



Mr. CooperGroup®

3Q'22 EARNINGS REVIEW

October 26, 2022

IMPORTANT INFORMATION

This presentation contains summarized information concerning Mr. Cooper Group Inc. ("Mr. Cooper" or the "Company") and the Company's business, operations, financial performance and trends. No representation is made that the information in this presentation is complete. For additional financial, statistical and business related information, as well as information regarding business and segment trends, see the Company's most recent Annual Report on Form 10-K ("Form 10-K") and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well other reports filed with the SEC from time to time. Such reports are or will be available in the Investors section of the Company's website (www.mrcoopergroup.com) and the SEC's website (www.sec.gov).

Forward Looking Statements. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding servicing projected operating income and estimates for MSR CPR and amortization. All statements other than statements of historical or current fact included in this presentation that address activities, events, conditions or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business and these statements are not guarantees of future performance.

Forward-looking statements may include the words "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "strategy," "future," "opportunity," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. Certain of these risks are identified and discussed in documents Mr. Cooper has filed or will file from time to time with the SEC. These risk factors will be important to consider in determining future results and should be reviewed in their entirety. These forward-looking statements are expressed in good faith, and Mr. Cooper believes there is a reasonable basis for them. However, the events, results or trends identified in these forward-looking statements may not occur or be achieved. Forward-looking statements speak only as of the date they are made, and Mr. Cooper is not under any obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, except as required by law. Readers should carefully review the statements set forth in the reports that Mr. Cooper has filed or will file from time to time with the SEC.

Non-GAAP Measures. This presentation contains certain references to non-GAAP measures. Please refer to the Appendix for more information on non-GAAP measures.

THIRD QUARTER HIGHLIGHTS



FINANCIAL

Reported \$113 million net income including other mark-to-market of \$122 million

Generated ROTCE⁽¹⁾ of 11.5% and operating ROTCE⁽¹⁾ of 4.3%

TBV⁽¹⁾ grew to \$56.35 per share, up 3% q/q and 36% y/y

Ended the quarter with TBV/assets⁽¹⁾ at 31.3% and available liquidity of \$2.3 billion



OPERATIONAL

Servicing UPB grew to \$854 billion, up 6% q/q and 28% y/y, on strong subservicing growth

Servicing generated pretax operating income⁽¹⁾ of \$81 million

Originations generated pretax operating income⁽¹⁾ of \$45 million on funded volume of \$5.7 billion



OTHER

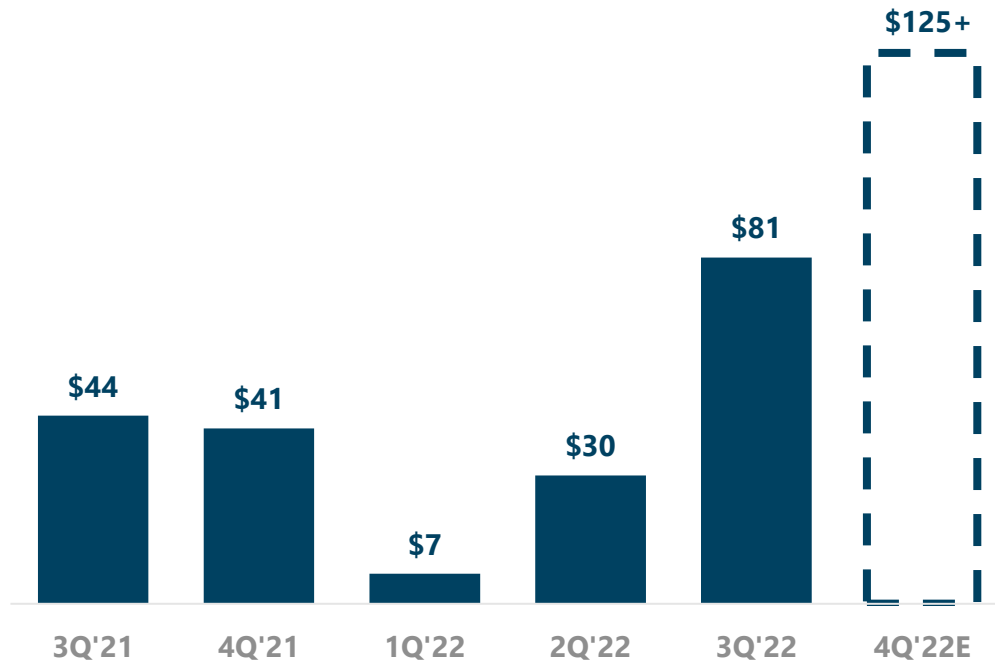
Repurchased 1.1 million common shares for \$50 million

BALANCED BUSINESS MODEL WELL-POSITIONED FOR MARKET/MACRO VOLATILITY



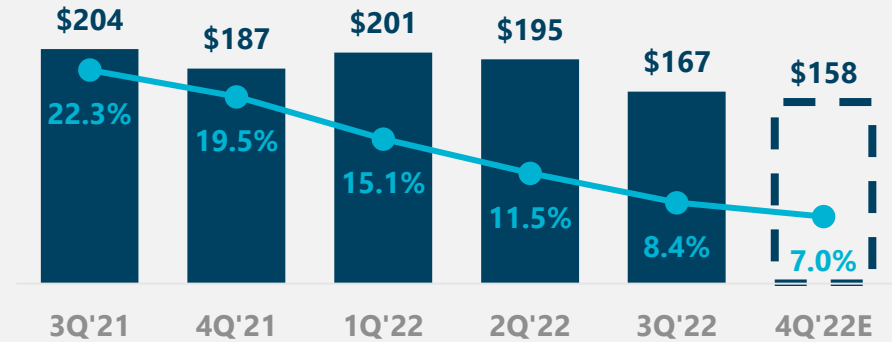
SERVICING INCOME PROJECTED TO BENEFIT FROM HIGHER INTEREST RATES

Servicing Pretax Operating Income⁽¹⁾ (\$ mm's)

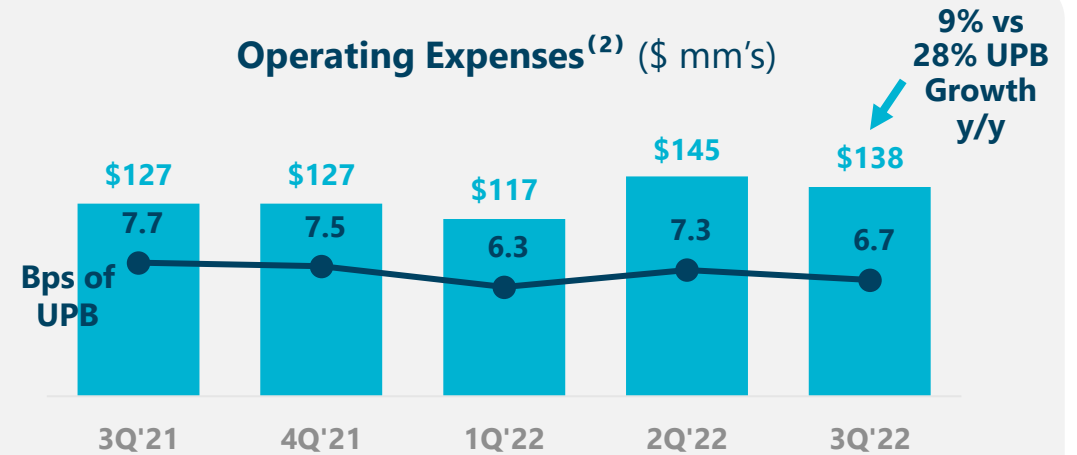


- 4Q'22 estimate reflects impact of projected higher interest rates on amortization and servicing interest income
- Operating expenses grew 9% y/y, while the portfolio increased by 28%, demonstrating positive operating leverage

MSR CPR and Amortization⁽¹⁾ (\$ mm's)



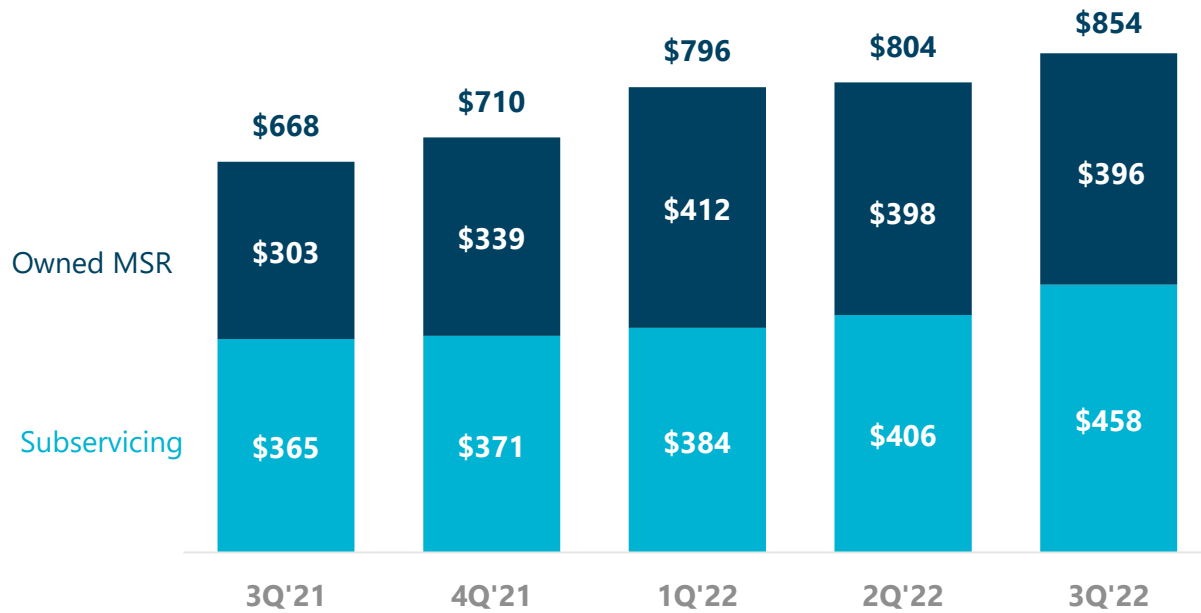
Operating Expenses⁽²⁾ (\$ mm's)



⁽¹⁾ Please see appendix for reconciliations of non-GAAP items
⁽²⁾ Operating expenses exclude foreclosure related expenses.

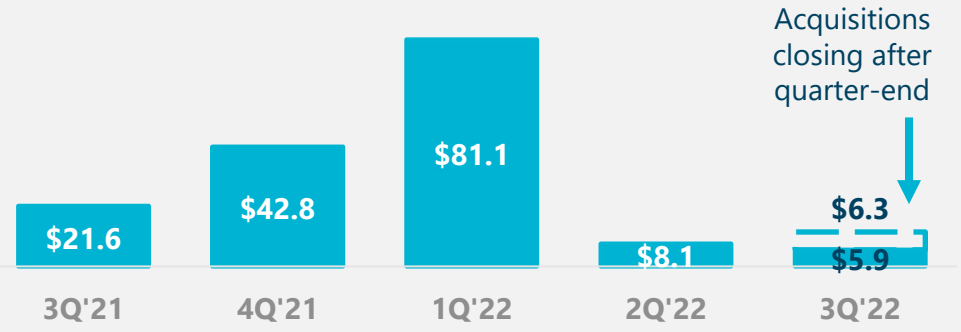
SERVICING PORTFOLIO UP +6% Q/Q AND 28% Y/Y

Servicing Portfolio
(UPB in \$ bn's)

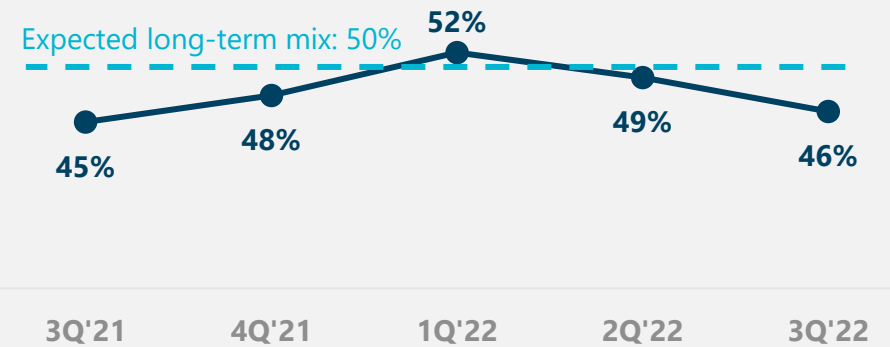


- Strong portfolio growth led by subservicing, which was up 13% q/q and 25% y/y on new client wins and growing walletshare

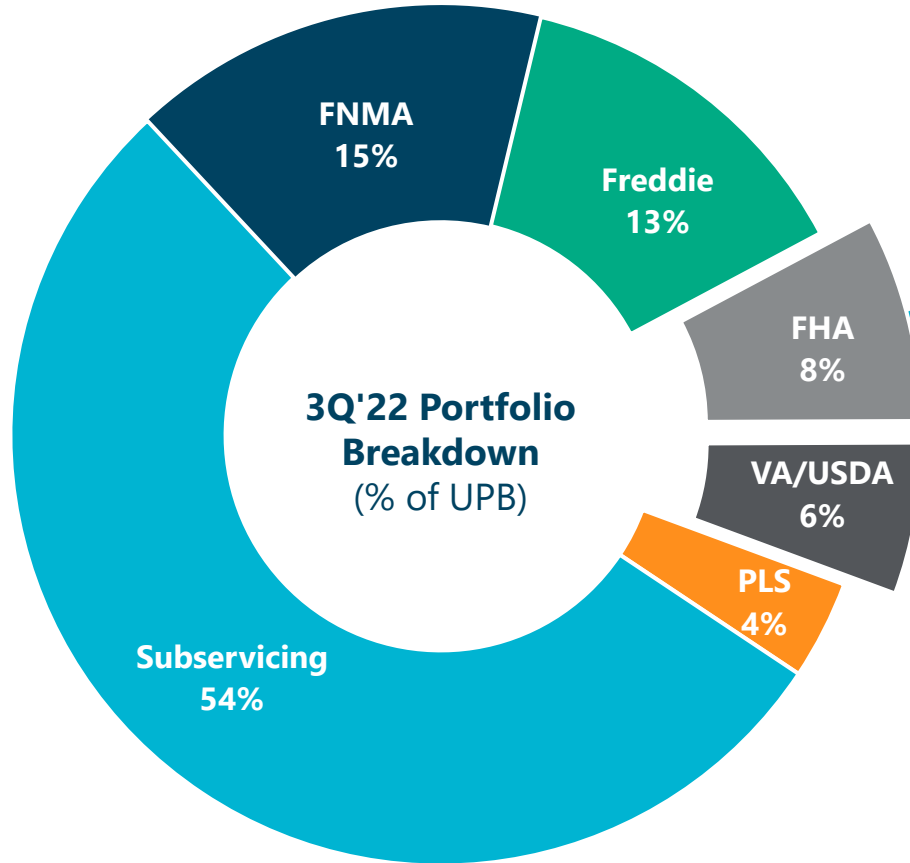
MSR Acquisitions (UPB in \$ bn's)



Owned MSR Portfolio Mix



SERVICING PORTFOLIO DIVERSIFIED AND DEFENSIVELY POSITIONED



Note Rate	Current LTV	
	<80%	81%+
<4.5%	65%	5%
4.5%+	27%	2%

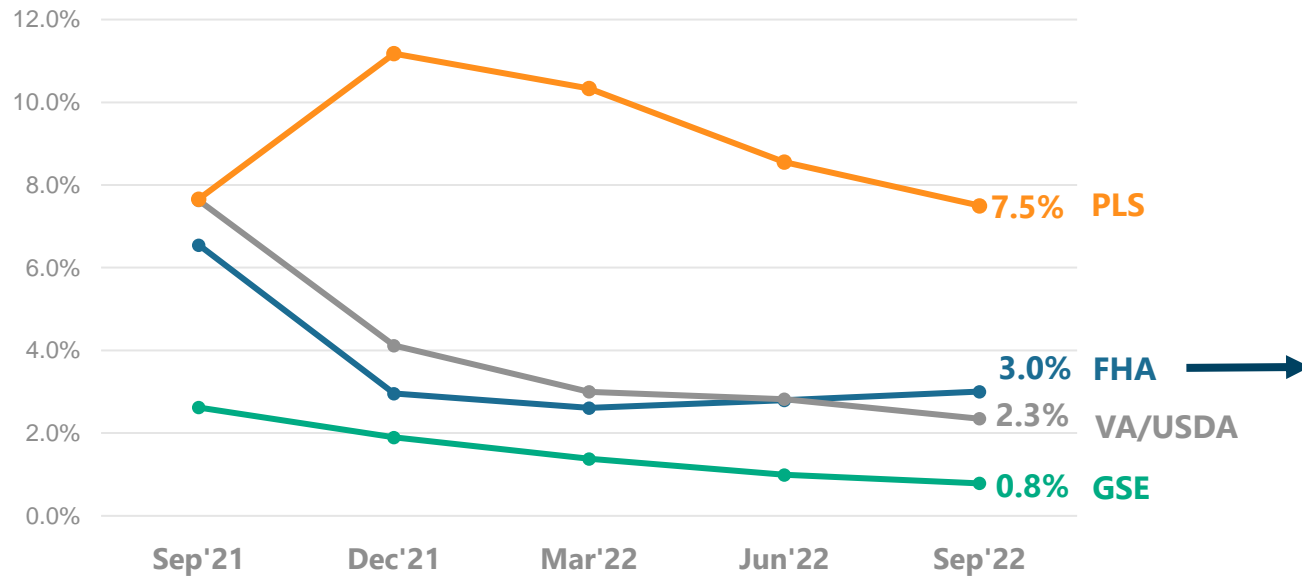
Note Rate	Current LTV	
	<80%	81%+
<4.5%	81%	8%
4.5%+	10%	2%

- The weighted-average FICO score of our portfolio has increased from 720 to 727 y/y
- The weighted-average CLTV has decreased from 59.6% to 52.5% y/y

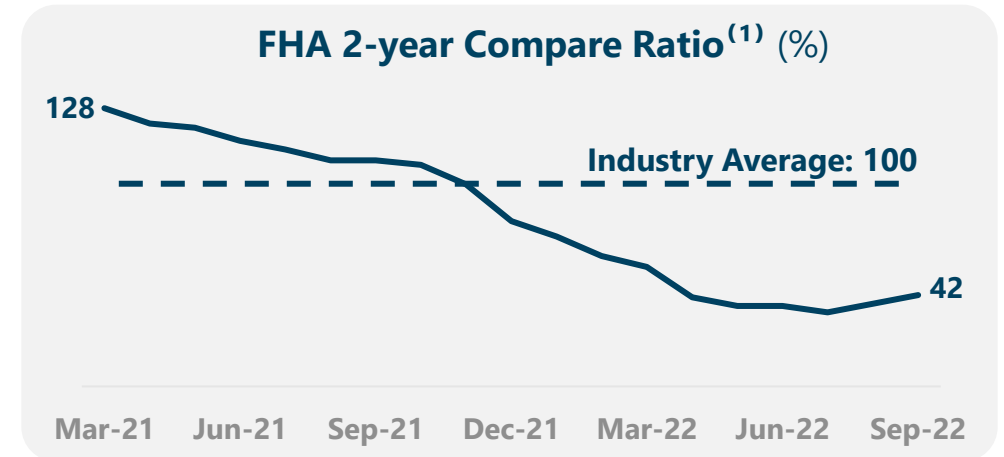
- Our FHA and VA/USDA portfolios consist, for the most part, of mortgages whose borrowers have solid equity and low note rates

SERVICING PORTFOLIO DELINQUENCIES REMAIN LOW

MSR 90-Day+ Delinquencies
(% of loans)

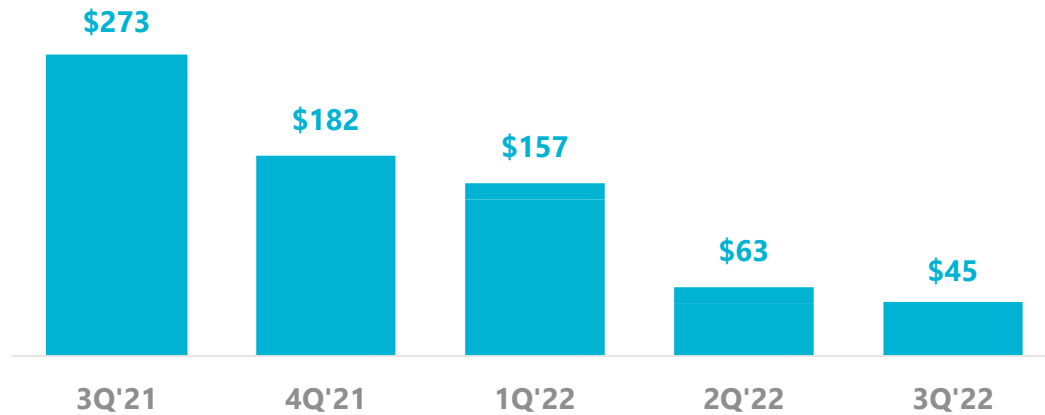


	Sep'21	Dec'21	Mar'22	Jun'22	Sep'22
FHA	6.5%	3.0%	2.6%	2.8%	3.0%
VA/USDA	7.6%	4.1%	3.0%	2.8%	2.3%
GSE	2.6%	1.9%	1.4%	1.0%	0.8%
PLS	7.7%	11.2%	10.3%	8.6%	7.5%

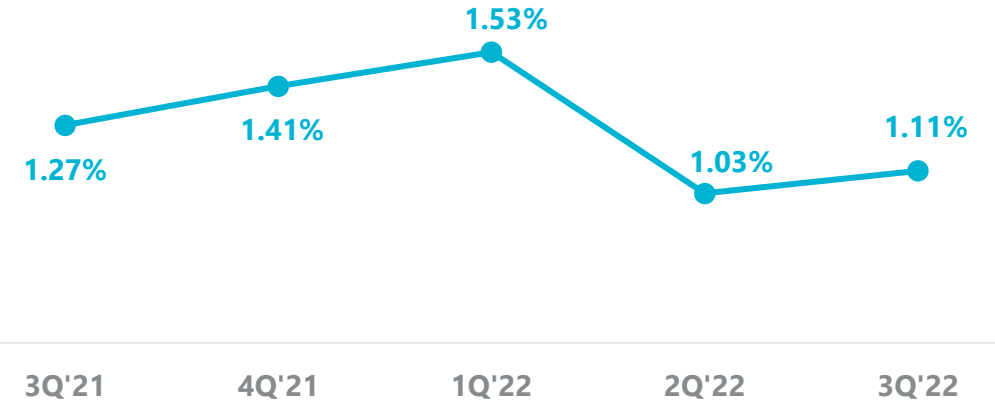


ORIGINATIONS ADJUSTING TO CURRENT MARKET

Originations Pretax Operating Income⁽¹⁾ (\$ mm's)



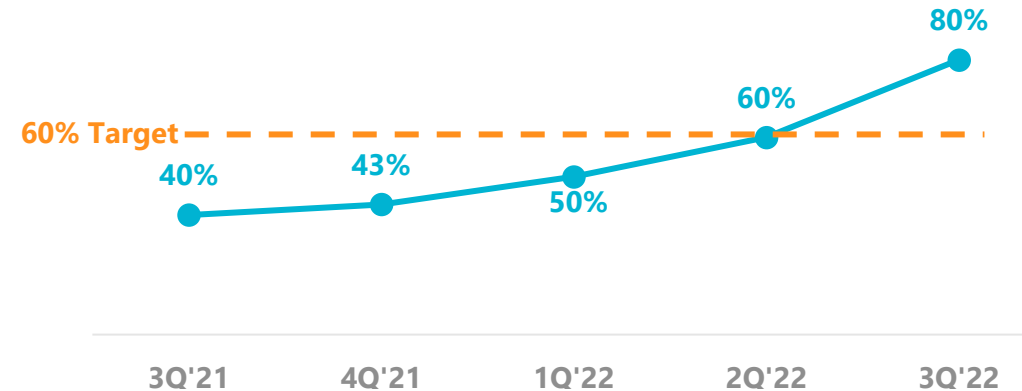
Originations Margin^{(1) (2)}



Funded Volume (\$ bn's)



DTC Surpasses Refi Recapture Target

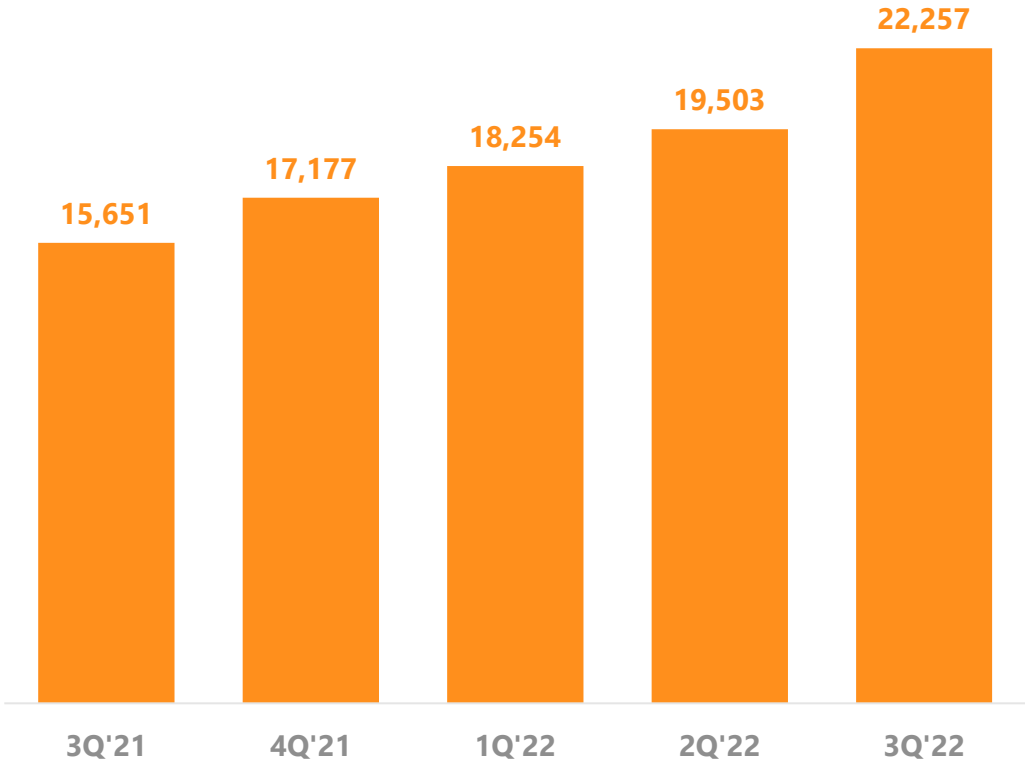


⁽¹⁾ Please see appendix for reconciliations of non-GAAP items

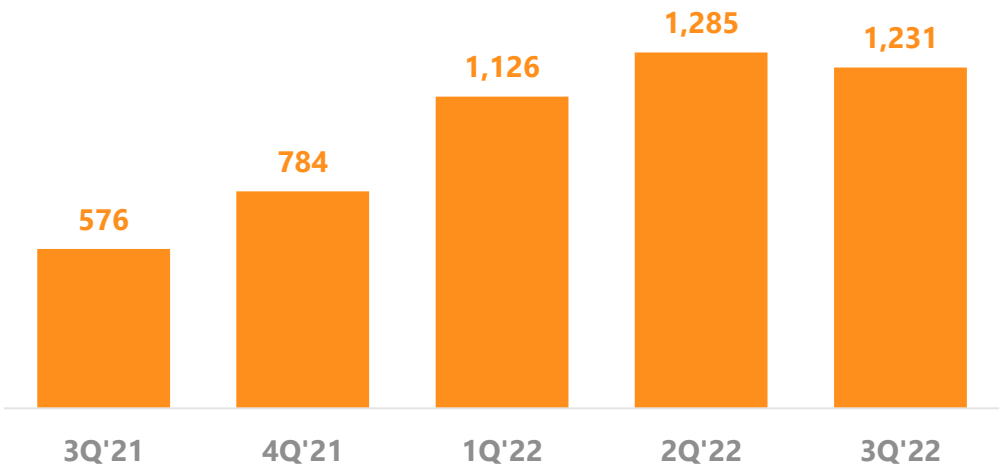
⁽²⁾ Margin is normalized for the 3Q'21 adverse fee removal of \$20 million, \$15 million in pipeline MSR carrying value gains in both 1Q'22 and 2Q'22, and (\$4) million in pipeline MSR Carrying value losses in 3Q'22.

RISING INVENTORIES AT XOME, WHILE SALES ROUGHLY STABLE Q/Q

Ending Inventory



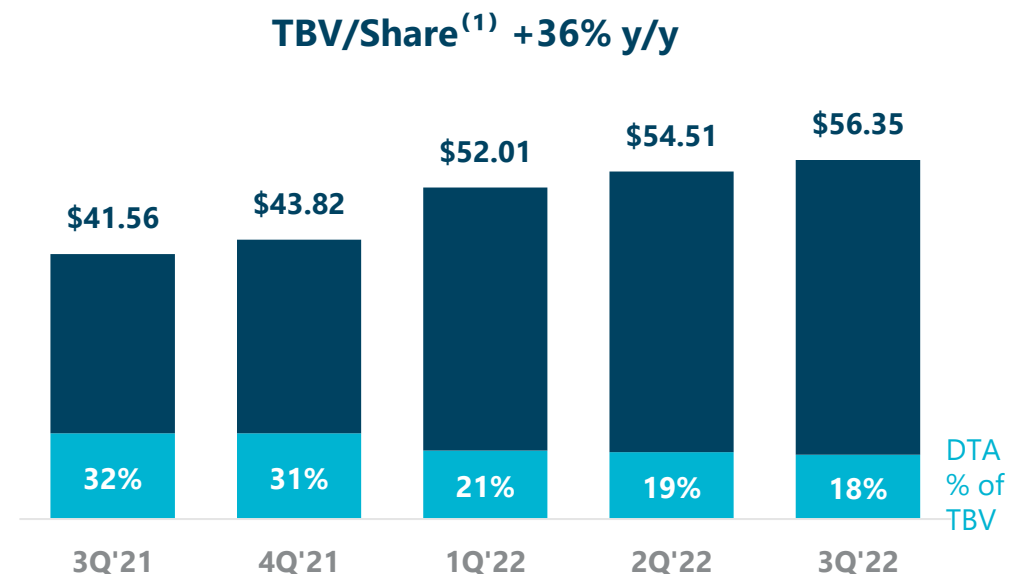
Property Sales



SUMMARY 3Q'22 FINANCIAL RESULTS

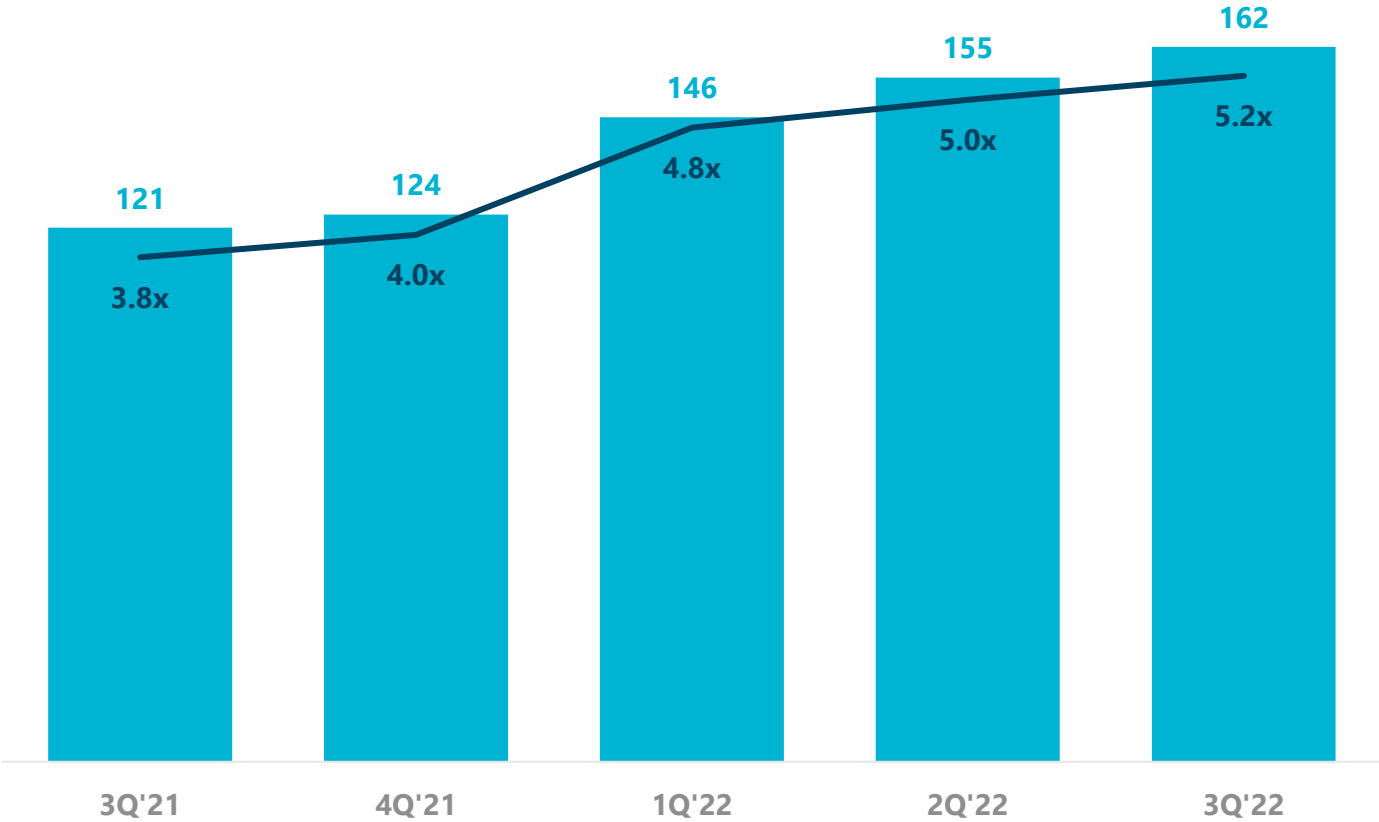
\$ mm's, except per share data	3Q'22	2Q'22
Servicing	\$81	\$30
Originations	45	63
Corporate debt interest expense	(39)	(39)
Corporate expense/other	(31)	(37)
Pretax operating income from continuing operations⁽¹⁾	\$56	\$17
Other mark-to-market	122	196
Adjustments	(23)	(7)
Intangible amortization	(2)	(1)
Pretax income	\$153	\$205
Income tax expense	(40)	(54)
Net income	\$113	\$151
Weighted average diluted sharecount	72.9	74.3
Diluted EPS ⁽²⁾	\$1.55	\$2.03
ROTCE ⁽¹⁾	11.5%	15.6%
Operating ROTCE^{(1) (3)}	4.3%	1.3%

- Income included positive pretax operating income of \$56 million and \$122 million other mark-to-market from higher interest rates
- Adjustments consisted of \$18 million loss associated with equity investments and \$5 million loss in lease breakage and other charges



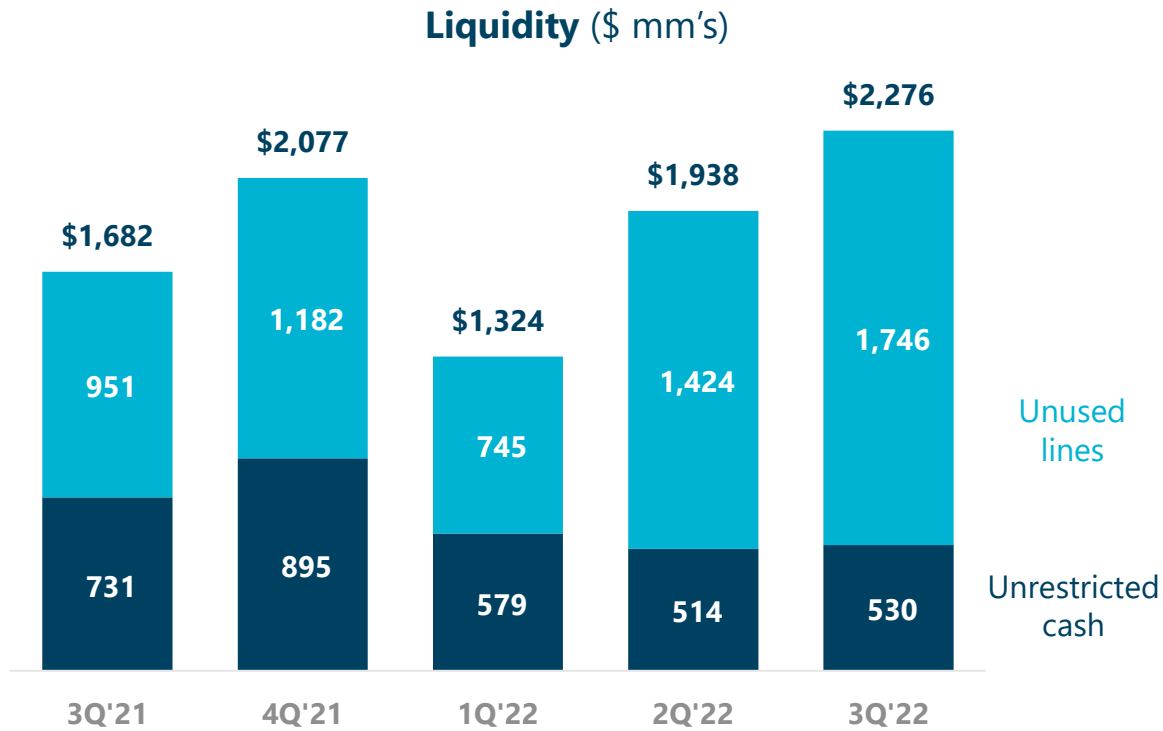
MSR VALUE INCREASED TO 162 BPS ON SLOWER PREPAYMENTS

MSR Value (bps) and Fee Multiple⁽¹⁾

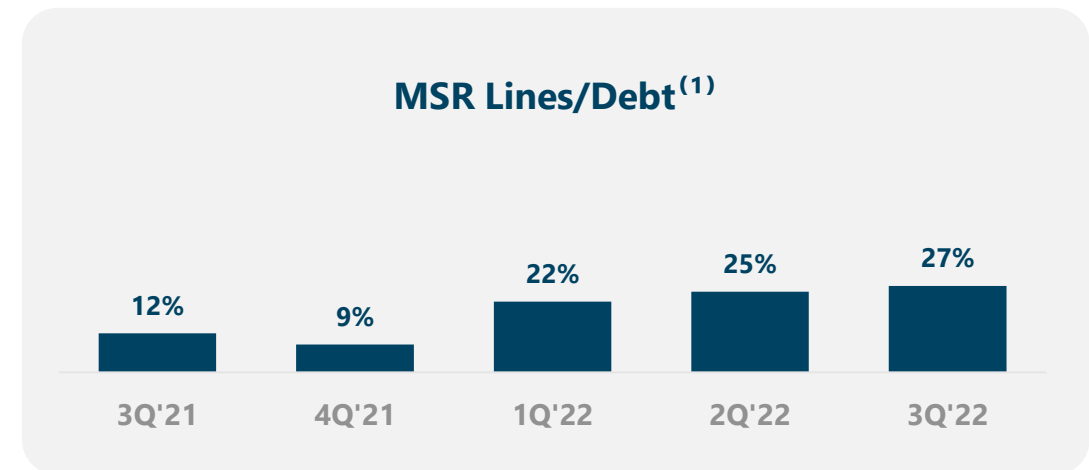
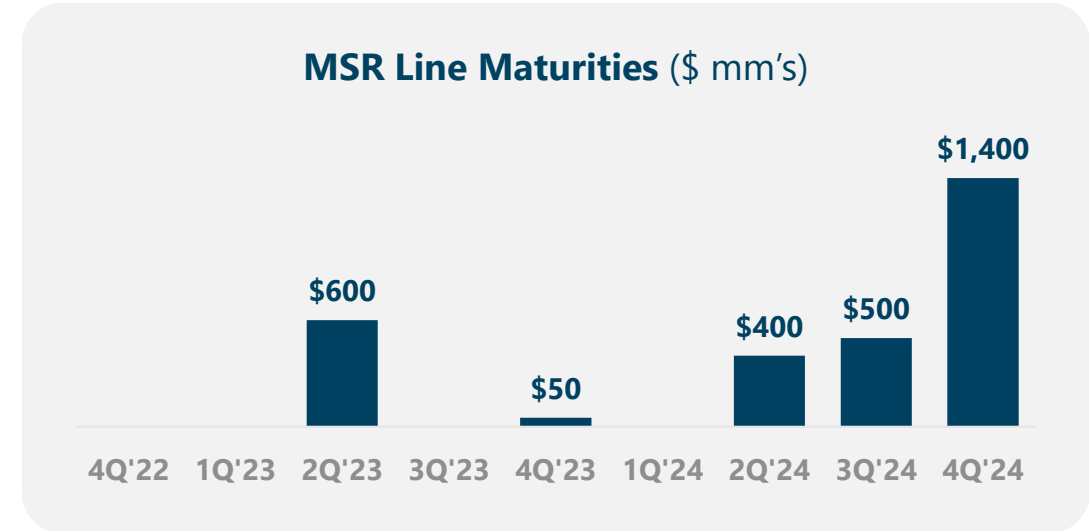


- The Company reported a positive other mark-to-market of \$122 million due to higher interest rates
- 30-year fixed mortgage rate increased 100 bps q/q, from 5.70% to 6.70% as of September 30, 2022
- 2-year swap rates increased 127 bps q/q, from 3.28% to 4.55% as of September 30, 2022

RECORD LEVEL OF AVAILABLE LIQUIDITY

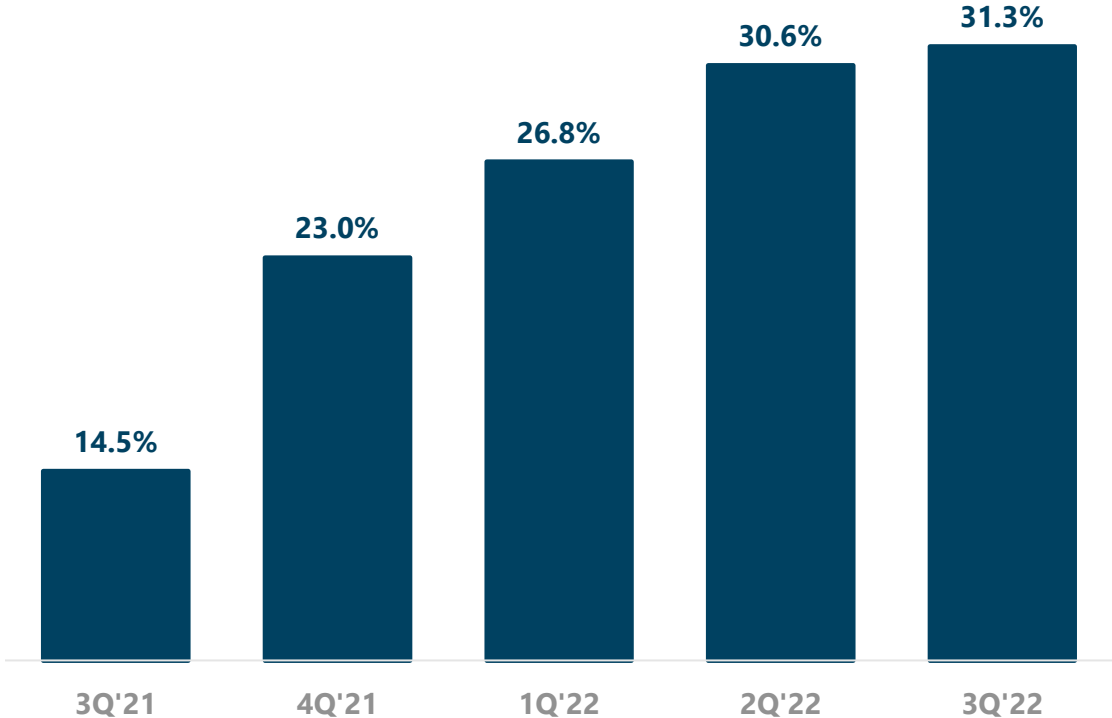


- Liquidity includes unrestricted cash and collateralized, but undrawn, availability on MSR, advance and warehouse lines
- Subsequent to quarter end, borrowing capacity has increased by \$400 million

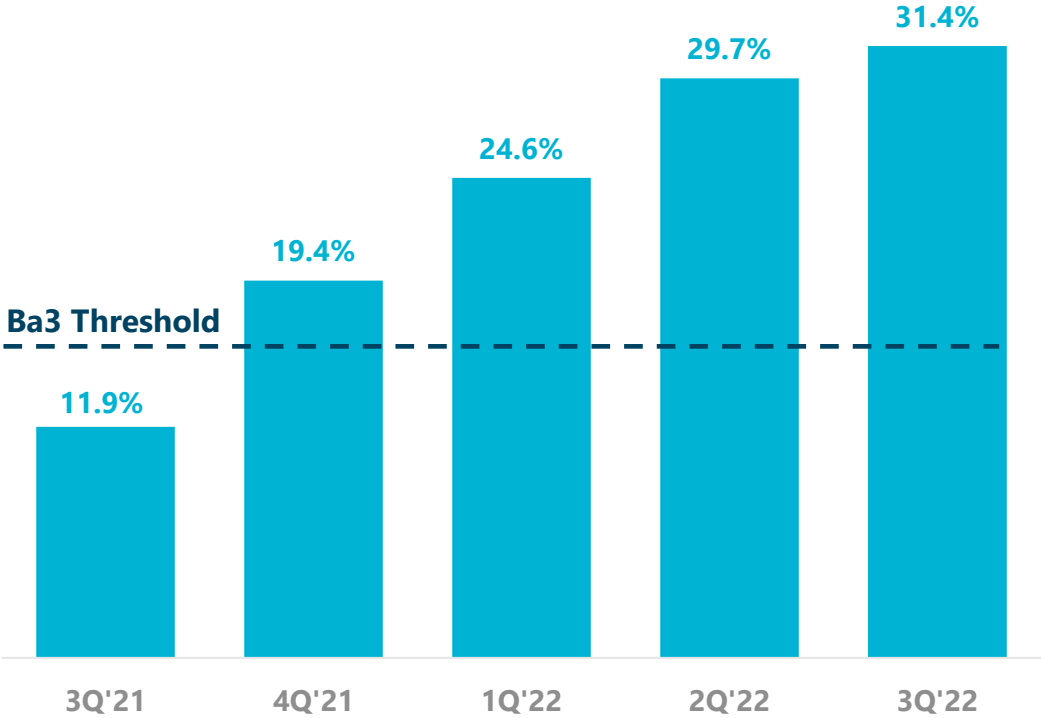


ROBUST CAPITAL ABOVE 30%

Tangible Net Worth/Assets⁽¹⁾



TNW/Assets Excluding DTA and EBO⁽¹⁾



Appendix

BALANCE SHEET

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
Cash and cash equivalents	\$731	\$895	\$579	\$514	\$530
Restricted cash	118	146	130	115	148
Mortgage servicing rights at fair value	3,666	4,223	6,006	6,151	6,408
Advances and other receivables, net of reserves	909	1,228	1,044	892	831
Mortgage loans held for sale at fair value	7,939	4,381	3,593	2,072	1,581
Property and equipment, net	103	98	75	72	69
Deferred tax asset	1,011	991	794	750	711
Other assets	3,462	2,242	2,269	2,329	2,537
Assets of discontinued operations	3,722	-	-	-	-
Total assets	\$21,661	\$14,204	\$14,490	\$12,895	\$12,815
Unsecured senior notes, net	\$2,076	\$2,670	\$2,670	\$2,672	\$2,673
Advance facilities and warehouse facilities, net	8,206	4,997	4,795	3,407	3,070
Payables and other liabilities	3,537	2,392	2,203	2,223	2,428
MSR related liabilities - nonrecourse at fair value	842	778	845	556	539
Liabilities of discontinued operations	3,740	-	-	-	-
Total liabilities	18,401	10,837	10,513	8,858	8,710
Total stockholders' equity	3,260	3,367	3,977	4,037	4,105
Total liabilities and stockholders' equity	\$21,661	\$14,204	\$14,490	\$12,895	\$12,815

SEGMENT OPERATING INCOME AND NON-GAAP RECONCILIATION

\$ mm's	Servicing	Originations	Corporate / Other	Consolidated
Servicing related excluding MTM	\$229	\$20	\$22	\$271
Net gain on mortgage loans held for sale	(21)	136	-	115
Operating revenue excluding MTM	208	156	22	386
Salaries, wages, and benefits	82	69	32	183
General and administrative	65	43	25	133
Total expenses	147	112	57	316
Interest income / other	71	12	-	83
Interest expense	(53)	(11)	(40)	(104)
Other expense, net	-	-	(20)	(20)
Total other income (expenses), net	18	1	(60)	(41)
Pretax income (loss) before MTM	79	45	(95)	29
Fair value of excess spread accretion	2	-	-	2
Other MTM	122	-	-	122
MTM	124	-	-	124
Pretax income (loss) from continuing operations	203	45	(95)	153
Other MTM	(122)	-	-	(122)
Adjustments	-	-	23	23
Intangible amortization	-	-	2	2
Pretax operating income (loss) from continuing operations	\$81	\$45	(\$70)	\$56

TANGIBLE BOOK VALUE (TBV) AND TNW/ASSETS

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
Stockholders' equity	\$3,260	\$3,367	\$3,977	\$4,037	\$4,105
Goodwill	(120)	(120)	(120)	(120)	(120)
Intangible assets	(18)	(14)	(13)	(11)	(9)
Tangible book value (TBV)	\$3,122	\$3,233	\$3,844	\$3,906	\$3,976
Ending outstanding sharecount (mm's)	75.1	73.8	73.9	71.7	70.6
TBV/share	\$41.56	\$43.82	\$52.01	\$54.51	\$56.35
Assets	\$21,661	\$14,204	\$14,490	\$12,895	\$12,815
Loans subject to repurchase from GNMA	\$2,703	\$1,496	\$1,175	\$1,400	\$1,575
Assets from discontinued operations	\$3,722	-	-	-	-
Tangible assets ⁽¹⁾	\$21,523	\$14,070	\$14,357	\$12,764	\$12,686
Deferred tax assets	\$1,011	\$991	\$794	\$750	\$711
TNW/Assets ⁽²⁾	14.5%	23.0%	26.8%	30.6%	31.3%
TNW/Assets ⁽²⁾ excluding DTA and loans subject to repurchase from GNMA	11.9%	19.4%	24.6%	29.7%	31.4%
Operating lease liabilities	\$87	\$122	\$115	\$119	\$107
MSR line draws	305	270	800	950	1,040
Unsecured senior note principal	2,100	2,700	2,700	2,700	2,700
Debt	\$2,492	\$3,092	\$3,615	\$3,769	\$3,847
MSR line draws/Debt	12%	9%	22%	25%	27%

ROTCE RECONCILIATION

\$ mm's	3Q'22
Pretax income	\$153
Income tax expense	(40)
Net income	\$113
ROCE⁽¹⁾	11.1%
ROTCE	11.5%
Pretax income	\$153
Other mark-to-market Adjustments	(122) 23
Intangible amortization	2
Pretax operating income	\$56
Income tax expense ⁽²⁾	(14)
Fully-taxed operating income	\$42
Operating ROTCE	4.3%
Average book value	\$4,071
Average tangible book value	\$3,941

ROTCE is a non-GAAP financial measure that is computed by dividing annualized earnings by average tangible common equity (tangible book value). Operating ROTCE is a non-GAAP financial measure that is computed by dividing annualized fully-taxed operating earnings by average tangible common equity. Tangible common equity equals total stockholders' equity less goodwill and intangible assets. The methodology of determining tangible common equity may differ among companies. Management believes that ROTCE and operational ROTCE are useful financial measures because they measure the performance of a business consistently and enables investors and others to assess the Company's use of equity. We are unable to provide a reconciliation of the forward-looking non-GAAP financial measure to its most directly comparable GAAP financial measure because we are unable to provide, without unreasonable effort, a meaningful or accurate calculation or estimate of amounts that would be necessary for the reconciliation due to the complexity and inherent difficulty in forecasting and quantifying future amounts or when they may occur. Such unavailable information could be significant to future results.

SERVICING NON-GAAP RECONCILIATION

\$ mm's	3Q'21		4Q'21		1Q'22		2Q'22		3Q'22	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Pretax income from continuing operations	\$197	12.1	\$87	5.1	\$558	29.8	\$226	11.4	\$203	9.9
Mark-to-market (MTM)	(151)	(9.3)	(45)	(2.6)	(553)	(29.6)	(200)	(10.1)	(124)	(6.0)
Fair value of excess spread accretion	(2)	(0.1)	(1)	(0.1)	1	0.1	4	0.2	2	0.1
Accounting item	-	-	-	-	1	0.1	-	-	-	-
Pretax income excluding MTM and other notable items	\$44	2.7	\$41	2.4	\$7	0.2	\$30	1.5	\$81	4.0
Average UPB (\$bn)	\$653		\$682		\$749		\$796		\$823	
Amortization Reconciliation										
Forward MSR amortization	(\$261)	(16.0)	(\$236)	(13.8)	(\$235)	(12.6)	(\$226)	(11.4)	(\$183)	(8.9)
Excess spread accretion	59	3.6	50	2.9	33	1.8	27	1.4	14	0.7
Total amortization	(202)	(12.4)	(186)	(10.9)	(202)	(10.8)	(199)	(10.0)	(169)	(8.2)
Fair value of excess spread accretion	(2)	(0.1)	(1)	(0.1)	1	0.1	4	0.2	2	0.1
Total amortization including fair value of excess spread accretion	(\$204)	(12.5)	(\$187)	(11.0)	(\$201)	(10.7)	(\$195)	(9.8)	(\$167)	(8.1)

SERVICING PROFITABILITY

\$ mm's	3Q'21		4Q'21		1Q'22		2Q'22		3Q'22	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Operational Revenue										
Base servicing fees	\$230	14.1	\$242	14.2	\$272	14.5	\$324	16.3	\$311	15.1
Modification fees	6	0.4	7	0.4	5	0.3	4	0.2	2	0.1
Late payment fees	15	0.9	15	0.9	15	0.8	15	0.8	15	0.7
Other ancillary revenues	155	9.5	118	6.9	42	2.2	15	0.8	(4)	(0.2)
Total forward MSR operational revenue	406	24.9	382	22.4	334	17.8	358	18.1	324	15.7
Base subservicing fee and other subservicing revenue	61	3.7	63	3.7	69	3.7	68	3.4	71	3.5
Total servicing fee revenue	467	28.6	445	26.1	403	21.5	426	21.5	395	19.2
MSR financing liability costs	(6)	(0.4)	(5)	(0.3)	(5)	(0.3)	(5)	(0.3)	(4)	(0.2)
Excess spread payments and portfolio runoff	(59)	(3.6)	(50)	(2.9)	(33)	(1.8)	(27)	(1.4)	(14)	(0.7)
Total operational revenue	402	24.6	390	22.9	365	19.4	394	19.8	377	18.3
Amortization										
Forward MSR amortization	(261)	(16.0)	(236)	(13.8)	(235)	(12.6)	(226)	(11.4)	(183)	(8.9)
Excess spread accretion	59	3.6	50	2.9	33	1.8	27	1.4	14	0.7
Total amortization	(202)	(12.4)	(186)	(10.9)	(202)	(10.8)	(199)	(10.0)	(169)	(8.2)
Mark-to-Market Adjustments										
MSR fair value MTM	155	9.5	26	1.5	798	42.6	326	16.4	239	11.6
MTM adjustment ⁽¹⁾	(13)	(0.7)	(7)	(0.4)	(146)	(7.8)	(94)	(4.7)	(112)	(5.5)
Excess spread / financing MTM	9	0.6	26	1.5	(99)	(5.3)	(32)	(1.6)	(3)	(0.1)
Total MTM adjustments	151	9.4	45	2.6	553	29.5	200	10.1	124	6.0
Total revenues	\$351	21.5	\$249	14.6	\$716	38.2	\$395	19.9	\$332	16.1
Average UPB (\$bn)	\$653		\$682		\$749		\$796		\$823	

SERVICING PROFITABILITY [CONT.]

\$ mm's	3Q'21		4Q'21		1Q'22		2Q'22		3Q'22	
	\$	Bps	\$	Bps	\$	Bps	\$	Bps	\$	Bps
Salaries, wages and benefits	\$69	4.2	\$66	3.9	\$75	4.0	\$84	4.2	\$82	4.0
Servicing support fees	19	1.2	24	1.4	11	0.6	24	1.2	21	1.0
Corporate and other general and administrative expenses	28	1.6	28	1.7	26	1.4	32	1.6	29	1.4
Foreclosure and other liquidation related expenses	1	0.1	16	0.9	6	0.3	(2)	(0.1)	9	0.4
Depreciation and amortization	11	0.7	9	0.5	5	0.3	5	0.3	6	0.3
Total general and administrative expenses	59	3.6	77	4.5	48	2.6	59	3.0	65	3.1
Total expenses	\$128	7.8	\$143	8.4	\$123	6.6	\$143	7.2	\$147	7.1
Interest income	\$39	2.4	\$42	2.5	\$19	1.0	\$35	1.8	\$71	3.5
Advance interest expense	(6)	(0.4)	(6)	(0.4)	(6)	(0.3)	(8)	(0.4)	(8)	(0.4)
Other interest expense	(59)	(3.6)	(55)	(3.2)	(48)	(2.6)	(53)	(2.7)	(45)	(2.2)
Interest expense	(65)	(4.0)	(61)	(3.6)	(54)	(2.9)	(61)	(3.1)	(53)	(2.6)
Total other (expenses) income, net	(\$26)	(1.6)	(\$19)	(1.1)	(\$35)	(1.9)	(\$26)	(1.3)	\$18	0.9
Pretax income from continuing operations	\$197	12.1	\$87	5.1	\$558	29.8	\$226	11.4	\$203	9.9
Average UPB (\$bn)	\$653		\$682		\$749		\$796		\$823	

SERVICING PORTFOLIO

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
<u>Unpaid Principal Balance (UPB) Rollforward</u>					
Originations	\$18,821	\$16,248	\$10,610	\$7,794	\$5,727
Acquisitions	21,566	42,784	36,171	8,105	5,936
Dispositions	(14)	(1,144)	(19)	(666)	(346)
Transfers to/from Subservicing	(3,259)	(1,558)	43,215	(14,542)	(163)
Runoff	(21,478)	(20,213)	(17,345)	(15,144)	(13,135)
Forward owned⁽¹⁾	\$303,091	\$339,208	\$411,840	\$397,387	\$395,406
Subservicing	365,285	370,519	383,959	406,231	458,280
Total Servicing	\$668,376	\$709,727	\$795,799	\$803,618	\$853,686
<u>Valuation Data</u>					
MSR carrying value	121 bps	124 bps	146 bps	155 bps	162 bps
<u>Runoff Rates</u>					
CPR	22.3%	19.5%	15.1%	11.5%	8.4%
Principal payments	4.0%	4.4%	4.2%	4.0%	4.0%
Forward owned runoff rate	26.3%	23.9%	19.3%	15.5%	12.4%
Total Servicing CPR	24.6%	21.2%	14.8%	11.0%	8.3%
<u>Portfolio Composition</u>					
GSE	27%	30%	32%	31%	29%
GNMA	13%	13%	16%	14%	13%
PLS	5%	5%	4%	4%	4%
Forward owned	45%	48%	52%	49%	46%
Subservicing	55%	52%	48%	51%	54%
Total	100%	100%	100%	100%	100%

ORIGINATIONS NON-GAAP RECONCILIATION

\$ mm's	3Q'21		4Q'21		1Q'22		2Q'22		3Q'22	
	\$	Margin	\$	Margin	\$	Margin	\$	Margin	\$	Margin
Pretax income	\$271	1.34%	\$181	1.40%	\$155	1.68%	\$61	1.25%	\$45	1.03%
Accounting items	2	0.01%	1	0.01%	2	0.02%	2	0.03%	-	0.00%
Pretax income excluding accounting items	\$273	1.35%	\$182	1.41%	\$157	1.70%	\$63	1.28%	\$45	1.03%
Pull through adjusted lock volume (\$bn)	\$20.1		\$14.7		\$10.3		\$6.5		\$5.3	
Funded volume (\$bn)	\$19.9		\$17.2		\$11.6		\$7.8		\$5.7	

ORIGINATIONS PROFITABILITY

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
Service related, net - Originations	\$44	\$44	\$42	\$24	\$20
Net gain on mortgage loans held for sale					
Net gain on loans originated and sold	209	105	119	10	22
Capitalized servicing rights	221	211	163	148	114
Total net gain on mortgage loans held for sale	430	316	282	158	136
Total revenues	\$474	\$360	\$324	\$182	\$156

Supplemental Data

Pull through adjusted lock volume	\$20,073	\$14,736	\$10,332	\$6,485	\$5,276
Funded volume	\$19,938	\$17,165	\$11,573	\$7,767	\$5,741
Loans sold, servicing retained	\$15,989	\$15,690	\$9,766	\$7,625	\$5,194
GOS margin ⁽¹⁾	2.14%	2.14%	2.73%	2.44%	2.58%
Revenue margin ⁽¹⁾	2.36%	2.44%	3.14%	2.81%	2.96%
Value of capitalized servicing retained	138 bps	134 bps	167 bps	194 bps	221 bps
Value of capitalized servicing at lock ⁽²⁾				140 bps	156 bps

ORIGINATIONS PROFITABILITY [CONT.]

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
Salaries, wages and benefits	\$147	\$131	\$121	\$86	\$69
Loan originations expenses	25	22	20	15	15
Corporate and other general and administrative expenses	15	15	17	15	12
Marketing and professional service fee	13	13	12	5	11
Depreciation and amortization	8	6	4	5	5
Total expenses	\$208	\$187	\$174	\$126	\$112
Funded volume	\$19,938	\$17,165	\$11,573	\$7,767	\$5,741
Expenses margin ⁽¹⁾	1.04%	1.09%	1.50%	1.62%	1.95%
Interest income	\$27	\$26	\$17	\$15	\$12
Interest expense	(22)	(18)	(12)	(10)	(11)
Total other income, net	\$5	\$8	\$5	\$5	\$1
Funded volume	\$19,938	\$17,165	\$11,573	\$7,767	\$5,741
Other income, net margin ⁽¹⁾	0.02%	0.05%	0.04%	0.06%	0.02%
Pretax income from continuing operations	\$271	\$181	\$155	\$61	\$45
Pretax income margin ⁽²⁾	1.34%	1.40%	1.68%	1.25%	1.03%

ADJUSTED EBITDA

\$ mm's	3Q'21	4Q'21	1Q'22	2Q'22	3Q'22
Consolidated GAAP pretax income	\$399	\$211	\$866	\$205	\$153
Other mark-to-market	(153)	(46)	(552)	(196)	(122)
Adjustments ⁽¹⁾	14	(11)	(220)	7	23
MSR amortization, net ⁽²⁾	204	187	201	195	167
Capitalized servicing rights	(236)	(287)	(200)	(152)	(120)
Depreciation and amortization	14	12	11	9	9
Corporate debt interest expense	30	36	39	39	39
Other	7	7	7	9	7
Adjusted EBITDA	\$279	\$109	\$152	\$116	\$156

3Q'22 SOURCES AND USES CASH FLOW

\$mm's	Servicing	Originations	Corporate / Other	Consolidated	Illustrative Steady State Discretionary Cashflow
GAAP pretax income (loss)	\$203	\$45	(\$95)	\$153	
Depreciation and amortization	6	5	(2)	9	
Share-based compensation	1	-	6	7	
Amortization of deferred financing costs	1	2	1	4	
Settlement of excess spread financing	(19)	-	-	(19)	
MSR amortization	183	-	-	183	
Other mark-to-market	(122)	-	-	(122)	
Business segment cash flow from operations	\$253	\$52	(\$90)	\$215	\$215
State/local taxes ⁽¹⁾				-	(5)
Total working capital change ⁽²⁾				107	-
Total sources, net				\$322	\$210
Capex				(5)	(5)
Capitalized servicing rights - Originations/EBO				(120)	(120)
MSR purchases, MSR sales, and excess spread financing				(98)	(47)
Net investment in MSR				(218)	(167) ⁽³⁾
Repurchase of common stock				(50)	-
Total uses, net				(\$273)	(\$172)
Change in cash				\$49	\$38
Change in unrestricted cash				\$16	

⁽¹⁾ Based on marginal tax rate of 3.2%, net of federal benefit. Actual tax payments/refunds included in total working capital changes.

⁽²⁾ Includes mortgage loans originated, sold or repurchased, net gains on mortgage loans held for sale excluding capitalized servicing rights, repayment of nonrecourse debt – legacy assets, and changes in warehouse facilities, advance facilities, advances and other receivables, other assets, payables and other liabilities, taxes, and other activities

⁽³⁾ Required investment to sustain the net MSR is based on sum of (\$183) mm forward MSR amortization, \$14 mm excess spread accretion, and \$2 mm in fair value of excess spread accretion