Q3 2012 Earnings Presentation

Three Months Ended September 30, 2012

November 6, 2012

Forward Looking Statements

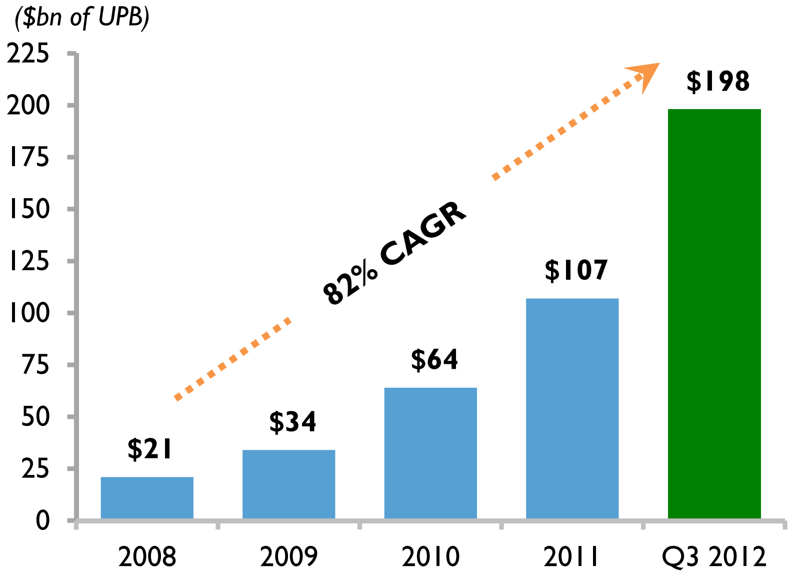
Any statements in this presentation that are not historical or current facts are forward-looking statements. Forward-looking statements include, without limitation, statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other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

Q3 2012 Highlights

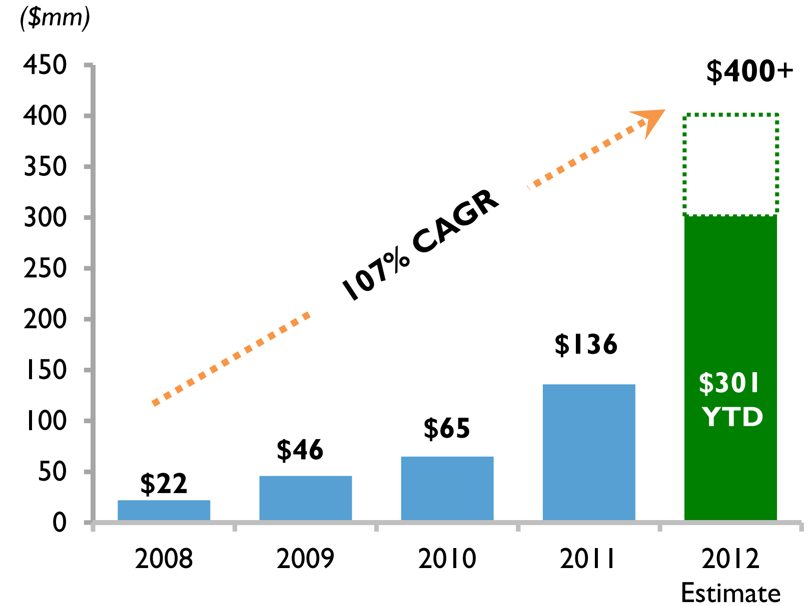
Continued earnings growth as we scale the platform

- AEBITDA up 22% QoQ to $123 million; increasing FY '12 guidance to $400+ million[(1)]
- Net Income up 52% QoQ to $55 million; EPS of $0.61; pro-forma EPS[(2)] of $0.64
- Servicing book ended at $198 billion in UPB – increase of $95 billion YoY
- Continued record growth in application pipeline to $5.5 billion and originations volume to $1.82 billion

Servicing Growth



AEBITDA Growth[(3)]



1) Previous FY '12 AEBITDA guidance was $300 million.
2) Pro-forma EPS normalizes Q3 earnings for ResCap and other transaction-related expenses of $3.9 million. Please refer to pro-forma earnings reconciliation in Appendix.
3) Please see Appendix for information on AEBITDA and reconciliations beginning on page 17.

Business Update

Servicing

- Bulk servicing pipeline grew to $600+ billion
  - $30 billion expected to close in 4th quarter
- 3 executed flow agreements; transfers began in October; up to $10 billion annual UPB
- $25 – 50 billion in annual flow pipeline
- Increase operating leverage through reduction in cost per loan and servicing advances

Originations

- Record quarter of funded volume, application pipeline and income
- Channel expansion
  - Homebuilder lending relationships, online/retail and correspondent channels
- Focus on increasing capacity and accelerating time to funding

Ancillary - Solutions

- Strategic expansion of ancillary services business, Solutions
- Servicing portfolio contains 1+ million customers; multiple fee opportunities
- NSM portfolio services 16,000 REO properties
  - Significant revenue opportunity for Solutions REO and Recovery Management

Pipeline: Future Growth Opportunities[1]

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

Live Opportunities[2]			Prospective Opportunities
Bulk Servicing	**Flow Servicing**	**Solutions**	**Banks Under Pressure**
▪ MSRs and subservicing ▪ Mix aligns with NSM portfolio composition	▪ Multiple lenders ▪ Newly-originated loans ▪ Delinquent loans	▪ 1 Million + consumers in servicing portfolio ▪ Data-rich environment ▪ Multiple fee-based opportunities	▪ Banks presently dominate servicing market share (85% of UPB)[3] ▪ Top 4 banks have 50% share[3] ▪ Basel III phase implementation begins in Q1 '13

Potential Opportunity Size:

$600 billion+	***$25-50 billion annually***	***$198 billion portfolio***	***$2 trillion+***

1) The identified opportunities referenced above are not currently serviced by the Company and there can be no assurance that these potential servicing transactions will ultimately be consummated, or will remain the same size. Notwithstanding the above, it is possible that these potential servicing transactions, if consummated, could result in a partial or total loss of any invested capital.
2) All pipeline deals are under a signed non-disclosure agreement between Nationstar and the counter-party. Live opportunities exclude ResCap.
3) Inside Mortgage Finance, as of Q1 2012.

Servicing Initiatives: Driver of Earnings Growth

Nationstar MORTGAGE

Cost Per Loan

- Current initiatives expected to reduce average CPL by more than 10%
- Expense management delivers margin improvement
  - ✓ Strategic vendor management
  - ✓ Optimize processes
  - ✓ Invest in automation

Portfolio Delinquency

- Modifications and high touch servicing reduces portfolio delinquency
  - ✓ Homeownership preservation
  - ✓ Identify high risk early
  - ✓ Advanced loss mitigation technology platform

Servicing Advances

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

Improvements in operational effectiveness drop to the bottom line…..

- 10.0% reduction in cost per loan reduces expenses by $32 million[1] annually ($0.36/per share[2])
- 1.0% reduction in the delinquency reduces expenses by $11 million[1][3] annually ($0.12/per share[2])
- Reducing advance funding ratio by 10 bps reduces interest expense by $5 million[1] annually ($0.06/per share[2])

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

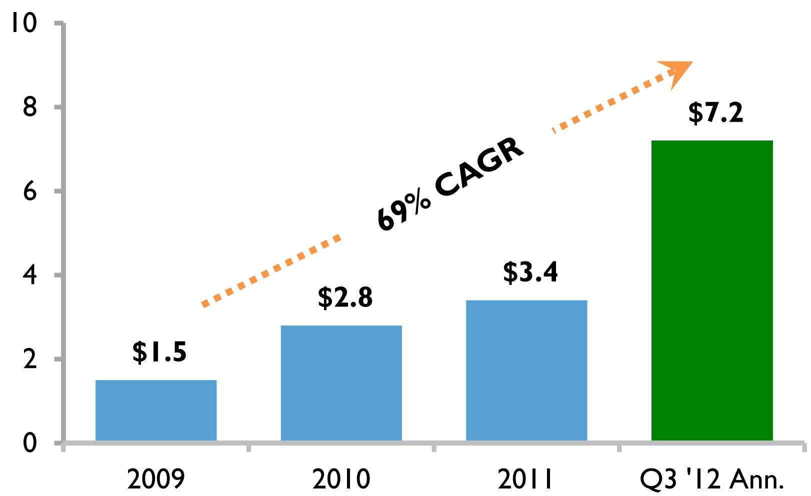
Originations: Enhances Core Servicing Platform

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

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

Origination Volume

($bn of UPB)



Q3 2012 Unit Economics

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

Cash / near cash is 93% of total revenue

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

Solutions: Creating Value for Shareholders

- Solutions business poised for growth now that servicing portfolio has achieved critical mass
- Expand offering of end-to-end solutions for originations and default services
- Expand revenue base by providing services to banks, mortgage originators, credit investors

Solutions

- *Property Inspection*
- *Appraisal/Valuation*
- *Title/Settlement*
- *Non-legal Processing*
- *Debt Recovery*
- *REO Management*
- *Property Preservation*

Consolidated Performance

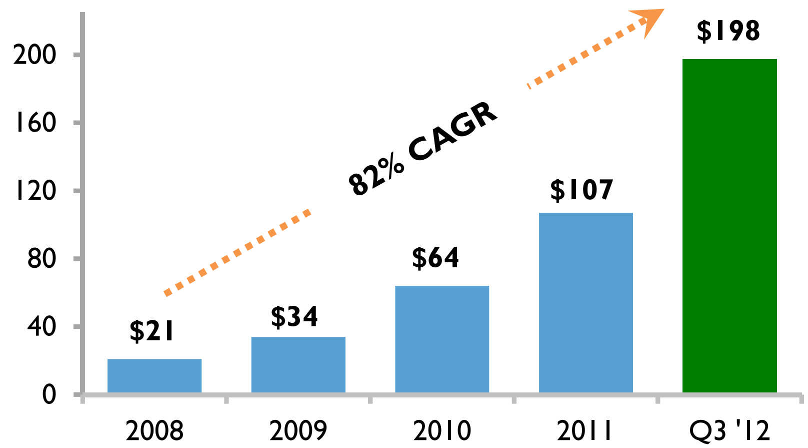
- Total GAAP Net Income of $55 million
- GAAP EPS of $0.61, Pro-forma EPS of $0.64[1]
- Operating Segment AEBITDA of $123 million[2]
- Servicing pre-tax income includes $4 million transaction-related expenses and $22 million of MSR FV adjustments
- Corporate debt interest expense on $500 million debt raised in the quarter totaled $4 million ahead of investment

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

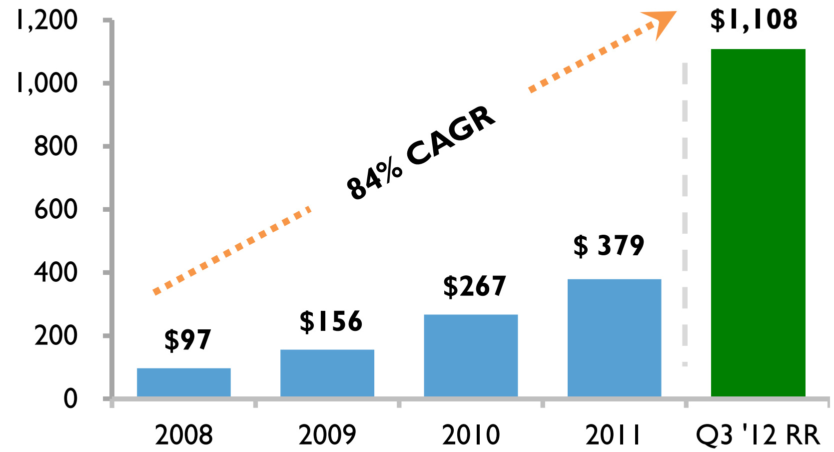
1) Please reference Appendix and reconciliation beginning on page 16 2) Please see Appendix for information on AEBITDA and reconciliations beginning on page 17 3) Includes Legacy Segment

Focused on Profitable Growth

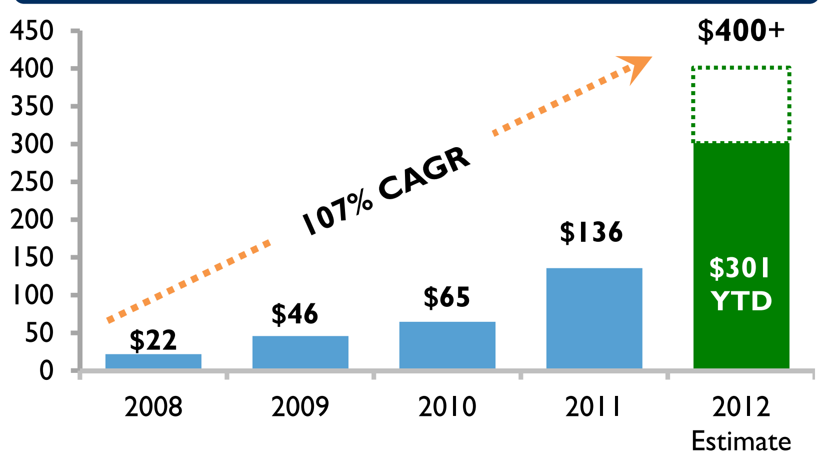
UPB Growth ($bn)



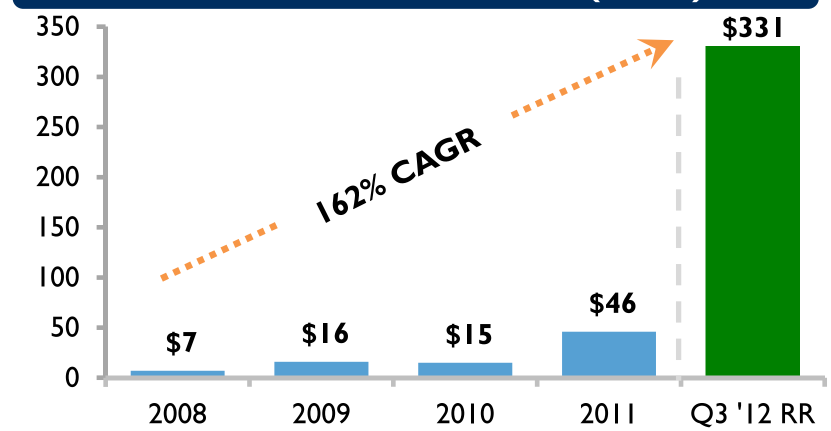
Revenue Growth ($mm)(1)



AEBITDA Growth ($mm)(1)(2)



Pre-Tax Income Growth ($mm)(1)



Margin (%)	*22%*	*30%*	*24%*	*36%*		*7%*	*11%*	*6%*	*12%*	*30%*

1) Revenue, AEBITDA and pre-tax income from operating segments

2) Please see Appendix for information on AEBITDA and reconciliations beginning on page 17

Appendix

Balance Sheet

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

$ millions	Q3 '12	Q2 '12
Assets:		
Cash and cash equivalents	$431	$16
Restricted cash	259	120
Accounts receivable[(2)]	2,866	2,501
Mortgage loans held for sale	703	838
Mortgage loans held for investment - Legacy	238	238
Mortgage servicing rights - fair value	593	596
Participating interest in reverse mortgages	453	310
Mortgage servicing rights - amortized cost	8	8
Property and equipment, net	49	39
Other assets	342	230
Total Assets	**$5,941**	**$4,896**

$ millions	Q3 '12	Q2 '12
Liabilities:		
Notes payable[(3)]	$2,532	$2,412
Senior unsecured notes	1,062	556
Payables and accrued liabilities	762	640
Nonrecourse debt - Legacy assets	102	106
Excess spread financing at fair value	255	267
Participating interest financing	415	181
Other liabilities[(4)]	120	101
Total Liabilities	**$5,250**	**$4,263**
Shareholders Equity	**$691**	**$633**
Total Liabilities and Shareholders Equity	**$5,941**	**$4,896**

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

Five-Quarter Income Statement Summary

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

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

1) Please see page 17 for AEBITDA reconciliations; excludes Legacy segment
2) Calculated using a fully-diluted average share count for Q3 '12, Q2 '12 and Q1'12 of 89.8, 89.5 and 89.2 million shares, respectively, and 70.0 million shares for 2011 periods
3) Please see Appendix for information on Normalized net income and EPS reconciliation

Servicing Fee Detail

- Fee income before fair value adjustment increased by 40% to $153 million
- MSR fair value adjustments include portfolio run-off and mark-to-market adjustments

($ in thousands)

	Q3 '12	Q2 '12	Q3 '11
Total servicing fee income before MSR fair value adjustments	$ 152,963	$ 109,222	$ 73,255
Fair value adjustments on excess spread financing	2,213	(2,412)	-
Reverse mortgage servicing liability amortization/accretion	2,652	(9)	-
MSR changes in fair value:			
Due to changes in valuation inputs or assumptions	8,355	(11,054)	(11,765)
Other changes in fair value (portfolio run-off)	(30,785)	(9,821)	(7,270)
Servicing fee income	135,398	85,926	54,220
Other fee income	6,457	5,969	3,772
Total servicing fee income	**$ 141,855**	**$ 91,895**	**$ 57,992**

Servicing: Diversified, Balanced Portfolio

- Nationstar's servicing platform addresses entire $10 trillion mortgage market and aligns well
- Wide array of products and programs
  - Products: Fixed, ARM, Reverse, HELOC's
  - Programs: Conforming, Government, Subprime, Jumbo, 2nd lien
- Equipped and staffed to service all products types for all investor groups
- Large percentage of pipeline is agency purchase MSR opportunities; consistent with current portfolio

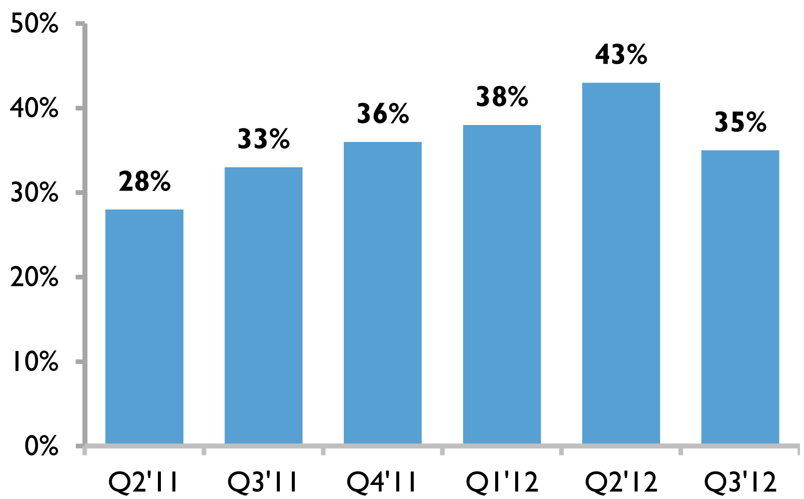
($ in billions)	Agency	Non-Agency	Portfolio %	Total $ UPB
Primary	57%	43%	63%	$123.2
Subservicing	61%	39%	24%	$47.1
Forward Portfolio	58%	42%	86%	$170.3
Reverse	100%	-	14%	$27.3
Total Portfolio	64%	36%	100%	$197.6
Addressable Market(1)	**58%**	**42%**	**100%**	**$10,028**

1) Inside Mortgage Finance, through 2nd Quarter 2012, forward servicing only

Originations: Recapture Trends

- Positive recapture growth trends year-over-year
- Adjusted for recapture loans in pipeline, Q3 recapture rate would have been above 40%
- Continued focus on driving recapture towards internal goals

Recapture Rate



Per Share Reconciliations

For Quarters Ending September 30 and June 30, 2012

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

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

AEBITDA Reconciliation

For Quarter Ended September 30, 2012

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

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

AEBITDA Reconciliation (continued)

For Quarter Ended June 30, 2012

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

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

AEBITDA Reconciliation (continued)

For Quarter Ended September 30, 2011

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

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

AEBITDA Reconciliation (continued)

($ in thousands)

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

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

Endnotes

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

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

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

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

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

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