Walter INVESTMENT MANAGEMENT CORP.

First Quarter 2014 Earnings Presentation

May 8, 2014

Forward-Looking Statements and Non-GAAP Financial Measures

This document contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which reflect our current views with respect to certain events that may affect our future performance. Statements that are not historical fact are forward-looking statements. Certain of these forward-looking statements can be identified by the use of words such as "believes," "anticipates," "expects," "intends," "plans," "projects," "estimates," "assumes," "may," "should," "will," or other similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed in these forward-looking statements. These forward-looking statements are based on our current beliefs, intentions and expectations. These statements are not guarantees or indicative of future performance. Important assumptions and other important factors that could cause actual results to differ materially from those forward-looking statements include, but are not limited to, those factors, risks and uncertainties described below and in more detail in our Annual Report on Form 10-K for the year ended December 31, 2013 under the caption "Risk Factors," and in our other filings with the SEC.

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:

- In particular (but not by way of limitation), the following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in the forward-looking statements:
- 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;
- 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 develop our loan originations platforms;
- 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;
- the availability of suitable investments for any capital that we are able to raise and risks associated with any such investments we may pursue;
- 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 loan servicing programs and the receipt of new business, all of which are subject to customer demand and various third-party approvals;
- 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 and retain servicing rights and other assets in the future;
- risks related to the financing incurred in connection with past or future acquisitions and operations, including our ability to achieve cash flows sufficient to carry our debt and otherwise comply with the covenants of our debt;
- our ability to earn anticipated levels of performance and incentive fees on serviced business;
- 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;
- changes in the Consumer Financial Protection Bureau, or CFPB's, mortgage loan servicing and origination rules;
- increased scrutiny and potential enforcement actions by federal and state agencies, including pending investigations by the CFPB and the Federal Trade Commission and the investigation by the Department of Housing and Urban Development, or HUD.
- uncertainty related to inquiries from government agencies into foreclosure, loss mitigation, loan servicing transfers and lender-placed insurance practices;
- 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;
- uncertainties related to our ability to meet increasing performance and compliance standards, such as those of the National Mortgage Settlement, 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 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 and future role of GSEs;
- 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 or client or investor 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.

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, interest on debt 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 May 8, 2014.

Walter INVESTMENT MANAGEMENT CORP.

Walter Investment Overview

Diversified Business Centered in the Mortgage Servicing Sector

- Value added business model designed to align interest with owners of credit / GSEs and consumers
- Focus on stable, recurring fee based-revenue streams generated by servicing and ancillary businesses
- Servicing platform and servicing quality highly rated by S&P, Moody's, Fitch and FNMA
- Ancillary businesses leverage the 2.3 MN unit servicing portfolio
- Forward Originations business focused on retention opportunity
- Reverse Mortgage business a leading issuer and highly regarded servicer in reverse mortgage sector
- Investment Management business manages third-party assets, driving fee-based revenue
- Transition to "Capital Light" model underway with WCO

Please refer to the introductory slides of this presentation, as well as additional disclosures in the Appendix and in our March 31, 2014 Form 10-Q and other filings with the SEC, for important information regarding Forward-Looking Statements and the use of Non-GAAP Financial Measures.

Q1 2014 Highlights & Recent Developments

Financial Highlights	• GAAP net income of $17.4 MN, or $0.45 per diluted share • Reduction to fair value of $16 MN after tax or $0.41 per diluted share • AEBITDA of $167.8 MN; Core Earnings after tax of $1.53 per diluted share(1) • Generated Available Cash(2) of $507 MN in the last twelve months
Recent Transaction Activity	• Closed approximately $37 BN in UPB of MSR • Closed on approximately $7 BN in UPB of GNMA subservicing • Acquired the EverBank default servicing platform enhancing GNMA servicing experience and capability
Servicer Ratings	• Received FNMA Four STAR rating for second consecutive year; highest rating awarded to a non-bank servicer • Strong servicer ratings of above average affirmed by Standard & Poors and Fitch Ratings • Recent Moody's report highlights servicing performance resulting in improved value
Capital Vehicle Update	• Final Securities Purchase Agreement for Walter Capital Opportunity executed with York Capital Management • Excess spread sale of approximately $80 MN anticipated in the near term

Receipt of outstanding approvals and strong financial and operational performance serve as solid foundation for 2014 and beyond.

(1) The Company no longer includes changes in valuation inputs as a component of its core earnings calculation and has reflected this change in all previously reported periods as disclosed in this document.

(2) See "Use of Non-GAAP Measures and Definitions" for a definition of Available Cash. See also "Reconciliation of Available Cash to Net Increase in Cash and Cash Equivalents."

Walter INVESTMENT MANAGEMENT CORP.

Q1 2014 Key Segment Highlights

Servicing

- $113 MN of AEBITDA
- $75 MN of pre-tax Core Earnings
- Servicing profitability of 19 bps of AEBITDA/Adjusted Average UPB
- Lowered 30+ delinquencies on the ResCap and BofA portfolios by more than 350 bps since boarding in early 2013
- Disappearance rate of 13.5% net of recapture
- Pipeline* in excess of $300 BN

Originations

- $30 MN of AEBITDA
- $27 MN of pre-tax Core Earnings
- Average direct margin in consumer lending channel of 277 bps; average direct margin in correspondent channel of 16 bps
- Recapture rate of 47% on the GSE 1st lien portfolio
- Funded $3.5 BN of UPB
- Originated more than 14,000 HARP loans
- Continued focus on cost efficiencies resulted in ~$9MN of recurring expense reduction

Reverse

- $(2) MN of AEBITDA
- $(3) MN of pre-tax Core Loss
- Issued $415 MN of HECM securitizations
- Originated approximately $245 MN of UPB
- Average cash gain spread of 363 bps
- New product construct drives future earnings profile
- Favorable long-term demographics

* "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.

Walter Investment Management Corp.

Combined Servicing Margin / Review

Combined Servicing Margin Summary

	3/31/2014				3/31/2013			
	AEBITDA		Core Earnings		AEBITDA		Core Earnings	
Servicing[1] (MN)	$	113	$	74	$	64	$	42
ARM (MN)		4		4		4		4
Insurance (MN)		16		16		9		10
	$	133	$	94	$	77	$	56
Combined servicing margin (in bps)		22		16		19		14
Adjusted Average UPB Serviced (BN)[1]	$	238	$	238	$	162	$	162

- Analysis of performance requires consolidation of ancillary businesses for comparability to peers
- Servicing margin (AEBITDA and Core Earnings) impacted by $13.1 MN benefit related to the settlement of amounts associated with a servicing contract
- Servicing margin calculated as AEBITDA/Adjusted Average UPB Serviced includes a $9.7 MN adjustment to servicing fee economics for MSR acquisitions closed during the quarter

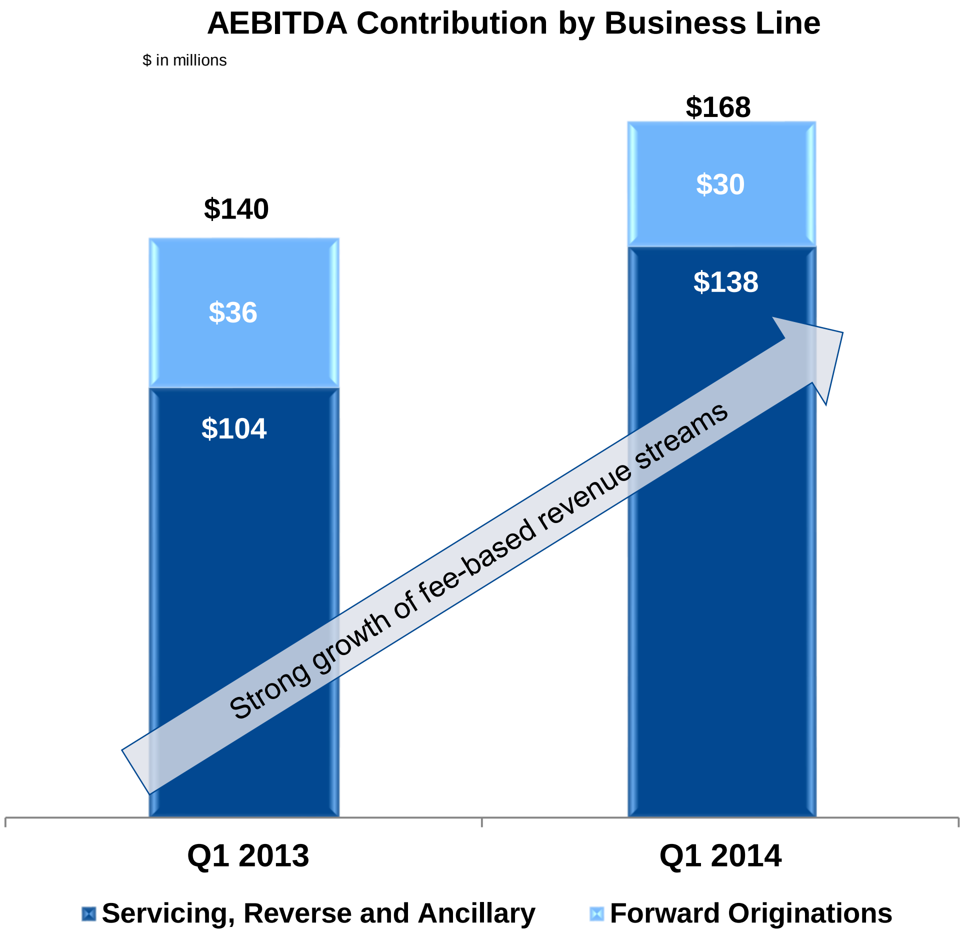
(1) Average UPB and AEBITDA for 1Q 2014 includes adjustments to reflect MSR acquisitions closed during the quarter as though they were closed January 1, 2014 as economics (cash flows) were actually recorded for the full period.

Walter INVESTMENT MANAGEMENT CORP.

Earnings Transition

70 – 75% of 2014 AEBITDA Contribution Expected from High-Margin, Fee-Based, Recurring Revenue Streams

- **Servicing, Reverse and Ancillary businesses generated 82% of Q1 2014 AEBITDA**
- **Earnings contribution from recurring, fee-based revenue streams increased 33% as compared to Q1 2013**
- **Increased recurring contribution driven by:**
  - Strong earnings in Servicing segment from increase in serviced UPB
  - Solid contributions from ARM, Insurance, Asset Management and Other businesses
- **HARP retention opportunity, measured expansion of retail and correspondent channels and focus on cost efficiencies expected to drive profitability in Originations business**



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Transitioning to a Capital Light Balance Sheet / Embedded Balance Sheet Value

Balance Sheet

$ in thousands

	GAAP Consolidated Balance Sheet
Cash and Cash Equivalents	$ 562.7
Restricted Cash	701.9
Residential Loans	11,727.50
Receivables, Net	271.7
Servicer and Protective Advances, Net	1,400.4
Servicing Rights, Net	1,676.5
Goodwill and Intangibles, Net	774.90
Other Assets	368.70
TOTAL ASSETS	$ 17,484.3
Payables and Accrued Liabilities	$ 604.5
Servicer Payables	626.6
Servicing Advance Liabilities	996.5
Debt, Net	2,922.1
Mortgage-Backed Debt, Net	1,844.5
HMBS Related Obligations	9,167.0
Deferred Tax Liability	130.9
TOTAL LIABILITIES	$ 16,292.1
EQUITY (Net Assets)	$ 1,192.2

Balance Sheet Highlights

- **68% ($11.0 BN) of on balance sheet liabilities are non-recourse(1)**
- **Over $44 BN of sub-servicing UPB not capitalized on balance sheet**
- **WCO expected to facilitate capital efficiency**
  - **Excess / MSR purchase**
  - **Flow purchase opportunity for forward and reverse originated MSR**

(1) See "Reconciliation of GAAP Balance Sheet to Non-GAAP Adjusted Balance Sheet" for more information, including information on assets linked to these liabilities.

Walter Investment Management Corp.

Market Outlook and Sector Fundamentals Positioned to Drive Value Creation

Market Outlook

- Improving economic conditions expected to lower delinquencies and defaults
- Interest rates expected to increase along the forward curve
- Anticipate changes related to GSE reform to be gradual
- Heightened regulatory scrutiny of sector

Sector Fundamentals

- Clients/Depositories focused on “Core” clients
  - Sale or outsource of “Non-Core” servicing
- Regulatory environment driving need for scale, capital, high level of compliance, strong reputation and track record of performance
  - Presents significant barrier to entry
- Credit sensitive assets present $3 - $4 TN market opportunity
- Return of private capital will drive “Serviced for Others” opportunity
  - Non-conforming/credit sensitive fit

Business Trends

Servicing, ARM & Insurance

- Strong Q1 2014 performance driven by MSR additions
- Pipeline strong/client dialogue active
- 12 – 14 bps AEBITDA/Average UPB
- Insurance and ARM businesses expected to contribute approximately 2 – 4 bps of AEBITDA/Average UPB

Originations

- Soft first quarter market conditions in retail and correspondent
- Retention business ramping with recently boarded portfolios
- Continued focus on cost reductions
- Cautious build-out of Retail Channel given environment
- Managing correspondent channel for profitability

Reverse Mortgage

- Market slowly adapting to product changes
- Emphasis on Retail Channel growth
- New product profitability curve expected to be back-end weighted
- Managing servicing costs as platform is updated
- Mid-to-long term outlook remains positive

Other

- Asset management on target to realize performance fees from existing contracts
- Legacy Walter Investment residuals continue to perform as expected

Key Investment Highlights

1. Walter Investment is achieving strong execution against strategic initiatives
2. Key growth drivers intact as pipeline remains robust and depositories focus on “core” clients
3. Originations business transitioning with retail and correspondent channel build out and as non-conforming opportunity is explored
4. Maintaining focus on transition toward “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.

Walter INVESTMENT MANAGEMENT CORP.

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Supplemental Information & Reconciliations

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. There can be no assurance that the 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 metric that is used by management to exclude certain items in an attempt to provide a better metric to evaluate our Company's underlying key drivers and the core operating performance of the business, exclusive of certain adjustments and activities that management considers to be unrelated to the underlying economic performance of the business for a given period. Core Earnings is defined as net income (loss) before income taxes plus certain depreciation and amortization costs related to the increased basis in assets, including servicing and sub-servicing rights, acquired within business combination transactions, or step-up depreciation and amortization, transaction and integration costs, share-based compensation expense, non-cash interest expense, the net impact of the Non-Residual Trusts, fair value to cash adjustments for reverse loans, and certain other cash and non-cash adjustments, primarily including severance expense and certain other non-recurring start-up costs.
Core Earnings excludes unrealized changes in fair value of MSRs that are based on projections of expected future cash flows and prepayments. 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 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.

Adjusted EBITDA eliminates the effects of financing, income taxes and depreciation and amortization by focusing on our profitability. Adjusted EBITDA is defined as net income (loss) before income taxes, depreciation and amortization, interest expense on corporate debt, transaction and integration related costs, the net impact of the Non-Residual Trusts and certain other cash and non-cash adjustments primarily including severance expense, the net provision for the repurchase of transferred loans and certain other non-recurring start-up costs. Adjusted EBITDA includes both cash and non-cash gains from forward mortgage origination activities. Adjusted EBITDA excludes the impact of fair value option accounting on certain assets and liabilities 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 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.

Walter INVESTMENT MANAGEMENT CORP.

GAAP Financial Results

	1Q14	4Q13	1Q13
Income Statement			
Total revenues	$ 369.9	$ 402.8	$ 314.5
Total expenses	(338.5)	(382.6)	(266.7)
Other gains (losses)	(2.5)	(13.3)	(1.3)
Income tax (expense) benefit	(11.6)	2.9	(18.8)
Net income	$ 17.4	$ 9.8	$ 27.8
Net income per diluted share	$ 0.45	$ 0.26	$ 0.73

	As of 03/31/2014	As of 12/31/2013	As of 03/31/2013
Balance Sheet			
Total Assets	$ 17,484.3	$ 17,387.5	$ 13,571.1
Total Liabilities	$ 16,292.1	$ 16,220.5	$ 12,645.4
Equity	$ 1,192.1	$ 1,167.0	$ 925.7

Walter Investment Management Corp.

Servicing Segment

Servicing Key Metrics

$ in millions

	1Q14	4Q13	1Q13
Servicing fees	$ 167.4	$ 142.3	$ 121.8
Incentive and performance fees	29.8	25.6	20.4
Ancillary and other fees	21.6	20.1	14.4
Servicing revenue and fees	$ 218.8	$ 188.0	$ 156.6
Amortization of servicing rights	(10.4)	(8.5)	(10.4)
Realization of expected cash flows	(22.0)	(37.4)	(17.1)
Changes in valuation inputs	(25.6)	16.2	(4.0)
Net servicing revenue and fees	$ 160.8	$ 158.3	$ 125.1
AEBITDA margin	60.4%	45.7%	49.6%
AEBITDA/average UPB	19 bps	12 bps	16 bps
Serviced UPB (in billions)	$ 233.8	$ 202.1	$ 201.1
Serviced units (in millions)	2.2	2.0	1.9
Average serviced UPB (in billions)(1)	$ 237.6	$ 211.0	$ 161.8
Disappearance rate(2)	13.5%	14.2%	20.2%

(1) Average UPB and AEBITDA for 1Q 2014 and 4Q 2013 includes adjustments to reflect MSR acquisitions closed during the quarter as though they were closed January 1, 2014 as economics (cash flows) were actually recorded for the full period.
(2) Disappearance rates for 4Q 2013 and 1Q 2013 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.

Originations Segment

Originations Data by Channel

$ in billions

Applications

	1Q14		%	4Q13		%	1Q13		%
Consumer Lending	$	2.5	52%	$	3.1	50%	$	1.9	79%
Correspondent Lending		2.3	48%		3.2	50%		0.5	21%
	$	4.8	100%	$	6.3	100%	$	2.4	100%

Pull-Through Adjusted Locked Volume

	1Q14		%	4Q13		%	1Q13		%
Consumer Lending	$	1.9	53%	$	2.5	54%	$	1.6	84%
Correspondent Lending		1.7	47%		2.1	46%		0.3	16%
	$	3.6	100%	$	4.6	100%	$	1.9	100%

Funded Volume

	1Q14		%	4Q13		%	1Q13		%
Consumer Lending	$	1.8	51%	$	2.6	55%	$	0.4	96%
Correspondent Lending		1.7	49%		2.1	45%		0.0	4%
	$	3.5	100%	$	4.7	100%	$	0.4	100%

Sold Volume

	1Q14		%	4Q13		%	1Q13		%
Consumer Lending	$	2.0	51%	$	3.0	59%	$	0.1	100%
Correspondent Lending		1.9	49%		2.1	41%		0.0	0%
	$	3.9	100%	$	5.1	100%	$	0.1	100%

Consumer Lending Origination Economics

bps	1Q14	4Q13	1Q13
Gain on Sale[1]	486	482	NM
Fee Income[2]	16	5	NM
Direct Expenses[1]	(225)	(178)	NM
Margin	277	309	NM

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

Correspondent Lending Origination Economics

bps	1Q14	4Q13	1Q13
Gain on Sale[1]	77	59	NM
Fee Income[2]	13	11	NM
Direct Expenses[1]	(74)	(65)	NM
Margin	16	5	NM

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

Capitalized MSR

	1Q14		4Q13		1Q13
Capitalized MSR	$	52,614	$	69,604.0	$1,290.0
Base MSR		41,249		55,993	1,290
Excess MSR		11,365		13,611	NM
Base MSR Multiple		4.23		4.38	NM
Excess MSR Multiple		3.80		3.68	NM
Loans sold		3,896,016		5,109,202	18,682
Loans sold with excess		1,834,547		2,558,245	NM

Walter Investment Management Corp.

Reverse Mortgage Segment

Reverse Mortgage Key Metrics

- **Favorable market demographics drive positive outlook for reverse mortgage industry**
- **Maintained over 12% market share of originations market in Q1**
- **26% of funded volume originated in the high margin retail channel**
- **#1 issuer of HMBS securities in Q1, continuing the trend of consistent leadership in HMBS issuances for the last 3 years**
- **Strong pipeline of servicing acquisition opportunities supports growth opportunities for the segment**

	1Q14	4Q13	1Q13
Funded volume	$245 MN	$566 MN	$977 MN
Securitized volume	$415 MN	$555 MN	$905 MN
Gain on sale margin	363 bps	348 bps	325 bps
Serviced UPB (in billions)	$ 16.3	$ 15.9	$ 13.8
Serviced units	100,141	96,859	83,181

Walter INVESTMENT MANAGEMENT CORP.

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

($ in millions)

	LTM 03/31/2014	For the three months ended 03/31/2014	For the year ended 12/31/2013	For the three months ended 03/31/2013
Income before income taxes	$ 395.3	$ 29.0	$ 412.8	$ 46.5
Adjusted EBITDA	$ 719.5	$ 167.8	$ 691.7	$ 140.0
Less:				
Cash Interest Expense on Corporate Debt	(103.8)	(20.2)	(100.7)	(17.1)
Cash Taxes	(71.1)	24.5	(96.8)	(1.2)
Capital Expenditures	(37.9)	(4.5)	(38.6)	(5.2)
Available Cash	$ 506.7	$ 167.6	$ 455.6	$ 116.5
Net working capital, including net activity for servicing advances [1]	(298.9)	(44.4)	(145.0)	109.5
Investment in retained OMSRs [2]	(239.1)	(52.6)	(187.8)	(1.3)
Net investment in originations activity [3]	(11.9)	39.4	(91.7)	(40.4)
Acquisitions, including related transaction costs [4]	(547.2)	(34.6)	(1,303.6)	(791.0)
Net borrowings of corporate debt [5]	528.3	(4.6)	1,322.3	789.4
Net increase in cash and cash equivalents	$ (62.1)	$ 70.8	$ 49.8	$ 182.7
Cash flows provided by (used in) operating activities	$ (1,193.4)	$ 407.5	$ (1,810.5)	$ (209.6)
Cash flows provided by (used in) investing activities	$ (2,230.0)	$ (202.3)	$ (3,776.1)	$ (1,748.4)
Cash flows provided by (used in) financing activities	$ 3,361.3	$ (134.4)	$ 5,636.4	$ 2,140.7

(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 Adjusted EBITDA

($ in millions)

	For the Three Months Ended March 31, 2014	For the Three Months Ended December 31, 2013	For the Three Months Ended March 31, 2013
Income before income taxes	$ 29.0	$ 6.9	$ 46.5
Add:			
Depreciation and amortization	18.6	19.3	16.3
Interest expense	37.5	36.2	26.2
EBITDA	85.1	62.4	89.0
Add/(Subtract):			
Loss on extinguishment of debt	-	12.5	-
Pro forma synergies	-	-	-
Fair value to cash adjustments for reverse loans	4.7	0.4	3.5
Transaction and integration-related costs	1.5	2.8	11.6
Debt issuance costs not capitalized	-	8.9	4.7
Non-cash share-based compensation expense	3.5	3.2	2.7
Provision for loan losses	(1.0)	(1.1)	1.7
Residual Trusts cash flows	1.6	0.1	0.5
Amortization and fair value adjustments of servicing rights	58.8	30.5	32.4
Non-cash interest income	(4.0)	(4.5)	(4.6)
Net impact of Non-Residual Trusts	4.1	2.4	(0.5)
Servicing fee economics (1)	9.7	2.5	-
Other	3.8	8.7	(1.0)
Sub-total	82.7	66.4	51.0
Adjusted EBITDA	$ 167.8	$ 128.8	$ 140.0

(1) AEBITDA for 1Q 2014 and 4Q 2013 includes adjustments to reflect MSR acquisitions closed during the quarter as though they were closed January 1, 2014 as economics (cash flows) were actually recorded for the full 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 March 31, 2014		For the Three Months Ended December 31, 2013		For the Three Months Ended March 31, 2013	
Income before income taxes	$	29.0	$	6.9	$	46.5
Add back:						
Loss on extinguishment of debt		-		12.5		-
Transaction and integration costs		1.5		2.8		11.6
Debt issuance costs not capitalized		-		8.9		4.7
Step-up depreciation and amortization		11.9		13.4		12.9
Step-up amortization of sub-servicing rights (MSRs)		8.5		6.5		8.1
Fair value to cash adjustments for reverse loans		4.7		0.4		3.5
Fair value changes of MSRs due to changes in valuation inputs and other assumptions (1)		25.6		(16.2)		4.0
Non-cash interest expense		3.3		4.0		3.0
Non-cash share-based compensation expense		3.5		3.2		2.7
Net impact of Non-Residual Trusts		4.1		2.4		(0.5)
Other		3.0		5.6		0.1
Core Earnings before income taxes	$	95.1	$	50.4	$	96.6
Core earnings after tax (39%)		58.0		30.7		58.9
Core earnings after tax per diluted common and common equivalent share.	$	1.53	$	0.81	$	1.57

(1) The Company has elected to exclude changes in valuation inputs as a component of its core earnings calculation and has reflected this change in all previously reported periods disclosed in this document.

Reconciliation of GAAP Balance Sheet to Non-GAAP Adjusted Balance Sheet

	GAAP Consolidated Balance Sheet	Non-Recourse[1]	Adjusted
Cash and Cash Equivalents	$ 562.7	$ 0.1	$ 562.6
Restricted Cash	701.9	68.3	633.6
Residential Loans	11,727.50	10,967.1	760.4
Receivables, Net	271.7	39.3	232.4
Servicer and Protective Advances, Net	1,400.4	101.5	1,298.9
Servicing Rights, Net	1,676.5		1,676.5
Goodwill and Intangibles, Net	774.90		774.9
Other Assets	368.70	77.6	291.1
TOTAL ASSETS	$ 17,484.3	$ 11,253.9	$ 6,230.4
Payables and Accrued Liabilities	$ 604.5	$ 7.8	$ 596.7
Servicer Payables	626.6		626.6
Servicing Advance Liabilities	996.5	97.7	898.8
Debt, Net	2,922.1		2,922.1
Mortgage-Backed Debt, Net	1,844.5	1,844.5	-
HMBS Related Obligations	9,167.0	9,167.0	-
Deferred Tax Liability	130.9		130.9
TOTAL LIABILITIES	$ 16,292.1	$ 11,117.0	$ 5,175.1
EQUITY (Net Assets)	$ 1,192.2	$ 136.9	$ 1,055.3
Equity in Non-Recourse Items			136.9
TOTAL EQUITY			1,192.2

Balance Sheet Highlights

- **Equity in Non-Recourse assets and liabilities of $136.9 MN includes**
  - **~$270 MN of residual interest in legacy Walter Investment portfolio**
  - **Net fair value liability of ~$102 MN in Reverse Mortgage business representing deferred income for GAAP (non-cash)**
  - **Net fair value liability of ~$44 MN associated with mandatory clean-up call obligation in Non-Residual Trusts**
  - **$13 MN of equity in servicer advance trusts**

(1) The “non-recourse” liabilities and the assets pledged as collateral to satisfy these non-recourse liabilities are included in separate entities considered to be variable interest entities and requires to be consolidated with the Company for GAAP purposes.

Walter INVESTMENT MANAGEMENT CORP.

Debt Covenant Overview: Term Loan & Unsecured Notes

THERE ARE NO REQUIREMENTS TO MAINTAIN FINANCIAL COVENANTS FOR THE TERM LOAN AND UNSECURED NOTES

Additional debt under the term loan is limited based on the following tests:

REVOLVER

- At any time borrowings outstanding are > 20% of the $125 million revolver ("springing covenant"):
  - **Total Leverage Ratio (A)** must be less than 5.75:1 (with step downs over time to 5:00:1) - measured as Total Corporate Debt / LTM PF AEBITDA
  - **Interest Expense Coverage Ratio (B)** must be greater than 3.25:1 - measured as LTM PF AEBITDA / cash interest expense on total corporate debt

TERM LOAN ISSUANCES

- $200 million of additional term loan can be incurred without passing any incurrence tests
- To borrow > $200 million:
  - **1st Lien Net Leverage (A)** Ratio must be less than 3:1
  - **Total Net Leverage Ratio (B)** must be less than 4:1
- These ratios are measured as 1st Lien (Secured) Term Loan **(A)** or Total Corporate Debt **(B)** less available cash (measured as the lesser of $200 million and cash and cash equivalents as reported on the company's balance sheet) divided by LTM PF AEBITDA

PRO FORMA AEBITDA

- Pro forma adjustments to AEBITDA are governed by Article 11 of Reg S-X
- Pro forma adjustments are expected to continue assuming we acquire or add new business each year
- Additional pro forma adjustments related to identifiable cost savings or business optimization initiatives over the next 12 months related to a business acquisition are allowed but are limited to 10% of Consolidated EBITDA

Note, there are differences between the AEBITDA the Company reports each quarter and the Consolidated Adjusted EBITDA as defined by the secured term loan agreement. The predominant difference is a reduction to the AEBITDA reported by the Company for the non-cash portion of Gain on Sale reported for the period, and inversely adding back the cash received for Gain on Sale reported in a previous period. These adjustments are not readily derived from disclosures in our 10K or 10Q.

Certain of the Company's subsidiaries are contractually required to pass specific quarterly maintenance covenants.