Q4 and FY 2013 Earnings Presentation

Three Months and Twelve Months Ended December 31, 2013

February 27, 2014

Disclaimers

Forward Looking Statements

Any statements in this presentation that are not historical or current facts are forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding: estimates of our servicing segment's growth and profitability; estimates of our origination's segment's profitability; REO property sales in 2014; estimates of fiscal year 2014 revenue and pre-tax income; profitability through our fee-services business; and expectations regarding cash flow. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-statements. Certain of these risks and uncertainties are described in the "Risk Factors" section of our most recent annual and quarterly reports and other required reports as filed with the SEC, which are available at the SEC's website at http://www.sec.gov. Certain amounts included in this presentation are presented strictly for illustrative purposes, and such amounts should not be viewed as a representation regarding management's expectations or actual results. Management's expectations and actual results could differ materially from statements made for illustrative purposes.

No reliance, no update and use of information*. The information in the presentation is provided to you as of February 27, 2014, and Nationstar does not intend to update the information after its distribution, even in the event that the information becomes materially inaccurate. Certain information contained in this presentation includes calculations or figures that have been prepared internally and have not been audited or verified by a third party. Use of different methods for preparing, calculating or presenting information may lead to different results and such differences may be material.*

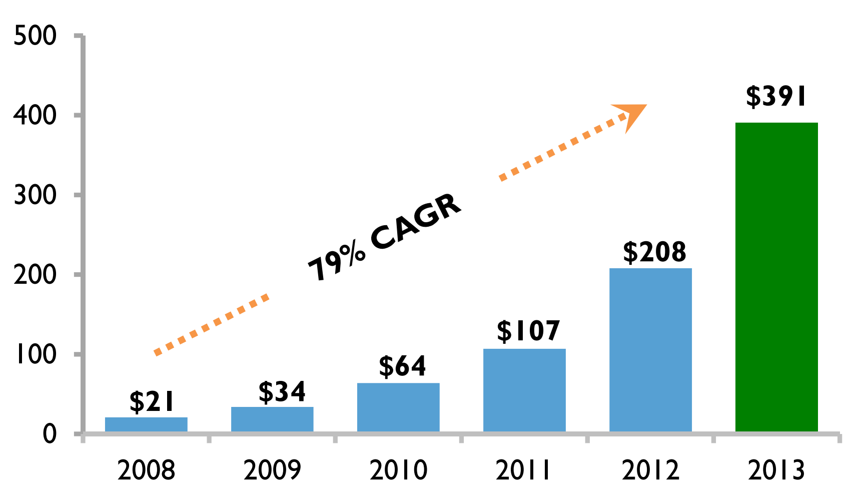
Non-GAAP measures*. This presentation contains certain disclosures about pro forma cash, pro forma pre-tax income, pro forma EPS, and AEBITDA per share, each of which are considered non-GAAP performance measures. Our management believes that the use of pro forma cash, pro forma pre-tax income provide key performance metrics useful for evaluating operating performance and assessing the profitability of our core business. Our management further believes that the use of pro-forma EPS and AEBITDA per share provides additional relevant information for comparison of current earnings per share to that of prior periods.*

2013: Significant Growth Across All Segments

- Acquired over $250B of UPB; ended '13 with ~90% UPB growth YoY
  - ✓ 108,000 workouts; providing homeowners with solutions
- Increased originations by over 200%
  - ✓ ~62,000 HARP loans; making customers' mortgages more affordable
- YoY increases in key financial metrics(1)
  - ✓ Revenue +113%, Pretax Income +32%, AEBITDA +35%

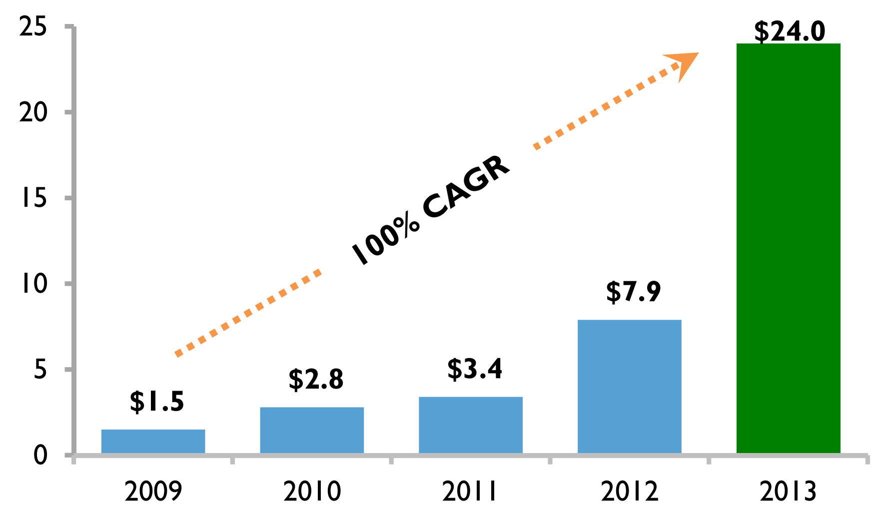
Servicing UPB Growth

$B of UPB



Origination Volume

$B of UPB



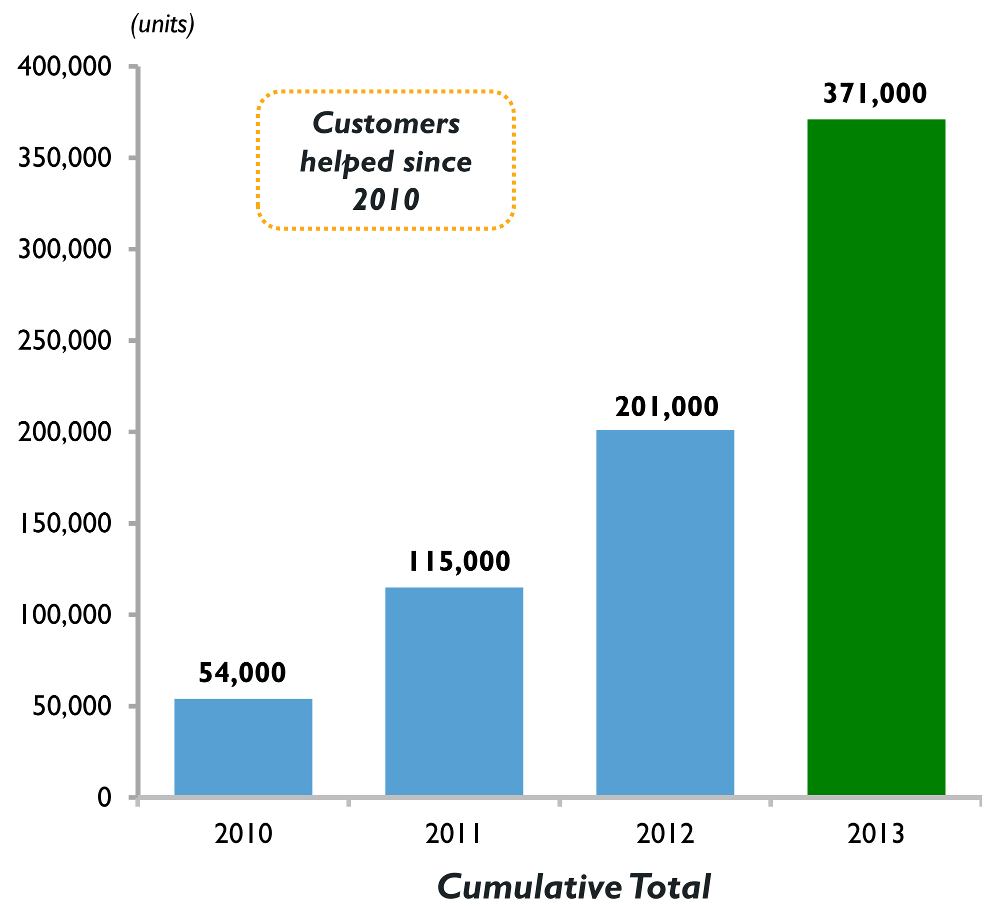
1) Operating segments; excludes legacy. Please see Appendix for information on non-GAAP numbers and reconciliations

Providing Solutions to Our Customers

Preserve homeownership and increase mortgage affordability

- Performance-driven culture emphasizes customer service and loan performance
- For every one foreclosure, NSM saves three borrowers from foreclosure through modifications
- Over 282,000 workouts since '10, including
  - ✓ ~140,000 modifications
- Over 89,000 HARP loans since '10
  - ✓ Average payment savings of **_$200_**
- ~2.3 mm loans serviced as of YE'13

Loan Workouts & HARP Originations



Successfully Completed BofA Boardings

Providing solutions to our customers and improving portfolio performance

- ~ $200B UPB boarded
- Over 1 million new customers
- Maintained customer service levels
- Helping homeowners through modifications and HARP originations
- Driving down delinquencies benefits mortgage investors

Boarding Date	Units (K)	30+ DQ % Improvement Since Boarding
Q1	102	27%
Q2	494	28%
Q3	338	24%
Q4	120	16%

Servicing

Nationstar MORTGAGE

Business Overview

- 6th largest servicer(1) with $391B UPB servicing portfolio
  - ✓ Approximately 2.3 million customers
- Attractive source of long-term, fee-based recurring revenues
- Typically performs well in an improving rising rate environment
  - ✓ Slower prepayments; longer earnings tail
  - ✓ Lower delinquencies; lower cost to service

2014 / Beyond

Focused on growth and increased profitability(2)

- Goal to increase servicing profitability from 6 bps to 11 bps in '14
- $1B+ in cash expected over course of '14(3) to invest in growth opportunities
- Acquisition opportunities include bulk / flow of $350B+ and fee service businesses
- Deliver fee-based earnings stream with longer term profile

1) Inside Mortgage Finance; Q4'13 Top Mortgage Servicers
2) Statements regarding servicing profitability are forward looking statements and based on a number of factors outside of our control. Results could differ materially. See "Forward Looking Statements" at the beginning of this presentation
3) Over $1B in cash expected to be generated from Investable Cash Flow from operations and proceeds from NRZ advance sale. NRZ has the right but not the obligation to close on remaining advances at substantially the same terms as the first transaction. For more detail, please see page 16

Q4'13 Servicing Highlights

Performance

- Predictable, growing cash flows over long-term
- 6 bps pretax operating profitability[1]
- BofA: Successfully completed final boardings

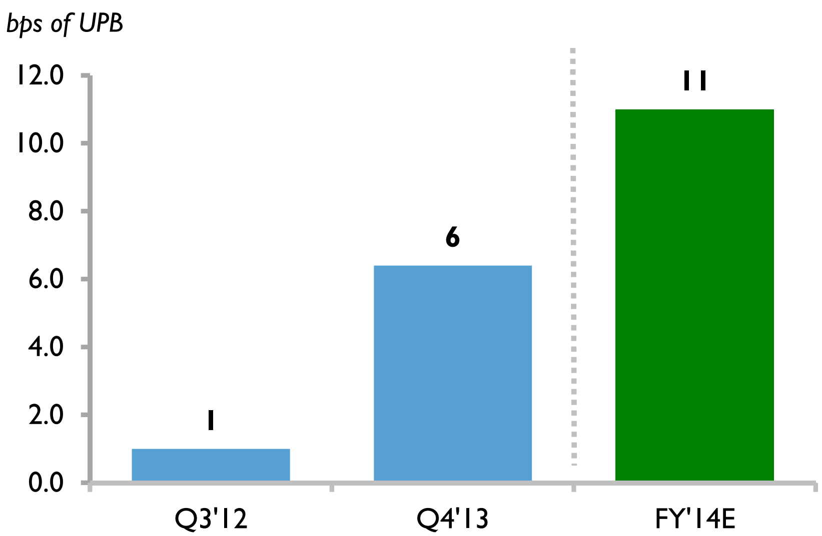
Acquisitions & Pipelines

- Completed acquisition of ~$30B of previously announced servicing portfolios
- Bulk / Flow pipeline at $350B

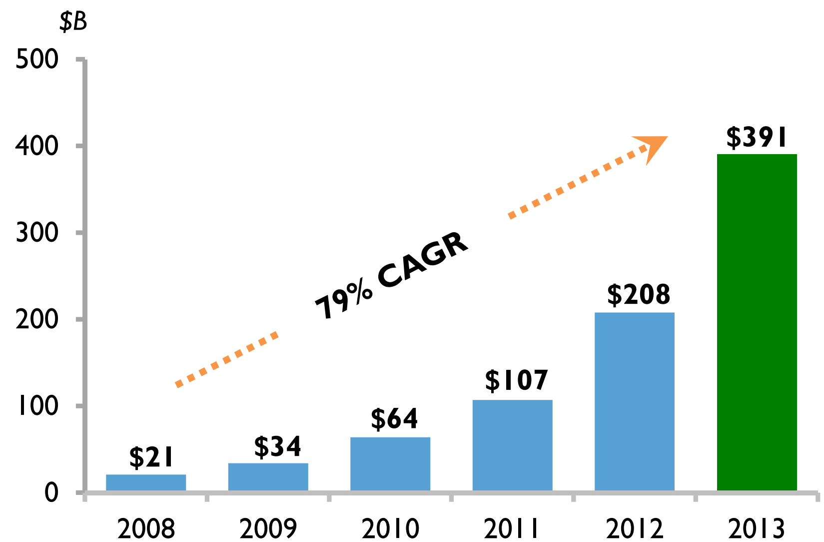
Portfolio Statistics

- Replaced over 200% of run-off in the quarter from originations, flow and bulk
- 60+ day delinquency rate down to 11.9%
- Annualized CPR down to 14.8%

Pretax Income Growth[1]



Unpaid Principal Balance



1) Q4'13 pretax operating profitability is calculated as pretax income less the net change of mark-to-market adjustments of $49mm plus one-time expenses related to severance expenses and write-off of advance financing facilities fees related to the NRZ advance sale in aggregate totaling $37mm

Servicing Profitability Goal: Path to 11 bps in 2014[(1)]

Impact ('14 bps)[(2)]	
Automation/ Workforce Management	1.3 – 1.5
Delinquency Improvement	0.8 - 1.0
Vendor/ Other	0.4 – 0.6
Real Estate Services	2.0 – 2.4

Q4'13 Exit Rate

6.4 bps

5+ bps servicing profitability improvement in '14

11+ bps

FY'14 Profitability

1) Components of servicing profitability provided for illustrative purposes only. Actual 2014 results could differ materially from this illustration
2) Assumes $440B average balance for 2014. Actual results could differ materially

Solutionstar: High Margin, Sustainable Fee-Based Business

Nationstar MORTGAGE

Business Overview

- Significant growth since launch in Q4'12
- Fee-for-service, high multiple business with rapidly growing revenue stream
- Building out integrated real estate digital marketplace

2013 Key Milestones

- Closed on Equifax Settlement Solutions – Feb. '13
- Launched Homesearch.com – Mar. '13

2013 Financial Performance

- Revenue of $185mm[(1)]; pretax income of $67mm (36% margin) that included $11mm of corporate build-out expenses
  - ✓ Real Estate Services (Property Sales): Revenue of $94mm
  - ✓ Settlement Services: Revenue of $80mm
  - ✓ Asset Recovery & Other: Revenue of $11mm

2014 Key Focus Areas

- Execute on near-term REO opportunity; 20,000 sales in '14[(2)]
- Develop Homesearch.com into online marketplace for entire real estate process
  - ✓ Expansion into non-distressed property sales
- Client diversification; increase 3rd party business
- Launch new business lines and technology platforms

1) Solutionstar actual revenues assume 100% of proceeds to Solutionstar. In the event of a separation, there would likely be a revenue share with NSM on REO disposition proceeds
2) Statements regarding REO sales are forward looking statements and based on a number of factors outside of our control. Results could differ materially. See "Forward Looking Statements" at the beginning of this presentation

Solutionstar: Diversified Platform – Strong Expected Growth

Nationstar MORTGAGE

% of Revenue[1]	Q4'13 RR	FY'14E[2]
Property Sales	56%	61%
Settlement Services	38%	33%
Asset Recovery & Other	6%	6%
Total Revenue	$255mm	$400mm
Total Pretax Income	$115mm	$215mm

Real Estate Made Simple: Service Offerings that Cover End-to-End Lifecycle

Property Search	Choose Realtor	Title Report	Home Inspection	Appraisal	Financing	Real Estate Owned Auctions	Portal for Real Estate Agents/ Brokers	Property Sales	Portals for Service Providers / Lenders	Insurance and Home Services
homesearch.com	homesearch.com	SOLUTIONSTAR	SOLUTIONSTAR	SOLUTIONSTAR	Nationstar MORTGAGE	homesearch.com	SOLUTIONSTAR	homesearch.com	SOLUTIONSTAR	SOLUTIONSTAR

1) Solutionstar actual / projected revenues assume 100% of proceeds to Solutionstar. In the event of a separation, there would likely be a revenue share with NSM on REO disposition proceeds
2) Statements regarding FY'14 revenue and pretax income are forward looking statements and based on a number of factors outside of our control. Results could differ materially. See "Forward Looking Statements" at the beginning of this presentation

Long Runway of Opportunities within Servicing Portfolio

Nationstar MORTGAGE

- Portfolio contains significant opportunities for Servicing, Solutionstar and Originations
- Improving economy leads to:
  - ✓ Lower defaults – lowers cost of servicing and extends earnings tail
  - ✓ Improved credit – additional refinance opportunities
- Homesearch.com platform offers ability to capture additional 3rd party property sales

Voluntary Prepays: Refinance Opportunities[1]

Total Voluntary Prepays (over 5 years)	750,000 units
Recapture Rate	*45%*
Recapture Opportunity	**~340,000 units**

Involuntary Prepays: Property Sales Opportunities[1]

Total Involuntary Prepays (over 5 years)	165,000 units
REO Property Sales Opportunities	**165,000 units**

~ 8mm annual U.S. real estate transactions[2]; significant market for NSM

1) For illustrative purposes only. This illustration uses assumptions that affect results shown, including assumptions that are based on factors that are beyond NSM's control. Actual results could differ materially from this illustration. Voluntary prepays assumes average CRR of 9.5% per year for entire portfolio over five year period. Involuntary prepays assumes average CDR of 7% on PLS portfolio over five year period. NSM currently does not dispose of REO properties on GSE portfolios
2) MBA Mortgage Finance Forecast, January 2014. 2014 existing home sales of 5.3mm and refinance volume of $440B. Assuming an average refinance amount of $175,000 this equates to 2.5 million refinance originations

Originations

Business Overview

- 12th largest originator[1] with $24B originated in FY'13
- Cost-effective and profitable means to generate servicing assets
- Platform designed to sustain servicing portfolio through replenishment
  - ✓ Funded $5.5 billion in the 4th quarter

2014 / Beyond

Focused on consumer direct, reducing turn times and increasing profitability[2]

- Right size operations for volume expectations; increase loan officer efficiency
- Manage pipeline turn-times to 45 - 60 days
- Opportunistically originate through correspondent channel
- Expand purchase money and prepare for return of PLS market

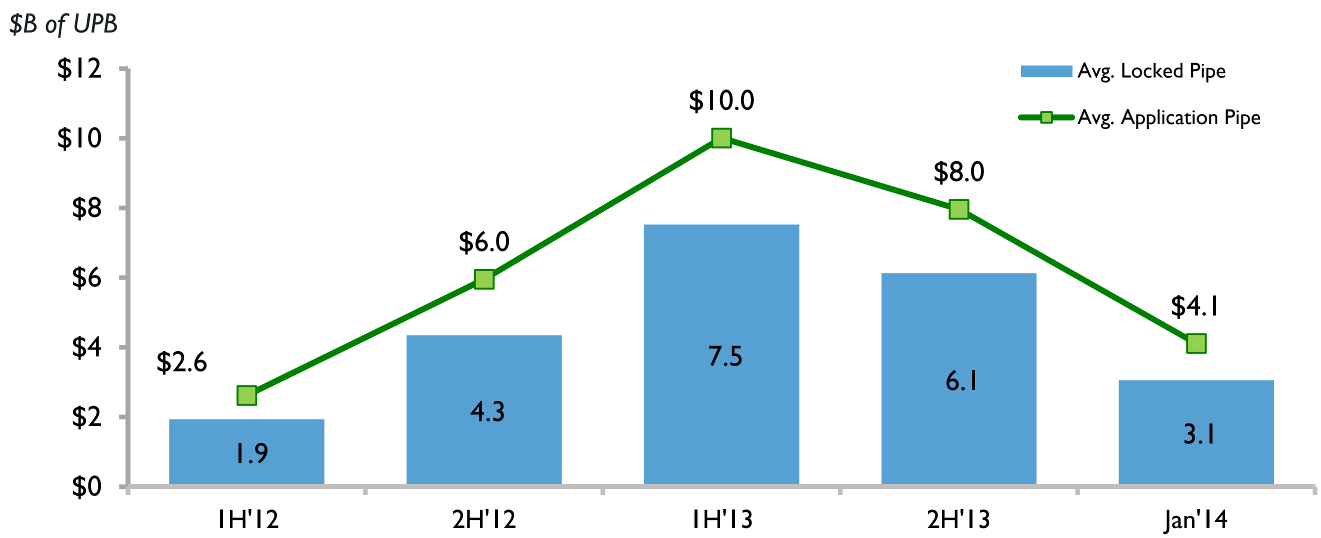
1) Inside Mortgage Finance; 12M'13 Top Mortgage Lenders
2) Statements regarding originations profitability are forward looking statements and based on a number of factors outside of our control. Results could differ materially. See "Forward Looking Statements" at the beginning of this presentation

Originations: Return to Profitability(1)

Expect normalized consumer direct expenses of 250 – 275 bps per loan & pretax income of 125 bps(1)

- Focus on highest-margin core consumer direct channel
  - ✓ January locks at ~ 400 bps priced-in margin
- Return to profitability in early '14
- Operational initiatives deployed to improve throughput, efficiency and loan officer productivity
  - ✓ $15mm per quarter reduction in expense
- Q4'13 recapture rate of 49%; targeting 50%+ in FY'14 and beyond

Application / Locked Pipeline



Targeting return to more rapid turn times in Q1'14(2)

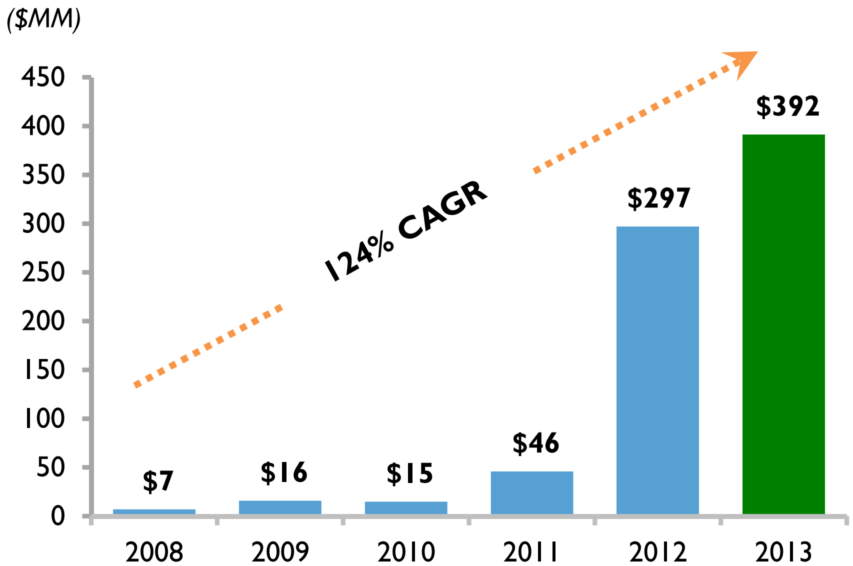
- ✓ ***Improved customer service***
- ✓ ***Lower funding costs***
- ✓ ***Lower hedging costs***

1) Components of origination profitability for illustrative purposes only. Actual 2014 results could differ materially from this illustration. See "FLS" at the beginning of this presentation
2) Targeting 45-60 turn times on new applications by end of Q1. Overall turn time may remain elevated through 1H'14 as NSM continues to fund out the current pipeline.

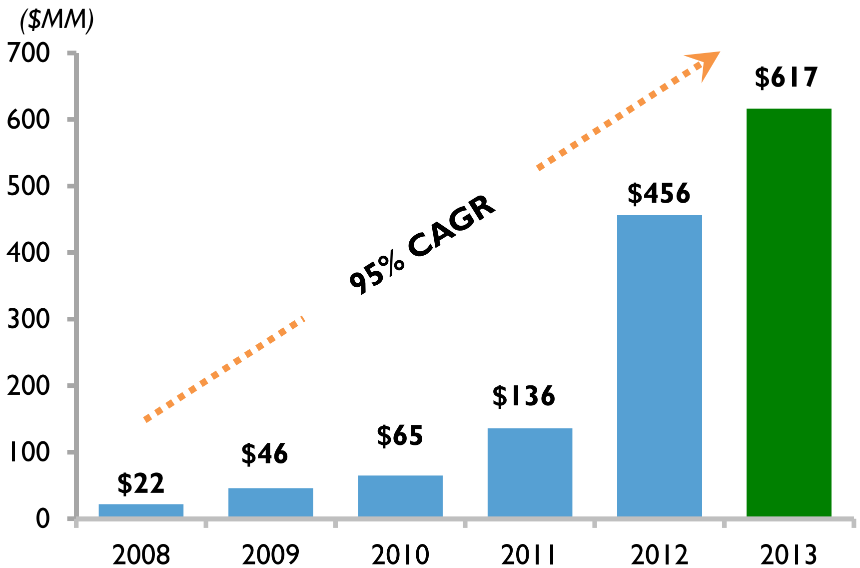
FY'13 Financial Results

	FY '12	FY '13	Increase (YoY)
Revenue[1]	$984mm	$2,096mm	113%
AEBITDA[1][2]	$456mm	$617mm	35%
Pretax Income[1][3]	$297mm	$392mm	32%

Annual Pretax Income Growth [1]



Annual AEBITDA Growth[1]



1) For operating segments
2) Please see Appendix for additional information on non-GAAP numbers and reconciliations
3) Fiscal year 2013 pretax income includes $118 million of ramp and other one-time expenses

Consolidated Performance

- FY'13: GAAP EPS of $2.40; pro forma EPS of $3.20[1]
- Q4'13: GAAP EPS of ($0.56); pro forma EPS of ($0.23)[1]
    - ✓ One-time expenses before tax totaling $51mm including severance and other one-time expenses ($28mm) and write-off of financing facility fees related to NRZ advance sale ($23mm)
- Loss primarily attributable: challenging originations market conditions and one-time expenses related to sale of advances to NRZ
- Originations revenue down due to rising interest rates / lower levels of locks; expenses up due to funding out pipeline

	Q4 '13				Q3'13
($ millions except where noted)	**Servicing**	**Originations**	**Operating**	**Total[2]**	**Total**
Pre-Tax Income	75.0	(142.5)	(67.5)	(85.9)	132.1
Net Income				(50.9)	81.9
GAAP EPS				$ (0.56)	$ 0.91
Pro forma Pretax Income[1]	111.7	(127.9)	(16.2)	(34.6)	157.1
Pro forma EPS[1]				$ (0.23)	$ 1.08
AEBITDA[1][2]	145.8	(120.8)	25.0	8.2	
Average Shares O/S				90.6	90.4

1) Please refer to Appendix for additional information on non-GAAP numbers and reconciliations
2) Includes Legacy segment

2014 and Beyond

- We are increasing our profitability through our fee-services business; larger contribution to bottom line
- Improving economy will improve servicing profitability through lower delinquencies and extend earnings tail
- Significant opportunities
  - ✓ Servicing portfolio growth
  - ✓ Acquisition of fee-services businesses

Confirming Guidance

	2014E
AEBITDA per share(1)	$13.50 - $15.00
Earnings per share(1)	$4.50 - $6.00

Servicing-driven earnings with predictable and recurring revenue stream

1) Please refer to Appendix for information regarding non-GAAP numbers, including 2014E AEBITDA and EPS

Investable Cash

Significant cash expected from operations and advance sales

Pro Forma Cash[1]

($mm)

Cash Balance – Q4'13	**$442**
NRZ Advance Sale – Phase II[2][3]	$150
NRZ Advance Sale – Phase III[2][3]	$115
Estimated Investable Cash Flow – 2014[4]	$480
Pro Forma Cash Balance	**$1,187**

Pro Forma Cash potential uses[1]…

- ✓ New investments exceeding return hurdles
- ✓ Retire high coupon debt
- ✓ Return capital to shareholders

1) Please refer to Endnotes for information regarding pro forma cash. No assurances can be made that pro forma cash will be used on the examples listed
2) NRZ has the right but not the obligation to close on remaining advances at substantially the same terms as the first transaction
3) Expected proceeds from NRZ advance sale phase II and phase III have been reduced by $80 million as a result of actual advances recovered in 2014. As a result, expected investable cash for 2014 has been increase by the corresponding amount of $80 million. Overall pro forma cash expectations for 2014 remain unchanged.
4) Illustrative example based on midpoint of 2014 AEBITDA guidance. Illustrative example assumptions: Interest expense on $2.4B senior notes; 38% tax rate; and retained MSR value of 100 bps. Please refer to Appendix for information regarding Investable Cash Flow. Actual results could differ materially from this illustration

Committed to Delivering Long-Term Shareholder Value

Execution on strategic and operational initiatives will lead to increased shareholder value

I ***Core Servicing: predictable, stable cash flows***

- ✓ Continued execution on profitability initiatives
- ✓ Pipeline opportunities remain robust
- ✓ Improving economy should translate to increased profitability with longer earnings tail

II ***Solutionstar: high margin, fee-for-service business***

- ✓ Execute on amplified property sale opportunities through recent portfolio acquisitions
- ✓ Expand service offerings to create one-stop shop providing full spectrum of real estate services
- ✓ Launch new products / technology platforms; increase 3rd party business

III ***Originations: cost-effective and profitable creation of long-term servicing assets***

- ✓ Intensified focus on core consumer-direct channel
- ✓ Right size operations; become more efficient; lower operating costs

IV ***Deployment of Investable Cash***

Appendix

Servicer Advance Sales Update

Advance Sale

I

- Date completed: Dec. '13
- Advance balance sold: $3.2B
- Related right to MSR "RMSR" sold: $58B
- Proceeds to NSM: $336mm

II

- Expected completion: Feb. / Mar. '14
- Expected advances to be sold: $1.6B
- Expected related "RMSR" to be sold: $31B
- Expected proceeds to NSM: $150mm(1)

III

- Expected completion: 2014
- Expected advances to be sold: $1.2B
- Expected related "RMSR" to be sold: $40B
- Expected proceeds to NSM: $115mm(1)

Description	RMSR Structure	NSM P&L Presentation
*Paid to **NSM***	**Ancillary Fees** *Up to 10 bps*	*"Servicing Fee Income"*
*Paid to **NSM***	**Servicing Fee** *2 bps*	*"Servicing Fee Income"*
*Retained by **NRZ** to meet target return on investment* *If target return is met, excess above target return split 50/50 to **NSM** / **NRZ**; up to nearly 8 bps paid to **NSM***	**Retained Fee** *15 bps*	*Gross servicing fees collected flow through "Servicing Fee Income". The Retained & Performance Fee remitted to NRZ will be a deduction from "Servicing Fee Income". Quarterly, NSM will mark-to-market the "Mortgage Servicing Rights Financing Liability" to fair value. The MTM entry flows through "Servicing Fee Income". An increase in the FV of the liability will decrease "Servicing Fee Income" and a decrease in the FV of the liability will increase "Servicing Fee Income"*
*If **NRZ** target return is met, 100% of fee to **NSM*** *If **NRZ** target return is not met, portion of fee required for target return to **NRZ**, with remaining to **NSM***	**Performance Fee** *5 bps*	
*Owned by **NSM** (2bps), **NRZ**, and affiliated funds to meet target return on investment*	**Excess Fee** *11 bps*	*Gross servicing fees flow through "Servicing Fee Income". Excess Spread treated as financing by GAAP. Portion of remittance treated as "principal" will be a deduction from "Servicing Fee Income". Portion of remittance treated as "interest" flows through interest expense. Quarterly, NSM will mark-to-market the excess spread liability to FV*

1) Expected proceeds from NRZ advance sale phase II and phase III have been reduced by $80 million as a result of actual advances recovered in 2014. As a result, expected investable cash for 2014 has been increase by the corresponding amount of $80 million.

Pro Forma Per Share Reconciliations

Nationstar MORTGAGE

($ in millions)	Q4'13	Q3'13	Q2'13	Q1'13
Net Income	**($50.9)**	**$81.9**	**$123.5**	**$62.6**
Income Tax	(35.0)	50.2	75.7	38.4
Pretax Income	(85.9)	132.1	199.1	101.0
Ramp and one-time expenses	51.3	25.1	19.4	22.2
Pro forma Pretax Income	**($34.6)**	**$157.1**	**$218.5**	**$123.2**
Income Tax	14.1	(59.7)	(83.0)	(46.8)
Pro Forma Income	**($20.5)**	**$97.4**	**$135.5**	**$76.4**
Pro-forma Per Share:	**($0.23)**	**$1.08**	**$1.50**	**$0.85**
Average shares outstanding	90.6	90.4	90.4	89.9

AEBITDA and Pro Forma Pre-Tax Income Reconciliation

Nationstar MORTGAGE

For Quarter Ended December 31, 2013

($ in millions)	Servicing	Originations	Operating	Legacy	Total
Adjusted EBITDA	**$145.8**	**($120.8)**	**$25.0**	**($16.8)**	**8.2**
Interest expense on corporate notes	(35.7)	(14.8)	(50.5)	-	(50.5)
MSR valuation adjustment	21.0	-	21.0	-	21.0
Excess spread adjustment	(40.1)	-	(40.1)	-	(40.1)
Depreciation & amortization	(6.0)	(2.8)	(8.8)	(1.1)	(9.9)
Stock-based compensation	(1.7)	(0.7)	(2.4)	-	(2.4)
Fair value adjustment for derivatives	-	-	-	0.3	0.3
Hedge ineffectiveness	0.4	-	0.4	-	0.4
Restructuring Charges	(8.6)	(3.5)	(12.1)	(0.8)	(12.9)
Pre-Tax Income	**$75.0**	**($142.5)**	**($67.5)**	**($18.4)**	**($85.9)**
Income Tax					35.0
Net Income					**($50.9)**
Earnings per share[1]					**($0.56)**
AEBITDA per share[1]	$1.61	($1.33)	**$0.28**	($0.19)	**$0.09**
Pre-Tax Income per share[1]	$0.83	($1.57)	**($0.75)**	($0.20)	**($0.95)**
Average shares outstanding	90.6	90.6	90.6	90.6	90.6
Pre-Tax Income	**$75.0**	**($142.5)**	**($67.5)**	**($18.4)**	**($85.9)**
Ramp expenses	36.7	14.6	51.3	-	51.3
Pro Forma Pre-Tax Income	**$111.7**	**($127.9)**	**($16.2)**	**($18.4)**	**($34.6)**

1) Calculated using a fully-diluted average share count of 90.6 million shares

AEBITDA and Pro Forma Pre-Tax Income Reconciliation

For Quarter Ended September 30, 2013

($ in millions)	Servicing	Originations	Operating	Legacy	Total
Adjusted EBITDA	**$141.1**	**$28.6**	**$169.7**	**($11.3)**	**158.3**
Interest expense on corporate notes	(33.5)	(12.6)	(46.1)	-	(46.1)
MSR valuation adjustment	14.3	-	14.3	-	14.3
Excess spread adjustment	14.4	-	14.4	-	14.4
Amortization of mort. serv. obligations	0.1	-	0.1	-	0.1
Depreciation & amortization	(4.1)	(2.2)	(6.3)	(0.7)	(7.0)
Stock-based compensation	(1.5)	(0.9)	(2.4)	(0.0)	(2.4)
Fair value adjustment for derivatives	0.1	-	0.1	0.3	0.4
Hedge ineffectiveness	0.1	-	0.1	-	0.1
Pre-Tax Income	**$130.9**	**$12.9**	**$143.8**	**($11.7)**	**$132.1**
Income Tax					(50.2)
Net Income					**$81.9**
Earnings per share[(1)]					**$0.91**
AEBITDA per share[(1)]	$1.56	$0.32	**$1.88**	($0.13)	**$1.75**
Pre-Tax Income per share[(1)]	$1.45	$0.14	**$1.59**	($0.13)	**$1.46**
Average shares outstanding	90.4	90.4	90.4	90.4	90.4
Pre-Tax Income	**$130.9**	**$12.9**	**$143.8**	**($11.7)**	**$132.1**
Ramp expenses	17.1	7.9	25.1	-	25.1
Pro Forma Pre-Tax Income	**$148.0**	**$20.8**	**$168.8**	**($11.7)**	**$157.1**

1) Calculated using a fully-diluted average share count of 90.4 million shares

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	**$1.08**	($0.02)	**$1.05**

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

AEBITDA Reconciliation[1] (continued)

($ in thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Net Income (loss)	**$ (157,610)**	**$ (80,877)**	**$ (9,914)**	**$ 20,887**	**$ 205,287**	**$ 217,054**
Adjust for:						
Net loss from Legacy Portfolio and Other	164,738	97,263	24,806	24,892	20,483	45,248
Interest expense from unsecured senior notes	-	-	24,628	30,464	63,879	166,402
Depreciation and amortization	1,172	1,542	1,873	3,395	8,880	23,869
Change in fair value of MSRs	11,701	27,915	6,043	39,000	68,242	(58,458)
Amortization of mortgage servicing obligations	-	-	-	-	(5,120)	(642)
Fair value changes on excess spread financing	-	-	-	3,060	10,684	73,333
Share-based compensation	1,633	579	8,999	14,764	14,045	10,547
Exit costs	-	-	-	1,836	-	12,078
Fair value changes on interest rate swaps	-	-	9,801	(298)	(1,237)	(1,465)
Ineffective portion of cash flow hedge	-	-	(930)	(2,032)	-	(545)
Income tax expense	-	-	-	-	71,296	129,200
Adjusted EBITDA	**$ 21,634**	**$ 46,422**	**$ 65,306**	**$ 135,968**	**$ 456,439**	**$ 616,621**

1) For operating segments; excludes legacy

Endnotes

2014 Estimate EPS *2014 Estimate EPS 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. Our actual EPS for 2014 on an annualized basis may differ from our 2014(E) EPS.*

2014 Estimate AEBITDA Per Share *2014 Estimate AEBITDA Per Share 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 and 2013 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.*

Pro forma Net Income (“Pro forma Net Income”) *This disclaimer applies to every usage of pro forma Net Income in this presentation. Pro forma Net 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 Q4 ’13 Net Income excludes certain expenses related to the acquisition of the $200 billion servicing portfolio from Bank of America and other one-time expenses. These expenses include the advance hiring of servicing staff, recruiting expenses and licensing expenses, severance expenses and expenses related to the write-off of advance financing facility fees related to the advance sale to NRZ.*

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 Q4 ’13 EPS excludes certain expenses related to the acquisition of the $200 billion servicing portfolio from Bank of America and other one-time expenses. These expenses include the advance hiring of servicing staff, recruiting expenses and licensing expenses, severance expenses and expenses related to the write-off of advance financing facility fees related to the advance sale to NRZ.*

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 Q4 ’13 Pre-Tax Income excludes certain expenses related to the acquisition of the $200 billion servicing portfolio from Bank of America and other one-time expenses. These expenses include the advance hiring of servicing staff, recruiting expenses and licensing expenses, severance expenses and expenses related to the write-off of advance financing facility fees related to the advance sale to NRZ.*

Investable Cash Flow *This disclaimer applies to every usage of “Investable Cash Flow” in this presentation. Invested Cash Flow is a key performance metric used by management in evaluating the performance of our business. Investable Cash Flow represents our AEBITDA less interest expense from unsecured senior notes, income taxes paid and mortgage servicing rights resulting from sale or securitization of mortgage loans.*

Pro forma Cash Flow *This disclaimer applies to every usage of “Pro forma Cash Flow” in this presentation. Pro forma Cash Flow is a key performance metric used by management in evaluating the performance of our business. Pro forma cash flow represents ending Q4’13 cash balance, expected cash to be generated for two potential future advance sales to NRZ, and the expected Investable Cash Flow generated in 2014.*

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“).*

NOTE: 2014 Estimate EPS 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.