerings or to pursue acquisitions, or can make our costs to service or originate loans higher, which could impact our financial results.

Federal, state and local governments have proposed or enacted numerous laws, regulations and rules related to mortgage loans and registered investment advisors. Due to the highly regulated nature of the residential mortgage industry, we are required to comply with a wide array of federal, state and local laws and regulations that regulate, among other things, the manner in which we conduct our servicing, originations and ancillary business, including Xome and Roosevelt Management Company, and the fees we may charge. These regulations directly impact our business and require constant compliance, which includes enhancing our compliance program, procedures and controls, monitoring and internal and external audits. A failure in maintaining an effective compliance program or a material failure to comply with any of these laws or regulations could subject us to lawsuits or governmental actions, which could materially adversely affect our business, financial condition and results of operations. In addition, there continue to be changes in legislation and licensing, which require technology changes and additional implementation costs for loan originators and new state and federal privacy legislation could impact mortgage operations, marketing, and data governance. We expect legislative changes will continue in the foreseeable future, which may increase our operating expenses. For example, on December 30, 2022 the state of New York signed into law a new measure which strictly enforces the state statute of limitations period to foreclose on a mortgage lien before losing the ability to enforce the security instrument. The law has not yet had sufficient time to be tested or challenged, but could subject the company to substantial losses for investors in properties in New York which could increase the potential of losses to the company. Furthermore, there continue to be changes in state laws that are adverse to mortgage servicers that increase costs and operational complexity of our business and impose significant penalties for violation. Any of these changes in law could adversely affect our business, financial condition and results of operations.

Regulatory requirements or changes to existing requirements that the CFPB or other federal or state agencies, including HUD and the FCC, related to our business may result in increased compliance and operational costs and impair the profitability of such business. For example, Regulation C of the Home Mortgage Disclosure Act ("HMDA") requires us to collect and report certain mortgage data for every loan application. These requirements for gathering and submitting large amounts of data regarding loan applications to regulators and the public are complex. Thus, any inadvertent errors in our gathering or reporting the data could result in fines or penalties being levied by the CFPB or other regulators against us. In addition, the authority of state attorneys general to bring actions to enforce federal consumer protection legislation, as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), could be expanded and we could be subject to additional state lawsuits and enforcement actions, thereby further increasing our legal and compliance costs. The cumulative effect of these changes could result in a material impact on our earnings. The implementation of the originations and servicing rules by the CFPB and the CFPB's continuing examinations of our business, could increase our regulatory compliance burden and associated costs and place restrictions on our operations, which could in turn adversely affect our business, financial condition and results of operations. Additionally, our sub-servicing of loans for federally regulated depositories creates indirect regulatory risk with the OCC, FDIC, and the U.S. Federal Reserve. Recent enforcement actions by these regulators over competitors in the mortgage servicing business increases our risks with both the CFPB and indirectly through our subservicing business partners.

We could be subject to additional regulatory requirements or changes under the Dodd-Frank Act beyond those currently proposed, adopted or contemplated. There also continues to be discussion of potential GSE reform which would likely affect markets for mortgages and mortgage securities in ways that cannot be predicted. In addition, FHFA initiatives may be implemented by the GSEs that could materially affect the market for conventional and/or government insured loans. Further, on November 3, 2023, the Financial Stability Oversight Council (the "FSOC") unanimously voted to issue final versions of a new analytic framework for financial stability risks and updated guidance on the FSOC's nonbank financial company determinations process. The updated guidance for Nonbank Financial Company Determinations sets forth the FSOC's procedures for considering whether to designate a nonbank financial company for Federal Reserve supervision and prudential standards under section 113 of the Dodd-Frank Act.

Individual states have also been active in regulatory enforcement, as have other regulatory organizations such as the Multi-State Mortgage Committee, as well as various state Attorneys General. We also believe there has been a shift among certain regulators towards a broader view of the scope of regulatory oversight responsibilities with respect to mortgage originators and servicers. In addition to their traditional focus on consumer protection laws, licensing and examination matters, certain regulators have begun to make observations, recommendations or demands with respect to such areas as corporate governance, low-to-moderate income lending requirements, safety and soundness, and risk and compliance management.

Certain regulators took steps to block the acquisition of MSRs by one of our competitors. It is possible that we could become subject to similar actions with respect to our acquisition of MSRs or other key business operations such as entering into subservicing contracts, which could adversely affect our business, financial condition and results of operations.

The influx of new laws, regulations, and other directives adopted in response to the COVID-19 pandemic exemplifies the ever-changing and increasingly complex regulatory landscape we operate in. While some regulatory reactions to COVID-19 may have relaxed certain compliance obligations (e.g., relaxing work location requirements for loan personnel working remotely during COVID-19 emergency declarations) other updates related to servicing delinquent mortgages and providing new mortgage assistance programs have substantially increased mortgage servicers responsibilities and risks. While some regulators have granted permanent ability to work away from a licensed location, those that have not may determine that prior leniency surrounding work locations may no longer apply. We have received, and may continue to receive, inquiries from various federal and state lawmakers, attorneys general and regulators seeking information on our COVID-19 response and its impact on our business, team members, and clients. Future regulatory scrutiny and enforcement resulting from COVID-19 is unknown.

Additionally, the CFPB iteratively adopted rules over the course of several years regarding mortgage servicing practices that required us to make modifications and enhancements to our mortgage servicing processes and systems. While the CFPB announced its flexible supervisory and enforcement approach during the COVID-19 pandemic on certain consumer communications required by the mortgage servicing rules, managing to the CFPB's loss mitigation rules is challenging. If we are unable to comply with, or face allegations that we are in breach of, applicable laws, regulations or other requirements, we may face regulatory action, including fines, penalties, and restrictions on our business. In addition, we could face increased litigation, including class action lawsuits, and reputational damage.

We are subject to numerous legal proceedings, federal, state or local governmental examinations and enforcement investigations. Some of these matters are highly complex and slow to develop, and results are difficult to predict or estimate.

Legal Proceedings: We are routinely and currently involved in a significant number of legal proceedings concerning matters that arise in the ordinary course of our business. There is no assurance that the number of legal proceedings will not increase in the future, including certified class or mass actions. These legal proceedings range from actions involving a single plaintiff to putative class action lawsuits. These actions and proceedings are generally based on alleged violations of consumer protection, securities, employment, contract, tort, common law fraud and numerous other laws, including, but not limited to, the Equal Credit Opportunity Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, Real Estate Settlement Procedures Act, National Housing Act, Homeowners Protection Act, Servicemember’s Civil Relief Act, Telephone Consumer Protection Act, Truth in Lending Act, Financial Institutions Reform, Recovery, and Enforcement Act of 1989, unfair, deceptive or abusive acts or practices in violation of the Dodd-Frank Act, the Securities Act of 1933, the Securities Exchange Act of 1934, the Home Mortgage Disclosure Act, the Bankruptcy Code, False Claims Act, the CARES Act and Making Home Affordable loan modification programs (while MHA programs have ended, claims may continue to arise). Additionally, along with others in our industry, we are subject to repurchase and indemnification claims and may continue to receive claims in the future, regarding alleged breaches of representations and warranties relating to the sale of mortgage loans, the placement of mortgage loans into securitization trusts or the servicing of mortgage loan securitizations. We are also subject to legal actions or proceedings related to loss sharing and indemnification provisions of our various acquisitions. Additionally, third parties may assert claims against us that our content, website processes or software applications infringe their intellectual property rights. Certain of the pending or threatened legal proceedings include claims for substantial compensatory, punitive and/or, statutory damages or claims for an indeterminate amount of damages.

Litigation and other proceedings may require that we pay settlement costs, legal fees, damages, including punitive damages, penalties or other charges, or be subject to injunctive relief affecting our business practices, any or all of which could adversely affect our financial results. In particular, ongoing and other legal proceedings brought under federal or state consumer protection statutes may result in a separate fine for each violation of the statute, which, particularly in the case of class action lawsuits, could result in damages substantially in excess of the amounts we earned from the underlying activities and that could have a material adverse effect on our liquidity, financial position and results of operations. The costs of responding to the investigations can be substantial.

*Regulatory Matter*s: We operate within highly regulated industries on a federal, state and local level. In the normal and ordinary course of our business, we are routinely subject to extensive examinations, investigations, subpoenas, inquiries and reviews by various federal, state and local governmental, regulatory and enforcement agencies, including CFPB, the Securities and Exchange Commission, the Department of Justice, the Office of the Special Inspector General for the Troubled Asset Relief Program, the U.S. Department of Housing and Urban Development, various State mortgage banking regulators and various State Attorneys General, related to our residential loan servicing and origination practices, our financial reporting and other aspects of our businesses. For example, in 2020, we resolved certain legacy regulatory matters with the CFPB, the multi-state committee of mortgage banking regulators and various State Attorneys General, and the Executive Office of the United States Trustee, all of which involved findings from examinations and discussions that were completed in 2014 and 2015, and related to certain loan servicing practices which occurred during 2010 through 2015. Several large mortgage originators or servicers have been subject to similar matters, which have resulted in the payment of fines and penalties, changes to business practices and the entry of consent decrees or settlements. The trend of large settlements with governmental entities may adversely affect the outcomes for other financial institutions, including us. We continue to manage our response to each matter, but it is not possible for us to reliably predict the outcome of any of them, including predicting any possible losses resulting from any judgments or fines, which can lead to substantial disparities between legal reserves and subsequent settlements or penalties.

Responding to these matters requires us to devote substantial legal and regulatory resources, resulting in higher costs and lower net cash flows. Adverse results in any of these matters could further increase our operating expenses and reduce our revenues, require us to change business practices, limit our ability to grow and otherwise materially and adversely affect our business, reputation, financial condition and results of operation. To the extent that an examination or other regulatory engagement reveals a failure by us to comply with applicable law, regulation or licensing requirement this could lead to (i) loss of our licenses and approvals to engage in our businesses, (ii) damage to our reputation in the industry and loss of client relationships, (iii) governmental investigations and enforcement actions, (iv) administrative fines and penalties and litigation, (v) civil and criminal liability, including class action lawsuits, and actions to recover incentive and other payments made by governmental entities, (vi) enhanced compliance requirements, (vii) breaches of covenants and representations under our servicing, debt or other agreements, (viii) inability to raise capital and (ix) inability to execute on our business strategy. Any of these occurrences could further increase our operating expenses and reduce our revenues, require us to change business practices and procedures and limit our ability to grow or otherwise materially and adversely affect our business, reputation, financial condition and results of operation.

Moreover, regulatory changes established under the Dodd-Frank Act, which continue to be expanded, other regulatory changes such as the CFPB having its own examination and enforcement authority and the “whistleblower” provisions of the Dodd-Frank Act and guidance on whistleblowing programs issued by the NYDFS could further increase the number of legal and regulatory enforcement proceedings against us. In addition, while we take numerous steps to prevent and detect employee misconduct, such as fraud, employee misconduct cannot always be deterred or prevented and could subject us to additional liability.

We establish reserves for pending or threatened legal proceedings when it is probable that a liability has been incurred and the amount of such loss can be reasonably estimated. Legal proceedings are inherently uncertain, and our estimates of loss are based on information available at that time. Our estimates may change from time to time for various reasons, including factual or legal developments in these matters. There cannot be any assurance that the ultimate resolution of our litigation and regulatory matters will not involve losses, which may be material, in excess of our recorded accruals or estimates of reasonably possible losses.

Unlike competitors that are national banks, we are subject to state licensing and operational requirements that result in substantial compliance costs. Because we are not a depository institution, we do not benefit from a federal exemption to state mortgage banking, loan servicing or debt collection licensing and regulatory requirements. We must comply with state licensing requirements and varying compliance requirements in all 50 states, the District of Columbia and other U.S. territories, and we are sensitive to regulatory changes that may increase our costs through stricter licensing laws, disclosure laws or increased fees or that may impose conditions to licensing that we or our personnel are unable to meet. In addition, we are subject to periodic examinations by state regulators, which can result in refunds to borrowers of certain fees earned by us, and we may be required to pay substantial penalties imposed by state regulators due to compliance errors. Future state legislation and changes in existing regulation may significantly increase our compliance costs or reduce the amount of ancillary revenues, including late fees that we may charge to borrowers. This could make our business cost-prohibitive in the affected state or states and could materially affect our business.

Our business would be adversely affected if we lose our licenses.
Our operations are subject to regulation, supervision and licensing under numerous federal, state and local statutes, ordinances and regulations. In most states in which we operate, a regulatory agency regulates and enforces laws relating to mortgage servicing companies, mortgage originations companies and real estate brokers and auctioneers. These rules and regulations generally provide for licensing as a mortgage servicing Company, mortgage originations Company or third-party debt default specialist, licensed auctioneer, and other similar types of requirements as to the form and content of contracts and other documentation, licensing of our employees and employee hiring background checks, licensing of independent contractors with which we contract, restrictions on certain practices, disclosure and record-keeping requirements and enforcement of borrowers' rights. We are subject to periodic examination by state regulatory authorities.

We believe that we maintain all material licenses and permits required for our current operations and are in substantial compliance with all applicable federal, state and local laws, rules, regulations and ordinances. We may not be able to maintain all requisite licenses and permits, and the failure to satisfy those and other regulatory requirements could result in a default under our servicing or other agreements and have a material adverse effect on our operations. The states that currently do not provide extensive regulation of our businesses may later choose to do so, and if such states so act, we may not be able to obtain or maintain all requisite licenses and permits. The failure to satisfy those and other regulatory requirements could result in a default under our servicing agreements and have a material adverse effect on our operations. Furthermore, the adoption of additional, or the revision of existing, rules and regulations could adversely affect our business, financial condition and results of operations.

We may incur increased litigation costs and related losses if a court overturns a foreclosure or if a loan we are servicing becomes subordinate to a Home Owners Association lien.
We may incur costs if we are required to, or if we elect to, execute or re-file documents or take other action in our capacity as a servicer in connection with pending or completed foreclosures. In addition, if a court rules that the lien of a Home Owners Association takes priority over the lien we service, we may incur legal liabilities and costs to defend such actions. If a court dismisses or overturns a foreclosure because of errors or deficiencies in the foreclosure process, we may have liability to the loan owner, a borrower, title insurer or the purchaser of the property sold in foreclosure. These costs and liabilities may not be legally or otherwise reimbursable to us, particularly to the extent they relate to securitized mortgage loans. A significant increase in litigation costs could adversely affect our liquidity, and our inability to be reimbursed for an advance could adversely affect our business, financial condition and results of operations.

Residential mortgage foreclosure proceedings in certain states have been delayed due to lack of judicial resources and legislation, all of which could have a negative effect on our ability to liquidate loans timely and slow the recovery of advances and thus impact our earnings or liquidity.
In some states, such as New York, our industry has faced, and may continue to face, increased delays and costs caused by state law and local court rules and processes. In addition, California and Nevada have enacted Homeowner's Bill of Rights legislation to establish complex mandatory loss mitigation practices for homeowners which cause delays in foreclosure proceedings. Delays in foreclosure proceedings could also require us to make additional servicing advances by drawing on our servicing advance facilities, or delay the recovery of advances, all or any of which could materially affect our earnings and liquidity and increase our need for capital.

Risks Related to Owning our Stock

Our common stock, and any other instruments treated as stock for purposes of Section 382, is subject to transfer restrictions under our Certificate of Incorporation which, if not complied with, could result in the forfeiture of such stock and related distributions.
Our Certificate of Incorporation contains significant transfer restrictions in relation to the transfer of our common stock and any other instruments treated as stock for purposes of Section 382. These transfer restrictions have been adopted in order to minimize the likelihood that we will be deemed to have an "ownership change" within the meaning of Section 382 that could limit our ability to utilize our NOLs under and in accordance with regulations promulgated by the IRS.

In particular, without the approval of our Board, (i) no person or group of persons treated as a single entity under Treasury Regulation Section 1.382-3 will be permitted to acquire, whether directly or indirectly, and whether in one transaction or a series of related transactions, any of our common stock or any other instrument treated as stock for purposes of Section 382, to the extent that after giving effect to such purported acquisition (a) the purported acquirer or any other person by reason of the purported acquirer's acquisition would become a Substantial Holder (as defined below), or (b) the percentage stock ownership of a person that, prior to giving effect to the purported acquisition, is already a Substantial Holder would be increased; and (ii) no Substantial Holder may dispose, directly or indirectly, of any class of stock or any other instrument treated as stock for purposes of Section 382. A "Substantial Holder" is a person that owns (as determined for purposes of Section 382) at least 4.75% of the total value of our stock, including any instrument treated as stock for purposes of Section 382.

Because of the complexity of applying Section 382, and because the determination of ownership for purposes of Section 382 does not correspond to SEC beneficial ownership reporting on Schedules 13D and 13G, holders and potential acquirers of our securities should consult with their legal and tax advisors prior to making any acquisition or disposition of our securities. Pursuant to Article VIII of our Certificate of Incorporation, the Board has the sole power to determine compliance with the transfer restrictions, and we cannot assure you that the Board will concur with any conclusions reached by any holder of our securities or their respective advisors, and/or approve or ratify any proposed acquisitions or dispositions of our securities. Under Article VIII, Section 3(b), of our Certificate of Incorporation, if the Board determines that a Prohibited Transfer (as defined in our Certificate of Incorporation) has occurred, such Prohibited Transfer shall, to the fullest extent permitted by law, be *void ab initio* and have no legal effect, and upon written demand by us, the Purported Transferee (as defined in our Certificate of Incorporation) shall disgorge or cause to be disgorged our securities, together with any dividends or distributions received, with respect to such securities.

Anti-takeover provisions in our Certificate of Incorporation and Amended and Restated Bylaws ("Bylaws") and under Delaware law, as well as certain existing contractual arrangements, make a third-party acquisition of us difficult.

Our Certificate of Incorporation, including Article VIII thereof, and Bylaws contain provisions that make it difficult for a third party to acquire us, even if doing so might be deemed beneficial by our stockholders. These provisions could limit the price that investors might be willing to pay in the future for shares of our common stock.

The market price of our common stock may decrease, and you may lose all or part of your investment.

The market price of our common stock could decrease, and you may not be able to resell your shares at or above the price at which your shares were acquired. Those fluctuations could be based on various factors, including:

- our operating performance and the performance of our competitors and fluctuations in our operating results;
- macro-economic trends, including changes in interest rates and economic growth and unemployment;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in earnings estimates or recommendations by research analysts who follow us or other companies in our industry;
- global, national or local economic, legal and regulatory factors unrelated to our performance;
- announcements of negative news by us or our competitors, such as announcements of poorer than expected results of operations, data breaches or significant litigation;
- actual or anticipated variations in our or our competitors' operating results, and our or our competitors' growth rates;
- failure by us or our competitors to meet analysts' projections or guidance we or our competitors may give the market;
- changes in laws or regulations, or new interpretations or applications of laws and regulations, that are applicable to our business;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the departure of key personnel;
- the number of shares publicly traded; and

- other developments affecting us, our industry or our competitors.

In addition, in recent years the stock market has experienced significant price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations have often been unrelated or disproportionate to the operating performance of those companies. These broad market fluctuations, as well as general economic, political and market conditions such as recessions or interest rate changes, may cause declines in the market price of our common stock, and you may not realize any return on your investment in us and may lose some or all of your investment.

Item 1B. ***Unresolved Staff Comments***

None.

Item 1C. ***Cybersecurity***

Cyber Risk Management and Strategy

Our cyber risk management and strategy has been incorporated into our compliance and risk management program across a number of verticals. For example, information security risk assessments are performed across our business processes, including, but not limited to, third-party services, vendors and systems that process sensitive data. We undergo external annual penetration assessments to evaluate susceptibility to attack, for example, through social engineering, application websites and system/network vulnerabilities. We aim to continuously evolve our information security program in response to the ever-changing landscape of best practices, industry-specific risks, company-specific risks, and potential threats. This evolution is also driven by validation tests in an effort to ensure our program remains robust and effective. In the wake of the October 2023 cybersecurity incident, we prioritized implementation of enhanced safeguards consistent with our incident response process and further fortifying our commitment to information security.

We also have a process to evaluate third-party providers, which is designed to understand the potential risks and impact of threats to our supply chains as well as potential privacy risks associated with external data management. This process has multiple components and is designed to assess our providers performance across several domains, including data security, asset management, communications and operations management, access control, business continuity management, financial, and legal compliance.

Considering the complexity and evolving nature of cybersecurity threats, we engage with a range of external experts, including cybersecurity assessors, consultants, and auditors, in evaluating and testing our risk management systems. These engagements allow us to leverage specialized knowledge and insights, including leading industry practices, to better inform our cybersecurity strategies and processes. Our collaboration with these third parties includes audits, threat assessments, and consultations to enhance our security measures.

In addition, we undergo several compliance audits annually, which include a SOX compliance audit, and a SOC1 audit. Our approach to managing compliance-related risks includes maintaining a data loss prevention program, centralized compliance management, an identity management platform, ongoing Managed Security monitoring, threat and vulnerability monitoring, and information security risk insurance.

Governance Related to Cybersecurity Risks

The full Board of Directors conducts several reviews throughout the year in an effort to ensure that our cyber strategy and risk management is appropriate and prudent. It is the responsibility of the Board of Directors to understand and oversee our strategic plans, the associated risks, and the steps that our senior management team is taking to manage and mitigate those risks. Principle responsibility in this domain is shared by our Chief Risk and Compliance Officer, who has approximately 20 years of leadership experience in the financial services sector with an extensive background in the mortgage industry, and our Chief Information Officer who has approximately 20 years of experience leading technology and product engineering functions.

Our Enterprise Risk Committee reviews and discusses cybersecurity, information security and data privacy risks at regular intervals. A quarterly Enterprise Risk Committee meeting is chaired by our Chief Risk and Compliance Officer and includes information security briefings led by the Chief Information Security Officer.

We also hold quarterly Audit and Risk Committee meetings, during which our Board of Directors receives briefings on information security matters. Risks that are identified during these processes are reviewed by executive leadership and corrective action plans are established to address and manage the issues, as applicable and appropriate.

We believe in a proactive approach to enterprise risk management. A major tenet of our cybersecurity program includes training to educate and inform team members on cyber hygiene and threat management as well as regular testing to check for understanding. We have invested in technology and dedicated internal resources to facilitate training for application developers, conduct tabletop exercises, run anti-phishing campaigns, and train on privacy regulations. These training activities, along with other key risk indicators, are tracked and reported to our Enterprise Risk Committee on a quarterly basis.

Recent Cybersecurity Activity

As previously disclosed on a Form 8-K dated November 2, 2023, as amended by the Form 8-K/As dated, November 9, 2023, and December 15, 2023, on October 31, 2023, we experienced a cybersecurity incident in which an unauthorized third party gained access to certain of our technology systems and obtained personal information relating to substantially all of our current and former customers. Following detection of this incident, we initiated response protocols that included deploying containment measures involving shutting down certain systems as a precautionary measure. We notified law enforcement, regulatory authorities, and other stakeholders. We worked with our existing cybersecurity firms and retained additional cybersecurity experts to support our actions.

Our engagement with law enforcement and regulators, and defense of litigation is ongoing. To assist our customers, we have offered identity protection services, including credit monitoring, to all of our current and former customers for two years.

The cybersecurity incident did not result in a misstatement to the interim consolidated financial statements previously filed or included in this Annual Report on Form 10-K. In addition, while we cannot presently quantify the full extent of remediation and legal expenses associated with this cyber-attack, we do not believe the incident has materially affected or is reasonably likely to materially affect, our business strategy, results of operations, or financial condition.

Item 2. ***Properties***

We lease and maintain our principal executive office in one building totaling approximately 176,000 square feet in Coppell, Texas. Our business operations and support offices are in leased facilities in various other locations in the United States, as well as locations in India. Our locations in the United States include (i) Texas and California, which houses our Servicing and Originations segments, and (ii) Arizona, Michigan, Florida, and Colorado, which house the remainder of our Servicing segment. Our India locations include Chennai, which supports our Servicing and Originations segments, and Bengaluru, which supports our Servicing segment. We believe that our facilities are adequate for our current requirements and are being appropriately utilized. We periodically review our space requirements, and we believe we will be able to acquire new space and facilities as and when needed on reasonable terms. We also look to consolidate and dispose of facilities we no longer need, as and when appropriate.

Item 3. ***Legal Proceedings***

We are routinely and currently involved in a number of legal proceedings, including, but not limited to, judicial, arbitration, regulatory and governmental proceedings related to matters that arise in connection with the conduct of our business. While it is not possible to predict the outcome of any of these matters, based on our assessment of the facts and circumstances, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. For a description of our material legal proceedings, see *Note 20, Commitments and Contingencies* in the Notes to Consolidated Financial Statements within Item 8. *Financial Statements and Supplementary Data*, of this Form 10-K.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II.

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Market Information and Stockholders

Our common stock has been traded on the Nasdaq Stock Market under the ticker symbol "COOP."

As of February 22, 2024, there were 1,629 stockholders of record of our common stock. A substantially greater number of holders of our common stock are "street name" or beneficial holders, whose shares are held by banks, brokers and other financial institutions.

Dividends

We have not declared or paid cash dividends on our common stock, and we currently do not expect to declare or pay any cash dividends in the foreseeable future. The timing and amount of any future dividends, if any, will be determined by the Board of Directors and will depend, among other factors, upon our earnings, financial condition, cash requirements, the capital requirements of subsidiaries and investment opportunities at the time any such transaction is considered.

Issuer Purchases of Equity Securities

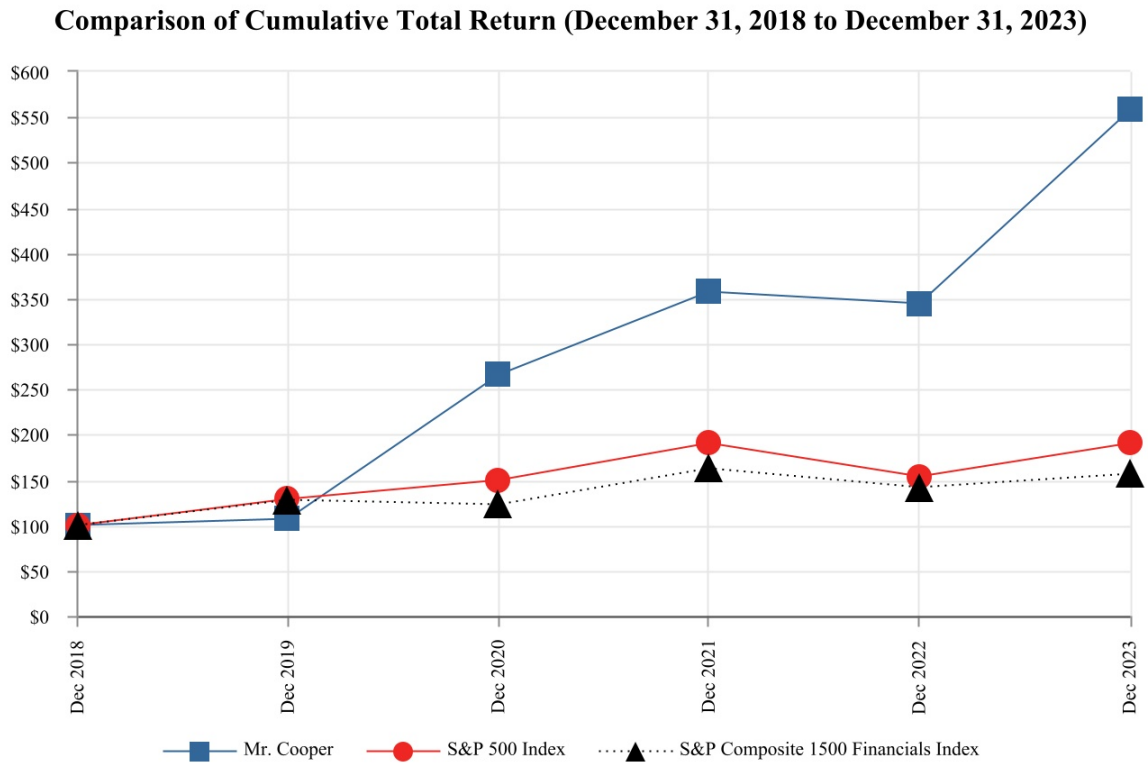
In October 2022, our Board of Directors authorized a new repurchase plan of $200 million of our outstanding common stock. In July 2023, our Board of Directors authorized an additional $200 million of our outstanding common stock. The stock repurchase program may be suspended, modified or discontinued at any time at our discretion. As of December 31, 2023, $137 million of common stock remain available for repurchase. During the three months ended December 31, 2023, we repurchased shares of our common stock at a total cost of $72 million under our share repurchase program. The number and average price of shares purchased are set forth in the table below:

Period	(a) Total Number of Shares Purchased (in thousands)	(b) Average Price Paid per Share[1]	(c) Total Number of Shares Purchased as Part of Publicly Announced Plan or Program (in thousands)	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plan or Program (in millions)[1]
October 2023	**419**	**$ 54.82**	**419**	**$ 186**
November 2023	**547**	**$ 57.59**	**547**	**$ 155**
December 2023	**277**	**$ 63.36**	**277**	**$ 137**
Total	**1,243**		**1,243**	

(1) Excludes excise tax.

Stockholder Return Performance

The following graph shows a comparison of the cumulative total stockholder return for our common stock, the S&P 500 Index and the S&P Composite 1500 Financials Index from December 31, 2018 through December 31, 2023. This data assumes an investment of $100 on December 31, 2018.



Comparative results for our common stock, the S&P 500 Index and the S&P Composite 1500 Financials Index are presented below:

	December 31,					
	2018	2019	2020	2021	2022	2023
Mr. Cooper	100	107	266	357	344	558
S&P 500 Index	100	129	150	190	153	190
S&P Composite 1500 Financials Index	100	128	123	162	142	156

Item 6. [RESERVED]

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion should be read in conjunction with the information contained in our consolidated financial statements, including the notes thereto. The following discussion contains, in addition to the historical information, forward-looking statements that include risks and uncertainties (see discussion of "Forward-Looking Statements" included elsewhere in this Annual Report on Form 10-K). Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those factors set forth under Item 1A, *Risk Factors,* and elsewhere in this Annual Report on Form 10-K.

All dollar amounts presented herein are in millions, except per share data and other key metrics, unless otherwise noted.

We have provided a glossary of terms, which defines certain industry-specific and other terms that are used herein, at the end of the MD&A section.

Basis of Presentation

The below presentation discusses the results of the operations for the year ended December 31, 2023 compared to the year ended December 31, 2022. For a discussion of results of operations for the year ended December 31, 2022 compared to the year ended December 31, 2021, please refer to Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations,* in our Annual Report on Form 10-K for the year ended December 31, 2022.

Overview

We are a leading servicer and a major originator of residential mortgage loans. Our purpose is to keep the dream of homeownership alive, and we do this by helping mortgage borrowers (our customers) manage what is typically their largest financial asset, and by helping our investors maximize the returns from their portfolios of residential mortgages. We have a track record of significant growth, having expanded our servicing portfolio UPB from $10 billion in 2006 to $992 billion as of December 31, 2023. We believe this track record reflects our strong operating capabilities, strong loss mitigation skills, a commitment to compliance, a customer-centric culture, a demonstrated ability to retain customers, growing origination capabilities, and significant investment in technology.

Our strategy to position the Company for continued, sustainable long-term growth includes initiatives to improve profitability and generate a return on tangible equity of 12% or higher. Key strategic initiatives include the following:

- Strengthen our balance sheet by building capital and liquidity, and managing interest rate and other forms of risk;
- Improve efficiency by driving continuous improvement in unit costs for Servicing and Originations segments, as well as by taking corporate actions to eliminate costs throughout the organization;
- Grow our servicing portfolio to $1 trillion in UPB by acquiring new customers and retaining existing customers;
- Achieve and sustain a refinance recapture rate of 60%;
- Delight our customers and keep Mr. Cooper a great place for our team members to work;
- Reinvent the customer experience by acting as the customer's advocate and by harnessing technology to deliver digital solutions that are personalized and friction-less;
- Sustain the talent of our people and the culture of our organization; and
- Maintain strong relationships with agencies, investors, regulators, and other counterparties and a strong reputation for compliance and customer service.

Anticipated Trends

In the fourth quarter of 2023, our Servicing segment generated income before income tax expense of $184, and our servicing portfolio grew to $992 billion, bringing us very close to our $1 trillion UPB target. We anticipate achieving this target during the first quarter of 2024, once boarding of a $90 billion subservicing portfolio for a new client is complete. We expect growth conditions to remain favorable, especially for MSR bulk purchases, which are coming to market with attractive margins. Overall, we expect our Servicing segment income to lag our servicing portfolio growth, as we anticipate lower interest rates in 2024, which increase prepayment speeds and amortization expense and lower net interest income.

In the fourth quarter of 2023, our Originations segment generated income before income tax expense of $9 on funded volume of $2,661. We expect the Originations segment to operate at higher levels of profitability during the first quarter of 2024 compared to the fourth quarter of 2023 due to business interruptions caused by the cybersecurity incident in 2023. Refer to Item 1C. *Cybersecurity*, for more information on the cybersecurity incident.

On February 1, 2024, we completed an offering of $1,000 unsecured senior notes due 2032 at 7.125%, and used the proceeds from the offering to repay a portion of the MSR facilities, which have a higher run rate than the new unsecured senior notes. The offering will result in incremental corporate interest expense going forward, partially offset by a decrease in interest expense for our Servicing segment.

While the recent inflation rate increase appears to have subsided, the inflation rate remains relatively high. Inflationary pressures may limit a borrower's disposable income, which can decrease a borrowers' ability to enter into mortgage transactions. Inflationary pressures may also increase our operating costs. However, historically changes in interest rates have a greater impact on our financial results than changes in inflation. While interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or extent as the inflation rate.

Results of Operations

Table 1. Consolidated Operations

	Year Ended December 31,		
	2023	**2022**	**Change**
Revenues - operational[(1)]	**$ 1,769**	$ 1,643	$ 126
Revenues - mark-to-market	**25**	821	(796)
Total revenues	**1,794**	2,464	(670)
Total expenses	**1,172**	1,274	(102)
Total other income, net	**32**	24	8
Income before income tax expense	**654**	1,214	(560)
Less: Income tax expense	**154**	291	(137)
Net income from continuing operations	**$ 500**	$ 923	$ (423)

(1) Revenues - operational consists of total revenues, excluding mark-to-market.

Income before income tax expense decreased during the year ended December 31, 2023 compared to 2022 primarily due to a decrease in total revenues, partially offset by lower total expenses. The decrease in total revenues was primarily attributable to lower favorable MTM adjustment as the increase in mortgage rates was greater in 2022 compared to 2023. The MTM adjustment was partially offset by the increase in operational revenues in our Servicing segment driven by a larger servicing UPB portfolio in 2023, partially offset by decreased origination revenues due to lower origination volumes. The decrease in total expenses was primarily driven by lower salaries, wages and benefits in our Originations segment due to lower headcount in both the direct-to-consumer and correspondent channels as a result of reducing headcount commensurate with lower origination volumes in 2022. Partially offsetting the decrease in total expenses was cybersecurity incident related costs of $27 in 2023. Refer to Item 1C. *Cybersecurity*, for more information on the cybersecurity incident.

Income tax expense was $154 with an effective tax rate of 23.5% in the year ended December 31, 2023 compared with $291 with an effective tax rate of 24.0% in 2022. For further information on income taxes, please refer to *Note 17, Income Taxes*, in the Notes to Consolidated Financial Statements.

Segment Results

Our operations are conducted through two segments: Servicing and Originations.

- The Servicing segment performs operational activities on behalf of investors or owners of the underlying mortgages and mortgage servicing rights, including collecting and disbursing borrower payments, investor reporting, customer service, modifying loans where appropriate to help borrowers stay current, and, when necessary, performing collections, foreclosures, and the sale of REO. In 2023, we expanded our special servicing product offering with the acquisition of Rushmore Loan Management Services.
- The Originations segment originates residential mortgage loans through our direct-to-consumer channel, which provides refinance options for our existing customers, and through our correspondent channel, which purchases or originates loans from mortgage bankers.

Refer to *Note 21, Segment Information*, in the Notes to Consolidated Financial Statements for a summary of segment results.

Servicing Segment

The Servicing segment's strategy is to generate income by growing the portfolio and maximizing servicing margin. We believe several competitive strengths have been critical to our long-term growth as a servicer and subservicer, including our low-cost platform that creates operating leverage, our skill in mitigating losses for investors and clients, our commitment to strong customer service, industry leading compliance management, our history of successfully boarding new loans, and the ability to retain existing customers by offering attractive purchase and refinance options. We believe that our operational capabilities are reflected in our strong servicer ratings and recent agency recognition.

Table 2. Servicer Ratings

	Fitch[1]	Moody's[2]	S&P[3]
Rating date	*January/February 2024*	*May 2023*	*January 2024*
Residential	RPS2	SQ2-	Above Average
Master Servicer	RMS2+	SQ2+	Above Average
Special Servicer	RSS2	SQ2-	Above Average
Subprime Servicer	RPS2	SQ2-	Above Average
Rushmore Special Servicer[4]	RSS2	SQ3+	Above Average

(1) Fitch Rating Scale of 1 (Highest Performance) to 5 (Low/No Proficiency)
(2) Moody's Rating Scale of SQ1 (Strong Ability/Stability) to SQ5 (Weak Ability/Stability)
(3) S&P Rating Scale of Strong to Weak
(4) In connection with the acquisition of Roosevelt in 2023, the Company acquired Rushmore Loan Management Services, LLC, which is a residential mortgage servicer with services that focuses on special servicing.

The following table sets forth the results of operations for the Servicing segment:

Table 3. Servicing Segment Results of Operations

	Year Ended December 31,					
	2023		2022		Change	
	Amt	bps[1]	Amt	bps[1]	Amt	bps
Revenues						
Operational	**$ 1,917**	**22**	$ 1,530	19	$ 387	3
Amortization, net of accretion	**(563)**	**(6)**	(693)	(9)	130	3
Mark-to-market adjustments - Servicing	**25**	**—**	821	10	(796)	(10)
Total revenues	**1,379**	**16**	1,658	20	(279)	(4)
Expenses						
Salaries, wages and benefits	**340**	**4**	324	4	16	—
General and administrative						
Servicing support fees	**91**	**1**	76	1	15	—
Corporate and other general and administrative expenses	**194**	**2**	125	2	69	—
Foreclosure and other liquidation related expenses, net	**27**	**1**	16	—	11	1
Depreciation and amortization	**12**	**—**	18	—	(6)	—
Total general and administrative expenses	**324**	**4**	235	3	89	1
Total expenses	**664**	**8**	559	7	105	1
Other income (expense)						
Other interest income	**491**	**6**	208	3	283	3
Advance interest expense	**(55)**	**(1)**	(31)	(1)	(24)	—
Other interest expense	**(269)**	**(3)**	(190)	(2)	(79)	(1)
Interest expense	**(324)**	**(4)**	(221)	(3)	(103)	(1)
Total other income (expenses), net	**167**	**2**	(13)	—	180	2
Income from continuing operations before income tax expense	**$ 882**	**10**	$ 1,086	13	$ (204)	(3)
Weighted average cost - advance and MSR facilities	**7.9 %**		4.6 %		3.3 %	
Weighted average cost - excess spread financing	**8.7 %**		8.8 %		(0.1)%	

[1] Calculated basis points (“bps”) are as follows: Annual dollar amount/Total average UPB X 10000.

Table 4. Servicing - Revenues

	Year Ended December 31,					
	2023		2022		Change	
	Amt	bps[1]	Amt	bps[1]	Amt	bps
MSR Operational Revenue						
Base servicing fees	**$ 1,466**	**16**	$ 1,227	15	$ 239	1
Modification fees	**19**	**—**	13	—	6	—
Late payment fees	**63**	**1**	59	1	4	—
Other ancillary revenues	**117**	**2**	53	1	64	1
Total MSR operational revenue	**1,665**	**19**	1,352	17	313	2
Subservicing-related revenue	**323**	**3**	283	3	40	—
Total servicing fee revenue	**1,988**	**22**	1,635	20	353	2
MSR financing liability costs	**(30)**	**1**	(19)	—	(11)	1
Excess spread payments and portfolio runoff	**(41)**	**(1)**	(86)	(1)	45	—
Total operational revenue	**1,917**	**22**	1,530	19	387	3
Amortization, Net of Accretion						
MSR amortization	**(604)**	**(7)**	(779)	(10)	175	3
Excess spread accretion	**41**	**1**	86	1	(45)	—
Total amortization, net of accretion	**(563)**	**(6)**	(693)	(9)	130	3
Mark-to-Market Adjustments - Servicing						
MSR MTM	**121**	**2**	1,328	17	(1,207)	(15)
Loss on MSR hedging activities	**(68)**	**(1)**	(332)	(4)	264	3
Gain (loss) on MSR sales	**23**	**—**	(3)	—	26	—
Reclassifications[2]	**(33)**	**(1)**	(30)	(1)	(3)	—
Excess spread / financing MTM	**(18)**	**—**	(142)	(2)	124	2
Total MTM adjustments - Servicing	**25**	**—**	821	10	(796)	(10)
Total revenues - Servicing	**$ 1,379**	**16**	$ 1,658	20	$ (279)	(4)

(1) Calculated basis points ("bps") are as follows: Annual dollar amount/Total average UPB X 10000.

(2) Reclassifications include the impact of negative modeled cash flows which have been transferred to reserves on advances and other receivables. The negative modeled cash flows relate to advances and other receivables associated with inactive and liquidated loans that are no longer part of the MSR portfolio.

Servicing Segment Revenues

The following provides the changes in revenues for the Servicing segment:

Servicing - Operational revenue increased during the year ended December 31, 2023 compared to 2022, primarily due to an increase in base servicing fees as a result of a higher average MSR UPB portfolio in 2023 and an increase in other ancillary revenues due to a $67 gain from the sale of mortgage loans that were acquired in connection with the collapse of a securitization trust due to over-collateralization.

MSR amortization decreased for the year ended December 31, 2023 as compared to 2022, primarily due to lower prepayments driven by higher mortgage rates in 2023, partially offset by a higher average MSR UPB portfolio and higher average MSR fair value.

MSR MTM, excess spread/financing MTM and loss on MSR hedging activities decreased during the year ended December 31, 2023 compared to 2022, as the increase in mortgage rates was greater in 2022 compared to 2023.

Subservicing - Subservicing fees increased during the year ended December 31, 2023 as compared to 2022, primarily due to subservicing UPB portfolio acquisitions, including the specialty UPB portfolio acquired from Rushmore during the second quarter of 2023, which was fully operational beginning in the third quarter of 2023, partially offset by the deboarding of a few subservicing clients.

Servicing Segment Expenses

Total expenses increased during the year ended December 31, 2023 as compared to 2022, primarily driven by an increase in corporate and other general and administrative expenses and salaries, wages, and benefits. The increase in corporate and other general administrative expenses was primarily driven by the growth in our MSR UPB portfolio and an increase in allocated cost in 2023 due to a higher percentage of total headcount in the Servicing segment following the workforce reduction in the Originations segment in 2022. Salaries, wages and benefits increased primarily due to a higher headcount driven by the growth in our MSR UPB portfolio.

Servicing Segment Other Income (Expenses), net

Total other income (expenses), net changed during the year ended December 31, 2023 as compared to 2022, primarily due to higher interest income attributable to higher interest rates, partially offset by higher interest expenses from MSR and advance financing.

Table 5. Servicing Portfolio - Unpaid Principal Balances

	Year Ended December 31,	
	2023	**2022**
Average UPB		
MSRs	**$ 476,442**	$ 383,809
Subservicing and other[1]	**416,153**	425,255
Total average UPB	**$ 892,595**	$ 809,064

	December 31, 2023			December 31, 2022		
	UPB	**Fair Value**	**bps**	**UPB**	**Fair Value**	**bps**
MSRs						
Agency	**$ 561,656**	**$ 8,774**	**156**	$ 380,502	$ 6,322	166
Non-agency	**26,286**	**316**	**120**	30,880	332	108
Total MSRs	**587,942**	**9,090**	**155**	411,382	6,654	162
Subservicing and other[1]						
Agency	**355,915**	**N/A**		437,491	N/A	
Non-agency	**47,863**	**N/A**		21,562	N/A	
Total subservicing and other	**403,778**	**N/A**		459,053	N/A	
Total ending balance	**$ 991,720**	**$ 9,090**		$ 870,435	$ 6,654	

MSRs UPB Encumbrance	**December 31, 2023**	**December 31, 2022**
MSRs - unencumbered	**$ 513,672**	$ 327,598
MSRs - encumbered[2]	**74,270**	83,784
Total MSRs UPB	**$ 587,942**	$ 411,382

(1) Subservicing and other includes (i) loans we service for others, (ii) residential mortgage loans originated but have yet to be sold, and (iii) agency REO balances for which we own the mortgage servicing rights.

(2) Encumbered MSRs consist of residential mortgage loans included within our excess spread financing transactions and MSR financing liability.

The following table provides a rollforward of our MSR and subservicing and other portfolio UPB:

Table 6. Servicing and Subservicing and Other Portfolio UPB Rollforward

	Year Ended December 31,					
	2023			2022		
	MSR	Subservicing and Other	Total	MSR	Subservicing and Other	Total
Balance - beginning of year	**$ 411,382**	**$ 459,053**	**$ 870,435**	$ 339,208	$ 370,520	$ 709,728
Additions:						
Originations	**12,624**	**—**	**12,624**	27,381	—	27,381
Acquisitions / Increase in subservicing[1]	**229,910**	**97,372**	**327,282**	121,471	196,759	318,230
Deductions:						
Dispositions/ Decrease in subservicing[2]	**(25,239)**	**(124,621)**	**(149,860)**	(20,902)	(57,127)	(78,029)
Principal reductions and other	**(18,279)**	**(11,849)**	**(30,128)**	(16,525)	(13,132)	(29,657)
Voluntary reductions[2]	**(20,936)**	**(15,400)**	**(36,336)**	(38,444)	(37,754)	(76,198)
Involuntary reductions[3]	**(1,392)**	**(777)**	**(2,169)**	(608)	(213)	(821)
Net changes in loans serviced by others	**(128)**	**—**	**(128)**	(199)	—	(199)
Balance - end of year	**$ 587,942**	**$ 403,778**	**$ 991,720**	$ 411,382	$ 459,053	$ 870,435

(1) Amount for Subservicing and Other UPB includes transfers from MSR for MSRs sold with subservicing rights retained.
(2) Amount for MSR UPB includes transfers to Subservicing and Other for MSRs sold with subservicing rights retained.
(3) Voluntary reductions are related to loan payoffs by customers.
(4) Involuntary reductions refer to loan chargeoffs.

The table below summarizes the overall performance of the servicing and subservicing portfolio:

Table 7. Key Performance Metrics - Servicing and Subservicing Portfolio

	December 31, 2023	December 31, 2022
Loan count	**4,559,578**	4,149,116
Average loan amount[1]	**$ 217,269**	$ 209,284
Average coupon - agency	**3.9 %**	3.6 %
Average coupon - non-agency	**4.9 %**	4.5 %
60+ delinquent (% of loans)[2]	**1.9 %**	2.6 %
90+ delinquent (% of loans)[2]	**1.6 %**	2.2 %
120+ delinquent (% of loans)[2]	**1.4 %**	2.0 %

	Year Ended December 31,	
	2023	2022
Total prepayment speed (12-month constant prepayment rate)	**4.7 %**	9.6 %

(1) Average loan amount is presented in whole dollar amounts.
(2) Loan delinquency is based on the current contractual due date of the loan. In the case of a completed loan modification, delinquency is based on the modified due date of the loan. Loan delinquency includes loans in forbearance.

Delinquency is an assumption in determining the mark-to-market adjustment and is a key indicator of MSR portfolio performance. Delinquent loans contribute to lower MSR values due to higher costs to service and increased carrying costs of advances.

Table 8. MSRs Loan Modifications and Workout Units

	Year Ended December 31,		
	2023	2022	Change
Modifications[1]	**22,850**	42,131	(19,281)
Workouts[2]	**48,766**	47,559	1,207
Total modification and workout units	**71,616**	89,690	(18,074)

(1) Modifications consist of agency programs designed to adjust the terms of the loan (e.g., reduced interest rates).
(2) Workouts consist of other loss mitigation options designed to assist borrowers and keep them in their homes, but do not adjust the terms of the loan.

Total modifications during the year ended December 31, 2023 decreased compared to 2022 primarily due to a decrease in modifications related to loans impacted by the COVID-19 pandemic and rising mortgage rates. Total workouts during the year ended December 31, 2023 increased compared to 2022 primarily due to the extension of the COVID-19 Recovery Loss Mitigation Options, which expanded the options to include additional eligible borrowers and resulted in an increase in workouts in 2023.

Servicing Portfolio and Liabilities

The following table sets forth the activities of MSRs:

Table 9. MSRs - Fair Value Rollforward

	Year Ended December 31,	
	2023	2022
Fair value - beginning of year	**$ 6,654**	$ 4,223
Additions:		
Servicing retained from mortgage loans sold	**273**	554
Purchases and acquisitions of servicing rights	**3,189**	1,595
Dispositions:		
Sales of servicing assets and excess yield	**(573)**	(294)
Changes in fair value:		
Due to changes in valuation inputs or assumptions used in the valuation model (MSR MTM):		
Agency	**118**	1,316
Non-agency	**3**	12
Changes in valuation due to amortization:		
Scheduled principal payments	**(248)**	(176)
Prepayments		
Voluntary prepayments		
Agency	**(325)**	(556)
Non-agency	**(11)**	(38)
Involuntary prepayments		
Agency	**(20)**	(9)
Other changes[1]	**30**	27
Fair value - end of year	**$ 9,090**	$ 6,654

(1) Amounts primarily represent negative fair values reclassified from the MSR asset to reserves as underlying loans are removed from the MSR and other reclassification adjustments.

See *Note 5, Mortgage Servicing Rights and Related Liabilities* and *Note 18, Fair Value Measurements*, in the Notes to Consolidated Financial Statements, for additional information regarding the range of assumptions and sensitivities related to the fair value measurement of MSRs as of December 31, 2023 and 2022.

Excess Spread Financing

As further disclosed in *Note 5, Mortgage Servicing Rights and Related Liabilities*, in the Notes to Consolidated Financial Statements, we have entered into sale and assignment agreements treated as financing arrangements whereby the acquirer has the right to receive a specified percentage of the excess cash flow generated from an MSR.

The servicing fees associated with an MSR can be segregated into (i) a base servicing fee and (ii) an excess servicing fee. The base servicing fee, along with ancillary income and other revenues, is designed to cover costs incurred to service the specified pool plus a reasonable margin. The remaining servicing fee is considered excess. We sell a percentage of the excess fee, as a method for efficiently financing acquired MSRs and the purchase of loans, however we have not done so in recent years due to the availability of lower cost sources of funding.

Excess spread financings are recorded at fair value, and the impact of fair value adjustments on future revenues and capital resources varies primarily due to prepayment speeds and option-adjusted spread levels. See *Note 5, Mortgage Servicing Rights and Related Liabilities* and *Note 18, Fair Value Measurements*, in the Notes to Consolidated Financial Statements, for additional information regarding the range of assumptions and sensitivities related to the fair value measurement of the excess spread financing liability as of December 31, 2023 and 2022.

During 2022, the Company entered into an assignment agreement to repurchase excess spread liabilities for a total purchase price of $277.

The following table sets forth the change in the excess spread financing:

Table 10. Excess Spread Financing - Rollforward

	Year Ended December 31,	
	2023	**2022**
Fair value - beginning of year	**$ 509**	$ 768
Additions:		
New financings	**—**	—
Deductions:		
Repayments	**(9)**	(293)
Settlements	**(71)**	(99)
Changes in fair value:		
Agency	**5**	113
Non-Agency	**3**	20
Fair value - end of year	**$ 437**	$ 509

Originations Segment

The strategy of our Originations segment is to originate or acquire new MSRs for the servicing portfolio at a more attractive cost than purchasing MSRs in bulk transactions and to retain or recapture our existing customers by providing them with attractive refinance and purchase options. The Originations segment plays a strategically important role because its profitability is typically counter cyclical to that of the Servicing segment. Furthermore, by originating or acquiring MSRs at a more attractive cost than bulk MSR acquisitions, the Originations segment improves our overall profitability and cash flow. Our Originations segment is one way that we help underserved consumers access the financial markets. In 2023, our total originations included loans for 9,561 customers with low FICOs (<660), 10,242 customers with income below the U.S. median household income, 12,139 first-time homebuyers, and 2,928 veterans. The originations during this period included 14,534 Ginnie Mae loans, which are designed for first-time homebuyers, low- and moderate-income borrowers, and veterans, comprising $4 billion in total proceeds. Once these loans are originated, the underserved borrowers become our servicing customers.

The Originations segment includes two channels:

- Our direct-to-consumer (“DTC”) lending channel relies on our call centers, website and mobile apps, specially trained teams of licensed mortgage originators, predictive analytics and modeling utilizing proprietary data from our servicing portfolio to reach our existing customers who may benefit from a new mortgage. Depending on borrower eligibility, we will refinance existing loans into conventional, government or non-agency products. Through lead campaigns and direct marketing, the direct-to-consumer channel seeks to convert leads into loans and ultimately MSRs in a cost-efficient manner.

- Our correspondent lending channel facilitates the acquisition of MSRs through purchasing newly originated residential mortgage loans that have been underwritten to investor guidelines. This includes both conventional and government-insured loans that qualify for inclusion in securitizations that are guaranteed by the GSEs. Our correspondent lending channel enables us to replenish servicing portfolio run-off typically at a better rate of return than traditional bulk or flow acquisitions.

The following table sets forth the results of operations for the Originations segment:

Table 11. Originations Segment Results of Operations

	Year Ended December 31,		
	2023	2022	Change
Revenues			
Service related, net - Originations[1]	**$ 61**	$ 98	$ (37)
Net gain on mortgage loans held for sale			
Net gain on loans originated and sold[2]	**16**	139	(123)
Capitalized servicing rights[3]	**255**	493	(238)
Total net gain on mortgage loans held for sale	**271**	632	(361)
Total revenues	**332**	730	(398)
Expenses			
Salaries, wages and benefits	**143**	329	(186)
General and administrative			
Loan origination expenses	**30**	59	(29)
Corporate and other general and administrative expenses	**33**	54	(21)
Marketing and professional service fees	**18**	33	(15)
Depreciation and amortization	**8**	16	(8)
Total general and administrative	**89**	162	(73)
Total expenses	**232**	491	(259)
Other income (expenses)			
Interest income	**36**	53	(17)
Interest expense	**(37)**	(43)	6
Total other (expenses) income, net	**(1)**	10	(11)
Income from continuing operations before income tax expense	**$ 99**	$ 249	$ (150)
Weighted average note rate - mortgage loans held for sale	**6.8 %**	4.2 %	2.6 %
Weighted average cost of funds - warehouse facilities (excluding facility fees)	**6.7 %**	3.6 %	3.1 %

(1) Service related, net - Originations refers to fees collected from customers for originated loans and from other lenders for loans purchased through the correspondent channel, and includes loan application, underwriting, and other similar fees.

(2) Net gain on loans originated and sold (excluding capitalized servicing rights) represents the unrealized and realized gains and losses from the origination, purchase, and sale of loans as well as the unrealized and realized gains and losses from related derivative instruments. Gains from the origination and sale of loans are affected by the volume and margin of our originations activity which can vary based upon mortgage interest rates.

(3) Capitalized servicing rights represent the fair value attributed to mortgage servicing rights at the time in which they are retained in connection with the sale of loans during the period.

Table 12. Originations - Key Metrics

	Year Ended December 31,		
	2023	2022	Change
Key Metrics			
DTC locked PTA volume[1]	**$ 5,704**	$ 14,823	$ (9,119)
Correspondent locked PTA volume[1]	**7,060**	10,067	(3,007)
Total PTA lock volume	**$ 12,764**	$ 24,890	$ (12,126)
DTC funded volume	**$ 5,940**	$ 17,857	$ (11,917)
Correspondent funded volume	**6,694**	10,393	(3,699)
Total funded volume[2]	**$ 12,634**	$ 28,250	$ (15,616)
DTC volume of loans sold	**$ 5,850**	$ 19,200	$ (13,350)
Correspondent volume of loans sold	**6,657**	10,863	(4,206)
Total volume of Originations loans sold	**$ 12,507**	$ 30,063	$ (17,556)
Recapture percentage[3]	**24.0 %**	31.8 %	(7.8) %
Refinance recapture percentage[4]	**77.1 %**	58.7 %	18.4 %
Purchase as a percentage of funded volume	**57.2 %**	33.0 %	24.2 %
Value of capitalized servicing on retained settlements	**219 bps**	191 bps	28 bps
Originations Margin			
Revenue	**$ 332**	$ 730	$ (398)
PTA lock volume	**$ 12,764**	$ 24,890	$ (12,126)
Revenue as a percentage of PTA lock volume[5]	**2.60 %**	2.93 %	(0.33) %
Expenses[6]	**$ 233**	$ 481	$ (248)
Funded volume	**$ 12,634**	$ 28,250	$ (15,616)
Expenses as a percentage of funded volume[7]	**1.84 %**	1.70 %	0.14 %
Originations Margin	**0.76 %**	1.23 %	(0.47) %

(1) Pull through adjusted ("PTA") volume represents the expected funding from locks taken during the period.
(2) Funded volume for the period could include pull through adjusted lock volume from prior periods.
(3) Recapture percentage includes new loan originations from both purchase and refinance transactions where borrower retention and/or property retention occurs as a result of a loan payoff from our servicing portfolio. Excludes loans we are contractually unable to solicit.
(4) Refinance recapture percentage includes new loan originations from refinance transactions where borrower retention and property retention occurs as a result of a loan payoff from our servicing portfolio. Excludes loans we are contractually unable to solicit.
(5) Calculated on pull-through adjusted lock volume as revenue is recognized at the time of loan lock.
(6) Expenses include total expense and total other income (expenses), net.
(7) Calculated on funded volume as expenses are incurred based on closing of the loan.

Originations Segment Revenues

Total revenues decreased for the year ended December 31, 2023 compared to 2022 primarily driven by lower originations volume in 2023 that resulted in a decrease in capitalized servicing rights and a decline in net gain on loans originated and sold.

Originations Segment Expenses
Total expenses for the year ended December 31, 2023 decreased when compared to 2022 primarily due to a decline in salaries, wages and benefits expense, and loan origination expenses. Salaries, wages and benefits expense declined in 2023 primarily due to decreased headcount and lower origination volumes in both DTC and correspondent channels. Loan origination expenses declined in 2023 primarily due to cost reduction initiatives in connection with decreased origination volumes.

Originations Segment Other (Expenses) Income, Net
Interest income relates primarily to mortgage loans held for sale. Interest expense is associated with the warehouse facilities utilized to finance newly originated loans. Due to lower originations volume, both interest income and interest expense declined, partially offset by higher interest rates, resulting in immaterial changes for total other (expenses) income, net, during the year ended December 31, 2023 as compared to 2022.

Originations Margin
The Originations Margin for the year ended December 31, 2023 decreased as compared to 2022 primarily due to lower revenue as a percentage of pull through adjusted lock volume driven by lower margins from a shift in channel mix from higher margin direct-to-consumer to lower margin correspondent and decline in total revenues as a result of lower originations volume from both the direct-to-consumer and correspondent channels. Direct-to-consumer channel mix was 45% and 60% for the years ended December 31, 2023, and 2022, respectively.

Corporate/Other

Corporate/Other includes the results of Xome's and Roosevelt Management Company's operations, the Company's unallocated overhead expenses (which include the costs of executive management and other corporate functions that are not directly attributable to our operating segments), changes in equity investments and interest expense on our unsecured senior notes. In addition, Corporate/Other includes eliminations related to intersegment hedge fair value changes.

The following tables set forth the selected financial results for Corporate/Other:

Table 13. Corporate/Other Selected Financial Results

	Year Ended December 31,		
	2023	2022	Change
Corporate/Other - Operations			
Total revenues	**$ 83**	$ 76	$ 7
Total expenses	**276**	224	52
Interest income	**1**	—	1
Interest expense	**176**	160	16
Other income, net	**41**	187	(146)
Key Metrics			
Average exchange inventory under management	**27,120**	19,663	7,457

Total revenues increased during the year ended December 31, 2023 as compared to 2022 primarily due to increased revenue from Xome driven by greater sales volume in connection with exchange inventory growth.

Total expenses increased during the year ended December 31, 2023 as compared to 2022 due to cybersecurity incident related expenses of $26 and an increase in allocated costs in 2023, driven by higher percentage of total headcount in Corporate/Other following the workforce reduction in the Originations segment in 2022. Refer to Item 1C. *Cybersecurity*, for more information on the cybersecurity incident.

Interest expense increased during the year ended December 31, 2023 as compared to 2022 primarily due to the senior note assumed from the acquisition of Home Point Capital Inc.

The change in other income, net during the year ended December 31, 2023 as compared to 2022 was primarily due to a gain of $223 recorded in 2022 upon completion of the mortgage servicing platform sale to Sagent M&C, LLC, partially offset by a preliminary bargain purchase gain of $96 recorded in 2023 in connection with the acquisition of Home Point Capital Inc.

Liquidity and Capital Resources

We measure liquidity by unrestricted cash and availability of borrowings on our MSR and other facilities. We held cash and cash equivalents on hand of $571 as of December 31, 2023 compared to $527 as of December 31, 2022. During the year ended December 31, 2023, we generated net cash of $896 from operating activities and bought back 5.6 million shares of our outstanding common stock for a total cost of $276, excluding excise tax, as part of our stock repurchase program. We have sufficient borrowing capacity to support our operations. As of December 31, 2023, total borrowing capacity for advance, warehouse, and MSR facilities was $11,301 of which $1,848 was collateralized and immediately available to draw. During the year ended December 31, 2023, we increased capacity on our MSR facilities by $2,550. Additionally, on February 1, 2024, we completed an offering of $1,000 7.125% unsecured senior notes due 2032. We repaid a portion of the amounts outstanding on our MSR facilities with the net proceeds of the offering. For more information on our advance, warehouse, and MSR facilities, see *Note 13, Indebtedness*, in the Notes to Consolidated Financial Statements.

Sources and Uses of Cash

Our primary sources of funds for liquidity include: (i) servicing fees and ancillary revenues; (ii) advance, warehouse and MSR facilities, other secured borrowings and unsecured senior notes; (iii) payments received in connection with the sale of excess spread.

Our primary uses of funds for liquidity include: (i) funding of servicing advances; (ii) originations of loans; (iii) payment of interest expenses; (iv) payment of operating expenses; (v) repayment of borrowings and repurchases or redemptions of outstanding indebtedness; (vi) payments for acquisitions of MSRs; (vii) payment of our technology expenses.

We believe that our cash flows from operating activities, as well as capacity through existing facilities, provide adequate resources to fund our anticipated ongoing cash requirements. We rely on these facilities to fund operating activities. As the facilities mature, we anticipate renewal of these facilities will be achieved. Future debt maturities will be funded with cash and cash equivalents, cash flow from operating activities and, if necessary, future access to capital markets. We continue to optimize the use of balance sheet cash to avoid unnecessary interest carrying costs.

In addition, derivative instruments are used as part of the overall strategy to manage exposure to market risks primarily associated with fluctuations in interest rates related to originations and servicing. As part of the Company's economic hedging strategy, the Company hedges interest rate risk related to the pipeline in Originations (comprised of IRLCs and newly originated mortgage loans held for sale) and MSR portfolio in Servicing primarily using third-party derivative instruments. See *Note 12, Derivative Financial Instruments*, in the Notes to Consolidated Financial Statements within Item 8, *Financial Statements and Supplementary Data,* which is incorporated herein for a summary of our derivative transactions.

In the normal course of business, we enter into various types of on- and off-balance sheet transactions with special purpose entities ("SPEs") determined to be variable interest entities ("VIEs"), which primarily consist of securitization trusts established for a limited purpose. Generally, these SPEs are formed for the purpose of securitization transactions in which we transfer assets to an SPE, which then issues to investors various forms of debt obligations supported by those assets. In these securitization transactions, we typically receive cash and/or other interests in the SPE as proceeds for the transferred assets. See *Note 14, Securitizations and Financings*, in the Notes to Consolidated Financial Statements within Item 8, *Financial Statements and Supplementary Data,* which is incorporated herein for a summary of our transactions with VIEs and unconsolidated balances, and details of their impact on our consolidated financial statements.

Cash Flows

The table below presents cash flows information:

Table 14. Cash Flows

	Year Ended December 31,		
	2023	**2022**	**Change**
Net cash attributable to:			
Operating activities	**$ 896**	$ 3,767	$ (2,871)
Investing activities	**(1,836)**	(1,322)	(514)
Financing activities	**978**	(2,784)	3,762
Net increase (decrease) in cash, cash equivalents and restricted cash	**$ 38**	$ (339)	$ 377

Operating activities

Cash generated from operating activities decreased to $896 during the year ended December 31, 2023 from $3,767 in 2022. The decrease was primarily due to a decline of $4,827 in cash generated from originations net sales activities driven by higher mortgage rates, partially offset by a decrease of $1,833 in cash used for the repurchase of loan assets out of Ginnie Mae securitizations.

Investing activities

Cash used in investing activities increased to $1,836 during the year ended December 31, 2023 from $1,322 in 2022. The increase was primarily due to cash used of $522 for the acquisitions of Roosevelt and Home Point in 2023, and an increase of $255 in cash used for the purchase of mortgage servicing rights in 2023, partially offset by an increase of $313 in cash generated from the proceeds on sale of mortgage servicing rights in 2023.

Financing activities

Our financing activities generated cash of $978 during the year ended December 31, 2023 compared to cash used of $2,784 in 2022. The change was primarily due to a net borrowing of $1,375 in 2023 compared to net repayment of $2,113 in 2022 on our advance, warehouse and MSR facilities.

Item 7A. ***Quantitative and Qualitative Disclosures about Market Risk***

Market Risk
Our principal market exposure is to interest rate risk due to the impact on our mortgage-related assets and commitments.

Interest Rate Risk
Changes in interest rates negatively affect our operations primarily as follows:

Servicing Segment

- a decrease in mortgage rates may increase prepayment speeds which may impact earnings through (i) increased amortization expense; (ii) decrease in servicing fees; and (iii) decrease in the fair value of our MSRs;
- a decrease in interest rates could reduce our earnings from our custodial deposit accounts;
- an increase in interest rates would increase the cost of servicing our outstanding debt, including our ability to finance servicing advances and for borrowing for acquisitions;
- an increase in interest rates, together with an increase in monthly payments when an adjustable mortgage loan's interest rate adjusts upward from an initial fixed rate or a low introductory rate, may cause increased delinquency, default and foreclosure. Increased mortgage defaults and foreclosures may adversely affect our business as they increase our expenses and reduce the number of mortgages we service;
- an increase in interest rates could also adversely affect our redelivery margins on EBO loans and consequently reduce the volume of EBO repurchases.

Originations Segment

- an increase in interest rates could adversely affect our loan originations volume because refinancing an existing loan would be less attractive for homeowners and qualifying for a purchase money loan may be more difficult for consumers;
- an increase in interest rates could also adversely affect our production margins due to increased competition among originators;

Our Investment Committee establishes and maintains policies that govern our risk appetite and associated hedging programs. Factors considered include such factors as market volatility, duration and interest rate sensitivity measures, limits, targeted hedge ratios, the type of hedge instruments used in our hedging activities and our liquidity risk profile. Management actively manages interest rate exposure associated with the MSR portfolio and the pipeline through the usage of hedge instruments in accordance with the Investment Committee policies, which specify that the MSR portfolio and the pipeline should be hedged separately. Hedge instruments permitted by our aggregate hedge strategy include highly liquid market instruments such as Forward MBS trades, Swap futures, and Treasury futures. See *Note 12, Derivative Financial Instruments* to the Consolidated Financial Statements for additional information regarding our use of derivatives.

MSR Hedging Strategy
MSRs are measured at fair value with changes in fair value being recorded in earnings in the period in which the changes occur. The MSR hedge strategy is focused on mitigating interest-rate risk associated with the MSR portfolio excluding PLS MSRs (referred to herein as "MSR portfolio exposure").

Our MSR hedge strategy's objective is to provide partial hedge coverage of our MSR portfolio exposure, considering market and liquidity conditions. The hedge coverage ratio defined as the ratio of hedge and asset rate sensitivity (referred to as DV01) is targeted at 75% of the MSR portfolio modeled interest rate risk, subject to change at the discretion of the Investment Committee. Accordingly, the changes in fair value of our hedging instruments may not fully offset the changes in fair value of our net MSR portfolio exposure attributable to interest rate changes. We periodically evaluate the coverage ratio to determine if it warrants adjustment based on market conditions and the symmetry of interest rate risk exposure and liquidity impacts of the hedge and asset profile under shock scenarios. In addition, while DV01 measures remain within the range of our hedging strategy's objective, actual changes in fair value of the derivatives and MSR portfolio may not offset to the same extent, due to non-parallel changes in the interest rate curve and the basis risk inherent in the MSR profile and hedging instruments. We continuously evaluate the use of hedging instruments to strive to enhance the effectiveness of our interest rate hedging strategy.

The changes in value on the derivative instruments associated with the MSR hedging strategy are recorded in earnings as a component of “revenues - service related, net” on the consolidated statements of operations within the Servicing segment and in “loss (gain) on MSR hedging activities” on the consolidated statements of cash flows.

Pipeline Hedging Strategy - Loans Held For Sale and IRLCs

We are exposed to interest rate risk and related price risk during the period from the date of the interest rate lock commitment through (i) the lock commitment cancellation or expiration date or (ii) through the date of sale of the resulting loan into the secondary mortgage market for both the Originations segment for newly originated mortgage loans and the Servicing segment related to repurchased EBO mortgage loans held for sale. IRLCs generally range to 90 days and mortgage loans held for sale are generally funded and sold within 30 days. The objective of the pipeline hedging strategy is to economically hedge the entire pipeline interest rate exposure of both IRLCs and mortgage loans held for sale within certain hedge coverage tolerance levels. The net daily market risk position of net pull-though adjusted IRLCs and mortgage loans held for sale is monitored daily and its tolerance is +/- 10% of the estimated base value risk.

The changes in value on the derivative instruments associated with the pipeline hedging strategy are recorded in earnings as a component of “revenues - net gain on mortgage loans held for sale” on the consolidated statements of operations and consolidated statements of cash flows within the Originations and Servicing segments.

Sensitivity Analysis

We assess our market risk based on changes in interest rates utilizing a sensitivity analysis. The sensitivity analysis measures the potential impact on fair values based on hypothetical changes (increases and decreases) in interest rates.

We use a duration-based model in determining the impact of interest rate shifts on our loan portfolio, certain other interest-bearing liabilities measured at fair value and interest rate derivatives portfolios. The primary assumption used in these models is that an increase or decrease in the benchmark interest rate produces a parallel shift in the yield curve across all maturities.

We utilize a discounted cash flow analysis to determine the fair value of MSRs and the impact of parallel interest rate shifts on MSRs. The discounted cash flow model incorporates prepayment speeds, OAS, costs to service, delinquencies, ancillary revenues, recapture rates and other assumptions that management believes are consistent with the assumptions that other similar market participants use in valuing the MSRs. The key assumptions to determine fair value include prepayment speed, OAS and cost to service. However, this analysis ignores the impact of interest rate changes on certain material variables, such as the benefit or detriment on the value of future loan originations, non-parallel shifts in the spread relationships between MBS, swaps and U.S. Treasury rates and changes in primary and secondary mortgage market spreads. For mortgage loans, IRLCs, forward delivery commitments on MBS and treasury futures, we rely on a model in determining the impact of interest rate shifts. In addition, the primary assumption used for IRLCs, is the borrower’s propensity to close their mortgage loans under the commitment.

Our total market risk is influenced by a wide variety of factors including market volatility and the liquidity of the markets. There are certain limitations inherent in the sensitivity analysis presented, including the necessity to conduct the analysis based on a single point in time and the inability to include the complex market reactions that normally would arise from the market shifts modeled.

We used December 31, 2023 market rates on our instruments to perform the sensitivity analysis. The estimates are based on the market risk sensitive portfolios described in the preceding paragraphs and assume instantaneous, parallel shifts in interest rate yield curves. These sensitivities are hypothetical and presented for illustrative purposes only. Changes in fair value based on variations in assumptions generally cannot be extrapolated because the relationship of the change in fair value may not be linear.

The following table summarizes the estimated change in the fair value of our assets and liabilities sensitive to interest rates as of December 31, 2023 given hypothetical instantaneous parallel shifts in the yield curve. Actual results could differ materially.

Table 17. Change in Fair Value

	December 31, 2023	
	Down 25 bps	Up 25 bps
Increase (decrease) in assets		
Mortgage servicing rights at fair value	$ (130)	$ 116
Mortgage loans held for sale at fair value	2	(2)
Derivative financial instruments:		
Interest rate lock commitments	4	(4)
Forward MBS trades	76	(72)
Treasury futures	—	—
Total change in assets	(48)	38
Increase (decrease) in liabilities		
Mortgage servicing rights liabilities at fair value	(2)	2
Excess spread financing at fair value	(3)	3
Derivative financial instruments:		
Interest rate lock commitments	—	—
Forward MBS trades	6	(4)
Treasury futures	—	—
Total change in liabilities	1	1
Total net change	$ (49)	$ 37

Capital Resources

Capital Structure and Debt

We require access to external financing resources from time to time depending on our cash requirements, assessments of current and anticipated market conditions and after-tax cost of capital. If needed, we believe additional capital could be raised through a combination of issuances of equity, corporate indebtedness, asset-backed acquisition financing and/or cash from operations. Our access to capital markets can be impacted by factors outside our control, including economic conditions.

Financial Covenants

Our credit facilities contain various financial covenants which primarily relate to required tangible net worth amounts, liquidity reserves, leverage requirements, and profitability requirements, which are measured at our operating subsidiary, Nationstar Mortgage, LLC, as well as Rushmore Loan Management Services, LLC, which was acquired during the third quarter of 2023 in connection with the acquisition of Roosevelt. As of December 31, 2023, we were in compliance with our required financial covenants.

Seller/Servicer Financial Requirements

We are also subject to net worth, liquidity and capital ratio requirements established by the Federal Housing Finance Agency ("FHFA") for Fannie Mae and Freddie Mac ("Enterprises") Seller/Servicers, and Ginnie Mae for single family issuers, as summarized below. These requirements apply to our operating subsidiary, Nationstar Mortgage, LLC, and Rushmore Loan Management Services, LLC.

Minimum Net Worth

- FHFA - a net worth base of $2.5 plus a dollar amount equal to or exceeding the sum of (i) 25 basis points of the sellers/servicer's residential first lien mortgage servicing UPB, serviced for the Enterprises, plus (ii) 25 basis points of non-agency serviced UPB, plus (iii) 35 basis points of the sellers/servicer's residential first lien mortgage servicing UPB serviced for Ginnie Mae.

- Ginnie Mae - a net worth equal to the sum of $2.5, plus (i) 35 basis points of the issuer's total effective Ginnie Mae single-family outstanding obligations, plus (ii) 25 basis points of the issuer's total Enterprises single family outstanding servicing portfolio balance, plus (iii) 25 basis points of the issuer's total non-agency single family servicing portfolio.

Minimum Liquidity

- FHFA - a base Liquidity of eligible assets equal to or exceeding:
  - 7 basis points of sellers/servicer's residential first lien mortgage servicing UPB serviced for the Enterprises, if the seller/servicer remits (or an Enterprise draws) interest or principal, or both, as scheduled, regardless of whether principal or interest has been collected from the borrower, plus
  - 3.5 basis points of the sellers/servicer's residential first lien mortgage servicing UPB serviced for the Enterprises, if the seller/servicer remits (or an Enterprise draws) the interest and principal only as actually collected from the borrower, plus
  - 3.5 basis points of the seller/servicer's non-agency servicing UPB, plus
  - 10 basis points of the seller/servicer's residential first lien mortgage servicing UPB serviced for Ginnie Mae.
  - In addition, an origination liquidity equal to or exceeding 50 basis points of the sum of the following:
    i. Residential first lien mortgages held for sale, at lower of cost or market
    ii. Residential first lien mortgages held for sale, at fair value, plus
    iii. UPB of interest rate lock commitments after fallout adjustments
  - Supplemental liquidity at all time equal to or exceeding the sum of:
    i. 2 basis points of the sellers/servicer's residential mortgage servicing UPB serviced for the Enterprises, plus
    ii. 5 basis points of the sellers/servicer's residential mortgage servicing UPB serviced for Ginnie Mae
- Ginnie Mae – the greater of $1 or the sum of:
  - 10 basis points of the issuer's outstanding Ginnie Mae single-family servicing UPB, plus
  - 3.5 basis points of the issuer's outstanding Enterprises single family servicing UPB, if the issuer remits (or the Enterprise draws) the principal and interest only as actually collected from the borrower, plus
  - 7 basis points of the Issuer's outstanding Enterprises single-family servicing UPB, if the issuer remits (or the Enterprise draws) the principal or interest, or both, as scheduled, regardless of whether principal or interest has been collected from the borrower, plus
  - 3.5 basis points of the issuer's outstanding non-agency single-family servicing UPB.
- Ginnie Mae - issuers that originated more than $1 billion in UPB of any residential first mortgage in the recent four-quarter period must have liquid assets equal to the greater of at least $1 or the sum of the points listed immediately above, plus:
  - 50 basis points of loans held for sale, plus
  - 50 basis points of the issuer's UPB of IRLCs after fallout adjustments

Financial Reporting Requirements

- FHFA – must obtain an assessment of the seller/servicer's performance and creditworthiness by a qualified, independent third party on an annual basis and meet the following criteria:
  - One primary servicer rating or master servicer rating, as applicable for large non-depository institutions that have greater than or equal to $50 billion in servicing UPB, and
  - One primary servicer rating or master servicer rating, as applicable, and one third party long-term senior unsecured debt rating or long-term corporate family rating, for large non-depository institutions that have greater than $100 billion in servicing UPB, and
  - One primary servicer rating or master servicer rating, as applicable, and issued by two rating agencies, each of which must issue either a third party long-term unsecured debt rating or long-term corporate family rating for large non-depository institutions that have greater than or equal to $150 billion in servicing UPB.

Minimum Capital Ratio

- FHFA and Ginnie Mae - a ratio of Tangible Net Worth to Total Assets greater than 6%.

Secured Debt to Gross Tangible Asset Ratio

- Ginnie Mae - a secured debt to gross tangible asset ratios no greater than 60%.

As of December 31, 2023, Nationstar Mortgage, LLC and Rushmore Loan Management Services, LLC were in compliance with our seller/servicer financial requirements for FHFA and Ginnie Mae.

In 2022, the FHFA and Ginnie Mae revised its Seller/Servicers and single-family issuers minimum financial eligibility requirements. All revisions are effective in 2024, as summarized below. The Company is currently evaluating the impact of the revised requirements.

Capital and Liquidity Plan (effective March 31, 2024)

- FHFA - Require annual capital and liquidity plan that includes MSR stress tests as part of the plan.

Capital Requirements (effective December 31, 2024)

- Ginnie Mae – a Risk-based Capital Ratio ("RBCR") of at least 6%. RBCR is adjusted net worth less excess MSRs divided by total risked-based assets.

Since our Ginnie Mae single-family servicing portfolio exceeds $75 billion in UPB, we are also required to obtain an external primary servicer rating and issuer credit ratings from two different rating agencies and receive a minimum rating of a B or its equivalent. We met this requirement for all financial periods presented.

In addition, Fannie Mae or Freddie Mac may require capital ratios in excess of stated requirements. Refer to *Note 19, Capital Requirements*, in the Notes to Consolidated Financial Statements for additional information.

Table 15. Debt

	December 31, 2023	December 31, 2022
Advance facilities principal amount	**$ 682**	$ 669
Warehouse facilities principal amount	**822**	817
MSR facilities principal amount	**2,814**	1,410
Unsecured senior notes principal amount	**3,200**	2,700

Advance Facilities

As part of our normal course of business, we borrow money to fund servicing advances. Our servicing agreements require that we advance our own funds to meet contractual principal and interest payments for certain investors, and to pay taxes, insurance, foreclosure costs and various other items that are required to preserve the assets being serviced. Delinquency rates and prepayment speeds affect the size of servicing advance balances, and we exercise our ability to stop advancing principal and interest where the pooling and servicing agreements permit, where the advance is deemed to be non-recoverable from future proceeds. These servicing requirements affect our liquidity. We rely upon several counterparties to provide us with financing facilities to fund a portion of our servicing advances. As of December 31, 2023, we had a total borrowing capacity of $950, of which we could borrow an additional $268. The maturity dates of our advance facilities range from October 2024 to September 2025. As of December 31, 2023, we had $432 of borrowings outstanding under facilities maturing within less than one year and $250 of borrowings outstanding under facilities maturing within the next two years.

Warehouse and MSR Facilities

Loan origination activities generally require short-term liquidity in excess of amounts generated by our operations. The loans we originate are financed through several warehouse lines on a short-term basis. We typically hold the loans for approximately 30 days and then sell or place the loans in government securitizations in order to repay the borrowings under the warehouse lines. Our ability to fund current operations depends upon our ability to secure these types of short-term financings on acceptable terms and to renew or replace the financings as they expire. As of December 31, 2023, we had a total borrowing capacity of $5,101 and $5,250 for warehouse and MSR facilities, of which we could borrow an additional $4,279 and $2,436, respectively. The maturity dates for our warehouse facilities range from February 2024 to September 2025. As of December 31, 2023, we had $664 of borrowings outstanding under warehouse facilities maturing within less than one year and $158 of borrowings outstanding under warehouse facilities maturing within the next two years. Our MSR facilities provide financing for our servicing portfolio and investments. The maturity dates for our MSR facilities range from November 2024 to September 2025. As of December 31, 2023, we had $329 of borrowings under MSR facilities maturing within less than one year and $2,485 of borrowings outstanding under MSR facilities maturing within the next two years.

Unsecured Senior Notes

In 2021 and 2022, we completed offerings of unsecured senior notes with maturity dates ranging from 2027 to 2031. In connection with the acquisition of Home Point in the third quarter of 2023, we assumed an unsecured senior note with a maturity date in 2026. We pay interest semi-annually to the holders of these notes at interest rates ranging from 5.000% to 6.000%. We are scheduled to pay a total of $940 of interest payments from these notes over the next eight years, of which $176 is due within less than one year.

As of December 31, 2023, the expected maturities of our unsecured senior notes based on contractual maturities are presented below:

Table 16. Contractual Maturities - Unsecured Senior Notes

Year Ending December 31,	Amount
2024 through 2025	$ —
2026	500
2027	600
2028	850
Thereafter	1,250
Unsecured senior notes principal amount	3,200
Purchase discount and unamortized debt issuance costs	(49)
Unsecured senior notes, net	$ 3,151

Other contractual obligations

Our operating lease obligations were primarily incurred for office space and equipment. The average lease terms are generally for 1 to 8 years. As of December 31, 2023, the total future minimum lease payments for our operating lease obligations was $102, of which $23 is due within less than a year. For more information regarding lease obligations, see *Note 9, Leases,* in the Notes to Consolidated Financial Statements.

Critical Accounting Policies and Estimates

Various elements of our accounting policies, by their nature, are inherently subject to estimation techniques, valuation assumptions and other subjective assessments. In particular, we have identified the following policies that, due to the judgment, estimates and assumptions inherent in those policies, are critical to an understanding of our consolidated financial statements. These policies relate to fair value measurements, particularly those determined to be Level 3 as discussed in *Note 18, Fair Value Measurements*, in Notes to Consolidated Financial Statements and valuation and realization of deferred tax assets. We believe that the judgment, estimates and assumptions used in the preparation of our consolidated financial statements are appropriate given the factual circumstances at the time. However, given the sensitivity of our consolidated financial statements to these critical accounting policies, the use of other judgments, estimates and assumptions could result in material differences in our results of operations or financial condition. Fair value measurements considered to be Level 3 representing estimated values based on significant unobservable inputs include (i) the valuation of MSRs and (ii) the valuation of excess spread financing.

MSRs at Fair Value

We generally retain the servicing rights for existing residential mortgage loans transferred to a third party. We recognize MSRs recorded on the balance sheet in such transfers that meet the accounting requirements for sale treatment at fair value. Additionally, we may acquire the rights to service residential mortgage loans from third parties. We have elected to measure all MSRs at fair value subsequent to capitalization or acquisition, with all changes in fair value recorded within “revenues - service related, net” in the consolidated statements of operations. We estimate the fair value of these MSRs using a discounted cash flow model, which incorporates prepayment speeds, option adjusted spread, costs to service, delinquencies, ancillary revenues, recapture rates and other assumptions that management believes are consistent with the assumptions that other similar market participants use in valuing the MSRs. The key assumptions to determine fair value include prepayment speeds, option adjusted spread (“OAS”), and cost to service. However, the discounted cash flow model is complex and uses asset-specific collateral data and market inputs for interest and discount rates. In addition, the modeling requirements of MSRs are complex because of the high number of variables that drive cash flows associated with MSRs. We obtain third-party valuations, industry surveys and other available market data quarterly to assess the reasonableness of the fair value calculated by the cash flow model. For the impact of changes in estimates on MSRs at fair value, see Item 7A. Quantitative and Qualitative Disclosures about Market Risk and *Note 5, Mortgage Servicing Rights and Related Liabilities*, in the Notes to Consolidated Financial Statements.

Excess Spread Financing

In conjunction with the acquisition of certain MSRs on various pools of residential mortgage loans (the “Portfolios”), we have entered into sale and assignment agreements related to its right to servicing fees, under which we sell to third parties the right to receive a portion of the excess cash flow generated from the Portfolios after receipt of a fixed base servicing fee per loan. We measure these financing arrangements at fair value to accurately represent the future performance of the acquired MSRs and related excess servicing financing, with all changes in fair value recorded as a charge or credit to “revenues - service related, net” in the consolidated statements of operations. The fair value on excess spread financing is based on the present value of future expected discounted cash flows. The cash flow assumptions used in the model are based on various factors, with the key assumptions being mortgage prepayment speeds and option adjusted spread. However, the discounted cash flow model is complex and uses asset-specific collateral data and market inputs. In addition, our total market risk is influenced by a wide variety of factors including market volatility and liquidity of the markets. We obtain a third-party valuation, industry surveys and other available market data quarterly to assess the reasonableness of the fair value calculated by the cash flow model. For the impact of changes in estimates on excess spread financing, see Item 7A. *Quantitative and Qualitative Disclosures about Market Risk* and *Note 5, Mortgage Servicing Rights and Related Liabilities*, in the Notes to Consolidated Financial Statements.

Realization of Deferred Tax Assets

Our provision for income taxes is calculated using the balance sheet method, which requires the recognition of deferred income taxes. Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and certain changes in the valuation allowance. We provide a valuation allowance against deferred tax assets if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. In determining the adequacy of the valuation allowance, we consider all forms of evidence, including: (1) historic earnings or losses; (2) anticipated taxable income resulting from the reversal of taxable temporary differences; (3) tax planning strategies; and (4) anticipated future earnings exclusive of the reversal of taxable temporary differences. Of all of the sources of taxable income, we generally rely upon reversals of existing deferred tax liabilities, tax planning strategies, and future taxable income excluding reversing differences. In determining the appropriate amount of valuation allowance required, we consider (1) internal forecasts of our future pre-tax income exclusive of reversing temporary differences and carryforwards, (2) the nature and timing of future reversals of existing deferred tax assets and liabilities, (3) future originating temporary and permanent differences, and (4) NOL carryforward expiration dates, among others.

Other Matters

Recent Accounting Developments

Below provides recently issued accounting pronouncements applicable to us but not yet effective.

Accounting Standards Update 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* ("ASU 2023-07"), provides updates to qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses that are regularly provided to the chief operating decision maker included within each reported measure of segment profit or loss and increased interim disclosure requirements, among others. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted, and the amendments should be applied retrospectively. We are currently evaluating the impact this ASU may have on our financial statement disclosures. The Company does not expect ASU 2023-07 to have a material impact on our consolidated financial statements.

Accounting Standards Update 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), provides qualitative and quantitative updates to the rate reconciliation and income taxes paid disclosures, among others, in order to enhance the transparency of income tax disclosures, including consistent categories and greater disaggregation of information for income taxes paid by jurisdiction. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments should be applied prospectively; however, retrospective application is also permitted. We are currently evaluating the impact this ASU may have on our financial statement disclosures. The Company does not expect ASU 2023-09 to have a material impact on our consolidated financial statements.

See *Note 1, Nature of Business and Basis of Presentation*, in the Notes to Consolidated Financial Statements within Item 8 for information on recent accounting guidance adopted in 2023.

GLOSSARY OF TERMS

This Glossary of Terms defines some of the terms that are used throughout this report and does not represent a complete list of all defined terms used.

Advance Facility. A secured financing facility to fund advance receivables which is backed by a pool of mortgage servicing advance receivables made by a servicer to a certain pool of mortgage loans.

Agency. Government entities guaranteeing the mortgage investors that the principal amount of the loan will be repaid; the Federal Housing Administration, the Department of Veterans Affairs, the US Department of Agriculture and Ginnie Mae (and collectively, the "*Agencies*").

Agency Conforming Loan. A mortgage loan that meets all requirements (loan type, maximum amount, LTV ratio and credit quality) for purchase by Fannie Mae, Freddie Mac, or insured by the FHA, USDA or guaranteed by the VA or sold into Ginnie Mae.

Asset-Backed Securities ("ABS"). A financial security whose income payments and value is derived from and collateralized (or "backed") by a specified pool of underlying receivables or other financial assets.

Bulk acquisitions or purchases. MSR portfolio acquired on non-retained basis through an open market bidding process.

Base Servicing Fee. The servicing fee retained by the servicer, expressed in basis points, in an excess MSR arrangement in exchange for the provision of servicing functions on a portfolio of mortgage loans, after which the servicer and the co-investment partner share the excess fees on a pro rata basis.

Client. Owner of the underlying mortgage servicing rights on behalf of whom we service loans.

Conventional Mortgage Loans. A mortgage loan that is not guaranteed or insured by the FHA, the VA or any other government agency. Although a conventional loan is not insured or guaranteed by the government, it can still follow the guidelines of GSEs and be sold to the GSEs.

Correspondent lender, lending channel or relationship. A correspondent lender is a lender that funds loans in their own name and then sells them off to larger mortgage lenders. A correspondent lender underwrites the loans to the standards of an investor and provides the funds at close.

Customer. Residential mortgage borrower.

Delinquent Loan. A mortgage loan that is 30 or more days past due from its contractual due date.

Department of Veterans Affairs ("VA"). The VA is a cabinet-level department of the U.S. federal government, which guarantees certain home loans for qualified borrowers eligible for securitization with GNMA.

Direct-to-consumer originations ("DTC"). A type of mortgage loan origination pursuant to which a lender markets refinancing and purchase money mortgage loans directly to selected consumers through telephone call centers, the Internet or other means.

Excess Servicing Fees. In an excess MSR arrangement, the servicing fee cash flows on a portfolio of mortgage loans after payment of the base servicing fee.

Excess Spread. MSRs with a co-investment partner where the servicer receives a base servicing fee and the servicer and co-investment partner share the excess servicing fees. This co-investment strategy reduces the required upfront capital from the servicer when purchasing or investing in MSRs.

Excess Yield. The remaining servicing fees above the minimum servicing fee ("GSE Base Servicing Fee"), as defined by the agencies, whereby the rights to the excess fees are separated, securitized by the GSE's and sold, while we retain the obligation to service the loan and therefore continue to receive the GSE Base Servicing Fee.

Exchange inventory. Consists of Xome's real estate inventory ranging from pre-foreclosure to bank-owned properties.

Federal National Mortgage Association ("Fannie Mae" or "FNMA"). FNMA was federally chartered by the U.S. Congress in 1938 to support liquidity, stability, and affordability in the secondary mortgage market, where existing mortgage-related assets are purchased and sold. Fannie Mae buys mortgage loans from lenders and resells them as mortgage-backed securities in the secondary mortgage market.

Federal Housing Administration ("FHA"). The FHA is a U.S. federal government agency within the Department of Housing and Urban Development (HUD). It provides mortgage insurance on loans made by FHA-approved lenders in compliance with FHA guidelines throughout the United States.

Federal Housing Finance Agency ("FHFA"). A U.S. federal government agency that is the regulator and conservator of Fannie Mae and Freddie Mac and the regulator of the 12 Federal Home Loan Banks.

Federal Home Loan Mortgage Corporation ("Freddie Mac" or "FHLMC"). Freddie Mac was chartered by Congress in 1970 to stabilize the nation's residential mortgage markets and expand opportunities for homeownership and affordable rental housing. Freddie Mac participates in the secondary mortgage market by purchasing mortgage loans and mortgage-related securities for investment and by issuing guaranteed mortgage-related securities.

Forbearance. An agreement between the mortgage servicer or lender and borrower for a temporary postponement of mortgage payments. It is a form of repayment relief granted by the lender or creditor in lieu of forcing a property into foreclosure.

Government National Mortgage Association ("Ginnie Mae" or "GNMA"). GNMA is a self-financing, wholly owned U.S. Government corporation within HUD. Ginnie Mae guarantees the timely payment of principal and interest on MBS backed by federally insured or guaranteed loans - mainly loans insured by the FHA or guaranteed by the VA. Ginnie Mae securities are the only MBS to carry the full faith and credit guarantee of the U.S. federal government.

Government-Sponsored Enterprise ("GSE"). Certain entities established by the U.S. Congress to provide liquidity, stability and affordability in residential housing. These agencies are Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks.

Interest Rate Lock Commitments ("IRLC"). Agreements under which the interest rate and the maximum amount of the mortgage loan are set prior to funding the mortgage loan.

Investors. Our investors include agency investors and non-agency investors. Agency investors primarily consist of Government National Mortgage Association ("Ginnie Mae" or "GNMA") and the GSEs, Federal National Mortgage Association ("Fannie Mae" or "FNMA") and Federal Home Loan Mortgage Corp ("Freddie Mac" or "FHLMC"). Non-agency investors consist of investors in private-label securitizations.

Loan Modification. Temporary or permanent modifications to loan terms with the borrower, including the interest rate, amortization period and term of the borrower's original mortgage loan. Loan modifications are usually made to loans that are in default, or in imminent danger of defaulting.

Loan-to-Value Ratio ("LTV"). The unpaid principal balance of a mortgage loan as a percentage of the total appraised or market value of the property that secures the loan. An LTV over 100% indicates that the UPB of the mortgage loan exceeds the value of the property.

Lock period. A set of periods of time that a lender will guarantee a specific rate is set prior to funding the mortgage loan.

Loss Mitigation. The range of servicing activities provided by a servicer in an attempt to minimize the losses suffered by the owner of a defaulted mortgage loan. Loss mitigation techniques include short-sales, deed-in-lieu of foreclosures and loan modifications, among other options.

Mortgage-Backed Securities ("MBS"). A type of asset-backed security that is secured by a group of mortgage loans.

Mortgage Servicing Right ("MSRs"). The right and obligation to service a loan or pool of loans and to receive a servicing fee as well as certain ancillary income. MSRs may be bought and sold, resulting in the transfer of loan servicing obligations. MSRs are designated as such when the benefits of servicing the loans are expected to more than adequately compensate the servicer for performing the servicing.

MSR Facility. A line of credit backed by mortgage servicing rights that is used for financing purposes. In certain cases, these lines may be a sub-limit of another warehouse facility or alternatively exist on a stand-alone basis. These facilities allow for same or next day draws at the request of the borrower.

Non-Conforming Loan. A mortgage loan that does not meet the standards of eligibility for purchase or securitization by Fannie Mae, Freddie Mac or Ginnie Mae.

Option adjusted spread ("OAS"). The incremental spread added to the risk-free rate to reflect embedded (prepayment) optionality and other risk inherent in the MSRs or excess spread financing used to discount future cash flows for fair value purposes.

Originations. The process through which a lender provides a mortgage loan to a borrower.

Pull through adjusted lock volume. Represents the expected funding from locks taken during the period.

Prepayment Speed. The rate at which voluntary mortgage prepayments occur or are projected to occur. The statistic is calculated on an annualized basis and expressed as a percentage of the outstanding principal balance.

Primary Servicer. The servicer that owns the right to service a mortgage loan or pool of mortgage loans. This differs from a subservicer, which has a contractual agreement with the primary servicer to service a mortgage loan or pool of mortgage loans in exchange for a subservicing fee based upon portfolio volume and characteristics.

Prime Mortgage Loan. Generally, a high-quality mortgage loan that meets the underwriting standards set by Fannie Mae or Freddie Mac and is eligible for purchase or securitization in the secondary mortgage market. Prime Mortgage loans generally have lower default risk and are made to borrowers with excellent credit records and a monthly income at least three to four times greater than their monthly housing expenses (mortgage payments plus taxes and other debt payments) as well as significant other assets. Mortgages not classified as prime mortgage loans are generally called either sub-prime or Alt-A.

Private Label Securitizations ("PLS"). Securitizations that do not meet the criteria set by Fannie Mae, Freddie Mac or Ginnie Mae.

Real Estate Owned ("REO"). Property acquired by the servicer on behalf of the owner of a mortgage loan or pool of mortgage loans, usually through foreclosure or a deed-in-lieu of foreclosure on a defaulted loan. The servicer or a third-party real estate management firm is responsible for selling the REO. Net proceeds of the sale are returned to the owner of the related loan or loans. In most cases, the sale of REO does not generate enough to pay off the balance of the loan underlying the REO, causing a loss to the owner of the related mortgage loan.

Recapture. Voluntarily prepaid loans that are expected to be refinanced by the related servicer.

Refinancing. The process of working with existing borrowers to refinance their mortgage loans. By refinancing loans for borrowers we currently service, we retain the servicing rights, thereby extending the longevity of the servicing cash flows.

Servicing. The performance of contractually specified administrative functions with respect to a mortgage loan or pool of mortgage loans. Duties of a servicer typically include, among other things, collecting monthly payments, maintaining escrow accounts, providing periodic monthly statements to the borrower and monthly reports to the loan owners or their agents, managing insurance, monitoring delinquencies, executing foreclosures (as necessary), and remitting fees to guarantors, trustees and service providers. A servicer is generally compensated with a specific fee outlined in the contract established prior to the commencement of the servicing activities.

Servicing Advances. In the course of servicing loans, servicers are required to make advances that are reimbursable from collections on the related mortgage loan or pool of loans. There are typically three types of servicing advances: P&I Advances, T&I Advances and Corporate Advances.

(i) P&I Advances cover scheduled payments of principal and interest that have not been timely paid by borrowers. P&I Advances serve to facilitate the cash flows paid to holders of securities issued by the residential MBS trust. The servicer is not the insurer or guarantor of the MBS and thus has the right to cease the advancing of P&I, when the servicer deems the next advance nonrecoverable.

(ii) T&I Advances pay specified expenses associated with the preservation of a mortgaged property or the liquidation of defaulted mortgage loans, including but not limited to property taxes, insurance premiums or other property-related expenses that have not been timely paid by borrowers in order for the lien holder to maintain its interest in the property.

(iii) Corporate Advances pay costs, fees and expenses incurred in foreclosing upon, preserving defaulted loans and selling REO, including attorneys' and other professional fees and expenses incurred in connection with foreclosure and liquidation or other legal proceedings arising in the course of servicing the defaulted mortgage loans.

Servicing Advances are reimbursed to the servicer if and when the borrower makes a payment on the underlying mortgage loan at the time the loan is modified or upon liquidation of the underlying mortgage loan but are primarily the responsibility of the investor/owner of the loan. The types of servicing advances that a servicer must make are set forth in its servicing agreement with the owner of the mortgage loan or pool of mortgage loans. In some instances, a servicer is allowed to cease Servicing Advances, if those advances will not be recoverable from the property securing the loan.

Servicing Fee. A servicing fee is the percentage of each mortgage payment made by a borrower to a mortgage servicer as compensation for keeping a record of payments, collecting, and making escrow payments, passing principal and interest payments along to the note holder.

Subservicing. Subservicing is the process of outsourcing the duties of the primary servicer to a third-party servicer. The third-party servicer performs the servicing responsibilities for a fee and is typically not responsible for making servicing advances, which are subsequently reimbursed by the primary servicer. The primary servicer is contractually liable to the owner of the loans for the activities of the subservicer.

Unpaid Principal Balance ("UPB"). The amount of principal outstanding on a mortgage loan or a pool of mortgage loans. UPB is used together with the servicing fees and ancillary incomes as a means of estimating the future revenue stream for a servicer.

U.S. Department of Agriculture ("USDA"). The USDA is a cabinet-level department of the U.S. federal government, which guarantees certain home loans for qualified borrowers.

Warehouse Facility. A type of line of credit facility used to temporarily finance mortgage loan originations to be sold in the secondary market. Pursuant to a warehouse facility, a loan originator typically agrees to transfer to a counterparty certain mortgage loans against the transfer of funds by the counterpart, with a simultaneous agreement by the counterpart to transfer the loans back to the originator at a date certain, or on demand, against the transfer of funds from the originator.

Item 8. ***Financial Statements and Supplementary Data***

Index to Consolidated Financial Statements:

Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	63
Consolidated Balance Sheets as of December 31, 2023 and 2022	66
Consolidated Statements of Operations for the Years Ended December 31, 2023, 2022 and 2021	67
Consolidated Statements of Stockholders' Equity for the Years Ended December 31, 2023, 2022 and 2021	68
Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022, and 2021	69
Notes to Consolidated Financial Statements	71
1. Nature of Business and Basis of Presentation	71
2. Significant Accounting Policies	72
3. Acquisitions	82
4. Dispositions	83
5. Mortgage Servicing Rights and Related Liabilities	83
6. Advances and Other Receivables	87
7. Mortgage Loans Held for Sale	88
8. Property and Equipment	90
9. Leases	90
10. Loans Subject to Repurchase from Ginnie Mae	91
11. Goodwill and Intangible Assets	91
12. Derivative Financial Instruments	92
13. Indebtedness	94
14. Securitizations and Financings	96
15. Stockholders' Equity and Employee Benefit Plans	97
16. Earnings per Share	98
17. Income Taxes	99
18. Fair Value Measurements	101
19. Capital Requirements	107
20. Commitments and Contingencies	108
21. Segment Information	110
22. Subsequent Events	112

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Mr. Cooper Group Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Mr. Cooper Group Inc. (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 28, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relates.

Valuation of Forward Mortgage Servicing Rights and the Excess Spread Financing Liability

Description of the Matter

The estimated fair values of mortgage servicing rights (MSRs) and the excess spread financing liability were $9.1 billion and $437 million, respectively, as of December 31, 2023. The excess spread financing liability is accounted for as a secured borrowing whereby the Company sold to third parties the right to receive a portion of excess cash flow generated from various pools of MSRs. As described in Note 2 and 5 to the consolidated financial statements, the Company measures MSRs and the excess spread financing liability at fair value on a recurring basis with changes in fair value recorded in the statement of operations. Such fair values are based on the present value of future cash flows from servicing the underlying loans. The significant unobservable assumptions used to estimate the fair value of MSRs are prepayment speeds, option adjusted spread, and cost to service. The significant unobservable assumptions used to estimate the fair value of the excess spread financing liability are prepayment speeds and option adjusted spread.

Auditing management's estimate of the fair value of MSRs and the excess spread financing liability is complex and required judgment due to the subjectivity of the significant unobservable assumptions utilized in the calculation of the fair value. Changes to any of these assumptions could have a material impact on the fair value of the MSRs and the excess spread financing liability.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's process for estimating the fair value of MSRs and the excess spread financing liability, including management's internal controls over the development of the significant unobservable assumptions and determination of the fair value of MSRs and the excess spread financing liability. This included, among others, testing internal controls over management's review of: 1) historical results and market-based information considered in developing these assumptions; 2) comparing independent fair value ranges and assumptions obtained from third-party valuation firms to the internally developed fair value estimate and assumptions; 3) the completeness and accuracy of data used in determining the assumptions and the fair value estimate.

To test the fair value of the MSRs and the excess spread financing liability, our audit procedures included, among others, testing the reasonableness of the significant unobservable assumptions and the fair value estimate. We tested the reasonableness of the assumptions by comparing to historical Company results and independent, market-based information. We tested the completeness and accuracy of the data underlying the assumptions and historical results. We utilized an internal valuation specialist to assist in testing management's assumptions and the fair value estimate by developing and comparing to independent expectations. We identified potential sources of corroborating and contrary information. We also compared the significant unobservable assumptions and the fair value estimate developed by management to those from the third-party valuation firms utilized by management and evaluated the competence and objectivity of these firms.

Accounting for the Acquisition of Home Point Capital, Inc.

Description of the Matter

The Company completed its acquisition of Home Point Capital, Inc. (Home Point) in the third quarter of 2023, for total consideration of approximately $658 million, including $335 million for a bulk purchase of a portion of Home Point's mortgage servicing rights (MSRs) portfolio and $323 million for the tender offer to acquire the outstanding shares of common stock of Home Point. As described in Note 2 and Note 3 to the consolidated financial statements, the acquisition was accounted for as a business combination under ASC 805 which resulted in recording a $96 million preliminary bargain purchase gain.

Auditing the Company's accounting for the Home Point acquisition was complex due to the subjectivity required in determining the fair value of the acquired MSRs related to Home Point's total servicing portfolio and the assumed repurchase reserve liability related to Home Point's historical mortgage loan sales. The subjectivity was primarily due to determining the significant assumptions used in determining the fair value. Selecting and applying audit procedures to address the subjectivity involves auditor judgment and industry-specific knowledge including the current market conditions considered by a market participant.

The acquisition date fair value of the MSR assets were determined using market participant assumptions to estimate the present value of future cash flows from servicing the underlying loans. The significant unobservable assumptions used to estimate the fair value of the MSRs were prepayment speeds, option adjusted spread, and cost to service. The acquisition date fair value of the repurchase reserve liability was estimated using: i) historical loss rates; ii) secondary market pricing of loans; iii) the quality of underwriting procedures; and iv) borrower delinquency and default patterns.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's internal controls over its accounting for Home Point acquisition, including development of the significant assumptions and determination of the fair value of acquired MSRs and assumed repurchase reserves. This included, among others, testing internal controls over management's review of: 1) historical results and market-based information considered in developing these assumptions; 2) comparing independent fair value ranges and assumptions to third-party sources, where available, to the internally developed fair value estimates and assumptions; 3) the completeness and accuracy of data used in determining the assumptions and the fair value estimates.

To test the acquisition date fair value of the MSRs and repurchase reserves, our audit procedures included, among others, testing the reasonableness of the significant assumptions and the fair value estimate. We tested the reasonableness of the assumptions by comparing to historical Company results and independent, market-based information. We tested the completeness and accuracy of the data underlying the assumptions and historical results. We also performed a sensitivity analysis of the significant unobservable assumptions to evaluate the changes in fair value of the MSRs as well changes in the repurchase reserve liability resulting from changes in the significant assumptions. We utilized internal valuation specialists to assist in testing management's assumptions and the fair value estimates and to identify potential sources of corroborating and contrary information.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Dallas, Texas
February 28, 2024

Consolidated Financial Statements

MR. COOPER GROUP INC.
CONSOLIDATED BALANCE SHEETS
(millions of dollars, except share data)

	December 31, 2023	December 31, 2022
Assets		
Cash and cash equivalents	**$ 571**	$ 527
Restricted cash	**169**	175
Mortgage servicing rights at fair value	**9,090**	6,654
Advances and other receivables, net of reserves of $170 and $137, respectively	**996**	1,019
Mortgage loans held for sale at fair value	**927**	893
Property and equipment, net of accumulated depreciation of $141 and $122, respectively	**53**	65
Deferred tax assets, net	**472**	703
Other assets	**1,918**	2,740
Total assets	**$ 14,196**	$ 12,776
Liabilities and Stockholders' Equity		
Unsecured senior notes, net	**$ 3,151**	$ 2,673
Advance, warehouse and MSR facilities, net	**4,302**	2,885
Payables and other liabilities	**1,995**	2,633
MSR related liabilities - nonrecourse at fair value	**466**	528
Total liabilities	**9,914**	8,719
Commitments and contingencies (Note 20)		
Common stock at $0.01 par value - 300 million shares authorized, 93.2 million shares issued	**1**	1
Additional paid-in-capital	**1,087**	1,104
Retained earnings	**4,302**	3,802
Treasury shares at cost - 28.6 million and 24.0 million shares, respectively	**(1,108)**	(850)
Total stockholders' equity	**4,282**	4,057
Total liabilities and stockholders' equity	**$ 14,196**	$ 12,776

See accompanying Notes to Consolidated Financial Statements.

MR. COOPER GROUP INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(millions of dollars, except for earnings per share data)

	Year Ended December 31,		
	2023	**2022**	**2021**
Revenues:			
Service related, net	**$ 1,440**	$ 1,865	$ 1,067
Net gain on mortgage loans held for sale	**354**	599	2,251
Total revenues	**1,794**	2,464	3,318
Expenses:			
Salaries, wages and benefits	**634**	789	1,036
General and administrative	**538**	485	626
Total expenses	**1,172**	1,274	1,662
Interest income	**528**	261	231
Interest expense	**(537)**	(424)	(478)
Other income (expense), net	**41**	187	528
Total other income (expenses), net	**32**	24	281
Income from continuing operations before income tax expense	**654**	1,214	1,937
Less: Income tax expense	**154**	291	471
Net income from continuing operations	**500**	923	1,466
Net loss from discontinued operations	**—**	—	(12)
Net income	**500**	923	1,454
Less: Undistributed earnings attributable to participating stockholders	**—**	—	8
Less: Premium on retirement of preferred stock	**—**	—	28
Net income attributable to common stockholders	**$ 500**	$ 923	$ 1,418
Earnings from continuing operations per common share attributable to Mr. Cooper:			
Basic	**$ 7.46**	$ 12.84	$ 17.39
Diluted	**$ 7.30**	$ 12.50	$ 16.67
Earnings from discontinuing operations per common share attributable to Mr. Cooper:			
Basic	**$ —**	$ —	$ (0.15)
Diluted	**$ —**	$ —	$ (0.14)
Earnings per common share attributable to Mr. Cooper:			
Basic	**$ 7.46**	$ 12.84	$ 17.24
Diluted	**$ 7.30**	$ 12.50	$ 16.53

See accompanying Notes to Consolidated Financial Statements.

MR. COOPER GROUP INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(millions of dollars, except share data)

	Preferred Stock		Common Stock							
	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Additional Paid-in Capital	Retained Earnings	Treasury Shares Amount	Total Mr. Cooper Stockholders' Equity	Non-controlling Interests	Total Stockholders' Equity
Balance at January 1, 2021	1,000	$ —	89,457	$ 1	$ 1,126	$ 1,434	$ (58)	$ 2,503	$ 1	$ 2,504
Shares issued / (surrendered) under incentive compensation plan	—	—	1,244	—	(20)	—	—	(20)	—	(20)
Share-based compensation	—	—	—	—	29	—	—	29	—	29
Repurchase of common stock	—	—	(16,924)	—	—	—	(572)	(572)	—	(572)
Retirement of preferred stock	(1,000)	—	—	—	(19)	(9)	—	(28)	—	(28)
Net income	—	—	—	—	—	1,454	—	1,454	—	1,454
Balance at December 31, 2021	—	—	73,777	1	1,116	2,879	(630)	3,366	1	3,367
Shares issued / (surrendered) under incentive compensation plan	—	—	906	—	(41)	—	19	(22)	—	(22)
Share-based compensation	—	—	—	—	29	—	—	29	—	29
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	—	(1)	(1)
Repurchase of common stock	—	—	(5,417)	—	—	—	(239)	(239)	—	(239)
Net income	—	—	—	—	—	923	—	923	—	923
Balance at December 31, 2022	**—**	**—**	**69,266**	**1**	**1,104**	**3,802**	**(850)**	**4,057**	**—**	**4,057**
Shares issued / (surrendered) under incentive compensation plan	**—**	**—**	**910**	**—**	**(45)**	**—**	**20**	**(25)**	**—**	**(25)**
Share-based compensation	**—**	**—**	**—**	**—**	**28**	**—**	**—**	**28**	**—**	**28**
Repurchase of common stock, including excise tax	**—**	**—**	**(5,577)**	**—**	**—**	**—**	**(278)**	**(278)**	**—**	**(278)**
Net income	**—**	**—**	**—**	**—**	**—**	**500**	**—**	**500**	**—**	**500**
Balance at December 31, 2023	**—**	**$ —**	**64,599**	**$ 1**	**$ 1,087**	**$ 4,302**	**$ (1,108)**	**$ 4,282**	**$ —**	**$ 4,282**

See accompanying Notes to Consolidated Financial Statements.

MR. COOPER GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions of dollars)

	Year Ended December 31,		
	2023	**2022**	**2021**
Operating Activities			
Net income	**$ 500**	$ 923	$ 1,454
Less: Net loss from discontinued operations	**—**	—	(12)
Net income from continuing operations	**500**	923	1,466
Adjustments to reconcile net income to net cash attributable to operating activities:			
Deferred tax expense	**135**	289	351
Net gain on mortgage loans held for sale	**(354)**	(599)	(2,251)
Provision for servicing and non-servicing reserves	**40**	30	34
Fair value changes in mortgage servicing rights	**483**	(549)	506
Fair value changes in MSR related liabilities	**18**	142	(33)
Depreciation and amortization for property and equipment and intangible assets	**38**	37	57
Bargain purchase gain	**(96)**	—	—
Loss on MSR hedging activities	**68**	332	86
(Gain) loss on MSR sales	**(23)**	3	(7)
Gain on disposition of assets	**—**	(223)	—
Gain on sale of business	**—**	—	(528)
Other operating activities	**105**	96	58
Repurchases of loan assets out of Ginnie Mae securitizations	**(1,234)**	(3,067)	(10,156)
Mortgage loans originated and purchased for sale, net of fees	**(12,805)**	(28,309)	(84,684)
Sales proceeds and loan payment proceeds for mortgage loans held for sale	**14,130**	34,461	97,461
Changes in assets and liabilities:			
Advances and other receivables	**28**	153	(380)
Other assets	**(6)**	278	286
Payables and other liabilities	**(131)**	(230)	(259)
Net cash attributable to operating activities - continuing operations	**896**	3,767	2,007
Net cash attributable to operating activities - discontinued operations	**—**	—	625
Net cash attributable to operating activities	**896**	3,767	2,632
Investing Activities			
Acquisitions of business, net of cash acquired	**(522)**	—	—
Acquisition of assets	**(34)**	—	—
Purchase of mortgage servicing rights	**(1,850)**	(1,595)	(922)
Proceeds on sale of mortgage servicing rights and excess yield	**603**	290	61
Property and equipment additions, net of disposals	**(18)**	(17)	(41)
Sale of business, net of cash divested	**—**	—	465
Other investing activities	**(15)**	—	2
Net cash attributable to investing activities - continuing operations	**(1,836)**	(1,322)	(435)
Net cash attributable to investing activities - discontinued operations	**—**	—	1,627
Net cash attributable to investing activities	**(1,836)**	(1,322)	1,192
Financing Activities			
Increase (decrease) in advance, warehouse and MSR facilities	**1,375**	(2,113)	(1,272)
Settlements and repayment of excess spread financing	**(80)**	(392)	(156)
Repurchase of common stock	**(276)**	(239)	(572)
Issuance of unsecured senior debt	**—**	—	600
Retirement of preferred stock	**—**	—	(28)
Other financing activities	**(41)**	(40)	(42)

	Year Ended December 31,		
	2023	2022	2021
Net cash attributable to financing activities - continuing operations	**978**	(2,784)	(1,470)
Net cash attributable to financing activities - discontinued operations	**—**	—	(2,226)
Net cash attributable to financing activities	**978**	(2,784)	(3,696)
Net increase (decrease) in cash, cash equivalents and restricted cash	**38**	(339)	128
Cash, cash equivalents and restricted cash - beginning of year	**702**	1,041	913
Cash, cash equivalents and restricted cash - end of year[1]	**$ 740**	$ 702	$ 1,041
Supplemental Disclosures of Cash Activities			
Cash paid for interest expense from unsecured senior notes, excess spread financing, and advance, warehouse and MSR facilities	**$ 441**	$ 303	$ 347
Net cash paid for income taxes	**26**	17	159
Supplemental Disclosures of Non-cash Investing and Financing Activities			
Purchase of mortgage servicing rights holdback	**$ 149**	$ 11	$ 6
Sale of mortgage servicing rights holdback	**16**	15	2
Excise tax from repurchase of common stock	**2**	—	—
Equity consideration received from disposition of assets	**—**	250	—
Equity consideration received from sale of business	**—**	—	58

[1] The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts reported within the consolidated balance sheets.

	December 31, 2023	December 31, 2022	December 31, 2021
Cash and cash equivalents	**$ 571**	$ 527	$ 895
Restricted cash	**169**	175	146
Total cash, cash equivalents and restricted cash	**$ 740**	$ 702	$ 1,041

See accompanying Notes to Consolidated Financial Statements.

MR. COOPER GROUP INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(millions of dollars, unless otherwise stated)

1. Nature of Business and Basis of Presentation

Nature of Business
Mr. Cooper Group Inc. collectively with its consolidated subsidiaries, ("Mr. Cooper," the "Company," "we," "us" or "our") provides servicing, origination and transaction-based services related to single family residences throughout the United States with operations under its primary brands: Mr. Cooper® and Xome®. Mr. Cooper is one of the largest home loan servicers and originators in the country focused on delivering a variety of servicing and lending products, services and technologies. The Company has provided a glossary of terms, which defines certain industry-specific and other terms that are used herein, in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, of this Form 10-K.

Basis of Presentation
The consolidated financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The significant accounting policies described below, together with the other notes that follow, are an integral part of the consolidated financial statements.

Basis of Consolidation
The consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries, other entities in which the Company has a controlling financial interest, and those variable interest entities ("VIE") where the Company's wholly owned subsidiaries are the primary beneficiaries. Assets and liabilities of VIEs and their respective results of operations are consolidated from the date that the Company became the primary beneficiary through the date the Company ceases to be the primary beneficiary. The Company applies the equity method of accounting to investments where it is able to exercise significant influence, but not control, over the policies and procedures of the entity and owns less than 50% of the voting interests. Investments in certain companies over which the Company does not exert significant influence are recorded at fair value, or at cost upon election of measurement alternative, at the end of each reporting period. Intercompany balances and transactions on consolidated entities have been eliminated.

Use of Estimates
The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates, and such differences could be material, due to factors such as adverse changes in the economy, changes in interest rates, secondary market pricing for loans held for sale and derivatives, strength of underwriting and servicing practices, changes in prepayment assumptions, declines in home prices or discrete events adversely affecting specific borrowers.

Reclassifications
Certain reclassifications have been made in the 2022 and 2021 consolidated statements of cash flows to conform to 2023 presentation. Such reclassifications were not material and did not affect total revenues, net income or cash attributable to operating activities.

Recent Accounting Guidance Adopted
Accounting Standards Update ("ASU") 2020-04, 2021-01 and 2022-06, collectively implemented as Accounting Standards Codification Topic 848 ("ASC 848"), Reference Rate Reform provides temporary optional expedients and exceptions for applying generally accepted accounting principles to contract modifications, hedge accounting and other transactions affected by the transitioning away from reference rates that are expected to be discontinued, such as interbank offered rates and the London Inter-Bank Offered Rate ("LIBOR"). This guidance became effective on March 12, 2020, and can be adopted no later than December 31, 2024, with early adoption permitted. All of the Company's facilities have transitioned away from LIBOR to alternative reference rates in 2023. In addition, the Company's derivative financial instruments are not tied to LIBOR rates. The Company adopted ASU 2020-04, as amended by ASU 2021-01 and ASU 2022-06, in the fourth quarter of 2023. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

2. Significant Accounting Policies

Cash and Cash Equivalents
Cash and cash equivalents include unrestricted cash on hand and other interest-bearing investments with original maturity dates of 90 days or less.

Restricted Cash
Restricted cash includes collected funds pledged to certain advance and warehouse facilities, collected fees payable to third parties, and certain contractual escrow funds.

Mortgage Servicing Rights ("MSR")
The Company recognizes the rights to service mortgage loans for others, or MSRs, whether acquired or as a result of the sale of loans the Company originates with servicing retained, as assets. The Company initially records all MSRs at fair value. The Company has elected to subsequently measure MSRs at fair value.

The fair value of the MSRs is based upon the present value of the expected future net cash flows related to servicing the underlying loans. The Company determines the fair value of the MSRs using a discounted cash flow model which incorporates prepayment speeds, option adjusted spread, costs to service, delinquencies, ancillary revenues, recapture rates and other assumptions that management believes are consistent with the assumptions that other similar market participants use in valuing the MSRs. Beginning in the second quarter of 2023, the Company valued MSRs using a stochastic option adjusted spread instead of a static discount rate.

The key assumptions to determine fair value include prepayment speeds, option adjusted spread and cost to service. The credit quality and stated interest rates of the loans underlying the MSRs affect the assumptions used in the cash flow models. The Company obtains third-party valuations quarterly to assess the reasonableness of the fair value calculated by the cash flow model. Fair value adjustments are recorded within "revenues - service related, net" in the consolidated statements of operations.

Advances and Other Receivables, Net
The Company advances funds to or on behalf of the investors when the borrower fails to meet contractual payments (e.g., loan principal and interest, property taxes, insurance) in accordance with terms of its servicing agreements. Other receivables consist of advances funded to maintain and market underlying loan collateral through foreclosure and ultimate liquidation on behalf of the investors. Advances are recovered from borrowers for performing loans and from the investors and loan proceeds for non-performing loans.

The Company may also acquire servicer advances in connection with the acquisition of MSRs through asset acquisitions or business combinations. These advances are recorded at their relative fair value amounts upon acquisition, which may result in a purchase discount or premium. The Company records receivables upon determining that collection of amounts due from loan proceeds, investors, mortgage insurers, or prior servicers is probable. Reserves related to recoverability of advances and other receivables are discussed below in Reserves for Servicing Activity.

Mortgage Loans Held for Sale
The Company originates prime residential mortgage loans with the intention of selling such loans on a servicing-retained basis in the secondary market. As these loans are originated with intent to sell, the loans are classified as held for sale and the Company has elected to measure these loans held for sale at fair value. The Company estimates fair value of mortgage loans held for sale using a market approach by utilizing either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to mortgage servicing and credit risk, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. In connection with the Company's election to measure originated mortgage loans held for sale at fair value, the Company records the loan origination fees when earned, net of direct loan originations costs associated with these loans. Loan origination fees and underwriting fees are recorded in "revenues - service related, net" in the consolidated statements of operations. Gains or losses recognized upon sale of loans and fair value adjustments are recorded in "revenues - net gain on mortgage loans held for sale" in the consolidated statements of operations.

Repurchased Loans

From time to time the Company is required to repurchase loans from various investors related to originations or servicing defects. Such defects include, but are not limited to, breaches in seller representations and warranties made upon sale or demands for servicing repurchase due certain situations (such as modification). Such loans are repurchased by the Company as required with the intent of resale in the secondary market. If the defect is something that can be cured, the Company may seek to cure the issue and re-sell the loan to the investor and retain servicing. However, the nature of the defect may preclude the Company from curing in which case the Company may elect to sell such loans, servicing released, through a whole loan (or "scratch and dent sale"). Due to the Company's intent to sell these loans, these repurchases are appropriately classified as mortgage loans held for sale, with any gains or losses recorded in "revenues - net gain on mortgage loans held for sale" in the consolidated statements of operations.

Loans Subject to Repurchase from Ginnie Mae

For certain loans originated and sold into GNMA mortgage-backed securities, the Company, as servicer/transferor, has the unilateral right to repurchase, without GNMA's prior authorization, any individual loan in a GNMA securitization pool if that loan meets certain criteria, including payment not being received from the borrower for greater than 90 days ("delinquent status"). For loans in delinquent status, the Company must recognize in its consolidated balance sheets the right to repurchase the loan and a corresponding repurchase liability, regardless of whether the Company intends to repurchase the loan. The Company records these rights to repurchase in "other assets" at the unpaid principal balance and a corresponding liability in "payables and other liabilities" in its consolidated balance sheets.

From time to time, the Company exercises this right to repurchase individual delinquent loans in GNMA securitization pools to minimize interest spread losses, re-pool into new GNMA securitizations or otherwise sell to third-party investors. The majority of GNMA repurchased loans are repurchased in connection with loan modifications and loan resolution activity with the intent to re-pool into new GNMA securitizations upon re-performance of the loan or otherwise sell to third-party investors. Therefore, the Company classifies such loans as loans held for sale and has elected to measure these repurchased loans at fair value.

MSR Related Liabilities - Nonrecourse

Excess Spread Financing

In conjunction with the acquisition of certain MSRs on various pools of residential mortgage loans (the "Portfolios"), the Company entered into sale and assignment agreements related to its right to servicing fees, under which the Company sells to third parties the right to receive a portion of the excess cash flow generated from the Portfolios after receipt of a fixed base servicing fee per loan. The excess cash flow payments to third parties are considered counterparty payments, which are recorded as an adjustment to "revenues - service related, net" in the consolidated statements of operations. The agreements consist of two components - current excess spread, or remittance of a percentage of excess spread on currently serviced loans, and future excess spread, or the obligation to transfer currently serviced loans that have been refinanced into current excess spread or a replacement loan of similar economic characteristics into the Portfolios. The new or replacement loan will be governed by the same terms set forth in the sale and assignment agreement described above. The sale of these rights is accounted for as a secured borrowing under Accounting Standards Codification ("ASC") 860, with the total proceeds received being recorded as a component of "MSR related liabilities - nonrecourse at fair value" in the consolidated balance sheets. The Company determines the effective interest rate on these liabilities and allocates total repayments between interest expense and the outstanding liability.

The Company has elected to measure the outstanding financings related to the excess spread financing agreements at fair value with all changes in fair value recorded to "revenues - service related, net" in the consolidated statements of operations. The fair value on excess spread financing is based on the present value of future expected discounted cash flows. The cash flow assumptions used in the model are based on various factors, with the key assumptions being mortgage prepayment speeds and option adjusted spread.

Changes to excess spread financing other than payments and fair value measurements include accretion, which results from changes in the portfolio. Changes related to accretion are recorded to "revenues - service related, net" with an offset to excess spread financing liability on the consolidated balance sheet.

Mortgage Servicing Rights Financing

The Company has historically entered into transactions with third parties to sell a contractually specified base fee component of certain MSRs and servicer advances under specified terms. The Company evaluates these transactions to determine if they were sales or secured borrowings. When a transaction qualifies for sale treatment, the Company derecognizes the transferred assets in its consolidated balance sheets. If the Company determines that the related MSRs sales are contingent on the receipt of consents from various third parties, for accounting purposes, legal ownership of the MSRs continues to reside with the Company. The Company continues to account for the MSRs in its consolidated balance sheets. In addition, the Company records an MSR financing liability associated with this financing transaction. The Company continues to account for the sold specified base fee cash flows within MSRs in its consolidated balance sheets. Counterparty payments related to this financing arrangement are recorded as an adjustment to the Company's "revenues - service related, net" in the consolidated statements of operations.

The Company has elected to measure the mortgage servicing rights financing liabilities at fair value with all changes in fair value recorded to "revenues - service related, net" in the consolidated statements of operations. The fair value on mortgage servicing right financings is based on the present value of future expected discounted cash flows. The cash flow assumptions and prepayment assumptions used in the model are based on various factors, with the key assumptions being advance financing rates and advance recovery rates.

Property and Equipment, Net

Property and equipment is comprised of furniture, fixtures, leasehold improvements, computer software, and computer hardware. These assets are stated at cost less accumulated depreciation. Repairs and maintenance are expensed as incurred which is included in "expenses - general and administrative" in the consolidated statements of operations. Depreciation, which includes depreciation and amortization on finance leases, is recorded using the straight-line method over the estimated useful lives of the related assets. Cost and accumulated depreciation applicable to assets retired or sold are eliminated from the accounts, and any resulting gains or losses are recognized at such time through a charge or credit to "expenses - general and administrative." Costs to internally developed computer software are capitalized during the development stage and include internal and external costs incurred to develop software.

Long-lived assets shall be tested for recoverability whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. The Company performs a quarterly evaluation to determine whether such events have occurred. If events and circumstances indicate the carrying values exceed the fair value of the fixed assets, the Company will proceed with impairment testing. Impairment loss shall be recognized only if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of undiscounted cash flows expected to result from the use and eventual disposition of the asset. The impairment loss is measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

Leases

If the Company determines an arrangement contains a lease or lease components, then the lease will be accounted for under ASC 842 and classified as either a finance or operating lease. At the lease commencement date, the Company recognizes a leased right-of-use ("ROU") asset and corresponding lease liability based on the present value of the lease payments over the lease term. Leased ROU assets are tested for impairment in accordance with ASC 360, *Property, Plant, and Equipment*. The Company did not have material finance leases for the periods presented.

ASC 842 provides for two policy elections. The first refers to leases with a term of 12 months or less and the second relates to separating lease components from non-lease components. The Company elected not to recognize lease assets and lease liabilities for leases with a term of 12 months or less and not to separate lease components from non-lease components.

Leases primarily consist of various corporate and other office facilities. Operating leases in which the Company is the lessee are recorded as operating lease ROU assets and operating lease liabilities, which are included in "other assets" and "payables and other liabilities," respectively, on the consolidated balance sheets. Operating lease ROU assets represent the Company's right to use an underlying asset during the lease term and operating lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at lease commencement based on the present value of the remaining lease payments using a discount rate that represents the Company's incremental borrowing rate at the lease commencement date, as most of the Company's leases do not provide an implicit rate. ROU assets are further adjusted for lease incentives. Operating lease expense, which is comprised of amortization of the ROU asset and the implicit interest accreted on the operating lease liability, is recognized on a straight-line basis over the lease term and is recorded in "expenses - general and administrative" in the consolidated statements of operations. Operating lease activity is included in operating activities within the consolidated statements of cash flows.

Derivative Financial Instruments

Derivative instruments are used as part of the overall strategy to manage exposure to market risks primarily associated with fluctuations in interest rate risks related to Pipeline (including mortgage loans held for sale and interest rate lock commitments ("IRLCs")) and the MSR portfolio. The Company recognizes all derivatives at fair value on a recurring basis in "other assets" and "payables and other liabilities" on its consolidated balance sheets. The Company treats all of its derivative instruments as economic hedges, therefore none of its derivative instruments are designated as accounting hedges.

Derivative instruments utilized by the Company primarily include IRLCs, loan purchase commitments ("LPCs"), forward Mortgage Backed Securities ("MBS"), Treasury futures, interest rate swap agreements and interest rate caps. IRLCs and LPCs represent an agreement to extend credit to a mortgage loan applicant, or an agreement to purchase a loan from a third-party originator, respectively, whereby the interest rate and loan amount is set prior to funding. The Company has the ability and intent to fund the loan for purpose of selling in the secondary market, accordingly, upon funding these IRLCs or LPCs will be mortgage loans held for sale for which the Company has selected the fair value option. Similar to the fair values of mortgage loans held for sale; held in inventory awaiting sale into the secondary market. IRLCs and LPCs are subject to changes in mortgage interest rates from the date of the commitment through the date of funding and ultimately through sale of the loan into the secondary market. As a result, the Company is exposed to interest rate risk during the period from the date of the lock commitment through (i) the lock commitment cancellation or expiration date; or (ii) the date of sale into the secondary mortgage market. IRLCs are considered freestanding derivatives and are recorded at fair value at inception inclusive of the inherent value of servicing. Loan commitments generally range between 30 days and 90 days, and the Company typically sells mortgage loans within 30 days of origination. Changes in fair value subsequent to inception are based on changes in the fair value of the underlying loan, inherent value of servicing of the loan (future MSR value), and adjustments for the estimated pull-through rate. Any changes in fair value are recorded in earnings as a component of "revenues - net gain on mortgage loans held for sale" on the consolidated statements of operations and consolidated statements of cash flows.

The Company uses other derivative financial instruments (mentioned above), primarily forward MBS purchase and sales commitments (also referred to as TBA securities), to manage exposure to interest rate risk and changes in the fair value of IRLCs and mortgage loans held for sale (both in Originations and Servicing) and MSRs. These commitments are recorded at fair value based on pricing of similar instruments in the secondary market based upon the investor/Agency, coupon, and estimated sale or delivery month. The forward MBS commitments fix the forward price that will be realized in the secondary market and thereby reduce the interest rate and price risk to the Company. The Company's expectation of the amount of its IRLCs that will ultimately close is a key factor in determining the notional amount of derivatives used in economically hedging the position. The changes in value of all derivative instruments related to the Pipeline are recorded as "revenues - net gain on mortgage loans held for sale." The changes in the value of forward MBS for the MSR portfolio are recorded in "revenues - service related, net."

The Company may elect to purchase other derivative instruments, such as interest rate swaps and Treasury futures to mitigate exposure to interest rate risk related to cash flows on securitized mortgage borrowings.

Business Combinations and Asset Acquisitions

The Company evaluates whether a transaction meets the definition of a business. The Company first applies a screen test to determine if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the screen test is met, the transaction is accounted for as an asset acquisition. If the screen test is not met, the Company further considers whether the set of assets or acquired entities have at a minimum, inputs and processes that have the ability to create outputs in the form of revenue. If the assets or acquired entities meet this criteria, the transaction is accounted for as a business combination.

Acquisitions that qualify as a business combination are accounted for using the acquisition method of accounting. The fair value of consideration transferred for an acquisition is allocated to the assets acquired and liabilities assumed based on their fair value as of the acquisition date. The excess of the consideration transferred over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Conversely, in the event the fair value of assets acquired and liabilities assumed is greater than the consideration transferred, a bargain purchase gain is recognized.

Determining the fair value of assets acquired and liabilities assumed requires judgment and often involves the use of significant estimates and assumptions. The Company estimates the fair value of the intangible assets acquired generally by using a discounted cash flow analysis (the income approach). For the income approach, the Company uses inputs and assumptions to develop these estimates on a market participant perspective which include estimates of projected revenues, discount rates, economic lives and income tax rates, among others, all of which require significant management judgment. The Company engages third-party valuation firms when appropriate to assist in the fair value determination of assets acquired and liabilities assumed. Acquisition-related expenses and transaction costs associated with business combinations are expensed as incurred.

The Company may adjust the amounts recognized in an acquisition during a measurement period not to exceed one year from the date of acquisition, as a result of subsequently obtaining additional information that existed at the acquisition date.

Goodwill
Goodwill is not amortized but is instead subject to impairment testing. The Company evaluates its goodwill for impairment annually as of October 1 of each year or more frequently if impairment indicators arise in accordance with ASC 350, *Intangibles - Goodwill and Other*. When testing goodwill for impairment, the Company may elect to perform either a qualitative test or a quantitative test to determine if it is more likely than not that the carrying value of a reporting unit exceeds its estimated fair value.

During a qualitative analysis, the Company considers the impact of any changes to the following factors: macroeconomic, industry and market factors, cost factors, and changes in overall financial performance, as well as any other relevant events and uncertainties impacting a reporting unit. If the qualitative assessment does not conclude that it is more likely than not that the estimated fair value of the reporting unit is greater than the carrying value, the Company performs a quantitative analysis. In a quantitative test, the carrying value of the reporting unit is compared to its estimated fair value.

In a quantitative test, the fair value of a reporting unit is determined based on a discounted cash flow analysis and further analyzed using other methods of valuation. A discounted cash flow analysis requires the Company to make various assumptions, including assumptions about future cash flows, growth rates and discount rates. The assumptions about future cash flows and growth rates are based on the Company's long-term projections by reporting unit. In addition, an assumed terminal value is used to project future cash flows beyond base years. Assumptions used in the Company's impairment testing are consistent with its internal forecasts and operating plans. The discount rate is based on the Company's debt and equity balances, adjusted for current market conditions and investor expectations of return on the Company's equity. If the fair value of a reporting unit exceeds its carrying amount, there is no impairment. If not, the Company compares the fair value of the reporting unit with its carrying amount. To the extent the carrying amount of the reporting unit exceeds its fair value, a write-down of the reporting unit's goodwill would be necessary.

Intangible Assets
Intangible assets primarily consist of customer relationships and technology acquired through business combinations. Those intangible assets are deemed to have finite useful lives and are amortized either on a straight-line basis over their estimated useful lives (trade name, technology and internally developed software), or on a basis more representative of the time pattern over which the benefit is derived (customer relationships). Intangible assets are recorded at their estimated fair value at the date of acquisition.

Intangible assets with finite useful lives are tested for impairment whenever events or circumstances indicate that their carrying amount may not be recoverable by comparing the carrying value of the assets to the estimated future undiscounted cash flows to be generated by the asset. If an impairment is determined to exist for intangible assets, the carrying value of the asset is reduced to the estimated fair value.

Investment in Unconsolidated Entities
The Company accounts for investments in unconsolidated entities using the equity method when the Company holds a significant, but less than controlling, ownership interest and has the ability to exercise significant influence over operating and financial decisions of the investee. These investments include our investment in Sagent M&C, LLC ("Sagent"). Under the equity method of accounting, investments are initially recorded at cost and thereafter adjusted for additional investments, distributions and the proportionate share of earnings or losses of the investee. The Company evaluates the equity method investments for impairment when events or changes in circumstances indicate that an other-than-temporary decline in value may have occurred. See *Note 4, Dispositions*, for more information on our investment in Sagent.

Revenue Recognition
ASC 606, *Revenue from Contracts with Customers*, establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers as performance obligations are satisfied in an amount that reflects the consideration that the entity expects to be entitled to receive in exchange for those goods or services. The majority of the Company's revenue-generating transactions in the Servicing and Originations segments, including revenue generated from financial instruments, such as the Company's loans and derivatives, as well as revenue related to the Company's mortgage servicing activities, are not within the scope of ASC 606 as these activities are subject to other GAAP discussed elsewhere within the Company's disclosures. Generally, revenues from Xome fall within the scope of ASC 606.

The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers as performance obligations are satisfied in an amount that reflects the consideration that the entity expects to be entitled to receive in exchange for those goods or services.

Revenues from Servicing Activities

- "Revenues, service related, net" primarily include contractually specified servicing fees, late charges, prepayment penalties, fair value adjustments, and other ancillary revenues. The servicing fees are based on a contractual percentage of the outstanding principal balance and recognized as revenue as earned during the life of the loan. Corresponding loan servicing costs are charged to expense as incurred. The Company recognizes ancillary revenues and earnings on float as they are earned.

  In addition, the Company receives various fees in the course of providing servicing on its various portfolios. These fees include modification fees for modifications performed outside of government programs, modification fees for modifications pursuant to various government programs, co-issue transaction fees charged to sellers from boarding MSRs, deboarding fees for transferring MSRs off the servicing platform, and incentive fees for servicing performance on specific government-sponsored entities ("GSE") portfolios. Fees recorded on modifications of mortgage loans serviced by the Company for others are recognized on collection and are recorded as a component of "revenues - service related, net." Fees recorded on modifications pursuant to various government programs are recognized based upon completion of all necessary steps by the Company and the minimum loan performance time frame to establish eligibility for the fee. Revenue earned on modifications pursuant to various government programs is included as a component of "revenues - service related, net." Incentive fees for servicing performance on specific GSE portfolios are recognized as various incentive standards are achieved and are recorded as a component of "revenues - service related, net."

  Fair value adjustments related to MSRs, excess spread financing and MSRs financing are recorded as component of "revenues - service related, net."

  The Company also acts as a subservicer for certain parties that own the underlying servicing rights and receives subservicing fees, which are typically a stated monthly fee per loan that varies based on types of loans. Fees related to the subserviced portfolio are accrued in the period the services are performed.

- "Revenues - net gain on mortgage loans held for sale" within the Servicing segment is comprised of the realized and unrealized gains and losses on sales of mortgage loans held for sale, including loans that are repurchased out of GNMA securities and subsequently modified and re-securitized, and any other repurchased loans.

- Derivative instruments are used as part of the overall strategy to manage exposure to market risks primarily associated with fluctuations in interest rates on owned MSRs within the servicing segment. The Company recognizes all derivatives on its consolidated balance sheets at fair value on a recurring basis. The Company treats all derivative instruments as economic hedges, therefore none of its derivative instruments are designated as accounting hedges. The changes in value of derivative instruments are recorded within "revenues - service related, net." See accounting policy "Derivative Financial Instruments" for more details.

Revenues from Origination Activities

- "Revenues - servicing related, net" within the Originations segment is comprised of loan origination and other loan fees which generally represent flat, per-loan fee amounts and are recognized as revenue at the time the loans are funded.

- "Revenues - net gain on mortgage loans held for sale" includes the realized and unrealized gains and losses on sales of newly originated mortgage loans, as well as the changes in fair value of all pipeline-related derivatives, including IRLCs.

Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (i) the assets have been legally isolated from the Company, (ii) the transferee has the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (iii) the Company does not maintain effective control over the transferred assets through either (a) an agreement that entitles and obligates the Company to repurchase or redeem them before their maturity or (b) the ability to unilaterally cause the holder to return specific assets. Loan securitizations structured as sales, as well as whole loan sales and the resulting gains on such sales, net of any accrual for recourse obligations, are reported in operating results during the period in which the securitization closes or the sale occurs.

- Derivative instruments are used as part of the overall strategy to manage exposure to market risks primarily associated with fluctuations in interest rates related to originations. The Company recognizes all derivatives on its consolidated balance sheets at fair value on a recurring basis. The Company treats all derivative instruments as economic hedges, therefore none of its derivative instruments are designated as accounting hedges. The changes in value on originations derivative instruments are recorded within revenue in the as "revenues - net gain on mortgage loans held for sale." See accounting policy "Derivative Financial Instruments" for more details.

Revenue from Xome Activities

- Xome revenues primarily consists of real estate exchange, which is a proprietary digital exchange for selling foreclosed, REO, and seller-owned property. Xome also has revenues from the sale of data and data-related services. Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration expected to be received in exchange for those products. Xome's business is included in Corporate/Other.

Repurchase Reserves for Origination Activity

The Company accrues reserves for the repurchase of loans from GSEs, GNMA, and third-party investors primarily due to origination defect and are initially recorded upon sale of the loan to a third party with subsequent reserves recorded based on repurchase demands. The repurchase reserves are included within "payables and accrued liabilities" in the consolidated balance sheets and the provision for repurchase reserves is a component of "revenues - net gain on mortgage loans held for sale" in the consolidated statements of operations.

During each reporting period, the Company utilizes an internal model to estimate repurchase reserves for loan origination activities based upon its expectation of future defects and historical loss rates. The estimate for the repurchase reserve is based on judgments and historical inputs which can be influenced by many factors and may change over the life of the underlying loans, including: (i) historical loss rate, (ii) secondary market pricing of loans; (iii) the quality of Company's underwriting procedures; (iv) borrower delinquency and default patterns; and (v) other Company-specific and macro-economic factors. On a quarterly basis, management corroborates these assumptions using third-party data, where applicable.

Reserves for Servicing Activity

In connection with loan servicing activities, the Company records reserves primarily for the recoverability of advances, interest claims, and mortgage insurance claims. Reserves for advances and other receivables associated with loans in the MSR portfolio are considered within the MSR valuation, and the provision expense for such advances is recorded in the mark-to-market adjustment in "revenues - service related, net" in the consolidated statements of operations. Such valuation considers the expected cash outflows and inflows for advances and other receivables in accordance with the fair value framework. Reserves for advances and other receivables on loans transferred out of the MSR portfolio are established within "advances and other receivables, net." As loans serviced transfer out of the MSR portfolio, any negative MSR value or any GNMA loan fallout value associated with the loans transferred is reclassified from the MSR to the reserve within "advances and other receivables, net" to the extent such reserves continue to be required for balances remaining on the consolidated balance sheets. Management evaluates reserves for sufficiency each reporting period and any additional reserve requirements are recorded as a provision in "expenses - general and administrative" as needed.

The Company records reserves for advances and other receivables and evaluates the sufficiency of such reserves through internal models considering expected recovery rates on claims filed with government agencies, government sponsored enterprises, vendors, prior servicer and other counterparties. Key assumptions used in the models include but are not limited to expected recovery rates by loan types, which are derived from historical recovery rates, and aging of the receivable. Recovery of advances and other receivables is subject to judgment and estimates based on the Company's assessment of its compliance with servicing guidelines, its ability to produce the necessary documentation to support claims, its ability to support amounts from prior servicers and to effectively negotiate settlements, as needed. Management reviews recorded advances and other receivables, and upon determination that no further recourse for recovery is available from all means known to management, the recorded balances associated with these receivables are written off against the reserve.

Credit Loss Reserves
ASC 326, *Financial Instruments – Credit Losses* requires expected credit losses for financial instruments held at the reporting date to be measured based on historical experience, current conditions and reasonable and supportable forecasts, which is referred to as the current expected credit loss, or CECL, methodology. The new standard reflects management's best estimate of all expected credit losses for the Company's financial assets that are recognized at amortized cost. The CECL methodology considers expected lifetime loss rates calculated from historical data using a weighted average life to determine the current expected credit loss required.

The Company determined that "advances and other receivables, net" and certain financial instruments included in "other assets" are within the scope of ASC 326.

For "advances and other receivables, net," the Company determined that the majority of estimated losses are due to servicing operational errors, and credit-related losses are not significant because of the contractual relationships with the government and government sponsored agencies. The Company determined that the credit-related risk associated with certain applicable financial instruments can increase with the passage of time. The CECL reserve methodology considers these financial instruments collectible to a point in time of 39 months. Any projected remaining balance at the end of the collection period is considered a loss and factors into the overall CECL loss rate required.

For "other assets," primarily trade receivables and service fees earned but not received, the Company determined that these are short-term in nature (less than one year), and the estimated credit-related losses over the life of these receivables are similar to those resulting from the Company's existing loss reserve process. The Company monitors the financial status of customers to determine if any specific loss considerations are required.

Variable Interest Entities
In the normal course of business, the Company enters into various types of on- and off-balance sheet transactions with special purpose entities ("SPEs"), which primarily consist of securitization trusts established for a limited purpose. Generally, these SPEs are formed for the purpose of securitization transactions in which the Company transfers assets to an SPE, which then issues to investors various forms of debt obligations supported by those assets. In these securitization transactions, the Company typically receives cash and/or other interests in the SPE as proceeds for the transferred assets. The Company will typically retain the right to service the transferred receivables and to repurchase the transferred receivables from the SPE if the outstanding balance of the receivables falls to a level where the cost exceeds the benefits of servicing the transferred receivables.

The Company evaluates its interests in each SPE for classification as a Variable Interest Entity ("VIE"). When an SPE meets the definition of a VIE and the Company determines that the Company is the primary beneficiary, the Company includes the SPE in its consolidated financial statements.

The Company consolidates certain SPEs connected with mortgage activities. See *Note 14, Securitizations and Financings*, for more information on Company SPEs, and *Note 13, Indebtedness,* for certain debt activity connected with SPEs.

Securitizations and Asset-Backed Financing Arrangements
The Company and its subsidiaries have been a transferor in connection with a number of securitizations and asset-backed financing arrangements. The Company has continuing involvement with the financial assets of the securitizations and the asset-backed financing arrangements. The Company has aggregated these transactions into two groups: (1) securitizations of residential mortgage loans accounted for as sales and (2) financings of advances on loans serviced for others accounted for as secured borrowings.

Securitizations Treated as Sales

The Company's continuing involvement typically includes acting as servicer for the mortgage loans held by the trust and holding beneficial interests in the trust. The Company's responsibilities as servicer include, among other things, collecting monthly payments, maintaining escrow accounts, providing periodic reports and managing insurance in exchange for a contractually specified servicing fee. The beneficial interests held consist of both subordinate and residual securities that were retained at the time of securitization. These securitizations generally do not result in consolidation of the VIE as the beneficial interests that are held in the unconsolidated securitization trusts have no value and no potential for significant cash flows in the future. In addition, as of December 31, 2023, the Company had no other significant assets in its consolidated financial statements related to these trusts. The Company has no obligation to provide financial support to unconsolidated securitization trusts and has provided no such support. The creditors of the trusts can look only to the assets of the trusts themselves for satisfaction of the debt issued by the trusts and have no recourse against the assets of the Company. The general creditors of the Company have no claim on the assets of the trusts. The Company's exposure to loss as a result of its continuing involvement with the trusts is limited to the carrying values, if any, of its investments in the residual and subordinate securities of the trusts, the MSRs that are related to the trusts and the advances to the trusts. The Company considers the probability of loss arising from its advances to be remote because of their position ahead of most of the other liabilities of the trusts. See *Note 5, Mortgage Servicing Rights and Related Liabilities, and Note 6, Advances and Other Receivables*, for additional information regarding MSRs and advances.

Financings Accounted as Secured Borrowing

The Company transfers advances on loans serviced for others to SPEs in exchange for cash. The Company consolidates these SPEs because the Company is the primary beneficiary of the VIE.

These VIEs issue debt supported by collections on the transferred advances. The Company made these transfers under the terms of its advance facility agreements. The Company classifies the transferred advances on its consolidated balance sheets as advances and classifies the related liabilities as advance facilities and other nonrecourse debt. The SPEs use collections of the pledged advances to repay principal and interest and to pay the expenses of the entity. Holders of the debt issued by these entities can look only to the assets of the entities themselves for satisfaction of the debt and have no recourse against the Company.

Interest Income

Interest income primarily includes interest earned on custodial cash deposits associated with the servicing portfolio. Interest income is also recognized on mortgage loans held for sale for the period from loan funding to sale, which is typically within 30 days. Loans are placed on non-accrual status when any portion of the principal or interest is greater than 90 days past due. Loans return to accrual status when the principal and interest become current and it is probable that the amounts are fully collectible. For individual loans that have been modified, a period of six timely payments is required before the loan is returned to an accrual basis.

Interest Expense

Interest expense primarily includes interest incurred on advance, warehouse and MSR facilities, unsecured senior notes, excess spread financing and compensating bank balances, as well as bank fees. The Company incurred interest expense related to advance, warehouse and MSR facilities, unsecured senior notes and excess spread financing of $485, $361 and $370 for the years ended December 31, 2023, 2022 and 2021, respectively.

Share-Based Compensation

Equity based awards include restricted stock units ("RSUs") granted to employees of the Company and non-employee directors and performance-based stock awards ("PSUs") granted to certain executive officers. The RSUs are valued at the fair market value of the Company's common stock on the grant date and recognized as an expense over the requisite employee service period on a straight-line basis using an accelerated attribution model. The PSUs feature a combination of service, market and/or performance conditions. Market conditions are valued using a model that incorporates the market condition of the grants while performance conditions are assessed for the probability of achievement. The PSUs are expensed on a straight-line basis over the requisite employee service period. The Company applies a dynamic forfeiture rate and records share-based compensation in "expenses - salaries, wages and benefits" within the consolidated statements of operations.

Advertising Costs

Advertising costs are expensed as incurred and are included as part of "expenses - general and administrative" within the consolidated statements of operations. The Company incurred advertising costs of $23, $37 and $40 for the years ended December 31, 2023, 2022 and 2021, respectively.

Income Taxes
The Company is subject to the income tax laws of the U.S. and its states and municipalities. These tax laws are complex and subject to different interpretations by the taxpayer and the relevant governmental taxing authorities.

Deferred income taxes are determined using the balance sheet method. Deferred taxes are recognized for the future tax consequences attributable to differences between the consolidated financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates that will apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized as income or expense in the period that includes the enactment date.

The Company regularly reviews the carrying amount of its deferred tax assets to determine if the establishment of a valuation allowance is necessary. If based on the available evidence, it is more likely than not that all or a portion of the Company's deferred tax assets will not be realized in future periods, a deferred tax valuation allowance is established. Consideration is given to various positive and negative evidence that could affect the realization of the deferred tax assets. In evaluating this available evidence, management considers, among other things, historical financial performance, expectation of future earnings, length of statutory carryforward periods, experience with operating tax loss and tax credit carryforwards which may expire unused, the use of tax planning strategies and the timing of reversals of temporary differences. The Company's evaluation is based on current tax laws as well as management's expectations of future performance.

The Company initially recognizes tax positions in the consolidated financial statements when it is more likely than not that the position will be sustained upon examination by the tax authorities. Such tax positions are initially and subsequently measured as the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the tax authority, assuming the tax authority has full knowledge of the position and all relevant facts. In establishing a provision for income tax expense, the Company makes judgments and interpretations about the application of these inherently complex tax laws. The Company recognizes interest and penalties related to uncertain tax positions as a component of provisions for income taxes in accordance with ASC 740.

Earnings Per Share
The Company computes earnings per share using the two-class method, which is an earnings allocation formula that determines earnings per share for common stock and any participating securities according to dividends declared (whether paid or unpaid) and participation rights in undistributed earnings. The Series A Preferred Stock is considered participating securities because it has dividend rights determined on an as-converted basis in the event of Company's declaration of a dividend or distribution for common shares. In 2021, the Company retired its preferred shares. As of December 31, 2023 and 2022, the Company had 10 million preferred shares authorized at $0.00001, with zero shares issued and outstanding and aggregate liquidation preference of zero dollars.

Basic net income per common share is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted net income per common share is computed by dividing net income available to common stockholders by the sum of the weighted average number of common shares outstanding and any dilutive securities for the period.

Share Repurchases
The Company has a stock repurchase program which allows the Company to repurchase its common stock using open market stock purchases or privately negotiated transactions. Repurchased common stock is stated at cost and presented as a separate component of stockholders' equity in treasury stock. The share repurchase cost will be determined based on the total dollar amount paid for share repurchases for a single day divided by the total volume of shares repurchased. The Inflation Reduction Act of 2022 imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. As a result, the Company recorded the applicable excise tax of $2 during the year ended December 31, 2023 as an incremental cost of the shares repurchased in "treasury shares at cost" within the consolidated balance sheets.

3. Acquisitions

Acquisition of Assets

During the second quarter of 2023, the Company acquired certain assets and liabilities of Rushmore Loan Management Services, LLC ("Rushmore") for a total purchase price of $34 (the "Rushmore Transaction"). Assets acquired were recorded in the Servicing segment and primarily included subservicing contracts and related servicing advances and receivables. The Company accounted for the transaction as an asset acquisition in accordance with Accounting Standard Codification Topic 805, *Business Combinations ("ASC 805")*, whereby the purchase price represents relative fair value of assets and liabilities acquired.

Acquisition of Roosevelt Management Company and Affiliated Companies

In July 2023, the Company acquired all the equity interests of Roosevelt Management Company, LLC ("Roosevelt"), an investment management firm, and its affiliated subsidiaries including Rushmore Loan Management Services, LLC and other entities, for a total purchase price of $28 ("Roosevelt Transaction"). The Company accounted for the transaction as a business combination in accordance with ASC 805 using the acquisition method of accounting. Under the acquisition method of accounting, the Company allocated the purchase price of the acquisition to identifiable assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date, with the excess of the purchase price over those fair values allocated to goodwill. The Company recorded $4 of intangible assets and $21 of goodwill based on the purchase price allocation. $5 and $16 of the goodwill is assigned to Servicing segment and Corporate/Other segment, respectively. The goodwill will be deductible for tax purposes. During the year ended December 31, 2023, the Company incurred $13 of acquisition costs related to the Roosevelt Transaction. The financial results of Rushmore and Roosevelt were included in Servicing segment and Corporate/Other segment, respectively. The Company finalized its allocation of fair value of consideration transferred during the three months ended December 31, 2023.

Acquisition of Home Point Capital Inc.

In May 2023, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") and a mortgage servicing rights purchase and sale agreement ("Purchase Agreement") with Home Point Capital Inc.("Home Point"), a Delaware corporation. Per the Merger Agreement, the Company agreed to commence a tender offer to acquire all of the outstanding shares of common stock of Home Point, other than certain excluded shares. The Home Point transactions closed in the third quarter of 2023 for total consideration of approximately $658. The Purchase Agreement was a bulk purchase of a portion of Home Point's mortgage servicing rights ("MSR") portfolio for $335. The Merger Agreement was the tender offer to acquire outstanding shares of common stock of Home Point, which included the benefit of the cash paid in the bulk purchase of Home Point's MSR portfolio. The net consideration paid for the two transactions was $323, or $2.33 per share.

The Company accounted for the two transactions as one business combination ("Home Point Acquisition") in accordance with ASC 805 using the acquisition method of accounting. Under the acquisition method of accounting, the Company allocated the purchase price of the acquisition to identifiable assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The Company acquired $1.2 billion MSR and assumed a senior note with a principal balance of $500, among other acquired net assets. The Company recorded a preliminary bargain purchase gain of $96 in "other income (expense), net" within the consolidated statements of operations and reported under Corporate/Other segment, which represents the excess of the estimated fair value of net assets acquired over the consideration transferred. The purchase price allocation is subject to change as the Company obtains additional information and finalizes its review during the measurement period (up to one year from the acquisition date). The primary area of the preliminary allocation of fair value of consideration transferred that is not yet finalized is related to potential tax adjustments. The Company believes it was able to negotiate a bargain purchase price due to seller's operational challenges from significant market volatility, as well as the seller's desire to exit the business in an expedited manner. During the year ended December 31, 2023, the Company incurred $7 of acquisition costs related to the Home Point Acquisition.

4. Dispositions

Sale of Mortgage Servicing Platform

On March 31, 2022, the Company completed the sale of certain assets and liabilities of its servicing and subservicing technology platform for performing and non-performing mortgage loans (the "Mortgage Servicing Platform") to Sagent, in exchange for Class A-1 Common Units equal to 19.9% ownership of Sagent, and the sale of certain tangible personal property of the Company used in the conduct of the Mortgage Servicing Platform in exchange for $9.9 in cash, for total consideration of $260 (the "Sagent Transaction"). In connection with the Sagent Transaction, the Company recorded a gain of $223, which was included in "other income, net" within the consolidated statements of operations under Corporate/Other, and recorded $4 transaction costs during the year ended December 31, 2022. The net carrying amount of assets and liabilities transferred in connection with the Sagent Transaction was $31 and reported under Corporate/Other.

The Company accounts for the equity interest under the equity method of accounting, as the Company has the ability to exercise significant influence over Sagent's operating and financial decisions but does not own a majority equity interest or otherwise control the respective entity. Under the equity method of accounting, the investment is initially stated at cost and subsequently adjusted for additional investments, distributions, and the Company's proportionate share of Sagent's earnings or losses. The initial cost of the equity interest recorded was $250, which represented the fair value as of March 31, 2022. During the fourth quarter of 2023, the Company acquired additional Class A-1 Common Units for $12. The Company recorded a $17 and $13 loss related to the Company's proportionate share of net loss of Sagent during the years ended December 31, 2023 and 2022, respectively. The Company's investment in Sagent was $232 as of December 31, 2023.

5. Mortgage Servicing Rights and Related Liabilities

The following table sets forth the carrying value of the Company's MSRs and the related liabilities. In estimating the fair value of all mortgage servicing rights and related liabilities, the impact of the current environment was considered in the determination of key assumptions.

MSRs and Related Liabilities	December 31, 2023	December 31, 2022
MSRs at fair value	**$ 9,090**	$ 6,654
Excess spread financing at fair value	**$ 437**	$ 509
Mortgage servicing rights financing at fair value	**29**	19
MSR related liabilities - nonrecourse at fair value	**$ 466**	$ 528

Mortgage Servicing Rights

The Company owns and records at fair value the rights to service traditional residential mortgage loans for others either as a result of purchase transactions or from the retained servicing associated with the sales and securitizations of loans originated. MSRs are comprised of servicing rights of both agency and non-agency loans.

The following table sets forth the activities of MSRs:

MSRs at Fair Value	Year Ended December 31, 2023	2022
Fair value - beginning of year	**$ 6,654**	$ 4,223
Additions:		
Servicing retained from mortgage loans sold	**273**	554
Purchases and acquisitions of servicing rights	**3,189**	1,595
Dispositions:		
Sales of servicing assets and excess yield	**(573)**	(294)
Changes in fair value:		
Changes in valuation inputs or assumptions used in the valuation model (MSR MTM)	**121**	1,328
Changes in valuation due to amortization	**(604)**	(779)
Other changes[(1)]	**30**	27
Fair value - end of year	**$ 9,090**	$ 6,654

(1) Amounts primarily represent negative fair values reclassified from the MSR asset to reserves as underlying loans are removed from the MSR and other reclassification adjustments.

From time to time, the Company sells its ownership interest in certain MSRs and is retained as the subservicer for the sold assets. The Company has evaluated the sale accounting requirements related to these transactions, including the Company's continued involvement as the subservicer, and concluded that these transactions qualify for sale accounting treatment. During the years ended December 31, 2023 and 2022, the Company sold $25,239 and $20,902 in unpaid principal balance of MSRs, of which $23,218 and $19,817 was retained by the Company as subservicer, respectively.

During the year ended December 31, 2023, certain agencies entered into agreements with the Company to purchase excess servicing cash flows ("excess yield") on certain agency loans with a total UPB of $41,958 for total proceeds of $294. The Company recorded a gain of $33 through the mark-to-market adjustments within "revenues - service related, net" in the consolidated statements of operations.

MSRs are segregated between investor type into agency and non-agency pools (referred to herein as "investor pools") based upon contractual servicing agreements with investors at the respective balance sheet date to evaluate the MSR portfolio and fair value of the portfolio. Agency investors consist of Government National Mortgage Association ("Ginnie Mae" or "GNMA") and the GSEs, Federal National Mortgage Association ("Fannie Mae" or "FNMA") and Federal Home Loan Mortgage Corp ("Freddie Mac" or "FHLMC"). Non-agency investors consist of investors in private-label securitizations.

The following table provides a breakdown of UPB and fair value for the Company's MSRs:

MSRs - UPB and Fair Value Breakdown by Investor Pools	December 31, 2023 UPB	December 31, 2023 Fair Value	December 31, 2022 UPB	December 31, 2022 Fair Value
Agency	**$ 561,656**	**$ 8,774**	$ 380,502	$ 6,322
Non-agency	**26,286**	**316**	30,880	332
Total	**$ 587,942**	**$ 9,090**	$ 411,382	$ 6,654

Refer to *Note 18, Fair Value Measurements*, for further discussion on key weighted-average inputs and assumptions used in estimating the fair value of MSRs.

The following table shows the hypothetical effect on the fair value of the Company's MSRs when applying certain unfavorable variations of key assumptions to these assets for the dates indicated:

MSRs - Hypothetical Sensitivities	Option Adjusted Spread[1]		Total Prepayment Speeds		Cost to Service per Loan	
	100 bps Adverse Change	200 bps Adverse Change	10% Adverse Change	20% Adverse Change	10% Adverse Change	20% Adverse Change
December 31, 2023						
Mortgage servicing rights	**$ (368)**	**$ (706)**	**$ (219)**	**$ (425)**	**$ (89)**	**$ (178)**

	Discount Rate		Total Prepayment Speeds		Cost to Service per Loan	
	100 bps Adverse Change	200 bps Adverse Change	10% Adverse Change	20% Adverse Change	10% Adverse Change	20% Adverse Change
December 31, 2022						
Mortgage servicing rights	$ (266)	$ (511)	$ (136)	$ (264)	$ (61)	$ (122)

[1] Beginning in the second quarter of 2023, the Company valued MSRs using a stochastic option adjusted spread ("OAS") instead of a static discount rate. Refer to *Note 14, Fair Value Measurements*, for further discussion.

These hypothetical sensitivities should be evaluated with care. The effect on fair value of an adverse change in assumptions generally cannot be determined because the relationship of the change in assumptions to the fair value may not be linear. Additionally, the impact of a variation in a particular assumption on the fair value is calculated while holding other assumptions constant. In reality, changes in one factor may lead to changes in other factors, which could impact the above hypothetical effects.

Excess Spread Financing

In order to finance the acquisition of certain MSRs on various portfolios, the Company previously entered into sale and assignment agreements with third parties and sold to these entities the right to receive a specified percentage of the excess cash flow generated from the portfolios in excess of a fixed base servicing fee per loan. The Company retains all the base servicing fees, ancillary income and interest float earnings on principal along with interest payments and escrow, and also incurs costs to service the specified pool. The Company is the legal owner and the servicer of the portfolios and provides all servicing and advancing functions.

In connection with the above transactions, the Company entered into refinanced loan obligations with third parties that require the Company to transfer the new loan or a replacement loan of similar economic characteristics into the respective portfolio if the Company refinances any loan in the portfolio. The new or replacement loan will be governed by the same terms set forth in the sale and assignment agreement described above.

The Company had excess spread financing liability of $437 and $509, with UPB of $74,219 and $83,706 as of December 31, 2023 and 2022, respectively. Refer to *Note 18, Fair Value Measurements*, for further discussion on key weighted-average inputs and assumptions used in the valuation of excess spread financing liability.

The following table shows the hypothetical effect on the Company's excess spread financing fair value when applying certain unfavorable variations of key assumptions to these liabilities for the dates indicated:

Excess Spread Financing - Hypothetical Sensitivities	Option Adjusted Spread[1]		Prepayment Speeds	
	100 bps Adverse Change	200 bps Adverse Change	10% Adverse Change	20% Adverse Change
December 31, 2023				
Excess spread financing	**$ 16**	**$ 32**	**$ 10**	**$ 20**

	Discount Rate		Prepayment Speeds	
	100 bps Adverse Change	200 bps Adverse Change	10% Adverse Change	20% Adverse Change
December 31, 2022				
Excess spread financing	$ 19	$ 40	$ 11	$ 22

(1) Beginning in the second quarter of 2023, the Company valued excess spread financing using a stochastic OAS instead of a static discount rate. Refer to *Note 14, Fair Value Measurements*, for further discussion.

These hypothetical sensitivities should be evaluated with care. The effect on fair value of an adverse change in assumptions generally cannot be determined because the relationship of the change in assumptions to the fair value may not be linear. Additionally, the impact of a variation in a particular assumption on the fair value is calculated while holding other assumptions constant. In reality, changes in one factor may lead to changes in other factors, which could impact the above hypothetical effects. Also, a positive change in the above assumptions would not necessarily correlate with the corresponding decrease in the net carrying amount of the excess spread financing. Excess spread financing's cash flow assumptions that are utilized in determining fair value are based on the related cash flow assumptions used in the financed MSRs. Any fair value change recognized in the financed MSRs attributable to related cash flows assumptions would inherently have an inverse impact on the carrying amount of the related excess spread financing.

Mortgage Servicing Rights Financing

The Company had MSR financing liability of $29 and $19 as of December 31, 2023 and 2022, respectively. Refer to *Note 2, Significant Accounting Policies*, for further discussion on MSR financing, and *Note 18, Fair Value Measurements*, for further discussion on key weighted-average inputs and assumptions used in the valuation of the MSR financing liability.

Revenues - Service Related, net

The following table sets forth the items comprising total "revenues - service related, net":

Revenues - Service Related, net	Year Ended December 31, 2023	2022	2021
Contractually specified servicing fees[1]	**$ 1,700**	$ 1,458	$ 1,122
Other service-related income[1]	**72**	105	72
Incentive and modification income[1]	**43**	29	51
Servicing late fees[1]	**89**	76	71
Mark-to-market adjustments - Servicing			
MSR MTM	**121**	1,328	502
Loss on MSR hedging activities	**(68)**	(332)	(86)
Gain (loss) on MSR sales	**23**	(3)	7
Reclassifications[2]	**(33)**	(30)	(35)
Excess spread / MSR financing MTM	**(18)**	(142)	33
Total mark-to-market adjustments - Servicing	**25**	821	421
Amortization, net of accretion			
MSR amortization	**(604)**	(779)	(1,008)
Excess spread accretion	**41**	86	255
Total amortization, net of accretion	**(563)**	(693)	(753)
Originations service fees[3]	**61**	98	176
Corporate/Xome related service fees	**84**	76	186
Other[4]	**(71)**	(105)	(279)
Total revenues - Service Related, net	**$ 1,440**	$ 1,865	$ 1,067

(1) The Company recognizes revenue on an earned basis for services performed. Amounts include subservicing related revenues. Amounts also include servicing fees from loans sold with servicing retained of $708, $661 and $495 for the years ended December 31, 2023, 2022 and 2021, respectively.

(2) Reclassifications include the impact of negative modeled cash flows which have been transferred to reserves on advances and other receivables. The negative modeled cash flows relate to advances and other receivables associated with inactive and liquidated loans that are no longer part of the MSR portfolio.

(3) Amounts include fees collected from customers for originated loans and from other lenders for loans purchased through the correspondent channel, and includes loan application, underwriting, and other similar fees.

(4) Other represents the excess servicing fee that the Company pays to the counterparties under the excess spread financing arrangements, portfolio runoff and the payments made associated with MSR financing arrangements.

6. Advances and Other Receivables

Advances and other receivables, net consists of the following:

Advances and Other Receivables, Net	December 31, 2023	December 31, 2022
Servicing advances, net of $13 and $12 purchase discount, respectively	**$ 1,065**	$ 1,053
Receivables from agencies, investors and prior servicers, net of $6 and $7 purchase discount	**101**	103
Reserves	**(170)**	(137)
Total advances and other receivables, net	**$ 996**	$ 1,019

The following table sets forth the activities of the servicing reserves for advances and other receivables:

Reserves for Advances and Other Receivables	Year Ended December 31, 2023	Year Ended December 31, 2022
Balance - beginning of year	**$ 137**	$ 167
Provision	**40**	30
Reclassifications[1]	**27**	36
Write-offs	**(34)**	(96)
Balance - end of year	**$ 170**	$ 137

[1] Reclassifications represent required reserves provisioned within other balance sheet accounts as associated serviced loans become inactive or liquidate.

Purchase Discount for Advances and Other Receivables

The following table sets forth the activities of the purchase discount for advances and other receivables:

Purchase Discount for Advances and Other Receivables	Year Ended December 31, 2023		Year Ended December 31, 2022	
	Servicing Advances	Receivables from Agencies, Investors and Prior Servicers	Servicing Advances	Receivables from Agencies, Investors and Prior Servicers
Balance - beginning of year	**$ 12**	**$ 7**	$ 19	$ 12
Addition from acquisition[1]	**5**	**—**	—	—
Utilization of purchase discounts	**(4)**	**(1)**	(7)	(5)
Balance - end of year	**$ 13**	**$ 6**	$ 12	$ 7

[1] In connection with the acquisition of Home Point in 2023, the Company recorded the acquired advances and other receivables at estimate fair value as of the acquisition date, which resulted in a purchase discount of $5. Refer to *Note 3, Acquisitions*, for discussion of the Home Point acquisition.

Credit Loss for Advances and Other Receivables

The following table sets forth the activities of the CECL allowance for advances and other receivables:

CECL Allowance for Advances and Other Receivables	Year Ended December 31, 2023	Year Ended December 31, 2022
Balance - beginning of year	**$ 36**	$ 31
Provision	**1**	10
Write-offs	**(2)**	(5)
Balance - end of year[1]	**$ 35**	$ 36

[1] As of December 31, 2023, $29 and $6 were included in reserves and purchase discount, respectively. As of December 31, 2022, $29 and $7 were included in reserves and purchase discount, respectively.

The Company determined that the credit-related risk associated with applicable financial instruments typically increases with the passage of time. The CECL reserve methodology considers these financial instruments collectible to a point in time of 39 months. Any projected remaining balance at the end of the collection period is considered a loss and factors into the overall CECL loss rate required.

7. Mortgage Loans Held for Sale

Mortgage Loans Held for Sale

The Company maintains a strategy of originating and purchasing residential mortgage loan products primarily for the purpose of selling to GSEs or other third-party investors in the secondary market on a servicing-retained basis. The Company purchases originated loans through its correspondent channel and assists customers currently in the Company's servicing portfolio with refinancing of loans or new home purchases through its direct-to-consumer channel. Generally, all newly originated mortgage loans held for sale are securitized and transferred to GSEs or delivered to third-party purchasers shortly after origination on a servicing-retained basis.

Mortgage loans held for sale are recorded at fair value as set forth below:

Mortgage Loans Held for Sale	Year Ended December 31, 2023	2022
Mortgage loans held for sale - UPB	**$ 924**	$ 921
Mark-to-market adjustment[1]	**3**	(28)
Total mortgage loans held for sale	**$ 927**	$ 893

(1) The mark-to-market adjustment includes net change in unrealized gain/loss, premium on correspondent loans and fees on direct-to-consumer loans. The mark-to-market adjustment is recorded in "revenues - net gain on mortgage loans held for sale" in the consolidated statements of operations.

The following table sets forth the activities of mortgage loans held for sale:

Mortgage Loans Held for Sale	Year Ended December 31, 2023	2022
Balance - beginning of year	**$ 893**	$ 4,381
Loans sold and loan payments received	**(14,097)**	(34,731)
Mortgage loans originated and purchased, net of fees	**12,856**	28,309
Repurchase of loans out of Ginnie Mae securitizations[1]	**1,234**	3,067
Net change in unrealized gain (loss) on retained loans held for sale	**44**	(132)
Net transfers of mortgage loans held for sale[2]	**(3)**	(1)
Balance - end of year	**$ 927**	$ 893

(1) The Company has the optional right to repurchase any individual loan in a Ginnie Mae securitization pool if that loan meets certain criteria, including being delinquent greater than 90 days. The majority of Ginnie Mae repurchased loans are repurchased in connection with loan modifications and loan resolution activity, with the intent to re-pool into new Ginnie Mae securitizations upon re-performance of the loan or to otherwise sell to third-party investors. Therefore, these loans are classified as held for sale.

(2) Amount reflects transfers to other assets for loans transitioning into REO status and transfers to advances and other receivables, net, for claims made on certain government insurance mortgage loans. Transfers out are net of transfers in upon receipt of proceeds from an REO sale or claim filing.

For the years ended December 31, 2023 and 2022, the Company recorded a total realized gain of $33 and a loss of $267 from total sales proceeds of $13,877 and $34,464, respectively, on the sale of mortgage loans held for sale.

The Company accrues interest income as earned and places loans on non-accrual status after any portion of principal or interest has been delinquent for more than 90 days. Accrued interest is recorded as "interest income" in the consolidated statements of operations.

The total UPB of mortgage loans held for sale on non-accrual status was as follows:

Mortgage Loans Held for Sale	December 31, 2023		December 31, 2022	
	UPB	Fair Value	UPB	Fair Value
Non-accrual[1]	**$ 42**	**$ 36**	$ 102	$ 87

(1) Non-accrual UPB includes $35 and $90 of UPB related to Ginnie Mae repurchased loans as of December 31, 2023 and 2022, respectively.

The total UPB of mortgage loans held for sale for which the Company has begun formal foreclosure proceedings was $30 and $65 as of December 31, 2023 and 2022, respectively.

8. Property and Equipment

The composition of property and equipment, net, and the corresponding ranges of estimated useful lives were as follows:

Property and Equipment, Net	December 31, 2023	December 31, 2022	Estimated Useful Life
Furniture, fixtures, and equipment	**$ 57**	$ 55	5 years
Capitalized software costs	**94**	87	3 - 5 years
Software in development and other	**8**	12	
Leasehold improvements	**30**	27	Lesser of 10 years or remaining lease term
Long-term finance leases - computer equipment	**5**	6	3 - 5 years
Property and equipment	**194**	187	
Less: Accumulated depreciation	**(141)**	(122)	
Property and equipment, net	**$ 53**	$ 65	

The Company recorded depreciation expense on property and equipment of $31 for the years ended December 31, 2023 and 2022, respectively. The Company has entered into various lease agreements for computer equipment, which are classified as finance leases. See *Note 9, Leases*, for more information.

The Company recorded no impairment charges during the years ended December 31, 2023 and 2022.

9. Leases

The Company's leases primarily relate to office space and equipment, with remaining lease terms of generally less than 1 year to 7 years. Certain lease arrangements contain extension options, which typically range from 1 to 7 years, at the then fair market rental rates. As of December 31, 2023 and 2022, operating lease ROU assets were $72 and $96, respectively, and corresponding lease liabilities were $91 and $111, respectively, which were included in "other assets," and "payables and other liabilities," respectively, on the consolidated balance sheets. The Company does not currently have any significant finance leases in which it is the lessee.

The table below summarizes the Company's net lease cost:

	Year Ended December 31,	
Net Lease Cost	2023	2022
Operating lease cost	**$ 21**	$ 26
Sublease income	**(3)**	(3)
Total net lease cost	**$ 18**	$ 23

The table below summarizes other information related to the Company's operating leases:

	Year Ended December 31,	
Operating Leases - Other Information	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**$ 19**	$ 23
Leased assets obtained in exchange for new operating lease liabilities	**$ 8**	$ 15
Weighted average remaining lease term - operating leases, in years	**5.0**	6.0
Weighted average discount rate - operating leases	**4.6 %**	3.8 %

Maturities of operating lease liabilities as of December 31, 2023 are as follows:

Year Ending December 31,	Operating Leases
2024	$ 23
2025	20
2026	18
2027	16
2028	13
Thereafter	12
Total future minimum lease payments	102
Less: imputed interest	11
Total operating lease liabilities	$ 91

10. Loans Subject to Repurchase from Ginnie Mae

Loans are sold to Ginnie Mae in conjunction with the issuance of mortgage-backed securities. The Company, as the issuer of the mortgage-backed securities, has the unilateral right to repurchase any individual loan in a Ginnie Mae securitization pool if that loan meets certain criteria, including payments not being received from borrowers for greater than 90 days. Once the Company has the unilateral right to repurchase a delinquent loan, it has effectively regained control over the loan and recognizes these rights to the loan on its consolidated balance sheets and establishes a corresponding repurchase liability regardless of the Company's intention to repurchase the loan. The Company had loans subject to repurchase from Ginnie Mae of $966 and $1,865 as of December 31, 2023 and 2022, respectively, which are included in both "other assets" and "payables and other liabilities" in the consolidated balance sheets.

11. Goodwill and Intangible Assets

Goodwill

The following table presents changes in the carrying amount of goodwill by reportable segment for the year ended December 31, 2023. There were no changes in goodwill in 2022:

	Year Ended December 31, 2023			
	Servicing	Originations	Corporate/Other[2]	Total
Balance - beginning of year	$ 80	$ 28	$ 12	$ 120
Addition from acquisitions[1]	5	—	16	21
Balance - end of year	$ 85	$ 28	$ 28	$ 141

(1) As discussed in *Note 3, Acquisitions*, the Company recorded goodwill in connection with the Roosevelt Transaction.
(2) The goodwill associated with Xome and Roosevelt is included in Corporate/Other.

During the years ended December 31, 2023 and 2022, the Company performed a quantitative assessment of its reporting units and determined that no impairment of goodwill existed. Goodwill is recorded in "other assets" within the consolidated balance sheets.

Intangible Assets

The following tables present the composition of intangible assets:

	December 31, 2023			
Intangible Assets	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Weighted Average Remaining Life in Years**
Customer relationships	**$ 96**	**$ (73)**	**$ 23**	**4.7**
Trade name	**9**	**(7)**	**2**	**4.5**
Other[(1)]	**3**	**—**	**3**	**2.8**
Total intangible assets	**$ 108**	**$ (80)**	**$ 28**	**4.5**

[(1)] Other intangible assets primarily include licenses.

	December 31, 2022			
Intangible Assets	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**	**Weighted Average Remaining Life in Years**
Customer relationships	$ 74	$ (67)	$ 7	5.6
Technology	25	(25)	—	0.0
Trade name	7	(6)	1	0.6
Total intangible assets	$ 106	$ (98)	$ 8	4.9

Intangible assets are recorded in “other assets” within the consolidated balance sheets. In 2023, the Company recorded intangible assets of $23 and $4 in connection with the Rushmore Transaction and Roosevelt Transaction, respectively. See further discussion in *Note 3, Acquisitions*. The Company recognized $7 and $6 of amortization expense related to intangible assets during the years ended December 31, 2023 and 2022, respectively. The Company expects to record amortization expense for existing amortizable intangible assets of $7, $7, $6, $5, and $3 for each of the years ending December 31, 2024 to 2028. No impairment on intangible assets was recorded during the years ended December 31, 2023 and December 31, 2022.

12. Derivative Financial Instruments

Derivative instruments are used as part of the overall strategy to manage exposure to interest rate risks related to mortgage loans held for sale and IRLCs (“the pipeline”) and the MSR portfolio. The Company economically hedges the pipeline separately from the MSR portfolio primarily using third-party derivative instruments. Such derivative instruments utilized by the Company include IRLCs, LPCs, forward MBS and Treasury futures. The changes in value on the derivative instruments associated with pipeline hedging are recorded in earnings as a component of “revenues - net gain on mortgage loans held for sale” on the consolidated statements of operations and consolidated statements of cash flows, while changes in the value of derivative instruments associated with the MSR portfolio fair value are recorded in “revenues - service related, net” on the consolidated statements of operations and in “loss (gain) on MSR hedging activities” on the consolidated statements of cash flows.

The following tables provide the outstanding notional balances, fair values of outstanding positions and recorded gains/(losses) for the derivative financial instruments. Gains/(losses) include both realized and unrealized gains/(losses) of each derivative financial instrument.

Derivative Financial Instruments	Expiration Dates	December 31, 2023 Outstanding Notional	December 31, 2023 Fair Value	Year Ended December 31, 2023 Gains/(Losses)
Assets				
Mortgage loans held for sale				
Loan sale commitments	**2024**	**$ 337**	**$ 11**	**$ 1**
Derivative financial instruments				
Treasury futures	**2024**	**2,634**	**113**	**113**
Forward MBS trades	**2024**	**2,365**	**22**	**155**
IRLCs	**2024**	**584**	**21**	**(1)**
LPCs	**2024**	**361**	**3**	**2**
Total derivative financial instruments - assets		**$ 5,944**	**$ 159**	**$ 269**
Liabilities				
Derivative financial instruments				
Forward MBS trades	**2024**	**1,049**	**9**	**(126)**
Treasury futures	**2024**	**80**	**—**	**(196)**
LPCs	**2024**	**41**	**—**	**1**
IRLCs	**2024**	**1**	**—**	**—**
Total derivative financial instruments - liabilities		**$ 1,171**	**$ 9**	**$ (321)**

Derivative Financial Instruments	Expiration Dates	December 31, 2022 Outstanding Notional	December 31, 2022 Fair Value	Year Ended December 31, 2022 Gains/(Losses)
Assets				
Mortgage loans held for sale				
Loan sale commitments	2023	$ 354	$ 10	$ (15)
Derivative financial instruments				
Treasury futures	2023	—	—	4
Forward MBS trades	2023	1,143	8	569
IRLCs	2023	755	22	(112)
LPCs	2023	145	1	(2)
Total derivative financial instruments - assets		$ 2,043	$ 31	$ 459
Liabilities				
Derivative financial instruments				
Forward MBS trades	2023	681	9	(56)
Treasury futures	2023	892	14	(277)
LPCs	2023	209	1	1
IRLCs	2023	15	—	—
Total derivative financial instruments - liabilities		$ 1,797	$ 24	$ (332)

As of December 31, 2023 the Company held $8 and $56 in collateral deposits and collateral obligations on derivative instruments, respectively. As of December 31, 2022, the Company held $49 and $1 in collateral deposits and collateral obligations on derivative instruments, respectively. Collateral deposits and collateral obligations are recorded in "other assets" and "payables and other liabilities," respectively, on the Company's consolidated balance sheets, and are included in "net cash attributable to operating activities" within the consolidated statements of cash flows. The Company does not offset fair value amounts recognized for derivative instruments with amounts collected or deposited on derivative instruments in the consolidated balance sheets.

13. Indebtedness

Advance, Warehouse and MSR Facilities

				December 31, 2023		December 31, 2022	
	Maturity Date	Collateral	Capacity Amount	Outstanding	Collateral Pledged	Outstanding	Collateral Pledged
Advance Facilities							
$350 advance facility	October 2024	Servicing advance receivables	**$ 350**	**$ 132**	**$ 169**	$ 150	$ 189
$300 advance facility[1]	November 2024	Servicing advance receivables	**300**	**273**	**364**	308	410
$250 advance facility	September 2025	Servicing advance receivables	**250**	**250**	**326**	171	209
$50 advance facility	December 2024	Servicing advance receivables	**50**	**27**	**49**	40	45
Advance facilities principal amount				**682**	**908**	669	853
Warehouse Facilities							
$1,500 Warehouse Facility	June 2024	Mortgage loans or MBS	**1,500**	**107**	**104**	206	272
$750 Warehouse Facility	June 2024	Mortgage loans or MBS	**750**	**137**	**176**	135	133
$750 Warehouse Facility	October 2024	Mortgage loans or MBS	**750**	**155**	**166**	202	209
$500 Warehouse Facility	June 2024	Mortgage loans or MBS	**500**	**72**	**78**	76	80
$350 Warehouse Facility	August 2024	Mortgage loans or MBS	**350**	**73**	**75**	31	32
$300 Warehouse Facility[2]	February 2024	Mortgage loans or MBS	**300**	**—**	**—**	115	117
$250 Warehouse Facility[3]	September 2025	Mortgage loans or MBS	**250**	**158**	**177**	14	17
$200 Warehouse Facility	December 2024	Mortgage loans or MBS	**200**	**82**	**84**	18	21
$200 Warehouse Facility	January 2025	Mortgage loans or MBS	**200**	**12**	**21**	—	—
$100 Warehouse Facility	April 2024	Mortgage loans or MBS	**100**	**25**	**33**	19	28
$100 Warehouse Facility	April 2024	Mortgage loans or MBS	**100**	**—**	**—**	—	—
$100 Warehouse Facility	December 2024	Mortgage loans or MBS	**100**	**1**	**1**	1	1
$1 Warehouse Facility	December 2024	Mortgage loans or MBS	**1**	**—**	**—**	—	—
Warehouse facilities principal amount				**822**	**915**	817	910
MSR Facilities							
$1,500 Warehouse Facility	April 2025	MSR	**1,500**	**980**	**1,455**	260	2,284
$1,450 Warehouse Facility[1]	November 2024	MSR	**1,450**	**300**	**2,164**	380	927
$750 Warehouse Facility[3]	September 2025	MSR	**750**	**545**	**1,306**	380	1,482
$500 Warehouse Facility	June 2025	MSR	**500**	**405**	**655**	365	732
$500 Warehouse Facility	April 2025	MSR	**500**	**305**	**634**	—	—
$500 Warehouse Facility	June 2025	MSR	**500**	**250**	**677**	—	—
$50 Warehouse Facility	November 2024	MSR	**50**	**29**	**67**	25	74
MSR facilities principal amount				**2,814**	**6,958**	1,410	5,499
Advance, warehouse and MSR facilities principal amount				**4,318**	**$ 8,781**	2,896	$ 7,262
Unamortized debt issuance costs				**(16)**		(11)	
Total advance, warehouse and MSR facilities, net				**$ 4,302**		$ 2,885	

(1) Total capacity for this facility is $1,750, of which $300 and $1,450 are internally allocated for advance financing and MSR financing, respectively; capacity is fully fungible and is not restricted by these allocations.
(2) This facility was terminated in February 2024.
(3) The capacity amount for this facility is $1,000, of which $750 is a sublimit for MSR financing.

The weighted average interest rate for advance facilities was 7.6% and 4.1% for the years ended December 31, 2023 and 2022, respectively. The weighted average interest rate for warehouse and MSR facilities was 7.6% and 4.0% for the years ended December 31, 2023 and 2022, respectively.

Unsecured Senior Notes

Unsecured senior notes consist of the following:

Unsecured Senior Notes	December 31, 2023	December 31, 2022
$850 face value, 5.500% interest rate payable semi-annually, due August 2028	**$ 850**	$ 850
$650 face value, 5.125% interest rate payable semi-annually, due December 2030	**650**	650
$600 face value, 6.000% interest rate payable semi-annually, due January 2027	**600**	600
$600 face value, 5.750% interest rate payable semi-annually, due November 2031	**600**	600
$550 face value, 5.000% interest rate payable semi-annually, due January 2026[1]	**500**	—
Unsecured senior notes principal amount	**3,200**	2,700
Purchase discount[1] and unamortized debt issuance costs	**(49)**	(27)
Unsecured senior notes, net	**$ 3,151**	$ 2,673

(1) In connection with the Home Point Acquisition in 2023, the Company assumed an unsecured senior note with a principal balance of $500 and recorded a purchase discount of $32 on the acquisition date, of which $5 has been accreted in the year ended December 31, 2023. See *Note 2, Acquisitions,* for further details.

The ratios included in the indentures for the unsecured senior notes are incurrence-based compared to the customary ratio covenants that are often found in credit agreements that require a company to maintain a certain ratio. The incurrence-based covenants limit the issuer(s) and restricted subsidiaries ability to incur additional indebtedness, pay dividends, make certain investments, create liens, consolidate, merge or sell substantially all of their assets or enter into certain transactions with affiliates. The indentures contain certain events of default, including (subject, in some cases, to customary cure periods and materiality thresholds) defaults based on (i) the failure to make payments under the applicable indenture when due, (ii) breach of covenants, (iii) cross-defaults to certain other indebtedness, (iv) certain bankruptcy or insolvency events, (v) material judgments and (vi) invalidity of material guarantees.

The indentures provide that on or before certain fixed dates, the Company may redeem up to 40% of the aggregate principal amount of the unsecured senior notes with the net proceeds of certain equity offerings at fixed redemption prices, plus accrued and unpaid interest, to the redemption dates, subject to compliance with certain conditions. In addition, the Company may redeem all or a portion of the unsecured senior notes at any time on or after certain fixed dates at the applicable redemption prices set forth in the indentures plus accrued and unpaid interest, to the redemption dates. No notes were repurchased or redeemed during the years ended December 31, 2023 and 2022.

As of December 31, 2023, the expected maturities of the Company's unsecured senior notes based on contractual maturities are as follows:

Year Ending December 31,	Amount
2024 through 2025	**$ —**
2026	**500**
2027	**600**
2028	**850**
Thereafter	**1,250**
Total unsecured senior notes principal amount	**$ 3,200**

Financial Covenants

The Company's credit facilities contain various financial covenants, which primarily relate to required tangible net worth amounts, liquidity reserves, leverage requirements, and profitability requirements, which are measured at the Company's operating subsidiary, Nationstar Mortgage LLC. The Company was in compliance with its required financial covenants as of December 31, 2023.

14. Securitizations and Financings

Variable Interest Entities

In the normal course of business, the Company enters into various types of on- and off-balance sheet transactions with SPEs determined to be VIEs, which primarily consist of securitization trusts established for a limited purpose. Generally, these SPEs are formed for the purpose of securitization transactions in which the Company transfers assets to an SPE, which then issues to investors various forms of debt obligations supported by those assets.

The Company has determined that the SPEs created in connection with certain advance facilities trusts should be consolidated as the Company is the primary beneficiary of each of these entities.

A summary of the assets and liabilities of the Company's transactions with VIEs included in the Company's consolidated financial statements is presented below:

	December 31, 2023	December 31, 2022
Consolidated Transactions with VIEs	**Transfers Accounted for as Secured Borrowings**	**Transfers Accounted for as Secured Borrowings**
Assets		
Restricted cash	**$ 111**	$ 78
Advances and other receivables, net	**495**	398
Total assets	**$ 606**	$ 476
Liabilities		
Advance facilities[1]	**$ 382**	$ 321
Payables and other liabilities	**1**	1
Total liabilities	**$ 383**	$ 322

(1) Refer to advance facilities in *Note 13, Indebtedness*, for additional information.

The following table shows a summary of the outstanding collateral and certificate balances for securitization trusts for which the Company was the transferor, including any retained beneficial interests and MSRs, that were not consolidated by the Company:

Unconsolidated Securitization Trusts	**December 31, 2023**	**December 31, 2022**
Total collateral balances - UPB	**$ 881**	$ 976
Total certificate balances	**$ 849**	$ 949

The Company has not retained any variable interests in the unconsolidated securitization trusts that were outstanding as of December 31, 2023, and 2022, and therefore does not have a significant maximum exposure to loss related to these unconsolidated VIEs.

A summary of mortgage loans transferred by the Company to unconsolidated securitization trusts that are 60 days or more past due are presented below:

Principal Amount of Transferred Loans 60 Days or More Past Due	**December 31, 2023**	**December 31, 2022**
Unconsolidated securitization trusts	**$ 91**	$ 119

15. Stockholders' Equity and Employee Benefit Plans

Share-based awards under the 2019 Omnibus Incentive Plan (the "2019 Plan") include (i) restricted stock units ("RSUs") granted to employees of the Company, consultants, and non-employee directors and (ii) performance stock units ("PSUs") granted to certain executive officers.

Restricted Stock Units

The RSUs are valued at the fair market value of the Company's common stock on the grant date as defined in the 2019 Plan. The stock awards for employees generally vest in equal installments on each of the first three anniversaries of the awards, provided that the participant remains continuously employed with the Company during that time. If the participant's employment has terminated by reason of retirement, or upon death or disability, the unvested shares of an award will vest. The stock awards for non-employee directors generally vest the earlier of (a) the first anniversary of the grant date or (b) the date of the next annual stockholders meeting following the grant date. Any forfeiture of restricted stock awards before vesting has been achieved, results in a reduction in the balance of outstanding common shares.

Performance Stock Units

The PSUs are valued at the fair market value of the Company's common stock on the grant date as defined in the 2019 Plan. In March 2023 and November 2023, certain executives of the Company were granted 0.1 million and 0.2 million PSUs (the "2023 PSUs"), respectively. 50% of the 2023 PSUs are eligible to vest in an amount between 0% to 200% of a target award based on achievement of relative total shareholder return and the remaining 50% are eligible to vest in an amount between 0% to 200% of a target award based on achievement of annualized tangible book value growth. The 2023 PSUs vest over a period of three to five years and are settled into shares of the Company's common stock.

In March 2020, March 2021, and March 2022, certain executives of the Company were granted 0.5 million PSUs (the "2020 PSUs"), 0.3 million PSUs (the "2021 PSUs"), and 0.1 million PSUs (the "2022 PSUs"), respectively. The 2020, 2021 and 2022 PSUs are eligible to vest and be settled into shares of common stock in an amount between 0% and 200% of a target award based on achievement of total shareholder return performance vesting criteria over a period of three years beginning March 1, 2020, 2021 and 2022, respectively, with one-third of the units also eligible to vest based on performance through March 1, 2021, 2022 and 2023, respectively.

Share-Based Award Activities

The following table summarizes the Company's share-based awards:

Share-based Awards	Shares (or Units) (in thousands)	Weighted-Average Grant Date Fair Value, per Share (or Unit)
Share-based awards outstanding as of December 31, 2022	**2,348**	**$ 25.91**
Granted	**1,319**	**41.08**
Vested	**(1,426)**	**15.09**
Forfeited	**(128)**	**40.95**
Share-based awards outstanding as of December 31, 2023	**2,113**	**41.73**

The Company recorded $28, $29 and $29 of expenses related to share-based awards during the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, unrecognized compensation expense totaled $48 related to non-vested stock award payments that are expected to be recognized over a weighted average period of 1.0 years.

The Company is eligible to receive a tax benefit when the vesting date fair value of an award exceeds the value used to recognize compensation expense at the date of grant. The excess tax benefit resulting from tax deductions in excess of the compensation cost recognized by the Company was $12, $11 and $9 for the years ended December 31, 2023, 2022 and 2021, respectively.

Employee Benefit Plans

The Company sponsors a defined contribution plan (401(k) plan) that covers all full-time employees. The Company matches 100% of participant contributions up to 2% of their total eligible annual base compensation and matches 50% of contributions for the next 4% of each participant's total eligible annual base compensation. Matching contributions by the Company totaled $11 and $18 for the years ended December 31, 2023 and 2022, respectively.

16. Earnings per Share

The Company computes earnings per share using the two-class method, which is an earnings allocation formula that determines earnings per share for common stock and any participating securities according to dividends declared (whether paid or unpaid) and participation rights in undistributed earnings. The Series A Preferred Stock is considered participating securities because it has dividend rights determined on an as-converted basis in the event of Company's declaration of a dividend or distribution for common shares. In 2021, the Company repurchased a total of 14.8 million shares of its common stock from affiliates of Kohlberg Kravis Roberts & Co. L.P., ("KKR") a related party of the Company. In addition, in August 2021, the Company repurchased 1.0 million shares of its Series A Preferred Stock from affiliates of KKR. After giving effect to the transaction, KKR no longer held any equity interests in the Company.

The following table sets forth the computation of basic and diluted net income (loss) per common share (amounts in millions, except per share amounts):

	Year Ended December 31,		
Computation of Earnings Per Share	**2023**	**2022**	**2021**
Net income from continuing operations	**$ 500**	$ 923	$ 1,466
Less: Undistributed earnings from continuing operations attributable to participating stockholders	**—**	—	8
Less: Premium on retirement of preferred stock	**—**	—	28
Net income from continuing operations attributable to Mr. Cooper common stockholders	**$ 500**	$ 923	$ 1,430
Net loss from discontinued operations	**$ —**	$ —	$ (12)
Less: Undistributed earnings from discontinued operations attributable to participating stockholders	**—**	—	—
Net loss from discontinued operations attributable to Mr. Cooper common stockholders	**$ —**	$ —	$ (12)
Net income	**$ 500**	$ 923	$ 1,454
Less: Undistributed earnings attributable to participating stockholders	**—**	—	8
Less: Premium on retirement of preferred stock	**—**	—	28
Net income attributable to common stockholders	**$ 500**	$ 923	$ 1,418
Earnings from continuing operations per common share attributable to Mr. Cooper:			
Basic	**$ 7.46**	$ 12.84	$ 17.39
Diluted	**$ 7.30**	$ 12.50	$ 16.67
Earnings from discontinued operations per common share attributable to Mr. Cooper:			
Basic	**$ —**	$ —	$ (0.15)
Diluted	**$ —**	$ —	$ (0.14)
Earnings per common share attributable to Mr. Cooper:			
Basic	**$ 7.46**	$ 12.84	$ 17.24
Diluted	**$ 7.30**	$ 12.50	$ 16.53
Weighted average shares of common stock outstanding (in thousands):			
Basic	**67,070**	71,885	82,247
Dilutive effect of stock awards	**1,479**	1,933	3,067
Dilutive effect of participating securities	**—**	—	492
Diluted	**68,549**	73,818	85,806

17. Income Taxes

The components of income tax expense for continuing operations were as follows:

Total Income Tax Expense on continuing operations	Year Ended December 31, 2023	2022	2021[1]
Current Income Taxes			
Federal	**$ 3**	$ (6)	$ 7
State	**16**	8	113
Total current income taxes	**19**	2	120
Deferred Income Taxes			
Federal	**110**	245	376
State	**25**	44	(25)
Total deferred income taxes	**135**	289	351
Total income tax expense	**$ 154**	$ 291	$ 471

[1] The provision for income taxes for 2021 does not reflect the tax effects of the sale of the Company's reverse servicing portfolio reported as discontinued operations.

The following table presents a reconciliation of the income tax provision computed at the U.S. federal statutory tax rate to the actual effective tax rate:

Reconciliation of the Income Tax Provision	Year Ended December 31, 2023	2022	2021
Tax Expense at Federal Statutory Rate	**$ 137**	$ 255	$ 407
Effect of:			
State taxes, net of federal benefit	**32**	39	70
Bargain purchase gain[1]	**(20)**	—	—
Nondeductible executive compensation	**11**	8	9
Share based compensation	**(9)**	(9)	(8)
Other, net	**3**	(2)	(7)
Total income tax expense	**$ 154**	$ 291	$ 471

[1] Amount is related to preliminary bargain purchase gain recorded in connection with the Home Point Acquisition. Refer to *Note 3, Acquisitions*, for further details.

Temporary differences and carryforwards that give rise to deferred tax assets and liabilities are comprised of the following:

Deferred Tax Assets and Liabilities	December 31, 2023	December 31, 2022
Deferred Tax Assets		
Effect of:		
Goodwill and intangible assets	**$ 585**	$ 827
Loss reserves	**101**	84
Loss carryforwards (federal, state & capital)	**85**	104
Lease liability	**22**	28
Accruals	**20**	11
Depreciation and amortization, net	**8**	—
Other, net	**12**	19
Total deferred tax assets	**833**	**1,073**
Deferred Tax Liabilities		
MSR amortization and mark-to-market, net	**(282)**	(269)
Other investment assets	**(53)**	(67)
Right-of-use assets	**(18)**	(24)
Depreciation and amortization, net	**—**	(2)
Prepaid assets	**(1)**	(1)
Total deferred tax liabilities	**(354)**	(363)
Valuation allowance	**(7)**	(7)
Deferred tax assets, net[(1)]	**$ 472**	$ 703

(1) The Company elected to account for the Global Intangible Low-Taxed Income ("GILTI") tax expense in the period in which it is incurred. As a result, no deferred tax impact of GILTI has been provided in the consolidated financial statements.

The Company has federal NOL carryforwards (pre-tax) of $354 and $484 as of December 31, 2023 and 2022, respectively. The Company believes it is more likely than not that its deferred tax assets will be realized except for certain federal Code Section 382 limited NOLs that begin to expire with the 2026 tax year, if unused, and immaterial state NOL carryforwards that begin to expire with the 2023 tax year, if unused. Accordingly, the Company has recorded a federal valuation allowance of $7 as of December 31, 2023 and 2022 related to these NOL carryforwards. The state valuation allowance was immaterial as of December 31, 2023 and 2022. The Company does not expect any future tax loss limitations under Sections 382 and 384 that would impact its utilization of remaining federal NOL carryforwards.

The Company files income tax returns in the U.S. federal jurisdiction and numerous U.S. state jurisdictions. As of December 31, 2023, the Company is currently under examination by the Internal Revenue Service for tax years 2018, 2019, and 2020. The years open to examination by federal, state and local government authorities vary by jurisdiction.

Below is a reconciliation of the changes in the federal and state uncertain tax position balances, exclusive of interest and penalties, for the year ended December 31, 2023.

Unrecognized Tax Benefits (exclusive of interest and penalties)	December 31, 2023
Balance - beginning of year	**$ —**
Additions for tax positions taken in prior years	**6**
Balance - end of year	**$ 6**

The total amount of uncertain tax positions that, if recognized, would impact the effective income tax rate were $7 as of December 31, 2023 and zero as of December 31, 2022 and 2021. The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense in the accompanying consolidated statement of operations. As of December 31, 2023, the Company recorded $7 of unrecognized tax benefits related to uncertain tax positions, including $1 in interest and penalties. The Company does not anticipate that any adjustments relating to federal or state tax examinations will result in material changes to the financial statements. As of December 31, 2022 and 2021, the Company had no unrecognized tax benefits related to uncertain tax positions.

18. Fair Value Measurements

Fair value is a market-based measurement, not an entity-specific measurement, and should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, a three-tiered fair value hierarchy has been established based on the level of observable inputs used in the measurement of fair value (e.g., Level 1 representing quoted prices for identical assets or liabilities in an active market; Level 2 representing values using observable inputs other than quoted prices included within Level 1; and Level 3 representing estimated values based on significant unobservable inputs).

The following describes the methods and assumptions used by the Company in estimating fair values:

Cash and Cash Equivalents, Restricted Cash (Level 1) – The carrying amount reported in the consolidated balance sheets approximates fair value.

Mortgage Loans Held for Sale (Level 2 and Level 3) – The Company originates mortgage loans in the U.S. that it intends to sell into Fannie Mae, Freddie Mac, and Ginnie Mae (collectively, the "Agencies") MBS. Additionally, the Company holds mortgage loans that it intends to sell into the secondary markets via whole loan sales or securitizations. The Company measures newly originated prime residential mortgage loans held for sale at fair value.

Newly originated mortgage loans held for sale are typically pooled together and sold into certain exit markets, depending upon underlying attributes of the loan, such as agency eligibility, product type, interest rate, and credit quality. Those loans are valued on a recurring basis using a market approach by utilizing either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to mortgage servicing and credit risk, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. As these prices are primarily derived from market observable inputs, the Company classifies these valuations as Level 2 in the fair value disclosures.

The Company may also purchase loans out of a Ginnie Mae securitization pool if that loan meets certain criteria, including being delinquent greater than 90 days. The Company has elected to carry these loans at fair value on a recurring basis. These loans are valued on a recurring basis using a market approach similar to newly originated loans as mentioned above, with adjustments for assumptions including fail rate, partial claim rate and modification status. As these prices are primarily derived from market observable inputs, the Company classifies these valuations as Level 2 in the fair value disclosures.

The Company may also repurchase loans that are unable to be securitized and sold, and fair value is based upon recent market trades for similar loans adjusted for delinquency rates or broker pricing. These loans are valued on a recurring basis and as the prices used are not primarily derived from market observable inputs, the Company classifies these valuations as Level 3 in the fair value disclosures.

From time to time, the Company may acquire mortgage loans held for sale from various securitization trusts for which it acts as servicer through the exercise of various clean-up call options as permitted through the respective pooling and servicing agreements. The Company has elected to account for these loans at fair value on a recurring basis and classifies these valuations as Level 3 in the fair value disclosures.

See *Note 7, Mortgage Loans Held for Sale*, for more information.

Mortgage Servicing Rights – Fair Value (Level 3) – The Company estimates the fair value of its MSRs on a recurring basis using a process that combines the use of a discounted cash flow model and analysis of current market data to arrive at an estimate of fair value. Beginning in the second quarter of 2023, the Company valued MSRs using a stochastic option adjusted spread (OAS) instead of a static discount rate. OAS is the incremental spread added to the risk-free rate to reflect embedded (prepayment) optionality and other risk inherent in the MSRs to discount cash flows. The cash flow assumptions used in the discounted cash flow model incorporate prepayment speeds, OAS, costs to service, delinquencies, ancillary revenues, recapture rates and other assumptions, with the key assumptions being mortgage prepayment speeds, OAS, and cost to service. The cash flow assumptions are generated and applied based on collateral stratifications including product type, remittance type, geography, delinquency and coupon dispersion. These assumptions require the use of judgment by the Company and can have a significant impact on the fair value of the MSRs. Quarterly, management obtains third-party valuations to assess the reasonableness of the fair value calculations provided by the internal cash flow model. Because of the nature of the valuation inputs, the Company classifies these valuations as Level 3 in the fair value disclosures. See *Note 5, Mortgage Servicing Rights and Related Liabilities*, for more information.

Advances and Other Receivables, Net (Level 3) - Advances and other receivables, net are valued at their net realizable value after taking into consideration the reserves. Advances have no stated maturity. Their net realizable value approximates fair value as the net present value based on discounted cash flow is not materially different from the net realizable value. See *Note 6, Advances and Other Receivables*, for more information.

Equity Investments (Level 1 and Level 3) – The fair value of the common stock received from the previous sale of the title and field services businesses is measured quarterly based on the minimum exit value, which was established at the time of the transaction, and observable market indicators. Because of the nature of the unobservable inputs, the Company classifies these securities as Level 3 in the fair value disclosures.

The fair value of the common stock received from the previous sale of the valuation business is measured using the closing price reported on an active market in which the securities are traded. As the fair value is based on market observable inputs, the Company classifies these securities as Level 1 in the fair value disclosures.

Derivative Financial Instruments (Level 2 and Level 3) – The Company enters into a variety of derivative financial instruments as part of its hedging strategy and measures these instruments at fair value on a recurring basis in the consolidated balance sheets. These derivatives are exchange-traded or traded within highly active dealer markets. In order to determine the fair value of these instruments, the Company utilizes the exchange price or dealer market price for the particular derivative contract; therefore, these contracts are classified as Level 2. In addition, the Company enters into IRLCs and LPCs with prospective borrowers and other loan originators. IRLCs and LPCs are carried at fair value primarily based on secondary market prices for underlying mortgage loans, which is observable data, with adjustments made to such observable data for the inherent value of servicing, which is an unobservable input. The fair value is also subject to adjustments for the estimated pull-through rate. The impact of the unobservable input to the overall valuation of IRLCs and LPCs is significant and results in a classification of Level 3 in the fair value hierarchy. The Company adjusts the outstanding IRLCs with prospective borrowers based on an expectation that it will be exercised, and the loan will be funded. The Company has entered into Treasury futures and swap futures contracts as part of its hedging strategy. The futures contracts are measured at fair value on a recurring basis and classified as Level 2 in the fair value disclosures as the valuation is based on market observable data. Derivative financial instruments are recorded in “other assets” and “payables and other liabilities” within the consolidated balance sheets. See *Note 12, Derivative Financial Instruments*, for more information.

Loans Subject to Repurchase from Ginnie Mae (Level 2) – As the Company has the unilateral right to repurchase these loans at the unpaid principal balance, the carrying amount, which is based on the unpaid principal balance, approximates fair value. See *Note 10, Loans Subject to Repurchase from Ginnie Mae*, for more information.

Advance Facilities and Warehouse Facilities (Level 2) – As the underlying warehouse and advance finance facilities bear interest at a rate that is periodically adjusted based on a market index, the carrying amount reported on the consolidated balance sheets approximates fair value. See *Note 13, Indebtedness*, for more information.

Unsecured Senior Notes (Level 2) – The fair value of unsecured senior notes, which are carried at amortized cost, is based on quoted market prices in a market with limited trading activity. See *Note 13, Indebtedness*, for more information.

Excess Spread Financing (Level 3) – The Company estimates fair value on a recurring basis based on the present value of future expected discounted cash flows with the discount rate approximating current market value for similar financial instruments. Beginning in the second quarter of 2023, the Company valued excess spread financing using a stochastic OAS instead of a static discount rate. The cash flow assumptions used in the model are based on various factors, with the key assumptions being mortgage prepayment speeds and OAS. Quarterly, management obtains a third-party valuation to assess the reasonableness of the fair value calculations provided by the internal cash flow model. As these prices are derived from a combination of internally developed valuation models and quoted market prices based on the value of the underlying MSRs, the Company classifies these valuations as Level 3 in the fair value disclosures. Excess spread financing is recorded in MSR related liabilities within the consolidated balance sheets. See *Note 5, Mortgage Servicing Rights and Related Liabilities*, for more information.

Mortgage Servicing Rights Financing Liability (Level 3) - The Company estimates fair value on a recurring basis based on the present value of future expected discounted cash flows with the discount rate approximating current market value for similar financial instruments. The cash flow assumptions and prepayment assumptions used in the model are based on various factors, with the key assumptions being advance financing rates and annual advance recovery rates. As these assumptions are derived from internally developed valuation models based on the value of the underlying MSRs, the Company classifies these valuations as Level 3 in the fair value disclosures. Mortgage servicing rights financing liability is recorded in MSR related liabilities within the consolidated balance sheets. See *Note 5, Mortgage Servicing Rights and Related Liabilities*, for more information.

The following table presents the estimated carrying amount and fair value of the Company's financial instruments and other assets and liabilities measured at fair value on a recurring basis:

	December 31, 2023			
		Recurring Fair Value Measurements		
Fair Value - Recurring Basis	Total Fair Value	Level 1	Level 2	Level 3
Assets				
Mortgage loans held for sale	$ 927	$ —	$ 846	$ 81
Mortgage servicing rights	9,090	—	—	9,090
Equity investments	9	1	—	8
Derivative financial instruments:				
Treasury futures	113	—	113	—
Forward MBS trades	22	—	22	—
IRLCs	21	—	—	21
LPCs	3	—	—	3
Liabilities				
Derivative financial instruments:				
Forward MBS trades	9	—	9	—
Mortgage servicing rights financing	29	—	—	29
Excess spread financing	437	—	—	437

Fair Value - Recurring Basis	December 31, 2022			
		Recurring Fair Value Measurements		
	Total Fair Value	Level 1	Level 2	Level 3
Assets				
Mortgage loans held for sale	$ 893	$ —	$ 819	$ 74
Mortgage servicing rights	6,654	—	—	6,654
Equity investments	47	2	—	45
Derivative financial instruments:				
Forward MBS trades	8	—	8	—
IRLCs	22	—	—	22
LPCs	1	—	—	1
Liabilities				
Derivative financial instruments:				
Forward MBS trades	9	—	9	—
LPCs	1	—	—	1
Treasury futures	14	—	14	—
Mortgage servicing rights financing	19	—	—	19
Excess spread financing	509	—	—	509

The tables below present a reconciliation for all of the Company's Level 3 assets and liabilities measured at fair value on a recurring basis:

Fair Value - Level 3 Assets and Liabilities	Year Ended December 31, 2023					
	Assets				Liabilities	
	Mortgage servicing rights	Mortgage loans held for sale	Equity investments	IRLCs	Excess spread financing	Mortgage servicing rights financing
Balance - beginning of year	**$ 6,654**	**$ 74**	**$ 45**	**$ 22**	**$ 509**	**$ 19**
Changes in fair value included in earnings	**(483)**	**18**	**(37)**	**(1)**	**8**	**10**
Purchases/additions[(1)]	**3,189**	**180**	**—**	**—**	**—**	**—**
Issuances	**273**	**—**	**—**	**—**	**—**	**—**
Sales/dispositions[(1)]	**(573)**	**(189)**	**—**	**—**	**—**	**—**
Repayments	**—**	**(6)**	**—**	**—**	**(9)**	**—**
Settlements	**—**	**—**	**—**	**—**	**(71)**	**—**
Other changes	**30**	**4**	**—**	**—**	**—**	**—**
Balance - end of year	**$ 9,090**	**$ 81**	**$ 8**	**$ 21**	**$ 437**	**$ 29**

	Year Ended December 31, 2022					
	Assets				Liabilities	
Fair Value - Level 3 Assets and Liabilities	Mortgage servicing rights	Mortgage loans held for sale	Equity investments	IRLCs	Excess spread financing	Mortgage servicing rights financing
Balance - beginning of year	$ 4,223	$ 76	$ 54	$ 134	$ 768	$ 10
Changes in fair value included in earnings	549	(3)	(9)	(112)	133	9
Purchases/additions[1]	1,595	130	—	—	—	—
Issuances	554	—	—	—	—	—
Sales/dispositions[1]	(294)	(124)	—	—	—	—
Repayments	—	(2)	—	—	(293)	—
Settlements	—	—	—	—	(99)	—
Other changes	27	(3)	—	—	—	—
Balance - end of year	$ 6,654	$ 74	$ 45	$ 22	$ 509	$ 19

(1) Additions for mortgages loans held for sale include loans that are purchased or transferred in. Dispositions for mortgage loans held for sales include loans that are sold or transferred out.

The Company had immaterial LPCs assets and liabilities as of December 31, 2023 and 2022. No transfers were made in or out of Level 3 fair value assets for the Company during the years ended December 31, 2023 and 2022.

The tables below present the quantitative information for significant unobservable inputs used in the fair value measurement of Level 3 assets and liabilities:

	December 31, 2023			December 31, 2022		
	Range			Range		
Level 3 Inputs	**Min**	**Max**	**Weighted Average**	**Min**	**Max**	**Weighted Average**
MSR[1]						
Option adjusted spread[2]	**6.9 %**	**12.3 %**	**8.0 %**	N/A	N/A	N/A
Discount rate	**N/A**	**N/A**	**N/A**	10.4 %	13.7 %	11.4 %
Prepayment speed	**6.8 %**	**9.3 %**	**7.5 %**	6.3 %	12.2 %	7.2 %
Cost to service per loan[3]	**$ 56**	**$ 160**	**$ 80**	$ 54	$ 155	$ 80
Average life[4]			**7.9 years**			8.1 years
Mortgage loans held for sale						
Market pricing	**45.0 %**	**103.4 %**	**81.1 %**	37.3 %	114.7 %	77.4 %
IRLCs						
Value of servicing (reflected as a percentage of loan commitment)	**1.1 %**	**3.5 %**	**1.9 %**	(0.6)%	3.9 %	2.3 %
Excess spread financing						
Option adjusted spread[2]	**7.0 %**	**12.3 %**	**8.8 %**	N/A	N/A	N/A
Discount rate	**N/A**	**N/A**	**N/A**	10.0 %	13.8 %	11.3 %
Prepayment speed	**7.7 %**	**9.1 %**	**8.4 %**	6.9 %	13.3 %	9.2 %
Average life[4]			**6.7 years**			6.6 years
Mortgage servicing rights financing						
Advance financing and counterparty fee rates	**6.6 %**	**9.2 %**	**7.6 %**	5.2 %	8.6 %	7.1 %
Annual advance recovery rates	**12.2 %**	**14.8 %**	**13.0 %**	15.9 %	20.6 %	17.3 %

(1) The inputs are weighted by investor.
(2) OAS represents incremental spread above a risk-free rate (one-month SOFR), which is an observable input. See discussion on methodology above.
(3) Presented in whole dollar amounts.
(4) Average life is included for informational purposes.

The tables below present a summary of the carrying amount and estimated fair value of the Company's financial instruments not carried at fair value:

	December 31, 2023			
		Fair Value		
Financial Instruments	Carrying Amount	Level 1	Level 2	Level 3
Financial assets				
Cash and cash equivalents	**$ 571**	**$ 571**	**$ —**	**$ —**
Restricted cash	**169**	**169**	**—**	**—**
Advances and other receivables, net	**996**	**—**		**996**
Loans subject to repurchase from Ginnie Mae	**966**	**—**	**966**	**—**
Financial liabilities				
Unsecured senior notes, net	**3,151**	**—**	**3,056**	**—**
Advance, warehouse and MSR facilities, net	**4,302**	**—**	**4,318**	**—**
Liability for loans subject to repurchase from Ginnie Mae	**966**	**—**	**966**	**—**

	December 31, 2022			
		Fair Value		
Financial Instruments	Carrying Amount	Level 1	Level 2	Level 3
Financial assets				
Cash and cash equivalents	$ 527	$ 527	$ —	$ —
Restricted cash	175	175	—	—
Advances and other receivables, net	1,019	—	—	1,019
Loans subject to repurchase from Ginnie Mae	1,865	—	1,865	—
Financial liabilities				
Unsecured senior notes, net	2,673	—	2,209	—
Advance, warehouse and MSR facilities, net	2,885	—	2,896	—
Liability for loans subject to repurchase from Ginnie Mae	1,865	—	1,865	—

19. Capital Requirements

Fannie Mae, Freddie Mac, Ginnie Mae and certain private label mortgage investors require the Company to maintain minimum net worth ("capital") requirements, as specified in the respective selling and servicing agreements. In addition, these investors may require capital ratios in excess of the stated requirements to approve large servicing transfers. To the extent that these requirements are not met, the Company's secondary market investors may utilize a range of remedies ranging from sanctions, suspension or ultimately termination of the Company's selling and servicing agreements, which would prohibit the Company from further originating or securitizing these specific types of mortgage loans or being an approved servicer. The Company's various capital requirements related to its outstanding selling and servicing agreements are measured based on the Company's operating subsidiary, Nationstar Mortgage LLC, as well as Rushmore Loan Management Services, LLC, which was acquired during the third quarter of 2023 in connection with the Roosevelt Transaction. As of December 31, 2023, the Company was in compliance with its selling and servicing capital requirements.

20. Commitments and Contingencies

Litigation and Regulatory

The Company and its subsidiaries are routinely and currently involved in a significant number of legal proceedings, including, but not limited to, judicial, arbitration, regulatory and governmental proceedings related to matters that arise in connection with the conduct of the Company's business. The legal proceedings are at varying stages of adjudication, arbitration or investigation and are generally based on alleged violations of consumer protection, securities, employment, contract, tort, common law fraud and other numerous laws, including, without limitation, the Equal Credit Opportunity Act, Fair Debt Collection Practices Act, Fair Credit Reporting Act, Real Estate Settlement Procedures Act, National Housing Act, Homeowners Protection Act, Service Member's Civil Relief Act, Telephone Consumer Protection Act, Truth in Lending Act, Financial Institutions Reform, Recovery, and Enforcement Act of 1989, unfair, deceptive or abusive acts or practices in violation of the Dodd-Frank Act, the Securities Act of 1933, the Securities Exchange Act of 1934, the Home Mortgage Disclosure Act, Title 11 of the United States Code (aka the "Bankruptcy Code"), False Claims Act, the CARES Act and Making Home Affordable loan modification programs.

In addition, along with others in its industry, the Company is subject to repurchase and indemnification claims and may continue to receive claims in the future, regarding alleged breaches of representations and warranties relating to the sale of mortgage loans, the placement of mortgage loans into securitization trusts or the servicing of mortgage loans securitizations. The Company is also subject to legal actions or proceedings related to loss sharing and indemnification provisions of its various acquisitions. Certain of the pending or threatened legal proceedings include claims for substantial compensatory, punitive and/ or statutory damages or claims for an indeterminate amount of damages.

On November 3, 2023, a putative class action lawsuit was filed against the Company, captioned Cabezas v. Mr. Cooper Group, Inc., No. 23-cv-02453 ("Cabezas"), in the United States District Court for the Northern District of Texas, by plaintiff Jennifer Cabezas purportedly on behalf of a class consisting of those persons impacted by the cybersecurity incident that occurred on October 31, 2023. The class action complaint alleges claims for negligence, negligence per se, breach of express contract, breach of implied contract, invasion of privacy, unjust enrichment, breach of confidence, and breach of fiduciary duty based upon allegations that the Company did not employ reasonable and adequate security measures to protect customer personal information accessed in the cybersecurity incident. The Cabezas complaint seeks damages, declaratory and injunctive relief, and an award of costs, attorney fees and expenses, among other relief. Between November 2023 and January 9, 2024, 19 additional putative class actions have been filed against the Company asserting substantially similar claims and allegations as those asserted in the Cabezas action. On January 9, 2024, the Cabezas Court ordered that all 19 then-pending actions be consolidated with the Cabezas action. Following the issuance of the consolidation order, six additional, related putative class actions were filed in the Northern District of Texas, which we expect will also be consolidated with the Cabezas action.

The Company operates within highly regulated industries on a federal, state and local level. In the normal and ordinary course of its business, the Company is routinely subject to extensive examinations, investigations, subpoenas, inquiries and reviews by various federal, state and local governmental, regulatory and enforcement agencies, including the Consumer Financial Protection Bureau, the Securities and Exchange Commission, the Department of Justice, the Office of the Special Inspector General for the Troubled Asset Relief Program, the U.S. Department of Housing and Urban Development, various State mortgage banking regulators and various State Attorneys General, related to the Company's residential loan servicing and origination practices, its financial reporting and other aspects of its businesses. Any pending or potential future investigations, subpoenas, examinations or inquiries may lead to administrative, civil or criminal proceedings or settlements, and possibly result in remedies including fines, penalties, restitution, or alterations in the Company's business practices, and additional expenses and collateral costs. The Company is cooperating fully in these matters. Responding to these matters requires the Company to devote substantial resources, resulting in higher costs and lower net cash flows. Adverse results in any of these matters could further increase the Company's operating expenses and reduce its revenues, require it to change business practices and limit its ability to grow and otherwise materially and adversely affect its business, reputation, financial condition and results of operation.

The Company seeks to resolve all legal proceedings and other matters in the manner management believes is in the best interest of the Company and contests liability, allegations of wrongdoing and, where applicable, the amount of damages or scope of any penalties or other relief sought as appropriate in each pending matter. The Company has entered into agreements with a number of entities and regulatory agencies that toll applicable limitations periods with respect to their claims.

On at least a quarterly basis, the Company assesses its liabilities and contingencies in connection with outstanding legal and regulatory and governmental proceedings utilizing the latest information available. Where available information indicates that it is probable a liability has been incurred, and the Company can reasonably estimate the amount of the loss, an accrued liability is established. The actual costs of resolving these proceedings may be substantially higher or lower than the amounts accrued.

As a legal matter develops, the Company, in conjunction with any outside counsel handling the matter, evaluates on an ongoing basis whether such matter presents a loss contingency that is both probable and estimable. If, at the time of evaluation, the loss contingency is not both probable and reasonably estimable, the matter will continue to be monitored for further developments that would make such loss contingency both probable and reasonably estimable. Once the matter is deemed to be both probable and reasonably estimable, the Company will establish an accrued liability and record a corresponding amount to legal-related expense. The Company will continue to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established. The Company incurred legal-related expense, which includes legal settlements and the fees paid to external legal service providers, of $39 and $23 for the years ended December 31, 2023 and 2022, respectively, and was included in “expenses - general and administrative” on the consolidated statements of operations.

For matters for which a loss is probable or reasonably possible in future periods, whether in excess of a related accrued liability or where there is no accrued liability, the Company may be able to estimate a range of possible loss. In determining whether it is possible to provide an estimate of loss or range of possible loss, the Company reviews and evaluates its material legal matters on an ongoing basis, in conjunction with any outside counsel handling the matter. Management currently believes the aggregate range of reasonably possible loss is $1 to $3 in excess of the accrued liability (if any) related to those matters as of December 31, 2023. This estimated range of possible loss is based upon currently available information and is subject to significant judgment, numerous assumptions and known and unknown uncertainties. The matters underlying the estimated range will change from time to time, and actual results may vary substantially from the current estimate. Those matters for which an estimate is not possible are not included within the estimated range. Therefore, this estimated range of possible loss represents what management believes to be an estimate of possible loss only for certain matters meeting these criteria. It does not represent the Company’s maximum loss exposure and the Company cannot provide assurance that its litigations reserves will not need to be adjusted in the future. Thus, the Company’s exposure and ultimate losses may be higher, possibly significantly so, than the amounts accrued or this aggregate amount.

In the Company’s experience, legal proceedings are inherently unpredictable. One or more of the following factors frequently contribute to this inherent unpredictability: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the other party is seeking relief other than or in addition to compensatory damages (including, in the case of regulatory and governmental investigations and inquiries, the possibility of fines and penalties); the matter presents meaningful legal uncertainties, including novel issues of law; the Company has not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; predicting possible outcomes depends on making assumptions about future decisions of courts or governmental or regulatory bodies or the behavior of other parties; and there are a large number of parties named as defendants (including where it is uncertain how damages or liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for the Company to estimate losses or ranges of losses that is reasonably possible the Company could incur.

Based on current knowledge, and after consultation with counsel, management believes that the current legal accrued liability within payables and accrued liabilities, is appropriate, and the amount of any incremental liability arising from these matters is not expected to have a material adverse effect on the consolidated financial condition of the Company, although the outcome of such proceedings could be material to the Company’s operating results and cash flows for a particular period depending, on among other things, the level of the Company’s revenues or income for such period. However, in the event of significant developments on existing cases, it is possible that the ultimate resolution, if unfavorable, may be material to the Company’s consolidated financial statements.

Other Loss Contingencies

As part of the Company’s ongoing operations, it acquires servicing rights of mortgage loans that are subject to indemnification based on the representations and warranties of the seller. From time to time, the Company will seek recovery under these representations and warranties for incurred costs. The Company believes all balances sought from sellers recorded in “advances and other receivables, net” represent valid claims. However, the Company acknowledges that the claims process can be prolonged due to the required time to perfect claims at the loan level. Because of the required time to perfect or remediate these claims, management relies on the sufficiency of documentation supporting the claim, current negotiations with the counterparty and other evidence to evaluate whether a reserve is required for non-recoverable balances. In the absence of successful negotiations with the seller, all amounts claimed may not be recovered. Balances may be written-off and charged against earnings when management identifies amounts where recoverability from the seller is not likely. As of December 31, 2023, the Company believes all recorded balances for which recovery is sought from the seller are valid claims, and no evidence suggests additional reserves are warranted.

As a seller of mortgage loans to Agencies and other third parties, the Company may be required to indemnify or repurchase mortgage loans that fail to meet certain customary representations and warranties made in conjunction with sales of mortgage loans. The repurchase reserve liability related to such customary representations and warranties was $79 and $22 as of December 31, 2023 and 2022, respectively, which are included in "payables and other liabilities" within the consolidated balance sheets. The repurchase reserve liability increased during the third quarter of 2023 due to the assumption of repurchase risk for any mortgages previously sold by Home Point in connection with the Home Point Acquisition. Refer to *Note 3, Acquisitions*, for discussion of the Home Point Acquisition.

Loan and Other Commitments

The Company enters into IRLCs with prospective borrowers whereby the Company commits to lend a certain loan amount under specific terms and interest rates to the borrower. The Company also enters into LPCs with prospective sellers. These loan commitments are treated as derivatives and are carried at fair value. See *Note 12, Derivative Financial Instruments*, for more information.

21. Segment Information

The Company's segments reflect the internal reporting we use to evaluate operating performance and are based upon the Company's organizational structure, which focuses primarily on the services offered. A brief description of our current business segments is as follows:

Servicing: This segment performs operational activities on behalf of investors or owners of the underlying mortgages and mortgage servicing rights, including collecting and disbursing borrower payments, investor reporting, customer service, modifying loans where appropriate to help borrowers stay current, and when necessary performing collections, foreclosures, and the sale of REO. In 2023, we expanded our special servicing product offering with the acquisition of Rushmore Loan Management Services.

During the third quarter of 2023, the Company collapsed a securitization with a bond balance of $82, secured by mortgage loans with an approximate UPB of $207. The loans were sold to a third party. A net gain on sale of $67 was recorded on the transaction, which was included in "net gain on mortgage loans held for sale" within the consolidated statements of operations and reported under Servicing.

Originations: This segment originates residential mortgage loans through our direct-to-consumer channel, which provides refinance options for our existing customers, and through our correspondent channel, which purchases or originates loans from mortgage bankers.

Corporate/Other: Functional expenses are allocated to individual segments based on the actual cost of services performed, direct resource utilization, or headcount percentage for shared services. During the fourth quarter of 2022, the Company began allocating shared services based on headcount instead of estimate of percentage use as it changed its segment measures provided to and used by the chief operating decision maker. As a result, all costs for shared services are allocated to individual segments based on headcount. The Company restated segment information for the historical periods presented herein to reflect the allocation method change and to conform to the current presentation. The change affects total expenses for Servicing and Originations segments and Corporate/Other but had no effect on consolidated statements of operations. Facility costs are allocated to individual segments based on cost per headcount for specific facilities utilized. Group insurance costs are allocated to individual segments based on global cost per headcount. Non-allocated corporate expenses include the administrative costs of executive management and other corporate functions that are not directly attributable to the Company's operating segments. Revenues generated on inter-segment services performed are valued based on similar services provided to external parties. Eliminations are included in Corporate/Other.

The following tables present financial information by segment:

Financial Information by Segment	Year Ended December 31, 2023			
	Servicing	Originations	Corporate/ Other	Consolidated
Revenues				
Service related, net	**$ 1,295**	**$ 61**	**$ 84**	**$ 1,440**
Net gain (loss) on mortgage loans held for sale	**84**	**271**	**(1)**	**354**
Total revenues	**1,379**	**332**	**83**	**1,794**
Total expenses	**664**	**232**	**276**	**1,172**
Interest income	**491**	**36**	**1**	**528**
Interest expense	**(324)**	**(37)**	**(176)**	**(537)**
Other income, net	**—**	**—**	**41**	**41**
Total other income (expenses), net	**167**	**(1)**	**(134)**	**32**
Income (loss) from continuing operations before income tax expense (benefit)	**$ 882**	**$ 99**	**$ (327)**	**$ 654**
Depreciation and amortization for property and equipment and intangible assets from continuing operations	**$ 12**	**$ 8**	**$ 18**	**$ 38**
Total assets	**$ 11,740**	**$ 782**	**$ 1,674**	**$ 14,196**

Financial Information by Segment	Year Ended December 31, 2022			
	Servicing	Originations	Corporate/ Other	Consolidated
Revenues				
Service related, net	$ 1,691	$ 98	$ 76	$ 1,865
Net gain on mortgage loans held for sale	(33)	632	—	599
Total revenues	1,658	730	76	2,464
Total expenses	559	491	224	1,274
Interest income	208	53	—	261
Interest expense	(221)	(43)	(160)	(424)
Other income, net	—	—	187	187
Total other (expenses) income, net	(13)	10	27	24
Income (loss) from continuing operations before income tax expense (benefit)	$ 1,086	$ 249	$ (121)	$ 1,214
Depreciation and amortization for property and equipment and intangible assets from continuing operations	$ 18	$ 16	$ 3	$ 37
Total assets	$ 10,152	$ 749	$ 1,875	$ 12,776

Financial Information by Segment	Year Ended December 31, 2021			
	Servicing	Originations	Corporate/ Other	Consolidated
Revenues				
Service related, net	$ 705	$ 176	$ 186	$ 1,067
Net gain on mortgage loans held for sale	568	1,683	—	2,251
Total revenues	1,273	1,859	186	3,318
Total expenses	502	849	311	1,662
Interest income	129	102	—	231
Interest expense	(262)	(88)	(128)	(478)
Other income, net	—	—	528	528
Total other (expenses) income, net	(133)	14	400	281
Income from continuing operations before income tax expense	$ 638	$ 1,024	$ 275	$ 1,937
Depreciation and amortization for property and equipment and intangible assets from continuing operations	$ 32	$ 24	$ 1	$ 57
Total assets	$ 8,733	$ 3,143	$ 2,328	$ 14,204

22. Subsequent Events

On February 1, 2024, the Company completed an offering by Nationstar Mortgage Holdings Inc., a direct wholly-owned subsidiary of the Company ("Nationstar"), of $1,000 7.125% unsecured senior notes due 2032 (the "Notes"). The Notes will bear interest at 7.125% per annum and will mature on February 1, 2032. Interest on the Notes will be payable semi-annually on February 1 and August 1 of each year, beginning on August 1, 2024. The net proceeds of the offering were used to repay a portion of the amounts outstanding under the Company's MSR facilities.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Evaluation of Disclosure Controls and Procedures
Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended ("Exchange Act"), as of December 31, 2023.

Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2023, our disclosure controls and procedures are effective. Disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting
Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined by Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organization of the Treadway Commission ("COSO") in Internal Control-Integrated 2013 Framework. A control system, no matter how well conceived, implemented and operated, can provide only reasonable, not absolute, assurance that the objectives of the internal control system are met. Because of such inherent limitations, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

Based on our assessment and those criteria, our management concluded that our internal control over financial reporting was effective as of December 31, 2023.

Our independent registered public accounting firm has audited the effectiveness of our internal control over financial reporting as of December 31, 2023 as stated in their report, dated February 28, 2024, which appears herein.

Changes in Internal Control over Financial Reporting
There were no changes in our internal control over financial reporting that occurred during the fourth quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures
In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Mr. Cooper Group Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Mr. Cooper Group Inc.'s internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Mr. Cooper Group Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the accompanying consolidated balance sheets of the Company as of December 31, 2023 and 2022, the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2023 and the related notes and our report dated February 28, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Dallas, Texas
February 28, 2024

Item 9B. ***Other Information***

None.

Item 9C. ***Disclosure Regarding Foreign Jurisdictions that Prevent Inspections***

Not applicable.

PART III.

Item 10. ***Directors, Executive Officers and Corporate Governance***

Information required by this item will be incorporated by reference from the Company's definitive proxy statement for the 2024 Annual Meeting of Stockholders, which will be filed with the SEC within 120 days of the Company's fiscal year-end (the "2024 Proxy Statement").

Item 11. ***Executive Compensation***

Information required by this item will be incorporated by reference from the 2024 Proxy Statement.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.***

Information required by this item will be incorporated by reference from the 2024 Proxy Statement.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence.***

Information required by this item will be incorporated by reference from the 2024 Proxy Statement.

Item 14. ***Principal Accountant Fees and Services.***

Information required by this item will be incorporated by reference from the 2024 Proxy Statement.

Item 15. ***Exhibits and Financial Statement Schedules***

Documents filed as part of this Annual Report on Form 10-K:

1. Financial Statements:

   Our consolidated financial statements as of December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022 and 2021, and the notes thereto, together with the report of the independent registered public accounting firm on those consolidated financial statements are filed within Item 8 in Part II as part of this Annual Report on Form 10-K.

2. Financial Statement Schedules:

   No financial statement schedules are presented since the required information is not present or not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and accompanying notes.

3. Exhibits:

   The exhibits to this report are listed in the index to exhibits below.

INDEX TO EXHIBITS

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
2.1+	Stock Purchase Agreement, dated as of March 12, 2021, by and among Title365 Holding Co., Xome Holdings LLC, Blend Labs, Inc. and solely for the purposes set forth therein, the Company	8-K	001-14667	2.1	03/15/2021	
2.2+	Contribution Agreement, dated as of February 10, 2022, by and among Nationstar Mortgage LLC, Sagent M&C, LLC and solely for the purposes set forth therein, Mr. Cooper Group Inc.	8-K	001-14667	2.1	02/11/2022	
2.2+	Agreement and Plan of Merger, dated as of May 10, 2023, by and among Mr. Cooper Group Inc., Home Point Capital Inc. and Heisman Merger Sub, Inc.	8-K	001-14667	2.1	05/11/2023	
3.1	Amended and Restated Certificate of Incorporation of the Company, as amended.	8-K	001-14667	3.1	10/10/2018	
3.2	Amended and Restated Bylaws of the Company	10-Q	001-14667	3.2	11/09/2018	
4.1	Form of Stock Certificate	10-Q	001-14667	4.1	11/01/2019	
4.2	Description of Common Stock					X
4.3	Indenture, dated as of January 16, 2020, among Nationstar Mortgage Holdings Inc. as Issuer, the Company as Parent Guarantor, the guarantors thereto and Wells Fargo Bank, National Association as Trustee	10-K	001-14667	4.14	02/28/2020	
4.4	First Supplemental Indenture, dated as of August 1, 2023 to Indenture dated January 16, 2020, among Nationstar Mortgage Holdings Inc. as issuer, the Company, as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. (f/k/a Wells Fargo Bank, National Association), as trustee	8-K	001-14667	4.3	08/01/2023	
4.5	Indenture, dated as of August 6, 2020, among Nationstar Mortgage Holdings Inc. as Issuer, the Company as Parent Guarantor, the guarantors thereto and Wells Fargo Bank, National Association as Trustee	8-K	001-14667	4.1	08/06/2020	
4.6	First Supplemental Indenture, dated as of August 1, 2023 to Indenture dated August 6, 2020, among Nationstar Mortgage Holdings Inc. as issuer, the Company, as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. (f/k/a Wells Fargo Bank, National Association), as trustee	8-K	001-14667	4.4	08/01/2023	
4.7	Indenture, dated as of December 4, 2020, among Nationstar Mortgage Holdings Inc. as Issuer, the Company as Parent Guarantor, the guarantors thereto and Wells Fargo Bank, National Association as Trustee	8-K	001-14667	4.1	12/04/2020	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
4.8	First Supplemental Indenture, dated as of August 1, 2023 to Indenture dated December 4, 2020, among Nationstar Mortgage Holdings Inc. as issuer, the Company, as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. (f/k/a Wells Fargo Bank, National Association), as trustee	8-K	001-14667	4.5	08/01/2023	
4.9	Indenture, dated as of January 19, 2021, among Nationstar Mortgage Holdings Inc. (as successor-in-interest to Home Point Capital Inc.), the guarantors party thereto and U.S. Bank Trust Company, National Association (as successor-in-interest to U.S. Bank National Association), as trustee	8-K	001-14667	4.1	08/01/2023	
4.10	First Supplemental Indenture, dated August 1, 2023 to Indenture dated January 19, 2021, among Nationstar Mortgage Holdings Inc. (as successor-in-interest to Home Point Capital Inc.), the guarantors party thereto and U.S. Bank Trust Company, National Association (as successor-in-interest to U.S. Bank National Association), as trustee	8-K	001-14667	4.2	08/01/2023	
4.11	Indenture, dated as of November 4, 2021, among Nationstar Mortgage Holdings Inc. as Issuer, the Company as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. as Trustee	8-K	001-14667	4.1	11/04/2021	
4.12	First Supplemental Indenture, dated as of August 1, 2023 to Indenture dated November 4, 2021, among Nationstar Mortgage Holdings Inc. as issuer, the Company, as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. (f/k/a Wells Fargo Bank, National Association), as trustee	8-K	001-14667	4.6	08/01/2023	
4.13	Indenture, dated as of February 1, 2024 among Nationstar Mortgage Holdings Inc. as Issuer, the Company as Parent Guarantor, the guarantors thereto and Computershare Trust Company, N.A. as Trustee	8-K	001-14667	4.1	02/01/2024	
10.1	Mortgage Loan Participation Purchase and Sale Agreement, dated March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.18	03/15/2013	
10.2	Amendment Number One, dated February 29, 2012, to the Mortgage Loan Participation Purchase and Sale Agreement, dated March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.19	03/15/2013	
10.3	Amendment Number Two, dated August 28, 2012, to the Mortgage Loan Participation Purchase and Sale Agreement, dated March 25, 2011, among Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.20	03/15/2013	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.4	Amendment Number Three, dated December 24, 2012, to the Mortgage Loan Participation Purchase and Sale Agreement, dated March 25, 2012, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.21	03/15/2013	
10.5	Amendment Number Four, dated July 18, 2013, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.11	11/14/2013	
10.6	Amendment Number Five, dated July 24, 2013, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.12	11/14/2013	
10.7	Amendment Number Six, dated September 20, 2013, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.13	11/14/2013	
10.8	Amendment Number Seven, dated August 21, 2014, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011 between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.3	11/07/2014	
10.9	Amendment Number Eight, dated October 20, 2014, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.4	11/07/2014	
10.10	Amendment Number Nine, dated October 19, 2015, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.28	03/01/2016	
10.11	Amendment Number Ten, dated October 17, 2016, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.17	03/09/2017	
10.12	Amendment Number Eleven, dated October 31, 2016, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.18	03/09/2017	
10.13	Amendment Number Twelve, dated October 30, 2017, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-35449	10.18	03/02/2018	
10.14	Amendment Number Thirteen, dated March 22, 2018, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-35449	10.1	05/10/2018	
10.15	Amendment Number Fourteen, dated October 24, 2018, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-14667	10.17	03/11/2019	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.16	Amendment Number Fifteen, dated November 20, 2018, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-K	001-14667	10.18	03/11/2019	
10.17	Amendment Number Sixteen, dated January 28, 2019, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-14667	10.1	05/08/2019	
10.18	Amendment Number Seventeen, dated March 29, 2019, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-14667	10.2	05/08/2019	
10.19	Amendment Number Eighteen, dated April 3, 2019, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays Bank PLC and Nationstar Mortgage LLC	10-Q	001-14667	10.1	08/02/2019	
10.20	Amendment Number Nineteen, dated March 30, 2020, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011 between Barclays Bank PLC, as Agent and Nationstar Mortgage LLC, as Seller	10-K	001-14667	10.22	02/23/2021	
10.21	Amendment Number Twenty, dated September 11, 2020, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011 between Barclays Bank PLC, as Agent and Nationstar Mortgage LLC, as Seller	10-Q	001-14667	10.2	10/29/2020	
10.22	Amendment Number Twenty-One, dated December 18, 2020, to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011 between Barclays Bank PLC, as Agent and Nationstar Mortgage LLC, as Seller	10-K	001-14667	10.24	02/23/2021	
10.23	Amended and Restated Receivables Pooling Agreement, dated January 31, 2013, between Nationstar Agency Advance Funding LLC (depositor) and Nationstar Agency Advance Funding Trust (issuer)	8-K	001-35449	10.5	02/06/2013	
10.24	Amended and Restated Receivables Sale Agreement, dated January 31, 2013, between Nationstar Mortgage LLC (receivables seller and servicer) and Nationstar Agency Advance Funding LLC (depositor)	8-K	001-35449	10.6	02/06/2013	
10.25	Second Amended and Restated Master Repurchase Agreement, dated January 29, 2016, between Barclays Bank PLC, as purchaser and agent, Sutton Funding LLC, as purchaser, and Nationstar Mortgage LLC, as seller	10-Q	001-35449	10.1	05/05/2016	
10.26	Amendment Number One dated as of June 24, 2016 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, Sutton Funding LLC, as a purchaser, and Nationstar Mortgage LLC, as seller	10-Q	001-35449	10.2	08/09/2016	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.27	Amendment Number Two dated as of October 17, 2016 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, Sutton Funding LLC, as a purchaser, and Nationstar Mortgage LLC, as seller	10-K	001-35449	10.21	03/09/2017	
10.28	Amendment Number Three dated as of October 31, 2016 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, Sutton Funding LLC, as a purchaser, and Nationstar Mortgage LLC, as seller	10-K	001-35449	10.22	03/09/2017	
10.29	Amendment Number Four dated as of October 30, 2017 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, Sutton Funding LLC, as a purchaser, and Nationstar Mortgage LLC, as seller	10-K	001-35449	10.23	03/02/2018	
10.30	Amendment Number Five dated as of March 22, 2018 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-Q	001-35449	10.2	05/10/2018	
10.31	Amendment Number Six dated as of May 29, 2018 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent and Nationstar Mortgage LLC, as seller	10-Q	001-35449	10.1	08/03/2018	
10.32	Amendment Number Seven dated as of October 24, 2018 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-K	001-14667	10.26	03/11/2019	
10.33	Amendment Number Eight dated as of November 20, 2018 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-K	001-14667	10.27	03/11/2019	
10.34	Amendment Number Nine dated as of January 28, 2019 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.3	05/08/2019	
10.35	Amendment Number Ten dated as of March 29, 2019 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.4	05/08/2019	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.36	Amendment Number Eleven, dated as of April 3, 2019 to the Second Amended and Restated Master Repurchase Agreement, dated January 29, 2016, among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.2	08/02/2019	
10.37	Amendment Number Twelve dated as of October 25, 2019 to the Second Amended and Restated Master Repurchase Agreement dated January 29, 2016 among Barclays Bank PLC, as purchaser and agent, and Nationstar Mortgage LLC, as seller	10-K	001-14667	10.34	02/28/2020	
10.38	Amendment Number Thirteen dated March 30, 2020 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.3	04/30/2020	
10.39	Amendment Number Fourteen dated September 11, 2020 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.1	10/29/2020	
10.40	Amendment Number Fifteen dated October 26, 2020 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-K	001-14667	10.40	02/23/2021	
10.41	Amendment Number Sixteen dated December 18, 2020 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-K	001-14667	10.41	02/23/2021	
10.42	Amendment Number Seventeen dated July 9, 2021 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.1	10/28/2021	
10.43	Amendment Number Eighteen dated September 30, 2021 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.2	10/28/2021	
10.44	Amendment Number Nineteen dated June 3, 2022 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.7	07/27/2022	
10.45	Amendment Number Twenty dated September 30, 2022 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.1	10/26/2022	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.46	Amendment Number Twenty-One dated October 6, 2023 to the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 between Barclays Bank PLC, as agent and Nationstar Mortgage LLC, as seller					X
10.47	Mortgage Loan Participation Sale Agreement dated as of August 30, 2016 between JPMorgan Chase Bank, National Association, as purchaser and Nationstar Mortgage LLC, as seller, conformed through Amendment No. 7	10-Q	001-14667	10.1	07/27/2022	
10.48	Omnibus Amendment, Consent and Acknowledgment Agreement, effective as of February 1, 2019 to Mortgage Loan Participation Sale Agreement dated as of August 30, 2016 by and between JPMorgan Chase Bank, National Association, as Purchaser and Nationstar Mortgage LLC (successor by merger to Pacific Union Financial, LLC), as seller	10-Q	001-14667	10.2	07/27/2022	
10.49	Amendment Number 8, dated June 6, 2023 to Mortgage Loan Participation Sale Agreement dated as of August 30, 2016 between JPMorgan Chase Bank, National Association, as purchaser and Nationstar Mortgage LLC, as seller	10-Q	001-14667	10.6	07/26/2023	
10.50	Master Repurchase Agreement dated as of May 17, 2019 among Nationstar Sub 1J LLC and Nationstar REO Sub 1J LLC, as seller parties, Nationstar Mortgage LLC, as guarantor and JPMorgan Chase Bank, National Association, as buyer, conformed through Amendment No. 9	10-Q	001-14667	10.3	07/27/2022	
10.51	Amendment No. 10, dated as of June 27, 2023 to Master Repurchase Agreement dated as of May 17, 2019 among Nationstar Sub 1J LLC and Nationstar REO Sub 1J LLC, as seller parties, Nationstar Mortgage LLC, as guarantor and JPMorgan Chase Bank, National Association, as buyer	10-Q	001-14667	10.7	07/26/2023	
10.52	Loan and Security Agreement dated as of August 20, 2020 among Nationstar Mortgage LLC, as borrower, Morgan Stanley Bank, N.A., as initial lender and Morgan Stanley Mortgage Capital Holdings LLC, as administrative agent	10-Q	001-14667	10.4	07/27/2022	
10.53	Amendment No. 1 dated as of September 17, 2021 to Loan and Security Agreement dated as of August 20, 2020 among Nationstar Mortgage LLC, as borrower, Morgan Stanley Bank, N.A., as initial lender and Morgan Stanley Mortgage Capital Holdings LLC, as administrative agent	10-Q	001-14667	10.5	07/27/2022	
10.54	Amendment No. 2 dated as of August 3, 2022 to Loan and Security Agreement dated as of August 20, 2020 among Nationstar Mortgage LLC, as borrower, Morgan Stanley Bank, N.A., as lender and Morgan Stanley Mortgage Capital Holdings LLC, as administrative agent	10-Q	001-14667	10.2	10/26/2022	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.55	Amendment No. 3 dated as of March 30, 2023 to Loan and Security Agreement dated as of August 20, 2020 among Nationstar Mortgage LLC, as borrower, Morgan Stanley Bank, N.A., as initial lender and Morgan Stanley Mortgage Capital Holdings LLC, as administrative agent	10-Q	001-14667	10.6	04/26/2023	
10.56	Third Amended and Restated Master Repurchase Agreement, entered into as of August 31, 2020 by and between Bank of America, N.A., as buyer and Nationstar Participation Sub 1BM LLC, as seller, and acknowledged, guaranteed and agreed to by Nationstar Mortgage LLC, as guarantor or pledgor	10-Q	001-14667	10.6	07/27/2022	
10.57	Conformed Amendments through Amendment Number 3, dated August 12, 2022, to Third Amended and Restated Master Repurchase Agreement, entered into as of August 31, 2020 by and between Bank of America, N.A., as buyer and Nationstar Participation Sub 1BM LLC, as seller, and acknowledged, guaranteed and agreed to by Nationstar Mortgage LLC, as guarantor or pledgor	10-Q	001-14667	10.3	10/26/2022	
10.54	Amendment Number 4, dated October 21, 2022, to Third Amended and Restated Master Repurchase Agreement, entered into as of August 31, 2020 by and between Bank of America, N.A., as buyer and Nationstar Participation Sub 1BM LLC, as seller, and acknowledged, guaranteed and agreed to by Nationstar Mortgage LLC, as guarantor or pledgor	10-K	001-14667	10.54	02/16/2023	
10.55	Amendment Number 5, dated October 20, 2023, to Third Amended and Restated Master Repurchase Agreement, entered into as of August 31, 2020 by and between Bank of America, N.A., as buyer and Nationstar Participation Sub 1BM LLC, as seller, and acknowledged, guaranteed and agreed to by Nationstar Mortgage LLC, as guarantor or pledgor					X
10.56	Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Barclays Bank PLC, as lender	10-Q	001-14667	10.1	07/26/2023	
10.57	Amendment Number One, dated as of May 11, 2023 to the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Barclays Bank PLC, as lender	10-Q	001-14667	10.2	07/26/2023	
10.58	Amendment Number Two, dated as of June 23, 2023 to the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Barclays Bank PLC, as lender	10-Q	001-14667	10.3	07/26/2023	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.59	Amendment Number Three, dated October 6, 2023 to Second Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Barclays Bank PLC, as lender					X
10.60	Second Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Citibank, N.A. as lender	10-Q	001-14667	10.4	07/26/2023	
10.61	Amendment Number One, dated June 23, 2023 to Second Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Citibank, N.A. as lender	10-Q	001-14667	10.5	07/26/2023	
10.62	Amendment Number Two, dated August 11, 2023 to Second Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between Nationstar Mortgage LLC, as borrower and Citibank, N.A. as lender	10-Q	001-14667	10.1	10/25/2023	
10.63**	Offer Letter, dated as of December 11, 2018 by and between the Company and Christopher Marshall	8-K	001-14667	10.1	12/12/2018	
10.64**	Offer Letter and Acceptance, dated January 15, 2020, between the Company and Mike Rawls	10-Q	001-14667	10.3	10/29/2020	
10.65**	Offer Letter and Acceptance, dated February 12, 2021, between the Company and Kurt Johnson	10-K	001-14667	10.57	02/16/2023	
10.66**	Offer Letter and Acceptance, dated January 9, 2023, by and between the Company and Carlos Pelayo	10-Q	001-14667	10.2	04/26/2023	
10.67**	Transition and Separation Agreement, dated March 6, 2023, between the Company and Jaime Gow	8-K	001-14667	10.1	03/06/2023	
10.68**	Employment and Transition Agreement, effective as of October 24, 2023, by and between the Company and Christopher Marshall	10-Q	001-14667	10.2	10/25/2023	
10.69**	Employment and Retention Agreement, effective as of October 24, 2023, by and between the Company and Jesse K. Bray	10-Q	001-14667	10.3	10/25/2023	
10.70**	Employment Agreement, dated December 7, 2023, between the Company and Michael Weinbach	8-K	001-14667	10.1	01/09/2024	
10.71**	Nationstar Mortgage Holdings Inc. Second Amended and Restated 2012 Incentive Compensation Plan	8-K	001-35449	10.1	05/12/2016	
10.72**	Amendment to the Nationstar Mortgage Holdings Inc. Second Amended and Restated 2012 Incentive Compensation Plan	8-K	001-14667	10.2	08/01/2018	
10.73**	Form of Restricted Stock Unit Agreement for Employees under the Amended and Restated 2012 Incentive Compensation Plan	10-Q	001-35449	10.5	05/07/2015	
10.74**	Mr. Cooper Group Inc. 2019 Omnibus Incentive Plan	S-8	333-231552	99.1	05/16/2019	
10.75**	Form of Grant Notice and Restricted Stock Unit Award Agreement-Employees	8-K	001-14667	10.2	05/17/2019	

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
10.76**	Form of 2024 Performance Stock Unit Agreement					X
10.77**	Form of 2023 Performance Stock Unit Agreement	10-Q	001-14667	10.3	04/26/2023	
10.78**	Form of 2022 Grant Notice and Restricted Stock Unit Award Agreement-Employee (No Retirement Provision)	10-Q	001-14667	10.1	04/28/2022	
10.79**	Form of 2022 Performance Stock Unit Agreement – Employee (Standard Retirement Provision)	10-Q	001-14667	10.2	04/28/2022	
10.80**	Form of 2022 Performance Stock Unit Agreement – Employee (Special Retirement Provision)	10-Q	001-14667	10.3	04/28/2022	
10.81**	Form of Grant Notice and Restricted Stock Unit Award Agreement-Non-Employee Directors	8-K	001-14667	10.3	05/17/2019	
10.82**	Form of 2021 Performance Stock Unit Agreement - Employee	10-Q	001-14667	10.1	04/29/2021	
10.83**	Form of 2021 Performance Stock Unit Agreement - Special Retirement Provisions	10-Q	001-14667	10.2	04/29/2021	
10.84**	Form of Value-Driver Retention and Performance Award Agreement and Grant Notice (Bray)	10-Q	001-14667	10.4	10/25/2023	
10.85**	Form of Indemnification Agreement with directors and officers	8-K	001-14667	10.1	05/13/2015	
21.1	Subsidiaries of the Registrant					X
23.1	Consent of Ernst & Young LLP					X
31.1	Certification by Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification by Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934 and Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
97	Incentive Compensation Clawback Policy (Policy Relating to Recovery of Erroneously Awarded Compensation), adopted October 24, 2023					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X

Exhibit Number	Description	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibits 101.)					X

+ The schedules and other attachments referenced in this exhibit have been omitted in accordance with Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or attachment will be furnished supplementary to the Securities and Exchange Commission upon request.

** Management contract, compensatory plan or arrangement.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs at the date they were made or at any other time.

Item 16. ***Form 10-K Summary***

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Mr. Cooper Group Inc.

By: /s/ Jay Bray
Jay Bray
Chief Executive Officer

February 28, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Jay Bray Jay Bray, Chief Executive Officer and Director (Principal Executive Officer)	February 28, 2024
/s/ Kurt Johnson Kurt Johnson, Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 28, 2024
/s/ Elizabeth Burr Elizabeth Burr, Director	February 28, 2024
/s/ Roy A. Guthrie Roy A. Guthrie, Director	February 28, 2024
/s/ Daniela Jorge Daniela Jorge, Director	February 28, 2024
/s/ Michael D. Malone Michael D. Malone, Director	February 28, 2024
/s/ Shveta Mujumdar Shveta Mujumdar, Director	February 28, 2024
/s/ Tagar C. Olson Tagar C. Olson, Director	February 28, 2024
/s/ Steven D. Scheiwe Steven D. Scheiwe, Director	February 28, 2024

Exhibit 4.2

DESCRIPTION OF COMMON STOCK

The following description of Mr. Cooper Group Inc.'s common stock is a summary. This summary is subject to the General Corporation Law of the State of Delaware and the complete text of our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws filed as Exhibits 3.1 and 3.2, respectively, to its Annual Report on Form 10-K. We encourage you to read that law and those documents carefully.

Our authorized capital stock consists of 300,000,000 shares of Common Stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share. Our Board of Directors may establish the rights and preferences of the preferred stock from time to time. As of February 22, 2024, 64,602,234 shares of our Common Stock were issued and outstanding and no shares of our Preferred Stock were issued or outstanding.

The Preferred Stock may be issued from time to time in one or more series in any manner permitted by law and the provisions of the Certificate of Incorporation, as determined from time to time by resolution of the Board of Directors and stated in the resolution or resolutions providing for its issuance, prior to the issuance of any shares. The Board of Directors shall have the authority by resolution to fix and determine, subject to these provisions, the designation of each series, the number of shares of each series, and the powers (including voting powers), preferences, and relative, participating, optional and other special rights, and the qualifications, limitations or restrictions thereof, and to amend the designation, powers, preferences and rights of the shares of any series of Preferred Stock that is wholly unissued. Unless otherwise specifically provided in the resolution establishing any series, the Board of Directors shall further have the authority, after the issuance of shares of a series whose number it has designated, by resolution to increase or decrease the number of shares of that series, but any decrease shall not be below the number of shares of such series then outstanding.

Each share of Common Stock is entitled to one vote on all matters properly presented at a meeting of shareholders. Except as otherwise provided by law, the holders of Common Stock vote as one class. Except as otherwise required by law, holders of shares of Common Stock will not be entitled to vote on certain amendments to the Certificate of Incorporation that amend, modify or alter the terms of certain series of preferred stock, if the series excludes the right to vote on such amendments. Holders of Common Stock may not cumulate their votes in the election of directors, and are entitled to share equally in the Common Stock dividends that may be declared by our Board of Directors, but only subject to the rights of the holders of preferred stock.

The number of directors that constitute the entire Board of Directors shall not be more than eleven, and the Board of Directors currently consists of eight directors.

Upon our voluntary or involuntary liquidation, dissolution or winding up, holders of Common Stock share ratably in the assets remaining after payments to creditors.

There are no preemptive or other subscription rights, conversion rights or redemption or scheduled installment payment provisions relating to shares of Common Stock. All of the outstanding shares of Common Stock are fully paid and nonassessable.

The affirmative vote of the holders of at least eighty percent (80%) of the voting power of the issued and outstanding shares of Common Stock and the issued and outstanding shares of

preferred stock, if any, entitled to vote generally with the Common Stock on all matters on which the holders of Common Stock are entitled to vote, voting together as a class, is required to adopt any provision inconsistent with, or to amend or repeal any provision of, Articles X (Liability of Directors; Indemnification), XI (Amendment) or XII (Business Opportunities), of the Certificate of Incorporation.

Article VIII of the Certificate of Incorporation provides that, without the approval of our Board of Directors, (i) no person (or group of persons treated as a single entity under Treasury Regulation Section 1.382-3) will be permitted to acquire, whether directly or indirectly, and whether in one transaction or a series of related transactions, any of our stock or any other instrument treated as stock for purposes of Section 382, to the extent that after giving effect to such purported acquisition (a) the purported acquirer or any other person by reason of the purported acquirer's acquisition would become a Substantial Holder (as defined below), or (b) the percentage stock ownership of a person that, prior to giving effect to the purported acquisition, is already a Substantial Holder would be increased; and (ii) no Substantial Holder may dispose, directly or indirectly, of any class of our stock or any other instrument treated as stock for purposes of Section 382. A "Substantial Holder" is a person that owns (as determined for purposes of Section 382) at least 4.75 percent of the total value of our stock, including any instrument treated as stock for purposes of Section 382.

Exhibit 10.46

AMENDMENT NO. 21 TO SECOND
AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT

This Amendment Number Twenty-One (this "Amendment") is made as of October 6, 2023, by and between Barclays Bank PLC ("Purchaser" and "Agent") and Nationstar Mortgage LLC ("Seller"), to that certain Second Amended and Restated Master Repurchase Agreement, dated as of January 29, 2016 (as amended by that certain Amendment Number One to the Second Amended and Restated Master Repurchase Agreement, dated as of June 24, 2016, Amendment Number Two to the Second Amended and Restated Master Repurchase Agreement, dated as of October 17, 2016, Amendment Number Three to the Second Amended and Restated Master Repurchase Agreement, dated as of October 31, 2016, Amendment Number Four to the Second Amended and Restated Master Repurchase Agreement, dated as of October 30, 2017, Amendment Number Five to the Second Amended and Restated Master Repurchase Agreement, dated as of March 22, 2018, Amendment Number Six to the Second Amended and Restated Master Repurchase Agreement, dated as of May 29, 2018, Amendment Number Seven to the Second Amended and Restated Master Repurchase Agreement, dated as of October 24, 2018, Amendment Number Eight to the Second Amended and Restated Master Repurchase Agreement, dated as of November 20, 2018, Amendment Number Nine to the Second Amended and Restated Master Repurchase Agreement, dated as of January 28, 2019, Amendment Number Ten to the Second Amended and Restated Master Repurchase Agreement, dated as of March 29, 2019, Amendment Number Eleven to the Second Amended and Restated Master Repurchase Agreement, dated as of April 3, 2019, Amendment Number Twelve to the Second Amended and Restated Master Repurchase Agreement, dated as of October 25, 2019, Amendment Number Thirteen to the Second Amended and Restated Master Repurchase Agreement, dated as of March 30, 2020, Amendment Number Fourteen to the Second Amended and Restated Master Repurchase Agreement, dated as of September 11, 2020, Amendment Number Fifteen to the Second Amended and Restated Master Repurchase Agreement, dated as of October 26, 2020, Amendment Number Sixteen to the Second Amended and Restated Master Repurchase Agreement, dated as of December 18, 2020, Amendment Number Seventeen to the Second Amended and Restated Master Repurchase Agreement, dated as of July 9, 2021, Amendment Number Eighteen to the Second Amended and Restated Master Repurchase Agreement, dated as of September 30, 2021, Amendment Number Nineteen to the Second Amended and Restated Master Repurchase Agreement, dated as of June 3, 2022, Amendment Number Twenty to the Second Amended and Restated Master Repurchase Agreement, dated as of September 30, 2022, and as further amended, restated, supplemented or otherwise modified from time to time, the "Repurchase Agreement"), by and among Seller, Agent and Purchaser. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Repurchase Agreement.

WHEREAS, pursuant to Section 28 of the Agreement the parties hereto desire to amend the Agreement as described below;

NOW, THEREFORE, pursuant to the provisions of the Agreement concerning modification and amendment thereof, and in consideration of the amendments, agreements and other provisions herein contained and of certain other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, it is hereby agreed between Seller and Purchaser as follows:

Section 1. Amendment to Agreement. Effective as of the Effective Date (as hereinafter defined), the Repurchase Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double- underlined text) as set forth in Exhibit A hereto. The parties hereto further acknowledge and agree that Exhibit A constitutes the conformed Repurchase Agreement as amended and modified by the terms set forth herein.

Section 2. Fees and Expenses. Seller agrees to pay to Purchaser all documented and reasonable out of pocket fees and expenses incurred by Purchaser in connection with this Amendment, including all reasonable and documented fees and out of pocket costs and expenses of the legal counsel to Purchaser and Agent incurred in connection with this Amendment, in accordance with Section 23(a) of the Repurchase Agreement.

Section 3. Conditions to Effectiveness of this Amendment. This Amendment shall become effective on the day (the "Effective Date") when Seller shall have paid or delivered, as applicable, to Purchaser all fees, expenses, documents and instruments, each of which shall be in form and substance acceptable to Purchaser:

(a) all accrued and unpaid fees and expenses owed to Purchaser in accordance with the Program Documents, in each case, in immediately available funds, and without deduction, set-off or counterclaim;

(b) a copy of this Amendment duly executed by each of the parties hereto;

(c) a copy of the Amendment Number Sixteen to the Second Amended and Restated Master Repurchase Agreement Pricing Side Letter, dated as of the date hereof (the "MRA PSL Amendment");

(d) a copy of the Amendment Number Three to the Amended and Restated Loan and Security Agreement, dated as of the date hereof;

(e) a copy of the Amendment Number Two to the Fourth Amended and Restated Pricing Side Letter to the Loan and Security Agreement, dated as of the date hereof;

(f) a copy of the Amendment Number Twenty-Four to the Mortgage Loan Participation Purchase and Sale Agreement, dated as of the date hereof;

(g) a copy of the Amendment Number Thirteen to the EPF Pricing Side Letter, dated as of the date hereof; and

(h) any other documents reasonably requested by Purchaser or Agent on or prior to the date hereof.

Section 4. Effect of Amendment. Except as expressly amended and modified by this Amendment, all provisions of the Repurchase Agreement shall remain in full force and effect and all such provisions shall apply equally to the terms and conditions set forth herein. After this Amendment becomes effective, all references in the Repurchase Agreement (or in any other document relating to the Mortgage Loans) to "this Agreement," "the Repurchase Agreement," "hereof," "herein" or words of similar effect referring to such Agreement shall be deemed to be references to such Agreement as amended by this Amendment. This Amendment shall not be deemed to expressly or impliedly waive, amend or supplement any provision of the Repurchase Agreement other than as set forth herein.

Section 5. Successors and Assigns. This Amendment shall be binding upon the parties hereto and their respective successors and assigns.

Section 6. Section Headings. The various headings and sub-headings of this Amendment are inserted for convenience only and shall not affect the meaning or interpretation of this Amendment or the Agreement or any provision hereof or thereof.

Section 7. Representations. In order to induce Purchaser to execute and deliver this Amendment, Seller hereby represents to Purchaser that as of the date hereof (i) it is in full compliance with all of the terms and conditions of the Program Documents and remains bound by the terms thereof and (ii) no Default or Event of Default has occurred and is continuing under the Program Documents.

Section 8. GOVERNING LAW. THIS AMENDMENT SHALL BE CONSTRUED WITH AND GOVERNED BY AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS EXCEPT SECTIONS 5-1401 AND 5-1402 OF NEW YORK GENERAL OBLIGATIONS LAW, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 9. Counterparts. For the purpose of facilitating the execution of this Amendment, and for other purposes, this Amendment may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original and such counterparts, together, shall constitute one and the same agreement. This Amendment shall be valid, binding, and enforceable against a party when executed and delivered by an authorized individual on behalf of the party by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including

any relevant provisions of the Uniform Commercial Code, in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm of otherwise verify the validity or authenticity thereof. The original documents shall be promptly delivered, if requested.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Purchaser, Agent and Seller have caused their names to be duly signed to this Amendment by their respective officers thereunto duly authorized, as of the date and year first above written.

BARCLAYS BANK PLC,
as Purchaser and Agent

By: */s/ Grace Park*
Name: Grace Park
Title: Managing Director

NATIONSTAR MORTGAGE LLC,
as Seller

By: */s/ Lola Akibola*
Name: Lola Akibola
Title: SVP, Treasurer

EXHIBIT A
CONFORMED THROUGH AMENDMENT NO. ~~20,~~ 21
DATED AS OF ~~SEPTEMBER 30~~OCTOBER 6, ~~2022~~2023

SECOND AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT

Between

BARCLAYS BANK PLC, as Purchaser and Agent, and
NATIONSTAR MORTGAGE LLC, as Seller

Dated as of January 29, 2016

Dated as of January 29, 2016

BETWEEN:

BARCLAYS BANK PLC, in its capacity as purchaser ("Barclays" or "Purchaser") and agent pursuant hereto ("Agent"), and NATIONSTAR MORTGAGE LLC ("Seller").

1. APPLICABILITY

Barclays and Seller entered into that certain Amended and Restated Master Repurchase Agreement, dated as of May 17, 2013 (as amended, supplemented or otherwise modified prior to the date hereof, the "Original Agreement"), which prescribes the manner of sale of Eligible Mortgage Loans and the method and manner by which Seller will repurchase such Purchased Assets, and contemporaneously entered into the Program Documents (as such term is defined in such Original Agreement).

Purchaser and Seller desire to further amend and restate the Original Agreement in its entirety to add the REO Asset as an Eligible Asset and to make certain changes and contemporaneously enter into or reaffirm the Program Documents (as such term is defined in this Agreement), as applicable.

Barclays may from time to time, upon the terms and conditions set forth herein, agree to enter into transactions on a committed basis with respect to the Committed Amount and an uncommitted basis with respect to the Uncommitted Amount, in which Seller sells to Purchaser Eligible Assets (and transfers to Barclays the REO Asset), on a servicing-released basis, against the transfer of funds by Purchaser, with a simultaneous agreement by such Purchaser to transfer to Seller such Purchased Assets on a date certain not later than one year following such transfer, against the transfer of funds by Seller; provided, that the Aggregate MRA Purchase Price shall not exceed, as of any date of determination, the lesser of (a) the Maximum Aggregate Purchase Price (less the sum of the Aggregate EPF Purchase Price and the MSR Facility Borrowed Amount) and (b) the aggregate Asset Base of all Purchased Assets and all Eligible Mortgage Loans proposed to be sold in such Transaction. Each such transaction involving
(x) the transfer of Eligible Mortgage Loans to Purchaser or (y) the transfer of REO Property to REO Subsidiary resulting in an increase in the value of the REO Asset, shall each be referred to herein as a "Transaction," and shall be governed by this Agreement. This Agreement is not a commitment by Purchaser to enter into Transactions with Seller but rather sets forth the procedures to be used in connection with periodic requests for Purchaser to enter into Transactions with Seller. Seller hereby acknowledges that Purchaser is under no obligation to enter into, any Transaction pursuant to this Agreement with respect to the Uncommitted Amount.

After the initial Purchase Date, as part of separate Transactions, Seller may request and, as set forth in the previous paragraph and subject to the terms and conditions of this Agreement, Purchaser may or shall fund an increase in the Aggregate MRA Purchase Price for (i) additional Eligible Mortgage Loans and (ii) the REO Asset based upon either the conveyance by Seller of additional REO Properties to REO Subsidiary or the acquisition of additional REO Properties by the REO Subsidiary.

2. DEFINITIONS AND INTERPRETATION

(a) Defined Terms.

"30+ Day Delinquent Mortgage Loan" means any Mortgage Loan at any time the Monthly Payment for which was not received within twenty-nine (29) days after its Due Date.

"Accepted Servicing Practices" means with respect to any Mortgage Loan, those accepted, customary and prudent mortgage servicing practices (including collection procedures) of prudent mortgage banking institutions that service mortgage loans of the same type as the Mortgage Loans in the jurisdiction where the related Mortgaged Property is located, and which are in accordance with the requirements of each Agency Program, applicable law, FHA regulations and VA regulations, if applicable, and the requirements of any private mortgage insurer so that the FHA insurance, VA guarantee or any other applicable insurance or guarantee in respect of any Mortgage Loan is not voided or reduced.

"Accrual Period" means the period commencing on and including the first (1st) day of each calendar month and ending on and including the final calendar date of such calendar month.

"Acquisition of a Mortgage Originator" shall mean an acquisition, merger or other business combination of Seller resulting in either Seller or a Subsidiary of Seller (i) becoming affiliated with an

originator or servicer of Mortgage Loans or (ii) acquiring a substantial portion of the assets of an originator or servicer of Mortgage Loans, in any case, that, with the passage of time or otherwise (including the incurrence of indebtedness in connection with such acquisition, merger or other business combination), in the reasonable determination of Seller (as supported by financial projections and other material information that the Agent may request in connection with such acquisition, merger or other business combination), would cause any of the following: (x) the Tangible Net Worth of Seller to be at any time less than or equal to $400,000,000; or (y) the ratio of the Servicer's Total Net Indebtedness to Tangible Net Worth at any time to exceed 9:1.

"Act" shall have the meaning assigned thereto in Section 39. "Act of Insolvency" means, with respect to any Person,

(i) the filing of a voluntary petition (or the consent by such Person to the filing of any such petition against it), commencing, or authorizing the commencement of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law relating to the protection of creditors, or suffering any such petition or proceeding to be commenced by another; or such Person shall consent or seek to the appointment of or taking possession by a custodian, receiver, conservator, trustee, liquidator, sequestrator or similar official of such Person, or for any substantial part of its Property, or any general assignment for the benefit of creditors;

(ii) a proceeding shall have been instituted against such Person under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, moratorium, delinquency or liquidation law of any jurisdiction, whether now or subsequently in effect, or a custodian, receiver, conservator, liquidator, trustee, sequestrator or similar official for such Person or such Person's Property (as a debtor or creditor protection procedure) is appointed by any Governmental Authority having the jurisdiction to do so or takes possession of such Property and any such proceeding is not dismissed within sixty (60) days of filing; provided, that if, under any other agreement for Indebtedness, Seller is subject to a shorter time period to dismiss any such proceeding, such shorter time period shall be automatically incorporated into this Agreement as if fully set forth herein without the need of any further action on the part of any party;

(iii) that such Person or any Affiliate shall become insolvent;

(iv) that such Person shall (a) admit in writing its inability to pay or discharge its debts or obligations generally as they become due or mature, (b) admit in writing its inability to, or intention not to, perform any of its material obligations, or (c) generally fail to pay any of its debts or obligations as they become due or mature;

(v) any Governmental Authority shall have seized or appropriated, or assumed custody or control of, all or any substantial part of the Property of such Person, or shall have taken any action to displace the executive management of such Person; or

(vi) the audited annual financial statements of Person or the notes thereto or other opinions or conclusions stated therein shall be qualified or limited by reference to the status of such Person as a "going concern" or a reference of similar import or shall indicate that such Person has a negative net worth or is insolvent; or

(vii) if such Person or any Affiliate is a corporation, such Person or any Affiliate or any of their Subsidiaries, shall take any corporate action in furtherance of, or the action of which would result in any of the foregoing actions.

"Additional Eligible Loan Criteria" shall have the meaning assigned thereto in the Pricing Side Letter.

"Additional Purchased Mortgage Loans" shall have the meaning assigned thereto in Section 7(b) hereof.

"Additional REO Subsidiary" means Nationstar HECM Acquisition Trust 2018-1.

"Adjustable Rate Mortgage Loan" means a Mortgage Loan which provides for the adjustment of the Mortgage Interest Rate payable in respect thereto.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms "controlling," "controlled by" and "under common control with" have meanings correlative to the meaning of "control."

"Aged Mortgage Loan" means a Mortgage Loan for which the time between the Origination Date and the date of determination is more than (i) sixty (60) days, with respect to Fannie Mae Mortgage Loans, Freddie Mac Mortgage Loans and Ginnie Mae Mortgage Loans (other than FHA Buyout Loans, VA Buyout Loans and HECM Buyout Loans), (ii) sixty (60) days, with respect to Jumbo Mortgage Loans and (iii) sixty (60) days, with respect to Modified Loans.

"Aged REO Property" means an REO Property for which the time between the date on which the Seller or the REO Subsidiary first obtained marketable title to such REO Property and the date of determination is more than six (6) months; provided, however, that after the AR Sunset Date (as defined in the Pricing Side Letter), such time is more than twelve (12) months.

"Agency" means Freddie Mac, Fannie Mae or Ginnie Mae, as applicable.

"Agency Guide" means the Freddie Mac Guide, the Fannie Mae Guide, or the Ginnie Mae Guide, as applicable.
"Agency Program" means the Freddie Mac Program, the Fannie Mae Program, or the Ginnie Mae Program, as applicable.

"Agent" means Barclays Bank PLC and its successors in interest, as administrative agent for Purchaser and any additional purchasers that may become a party hereto.

"Aggregate EPF Purchase Price" means as of any date of determination, an amount equal to the aggregate Outstanding Purchase Price (as defined in the Mortgage Loan Participation Purchase and Sale Agreement) for all Participation Certificates (as defined in the Mortgage Loan Participation Purchase and Sale Agreement) then owned by Barclays under the Mortgage Loan Participation Purchase and Sale Agreement.

"Aggregate MRA Purchase Price" means as of any date of determination, an amount equal to the aggregate Outstanding Purchase Price for all Purchased Assets then subject to Transactions under this Agreement.

"Agreement" means this Second Amended and Restated Master Repurchase Agreement (including all exhibits, schedules and other addenda thereto), as it may be amended, further supplemented or otherwise modified from time to time.
"Allowable Variance" shall have the meaning assigned thereto in Section 3(c) hereof. "Applicable Agency" means Ginnie Mae, Fannie Mae, or Freddie Mac, as applicable. "Applicable Margin" shall have the meaning assigned thereto in the Pricing Side Letter.
"Approvals" means with respect to Seller and Servicer the approvals obtained from the Applicable Agency or HUD in designation of Seller and/or Servicer as a Ginnie Mae-approved issuer, an FHA-approved mortgagee, a VA-approved lender, a Fannie Mae-approved lender or a Freddie Mac-approved Seller/Servicer, as applicable, in good standing.

"Asset Base" shall have the meaning assigned thereto in the Pricing Side Letter. "Assignment and Acceptance" shall have the meaning assigned thereto in Section 27(b).
"Assignment and Contribution Agreement" means that certain Assignment and Contribution Agreement, dated on or about January 31, 2016, between Seller, as assignor, and the Existing REO Subsidiary, as assignee.

"Assignment of Mortgage" means (i) with respect to any Mortgage, an assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to reflect the assignment of the Mortgage to the Purchaser or (ii) with respect to a Cooperative Loan, an assignment of such Cooperative Loan and the related recognition agreement, sufficient under the laws of the jurisdiction wherein the related apartment building is located to reflect the assignment of the Cooperative Loan and the related recognition agreement to the Purchaser.

"Available Facility Amount" has the meaning assigned to it in the Loan Agreement.

"Backup Servicer Agreement" means any backup servicing agreement among Purchaser, Seller and a backup servicer appointed pursuant to Section 16(d), as the same may be amended, modified or supplemented from time to time.

"Bail-In Action" means the exercise by the Bank of England (or any successor resolution authority) of any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period and together with any power to terminate and value transactions) under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the European Banking Recovery and Resolution Directive as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which Barclays's obligations (or those of Barclays's affiliates) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of Barclays or any other person.

"Bank" means (i) Wells Fargo Bank, National Association and its successors and permitted assigns or (ii) such other bank as may be mutually acceptable to the Seller and the Purchaser.

"Bankruptcy Code" means 11 U.S.C. Section 101 *et seq.*, as amended from time to time. "Barclays" means Barclays Bank PLC, as Purchaser hereunder.

"Barclays Collection Account" means the following account established by the Seller in accordance with Section 16(e) for the benefit of Barclays, Account Number: 4122119035, ABA: # 121000248.

"Barclays Collection Account Control Agreement" means that certain Collection Account Control Agreement, dated as of March 25, 2011, by and among Barclays, the Seller and Bank, in form and substance acceptable to the Barclays to be entered into with respect to the Barclays Collection Account, as the same may be amended, modified or supplemented from time to time.

"Barclays Custodial Agreement" means the DB Custodial Agreement or the U.S. Bank Custodial Agreement, as applicable.

"Benchmark" means, initially, Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior Benchmark pursuant to Section 42.

"Benchmark Replacement" means the sum of:

(1) the alternate benchmark rate that has been selected by Agent giving due consideration to

(a) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body at such time; or

(b) any evolving or then-prevailing market convention for determining a rate of interest for Dollar-denominated syndicated or bilateral credit facilities; and

(2) the Benchmark Replacement Adjustment,

provided that, if at any time, the Benchmark Replacement as so determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and any other Program Documents.

"Benchmark Replacement Adjustment" means, for each applicable Accrual Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Purchaser giving due consideration to the factors set forth in clauses (1)(a) and (1)(b) in the definition of Benchmark Replacement.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Accrual Period," timing and frequency of determining rates and making payments of interest, timing of seller requests for repurchase, the applicability and length of lookback periods and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement).

"Benchmark Replacement Date" means the date on which a Benchmark Replacement becomes effective pursuant to Section 42.

"Benchmark Transition Event" means, with respect to any then-current Benchmark, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all applicable tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any applicable tenor of such Benchmark, (b) all applicable tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored or that such Benchmark is or will not be in compliance or aligned with the International Organization of Securities Commissions Principals for Financial Benchmarks, (c) Agent determines in its sole discretion that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining such Benchmark, or (d) Agent determines in its sole discretion that the adoption of any Change in Law or in the interpretation or application thereof shall make it unlawful for Purchaser to accrue Price Differential based on such Benchmark.

"BPO" means an opinion of the BPO Value of a Converted REO Property.

"BPO Value" means the stated dollar value contained in a BPO regarding the fair market value of a Converted REO Property and given by a licensed real estate agent or broker (such agent or broker being independent from Seller and acceptable to Purchaser) which generally shall include three (3) comparable sales and three (3) comparable listings. For the avoidance of doubt, a "BPO Value" may not be determined or derived in connection with an automated valuation methodology.

"Breakage Costs" shall have the meaning assigned thereto in Section 3(h).

"Business Day" means (A) any day other than (i) a Saturday or Sunday, (ii) a day upon which the New York Stock Exchange or the Federal Reserve Bank of New York is closed or (iii) with respect to any day on which the parties hereto have obligations to the Custodian or on which the Custodian has obligations to any party hereto, a day upon which the Custodian's offices are closed, and (B) with respect to any calculation of Term SOFR, a U.S. Government Securities Business Day.

"Capital Lease Obligations" shall mean, for any Person, all obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property to the extent such obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP, and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP.

"Cash Equivalents" means any of the following:

(a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within ninety (90) days from the date of acquisition;

(b) certificates of deposit, time deposits, or eurodollar time deposits, in each case such deposits having maturities of ninety (90) days or less from the date of acquisition, or overnight bank deposits issued or held by any commercial bank organized under the laws of the United States or of any state thereof having combined capital and surplus of not less than $500,000,000 unless otherwise approved by Purchaser in writing in its sole discretion;

(c) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven (7) days, with respect to securities issued or fully guaranteed or insured by the United States government;

(d) commercial paper of a domestic issuer rated at least A-1 by S&P and P-1 by Moody's and maturing within ninety (90) days from the date of acquisition;

(e) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P and A2 by Moody's;

(f) securities with maturities of ninety (90) days or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition; or

(g) unencumbered shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

"Change in Control" means,

(i) at any time prior to the consummation of the Merger, (a) less than 100% of Seller's equity securities are owned, directly or indirectly, by Nationstar Mortgage Holdings Inc. ("*NMH*"), (b) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person and its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), other than one or more Permitted Holders, becomes the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under such Act), of more than the greater of (x) 35% of the then-outstanding voting power of NMH's voting equity interests and (y) the percentage of the then-outstanding voting power of NMH's voting equity interests owned, in the aggregate, directly or indirectly, beneficially and of record, by the Permitted Holders, determined after such person's or group's most recent acquisition of outstanding voting power of NMH's voting equity interests; unless the Permitted Holders have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of NMH's board of directors, or (c) a sale of all or substantially all of the assets of Seller; and

(ii) at any time upon or after the consummation of the Merger, (a) less than 100% of Seller's equity securities are owned, directly or indirectly, by NMH, (b) less than 100% of NMH's equity securities are owned, directly or indirectly by WMIH, (c) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person and its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), becomes the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under such Act), of more than the greater of (x) 35% of the then-outstanding voting power of WMIH's voting equity interests, and (y) the percentage of the then-outstanding voting power of WMIH's voting equity interests owned, in the aggregate, directly or indirectly, beneficially and of record, by the New Permitted Holders, determined after such person's or group's most recent acquisition of outstanding voting power of WMIH's voting equity interests; unless the New Permitted Holders have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of WMIH's board of directors; or (d) a sale of all or substantially all of the assets of Seller.

For purposes of this definition, "Permitted Holders" means Fortress Investment Group LLC and any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, Fortress Investment Group LLC. For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative of the foregoing.

"Change in Law" means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by Purchaser (or any Affiliates thereof) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

"Closing Instruction Letter" shall mean, with respect to any Wet-Ink Mortgage Loan that becomes subject to a Transaction, the closing instruction letter delivered by Seller to the related Settlement Agent which sets forth the procedures to be followed by such Settlement Agent in connection with the origination of such Wet-Ink Mortgage Loan, which closing instruction letter shall include, without limitation, (i) instructions that govern the execution, retention and delivery of the underlying Mortgage Loan Documents by such Settlement Agent to Seller or its designee, (ii) instructions with respect to the disbursement of funds by such Settlement Agent, and (iii) any other conditions precedent required by the Seller in connection with the origination and/or closing of such Wet-Ink Mortgage Loan.

"Closing Protection Letter" shall mean, with respect to any Wet-Ink Mortgage Loan that becomes subject to a Transaction, a letter of indemnification (which may be in the form of a blanket letter) addressed to Seller in any jurisdiction where insured closing letters are permitted under applicable law and regulation, that (i) is issued by a title company approved by Barclays, in its sole discretion, (ii) is fully assignable to the Purchaser, with coverage that is customarily acceptable to Persons engaged in the origination of mortgage loans, (iii) identifies the Settlement Agent covered thereby, and (iv) indemnifies Seller for losses incurred in connection with the such Settlement Agent's (a) failure to follow the instructions of Seller with respect to obtaining the related Mortgage Loan Documents and/or disbursing any amounts in connection with the origination of the related Wet-Ink Mortgage Loan, and (b) fraud or dishonesty with respect to obtaining the related Mortgage Loan Documents and/or disbursing any amounts in connection with the origination of the related Wet-Ink Mortgage Loan.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. "Collection Account" means the Barclays Collection Account.

"Collection Account Control Agreement" means the Barclays Collection Account Control Agreement.

"Contract" means an agreement between an originator and any Obligor, pursuant to or under which such Obligor shall be obligated to pay for merchandise, insurance or services from time to time.

"Converted REO Property" means an REO Property that results from the foreclosure of any Mortgage Loan that was a Purchased Asset, or transfer of the related Mortgaged Property in lieu of foreclosure or other transfer of such real property, and (i) which is titled in the name of the REO Subsidiary and (ii) with respect to which such REO Property has satisfied the conditions of Section 3(j)(iv).

"Cooperative" means, with respect to a Cooperative Loan, the corporation that owns the related apartment building.

"Cooperative Loan" means a Mortgage Loan that is evidenced by a note secured by security interests in shares issued by a Cooperative and in the related proprietary lease or occupancy agreement granting exclusive rights to occupy a specific dwelling unit in the related building.

"Cooperative Loan Sublimit" shall have the meaning assigned thereto in the Pricing Side Letter. "Corporate Advances" shall mean advances made by the Servicer in connection with the foreclosure or servicing of a Mortgage Loan, other than, for the avoidance of doubt, Servicing Advances made on account of delinquent principal and interest payments.

"Correspondent Loan" means a Mortgage Loan that is (i) originated by a Correspondent Seller and underwritten in accordance with Seller's underwriting guidelines and (ii) acquired by Seller from a Correspondent Seller in the ordinary course of business.

"Correspondent Seller" means a mortgage loan originator that sells Mortgage Loans originated by it to Seller as a "correspondent" or "private label" client.

"Correspondent Seller Release" means, with respect to any Correspondent Loan, a release by the related Correspondent Seller, substantially in the form of Exhibit J hereto (as the same may be modified,

supplemented and in effect from time to time, subject to the approval of Purchaser), of all right, title and interest, including any security interest, in such Correspondent Loan.

"Custodial Agreement" means the Barclays Custodial Agreement.

"Custodian" means U.S. Bank National Association or Deutsche Bank National Trust Company, as the case may be, and their successors and permitted assigns.

"DB Custodial Agreement" means that certain Second Amended and Restated Custodial and Disbursement Agreement, dated as of July 15, 2020, among Seller, Barclays and Deutsche Bank National Trust Company, as custodian and the Disbursement Agent, entered into in connection with this Agreement and the Mortgage Loan Participation Purchase and Sale Agreement, as the same may be amended, amended and restated, modified or supplemented from time to time.

"Default" means any event that, with the giving of notice or the passage of time or both, would constitute an Event of Default.

"Default Rate" shall have the meaning assigned thereto in the Pricing Side Letter. "Diligence Sample Set" shall have the meaning assigned thereto in the Pricing Side Letter.

"Disbursement Agent" means Deutsche Bank National Trust Company, and its successors and permitted assigns.

"Dollars" or "$" means, unless otherwise expressly stated, lawful money of the United States of America.

"Due Date" means the day of the month on which the Monthly Payment is due on a Mortgage Loan, exclusive of any days of grace.

"Due Diligence Review Percentage" shall have the meaning assigned thereto in the Pricing Side Letter.

"E-Sign" means the federal Electronic Signatures in Global and National Commerce Act, as amended from time to time.

"Economic and Trade Sanctions and Anti-Terrorism Laws" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time.

"Effective Date" means January 29, 2016.

"Electronic Tracking Agreement" means the electronic tracking agreement in form and substance acceptable to Barclays and Seller, dated as of March 25, 2011, among Barclays, Seller, MERSCORP Holdings, Inc. and Mortgage Electronic Registration Systems, Inc., entered into in connection with this Agreement and the Mortgage Loan Participation Purchase and Sale Agreement, as the same may be amended, modified or supplemented from time to time.

"Electronic Transmission" means the delivery of information in an electronic format acceptable to the applicable recipient thereof. An Electronic Transmission shall be considered written notice for all purposes hereof (except when a request or notice by its terms requires execution).

"Eligible Asset" means any Eligible Mortgage Loan or the REO Asset, as the context requires and shall include all outstanding Servicing Advances to the extent that such Servicing Advances are related to an FHA Buyout Loan, VA Buyout Loan or any Converted REO Property related thereto.

"Eligible Mortgage Loan" means a Mortgage Loan that (i) satisfies each of the representations and warranties in Exhibit B-1 to this Agreement, as applicable, in all material respects, (ii) if such Mortgage Loan is (a) a Ginnie Mae Mortgage Loan, Fannie Mae Mortgage Loan or Freddie Mac Mortgage Loan, it is in Strict Compliance with the eligibility requirements of the Ginnie Mae Program, Fannie Mae Program, or Freddie Mac Program, as applicable, or (b) an FHA Buyout Loan, a VA Buyout Loan or HECM Buyout Loan, it meets the additional eligibility requirements as set forth in Exhibit I; provided that, no VA Buyout Loan shall be eligible unless approved by the Agent in its sole discretion, (iii) with respect to all Second Lien Mortgage Loans, has been originated in accordance with underwriting guidelines reviewed and approved by Purchaser as of the related Purchase Date, (iv) contains all required

documents in the Mortgage Loan File without exceptions unless otherwise waived by the Purchaser or permitted below, and (iv) meets each of the applicable Additional Eligible Loan Criteria.

"EPF Custodial Account Control Agreement" means that certain Deposit Account Control Agreement (Custodial Account), dated as of March 25, 2011, among Seller, Barclays and Bank entered into in connection with the Mortgage Loan Participation Purchase and Sale Agreement, as the same shall be amended, supplemented or otherwise modified from time to time.

"EPF Pricing Side Letter" means that certain Pricing Side Letter, dated as of March 25, 2011, between Seller and Barclays entered into in connection with the Mortgage Loan Participation Purchase and Sale Agreement, as the same shall be amended, supplemented or otherwise modified from time to time.

"EPF Program Documents" means the Mortgage Loan Participation Purchase and Sale Agreement, the EPF Pricing Side Letter, the EPF Custodial Account Control Agreement and all other agreements, documents and instruments entered into by Seller on the one hand, and Barclays or one of its Affiliates (or Custodian on its behalf) and/or Agent or one of its Affiliates on the other, in connection herewith or therewith with respect to the transactions contemplated hereunder or thereunder and all amendments, restatements, modifications or supplements thereto.

"ERISA" means, with respect to any Person, the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor thereto, and the regulations promulgated and rulings issued thereunder.

"Escrow Advance" shall mean advances made by the Servicer to pay Escrow Payments.

"Escrow Instruction Letter" means the Escrow Instruction Letter (if required) from Seller to the Settlement Agent, in form and substance acceptable to Agent in its sole discretion.

"Escrow Payments" means, with respect to a Mortgage Loan, the amounts constituting ground rents, taxes, assessments, water charges, sewer rents, municipal charges, mortgage insurance premiums, fire and hazard insurance premiums, condominium charges and other payments as may be required to be escrowed by the Mortgagor with the Mortgagee pursuant to the terms of the Mortgage or any other document.

"Estimated Purchase Price" shall have the meaning assigned thereto in Section 3(c) hereof. "Event of Default" shall have the meaning assigned thereto in Section 17 hereof.

"Existing REO Subsidiary" means Nationstar REO Sub 1B LLC, the special purpose Subsidiary of the Seller formed to hold REO Property related to foreclosures of Mortgage Loans that are Purchased Assets.

"Fannie Mae" means Fannie Mae or any successor thereto.

"Fannie Mae Agreement" means that certain Wiring Instruction and Release of Interest Agreement, dated the date hereof, by and among Barclays, Seller, the Custodian and Fannie Mae.

"Fannie Mae Guide" means the Fannie Mae MBS Selling and Servicing Guide, as such Guide may hereafter from time to time be amended.

"Fannie Mae Mortgage Loan" means a mortgage loan that is in Strict Compliance on the related Purchase Date with the eligibility requirements specified for the applicable Fannie Mae Program described in the Fannie Mae Guide.

"Fannie Mae Non-Traditional Loan" means a Fannie Mae Mortgage Loan that fully conforms to the requirements for the Fannie Mae program recently created to serve borrowers without traditional credit scores, as such program is amended, supplemented or otherwise modified, from time to time.

"Fannie Mae Program" means the Fannie Mae Guaranteed Mortgage-Backed Securities Programs, as described in the Fannie Mae Guide.

"Fannie Mae Security" means an ownership interest in a pool of Fannie Mae Mortgage Loans, evidenced by a book-entry account in a depository institution having book-entry accounts at the Federal Reserve Bank of New York, issued and guaranteed, with respect to timely payment of interest and ultimate payment of principal, by Fannie Mae and backed by a pool of Fannie Mae Mortgage Loans, in substantially

the principal amount and with substantially the other terms as specified with respect to such Fannie Mae Security in the related Takeout Commitment, if any.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"FCA" means the United Kingdom Financial Conduct Authority.

"FDIC" means the Federal Deposit Insurance Corporation or any successor thereto.

"FHA" means the Federal Housing Administration, an agency within HUD, or any successor thereto, and including the Federal Housing Commissioner and the Secretary of Housing and Urban Development where appropriate under the FHA regulations.

"FHA Buyout Loan" means an Eligible Mortgage Loan that (a) is insured by FHA, (b) is a Ginnie Mae Mortgage Loan, (c) (1) has been purchased out of a Ginnie Mae Security or (2) or was purchased out of a Ginnie Mae Security as a result of delinquent mortgage payments, but, without any loan modifications, subsequently became reperforming and (d) is not a Modified Loan or HECM Buyout Loan. Solely for purposes of determining the Applicable Margin and Purchase Price Percentage Amount, "FHA Buyout Loans" shall include Converted REO Property related such Mortgage Loans.

"FICO Score" means the credit score of the Mortgagor provided by Fair, Isaac & Company, Inc. or such other organization providing credit scores on the Origination Date of a Mortgage Loan.

"Floor" has the meaning assigned thereto in the Pricing Side Letter. "Foreclosure Date" has the meaning assigned thereto in Section 3(j)(iii) hereof.

"Foreign Purchaser" shall have the meaning assigned thereto in Section 8(d). "Freddie Mac" means Freddie Mac, and its successors in interest.

"Freddie Mac Agreement" means that certain Repurchase Addendum to Freddie Mac Forms 996 and 996E, dated the date hereof, by and among Barclays, Seller, the Custodian and Freddie Mac.

"Freddie Mac Guide" means the Freddie Mac Sellers' and Servicers' Guide, as such Guide may hereafter from time to time be amended.

"Freddie Mac Mortgage Loan" means a mortgage loan that is in Strict Compliance on the related Purchase Date with the eligibility requirements specified for the applicable Freddie Mac Program described in the Freddie Mac Guide.

"Freddie Mac Program" means the Freddie Mac Home Mortgage Guarantor Program or the Freddie Mac FHA/VA Home Mortgage Guarantor Program, as described in the Freddie Mac Guide.

"Freddie Mac Security" means a modified pass-through mortgage-backed participation certificate, evidenced by a book-entry account in a depository institution having book-entry accounts at the Federal Reserve Bank of New York, issued and guaranteed, with respect to timely payment of interest and ultimate payment of principal, by Freddie Mac and backed by a pool of Freddie Mac Mortgage Loans, in substantially the principal amount and with substantially the other terms as specified with respect to such Freddie Mac Security in the related Takeout Commitment, if any.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States of America.

"Ginnie Mae" means the Government National Mortgage Association and its successors in interest, a wholly-owned corporate instrumentality of the government of the United States of America.

"Ginnie Mae Guide" means the Ginnie Mae Mortgage-Backed Securities Guide, as such Guide may hereafter from time to time be amended.

"Ginnie Mae Mortgage Loan" means a mortgage loan that is in Strict Compliance on the related Purchase Date with the eligibility requirements specified for the applicable Ginnie Mae Program in the applicable Ginnie Mae Guide, and such mortgage loan has not been purchased out of a Ginnie Mae Security.

"Ginnie Mae Program" means the Ginnie Mae Mortgage-Backed Securities Programs, as described in the Ginnie Mae Guide.

"Ginnie Mae Security" means a modified pass-through mortgage-backed certificate guaranteed by Ginnie Mae, evidenced by a book-entry account in a depository institution having book-entry accounts at the Federal Reserve Bank of New York and backed by a pool of Ginnie Mae Mortgage Loans, in substantially the principal amount and with substantially the other terms as specified with respect to such Ginnie Mae Security in the related Takeout Commitment.

"Governmental Authority" means any nation or government, any state or other political subdivision, agency or instrumentality thereof, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any court or arbitrator having jurisdiction over Seller, any of its Subsidiaries or any of their Property.

"HARP Mortgage Loan" means a Fannie Mae Mortgage Loan or a Freddie Mac Mortgage Loan that fully conforms to the Home Affordable Refinance Program (as such program is amended, supplemented or otherwise modified, from time to time), and is referred to by Fannie Mae as a "Refi Plus mortgage loan" or "DU Refi Plus mortgage loan," and by Freddie Mac as a "Relief Refinance Mortgage," respectively.

"HECM Buyout Loan" means an Eligible Mortgage Loan that (a) is insured by FHA, (b) is a Ginnie Mae Mortgage Loan, (c) has been purchased out of a Ginnie Mae Security, (d) is a home equity conversion Mortgage Loan secured by a first lien, (e) comprises all payments made to the related borrower(s) under the related Mortgage Note and (f) is not a Modified Loan.

"Hedge Instrument" means any interest rate cap agreement, interest rate floor agreement, interest rate swap agreement or other interest rate hedging agreement entered into by Seller with a counterparty reasonably acceptable to Agent, in each case with respect to the Mortgage Loans.

"High Cost Mortgage Loan" means a Mortgage Loan that is (a) subject to, covered by or in violation of the provisions of the Homeownership and Equity Protection Act of 1994, as amended, (b) a "high cost," "covered," "abusive," "predatory" or "high risk" mortgage loan under any federal, state or local law, or any similarly classified loan using different terminology under any law imposing heightened regulation, scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees, or any other state or other regulation providing assignee liability to holders of such mortgage loans, (c) subject to or in violation of any such or comparable federal, state or local statutes or regulations, or (d) a "High Cost Loan" or "Covered Loan," as applicable, as such terms are defined in the current version of the Standard & Poor's LEVELS® Glossary Revised, Appendix E.

"HUD" means the Department of Housing and Urban Development, or any federal agency or official thereof which may from time to time succeed to the functions thereof with regard to FHA mortgage insurance. The term "HUD," for purposes of this Agreement, is also deemed to include subdivisions thereof such as the FHA and Ginnie Mae.

"IBA" means the ICE Benchmark Administration.

"Income" means, with respect to any Purchased Asset at any time, any principal and/or interest thereon and all dividends, sale proceeds and all other proceeds as defined in Section 9-102(a)(64) of the Uniform Commercial Code and all other collections and distributions thereon (including, without limitation, any proceeds received in respect of mortgage insurance) and all reimbursement payments or collections of Servicing Advances but excluding, for the avoidance of doubt, any amounts related to escrow payments.

"Indebtedness" means, for any Person: (a) obligations created, issued or incurred by such Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person); (b) obligations of such Person to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising,

and accrued expenses incurred, in the ordinary course of business so long as such trade accounts payable are payable within ninety (90) days of the date the respective goods are delivered or the respective services are rendered; (c) indebtedness of others secured by a Lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person; (d) obligations (contingent or otherwise) of such Person in respect of letters of credit or similar instruments issued or accepted by banks and other financial institutions for account of such Person; (e) obligations of such Person under Capital Lease Obligations; (f) obligations of such Person under repurchase agreements or
like arrangements; (g) indebtedness of others guaranteed by such Person; (h) all obligations of such Person incurred in connection with the acquisition or carrying of fixed assets by such Person; (i) indebtedness of general partnerships of which such Person is a general partner; and (j) any other indebtedness of such Person by a note, bond, debenture or similar instrument; provided that "Indebtedness" shall not include Non-Recourse Debt.

"Indemnified Party" shall have the meaning assigned thereto in Section 21(a). "Incremental Purchase Price" has the meaning assigned thereto in Section 3(i) hereof.
"Incremental Purchase Price Request" has the meaning assigned thereto in Section 3(i) hereof.

"Investment Company Act" means the Investment Company Act of 1940, as amended, including all rules and regulations promulgated thereunder.

"Jumbo Mortgage Loan" means a first lien mortgage loan that is underwritten as a jumbo mortgage loan in compliance with Seller's underwriting guidelines. Any changes to Seller's underwriting guidelines are subject to Agent's approval, which shall not be unreasonably withheld.

"Lien" means any mortgage, deed of trust, lien, claim, pledge, charge, security interest or similar encumbrance.

"Liquidity" means, as of any date, the sum of (a) Seller's Unrestricted Cash and (b) the aggregate amount of unused committed capacity available to Seller (taking into account applicable haircuts) under mortgage loan warehouse and servicer advance facilities (other than the facilities provided under the Program Documents) for which Seller has unencumbered eligible collateral to pledge thereunder.

"LLC Agreement" means the limited liability company agreement of the Existing REO Subsidiary entered into by the Seller, as sole member, as the same may be amended, supplemented, or otherwise modified from time to time in accordance with its terms.

"Loan Agreement" means that certain Loan and Security Agreement, dated as of June 20, 2014, by and between the Seller, as borrower thereunder, and the Purchaser, as lender thereunder, as the same may be amended, modified or supplemented from time to time.

"Margin Call" shall have the meaning assigned thereto in Section 7(b) hereof. "Margin Deficit" shall have the meaning assigned thereto in Section 7(b) hereof.
"Market Value" means, with respect to (x) any Transaction and as of any date of determination,
(i) the value ascribed to a Purchased Asset (other than the REO Asset) by Agent in its sole good faith discretion, using methodology and parameters customarily used by Agent to value similar assets, as may be as marked to market daily, and (ii) zero, with respect to any Mortgage Loan that is not an Eligible Mortgage Loan and (y) the REO Asset as of any date of determination (i) the value ascribed to each related Converted REO Property by Agent in its sole good faith discretion, using methodology and parameters customarily used by Agent to value similar assets, as may be marked to market daily or (ii) zero, with respect to any related Converted REO Property that does not satisfy the representations and warranties set forth in Exhibit B-2. In order to determine Market Value, the Agent will consider, among a number of factors, the value of outstanding Servicing Advances related to the Eligible Assets.

"Master Netting Agreement" means that certain Amended and Restated Global Netting and Security Agreement, dated as of May 17, 2013, among Purchaser, Seller and certain Affiliates and Subsidiaries of Purchaser and/or Seller, entered into in connection with this Agreement and the Mortgage Loan Participation Purchase and Sale Agreement, as the same shall be amended, supplemented or otherwise modified from time to time.

"Material Adverse Change" means, with respect to a Person, any material adverse change in the business, condition (financial or otherwise), operations, performance or Property of such Person including the insolvency of such Person or its Parent Company, if applicable.

"Material Adverse Effect" means (a) a Material Adverse Change with respect to Seller, Servicer or any of their respective Affiliates; (b) a material impairment of the ability of Seller, Servicer or any of their respective Affiliates that is a party to any Program Document to perform under any Program Document to which it is a party; (c) a material adverse effect upon the legality, validity, binding effect or enforceability of any Program Document against Seller, Servicer or any of their respective Affiliates that is a party to any Program Document; (d) a material adverse effect on the Market Value of the Purchased Assets; or (e) a material adverse effect on the Approvals of Seller or Servicer.

"Maturity Date" means September 30, ~~2024~~2025.

"Maximum Age Since Origination" means for (a) each Eligible Mortgage Loan (other than Wet-Ink Mortgage Loans, FHA Buyout Loans, VA Buyout Loans and HECM Buyout Loans), the following period of time commencing with the related Origination Date for which such Eligible Mortgage Loan may be subject to a Transaction hereunder: (i) ninety (90) days for Fannie Mae Mortgage Loans, Freddie Mac Mortgage Loans and Ginnie Mae Mortgage Loans, (ii) ninety (90) days for Modified Loans and (iii) 364 calendar days for Jumbo Mortgage Loans and (b) for the REO Asset, the 364 day period of time commencing with the date the REO Asset is sold to Purchaser by Seller. Wet-Ink Mortgage Loans shall have the aging restrictions set forth in the Pricing Side Letter.

"Maximum Aggregate Purchase Price" means, with respect to this Agreement, the Mortgage Loan Participation Purchase and Sale Agreement and the Loan Agreement in the aggregate, an amount equal to the sum of the Committed Amount and the Uncommitted Amount.

"Membership Certificate" means a physical certificate evidencing a 100% beneficial ownership interest in the Existing REO Subsidiary and registered in the name of Barclays.

"Merger" means the occurrence of a merger of W and Merger Corporation, a Delaware corporation and a wholly-owned subsidiary of WMIH, with and into NMH, with NMH continuing as the surviving corporation and a wholly-owned subsidiary of WMIH.

"MERS" means Mortgage Electronic Registration Systems, Inc., a Delaware corporation, or any successor in interest thereto.

"MERS Designated Mortgage Loan" means any Mortgage Loan as to which the related Mortgage or Assignment of Mortgage, has been recorded in the name of MERS, as agent for the holder from time to time of the Mortgage Note.

"MERS Identification Number" shall have the meaning assigned thereto in the Custodial Agreement.

"Minimum Transfer Amount" means $250,000, provided that if an Event of Default has occurred, the Minimum Transfer Amount shall be zero.

"Modified Loan" means an Eligible Mortgage Loan that (a) is insured by FHA or VA, (b) was purchased out of a Ginnie Mae Security solely as a result of modifications to such Eligible Mortgage Loan and (c) is a Ginnie Mae Mortgage Loan and is expected to be repooled into a Ginnie Mae Security.

"Monthly Payment" shall mean the scheduled monthly payment of principal and interest on a Mortgage Loan as adjusted in accordance with changes in the mortgage interest rate pursuant to the provisions of the Mortgage Note for an Adjustable Rate Mortgage Loan.

"Monthly Payment Date" means the twentieth (20th) day of each calendar month beginning with February 20, 2016; provided that if such day is not a Business Day, the next succeeding Business Day.

"Moody's": Moody's Investors Service, Inc. or its successors in interest.

"Mortgage" means a mortgage, deed of trust, or other security instrument, securing a Mortgage Note.

"Mortgage Interest Rate" means, with respect to each Mortgage Loan, the annual rate at which interest accrues on such Mortgage Loan from time to time in accordance with the provisions of the related Mortgage Note.

"Mortgage Loan" means a Jumbo Mortgage Loan, a Ginnie Mae Mortgage Loan, a Fannie Mae Mortgage Loan ~~or~~, a Freddie Mac Mortgage Loan or a Second Lien Mortgage Loan.

"Mortgage Loan File" shall have the meaning assigned thereto in the Custodial Agreement.

"Mortgage Loan Participation Purchase and Sale Agreement" means that certain Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Barclays and Seller, as the same may be amended, modified or supplemented from time to time.

"Mortgage Note" means a promissory note or other evidence of indebtedness of the obligor thereunder, evidencing a Mortgage Loan, and secured by the related Mortgage.

"Mortgaged Property" means the real property (or leasehold estate, if applicable) securing repayment of the debt evidenced by a Mortgage Note.

"Mortgagee" means the record holder of a Mortgage Note secured by a Mortgage.

"Mortgagor" means the obligor or obligors on a Mortgage Note, including any person who has assumed or guaranteed the obligations of the obligor thereunder.

"MSR Facility Borrowed Amount" means the Outstanding Aggregate Loan Amount, as defined under the Loan Agreement, as of any date of determination.

"Negative Amortization" means the portion of interest accrued at the Mortgage Interest Rate in any month which exceeds the Monthly Payment on the related Mortgage Loan for such month and which, pursuant to the terms of the Mortgage Note, is added to the principal balance of the Mortgage Loan.

"Net Worth" means, with respect to any Person, such Person's assets minus such Person's liabilities, each determined in accordance with GAAP.

"New Construction One-Time Close Loan" means a Ginnie Mae Mortgage Loan, Fannie Mae Mortgage Loan or Freddie Mac Mortgage Loan that is in Strict Compliance with the eligibility
requirements of the Ginnie Mae Program, Fannie Mae Program or Freddie Mac Program, as applicable, created to serve borrowers to single-close construction-to-permanent financing transactions, as such program may be amended, supplemented or otherwise modified, from time to time.

"New Permitted Holders" shall mean KKR & Co. LLP, management of WMIH, KKR & Co. LLP controlled investment affiliates and any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with KKR & Co. LLP (but, in each case, excluding any "portfolio company" (as such term is customarily used in the private equity business) of KKR & Co. LLP). For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative of the foregoing.

"Non-Recourse Debt" shall mean liabilities for which the assets securing such obligations are the only source of repayment.

"Non-Utilization Fee" shall have the meaning assigned thereto in the Pricing Side Letter. "Notice Date" shall have the meaning assigned thereto in Section 3(b) hereof.

"Obligations" means (a) all amounts due and payable by Seller to Purchaser in connection with a Transaction hereunder, together with interest thereon (including interest which would be payable as post-petition interest in connection with any bankruptcy or similar proceeding) and other obligations and liabilities of Seller to Purchaser arising under, or in connection with, the Program Documents or directly related to the Purchased Assets, whether now existing or hereafter arising; (b) any and all sums paid by Purchaser or on behalf of Purchaser pursuant to the Program Documents in order to preserve any Purchased Asset or its interest therein; (c) in the event of any proceeding for the collection or enforcement of any of Seller's indebtedness, obligations or liabilities referred to in clause (a), the reasonable expenses of retaking,

holding, collecting, preparing for sale, selling or otherwise disposing of or realizing on any Purchased Asset, or of any exercise by Purchaser of its rights under the Program Documents, including without limitation, reasonable attorneys' fees and disbursements and court costs; and (d) all of Seller's indemnity obligations to Purchaser pursuant to the Program Documents.

"Obligor" means a Person obligated to make payments pursuant to a Contract; provided, that in the event that any payments in respect of a Contract are made by any other Person, such other Person shall also be deemed to be an Obligor.

"OFAC" means the Office of Foreign Assets Control of the United States Department of Treasury.

"OFSI" means the Office of Financial Sanctions Implementation of the United Kingdom's HM Treasury.

"Operating Income" means for any period, the operating income of Seller for such period as determined in accordance with GAAP; provided, that (i) charges of up to a maximum aggregate amount of $15,000,000 which directly relate to Seller's stock-based management equity plan and (ii) mark-to-market adjustments to Seller's mortgage servicing rights recorded at fair value, shall be excluded from this calculation.

"Origination Date" means the date on which a Mortgage Loan was originated or, in the case of
(i) Modified Loans, the date on which such Mortgage Loan became a Modified Loan and (ii) Correspondent Loans, the date on which a Correspondent Loan was acquired by Seller.
"Originator" means Seller or any other third party originator as mutually agreed upon by Agent and Seller.

"Other Connection Taxes" means with respect to any Purchaser or Agent, taxes imposed as a result of a present or former connection between such Purchaser or Agent and the jurisdiction imposing such tax (other than connections arising from such Purchaser or Agent having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Program Document, or sold or assigned an interest in any Purchased Asset or Program Document).

"Other Taxes" shall have the meaning assigned thereto in Section 8(b). "OTS" means Office of Thrift Supervision or any successor thereto.
"Outstanding Purchase Price" means, for any Purchased Asset, as of any date of determination, the Initial Purchase Price thereof, as reduced by any amount thereof repaid to the Purchaser pursuant to the terms of this Agreement and as increased by any Incremental Purchase Price related to such Purchased Asset.

"Parent Company": A corporation or other entity owning at least 50% of the outstanding shares of voting stock of Seller.

"Person" means any legal person, including any individual, corporation, partnership, association, joint stock company, trust, limited liability company, unincorporated organization, governmental entity or other entity of similar nature.

"Price Differential" means, with respect to any Purchased Asset or Transaction as of any date of determination, an amount equal to the product of (A) the Pricing Rate (or during the continuation of an Event of Default, the Default Rate) and (B) the Outstanding Purchase Price for such Purchased Asset or Transaction, and (C) 1/360. Price Differential will be calculated in accordance with Section 3 herein for the actual number of days elapsed during a given Accrual Period.

"Price Differential Determination Date" means, with respect to any Monthly Payment Date, the second (2nd) Business Day preceding such date.

"Pricing Rate" means, as of any date of determination and with respect to an Accrual Period for any Purchased Asset or Transaction, an amount equal to the sum of (i) the greater of the Benchmark and the Floor plus (ii) the Applicable Margin.

"Pricing Side Letter" means that certain Second Amended and Restated Pricing Side Letter, dated as of January 29, 2016, between Seller and Purchaser, entered into in connection with this Agreement, as the same may be amended, modified or supplemented from time to time.

"Program Documents" means this Agreement, the Pricing Side Letter, the Custodial Agreements, the Collection Account Control Agreements, any assignment of Hedge Instrument, the Electronic Tracking Agreement, the Master Netting Agreement, the Fannie Mae Agreement, the Freddie Mac Agreement, the Verification Agent Letter, the Wire Confirmation, any Backup Servicer Agreement, the EPF Program Documents and all other agreements, documents and instruments entered into by Seller on the one hand, and any Purchaser or one of its Affiliates (or Custodian on its behalf) and/or Agent or one of its Affiliates on the other, in connection herewith or therewith with respect to the transactions contemplated hereunder or thereunder and all amendments, restatements, modifications or supplements thereto.

"Property" means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"Purchase Date" means, with respect to each Transaction, the date on which Purchased Assets are sold by Seller to Purchaser or such Purchaser's designee hereunder, provided that a Purchase Date for any FHA Buyout Loan, VA Buyout Loan or HECM Buyout Loan may occur no more than five (5) times within a calendar month and shall occur within the first three (3) weeks of such calendar month.

"Purchase Price Percentage" shall have the meaning assigned thereto in the Pricing Side Letter.

"Purchase Price Percentage Amount" shall have the meaning assigned thereto in the Pricing Side Letter.

"Purchased Assets" means, with respect to each Eligible Asset sold by Seller to Purchaser in a Transaction until its repurchase by Seller, whether now existing or hereafter acquired: (i) the Mortgage Loans, (ii) the Servicing Rights, (iii) Seller's rights under any related Hedge Instruments to the extent related to the Mortgage Loans, (iv) such other Property, rights, titles or interest as are specified on the related Transaction Notice, (v) all mortgage guarantees and insurance relating to the individual Mortgage Loans (issued by governmental agencies or otherwise) or the related Mortgaged Property and any mortgage insurance certificate or other document evidencing such mortgage guarantees or insurance and all claims and payments related to the Mortgage Loans, (vi) all guarantees or other support for the Mortgage Loans, (vii) all rights to Income and the rights to enforce such payments arising from the Mortgage Loans and any other contract rights, payments, rights to payment (including payments of interest or finance charges) with respect thereto (including, with respect to any FHA Buyout Loan, VA Buyout Loan or any Converted REO Property related thereto, any rights to reimbursement of related Servicing Advances), (viii) all Takeout Commitments and Trade Assignments (including the rights to receive the related purchase price related therefor), (ix) the Collection Accounts and all amounts on deposit therein, (x) the REO Asset and the REO Property File with respect to any REO Property held by the REO Subsidiary, (xi) any proceeds related to any Part A FHA Claim and Part B FHA Claim or any related VA Claim, as applicable, (xii) all "accounts," "deposit accounts," "securities accounts," "chattel paper," "commercial tort claims," "deposit accounts," "documents," "general intangibles," "instruments," "investment property," and "securities accounts," relating to the foregoing as each of those terms is defined in the Uniform Commercial Code and all cash and cash equivalents and all products and proceeds relating to or constituting any or all of the foregoing, (xiii) any purchase agreements or other agreements or contracts relating to or constituting any or all of the foregoing, (xiv) any other collateral pledged or otherwise relating to any or all of the foregoing, together with all files, material documents, instruments, surveys (if available), certificates, correspondence, appraisals, computer records, computer storage media, accounting records and other books and records relating to the foregoing, (xv) with respect to any Purchased Asset that is an FHA Buyout Loan, VA Buyout Loan or any Converted REO Property related thereto, the related Servicing Advances and rights to reimbursement thereof and (xvi) any and all replacements, substitutions, distributions on, or proceeds with respect to, any of the foregoing.

The term "Purchased Assets" with respect to any Transaction at any time also shall include Additional Purchased Mortgage Loans delivered pursuant to Section 7(b) hereof.

"Purchaser" shall have the meaning set forth in the preamble hereof.

"Purchaser's Wire Instructions" shall have the meaning set forth in the Pricing Side Letter.

"Records" means all instruments, agreements and other books, records, and reports and data generated by other media for the storage of information maintained by Seller or any other person or entity with respect to a Purchased Asset. Records shall include, without limitation (i) with respect to the REO Asset, the Membership Certificate, including the related stock power, the related REO Property File and any other instruments necessary to document ownership of such REO Asset, and (ii) with respect to the

other Purchased Assets, the Mortgage Notes, any Mortgages, the Mortgage Loan Files, the Servicing Files, and any other instruments necessary to document or service an Eligible Asset that is a Purchased Asset, including, without limitation, the complete payment and modification history of each Eligible Asset that is a Purchased Asset.

"REO Asset" means, as the context requires, the Membership Certificate or the Trust Certificate, so long as the LLC Agreement provides that such Membership Certificate or the Trust Agreement provides that such Trust Certificate, as applicable, is a "Certificated Security" as defined in Article 8 of the Uniform Commercial Code.

"REO Deed" means, with respect to each REO Property acquired by or transferred to the REO Subsidiary, the instrument or document required by the law of the jurisdiction in which the REO Property is located to convey fee title.

"REO Funding Date" has the meaning assigned thereto in Section 3(j)(iii).

"REO Property" means a residential real property including land and improvements, together with all buildings, fixtures and attachments thereto, all insurance proceeds, liquidation proceeds, condemnation proceeds, and all other rights, benefits, proceeds and obligations arising from or in connection therewith.

"REO Property File" means the original or a certified copy of (i) the unrecorded REO Deed showing that such REO Deed is being recorded to evidence the ownership of the related REO Property by the REO Subsidiary and (ii) the recorded REO Deed evidencing the ownership of the related REO Property by the REO Subsidiary.

"REO Subsidiary" means, as the context requires, the Existing REO Subsidiary or the Additional REO Subsidiary.

"REO Subsidiary Schedule of Assets" means an electronic schedule of assets, identifying the REO Properties currently owned by the REO Subsidiary, whereupon delivery of such schedule, Seller designates which items have been added to or removed from such schedule as compared to the version of such schedule most recently provided by Seller.

"REO Transfer Date" has the meaning assigned thereto in Section 3(j)(ii) hereof.

"Repurchase Date" means, with respect to any Transaction, the earliest of (i) the Termination Date, (ii) the date set forth in the related Transaction Notice as the scheduled Repurchase Date, (iii) the second Business Day following Seller's written notice to the Purchaser requesting a repurchase of such Transaction or (iv) at the conclusion of the Maximum Age Since Origination for each such Transaction, or if such day is not a Business Day, the immediately following Business Day.

"Repurchase Price" means the price at which Purchased Assets are to be transferred from the Purchaser or such Purchaser's designee to Seller upon termination of a Transaction, which will be determined in each case as the sum of: (i) any portion of the Outstanding Purchase Price, and in the case of the REO Asset, such unpaid portion of the Outstanding Purchase Price attributable to the REO Property subject to repurchase, (ii) the Price Differential accrued and unpaid thereon, (iii) Breakage Costs, if any, and (iv) any accrued and unpaid fees or expenses or indemnity amounts and any other outstanding amounts owing under the Program Documents from Seller to such Purchaser.

"Request for Release of Documents" shall mean the Request for Release of Documents set forth as Annex 5 of the DB Custodial Agreement or U.S. Bank Custodial Agreement, as applicable.

"Requirement of Law" means as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its Property or to which such Person or any of its Property is subject.

"Restricted Mortgage Loan" means (i) a "Growing Equity Loan," "Manufactured Home Loan," "Graduated Payment Loan," "Buydown Loan," "Project Loan," "Construction Loan" or "HECM Loan," each as defined in the applicable Agency Guide, (ii) a 30+ Day Delinquent Mortgage Loan, (iii) a Mortgage Loan for which the related Escrow Payments have not been made by the next succeeding Due Date, or (iv) a High Cost Mortgage Loan.

"S&P": S&P Global Ratings or any successor in interest.

"Sanctions Lists" shall have the meaning ascribed thereto in Section 39 hereof. "SEC" shall have the meaning ascribed thereto in Section 35 hereof.

"Second Lien Mortgage Loan" means a closed end Mortgage Loan that is secured by a second lien on the related Mortgaged Property and has been originated in accordance with underwriting guidelines reviewed and approved by Purchaser as of the related Purchase Date.

"Section 404 Notice" means the notice required pursuant to Section 404 of the Helping Families Save Their Homes Act of 2009 (P.L. 111-22), which amends 15 U.S.C. Section 1641 *et seq.*, to be delivered by a creditor that is an owner or an assignee of a Mortgage Loan to the related Mortgagor within thirty (30) days after the date on which such Mortgage Loan is sold or assigned to such creditor.

"Security" means a Ginnie Mae Security, a Fannie Mae Security or a Freddie Mac Security, as applicable.

"Seller" shall have the meaning set forth in the preamble hereof.

"Seller Mortgage Loan Schedule" means the list of Purchased Assets proposed to be purchased by Purchaser, in the form of Exhibit H hereto, that will be delivered in an excel spreadsheet format by Seller to Agent, Purchaser and Custodian and attached by the Custodian to the related Trust Receipt.

"Separateness Covenants" means the covenants located in Section 5.4 of the LLC Agreement and in Section 2.05 of the Trust Agreement.

"Servicer" means any servicer approved by Agent in its sole discretion, which may be Seller. "Servicing Advances" shall mean, with respect to any FHA Buyout Loan, VA Buyout Loan or any Converted REO Property related thereto, any advances (including existing delinquency advances, Corporate Advances and Escrow Advances and all future Corporate Advances and Escrow Advances) by the Servicer, which advances shall be owned by the owner of the related Eligible Asset, and to the extent first advanced by Servicer shall be reimbursed by the owner of the Eligible Asset pursuant to the terms of the applicable servicing agreement. For the avoidance of doubt, the rights of Servicer to reimbursement are a contract right derived solely from the applicable servicing agreement and shall be subordinated to the rights of Seller and REO Subsidiary as owner of the related Eligible Assets and Purchaser as the purchaser hereunder.

"Servicing File" means with respect to each Mortgage Loan or REO Property, the file retained by Seller or its designee consisting of all documents that a prudent originator and servicer would include (including copies of the Mortgage Loan File), all documents necessary to document and service the Mortgage Loans and REO Properties and any and all documents required to be delivered in connection with any transfer of servicing pursuant to the Program Documents.

"Servicing Records" means with respect to a Mortgage Loan, the related servicing records, including but not limited to any and all servicing agreements, files, documents, records, data bases, computer tapes, copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation, payment history records, and any other records relating to or evidencing the servicing of such Mortgage Loan.

"Servicing Rights" means contractual, possessory or other rights of Seller or any other Person to administer or service a Mortgage Loan or to possess the Servicing File.

"Servicing Term" shall have the meaning assigned thereto in Section 16(b).

"Set Off Eligible Agreement" means any lending or hedging agreement (including, without limitation, this Agreement) entered into between Seller or any of its Subsidiaries on the one hand, and Purchaser or any of its Affiliates on the other hand. For avoidance of doubt, Purchaser agrees that any flow agreement for the purchase and sale of Mortgage Loans (other than the Mortgage Loan Participation Purchase and Sale Agreement) or any securitization, debt or equity transaction with respect to which Purchaser or any of its Affiliates acts as underwriter, placement agent, securities administrator or in a similar capacity shall not constitute a Set Off Eligible Agreement.

"Settlement Agent" means, with respect to any Transaction the subject of which is a Wet-Ink Mortgage Loan, the entity approved by Agent, in its sole good-faith discretion, which may be a title

company, escrow company or attorney in accordance with local law and practice in the jurisdiction where the related Wet-Ink Mortgage Loan is being originated.

"Settlement Date" means the date specified in a Takeout Commitment upon which the related Security is scheduled to be delivered to the specified Takeout Investor on a "delivery versus payment" basis.

"SOFR" means, with respect to any day, the secured overnight financing rate published for such day by the SOFR Administrator on the SOFR Administrator's website, currently at http://www.newyorkfed.org, or any successor source identified by the SOFR Administrator from time to time.

"SOFR Administrator" means the Federal Reserve Bank of New York, as administrator of SOFR (or a successor administrator).

~~"Special Loan" means a (i) Fannie Mae Non-Traditional Loan or (ii) New Construction One-Time Close Loan.~~

"Specified Indebtedness" means the portion of payable and accrued liabilities as reported on Seller's consolidated balance sheet in accordance with GAAP related to the purchase of mortgage servicing rights (including advances payable) arising in connection with the Mortgage Servicing Rights Purchase and Sale Agreement between Bank of America, National Association and Seller, dated January 6, 2013.

"Specified Indebtedness Amount" means, as of any date, an amount equal to the amount of any Specified Indebtedness on such date; provided that the "Specified Indebtedness Amount" shall not be an amount greater than $5,000,000,000.

"Streamline Mortgage Loan" means any Mortgage Loan that is refinanced pursuant to the FHA Streamline Refinance program or the VA Interest Rate Reduction Refinancing program.

"Strict Compliance" means compliance of Seller and the Mortgage Loans with the requirements of the Agency Guide as amended by any agreements between Seller and the Applicable Agency, sufficient to enable Seller to issue and to service and Ginnie Mae to guarantee or Fannie Mae or Freddie Mac to issue and guarantee a Security; provided, that until copies of any such agreements between Seller and the Applicable Agency have been provided to Agent by Seller and agreed to by Agent, such agreements shall be deemed, as between Seller and Barclays, not to amend the requirements of the Agency Guide.

"Subsidiary" means, with respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

"Takeout Commitment" means a fully executed trade confirmation from the related Takeout Investor to Seller confirming the details of a forward trade between the Takeout Investor and Seller with respect to one or more Purchased Assets, which trade confirmation shall be enforceable and in full force and effect, and shall be validly and effectively assigned to Barclays pursuant to a Trade Assignment, and relate to pools of Mortgage Loans that satisfy the "good delivery standards" of the Securities Industry and Financial Markets Association as set forth in the Securities Industry and Financial Markets Association Uniform Practices Manual, as amended from time to time.

"Takeout Investor" means either (i) Barclays Capital Inc., or any successor thereto, or (ii) any other Person approved by Agent in its sole discretion.

"Taxes" shall have the meaning assigned thereto in Section 8(a).

"Tangible Net Worth" means, with respect to any Person at any date of determination, (i) the Net Worth of such Person and its consolidated Subsidiaries, determined in accordance with GAAP, minus (ii) all intangibles determined in accordance with GAAP (including, without limitation, goodwill, capitalized financing costs and capitalized administration costs but excluding originated and purchased mortgage servicing rights and retained residual securities) and any and all advances to, investments in and

receivables held from Affiliates; provided, however, that the non-cash effect (gain or loss) of any mark-to-market adjustments made directly to stockholders' equity for fluctuation of the value of financial instruments as mandated under the Statement of Financial Accounting Standards No. 133 (or any successor statement) shall be excluded from the calculation of Tangible Net Worth.

"Term SOFR" means, with respect to any date of determination, the forward-looking term rate based on SOFR, for a corresponding tenor of one month, as of two (2) Business Days prior to the first day of the corresponding Accrual Period containing such date of determination, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any such date Term SOFR has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to Term SOFR has not occurred, then Term SOFR will be the Term SOFR as published by the Term SOFR Administrator on the first preceding Business Day for which such Term SOFR was published by the Term SOFR Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such determination date.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (or any successor administrator of a forward-looking term rate based on SOFR approved by Purchaser in its sole discretion).

"Termination Date" means the earliest to occur of (i) the Maturity Date, (ii) the termination of the Mortgage Loan Participation Purchase and Sale Agreement, (iii) at the option of Agent, the occurrence of an Event of Default under this Agreement after the expiration of any applicable grace period and (iv) with respect to the Uncommitted Amount, the fifteenth (15th) Business Day after the Purchaser delivers a notice of termination to the Seller.

"Total Net Indebtedness" means, with respect to any Person, for any period, (i) the aggregate Indebtedness of such Person and its Subsidiaries during such period minus (ii) the amount of any non-recourse debt (including any securitization debt).

"Trade Assignment" means an assignment to Barclays of a forward trade between the Takeout Investor and Seller with respect to one or more Purchased Assets, together with the related trade confirmation from the Takeout Investor to Seller that has been fully executed, is enforceable and is in full force and effect and confirms the details of such forward trade.

"Transaction" has the meaning assigned thereto in Section 1.

"Transaction Notice" means a written request of Seller to enter into a Transaction in a form attached as Exhibit C hereto or such other form as shall be mutually agreed upon between Seller and Purchaser, which is deemed to be delivered to the Purchaser in accordance with Section 3(c) herein.

"Trust Agreement" means the Amended and Restated Trust Agreement, dated October 25, 2019, between Nationstar Reverse Mortgage Funding LLC, U.S. Bank National Association and Wilmington Savings Fund Society, FSB, with respect to Nationstar HECM Acquisition Trust 2018-1, as may be amended, supplemented or otherwise modified from time to time.

"Trust Certificate" means a physical certificate evidencing a 100% beneficial ownership interest in the Additional REO Subsidiary and registered in the name of Barclays.

"Trust Receipt" shall have the meaning assigned thereto in the DB Custodial Agreement or the U.S. Bank Custodial Agreement, as applicable.

"UETA" means the Official Text of the Uniform Electronic Transactions Act as approved by the National Conference of Commissioners on Uniform State Laws at its Annual Conference on July 29, 1999.

"Uncommitted Amount" shall have the meaning assigned thereto in the Pricing Side Letter.

"Uniform Commercial Code" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest in any Purchased Assets or the continuation, renewal or enforcement thereof is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect

in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

"Unrestricted Cash" means, as of any date of determination, the sum of (i) Seller's cash, (ii) Seller's Cash Equivalents that are not, in either case, subject to a Lien in favor of any Person or that are not required to be reserved by Seller in a restricted escrow arrangement or other similarly restricted arrangement pursuant to a contractual agreement or requirement of law.

"U.S. Bank Custodial Agreement" means that certain Custodial Agreement, dated as of November 25, 2013, among Seller, Purchaser and U.S. Bank National Association, entered into in connection with this Agreement, as the same may be amended, modified or supplemented from time to time.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the U.S. Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"VA" means the U.S. Department of Veterans Affairs, an agency of the United States of America, or any successor thereto including the Secretary of Veterans Affairs.

"VA Buyout Loan" means an Eligible Mortgage Loan that (a) is insured by VA, (b) is a Ginnie Mae Mortgage Loan, (c) has been purchased out of a Ginnie Mae Security, and (d) is not a Modified Loan.

"Verification Agent" means an entity appointed by the Agent to perform specific services with respect to the Eligible Mortgage Loans, or its successors and assigns.

"Verification Agent Letter" means the agreement pursuant to which the Verification Agent performs services with respect to the Eligible Mortgage Loans.

"Warehouse Lender" means any lender providing financing to Seller for the purpose of warehousing, originating or purchasing a Mortgage Loan, which lender has a security interest in such Mortgage Loan to be purchased by Barclays.

"Warehouse Lender's Release" means a letter, in the form of Exhibit E, from a Warehouse Lender to Barclays, unconditionally releasing all of Warehouse Lender's right, title and interest in certain Mortgage Loans identified therein upon payment to the Warehouse Lender.

"Wet-Ink Mortgage Loan" means a Mortgage Loan (other than a Jumbo Mortgage Loan) that Seller is selling to Barclays simultaneously with the origination thereof that is funded as part, either directly or indirectly, with the Initial Purchase Price paid by Barclays hereunder and prior to receipt by Barclays or its Custodian of the original Mortgage Note.

"Wet-Ink Mortgage Loan Document Receipt Date" means for any Wet-Ink Mortgage Loan, the date that the Custodian executes an original trust receipt without exceptions.

"Wet-Ink Mortgage Loan Sublimit" shall have the meaning assigned thereto in the Pricing Side Letter.

"WMIH" means WMIH Corp., a Delaware corporation.

(b) Interpretation.

Headings are for convenience only and do not affect interpretation. The following rules of this subsection (b) apply unless the context requires otherwise. The singular includes the plural and conversely. A gender includes all genders. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning. A reference to a subsection, Section, Annex or Exhibit is, unless otherwise specified, a reference to a section of, or annex or exhibit to, this Agreement. A reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes or assigns. A reference to an agreement or document is to the agreement or document as amended, modified, novated, supplemented or replaced, except to the extent prohibited by any Program Document. A reference to legislation or to a provision of legislation includes any modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it. A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently

visible form. A reference to conduct includes, without limitation, an omission, statement or undertaking, whether or not in writing. The words "hereof," "herein," "hereunder" and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. An Event of Default exists until it has been waived in writing by Agent or has been cured. The term "including" is not limiting and means "including without limitation." In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including," the words "to" and "until" each mean "to but excluding," and the word "through" means "to and including." This Agreement may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their terms. Unless the context otherwise clearly requires, all accounting terms not expressly defined herein shall be construed, and all financial computations required under this Agreement shall be made, in accordance with GAAP, consistently applied. References herein to "fiscal year" and "fiscal quarter" refer to such fiscal periods of Seller.

Except where otherwise provided in this Agreement, any determination, consent, approval, statement or certificate made or confirmed in writing with notice to Seller by Purchaser or authorized officers of Purchaser as required by this Agreement is conclusive in the absence of manifest error. A reference to an agreement includes a security interest, guarantee, agreement or legally enforceable arrangement whether or not in writing related to such agreement.

A reference to a document includes an agreement in writing or a certificate, notice, instrument or document, or any information recorded in electronic form. Where Seller is required to provide any document to Purchaser under the terms of this Agreement, the relevant document shall be provided in writing or printed form unless Purchaser request otherwise.

This Agreement is the result of negotiations among, and has been reviewed by counsel to, Purchaser and Seller, and is the product of all parties. In the interpretation of this Agreement, no rule of construction shall apply to disadvantage one party on the ground that such party proposed or was involved in the preparation of any particular provision of this Agreement or this Agreement itself. Except where otherwise expressly stated, Purchaser may give or withhold, or give conditionally, approvals and consents and may form opinions and make determinations in their absolute sole discretion. Except as specifically required herein, any requirement of good faith, discretion or judgment by

Purchaser or Agent shall not be construed to require Purchaser to request or await receipt of information or documentation not immediately available from or with respect to Seller, any other Person or the Purchased Assets themselves.

3. THE TRANSACTIONS

(a) It is acknowledged and agreed that, notwithstanding any other provision of this Agreement to the contrary, the facility provided under this Agreement is (i) a committed facility with respect to the Committed Amount and (ii) an uncommitted facility with respect to the Uncommitted Amount, and Purchaser shall have no obligation to enter into any Transactions hereunder with respect to the Uncommitted Amount. All purchases of Eligible Assets hereunder shall be first deemed committed up to the Committed Amount and then the remainder, if any, shall be deemed uncommitted up the Uncommitted Amount.

(b) Subject to the terms and conditions of the Program Documents, Purchaser may enter into Transactions provided, that the Aggregate MRA Purchase Price shall not exceed, as of any date of determination, the lesser of (a) the Maximum Aggregate Purchase Price (less the sum of the Aggregate EPF Purchase Price and MSR Facility Borrowed Amount) and (b) the aggregate Asset Base of all Purchased Assets and all Eligible Mortgage Loans proposed to be sold in such Transaction.

(c) Unless otherwise agreed, Seller shall request that Purchaser enter into a Transaction with respect to any Eligible Mortgage Loan by delivering to the indicated required parties (each, a "Required Recipient") the required delivery items (each, a "Required Delivery Item") set forth in the table below by the corresponding required delivery time (the "Required Delivery Time"), and such Transaction shall occur no later than the corresponding required purchase time (the "Required Purchase Time"):

Purchased Asset Type	**Required Delivery Items**	**Required Delivery Time**	**Required Recipient**	**Required Purchase Time**
Eligible Mortgage Loans (other than Wet-Ink Mortgage Loans, FHA Buyout Loans, VA Buyout Loans, HECM Buyout Loans and Modified Loans)	Seller Mortgage Loan Schedule	No later than 3:00 p.m. (New York City time) on the Business Day prior to the requested Purchase Date	Purchaser and Custodian	No later than 5:00 p.m. (New York City time) on the requested Purchase Date
	For Correspondent Loans, the Correspondent Seller Release, duly executed and delivered by each applicable Correspondent Seller	No later than 3:00 p.m. (New York City time) on the Business Day prior to the requested Purchase Date	Purchaser	
	The complete Mortgage Files to Custodian for each Mortgage Loan subject to such Transaction	No later than 3:00 p.m. (New York City time) on the Business Day prior to the requested Purchase Date	Custodian	
AM Funded	Seller Mortgage Loan Schedule	No later than 4:00 p.m.	Purchaser,	No later than

Purchased Asset Type	Required Delivery Items	Required Delivery Time	Required Recipient	Required Purchase Time
Wet-Ink Mortgage Loans		(New York City time) on the Business Day prior to the requested Purchase Date	Custodian and Disbursement Agent	9:00 a.m. (New York City time) on the requested Purchase Date
PM Funded Wet-Ink Mortgage Loans	Seller Mortgage Loan Schedule	No later than 1:00 p.m. (New York City time) on the requested Purchase Date	Purchaser, Custodian and Disbursement Agent	No later than 4:00 p.m. (New York City time) on the requested Purchase Date
Wet-Ink Mortgage Loans	(i) Seller Mortgage Loan Schedule and (ii) Wet-Ink Mortgage Loan Funding Report	No later than 2:00 p.m. (New York City time) on the requested Purchase Date	Purchaser and Custodian	No later than 4:00 p.m. (New York City time) on the requested Purchase Date
FHA Buyout Loans, VA Buyout Loans, HECM Buyout Loans and Modified Loans	Seller Mortgage Loan Schedule	No later than 10:00 a.m. (New York City time) on the Business Day prior to the requested Purchase Date	Purchaser and Custodian	No later than 5:00 p.m. (New York City time) on the requested Purchase Date

2. The date on which any notice pursuant to this Section 3(c) is given is known as the "Notice Date". By submitting a Seller Mortgage Loan Schedule, Seller hereby agrees that it shall be deemed to have made all of the representations and warranties set forth in the form of Transaction Notice attached as Exhibit C hereto.

4. With respect to each Wet-Ink Mortgage Loan, immediately following the Purchase Date, Seller shall cause the related Settlement Agent to deliver to the Custodian the remaining documents in the Mortgage Loan File.

6. In addition, with respect to the purchase of any Eligible Mortgage Loans that are Wet-Ink Mortgage Loans, Seller shall deliver to Barclays and Custodian, no later than 5:00 p.m. (New York City time) one (1) Business Day prior to the proposed Purchase Date, the estimated Outstanding Purchase Price (the "Estimated Purchase Price") of the Wet-Ink Mortgage Loans to be purchased on such Purchase Date within a variance not to exceed $5,000,000 of the actual Outstanding Purchase Price on such Purchase Date (the "Allowable Variance").

(d) Upon Seller's request to enter into a Transaction pursuant to Section 3(c) and assuming all conditions precedent set forth in this Section 3 and in Sections 10(a) and (b) have been met, and provided no Default or Event of Default shall have occurred and be continuing, on the requested Purchase Date, Barclays shall, in the case of a Transaction with respect to the Committed Amount and may, in its sole discretion, in the case of a Transaction with respect to the Uncommitted Amount, purchase the Eligible Mortgage Loans, each included in the related Seller Mortgage Loan Schedule by transferring the Initial Purchase Price (net of any related Structuring Fee or any other fees and expense then due and

payable by Seller to the Purchaser pursuant to the Agreement) in accordance with the following wire instructions or as otherwise provided:

Receiving Bank: Wells Fargo ABA#: 121 000 248
Account Name: Nationstar Mortgage Account Number: 4121888200

Seller acknowledges and agrees that the Initial Purchase Price for any Eligible Mortgage Loan includes a mutually negotiated premium allocable to the portion of the Purchased Assets that constitutes the related Servicing Rights.

(e) On the related Price Differential Determination Date, Agent shall calculate the Price Differential for each outstanding Transaction payable on the Monthly Payment Date utilizing the Pricing Rate. Not less than two (2) Business Days prior to each Monthly Payment Date, Agent shall provide Seller with an invoice for the amount of the Price Differential due and payable with respect to all outstanding Transactions, setting forth the calculations thereof in reasonable detail and all accrued fees and expenses then due and owing to the Purchaser. On the earliest of (1) the Monthly Payment Date or
(2) the Termination Date, Seller shall pay to the Purchaser the Price Differential then due and payable for
(x) all outstanding related Transactions and (y) Purchased Assets for which the Purchaser has received the related Outstanding Purchase Price pursuant to Section 3(f).

(f) With respect to a Transaction, upon the earliest of (1) the Repurchase Date and (2) the Termination Date, Seller shall pay to the Purchaser the related Outstanding Purchase Price together with any other Obligations then due and payable, and shall repurchase all Purchased Assets then subject to such Transaction; provided that Seller may, within ninety (90) days of Agent's notification of the Benchmark Replacement, (A) give notice to Agent (with reasonable corroborative evidence upon request by the Agent) that the Benchmark Replacement is materially different from the successor rate of interest implemented by the majority of financial institutions similar to Agent for assets similar to the Purchased Assets in warehouse facilities in the United States similar to this Agreement and (B) elect to repurchase all Purchased Assets at the related Outstanding Purchase Price together with any other Obligations then due and payable and terminate this Agreement without penalty or premium on an elected Termination Date that is on or after the date the Benchmark Replacement is effective. The Repurchase Price shall be transferred directly to the Purchaser.

(g) If Agent determines in its sole discretion that any Change in Law or any change in accounting rules regarding capital requirements has the effect of reducing the rate of return on Purchaser's capital or on the capital of any Affiliate of Purchaser under this Agreement as a consequence of such Change in Law or change in accounting rules, then from time to time Seller will compensate the Purchaser or the Purchaser's Affiliate, as applicable, for such reduced rate of return suffered as a consequence of such Change in Law or change in accounting rules on terms similar to those imposed by the Purchaser. Further, if due to the introduction of, any change in, or the compliance by Purchaser with
(i) any eurocurrency reserve requirement, or (ii) the interpretation of any law, regulation or any guideline or request from any central bank or other Governmental Authority whether or not having the force of law, there shall be an increase in the cost to Purchaser or any Affiliate of Purchaser in engaging in the present or any future Transactions, then Seller shall, from time to time and upon demand by the
Purchaser, compensate the Purchaser or the Purchaser's Affiliate for such increased costs, and such amounts shall be deemed a part of the Obligations hereunder. The Purchaser shall provide Seller with notice as to any such Change in Law, change in accounting rules or change in compliance promptly following such Purchaser's receipt of actual knowledge thereof.

(h) Seller shall indemnify the Purchaser and hold the Purchaser harmless from any losses, costs and/or expenses that Purchaser may sustain or incur as a result of Seller's termination of any Transaction on or before a Repurchase Date arising from the reemployment of funds obtained by the Purchaser hereunder or from actual out-of-pocket fees and expenses payable to terminate the deposits from which such funds were obtained ("Breakage Costs"). Purchaser and Agent shall use good faith efforts to mitigate all Breakage Costs. The Agent shall deliver to Seller a statement setting forth the amount and basis of determination of any Breakage Costs in such detail as determined in good faith by the Purchaser to be adequate, it being agreed that such statement and the method of its calculation shall be adequate and shall be conclusive and binding upon Seller, absent manifest error. The provisions of this Section 3(h) shall survive termination of this Agreement.

(i) To the extent that the Asset Base for any Purchased Mortgage Loan is greater than the Outstanding Purchase Price for such Purchased Mortgage Loan, Seller may request (an "Incremental Purchase Price Request") that Purchaser transfer an additional purchase price amount less than or equal to the positive difference between the Asset Base and the Outstanding Purchase Price for such Purchased Mortgage Loan (each such additional purchase price amount, an "Incremental Purchase Price"). Each Incremental Purchase Price Request and Purchaser's transfer of the applicable Incremental Purchase Price shall constitute a Transaction under this Agreement and will be subject to all conditions precedent and other terms required to be satisfied prior to execution of each such Transaction under this Agreement. In connection with each Incremental Purchase Price Request, Seller may direct Purchaser to transfer the applicable Incremental Purchase Price in full or in part to reduce the Exposure that is a positive number under the other Relevant Master Agreements identified under the Master Netting Agreement; provided however that pursuant to Section 4.2 and Section 4.3 of the Master Netting Agreement, Barclays in its capacity as the Designated Barclays Entity under the Master Netting Agreement shall have the right to require Seller to transfer all or a portion of the Incremental Purchase Price to reduce the Exposure that is a positive under the other Relevant Master Agreements identified under the Master Netting Agreement, to zero.

(j) REO Property.

(i) Seller shall take all actions necessary to fully establish the Existing REO Subsidiary, including, but without limitation, filing a certificate of formation with the applicable state and executing the LLC Agreement.

(ii) Following the Effective Date, the Seller (A) (x) shall promptly transfer to Barclays the REO Asset and to the Existing REO Subsidiary the REO Properties related to Mortgage Loans that had been Purchased Assets but had converted to REO Properties prior to the Effective Date and (y) from time to time shall transfer certain REO Properties unrelated to Mortgage Loans that are Purchased Assets to the Existing REO Subsidiary, in each case along with written notice of the Transaction in the form of an REO Subsidiary Schedule of Assets to Barclays (any such date, an "REO Transfer Date") and (B) shall (x) subject to any applicable redemption period, deliver to Barclays within seven (7) Business Days following the related REO Transfer Date a foreclosure sale deed or evidence, as described in clause (iv) hereof, that Seller has caused the REO Deed to be sent for recording in the applicable office of the applicable jurisdiction and (y) promptly transfer to the Custodian the related REO Property File as the documents contained therein come into existence.

(iii) At any time that a Mortgage Loan that is a Purchased Asset is foreclosed upon, (A) the marketable title in the related REO Property shall promptly be vested in and retained by the Existing REO Subsidiary and allocated to the REO Asset (any such date, a "Foreclosure Date") and (B) Seller shall (x) subject to any applicable redemption period, deliver to Barclays within seven (7) Business Days following the related Foreclosure Date a foreclosure sale deed or evidence, as described in clause (iv) hereof, that Seller has caused the REO Deed to be sent for recording in the applicable office of the applicable jurisdiction; provided that if Seller fails to deliver such evidence within the applicable time period, the related REO Property shall no longer be considered an Eligible Asset and (y) promptly transfer to the Custodian the related REO Property File as the documents contained therein come into existence.

(iv) For purposes of this Agreement, a Mortgage Loan that is a Purchased Asset shall be deemed to have converted into an REO Property upon the earliest to occur of the following:

(A) an REO Deed shall have been received in the name of the Existing REO Subsidiary with respect to the Mortgaged Property related to such Mortgage Loan;

(B) the Existing REO Subsidiary shall have received a receipt or other written acknowledgment acceptable to Purchaser from the filing clerk evidencing the submission for filing of an REO Deed with respect to the Mortgaged Property related to such Mortgage Loan;

(C) the Existing REO Subsidiary shall have received a receipt issued by a Governmental Authority evidencing the Existing REO Subsidiary's right to receive the REO Deed for the Mortgaged Property related to such Mortgage Loan; or

(D) Purchaser shall have received such other evidence of the Existing REO Subsidiary's interest in such REO Property acceptable to Purchaser in its reasonable discretion.

(v) On any Foreclosure Date, a Transaction shall be deemed to occur with respect to any related Converted REO Property, and the Repurchase Price with respect to the related Mortgage Loan shall be reduced by the Outstanding Purchase Price of such Converted REO Property. A Transaction Notice shall not be required for any such deemed Transaction to occur; however, Seller shall provide prompt written notice in the form of an REO Subsidiary Schedule of Assets to Purchaser upon such deemed conversion.

4. [RESERVED]

5. TAKEOUT COMMITMENTS

Seller hereby assigns to Barclays, free of any security interest, lien, claim or encumbrance of any kind, Seller's rights under each Takeout Commitment to deliver the Purchased Assets specified therein to the related Takeout Investor and to receive the purchase price therefor from such Takeout Investor. Seller shall deliver to Barclays a duly executed and enforceable Trade Assignment on the date such Trade Assignment is executed by the related Takeout Investor. Subject to Barclays' rights hereunder, Barclays agrees that it will satisfy the obligation under the Takeout Commitment to deliver the related Purchased Assets to the Takeout Investor on the date specified therein. Seller understands that, as a result of this Section 5 and each Trade Assignment, Barclays will succeed to the rights and obligations of Seller with respect to each Takeout Commitment subject to a Trade Assignment, and that in satisfying each such Takeout Commitment, Barclays will stand in the shoes of Seller and, consequently, will be acting as a non-dealer in exercising its rights and fulfilling its obligations assigned pursuant to this Section 5 and each Trade Assignment. Each Trade Assignment delivered by Seller to Barclays shall be delivered by Seller in a timely manner sufficient to enable Barclays to facilitate the settlement of the related trade on the trade date in accordance with "good delivery standards" of the Securities Industry and Financial Markets Association as set forth in the Securities Industry and Financial Markets Association Uniform Practices Manual, as amended from time to time.

6. PAYMENT AND TRANSFER

Unless otherwise agreed by Seller and Purchaser, all transfers of funds hereunder shall be in Dollars in immediately available funds. Seller shall remit (or, if applicable, shall cause to be remitted) directly to the Purchaser all payments required to be made by it to the Purchaser hereunder or under any other Program Document in accordance with wire instructions provided by the Purchaser. Any payments received by Purchaser after 5:00 p.m. (New York City time) shall be applied on the next succeeding Business Day.

7. MARGIN MAINTENANCE

(a) Agent shall determine the Market Value of the Purchased Assets on a daily basis as determined by the Agent in its sole good faith discretion, including the right to determine that the Market Value with respect to one or more of the Purchased Assets may be zero. After making that determination, Agent may determine the Asset Base of any Purchased Asset on such day.

(b) If, as of any date of determination, the Agent determines that the aggregate Asset Base of all Purchased Assets and all Eligible Mortgage Loans proposed to be sold in such Transaction is less than the aggregate Outstanding Purchase Price of all Purchased Assets for all such Transactions (a "Margin Deficit") and such Margin Deficit exceeds the Minimum Transfer Amount, then Agent may, by notice to the Seller (as such notice is more particularly set forth below, a "Margin Call"), require Seller to transfer to the Purchaser or the Purchaser's designee cash or, at the Purchaser's option (and provided Seller has additional Eligible Mortgage Loans), additional Eligible Mortgage Loans to the Purchaser ("Additional Purchased Mortgage Loans") to cure the Margin Deficit. If the Agent delivers a Margin Call to the Seller on or prior to 11:00 a.m. (New York City time) on any Business Day, then the Seller shall transfer cash or Additional Purchased Mortgage Loans to the Purchaser or its designee no later than (i) 5:00 p.m. (New York City time) on the same Business Day. In the event the Agent delivers a Margin Call to Seller after

11:00 a.m. (New York City time) on any Business Day, Seller shall be required to transfer cash or Additional Purchased Mortgage Loans no later than (i) 12:00 p.m. (New York City time) on the next succeeding Business Day.

(c) Any cash transferred to Purchaser or its designee in satisfaction of a Margin Call or pursuant to Section 16(f)(ii) herein shall reduce the Outstanding Purchase Price of the related Transactions.

(d) The failure of Purchaser, on any one or more occasions, to exercise its rights hereunder, shall not change or alter the terms and conditions of this Agreement or limit the right of the Purchaser to do so at a later date. Seller and Purchaser each agree that a failure or delay by Purchaser to exercise its rights hereunder shall not limit or waive the Purchaser's rights under this Agreement or otherwise existing by law or in any way create additional rights for Seller.

(e) For the avoidance of doubt, it is hereby understood and agreed that Seller shall be responsible for satisfying any Margin Deficit existing as a result of any cram down of the unpaid principal balance of any Purchased Asset pursuant to any action by any bankruptcy court.

8. TAXES; TAX TREATMENT

(a) All payments made by Seller under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto imposed by any Governmental Authority therewith or thereon, excluding (i) income taxes, branch profits taxes, franchise taxes or any other tax imposed on net income by the United States, a state or a foreign jurisdiction under the laws of which Purchaser, or Agent, is organized or, in the case of any Purchaser, of its applicable lending office, or a state or foreign jurisdiction with respect to which such Purchaser has a present or former connection (other than any connection arising from executing, delivering, being party to, engaging in any transaction pursuant to, performing its obligations under, receiving payments under, receiving or perfecting a security interest under or enforcing any Program Document, or selling or assigning any Purchased Asset or Program Document), or any political subdivision thereof, (ii) in the case of any Purchaser, U.S. federal withholding taxes imposed on amounts payable to or for the account of Purchaser with respect to an applicable interest in a Transaction pursuant to a law in effect on the date on which Purchaser enters into a Transaction or such Purchaser changes its lending office, except in each case to the extent that, pursuant to this Section 8, amounts with respect to such taxes were payable either to Purchaser's assignor immediately before such Purchaser became a party hereto or to such Purchaser immediately before it changed its lending office, (iii) taxes attributable to a Purchaser's failure to comply with Section 8(d), and (iv) any withholding taxes imposed under FATCA (collectively, such non-excluded taxes are hereinafter called "Taxes"), all of which shall be paid by Seller for its own account not later than the date when due. If Seller is required by law or regulation to deduct or withhold any taxes from or in respect of any amount payable hereunder, it shall: (a) make such deduction or withholding, (b) pay the amount so deducted or withheld to the appropriate Governmental Authority not later than the date when due, (c) deliver to the Purchaser, as soon as practicable, original or certified copies of tax receipts and other evidence satisfactory to the Purchaser of the payment when due of the full amount of such Taxes, and (d) if such taxes are Taxes, pay to the Purchaser such additional amounts (including all Taxes imposed by any Governmental Authority on such additional amounts) as may be necessary so that the Purchaser receives, free and clear of all Taxes, a net amount equal to the amount it would have received under this Agreement, as if no such deduction or withholding had been made.

(b) In addition, Seller agrees to pay to the relevant Governmental Authority in accordance with applicable law any current or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies (including, without limitation, mortgage recording taxes, transfer taxes and similar fees) imposed by the United States or any taxing authority thereof or therein that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement, except any such taxes that are Other Connection Taxes imposed with respect to an assignment ("Other Taxes").

(c) Seller agrees to indemnify Purchaser within ten (10) days after written demand therefor for the full amount of Taxes (including additional amounts attributable to amounts payable under this Section) and Other Taxes, paid by Purchaser or required to be withheld or deducted from a payment to Purchaser, and any liability (including penalties, interest and expenses arising thereon or with respect thereto) arising

therefrom or with respect thereto, provided that the Purchaser shall have provided Seller with evidence, reasonably satisfactory to Seller, of payment of Taxes or Other Taxes, as the case may be.

(d) Any Purchaser that is entitled to an exemption from or reduction of withholding tax with respect to payments made under any Program Document shall deliver to the Seller and Agent, at the time or times reasonably requested by the Seller or the Agent, such properly completed and executed documentation reasonably requested by the Seller or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Purchaser, if reasonably requested by the Seller or Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Seller or the Agent as will enable the Seller or the Agent to determine whether or not such Purchaser is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in the subsequent sentences of this Section 8(d)) shall not be required if in the Purchaser's reasonable judgment such completion, execution or submission would subject such Purchaser to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Purchaser. Agent and any Purchaser that is either (i) not incorporated under the laws of the United States, any State thereof, or the District of Columbia or (ii) not otherwise treated as a "United States person" under the Code (a "Foreign Purchaser") shall, to the extent it is legally entitled to do so, provide Seller and Agent with properly completed and duly executed copies of United States Internal Revenue Service ("IRS") Forms W-8BEN-E or W-8ECI or any successor form prescribed by the IRS (or IRS Form W-8IMY, with IRS Form W-8BEN-E or W-8ECI attached), certifying that such Person is (1) entitled to benefits under an income tax treaty to which the United States is a party which eliminates or reduces United States withholding tax under Sections 1441 through 1442 of the Code on payments to it, (2) entitled to the benefits of the exemption for portfolio interest under Section 881(c) of the Code or (3) otherwise fully exempt or entitled to relief from United States withholding tax under Sections 1441 through 1442 of the Code on payments to it, or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States, in any case, on or prior to the date upon which each such Foreign Purchaser becomes a Purchaser. In addition, the Agent shall be a "qualified intermediary" (as defined in Treasury regulation section 1.1441-1(e)(5)) and provide the Seller with copies of a properly completed and duly executed IRS Form W-8IMY with "qualified intermediary" checked in Part I and Part II properly completed to provide that the Agent is a "qualified intermediary" for Purchaser with respect to payments under this Agreement and the other Program Documents (with all appropriate attachments) for any amount received on behalf of Purchaser which eliminates withholding tax on payments to it on or prior to the date it becomes an Agent. Agent and each Foreign Purchaser will resubmit the appropriate form eliminating or reducing withholding tax on payments to it on the earliest of
(A) the third anniversary of the prior submission, or (B) on or before the expiration of thirty (30) days after there is a "change in circumstances" with respect to such Person as defined in Treas. Reg. Section 1.1441-1(e)(4)(ii)(D). For any period with respect to which the Foreign Purchaser has failed to provide Seller with the appropriate form or other relevant document as expressly required under this Section 8(d) (unless such failure is due to a change in treaty, law, or regulation occurring subsequent to the date on which a form originally was required to be provided or except to the extent that, pursuant to this Section 8, amounts payable with respect to such taxes were payable to Purchaser's assignor immediately before Purchaser became a party hereto), such Person shall not be entitled to "gross-up" of Taxes under Section 8(a) or indemnification under Section 8(c) with respect to Taxes imposed by the United States which are imposed because of such failure; provided, however, that should a Foreign Purchaser, which is otherwise exempt from, or eligible for relief from, a withholding tax, become subject to Taxes because of its failure to deliver a form required hereunder, Seller, as applicable, shall, at no cost or expense to Seller, take such steps as such Foreign Purchaser shall reasonably request to assist such Foreign Purchaser to recover such Taxes. . Upon the execution of this Agreement, each Purchaser that is a "United States person" within the meaning of the Code shall deliver to Seller a duly executed copy of IRS Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by Seller as will enable Seller, as applicable, to determine whether or not Purchaser is subject to backup withholding or information reporting requirements. Upon the execution of this Agreement, each Purchaser shall deliver to the Seller and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Seller or the Agent such documentation prescribed by applicable law and such additional documentation reasonably requested by the Seller or the Agent to comply with their obligations under FATCA and to determine that such Purchaser has complied with such Purchaser's obligations under FATCA or to determine the amount to deduct and withhold from such payment.

(e) Without prejudice to the survival of any other agreement, the agreements and obligations of the parties contained in this Section 8 shall survive the termination of this Agreement. Nothing

contained in this Section 8 shall require Purchaser to make available any of its tax returns or other information that it deems to be confidential or proprietary.

(f) Each party to this Agreement acknowledges that it is its intent solely for purposes of U.S. federal and relevant state and local income and franchise taxes to treat each Transaction as indebtedness of the Seller that is secured by the Purchased Assets and that the Purchased Assets are owned by Seller in the absence of an Event of Default by the Seller. All parties to this Agreement agree to such treatment and agree to take no action inconsistent with this treatment, unless required by law.

9. SECURITY INTEREST; PURCHASER'S APPOINTMENT AS ATTORNEY-IN-FACT

(a) Seller and Purchaser intend that (other than for tax and accounting purposes) the Transactions hereunder be sales to Purchaser of the Purchased Assets and not loans from Purchaser to Seller secured by the Purchased Assets. However, in order to preserve Purchaser's rights under this Agreement in the event that a court or other forum recharacterizes the Transactions hereunder as other than sales, and as security for Seller's performance of all of its Obligations, Seller hereby grants to the Purchaser a first priority security interest in the related Purchased Assets. Seller acknowledges and agrees that its rights with respect to the Purchased Assets are and shall continue to be at all times junior and subordinate to the rights of the Purchaser hereunder.

(b) Seller hereby irrevocably constitutes and appoints Purchaser and any officers or agents thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Seller and in the name of Seller or in its own name, from time to time in Purchaser's discretion, to file such financing statement or statements relating to the Purchased Assets as Purchaser at its option may deem appropriate, and if an Event of Default shall have occurred and be continuing, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, Seller hereby gives Purchaser the power and right, on behalf of Seller, without assent by, but with notice to, Seller, to do the following if an Event of Default shall have occurred and be continuing and Purchaser has elected to exercise their remedies pursuant to Section 18 hereof:

(i) in the name of Seller, or in its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due with respect to any Purchased Assets and to file any claim or to take any other action or initiate and maintain any appropriate proceeding in any appropriate court of law or equity or otherwise deemed appropriate by Purchaser for the purpose of collecting any and all such moneys due with respect to any Purchased Assets whenever payable;

(ii) to pay or discharge taxes and Liens levied or placed on or threatened against the Purchased Assets;

(iii) (A) to direct any party liable for any payment under any Purchased Assets to make payment of any and all moneys due or to become due thereunder directly to Purchaser or as Purchaser shall direct, (B) in the name of Seller, or in its own name, or otherwise as appropriate, to directly send or cause the applicable servicer to send "hello" letters, "goodbye" letters in the form of Exhibit D, and Section 404 Notices; (C) to ask or demand for, collect, receive payment of and receipt for any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Purchased Assets; (D) to sign and endorse any invoices,
assignments, verifications, notices and other documents in connection with any Purchased Assets; (E) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Purchased Assets or any proceeds thereof and to enforce any other right in respect of any Purchased Assets; (F) to defend any suit, action or proceeding brought against Seller with respect to any Purchased Assets; (G) to settle, compromise or adjust any suit, action or proceeding described in clause (F) above and, in connection therewith, to give such discharges or releases as Purchaser may deem appropriate; and (H) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Purchased Assets as fully and completely as though Purchaser were the absolute owner thereof for all purposes, and to do, at Purchaser's option and Seller's expense, at any time, and from time to time, all acts and things which Purchaser deem necessary to protect, preserve or realize upon the

Purchased Assets and Purchaser's Liens thereon and to effect the intent of this Agreement, all as fully and effectively as Seller might do.

Seller hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

Seller also authorizes Purchaser, from time to time if an Event of Default shall have occurred and be continuing, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Purchased Assets in connection with any sale provided for in Section 18 hereof.

The powers conferred on Purchaser hereunder are solely to protect Purchaser's interests in the Purchased Assets and shall not impose any duty upon it to exercise any such powers. Purchaser shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither Purchaser nor any of its officers, directors, employees or agents shall be responsible to Seller for any act or failure to act hereunder.

10. CONDITIONS PRECEDENT

(a) As conditions precedent to the effectiveness of this Agreement, Purchaser shall have received on or before the Effective Date (except as otherwise noted below) each of the following, in form and substance satisfactory to Purchaser and duly executed by each party thereto (as applicable):

(i) Each of the Program Documents duly executed and delivered by the parties thereto and being in full force and effect, free of any modification, breach or waiver;

(ii) Certificates of an officer of each of Seller and Existing REO Subsidiary attaching certified copies of Seller's and Existing REO Subsidiary's certificate of formation, operating agreement and manager resolutions, as applicable, approving the Program Documents and Transactions thereunder (either specifically or by general resolution), and all documents evidencing other necessary corporate action or governmental approvals as may be required in connection with the Program Documents;

(iii) Certified copies of good standing certificates from the jurisdictions of organization of each of Seller and Existing REO Subsidiary, dated as of no earlier than the date which is ten (10) Business Days prior to the Purchase Date with respect to the initial Transaction hereunder;

(iv) An incumbency certificate of the secretary of each of Seller and Existing REO Subsidiary certifying the names, true signatures and titles of Seller's and Existing REO Subsidiary's representatives who are duly authorized to request Transactions hereunder and to execute the Program Documents and the other documents to be delivered thereunder;

(v) An opinion of Seller's counsel as to such matters as Purchaser or Agent may reasonably request including, without limitation, with respect to Purchaser's first priority lien on and perfected security interest in the Purchased Assets, a no material litigation, non-contravention, enforceability and corporate opinion with respect to Seller, an opinion with respect to the inapplicability of the Investment Company Act of 1940 (the "1940 Act Opinion") to Seller, an opinion that this Agreement constitutes a "repurchase agreement" and a "securities contract" within the meaning of the Bankruptcy Code and an opinion that no Transaction constitutes an avoidable transfer under Section 546(f) of the Bankruptcy Code, in form and substance acceptable to Purchaser and Agent in their reasonable discretion, and from nationally recognized outside counsel acceptable to Purchaser and Agent in their reasonable discretion; provided, however, that Seller is permitted to provide the 1940 Act Opinion to Purchaser after but no later than fifteen (15) days following the Effective Date;

(vi) Seller shall have paid to Purchaser and Purchaser shall have received all accrued and unpaid fees and expenses owed to Purchaser in accordance with the Program Documents, including without limitation, the Structuring Fee then due and owing pursuant to Section 2 of the Pricing Side Letter, and any fees due and owing to the Verification Agent, in each case, in immediately available funds, and without deduction, set-off or counterclaim;

(vii) A copy of the insurance policies required by Section 14(q) of this Agreement;

(viii) Purchaser and/or Agent shall have completed the due diligence review pursuant to Section 36, and such review shall be satisfactory to Purchaser and Agent in its sole discretion;

(ix) Evidence that all other actions necessary to perfect and protect Purchaser's interest in the related Purchased Assets have been taken, including, without limitation, the establishment of the Collection Account, and duly executed and filed Uniform Commercial Code financing statements acceptable to Purchaser and covering the Purchased Assets on Form UCC1;

(x) Seller shall have provided evidence, satisfactory to Purchaser and Agent, that Seller's Approvals are in good standing; and

(xi) Any other documents reasonably requested by Purchaser or Agent.

(b) As conditions precedent to each Transaction (including the initial Transaction), each of the following conditions shall have been satisfied:

(i) Purchaser or the Purchaser's designee shall have received on or before the Purchase Date with respect to Eligible Assets that are to be the subject of such Transaction (unless otherwise specified in this Agreement) the following, in form and substance satisfactory to the Purchaser and (if applicable) duly executed:

(A) Seller shall have paid to Purchaser and Purchaser shall have received all accrued and unpaid fees and expenses owed to Purchaser in accordance with the Program Documents in immediately available funds, and without deduction, set-off or counterclaim;

(B) The Transaction Seller Mortgage Loan Schedule (and additionally with respect to Correspondent Loans, the Correspondent Seller Release) with respect to such Purchased Assets, delivered pursuant to Section 3(c);

(C) Such certificates, customary opinions of counsel or other documents as Purchaser or Agent may reasonably request, provided that such opinions of counsel shall not be required routinely in connection with each Transaction but shall only be required from time to time as deemed necessary by Purchaser in its commercially reasonable judgment;

(D) Purchaser shall have received the Structuring Fee and any Non-Utilization Fee in respect of such Transaction then due and owing pursuant to Section 2 of the Pricing Side Letter, in immediately available funds, and without deduction, set-off or counterclaim;

(E) (x) With respect to an Eligible Asset that is an Eligible Mortgage Loan (other than Wet-Ink Mortgage Loans), an original Trust Receipt executed by the Custodian without exceptions; and (y) with respect to an Eligible Asset that is the REO Asset, an original Trust Receipt executed by the Custodian identifying that the Custodian has received (i) an electronic copy of the REO Deeds relating to the REO Properties transferred to the Existing REO Subsidiary and (ii) the REO Property File relating to REO Properties held by the Additional REO Subsidiary;

(F) Such other certifications of Custodian as are required under Sections 2 and 4 of the Custodial Agreement;

(G) With respect to any table-funded Wet-Ink Mortgage Loan that is the subject of such Transaction, (i) a copy of the Closing Instruction Letter delivered to the applicable Settlement Agent and (ii)(a) a copy of the Closing Protection Letter from the applicable title company, or (b) a copy of the Escrow Instruction Letter signed by the applicable Settlement Agent;

(H) [reserved]; and

(I) a duly executed Warehouse Lender's Release from any Warehouse Lender (including any party that has a precautionary security interest in a Mortgage Loan) having a security interest in any Mortgage Loans, substantially in the form of Exhibit E, addressed to Barclays, releasing any and all of its right, title and interest in, to and under such Mortgage Loan (including, without limitation, any security interest that such secured party or secured party's agent may have by virtue of its possession, custody or control thereof) and, to the extent applicable, has filed Uniform Commercial Code termination statements in respect of any Uniform Commercial Code filings made in respect of such Mortgage Loan, and each such Warehouse Lender's Release and Uniform Commercial Code termination statement has been delivered to Barclays prior to such Transaction and to the Custodian as part of the Mortgage Loan File; and

(J) with respect to any FHA Buyout Loan, VA Buyout Loan or HECM Buyout Loan, evidence that such FHA Buyout Loan, VA Buyout Loan or HECM Buyout Loan, as applicable, is fully insured by FHA or VA, as applicable.

(ii) No Default or Event of Default shall have occurred and be continuing;

(iii) Purchaser shall not have reasonably determined that the introduction of or a change in any Requirement of Law or in the interpretation or administration of any requirement of law applicable to Purchaser has made it unlawful, and no Governmental Authority shall have asserted that it is unlawful, for Purchaser to enter into Transactions with the applicable Pricing Rate;

(iv) All representations and warranties in the Program Documents shall be true and correct on the date of such Transaction and Seller is in compliance with the terms and conditions of the Program Documents, other than as may be expressly waived by the Purchaser;

(v) The then Aggregate MRA Purchase Price when added to the Initial Purchase Price for the requested Transaction, shall not exceed, as of any date of determination, the lesser of (a) the Maximum Aggregate Purchase Price (less the sum of the Aggregate EPF Purchase Price and MSR Facility Borrowed Amount) and (b) the aggregate Asset Base of all Purchased Assets and all Eligible Mortgage Loans proposed to be sold in such Transaction;

(vi) The Initial Purchase Price for the requested Transaction shall not be less than $1,000,000;

(vii) Satisfaction of any conditions precedent to the initial Transaction as set forth in clause (a) of this Section 10 that were not satisfied prior to such initial Purchase Date;

(viii) Purchaser shall have determined that all actions necessary to maintain Purchaser's perfected security interest in the Purchased Assets have been taken;

(ix) Purchaser or its designee shall have received any other documents reasonably requested by Purchaser;

(x) There is no Margin Deficit at the time immediately prior to entering into a new Transaction (other than a Margin Deficit that will be cured contemporaneous with such Transaction in accordance with the provisions of Section 7 hereof); and

(xi) With respect to FHA Buyout Loans, VA Buyout Loan and HECM Buyout Loans, the FHA or VA, as applicable, continues to hold permanent indefinite authority to obtain funds directly from the United States Treasury without additional congressional approval.

(c) As conditions precedent to the initial Transaction involving REO Property, each of the following conditions, in addition to the foregoing conditions, shall have been satisfied:

(i) The REO Asset is delivered to Barclays, and the LLC Agreement is in form and substance acceptable to Purchaser and Agent.

(ii) The Assignment and Contribution Agreement shall be duly executed and delivered by the parties thereto and being in full force and effect, free of any modification, breach or waiver;

(iii) A nonconsolidation opinion with respect to the REO Subsidiary and Seller and an opinion that no assignment or contribution pursuant to the Assignment and Contribution Agreement constitutes an avoidable transfer under Section 546(f) of the Bankruptcy Code, each in form and substance acceptable to Purchaser and Agent in their reasonable discretion shall be delivered to Purchaser; and

(iv) An opinion with respect to the inapplicability of the Investment Company Act to the REO Subsidiary (and an opinion that the REO Subsidiary is not a covered fund under the Volcker Rule), a no material litigation, noncontravention, enforceability and corporate opinion with respect to the REO Subsidiary, and an opinion with respect to Barclays' perfected security interest in the REO Asset shall each be delivered to Purchaser.

(d) As conditions precedent to any Transactions involving REO Property held by the Additional REO Subsidiary that are outstanding on or after November 30, 2019, each of the following conditions, in addition to the foregoing conditions, shall have been satisfied or waived by November 30, 2019:

(i) A nonconsolidation opinion with respect to the Additional REO Subsidiary and Seller, in form and substance acceptable to Purchaser and Agent in their reasonable discretion shall be delivered to Purchaser; and

(ii) An opinion with respect to the inapplicability of the Investment Company Act to the Additional REO Subsidiary, a no material litigation, noncontravention, enforceability and corporate opinion with respect to the Additional REO Subsidiary, and an opinion with respect to Barclays' perfected security interest in the related REO Asset shall each be delivered to Purchaser.

(e) As a condition precedent to the initial Transaction involving VA Buyout Loans, Purchaser shall have notified Seller in writing that it has received internal approvals to fund such Mortgage Loans.

11. RELEASE OF PURCHASED ASSETS

Upon timely payment in full of the Repurchase Price and all other Obligations (if any) then owing with respect to a Purchased Asset or REO Property pursuant to Section 3(f) hereof, unless a Margin Deficit or an Event of Default shall have occurred and be continuing: (a) the Purchaser shall be deemed to have terminated any security interest that such Purchaser may have in such Purchased Asset, or in the case of the REO Asset, the REO Property subject to repurchase, (b) all of the Purchaser's right, title and interest in such Purchased Assets or, in the case of the REO Asset, the REO Property subject to repurchase, shall automatically transfer to Seller, and (c) with respect to such Purchased Asset, the Purchaser shall or shall direct Custodian to release such Purchased Asset to Seller or, in the case of the REO Asset, the Purchaser shall release the related REO Property File to Seller. Except as set forth in Sections 16(f)(ii) and 15, Seller shall give at least two (2) Business Days' prior written notice to the Purchaser if such repurchase shall occur on any date other than the Repurchase Date.

If such a Margin Deficit is applicable, Purchaser shall notify Seller of the amount thereof and Seller may thereupon satisfy the Margin Call in the manner specified in Section 7.

12. RELIANCE

With respect to any Transaction, Purchaser may conclusively rely upon, and shall incur no liability to Seller in acting upon, any request or other communication that Purchaser reasonably believe to have been given or made by a person authorized to enter into a Transaction on Seller's behalf.

13. REPRESENTATIONS AND WARRANTIES

Seller hereby represents and warrants to Purchaser and Agent, and shall on and as of the Purchase Date for any Transaction and on and as of each date thereafter through and including the related Repurchase Date be deemed to represent and warrant to Purchaser and Agent that:

(a) Due Organization, Qualification, Power, Authority and Due Authorization. Each of Seller and REO Subsidiary is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and it has qualified to do business in each jurisdiction in which it is legally required to do so. Each of Seller and REO Subsidiary has the power and authority under its certificate of formation, operating agreement (or equivalent organizational documents) and applicable law to enter into this Agreement and the Program Documents and to perform all acts contemplated hereby and thereby or in connection herewith and therewith; this Agreement and the Program Documents and the transactions contemplated hereby and thereby have been duly authorized by all necessary action and do not require any additional approvals or consents or other action by, or any notice to or filing with, any Person other than any that have heretofore been obtained, given or made.

(b) Noncontravention. The consummation of the transactions contemplated by this Agreement and Program Documents are in the ordinary course of business of Seller and will not conflict with, result in the breach of or violate any provision of the certificate of formation and operating agreement of Seller or REO Subsidiary or result in the breach of any provision of, or conflict with or constitute a default under or result in the acceleration of any obligation under, any agreement, indenture, loan or credit agreement or other instrument to which Seller or REO Subsidiary, the Mortgage Loans or any of Seller's or REO Subsidiary's Property is or may be subject to, or result in the violation of any law, rule, regulation, order, judgment or decree to which Seller or REO Subsidiary, the Mortgage Loans or Seller's or REO Subsidiary's Property is subject. Without limiting the generality of the foregoing, the consummation of the transactions contemplated herein or therein will not violate any policy, regulation or guideline of the FHA or VA or result in the voiding or reduction of the FHA insurance, VA guarantee or any other insurance or guarantee in respect of any Mortgage Loan or REO Property, and such FHA insurance or VA guarantee is in full force and effect or shall be in full force and effect as required by the applicable Agency Guide.

(c) Legal Proceeding. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body pending or, to Seller's or REO Subsidiary's knowledge, threatened against or affecting Seller (or, to Seller's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement, the Program Documents or any agreement or instrument to which Seller or REO Subsidiary is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby, would adversely affect the proceedings of Seller in connection herewith or would or could materially and adversely affect Seller's or REO Subsidiary's ability to carry out its obligations hereunder.

(d) Valid and Binding Obligations. This Agreement, the Program Documents and every other document to be executed by Seller in connection with this Agreement is and will be legal, valid, binding and subsisting obligations of Seller, enforceable in accordance with their respective terms, except that (A) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (B) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(e) Financial Statements. The financial statements of Seller, copies of which have been furnished to Purchaser, (i) are, as of the dates and for the periods referred to therein, complete and correct in all material respects, (ii) present fairly the financial condition and results of operations of Seller as of the dates and for the periods indicated and (iii) have been prepared in accordance with GAAP consistently applied, except as noted therein (subject as to interim statements to normal year-end adjustments). Since the date of the most recent financial statements, there has been no Material Adverse Change with respect to Seller. Except as disclosed in such financial statements or pursuant to Section 14(i) hereof, Seller is not subject to any contingent liabilities or commitments that, individually or in the aggregate, have a material possibility of causing a Material Adverse Change with respect to Seller.

(f) Accuracy of Information. Neither this Agreement nor any representations and warranties or information relating to Seller that Seller has delivered or caused to be delivered to Purchaser, including, but not limited to, all documents related to this Agreement, the Program Documents or Seller's financial statements, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made therein or herein in light of the circumstances under which they were made, not misleading. Since the furnishing of such documents or information, there has been no change, nor any

development or event involving a prospective change that would render any of such documents or information untrue or misleading in any material respect.

(g) No Consents. No consent, license, approval or authorization from, or registration, filing or declaration with, any regulatory body, administrative agency or other governmental instrumentality, nor any consent, approval, waiver or notification of any creditor, lessor or other non-governmental Person, is required in connection with the execution, delivery and performance by Seller of this Agreement or any other Program Document, other than any that have heretofore been obtained, given or made.

(h) Compliance With Law, Etc. No practice, procedure or policy employed or proposed to be employed by Seller or REO Subsidiary in the conduct of its businesses violates any law, regulation, judgment, agreement, regulatory consent, order or decree applicable to it which, if enforced, would result in a Material Adverse Effect.

(i) Solvency. Seller is solvent and will not be rendered insolvent by any Transaction and, after giving effect to each such Transaction, Seller will not be left with an unreasonably small amount of capital with which to engage in its business. Seller does not intend to incur, nor believes that it has incurred, debts beyond its ability to pay such debts as they mature. Seller is not contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of Seller or any of its assets.

(j) Fraudulent Conveyance. The amount of consideration being received by Seller in respect of each Transaction, taken as a whole, constitutes reasonably equivalent value and fair consideration for the related Purchased Assets. Seller is not transferring any Purchased Assets with any intent to hinder, delay or defraud any of its creditors. The Agreement and the Program Documents, any other document contemplated hereby or thereby and each transaction have not been entered into fraudulently by Seller hereunder, or with the intent to hinder, delay or defraud any creditor or Purchaser.

(k) Investment Company Act Compliance. Neither Seller nor any of its Subsidiaries (including, without limitation, the REO Subsidiary) is required to be registered as an "investment company" as defined under the Investment Company Act or as an entity under the control of an entity required to be registered as an "investment company" as defined under the Investment Company Act. REO Subsidiary (i) is not required to register under the Investment Company Act either pursuant to Section 3(c)(5)(C) of the Investment Company Act or based upon the definition of "Investment
Company" in Section 3(a)(1)(C) of the Investment Company Act, and (ii) is not a "covered fund" within the meaning of the final regulations issued December 10, 2013, implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, commonly known as the "Volcker Rule."

(l) Taxes. Each of Seller and REO Subsidiary has filed all federal and state tax returns that are required to be filed and paid all taxes, including any assessments received by it, to the extent that such taxes have become due (other than for taxes that are being contested in good faith or for which it has established adequate reserves). Any taxes, fees and other governmental charges payable by Seller in connection with a Transaction and the execution and delivery of the Program Documents have been paid.

(m) Additional Representations. With respect to each Asset to be sold hereunder by Seller to Purchaser, Seller hereby makes all of the applicable representations and warranties set forth in Exhibit B-1 or B-2, as applicable, as of the date the related Mortgage Loan File is delivered to Purchaser or the Custodian with respect to the related Assets or as of the date the REO Property converts to Converted REO Property, as applicable, and continuously while such Asset is subject to a Transaction. Further, as of each Purchase Date, Seller shall be deemed to have represented and warranted in like manner that Seller has no knowledge that any such representation or warranty may have ceased to be true in a material respect as of such date, except as otherwise stated in a written notice to Agent, any such exception to identify the applicable representation or warranty and specify in reasonable detail the related knowledge of Seller.

(n) No Broker. Seller has not dealt with any broker, investment banker, agent, or other person, except for Purchaser, who may be entitled to any commission or compensation in connection with the sale of Purchased Assets pursuant to this Agreement; provided, that if Seller has dealt with any broker, investment banker, agent, or other person, except for Purchaser, who may be entitled to any commission or compensation in connection with the sale of Purchased Assets pursuant to this Agreement, such commission or compensation shall have been paid in full by Seller.

(o) Good Title. Seller has not sold, assigned, transferred, pledged or hypothecated any interest in the REO Asset or any individual Mortgage Loan or REO Property subject to a Transaction to any person other than any sale, assignment, transfer, pledge or hypothecation that is released in conjunction with the sale to Purchaser hereunder or to REO Subsidiary as contemplated in this Agreement, and upon delivery of a Purchased Asset to Purchaser, the Purchaser will be the sole owner thereof (other than for tax and accounting purposes), free and clear of any lien, claim or encumbrance other than those arising under this Agreement.

(p) Approvals. Seller has all requisite Approvals.

(q) Custodian. The Custodian is an eligible custodian under each Agency Guide and each Agency Program, and is not an Affiliate of Seller.

(r) No Adverse Actions. Seller has not received from any Agency a notice of extinguishment or a notice indicating material breach, default or material non-compliance which the Agent reasonably determines may entitle an Agency to terminate, suspend, sanction or levy penalties against the Seller, or a notice from any Agency, HUD, FHA or VA indicating any adverse fact or circumstance in respect of Seller which the Agent reasonably determines may entitle such Agency, HUD, FHA or VA, as the case may be, to revoke any Approval or otherwise terminate, suspend Seller as an Agency approved issuer or servicer, or with respect to which such adverse fact or circumstance has caused any Agency, HUD, FHA or VA, as the case may be, to terminate Seller, without any subsequent rescission thereof in such notice.

(s) Mortgage Recordation. Seller has submitted the original Mortgage in respect of each Mortgage Loan for recordation in the appropriate public recording office in the applicable jurisdictions wherein such recordation is necessary to perfect the lien thereof as against creditors of the applicable Mortgagor.

(t) Affiliated Parties. Seller is not an Affiliate of the Custodian, Disbursement Agent, Settlement Agent (other than Title365 Company Inc.) or any other party to a Program Document hereunder.

(u) REO Subsidiaries. The Membership Certificate represents 100% of the beneficial ownership of Existing REO Subsidiary, the Trust Certificate represents 100% of the beneficial ownership of the Additional REO Subsidiary, and each REO Subsidiary continues to hold legal title to all of its respective REO Property subject to a Transaction.

The representations and warranties set forth in this Agreement shall survive transfer of the Purchased Assets to Purchaser and shall continue for so long as the Purchased Assets are subject to this Agreement.

14. COVENANTS OF SELLER

Seller hereby covenants and agrees with Purchaser and Agent as follows:

(a) Defense of Title. Seller warrants and will defend the right, title and interest of Purchaser in and to all Purchased Assets against all adverse claims and demands.

(b) No Amendment or Compromise. None of Seller or those acting on Seller's behalf shall amend, modify, or waive any term or condition of, or settle or compromise any claim in respect of, any item of the Purchased Assets, any related rights or any of the Program Documents without the prior written consent of Purchaser, unless such amendment or modification does not (i) affect the amount or timing of any payment of principal or interest payable with respect to a Purchased Asset, extend its scheduled maturity date, modify its interest rate, or constitute a cancellation or discharge of its outstanding principal balance or (ii) materially and adversely affect the security afforded by the real property, furnishings, fixtures, or equipment securing the Purchased Asset. Notwithstanding the foregoing, the Seller may amend, modify or waive any term or condition of the individual Mortgage Loans in accordance with Accepted Servicing Practices and the Agency Guides; provided, that Seller shall promptly notify Purchaser of any amendment, modification or waiver that causes any Mortgage Loan to cease to be an Eligible Mortgage Loan.

(c) No Assignment. Except as permitted herein, Seller shall not sell, assign, transfer or otherwise dispose of, or grant any option with respect to, or pledge, hypothecate or grant a security interest in, or Lien on or otherwise encumber (except pursuant to the Program Documents) any of the

Purchased Assets or any interest therein, provided that this Section 14(c) shall not prevent any of the following: any contribution, sale, assignment, transfer or conveyance of Purchased Assets in accordance with the Program Documents and any forward purchase commitment or other type of take out commitment for the Purchased Assets (without vesting rights in the related purchasers as against the Purchaser).

(d) No Economic Interest. Neither Seller nor any affiliate thereof will acquire any economic interest in or obligation with respect to any Mortgage Loan except for record title to the Mortgage relating to the Mortgage Loan and the right and obligation to repurchase the Mortgage Loan hereunder.

(e) Preservation of Purchased Assets. Seller shall take all actions necessary or, in the opinion of Purchaser, desirable, to preserve the Purchased Assets so that they remain subject to a first priority perfected security interest hereunder and deliver evidence that such actions have been taken, including, without limitation, duly executed and filed Uniform Commercial Code financing statements on Form UCC1. Without limiting the foregoing, Seller will comply with all applicable laws, rules, regulations and other laws of any Governmental Authority applicable to Seller relating to the Purchased Assets and cause the Purchased Assets to comply with all applicable laws, rules, regulations and other laws of any such Governmental Authority. Seller will not allow any default to occur for which Seller is responsible under any Purchased Assets or any Program Documents and Seller shall fully perform or cause to be performed when due all of its obligations under any Purchased Assets or the Program Documents.

(f) Maintenance of Papers, Records and Files.

(i) Seller shall maintain all Records relating to the Purchased Assets not in the possession of Custodian in good and complete condition in accordance with industry practices and preserve them against loss. Seller shall collect and maintain or cause to be collected and maintained all such Records in accordance with industry custom and practice, and all such Records shall be in the Purchaser's or Custodian's possession unless the Purchaser otherwise approves in writing. Seller will not cause or authorize any such papers, records or files that are an original or an only copy to leave Custodian's possession, except for individual items removed in connection with servicing a specific Mortgage Loan, in which event Seller will obtain or cause to be obtained a receipt from the Custodian for any such paper, record or file, or as otherwise permitted under the Custodial Agreement.

(ii) For so long as Purchaser has an interest in or Lien on any Purchased Asset, Seller will hold or cause to be held all related Records for the sole benefit of the Purchaser.

(iii) Upon reasonable advance notice from Custodian, Agent or Purchaser, Seller shall (x) make any and all such Records available to Custodian or Agent for examination, either by its own officers or employees, or by agents or contractors, or both, and make copies of all or any portion thereof, (y) permit Agent or its authorized agents to discuss the affairs, finances and accounts of Seller with its chief operating officer and chief financial officer and to discuss the affairs, finances and accounts of Seller with its independent certified public accountants.

(g) Financial Statements and Other Information~~; Financial Covenants~~.

(i) Seller shall keep or cause to be kept in reasonable detail books and records setting forth an account of its assets and business and, as applicable, shall clearly reflect therein the transfer of Purchased Assets to Purchaser. Seller shall furnish or cause to be furnished to Purchaser and Agent the following:

(A) Financial Statements.

(1) Within ninety (90) days after the end of each fiscal year of Seller, the consolidated audited balance sheets of Seller and its consolidated Subsidiaries, which will be in conformity with GAAP, and the related consolidated audited statements of income and changes in equity showing the financial condition of Seller, and its consolidated

Subsidiaries as of the close of such fiscal year and the results of operations during such year, and consolidated audited statements of cash flows, as of the close of such fiscal year, setting forth,

in each case, in comparative form the corresponding figures for the preceding year. The foregoing consolidated financial statements are to be reported on by, and to carry the unqualified report (acceptable in form and content to Purchaser and Agent) of, an independent public accountant of national standing acceptable to Purchaser and Agent, which shall include KPMG LLP, PricewaterhouseCoopers LLP, Deloitte LLP, and any other similarly situated independent public account;

(2)Within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of Seller, consolidated unaudited balance sheets and consolidated statements of income and changes in equity and unaudited statement of cash flows, all to be in a form acceptable to Purchaser and Agent, showing the financial condition and results of operations of Seller and its consolidated Subsidiaries, each on a consolidated basis as of the end of each such quarter and for the then elapsed portion of the fiscal year, setting forth, in each case, in comparative form the corresponding figures for the corresponding periods of the preceding fiscal year, certified by a financial officer of Seller (acceptable to Purchaser and Agent) as presenting fairly the financial position and results of operations of Seller and its consolidated Subsidiaries and as having been prepared in accordance with GAAP consistently applied, in each case, subject to normal year-end audit adjustments;

(3)Within forty-five (45) days after the end of each month, consolidated unaudited balance sheets and consolidated statements of income and changes in equity and unaudited statement of cash flows, all to be in a form acceptable to Purchaser and Agent, showing the financial condition and results of operations of Seller and its consolidated Subsidiaries on a consolidated basis as of the end of each such month and for the then elapsed portion of the fiscal year, setting forth, in each case, in comparative form the corresponding figures for the corresponding month of the preceding fiscal year, certified by a financial officer of Seller (acceptable to Purchaser and Agent) as presenting fairly the financial position and results of operations of Seller and its consolidated Subsidiaries and as having been prepared in accordance with GAAP consistently applied, in each case, subject to normal year-end audit adjustments;

(4) Reserved;

(5)Promptly upon becoming available, copies of all financial statements, reports, notices and proxy statements sent by Seller's Parent Company, Seller or any of Seller's consolidated Subsidiaries in a general mailing to their respective stockholders and of all reports and other material (including copies of all registration statements under the Securities Act of 1933, as amended) filed by any of them with any securities exchange or with the SEC or any governmental authority succeeding to any or all of the functions of the SEC;

(6)Promptly upon becoming available, copies of any press releases issued by Seller's Parent Company or Seller and copies of any annual and quarterly financial reports and any reports on Form H-(b)12 that Seller's Parent Company or Seller may be required to file with the SEC, the FDIC or the OTS or comparable reports which such Parent Company or Seller may be required to file with the SEC, the FDIC or the OTS or any other federal banking agency

containing such financial statements and other information concerning such Parent Company's or Seller's business and affairs as is required to be included in such reports in accordance with the rules and regulations of the SEC, the OTS, the FDIC or such other banking agency, as may be promulgated from time to time;

(7) Such supplements to the aforementioned documents and such other information regarding the operations, business, affairs and financial condition of Seller's Parent Company, Seller or any of Seller's consolidated Subsidiaries as Purchaser may reasonably request.

Seller's obligation to deliver any report or other document under this Section 14(g)(i)(A) shall be deemed to have been satisfied if, and as of the date, such report or other document is filed with the SEC pursuant to the SEC's Electronic Data Gathering, Analysis, and Retrieval system.

(B) Warehouse Capacity. On or prior to the date on which Seller is required to deliver the monthly financial report required Section 14(g)(i)(A)(iii), Seller shall provide to Agent a report detailing its total warehouse capacity and utilization for the prior calendar month. Such warehouse capacity shall be (i) issued directly to Seller and (ii) in an amount equal to or greater than $1,000,000 or such other amount as may be required by a Governmental Authority.

(C) Other Information. Upon the request of Purchaser or Agent, such other information or reports as Purchaser or Agent may from time to time reasonably request.

~~(ii) Seller shall comply with the following financial covenants:~~

~~(A) As of the last day of any quarter, the Tangible Net Worth of Seller shall exceed $500,000,000;~~

~~(B)~~ As of the last day of any quarter, Seller shall not permit the ratio of the ~~Seller's Total Net Indebtedness to Tangible Net Worth to be greater than 9:1.~~

~~(C)~~ As of the close of business on the last Business Day of any
~~(D)~~ calendar ~~month, Seller shall not permit its Liquidity to be less than $125,000,000.~~

~~(E) Seller shall not permit its pre-tax Operating Income on a two-quarter~~ rolling basis to be less than ~~$0.00.~~

(ii) ~~(iii)~~ Certifications. Seller shall execute and deliver a monthly certification substantially in the form of Exhibit A attached hereto within ten (10) days after the end of each calendar month. Each certification to be executed and delivered hereunder shall be sent via electronic mail to

~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com and CoreRMBSBanking@barclayscapital.com or such other email address as the Agent may furnish to the Seller from time to time by written notice.

Agency Reporting. Seller shall comply with the reporting requirements of each Agency Notice of Material Events. Seller shall promptly inform Purchaser and Agent in writing (via electronic mail to USResiFinancingCore@barclays.com, USResiFinancing@barclays.comRMBSbanking@barclayscapital.com and ~~CoreRMBSBanking@barclayscapital.com~~SPLegalNotices@barclays.com or such other email address as the Agent may furnish to the Seller from time to time by written notice) of any of the following:

(i) any Default, Event of Default by Seller or any other Person (other than Purchaser or Purchaser's Affiliates) of any material obligation under any Program Document, or the occurrence or existence of any event or circumstance that Seller reasonably expects will with the passage of time become a Default, Event of Default by Seller or any other Person;

(ii) any material change in the insurance coverage of Seller as required to be maintained pursuant to Section 14(q) hereof, or any other Person pursuant to any Program Document, with copy of evidence of same attached;

(iii) the commencement of, or any determination in, any material dispute, litigation, investigation, proceeding, sanctions or suspension between Seller or its Parent Company, on the one hand, and any Governmental Authority or any other Person, on the other;

(iv) any material change in accounting policies or financial reporting practices of Seller which could reasonably be expected to have a Material Adverse Effect;

(v) any event, circumstance or condition that has resulted, or has a reasonable likelihood of resulting in either a Material Adverse Change or a Material Adverse Effect with respect to Seller;

(vi) any material modifications to the Seller's underwriting or acquisition guidelines;

(vii) any financial covenants or margin maintenance requirements Seller becomes subject to or any change or modification to, or waiver of compliance with, any financial covenants or margin maintenance requirements Seller is obligated to comply with, in either case, under any agreement for Indebtedness;

(viii) any penalties, sanctions or charges levied, or threatened to be levied, against Seller or any change, or threatened change, in Approval status, or actions taken, or threatened to be taken, against Seller by or disputes between Seller and any Applicable Agency, or any supervisory or regulatory Government Authority (including, but not limited to HUD, FHA and VA) supervising or regulating the origination or servicing of mortgage loans by, or the issuer status of, Seller;

(ix) any Change in Control of Seller; or

(x) promptly after Seller becoming aware of any termination or threatened termination by an Agency of the Custodian as an eligible custodian.

(j) Maintenance of Approvals. Seller shall take all necessary actions to maintain its Approvals at all times during the term of this Agreement. If, for any reason, Seller ceases to maintain any such Approval, Seller shall so notify Purchaser and Agent immediately.

(k) Maintenance of Licenses. Seller shall (i) maintain all licenses, permits or other approvals necessary for Seller to conduct its business and to perform its obligations under the Program Documents, (ii) remain in good standing under, and comply in all material respects with, all laws of each state in which it conducts business or any Mortgaged Property is located, and (iii) conduct its business strictly in accordance with applicable law.

(l) Taxes, Etc. Seller shall pay and discharge or cause to be paid and discharged, when due all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits or upon any of its Property, real, personal or mixed (including without limitation, the Purchased Assets) or upon any part thereof, as well as any other lawful claims which, if unpaid, might become a Lien upon such properties or any part thereof, except for any such taxes, assessments and governmental charges, levies or claims as are appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves are provided. Seller shall file on a timely basis all federal, and state and local tax and information returns, reports and any other information statements or schedules required to be filed by or in respect of it.

(m) Nature of Business. Seller shall not make any material change in the nature of its business as carried on at the date hereof.

(n) Limitation on Distributions. Seller shall have the right to pay dividends so long as Seller remains in compliance with the financial covenants set forth in Section 14(g)(ii) immediately following such dividend distribution. Notwithstanding the foregoing, if an Event of Default has occurred and is continuing, Seller shall not make any payment of any dividends or make distributions on account of, or set apart assets for a sinking or other analogous fund for the purchase, redemption, defeasance, retirement or other acquisition of, any capital stock, senior or subordinate debt of Seller or other equity interests, respectively, thereof, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or Property or in obligations of Seller.

(o) Use of Custodian. Without the prior written consent of Purchaser, Seller shall use no third party custodian as document custodian other than the Custodian for the Mortgage Loan File relating to the Mortgage Loans.

(p) Merger of Seller. Seller shall not, at any time, directly or indirectly (i) liquidate or dissolve or enter into any consolidation or merger or be subject to a Change in Control or sell all or substantially all of its Property (other than in connection with an asset-based financing or other secondary market transaction related to the Seller's assets in the ordinary course of the Seller's business) without providing Purchaser with not less than forty-five (45) days' prior written notice of such event;
(ii) form or enter into any partnership, joint venture, syndicate or other combination which would have a Material Adverse Effect with respect to Seller; or (iii) make any Material Adverse Change with respect to Seller.

(q) Insurance. Seller shall obtain and maintain insurance with responsible companies in such amounts and against such risks as are customarily carried by business entities engaged in similar businesses similarly situated, including without limitation, the insurance required to be obtained and maintained by each Agency pursuant to the Agency Guides, and will furnish Purchaser on request full information as to all such insurance, and provide within fifteen (15) days after receipt of such request the certificates or other documents evidencing renewal of each such policy. Seller shall continue to maintain coverage, for itself and its Subsidiaries, that encompasses employee dishonesty, forgery or alteration, theft, disappearance and destruction, robbery and safe burglary, Property (other than money and securities), and computer fraud in an aggregate amount of at least such amount as is required by each Agency.
(r) Affiliate Transaction. Seller shall not, at any time, directly or indirectly, sell, lease or otherwise transfer any Property or assets to, or otherwise acquire any Property or assets from, or otherwise engage in any transactions with, any of its Affiliates unless the terms thereof are no less favorable to Seller, than those that could be obtained at the time of such transaction in an arm's length transaction with a Person who is not such an Affiliate.

(s) Change of Fiscal Year. Seller shall not, at any time, directly or indirectly, except upon ninety (90) days' prior written notice to Purchaser, change the date on which its fiscal year begins from its current fiscal year beginning date.

(t) Transfer of Servicing Rights, Servicing Files and Servicing. With respect to the Servicing Rights of each Mortgage Loan, Seller shall transfer such Servicing Rights to the Purchaser or its designee on the related Purchase Date. With respect to the Servicing Files and the physical and contractual servicing of each Mortgage Loan to the extent in the possession of Seller, Seller shall deliver such Servicing Files and the physical and contractual servicing to the Purchaser or its designee upon the expiration of the Servicing Term unless either such Servicing Term is renewed by the Purchaser or the termination of the Seller as servicer pursuant to Section 16. Seller's transfer of the Servicing Rights, Servicing Files and the physical and contractual servicing under this Section shall be in accordance with customary standards in the industry including the transfer of the gross amount of all escrows held for the related Mortgagors (without reduction for unreimbursed advances or "negative escrows").

(u) Audit and Approval Maintenance. Seller shall (i) at all times maintain copies of relevant portions of all final written Agency audits, examinations, evaluations, monitoring reviews and reports of its origination and servicing operations (including those prepared on a contract basis for any such agency) in which there are material adverse findings, including without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal, and all necessary approvals from each Agency, (ii) promptly provide Agent with copies of such audits, examinations, evaluations, monitoring reviews and reports promptly upon receipt from any Agency or agent of any Agency, and (iii) take all actions necessary to maintain its respective Approvals.

(v) MERS. The Seller is a member of MERS in good standing and current in the payment of all fees and assessments imposed by MERS, and has complied with all rules and procedures of MERS. In connection with the assignment of any Mortgage Loan registered on the MERS System, the Seller agrees that at the request of the Purchaser it will, at the Purchaser's cost and expense prior to the occurrence of an Event of Default, but at the Seller's cost and expense following the occurrence and during the continuance of an Event of Default, cause the MERS System to indicate that such Mortgage Loan has been transferred to the Purchaser in accordance with the terms of this Agreement by including in MERS' computer files (a) the code in the field which identifies the specific owner of the Mortgage Loans and (b) the code in the field "Pool Field" which identifies the series in which such Mortgage Loans were sold. The Seller further agrees that it will not alter codes referenced in this paragraph with respect to any Mortgage Loan at any time that such Mortgage Loan is subject to this Agreement, and the Seller shall retain its membership in MERS at all times during the term of this Agreement.

(w) Fees and Expenses. Seller shall timely pay to Purchaser all fees and actual out of pocket expenses required to be paid by Seller hereunder and under any other Program Document to Purchaser in immediately available funds, and without deduction, set-off or counterclaim in accordance with the Purchaser's Wire Instructions.

(x) Agency Status. Once the Seller or any of its subservicers has obtained any status with an Agency mortgage loan pools for which Seller is issuer or servicer, Seller shall not take or omit to take
any act that (i) would result in the suspension or loss of any of such status, or (ii) after which Seller or any such relevant subservicer would no longer be in good standing with respect to such status, or (iii) after which Seller or any such relevant subservicer would no longer satisfy all applicable Agency net worth requirements, if both (x) all of the material effects of such act or omission shall not have been cured by Seller or waived by the applicable Agency before termination of such status and (y) the termination of such status could reasonably be expected to have a Material Adverse Effect.

(y) Further Documents. Seller shall, upon request of Purchaser or Agent, promptly execute and deliver to Purchaser or Agent all such other and further documents and instruments of transfer, conveyance and assignment, and shall take such other action as Purchaser or Agent may require more effectively to transfer, convey, assign to and vest in Purchaser and to put Purchaser in possession of the Property to be transferred, conveyed, assigned and delivered hereunder and otherwise to carry out more effectively the intent of the provisions under this Agreement.

(z) Due Diligence. Subject to the limitations contained in the Pricing Side Letter and the EPF Pricing Side Letter, Seller will permit Purchasers, Agent or their respective agents or designees, including the Verification Agent, to perform due diligence reviews on the Mortgage Loans subject to each Transaction hereunder up to the Due Diligence Review Percentage and within thirty (30) days following the related Purchase Date. Seller shall cooperate in all respects with such diligence and shall provide Purchasers, Agent or their respective agents or designees, including the Verification Agent, with all loan files and other information (including, without limitation, Seller's quality control procedures and results) reasonably requested by Purchasers, Agent or their respective agents or designees, including the Verification Agent, and shall bear all costs and expenses associated with such due diligence identified in this Section 14(z).

(aa) Reserved.

(bb) REO Subsidiary Governance. Neither Seller nor REO Subsidiary shall, at any time, directly or indirectly modify the REO Subsidiary's governing documents or otherwise permit such modification without the prior written consent of Purchaser. Seller shall comply with, and shall cause REO Subsidiary to comply with, REO Subsidiary's Separateness Covenants.

(cc) BPO or REO Property Valuation. With respect to each Converted REO Property that has been contributed to the REO Subsidiary, Seller shall deliver to Purchaser a BPO or a substantially similar property valuation report (i) on or around the date of the foreclosure sale therefor and on each six (6) month anniversary of such date thereafter, and (ii) at the time Seller or REO Subsidiary obtains marketable title thereto to the extent a new valuation is obtained at that time, for so long as such Converted REO Property remains within the REO Subsidiary.

15. REPURCHASE OF MORTGAGE LOANS

Upon discovery by Seller of a breach of any of the representations and warranties set forth on Exhibit B-1 or B-2 to this Agreement, as applicable, Seller shall give prompt written notice thereof to Purchaser. Upon any such discovery by the Purchaser, the Purchaser will notify Seller. It is understood and agreed that the representations and warranties set forth in Exhibit B-1 or B-2 to this Agreement, as applicable, with respect to the Mortgage Loans and REO Property, as applicable, shall survive delivery of the respective Mortgage Loan Files to the Purchaser or Custodian with respect to the Mortgage Loans or of the respective REO Property File with respect to the REO Property and shall inure to the benefit of Purchaser. The fact that Purchaser has conducted or has failed to conduct any partial or complete due diligence investigation in connection with its purchase of any Mortgage Loan shall not affect Purchaser's right to demand repurchase or any other remedy as provided under this Agreement. Seller shall, within
five (5) Business Days of the earlier of Seller's discovery or receipt of notice with respect to any Mortgage Loan or REO Property of (i) any breach of a representation or warranty contained in Exhibit B-1 or B-2 to this Agreement, as applicable, or (ii) any failure to deliver any of the items required to be delivered as part of the Mortgage Loan File or REO Property File within the time period required for delivery pursuant to the Custodial Agreement, promptly cure such breach or delivery failure in all material respects. If within five (5) Business Days after the earlier of Seller's discovery of such breach or delivery failure or receipt of notice thereof that such breach or delivery failure has not been remedied by Seller, Seller shall promptly upon receipt of written instructions from Purchaser, at Purchaser's option, repurchase such Mortgage Loan at a purchase price equal to the Repurchase Price with respect to such Mortgage Loan by wire transfer to the account designated by the Purchaser.

16. SERVICING OF THE MORTGAGE LOANS; SERVICER TERMINATION

(a) Seller to Subservice.

(i) Upon payment of the Initial Purchase Price, the Purchaser shall own the servicing rights related to the Mortgage Loans including the Mortgage Loan File. Seller and Purchaser each agree and acknowledges that the Mortgage Loans sold hereunder shall be sold to Purchaser on a servicing-released basis, and that Purchaser is engaging and hereby does engage Seller to provide subservicing of each Mortgage Loan for the benefit of Purchaser.

(ii) So long as a Mortgage Loan is outstanding or an REO Property is owned by the REO Subsidiary, Seller shall neither assign, encumber or pledge its obligation to subservice the Mortgage Loans or REO Properties in whole or in part, nor delegate its rights or duties under this Agreement (to other than a subservicer) without the prior written consent of Purchaser, the granting of which consent shall be in the sole discretion of Purchaser. Seller hereby acknowledges and agrees that (i) Purchaser is entering into this Agreement in reliance upon Seller's representations as to the adequacy of its financial standing, servicing facilities, personnel, records, procedures, reputation and integrity, and the continuance thereof; and (ii) Seller's engagement hereunder to provide mortgage servicing for the benefit of Purchaser is intended by the parties to be a "personal service contract" and Seller is hereunder intended by the parties to be an "independent contractor".

(iii) Seller shall subservice and administer the Mortgage Loans on behalf of Purchaser in accordance with Accepted Servicing Practices (and, with respect to any REO Properties, on behalf of the REO Subsidiary). Seller shall have no right to modify or alter the terms of any Mortgage Loan or consent to the modification or alteration of the terms of any Mortgage Loan except in Strict Compliance with the related Agency Program. Seller shall at all times maintain accurate and complete records of its servicing of the Mortgage Loans and REO Properties, and Agent may, at any time during Seller's business hours on reasonable notice, examine and make copies of such Servicing Records. Seller agrees that Purchaser is the 100% beneficial owner of all Servicing Records relating to the Mortgage Loans and REO Properties. Seller covenants to hold such Servicing Records for the benefit of Purchaser and to safeguard such Servicing Records and to deliver them promptly to Agent or its designee (including the Custodian) at Agent's request or otherwise as required by operation of this Section 16.

(b) Servicing Term. Seller shall service or cause the Servicer to service such Mortgage Loans and REO Properties on behalf of Purchaser commencing as of the related Purchase Date until the first next Monthly Payment Date, which term may be extended in writing by Agent in its sole discretion, until the

next following Monthly Payment Date (each, a "Servicing Term"). Notwithstanding the foregoing, that Purchaser and/or Agent shall have the right to immediately terminate the Seller, in its
capacity as servicer, or any Servicer at any time following a Servicer Termination Event. If such Servicing Term is not extended by Agent or if Purchaser or Agent has terminated Seller, in its capacity as servicer, or Servicer as a result of a Servicer Termination Event, Seller shall transfer or shall cause such Servicer to transfer such servicing to Purchaser or its designee at no cost or expense to Purchaser as provided in Section 14(t). Seller, in its capacity as servicer, shall hold or cause to be held all Escrow Payments collected with respect to the Mortgage Loans it or a Servicer is subservicing on behalf of purchaser in segregated accounts for the sole benefit of the related Mortgagor and shall apply the same for the purposes for which such funds were collected. If Seller or Servicer should discover that, for any reason whatsoever, it or the Servicer has failed to fully perform its servicing obligations in any material respect with respect to the Mortgage Loans or REO Properties it is subservicing on behalf of Purchaser, Seller shall promptly notify Purchaser and Agent.

(c) Servicing Reports. As requested by Purchaser from time to time, Seller shall furnish to Purchaser, Agent and Verification Agent reports in form and scope satisfactory to Purchaser, setting forth
(i) data regarding the performance of the individual Mortgage Loans, (ii) a summary report of all Mortgage Loans serviced by the Seller and originated pursuant to an Agency Guide, HUD and/or FHA guidelines (on a portfolio basis) and all REO Properties serviced by the Seller, in each case, for the immediately preceding month, including, without limitation, all collections, delinquencies, defaults, defects, claim rates, losses and recoveries and (iii) any other information reasonably requested by Purchaser or Agent or Verification Agent.

(d) Backup Servicer. The Agent, in its sole discretion, may appoint a backup servicer at any time during the term of this Agreement. In such event, Seller shall commence monthly delivery to such backup servicer of the servicing information required to be delivered to Purchaser pursuant to Section 16(d) hereof and any other information reasonably requested by backup servicer, all in a format that is reasonably acceptable to such backup servicer. Purchaser shall pay all costs and expenses of such backup servicer, including, but not limited to all fees of such backup servicer in connection with the processing of such information and the maintenance of a servicing file with respect to the Purchased Assets. Seller shall cooperate fully with such backup servicer in the event of a transfer of servicing hereunder and will provide such backup servicer with all documents and information necessary for such backup servicer to assume the servicing of the Purchased Assets.

(e) Collection Account. Prior to the initial Purchase Date, Seller shall establish and maintain a separate account (the "Barclays Collection Account"). Such account shall be subject to the Collection Account Control Agreement. The Seller shall deposit or credit to the Collection Account all amounts collected on account of the Mortgage Loans and REO Properties within two (2) Business Days of receipt and such amounts shall be deposited or credited irrespective of any right of setoff or counterclaim arising in favor of Seller (or any third party claiming through it) under any other agreement or arrangement. Amounts on deposit in the Collection Account shall be distributed as provided in Section 16(f). Seller shall have the right to withdraw amounts on deposit therein at any time subject to the restrictions set forth in subsections 16(f)(ii) and (iv); provided, that Agent shall have the right to block such withdrawals at any time by providing written notice thereof to Seller and Bank in accordance with the terms of the Collection Account Control Agreement. Seller shall deliver, or cause Bank to deliver, to Purchaser, daily account statements in respect of the Collection Account.

(f) Income Payments.

(i) Where a particular term of a Transaction extends over the date on which Income is paid in respect of any Purchased Asset subject to that Transaction, (i) Seller shall deposit or cause to be deposited such Income into the related Collection Account no later than two (2) Business Days after receipt thereof, and (ii) such Income shall be the Property of the Purchaser subject to subsections 16(f)(ii), (iii) and (iv) below.

(ii) Seller shall have the option to (i) withdraw from a Collection Account all Income on deposit therein with respect to the Purchased Assets and use such funds at its discretion or (ii) cause the Bank to disburse such Income to the Purchaser, which amounts shall be applied by Purchaser in the following order of priority (i) to reduce outstanding Price Differential due and payable in respect of Purchased Assets for which the Purchaser has received the related Outstanding Purchase Price pursuant to Section 3(f) during the prior calendar month,

(ii) to reduce the Outstanding Purchase Price for all outstanding Transactions, and (iii) to pay all other Obligations then due and payable to such Purchaser.

(iii) Notwithstanding anything herein or in the Collection Account Control Agreements to the contrary, Seller shall in no event be permitted to withdraw funds from the Collection Account to the extent that such action would result in the creation of a Margin Deficit (unless prior thereto or simultaneously therewith Seller cures such Margin Deficit in accordance with Section 16), or if an Event of Default is then continuing. Further, if an uncured Margin Deficit exists as of such Monthly Payment Date, Seller shall cause the Bank to disburse the Income related to the Transaction for which the Margin Deficit exists to the Purchaser (up to the amount of such Margin Deficit), which amounts shall be applied by the Purchaser to reduce the related Outstanding Purchase Price.

(iv) If a successor servicer takes delivery of such Mortgage Loans and rights to service such REO Properties either under the circumstances set forth in Section 16(i) or otherwise, all amounts deposited in the related Collection Account shall be paid to the Purchaser promptly upon such delivery.

(g) With respect to each FHA Buyout Loan, (i) Seller shall deposit FHA claims payments on such FHA Buyout Loan into the Barclays Collection Account within one Business Day of receipt and (ii) Seller shall service such FHA Buyout Loan in strict compliance with all FHA requirements.

(h) With respect to each HECM Buyout Loan, (i) Seller shall deposit FHA claims payments on such HECM Buyout Loan into the Barclays Collection Account within one Business Day of receipt and (ii) Seller shall service such HECM Buyout Loan in strict compliance with all FHA requirements.

(i) With respect to each VA Buyout Loan, (i) Seller shall deposit VA claim payments on such VA Buyout Loan into the Barclays Collection Account within one Business Day of receipt and (ii) Seller shall cause each Servicer to service the VA Buyout Loans in strict compliance with all VA requirements.

(j) Servicer Termination. Purchaser, in its sole discretion (and, with respect to any REO Properties, on behalf of the REO Subsidiary), may terminate Seller's rights and obligations as subservicer of the affected Mortgage Loans and REO Properties and require Seller to deliver the related Servicing Records to Purchaser or its designee upon the occurrence of (i) an Event of Default or (ii) upon the expiration of the Servicing Term as set forth in Section 16(b) by delivering written notice to Seller requiring such termination. Such termination shall be effective upon Seller's receipt of such written notice; provided, that Seller's subservicing rights shall be terminated immediately upon the occurrence of any event described in Section 17(t), regardless of whether notice of such event shall have been given to or by Purchaser or Seller. Upon any such termination, all authority and power of Seller respecting its rights to subservice and duties under this Agreement relating thereto, shall pass to and be vested in the successor servicer appointed by Purchaser, and Purchaser is hereby authorized and empowered to transfer such rights to subservice the Mortgage Loans and REO Properties for such price and on such terms and conditions as Purchaser shall reasonably determine. Seller shall promptly take such actions and furnish to Purchaser such documents that Purchaser deem necessary or appropriate to enable
Purchaser to enforce such Mortgage Loans and manage such REO Properties and shall perform all acts and take all actions so that the Mortgage Loans and REO Properties and all files and documents relating to such Mortgage Loans and REO Properties held by Seller, together with all escrow amounts relating to such Mortgage Loans and REO Properties, are delivered to a successor servicer, including but not limited to preparing, executing and delivering to the successor servicer any and all documents and other instruments, placing in the successor servicer's possession all Servicing Records pertaining to such Mortgage Loans and REO Properties and doing or causing to be done, all at Seller's sole expense. To the extent that the approval of the Applicable Agency is required for any such sale or transfer, Seller shall fully cooperate with Purchaser to obtain such approval. All amounts paid by any purchaser of such rights to service or subservice the Mortgage Loans and REO Properties shall be the Property of Purchaser. The subservicing rights required to be delivered to the successor servicer in accordance with this Section 16(i) shall be delivered free of any servicing rights in favor of Seller or any third party (other than Purchaser) and free of any title, interest, lien, encumbrance or claim of any kind of Seller other than record title to the Mortgages relating to the Mortgage Loans and the right and obligation to repurchase the Mortgage Loans and REO Properties hereunder. No exercise by Purchaser of its rights under this Section 16(i) shall relieve Seller of responsibility or liability for any breach of this Agreement.

(k) With respect to each FHA Buyout Loan and HECM Buyout Loan subject to a Transaction as of October 17, 2016, Seller shall, on or before November 16, 2016, revise the current U.S. Department of Housing and Urban Development's form for Single-Family Application for Insurance Benefits, as necessary, to remove all references relating to Sutton Funding LLC.

17. EVENTS OF DEFAULT

With respect to any Transactions covered by or related to this Agreement, the occurrence of any of the following events shall constitute an "Event of Default":

(a) Seller fails to transfer the Purchased Assets to the applicable Purchaser on the applicable Purchase Date (provided the Purchaser has tendered the related Initial Purchase Price);

(b) Seller either fails to repurchase the Purchased Assets on the applicable Repurchase Date or fails to perform its obligations under Section 7 or the last sentence of Section 15;

(c) Seller shall fail to (i) remit to Purchaser when due any payment required to be made under the terms of this Agreement, any of the other Program Documents or any other contracts or agreements delivered in connection herewith or therewith, or (ii) perform, observe or comply with any material term, condition, covenant or agreement contained in this Agreement or any of the other Program Documents (other than the other "Events of Default" set forth in this Section 17) or any other contracts or agreements delivered in connection herewith or therewith, and such failure is not cured within the time period expressly provided for therein, or, if no such cure period is provided, within two (2) Business Days of the earlier of (x) Seller's receipt of written notice from Purchaser or Custodian of such breach or (y) the date on which Seller obtains notice or knowledge of the facts giving rise to such breach;

(d) Any representation or warranty made by Seller (or any of Seller's officers) in the Program Documents or in any other document delivered in connection therewith, or in any other contract or agreement, shall have been incorrect or untrue in any material respect when made or repeated or deemed by the terms thereof to have been incorrect or untrue in any material respect when made or repeated (other than the representations or warranties in Exhibit B-1 or B-2, as applicable, which shall be considered solely for the purpose of determining whether the related Purchased Asset is an Eligible Asset, unless (i) Seller shall have made any such representation or warranty with the knowledge that it was materially false or misleading at the time made or repeated or deemed to have been made or repeated, or (ii) any such representation or warranty shall have been determined by Purchaser in its sole discretion to be materially false or misleading on a regular basis);

(e) Seller or any of its Affiliates or Subsidiaries shall (A) be in default under, or fail to perform as requested under, or shall otherwise breach, beyond any applicable cure period, the terms of any warehouse, credit, repurchase, line of credit, financing or other similar agreement relating to any Indebtedness between Seller or any of its Affiliates or Subsidiaries, on the one hand, and any Person, on the other, which default or failure entitles any party to require acceleration or prepayment of any Indebtedness thereunder; or (B) fail to satisfy, when due and beyond any applicable cure period, any payment obligation under any other material agreement between Seller or any of its Affiliates or Subsidiaries, on the one hand, and any Person, on the other (it being understood that for the purposes of this clause (B) an agreement is material if the payment obligations thereunder exceed $25,000,000 in the aggregate over the term of such agreement);

(f) Any Act of Insolvency of the Seller or any of its Affiliates;

(g) Any final judgment or order for the payment of money in excess of $15,000,000 in the aggregate (to the extent that it is, in the reasonable determination of Purchaser, uninsured and provided that any insurance or other credit posted in connection with an appeal shall not be deemed insurance for these purposes) shall be rendered against Seller or any of Seller's Affiliates by one or more courts, administrative tribunals or other bodies having jurisdiction over them and the same shall not be discharged (or provisions shall not be made for such discharge) satisfied, or bonded, or a stay of execution thereof shall not be procured, within sixty (60) days from the date of entry thereof and Seller or any of Seller's Affiliates, as applicable, shall not, within said period of sixty (60) days, or such longer period during which execution of the same shall have been stayed or bonded, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(h) Any Governmental Authority or any person, agency or entity acting or purporting to act under governmental authority (i) shall have taken any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the Property of Seller or any of Seller's Affiliates, or shall have taken any action to displace the management of Seller or any of Seller's Affiliates or to curtail its authority in the conduct of the business of Seller or any of Seller's Affiliates, or
(v) takes any action in the nature of enforcement to remove, limit or restrict the approval of Seller or any of Seller's Affiliates as an issuer, Purchaser or a seller/servicer of Mortgage Loans or securities backed thereby;

(i) Seller, shall fail to comply with any of the financial covenants set forth in Section 14(g)(ii);

(j) Any Material Adverse Effect shall have occurred;

(k) This Agreement shall for any reason cease to create a valid first priority security interest or ownership interest upon transfer in any material portion of the Purchased Assets purported to be covered hereby;

(l) A Change in Control of Seller shall have occurred that has not been approved by Agent;

(m) Purchaser or Agent shall reasonably request, specifying the reasons for such request, reasonable information, and/or written responses to such requests, regarding the financial well-being of Seller, and such reasonable information and/or responses shall not have been provided within ten (10) Business Days of such request;

(n) A default by Seller or any of its Affiliates or Subsidiaries shall have occurred and be continuing beyond the expiration of any applicable cure periods under any material agreement (including, without limitation, the Program Documents and the EPF Program Documents) or obligation entered into between such Person and Purchaser or any of its Affiliates;

(o) The Seller ceases to be a member of MERS in good standing for any reason (unless MERS is no longer acting in such capacity);

(p) Change of Servicer without consent of Agent;

(q) Failure of Servicer to service the Mortgage Loans in accordance with Accepted Servicing Practices;

(r) Failure of Servicer to meet the qualifications to maintain all requisite Approvals, such Approvals are revoked or such Approvals are materially modified;

(s) If, at any time, Servicer's HUD ranking falls below "Tier 2" lender;

(t) Failure by Servicer or Seller to remit when due Income payments or FHA claims, VA Claims or payments with respect to an FHA Buyout Loan, VA Buyout Loan or HECM Buyout Loan sold to Barclays hereunder when such remittance is required to be made under the terms of this Agreement or such Mortgage Loan;

(u) the Servicer or any of its Affiliates fails to operate or conduct its business operations or any material portion thereof in the ordinary course;

(v) the Verification Agent is terminated by the Agent, or resigns and the selection and approval by the Agent of a successor Verification Agent (such approval not to be unreasonably withheld or delayed) and the assumption of the Verification Agent's duties by such successor verification agent does not become effective within thirty (30) days of such termination or resignation;

(w) Seller fails to deliver the 1940 Act Opinion to Purchaser within fifteen (15) days of the date hereof; and

(x) REO Subsidiary breaches of any of its Separateness Covenants in any material respect.

18. <u>REMEDIES</u>

Upon the occurrence of an Event of Default, the Purchaser, at its option, shall have the right to exercise any or all of the following rights and remedies:

(a) (i) The Repurchase Date for each Transaction hereunder shall, if it has not already occurred, be deemed immediately to occur (except that, in the event that the Purchase Date for any Transaction has not yet occurred as of the date of such exercise or deemed exercise, such Transaction shall be deemed immediately canceled). Seller's Obligations hereunder, to repurchase all Purchased Assets at the Repurchase Price therefor on the Repurchase Date in such Transactions shall thereupon become immediately due and payable; all Income paid after such exercise or deemed exercise shall be remitted to and retained by the Purchaser and applied to the aggregate Repurchase Prices and any other amounts owing by Seller hereunder; Seller shall immediately deliver to Purchaser or its designee any and all original papers, records and files relating to the Purchased Assets subject to such Transaction then in its possession and/or control; and all right, title and interest in and entitlement to such Purchased Assets and Servicing Rights thereon shall become Property of the Purchaser.

(ii) Purchaser may (A) sell, on or following the Business Day following the date on which the Repurchase Price becomes due and payable pursuant to Section 18(a)(i) without notice or demand of any kind, at a public or private sale and at such price or prices as Purchaser may reasonably deem satisfactory, any or all or portions of the Purchased Assets on a servicing-released or servicing-retained basis, as Purchaser may determine in its sole discretion and/or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Assets, to give Seller credit for such Purchased Assets (including the Servicing Rights in respect of sales on a servicing-retained basis) in an amount equal to the Market Value of the Purchased Assets against the aggregate unpaid Repurchase Price and any other amounts owing by Seller hereunder. Seller shall remain liable to Purchaser for any amounts that remain owing to Purchaser following a sale and/or credit under the preceding sentence. The proceeds of any disposition of Purchased Assets shall be applied first to the reasonable costs and expenses including but not limited to legal fees incurred by Purchaser in connection with or as a result of an Event of Default; second to costs of cover and/or related hedging transactions; third to the aggregate Repurchase Prices; and fourth to all other Obligations.

(iii) The parties recognize that it may not be possible to purchase or sell all of the Purchased Assets on a particular Business Day, or in a transaction with the same purchaser, or in the same manner because the market for such Purchased Assets may not be liquid. In view of these characteristics of the Purchased Assets, the parties agree that liquidation of a Transaction or the underlying Purchased Assets does not require a public purchase or sale and that a good faith private purchase or sale shall be deemed to have been made in a commercially reasonable manner. Accordingly, Purchaser may elect the time and manner of liquidating any Purchased Asset and nothing contained herein shall obligate Purchaser to liquidate any Purchased Asset upon the occurrence of an Event of Default or to liquidate all Purchased Assets in the same manner or on the same Business Day or shall constitute a waiver of any right or remedy of Purchaser. Notwithstanding the foregoing, the parties to this Agreement agree that the Transactions have been entered into in consideration of and in reliance upon the fact that all Transactions hereunder constitute a single business and contractual obligation and that each Transaction has been entered into in consideration of the other Transactions.

(iv) The Purchaser may terminate the Agreement.

(b) Seller hereby acknowledges, admits and agrees that Seller's obligations under this Agreement are recourse obligations of Seller. In addition to its rights hereunder, Purchaser shall have the right to proceed against any of Seller's assets which may be in the possession of Purchaser, any of Purchaser's Affiliates or its designee (including the Custodian), including the right to liquidate such assets and to set-off the proceeds against monies owed by Seller to Purchaser pursuant to this Agreement. Purchaser may set off cash, the proceeds of the liquidation of the Purchased Assets and Additional Purchased Mortgage Loans and all other sums or obligations owed by Purchaser to Seller or against all of Seller's Obligations to Purchaser, or Seller's obligations to Purchaser under any other agreement among the parties, or otherwise, whether or not such obligations are then due, without prejudice to Purchaser's right to recover any deficiency.

(c) Purchaser shall have the right to obtain physical possession of the Records and all other files of Seller relating to the Purchased Assets and all documents relating to the Purchased Assets which

are then or may thereafter come into the possession of Seller or any third party acting for Seller and Seller shall deliver to the Purchaser such assignments as the Purchaser shall request.

(d) Purchaser shall have the right to direct all Persons servicing the Purchased Assets to take such action with respect to the Purchased Assets as Purchaser determine appropriate, including, without limitation, using its rights under a power of attorney granted pursuant to Section 9(b) hereof.

(e) Purchaser shall, without regard to the adequacy of the security for the Obligations, be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession of and protect, collect, manage, liquidate, and sell the Purchased Assets or any portion thereof, collect the payments due with respect to the Purchased Assets or any portion thereof, and do anything that Purchaser is authorized hereunder to do. Seller shall pay all costs and expenses incurred by Purchaser in connection with the appointment and activities of such receiver, and such shall be deemed part of the Obligations hereunder.

(f) Purchaser may, at its option, enter into one or more hedging transactions covering all or a portion of the Purchased Assets, and Seller shall be responsible for all damages, judgments, costs and expenses of any kind which may be imposed on, incurred by or asserted against Purchaser relating to or arising out of such hedging transactions; including without limitation any losses resulting from such hedging transactions, and such shall be deemed part of the Obligations hereunder.

(g) In addition to all the rights and remedies specifically provided herein, Purchaser shall have all other rights and remedies provided by applicable federal, state, foreign and local laws, whether existing at law, in equity or by statute, including, without limitation, all rights and remedies available to a purchaser/secured party under the Uniform Commercial Code.

Except as otherwise expressly provided in this Agreement, Purchaser shall have the right to exercise any of its rights and/or remedies without presentment, demand, protest or further notice of any kind, other than as expressly set forth herein, all of which are hereby expressly waived by Seller.

Purchaser may enforce its rights and remedies hereunder without prior judicial process or hearing, and Seller hereby expressly waives, to the extent permitted by law, any right Seller might otherwise have to require Purchaser to enforce its rights by judicial process. Seller also waives, to the extent permitted by law, any defense Seller might otherwise have to the Obligations, or any guaranty thereof, arising from use of nonjudicial process, enforcement and sale of all or any portion of the Purchased Assets or from any other election of remedies. Seller recognizes that nonjudicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.

Seller shall cause all sums received by it with respect to the Purchased Assets to be deposited promptly upon receipt thereof but in no event later than twenty-four (24) hours thereafter. Seller shall be liable to Purchaser for the amount of all losses, costs and/or expenses (plus interest thereon at a rate equal to the Default Rate) which Purchaser may sustain or incur in connection with hedging transactions relating to the Purchased Assets, conduit advances and payments for mortgage insurance.

19. DELAY NOT WAIVER; REMEDIES ARE CUMULATIVE

No failure on the part of Purchaser to exercise, and no delay by Purchaser in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Purchaser of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All rights and remedies of Purchaser provided for herein are cumulative and in addition to any and all other rights and remedies provided by law, the Program Documents and the other instruments and agreements contemplated hereby and thereby, and are not conditional or contingent on any attempt by Purchaser to exercise any of its rights under any other related document. Purchaser may exercise at any time after the occurrence of an Event of Default one or more remedies permitted hereunder, as it so desires, and may thereafter at any time and from time to time exercise any other remedy or remedies permitted hereunder.

20. USE OF EMPLOYEE PLAN ASSETS

No assets of an employee benefit plan subject to any provision of ERISA shall be used by either party hereto in a Transaction.

21. INDEMNITY

(a) Seller agrees to indemnify and hold harmless Purchaser, Agent and their Affiliates and their respective officers, directors, employees, agents and advisors (each, an "Indemnified Party") from and against (and will reimburse each Indemnified Party as the same is incurred within thirty (30) days following receipt of an invoice therefor) any and all claims, damages, losses, liabilities, increased costs and all other expenses including out-of-pocket expenses (including, without limitation, reasonable fees and expenses of outside counsel and audit and due diligence fees) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including without limitation, in connection with) (i) any investigation, litigation or other proceeding (whether or not such Indemnified Party is a party thereto) relating to, resulting from or arising out of any of the Program Documents and all other documents related thereto, any breach by Seller of any representation or warranty or covenant in this Agreement or any other Program Document, and all actions taken pursuant thereto, (ii) the Transactions, the actual or proposed use of the proceeds of the Transactions, this Agreement or any of the transactions contemplated thereby, including, without limitation, any acquisition or proposed acquisition, or any indemnity payable under the servicing agreement or other servicing arrangement, (iii) the actual or alleged presence of hazardous materials on any Property or any environmental action relating in any way to any Property, (iv) the actual or alleged violation of any federal, state, municipal or local predatory lending laws, or (v) the reduction of the unpaid principal balance due to a cram down or similar action authorized by any bankruptcy proceeding or other case arising out of or relating to any petition under the Bankruptcy Code, in each case, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted directly from such Indemnified Party's gross negligence or willful misconduct or is the result of a claim made by Seller against the Indemnified Party, and Seller is ultimately the successful party in any resulting litigation or arbitration. Seller hereby agrees not to assert any claim against Purchaser or any of its Affiliates, or any of their respective officers, directors, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Program Documents, the actual or proposed use of the proceeds of the Transactions, this Agreement or any of the transactions contemplated thereby. This paragraph (a) shall not apply with respect to taxes other than taxes that represent losses, claims, damages, etc. arising from any non-tax claim. THE FOREGOING INDEMNITY AND AGREEMENT NOT TO ASSERT CLAIMS EXPRESSLY APPLIES, WITHOUT LIMITATION, TO THE NEGLIGENCE (BUT NOT GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PARTIES.

(b) If Seller fails to pay when due any costs, expenses or other amounts payable by it under this Agreement, including, without limitation, reasonable fees and expenses of counsel and indemnities, such amount may be paid on behalf of Seller by Purchaser, in its sole discretion and Seller shall remain liable for any such payments by Purchaser and such amounts shall be deemed part of the Obligations hereunder. No such payment by Purchaser shall be deemed a waiver of any of the Purchaser's rights under the Program Documents.

(c) Without prejudice to the survival of any other agreement of Seller hereunder, the covenants and obligations of Seller contained in this Section 21 shall survive the payment in full of the Repurchase Price and all other amounts payable hereunder and delivery of the Purchased Assets by Purchaser against full payment therefor.

22. WAIVER OF REDEMPTION AND DEFICIENCY RIGHTS

Seller hereby expressly waives, to the fullest extent permitted by law, every statute of limitation on a deficiency judgment, any reduction in the proceeds of any Purchased Assets as a result of restrictions upon Purchaser or Custodian contained in the Program Documents or any other instrument delivered in connection therewith, and any right that they may have to direct the order in which any of the Purchased Assets shall be disposed of in the event of any disposition pursuant hereto.

23. REIMBURSEMENT; SET-OFF

(a) Seller agrees to pay on demand all reasonable out-of-pocket costs and expenses of Purchaser in connection with the initial and subsequent negotiation, modification, renewal and amendment of the Program Documents (including, without limitation, (A) all collateral review and UCC search and filing fees and expenses and (B) the reasonable fees and expenses of outside counsel for Purchaser with respect to advising Purchaser as to its rights and responsibilities, or the perfection, protection or preservation of rights or interests, under this Agreement and any other Program Document, with respect to negotiations with Seller or with other creditors of Seller arising out of any Default or any events or

circumstances that may give rise to a Default and with respect to presenting claims in or otherwise participating in or monitoring any bankruptcy, insolvency or other similar proceeding involving creditors' rights generally and any proceeding ancillary thereto). Seller agrees to pay on demand, with interest at the Default Rate to the extent that an Event of Default has occurred, all costs and expenses, including without limitation, reasonable attorneys' fees and disbursements (and fees and disbursements of Purchaser's outside counsel) expended or incurred by Purchaser and/or Custodian in connection with the modification, renewal, amendment and enforcement (including any waivers) of the Program Documents (regardless of whether a Transaction is entered into hereunder), the taking of any action, including legal action, required or permitted to be taken by Purchaser (without duplication to Purchaser) and/or Custodian pursuant thereto or by refinancing or restructuring in the nature of a "workout." Further, Seller agrees to pay, with interest at the Default Rate to the extent that an Event of Default has occurred, all costs and expenses, including without limitation, reasonable attorneys' fees and disbursements (and fees and disbursements of Purchaser's outside counsel) expended or incurred by Purchaser in connection with (a) the rendering of legal advice as to Purchaser's rights, remedies and obligations under any of the Program Documents, (b) the collection of any sum which becomes due to Purchaser under any Program Document, (c) any proceeding for declaratory relief, any counterclaim to any proceeding, or any appeal, or (d) the protection, preservation or enforcement of any rights of Purchaser. For the purposes of this Section 23(a), attorneys' fees shall include, without limitation, fees incurred in connection with the following: (1) discovery; (2) any motion, proceeding or other activity of any kind in connection with a bankruptcy proceeding or case arising out of or relating to any petition under Title 11 of the United States Code, as the same shall be in effect from time to time, or any similar law; (3) garnishment, levy, and debtor and third party examinations; and (4) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment. Any and all of the foregoing amounts referred to in this Section 23(a) shall be deemed a part of the Obligations hereunder. Without prejudice to the survival of any other agreement of Seller hereunder, the covenants and obligations of Seller contained in this Section 23(a) shall survive the payment in full of the Repurchase Price and all other amounts payable hereunder and delivery of the Purchased Assets by the Purchaser against full payment therefor.

(b) In addition to any rights and remedies of Purchaser under this Agreement and by law, Purchaser and its related Affiliates shall have the right, without prior notice to Seller, any such notice being expressly waived by Seller to the extent permitted by applicable law, upon any amount becoming due and payable (whether at the stated maturity, by acceleration or otherwise) by Seller hereunder or under any Set Off Eligible Agreement, to set-off and appropriate and apply against such amount (subject to any existing limitations on recourse) any and all Property and deposits (general or special, time or demand, provisional or final), in any currency, or any other credits, indebtedness or claims, in any currency, or any other collateral (in the case of collateral not in the form of cash or such other marketable or negotiable form, by selling such collateral in a recognized market therefor or as otherwise permitted by law or as may be in accordance with custom, usage or trade practice), in each case, whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Purchaser or any Affiliate thereof to or for the credit or the account of Seller or any of its Subsidiaries (including, without limitation, the amount of any accrued and unpaid Completion Fees) except and to the extent that any of the same are held by Seller or such Subsidiary for the account of another Person. Purchaser may also (subject to any existing limitations on recourse) set-off cash and all other sums or obligations owed by the Purchaser or its Affiliates to Seller or its Subsidiaries hereunder or under any Set Off Eligible Agreement against all of Seller's obligations to the Purchaser or its Affiliates hereunder or under any Set Off Eligible Agreement, whether or not such obligations are then due. The exercise of any such right of set-off shall be without prejudice to any Purchaser's or its Affiliate's right to recover any deficiency. The Purchaser agrees to promptly notify Seller after any such set-off and application made by the Purchaser; provided that the failure to give such notice shall not affect the validity of such set-off and application.

24. FURTHER ASSURANCES

Seller agrees to do such further acts and things and to execute and deliver to Purchaser such additional assignments, acknowledgments, agreements, powers and instruments as are reasonably required by Purchaser and Agent to carry into effect the intent and purposes of this Agreement, to perfect the interests of Purchaser in the Purchased Assets or to better assure and confirm unto Purchaser its rights, powers and remedies hereunder.

25. ENTIRE AGREEMENT; PRODUCT OF NEGOTIATION

This Agreement supersedes and integrates all previous negotiations, contracts, agreements and understandings among the parties relating to a sale and repurchase of Purchased Assets and Additional

Purchased Mortgage Loans, and it, together with the other Program Documents, and the other documents delivered pursuant hereto or thereto, contains the entire final agreement of the parties. No prior negotiation, agreement, understanding or prior contract shall have any validity hereafter.

26. TERMINATION

This Agreement shall remain in effect until the Termination Date. However, no such termination shall affect Seller's outstanding obligations to Purchaser at the time of such termination. Seller's obligations to indemnify Purchaser pursuant to this Agreement and the other Program Documents shall survive the termination hereof.

27. REHYPOTHECATION; ASSIGNMENT

(a) Purchaser may, in its sole election, and without the consent of the Seller engage in repurchase transactions with the Purchased Assets or otherwise pledge, hypothecate, assign, transfer or otherwise convey the Purchased Assets with a counterparty of the Purchaser's choice, in all cases subject to the Purchaser's obligation to reconvey the Purchased Assets (and not substitutes therefor) on the Repurchase Date, all at no cost to the Seller. In the event Purchaser engages in a repurchase transaction with any of the Purchased Assets or otherwise pledges or hypothecates any of the Purchased Assets, the Purchaser shall have the right to assign to the Purchaser's counterparty any of the applicable representations or warranties in Exhibit B-1 or B-2 to this Agreement, as applicable, and the remedies for breach thereof, as they relate to the Purchased Assets that are subject to such repurchase transaction.

(b) The Program Documents and the Seller's rights and obligations thereunder are not assignable by Seller without the prior written consent of the Purchaser. Any Person into which Seller may be merged or consolidated, or any corporation resulting from any merger, conversion or consolidation to which Seller shall be a party, or any Person succeeding to the business of Seller, shall be the successor of Seller hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding. Without any requirement for further consent of the Seller and at no cost or expense to the Seller, each of the Purchaser and Agent may, in its sole election, assign or participate all or a portion of its rights and obligations under this Agreement and the Program Documents with a counterparty of the Purchaser's or Agent's choice. The Purchaser or Agent shall notify Seller of any such assignment and participation and shall maintain, for review by Seller upon written request, a register of assignees and participants and a copy of any executed assignment and acceptance by the Purchaser or Agent and assignee ("Assignment and Acceptance"), specifying the percentage or portion of such rights and obligations assigned. The Seller agrees that, for any such permitted assignment, Seller will cooperate with the prompt execution and delivery of documents reasonably necessary for such assignment process to the extent that Seller incurs no cost or expense that is not paid by the Purchaser or Agent, as applicable. Upon such assignment, (a) such assignee shall be a party hereto and to each Program Document to the extent of the percentage or portion set forth in the Assignment and Acceptance, and shall succeed to the applicable rights and obligations of the Purchaser or Agent hereunder, and (b) the Purchaser or Agent shall, to the extent that such rights and obligations have been so assigned by it to either (i) an Affiliate of the Purchaser or Agent which assumes the obligations of the Purchaser or Agent hereunder or (ii) to another Person which assumes the obligations of the Purchaser or Agent hereunder, be released from its obligations hereunder accruing thereafter and under the Program Documents.

(c) The Purchaser and Agent may distribute to any prospective assignee, participant or pledgee any document or other information delivered to the Purchaser by Seller subject to the confidentiality restrictions contained in Section 35 hereof; accordingly, such prospective assignee, participant or pledgee shall be required to agree to confidentiality provisions similar to those set forth in Section 35.

28. AMENDMENTS, ETC.

No amendment or waiver of any provision of this Agreement nor any consent to any failure to comply herewith or therewith shall in any event be effective unless the same shall be in writing and signed by Seller, Purchaser and Agent, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

29. SEVERABILITY

If any provision of any Program Document is declared invalid by any court of competent jurisdiction, such invalidity shall not affect any other provision of the Program Documents, and each Program Document shall be enforced to the fullest extent permitted by law.

30. BINDING EFFECT; GOVERNING LAW

This Agreement shall be binding and inure to the benefit of the parties hereto and their respective successors and assigns. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, GOVERNED BY AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF (EXCEPT FOR SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

31. WAIVER OF JURY TRIAL; CONSENT TO JURISDICTION AND VENUE; SERVICE OF PROCESS

SELLER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PROGRAM DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENTS, ON BEHALF OF ITSELF AND ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF ANY COURT OF THE STATE OF NEW YORK, OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE PROGRAM DOCUMENTS IN ANY ACTION OR PROCEEDING. SELLER HEREBY SUBMITS TO, AND WAIVES ANY OBJECTION IT MAY HAVE TO, NON-EXCLUSIVE PERSONAL JURISDICTION AND VENUE IN THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, WITH RESPECT TO ANY DISPUTES ARISING OUT OF OR RELATING TO THE PROGRAM DOCUMENTS. SELLER HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF A SUMMONS AND COMPLAINT AND OTHER PROCESS IN ANY ACTION, CLAIM OR PROCEEDING BROUGHT BY ANOTHER PARTY IN CONNECTION WITH THIS AGREEMENT OR THE OTHER PROGRAM DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER, OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS, ON BEHALF OF ITSELF OR ITS PROPERTY, IN THE MANNER SPECIFIED IN THIS SECTION 31 AND TO SUCH PARTY'S ADDRESS SPECIFIED IN SECTION 34 OR SUCH OTHER ADDRESS AS SUCH PARTY SHALL HAVE PROVIDED IN WRITING TO THE OTHER PARTIES HERETO. NOTHING IN THIS SECTION 31 SHALL AFFECT THE RIGHT OF ANY PARTY HERETO TO (I) SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW, OR (II) BRING ANY ACTION OR PROCEEDING AGAINST ANY OTHER PARTY OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTIONS.

32. SINGLE AGREEMENT

Seller, Purchaser and Agent acknowledge that, and have entered hereinto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, Seller, Purchaser and Agent each agree (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, and (ii) that payments, deliveries and other transfers made by any of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transaction hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

33. INTENT

Seller, Purchaser and Agent recognize that each of the Transactions and this Agreement is a "repurchase agreement" as that term is defined in Section 101 of the Bankruptcy Code, and a "securities contract" as that term is defined in Section 741 of the Bankruptcy Code, or a "qualified financial contract" as that term is defined in the Federal Deposit Insurance Act, as applicable, and a "master netting agreement" as that term is defined in Section 101 of the Bankruptcy Code.

It is understood that Purchaser's right to liquidate, the Purchased Assets and terminate and accelerate the Transactions and this Agreement or to exercise any other remedies pursuant to Section 18 hereof is a contractual right to liquidate, terminate and accelerate the Transactions under a repurchase agreement, a securities contract, a master netting agreement, and a qualified financial contract as described in Sections 559, 555 and 561 of the Bankruptcy Code and Section 1821(e)(8)(A)(i) of the Federal Deposit Insurance Act, as applicable, and a contractual right to offset under a master netting agreement and across contracts, as described in Section 561 of the Bankruptcy Code. It is understood that Purchaser's right to accelerate the Repurchase Date with respect to the Purchased Assets and any Transaction hereunder pursuant to Section 18 hereof is a contractual right to liquidate, terminate and accelerate the Transactions under a repurchase agreement, a securities contract, a master netting agreement, and a qualified financial contract as described in Sections 559, 555 and 561 of the Bankruptcy Code and Section 1821(e)(8)(A)(i) of the Federal Deposit Insurance Act, as applicable.

The parties hereby intend that any provisions hereof or in any other document, agreement or instrument that is related in any way to the servicing of the individual Mortgage Loans shall be deemed "related to" this Agreement within the meaning of Sections 101(38A)(A) and 101(47)(A)(v) of the Bankruptcy Code and part of the "contract" as such term is used in Section 741 of the Bankruptcy Code.

34. NOTICES AND OTHER COMMUNICATIONS

Except as provided herein, all notices required or permitted by this Agreement shall be in writing (including without limitation by Electronic Transmission, e-mail or facsimile) and shall be effective and deemed delivered only when received by the party to which it is sent; provided that notices of Events of Default and exercise of remedies or under Sections 6 or 18 shall be sent via overnight mail and by electronic transmission. Any such notice shall be sent to a party at the address, electronic mail or facsimile transmission number set forth below:

if to Seller: Nationstar Mortgage LLC
8950 Cypress Waters Boulevard Coppell, Texas 75019
Attention: ~~Pedro Alvarez~~Lola Akibola
Telephone Number: ~~(469) 426-3057~~214.687.4012
E-mail: ~~pedro.alvarez@mrcooper.com~~lola.akibola@mrcooper.com

With a copy to:

Nationstar Mortgage LLC
8950 Cypress Waters Boulevard Coppell, Texas 75019
Attention: General Counsel Telephone Number: 201.424.2244
E-mail: ~~eldridge.burns@mrcooper.com~~Carlos.Pelayo@mrcooper.com

if to Purchaser: Barclays Bank PLC
745 Seventh Avenue, 2nd Floor New York, New York 10019
Attention: US Residential Financing Telephone: (212) 412-7990
E-mail: ~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com; SPLegalNotices@barclays.com
Barclays Bank PLC
745 Seventh Avenue, 5th Floor New York, New York 10019
Attention: RMBS Banking

Telephone: (212) 528-7482 Email: ~~CoreRMBSBanking@barclayscapital.com~~RMBSbanking@barclayscapital.com; SPLegalNotices@barclays.com

~~With copies to:~~

~~Barclays Bank PLC – Operations US~~
~~400 Jefferson Park~~
~~Whippany, New Jersey 07981~~
~~Attention: Whole Loan Operations~~
~~Telephone: (201) 499-4456~~
~~E-mail: WholeLoanOperati@barclayscapital.com~~ if to Agent: Barclays Bank PLC
745 Seventh Avenue, 2nd Floor New York, New York 10019
Attention: US Residential Financing Telephone: (212) 412-7990
E-mail: ~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com; SPLegalNotices@barclays.com

Barclays Bank PLC
745 Seventh Avenue, 5th Floor New York, New York 10019
Attention: RMBS Banking Telephone: (212) 528-7482 Email: ~~CoreRMBSBanking@barclayscapital.com~~RMBSbanking@barclayscapital.com; SPLegalNotices@barclays.com

~~With copies to:~~

~~Barclays Bank PLC – Operations US~~
~~400 Jefferson Park~~
~~Whippany, New Jersey 07981~~
~~Attention: Whole Loan Operations~~
~~Telephone: (201) 499-4456~~
~~E-mail: WholeLoanOperati@barclayscapital.com~~
or to such other address, e-mail address or facsimile number as either party may notify to the others in writing from time to time.

35. CONFIDENTIALITY

Seller, Purchaser and Agent each hereby acknowledge and agree that all written or computer-readable information provided by one party to the other in connection with the Program Documents or the Transactions contemplated thereby, including without limitation, Seller's Mortgagor information in the possession of Purchaser (the "Confidential Terms") shall be kept confidential and shall not be divulged to any party without the prior written consent of such other party except for (i) disclosure to Seller's direct and indirect parent companies, directors, attorneys, agents or accountants, provided that such attorneys or accountants likewise agree to be bound by this covenant of confidentiality, or are otherwise subject to confidentiality restrictions or (ii) with prior (if feasible) written notice to Purchaser, disclosure required by law, rule, regulation or order of a court or other regulatory body or (iii) with prior (if feasible) written notice to Purchaser, disclosure to any approved hedge counterparty to the extent necessary to obtain any Hedge Instrument hereunder or (iv) with prior (if feasible) written notice to Purchaser, any disclosures or filing required under Securities and Exchange Commission ("SEC") or state securities' laws; provided that in the case of clause (iv), Seller shall not file the Pricing Side Letter. Notwithstanding anything herein to the contrary, except as reasonably necessary to comply with applicable securities laws, each party (and each employee, representative, or other agent of each party) may disclose to any and all persons, without

limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure. For this purpose, tax treatment and tax structure shall not include (i) the identity of any existing or future party (or any Affiliate of such party) to this Agreement or (ii) any specific pricing information or other commercial terms, including the amount of any fees, expenses, rates or payments arising in connection with the transactions contemplated by this Agreement.

36. DUE DILIGENCE

Subject to Section 14(z) and the limitations contained in the Pricing Side Letter and the EPF Pricing Side Letter, (i) Purchaser, Agent, Verification Agent or any of their respective agents, representatives or permitted assigns shall have the right, upon reasonable prior notice and during normal business hours, to conduct inspection and perform continuing due diligence reviews of (x) Seller and its Affiliates, directors, officers, employees and significant shareholders, including, without limitation, their respective financial condition and performance of its obligations under the Program Documents, and (y) the Servicing File and the Purchased Assets (including, but not limited to, any documentation related to Seller's FHA servicing practices) and (ii) Seller agrees promptly to provide Purchaser, Agent, Verification Agent and their respective agents with access to, copies of and extracts from any and all documents, records, agreements, instruments or information (including, without limitation, any of the foregoing in computer data banks and computer software systems) relating to Seller's respective business, operations, servicing, financial condition, performance of their obligations under the Program Documents, the documents contained in the Servicing Files or the Purchased Assets or assets proposed to be sold hereunder in the possession, or under the control, of Seller. In addition, Seller shall also make available to Purchaser, Agent and/or Verification Agent, upon reasonable prior notice and during normal business hours, a knowledgeable financial or accounting officer of Seller for the purpose of answering questions respecting any of the foregoing. Without limiting the generality of the foregoing, Seller acknowledges that Purchaser shall enter into transactions with Seller based solely upon the information provided by Seller to Purchaser and/or Agent and the representations, warranties and covenants contained herein, and that Purchaser, Agent and/or Verification Agent, at its option, shall have the right at any time to conduct itself or through its agents, or require Seller to conduct quality reviews and underwriting compliance reviews of the individual Mortgage Loans at the expense of Seller. Any such diligence conducted by Purchaser, Agent and/or Verification Agent shall not reduce or limit the Seller's representations, warranties and covenants set forth herein. Seller agrees to reimburse Purchaser, Agent and/or Verification Agent for all reasonable out-of-pocket due diligence costs and expenses incurred pursuant to this Section 36.

37. AMENDMENT AND RESTATEMENT OF ORIGINAL AGREEMENT; NO NOVATION

(a) As of the date first written above, the terms and provisions of the Original Agreement as amended and restated shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement.

(b) Notwithstanding the amendment and restatement of the Original Agreement by this Agreement, any amounts owing to Barclays under the Original Agreement whether on account of Transactions or otherwise which remain outstanding as of the date hereof, shall constitute Obligations owing hereunder. This Agreement is given in substitution for the Original Agreement, and not as payment of the obligations of the Seller thereunder, and is in no way intended to constitute a novation of the Original Agreement.

(c) Upon the effectiveness of this Agreement on the date first written above, unless the context otherwise requires, each reference to the Original Agreement in any of the Program Documents and in each document, instrument or agreement executed and/or delivered in connection therewith shall mean and be a reference to this Agreement. Except as expressly modified as of the date hereof, all of the other Program Documents shall remain in full force and effect and are hereby ratified and confirmed.

38. CONTRACTUAL RECOGNITION OF BAIL-IN

Seller acknowledges and agrees that notwithstanding any other term of this Agreement or any other agreement, arrangement or understanding with Purchaser, any of Purchaser's liabilities, as the Bank of England (or any successor resolution authority) may determine, arising under or in connection with this Agreement may be subject to Bail-In Action and Seller accepts to be bound by the effect of:

(a) any Bail-In Action in relation to such liability, including (without limitation):

(i) a reduction, in full or in part, of any amount due in respect of any such liability;

(ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, Seller; and

(iii) a cancellation of any such liability; and

(b) a variation of any term of this Agreement to the extent necessary to give effect to Bail-In Action in relation to any such liability.

39. USA PATRIOT ACT; SANCTIONS AND ANTI-TERRORISM

Each of Purchaser and Agent hereby notifies the Seller that pursuant to the requirements of the USA PATRIOT Improvement and Reauthorization Act, Title III of Pub. L. 109-177 (signed into law March 9, 2009) (the "Act"), it is required to obtain, verify, and record information that identifies the Seller, which information includes the name and address of the Seller and other information that will allow each of Purchaser and Agent, as applicable, to identify the Seller in accordance with the Act. Seller hereby represents and warrants to each of Purchaser and Agent, and shall on and as of the Purchase Date for any Transaction and on and as of each date thereafter through and including the related Repurchase Date be deemed to represent and warrant to each of Purchaser and Agent that:

(a) (i) Neither the Seller, nor the Parent Company nor, to the Seller's actual knowledge, any director, officer, or employee of the Seller or any of its subsidiaries, or to the Seller's actual knowledge, any Originator of a Purchased Asset is named on the list of Specifically Designated Nationals maintained by OFAC or any similar sanctions list issued by OFAC, OFSI, or any other Governmental Authority (collectively, the "Sanctions Lists") or is located, organized, or resident in a country or territory that is, or whose government is, the target of sanctions imposed by OFAC, OFSI, or any other Governmental Authority; (ii) no Person or Persons on the Sanctions Lists owns, whether individually or in the
aggregate, directly or indirectly, a fifty percent or greater interest in, or otherwise controls, the Seller, the Parent Company or, to the Seller's actual knowledge, any Originator; and (iii) to the knowledge of the Seller, neither the Purchaser nor Agent is precluded by any Economic and Trade Sanctions and Anti-Terrorism Laws from entering into this Agreement or any transactions pursuant to this Agreement with the Seller due to the ownership or control by any person or entity of stocks, shares, bonds, debentures, notes, drafts or other securities or obligations of the Seller.

(b) (i) Seller will not conduct business with or engage in any transaction with any Obligor that the Seller knows, after reasonable diligence or after being notified by an Originator of a Purchased Asset, (x) is named on any of the Sanctions Lists or is located, organized, or resident in a country or territory that is, or whose government currently is, the target of sanctions imposed by OFAC or any other Governmental Authority; (y) is owned fifty percent or more, directly or indirectly, or otherwise controlled, by a Person named on any Sanctions List; (ii) if the Seller obtains actual knowledge, after reasonable due diligence, that any Obligor is named on any of the Sanctions Lists or that any Person or Persons on the Sanctions Lists owns, whether individually or in the aggregate, directly or indirectly, a fifty percent or greater interest in, or otherwise controls, the Obligor, the Seller, or any Originator, as applicable, Seller will give prompt written notice to the Purchaser and Agent of such fact or facts; and
(iii) the Seller will (x) comply at all times with the requirements of the Economic and Trade Sanctions and Anti-Terrorism Laws applicable to any transactions, dealings or other actions relating to this Agreement and (y) will, upon the Purchaser's or Agent's reasonable request from time to time during the term of this Agreement, deliver a certification confirming its compliance with the covenants set forth in this Section 39.

40. CONTRACTUAL RECOGNITION OF UK STAY IN RESOLUTION

(a) Where a resolution measure is taken in relation to any BRRD undertaking or any member of the same group as that BRRD undertaking and that BRRD undertaking or any member of the same group as that BRRD undertaking is a party to this Agreement (any such party to this Agreement being an "Affected Party"), each other party to this Agreement agrees that it shall only be entitled to exercise any termination right under this Agreement against the Affected Party to the extent that it would be entitled to do so under the Special Resolution Regime if this Agreement were governed by the laws of any part of the United Kingdom.

(b) For the purpose of this Section 40, "resolution measure" means a 'crisis prevention measure', 'crisis management measure' or 'recognised third-country resolution action', each with the meaning given in the "PRA Rulebook: CRR Firms and Non-Authorised Persons: Stay in Resolution Instrument 2015", as may be amended from time to time (the "PRA Contractual Stay Rules"), provided, however, that 'crisis prevention measure' shall be interpreted in the manner outlined in Rule 2.3 of the PRA Contractual Stay Rules ; "BRRD undertaking", "group", "Special Resolution Regime" and "termination right" have the respective meanings given in the PRA Contractual Stay Rules.

41. NOTICE REGARDING CLIENT MONEY RULES

Purchaser, as a CRD credit institution (as such term is defined in the rules of the FCA), holds all money received and held by it hereunder as banker and not as trustee. Accordingly, money that is received and held by Purchaser from Seller will not be held in accordance with the provisions of the FCA's Client Asset Sourcebook relating to client money (the "Client Money Rules") and will not be subject to the statutory trust provided for under the Client Money Rules.

In particular, Purchaser shall not segregate money received by it from Seller from Purchaser money and Purchaser shall not be liable to account to you for any profits made by Purchaser use as
banker of such cash and upon failure of Purchaser, the client money distribution rules within the Client Asset Sourcebook (the "Client Money Distribution Rules") will not apply to these sums and so you will not be entitled to share in any distribution under the Client Money Distribution Rules.

42. BENCHMARK REPLACEMENT

(a) Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Program Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to Purchaser and Seller without any amendment to, or further action or consent of any other party to, this Agreement or any other Program Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Purchaser. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Seller may revoke any request for a Transaction to be made or continued that would bear interest by reference to such Benchmark until the Seller's receipt of notice from the Agent that a Benchmark Replacement has replaced such Benchmark.

(b) In connection with the implementation and administration of a Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Program Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(c) The Agent will promptly notify the Seller and the Purchaser of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes.

(d) Any determination, decision or election that may be made by the Agent or Purchaser pursuant to this Section 42, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 42.

43. EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts. The parties intend that faxed signatures and electronically imaged signatures such

as .pdf files shall constitute original signatures and are binding on all parties. The original documents shall be promptly delivered, if requested. The parties agree that this Agreement, any addendum, exhibit or amendment hereto or any other document necessary for the consummation of the transactions contemplated by this Agreement may be accepted, executed or agreed to through the use of an electronic signature in accordance with E-Sign, UETA and any applicable state law. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any secure third party electronic signature capture service with appropriate document access tracking, electronic signature
tracking and document retention as may be reasonably chosen by a signatory hereto, including but not limited to DocuSign.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller, Agent and Purchaser have caused their names to be signed to this Second Amended and Restated Master Repurchase Agreement by their respective officers thereunto duly authorized as of the date first above written.

NATIONSTAR MORTGAGE LLC,
as Seller

By:___ Name:
Title:

BARCLAYS BANK PLC, as Purchaser and Agent

By:___ Name:
Title:

EXHIBIT A
MONTHLY CERTIFICATION

I,___,__of Nationstar Mortgage LLC (the "Seller"), in accordance with that certain Second Amended and Restated Master Repurchase Agreement ("Agreement"), dated as of January 29, 2016, by and between Barclays Bank PLC and Seller do hereby certify that:

(i) To the best of my knowledge, no Default or Event of Default has occurred and is continuing;

(ii) Attached hereto as Schedule One is a schedule of each financial covenant that the Seller is subject to under any agreement (other than this Agreement), and a calculation which demonstrates compliance with each such financial covenant; and

(iii) The Seller has complied with each of the covenants set forth in Section 14(g)(ii), as evidenced by the worksheet attached hereto as Schedule Two.

[Signature Page Follows]

Capitalized terms used but not defined herein shall have the meanings assigned thereto in the Agreement.

IN WITNESS WHEREOF, I have signed this certificate.

Date:__, 201[ ]

NATIONSTAR MORTGAGE LLC

By:___ Name:
Title:

[SEAL]

I,___,__of Seller, do hereby certify that
__is the duly elected or appointed, qualified and acting__of Seller, and the signature set forth above is the genuine signature of such officer on the date hereof.

SCHEDULE ONE TO EXHIBIT A
OTHER FINANCIAL COVENANTS

SCHEDULE TWO TO EXHIBIT B FINANCIAL COVENANTS WORKSHEET

EXHIBIT B-1

REPRESENTATIONS AND WARRANTIES WITH RESPECT TO MORTGAGE LOANS

Capitalized terms used but not defined in this Exhibit B-1 have the meanings assigned to such terms in the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 (the "Agreement"), by and between Barclays Bank PLC ("Purchaser" or "Agent") and Nationstar Mortgage LLC ("Seller"). Seller hereby represents and warrants to the Purchaser and Agent that, for each Mortgage Loan, as of the related Purchase Date and the related Repurchase Date and on each date that such Mortgage Loan, is subject to a Transaction:

(a) All information provided to Purchaser by Seller, including without limitation the information set forth in the Seller Mortgage Loan Schedule, with respect to the Mortgage Loan is true and correct in all material respects;

(b) Such Mortgage Loan is an Eligible Mortgage Loan;

(c) Such Mortgage Loan was owned solely by Seller, is not subject to any lien, claim or encumbrance, including, without limitation, any such interest pursuant to a loan or credit agreement for warehousing mortgage loans, and was originated or acquired by Seller from an Originator, underwritten and serviced in Strict Compliance (in respect of Fannie Mae Mortgage Loans, Freddie Mac Mortgage Loans and Ginnie Mae Mortgage Loans) or Barclays' underwriting guidelines (in respect of Jumbo Mortgage Loans) and has at all times remained in compliance with all applicable law and regulations, including without limitation the Federal Truth-in-Lending Act, the Real Estate Settlement Procedures Act, regulations issued pursuant to any of the aforesaid, and any and all rules, requirements, guidelines and announcements of each Agency, and, as applicable, the FHA and VA, as the same may be amended from time to time;

(d) The improvements on the land securing such Mortgage Loan are and will be kept insured at all times by responsible insurance companies reasonably acceptable to Purchaser and the Applicable Agency against fire and extended coverage hazards under policies, binders or certificates of insurance with a standard mortgagee clause in favor of Seller and its assigns, providing that such policy may not be canceled without prior notice to Seller. Any proceeds of such insurance shall be held in trust for the benefit of Purchaser. The scope and amount of such insurance shall satisfy the rules, requirements, guidelines and announcements of the Applicable Agency, and shall in all cases be at least equal to the lesser of (A) the principal amount of such Mortgage Loan or (B) the maximum amount permitted by applicable law, and shall not be subject to reduction below such amount through the operation of a coinsurance, reduced rate contribution or similar clause;

(e) Each Mortgage is a valid first lien, or in the case of a Second Lien Mortgage Loan, second lien, subject only to exceptions permitted by the applicable Agency Program. Seller shall hold for the benefit of Purchaser such policy of title insurance, and, upon request of Purchaser, shall immediately deliver such policy to the Purchaser or to the Custodian on behalf of the Purchaser;

(f) Such Mortgage Loan (other than a Jumbo Mortgage Loan) is either (i) insured by the FHA under the National Housing Act, guaranteed by the VA under the Servicemen's Readjustment Act of 1944 or (ii) with respect to Fannie Mae Mortgage Loans and Freddie Mac Mortgage Loans, is otherwise eligible to be insured or guaranteed in accordance with the requirements of the applicable Agency Program and, in either case, such Mortgage Loan is not subject to any defect that would prevent recovery in full or in part against the FHA, VA or other insurer or guarantor, as the case may be;

(g) Except with respect to HECM Buyout Loans, a mortgage identification number ("MIN") has been assigned by MERS and such MIN is accurately provided on the Seller Mortgage Loan Schedule. Except with respect to HECM Buyout Loans, either the Mortgage is in favor of MERS or an Assignment of Mortgage to MERS has been duly and properly recorded;

(h) Except with respect to HECM Buyout Loans, Seller has not received any notice of liens or legal actions with respect to such Mortgage Loan and no such notices have been electronically posted by MERS;

(i) Each Mortgage Loan (other than a Jumbo Mortgage Loan, a HECM Buyout Loan, a VA Buyout Loan or an FHA Buyout Loan) is eligible for sale to the Applicable Agency and fully complies with all of the terms and conditions, including any covenants, representations and warranties, in the applicable Agency Guide and eligible for securitization by and/or sale to Fannie Mae, Freddie Mac or eligible for inclusion in a Ginnie Mae MBS pool;

(j) There are no restrictions, contractual or governmental, which would impair the ability of Seller from servicing the Mortgage Loans;

(k) Such Mortgage Loan may not result in Negative Amortization;

(l) The Mortgagor is one or more natural persons and/or trustees for an Illinois land trust or a trustee under a "living trust" and such "living trust" is in compliance with Applicable Agency guidelines for such trusts;

(m) Such Mortgage Loan is not a High Cost Mortgage Loan;

(n) No predatory, abusive or deceptive lending practices, including but not limited to, the extension of credit to a Mortgagor without regard for the Mortgagor's ability to repay the Mortgage Loan and the extension of credit to a Mortgagor which has no tangible net benefit to the Mortgagor, were employed in connection with the origination of the Mortgage Loan. Such Mortgage Loan is in compliance with the anti-predatory lending eligibility for purchase requirements of the Fannie Mae Guide;

(o) With respect to any Mortgage Loan (other than a Streamline Mortgage Loan, a Mortgage Loan guaranteed by the VA under the Servicemen's Readjustment Act of 1944, a HARP Mortgage Loan, a Fannie Mae Non-Traditional Loan, and any other Mortgage Loan underwritten and originated in accordance with a program sponsored and/or administered by a Governmental Authority; provided, that such program has been approved by the Purchaser in its sole discretion), on the Origination Date the related Mortgagor's FICO Score was equal to or greater than 550 (for this purpose, it being acknowledged that, other than with respect to any Fannie Mae Non-Traditional Loan, the related Mortgagor shall be deemed to have a FICO Score of zero where no FICO Score is available);

(p) If such Mortgage Loan was pledged to another warehouse, credit, repurchase or other financing facility immediately prior to the related Purchase Date, (i) such pledge has been released immediately prior to, or concurrently with, the related Purchase Date hereunder and (ii) Barclays has received a Warehouse Lender's Release Letter in respect of such Mortgage Loan;

(q) Such Mortgage Loan has not been released from the possession of the Custodian under (i) Section 5 of the DB Custodial Agreement, to Seller or its bailee for a period in excess of thirty (30) calendar days (or if such thirtieth day is not a Business Day, the next succeeding Business Day); or (ii) Section 5 of the U.S. Bank Custodial Agreement, to Seller or its bailee for a period in excess of thirty (30) calendar days (or if such thirtieth day is not a Business Day, the next succeeding Business Day) or, in each case, such earlier time period as indicated on the related Request for Release of Documents;

(r) Each Streamline Mortgage Loan and HARP Mortgage Loan fully complies with all applicable terms and conditions, including any covenants, representations and warranties, of the related Agency Guide, the FHA regulations and the VA regulations, and the guidance issued by the Federal Housing Finance Authority, Fannie Mae and Freddie Mac for origination of mortgage loans under the Home Affordable Refinance Program, as applicable, unless the Seller has obtained a waiver in respect of any such noncompliance from the related Agency, FHA, VA or the Federal Housing Finance Authority, as applicable;

(s) Except with respect to HECM Buyout Loans and Cooperative Loans, such Mortgage Loan is a MERS Designated Mortgage Loan;

(t) With respect to each Mortgage Loan that is a Wet-Ink Mortgage Loan, the Settlement Agent has been instructed in writing by Seller to hold the related Mortgage Loan File as agent and bailee for Barclays or Agent and to promptly forward such Mortgage Loan File in

accordance with the provisions of the Custodial Agreement and the Escrow Instruction Letter (if applicable);

(u) Each Mortgage Loan has been fully disbursed and is secured by a first lien, or in the case of a Second Lien Mortgage Loan, a second lien;

(v) The Mortgage Loan does not have a loan-to-value ratio in excess of what is permitted under the Pricing Side Letter or the Agency Guides for mortgage loans of the same type as the Mortgage Loans; provided, that if any Mortgage Loan fails to comply with any loan-to-value representations and warranties required by any Agency, then Seller has obtained a waiver in respect of any such noncompliance from such Agency;

(w) The Mortgage Loan is not secured by property located in (a) a state where the Seller is not licensed as a lender/mortgage banker or (b) a state that the Purchaser has notified Seller is unacceptable due to a high cost, predatory lending or other law in such state;

(x) The Mortgage Loan has not been converted to an ownership interest in real property through foreclosure or deed-in-lieu of foreclosure;

(y) The Mortgage Loan relates to Mortgaged Property that consists of (i) a detached single family dwelling, (ii) a two-to-four family dwelling, (iii) a one-family dwelling unit in a Freddie Mac eligible condominium project, (iv) a townhouse, or (v) a detached single family dwelling in a planned unit development none of which is a cooperative (except to the extent of the Cooperative Loan Sublimit) or commercial property; and is not related to Mortgaged Property that consists of (a) mixed use properties, (b) log homes, (c) earthen homes, (d) underground homes, (e) mobile homes or manufactured housing units (whether or not secured by real property), (f) any dwelling situated on more than ten acres of property or (g) any dwelling situated on a leasehold estate;

(z) The Mortgage Loan is not a Restricted Mortgage Loan; and

(aa) The Mortgage Loan made its first scheduled Monthly Payment when it was due (inclusive of any

EXHIBIT B-2

REPRESENTATIONS AND WARRANTIES
WITH RESPECT TO CONVERTED REO PROPERTIES

Capitalized terms used but not defined in this Exhibit B-2 have the meanings assigned to such terms in the Second Amended and Restated Master Repurchase Agreement dated as of January 29, 2016 (the "Agreement"), by and between Barclays Bank PLC ("Purchaser" or "Agent") and Nationstar Mortgage LLC ("Seller"). Seller hereby represents and warrants to the Purchaser and Agent that, for each Converted REO Property as of the date of the pledge of the REO Asset and on each date that such Converted REO Property is held by the Seller or Wilmington Savings Fund Society, as trustee for the Additional REO Subsidiary ("Trustee"), as applicable:

(a) The information set forth in the REO Subsidiary Schedule of Assets with respect to such Converted REO Property is true and correct.

(b) The Seller or Trustee, as applicable, is the sole owner and holder of the related Converted REO Property and has the full right to transfer the Converted REO Property. The Converted REO Property is free and clear of any Lien or encumbrance other than (A) Liens for real estate taxes not yet due and payable, (B) covenants, conditions and restrictions, rights of way, easements and other matters of public record as of the date of recording of the related security instrument, such exceptions appearing of record being acceptable to mortgage lending institutions generally, and (C) other matters to which like properties are commonly subject which do not, individually or in the aggregate, materially interfere with the use, enjoyment or marketability of the REO Property.

(c) The Converted REO Property was foreclosed in the name of Seller or Trustee, as applicable. Except with respect to any right of redemption to which such title may be subject as identified on the related REO Subsidiary Schedule of Assets, the Seller or Trustee has good and marketable title to the Converted REO Property with full right to transfer and sell the Converted REO Property to Purchaser. To Seller's knowledge, the foreclosure sale was properly conducted and the interests of all persons in the related loan were foreclosed, other than any unexpired rights of redemption that inure to the related Mortgagor under applicable law.

(d) All buildings or other customarily insured improvements upon the Converted REO Property are insured by an insurer against loss by fire, hazards of extended coverage and such other hazards in an amount not less than the greater of (i) 100% of the replacement cost of all improvements to the Converted REO Property, or (ii) the amount necessary to avoid the operation of any co insurance provisions with respect to the Converted REO Property, and consistent with the amount that would have been required as of the date of origination in accordance with the Applicable Agency guidelines in place on the date of origination of the related Mortgage Loan. The Converted REO Property is also covered by comprehensive general liability insurance against claims for personal and bodily injury, death or property damage occurring on, in or about the related Converted REO Property, in an amount customarily required by prudent institutional lenders. If any improvement on, or any portion of, the Converted REO Property, at the time of origination, is in an area identified by any federal Governmental Authority as having special flood hazards, and flood insurance is available, a flood insurance policy meeting the current guidelines of the Federal Emergency Management Agency is in effect with a generally acceptable insurance carrier. All individual insurance policies contain a standard insured party clause naming Seller and its successors and assigns as insured party, and all premiums thereon have been or will be paid. The hazard insurance policy is the valid and binding obligation of the insurer, is in full force and effect, and will be in full force and effect and inure to the benefit of Purchaser upon the consummation of the transactions contemplated by this Agreement.
The applicable Servicer has administered such insurance policies in accordance with the applicable servicing agreement. The Seller has not engaged in any act or omission which would impair the coverage of any such policy, or the validity and binding effect of either, including, without limitation, no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm or other person or entity, and no such unlawful items have been received, retained or realized by Seller.

(e) Except, as otherwise disclosed an REO Subsidiary Schedule of Asset, there are no real property taxes including supplemental or other taxes, if any, governmental assessments, insurance premiums, water, sewer and municipal charges, condominium charges and assessments, leasehold payments or ground rents that are delinquent by more than ninety (90) days; provided, however, that a disclosure of

outstanding charges provided to Purchaser may include the total amount without specifying the related categories of outstanding charges.

(f) Seller has not received any written notice that there exists a violation that would have a material adverse effect on the value of the Converted REO Property or Purchaser's interest therein or of any local, state or federal environmental law, rule or regulation with respect to the Converted REO Property. There has been no violation of any law or regulation or breach of any contractual obligation contained in any agreement included in the REO Property File, by Seller in connection with the management of the Converted REO Property in each case which is material and adverse to Purchaser.

(g) The REO Deed (or a copy thereof) other documents required to be delivered by Seller under the Custodial Agreement have been delivered to the Trustee, Custodian or its designee, as applicable. Seller or Trustee, as applicable, is in possession of complete, true and accurate REO Property File for each Converted REO Property, except for such documents the originals of which have been delivered to the Custodian. The REO Deed is in recordable form and is acceptable in all respects for recording under the laws of the jurisdiction in which the Converted REO Property is located and has been delivered for recordation to the appropriate recording office. The REO Deed has been properly recorded in the name of Seller or Trustee, as applicable or properly submitted for recording to the applicable recording office in accordance with the applicable servicing agreement. Notwithstanding the foregoing, the representation and warranty set forth in this clause (h) shall be deemed satisfied if
(i) the Seller shall have provided a receipt or other written acknowledgment acceptable to Purchaser from the filing clerk evidencing the submission for filing of an REO Deed with respect to the related Mortgaged Property, or (ii) Seller shall have received a receipt issued by a Governmental Authority evidencing the Seller's or Trustee's right to receive the REO Deed for the related Mortgaged Property.

(h) Except as otherwise disclosed in an REO Subsidiary Schedule of Assets, (i) the Seller has not received notice of any proceeding pending or threatened for the total or partial condemnation of the Converted REO Property and (ii) the Seller has no actual knowledge of any Converted REO Property that is damaged by waste, fire, earthquake or earth movement, windstorm, flood, tornado, vandalism, natural disaster or other casualty which would cause such REO Property to become uninhabitable.

(i) To the best of Seller's knowledge the Converted REO Property is free, in all material respects, from any and all toxic or hazardous substances, other than those commonly used for homeowner repair and maintenance and/or household purposes, and there exists no pending action or proceeding directly involving the Converted REO Property in which material compliance with any environmental law, rule or regulation is at issue.

(j) To the best of Seller's knowledge, any eviction proceeding relating to a Converted REO Property that has been commenced has been commenced in accordance with applicable law and such eviction proceeding will not materially and adversely affect Buyer.

(k) The Converted REO Property has been and is currently being managed and maintained by the applicable Servicer and any other prior property manager in compliance in all material respects with all applicable laws and regulations and customary practices employed by managers of similar Converted REO Property in accordance with the applicable servicing agreement.

(l) None the Seller, Trustee nor the Servicer has received notice from any Person (including without limitation any Governmental Authority) that any Converted REO Property is subject to any consumer litigation which could have a material and adverse effect on the value of any such Converted REO Property.

(m) Solely with respect to Converted REO Properties which are condominium units, neither Seller nor the Additional REO Subsidiary are "sponsors" or nominees of a "sponsor" under any plan of condominium organization affecting the unit and the ownership and sale of any such condominium unit will not violate any federal, state or local law or regulation regarding condominiums or require registration, qualification or similar action under such law or regulation.

(n) To Seller's actual knowledge, there are no valid and enforceable mechanics' or similar liens or claims which have been filed for work, labor or material (and no rights are outstanding that under the law could give rise to such liens) affecting the Converted REO Property, which are material and adverse to Purchaser.

(o) There are no existing lease agreements with any tenant with respect to the Converted REO Property.

(p) To the knowledge of Seller and the applicable Servicer, there are no material management, service, supply, security, maintenance or other similar contracts or agreements with respect to any Converted REO Property which are not terminable at will and if not terminated would have a material adverse effect on the value of the Converted REO Property or Purchaser's interest therein.

(q) Other than with respect to a Converted REO Property as to which the redemption period has not yet expired or the eviction process has not yet been completed, no holdover borrower or other tenant has any right to occupy or is currently occupying any Converted REO Property.

(r) Following the related date of conversion, each Converted REO Property is covered by an ALTA owner's title insurance policy, insuring the Seller or Trustee, applicable as fee owner, or an ALTA lender's title insurance policy, insuring the Seller as fee owner by virtue of it having succeeded to the interests of the borrower with respect to the insured mortgage loan, issued by a title insurer generally acceptable to institutional lenders, ensuring that the Seller or Trustee, as applicable, is the holder of good and marketable, fee simple title to the Converted REO Property. The Seller or Additional REO Subsidiary is the sole insured of such lender's or owner's title insurance policy, as applicable, and such lender's or owner's title insurance policy is in full force and effect and will be in full force and effect upon a sale of the Converted REO Properties to Purchaser. To the Seller's knowledge no claims have been made under such owner's title insurance policy by Seller and Seller has not taken or failed to take, an act or omission, anything which would impair the coverage of such owner's title insurance policy.

(s) Each Converted REO Property is covered by FHA Mortgage Insurance (including, without limitation, with respect to Part A FHA Claims and Part B FHA Claims) and there exists no impairment to full
recovery in accordance with the terms of such FHA Mortgage Insurance without indemnity to HUD or the FHA under the FHA Mortgage Insurance. All necessary steps have been taken to keep such guaranty or insurance valid, binding and enforceable and each of such is the binding, valid and enforceable obligation of the FHA to the full extent thereof, without surcharge, set-off or defense. There are no circumstances existing with respect to each Converted REO Property that would permit HUD or the the FHA, as applicable, to deny coverage under any applicable insurance or guaranty.

EXHIBIT C

FORM OF TRANSACTION NOTICE

[insert date]

Barclays Bank PLC 745 Seventh Avenue
New York, New York 10019
Email: ~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com; SPLegalNotices@barclays.com

Re: Second Amended and Restated Master Repurchase Agreement, dated as of January 29, 2016 by and between Barclays Bank PLC ("Purchaser" and "Agent") and Nationstar Mortgage LLC ("Seller")

Ladies/Gentlemen:

Reference is made to the above-referenced Second Amended and Restated Master Repurchase Agreement (the "Repurchase Agreement"; capitalized terms used but not otherwise defined herein shall have the meaning given them in the Repurchase Agreement).

In accordance with Section 3(c) of the Repurchase Agreement, the undersigned Seller hereby requests, and the Purchaser agree, agrees to enter into a Transaction with us, in connection with our delivery of Eligible Mortgage Loans and all related Servicing Rights, on [insert requested Purchase Date, which must be at least one (1) Business Day following the date of the request] (the "Purchase Date"), in connection with which we shall sell to you such Eligible Mortgage Loans on the Seller Mortgage Loan Schedule attached hereto. The unpaid principal balance of the Eligible Mortgage Loans that are not FHA Buyout Loans, VA Buyout Loans or HECM Buyout Loans is $_____ and the Outstanding Purchase Price to be paid by Barclays for such Eligible Mortgage Loans shall be_____ [insert applicable Outstanding Purchase Price]. The unpaid principal balance of the Eligible Mortgage Loans that are FHA Buyout Loans is $_____ and the Outstanding Purchase Price to be paid by Barclays for such FHA Buyout Loans shall be [insert applicable Outstanding Purchase Price]. The unpaid principal balance of the Eligible Mortgage Loans that are VA Buyout Loans is $_____ and the Outstanding Purchase Price to be paid by Barclays for such VA Buyout Loans shall be [insert applicable Outstanding Purchase Price]. The unpaid principal balance of the Eligible Mortgage Loans that are HECM Buyout Loans is $ ----- and the Outstanding Purchase Price to be paid by Barclays for such HECM Buyout Loans shall be [insert applicable Outstanding Purchase Price]. Barclays shall transfer to the Seller an amount equal to $_____ [insert amount which represents the Outstanding Purchase Price of the Eligible Mortgage Loans that are not FHA Buyout Loans, VA Buyout Loans or HECM Buyout Loans net of any related Structuring Fee or any other fees then due and payable by Seller to Barclays pursuant to the Agreement]. Barclays shall transfer to the Seller an amount equal to $_____ [insert amount which represents the Outstanding Purchase Price of the FHA Buyout Loans net of any related Structuring Fee, Transaction Fees or any other fees then due and payable by Seller to Barclays pursuant to the Agreement]. Barclays shall transfer to the Seller an amount equal to $_____ [insert amount which represents the Outstanding Purchase Price of the VA Buyout Loans net of any related Structuring Fee, Transaction Fees or any other fees then due and payable by Seller to Barclays pursuant to the Agreement]. Barclays shall transfer to the Seller an amount equal to $_____ [insert amount which represents the Outstanding Purchase Price of the HECM Buyout Loans net of any related Structuring Fee, Transaction Fees or any other fees then due and payable by Seller to Barclays pursuant to the Agreement]. Seller agrees to repurchase such Purchased Asset on the Repurchase Date(s) at the Repurchase Price(s) listed below.

The Eligible Mortgage Loans have the characteristics on the electronic file or computer tape or disc delivered by Seller to the Purchaser with respect thereto in connection with this Transaction Notice.

The Seller hereby certifies, as of such Purchase Date, that:

(1) no Default or Event of Default has occurred and is continuing on the date hereof (or to the extent existing, shall be cured after giving effect to such Transaction) nor will occur after giving effect to such Transaction as a result of such Transaction;

(2) each of the representations and warranties made by the Seller in or pursuant to the Program Documents is true and correct in all material respects on and as of such date as if made on and as of the date hereof (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date);

(3) the Seller is in compliance with all governmental licenses and authorizations and are qualified to do business and are in good standing in all required jurisdictions, except as would not be reasonably likely to have a Material Adverse Effect;

(4) Seller has all requisite Approvals; and

(5) the Seller has satisfied all applicable conditions precedent in Sections 10(a) and (b) of the Repurchase Agreement and all other requirements of the Program Documents.

The undersigned duly authorized officer of Seller further represents and warrants that (1) (a) with respect to the Eligible Mortgage Loans subject to the Transaction requested herein that are not Wet-Ink Mortgage Loans, the documents constituting the Mortgage Loan Files (as defined in the Custodial Agreement) and (b) with respect to Eligible Mortgage Loans that are Wet-Ink Mortgage Loans, the Transaction Notice and the Seller Mortgage Loan Schedule, in each case as more specifically identified on the Seller Mortgage Loan Schedule delivered to the Barclays and the Custodian in connection herewith (the "Receipted Assets"), have been or are hereby submitted to Custodian and such required documents are to be held by the Custodian for the Purchaser, (2) all other documents related to such Receipted Assets (including, but not limited to, mortgages, insurance policies, loan applications and appraisals) have been or will be created and held by Seller for the Purchaser, (3) all documents related to such Receipted Assets withdrawn from Custodian shall be held by Seller for the Purchaser, and (4) upon the Purchaser's wiring of the Outstanding Purchase Price pursuant to Section 3(b) of the Repurchase Agreement, the Purchaser will have agreed to the terms of the Transaction as set forth herein and purchased the Receipted Assets from the Seller.

Seller hereby represents and warrants that (x) the Receipted Assets have an unpaid principal balance as of the date hereof of $__and (y) the number of Receipted Assets is __.

Very truly yours,

NATIONSTAR MORTGAGE LLC
By:__ Name:
Title:

EXHIBIT D

FORM OF GOODBYE LETTER

«Primary_Borrower» [__] [ ], 201[ ]
«Mailing_address_line_1»
«Mail_city», «Mail_state» «Mail_zip»

RE: Transfer of Mortgage Loan Servicing Mortgage Loan «Account_number»

Dear Customer:

Nationstar Mortgage LLC is the present servicer of your mortgage loan. Effective [Date] the servicing of your mortgage will be transferred to___. This transfer does not affect the terms and conditions of your mortgage, other than those directly related to servicing. Because of the change in servicer, we are required to provide you with this disclosure.

Nationstar Mortgage LLC cannot accept any payments received after [Date]. Effective [Date], all payments are to be made to____. Any payments received by Nationstar Mortgage LLC after [Date] will be forwarded to_____.___will be contacting you shortly with payment instructions. Please make future payments to:

Attn:
[Address]

If you currently make payments by an automatic checking or savings account deduction, that service will discontinue effective with the transfer date. After the servicing transfer, you may request this service from__.

In [Date], you will receive a statement from Nationstar Mortgage LLC reflecting the amount, if any, of the interest and taxes paid on your behalf in 201[ ]. A similar statement will be sent
__for the period beginning [Date] through year-end. Both statements must be added together for income tax purposes.

If you have any questions concerning your account through [Date], you should continue to contact Nationstar Mortgage LLC, at <Seller's Phone Number>, <HOURS OF OPERATION>. Questions after the transfer date should be directed to__Customer Service Department at 1-800-__, Monday – Friday, 7 a.m. – 7 p.m. EST.

Sincerely,

Loan Servicing Department Nationstar Mortgage LLC

NOTICE OF ASSIGNMENT, SALE OR TRANSFER OF SERVICING RIGHTS

You are hereby notified that the servicing of your mortgage loan, that is the right to collect payments from you, is being assigned, sold or transferred.

The assignment, sale or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than the terms directly related to the servicing of your loan.

Except in limited circumstances, the law requires that your present servicer send you a notice at least 15 days before the effective date, or at closing. Your new servicer must also send you this notice no later than 15 days after this effective date.

This notification is a requirement of Section 6 of the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2605). You should also be aware of the following information, which is set out in more detail in Section 6 of RESPA (12 U.S.C. 2605).

During the 60 day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed upon you.

Section 6 of RESPA (12 U.S.C. 2605) gives you certain consumer rights. If you send a **"qualified written request"** to you loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgement within 20 Business Days of receipt of your request. A **"qualified written request"** is written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number and your reasons for the request. If you want to send a **"qualified written request"** regarding the servicing of your loan, it must be sent to this address:

[Address]

No later than 60 Business Days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60 Business Day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, **this does not prevent the servicer from initiating foreclosure** if proper grounds exist under the mortgage documents.

A Business Day is any day excluding legal public holidays (State or federal), Saturday and Sunday.

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals, in circumstances where servicers are shown to have violated the requirements of that Section. You should seek legal advice if you believe your rights have been violated.

MIRANDA DISCLOSURE – For your protection, please be advised that we are attempting to collect a debt and any information obtained will be used for that purpose. Calls will be monitored and recorded for quality assurance purposes. If you do not wish for your call to be recorded please notify the customer service associate when calling.

BANKRUPTCY INSTRUCTION – Attention to any customer in Bankruptcy or who has received a bankruptcy discharge of this debt. Please be advised that this letter constitutes neither a demand for payment of the captioned debt nor a notice of personal liability to any recipient hereof who might have received a discharge of such debt in accordance with applicable bankruptcy laws or who might be subject to the automatic stay of Section 362 of the United States Bankruptcy Code. However, it may be a notice of possible enforcement of our lien against the collateral property, which has not been discharged in your bankruptcy.

EXHIBIT E

FORM OF WAREHOUSE LENDER'S RELEASE

(Date)

Barclays Bank PLC 745 Seventh Avenue
New York, New York 10019
Email: ~~USResiFinancing@barclays.com~~
USResiFinancingCore@barclays.com xrawholeloanreleases@barclays.com

Barclays Bank PLC – Legal Department 745 Seventh Avenue, 20th Floor
New York, New York 10019
Email: SPLegalNotices@barclays.com

Barclays Capital – Operations US-400 Jefferson Park
Whippany, New Jersey 07981 Attention: Matt Lederman
Telephone: (201) 499-4456
E- mail: matt.lederman@barclays.com

Nationstar Mortgage LLC
8950 Cypress Waters Boulevard Coppell, Texas 75019
Attention: General Counsel

Re: Certain Assets Identified on Schedule A hereto and owned by Nationstar Mortgage LLC

Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Second Amended and Restated Master Repurchase Agreement, dated as of January 29, 2016 (the "Repurchase Agreement"), between Barclays Bank, PLC and Nationstar Mortgage LLC.

The undersigned hereby releases all right, interest, lien or claim of any kind with respect to the Mortgage Loan described in the attached Schedule A, such release to be effective automatically without any further action by any party upon receipt by Barclays Bank PLC in immediately available funds of
$____, in accordance with the following wire instructions: [ ]

Very truly yours,

[WAREHOUSE LENDER]

By: __
Name:
Title:

[SCHEDULE A TO EXHIBIT E – LIST OF ASSETS TO BE RELEASED]

EXHIBIT F

[RESERVED]

EXHIBIT G

[RESERVED]

EXHIBIT H

FORM OF SELLER MORTGAGE LOAN SCHEDULE

field header	**Description**
pool_user_key	GNMA Pool num
collateral_user_key	NS loan id
track_user_description	borrower name
Lnamount	original or modified loan amount
curr_upb	unpaid balance (optional)
Rate	interest rate
pi	original or modified P&I
casenum	case number
zip	zipcode
state	state
city	city
address	property address
maturity	maturity date
closedate	Note date
firstdue	first pay date
mers_register_flag	MERS registered
mers_min	MIN #
is_mom	MOM loan Y/N
armindex	index type
armadj	first rate change date
armround	rounding factor
armmargin	margin
anncap	annual rate cap
lifecap	life cap
armfloor	floor rate
rounding_method	round nearest, up, or down
arm_lookback	lookback days
armindex_rate	index rate
c_armfix	loan type (ARM or Fixed)
armpcap_init	initial periodic rate cap
armpfloor_init	initial periodic rate floor
mod flag	yes or no
collateral status	wet or dry
judicial/nonjudicial	state is judicial or nonjudicial
mod effective date	effective date of mod
mod term	loan term after mod

EXHIBIT I

SPECIAL ELIGIBILITY REQUIREMENTS FOR FHA BUYOUT LOANS, VA BUYOUT LOANS AND HECM BUYOUT LOANS

1. Each FHA Buyout Loan is an FHA-insured mortgage loan.

2. Each VA Buyout Loan is an VA-insured mortgage loan.

2. Each HECM Buyout Loan is an FHA-insured mortgage loan.

EXHIBIT J
CORRESPONDENT SELLER RELEASE
[insert date]

Nationstar Mortgage LLC
8950 Cypress Waters Boulevard Coppell, Texas 75019
Attention: General Counsel

Re: Correspondent Seller Release

Effective immediately upon the receipt (the date and time of such receipt, the "Date and Time of Sale") by [Name of Correspondent Seller] of $___, [Name of Correspondent Seller] hereby relinquishes any and all right, title and interest it may have in and to the mortgage loans described in Exhibit A attached hereto (the "Loans"), including any security interest therein, and certifies that all notes, mortgages, assignments and other documents in its possession or in the possession of its custodial agent relating to such Loans have been released to Nationstar Mortgage LLC or its designee as of the Date and Time of Sale.

[NAME OF CORRESPONDENT SELLER]

By:___ Name:
Title:

EXHIBIT K
FORM OF GUARANTY

This GUARANTY (as the same may be amended, restated, supplemented or otherwise modified from time to time, this "Guaranty"), dated as of [__], 20 is by Nationstar Mortgage LLC, a Delaware limited liability company ("Guarantor").

WHEREAS, Guarantor is furnishing its guaranty of the Guaranteed Obligations (as hereinafter defined) in order to induce Purchaser (as hereinafter defined) to purchase certain Eligible Mortgage Loans under the Master Repurchase Agreement (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Master Repurchase Agreement"), dated as of August 20, 2013, among Home Community Mortgage LLC ("Seller") and Barclays Bank PLC ("Purchaser" and "Agent").

Capitalized terms not otherwise defined herein are used herein with the same meanings given to such terms in the Master Repurchase Agreement.

Therefore, for good and valuable consideration, the receipt of which is hereby acknowledged by the Guarantor, the parties hereto agree as follows:

SECTION 1. Guarantee.

(a) Guarantor unconditionally and irrevocably guarantees to Agent the due and punctual payment by, and performance of, the Obligations (as defined in the Master Repurchase Agreement) by Seller arising under or in connection with the Program Documents (the "Guaranteed Obligations"). Guarantor further agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from it, and it will remain bound upon this Guaranty notwithstanding any extension or renewal of any Guaranteed Obligation until the Guaranteed Obligations have been paid in full. Anything contained herein to the contrary notwithstanding, the obligations of Guarantor hereunder at any time shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code (Title 11, United States Code) or any comparable provisions of any similar federal or state law.

(b) Guarantor, to the extent permitted by applicable law, waives presentation to, demand for payment from and protest to Seller, and also waives notice of protest for nonpayment, notice of acceleration and notice of intent to accelerate. The obligations of Guarantor hereunder shall not be affected by (i) the failure of Agent or Purchaser to assert any claim or demand or to enforce any right or remedy against Seller under the provisions of the Program Documents or any other agreement or otherwise; (ii) any extension or renewal of any provision hereof or thereof; (iii) any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of the Program Documents or of any other agreement; (iv) the release, exchange, waiver or foreclosure of any security held by Agent or Purchaser for the Guaranteed Obligations or any of them or (v) the failure of Agent or Purchaser to exercise any right or remedy against any other guarantor of the Guaranteed Obligations.

(c) Guarantor further agrees that this Guaranty constitutes a guaranty of performance and of payment when due and not just of collection, and waives, to the extent permitted by applicable law, any right to require that any resort be had by Agent or Purchaser to any security held for payment of the Guaranteed Obligations or to any balance of any deposit, account or credit on the books of Agent in favor of Seller or to any other Person.

(d) Guarantor hereby assumes responsibility for keeping itself informed of the financial condition of Seller and any and all endorsers and/or other guarantors of all or any part of the Guaranteed Obligations, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations, or any part thereof, that diligent inquiry would reveal, and Guarantor hereby agrees that Agent shall have no duty to advise Guarantor of information known to it regarding such condition or any such circumstances. In the event Agent, in its sole discretion, undertakes at any time or from time to time to provide any such information to Guarantor, Agent shall be under no obligation (i) to undertake any investigation not a part of its regular business routine, (ii) to disclose any information which Agent, pursuant to accepted or reasonable commercial finance or banking practices, wishes to

maintain confidential or (iii) to make any other or future disclosures of such information or any other information to Guarantor.

(e) This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Guaranteed Obligations, the Program Documents or any other instrument evidencing any of the Guaranteed Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefore or by any other circumstance relating to the Guaranteed Obligations which might otherwise constitute a defense to this Guaranty. Agent makes no representation or warranty in respect to any such circumstances or has any duty or responsibility whatsoever to Guarantor in respect to the management and maintenance of the Guaranteed Obligations or any collateral which may secure the Guaranteed Obligations.

SECTION 2. No Impairment of Guaranty. The obligations of Guarantor hereunder shall be unconditional and absolute and, without limiting the generality of the foregoing, until the Guaranteed Obligations have been paid in full, shall not be released, discharged or otherwise affected by:

(a) any extension, renewal, settlement, indulgence, compromise, claim, waiver, release, surrender, of or with respect to the Guaranteed Obligations or any part thereof or any agreement relating thereto, whether (in any such case) by operation of law or otherwise, or any failure or omission to enforce any right, power or remedy with respect to the Guaranteed Obligations or any part thereof or any agreement relating thereto;

(b) any modification, amendment or restatement of or supplement to the Program Documents or any other instrument or document delivered in connection therewith, including, without limitation, any such amendment which may increase the amount of, or the interest rates applicable to, any of the Guaranteed Obligations guaranteed hereby;

(c) any release, surrender, compromise, settlement, waiver, subordination or modification, with or without consideration, of any collateral securing the Guaranteed Obligations or any part thereof, or any other obligation of any person or entity with respect to the Guaranteed Obligations or any part thereof, or any nonperfection or invalidity of any direct or indirect security for the Guaranteed Obligations;

(d) any change in the corporate, partnership or other existence, structure or ownership of Seller, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller, or any of their respective assets or any resulting release or discharge of any obligation of Seller;

(e) the existence of any setoff, claim, counterclaim, recoupment, termination or other rights which Guarantor may have at any time against Seller or any other person, whether in connection
herewith or in connection with any unrelated transactions; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(f) the enforceability or validity of the Guaranteed Obligations or any part thereof or the genuineness, enforceability or validity of any agreement relating thereto or with respect to any collateral securing the Guaranteed Obligations or any part thereof, or any other invalidity or unenforceability relating to or against Seller for any reason related to the Program Documents, or any provision of applicable law, decree, order or regulation of any jurisdiction purporting to prohibit the payment by Seller of any of the Guaranteed Obligations or otherwise affecting any term of any of the Guaranteed Obligations;

(g) the failure of Agent or Purchaser to take any steps to perfect and maintain any security interest in, or to preserve any rights to, any security or collateral for the Guaranteed Obligations, if any;

(h) the election by, or on behalf of Agent or Purchaser, in any proceeding instituted under Chapter 11 of Title 11 of the United States Code (11 U.S.C. 101 et. seq.) (the "Bankruptcy Code"), of the application of Section 1111(b)(2) of the Bankruptcy Code;

(i) any borrowing or grant of a security interest by Seller, as debtor-in-possession, under Section 364 of the Bankruptcy Code;

(j) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of the claims of Agent for repayment of all or any part of the Guaranteed Obligations; or

(k) any other act or omission to act or delay of any kind by Seller, willful or otherwise, Agent or any other person or any other circumstance whatsoever which might, but for the provisions of this Section 2, constitute a legal or equitable discharge of Guarantor's obligations hereunder.

SECTION 3. Continuation and Reinstatement, etc.

(a) Guarantor further agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of or interest on any Guaranteed Obligation is rescinded or must otherwise be restored by Agent upon the bankruptcy or other reorganization of Seller or otherwise. In furtherance of the provisions of this Guaranty, and not in limitation of any other right which Agent may have at law or in equity against Seller by virtue hereof, upon failure of Seller to pay any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice or otherwise, Guarantor hereby promises to and will, upon receipt of written demand by Agent, forthwith pay or cause to be paid to Agent in cash an amount equal to the unpaid amount of all such Guaranteed Obligation, and thereupon Agent shall assign such Guaranteed Obligation, together with all security interests, if any, then held by Agent or Purchaser in respect of such Guaranteed Obligation, to Guarantor.

(b) Upon payment by Guarantor of any sums to Agent hereunder, all rights of Guarantor against Seller involved, arising as a result thereof by way of right of subrogation or otherwise, shall in all respects be subordinate and junior in right of payment to the prior final and indefeasible payment in full of all the Guaranteed Obligations (other than unasserted contingent indemnification obligations) to Agent. If any amount shall be paid to Guarantor for the account of Seller, such amount shall be held in trust for the benefit of Agent to be credited and applied to the Guaranteed Obligations, whether matured or unmatured.

SECTION 4. Representation and Warranties. Guarantor makes the following representations and warranties to Agent, all of which shall survive the execution and delivery of this Guaranty and the issuance and purchase of the Notes:

(a) Guarantor is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and is in good standing as a foreign limited liability company in all jurisdictions where the nature of its properties or business so requires, except where the failure to be in good standing in such other jurisdiction would not, in the aggregate, have a Material Adverse Effect. Guarantor has the power and authority to own its properties and carry on its businesses as now being conducted and to execute, deliver and perform its obligations under this Guaranty.

(b) The execution, delivery and performance of this Guaranty (i) have been duly authorized by all necessary corporate action on the part of Guarantor, (ii) will not violate any provision of applicable law or any approval of a Governmental Authority applicable to Guarantor, (iii) will not violate any provision of the certificate of formation or operating agreement or any other organizational document of Guarantor, (iv) will not violate or result in a default under any provision of any indenture, material agreement, bond, note or other similar material instrument to which Guarantor is a party or by which Guarantor or any of its properties or assets are bound, and (v) will not result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any properties or assets of Guarantor.

(c) This Guaranty when executed will constitute the legal, valid and binding obligation of Guarantor, enforceable in accordance with its terms, subject (i) as to the enforcement of remedies, to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and (ii) to general principles of equity.

(d) Guarantor will realize a direct economic benefit as a result of the amounts paid by Purchaser to Seller pursuant to the Master Repurchase Agreement.

(e) The execution of this Guaranty and the consummation of the transactions contemplated hereby are in the ordinary course of business of Guarantor and will not conflict with, result in the breach of or violate any provision of the certificate of formation or operating agreement of Seller nor result in the violation of any law, rule, regulation, order, judgment or decree to which Guarantor or Seller is subject, including without limitation the Real Estate Settlement Procedures Act, and any and all rules, requirements, guidelines and announcements of any Governmental Authority issued pursuant to any of the aforesaid.

SECTION 5. General Waivers; Additional Waivers.

(a) General Waivers. To the extent permitted by applicable law, Guarantor irrevocably waives acceptance hereof, presentment, demand or action on delinquency, protest, the benefit of any statutes of limitations and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any person against Seller or any other person.

(b) Additional Waivers. Notwithstanding anything herein to the contrary, to the extent permitted by applicable law, Guarantor hereby absolutely, unconditionally, knowingly, and expressly waives:

(1) any right it may have to revoke this Guaranty as to future indebtedness or notice of acceptance hereof;

(2) notices, demands, presentments, protests, notices of protest, notices of dishonor, notices of any action or inaction, including acceptance hereof, notices of default under this Guaranty notices of Event of Defaults under the Program Documents or any agreement or instrument related thereto, notices of any renewal, extension, modification or amount of the Guaranteed Obligations or any agreement related thereto, notices of any adverse change in the financial condition of Sellers or of any other fact that might increase Guarantor's risk hereunder, and notices of any Transactions, purchases, loans or other financial accommodations made or extended under the Program Documents or the creation or existence of any Guaranteed Obligations;

(3) its right, if any, to require Agent to institute suit against, or to exhaust any rights and remedies which Agent has or may have against any third party, or against any collateral provided by any third party. In this regard, Guarantor agrees that it is bound to the payment of each and all Guaranteed Obligations, whether now existing or hereafter arising, as fully as if the Guaranteed Obligations were directly owing to Agent by Guarantor. Guarantor further waives any defense arising by reason of any disability or other defense (other than the defense that the Guaranteed Obligations shall have been fully and finally performed and indefeasibly paid) of Guarantor in respect thereof;

(4) (i) any rights to assert against Agent or Purchaser any defense (legal or equitable), set-off, counterclaim, or claim which Guarantor may now or at any time hereafter have against any other party liable to Agent; (ii) any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Guaranteed Obligations or any security therefor; (iii) any defense Guarantor has to performance hereunder, and any right Guarantor has to be exonerated, arising by reason of the alteration by Agent of the Guaranteed Obligations or the acceptance by Agent or Purchaser of anything in partial satisfaction of the Guaranteed Obligations; and (iv) the benefit of any statute of limitations affecting Guarantor's liability hereunder or the enforcement thereof, and any act which shall defer or delay the operation of any statute of limitations applicable to the Guaranteed Obligations shall similarly operate to defer or delay the operation of such statute of limitations applicable to Guarantor's liability hereunder; and

(5) any defense arising by reason of or deriving from (i) any claim or defense based upon an election of remedies by Agent, such as nonjudicial foreclosure; or (ii) any election by Agent under Section 1111(b) of Title 11 of the United States Code entitled "Bankruptcy", as now and hereafter in effect (or any successor statute), to limit the amount of, or any collateral securing, its claim against Guarantor.

SECTION 6. Notices. Notices and other communication provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic photocopy format sent by electronic mail, to the applicable party at its address set forth below its name on the signature pages of this Guaranty or such other address as shall be designated by such party in a written notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Guaranty shall be deemed to have been given on the fifth (5th) Business Day after the date when sent by registered or certified mail, postage prepaid, return receipt requested, if by mail, or upon receipt by such party, if by any electronic or facsimile communications equipment, in each case addressed to such party as provided herein or in accordance with the latest unrevoked written direction from such party.

SECTION 7. Successors. Each reference herein to Agent shall be deemed to include its successors and permitted assigns (including but not by way of limitation, Purchaser or any assignee of any of the Guaranteed Obligations), in whose favor the provisions of this Guaranty shall inure. Each reference herein to Guarantor shall be deemed to include its successors and assigns, all of whom shall be bound by the provisions of this Guaranty.

SECTION 8. Stay of Acceleration. If acceleration of the time for payment of any amount payable by Seller under the Program Documents is stayed upon the insolvency, bankruptcy or reorganization of Seller, all such amounts otherwise subject to acceleration under the terms of the Program Documents shall nonetheless be payable by Guarantor hereunder forthwith on demand by Agent.

SECTION 9. Setoff; No Deductions.

(a) Upon the occurrence and during the continuance of an Event of Default or the failure by Seller or Guarantor to timely perform all or any part of the Guaranteed Obligations in accordance with the Program Documents or this Guaranty, Agent may, without notice to Guarantor and regardless of the acceptance of any security or collateral for the payment hereof, appropriate and apply in accordance with the terms of the Program Documents toward the payment of all or any part of the Guaranteed Obligations (i) any indebtedness due or to become due from Agent to Guarantor, and (ii) any moneys, credits or other property belonging to Guarantor, at any time held by or coming into the possession of Agent or any of its affiliates.

(b) Guarantor represents and warrants that it is organized and resides in the United States of America. Guarantor shall make all payments hereunder without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless Guarantor is compelled by law to make such deduction or withholding

SECTION 10. SERVICE OF PROCESS. GUARANTOR (I) HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE STATE COURTS OF THE STATE OF NEW YORK AND TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF OR BASED UPON THIS GUARANTY, OR THE SUBJECT MATTER HEREOF BROUGHT BY AGENT, PURCHASER OR ANY OF THEIR RESPECTIVE SUCCESSORS OR ASSIGNS AND (II) HEREBY WAIVES, AND AGREES NOT TO ASSERT, BY WAY OF MOTION, AS A DEFENSE, OR OTHERWISE, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT SUBJECT PERSONALLY TO THE JURISDICTION OF THE ABOVE-NAMED COURTS, THAT ITS PROPERTY IS EXEMPT OR IMMUNE FROM ATTACHMENT OR EXECUTION, THAT THE SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING IS IMPROPER, OR THAT THIS GUARANTY OR THE SUBJECT MATTER HEREOF OR THEREOF MAY NOT BE ENFORCED IN OR BY SUCH COURT, AND (III) HEREBY AGREES NOT TO
ASSERT ANY OFFSETS OR COUNTERCLAIMS (OTHER THAN COMPULSORY COUNTERCLAIMS) IN ANY SUCH ACTION, SUIT OR PROCEEDING. GUARANTOR HEREBY CONSENTS TO SERVICE OF PROCESS BY CERTIFIED MAIL AT ITS ADDRESS SET FORTH ON THE SIGNATURE PAGES OF THIS GUARANTY, AND AGREES THAT THE SUBMISSION TO JURISDICTION AND THE CONSENT TO SERVICE OF PROCESS BY MAIL IS MADE FOR THE EXPRESS BENEFIT OF AGENT AND PURCHASER. FINAL JUDGMENT AGAINST GUARANTOR IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE CONCLUSIVE, AND MAY BE ENFORCED IN OTHER JURISDICTIONS (X) BY SUIT, ACTION OR PROCEEDING ON THE JUDGMENT, A CERTIFIED OR TRUE COPY OF WHICH SHALL BE CONCLUSIVE EVIDENCE OF THE FACT AND OF THE AMOUNT OF ANY INDEBTEDNESS OR LIABILITY OF GUARANTOR THEREIN DESCRIBED OR (Y) IN ANY OTHER MANNER PROVIDED BY OR PURSUANT TO THE LAWS OF SUCH OTHER JURISDICTION; PROVIDED, HOWEVER, THAT AGENT OR PURCHASER MAY AT ITS OPTION BRING SUIT OR INSTITUTE OTHER JUDICIAL PROCEEDINGS AGAINST GUARANTOR OR ANY OF ITS ASSETS IN ANY STATE OR FEDERAL COURT OF THE UNITED STATES OR OF ANY COUNTRY OR PLACE WHERE GUARANTOR OR SUCH ASSETS MAY BE FOUND.

SECTION 11. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF (EXCEPT FOR SECTION 5-1401 AND SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES

HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT PREEMPTED BY FEDERAL LAW.

SECTION 12. No Waiver, etc. Neither a failure nor a delay on the part of Agent or Purchaser in exercising any right, power or privilege under this Guaranty shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege. The rights, remedies and benefits of Agent or Purchaser herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which Agent or Purchaser may have under this Guaranty, at law, in equity, by statute, or otherwise.

SECTION 13. Modification, etc. No modification, amendment or waiver of any provision of this Guaranty, nor the consent to any departure by Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by Agent and Guarantor, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case shall entitle Guarantor to any other or further notice or demand in the same, similar or other circumstances.

SECTION 14. Severability. If any one or more of the provisions contained in this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall in no way be affected or impaired thereby.

SECTION 15. Headings. Section headings used herein are for convenience of reference only and are not to affect the construction of, or be taken into consideration in interpreting, this Guaranty.

SECTION 16. Expenses. Guarantor shall pay on demand all reasonable and documented out-of-pocket expenses (including reasonable attorneys' fees) in any way relating to the enforcement or protection of Agent's rights under this Guaranty or in respect of the Guaranteed Obligations, including any incurred during any "workout" or restructuring in respect of the Guaranteed Obligations and any incurred in the preservation, protection or enforcement of any rights of Purchaser in any insolvency proceeding. The obligations of Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Guaranty.

SECTION 17. Indemnification and Survival. Without limitation on any other obligations of Guarantor or remedies of Agent or Purchaser (each such Person being called an "Indemnitee") under this Guaranty, Guarantor shall, to the fullest extent permitted by law, indemnify, defend and save and hold harmless Agent and Purchaser from and against, and shall pay on demand, any and all damages, losses, liabilities and expenses (including reasonable attorneys' fees) that may be suffered or incurred by Agent or Purchaser in connection with or as a result of any failure of any Guaranteed Obligations to be the legal, valid and binding obligations of Seller enforceable against Seller in accordance with their terms; provided that such indemnity shall not be available, as to any Indemnitee, to the extent that such damages, losses, liabilities and expenses resulted from the gross negligence or willful misconduct of such Indemnitee. The obligations of Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Guaranty.

SECTION 18. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH OF AGENT AND GUARANTOR HEREBY WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS GUARANTY OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING OR WHETHER IN CONTRACT OR TORT OR OTHERWISE. GUARANTOR ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY AGENT THAT THE PROVISIONS OF THIS SECTION 18 CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH AGENT HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS GUARANTY. GUARANTOR MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 18 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF AGENT TO THE WAIVER OF ITS RIGHTS TO TRIAL BY JURY. AGENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 18 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF GUARANTOR TO THE WAIVER OF ITS RIGHTS TO TRIAL BY JURY.

SECTION 19. Obligations Independent. The obligations of Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Guaranteed Obligations. A separate action may be brought against Guarantor to enforce this Guaranty whether or not Seller or any other person or entity is joined as a party.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed by its duly authorized officer as of the date first written above.

NATIONSTAR MORTGAGE LLC,
as Guarantor

By: __
Name: __
Title: __

Address for Notices:
8950 Cypress Waters Boulevard
Coppell, Texas 75019
Attention: General Counsel

Acknowledged and Agreed By:

BARCLAYS BANK PLC,
as Purchaser and Agent

By: __
Name: __
Title: __

Address for Notices:

745 Seventh Avenue, 4th Floor
New York, New York 10019
Attention: Joseph O'Doherty

Exhibit 10.55

AMENDMENT NUMBER FIVE

to the

Third Amended and Restated Master Repurchase Agreement Dated as of August 31, 2020

between

BANK OF AMERICA, N.A.

and

NATIONSTAR PARTICIPATION SUB 1BM LLC

and acknowledged and agreed to by NATIONSTAR MORTGAGE LLC

This AMENDMENT NUMBER FIVE (this "Amendment") is made as of this 20th day of October, 2023, by and among Bank of America, N.A. ("Buyer"), Nationstar Participation Sub 1BM LLC ("Seller") and Nationstar Mortgage LLC ("Guarantor") to that certain Third Amended and Restated Master Repurchase Agreement, dated as of August 31, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), between Seller and Buyer and acknowledged and agreed to by Guarantor, as guarantor and pledgor.

WHEREAS, Buyer, Seller and Guarantor have previously entered into the Agreement pursuant to which Buyer may, from time to time, purchase certain participation interests from Seller and Seller agrees to sell certain participation interests to Buyer under a master repurchase facility; and

WHEREAS, Buyer, Seller and Guarantor hereby agree that the Agreement shall be amended as more fully provided herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants herein contained, the parties hereto hereby agree as follows:

SECTION 1. Amendments. Effective as of the date hereof, the Agreement is hereby amended as follows:

(a) Illegality or Impracticability. Section 4.5 of the Agreement is hereby amended by deleting such section in its entirety and replacing it with the following:

4.5 Illegality or Impracticability. Notwithstanding anything to the contrary in this Agreement, if Buyer determines, in good faith, that any law, regulation, treaty or directive or any change therein or in the interpretation or application thereof, or any circumstance materially and adversely affecting the repurchase market for mortgage loans or mortgage- backed securities or the source or cost of Buyer's funds, shall make it unlawful or impractical for Buyer to enter into or maintain Transactions as contemplated by this Agreement (a) the commitment of Buyer hereunder to enter into or to continue to maintain Transactions shall be cancelled and (b) the Repurchase Price for each Transaction then outstanding shall be due and payable upon the earlier to occur of (i) the date required by any financial institution providing funds to Buyer, (ii) sale of the Purchased Assets in accordance with the terms of this Agreement, and (iii) the date as of which Buyer determines that such Transactions are unlawful or impractical to maintain; provided, that Buyer shall not be liable to any Nationstar Party for any costs, losses or damages arising from or relating from any actions taken by Buyer pursuant to this Section 4.5.

(b) ¶Replacement of Term SOFR or Successor Rate. Section 4.12 of the Agreement is hereby amended by deleting subsection (c) in its entirety and replacing it with the following:

(c) (i) If prior to any Payment Date Buyer determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (ii) if the events or circumstances of the type described in Section 4.12(a)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then in each case, Buyer and Nationstar Parties may amend this Agreement solely for the purpose of replacing Term SOFR or any then current Successor Rate in accordance with this Section 4.12 for the calculation of the Price Differential payable on such relevant Payment Date with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated mortgage loan financing facilities for such alternative benchmark, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing

convention for similar U.S. dollar denominated mortgage loan financing facilities for such benchmark. For the avoidance of doubt, any such proposed rate and adjustments shall constitute a "Successor Rate". Any such proposed rate and adjustment shall become effective at 5:00 p.m. (New York City time) on the fifth Business Day after Buyer shall have posted such proposed rate and adjustment to Nationstar Parties.

(c) Definitions. Exhibit A to the Agreement is hereby amended by:

(i) deleting the definitions of "Other Mortgage Loan Documents" and "U.S. Government Securities Business Day" in their respective entireties and replacing them with the following, respectively:

Other Mortgage Loan Documents: In addition to the Mortgage Loan Documents, the following, if applicable: (i) the original recorded Mortgage, if not included in the Mortgage Loan Documents; (ii) a copy of the preliminary title commitment showing the policy number or preliminary attorney's opinion of title and the original policy of mortgagee's title insurance or unexpired commitment for a policy of mortgagee's title insurance, if not included in the Mortgage Loan Documents; (iii) the original Closing Protection Letter and a copy of the Irrevocable Closing Instructions; (iv) the original Purchase Commitment; (v) the original FHA certificate of insurance or commitment to insure, the VA certificate of guaranty or commitment to guaranty, the RD Loan Guaranty Agreement and the private mortgage insurer's certificate or commitment to insure; (vi) the survey, flood certificate, hazard insurance policy and flood insurance policy; (vii) the original of any assumption, modification, consolidation or extension agreements, with evidence of recording thereon or copies stamp certified by an authorized officer of Nationstar Parties to have been sent for recording; (viii) copy of each instrument necessary to complete identification of any exception set forth in the exception schedule in the title policy; (ix) the loan application; (x) verification of employment and income; (xi) verification of source and amount of down payment; (xii) credit report on Mortgagor; (xiii) appraisal of Mortgaged Property; (xiv) the original executed disclosure statement; (xv) Tax receipts, insurance premium receipts, ledger sheets, payment records, insurance claim files and correspondence, current and historical computerized data files, underwriting standards used for origination and all other related papers and records; (xvi) the original of any guarantee executed in connection with the Mortgage Note; (xvii) the original of any security agreement, chattel mortgage or equivalent document executed in connection with the Mortgage; (xviii) all copies of power of attorneys or similar instruments; (xix) copies of all documentation in connection with the underwriting and origination of any Underlying Asset that evidences compliance with, (1) with respect to all Underlying Assets other than a Bond Loan – 1st Lien, the Ability to Repay Rule and, (2) with respect to all Underlying Assets other than a Bond Loan - 1st Lien, the QM Rule; and (xx) all other documents relating to the Underlying Asset.

U.S. Government Securities Business Day: Any day except for (a) a Saturday,

(b) a Sunday or (c) a day on which the SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

(ii) adding the following definition in its proper alphabetical order:

Closed-End Second Lien Mortgage Loan: Unless defined otherwise in the Transactions Terms Letter, a second lien mortgage loan for a fixed amount drawn at closing and underwritten in accordance with Nationstar Parties' underwriting guidelines for second lien mortgages, as the same have been approved by Buyer.

(iii) deleting the definition of "HARP Mortgage Loan" in its entirety and any and all references thereto.

(d) Form of Officer's Certificate. Exhibit E to the Agreement is hereby amended by deleting such exhibit in its entirety and replacing it with Annex A hereto.

(e) Representations and Warranties Concerning Underlying Assets. The Representations and Warranties Concerning Underlying Assets section of Exhibit L to the Agreement is hereby amended by deleting subsections (g), (k), (m), (n), (r), (s), (w), (x), (aa), (ee), (hh) and (mm) in their respective entireties and replacing them with the following, respectively:

(g) No Outstanding Charges. All taxes, governmental assessments, insurance premiums, water, sewer and municipal charges, leasehold payments or ground rents which previously became due and owing have been paid, or (other than with respect to Underlying Assets related to Closed-End Second Lien Mortgage Loans) an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable. Neither Guarantor nor any originator from which Guarantor acquired the Mortgage Loan (other than Closed-End Second Lien Mortgage Loans) has advanced funds, or induced, solicited or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required under the Mortgage Loan (other than Closed-End Second Lien Mortgage Loans), except for interest accruing from the date of the Mortgage Note or date of disbursement of the proceeds of the Mortgage Loan, whichever is earlier, to the day which precedes by one month the due date of the first installment of principal (if applicable) and interest thereunder.

(k) No Satisfaction of Mortgage. The Mortgage has not been satisfied, canceled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such release, cancellation, subordination or rescission (except with respect to subordination of a Closed-End Second Lien Mortgage Loan to the first priority lien or security interest). No Nationstar Party has waived the performance by the Mortgagor of any action, if the Mortgagor's failure to perform such action would cause the Mortgage Loan to be in default, nor has any Nationstar Party waived any default resulting from any action or inaction by the Mortgagor.

(m) No Waiver. The terms of the Mortgage Loan have not been waived, impaired, changed or modified, except (i) to the extent such amendment or modification has been disclosed to Buyer in writing and does not affect the salability of the Mortgage Loan pursuant to the applicable Purchase Commitment or (ii) with respect to the subordination of a Closed-End Second Lien Mortgage Loan to the first priority lien or security interest in such Mortgage Loan; provided, that none of the payment terms, interest rate, maturity date or other material terms have been waived, impaired, changed or modified in any respect.

(n) Customary Provisions. The Mortgage Note has a stated maturity. The Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby. There is no homestead or other exemption or other right available to the Mortgagor or any other person, or restriction on any Nationstar Party or any other person, including without limitation, any federal, state or local, law, ordinance, decree, regulation, guidance, attorney general action, or other pronouncement, whether temporary or permanent in nature, that would interfere with, restrict or delay, either (y) the ability of any Nationstar Party, Buyer or any servicer, subservicer or any successor servicer or successor subservicer to sell the related Mortgaged Property at a trustee's sale or otherwise, or (z) the ability of any Nationstar Party, Buyer or any servicer or any successor servicer to foreclose on the related Mortgage. Except with respect to Closed-End Second Lien Mortgage Loans, the Mortgage Note and Mortgage are on forms acceptable to the FHA, the VA, the RD, Freddie Mac or Fannie Mae. If the Mortgage Loan is an eMortgage Loan, the related eNote contains the Agency- Required eNote Legend.

(r) Lien Position. The Mortgage Loan is secured by a valid first priority lien on the Mortgaged Property, including all buildings on the Mortgaged Property, under the laws of the state where the related mortgaged property is located; provided, however, that if the Mortgage Loan is a Closed-End Second Lien Mortgage Loan, it is secured by a valid second lien on the Mortgaged Property. The lien of the Mortgage is subject only to:

(i) [reserved];

(ii) the lien of current real property taxes and assessments not yet due and payable;

(iii) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording acceptable to prudent mortgage lending institutions generally and specifically referred to in Buyer's title insurance policy

delivered to the originator of the Mortgage Loan and (a) referred to or otherwise considered in the appraisal made for the originator of the Mortgage Loan or (b) which do not adversely affect the appraised value of the Mortgaged Property set forth in such appraisal;

(iv) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property; and

(v) in the case of a Closed-End Second Lien Mortgage Loan, any first priority lien on the Mortgaged Property that has been disclosed in writing, which disclosure may be in the form of a loan schedule, to Buyer.

Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, subsisting and enforceable first lien and first priority security interest (or in the case of Closed-End Second Lien Mortgage Loans, a second lien and second priority interest) on the property described therein and Nationstar Parties have full right to pledge and assign the same to Buyer. The Mortgaged Property was not, as of the date of origination of the Mortgage Loan, subject to a mortgage, deed of trust, deed to secure debt or other security instrument creating a lien subordinate to the lien of the Mortgage (other than a second lien created in connection with a Closed-End Second Lien Mortgage Loan, as applicable).

(s) [reserved];

(w) Hazard Insurance. The Mortgaged Property (other than Mortgaged Property subject to a Closed-End Second Lien Mortgage Loan) is covered by a policy of hazard insurance and insurance against other insurable risks and hazards as are customary in the area where the Mortgaged Property is located as required by the applicable Approved Investor and in accordance with the Guarantor's underwriting guidelines acceptable to Buyer in its sole reasonable discretion and the Agency Guides, as applicable, in an amount not less than the greatest of (i) 100% of the replacement cost of all improvements to the Mortgaged Property, (ii) the outstanding principal balance of the Mortgage Loan, and (iii) the amount necessary to avoid the operation of any co-insurance provisions with respect to the Mortgaged Property or such maximum lesser amount as permitted by the applicable Approved Investor and applicable law, all in a form usual and customary in the industry and that is in full force and effect, and all amounts required to have been paid under any such policy have been paid. With respect to Mortgaged Property subject to a Closed-End Second Lien Mortgage Loan, on the origination date, such Mortgaged Property was covered by a policy of hazard insurance and insurance against other insurable risks and hazards as are customary in the area where the Mortgaged Property is located in such amounts as required by the applicable Approved Investor and in accordance with Nationstar Parties' underwriting guidelines and the Agency Guides, as applicable. If any portion of the Mortgaged Property is in an area identified by any federal Governmental Authority as having special flood hazards, and flood insurance is available, a flood insurance policy meeting the current guidelines of the Federal Emergency Management Agency is in effect with a generally acceptable insurance carrier, in an amount representing coverage not less than the least of (1) the outstanding principal balance of the Mortgage Loan (2) the full insurable value of the Mortgaged Property, and (3) the maximum amount of insurance available under the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1974. All such insurance policies (collectively, the "hazard insurance policy") (other than hazard insurance policies relating to a Mortgaged Property subject to a Closed-End Second Lien Mortgage Loan) contain a standard mortgagee clause naming Guarantor, its successors and assigns (including, without limitation, subsequent owners of the Mortgage Loan), as mortgagee, and may not be reduced, terminated or canceled without 30 days' prior written notice to the mortgagee. With respect to such insurance policies (other than insurance policies relating to a Mortgaged Property subject to a Closed-End Second Lien Mortgage Loan), (i) no notice of reduction, termination or cancellation has been received by any Nationstar Party and (ii) all premiums on such insurance policy have been paid. The related Mortgage (other than the Mortgage for a Closed-End Second Lien Mortgage Loan) obligates the Mortgagor to maintain all such insurance and, at such Mortgagor's failure to do so, authorizes the mortgagee to maintain such insurance at the Mortgagor's cost and expense and

to seek reimbursement therefor from such Mortgagor. Where required by state law or regulation, the Mortgagor (other than Mortgagors of a Closed-End Second Lien Mortgage Loan) has been given an opportunity to choose the carrier of the required hazard insurance, provided the policy is not a "master" or "blanket" hazard insurance policy covering a condominium, or any hazard insurance policy covering the common facilities of a planned unit development. The hazard insurance policy (other than any hazard insurance policy related to a Mortgaged Property subject to a Closed-End Second Lien Mortgage Loan) is the valid and binding obligation of the insurer and is in full force and effect. No Nationstar Party has engaged in, and has no knowledge of the Mortgagor's having engaged in, any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either including, without limitation, no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm or other Person, and no such unlawful items have been received, retained or realized by any Nationstar Party.

(x) Title Insurance. A valid and enforceable title insurance policy has been issued or a commitment to issue such title insurance policy has been obtained for the Mortgage Loan in an amount not less than the original principal amount of such Mortgage Loan or, solely with respect to Closed-End Second Lien Mortgage Loans, a property report that includes a title insurance wrapper to the extent required by the applicable Guarantor's underwriting guidelines and Agency Guides, which title insurance policy insures that the Mortgage relating thereto is a valid first lien or second lien, as applicable, on the property therein described and that the mortgaged property is free and clear of all encumbrances and liens having priority over the first lien of the Mortgage (or with respect to a Closed-End Second Lien Mortgage Loan, the priority over the second lien of the Mortgage (other than, for the avoidance of doubt, any first lien of the Mortgage that has been disclosed to Buyer)) and otherwise in compliance with the requirements of the applicable Approved Investor. The title insurance company that issued the applicable Closing Protection Letter has also issued or has committed to issue the title insurance policy. Guarantor, its successors and assigns, are the sole insureds of such title insurance policy, and such title insurance policy is valid and remains in full force and effect and will be in force and effect upon the consummation of the transactions contemplated by this Agreement. No claims have been made under such title insurance policy, and no prior holder, servicer or subservicer of the related Mortgage, including any Nationstar Party, has done, by act or omission, anything which would impair the coverage of such title insurance policy, including without limitation, no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm or other Person, and no such unlawful items have been received, retained or realized by any Nationstar Party.

(aa) Compliance with Guidelines. The Mortgage Loan was originated in compliance with, and remains in compliance with Guarantor's underwriting guidelines acceptable to Buyer in its sole reasonable discretion. Each Agency Eligible Mortgage Loan was originated in Strict Compliance with and remains in compliance with the Agency Guides. Each Ginnie Mae EBO Mortgage Loan was originated in Strict Compliance with and remains in compliance with the Ginnie Mae Guide.

(ee) Consolidation of Future Advances. Any future advances made to the Mortgagor prior to the Purchase Date have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and single repayment term. The lien of the Mortgage securing the consolidated principal amount is expressly insured as having first lien priority (or with respect to a Closed-End Second Lien Mortgage Loan, second lien priority) by a title insurance policy, an endorsement to the policy insuring the mortgagee's consolidated interest or by other title evidence acceptable to the FHA, the VA, the RD, Fannie Mae and Freddie Mac. The consolidated principal amount does not exceed the original principal amount of the Mortgage Loan.

(hh) Appraisal. Except as may otherwise be permitted by (i) the applicable Agency Guide, or (ii) with respect to Closed-End Second Lien Mortgage Loans, the Guarantor's underwriting guidelines as approved by Buyer in its sole discretion, a full appraisal of the related Mortgaged Property was conducted and executed prior to the funding of the Mortgage Loan by a qualified appraiser, duly appointed by Guarantor, who had no interest, direct or

indirect, in the Mortgaged Property or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of the Mortgage Loan, and the appraisal and appraiser both satisfy the relevant Fannie Mae Guide and Freddie Mac Guide, each as amended and as in effect on the date the Mortgage Loan was originated. With respect to a Closed-End Second Lien Mortgage Loan, an appraisal shall be conducted and executed in accordance with the Guarantor's underwriting guidelines that are approved by Buyer in its sole discretion.

(mm) Proceeds of Mortgage Loan. The proceeds of the Mortgage Loan have not been and shall not be used to satisfy, in whole or in part, any debt owed or owing by the Mortgagor to any Nationstar Party or any Affiliate or correspondent of any Nationstar Party, except in connection with a refinanced Mortgage Loan.

SECTION 2. Fees and Expenses. Seller agrees to pay to Buyer all fees and out of pocket expenses incurred by Buyer in connection with this Amendment, including all reasonable fees and out of

¶pocket costs and expenses of the legal counsel Buyer incurred in connection with this Amendment, in accordance with Section 12.2 of the Agreement.

SECTION 3. Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

SECTION 4. Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

SECTION 5. Representations. In order to induce Buyer to execute and deliver this Amendment, Seller and Guarantor hereby represent to Buyer that as of the date hereof, (i) Seller and Guarantor are in full compliance with all of the terms and conditions of the Principal Agreements and remain bound by the terms thereof, and (ii) no Potential Default or Event of Default has occurred and is continuing under the Principal Agreements.

SECTION 6. Governing Law. This Amendment shall be construed and enforced in accordance with the laws of the State of New York without regard to any conflicts of law provisions (except for Sections 5-1401 and 5-1402 of the New York General Obligations Law, which shall govern) and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with the laws of the State of New York, except to the extent preempted by federal law.

SECTION 7. Counterparts. This Amendment and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Amendment (each a "Communication") may be in the form of an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed simultaneously in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but each counterpart shall be deemed to be an original and all such counterparts shall constitute one and the same agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by Buyer of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. Electronic Signatures and facsimile signatures shall be deemed valid and binding to the same extent as the original. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Buyer, Seller and Guarantor have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first written above.

¶BANK OF AMERICA, N.A.,

as Buyer

By: */s/ Adam Robitshek*

¶Name: Adam Robitshek

Title: Director

NATIONSTAR PARTICIPATION SUB 1BM LLC,

as Seller

¶
¶
By: */s/ Lola Akibola*
¶Name: Lola Akibola

Title: SVP Treasurer

¶

NATIONSTAR MORTGAGE LLC,

as Guarantor

By: */s/ Lola Akibola*
¶Name: Lola Akibola

Title: SVP Treasurer

¶

EXHIBIT E

FORM OF OFFICER'S CERTIFICATE
ANNEX A

Period Ending: **[_____]**
Client Name: **Nationstar Participation Sub 1BM LLC**

I, [_____], hereby certify that I am a duly elected **[_____]** of [Nationstar Mortgage LLC ("Guarantor")] and do further certify that the following

are accurate, true and correct and may be relied upon by Bank of America, N.A. ("Bank of America"):

1. **Representations and Warranties:** The representations and warranties made by Client under the Principal Agreements (as defined in the Master Repurchase Agreement by and between Bank of America and Client) are accurate and true on and as of the date hereof with the same effect as though such representations and warranties had been made on and as of the date hereof, including, without limitation, the following:

a) **Financial Condition:** All financial statements of Client delivered to Bank of America fairly and accurately present the financial condition of the parties for whom such statements are submitted. The financial statements of Client have been prepared in accordance with GAAP consistently applied throughout the periods involved, and there are no contingent liabilities not disclosed thereby that would adversely affect the financial condition of Client. Since the close of the period covered by the latest financial statement delivered to Bank of America with respect to Client and as the date hereof, there has been no material adverse change in the assets, liabilities or financial condition of Client nor is Client aware of any facts that, with or without notice or lapse of time or both, would or could result in any such material adverse change. No event has occurred, including, without limitation, any litigation or administrative proceedings, and no condition exists or, to the knowledge of Client, is threatened, that (i) might render Client unable to perform its obligations under the Principal Agreements and all other documents contemplated thereby; (ii) would constitute a Potential Default or Event of Default; or (iii) might adversely affect the financial condition of Client or the validity, priority or enforceability of the Principal Agreements or any other documents contemplated thereby.

b) **Solvency.** Client is solvent and will not take any action that constitutes an act, or would give rise to an event, of insolvency after giving effect to the transactions contemplated by the Principal Agreements, and Client, after giving effect to the transactions contemplated by the Principal Agreements, will have an adequate amount of capital to conduct its business in the foreseeable future.

2. **Compliance with Principal Agreements:** Client is in full compliance with all of the terms and provisions set forth in the Principal Agreements on its part to be performed and observed, and no Event of Default or Potential Default has occurred and is continuing.

3. **Compliance with Other Agreements:** Client is in full compliance with all of the terms and provisions set forth in any agreements between Client, Bank of America and/or Bank of America affiliates on its part to be performed and observed, and no Event of Default or Potential Default has occurred and is continuing.

4. **No Change in Executive Management:** No material change in the Executive Management, business, assets or financial or other condition of Client and its consolidated Subsidiaries taken as a whole has occurred.

5. No Material Changes in Policies and Procedures: No material changes have occurred in the policies and procedures, whether written or verbal, used by Client to conduct its business and its operation, including, without limitation, no material changes in the following areas: (i) underwriting; (ii) secondary marketing (including hedge strategy); (iii) appraiser approval and control; (iv) closing protection and (v) broker approval and control.

6. **No Changes in Structure of Client:** No changes have occurred in the legal structure and/or organization of Client nor has Client merged with or otherwise acquired the assets of any other entity.

7. **Escrow and Mortgage Insurance Proceeds:** Client has segregated all escrow and mortgage insurance proceeds into an individual custodial account and is in compliance with all applicable laws, FNMA, FHLMC, and GNMA guidelines related thereto.

8. **Liabilities and Advances:** Client has not either directly or indirectly, without the prior written consent of Bank of America, made any personal loans or advances to any officers, employees, shareholders, members, partners or owners of Client in an aggregate amount exceeding ten percent (10%) of Client's Tangible Net Worth, provided, however, that Client shall be entitled to make a personal loan or advance to a majority shareholder, member, partner or owner of Client without the prior written consent of Bank of America provided that (i) a Potential Default or an Event of Default is not existing and will not occur as a result thereof, and (ii) such loan or advance is clearly reflected on Client's financial reports provided to Bank of America.

9. **Attachments: T**he following attachments and information contained therein are accurate and true in all respects and do not fail to include any information which is necessary to not make such attachments and the information contained therein misleading.

10. **Capitalized Terms:** All capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in that certain Master Repurchase Agreement by and between Bank of America and Client.

¶

Covenant Compliance	As of: 06/ /20
Tangible Net Worth	
(i) the net worth of Guarantor and its consolidated Subsidiaries, on a combined basis, determined in accordance with GAAP, minus (ii) all intangibles determined in accordance with GAAP (including, without limitation, goodwill, capitalized financing costs and capitalized administration costs but excluding originated and purchased mortgage servicing rights) and any and all advances to, investments in and receivables held from Affiliates; provided, however, that the non-cash effect (gain or loss) of any mark-to-market adjustments made directly to stockholders' equity for fluctuation of the value of financial instruments as mandated under the Statement of Financial Accounting Standards No. 133 (or any successor statement) shall be excluded from the calculation of Tangible Net Worth.	-
Minimum	$350,000,000
In Compliance?	**[Input Y or N]**
Liquidity	
The sum of (i) Guarantor's cash, (ii) Guarantor's Cash Equivalents and (iii) the aggregate amount of unused capacity available to Guarantor (taking into account applicable haircuts) under mortgage loan warehouse facilities (other than the repurchase facility provided under the Agreement) for which Guarantor has unencumbered eligible collateral to pledge thereunder.	-
Minimum	$80,000,000
In Compliance?	**[Input Y or N]**
Leverage	
Guarantor's ratio of Total Liabilities to Tangible Net Worth has not exceeded 9:1.	0.0x
Maximum	9.0x
In Compliance?	**[Input Y or N]**

Profitability	
Guarantor shall show positive pre-tax Operating Income on a rolling six-month basis.	$0
Minimum	> $1
In Compliance?	**[Input Y or N]**
Additional Mortgage Financing Facilities	
Guarantor shall provide to Buyer, no less frequently than on a monthly basis, written notice with respect to all mortgage financing facilities (including, without limitation, any warehouse, repurchase, purchase or off-balance sheet facilities) entered into by Guarantor as of such date of determination.	**[Input Y or N]**
If yes, has notification, with financial covenants, been previously provided to Buyer?	**[Input Y or N]**
In Compliance?	**[Input Y or N]**
Compliance with other Agreements	
Is the Company in compliance with the terms of all other agreements pertaining to borrowed funds?	**[Input Y or N]**
Payment of Dividends	
If a Potential Default or an Event of Default has occurred and is occurring or will occur as a result of such payments, Guarantor shall not pay any dividends or distributions with respect to any capital stock or other equity interests in Guarantor, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of Guarantor.	[INPUT Y or N]
Was the Company permitted to make distributions, i.e. No Default or Potential Event of Default?	[INPUT Y or N]
In Compliance?	

Total Production	Month to Date:		Year to Date:	
	$	# units	$	# units
Conv Conf	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
Govt.	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
Jumbo	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
Other	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
% Retail ($)	[INPUT %]		[INPUT %]	
% TPO ($)	[INPUT %]		[INPUT %]	
% Correspondent ($)	[INPUT %]		[INPUT %]	
% Refi ($)	[INPUT %]		[INPUT %]	
Loans Banked within the Period	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
Loans Brokered within the Period ($)	[INPUT AMOUNT]	[INPUT UNITS]	[INPUT AMOUNT]	[INPUT UNITS]
Total Banked and Brokered	-	-	-	-

Repurchases/Indemnifications	UPB	Year to Date:	Billable / Actual or Estimated Losses
		[INPUT]	[INPUT]
Open repurchase requests	[INPUT]		
Open repurchases being contested	[INPUT]	[INPUT]	[INPUT]
Repurchases settled YTD in 2020	[INPUT]	[INPUT]	[INPUT]
Repurchases settled in 2019	[INPUT]	[INPUT]	[INPUT]
Repurchases settled in 2018	[INPUT]	[INPUT]	[INPUT]

Description of applicable settlement terms, duration, etc:

Repurchase Settlement Method YTD	Total # of Loans	Indemnifications ($)	Cash ($)	Payment Installment Plan ($)
	[INPUT]		[INPUT]	[INPUT]
All Investors		[INPUT]		

Warehouse Facilities as of period ending date:

Lender Name	Line Amount	Amount Outstanding	Line Maturity
[INPUT]		[INPUT]	[INPUT]
	[INPUT]		
[INPUT]	[INPUT]	[INPUT]	[INPUT]

[INPUT]	[INPUT]	[INPUT]	[INPUT]
[INPUT]	[INPUT]	[INPUT]	[INPUT]
[INPUT]	[INPUT]	[INPUT]	[INPUT]
Total			
	-		-

IN WITNESS WHEREOF, the undersigned has here unto signed his/her name on _____ __, 202_.
By:
Name:
Title:

Exhibit 10.59

AMENDMENT NUMBER THREE
to the
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT
dated as of April 3, 2023 between
BARCLAYS BANK PLC
and NATIONSTAR MORTGAGE LLC

This AMENDMENT NUMBER THREE (this "Amendment") is made as of October 6, 2023, by and between Barclays Bank PLC ("Lender") and Nationstar Mortgage LLC ("Borrower"), to that certain Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, as amended by (i) Amendment Number One, dated as of May 11, 2023 and (ii) Amendment Number Two, dated as of June 23, 2023 (as further amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), by and between Lender and Borrower.

WHEREAS, Lender and Borrower have agreed to amend the Agreement as more particularly set forth herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants herein contained, the parties hereto hereby agree as follows:

SECTION 1. Amendment. Effective as of the Effective Date (as hereinafter defined), the Loan Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Exhibit A hereto. The parties hereto further acknowledge and agree that Exhibit A constitutes the conformed Agreement as amended and modified by the terms set forth herein.

SECTION 2. Fees and Expenses. Borrower agrees to pay to Lender all fees and out of pocket expenses incurred by Lender in connection with this Amendment, including all reasonable fees and out of pocket costs and expenses of the legal counsel to Lender incurred in connection with this Amendment, in accordance with Section 3.03 of the Agreement.

SECTION 3. Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

SECTION 4. Conditions to Effectiveness of this Amendment. This Amendment shall become effective on the day (the "Effective Date") when Borrower shall have paid or delivered, as applicable, to Lender all of the following fees, expenses, documents and instruments, each of which shall be in form and substance acceptable to Lender:

(a) all accrued and unpaid fees and expenses owed to Lender in accordance with the Facility Documents, in each case, in immediately available funds, and without deduction, set-off or counterclaim;

(b) a copy of this Amendment duly executed by each of the parties hereto;

(c) ¶a copy of the Amendment Number Two to the Fourth Amended and Restated Pricing Side Letter to the Amended and Restated Loan and Security Agreement, dated as of the date hereof; and

(d) any other documents reasonably requested by Lender on or prior to the date hereof.

SECTION 5. Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate,

letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

SECTION 6. Representations. In order to induce Lender to execute and deliver this Amendment, Borrower hereby represents to Lender that as of the date hereof, (i) Borrower is in full compliance with all of the terms and conditions of the Facility Documents and remains bound by the terms thereof, and (ii) no default or event of default has occurred and is continuing under the Facility Documents.

SECTION 7. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH, GOVERNED BY AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH SHALL BE APPLICABLE).

SECTION 8. Counterparts. For the purpose of facilitating the execution of this Amendment, and for other purposes, this Amendment may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. This Amendment shall be valid, binding, and enforceable against a party when executed and delivered by an authorized individual on behalf of the party by means of (i) an original manual signature; (ii) a faxed, scanned, or photocopied manual signature, or (iii) any other electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including any relevant provisions of the Uniform Commercial Code, in each case to the extent applicable. Each faxed, scanned, or photocopied manual signature, or electronic signature, shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any other party and shall have no duty to investigate, confirm of otherwise verify the validity or authenticity thereof. The original documents shall be promptly delivered, if requested.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, Lender and Borrower have caused their names to be duly signed to this Amendment by their respective officers thereunto duly authorized, all as of the date first above written.

BARCLAYS BANK PLC,
as Lender

By:___ Name: Grace Park
Title: Managing Director

NATIONSTAR MORTGAGE LLC,
as Borrower

By:___
Name: Lola Akibola
Title: SVP & Treasurer

EXHIBIT A

CONFORMED THROUGH AMENDMENT NO. ~~2~~3 DATED AS OF ~~JUNE 23~~OCTOBER 6, 2023

AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

dated as of April 3, 2023

among

NATIONSTAR MORTGAGE LLC,

as Borrower, and

BARCLAYS BANK PLC,

as Lender

This AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement") dated as of April 3, 2023, is between NATIONSTAR MORTGAGE LLC (the "Borrower") and BARCLAYS BANK PLC (the "Lender").

BACKGROUND

The Borrower and the Lender previously entered into that certain Loan and Security Agreement, dated as of June 20, 2014 (as amended, supplemented or otherwise modified prior to the date hereof, the "Original Agreement"), pursuant to which the Borrower obtained financing from time to time from the Lender to provide funding for the origination, acquisition or holding, as applicable, of certain Eligible Servicing Rights, which Eligible Servicing Rights secured Loans (as defined herein) made by the Lender.

The Borrower and the Lender desire to amend and restate the Original Agreement in its entirety to make certain changes and contemporaneously enter into or reaffirm the Facility Documents (as such term is defined in this Agreement).

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING MATTERS

Section 1.01. Definitions; Construction

(a) Capitalized terms used herein and not otherwise defined herein shall have the meanings specified in Schedule I.

(b) All terms used in Article 9 of the UCC, and not specifically defined herein, are used herein as defined in such Article 9.

(c) Unless otherwise stated in this Agreement, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding".

(d) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined.

(e) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(f) The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”.

(g) Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.02. Accounting Matters

Except as otherwise expressly provided herein, all accounting terms used herein shall be interpreted, and all financial statements and certificates and reports as to financial matters required to be delivered to the Lender hereunder shall be prepared in accordance with GAAP.

ARTICLE II

LOANS, BORROWING, PREPAYMENT

Section 2.01. Loans

On the terms and subject to the conditions set forth in this Agreement, the Lender shall make loans in an aggregate amount not to exceed the Available Facility Amount (each such loan, a "Loan") to the Borrower from time to time. The Lender shall distribute the proceeds of such Loan to the Borrower no later than 1:00 p.m. (New York City time) on the related Funding Date in accordance with Section 2.03.

Section 2.02. Note

(a) The Loans made by the Lender shall be evidenced by a single promissory note of the Borrower substantially in the form of Exhibit 2.02(a) hereto (the "Note"), dated the date hereof, payable to the Lender in a principal amount not to exceed an amount equal to the Available Facility Amount as originally in effect and otherwise duly completed.

(b) The date, amount, and interest rate of each Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, prior to any transfer of the Note, noted by the Lender on the grid attached to the Note or any continuation thereof, provided, that failure of the Lender to make any such recordation or notation shall not affect the obligations of the Borrower to make a payment when due of any amount hereunder or under the Note in respect of the Loans.

Section 2.03. Borrower Electronic Files and Funding Requests

(a) On any Funding Notice ~~Date prior to the Wind Down~~ Date, the Borrower may request the Lender to make a Loan on the Funding Date specified in the related Borrower Funding Request by delivering to the Lender an irrevocable Borrower Funding Request no later than 3:00 p.m. (New York City time) on such Funding Notice Date. The amount of any Loan requested pursuant to a Borrower Funding Request shall be not greater than the related Available Loan Amount and, with respect to the Initial Borrower Funding request, shall not be less than $10 million. The Borrower may request a Funding Date on any Business Day; provided, however, the Borrower may not request more than five Funding Dates in any calendar month that involve the addition of new Collateral, and such Funding Dates that involve the addition of new Collateral may not fall on any of the five (5) last Business Days in any calendar month unless otherwise agreed by Lender. Any Borrower Funding Request that relates to the addition of new Collateral shall include an Electronic File describing all Eligible Servicing Rights that constitute the Collateral hereunder.

(b) Regardless whether the Borrower intends to deliver a Borrower Funding Request during any calendar month, the Borrower shall deliver to the Lender on the fifteenth (15th) calendar day of each month (or, if such day is not a Business Day, the following Business Day) (any such day, a "Collateral Reporting Date"), an Electronic File with respect to all Eligible Servicing Rights that constitute the Collateral hereunder, which shall include all updates to the Collateral since the date of the preceding Electronic File.

(c) In Lender's determination of Collateral Value for any of the Servicing Rights hereunder, it shall apply the MSR Value of the Servicing Rights in a related Borrowing Base Report. Any excess of the amount funded on such Loan over the Collateral Value shall result in a Borrowing Base Deficiency as set forth in Section 2.08(b). Notwithstanding anything to the contrary contained in this Section 2.03, the Lender shall have the right to determine MSR Value at any time in its sole good faith discretion.

(d) By delivering a Borrower Funding Request, the Borrower represents and warrants to the Lender that, after taking into account the amount of the requested Loan, all conditions precedent to such Loan specified in Section 5.02 have been satisfied.

Section 2.04. Borrowing Base Reports

With respect to each Funding Date, the Lender shall determine in good faith the MSR Value of the Eligible Servicing Rights to be pledged as security for a Loan on such Funding Date. For purposes of preparing each Borrowing Base Report, the Lender shall calculate the Collateral Value of the Eligible Servicing Rights described in the Relevant Electronic File.

Section 2.05. Interest

Interest shall accrue on the Loans for each day during a related Interest Period at a per annum rate equal to the product of (x) the Outstanding Aggregate Loan Amount on such day, multiplied by (y) the sum of (i) the greater of (a) the Benchmark for such day and (b) the Floor plus (ii) the Applicable Margin. Interest shall be payable on each Monthly Settlement Date in arrears with respect to each Loan through the final day of each Interest Period (regardless whether such day is a Business Day), such amount to be payable on each Monthly Settlement Date. The Lender shall determine the Benchmark for the Loans, which shall be reset on a daily basis, as set forth in the definition of "Benchmark" and provide notice of such determination to the Borrower. The Lender shall also calculate the amount of interest or other amounts due to be paid by the Borrower from time to time hereunder (including in connection with any prepayment or repayment of Loans permitted hereunder) and shall provide a written statement thereof to the Borrower at least two Business Days prior to the due date of such payments (or the relevant repayment or prepayment after having received a notice thereof); provided, that failure to provide such statements on a timely basis shall not relieve the Borrower of the obligation to pay any interest and principal due on the applicable payment date (based upon its good faith calculation of the amount due, such amount to be promptly reconciled after receipt of a subsequent statement from the Lender) and other such amounts hereunder promptly upon receipt of such statement.

Section 2.06. Increased Capital Costs. If Lender determines in its sole discretion that any Change in Law or any change in accounting rules regarding capital requirements has the effect of reducing the rate of return on Lender's capital under this Agreement as a consequence of such Change in Law or change in accounting rules, then from time to time and upon demand by Lender Borrower will compensate Lender for such reduced rate of return suffered as a consequence of such Change in Law or change in accounting rules on terms similar to those imposed by Lender. Further, if due to the introduction of, any change in, or the compliance by Lender with (i) any eurocurrency reserve requirement, or (ii) the interpretation of any law, regulation or any guideline or request from any central bank or other Governmental Authority whether or not having the force of law, there shall be an increase in the cost to Lender as a consequence of the Loans or other advances of funds made by Lender pursuant to this Agreement or any of the Facility Documents relating to fundings or commitments under this Agreement, then Borrower shall, from time to time and upon demand by Lender, compensate Lender for such increased costs, and such amounts shall be deemed a part of the Obligations hereunder. Lender shall provide Borrower with notice as to any such Change in Law, change in accounting rules or change in compliance promptly following Lender's receipt of actual knowledge thereof.

Section 2.07. Effect of Benchmark Transition Event

(a) Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Facility Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to Lender and Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Facility Document so long as the Lender has not received, by such time, written notice of objection to such Benchmark Replacement from Lender. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a Loan to be made or continued hereunder that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Lender that a Benchmark Replacement has replaced such Benchmark.

(b) In connection with the implementation and administration of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Facility Document, any amendments

implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(c) The Lender will promptly notify the Borrower and the Lender of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes.

(d) Any determination, decision or election that may be made by the Lender or Lender pursuant to this Section 2.07, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 2.07.

Section 2.08. Mandatory Repayment of Loans

.

(a) ~~On each Loan Repayment Date (or, if such day is not a Business Day, the following Business Day), and continuing until the Outstanding Aggregate Loan Amount shall be reduced to zero, the Borrower shall repay an amount equal to at least one-twelfth (1/12) of the Outstanding Aggregate Loan Amount as of the Wind Down Date with respect to all Loans and all other amounts due under this Agreement.~~ Loans may be prepaid in accordance with the terms of Section 2.09 hereof and, to the extent prepaid, ~~provided the Wind Down Date shall not have occurred,~~ may be re-borrowed hereunder in accordance with the terms hereof (including satisfaction of all conditions precedent contained in Section 5.02). Notwithstanding the foregoing, all amounts owing under the Facility shall be immediately due and payable on the Termination Date.

(b) If, on any Business Day (a "Borrowing Base Shortfall Day"), the Lender provides written notice to the Borrower that the Lender has determined in its sole reasonable discretion based on the Borrowing Base Report most recently delivered by the Lender pursuant to Section 2.04 that the Outstanding Aggregate Loan Amount on such day exceeds the lesser of (i) the Borrowing Base and (ii) the Available Facility Amount on such day (such circumstance, a "Borrowing Base Deficiency"), the Borrower (i) on the same day if the Lender notifies Borrower by 11:00 a.m. (New York time) of such Borrowing Base Deficiency, or (ii) if the notice is received later than 11:00 a.m. (New York time), then within one (1) Business Day after the Borrowing Base Shortfall Day, shall repay outstanding Loans (including accrued Interest thereon), in an amount equal to the amount of the Borrowing Base Deficiency specified in the notice provided to the Borrower by the Lender (such requirement a "Margin Call").

Section 2.09. Optional Prepayment

The Borrower may, at its option, prepay any Loan advanced hereunder without penalty in full or in part without penalty on any Business Day in any month (each an "Optional Prepayment Date"); provided that, the Borrower may, within ninety (90) days of the Lender's notification of the Benchmark Replacement,
(A) give notice to the Lender (with reasonable corroborative evidence upon request by the Lender) that the Benchmark Replacement is materially different from the successor rate of interest implemented by the majority of financial institutions similar to the Lender for assets similar to the Collateral in facilities in the United States similar to this Agreement and (B) elect to prepay all Loans advanced hereunder together with any other amounts then due and payable hereunder and terminate this Agreement without penalty or premium on an elected Optional Prepayment Date that is on or after the date the Benchmark Replacement is effective. Any such prepayment received by the Lender by 1:00 p.m. (New York City time) on such Optional Prepayment Date shall be applied by the Lender on such Business Day. Any such prepayment received by the Lender after 1:00 p.m. (New York City time) on such Optional Prepayment Date shall be applied by the Lender on the following Business Day. For the avoidance of doubt, any optional prepayment in full shall not result in the termination of this Agreement unless such termination is declared in writing by the Borrower, acting in its discretion.

ARTICLE III

PAYMENTS; COMPUTATIONS; TAXES; FEES

Section 3.01. Payments and Computations, Etc

.

(a) Unless otherwise expressly stated herein, all amounts to be paid or deposited hereunder shall be paid or deposited in accordance with the terms hereof no later than 4:00 p.m. (New York time) on the day when due in lawful money of the United States of America in same day funds.

(b) ¶The Borrower shall, to the extent permitted by law, pay interest on all amounts (including principal, interest and fees) due but not paid on the date such payment is due hereunder as provided herein, for the period from, and including, such due date until, but excluding, the date paid, at the applicable Default Rate, payable on demand; provided, however that such interest rate shall not at any time exceed the maximum rate permitted by applicable law.

(c) All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days elapsed (including the first day but excluding the last day) occurring in the period for which payable.

(d) The Borrower agrees that the principal of and interest on the Loans shall be recourse obligations of the Borrower.

(e) All payments made by the Borrower under this Agreement shall be made without set-off or counterclaim.

Section 3.02. Taxes

(a) All payments made by Borrower under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto imposed by any Governmental Authority therewith or thereon, excluding income taxes, branch profits taxes, franchise taxes or any other tax imposed on net income by the United States, a state or a foreign jurisdiction under the laws of which the Lender is organized or of its applicable lending office, or a state or foreign jurisdiction with respect to which Lender has a present or former connection (other than any connection arising from executing, delivering, being party to, engaging in any transaction pursuant to, performing its obligations under or enforcing any Facility Document), or any political subdivision thereof (collectively, such non-excluded taxes are hereinafter called "Taxes"), all of which shall be paid by Borrower for its own account not later than the date when due. If Borrower is required by law or regulation to deduct or withhold any Taxes from or in respect of any amount payable hereunder, it shall: (a) make such deduction or withholding, (b) pay the amount so deducted or withheld to the appropriate Governmental Authority not later than the date when due, (c) deliver to the Lender, promptly, original tax receipts and other evidence satisfactory to Lender of the payment when due of the full amount of such Taxes; and (d) except as otherwise expressly provided in Section 3(d) below, pay to the Lender such additional amounts (including all taxes imposed by any Governmental Authority on such additional amounts) as may be necessary so that the Lender receives, free and clear of all Taxes, a net amount equal to the amount it would have received under this Agreement, as if no such deduction or withholding had been made.

(b) In addition, Borrower agrees to pay to the relevant Governmental Authority in accordance with applicable law any current or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies (including, without limitation, mortgage recording taxes, transfer taxes and similar fees) imposed by any taxing authority that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement ("Other Taxes").

(c) Borrower agrees to indemnify Lender for the full amount of Taxes (including additional amounts with respect thereto) and Other Taxes, and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 3, and any liability (including penalties, interest and expenses arising thereon or with respect thereto) arising therefrom or with respect thereto, provided that

¶Lender shall have provided Borrower with evidence, reasonably satisfactory to Borrower, of payment of Taxes or Other Taxes, as the case may be.

(d) Any Lender that either (i) is not incorporated under the laws of the United States, any State thereof, or the District of Columbia or (ii) whose name does not include "Incorporated," "Inc.," "Corporation," "Corp.," "P.C.," "insurance company," or "assurance company" (a "Foreign Purchaser") shall provide

Borrower with original properly completed and duly executed United States Internal Revenue Service ("IRS") Forms W-8BEN or W-8ECI or any successor form (or Form W-8IMY with supporting forms) prescribed by the IRS, certifying that such Person is either (1) entitled to benefits under an income tax treaty to which the United States is a party which eliminates or (2) otherwise fully exempt from (2) United States withholding tax under Sections 1441 through 1442 of the Code on payments to it or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States in either case, on or prior to the date upon which each such Foreign Lender becomes a Lender. Each Foreign Lender will resubmit the appropriate form eliminating withholding tax on payments to it on the earliest of (A) the third anniversary of the prior submission, or (B) on or before the expiration of thirty (30) days after there is a "change in circumstances" with respect to such Person as defined in Treas. Reg. Section 1.1441-1(e)(4)(ii)(D). For any period with respect to which the Foreign Lender has failed to provide Borrower with the appropriate form or other relevant document (x) as expressly required under this Section 3(d) (unless such failure is due to a change in treaty, law, or regulation occurring subsequent to the date on which a form originally was required to be provided under the first sentence of this Section 3(d)) or (y) otherwise as required to establish exemption from United States withholding under Sections 1471 through 1474 of the Code, such Person shall not be entitled to "gross-up" of Taxes under Section 3(d) or indemnification under Section 3(c) with respect to Taxes imposed by the United States which are imposed because of such failure; provided, however that should a Foreign Lender, which is otherwise exempt from a withholding tax, become subject to Taxes because of its failure to deliver a form required hereunder, Borrower shall take such steps as such Foreign Lender shall reasonably request to assist such Foreign Lender to recover such Taxes.

(e) Without prejudice to the survival or any other agreement of Borrower hereunder, the agreements and obligations of Borrower contained in this Section 3 shall survive the termination of this Agreement. Nothing contained in this Section 3 shall require Lender to make available any of their tax returns or other information that it deems to be confidential or proprietary.

(f) The Lender shall (A) promptly notify the Borrower of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) cooperate, in its reasonable discretion and at Borrower's expense, with Borrower to mitigate any requirement of Applicable Law of any jurisdiction in which the Borrower may be required to withhold or deduct any taxes from amounts payable to Lender hereunder.

Section 3.03. Fees and Expenses. The Borrower agrees to pay to the Lender all reasonable and documented out-of-pocket costs and expenses (including reasonable and documented fees and expenses of Lender's counsel) incurred in connection with the execution of this Agreement (and any amendments thereto) and the Facility Documents.

ARTICLE IV SECURITY INTEREST

Section 4.01. Security Interest. As security for the prompt payment and performance of all of its Obligations, the Borrower hereby assigns and pledges to the Lender, and grants a security interest, subject to the terms and provisions of the Freddie Mac Requirements and the interests of the Agencies as set forth in Section 4.02 and in the related Acknowledgment Agreement, to the Lender, all of the Borrower's right, title and

interest, as applicable, in, to, and under, whether now owned or hereafter acquired or held, as applicable, in all of the following, whether now or hereafter existing and wherever located: (i) the Pledged Servicing Rights whether or not yet accrued, earned due or payable as well as all other present and future rights and interests of Borrower in such Pledged Servicing Rights, (ii) except for the Freddie Mac Servicing Contract, each Servicing Contract and all rights and claims thereunder, (iii) the Collection Account, (iv) except for the Freddie Mac Acknowledgment Agreement, each Acknowledgment Agreement and all rights and claims thereunder, (v) all books and records, including computer disks and other records or physical or virtual data or information, related to the foregoing (but excluding computer programs) and (vi) all monies due or to

become due with respect to the foregoing and all proceeds of the foregoing, but with respect to items (i) - (vi) above specifically excluding the

Excluded Collateral (collectively, the "Collateral").

Section 4.02. Limited Pledge of Servicing Rights. Notwithstanding anything to the contrary in the Agreement or any of the other Facility Documents, the security interest of the Lender created hereby

with respect to the Agency Servicing Rights is subject to the following provisions to (or any variation required by an Agency):

(a) "The Security Interest described in this financing statement is subordinate to all rights of Fannie Mae under (i) the terms of an Acknowledgment Agreement, with respect to the Security Interest among Fannie Mae, Nationstar Mortgage LLC (the "Debtor") and Barclays Bank PLC, and (ii) the Mortgage Selling and Servicing Contract, the Fannie Mae Selling Guide, the Fannie Mae Servicing Guide and all supplemental servicing instructions or directives provided by Fannie Mae, all applicable master agreements, recourse agreements, repurchase agreements, indemnification agreements, loss-sharing agreements, and any other agreements between Fannie Mae and the Debtor, and all as amended, restated or supplemented from time to time (collectively, the "Fannie Mae Lender Contract"), which rights include the right of Fannie Mae to terminate the Fannie Mae Lender Contract with or without cause and the right to sell, or have transferred, the Servicing Rights."

(b) "The security interest created by this financing statement is subject to the following rights of Ginnie Mae: (i) the Debtor is entitled to servicing income with respect to a given pool or loan package only so long as it maintains Issuer (as such term is defined in the Ginnie Mae Agency Guide) status; (ii) upon the Debtor's loss of Issuer status, the Secured Party's rights to any servicing income related to a given pool also terminate; and (iii) the pledge of rights to servicing income conveys no right (such as a right to become a substitute servicer or Issuer) that is not specifically provided for in the Ginnie Mae Agency Guide))."

(c) The parties acknowledge that Freddie Mac has certain rights under the Freddie Mac Acknowledgment Agreement and the Freddie Mac Servicing Contract, including the right (i) to cause Borrower to transfer servicing to a transferee servicer under certain circumstances as more particularly set forth therein, (ii) to terminate Borrower, with or without cause, (iii) of a first priority security interest in the Freddie Mac Collateral and (iv) to terminate the Freddie Mac Servicing Contract, in whole or in part, with or without cause. Notwithstanding anything to the contrary contained herein or in any of the other Financing Documents, the pledge of Borrower's right and interest in the Freddie Mac Servicing Rights shall only secure the Borrower's indebtedness and obligations to the Lender incurred for the following limited purposes: (i) to fund Borrower's purchase of additional servicing portfolios; (ii) to effect Borrower's purchase of a mortgage banking company; (iii) to fund Borrower's working capital consistent with its residential mortgage business operations or (iv) any other purpose which Freddie Mac, in its sole and absolute discretion, considers to be consistent with the purposes of the Freddie Mac Acknowledgment Agreement, as applicable; provided, that the foregoing provisions of this Section 4.02(c), shall be deemed automatically supplemented or amended if and to the extent Freddie Mac supplements or amends the corresponding requirement, whether in its rules, regulations, guides, Freddie Mac Servicing Contract, Freddie Mac Acknowledgment Agreement or published announcements or otherwise waives or grants exceptions from such requirement, and in each instance, with the same substantive force and effect; and provided further that the security interest in the Servicing Rights created hereby shall, following execution of the Freddie Mac Acknowledgment Agreement, be subject to the following condition and such provision below shall be included in each financing statement filed in respect hereof after execution of the Freddie Mac Acknowledgment Agreement, as applicable (defined terms used below shall have the meaning set forth in the Freddie Mac Acknowledgment Agreement, once executed):

> *Notwithstanding anything to the contrary herein, the security interest publicized or perfected by this financing statement is subject and subordinate in each and every respect to (a) all rights, powers and prerogatives of the Federal Home Loan Mortgage Corporation ("Freddie Mac") under and in connection with the Amended and Restated Acknowledgment Agreement among Freddie Mac, Nationstar Mortgage LLC ("Debtor") and Secured Party, dated as of*
> *___, 2023 (as amended, modified, restated or supplemented from time to time, the "AA") and the Purchase Documents (as defined in the AA), which include, without limitation, the right of Freddie Mac to disqualify (in whole or in part) the Debtor as a Freddie Mac-approved Seller/Servicer, with or without cause, and the right to terminate (in whole or in part) the Servicing Contract (as defined in the AA) and to transfer and sell all or any portion of the Servicing Contract Rights (as defined in the AA), as provided in the Purchase Documents, (b) all of Freddie Mac's Claims (as defined in the AA), and (c) the first priority security interest of Freddie Mac in the Freddie Mac Collateral (as defined in the AA).*

Freddie Mac shall be an express and intended third party beneficiary of this Section 4.02(c) and shall be entitled to rely upon this Section 4.02(c) in all respects.

Section 4.03. Authorization of Financing Statements. The Borrower hereby authorizes the Lender to file any financing or continuation statements required to perfect, protect, or more fully evidence the Lender's security interest in the Collateral granted hereunder. The Lender will notify the Borrower of any such filing (but the failure to deliver such notice shall not prejudice any rights of the Lender under this Section 4.03).

Section 4.04. Lender's Appointment as Attorney In Fact.

(a) The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name, from time to time in the Lender's discretion, if an Event of Default shall have occurred and be continuing, for the limited purpose of carrying out the terms of this Agreement (or any Servicing Contracts), to take any action on behalf of the Borrower pursuant to the Acknowledgment Agreements and to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement (or any Servicing Contracts) to the extent such actions are permitted to be taken by the Lender under the Acknowledgment Agreements, and, without limiting the generality of the foregoing, the Borrower hereby gives the Lender the power and right, on behalf of the Borrower, without assent by, but with notice to, the Borrower, if an Event of Default shall have occurred and be continuing, to do the following (subject to limitations contained in each Acknowledgment Agreement):

(i) in the name of the Borrower or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any mortgage insurance or with respect to any other Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Lender for the purpose of collecting any and all such moneys due under any such mortgage insurance or with respect to any other Collateral whenever payable;

(ii) (A) to direct any party liable for any payment under any Collateral to make payment of any and all moneys due or to become due thereunder directly to the Lender or as the Lender shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (E) in connection with the above, to give such discharges or releases as the Lender may deem appropriate; and (F) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Lender were the absolute owner thereof for all purposes, and to do, at the Lender's option and the Borrower's expense, at any time, or from time to time, all acts and things which the Lender deems necessary to protect, preserve or realize upon the Collateral and the Lender's Liens thereon and to effect the intent of this Agreement, all as fully and effectively as the Borrower might do;

(iii) perform or cause to be performed, the Borrower's obligations under any Servicing Contract (other than the Freddie Mac Servicing Contract) to the extent permitted by the related Acknowledgment Agreement.

The Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. The power of attorney is a power coupled with an interest and shall be irrevocable but shall terminate upon release of the Lender's security interest as provided in Section 4.05.

(b) The Borrower also authorizes the Lender, at any time and from time to time, to execute, in connection with the sale provided for in Section 8.02(c) hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; provided that the exercise of such powers is in accordance with the Acknowledgment Agreements.

(c) The powers conferred on the Lender are solely to protect the Lender's interest in the Collateral and shall not impose any duty upon the Lender to exercise any such powers. The Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither the Lender nor any of its officers, directors, or employees shall be responsible to the Borrower for any act or failure to act hereunder, except for its own gross negligence or willful misconduct.

(d) Notwithstanding anything in this Section 4.04 to the contrary, the Lender shall exercise such powers subject and subordinate in all respects to the terms and provisions of the Freddie Mac Requirements. Freddie Mac shall be an express and intended third party beneficiary of this Section 4.04(d) and shall be entitled to rely upon this Section 4.04(d) in all respects.

Section 4.05. Release of Security Interest. Upon termination of this Agreement and repayment to the Lender of all Obligations and the performance of all obligations under the Facility Documents, the Lender shall release its security interest in any remaining Collateral; provided that if any payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower, or upon or as a result of the appointment of a receiver, intervener or conservator of, or a trustee or similar officer for the Borrower or any substantial part of its Property, or otherwise, this Agreement, all rights hereunder and the Liens created hereby shall continue to be effective, or be reinstated, until such payments have been made.

Except as otherwise provided herein, the Lender may, in its sole discretion, release its interest in a pool of Pledged Servicing Rights; provided, however, that prior to such release, Lender shall have been paid the full amount of any Loans outstanding and any accrued interest and other Obligations hereunder with respect to such Pledged Servicing Rights except or otherwise provided herein. Notwithstanding the foregoing, the Lender shall have no obligation to release any Collateral hereunder to the extent such release would result in a Borrowing Base Deficiency except as except as otherwise provided herein.

As of the date of the related Excess Yield Transaction and upon Lender's satisfaction that no Borrowing Base Deficiency or breach of representation and warranty or covenant will result, the Lender releases its security interest in that portion of the Collateral defined as Excess Yield. In connection with such Excess Yield Transaction, the Lender will execute a Partial Release (Excess Yield) and approve the filing of such financing statement amendments required to reflect the fact that the Excess Yield is no longer subject to the Liens granted under the Facility Documents.

ARTICLE V CONDITIONS PRECEDENT

Section 5.01. Conditions Precedent.

The effectiveness of this Agreement is subject to the condition precedent that the Lender shall have received each of the items set forth in Schedule 5.01 (unless otherwise indicated) dated such date, and in such form and substance, as is satisfactory to the Lender.

Section 5.02. Further Conditions Precedent.

The funding of each Loan hereunder, shall in all events be subject to satisfaction of the further conditions precedent set forth in Schedule 5.02 as of the making of such Loan.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

Section 6.01. Representations and Warranties of the Borrower.

The Borrower represents and warrants to the Lender that throughout the term of this Agreement (except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case, such representation or warranty shall have been true or correct as of such date):

(a) Due Organization, Qualification, Power, Authority and Due Authorization. Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and it has qualified to do business in each jurisdiction in which it is legally required to do so. Borrower has the power and authority under its certificate of formation, operating agreement and applicable law to enter into this Agreement, the Facility Documents and the Freddie Mac Acknowledgment Agreement and to perform

all acts contemplated hereby and thereby or in connection herewith and therewith; this Agreement, the Facility Documents and the Freddie Mac Acknowledgment Agreement and the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action and do not require any additional approvals or consents or other action by, or any notice to or filing with, any Person other than any that have heretofore been obtained, given or made.

(b) Noncontravention. The consummation of the transactions contemplated by this Agreement, the Facility Documents and the Freddie Mac Acknowledgment Agreement are in the ordinary course of business of Borrower and will not conflict with, result in the breach of or violate any provision of the certificate of formation or operating agreement of Borrower or result in the breach of any provision of, or conflict with or constitute a default under or result in the acceleration of any obligation under, any agreement, indenture, loan or credit agreement or other instrument to which Borrower, the Collateral or any of Borrower's Property is or may be subject to, or result in the violation of any law, rule, regulation, order, judgment or decree to which Borrower, the Collateral or Borrower's Property is subject.

(c) Legal Proceeding. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body pending or, to Borrower's knowledge, threatened against or affecting Borrower (i) wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of this Agreement, the Facility Documents, the Freddie Mac Acknowledgment Agreement or any agreement or instrument to which Borrower is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby, or (ii) which is reasonably likely to materially and adversely affect the proceedings of Borrower in connection herewith or Borrower's ability to carry out its obligations hereunder.

(d) Valid and Binding Obligations. This Agreement, the Facility Documents and the Freddie Mac Acknowledgment Agreement and every other document to be executed by Borrower in connection with this Agreement is and will be legal, valid, binding and subsisting obligations of Borrower, enforceable in accordance with their respective terms, except that (A) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (B) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(e) Government and Agency Approvals. No authorization, consent, approval, or other action by, and no notice to or filing with, any court, governmental authority or regulatory body or other Person domestic or foreign, including Fannie Mae, Freddie Mac, HUD or Ginnie Mae, is required for the Borrower's due execution, delivery or performance of any Facility Document to which it is a party except for (i) consents that have been obtained in connection with transactions contemplated by the Facility Documents, (ii) filings to perfect the security interest created by this Agreement, and (iii) authorizations, consents, approvals, filings, notices, or other actions the failure to make could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(f) Solvency. Borrower is solvent and will not be rendered insolvent by any Loan hereunder and, after giving effect to each such Loan, Borrower will not be left with an unreasonably small amount of capital with which to engage in its business. Borrower does not intend to incur, nor believes that it has incurred, debts beyond its ability to pay such debts as they mature. Borrower is not contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of Borrower or any of its assets.

(g) Fraudulent Conveyance. The amount of consideration being received by Borrower after giving effect to each Loan by the Lender constitutes reasonably equivalent value and fair consideration for such Loan. Borrower is not pledging any Collateral with any intent to hinder, delay or defraud any of its creditors. The Agreement, the Facility Documents, the Freddie Mac Acknowledgment Agreement and any other document contemplated hereby or thereby and each transaction have not been entered into fraudulently by Borrower hereunder, or with the intent to hinder, delay or defraud any creditor or Lender.

(h) Margin Regulations. The use of funds acquired by Borrower under this Agreement will not conflict with or contravene, to the extent applicable, Regulations T, U or X promulgated by the Board, as the same may from time to time be amended, supplemented or otherwise modified.

(i) Accuracy of Information. As of their respective dates, no information relating to Borrower that Borrower has delivered or caused to be delivered to Lender, including, but not limited to, all information related to this Agreement, the Facility Documents, the Freddie Mac Acknowledgment Agreement or

Borrower's financial statements, contained any untrue statement of a material fact or omits to state a material fact necessary to make the statements made therein or herein in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of Borrower or any of its Subsidiaries to Lender in connection with this Agreement and the other Facility Documents, the Freddie Mac Acknowledgment Agreement and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to a Responsible Officer that, after due inquiry, could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Facility Documents or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to Lender for use in connection with the transactions contemplated hereby or thereby.

(j) Investment Company Act. Neither Borrower nor any of its Subsidiaries is required to be registered as an "investment company" as defined under the Investment Company Act or is an entity under the control of an entity required to be registered as an "investment company" as defined under the Investment Company Act.

(k) Taxes. Borrower has timely filed all federal and state tax returns that are required to be filed by it and has paid all taxes, including any assessments received by it, to the extent that such taxes have become due (other than for taxes that are being contested in good faith and for which it has established adequate reserves).

(l) No Adverse Actions. The Borrower has not received a notice from any Agency indicating any adverse fact or circumstance in respect of the Borrower which adverse fact or circumstance may reasonably be expected to entitle such Agency, as the case may be, to terminate the Borrower with cause or with respect to which such adverse fact or circumstance has caused such Agency to threaten to terminate, or consider the termination of, the Borrower in such notice.

(m) Financial Statements. The financial statements of Borrower, copies of which have been furnished to Lender, (i) are, as of the dates and for the periods referred to therein, complete and correct in all material respects, (ii) present fairly the financial condition and results of operations of Borrower as of the dates and for the periods indicated and (iii) have been prepared in accordance with GAAP consistently applied, except as noted therein (subject as to interim statements to normal year-end adjustments). Since the date of the most recent financial statements, there has been no Material Adverse Change with respect to Borrower. Except as disclosed in such financial statements or pursuant to Section 7.01 hereof, Borrower is not subject to any contingent liabilities or commitments that, individually or in the aggregate, have a material possibility of causing a Material Adverse Change with respect to Borrower.

(n) Agency Set Off Rights. The Borrower has no actual notice, including any notice received from any Agency, or any reason to believe, that, other than in the normal course of Borrower's business, any circumstances exist that would result in the Borrower's being liable to any Agency for any material amount due by reason of: (i) any breach of servicing or subservicing obligations or breach of mortgage selling warranty to the Agency under the related Servicing Contract or any other similar contracts relating to the Borrower's entire Agency servicing or subservicing portfolio (including without limitation any unmet mortgage repurchase obligation), (ii) any unperformed obligation with respect to mortgages in an MBS pool that the Borrower is servicing for any Agency pursuant to a recourse agreements, (iii) any loss or damage to any Agency by reason of any inability to transfer to a purchaser of the Servicing Rights the Borrower's selling and servicing representations, warranties and obligations, as well as any existing MBS recourse obligations, or other recourse obligations, and (iv) any other unmet obligations to any Agency under the related Servicing Contract or any other similar contracts relating to the Borrower's entire Agency servicing portfolio.

(o) Use of Subservicers. The Borrower is not using a subservicer with respect to any Mortgage Loan.

(p) Leverage Ratio; Liquidity; Tangible Net Worth; Profitability. The Borrower is in compliance with each of the financial covenants set forth in the Master Repurchase Agreement and the Mortgage Loan Participation Purchase and Sale Agreement.

(q) Fannie Mae/Freddie Mac/Ginnie Mae/HUD. Borrower is a seller/servicer approved by Fannie Mae, and Freddie Mac, an issuer approved by Ginnie Mae and a lender approved by HUD. Borrower is in good standing to service mortgages for Fannie Mae and Ginnie Mae, HUD as applicable, shall be in good standing to service mortgages for Ginnie Mae and HUD. Borrower has not been suspended as a seller/servicer by Fannie Mae, Freddie Mac, Ginnie Mae or HUD on and after the date on which Borrower first

obtained such approval from Fannie Mae, Ginnie Mae, HUD or Freddie Mac, as applicable. Borrower is not under review or investigation outside of due course and does not have knowledge of imminent or future investigation outside of due course, by Fannie Mae, Ginnie Mae, HUD or Freddie Mac on and after the date on which Borrower became a Fannie Mae, Ginnie Mae, HUD or Freddie Mac approved seller/servicer.

Section 6.02. Representations Concerning the Collateral

The Borrower represents and warrants to the Lender that as of each day that a Loan is outstanding pursuant to this Agreement:

(a) Immediately prior to the pledge of any such Collateral, the Borrower was the sole owner or holder as applicable of such Collateral and had good and marketable title thereto, as applicable (subject in all respects to the terms and provisions of the Freddie Mac Requirements and the rights of any other Agency, as applicable, with respect to the related Servicing Rights), free and clear of all Liens, other than pursuant to the terms and provisions of the Freddie Mac Requirements and no Person, other than the Lender has any Lien on any Collateral (other than pursuant to the terms and provisions of the Freddie Mac Requirements).

(b) The provisions of this Agreement are effective to create in favor of the Lender a valid security interest in all right, title, and interest, as applicable, of the Borrower in, to and under the Collateral, subject only to the interests of Freddie Mac pursuant to the terms and provisions of the Freddie Mac Requirements and such other related Agency.

(c) All Recourse Servicing Obligations as of the applicable date of the most recent Electronic File have been identified as such in a schedule attached to the Electronic File most recently delivered to the Lender. All information concerning all Servicing Rights set forth on the Electronic File pursuant to which such Servicing Rights were, are or will be (as applicable) pledged to the Lender will not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading as of the date of such Electronic File.

(d) Upon the filing of financing statements on Form UCC-1 naming the Lender as "Secured Party" and the Borrower as "Debtor", and describing the Collateral, in the appropriate jurisdictions, the Lender has a duly perfected security interest under the UCC in all right, title, and interest of Borrower in, to and under, (subject and subordinate to the terms and provisions of the Freddie Mac Requirements and the interests of any other applicable Agency), the Servicing Rights.

(e) All filings and other actions (including the execution of an account control agreement) necessary to perfect the security interest in the Collection Account created under this Agreement have been duly made or taken and are in full force and effect, and the Facility Documents create in favor of the Lender a valid and, together with such filings and other actions, perfected security interest in the Collateral, securing the payment of the Obligations, and all filings and other actions necessary to perfect such security interest have been duly taken. Subject and subordinate in all respects to the rights of Freddie Mac pursuant to the Freddie Mac Requirements, such other Agency as set forth in Section 4.02 and in the related Acknowledgment Agreement, the Borrower is the legal and beneficial owner or holder, as applicable of the Collateral free and clear of any Lien, except for the Liens created or permitted under the Facility Documents.

(f) Subject only to the terms and provisions of the Freddie Mac Requirements and such other related Acknowledgment Agreement, the Borrower has and will continue to have the full right, power and authority, to pledge the Servicing Rights and the pledge of such Servicing Rights (other than the Freddie Mac Servicing Rights), may be further assigned without any requirement, except as may be specified in the related Agency Guides.

(g) In connection with any repurchase agreement, loan and security agreement or similar credit facility or agreement for borrowed funds entered into by the Borrower or any of its Affiliates on the one hand and any third party (including an Affiliate of the Borrower or any of its Affiliates but excluding the Lender or any Affiliate of Lender) on the other, including without limitation, any other facility for the funding of Advances, no such third party has the right pursuant to the terms of such repurchase agreement, loan and security agreement or similar credit facility or agreement, to cause the Borrower to terminate, rescind, cancel, pledge, hypothecate, liquidate or transfer any of the Collateral.

ARTICLE VII COVENANTS

Section 7.01. Affirmative Covenants of Borrower

The Borrower covenants and agrees with the Lender that, so long as any Loan is outstanding and until all Obligations have been paid in full:

(a) Compliance with Laws, Etc. The Borrower will comply with all applicable Requirements of Law if the failure to comply with such Requirements of Law could reasonably be expected to have a Material Adverse Effect.

(b) ¶Performance and Compliance with Servicing Contracts. The Borrower will comply with all terms, provisions, covenants and other promises required to be observed by it under each of the Facility Documents and the Freddie Mac Acknowledgment Agreement to which it is a party, maintain the Facility Documents and the Freddie Mac Acknowledgment Agreement to which it is a party in full force and effect in all material respects and enforce the Servicing Contracts in all material respects in accordance with the terms thereof.

(c) Taxes. The Borrower will pay and discharge or cause to be paid and discharged promptly when due all Taxes and governmental charges imposed upon it or upon its income or profits or in respect of its property which, if unpaid, might become a Lien upon such properties or any part thereof, unless and to the extent the same are being contested in good faith by appropriate proceedings and with respect to which adequate reserves shall, to the extent required by GAAP, have been set aside.

(d) Due Diligence. The Borrower will permit Lender and its respective agents or designees to perform reasonable continuing due diligence reviews with respect to the Servicing Rights and the other Collateral, for purposes of verifying compliance with the representations, warranties, and specifications made hereunder and under the other Facility Documents, or otherwise. Borrower shall cooperate in all respects with such diligence and shall provide Lender and its respective agents or designees all documents, records, agreements, instruments or information relating to the Collateral in the possession of the Borrower; provided, however, the foregoing shall not apply with respect to any information that the Borrower is required by an Agency or Requirements of Law to keep confidential. Notwithstanding anything to the contrary herein, the Borrower shall reimburse the Lender for any and all reasonable out-of-pocket costs and expenses reasonably incurred by the Lender and its respective designees and appointees in connection with the ongoing due diligence and auditing activities.

(e) Changes in Servicing Contracts; Notices of Material Adverse Findings. The Borrower shall provide written notice to the Lender of (i) any changes in any Servicing Contracts (other than as a result in changes in the Agency Guides or those made to effect an Excess Servicing Rights Disposition (as defined herein)) that may materially affect the Servicing Rights, and (ii) and any notices of material adverse findings from any Agency (including without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal), within three (3) Business Days after the Borrower receives notice thereof.

(f) Legal Existence, etc. The Borrower shall (i) preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises; and (ii) keep adequate records and books of account, in which complete entries will be made in accordance with GAAP consistently applied.

(g) [Reserved].

(h) Financial Statements. The Borrower shall deliver to the Lender, in each case, to the extent not publicly filed:

(1) Within forty-five (45) days after the end of each month (or, for each month ending December 31, within sixty (60) days after the end of such month), consolidated unaudited balance sheets and consolidated statements of income and changes in equity and unaudited statement of cash flows, all to be in a form acceptable to Lender, showing the financial condition and results of operations of Borrower and its consolidated Subsidiaries on a consolidated basis as of the end of each such month and for the then elapsed portion of the fiscal year, setting forth, in each case, in comparative form the corresponding

figures for the corresponding month of the preceding fiscal year, certified by a financial officer of Borrower (acceptable to Lender) as presenting fairly the financial position and results of operations of

¶Borrower and its consolidated Subsidiaries and as having been prepared in accordance with GAAP consistently applied, in each case, subject to normal year-end audit adjustments;

(2) Within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of Borrower, consolidated unaudited balance sheets and consolidated statements of income and changes in equity and unaudited statement of cash flows, all to be in a form acceptable to Lender, showing the financial condition and results of operations of Borrower and its consolidated Subsidiaries, each on a consolidated basis as of the end of each such quarter and for the then elapsed portion of the fiscal year, setting forth, in each case, in comparative form the corresponding figures for the corresponding periods of the preceding fiscal year, certified by a financial officer of Borrower (acceptable to Lender) as presenting fairly the financial position and results of operations of Borrower and its consolidated Subsidiaries and as having been prepared in accordance with GAAP consistently applied, in each case, subject to normal year-end audit adjustments;

(3) Within ninety (90) days after the end of each fiscal year of Borrower, the consolidated audited balance sheets of Borrower and its consolidated Subsidiaries, which will be in conformity with GAAP, and the related consolidated audited statements of income and changes in equity showing the financial condition of Borrower and its consolidated Subsidiaries as of the close of such fiscal year and the results of operations during such year, and consolidated audited statements of cash flows, as of the close of such fiscal year, setting forth, in each case, in comparative form the corresponding figures for the preceding year. The foregoing consolidated financial statements are to be reported on by, and to carry the unqualified report (acceptable in form and content to Lender) of, an independent public accountant of national standing acceptable to Lender, which shall include KPMG LLP, PricewaterhouseCoopers LLP, Deloitte LLP, Ernst & Young LLP and any other similarly situated independent public accountant; and

(4) Together with each set of the financial statements delivered pursuant to clauses (1) and (2) above, a certificate of a Responsible Officer of Borrower in the form of Exhibit 7.01 attached hereto.

(i) Agency Approval. The Borrower shall at all times maintain copies of relevant portions of all final written Fannie Mae, Freddie Mac, HUD and Ginnie Mae audits, examinations, evaluations, monitoring reviews and reports of its origination and servicing and subservicing operations (including those prepared on a contract basis for any such agency) in which there are material adverse findings, including without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal, and all necessary approvals from each of Fannie Mae, Freddie Mac, HUD and Ginnie Mae. The Borrower shall not take any action, or fail to take any action, that would permit Fannie Mae, Freddie Mac, HUD or Ginnie Mae to terminate its right to service loans for Fannie Mae, Freddie Mac, HUD or Ginnie Mae with cause.

(j) Financial Covenants. The Borrower at all times shall satisfy the requirements of Section 2 of the Pricing Side Letter.

(k) Quality Control. Borrower shall conduct quality control reviews of its servicing operations in accordance with industry standards and Agency requirements. Upon the reasonable request of Lender, Borrower shall report to Lender quality control findings as such reports are produced.

(l) Special Affirmative Covenants Concerning Servicing Rights.

(i) The Borrower shall defend the right, title and interest of the Lender in and to the Servicing Rights pledged to the Lender against the claims and demands of all Persons whomsoever, subject to the restrictions imposed by the terms and provisions of the Freddie Mac Requirements or such other

¶Agency's Acknowledgment Agreement to the extent that such restrictions are valid and enforceable under the applicable UCC and other Requirements of Law.

(ii) The Borrower shall preserve the security interests granted hereunder and upon request by the Lender undertake all actions which are necessary or appropriate, in the reasonable judgment of the Lender, to (x) maintain the Lender's security interest (including the priority thereof) in the Collateral in full force and effect at all times prior to the satisfaction of all obligations under this Agreement and the release of the Lender's lien in accordance with the terms and provisions of this Agreement, and (y) preserve and protect the Collateral and protect and enforce the rights of the Lender to the Collateral, including the making or

delivery of all filings and recordings (of financing or continuation statements), or amendments thereto or assignments thereof, and such other instruments or notices, as may be necessary or appropriate, cause to be marked conspicuously its master data processing records with a legend, acceptable to the Lender, evidencing that such security interest has been granted in accordance with this Agreement.

(iii) The Borrower shall diligently fulfill its duties and obligations under the Servicing Contracts in all material respects and shall not default in any material respect under any of the Servicing Contracts or the Acknowledgment Agreements; provided that it shall not be a breach of this covenant if: (a) an Agency shall terminate the Borrower's rights under any Servicing Contract, the Borrower shall repay (without duplication of payment) to the Lender an amount equal to the excess of the sum of the Loans then outstanding over the sum of the Borrowing Base of all the Servicing Rights then pledged to the Lender within the time periods set forth in Section 2.08(b) or (b) any such Servicing Contract expires in accordance with its terms and without renewal or (c) a default declared by an Agency in respect of a Servicing Contract arose from a failure of the portfolio of serviced Mortgage Loans to perform as required by the related Servicing Contract and such Agency has elected in writing to continue to use the Borrower as servicer of both that and other pools of Mortgage Loans and individual Mortgage Loans and has not rescinded or revoked such election.

(iv) The Borrower covenants and agrees that all Servicing Rights shall at all times be pledged under this Agreement or under any Approved Loan Facility.

(m) Maintenance of Property; Insurance. The Borrower shall keep all property useful and necessary in its business in good working order and condition. The Borrower shall maintain a fidelity bond and be covered by insurance (including, without limitation, errors and omissions insurance) of the kinds and in the amounts customarily maintained by such similarly situated entities in the same jurisdiction and industry as the Borrower, in amounts acceptable to the Agencies.

(n) Use of Proceeds. The Borrower shall not use the proceeds of the Loans in contravention of the requirements, if any, of the Agencies.

(1) Advance Facilities. Prior to entering into any arrangement which in any way involves pledging any of the Borrower's right, title and interest in, to and under any right to reimbursement of any Advances under the Servicing Contracts to a third party, the Borrower shall provide the Lender with five Business Days advance notice and shall cooperate with Lender to enable Lender to give such third party notice of Lender's interest hereunder, including without limitation, by providing to Lender the name and contact information for delivery of such notice to the third party to whom Borrower's right to reimbursement will be pledged.

(o) Borrower and Freddie Mac Agreements. The Borrower shall furnish to the Lender within five (5) Business Days of execution a copy of any agreement that would impair in any material respect the interests or rights of the Lender between Borrower and Freddie Mac that is to be incorporated into the definition of Freddie Mac Requirements.

(p) Notice of Disposal of Servicing Rights. Except as otherwise provided herein, in the event that the Borrower sells or otherwise disposes of any of the Pledged Servicing Rights, it shall give the Lender five (5) Business Days' prior written notice of such sale or disposition (together with a list of the affected loans and other information helpful to the Lender in assessing the related Collateral Value), during which time the Lender shall recalculate the Collateral Value for the Collateral remaining after such sale or disposition.

(q) Requests for Information. The Borrower shall furnish to the Lender within five (5) Business Days after the Lender's request, any reasonable information, documents, records or reports with respect to the servicing or subservicing of the Collateral as the Lender may from time to time request subject to the terms and provisions of the Freddie Mac Requirements, Requirements of Law or such other confidentiality provisions.

(r) Monthly Reports. No later than the Collateral Reporting Date, Borrower shall provide to Lender reports of information related to (i) any claims or compensatory fees actually paid by Borrower to each Agency related to enforcement by such Agency of its rights under the related Agency Guide (or to trusts under non-agency securitizations) that are not reimbursed from a predecessor originator/servicer, (ii) claims for repurchases made by or indemnity by Agencies or trusts in non-agency securitizations, (iii) all claims for repurchases made by Agencies or trusts in non-agency securitizations in connection with a breach or alleged breach of representations and warranties related to any Mortgage Loan, including the delinquency status of the related Mortgage Loan at the time of each such repurchase demand, the current

status or resolution of each such repurchase demand, and the realized and/or estimated loss related to each such repurchase demand, and (iv) the MSR Collateral as detailed in Schedule 7.01(s).

(s) Quarterly Reports. No later than thirty (30) days after the last Business Day of each fiscal quarter of Borrower, Borrower shall provide to Lender a report provided by a third-party valuation agent setting forth such agent's determination of the value of all of Borrower's servicing rights (including servicing rights not subject to this Agreement) and cash flows.

(t) Agency Collateral Account. Within five (5) Business Days after the end of each month (beginning April 2023), the Borrower shall deliver a notice to the Lender setting forth the amount on deposit in each Agency Collateral Account, provided that if any such date is not a Business Day, such notice shall be delivered to the Lender on the next succeeding Business Day. To the extent not prohibited by an Agency, the Borrower shall promptly (and in any event within three (3) Business Days thereof) notify the Lender (and provide a copy of any written request) of any request it receives from such Agency indicating either (i) that the Borrower must deposit additional amounts in the Agency Collateral Account or (ii) that the Borrower is entitled to withdraw amounts from the Agency Collateral Account and such notice shall include the amount required to be deposited or withdrawn, as applicable.

(u) Agency Information. Upon reasonable notice during normal business hours, the Borrower shall make available the Chief Executive Officer, the President, the Chief Financial Officer, any Executive Vice President or the Treasurer of the Borrower to participate in discussions with Lender and provide information with respect to the following: (i) a projection of the obligations of the Borrower in connection with (A) repurchase obligations to Agencies and (B) amounts that may have been required to be deposited or withdrawn from the related Agency Collateral Account (the "Agency Obligations"), (ii) a projection of the impact the Agency Obligations may have on the operations of the Borrower, including but not limited to, the net impact on liquidity, statements of income, retained earnings and cash flows,
(iii) the projected date of resolution of the Agency Obligations, and (iv) such other information as may be reasonably requested by the Lender, in all cases to the extent the Borrower is not prohibited from disclosing such information.

Section 7.02. Negative Covenants of the Borrower

The Borrower covenants and agrees with the Lender that, so long as any Loan is outstanding and until all Obligations have been paid in full, the Borrower shall not:

(a) other than in accordance with Section 7.02(c), take any action that would directly or indirectly materially impair or materially adversely affect the Borrower's title or interest, as applicable to the Collateral, or the value of the Collateral taken as a whole;

(b) create, incur or permit to exist any Lien in or on the Collateral, or, unless otherwise permitted by the Lender, in or on any mortgage loans or servicing rights (other than pursuant to the terms and provisions of the Freddie Mac Requirements or Fannie Mae Acknowledgment Agreement), except (x) the security interest granted hereunder in favor of the Lender, (y) the rights of such other Agencies under the Servicing Contracts and the Agency Guides, and (z) a Lien on the Servicing Contracts pledged under an Approved Loan Facility, nor assign any right to receive income in respect thereof except as permitted under Section 7.02(c);

(c) sell, lease or otherwise dispose of any Collateral (other than sales or dispositions of Servicing Rights (i) resulting from the payoff of the related Mortgage Loans or the repurchase of the related Mortgage Loans by the Borrower, (ii) as required by an Agency or (iii) in the ordinary course of the Borrower's servicing business) except as expressly permitted by this Agreement;

(d) engage in any change in the nature of its business as carried on at the date hereof that is reasonably likely to result in a Material Adverse Effect;

(e) (i) cancel or terminate any Facility Documents to which it is a party or the Freddie Mac Acknowledgment Agreement or consent to or accept any cancellation or termination thereof without Lender's prior consent, (ii) amend, amend and restate, supplement or otherwise modify any Facility Document without Lender's prior consent, (iii) consent to any amendment, modification or waiver of any term or condition of any Facility Document or the Freddie Mac Pledge and Security Agreement, unless otherwise required by Freddie Mac, without the prior written consent of the Lender, which consent shall not be unreasonably withheld, provided that if the amendment of a Servicing Contract is done unilaterally by an Agency, the prior written consent of the Lender is not required, (iv) waive any material default under

or breach of any Servicing Contracts, or (v) take any other action in connection with any such Facility Documents that would impair in any material respect the value of the interests or rights of the Borrower thereunder or that would impair in any material respect the interests or rights of the Lender;

(f) change its corporate name or the state of its organization unless the Borrower shall have given the Lender at least thirty (30) days' prior written notice thereof and unless, prior to any such change, the Borrower shall have filed, or caused to be filed, such financing statements or amendments as the Lender determines may be reasonably necessary to continue the perfection of the Lender's interest in the Collateral;

(g) appoint any subservicers with respect to any Servicing Rights pledged to the Lender pursuant to this Agreement except as otherwise required by the applicable Agency;

(h) take any action that would directly or indirectly materially impair or materially adversely affect the Borrower's title to or interest in, as applicable, or the value, of the Eligible Servicing Rights or materially increase the duties, responsibilities or obligations of the Borrower, with the exception of any other sale, grant of Lien or other transfer or disposition of rights to receive payments of servicing or subservicing fees (and other amounts in respect of the Servicing Contracts that otherwise would constitute Servicing Rights) in excess of the minimum servicing or subservicing fees that an Agency requires servicers to retain (such rights to receive such excess servicing or subservicing fees and other amounts being herein called "Excess Servicing Rights"), so long as, concurrently with any such transaction, (A) the Borrower delivers to the Lender a new subsequent Electronic File reflecting the Eligible Servicing Rights after giving effect to such transaction, and (B) the Borrower repays the Loans to the extent necessary to cure any Borrowing Base Deficiency that otherwise would result from such transaction. Each transaction that would be permitted under the foregoing sentence is herein called an "Excess Servicing Rights Disposition". In connection with each Excess Servicing Rights Disposition, the Lender agrees to execute and deliver, promptly upon request and receipt of payment of all Obligations in respect of the related Excess Servicing Rights, such releases and financing statement amendments as may be reasonably requested by the Borrower to reflect the fact that the relevant Excess Servicing Rights are no longer subject to the Liens granted under the Facility Documents;

(i) make any Restricted Payments following any Event of Default that has not been waived by the Lender in accordance herewith; and

(j) directly or indirectly, sell, lease or otherwise transfer any Property or assets to, or otherwise acquire any Property or assets from, or otherwise engage in any transactions with, any of its Affiliates (other than any wholly-owned Subsidiary), other than in the ordinary course of business as presently conducted or unless the terms thereof are no less favorable to Borrower than those that could be obtained at the time of such transaction in an arm's length transaction with a Person who is not such an Affiliate.

Section 7.03. Notice of Certain Occurrences

The Borrower covenants and agrees with the Lender that, so long as any Loan is outstanding and until all Obligations have been paid in full:

(a) Defaults. Borrower shall promptly, and in any event within three (3) Business Days of Borrower's knowledge thereof, inform Lender in writing of any Default, Event of Default by Borrower or any other Person (other than Lender or Lender's Affiliates) of any material obligation under any Facility Document, or the occurrence or existence of any event or circumstance that Borrower reasonably expects will with the passage of time become a Default, Event of Default by Borrower or any other Person;

(b) Litigation. Borrower shall promptly inform Lender in writing of the commencement of, or any determination in, any material dispute, litigation, investigation, proceeding, sanctions or suspension between Borrower or its Parent Company, on the one hand, and any Governmental Authority or any other Person, on the other, except to the extent is not reasonably likely to result in a Material Adverse Effect;

(c) Material Adverse Effect on Collateral. As soon as possible, upon the Borrower becoming aware of any default related to any Collateral which should reasonably be expected to have a Material Adverse Effect;

(d) [Reserved].

(e) Servicing Contract Transfer. As soon as possible, the transfer, expiration without renewal, termination or other loss of all or any part of any Servicing Contract (or the termination or replacement of the Borrower thereunder), the reason for such transfer, loss or replacement, if known to it and the effects that such transfer, loss or replacement will have (or will likely have) on the prospects for full and timely collection of all amounts owing to the Borrower under or in respect of the Borrower's Servicing Contracts;

(f) Agency Notices. Unless required by the applicable Agency or Requirements of Law to maintain confidential, the Borrower shall promptly furnish the Lender copies of all written notices it receives from

¶Fannie Mae, Freddie Mac, HUD or Ginnie Mae indicating any adverse fact or circumstance in respect of the Borrower with respect to which adverse fact or circumstance Fannie Mae, Freddie Mac, HUD or Ginnie Mae, respectively, announces its intention to terminate or threatens to terminate the Borrower with cause or with respect to which Fannie Mae, Freddie Mac, HUD or Ginnie Mae, announces its intention to conduct any inspection or investigation of Borrower, Borrower's files or Borrower's facilities outside of the ordinary course;

(g) Servicing Rights Notices. Unless required by the applicable Agency or Requirements of Law to maintain confidential, copies of all notices it receives from any Agency that materially affect the Eligible Servicing Rights, including any notice received with respect to the events set forth in Section 6.01(n)(i) through (iv), and any demand by an Agency or an insurer for the repurchase of or indemnification with respect to a mortgage loan and the reason for such repurchase or indemnification within three (3) Business Days after Borrower receives notice thereof;

(h) Servicer Rating. The Borrower shall furnish the Lender notice of any decrease in any servicer rating of the Borrower by any rating agency to a level that is two levels or more below the level of such servicer rating as of the Closing Date;

(i) Other. Borrower shall furnish, or cause to be furnished, upon the request of Lender, such other information or reports as the Lender may from time to time reasonably request unless required by the applicable Agency or Requirements of Law to remain confidential.

(j) Agency Requirements. Notice of any change in any Agency's requirements regarding the Borrower's consolidated liquidity within three (3) Business Days after Borrower receives notice thereof.

ARTICLE VIII EVENTS OF DEFAULT

Section 8.01. Events of Default

The following events shall be "Events of Default":

(a) The Borrower shall fail to (a) make any payment or deposit to be made by it under Article II, Section 3.01 or Section 8.02(d) when due (whether of principal or interest at stated maturity, upon acceleration, or at mandatory prepayments due to Borrowing Base Deficiencies or otherwise) which failure shall continue unremedied for a period of one (1) Business Day, or (b) make any other payment or deposit to be made by it hereunder when due and which such failure (other than with respect to payment of principal) shall continue unremedied for a period of three (3) Business Days;

(b) The Borrower shall fail to comply with the requirements of Sections 7.01(f)(i), 7.02(c), or 7.03(e) and such default shall continue unremedied for a period of one (1) Business Day; or the Borrower shall otherwise fail to observe or perform any other agreement contained in this Agreement, any other Facility Document or the Freddie Mac Acknowledgment Agreement and such failure to observe or perform shall continue unremedied for a period of five (5) Business Days;

(c) Any representation, warranty or certification made or deemed made herein, in any other Facility Document or the Freddie Mac Acknowledgement Agreement by Borrower or any certificate furnished to Lender pursuant to the provisions thereof, shall prove to have been false or misleading in any material respect as of the time made or furnished (other than the representations and warranties set forth in Section

6.02 which shall be considered solely for the purpose of determining the MSR Value of the Eligible Servicing Rights; unless (i) Borrower shall have made any such representations and warranties with knowledge that they were materially false or misleading at the time made or (ii) any such representations and warranties have been determined by Lender in its reasonable discretion to be materially false or misleading on a regular basis), and which false or misleading representation, warranty or certification shall continue unremedied for a period of five (5) Business Days;

(d) (1) The failure of the Borrower to be an approved servicer under the guidelines of an Agency with respect to which any Eligible Servicing Rights pledged under this Agreement relate, (2) the Borrower fails to service in accordance with the Agency Guides and the Lender determines in its good faith discretion that such failure may have a Material Adverse Effect, (3) the Borrower is terminated as servicer or subservicer, as applicable, with respect to any Eligible Servicing Rights by an Agency (except if the provisions of Section 7.01(l)(iii)(a)-(c) are met), (4) the Borrower shall at any time be terminated, revoked or suspended as servicer or subservicer, as applicable, with respect to any whole loan servicing or subservicing rights that make up a material portion of Borrower's servicing portfolio, (5) Borrower shall cease to be approved by or its approval shall be revoked, suspended, rescinded, halted, eliminated, withdrawn, annulled, repealed, voided or terminated by an Agency as an approved seller/servicer or lender, (6) all or a portion of the Borrower's servicing portfolio consisting of Agency loans is seized or (7) any Agency shall at any time cease to accept delivery of any loan or loans from the Borrower under any program or notifies the Borrower that the Agency shall cease accepting loan deliveries from the Borrower;

(e) The Borrower or any of its Affiliates or Subsidiaries shall (i) be in default under, or fail to perform as requested under, or shall otherwise breach, beyond any applicable cure period, the terms of any warehouse, credit, repurchase, line of credit, financing or other similar agreement having an aggregate available facility amount in excess of $15,000,000 and relating to any Indebtedness between the Borrower or any of its Affiliates or Subsidiaries, on the one hand, and any Person, on the other, which default or failure entitles any party to require acceleration or prepayment of any Indebtedness thereunder, or (ii) fail to pay when due, subject to any applicable cure period, any payment obligation under any other material agreement between the Borrower or any of its Affiliates or Subsidiaries, on the one hand, and any Person, on the other (it being understood that an agreement is material if the payment obligations thereunder exceed $15,000,000 in the aggregate over the term of such agreement);

(f) The Lender does not, or ceases to, have a perfected security interest in the Collateral or any material part thereof, subject only to (1) the terms and provisions of the Freddie Mac Requirements and the interests of any other Agency with respect to the related Agency Servicing Rights and other Collateral and (2) any Lien on the Servicing Contracts pledged under an Approved Loan Facility, other than as a result of a release of such security interest by the Lender and such default continues unremedied for a period of one (1) Business Day after the earlier of (i) a Responsible Officer of the Borrower having actual knowledge thereof and (ii) written notice of such default from the Lender;

(g) A Change in Control of the Borrower occurs;

(h) (A) the Borrower ceases to be (1) a HUD approved mortgagee pursuant to Section 203 of the National Housing Act or (2) a Fannie Mae or Freddie Mac approved servicer or HUD, Fannie Mae or Freddie Mac, as applicable, suspends, rescinds, halts, eliminates, withdraws, annuls, repeals, voids or terminates the status of the Borrower as either (1) a HUD approved mortgagee pursuant to Section 203 of the National Housing Act or (2) a Fannie Mae or Freddie Mac approved servicer or (B) the Borrower receives notice that HUD, Fannie Mae or Freddie Mac may take such action set forth in clause (A);

(i) Any "event of default" or other material breach or failure to perform shall have occurred and shall be continuing beyond the expiration of any applicable grace period under any instrument, agreement or contract between the Borrower or any of its Affiliates, on the one hand, and the Lender or any of Lender's Affiliates on the other, including, without limitation, the Master Repurchase Agreement or the Mortgage Loan Participation Purchase and Sale Agreement;

(j) The failure of Borrower to maintain any Agency's net worth requirements;

(k) Any judgment or order for the payment of money in excess of $15,000,000 in the aggregate shall be rendered against the Borrower or any of its Affiliates, by a court, administrative tribunal or other body having jurisdiction over them and the same shall not be satisfied or discharged (or provisions shall not be made for such discharge) or bonded, or a stay of execution thereof shall not be procured, within sixty

(60) days from the date of entry thereof or, if a stay of execution is procured, sixty (60) days from the date such stay is lifted;

(l) (1) The Borrower or any of its Affiliates files a voluntary petition in bankruptcy, seeks relief under any provision of any Insolvency Law or consents to the filing of any petition against it under any such law; (2) a proceeding shall have been instituted by any Affiliate of the Borrower in a court having jurisdiction in the premises seeking a decree or order for relief in respect of the Borrower or such Affiliate in an involuntary case under any applicable Insolvency Law, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of the Borrower or such Affiliate, or for any substantial part of its Property, or for the winding-up or liquidation of its affairs, (3) a proceeding shall have been instituted by any Person (other than an Affiliate of the Borrower) in a court having jurisdiction in the premises seeking a decree or order for relief in respect of the Borrower or any of its Affiliates in an involuntary case under any applicable Insolvency Law, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of the Borrower or such Affiliate, or for any substantial part of its Property, or for the winding-up or liquidation of its affairs and the Borrower or such Affiliate shall have failed to obtain a relief (including, without limitation, a dismissal) or a stay of such involuntary proceeding within sixty (60) days; provided, that if under any other agreement for Indebtedness, the Borrower is subject to a shorter time period to dismiss any such proceeding, such shorter time period shall be automatically incorporated into this Agreement as if fully set forth herein without the need of any further action on the part of any party, (4) the admission in writing by the Borrower or any of its Affiliates of its inability to pay its debts as they become due, (5) the Borrower or any of its Affiliates consents to the appointment of or taking possession by a custodian, receiver, conservator, trustee, liquidator, sequestrator or similar official, of all or any part of its Property or any custodian, receiver, conservator, trustee, liquidator, sequestrator or similar official takes possession of all or any part of the Property of the Borrower or any of its Affiliates; (6) the Borrower or any of its Affiliates makes an assignment for the benefit of any of its creditors; or (7) the Borrower or any of its Affiliates generally fails to pay its debts as they become due;

(m) Any Governmental Authority or any Person, agency or entity acting or purporting to act under Governmental Authority (including any Agency) shall have taken any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the Property of the Borrower or any of its Affiliates, or shall have taken any action to displace the management of any of the Borrower or any of its Affiliates or to curtail the Borrower's, or any of its Affiliates' authority in the conduct of its business; or

(n) Any amendment, modification or waiver of any term or condition of the Freddie Mac Pledge and Security Agreement occurs, without the consent of the Lender, that would impair in any material respect the interests or rights of the Lender.

Section 8.02. Remedies

(a) Optional Acceleration. Upon the occurrence of an Event of Default (other than an Event of Default described in Section 8.01(l) or Section 8.01(m), the Lender may by written notice to the Borrower, terminate the Facility and declare all Loans and all other Obligations to be immediately due and payable.

(b) Automatic Acceleration. Upon the occurrence of an Event of Default described in Section 8.01(l) or Section 8.01(m) the Facility shall be automatically terminated and the Loans and all other Obligations shall be immediately due and payable upon the occurrence of such event, without demand or notice of any kind.

(c) Remedies. Upon any acceleration of the Loans pursuant to this Section 8.02, the Lender, in addition to all other rights and remedies under this Agreement or otherwise, shall have all other rights and remedies provided under the UCC of each applicable jurisdiction and other applicable laws, which rights shall be cumulative. The Borrower agrees, upon the occurrence of an Event of Default and notice from the Lender, to assemble, at its expense, all of the Collateral that is in its possession (whether by return, repossession, or otherwise) at a place designated by the Lender. All out-of-pocket costs incurred by the Lender in the collection of all Obligations, and the enforcement of its rights hereunder, including reasonable attorneys' fees and legal expenses, shall be paid out of the Collateral. Without limiting the foregoing, upon the occurrence of an Event of Default and the acceleration of the Loans pursuant to this Section 8.02, the Lender may, to the fullest extent permitted by applicable law, without notice, advertisement, hearing or process of law of any kind, (i) enter upon any premises where any of the Collateral which is in the possession of the Borrower (whether by return, repossession, or otherwise) may be located and take

possession of and remove such Collateral, (ii) sell any or all of such Collateral, free of all rights and claims of the Borrower therein and thereto, at any public or private sale, and (iii) bid for and purchase any or all of such Collateral at any such sale. Any such sale shall be conducted in a commercially reasonable manner and in accordance with applicable law. The Borrower hereby expressly waives, to the fullest extent permitted by applicable law, any and all notices, advertisements, hearings or process of law in connection with the exercise by the Lender of any of its rights and remedies upon the occurrence of an Event of Default. Each of the Lender and the Borrower shall have the right (but not the obligation) to bid for and purchase any or all Collateral at any public or private sale. The Borrower hereby agrees that in any sale of any of the Collateral, the Lender is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of applicable law (including, without limitation, compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority, and the Borrower further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner. The Lender shall not be liable for any sale, private or public, conducted in accordance with this Section 8.02(c). If an Event of Default occurs, and upon acceleration of the Loans hereunder, the Loans and all other Obligations shall be immediately due and payable, and collections on the Eligible Servicing Rights and proceeds of sales and securitizations of Eligible Servicing Rights, and other Collateral will be used to pay the Obligations.

(d) In the event that Borrower receives a notice from an Agency indicating a material breach, material default or material non-compliance by the Borrower that the Lender reasonably determines may entitle such Agency to terminate the Borrower, which breach, default or non-compliance has not been satisfactorily cured or remedied within ten (10) Business Days of the receipt by the Borrower of such notice, or such lesser time as Lender believes is necessary to protect its interest and provides Borrower with written notice thereof, as the case may be, the Lender may by written notice to the Borrower, terminate the Facility and declare all Loans and all other Obligations to be immediately due and payable.

(e) ¶Notwithstanding anything in this Agreement to the contrary, the exercise of rights and remedies under this Section 8.02(e) shall be subject and subordinate in all respects to the terms and provisions of the Freddie Mac Requirements. Freddie Mac shall be an express third party beneficiary of this Section 8.02(e) and shall be entitled to rely upon this Section 8.02(e) in all respects.

Section 8.03. Collection Account; Application of Proceeds

(a) Collection Account. Prior to the Closing Date, the Borrower and the Lender shall have established at Bank, in the name of the Lender a non-interest bearing segregated special purpose trust account (such account being herein called the "Collection Account"). The Borrower will maintain the Collection Account only with a bank acceptable to the Lender. Upon a default hereunder, the Borrower shall deposit all Collections (other than the Freddie Mac Minimum Servicing Compensation and Excluded Collateral) by it into the Collection Account within two (2) Business Days of receipt thereof. To the extent at any time, Borrower deposits Freddie Mac Minimum Servicing Compensation or Excluded Collateral into the Collection Account, Borrower shall be entitled to withdraw such Freddie Mac Minimum Servicing Compensation or Excluded Collateral from the Collection Account.

(b) Distributions Prior to an Event of Default. So long as no Event of Default has occurred and is continuing hereunder, the Borrower may withdraw amounts on deposit in the Collection Account at any time.

(c) Distributions After an Event of Default. The Lender may, at any time and without notice to, or consent from, the Borrower, transfer, or direct the transfer of, funds from the Collection Account (other than the Freddie Mac Minimum Servicing Compensation and Excluded Collateral deposited by Borrower in the Collection Account) to satisfy the Borrower's obligations under the Facility Documents if an Event of Default shall have occurred and be continuing. On each Business Day during which an Event of Default has occurred and is continuing hereunder, the Lender shall apply Collections in the following order:

(i) to pay to the Lender, any fees due pursuant to the terms hereof;

(ii) to pay to the Lender or any Indemnified Party an amount equal to any other amounts (including the Outstanding Aggregate Loan Amount) then due to such Persons pursuant to this Agreement that have not

been paid by the Borrower (and to the extent that there are insufficient funds to pay all of the foregoing amounts, such amount shall be distributed to the foregoing parties, pro rata in accordance with the amounts due to such parties); and

(iii) to pay any remaining amounts to the Borrower by transferring such amount to the account specified in writing by the Borrower.

(d) Freddie Mac shall be an express third party beneficiary of Sections 8.03(a) and 8.03(b) and shall be entitled to rely upon this Section 8.02(d) in all respects.

ARTICLE IX ASSIGNMENT

Section 9.01. Restrictions on Assignments

The Borrower shall not assign its rights hereunder or any interest herein without the prior written consent of the Lender. Upon notice to the Borrower, the Lender may assign any or all of its rights and obligations under this Agreement, under any Loan pursuant to this Agreement or under the other Facility Documents, to any other entity, unless such assignment is prohibited by any Agency; provided, however, the Lender may not assign any or all of its rights and obligations under this Agreement to any Person identified on Schedule 9.01 hereto.

Section 9.02. Evidence of Assignment; Endorsement on Note

The Lender hereby agrees that it shall, endorse the Note to reflect any assignments made pursuant to this Article IX or otherwise.

Section 9.03. Rights of Assignee

Upon the assignment the Lender of all of its rights and obligations hereunder, under the Note and under the other Facility Documents to an assignee in accordance with Section 9.01, such assignee shall have all such rights and obligations of the Lender as set forth in such assignment or delegation, as applicable, and all references to the Lender in this Agreement or any Facility Document shall be deemed to apply to such assignee to the extent of such interest. If any interest in any Facility Document is transferred to any assignee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such assignee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.02.

Section 9.04. Permitted Participants; Effect

Subject to the terms and conditions of any Acknowledgment Agreement, the Lender may, in the ordinary course of its business and in accordance with applicable law, at any time (and from time to time) sell to one or more banks or other entities (each a "Participant") participating interests in any Loan owing to the Lender, any Note held by the Lender, any Available Facility Amount of the Lender, or any other interest of the Lender under this Agreement or the other Facility Documents. In the event of any such sale by the Lender of a participating interest to a Participant, (i) the Lender's obligations hereunder and under the other Facility Documents shall remain unchanged; (ii) the Lender shall remain solely responsible to the Borrower for the performance of such obligations; and (iii) the Lender shall remain the owner of its Loans and the holder of any Note issued to it in evidence thereof for the purposes under the Facility Documents; provided, that if the Participant is a Foreign Purchaser, the Participant shall provide the Lender with the information necessary to permit the Lender to comply, and the Lender shall comply, with Section 3.02(d) as if the Lender were a Foreign Purchaser. All amounts payable by the Borrower under this Agreement shall be determined as if the Lender had not sold such participating interests. The Borrower and the Lender shall continue to deal solely and directly with each other in connection with the Lender's rights and obligations under the Facility Documents.

Section 9.05. Voting Rights of Participants

The Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Facility Documents other than any amendment, modification, or waiver with respect to any Loan or Available Facility Amount in which such Participant has an interest which forgives principal, interest, or fees or reduces the interest rate or fees payable with respect to any such Loan or Available Facility Amount, ~~extends the Wind Down Date,~~ postpones any date fixed for any regularly scheduled payment of principal of, or interest or fees on, any such Loan or Available Facility Amount or releases all or substantially all of the Collateral (other than as expressly permitted pursuant to the Facility Documents).

ARTICLE X INDEMNIFICATION

Section 10.01. Indemnities by the Borrower

Without limiting any other rights which any such Person may have hereunder or under applicable law, the Borrower hereby agrees to indemnify, the Lender, its Affiliates, successors, permitted transferees and assigns and all officers, directors, shareholders, controlling persons, employees and agents of any of the foregoing (each an "Indemnified Party"), forthwith on demand, from and against any and all damages, losses, claims, liabilities and related costs and expenses, including attorneys' fees and disbursements (all of the foregoing being collectively referred to as "Indemnified Amounts") awarded against or incurred by any of them arising out of or as a result of this Agreement, the other Facility Documents, the Freddie Mac Acknowledgment Agreement or any transaction contemplated hereby or thereby excluding, however, (a) Indemnified Amounts to the extent a court of competent jurisdiction determines that they resulted from gross negligence, bad faith or willful misconduct on the part of such Indemnified Party, (b) in the event that the Lender has assigned its rights or delegated its obligations in respect of this Agreement, and the Indemnified Amounts with respect to such assignee exceed the Indemnified Amounts that would otherwise have been payable by the Borrower to the Lender, the amount of such excess, (c) taxes expressly excluded from Taxes in Section 3.02(a) above (other than any such Taxes that are incremental and arise solely by reason of a breach by the Borrower of its obligations under this Agreement), and (d) any lost profits or indirect, exemplary, punitive or consequential damages of any Indemnified Party. In any suit, proceeding or action brought by the Lender in connection with any Collateral for any sum owing thereunder, or to enforce any provisions of any Collateral, the Borrower will save, indemnify and hold the Lender harmless from and against all expense, loss or damage suffered by reason of any defense, set-off, counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Borrower of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Borrower. The Borrower also agrees to reimburse the Lender as and when billed by the Lender for all the Lender's reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement or the preservation of the Lender's rights under this Agreement, the Note, any other Facility Document, the Freddie Mac Acknowledgment Agreement or any transaction contemplated hereby or thereby, including without limitation the fees and disbursements of its counsel. The Borrower hereby acknowledges that, notwithstanding the fact that the Note is secured by the Collateral, the obligation of the Borrower under the Note is a recourse obligation of the Borrower. Under no circumstances shall any Indemnified Party be liable to the Borrower for any lost profits or indirect, exemplary, punitive or consequential damages.

Section 10.02. General Provisions

If for any reason the indemnification provided above in Section 10.01 (and subject to the limitations on indemnification contained therein) is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless on the basis of public policy, then the Borrower shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnified Party on the one hand and the Borrower on the other hand but also the relative fault of such Indemnified Party as well as any other relevant equitable considerations.

The provisions of this Article X shall survive the termination of this Agreement and the payment of the Obligations.

¶ARTICLE XI MISCELLANEOUS

Section 11.01. Amendments, Etc

Subject to the terms and provisions of Section 11.16(u), neither this Agreement nor any provision hereof may be amended, supplemented, or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Lender.

Section 11.02. Notices, Etc

Except as provided herein, all notices required or permitted by this Agreement shall be in writing (including without limitation by Electronic Transmission, email or facsimile) and shall be effective and deemed delivered only when received by the party to which it is sent; provided that notices of Events of Default and exercise of remedies or under Section 8.02 shall be sent via overnight mail and by electronic transmission. Any such notice shall be sent to a party at the address, electronic mail or facsimile transmission number set forth on Schedule 11.02 or to such other address, e-mail address or facsimile number as either party may notify to the others in writing from time to time.

Section 11.03. No Waiver; Remedies

No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 11.04. Binding Effect; Assignability

This Agreement shall be binding upon and inure to the benefit of the Borrower and the Lender, and their respective successors and assigns, provided, however, that nothing in the foregoing shall be deemed to authorize any assignment not permitted in Section 9.01.

Section 11.05. GOVERNING LAW; SUBMISSION TO JURISDICTION

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS AGREEMENT).
EACH PARTY HERETO HEREBY SUBMITS TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN, THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND APPELLATE COURTS FROM ANY THEREOF FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT IN THE BOROUGH OF MANHATTAN AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THIS AGREEMENT OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO THE OTHER PARTIES. THE FOREGOING SHALL NOT LIMIT THE ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY OTHER JURISDICTION.

EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Section 11.06. Entire Agreement

This Agreement, the Facility Documents and the Freddie Mac Acknowledgment Agreement embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understanding relating to the matters provided for herein.

Section 11.07. Acknowledgment

The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement, the Note, the other Facility Documents to which it is a party and the Freddie Mac Acknowledgment Agreement;

(b) the Lender has no fiduciary relationship to the Borrower, and the relationship between the Borrower and the Lender is solely that of debtor and creditor; and

(c) no joint venture exists among or between the Lender and the Borrower. Section 11.08. Captions and Cross

References

The various captions (including, without limitation, the table of contents) in this Agreement are included for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. References in this Agreement to any underscored Section or Exhibit are to such Section or Exhibit of this Agreement, as the case may be.

Section 11.09. Execution in Counterparts

This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts. The parties intend that faxed signatures and electronically imaged signatures such as
.pdf files shall constitute original signatures and are binding on all parties. The original documents shall be promptly delivered, if requested. The parties agree that this Agreement, any addendum, exhibit or amendment hereto or any other document necessary for the consummation of the transactions contemplated by this Agreement may be accepted, executed or agreed to through the use of an electronic signature in accordance with E-Sign, UETA and any applicable state law. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any secure third party electronic signature capture service with appropriate document access tracking, electronic signature
¶tracking and document retention as may be reasonably chosen by a signatory hereto, including but not limited to DocuSign.

Section 11.10. Confidentiality

Each party hereto agrees for the benefit of the other party that it will hold any confidential information received from the other party pursuant to this Agreement or any other Facility Document in strict confidence, as long as such information remains confidential except for disclosure to (i) its Affiliates, (ii) its legal counsel, accountants, and other professional advisors or to a permitted assignee or participant,
(iii) regulatory officials, (iv) any Person as requested pursuant to or as required by law, regulation, legal process, or the rules and regulations of any stock exchange, (v) any Person in connection with any legal proceeding to which it is a party, (vi) rating agencies if requested or required by such agencies in connection with a rating, and (vii) any Agency. The parties agree that this Agreement is confidential information of the Lender. The Lender also agrees that it will comply with all applicable securities laws with respect to any non-public information of the type referenced in the preceding sentence in its possession. This Section 11.10 shall survive termination of this Agreement.

Section 11.11. Termination; Survival

This Agreement shall remain in effect until the Termination Date; provided, however, that no such termination shall affect Borrower's Obligations to Lender at the time of such termination. The obligations of the Borrower under Sections 3.02, 10.01 and 11.10 hereof shall survive the repayment of the Loans and the termination of this Agreement. In addition, each representation and warranty made, or deemed to be made by a request for a borrowing, herein or pursuant hereto shall survive the making of such representation and warranty, and the Lender shall not be deemed to have waived, by reason of making any Loan, any Default that may arise by reason of such representation or warranty proving to have been false or misleading, notwithstanding that the Lender may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time such Loan was made.

Section 11.12. Contractual Recognition of Bail-in

Borrower acknowledges and agrees that notwithstanding any other term of this Agreement or any other agreement, arrangement or understanding with Lender, any of Lender's liabilities, as the Bank of England (or any successor resolution authority) may determine, arising under or in connection with this Agreement may be subject to Bail-In Action and Borrower accepts to be bound by the effect of:

(a) any Bail-In Action in relation to such liability, including (without limitations):

(i) a reduction, in full or in part, of any amount due in respect of any such liability;

(ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, Borrower; and

(iii) a cancellation of any such liability; and

(b) a variation of any term of this Agreement to the extent necessary to give effect to Bail-In Action in relation to any such liability.

Section 11.13. Contractual Recognition of UK Stay In Resolution

(a) Where a resolution measure is taken in relation to any BRRD undertaking or any member of the same group as that BRRD undertaking and that BRRD undertaking or any member of the same group as that BRRD undertaking is a party to this Agreement (any such party to this Agreement being an "Affected Party"), each other party to this Agreement agrees that it shall only be entitled to exercise any termination right under this Agreement against the Affected Party to the extent that it would be entitled to do so under the Special Resolution Regime if this Agreement were governed by the laws of any part of the United Kingdom.

(b) For the purpose of this Section 11.13 "resolution measure" means a 'crisis prevention measure', 'crisis management measure' or 'recognised third-country resolution action', each with the meaning given in the "PRA Rulebook: CRR Firms and Non-Authorised Persons: Stay in Resolution Instrument 2015", as may be amended from time to time (the "PRA Contractual Stay Rules"), provided, however, that 'crisis prevention measure' shall be interpreted in the manner outlined in Rule 2.3 of the PRA Contractual Stay Rules; "BRRD undertaking", "group", "Special Resolution Regime" and "termination right" have the respective meanings given in the PRA Contractual Stay Rules.

Section 11.14. Notice Regarding Client Money Rules

(a) Lender, as a CRD credit institution (as such term is defined in the rules of the FCA), holds all money received and held by it hereunder as banker and not as trustee. Accordingly, money that is received and held by Lender from Borrower will not be held in accordance with the provisions of the FCA's Client Asset Sourcebook relating to client money (the "Client Money Rules") and will not be subject to the statutory trust provided for under the Client Money Rules.

(b) In particular, Lender shall not segregate money received by it from Borrower from Lender money and Lender shall not be liable to account to you for any profits made by Lender use as banker of such cash and upon failure of Lender, the client money distribution rules within the Client Asset Sourcebook (the

"Client Money Distribution Rules") will not apply to these sums and so you will not be entitled to share in any distribution under the Client Money Distribution Rules.

Section 11.15. USA PATRIOT Act; Sanctions and Anti-Terrorism

Lender hereby notifies Borrower that pursuant to the requirements of the USA PATRIOT Improvement and Reauthorization Act, Title III of Pub. L. 109-177 (signed into law March 9, 2009) (the "Act"), it is required to obtain, verify, and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act. Accordingly, Borrower hereby represents and warrants to Lender that:

(a) (i) Neither Borrower, nor the Parent Company nor, to Borrower's actual knowledge, any director, officer, or employee of Borrower or any of its subsidiaries, or to Borrower's actual knowledge, any originator of Mortgage Loans related to the Pledged Servicing Rights is named on the list of Specifically Designated Nationals maintained by OFAC or any similar sanctions list issued by OFAC, OFSI, or any other Governmental Authority (collectively, the "Sanctions Lists") or is located, organized, or resident in a country or territory that is, or whose government is, the target of sanctions imposed by OFAC, OFSI, or any other Governmental Authority; (ii) no Person or Persons on the Sanctions Lists owns, whether individually or in the aggregate, directly or indirectly, a fifty percent or greater interest in or otherwise controls Borrower, Parent Company or, to the Seller's actual knowledge, any originator; and (iii) to the

¶knowledge of Borrower, Lender is not precluded by any Economic and Trade Sanctions and Anti-Terrorism Laws from entering into this Agreement or any transactions pursuant to this Agreement with Borrower due to the ownership or control by any person or entity of stocks, shares, bonds, debentures, notes, drafts or other securities or obligations of Borrower.

(b) (i) Borrower will not conduct business with or engage in any transaction with any obligor that Borrower knows, after reasonable diligence or after being notified by an originator of Mortgage Loans related to the Pledged Servicing Rights, (x) is named on any of the Sanctions Lists or is located, organized, or resident in a country or territory that is, or whose government currently is, the target of sanctions imposed by OFAC or any other Governmental Authority; (y) is owned fifty percent or more, directly or indirectly, or otherwise controlled, by a Person named on any Sanctions List; (ii) if Borrower obtains actual knowledge, after reasonable due diligence, that any obligor of Mortgage Loans related to the Pledged Servicing Rights is named on any of the Sanctions Lists or that any Person or Persons on the Sanctions Lists owns, whether individually or in the aggregate, directly or indirectly, a fifty percent or greater interest in, or otherwise controls, the obligor, Borrower, or any originator, as applicable, Borrower will give prompt written notice to Lender of such fact or facts; and (iii) Borrower will (x) comply at all times with the requirements of the Economic and Trade Sanctions and Anti-Terrorism Laws applicable to any transactions, dealings or other actions relating to this Agreement and (y) will, upon Lender's reasonable request from time to time during the term of this Agreement, deliver a certification confirming its compliance with the covenants set forth in this Section 11.15.

Section 11.16. Provisions Applicable to Freddie Mac and the Freddie Mac Collateral

Notwithstanding anything to the contrary in this Agreement or the other Facility Documents, with respect to any Mortgage Loans owned or guaranteed by Freddie Mac, Lender and Borrower acknowledge and agree that:

(a) the Borrower's right and interest in and to the Freddie Mac Servicing Rights and the Freddie Mac Collateral, may only be pledged by Borrower as applicable, as collateral for the purposes set forth herein, and subject in all respects to the terms and conditions, set forth in the Freddie Mac Requirements;

(b) notwithstanding any terms or provision to the contrary in this Agreement or any of the other Facility Documents, any of the transactions contemplated in this Agreement or the other Facility Documents, or any rights, powers, and remedies and payments in this Agreement or the other Facility Documents are subject and subordinate in all respects to all rights, title, powers, prerogatives security interests and all other interests of Freddie Mac and the terms and provisions of the Freddie Mac Acknowledgment Agreement and the other Freddie Mac Requirements. In addition, whenever in this Agreement there is a requirement of an Agency's consent, an Agency's approval, an Agency's determination, an Agency's acceptance, or an Agency's judgment (or Freddie Mac's consent, Freddie Mac's approval, Freddie Mac's determination, Freddie Mac's acceptance or Freddie Mac's judgment) or any other phrase of similar nature pertaining to an action required of an Agency or Freddie Mac, it is understood by such phrase that Freddie Mac shall exercise the granting or withholding of its consent, approval, determination, acceptance, right or judgment in its sole and absolute discretion;

(c) to the extent that any conflict necessarily exists or shall be adjudged to exist between the terms and provisions of this Agreement or any other Facility Document and those of the Freddie Mac Requirements solely with respect to the relationship and agreements between Borrower, and/or Lender on the one hand, and Freddie Mac, on the other hand, the terms and provisions of the applicable Freddie Mac Requirements shall govern and control;

(d) ¶with respect to any Person other than Borrower and Freddie Mac and, to the extent of the security interest set forth in Section 4.01, of Lender, no other Person has any interest in the Freddie Mac Servicing Rights, the Freddie Mac Collateral or the Freddie Mac Servicing Contract;

(e) [reserved];

(f) subject and subordinate in all respects to (i) the terms and provisions of the (A) Freddie Mac Acknowledgment Agreement and (B) Freddie Mac Pledge and Security Agreement and (ii) the first priority security interest of Freddie Mac in the Freddie Mac Collateral, any funds received by Lender in connection with Lender's exercise of its rights and remedies with respect to the Freddie Mac Collateral will be applied first to reduce the amount owed to Freddie Mac in accordance with the terms and provisions of the Freddie Mac Acknowledgment Agreement and Freddie Mac Pledge and Security Agreement, second in respect of the Obligations by Borrower and third only after such amounts have been indefeasibly paid in full, to reduce the amount owed in respect of the Obligations by any other Person;

(g) the Lender is not a third party beneficiary of the Freddie Mac Servicing Contract;

(h) the Lender has no security interest, assignment or any other form of pledge, security interest or lien in any collateral other than the Freddie Mac Collateral expressly set forth in Section 4.01 of this Agreement which is subject and subordinate in all respects to the Freddie Mac Requirements and the first priority security interest of Freddie Mac in the Freddie Mac Collateral;

(i) other than an Intercreditor Agreement, the Lender has no agreement or arrangement with any Third Party Lender Secured Party concerning the financing contemplated under this Agreement relating to Freddie Mac, the Freddie Mac Servicing Contract and/or Freddie Mac Servicing Contract Rights or any financing by any Third Party Lender Secured Party in favor of Borrower ("Third Party Lender Secured Financing"), and the Lender covenants not to enter into any agreement or arrangement other than an Intercreditor Agreement with any Third Party Lender Secured Party concerning the financing contemplated under this Agreement or any Third Party Lender Secured Financing relating to Freddie Mac, the Freddie Mac Servicing Contract and/or the Freddie Mac Servicing Rights or any Third Party Lender Secured Financing;

(j) the Lender has no rights arising under or is a third party beneficiary (in each case either directly or indirectly) under any Third Party Acknowledgment Agreement, and shall not contest, delay, obstruct, hinder or interfere in any way, directly or indirectly, with Freddie Mac's exercise of its rights pursuant to any Third Party Acknowledgment Agreement or the Freddie Mac Servicing Contract as it relates to any Third Party Acknowledgment Agreement or any Third Party Lender Secured Financing;

(k) the Freddie Mac Servicing Contract, any Freddie Mac Servicing Rights or any Freddie Mac Collateral is not a "security" within the meaning of the UCC;

(l) the rights, interests, powers and prerogatives of Freddie Mac constitute an "adverse claim" relating to a "financial asset" (as defined in Article 8 of the UCC) with respect to any Freddie Mac Servicing Rights, any Freddie Mac Collateral or the Freddie Mac Servicing Contract, and any payments under any such agreement (including without limitation any Freddie Mac Minimum Servicing Compensation);

(m) it is a violation of Freddie Mac's rights for Lender or any other Person (other than Freddie Mac) to sell, assign or attempt to sell or assign the Freddie Mac Servicing Contract, any Freddie Mac Servicing Rights, any Freddie Mac Collateral or any other underlying agreement other than as expressly set forth in

¶the Freddie Mac Acknowledgment Agreement and subject to Freddie Mac's approval or any of the rights, interests, powers or prerogatives of Freddie Mac and Freddie Mac's first priority interest in the Freddie Mac Collateral;

(n) the Lender expressly waives the right to opt into Article 8 of the UCC such that Lender may not claim protected purchaser status with respect to all or any portion of the Freddie Mac Collateral;

(o) none of the Facility Documents is an obligation of, and is not guaranteed by, Freddie Mac, and Freddie Mac has not approved the Facility Documents;

(p) notwithstanding any extra-contractual meanings given to the terms "mortgage servicing rights", "MSRs", "servicing contract rights" or "servicing rights" as such terms are used in this Agreement and the other Facility Documents (i) are used for convenience purposes only as a result of industry and accounting convention and (ii) refer to highly conditional servicing contract rights (as further described in the term "Freddie Mac Servicing Rights") and such highly conditional servicing contract rights are categorized under the UCC as general intangibles which are held by Borrower and in no event are such intangibles owned by Borrower, and Borrower has no title thereto or the ability to grant a security interest, pledge or assign any title thereto;

(q) notwithstanding anything in this Agreement or any other Facility Document to the contrary, effective as of each Freddie Mac VPC Servicing Transfer Date which occurs pursuant to the provisions of a Freddie Mac VPC Agreement (each such date, a "Freddie Mac Release Date"), and without any payment by Borrower or compliance by Borrower with any other terms and provisions of this Agreement, Lender hereby covenants, represents, and warrants to Freddie Mac, without any further requirement or action by Lender that Lender shall be conclusively deemed to have fully and finally released its lien, charge, security interest, encumbrance, claims, or interests arising out of or relating to (A) the Freddie Mac Servicing Rights subject to the transfer of servicing scheduled to occur on such Freddie Mac VPC Servicing Transfer Date (the "Freddie Mac Removed Servicing Rights"), and (B) the Freddie Mac Acknowledgment Agreement, including without limitation, any right to make claims against Freddie Mac (for itself and for any principal), solely as related to the Freddie Mac Removed Servicing Rights. If requested by Freddie Mac, Lender shall promptly execute or cause to be executed such further documentation in accordance with the terms of the Freddie Mac Acknowledgment Agreement in order to further effectuate the terms and provisions of this Section 11.16(q);

(r) notwithstanding anything in this Agreement to the contrary, no subservicer (other than a Freddie Mac Approved Subservicer pursuant to a Freddie Mac Approved Subservicing Agreement) may: (i) perform the servicing function with respect to the Mortgage Loans for which Borrower is servicer of record for Freddie Mac under the Freddie Mac Servicing Contract; (ii) collect any funds relating to any Mortgage Loans; or (iii) receive any income, commission, compensation or fees as a subservicer or servicer with respect to Mortgage Loans for which Borrower is servicer of record for Freddie Mac under the Freddie Mac Servicing Contract. Any engagement by Borrower of any subservicer or servicer to perform the servicing function with respect to Mortgage Loans for which Borrower is servicer of record for Freddie Mac under the Freddie Mac Servicing Contract, other than a Freddie Mac Approved Subservicer pursuant to a Freddie Mac Approved Subservicing Agreement, shall be void ab initio and of no force and effect. In the event a Freddie Mac Approved Subservicer is no longer a Freddie Mac Approved Subservicer pursuant to a Freddie Mac Approved Subservicing Agreement (a "Freddie Mac Non-Approved Subservicer") then, as of the date it becomes a Freddie Mac Non-Approved Subservicer, the Freddie Mac Approved Subservicing Agreement shall be deemed terminated (" Freddie Mac Terminated Approved Subservicing Agreement") without any further action or notice from Freddie Mac, and any rights or interests claimed by Lender pursuant to the terms and provisions of this Agreement relating to the Freddie Mac Terminated Approved Subservicing Agreement, if any, shall be subject and subordinate in all respects to the terms and provisions of the Freddie Mac Requirements;

(s) ¶the Freddie Mac Servicing Contract and the Freddie Mac Acknowledgment Agreement are neither Facility Documents nor Collateral of Lender.

(t) Freddie Mac shall be an express and intended third party beneficiary of each of Section 4.02(c), Section 4.04(d), Section 8.02(e), Section 8.03(d) and Section 11.01(a) and shall be entitled to rely upon such Sections in all respects, and in no event shall such Sections of this Agreement (including without limitation any defined term contain in any such term or provision). In no event shall (i) Section 4.02(c), Section 4.04(d), Section 8.02(e), Section 8.03(d) and Section 11.01(a) (including without limitation any defined term contained in any such term or provision) be amended without the prior written consent of Freddie Mac or (ii) any other Section of this Agreement be amended except as otherwise permitted pursuant to the terms and provisions of the Freddie Mac Acknowledgment Agreement.

(u) to the extent any of the other terms and provisions of this Agreement or any other Facility Document conflict with the terms and provisions of this Section 11.16, the terms and provisions of this Section 11.16 shall control.

(v) Freddie Mac shall be an express third party beneficiary of this Section 11.16 and shall be entitled to rely upon this Section 11.16 in all respects. This Section 11.16 shall not be amended or modified without the prior written consent of Freddie Mac.

Section 11.17. Amendment and Restatement Of the Original Agreement; No Novation

(a) As of the date first written above, the terms and provisions of the Original Agreement as amended and restated shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement.

(b) Notwithstanding the amendment and restatement of the Original Agreement by this Agreement, any amounts owing to the Lender under the Original Agreement shall constitute Obligations owing hereunder. This Agreement is given in substitution for the Original Agreement, and not as payment of the obligations of the Seller thereunder and is in no way intended to constitute a novation of the Original Agreement.

(c) Upon the effectiveness of this Agreement on the date first written above, unless the context otherwise requires, each reference to the Original Agreement in any of the Facility Documents and in each document, instrument or agreement executed and/or delivered in connection therewith shall mean and be a reference to this Agreement. Except as expressly modified as of the date hereof, all of the other Facility Documents shall remain in full force and effect and are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

NATIONSTAR MORTGAGE LLC, as Borrower

By:___ Name:

Title:

BARCLAYS BANK PLC, as Lender

By:___ Name:

Title:

SCHEDULE I DEFINITIONS

1.1 Definitions. As used in this Agreement the following terms have the meanings as indicated:

"Acknowledgment Agreement" means the Freddie Mac Acknowledgment Agreement, the Fannie Mae Acknowledgment Agreement and any other Acknowledgment Agreement, by and among an Agency, the Borrower and the Lender as secured party, pursuant to which the Agency acknowledges the security interest granted pursuant to this Agreement of the Lender in the Servicing Contracts related to pools of mortgage loans securitized with such Agency, together with any amendments and addenda thereto.

"Act" has the meaning assigned thereto in Section 11.15.

"Advance" means any P&I Advance, T&I Advance, Corporate Advance or S&A Advance. "Advance Rate" has the meaning assigned

to it in the Pricing Side Letter.

"Affiliate" means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" (together with the correlative meanings of "controlled by" and "under common control with") means possession, directly or indirectly, of the power (i) to vote 20% or more of the securities (on a fully diluted basis) having ordinary voting power for the directors or managing general partners (or their equivalent) of such Person, or (ii) to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract, or otherwise; provided, however, that "Affiliate" of the Borrower shall not include any Person controlled by, or under common control with, the Borrower as a result of being controlled by or under common control with a common Financial Sponsor.

"Agreement" has the meaning set forth in the preamble. "Agency" means Fannie Mae, Freddie Mac

or Ginnie Mae.

"Agency Collateral Account" means the account established by the Borrower for the benefit of an Agency with a bank specified by such Agency.

"Agency Guide" means with respect to (i) Fannie Mae, the Fannie Mae Selling Guide and the Fannie Mae Servicing Guide, as amended from time to time, (ii) Freddie Mac, the Freddie Mac Guide, and (iii) with respect to Ginnie Mae, the Ginnie Mae MBS Guide, and in all cases, any other applicable guides published by such Agency and any related announcements, directives and correspondence issued by such Agency.

"Agency Servicing Rights" means all Servicing Rights with respect to Mortgage Loans owned by any Agency.

"Ancillary Income" means all servicing income which is due and payable in connection with each Mortgage Loan other than the Servicing Fee and specifically including, without limitation, late charge fees, assignment transfer fees, insufficient funds check charges, amortization schedule fees, interest from escrow accounts and all other incidental fees and charges, in each case, to the extent such amounts are allocable to a Mortgage Loan, specifically excluding Excluded Collateral.

¶"Applicable Law" means as to any Person, any law, treaty, rule or regulation (including the Investment Company Act of 1940, as amended) or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Applicable Margin" has the meaning assigned to it in the Pricing Side Letter.

"Approved Loan Facility" means a loan facility that has been approved by Lender in writing and, to the extent any Agency Servicing Rights are pledged hereunder and the same Agency owns the mortgage loans for which the related servicing rights are pledged under such loan facility, subject to an intercreditor

agreement acceptable to the Lender. As of the date of this Agreement, the Approved Loan Facilities are set forth on Schedule II attached hereto.

"Available Facility Amount" has the meaning assigned to it in the Pricing Side Letter.

"Available Loan Amount" means, on any Business Day, an amount equal to the lesser of (i) (a) the then current Available Facility Amount minus (b) the Outstanding Aggregate Loan Amount, and (ii) the Borrowing Base (giving effect to all Collateral to be pledged hereunder on such Business Day).

"Bank" means Wells Fargo Bank, National Association.

"Bail-In Action" means the exercise by the Bank of England (or any successor resolution authority) of any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period and together with any power to terminate and value transactions) under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the European Banking Recovery and Resolution Directive as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which our obligations (or those of our affiliates) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of ours or any other person.

"Benchmark" means, initially, Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.07.

"Benchmark Replacement" means the sum of:

(1) the alternate benchmark rate that has been selected by Lender giving due consideration to

(a) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body at such time or

(b) any evolving or then-prevailing market convention for determining a rate of interest for Dollar-denominated syndicated or bilateral credit facilities; and

(2) the Benchmark Replacement Adjustment,

¶provided that, if at any time, the Benchmark Replacement as so determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and any other Facility Document.

"Benchmark Replacement Adjustment" means, for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Lender giving due consideration to the factors set forth in clauses (1)(a) and (1)(b) in the definition of Benchmark Replacement.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of seller requests or repurchase, the applicability and length of lookback periods and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement).

"Benchmark Replacement Date" means the date on which a Benchmark Replacement becomes effective pursuant to Section 2.07.

"Benchmark Transition Event" means, with respect to any then-current Benchmark, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all applicable tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any applicable tenor of such Benchmark, (b) all applicable tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored or that such Benchmark is or will not be in compliance or aligned with the International Organization of Securities Commissions Principals for Financial Benchmarks, (c) Lender determines in its sole discretion that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining such Benchmark, or (d) Lender determines in its sole discretion that the adoption of or any change in any Change in Law or in the interpretation or application thereof shall make it unlawful for Lender to accrue interest based on such Benchmark.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrower" has the meaning set forth in the preamble.

"Borrower Funding Request" means the request to fund a Loan on any Funding Date, substantially in the form of Exhibit 2.03, delivered in accordance with Section 2.03(a).

¶"Borrowing Base" means, as of any date of determination, an amount equal to the aggregate Collateral Value of all Collateral for Loans that have been and remain pledged to the Lender hereunder.

"Borrowing Base Deficiency" has the meaning set forth in Section 2.08(b).

"Borrowing Base Report" means the borrowing base report, substantially in a format agreed upon between Borrower and Lender, delivered by the Lender in accordance with Section 2.04(b).

"Borrowing Base Shortfall Day" has the meaning set forth in Section 2.08(b).

"Business Day" means (a) any day other than (i) a Saturday or Sunday or (ii) a day upon which the New York Stock Exchange or the Federal Reserve Bank of New York is closed and (b) with respect to any calculation of Term SOFR, a U.S. Government Securities Business Day.

"Change in Law" means a change in any Applicable Law applicable to the Facility Documents that would have a material adverse effect, as determined by Lender in its sole discretion, on Lender's exercise of remedies following an Event of Default.

"Change in Control" means, (i) at any time prior to the consummation of the Merger, (a) less than 100% of Borrower's equity securities are owned, directly or indirectly, by Nationstar Mortgage Holdings Inc. ("*NMH*"), (b) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person and its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), other than one or more Permitted Holders, becomes the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under such Act), of more than the greater of (x) 35% of the then-outstanding voting power of NMH's voting equity interests and (y) the percentage of the then-outstanding voting power of NMH's voting equity interests owned, in the aggregate, directly or indirectly, beneficially and of record, by the Permitted Holders, determined after such person's or group's most recent acquisition of outstanding voting power of NMH's voting equity interests; unless the Permitted Holders have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of NMH's board of directors, or (c) a sale of all or substantially all of the assets of Borrower; and (ii) at any time upon or after the consummation of the Merger, (a) less than 100% of Borrower's equity securities are owned, directly or indirectly, by NMH, (b) less than 100% of NMH's equity securities are owned, directly or indirectly by WMIH, (c) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person and its Subsidiaries, and any

person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), becomes the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under such Act), of more than the greater of (x) 35% of the then-outstanding voting power of WMIH's voting equity interests, and (y) the percentage of the then-outstanding voting power of WMIH's voting equity interests owned, in the aggregate, directly or indirectly, beneficially and of record, by the New Permitted Holders, determined after such person's or group's most recent acquisition of outstanding voting power of WMIH's voting equity interests; unless the New Permitted Holders have, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of WMIH's board of directors; or (d) a sale of all or substantially all of the assets of Borrower.

"Closing Date" means the date on which all of the conditions set out in Section 5.01 are satisfied or waived.

"Collateral" has the meaning set forth in Section 4.01.

"Collateral Reporting Date" has the meaning set forth in Section 2.03(b).

Collateral Value" means, for purposes of determining the value of the Borrowing Base from time to time, with respect to the Eligible Servicing Rights, (i) (a) the Advance Rate for Eligible Servicing Rights, multiplied by (b) the MSR Value of the Eligible Servicing Rights as determined by the Lender in good faith~~, minus (ii) any outstanding repurchase and indemnity obligations under the related Servicing Contract that are due and payable by the Borrower, but have not yet paid by the Borrower~~.

¶ "Collection Account" means the account established by Borrower in accordance with Section
¶

"Collection Account Control Agreement" means that certain Collection Account Control Agreement, to be entered into by and among the Borrower, the Lender and Bank, with respect to the Collection Account, in form and substance acceptable to the Lender and the Borrower, as the same may be amended, modified or supplemented from time to time.

"Collections" means all Servicing Fees (including all Servicing Fees attributable to any subservicing rights) or retained yield that the Borrower as servicer is entitled to receive pursuant to the Servicing Contracts.

"Compliance Certificate" means a certificate substantially in the form of Exhibit 7.01 hereto or other form reasonably acceptable to the Lender.

"Corporate Advance" means, without duplication, collectively, (i) any advance made by the Borrower as servicer pursuant to the Servicing Contracts to inspect, protect, preserve or repair properties that secure defaulted Mortgage Loans or that have been acquired through foreclosure or deed in lieu of foreclosure or other similar action pending disposition thereof, or for similar or related purposes, including, but not limited to, necessary legal fees and costs expended or incurred by the Borrower as servicer in connection with foreclosure, bankruptcy, eviction or litigation actions with or involving Mortgagors on defaulted Mortgage Loans, as well as costs to obtain clear title to such a property, to protect the priority of the lien created by a Mortgage Loan on such a property, and to dispose of properties taken through foreclosure or by deed in lieu thereof or other similar action, (ii) any advance made by the Borrower as servicer pursuant to the Servicing Contracts to foreclose or undertake similar action with respect to a Mortgage Loan, and (iii) any other out of pocket expenses incurred by the Borrower as servicer pursuant to the Servicing Contracts (including, for example, costs and expenses incurred in loss mitigation efforts and in processing assumptions of Mortgage Loans), to the extent such advances are reimbursable pursuant to the Servicing Contracts.

"Custodial File" means with respect to any Mortgage Loan, a file pertaining to such Mortgage Loan being held by the Custodian that contains the mortgage documents pertaining to such Mortgage Loan.

"Custodian" means any financial institution that holds documents for any of the Mortgage Loans on behalf of an Agency.

"Default" means an Event of Default or an Unmatured Event of Default. "Default Rate" has the

meaning assigned to it in the Pricing Side Letter. "Dollars" means dollars in lawful money of the United

States of America.

"Economic and Trade Sanctions and Anti-Terrorism Laws" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time.

"Electronic File" means any electronic file, in form and substance reasonably acceptable to the Lender and containing the information agreed to between the Borrower and the Lender; delivered by the Borrower to the Lender on a Funding Notice Date or Collateral Reporting Date pursuant to Section 2.03(a) or 2.03(b) and reflecting those Mortgage Loans related to Pledged Servicing Rights as of the close of business on such Funding Notice Date; provided, however, that with regard to the Electronic File delivered in connection with a Collateral Reporting Date, such Electronic File shall reflect information as of the close of business on the last Business Day of the preceding calendar month.

"Eligible Seller" means a Person who sold Mortgage Loans to the Borrower, which Mortgage Loans the Borrower subsequently resold to another party or securitized, and retained the servicing rights and obligations with respect thereto under the Servicing Contracts.

"Eligible Servicing Rights" means, servicing contract rights owned or held, as applicable by Borrower that are either (i) appurtenant to mortgage loans that have been delivered to an Agency for inclusion in a securitization by such Agency, and are serviced by Borrower, (ii) appurtenant to mortgage loans which are currently owned by such Agency in portfolio and for which Borrower is acting as the servicer, (iii) appurtenant to mortgage loans owned by Borrower and not subject to any lien or other encumbrance, which mortgage loans are eligible for pooling with an Agency, or (iv) appurtenant to mortgage loans that are serviced by the Borrower and are either securitized in a non-agency securitization with respect to which the Lender has approved the related PSA or held in whole loan format and either owned by the Borrower or servicing pursuant to a servicing agreement approved by the Lender; provided that all such mortgage loans shall be "qualified mortgages" or otherwise approved by the Lender for inclusion. In addition, all Eligible Servicing Rights must comply with the eligibility criteria set out in Schedule 6.02.

"Event of Default" has the meaning set forth in Section 8.01.

"Excess Servicing Rights" has the meaning set forth in Section 7.02(h).

"Excess Servicing Rights Disposition" has the meaning set forth in Section 7.02(h).

"Excess Yield" has the meaning set forth in the Freddie Mac Acknowledgment Agreement in relation to any Released Excess Yield Mortgage.

"Excess Yield Transaction" means a transaction whereby Borrower sells the Excess Yield to Freddie Mac in exchange for a Stripped Interest Certificate, which may be later sold to an underwriter, as further described in the Freddie Mac Acknowledgment Agreement.

"Excluded Collateral" means all rights, title and interest of the Borrower, whether now owned or held, as applicable or hereafter acquired or held, as applicable, in, to and under (a) its rights to reimbursement for all servicing advances made under the Servicing Contracts (including but not limited to those advances for principal and interest, corporate taxes and insurance), (b) with respect to a Freddie Mac Approved Subservicer, those advances for principal and interest, corporate taxes and insurance or otherwise any reimbursements that may be due to such Freddie Mac Approved Subservicer from Borrower under its respective Freddie Mac Approved Subservicing Agreement, (c)(i) any interest in Servicing Rights, including Excess Servicing Rights, that have been sold, assigned, pledged or otherwise transferred in an Excess Servicing Rights Disposition and (ii) any interest in Excess Yield and the related Stripped Interest Certificate that has been sold, assigned, pledged or otherwise transferred in an Excess Yield Transaction, (d) all monies due or to become due and all amounts received or receivable with respect to

the property described in the foregoing clauses (a), (b), (c) and (d) all proceeds (including "proceeds" as defined in the Uniform Commercial Code in effect in all relevant jurisdictions) thereof, together with all rights of the Borrower to enforce its rights to reimbursement in respect of such property.

"Facility" means the loan facility provided to the Borrower by the Lender pursuant to this Agreement.

"Facility Documents" means this Agreement, the Note, the Collection Account Control Agreement, the Servicing Contracts (other than the Freddie Mac Servicing Contract), each Acknowledgment Agreement (other than the Freddie Mac Acknowledgment Agreement), the Global Netting and Security Agreement and all notices, certificates, financing statements and other documents to be executed and delivered by the Borrower in connection with the transactions contemplated by this Agreement, including any intercreditor agreement relating to an Approved Loan Facility.

"Fannie Mae" means The Federal National Mortgage Association, also known as Fannie Mae, or any successor thereto.

"Fannie Mae Acknowledgment Agreement" means the Acknowledgment Agreement, dated on or about June 23, 2023, by and among Fannie Mae, the Borrower and the Lender as secured party, in respect of any Fannie Mae Servicing Rights.

"Fannie Mae Servicing Rights" means all Servicing Rights with respect to mortgage loans serviced by the Borrower for Fannie Mae identified on Schedule III hereto.

"FCA" means the United Kingdom Financial Conduct Authority.

"Financial Sponsor" means any Person, including any Subsidiary of such Person, whose principal business activity is acquiring, holding and selling investments (including controlling interests) in otherwise unrelated companies that are each distinct legal entities with separate management, books and records and bank accounts, whose operations are not integrated with one another and whose financial condition and creditworthiness are independent of the other companies so owned by such Person.

"Floor" has the meaning assigned to it in the Pricing Side Letter.

"Foreign Lender" means any successor or assignee of Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States of America, each State and Commonwealth thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation, any successor or permitted assigns thereto.

"Freddie Mac Acknowledgment Agreement" means the Amended and Restated Acknowledgment Agreement, by and among Freddie Mac, the Borrower and the Lender as secured party, pursuant to which Freddie Mac acknowledges the subordinate pledge of the Collateral under this Agreement to the Lender subject in all respects to the terms and provisions of such Amended and Restated Acknowledgment Agreement and subject in all respects to Freddie Mac's first priority security interests in the Freddie Mac Collateral, as amended, restated, supplemented or otherwise modified from time to time.

"Freddie Mac Approved Subservicer" means each subservicer approved by Freddie Mac in its sole discretion with respect to the Mortgage Loans serviced by Borrower, as servicer, for Freddie Mac under the Freddie Mac Servicing Contract. For purposes of clarity, the Lender has no approval rights relating to a determination that a subservicer is a Freddie Mac Approved Subservicer.

"Freddie Mac Approved Subservicing Agreement" means any subservicing agreement with a Freddie Mac Approved Subservicer, as the context may require, subject to all respects to Freddie Mac's

¶consent to such subservicing agreement pursuant to the Freddie Mac Servicing Contract. For purposes of clarity, the Lender has no approval rights relating to any subservicing agreement as to a determination that such agreement is a Freddie Mac Approved Subservicing Agreement.

"Freddie Mac Collateral" has the meaning given such term in the Freddie Mac Acknowledgment Agreement.

"Freddie Mac Guide" means the Freddie Mac Single-Family Seller/Servicer Guide, as it may be amended from time to time.

"Freddie Mac Minimum Servicing Compensation" has the meaning given the term "Minimum Servicing Compensation" in the Freddie Mac Acknowledgment Agreement.

"Freddie Mac Non-Approved Subservicer" has the meaning set forth in Section 11.16(r). "Freddie Mac Non-Approved Subservicing Agreement" has the meaning set forth in Section 11.16(r).

"Freddie Mac Pledge and Security Agreement" means the Pledge and Security Agreement between Borrower and Freddie Mac dated as of September 29, 2022 as amended, restated, supplemented or otherwise modified from time to time.

"Freddie Mac Release Date" has the meaning set forth in Section 11.16(q).

"Freddie Mac Removed Servicing Rights" has the meaning set forth in Section 11.16(q). "Freddie Mac Requirements" means all rights, powers, interests, and prerogatives of Freddie Mac in and to the Freddie Mac Servicing Rights arising under the Freddie Mac Servicing Contract, the Freddie Mac Acknowledgment Agreement, the Freddie Mac Pledge and Security Agreement (including, but not limited to, the first priority security interest of Freddie Mac in the Freddie Mac Collateral) or any Freddie Mac VPC Agreement, or any other agreement between the Borrower and Freddie Mac.

"Freddie Mac Servicing Contract" means the unitary, indivisible master servicing contract comprising all the rights, duties, obligations, representations, warranties, covenants and agreements between the Borrower and Freddie Mac, as set forth in the Purchase Documents (as defined in the Freddie Mac Guide). For purposes of clarity, the Freddie Mac Servicing Contract shall be applicable with respect to solely the Mortgage Loans with Seller/Servicer Numbers 152360, 157360, 157386 and 161173.

"Freddie Mac Servicing Rights" means the indivisible, conditional, non-delegable right and obligation of Borrower to perform Servicing (as defined in the Freddie Mac Guide) on behalf of Freddie Mac subject in all respects to the terms and provisions of the Freddie Mac Requirements. For purposes of clarity, the Freddie Mac Servicing Rights in this Agreement shall be applicable with respect to solely the Mortgage Loans with Seller/Servicer Numbers 152360, 157360, 157386 and 161173.

"Freddie Mac Terminated Approved Subservicing Agreement" has the meaning set forth in Section 11.16(r).

"Freddie Mac VPC Agreement" has the meaning given to the term *VPC Agreement* in the Freddie Mac Acknowledgment Agreement.

"Freddie Mac VPC Servicing Transfer Date" has the meaning given to the term *Servicing Transfer Date*" in a Freddie Mac VPC Agreement.

"Funding Date" means the date of any Loan advance hereunder as provided in Section 2.03 hereof.

"Funding Notice Date" means the date on which the Borrower shall deliver a Borrower Funding Request, which shall be (i) at least one (1) Business Day prior to the date which the Borrower has requested as a Funding Date as provided therein, or (ii) if a Borrower Funding Request relates to new Collateral, at least five (5) Business Days prior to the date which the Borrower has requested as a Funding Date as provided therein.

"GAAP" means United States Generally Accepted Accounting Principles inclusive of, but not limited to, applicable statements of Financial Accounting Standards issued by the Financial Accounting Standards Board, its predecessors and successors and SEC Staff Accounting Guidance as in effect from time to time applied on a consistent basis.

"Ginnie Mae" means The Government National Mortgage Association, also known as Ginnie Mae, or any successor thereto.

"Global Netting and Security Agreement" means that certain Amended and Restated Global Netting and Security Agreement, dated as of May 17, 2013, by and among the Borrower, Barclays Capital Inc. and the Lender, as amended, supplemented, restated or otherwise modified from time to time.

"Governmental Action" means all permits, authorizations, registrations, consents, approvals, waivers, exceptions, variances, orders, decrees, licenses, exemptions, publications, filings, notices to and declarations of or with, or required by, any Governmental Authority, or required by any Legal Requirement.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any municipality and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government having jurisdiction over Borrower, any of its Subsidiaries or any of their Property.

"HUD" means the United States Department of Housing and Urban Development, or any successor thereto.

"Indebtedness" means, with respect to any Person as of any date of determination: (i) obligations created, issued or incurred by such Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person); (ii) obligations to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising, and accrued expenses incurred, in the ordinary course of business so long as such trade accounts payable are payable and paid within ninety (90) days of the date the respective goods are delivered or the respective services are rendered; (iii) indebtedness of others secured by a Lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person; (iv) obligations (contingent or otherwise) in respect of letters of credit or similar instruments issued for account of such Person; (v) capital lease obligations; (vi) payment obligations under repurchase agreements, single seller financing facilities, warehouse facilities and other lines of credit; (vii) indebtedness of others guaranteed on a recourse or partial recourse basis by such Person; (viii) all obligations incurred in connection with the acquisition or carrying of fixed assets; (ix) indebtedness of general partnerships of which such Person is a general partner; and (x) any other known or contingent liabilities of such Person.

"Indemnified Amounts" has the meaning set forth in Section 10.01. "Indemnified Party" has the meaning set

forth in Section 10.01.

"Initial Borrower Funding Request" means the request to fund the Loan on the Initial Funding Date, substantially in the form of Exhibit 2.03, delivered in accordance with Section 2.03(a), that is current as of the end of the previous calendar month.

"Initial Borrowing Base Report" means the borrowing base report, substantially in the form agreed to between the Borrower and the Lender, delivered by the Lender in accordance with Section 2.04(a) based on the initial Electronic File.

"Initial Funding Date" means the Funding Date on which the first Loan is made pursuant to this Agreement, as specified in the Initial Borrower Funding Request.

"Insolvency Law" means any bankruptcy, reorganization, moratorium, delinquency, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction in effect at any time during the term of this Agreement."

"Intercreditor Agreement" has the meaning given such term in the Freddie Mac Acknowledgment Agreement.

"Interest Period" means, for any Loan, (i) an initial period beginning on the Funding Date for such Loan and ending on the last day of the calendar month in which such Funding Date

occurs; and (ii) subsequent consecutive periods thereafter, beginning on the first day of each subsequent calendar month and ending on the earlier of (x) the last day of the same calendar month in which such Interest Period began ~~and (y) the Wind Down Date; and (iii) subsequent consecutive periods thereafter, beginning on the first day following, initially, the Wind Down Date, and thereafter, each Loan Repayment Date, and ending on the earlier of (x) the next following Loan Repayment Date~~ and (y) the date on which the amount of all Obligations have been reduced to zero.

"Interest Rate" means, with respect to all Loans, the sum of (i) the greater of (a) the Benchmark and (b) the Floor plus (ii) the Applicable Margin.

"Investment Company Act" means the Investment Company Act of 1940, as amended, together with the rules and regulations promulgated thereunder.

"Lender" means Barclays Bank PLC.

"Lien" means with respect to any property or asset of any Person (i) any mortgage, lien, pledge, charge or other security interest or encumbrance of any kind in respect of such property or asset or (ii) the interest of a vendor or lessor arising out of the acquisition of or agreement to acquire such property or asset under any conditional sale agreement, lease purchase agreement or other title retention agreement, and in each case, other than an Agency's rights and interests in the related Agency Servicing Rights.

~~"Loan Repayment Date" means, (i) initially, the date that is thirty (30) days after the Wind Down Date, and (ii) thereafter, each date that is thirty (30) days after the immediately preceding Loan Repayment Date.~~

"Loans" has the meaning set forth in Section 2.01.

"Margin Call" has the meaning set forth in Section 2.08.

"Master Agreements" has the meaning provided in the Fannie Mae Guides.

"Master Repurchase Agreement" means that certain Second Amended and Restated Master Repurchase Agreement, dated as of January 29, 2016, by and between Borrower, as seller and Lender, as purchaser and agent, as the same shall be amended, supplemented or otherwise modified from time to time.

"Material Adverse Effect" means a material adverse effect on (i) the property, business, operations or financial condition of Borrower and its Parent Company and Subsidiaries taken as a whole, (ii) the ability of Borrower to perform its obligations under any of the Facility Documents to which it is a party, (iii) the validity or enforceability of any of the Facility Documents, (iv) the rights and remedies of Lender under any of the Facility Documents, (v) the timely repayment of any Loan or payment of other amounts payable in connection therewith, or (vi) the validity, perfection, priority or enforceability of Lender's security interest in the Collateral.

"Maturity Date" means the earlier of (i) September 30, ~~2024~~2025 and (ii) the date an Acknowledgment Agreement expires.

"MBS" means mortgage backed security.

"MBS Trust" means any of the trusts or trust estates in which the Mortgage Loans being serviced by the Borrower pursuant to the Servicing Contracts are held by the related MBS Trustee.

"MBS Trustee" means a trustee or indenture trustee for an MBS Trust.

"Merger" means the occurrence of a merger of Wand Merger Corporation, a Delaware corporation and a wholly-owned subsidiary of WMIH, with and into NMH, with NMH continuing as the surviving corporation and a wholly-owned subsidiary of WMIH.

"Monthly Settlement Date" means~~, (i) initially, the earliest to occur of (a)~~ the twentieth (20th) day of each calendar month (or, if such day is not a Business Day, the following Business Day), commencing April, 2023~~, and (b) the Wind Down Date, and (ii) following the occurrence of the Wind Down Date, each Loan Repayment Date (or, if such day is not a Business Day, the following Business Day)~~.

"Mortgage" means a mortgage, mortgage deed, deed of trust, or other instrument creating a first lien on or first priority security interest in an estate in fee simple in real property securing a Mortgage Note including any riders, assumption agreements or modifications relating thereto.

"Mortgage File" means, with respect to any Mortgage Loan, a file or files pertaining to such Mortgage Loan that contains the mortgage documents pertaining to such Mortgage Loan including any mortgage documents pertaining to such Mortgage Loan required by the Agency Guides.

"Mortgage Loan" means the mortgage loans listed on the Relevant Electronic File (as provided to the Lender pursuant to Section 2.03(a) or 2.03(b)).

"Mortgage Loan Participation Purchase and Sale Agreement" means that certain Mortgage Loan Participation Purchase and Sale Agreement, dated as of March 25, 2011, between Borrower and Lender, as the same may be amended, modified or supplemented from time to time.

"Mortgage Note" means the note or other evidence of indebtedness of a Mortgagor secured by a Mortgage pertaining to a Mortgage Loan.

"Mortgage Selling and Servicing Contract" means that certain Mortgage Selling and Servicing Contract between Borrower and Fannie Mae, as amended, modified, supplemented or assigned and in effect on the date hereof.

"Mortgagor" means the obligor on a Mortgage Note.

"MSR Value" means, with respect to (i) any Eligible Servicing Right included in the Borrowing Base the value ascribed to such asset by the Lender in its sole good faith discretion, taking into account any outstanding obligations owed by Borrower to an Agency, as applicable, as marked to market as often as daily, (ii) a Servicing Right which is not an Eligible Servicing Right included in the Borrowing Base or deemed by Lender as ineligible or otherwise uncollectible, zero. The Lender's determination of MSR Value shall be conclusive upon the parties, absent bad faith or manifest error on the part of the Lender. The Borrower acknowledges that the Lender's determination of MSR Value is for the limited purpose of determining Collateral Value for lending purposes hereunder without the ability to perform customary purchaser's due diligence and is not necessarily equivalent to a determination of the fair market value of the Eligible Servicing Rights achieved by obtaining competing bids in an orderly market in which the Borrower is not in default under a revolving debt facility and the bidders have adequate opportunity to perform customary loan and servicing and subservicing due diligence. For the purpose of determining the related MSR Value, the Lender shall have the right to use either the Borrower's valuation of the Eligible Servicing Rights delivered pursuant to Section 2.04 herein or the Lender's valuation, or both. Subsequently, Lender shall have the right to reasonably request at any time from Borrower, an updated valuation for each Eligible Servicing Right, in a form acceptable to Lender in its sole discretion; provided that the Lender shall not be obligated to rely on either valuation and shall have the right to determine the MSR Value of the Eligible Servicing Rights at any time in its sole discretion.

"New Permitted Holders" shall mean KKR & Co. LLP, management of WMIH, KKR & Co. LLP controlled investment affiliates and any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with KKR & Co. LLP (but, in each case, excluding any "portfolio company" (as such term is customarily used in the private equity business) of KKR & Co. LLP). For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative of the foregoing.

"Non-Usage Fee" has the meaning assigned to it in the Pricing Side Letter.

"Note" means the promissory note of the Borrower issued to the Lender, in substantially the form of Exhibit 2.02(a), as amended from time to time, and any replacement thereof or substitution therefor.

"Obligations" means the Outstanding Aggregate Loan Amount, all accrued and unpaid interest thereon and all other amounts payable by the Borrower to the Lender pursuant to this Agreement, the Note or any other Facility Document.

"OFAC" means the Office of Foreign Assets Control of the United States Department of Treasury.

"OFSI" means the Office of Financial Sanctions Implementation of the United Kingdom's HM Treasury.

"Opinion of Counsel" means a written opinion of counsel, reasonably acceptable to each Person to whom such opinion is addressed.

"Other Taxes" has the meaning set forth in Section 3.02.

"Outstanding Aggregate Loan Amount" means, at any time, the greater of (i) the aggregate principal amount of the Loans funded by the Lender, minus the aggregate amount of payments received by the Lender prior to such time and applied to reduce the principal amount of the Loans, or (ii)

$225,000,000.

"P&I Advance" means any advance disbursed by the Borrower as servicer pursuant to any Servicing Contract of delinquent interest and/or principal on the related Mortgage Loans.

"Parent Company" means a corporation or other entity owning at least 50% of the outstanding shares of voting stock of Borrower.

"Partial Release (Excess Yield)" has the meaning set forth in the Freddie Mac Acknowledgment Agreement.

"Participant" has the meaning set forth in Section 9.04.

"Person" means any individual, corporation, estate, partnership, limited liability company, limited liability partnership, joint venture, association, joint-stock company, business trust, trust, unincorporated organization, government or any agency or political subdivision thereof, or other entity of a similar nature.

"Pledged Servicing Rights" means any Eligible Servicing Rights with respect to which a security interest has been granted to the Lender pursuant to this Agreement (it being understood that, only Servicing Rights identified by pool number in the Electronic Files will be pledged) and with respect to which such security interest has not been released.

"Pool" means a group of Mortgage Loans, which are the security for a mortgage-backed security issued or guaranteed by an Agency.

"Prepayment Notice" means a notice substantially in the form of Exhibit 2.08(b).

"Pricing Side Letter" means that certain Fourth Amended and Restated Loan and Security Agreement Pricing Side Letter, dated as of the date hereof, between the Borrower and the Lender, entered into in connection with this Agreement, as the same may be amended, modified or supplemented from time to time.

"Property" means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"PSA" means a pooling and servicing agreement or similar agreement related to a non-agency securitization.

"Recourse Servicing Obligations" means with respect to any mortgage loan, (i) any obligation or liability (actual or contingent) of the servicer or subservicer in respect of such Mortgage Loan to indemnify the relevant Agency for any losses incurred in respect of any Mortgage Loan that was

determined at the time of sale to have been ineligible for sale to the applicable Agency due to a breach of one or more representations and warranties but accepted for purchase subject to any waiver and indemnity obligations, or (ii) any other obligations described from time to time as being sold "with recourse" as such term (or terms of similar meaning) are defined in the relevant Agency Guide, as amended or supplemented from time to time, and any successor publications thereto having the same general contents and purpose.

¶"Related Escrow Account Balances" means the balance, on the related Funding Date, of any escrow or impound accounts maintained by the Borrower which relate to any Mortgage Loan, including, without limitation, items escrowed for mortgage insurance, property taxes (either real or personal), hazard insurance, flood insurance, ground rents, or any other escrow or impound items required by any Mortgage Note or Mortgage, reduced by any unpaid real estate taxes or insurance premiums required to be paid by the Borrower, with respect to which amounts have been escrowed by the related Mortgagor.

"Related Principal and Interest Custodial Accounts" means all principal and interest custodial accounts maintained by the Borrower that relate to any Mortgage Loan or Pool.

"Released Excess Yield Mortgages" means all Mortgage Loans subject to a Partial Release (Excess Yield) and listed on a schedule thereto (as the same may be updated from time to time in connection with an Excess Yield Transaction).

"Relevant Electronic File" means, on any Business Day, the most recently delivered Electronic File that was delivered in accordance with Section 2.03(a) or 2.03(b) and relates to Eligible Servicing Rights that constitute Collateral hereunder.

"Repayment Notice" means a notice substantially in the form of Exhibit 2.08(a).

"Requirements of Law" means, with respect to any Person or any of its property, the certificate of incorporation or articles of association and by-laws, certificate of limited partnership, limited partnership agreement or other organizational or governing documents of such Person, and any law, treaty, rule or regulation, or determination of any arbitrator or Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, whether Federal, state or local (including, without limitation, usury laws, the Federal Truth in Lending Act and retail installment sales acts).

"Responsible Officer" means (i) with respect to the Borrower, the chief executive officer, president, chief financial officer, treasurer, assistant vice president, assistant treasurer, secretary or assistant secretary of the Borrower, or any other officer having substantially the same authority and responsibility; provided, that with respect specifically to the obligations of the Borrower set forth in Section 7.01(h) hereof, only the chief financial officer, treasurer, assistant treasurer, or comptroller of the Borrower shall be deemed to be a Responsible Officer; and (ii) with respect to the Lender, a lending officer charged with responsibility for the day to day management of the relationship of such institution with the Borrower.

"Restricted Payment" means with respect to any Person, collectively, all dividends or other distributions of any nature (cash, securities, assets or otherwise), and all payments, by virtue of redemption or otherwise, on any class of equity securities (including, warrants, options or rights therefor) issued by such Person, which may hereafter be authorized or outstanding and any distribution in respect of any of the foregoing, whether directly or indirectly other than payments made in the ordinary course solely for the purpose of originating, servicing, subservicing and/or administrating Mortgage Loans.

"Sanctions Lists" shall have the meaning ascribed thereto in Section 11.15.

"S&A Advance" means (i) any amount paid by the Borrower to an Agency to repurchase a Mortgage Loan previously sold by the Borrower to such Agency due to an ineligibility of such Mortgage Loan for sale for such Agency, and (ii) any amount required to be paid by the Borrower to an Agency or an MBS Trust as a result of an overstated principal balance by an Eligible Seller with respect to a Mortgage Loan sold by such Eligible Seller to the Borrower and further conveyed by the Borrower to such Agency or an MBS Trust, in respect of either of which the Borrower has a valid and enforceable contractual claim against an Eligible Seller who had sold such Mortgage Loan to the Borrower to repurchase such Mortgage Loan from the Borrower for at least the same amount paid by the Borrower to such Agency or an MBS Trust to repurchase such Mortgage Loan.

"Schedules of Mortgages" has the meaning provided in the Agency Guides.

"Servicing Contracts" means for the Pledged Servicing Rights and (i) with respect to the Fannie Mae Servicing Rights, the Mortgage Selling and Servicing Contracts between the Borrower and Fannie Mae, the applicable Master Agreements between the Borrower and Fannie Mae, and the applicable Schedules of Mortgages (Form 2005), in each case as such agreements may be amended, amended and restated, supplemented or otherwise modified from time to time, (ii) with respect to solely those Mortgage Loans with Seller/Servicer Numbers 152360, 157360, 157386 and 161173, the Freddie Mac Servicing Contract between the Borrower and Freddie Mac, as may be amended and restated, supplemented or otherwise modified from time to time, (iii) with respect to all Ginnie Mae Pools, the Ginnie Mae guaranty agreement between the Borrower and Ginnie Mae and, (iv) with respect to non-agency Mortgage Loans, the related PSA, but solely to the extent the foregoing relates to the Pledged Servicing Rights.

"Servicing Fee" means the total amount of the fee payable to the Borrower as compensation for servicing and administering the Mortgage Loans.

"Servicing Rights" means with respect to each Mortgage Loan, all the Borrower's right, title and interest in, to and under the related Servicing Contracts, whether now or hereafter existing, acquired or created, whether or not yet accrued, earned, due or payable, as well as all other present and future right and interest under such Servicing Contracts, including, without limitation, the right (i) to receive the Servicing Fee income payable after the related Funding Date (including without limitation, any Uncollected Fees), (ii) any and all Ancillary Income received after the related Funding Date, (iii) to hold and administer the Related Escrow Account Balances, (iv) to hold and administer, in accordance with the applicable Agency Guides or Purchase documents, as applicable, the Related Principal and Interest Custodial Account, the Custodial File, and the Mortgage File arising from or connected to the servicing or subservicing of such Mortgage Loan under this Agreement and (v) all proceeds, income, profits, rents and products of any of the foregoing including, without limitation, all of the Borrower's rights to proceeds of any sale or other disposition of the Servicing Rights, but with respect to clauses (i) - (iv) above, specifically excluding any Excluded Collateral.

"SOFR" means, with respect to any day, the secured overnight financing rate published for such day by the SOFR Administrator on the SOFR Administrator's website, currently at http://www.newyorkfed.org, or any successor source identified by the SOFR Administrator from time to time.

"SOFR Administrator" means the Federal Reserve Bank of New York, as administrator of SOFR (or a successor administrator).

"Stripped Interest Certificate" has the meaning set forth in the Freddie Mac Acknowledgment Agreement in relation to any Released Excess Yield Mortgage.

"Subsidiary" means a corporation of which a Person and/or its other Subsidiaries own, directly or indirectly, such number of outstanding shares as have more than 50% of the ordinary voting power for the election of directors.

"T&I Advance" means an advance made by the Borrower as servicer with respect to a Mortgage Loan pursuant to the servicer's obligation to do so under any Servicing Contract of real estate taxes and assessments, or of hazard, flood or primary mortgage insurance premiums, required to be paid by the related Mortgagor under the terms of the related Mortgage Loan.

"Taxes" has the meaning set forth in Section 3.02.

"Term SOFR" means, with respect to any date of determination, the forward-looking term rate based on SOFR, for a corresponding tenor of one month, as of two (2) Business Days prior to the first day of the corresponding Interest Period containing such date of determination, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any such date Term SOFR has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to Term SOFR has not occurred, then Term SOFR will be the Term SOFR as published by the Term SOFR Administrator on the first preceding Business Day for which such Term SOFR was published by the Term SOFR Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such determination date.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (or any successor administrator of a forward-looking term rate based on SOFR rate approved by Lender in its sole discretion).

"Third Party Lender Agreement" has the meaning given such term in the Freddie Mac Acknowledgment Agreement.

"Third Party Lender Secured Financing" has the meaning set forth in Section 11.15(k).

"Third Party Lender Secured Party" has the meaning given such term in the Freddie Mac Acknowledgment Agreement.

"Termination Date" means the earlier of ~~(i)~~ the day on which the Facility is terminated pursuant to Section 8.02(a) or Section 8.02(b)~~, or (ii) the Loan Repayment Date on which the final amounts owing under the Facility are required to be paid as provided for in the first sentence of Section 2.08(a) hereof~~.

"UCC" means the Uniform Commercial Code as in effect on the date hereof in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest in any Purchased Items is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "Uniform Commercial Code" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

"Uncollected Fees" means with respect to any Mortgage Loan, any accrued late charges, NSF fees, assumption fees, and other fees charged to Mortgagors in connection with the servicing or subservicing of such Mortgage Loan which have not been collected by the Borrower as of the related Funding Date.

"Unmatured Event of Default" means any event that, with the giving of notice or lapse of time, or both, would become an Event of Default.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the U.S. Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

~~"Wind Down Date" means the earliest to occur of (i) the Maturity Date, or (ii) the date on which the Master Repurchase Agreement or Mortgage Loan Participation Purchase and Sale Agreement terminates, or if such day is not a Business Day, the immediately preceding Business Day.~~

"WMIH" means WMIH Corp., a Delaware corporation.

SCHEDULE II

PPROVED LOAN FACILITIES

Amended and Restated Loan and Security Agreement, dated as of April 3, 2023, between the Borrower, as borrower and Citibank, N.A., as lender.

Loan and Security Agreement, dated as of April 3, 2023, by and among the Borrower, as borrower and JPMorgan Chase Bank, National Association, as the initial lender and as administrative agent.

Credit Agreement, dated on or about June 23, 2023, by and among the Borrower, as borrower, and Goldman Sachs Bank USA, as administrative agent, and the lenders party thereto from time to time.

SCHEDULE III

DESCRIPTION OF SUBJECT MORTGAGES (FANNIE)

[File name to be added]

SCHEDULE 5.01

CONDITIONS PRECEDENT TO THE EFFECTIVENESS OF THIS AGREEMENT

(a) This Agreement duly executed by the parties hereto;

(b) The Note duly executed by the Borrower;

(c) The Collection Account Control Agreement duly executed by the Borrower, the Lender and Bank;

(d) An amendment to the Global Netting and Security Agreement duly executed by the Borrower, the Lender and Barclays Capital, Inc., for the purpose of referencing this Agreement thereunder;

(e) A filed UCC1 financing statement;

(f) An Acknowledgment Agreement from each Agency with respect to which the related Servicing Rights will be pledged under the Agreement and consents from all third parties, including warehouse lenders, as needed;

(g) A certificate of a secretary or assistant secretary of the Borrower, certifying the names and true signatures of the persons authorized on the Borrower's behalf to sign, as applicable, this Agreement, the Note and the other Facility Documents to be delivered by the Borrower in connection herewith;

(h) A certificate of a Responsible Officer of the Borrower, certifying as to the accuracy and completeness of each of the representations and warranties contained in each Facility Document to which the Borrower is a party (except for representations and warranties made in respect of specific mortgage loans) and as to the absence of Default under such Facility Documents to which the Borrower is a party as of the Closing Date;

(i) Receipt of copies of all Servicing Contracts; financial information, MSR valuations and electronic files required to provided or reasonably requested by Lender;

(j) Resolutions, good standing certificate, certificate of incorporation, bylaws and incumbency certificate of the Borrower, all certified by the secretary of the Borrower; and

(k) An Opinion of Counsel, delivered by outside counsel acceptable to the Lender in its reasonable discretion, opining as to: New York enforceability, non-contravention with applicable law, security interest creation, perfection and priority and the Investment Company Act of 1940.

(l) An Opinion of Counsel, delivered by in-house counsel to Borrower, opining as to: corporate matters, non-contravention with agreements and organizational documents and no material litigation.

(m) A certificate of a Responsible Officer of the Borrower, certifying as to (a) a description of all outstanding repurchase and indemnity claims with respect to the Pledged Servicing Rights, (b) all outstanding amounts owed to each Agency but not yet paid pursuant to any outstanding repurchase and indemnity claims, and (c) all claims or compensatory fees paid by Borrower to each Agency that have not been reimbursed from a predecessor originator or servicer.

SCHEDULE 5.02

CONDITIONS PRECEDENT TO EACH LOAN

(a) The Lender shall have received a duly executed copy of the Borrower Funding Request for such Loan in accordance with Section 2.03;

(b) The making of such Loan, and the application of the proceeds thereof, shall not result in the Outstanding Aggregate Loan Amount exceeding the Available Facility Amount;

(c) The making of such Loan, and the application of the proceeds thereof, shall not result in a Borrowing Base Deficiency;

(d) On the applicable Funding Date, the following statements shall be true (and the Borrower by delivering such Borrower Funding Request shall be deemed to have certified that):

(i) the representations and warranties set forth in Article VI are true and correct in all material respects (except for on the Closing Date, in which case the representations and warranties are true and correct on the Closing Date) on and as of such day as though made on and as of such day and shall be deemed to have been made on such day (except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case, such representation or warranty shall have true and correct as of such date);

(ii) the Borrower is in compliance with all covenants set forth in Article VII;

(iii) all conditions precedent to the making of such Loan have been satisfied;

(iv) no Default or Event of Default has occurred and is continuing, or would result from such Loans;

(v) all of the Servicing Rights included in the most recently delivered Electronic File are Eligible Servicing Rights, except for any non-qualifying Servicing Rights listed as such therein, and all Recourse Servicing Obligations have been identified as such in a schedule attached to such Electronic File;

(e) The Lender shall have received (i) with respect to the Initial Borrower Funding Request, the initial Electronic File; and (ii) with respect to any subsequent Borrower Funding Request, a subsequent Electronic File on or prior to time required by Section 2.03;

(f) All Facility Documents and the Freddie Mac Acknowledgment Agreement shall continue to be in full force and effect in all material respect;

(g) Lender shall have received any Non-Usage Fee then due and owing pursuant to Section 3 of the Pricing Side Letter in immediately available funds, and without deduction, set-off or counterclaim; and

(h) If any all of the Servicing Rights included in the most recently delivered Electronic File is a Fannie Mae Servicing Right, the Lender shall have received a duly executed copy of the Fannie Mae Acknowledgment Agreement.

SCHEDULE 6.02

ELIGIBILITY CRITERIA WITH RESPECT TO THE SERVICING RIGHTS

1. All owned or held, as applicable, Servicing Rights for Mortgage Loans serviced by the Borrower on behalf of any Agency, provided that such Servicing Rights are free and clear of any Liens, subject to the terms and provisions of the Freddie Mac Requirements and such other Agency's interest in such Servicing Rights pursuant to an Acknowledgment Agreement acceptable in form and substance to the Lender, and provided, further, with respect to Servicing Rights serviced on behalf of Ginnie Mae, the Borrower must pledge 100% of the Servicing Rights related to all Mortgage Loans serviced on behalf of Ginnie Mae.

2. All owned Servicing Rights for Mortgage Loans serviced by the Borrower on behalf of an MBS Trust; provided that such Servicing Rights are free and clear of any Liens, and provided further than the Lender has approved the PSA related to such Servicing Rights.

¶SCHEDULE 7.01(s) MONTHLY MSR COLLATERAL REPORT

Form provided to the parties separately.

¶SCHEDULE 9.01 LIMITATIONS ON ASSIGNMENT

Lender may not assign its rights or obligations under this agreement to any of the following Persons: N/A.

¶SCHEDULE 11.02 NOTICES

If to the Borrower:

If to the Borrower: Nationstar Mortgage LLC
8950 Cypress Waters Boulevard Coppell, Texas 75019

Attention: ~~Jeff Neufeld~~Lola Akibola

Telephone Number: ~~469.426.3308~~214.687.4012

E-mail: ~~Jeff.Neufeld@nationstarmail.com~~lola.akibola@mrcooper.com

With a copy to:

Nationstar Mortgage LLC

8950 Cypress Waters Boulevard Coppell, Texas 75019

Attention: General Counsel

Telephone Number: ~~972.488.1459~~201.424.2244 ~~Facsimile: 214.549.2085~~

E-mail: ~~tony.villani@nationstarmail.com~~Carlos.Pelayo@mrcooper.com

¶if to Lender:

Barclays Bank PLC – Mortgage Finance 745 Seventh Avenue, 2nd Floor
New York, New York 10019 Attention: US Residential Financing Telephone: (212) 412-7990
E-mail: ~~USResiFinancing@barclays.com~~ USResiFinancingCore@barclays.com; RMBSbanking@barclayscapital.com

¶

With a copy to:

Barclays Bank PLC – Legal Department 745 Seventh Avenue, 20th Floor
New York, New York 10019 Telephone: (212) 412-1494

~~Barclays Capital – Operations US~~

~~400 Jefferson Park~~

~~Whippany, New Jersey 07981~~

~~Attention: Whole Loan Operations~~

~~Telephone: (201) 499-4456~~

~~Email: WholeLoanOperati@barclays.com~~ E-mail: SPLegalNotices@barclays.com

EXHIBIT 2.02(a)

FORM OF PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER ANY STATE SECURITIES LAWS. THIS NOTE IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS AND PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

[__] April 3, 2023

New York, New York

FOR VALUE RECEIVED, Nationstar Mortgage LLC, a Delaware limited liability company (the "Borrower"), hereby promises to pay to the order of BARCLAYS BANK PLC (the "Lender"), at the principal office of the Lender at 745 Seventh Avenue, 2nd Floor, New York, New York 10019, in lawful money of the United States, and in immediately available funds, the principal sum of [__] (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by the Lender to the Borrower under the Loan Agreement, as hereinafter defined), on the dates and in the principal amounts provided in the Loan Agreement, and to pay interest on the unpaid principal amount of each such Loan, at such office, in like money and funds, for the period commencing on the date of such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Loan Agreement.

The date, amount and interest rate of each Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, prior to any transfer of this Note, endorsed by the Lender on the schedule attached hereto or any continuation thereof; provided, that the failure of the Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Loan Agreement or hereunder in respect of the Loans made by the Lender.

This Note is the Note referred to in the Amended and Restated Loan and Security Agreement dated as of April 3, 2023 (as amended, supplemented or otherwise modified and in effect from time to time, the "Loan Agreement") between the Borrower, and the Lender, and evidences Loans made by the Lender thereunder. Terms used but not defined in this Note have the respective meanings assigned to them in the Loan Agreement.

The Borrower agrees to pay all the Lender's reasonable out-of-pocket costs of collection and enforcement (including reasonable attorneys' fees and disbursements of Lender's counsel) in respect of this Note when incurred as required by Section 10.01 of the Loan Agreement.

Notwithstanding the pledge of the Collateral, the Borrower hereby acknowledges, admits and agrees that the Borrower's obligations under this Note are recourse obligations of the Borrower to which the Borrower pledges its full faith and credit.

The Borrower, and any endorsers or guarantors hereof, (a) severally waive diligence, presentment, protest and demand and also notice of protest, demand, dishonor and nonpayments of this Note, (b) expressly agree that this Note, or any payment hereunder, may be extended from time to time, and consent to the acceptance of further Collateral, the release of any Collateral for this Note, the release of any party primarily or secondarily liable hereon, and (c) expressly agree that it will not be necessary for the Lender, in order to enforce payment of this Note, to first institute or exhaust the Lender's remedies against the Borrower or any other party liable hereon or against any Collateral for this Note. No extension of time for the payment of this Note, or any installment hereof, made by agreement by the Lender with any person now or hereafter liable for the payment of this Note, shall affect the liability under this Note of the Borrower, even if the Borrower is not a party to such agreement; provided, however, that the Lender and the Borrower, by written agreement between them, may affect the liability of the Borrower.

Any reference herein to the Lender shall be deemed to include and apply to every subsequent holder of this Note. Reference is made to the Loan Agreement for provisions concerning optional and mandatory prepayments, Collateral, acceleration and other material terms affecting this Note.

Any enforcement action relating to this Note may be brought by motion for summary judgment in lieu of a complaint pursuant to Section 3213 of the New York Civil Practice Law and Rules.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS NOTE). THE BORROWER HEREBY SUBMITS TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN, THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND APPELLATE COURTS FROM ANY THEREOF FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE BORROWER HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT IN THE BOROUGH OF MANHATTAN AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE BORROWER HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS NOTE, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THE LOAN AGREEMENT OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO THE LENDER. THE FOREGOING SHALL NOT LIMIT THE ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY OTHER JURISDICTION.

THE BORROWER HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE.

NATIONSTAR MORTGAGE LLC

By:__ Name:

Title:

SCHEDULE OF LOANS

This Note evidences Loans made under the within-described Loan Agreement to the Borrower, on the dates, in the principal amounts and bearing interest at the rates set forth below, and subject to the payments and prepayments of principal set forth below:

¶Date Made
Principal Amount of Loan
Amount Paid or Prepaid
Amount of Additional Draws
Unpaid Principal Amount
Notation Made by

EXHIBIT 2.03

to Loan and Security Agreement

FORM OF BORROWER FUNDING REQUEST

[DATE]

Barclays Bank PLC 745 Seventh Avenue

New York, New York 10019

Email: ~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com; RMBSbanking@barclayscapital.com

Attention: [ ] Ladies and Gentlemen:

This [Initial] Borrower Funding Request is delivered to you pursuant to Section 2.03 of the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), between Nationstar Mortgage LLC, as the Borrower (the "Borrower") and Barclays Bank PLC, as lender (the "Lender"). Unless otherwise defined herein or as the context otherwise requires, terms used herein have the meaning assigned thereto under Schedule I of the Loan Agreement.

The undersigned hereby requests that a Loan be made in the aggregate principal amount of $ on___, 20 to be secured by the Servicing Rights.

[TO BE USED FOR ALL FUNDINGS THAT INVOLVE NEW COLLATERAL] [An updated

Electronic File, revised to reflect the acquisition of any additional Servicing Rights purchased by the Borrower since the most recently delivered Electronic File, has been delivered pursuant to Section 2.03 of the Loan Agreement. Such Electronic File reflects all Eligible Servicing Rights that constitute Collateral under the terms and conditions of the Agreement and a hyperlink to such Electronic File is attached hereto as Schedule One.]

[TO BE USED FOR ALL FUNDINGS THAT INVOLVE NEW COLLATERAL] [The

Borrower hereby acknowledges and agrees that (other than with respect to the Agreement) (i) the Servicing Rights currently pledged as Collateral under the Agreement and (ii) any of the Servicing Rights identified on Schedule One attached hereto, are not currently assigned, pledged, conveyed or encumbered under any credit, warehouse or financing facility. The Borrower further acknowledges and agrees that (other than under the Agreement) it shall not assign, pledge, convey or encumber such Servicing Rights under any credit, warehouse or financing facility in the future, except with prior notice to, and consent from, the Lender.]

The undersigned hereby acknowledges that the delivery of this [Initial] Borrower Funding Request and the acceptance by the undersigned of the proceeds of the Loan requested hereby constitute a representation and warranty by the undersigned that all conditions precedent to such Loan specified in Article V of the Loan Agreement have been satisfied and will continue to be satisfied after giving effect to such Loan.

The undersigned further represents and warrants that either (a) the Servicing Contracts have not been materially modified since the last date the undersigned delivered a Borrower Funding Request (other than as a result in changes in the Agency Guides), or (b) attached hereto is a true and complete description of any changes to the applicable Servicing Contracts since the last date the undersigned delivered a Borrower Funding Request.

Please wire transfer the proceeds of the Loan to the following account pursuant to the following instructions:

[__]

The undersigned has caused this [Initial] Borrower Funding Request to be executed and delivered, and the certification and warranties contained herein to be made, by its duly authorized officer this day of__, 20 .

NATIONSTAR MORTGAGE LLC, as the Borrower By: __

Name: Title:

Acknowledged and agreed: BARCLAYS BANK PLC

By: __

Name: Title:

SCHEDULE ONE

ELECTRONIC FILE

[To be provided by Borrower.]

EXHIBIT 2.08(a)

FORM OF REPAYMENT NOTICE

[ ], 20__

TO: The Lender as defined in the Loan Agreement referred to below

Reference is hereby made to the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), between Nationstar Mortgage LLC, as the Borrower (the "Borrower") and Barclays Bank PLC, as lender (the "Lender"). Capitalized terms not otherwise defined herein are used herein as defined in the Loan Agreement.

The Borrower hereby notifies you that, pursuant to Section 2.08[(a)/(b)] of the Loan Agreement, it shall make a repayment of the Loans outstanding under the Loan Agreement to the Lender on [ ], 20 in the amount of $.

Also included in the repayment amount shall be accrued and unpaid interest, in the amount of

$__.

¶

The undersigned has caused this Repayment Notice to be executed and delivered by its duly authorized officer this__day of__, 20 .

NATIONSTAR MORTGAGE LLC, as the Borrower

By:_____ Name:

Title:

¶

FORM OF PREPAYMENT NOTICE

EXHIBIT 2.08(b)

¶

[ ], 20___

TO: The Lender as defined in the Loan Agreement referred to below

Reference is hereby made to the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), between Nationstar Mortgage LLC, as the Borrower (the "Borrower") and Barclays Bank PLC, as lender (the "Lender"). Capitalized terms not otherwise defined herein are used herein as defined in the Loan Agreement.

The Borrower hereby notifies you that pursuant to and in compliance with Section 2.09 of the Loan Agreement, it shall make a prepayment of Loans outstanding under the Loan Agreement on [ ], 20 in the amount of $__.

Also included in the prepayment amount shall be accrued and unpaid interest, in the amount of

$__.

The undersigned has caused this Prepayment Notice to be executed and delivered by its duly authorized officer this__day of__, 20 .

NATIONSTAR MORTGAGE LLC, as the Borrower

By:___ Name:

Title:

EXHIBIT 7.01

FORM OF COMPLIANCE CERTIFICATE

Barclays Bank PLC 745 Seventh Avenue

New York, New York 10019

Email: ~~USResiFinancing@barclays.com~~USResiFinancingCore@barclays.com; RMBSbanking@barclayscapital.com

Re: Reporting Date

Reference is made to the Amended and Restated Loan and Security Agreement, dated as of April 3, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement"), by and between Nationstar Mortgage LLC (the "Borrower"), and Barclays Bank PLC, as Lender. Terms defined in the Loan Agreement and not otherwise defined herein are used herein as defined in the Loan Agreement.

Pursuant to Section 7.01(h)(4) of the Loan Agreement, the Borrower is furnishing to you herewith the Officer's Certificate regarding outstanding repurchase and indemnity demands by the Agencies and any MBS Trust.

Each of the undersigned Responsible Officers of the Borrower has caused the provisions of the Loan Agreement to be reviewed and certifies to the Lender that: (a) the undersigned has no knowledge of any Default or Event of Default, (b) attached hereto as Schedule 1, Schedule 2, Schedule 3 and Schedule 4 are the representations of the Borrower and computations necessary to determine that the Borrower is in compliance with the provisions of the Loan Agreement as of the Reporting Date referenced thereon, and (c) to the best of the undersigned's knowledge no event has occurred since the date of the most recent financial statements upon which such covenant compliance was calculated that would cause the Borrower, to no longer be in compliance with said provisions.

The statements made herein (and in the Schedules attached hereto) shall be deemed to be representations and warranties made in a document for the purposes of Section 6.01(i) of the Loan Agreement.

SCHEDULE 1

To form of Compliance Certificate

1. Financial Covenants:

Attached as Schedule 2 to this Compliance Certificate are the calculations demonstrating the Borrower's compliance with the financial covenants set forth in Section 7.01(j) of the Agreement.

2. Fannie Mae:

(i) Borrower has, at all times, complied with the minimum consolidated liquidity requirement of Fannie Mae.

(ii) The Borrower's minimum consolidated liquidity requirement of Fannie Mae is as follows: [__].

(iii) Attached as Schedule 3 to this Compliance Certificate are the calculations demonstrating the Borrower's compliance with the Fannie Mae covenant(s) listed in this section 2.

3. Freddie Mac:

(i) Borrower has, at all times, complied with the minimum consolidated liquidity requirement of Freddie Mac, which is as follows: [__].

4. Ginnie Mae:

(i) Compliance: [Borrower to provide.]

SCHEDULE 2

To form of Compliance Certificate

SCHEDULE 3

To form of Compliance Certificate

1. **Description of all outstanding repurchase and indemnity claims with respect to the Pledged Servicing Rights:**

[__]

2. **Outstanding amounts owed to each Agency but not yet paid pursuant to any outstanding repurchase and indemnity claims:**

[__]

3. **Claims or compensatory fees paid by Borrower to each Agency that have not been reimbursed from a predecessor originator or servicer:**

[__]

¶

Exhibit 10.76

PERFORMANCE STOCK UNIT GRANT NOTICE
UNDER THE
MR. COOPER GROUP INC.
2019 OMNIBUS INCENTIVE PLAN

Mr. Cooper Group Inc. (the "**Company**"), pursuant to its 2019 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "**Plan**"), hereby grants to the Participant the number of Performance Stock Units set forth below. The Performance Stock Units are subject to all of the terms and conditions as set forth herein, and in the Performance Stock Unit Agreement (attached hereto) (the "**Agreement**") and the Plan, each of which are incorporated herein in their entirety. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Plan or the Agreement, as applicable.

Participant: [*Insert Participant Name*]

Date of Grant: March 1, 2024

Target Number of Performance Stock Units: [*Insert Target Number of Performance Stock Units*] (the "**PSUs**")

For each PSU provided on this Performance Stock Unit Grant Notice, a number of shares of Common Stock equal to one PSU multiplied by the applicable vested percentage will be eligible to be earned based on the performance metrics set forth below.

Performance Period: January 1, 2024 through December 31, 2026 (the "**Performance Period**")

Vesting Schedule: Except as set forth below, provided the Participant has not undergone a Termination prior to the Vesting Date (as defined below):

- A number of PSUs shall be eligible to vest on the later of (i) the date the Committee certifies the achievement of the performance hurdles and (ii) March 1, 2027 (the "**Vesting Date**") based on the Relative TSR (as defined below) and Annualized Tangible Book Value Growth (as defined below), in each case, achieved with respect to the Performance Period.

The total number of PSUs eligible to become vested on the Vesting Date ("**Total PSUs Earned**") shall be equal to the sum of {(X) x [(50% x (Y)) + (50% x (Z))]}, rounded up to the nearest whole PSU, where:

- "(X)" means the number of PSUs

  "(Y)" means a percentage ranging from 0%-200%, representing the Percentage of Award Earned based on Relative TSR during the Performance Period as set forth in the chart below, and

Relative TSR	Percentage of Award Earned*
Less than 25th Percentile	0%
25th Percentile	50%
51st Percentile	100%
75th Percentile and above	200%

*The Percentage of Award Earned shall be capped at 100% to the extent that the Company's Total Shareholder Return is negative during the Performance Period.

- "(Z)" means a percentage ranging from 0%-200%, representing the Percentage of Award Earned based on Annualized Tangible Book Value Growth for the Performance Period (as set forth in the chart below); *provided* that for the avoidance of doubt such amount shall not be less than zero.

Annualized Tangible Book Value Growth	Percentage of Award Earned
Less than 5.0%	0%
5.0%	50%
8.0%	100%
12.0% or greater	200%

The Percentage of Award Earned shall in each case be determined using linear interpolation (and rounded up to the nearest whole percentage point) if actual performance falls

between threshold and target, or between target and maximum levels.

All determinations with respect to whether and the extent to which a performance hurdle (or portion thereof) has been achieved shall be made by the Committee (or its designee) in its sole discretion.

Any PSUs which do not become vested PSUs as of the Vesting Date shall be forfeited as of such date.

Definitions: "**Relative TSR**" means a percentile, determined based on the performance during the Performance Period, of the Company's TSR relative to the TSR of component companies of the S&P Composite 1500 Financials Index. If any of the companies in the peer group are no longer publicly traded at the end of the Performance Period due to bankruptcy, liquidation or being placed into receivership, such companies will continue to be included in the Relative TSR calculation by force ranking them at the bottom of the array. If any of the companies in the peer group are no longer publicly traded at the end of the Performance Period due to acquisition, such companies will be excluded from the Relative TSR calculation.

"**Tangible Book Value**" means, for a given fiscal year, (x) the Company's (i) total stockholders' equity *less* (ii) goodwill *less* (iii) intangible assets, in each case, as of the last day of the applicable fiscal year and set forth in the Company's annual report on Form 10-K, and (y) the total from clause (x) above, as reasonably adjusted by the Committee, consistent with the Company's financial statements, to reflect (i) mark-to-market gains/(losses) on mortgaging servicing rights ("**MSR**"), ESL, OPAL & MSR hedging, (ii) share (repurchase)/issuance impact and (iii) gains/(losses) on minority investments.

For purposes of determining the Annualized Tangible Book Value Growth under this Agreement, the Tangible Book Value as of the last day of the Performance Period shall be compared to the Company's Tangible Book Value as of December 31, 2022.

"**Total Shareholder Return**" or "**TSR**" means, with respect to each share of the applicable company's common stock, a rate of return reflecting stock price appreciation, plus the reinvestment of dividends (for which the ex-dividend date occurs during the Performance Period) in additional shares of common stock, from the first day of the Performance Period through the last day of the Performance Period. For purposes of calculating Total Stockholder Return, the beginning stock price will be based the volume weighted average price (the "**VWAP**") per share of common stock for the twenty (20) trading days immediately prior to the first day of the Performance Period and the ending stock price will be based on the VWAP per share of common stock for the twenty (20) trading days immediately prior to the last day of the Performance Period. For this purpose, (x) dividends will be deemed reinvested on the "ex dividend" date (based on the closing price of the common stock on such date), (y) all cash special dividends shall be treated like regular dividends, and (z) all spin-offs or share-based dividends shall be

assumed to be sold on the issue date and reinvested on the same date (based on the closing price of the common stock on such date).

Termination of Participant: Generally, upon a Termination of Participant prior to the Vesting Date, all then unvested Performance Stock Units will be immediately forfeited without consideration.

Death/Disability: Notwithstanding the foregoing, in the event of a Termination due to the Participant's death or Disability, all unvested Performance Stock Units shall (to the extent not otherwise forfeited) remain outstanding and eligible to vest as follows:

a number of Performance Stock Units shall vest in an amount equal to (i) a fraction determined by dividing (x) the number of calendar days from the Date of Grant through the date of Termination by (y) the number of calendar days in the Performance Period multiplied by (ii) the Total PSUs Earned, determined as of the end of the Performance Period.

Retirement: Notwithstanding the foregoing, in the event of a Termination due to the Participant's Retirement, all unvested Performance Stock Units shall (to the extent not otherwise forfeited) remain outstanding and eligible to vest in accordance with the terms set forth herein as if the Participant had not undergone a Termination.

* * *

THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS PERFORMANCE STOCK UNIT GRANT NOTICE, THE PERFORMANCE STOCK UNIT AGREEMENT AND THE PLAN AND, AS AN EXPRESS CONDITION TO THE GRANT OF PERFORMANCE STOCK UNITS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS PERFORMANCE STOCK UNIT GRANT NOTICE, THE PERFORMANCE STOCK UNIT AGREEMENT AND THE PLAN.

MR. COOPER GROUP INC.

By:
Title:

PARTICIPANT

MR. COOPER GROUP INC.
2019 OMNIBUS INCENTIVE PLAN
PERFORMANCE STOCK UNIT AGREEMENT
(Employee)

Pursuant to the terms of the Performance Stock Unit Grant Notice (the "**Grant Notice")** delivered to the Participant, and subject to the terms of this Performance Stock Unit Agreement (the "**Agreement**") and the Mr. Cooper Group Inc. 2019 Omnibus Incentive Plan, as it may be amended and restated from time to time (the "**Plan**"), Mr. Cooper Group Inc. (the "**Company**") and the Participant agree as follows. Capitalized terms not otherwise defined herein or in the Grant Notice shall have the same meaning as set forth in the Plan.

1. Grant of Performance Stock Units. Pursuant to, and subject to, the terms and conditions of this Agreement and the Plan, and in consideration of the covenants and promises of the Participant herein contained, the Company hereby grants, as of the Date of Grant, to the Participant the number of Performance Stock Units provided in the Grant Notice. Each Performance Stock Unit granted hereby entitles the Participant to receive one share of Common Stock upon settlement of such Performance Stock Unit, subject to the terms and conditions set forth in this Agreement and the Plan.

2. Vesting. Subject to the conditions contained herein and in the Plan, the Performance Stock Units shall vest as provided in the Grant Notice.

(a) *Change in Control*. The Performance Stock Units are subject to Section 12(b) of the Plan.

(b) *Treatment upon Termination*. Unless provided otherwise in the Grant Notice, upon a Termination of Participant all then unvested Performance Stock Units will be immediately forfeited without consideration.

3. Settlement. Subject to Section 4, the Performance Stock Units will be settled in shares of Common Stock no later than the thirtieth (30th) day following each applicable Vesting Date (such actual date of issuance of Common Shares, the "**Settlement Date**"). The Participant shall have no rights as a shareholder with respect to the shares of Common Stock underlying the Performance Stock Units until the applicable Settlement Date.

4. Forfeiture. Notwithstanding anything contained in the Grant Notice, the Plan or this Agreement to the contrary, all Performance Stock Units for which a Settlement Date has not occurred, whether or not then vested, will be immediately forfeited without consideration, and the Participant shall cease to have any rights with respect thereto, upon (i) a Termination of the Participant by the Service Recipient for Cause or, following Participant's Termination, the Company Group's determination that the Participant's employment could have been terminated by the Service Recipient for Cause, or (ii) any Detrimental Activity.

5. Non-Transferability. The Performance Stock Units are not transferable by the Participant except in accordance with Section 14(b) of the Plan. Except as otherwise provided herein, no assignment or transfer of the Performance Stock Units, or of the rights represented thereby, whether voluntary or involuntary, by operation of law or otherwise, shall vest in the assignee or transferee any interest or right herein whatsoever, but immediately upon such assignment or transfer the Performance Stock Units shall terminate and become of no further effect.

6. Rights as a Stockholder/Dividend Equivalents. The Participant or a Permitted Transferee of the Performance Stock Units shall have no rights as a stockholder with respect to any share of Common Stock underlying a Performance Stock Unit unless and until the Participant shall have become the holder of record or the beneficial owner of such share of Common Stock, and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Common Stock for which the record date is prior to the date upon which the Participant shall become the holder of record or the beneficial owner thereof. The Participant shall not be entitled to any dividend equivalents with respect to the Performance Stock Units to reflect any dividends payable on shares of Common Stock.

7. Restrictive Covenants. Participant acknowledges and recognizes the highly competitive nature of the businesses of the Company Group and accordingly agrees, in Participant's capacity as an equity holder in the Company Group and its Affiliates, to the restrictive covenants contained in **Appendix A** to this Agreement (the "**Restrictive Covenants**"), incorporated herein by reference. Participant acknowledges and agrees that the Company's remedies at law for an actual or threatened breach of any of the provisions of Appendix A would be inadequate and the Company Group would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Participant agrees that, in the event of such a breach or threatened breach by Participant, regardless of whether a transfer of Performance Stock Units to a Permitted Transferee has occurred and in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and obtain equitable relief in the form of a temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

8. Withholding Tax. The provisions of Section 14(d) of the Plan are incorporated herein by reference and made a part hereof. Unless otherwise agreed to by the Participant and the Company, any required withholding will be satisfied by having the Company withhold from the number of shares of Common Stock otherwise deliverable pursuant to the settlement of the Performance Stock Units a number of shares of Common Stock with a fair market value, on the date that the Performance Stock Units are settled, equal to such withholding liability; provided that the number of such shares may not have a fair market value greater than the minimum required statutory withholding liability unless determined by the Committee not to result in adverse accounting consequences. Notwithstanding the foregoing, the Participant acknowledges and agrees that to the extent consistent with applicable law and, to the extent the Participant's status is an independent contractor for U.S. federal income tax purposes, the Company does not intend to withhold any amounts as federal income tax withholdings under any other state or federal laws, and the Participant hereby agrees to make adequate provision for any sums required to satisfy all applicable federal, state, local and foreign tax withholding obligations of the Company which may arise in connection with the grant of Performance Stock Units.

9. Section 409A of the Code. This Agreement and the Grant Notice are intended to comply with, or be exempt from, the provisions of Section 409A of the Code ("**Section 409A**"), and this Agreement shall be construed and interpreted in accordance with such intent. Without limiting the foregoing, the Committee will have the right to amend the terms and conditions of this Agreement and/or the Grant Notice in any respect as may be necessary or appropriate to comply with Section 409A, including without limitation by delaying the issuance of the shares of Common Stock contemplated hereunder. Notwithstanding any other provision of this Agreement to the contrary, (i) any member of the Company Group and their respective officers, directors, employees, or agents make no guarantee that the terms of this Agreement as written comply with the provisions of Section 409A, and none of the foregoing shall have any liability for the failure of the terms of this Agreement as written to comply with the provisions of Section 409A and (ii) if the Participant is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, no payments in respect of any Awards that are "deferred compensation" subject to Section 409A of the Code and which would otherwise be payable upon the Participant's "separation from service" (as defined in Section 409A of the Code) shall be made to such Participant prior to the date that is six (6) months after the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death. Following any applicable six (6) month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day. Each payment in a series of payments hereunder will be deemed to be a separate payment for purposes of Section 409A.

10. Incorporation of the Plan. All terms, conditions and restrictions of the Plan are incorporated herein and made part hereof as if stated herein. If there is any conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan, as interpreted by the Board or the Committee shall govern.

11. Definitions. Unless otherwise indicated herein, all capitalized terms used herein shall have the meanings given to such terms in the Plan. For purposes of this Agreement:

"**Retirement**" shall mean the Participant's voluntary Termination of employment, provided, that (i) the Participant (a) if an Executive Vice President, provided at least six months written notice to the Company or any of its Subsidiaries of his or her intention to retire prior to the date of his or her retirement or (b) if a Senior Vice President or Vice President, provided at least three months written notice of his or her intention to retire prior to the date of his or her retirement (the "**Notice Period**"), (ii) the Participant met the Retirement Criteria at the commencement of the Notice Period and (iii) the Participant remained employed with the Company or any of its Subsidiaries during the Notice Period and sustained a level of performance during the Notice Period that would not be a basis of a termination by the Company or any of its Subsidiaries for Cause.

"**Retirement Criteria**" shall mean the Participant's (i) age plus (ii) his or her years of service with the Company or any of its Subsidiaries is equal to or greater than seventy (70); provided, that, the Participant must (a) be at least fifty-five (55) years of age and (b) have at least five (5) years of service with the Company or any of its Subsidiaries.

12. Notice. Every notice or other communication relating to this Agreement or a Grant Notice between the Company and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party in a notice mailed or delivered to the other party as herein provided; provided that, unless and until some other address be so designated, all notices or communications by the Participant to the Company shall be mailed or delivered to the Company at its principal executive office, to the attention of the Company's General Counsel, and all notices or communications by the Company to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Company's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted or sent in accordance with the procedures established by such third-party plan administrator and communicated to the Participant from time to time.

13. No Right to Continued Service. This Agreement does not confer upon the Participant any right to continue as an employee or other service provider to the Company Group.

14. Binding Effect. This Agreement and the Grant Notice shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

15. Waiver and Amendments. Except as otherwise set forth in Section 13 of the Plan, any waiver, alteration, amendment or modification of any of the terms of this Agreement or the Grant Notice shall be valid only if made in writing and signed by the parties hereto; provided, however, that any such waiver, alteration, amendment or modification is consented to on the Company's behalf by the Committee. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

16. Governing Law. This Agreement and the Grant Notice shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Notwithstanding anything contained in this Agreement, the Grant Notice or the Plan to the contrary, if any suit or claim is instituted by the Participant or the Company relating to this Agreement, the Grant Notice or the Plan, the Participant hereby submits to the exclusive jurisdiction of and venue in the courts of Delaware.

17. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Performance Stock Units and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

18. Integration. This Agreement, the Grant Notice and the Plan contain the entire understanding of the parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject

matter hereof other than those expressly set forth herein, in the Grant Notice and the Plan. This Agreement, the Grant Notice and the Plan supersede all prior agreements and understandings between the parties with respect to the subject matter hereof.

19. Participant Acknowledgment. The Participant hereby acknowledges receipt of a copy of the Plan. The Participant hereby acknowledges that all decisions, determinations and interpretations of the Board, or the Committee, in respect of the Plan, this Agreement and this Award of Performance Stock Units shall be final, binding and conclusive.

Appendix A
Restrictive Covenants

The Participant agrees that during the period commencing on the Date of Grant and ending on the later of the final Settlement Date and the Participant's Termination, the Participant shall not, directly or indirectly, either as a principal, agent, employee, employer, consultant, partner, shareholder of a closely held corporation or shareholder in excess of five (5%) percent of a publicly traded corporation, corporate officer or director, or in any other individual or representative capacity, engage or otherwise participate in any manner or fashion in any business that is in competition in any manner whatsoever with the mortgage and real estate services businesses of the Company Group or of any other business in which the Company Group is engaged or which is part of the Company Group's Developing Business (as defined below), within states in which the Company Group is engaged in such business or Developing Business.

In addition, from and after the Date of Grant until the later of (i) the final Settlement Date or (ii) the first (1st) anniversary of the Participant's termination of employment with the Company or any of its Subsidiaries for any reason, the Participant covenants and agrees not to, directly or indirectly, solicit or induce any officer, director, employee, agent, independent contractor or consultant or client of the Company or any of its Subsidiaries to terminate his, her or its employment or other relationship with the Company or any of its Subsidiaries, or otherwise encourage any such person or entity to leave or sever his, her or its employment or other relationship with the Company or any of its Subsidiaries for any reason.

Further, the Participant agrees that the Participant shall not at any time make any disparaging or defamatory comments regarding the Company or any of its Subsidiaries or their respective directors, officers, executives or employees, or, after termination of the Participant's employment relationship with the Company or any of its Subsidiaries, make any such comments concerning any aspect of the termination of their relationship. The obligations of the Participant under this subparagraph shall not apply to disclosures required by applicable law, regulation or order of any court or governmental agency; provided, that, the Participant shall promptly notify the Company in writing of any such obligation.

"**Developing Business**" shall mean the new business concepts and services the Company or any of its Subsidiaries has developed and is in the process of developing during the Grantee's employment with the Company or any of its Subsidiaries.

Exhibit 21.1

Subsidiaries of Registrant

Subsidiaries	Jurisdiction of Organization
Nationstar Mortgage Holdings Inc.	Delaware
Nationstar Sub1 LLC	Delaware
Nationstar Mortgage LLC	Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-231552) pertaining to the 2019 Omnibus Incentive Plan of Mr. Cooper Group Inc.,

(2) Registration Statement (Form S-8 No. 333-226468) pertaining to the Second Amended and Restated 2012 Incentive Compensation Plan of Nationstar Mortgage Holdings Inc.,

of our reports dated February 28, 2024, with respect to the consolidated financial statements of Mr. Cooper Group Inc. and the effectiveness of internal control over financial reporting of Mr. Cooper Group Inc. included in this Annual Report (Form 10-K) of Mr. Cooper Group Inc. for the year ended December 31, 2023.

/s/ Ernst & Young LLP

Dallas, Texas
February 28, 2024

Exhibit 31.1

Certification Pursuant to Rules 13a-14(a) and 15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jay Bray, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2023, of Mr. Cooper Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2024

/s/ Jay Bray

Jay Bray
Chief Executive Officer

Exhibit 31.2

Certification Pursuant to Rules 13a-14(a) and 15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kurt Johnson, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2023, of Mr. Cooper Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2024

/s/ Kurt Johnson

Kurt Johnson

Executive Vice President & Chief Financial Officer

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Mr. Cooper Group Inc. (the "Company") on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jay Bray, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2024
/s/ Jay Bray
Jay Bray
Chief Executive Officer

Exhibit 32.2

Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Mr. Cooper Group Inc. (the "Company") on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kurt Johnson, Executive Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2024
/s/ Kurt Johnson
Kurt. Johnson
Executive Vice President & Chief Financial Officer

Exhibit 97

MR. COOPER GROUP INC.

Incentive Compensation
Clawback Policy
(As Adopted on October 24, 2023 Pursuant to Nasdaq Rule 5608)

1. Overview. The Board of Directors (the "***Board***") of Mr. Cooper Group Inc. (the "***Company***") has adopted this Incentive Compensation Clawback Policy (the "***Policy***") which requires the recoupment of certain incentive-based compensation in accordance with the terms herein and is intended to comply with Listing Rule 5608, as promulgated by The Nasdaq Stock Market LLC, as such rule may be amended from time to time (the "***Listing Rules***"). Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms under Section 12 of this Policy.

2. Interpretation and Administration. The Compensation Committee (the "***Committee***") of the Board shall have full authority to interpret and enforce the Policy; provided, however, that the Policy shall be interpreted in a manner consistent with its intent to meet the requirements of the Listing Rules. As further set forth in Section 10 below, this Policy is intended to supplement any other clawback policies and procedures that the Company may have in place from time to time pursuant to other applicable law, plans, policies or agreements.

3. Covered Executives. The Policy applies to each current and former Executive Officer of the Company who serves or served as an Executive Officer at any time during a performance period in respect of which Incentive Compensation is Received, to the extent that any portion of such Incentive Compensation is (a) Received by the Executive Officer during the last three completed Fiscal Years or any applicable Transition Period preceding the date that the Company is required to prepare a Restatement (regardless of whether any such Restatement is actually filed) and (b) determined to have included Erroneously Awarded Compensation. For purposes of determining the relevant recovery period referenced in the preceding clause (a), the date that the Company is required to prepare a Restatement under the Policy is the earlier to occur of (i) the date that the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare a Restatement. Executive Officers subject to this Policy pursuant to this Section 3 are referred to herein as "***Covered Executives***."

4. Recovery of Erroneously Awarded Compensation. If any Erroneously Awarded Compensation is Received by a Covered Executive, the Company shall reasonably promptly take steps to recover such Erroneously Awarded Compensation in a manner described under Section 5 of this Policy.

5. Forms of Recovery. The Committee shall determine, in its sole discretion and in a manner that effectuates the purpose of the Listing Rules, one or more methods for recovering any Erroneously Awarded Compensation hereunder in accordance with Section 4 above, which may include, without limitation: (a) requiring cash reimbursement; (b) seeking recovery or forfeiture of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards; (c) offsetting the amount to be recouped from any compensation otherwise owed by the Company to the Covered Executive; (d) cancelling outstanding vested or unvested equity awards; or (e) taking any other remedial and recovery action permitted by law, as determined by the Committee. To the extent the Covered Executive refuses to pay to the Company an amount equal to the Erroneously Awarded Compensation, the

Company shall have the right to sue for repayment and/or enforce the Covered Executive's obligation to make payment through the reduction or cancellation of outstanding and future compensation. Any reduction, cancellation or forfeiture of compensation shall be done in compliance with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

6. No Indemnification. The Company shall not indemnify any Covered Executive against the loss of any Erroneously Awarded Compensation for which the Committee has determined to seek recoupment pursuant to this Policy.

7. Exceptions to the Recovery Requirement. Notwithstanding anything in this Policy to the contrary, Erroneously Awarded Compensation need not be recovered pursuant to this Policy if the Committee (or, if the Committee is not composed solely of Independent Directors, a majority of the Independent Directors serving on the Board) determines that recovery would be impracticable as a result of any of the following:

(a) the direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered; provided that, before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the Exchange; or

(b) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and the regulations thereunder.

8. Committee Determination Final. Any determination by the Committee with respect to the Policy shall be final, conclusive and binding on all interested parties.

9. Amendment. The Policy may be amended by the Committee from time to time, to the extent permitted under the Listing Rules.

10. Non-Exclusivity. Nothing in the Policy shall be viewed as limiting the right of the Company or the Committee to pursue additional remedies or recoupment under or as required by any similar policy adopted by the Company or under the Company's compensation plans, award agreements, employment agreements or similar agreements or the applicable provisions of any law, rule or regulation which may require or permit recoupment to a greater degree or with respect to additional compensation as compared to this Policy (but without duplication as to any recoupment already made with respect to Erroneously Awarded Compensation pursuant to this Policy). This Policy shall be interpreted in all respects to comply with the Listing Rules.

11. Successors. The Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

12. Defined Terms.

"***Covered Executives***" shall have the meaning set forth in Section 3 of this Policy.

"***Erroneously Awarded Compensation***" shall mean the amount of Incentive Compensation actually Received that exceeds the amount of Incentive Compensation that otherwise would have been Received had it been determined based on the restated amounts, and computed without regard to any taxes paid. For Incentive Compensation based on stock price or

total shareholder return, where the amount of erroneously awarded Incentive Compensation is not subject to mathematical recalculation directly from the information in a Restatement:

(A) The calculation of Erroneously Awarded Compensation shall be based on a reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Incentive Compensation was Received; and

(B) The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange.

"***Exchange***" shall mean The Nasdaq Stock Market.

"***Executive Officer***" shall mean the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries shall be deemed executive officers of the Company if they perform such policy-making functions for the Company.

"***Financial Reporting Measures***" shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures, including, without limitation, stock price and total shareholder return (in each case, regardless of whether such measures are presented within the Company's financial statements or included in a filing with the Securities and Exchange Commission).

"***Fiscal Year***" shall mean the Company's fiscal year; provided that a Transition Period between the last day of the Company's previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months will be deemed a completed fiscal year.

"***Incentive Compensation***" shall mean any compensation (whether cash or equity-based) that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, and may include, but shall not be limited to, performance bonuses and long-term incentive awards such as stock options, stock appreciation rights, restricted stock, restricted stock units, performance share units or other equity-based awards. For the avoidance of doubt, Incentive Compensation does not include (i) awards that are granted, earned and vested exclusively upon completion of a specified employment period, without any performance condition, and (ii) bonus awards that are discretionary or based on subjective goals or goals unrelated to Financial Reporting Measures. Notwithstanding the foregoing, compensation amounts shall not be considered "Incentive Compensation" for purposes of the Policy unless such compensation is Received (1) while the Company has a class of securities listed on a national securities exchange or a national securities association and (2) on or after October 2, 2023, the effective date of the Listing Rules.

"***Independent Director***" shall mean a director who is determined by the Board to be "independent" for Board or Committee membership, as applicable, under the rules of the Exchange, as of any determination date.

"***Listing Rules***" shall have the meaning set forth in Section 1 of this Policy.

Incentive Compensation shall be deemed "***Received***" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

"***Restatement***" shall mean an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the Company's previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

"***Transition Period***" shall mean any transition period that results from a change in the Company's Fiscal Year within or immediately following the three completed Fiscal Years immediately preceding the Company's requirement to prepare a Restatement.

Adopted on: October 24, 2023

Acknowledgment of Incentive Compensation Clawback Policy

Reference is made to the Mr. Cooper Group Inc. Incentive Compensation Clawback Policy (as adopted on October 24, 2023 pursuant to Nasdaq Rule 5608) (the "***Policy***"). Capitalized terms used herein without definition have the meanings assigned to such terms under the Policy.

By signing below, the undersigned acknowledges, confirms and agrees that:

- the undersigned has received and reviewed a copy of the Policy;
- the undersigned is, and will continue to be, subject to the Policy to the extent provided therein;
- the Policy may apply both during and after termination of the undersigned's employment with the Company and its affiliates; and
- the undersigned agrees to abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Compensation to the Company pursuant to the Policy.

_____
Signature

_____
Print Name

_____
Date