



Q1 2013 Earnings Presentation

Three Months Ended March 31, 2013

May 7, 2013

Forward Looking Statements



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

Q1'13 – Strong Performance as We Ramp for Profitable Growth



Financial

- GAAP EPS of \$0.70 on net income of \$62.6MM
- Pro forma EPS of \$0.85, excluding \$22MM in BofA ramp expenses
- Increased EPS guidance for '13 and '14

Operational

- Servicing ending UPB up 50% Q-o-Q to \$312B; PF UPB of \$435B⁽¹⁾
- Originations up 11% Q-o-Q to a record \$3.4B
- 45% recapture rate

Strategic Initiatives

- Servicing profitability increased again
 - ✓ AEBITDA increased 50% Q-o-Q to \$100MM; at 15 bps of avg. UPB
 - ✓ 60 day DQ rate down 1.5% to 13.8%
- Originations growth:
 - ✓ Doubled HARP potential with BofA acquisition
 - ✓ Greenlight acquisition

1) Pro forma for \$22B agency servicing acquisition in April'13 and \$101 in BofA PLS servicing expected to close in Q2

Opportunities are Plentiful in the Macro Landscape

Our platform is particularly well-suited for the forward macro environment

Home Prices are Appreciating

Case Shiller Index up 9.3% Y-o-Y⁽¹⁾

- ✓ Lower defaults.....increased asset performance
- ✓ Lower LTVs.....increased purchase money originations

Employment is Improving

Unemployment rate sequentially improved or flat 24 out of last 28 months to 7.5%⁽²⁾

- ✓ Lower delinquencies....increased profitability
- ✓ Rising rates.....extends servicing cash flows, increases value
- ✓ Increased pool of prospective borrowers

HARP was Extended

FHFA announced extension through 2015

- ✓ More time to make consumers aware...greater originations

1) 20 metropolitan region composite, February 2013 compared to February 2012

2) January 2011 through April 2013, Bureau Labor of Statistics, May 3, 2013

Q1 '13 Servicing Highlights

Acquisitions

- BofA: Closed \$97B agency; \$101B PLS on track
- Closed \$22B UPB agency servicing in April

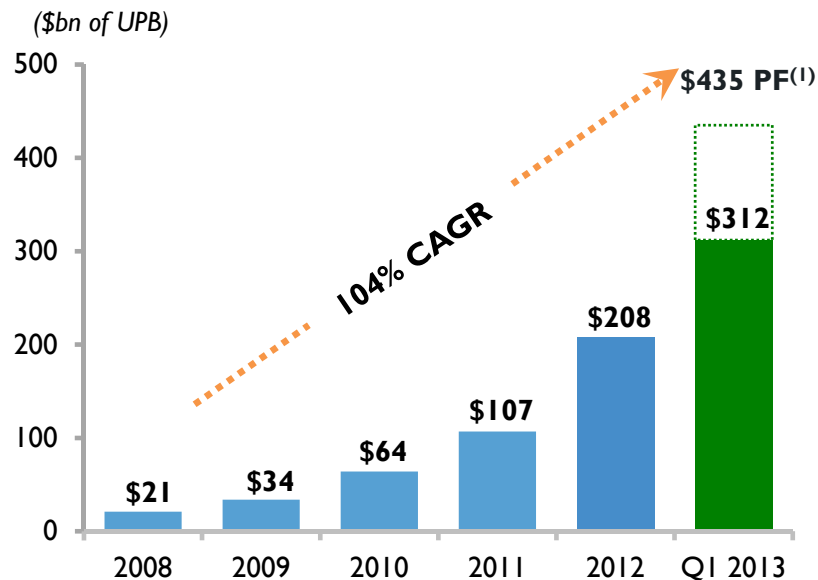
Pipelines

- Bulk: \$300B+
- Flow: \$50B+

Prepayments

- Consistent with prior levels at 16% annualized CPR

UPB Growth



1) Pro forma for \$22B agency servicing acquisition in April '13 and \$101 in BofA PLS servicing expected to close in Q2

Drive to pre-tax profit of 5 bps in '13 & 10 bps in '14

Cost Per Loan

- **Strategic sourcing, automation, vendor and workforce management**
 - ✓ 29% reduction in CPL⁽¹⁾ expected in '13
 - ✓ 20% improvement in loans per FTE⁽²⁾ expected in '13

Delinquencies

- **High touch model, focus on modifications and loss mitigation**
 - ✓ Reduced our 60 day DQ rate by 30% since 2009 while UPB grew 9x
 - ✓ Lower DQs reduce advance balances and interest expenses
 - ✓ Current loan ~90% less expensive to service

Advances

- **Plan to Lower Balances and Financing Costs**
 - ✓ Recent advance securitization generated 50%+ reduction in interest cost
 - ✓ Program to securitize advances on balance sheet

1) Cost per loan

2) Full time equivalent

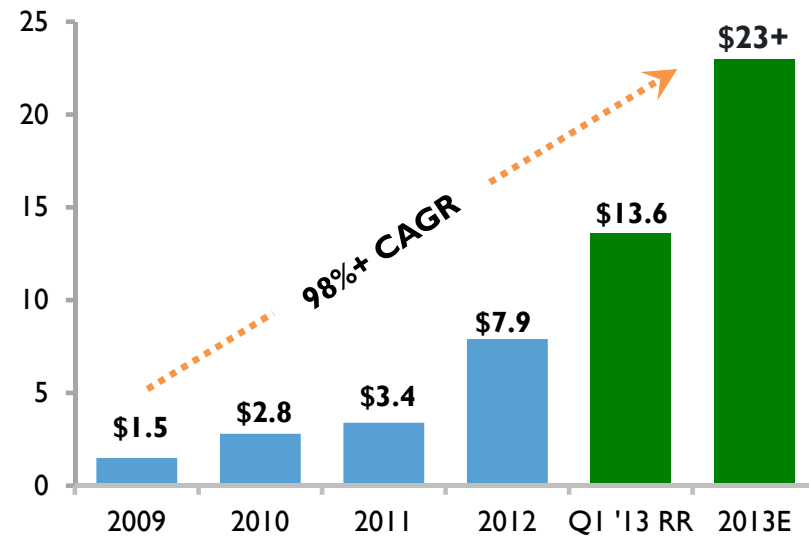
Q1 '13: Originations Highlights

- 58% increase in portfolio retention volume (accounted for 50% of total volume)
- Gain-on-sale of 544 bps, with 585 bps ex-correspondent
 - ✓ High recapture margins
- Pro forma pre-tax income of 226 bps⁽¹⁾, with 251 bps ex-correspondent
 - ✓ Excludes BofA ramp expense of \$9MM (200 heads)
- Expect '13 volume of \$23B⁽²⁾

Strong Growth

	Q1 '13	Q4 '12	Δ%
Funded volume	\$3.4	\$3.1	11%
Ex-correspondent	\$3.1	\$2.5	25%
Locked pipeline	\$6.4	\$5.0	29%
Application pipeline	\$7.8	\$6.6	17%

Origination Volume (\$B of UPB)



1) Please see Appendix for information on pro forma pre-tax income and reconciliations beginning on page 16
 2) Does not include correspondent volume; includes Greenlight

Acquisition of Greenlight



Channel
Diversification

Brand Building
Expertise

Recapture

HARP
Production
Capacity

- Premier direct-to-consumer originator with rapid turn times in mass marketing channel
- Acquiring for up to \$75MM in cash
 - ✓ '13 acquisition multiples: P/E 1.2x and AEBITDA 0.7x
- Expect sizable volume and profitability uplift:
 - ✓ Additional annual volume of \$8B+
 - ✓ Accretive to EPS by \$0.70+ annually



- Revenue: \$33mm in Q1
- Evaluating verticals for expansion

Real Estate

- 2,300+ property dispositions Q1



- ✓ Significant potential with BofA PLS
- ✓ Licensing plan for 50 states

Settlement

- Integration of Equifax Settlement on track
- Appraisal, title, and closing for large bank clients
- ✓ Over 9,000 3rd party appraisals ordered per month

Processing

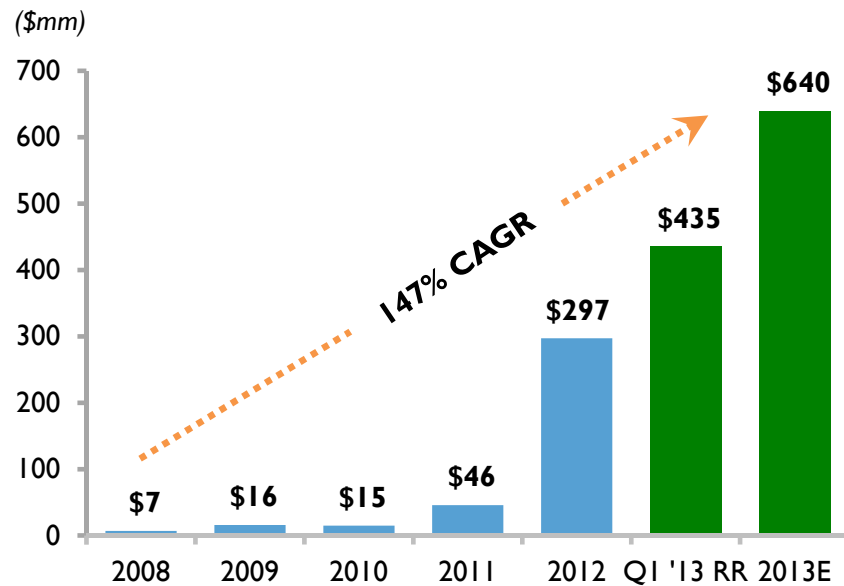
- Foreclosure services⁽¹⁾:
 - ✓ Establishing national presence
- Bankruptcy services:
 - ✓ Partnering with national law firms

1) Non-legal

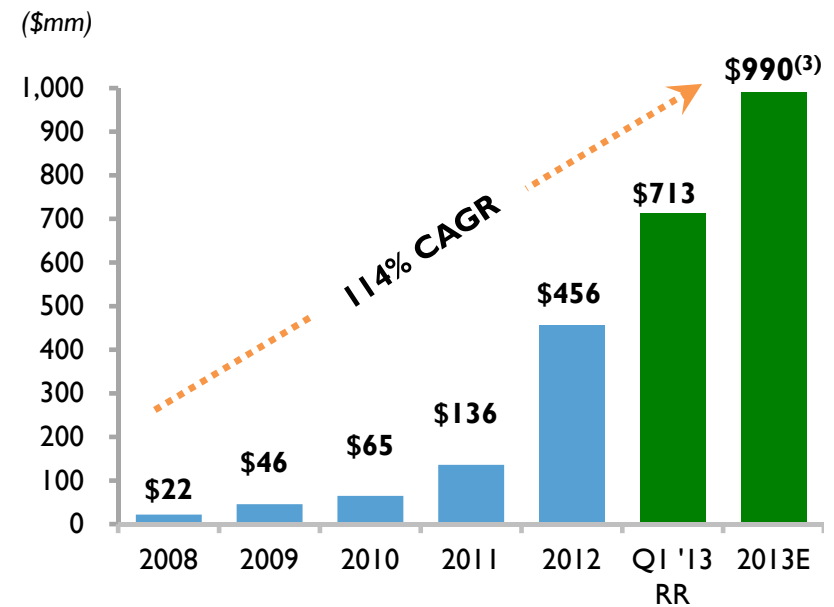
Q1 '13 Financial Highlights

- Revenue increased 30% Q-o-Q to \$431MM
- Pre-tax income⁽¹⁾ of \$109MM at a 25% margin
- Pro forma pre-tax income⁽²⁾ increased 36% Q-o-Q to \$131MM
- AEBITDA increased 15% Q-o-Q to \$178MM at a 41% margin

Pre-Tax Income Growth⁽¹⁾



AEBITDA Growth⁽¹⁾⁽²⁾

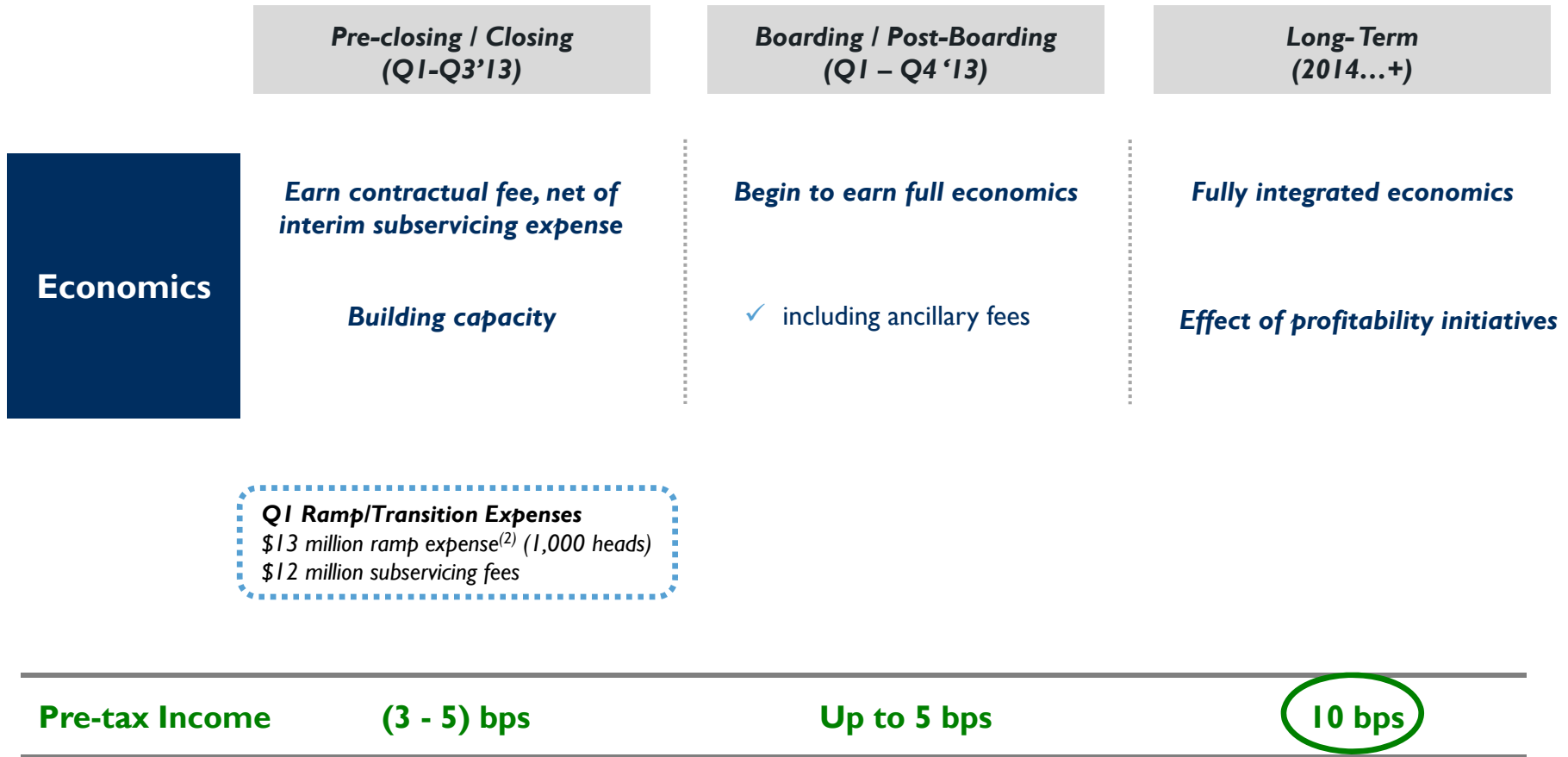


1) Operating segments
 2) Please see Appendix for information on pro forma pre-tax income from operating segments, AEBITDA and reconciliations beginning on page 16
 3) 2013E is mid-point of guidance

Servicing Acquisitions: Timing of Economics (BofA Example)⁽¹⁾



- Full economic potential realized several quarters after closing/ boarding



1) For illustrative purposes only, may not meet actual results
 2) For servicing segment

Increased '13 and '14 Earnings Guidance



- On track to hit increased full year '13 and '14 guidance

	2013E	2014E
Revised Per Share Guidance⁽¹⁾⁽²⁾		
AEBITDA per Share	\$10.10 - \$11.75	\$14.70 - \$17.10
Earnings per Share	\$4.05 - \$4.75	\$6.45 - \$7.50

1) Assumes 90.7 million shares outstanding

2) Please refer to Appendix for information regarding 2013E and 2014E AEBITDA and EPS

Guidance Simply Demonstrated⁽¹⁾



	2013	2014
Servicing		
Average UPB (\$B)	\$ 360	\$ 480
Pre-tax profit bps	5	10
Servicing segment pre-tax profit (\$mm)	\$ 180	\$ 480
Originations		
Volume (\$B) ⁽²⁾	\$ 23	\$ 31
Pre-tax profit bps ⁽³⁾	200	175
Originations segment pre-tax profit	\$ 460	\$ 543
Pre-tax income	\$ 640	\$ 1,023
Income taxes	(241)	(388)
Net Income	\$ 399	\$ 635
EPS⁽⁴⁾	\$ 4.40	\$ 7.00

1) Please refer to Appendix for information regarding 2013E and 2014E AEBITDA, Net Income and EPS; for illustrative purposes only, may not meet actual results; official guidance is range listed on page 11
 2) Excludes correspondent, assumes breakeven on GAAP basis for correspondent channel (means to acquire servicing assets at an attractive multiple)
 3) Includes ramp expenses
 4) Assumes 90.7mm shares outstanding

Nationstar: Capitalizing on Opportunities



Servicing

- BofA servicing acquisition
- Sizable bulk and flow pipeline
- Earnings growth through cost reduction initiatives

Driving profitability

Originations

- Recapture
- HARP
- Greenlight
- Builder

Profitably creating long-term servicing assets

Solutionstar

- 3rd party customers
- Real estate solutions
- Settlement services
- Expansion into other verticals

Building high-margin, high-multiple business

Positioned to triple EPS in 2014 over 2012, as we execute on our strategic initiatives

Appendix



Q1 2013 Consolidated Performance



- 32% return on equity⁽¹⁾

\$ millions	Total ⁽²⁾	
	Q1 '13	Q4 '12
Revenue	\$431	\$333
AEBITDA ⁽³⁾	178	153
Pre-tax Income	101	94
Ramp expenses	22	-
Pro forma pre-tax income	123	94
Income Tax	(38)	(31)
Net Income	\$63	\$64
Pro Forma Net Income⁽⁴⁾	\$76	\$64
Per share data⁽⁵⁾		
EPS	0.70	0.71
Pro forma EPS ⁽⁴⁾	0.85	0.71
AEBITDA ⁽³⁾	1.98	1.72

1) Shareholder's equity of \$819MM as of Mar. 31, 2013

2) Includes Legacy Segment , except for AEBITDA

3) Please see Appendix for information on AEBITDA and reconciliations beginning on page 16

4) Please see Appendix for information on pro forma pre-tax income, pro forma EPS and reconciliations beginning on page 16

5) Assumes share count of 89.9MM for Q1 '13 and Q4 '12

AEBITDA and Pro Forma Pre-Tax Income Reconciliation



For Quarter Ended March 31, 2013

(\$ in millions)

	Servicing Originations		Operating	Legacy	Total
Adjusted EBITDA	\$100.1	\$78.2	\$178.2	(\$7.8)	\$170.4
Interest expense on corporate notes	(22.7)	(8.0)	(30.7)	-	(30.7)
MSR valuation adjustment	(9.7)	-	(9.7)	-	(9.7)
Excess spread adjustment	(23.9)	-	(23.9)	-	(23.9)
Amortization of mort. serv. obligations	0.3	-	0.3	-	0.3
Depreciation & amortization	(2.5)	(1.0)	(3.5)	(0.4)	(3.9)
Stock-based compensation	(1.7)	(1.1)	(2.9)	-	(2.9)
Fair value adjustment for derivatives	0.8	-	0.8	0.5	1.3
Pre-Tax Income	\$40.7	\$68.0	\$108.7	(\$7.7)	\$101.0
Income Tax					(38.4)
Net Income					\$62.6
Earnings per share ⁽¹⁾					\$0.70
AEBITDA per share ⁽¹⁾	\$1.11	\$0.87	\$1.98	(\$0.09)	\$1.89
Pre-Tax Income per share ⁽¹⁾	\$0.45	\$0.76	\$1.21	(\$0.09)	\$1.12
Average shares outstanding	89.9	89.9	89.9	89.9	89.9
Pre-Tax Income	\$40.7	\$68.0	\$108.7	(\$7.7)	\$101.0
Ramp expenses	13.2	9.1	22.2	-	22.2
Pro Forma Pre-Tax Income	\$53.8	\$77.1	\$130.9	(\$7.7)	\$123.2

1) Calculated using a fully-diluted average share count of 89.9 million shares

Segment AEBITDA Reconciliation



For Quarter Ended December 31, 2012

(\$ in millions)

	Servicing	Originations	Operating	Legacy	Total
Adjusted EBITDA	\$66.9	\$88.1	\$155.0	(\$1.9)	\$153.0
Interest expense on corporate notes	(20.0)	(4.2)	(24.2)	-	(24.2)
MSR valuation adjustment	(25.4)	-	(25.4)	-	(25.4)
Excess spread adjustment	(5.6)	-	(5.6)	-	(5.6)
Amortization of mort. serv. obligations	1.8	-	1.8	-	1.8
Depreciation & amortization	(2.0)	(1.1)	(3.1)	(0.2)	(3.3)
Stock-based compensation	(1.6)	(1.1)	(2.7)	(0.0)	(2.7)
Fair value adjustment for derivatives	0.8	-	0.8	(0.1)	0.7
Pre-Tax Income	\$14.9	\$81.7	\$96.6	(\$2.2)	\$94.4
Income Tax					(30.7)
Net Income					\$63.8
Earnings per share ⁽¹⁾					\$0.71
AEBITDA per share ⁽¹⁾	\$0.74	\$0.98	\$1.72	(\$0.02)	\$1.70
Pre-Tax Income per share ⁽¹⁾	\$0.17	\$0.91	\$1.07	(\$0.02)	\$1.05

1) Calculated using a fully-diluted average share count of 89.9 million shares

Segment AEBITDA Reconciliation (continued)



For Quarter Ended March 31, 2012

(\$ in millions)

	Servicing	Originations	Operating	Legacy	Total
Adjusted EBITDA	\$34.9	\$42.4	\$77.3	(\$7.5)	\$69.8
Interest expense on corporate notes	(8.5)	-	(8.5)	-	(8.5)
MSR valuation adjustment	0.5	-	0.5	-	0.5
Excess spread adjustment	(4.9)	-	(4.9)	-	(4.9)
Amortization of mort. serv. obligations	0.6	-	0.6	-	0.6
Depreciation & amortization	(0.9)	(0.4)	(1.2)	(0.3)	(1.5)
Stock-based compensation	(2.2)	(0.2)	(2.4)	-	(2.4)
Fair value adjustment for derivatives	0.0	-	0.0	(0.3)	(0.3)
Pre-Tax Income	\$19.7	\$41.8	\$61.4	(\$8.0)	\$53.3
Income Tax					(3.1)
Net Income					\$50.2
Earnings per share ⁽¹⁾					\$0.67
AEBITDA per share ⁽¹⁾	\$0.47	\$0.57	\$1.04	(\$0.10)	\$0.94
Pre-Tax Income per share ⁽¹⁾	\$0.26	\$0.56	\$0.82	(\$0.11)	\$0.71

1) Calculated using a fully-diluted average share count of 74.56 million shares

Full Year and Q1 '13 AEBITDA Reconciliations



(\$ in thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Q1 2013
Net Income (loss)	\$ (157,610)	\$ (80,877)	\$ (9,914)	\$ 20,887	\$ 205,287	\$ 62,616
Adjust for:						
Net loss from Legacy Portfolio and Other	164,738	97,263	24,806	24,892	20,483	7,689
Interest expense from unsecured senior notes	-	-	24,628	30,464	63,879	30,690
Depreciation and amortization	1,172	1,542	1,873	3,395	8,880	3,528
Change in fair value of MSRs	11,701	27,915	6,043	39,000	68,242	9,659
Amortization of mortgage servicing obligations	-	-	-	-	(5,120)	(275)
Fair value changes on excess spread financing	-	-	-	3,060	10,684	23,891
Share-based compensation	1,633	579	8,999	14,764	14,045	2,858
Exit costs	-	-	-	1,836	-	-
Fair value changes on interest rate swaps	-	-	9,801	(298)	(1,237)	(795)
Ineffective portion of cash flow hedge	-	-	(930)	(2,032)	-	-
Income tax expense	-	-	-	-	71,296	38,377
Adjusted EBITDA	\$ 21,634	\$ 46,422	\$ 65,306	\$ 135,968	\$ 456,440	\$ 178,238

Pro Forma Per Share Reconciliations



(\$ in millions)	Q1 '13	Q4 '12	Q1 '12
Net Income	\$62.6	\$63.8	\$50.2
Income Tax	38.4	30.7	3.1
Pre-Tax Income	101.0	94.4	53.3
BofA servicing acquisition ramp expenses	22.2	-	-
Pro-forma Pre-Tax Income	\$123.2	\$94.4	\$53.3
Income Tax	(46.8)	(30.7)	(13.9)
Pro-Forma Income	\$76.4	\$63.8	\$39.4
Pro-forma Per Share:	\$0.85	\$0.71	\$0.44
Average shares outstanding	89.9	89.9	89.5

Endnotes



Pro forma Earnings Per Share (“Pro forma EPS”) This disclaimer applies to every usage of pro forma EPS in this presentation. Pro forma EPS is a metric that is used by management to exclude certain non-recurring items in an attempt to provide a better earnings per share comparison to prior periods. Pro forma Q1 '13 EPS excludes certain expenses related to the acquisition of the \$215 billion servicing portfolio from Bank of America. These expenses include the advance hiring of servicing staff, recruiting expenses and travel and licensing expenses. Pro forma Q1 '13 EPS is normalized for tax rate and share count in the stub period.

Pro forma Pre-Tax Income (“Pro forma Pre-Tax Income”) This disclaimer applies to every usage of pro forma pre-tax income in this presentation. Pro forma pre-tax income is a metric that is used by management to exclude certain non-recurring items in an attempt to provide a better earnings per share comparison to prior periods. Pro forma Q1 '13 EPS excludes certain expenses related to the acquisition of the \$215 billion servicing portfolio from Bank of America. These expenses include the advance hiring of servicing and originations staff, recruiting expenses and travel and licensing expenses.

Pro forma AEBITDA Per Share This disclaimer applies to every usage of pro forma AEBITDA per share in this presentation. Pro forma AEBITDA per share is a metric that is used by management to exclude certain non-recurring items in an attempt to provide a better earnings per share comparison to prior periods. Pro forma Q1 '13 AEBITDA per share excludes certain expenses related to BofA and other transactions. These expenses include the advance hiring of servicing and originations staff, recruiting expenses and travel and licensing expenses.

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

2013 Estimate AEBITDA 2013 Estimate AEBITDA is based on our expectations of continued growth, current market conditions and increased operating efficiencies in our business in addition to our financial targets for 2013. Target for all non-GAAP figures excludes the same items as we excluded in our 2011/2012 non-GAAP reconciliation, as follows: income and expenses that relate to the financing of the senior notes, depreciable (or amortizable) asset base and several other relevant items. Our actual AEBITDA for 2013 on an annualized basis may differ from our 2013(E) AEBITDA.

2014 Estimate AEBITDA 2014 Estimate AEBITDA is based on our expectations of continued growth, current market conditions and increased operating efficiencies in our business in addition to our financial targets for 2014. Target for all non-GAAP figures excludes the same items as we excluded in our 2011/2012 non-GAAP reconciliation, as follows: income and expenses that relate to the financing of the senior notes, depreciable (or amortizable) asset base and several other relevant items. Our actual AEBITDA for 2014 on an annualized basis may differ from our 2014(E) AEBITDA.

NOTE: 2013 and 2014 Estimate Net Income and 2013 and 2014 Estimate AEBITDA are forward-looking and subject to significant business, economic, regulatory and competitive uncertainties, many of which are beyond control of Nationstar and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that this target will be achieved and Nationstar undertakes no duty to update this target.