Walter Investment Management Corp.

Fourth Quarter 2013 Earnings Presentation

February 27, 2014

Forward-Looking Statements and Non-GAAP Financial Measures

This document contains forward-looking statements, including forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Walter Investment's outlook for 2014, plans, beliefs, objectives, expectations, assumptions and intentions, and other statements that are not historical or current facts. Forward-looking statements are based on Walter Investment's current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. In addition, these statements are based on a number of assumptions that are subject to change. Accordingly, actual results may be materially higher or lower than those projected. The inclusion of such projections herein should not be regarded as a representation by Walter Investment that the projections will prove to be correct. This document speaks only as of this date. Walter Investment disclaims any duty to update the information herein except as otherwise required by law.

Factors that could cause Walter Investment's results to differ materially from current expectations or affect the Company's ability to achieve anticipated core earnings and EBITDA include, but are not limited to:

- local, regional, national and global economic trends and developments in general, and local, regional and national real estate and residential mortgage market trends in particular;
- continued uncertainty in the United States, or U.S., home sales market, including both the volume and pricing of sales, due to adverse economic conditions or otherwise;
- fluctuations in interest rates and levels of mortgage originations and prepayments;
- risks related to our acquisitions, including our ability to successfully integrate large volumes of assets and servicing rights, as well as businesses and platforms that we have acquired or may acquire in the future into our business, and our ability to obtain approvals required to acquire these assets and servicing rights;
- risks related to the financing incurred in connection with past or future acquisitions, including our ability to achieve cash flows sufficient to carry our debt and otherwise comply with the covenants of our debt;
- delay or failure to realize the anticipated benefits we expect to realize from past or future acquisitions including any indemnification rights;
- our ability to successfully operate the loan originations platforms that we acquired in early 2013 and 2012, which are significantly larger than our prior originations business;
- the occurrence of anticipated growth of the specialty servicing sector and the reverse mortgage sector;
- the effects of competition on our existing and potential future business, including the impact of competitors with greater financial resources and broader scopes of operation;
- our ability to raise capital to make suitable investments to offset run-off in a number of the portfolios we service and to otherwise grow our business;
- our ability to implement strategic initiatives, particularly as they relate to our ability to develop new business, including the development of our originations business, the implementation of delinquency flow programs and the receipt of new business, all of which are subject to customer demand and approval;
- our ability to earn anticipated levels of performance and incentive fees on serviced business;
- the availability of suitable investments for any capital that we are able to raise and risks associated with any such investments we may pursue;
- changes in federal, state and local policies, laws and regulations affecting our business, including mortgage and reverse mortgage originations and/or servicing, and changes to our licensing requirements;
- changes caused by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, including regulations required by the Dodd-Frank Act that have not yet been promulgated or have yet to be finalized;
- increased scrutiny and potential enforcement actions by the Consumer Financial Protection Bureau, or the CFPB;
- uncertainties related to regulatory pressures on large banks related to their mortgage servicing, as well as regulatory pressure on the rest of the mortgage servicing sector, including increased performance and compliance standards and reporting obligations and increases to the cost of doing business as a result thereof;
- changes in regards to the rights and obligations of property owners, mortgagors and tenants;
- our ability to remain qualified as a government-sponsored entity, or GSE, approved seller, servicer or component servicer, including the ability to continue to comply with the GSEs' respective loan and selling and servicing guides;
- changes to the Home Affordable Modification Program, or the HAMP, the Home Affordable Refinance Program, or HARP, the Home Equity Conversion Mortgage, or HECM, Program or other similar government programs;
- loss of our loan servicing, loan origination, insurance agency, and collection agency licenses;
- uncertainty relating to the status of GSEs;
- uncertainty related to inquiries from government agencies into servicing, foreclosure, loss mitigation, and lender-placed insurance practices;
- uncertainties related to the processes for judicial and non-judicial foreclosure proceedings, including potential additional costs, delays or moratoria in the future or claims pertaining to past practices;
- unexpected losses resulting from pending, threatened or unforeseen litigation or other third-party claims against the Company;
- changes in public opinion on mortgage origination, loan servicing and debt collection practices;
- the effects of any changes to the servicing compensation structure for mortgage servicers pursuant to programs of government-sponsored entities or various regulatory authorities; changes to our insurance agency business, including increased scrutiny by federal and state regulators and GSEs on lender-placed insurance practices and restrictions on our insurance agency's receipt of commissions on lender-placed insurance;
- the effect of our risk management strategies, including the management and protection of the personal and private information of our customers and mortgage holders and the protection of our information systems from third-party interference (cyber security);
- changes in accounting rules and standards, which are highly complex and continuing to evolve in the forward and reverse servicing and originations sectors;
- uncertainties relating to interest curtailment obligations and any related financial and litigation exposure;
- the satisfactory maintenance of effective internal control over financial reporting and disclosure controls and procedures;
- our continued listing on the New York Stock Exchange, or the NYSE; and
- the ability or willingness of Walter Energy, Inc., or Walter Energy, our prior parent, and other counterparties to satisfy material obligations under agreements with us.
- **Other factors relating to our business in general as detailed in Walter Investment's 2013 Annual Report on Form 10-K and other periodic reports filed with the U.S. Securities and Exchange Commission.**

To supplement Walter Investment's consolidated financial statements prepared in accordance with GAAP and to better reflect period-over-period comparisons, Walter Investment uses non-GAAP financial measures of performance, financial position, or cash flows that either exclude or include amounts that are not normally excluded or included in the most directly comparable measure, calculated and presented in accordance with GAAP. Non-GAAP financial measures do not replace and are not superior to the presentation of GAAP financial results, but are provided to (i) measure the Company's financial performance excluding depreciation and amortization costs, corporate and MSR facility interest expense, transaction and merger integration-related costs, certain other non-cash adjustments, the net impact of the consolidated Non-Residual Trust VIEs and certain other items including, but not limited to pro-forma synergies, (ii) provide investors a means of evaluating our core operating performance and (iii) improve overall understanding of Walter Investment's current financial performance and its prospects for the future.

Specifically, Walter Investment believes the non-GAAP financial results provide useful information to both management and investors regarding certain additional financial and business trends relating to financial condition, operating results and cash flows. In addition, management uses these measures for reviewing financial results and evaluating financial performance and cash flows. The non-GAAP adjustments for all periods presented are based upon information and assumptions available as of the date of this presentation. Reconciliations can be found in the Appendix to this presentation and our press release dated February 27, 2014.

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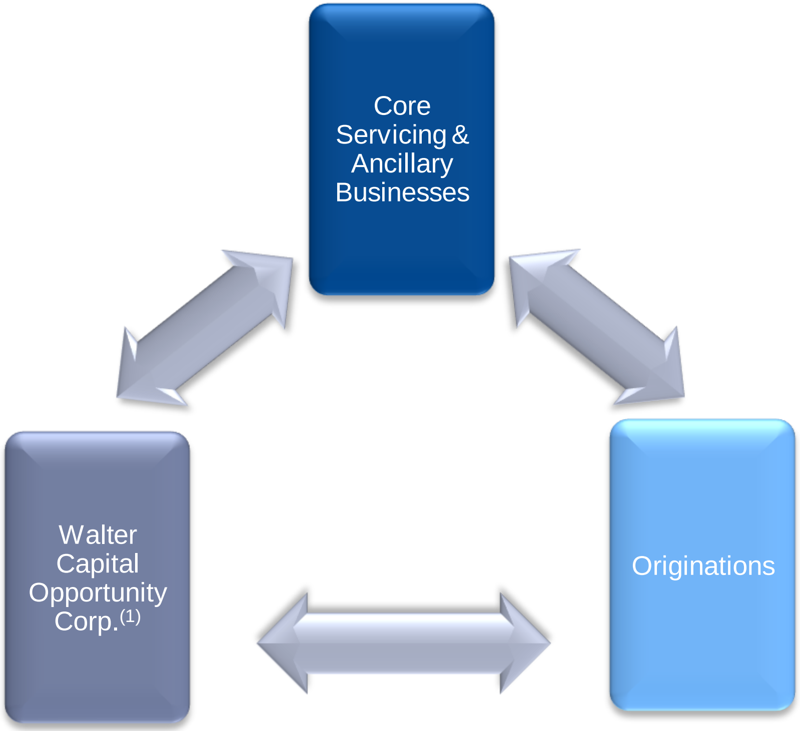
Walter Investment Overview –Differentiated Platform

- Value added business model designed to align interest with owners of credit / GSEs
- Servicing model dedicated to ensuring regulatory compliance and serving consumers' needs
- Growth concentrated in GSE product on Green Tree platform
- Platform and servicing quality highly rated by S&P, Moodys, Fitch and FNMA
- Opportunistic asset transactions structured to limit assumed liabilities and risks
- Originations driven by retention opportunity – transition underway to retail/correspondent channels
- Market leading Reverse Mortgage platform
- Ancillary businesses leverage the 2 MN unit servicing book
- Transition to "Capital Light" model underway with WCO



(1) Expected to be established.

Please refer to the introductory slides of this presentation, as well as additional disclosures in the Appendix and in our December 31, 2013 Form 10-K and other filings with the SEC, for important information regarding Forward-Looking Statements and the use of Non-GAAP Financial Measures.

Highly Successful 2013 for WAC

- Attractive, solid financial results
  - GAAP net income of $254 MN, or $6.63 per diluted share
  - AEBITDA of $692 MN; Core EPS after tax of $9.63 per diluted share
- Strong execution on debt refinancing
  - Issued $575 MN of senior unsecured notes - diversifies the capital structure
  - Reduced the rate, amortization and transitioned to a covenant light structure on the term loan
- Strong returns on and growth in book value
  - 2013 Core ROE 31%, up from 9% in 2012
  - Book value increase of 30% to $1.2 BN
- Servicing boarded 1 MN accounts while maintaining or improving our excellent servicer ratings
- Originations funded $16 BN of UPB in start up year
  - 39% recapture rate on GSE 1st lien portfolio
- 2013 Available Cash of $456 MN

Strong execution of the 2013 business plan.

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2013 Financial Highlights

Servicing

- $265 MN of AEBITDA
- $286 MN of pre-tax Core Earnings
- Generated over $100 MN of Incentive and Performance related fees
- Serviced UPB of approximately $200 BN, a 162% increase over 2012
- Continue to convert against business development opportunities
  - Over $53 billion UPB of announced/pending transactions

Originations

- $284 MN of AEBITDA since start-up in February
- $273 MN of pre-tax Core Earnings
- Average direct margin in consumer lending channel of 345 bps
- Recapture rate of 39% on the GSE 1st lien portfolio for the year
- Originated more than 63,000 HARP loans during 2013
- Among Fannie Mae's top HARP lenders since mid 2013

Reverse

- $45 MN of AEBITDA
- $40 MN of pre-tax Core Earnings
- Originated approximately $3 BN of UPB in 2013
- Issued $3 BN of HECM securitizations in 2013; #1 GNMA issuer in 2013
- Average cash gain spread of 336 bps
- At December 31, 2013 the segment serviced nearly 97,000 accounts with a UPB of $16 BN
- Favorable long-term demographics

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Servicing Margin / Review

2013 Servicing Margin Summary

$ in millions		AEBITDA		Core Earnings
Servicing	$	265	$	286
ARM		19		18
Insurance		52		52
	$	335	$	356
Fair value adjustment				(176)
Amortization of fair value adjustment(1)				20
	$	335	$	200
Servicing margin (in bps)		19		11
Average UPB Serviced (in billions)	$	179	$	179

- **Analysis of performance requires consolidation of ancillary businesses for comparability to peers**
- **2013 results not reflective of "normalized" margin due to the significant impact of HARP product and new portfolios boarded**
  - **MSR cost/amortization reflects HARP value**
  - **Retention efforts increase servicing expenses**
  - **Sizable ramp costs of approximately $15 million to board 1 million units**
- **Servicing margin on existing portfolio expected to increase 2 – 4 bps over time as HARP activity recedes, purchased portfolios mature, credit quality improves and efficiency programs are implemented**
- **Given impact of HARP on WAC portfolios, servicing performance must be viewed in conjunction with originations contribution of $284 MN AEBITDA and $273 MN pre-tax Core Earnings in 2013**

(1) Amount by which realization of expected cash flows is expected to change as a result of prior fair value adjustments.

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Positive Sector Fundamentals Remain Solidly in Play

- **Potential for $1 TN of servicing to transfer in next several years**
  - **$ 1 TN of delinquent loans plus $3 - $4 TN of credit sensitive or "non-core" loans create "target" market of $4 - $5 TN**
  - **Prime servicing opportunity additive to target market**
- **Depositories keenly focused on "core" clients and core competencies**
  - **Outsource "non-core" servicing**
  - **Reduce legacy servicing costs**
- **Capital availability in sector is strong with an improving cost of capital and innovative capital structures adding to liquidity**
- **Mortgage market continues to undergo significant change providing multiple opportunities**
  - **QM rules**
  - **Weak credit availability**
  - **Non-conforming product / servicing**
  - **Return of private capital**
  - **GSE Reform**

Walter Investment is well positioned to continue to capitalize on the significant sector opportunity.

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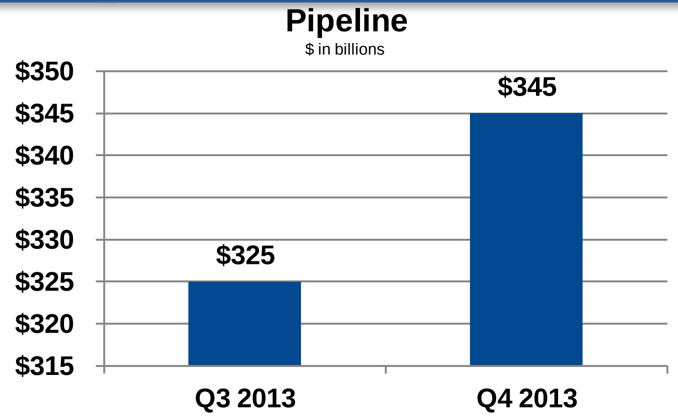
Positioned to Benefit from Sector Drivers

Pipeline* Continues to Show Strength

- ✓ Depository focus on "core" versus "non-core" assets
- ✓ Outsource and subservicing discussions more prominent
- ✓ Flow opportunities accelerating
- ✓ Slow originations market causing smaller originators to monetize MSR



Regulatory/Transfer Environment

- ✓ Transactions receiving high level of review
- ✓ Emphasis on consumer experience, servicing quality and counterparty risk

Significant Alignment with Green Tree's Platform

- ✓ Best practices for transactions including:
  - Detailed capacity planning
  - Extensive pre-boarding due diligence
  - Low accounts per employee ratio
  - Highest servicer quality ratings
  - Strong financial performance, balance sheet and earnings
  - Demonstrated excellence in executing on large transfers

* "Pipeline" refers to opportunities or potential opportunities in the market for products within our strategic profile that we have identified as targets to add to our servicing portfolio through either the acquisition of MSR or sub-servicing contracts. In each case we have contacted the seller or its representative to register our interest, or are currently engaged in discussions or negotiations directly with the seller or its representative. The status of "pipeline opportunities" varies from early stage contact through exclusive negotiations. There can be no guarantee that any of the opportunities in our pipeline will result in purchases or contracts added by the Company.

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Illustrative Portfolio Replenishment[1]

Illustrative Portfolio Replenishment with No Growth

Serviced UPB at December 31, 2013	$200 BN
Disappearance (before recapture):	16% or $32 BN
Blended Margin of Runoff (AEBITDA / Average UPB)	12 - 14 bps

Illustrative 2014 Replenishment Cost (Cash Use)

	Amount	Cash Use
Correspondent channel	$15 BN	$90 MN
Retention channel	$7 BN	$ -
Subservicing	$5 BN	$ -
Pipeline Purchase/Flow:	$11 BN	$50 MN
	$38 BN	$140 MN

Assumptions:

- Correspondent channel cash use based on 1.20% MSR value with 50% retained and 50% sold servicing retained as sub-servicer
- Retention channel is cash positive to originate
- Pipeline purchase based on 75 bps average cost with 40% of purchase funded by excess spread sale
- Blended servicing margin of 10 – 12 bps

(1) This is a hypothetical example for illustrative purposes only and does not represent the portfolio, intentions or expectations of WAC. The portfolio size, disappearance rate and acquisition of MSRs may differ materially from this example. This is not a forecast or projection for 2014 or any subsequent year.

WCO Update

- Final contracts nearing completion
- Planning initial excess spread sale of approximately $100 MN
- Developing pipeline of MSR and other product

Key Benefits

- Transitions WAC to a “capital light” model
- Monetize forward and reverse flow
- Develop highly attractive asset management revenue stream
- Provides an attractive servicing/subservicing flow to Green Tree

2014 Updated Outlook

	Estimated Range
2014 Estimated AEBITDA	$650 - $725 MN
2014 Estimated Core Earnings Per Share	$5.25 - $6.25

2014 Estimated AEBITDA Breakout	Estimated Range $MN
Servicing, ARM and Insurance	$375 - $415
Originations	$160 - $180
Reverse Mortgage	$ 55 - $65
Other[1]	$ 60 - $65
2014 AEBITDA Outlook	$650 - $725

(1) Other comprised of Asset Management, Loans & Residuals and miscellaneous.

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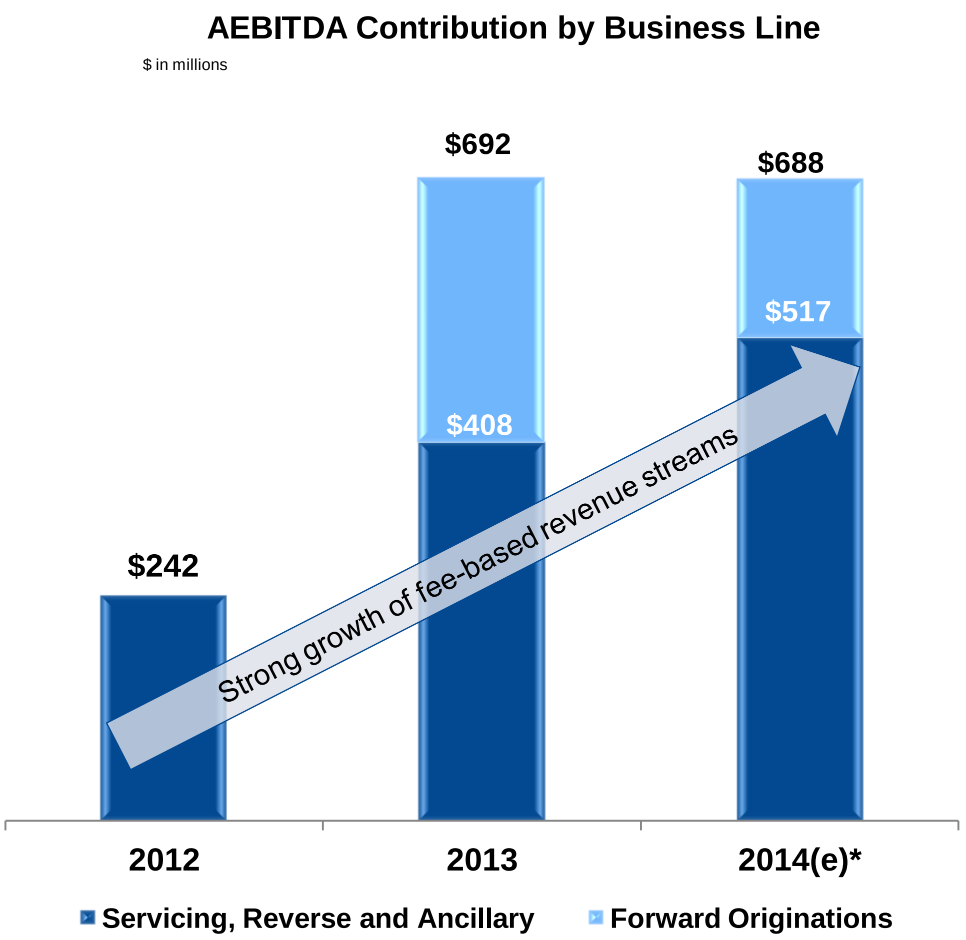
2014 Key Areas of Focus and Earnings Transition

AEBITDA Contribution from High-Margin, Fee-Based, Recurring Revenue Streams Expected to Increase 25% – 30% in 2014

- **Consistent growth in servicing book**
  - Continue to efficiently convert from pipeline
  - Replenishment contribution from Originations
  - Capitalize on "outsource" trend for subservicing
  - Build flow volume
- **Grow key Asset Management revenue stream**
  - Walter Capital Opportunity
- **Accelerate Reverse growth opportunity**
  - Retail franchise build
  - New product opportunity
  - Flow purchase programs
- **Maximize HARP retention opportunity and continue transition of retail and correspondent channels**



*Estimated 2014 AEBITDA based on mid-point of AEBITDA outlook range of $650 - $725 MN.

Key Investment Highlights

1. Walter Investment achieved very strong execution against strategic initiatives in a transformational year
2. Key growth drivers intact as pipeline remains robust and depositories focus on "core" clients
3. 2014 transitional year for originations business as retail and correspondent channel build out continues and non-conforming opportunity is explored
4. Maintaining focus on transition to "capital light" model with WCO as the catalyst
5. More change is coming to the sector as the "new" mortgage market landscape is developed

Walter Investment is uniquely positioned to capitalize on the significant opportunity.

Appendix

Use of Non-GAAP Measures and Definitions

Generally Accepted Accounting Principles ("GAAP") is the term used to refer to the standard framework of guidelines for financial accounting. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, the Company has provided the following non-GAAP financial measures in this presentation: Core Earnings, Adjusted EBITDA and Available Cash. See the definitions below for a description of how these items are presented and see the Non-GAAP Reconciliations for a reconciliation of these measures to the most directly comparable GAAP financial measures.

Management considers Core Earnings, Adjusted EBITDA and Available Cash to be useful to help better understand the Company's financial performance, competitive position and prospects for the future. Core Earnings and Adjusted EBITDA are utilized to assess the underlying operational performance of the continuing operations of the business. In addition, analysts, investors, and creditors may use these measures when analyzing the Company's operating performance. In addition, the Company manages the business based upon the achievement of Core Earnings, and Adjusted EBITDA and to have a basis to compare underlying operating results to prior and future periods. Management believes Available Cash is useful as a supplemental indicator of the cash capable of being generated by the business during the relevant period and for that purpose considers the values of the OMSRs created during the period as equivalent to cash on the assumption that such OMSRs could have been sold during the period for cash equivalent to their fair value reflected in our books. Available Cash does not represent residual cash flow and is not necessarily available for investment, as some or all of it may be required for debt service and other working capital needs.

Use of the terms Core Earnings, Adjusted EBITDA and Available Cash may vary from other companies in the Company's industry, as they are not presentations made in accordance with GAAP. These measures should not be considered as alternatives to (1) net income (loss) or any other performance measures determined in accordance with GAAP or (2) operating cash flows determined in accordance with GAAP. These measures have important limitations as analytical tools, and should not be considered in isolation or as substitutes for analysis of the Company's results as reported under GAAP. Because of these limitations, these measures should not be considered as measures of discretionary cash available to the Company to invest in the growth of its business.

Core Earnings is a performance metric that is used by management to exclude certain items in an attempt to provide a better earnings per share metric to evaluate our Company's underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business for a given period. Core earnings reflects income before income taxes, excluding certain depreciation and amortization costs related to the increased basis in assets acquired within business combination transactions, or step-up depreciation and amortization, transaction and integration costs, share-based compensation expense, certain other non-cash adjustments, and the net impact of the consolidated Non-Residual Trusts. Core earnings includes both cash and non-cash gains from forward mortgage origination activities. Non-cash gains are net of non-cash charges or reserves provided. Core earnings excludes the impact of the adoption of fair value accounting and includes cash gains for reverse mortgage origination activities. Core earnings may also include other adjustments, as applicable based upon facts and circumstances, consistent with the intent of providing investors a means of evaluating our core operating performance.

A**djusted EBITDA** is a performance metric used by management in evaluating the performance of our Company and its segments. Adjusted EBITDA represents income before income taxes, depreciation and amortization, interest expense on corporate debt, transaction and integration related costs, share-based compensation expense, the net effect of the non-residual trust variable interest entities and certain other non-cash income and expense items. Adjusted EBITDA includes both cash and non-cash gains from forward mortgage origination activities. Adjusted EBITDA excludes the impact of fair value option accounting and includes cash gains for reverse mortgage origination activities. Adjusted EBITDA may also include other adjustments, as applicable based upon facts and circumstances, consistent with the intent of providing investors a means of evaluating our core operating performance.

Available Cash is calculated as Adjusted EBITDA, as described above, less capital expenditures and cash paid for corporate debt interest expense and income taxes.

2014 Estimated Adjusted EBITDA, 2014 Estimated Core Earnings and other amounts or metrics that relate to future earnings projections are forward-looking and subject to significant business, economic, regulatory and competitive uncertainties, many of which are beyond the control of Walter Investment 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 the Company undertakes no duty to update this target. Please refer to the introductory slides of this presentation, as well as additional disclosures in this Appendix and in our Form 10-K and other filings with the SEC, for important information regarding Forward Looking Statements and the use and limitations of Non-GAAP Financial Measures. Because we do not predict special items that might occur in the future, and our outlook is developed at a level of detail different than that used to prepare GAAP financial measures, we are not providing a reconciliation to GAAP of our forward-looking financial measures presented herein.

2013 GAAP Financial Results

$ in millions except per share amounts	YTD 2013	4Q13	3Q13
Income Statement			
Total revenues	$ 1,802.5	$ 402.8	$ 489.2
Total expenses	(1,383.3)	(382.6)	(374.9)
Other gains (losses)	(6.4)	(13.3)	6.5
Income tax (expense) benefit	(159.4)	2.9	(48.1)
Net income	$ 253.5	$ 9.8	$ 72.7
Net income per diluted share	$ 6.63	$ 0.26	$ 1.90

	As of 12/31/2013
Balance Sheet	
Total Assets	$ 17,387.5
Total Liabilities	$ 16,220.5
Equity	$ 1,167.0

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2014 Key Drivers[1]

- **Servicing, ARM and Insurance**
  - Servicing new business additions of $85 – $115 BN at 10 – 12 bps blended margin
  - Servicing portfolio additions of $15 - $25 BN from Originations segment
  - Insurance expected decline of $20 MN due to loss of GSE lender placed policy commissions
- **Originations**
  - $6 - $8 BN UPB from retention channel at 250 – 350 bps direct margin
  - $13 - $17 BN UPB from correspondent channel at 10 – 20 bps direct margin
  - $1 - $2 BN UPB from retail channel at 50 – 100 bps direct margin
  - On-going cost and efficiency programs
- **Reverse**
  - Average servicing UPB of $18 - $20 BN
  - Origination volume of $2.5 - $3.0 BN at 300 – 350 bps cash gain margin; expected net margin from originations of 150 – 175 bps
- **Other**
  - Loans & Residuals expected to generate $20 - $25 MN of AEBITDA
  - Asset Management expected to generate estimated AEBITDA of $35 MN consisting of management fees from existing contracts and WCO
- **Core Earnings Adjustments**
  - Corporate interest expense range of $120 MN - $140 MN
  - Depreciation and amortization range of $160 MN - $190 MN
  - Other range of $10 MN - $15 MN

(1) These are assumptions used in determining our 2014 Updated Outlook and are forward-looking statements. Actual results may differ materially from these assumptions.

Servicing Segment

Servicing Key Metrics

	YTD 2013	4Q13	3Q13
Servicing fees	$ 551.6	$ 142.3	$ 142.1
Incentive and performance fees	101.1	25.6	28.7
Ancillary and other fees	72.8	20.1	20.3
Servicing revenue and fees	$ 725.5	$ 188.0	$ 191.1
Amortization of servicing rights	(39.1)	(8.5)	(9.8)
Realization of expected cash flows and other	(128.6)	(44.6)	(35.2)
Changes in valuation inputs	176.7	23.4	60.5
Net servicing revenue and fees	$ 734.5	$ 158.3	$ 206.5
AEBITDA margin	47.4%	48.1%	44.8%
AEBITDA/average UPB	15 bps	13 bps	13 bps
Serviced UPB (in billions)	$ 202.1	$ 202.1	$ 194.2
Serviced units (in millions)	2.0	2.0	1.8
Average serviced UPB (in billions)	$ 178.7	$ 195.7	$ 194.6
Disappearance rate[1]	17.7%	14.2%	16.2%

[1] Disappearance rates are adjusted for the timing of third party loans as if they were sent to third party, refinanced and returned to the GT portfolio in the same month. Also adjusted for $1.1 BN of refinanced loans from Bank of America reported to the Company in August, but which occurred from March to August.

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Originations Segment

Originations Data by Channel

$ in billions

Applications

	2013	%	4Q13	%	3Q13	%
Consumer Lending	$ 14.3	56%	$ 3.1	50%	$ 3.9	52%
Correspondent Lending	11.1	44%	3.2	50%	3.6	48%
	$ 25.4	100%	$ 6.3	100%	$ 7.6	100%

Pull-Through Adjusted Locked Volume

	2013	%	4Q13	%	3Q13	%
Consumer Lending	$ 11.4	63%	$ 2.5	54%	$ 3.3	61%
Correspondent Lending	6.7	37%	2.1	46%	2.1	39%
	$ 18.1	100%	$ 4.6	100%	$ 5.4	100%

Funded Volume

	2013	%	4Q13	%	3Q13	%
Consumer Lending	$ 9.9	63%	$ 2.6	55%	$ 3.7	60%
Correspondent Lending	6.0	37%	2.1	45%	2.4	40%
	$ 15.9	100%	$ 4.7	100%	$ 6.1	100%

Sold Volume

	2013	%	4Q13	%	3Q13	%
Consumer Lending	$ 9.3	63%	$ 3.0	59%	$ 3.9	62%
Correspondent Lending	5.6	37%	2.1	41%	2.4	38%
	$ 14.9	100%	$ 5.1	100%	$ 6.3	100%

2013 Consumer Lending Origination Economics

bps	YTD	4Q13	3Q13
Gain on Sale[1]	494	482	419
Fee Income[2]	26	5	28
Direct Expenses[2]	(175)	(178)	(156)
Margin	345	309	291

(1) Calculated on pull-through adjusted locked volume.
(2) Calculated on sold volume.

Capitalized MSR

	YTD	4Q13	3Q13
Capitalized MSR (MN)	$ 187.7	$ 69.6	$ 80.6
Sold Loans (BN)	14.9	5.1	6.3
Capitalized MSR Multiple (bps)	126	136	128
Base	116	110	122
Excess	10	26	6
Total	126	136	128

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Reverse Mortgage Segment

Reverse Mortgage Key Metrics

	2013	4Q13	3Q13
UPB funded volume	$2.7 BN	$566 MN	$440 MN
UPB securitized volume	$2.9 BN	$555 MN	$590 MN
Cash gain margin	336 bps	348 bps	342 bps
Serviced UPB (in billions)	$ 15.9	$ 15.9	$ 15.2
Serviced units	96,859	96,859	92,237

Reconciliation of Available Cash to Net Increase in Cash and Cash Equivalents

($ in millions)	For the year ended 12/31/2013	For the three months ended 12/31/2013	For the three months ended 09/30/2013
Income before income taxes	$ 412.8	$ 6.9	$ 120.8
Adjusted EBITDA	$ 691.7	$ 128.8	$ 3.0
Less:			
Cash Interest Expense on Corporate Debt	(100.7)	(28.3)	(25.8)
Cash Taxes	(96.8)	(1.7)	(40.0)
Capital Expenditures	(38.6)	(12.2)	(9.2)
Available Cash	$ 455.6	$ 86.7	$ (72.0)
Net working capital, including net activity for servicing advances (1)	(145.0)	(43.5)	(224.6)
Investment in retained OMSRs (2)	(187.7)	(69.6)	(80.5)
Net investment in originations activity (3)	(91.7)	35.5	93.5
Acquisitions, including related transaction costs (4)	(1,303.6)	(246.5)	(26.1)
Net borrowings of corporate debt (5)	1,322.3	324.1	24.6
Net increase in cash and cash equivalents	$ 49.8	$ 86.5	$ (285.1)

(1) Primarily represents net working capital and net change associated with our servicing advance liabilities.
(2) Represents originated MSRs that have been capitalized upon transfer of loans.
(3) Represents originations activity including purchases and originations of residential loans held for sale, proceeds from sale and payments on residential loans held for sale, net change in master repurchase agreements associated with residential loans held for sale and total net gains on sales of loans less gain on capitalized servicing rights.
(4) Represents payments for acquisitions of businesses net of cash acquired, acquisitions of servicing rights and transaction & integration costs incurred as a result.
(5) Represents proceeds from issuance of debt net of debt issuance costs and payments made during the period.

Walter Investment Management Corp.

Reconciliation of GAAP Income (Loss) Before Income Taxes to Non-GAAP Core Earnings

($ in millions, except per share amounts)

	For the Three Months Ended December 31, 2013		For the Three Months Ended December 31, 2012		For the Year Ended December 31, 2013		For the Year Ended December 31, 2012	
Core Earnings								
Income before income taxes	$	6.9	$	(55.1)	$	412.8	$	(35.5)
Add back:								
Loss on extinguishment of debt		12.5		48.6		12.5		48.6
Transaction and integration costs		2.8		9.2		18.9		15.8
Debt issuance costs not capitalized		8.9		-		15.6		-
Step-up depreciation and amortization		13.4		10.9		51.5		40.9
Step-up amortization of sub-servicing rights (MSRs)		6.5		9.5		30.4		39.3
Fair value to cash adjustments for reverse loans		0.4		2.6		18.0		2.6
Non-cash interest expense		4.0		4.2		12.3		6.1
Non-cash share-based compensation expense		3.2		3.0		13.0		14.2
Net impact of Non-Residual Trusts		2.4		3.3		(2.3)		0.9
Other		5.6		0.1		12.7		1.2
Core Earnings before income taxes	$	66.6	$	36.3	$	595.4	$	134.1
Core earnings after tax (39%)		40.6		22.5		363.2		83.1
Core earnings after tax per diluted common and common equivalent share.	$	1.07	$	0.65	$	9.63	$	2.73

Walter INVESTMENT MANAGEMENT CORP.

Please refer to the introductory slides of this presentation, as well as additional disclosures in the Appendix and in our December 31, 2013 Form 10-K and other filings with the SEC, for important information regarding Forward-Looking Statements and the use of Non-GAAP Financial Measures.

Reconciliation of GAAP Income (Loss) Before Income Taxes to Non-GAAP Adjusted EBITDA

($ in millions)

	For the Three Months Ended December 31, 2013	For the Three Months Ended December 31, 2012	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012
Income before income taxes	$ 6.9	$ (55.1)	$ 412.8	$ (35.5)
Add:				
Depreciation and amortization	19.3	13.3	71.0	49.3
Interest expense	36.2	21.4	127.1	83.4
EBITDA	62.4	(20.4)	610.9	97.2
Add/(Subtract):				
Loss on extinguishment of debt	12.5	48.6	12.5	48.6
Pro forma synergies	-	-	-	3.8
Fair value to cash adjustments for reverse loans	0.4	2.6	18.0	2.6
Transaction and integration-related costs	2.8	9.2	18.9	15.8
Debt issuance costs not capitalized	8.9	-	15.6	-
Non-cash share-based compensation expense	3.2	3.0	13.0	14.2
Provision for loan losses	(1.1)	5.2	1.2	13.3
Residual Trusts cash flows	0.1	3.2	3.6	9.3
Amortization and fair value adjustments of servicing rights	30.5	12.7	(5.5)	50.5
Non-cash interest income	(4.5)	(3.5)	(18.0)	(18.0)
Net impact of Non-Residual Trusts	2.4	3.3	(2.3)	0.9
Other	11.2	0.2	23.8	3.5
Sub-total	66.4	84.5	80.8	144.5
Adjusted EBITDA	$ 128.8	$ 64.1	$ 691.7	$ 241.7

Walter INVESTMENT MANAGEMENT CORP.

Reconciliation of Estimated Core Earnings to Estimated GAAP Income Before Income Taxes

($ in millions)

	For the Year Ended December 31, 2013	For the Year Ended 12/31/2014(1)
Pre-tax core earnings	$ 595.4	$ 360.0
Less:		
Step up depreciation and amortization, including step up amortization of sub-servicing contracts	(81.9)	(67.0)
Loss on extinguishment of debt	(12.5)	
Share-based compensation expense	(13.0)	(14.0)
Transaction and integration costs(2)	(18.9)	-
Debt issue costs not capitalized	(15.6)	
Fair value to cash adjustments for reverse mortgages(3)	(18.0)	(30.0)
Non-cash interest expense	(12.3)	(13.0)
Other (2)	(10.4)	(6.0)
Estimated income before income taxes	$ 412.8	$ 230.0

(1) At the mid-point of the earnings guidance range as presented on slide 10.
(2) We do not predict special items that might occur in the future. The amount reflected includes only actual amounts that occurred during 2013.
(3) Fair value adjustments are by their nature subject to multiple factors that could materially change these amounts, many of which are beyond our control. The amount reflected includes only actual amounts that occurred in during 2013.