STONEGATE™ MORTGAGE

Second Quarter 2014 Earnings Presentation

Three Months Ended June 30, 2014

August 7, 2014

Forward Looking Statements

FORWARD-LOOKING STATEMENTS:

Our presentation contains certain forward-looking statements. These forward-looking statements may be identified by a reference to a future period or by the use of forward-looking terminology. They involve risks and uncertainties that could cause the company's actual results to differ materially from the results discussed in the forward-looking statements. Important factors that could cause actual results to differ include, but are not limited to, our future production, revenues, income, capital spending, related general economic and market conditions, delinquency rates, trends for home prices, uncertainties related to acquisitions, including our ability to integrate the systems, procedures and personnel from other companies, as well as other risks discussed in the "Risk Factors" section within our Annual Report on Form 10-K, which was filed with the U.S. Securities and Exchange Commission on March 14, 2014. These forward-looking statements speak only as of the date they are made and except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

NON-GAAP MEASURES:

Our presentation contains non-GAAP performance measures, such as our references to "adjusted net income", "adjusted EPS", and "adjusted net income per diluted share". We believe these non-GAAP performance measures provide additional meaningful comparisons between current results and results in prior periods. Non-GAAP performance measures should be viewed in addition to, and not as an alternative for, the Company's reported results under accounting principles generally accepted in the United States. In addition, our calculations of non-GAAP performance measures may be different from the calculations used by other companies and, therefore, comparability may be limited. Please refer to the Appendix of this presentation for a reconciliation of these non-GAAP performance measures to the most comparable GAAP measure.

Corporate Overview

- Stonegate Mortgage (NYSE:SGM) is an integrated, non-bank mortgage company focused on **originating**, **financing** and **servicing** U.S. residential mortgage loans
  - Focused on the emerging market – which includes near agency (non-QM) and non-agency (QM and non-QM)
- Diversified and extensive origination business gives us the ability to source and distribute product
- Our financing business (NattyMac) allows us to partner with correspondents and provides access to a diverse range of assets for a broad set of investors

2Q14 Stonegate Highlights

STONEGATE™ MORTGAGE

Financial

- GAAP Revenue: $57.6 million
- Gain on sale revenue: $46.5 million or 141 bps(1) (up 23 bps from 1Q14)
- GAAP net income of $0.3 million or $0.01 per diluted share
- Adjusted net income of $7.4 million or $0.29 per diluted share(2)
- Net interest income of $2.7 million up 17% from 1Q14
- Servicing fee income of $10.8 million up 18% from 1Q14

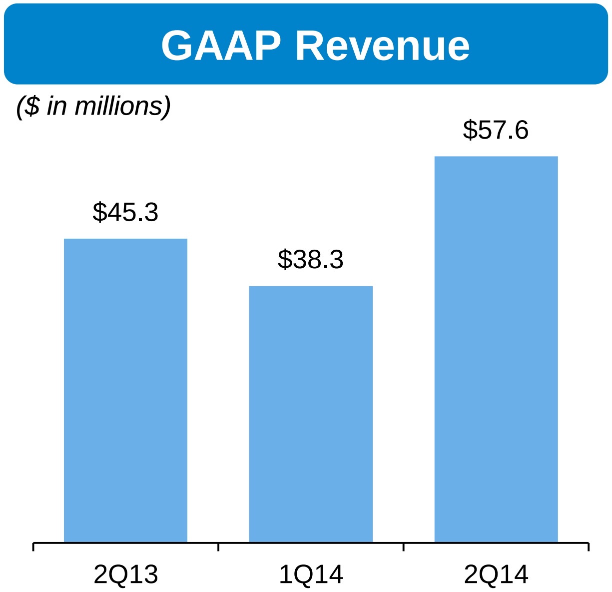
Operational

- Originations increased to a record $3.3 billion, up 37% from 1Q14 and 59% from prior year quarter
  - Retail origination volume of $470 million up $209 million or 80% from 1Q14
  - Wholesale origination volume of $730 million up $308 million or 73% from 1Q14
- Interest Rate Locks increased to a record $4.7 billion, up 35% from 1Q14 and 66% from prior year quarter
  - Retail lock volume of $618 million (or 13% of total) up 54% from 1Q14
  - Wholesale lock volume of $1.1 billion (or 24% of total) up 60% from 1Q14
- Servicing UPB grew 19% from 1Q14 to $16.7 billion
- NattyMac commitments as of June 30, 2014 increased 11% from 1Q14 to $347 million

(1) Gain on mortgage loans held for sale as a percentage of origination volume.
(2) Adjusted Net Income and adjusted EPS are key performance metrics used by management in evaluating the performance of our business. See the Appendix for GAAP to non-GAAP reconciliation.

2Q14 Revenue

- GAAP revenue of $57.6 million was up 50% from the previous quarter and up 33% compared to the same period last year
  - Servicing fee income grew $1.6 million or 18% from 1Q14
  - Gain on sale revenue grew 63% to $46.5 million as gain on sale margins increased by 23 bps to 141 bps compared to 118 bps in 1Q14 (1)
  - Includes a $15.4 million negative adjustment of MSR valuation, due to lower interest rates and other input assumption changes



($ in thousands)	Three Months Ended		
Revenues	**6/30/2013**	**3/31/2014**	**6/30/2014**
Gains on mortgage loans held for sale	$ 24,378	$ 28,631	$ 46,548
Changes in mortgage servicing rights valuation	5,460	(10,658)	(15,364)
Loan origination and other loan fees	5,350	5,077	6,731
Loan servicing fees	5,239	9,174	10,790
Interest income	2,926	6,077	8,918
Total revenues	**$ 43,353**	**$ 38,301**	**$ 57,623**

(1) Gain on mortgage loans held for sale as a percentage of origination volume.

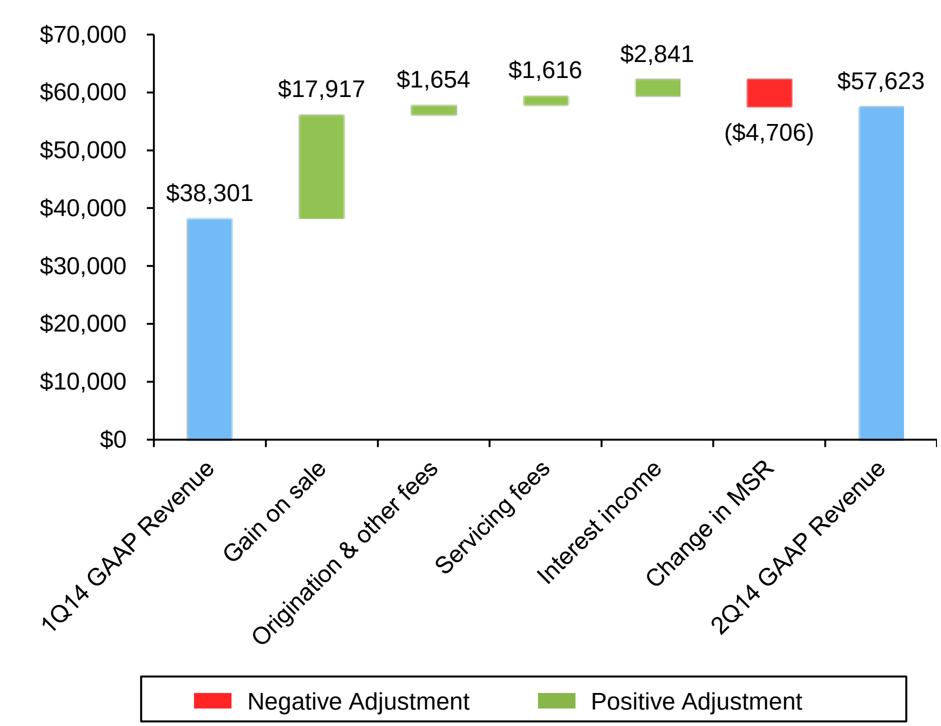
2Q14 Revenue Reconciliation

STONEGATE MORTGAGE

- Gain on mortgage loans held for sale increased by 63% to 141 bps[1] (up 23 bps compared to 1Q14) due to higher origination volume, higher retail and wholesale mix, and increased channel margins
- Loan origination fees, servicing fees and interest income also increased from 1Q14 to 2Q14 due to higher UPB and higher origination volume

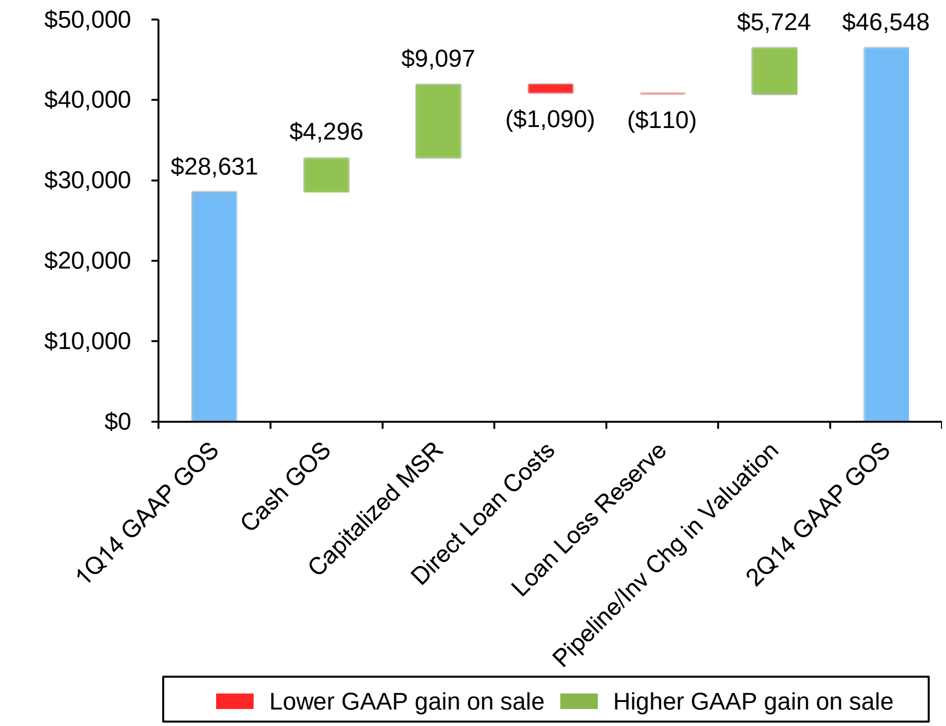
GAAP Revenue Bridge

($ in thousands)



Gain on Sale Bridge

($ in thousands)



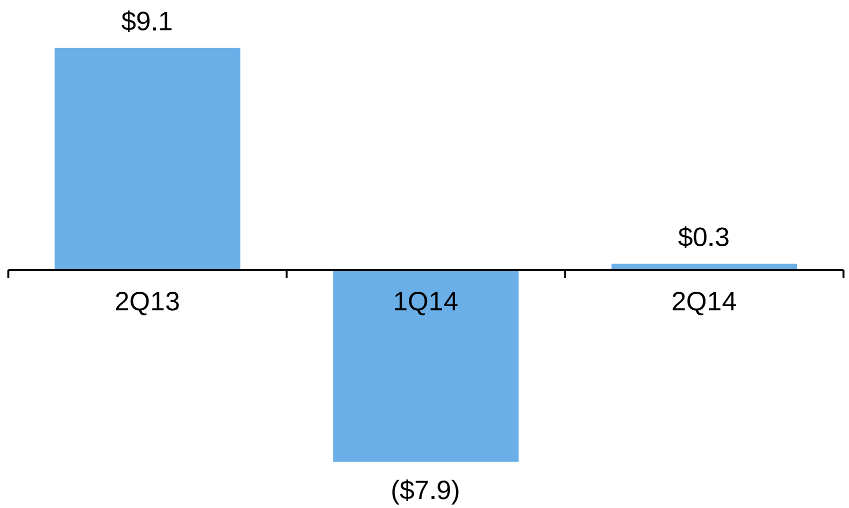
(1) Gain on mortgage loans held for sale as a percentage of origination volume.

2Q14 Net Income

- GAAP net income of $0.3 million or $0.01 per diluted share
- Adjusted net income of $7.4 million or $0.29 per diluted share(1)
  - 2Q14 adjusted net income(1) represents a 114% increase from the previous quarter and a 9% increase as compared to the prior year quarter
  - Adjustments include the Fair Market Value changes in Mortgage Servicing Rights and stock-based compensation

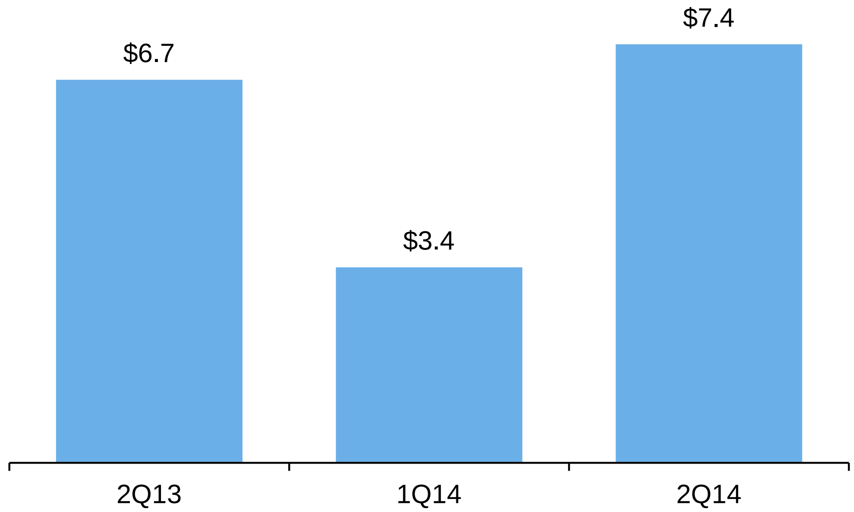
GAAP Net Income

($ in millions)



Adjusted Net Income(1)

($ in millions)



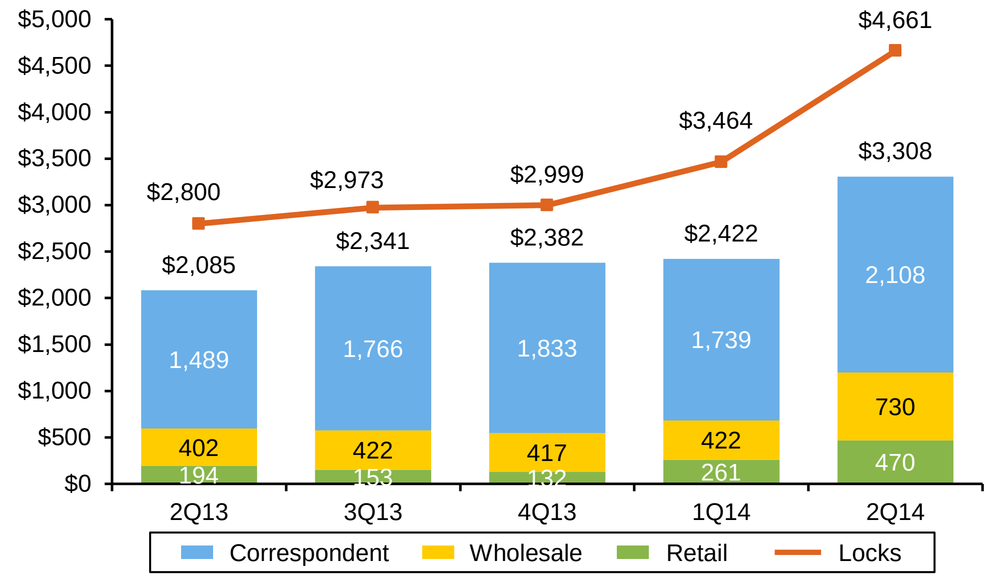
(1) Adjusted Net Income and adjusted EPS are key performance metrics used by management in evaluating the performance of our business. See the Appendix for Adjusted Net Income reconciliation.

Diversified Origination Business…

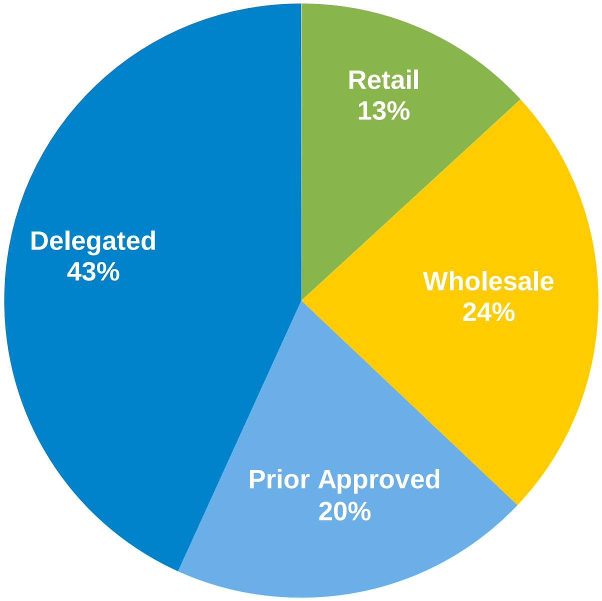
- Stonegate again turned out a record quarter for both origination volume and interest rate lock volume
  - Retail and wholesale origination volume grew 80% and 73%, respectively, compared to 37% growth for total originations
  - Refinance volume increased 43% over 1Q14 as lower rates drove higher demand and we continued to focus on direct-to-consumer; purchase volume increased 32% over 1Q14
- Locks increased to a record $4.7 billion, up 35% over 1Q14 and 66% over 2Q13
  - Retail and wholesale accounted for 13% and 24%, respectively, of total locks

Origination Volume

($ in millions)



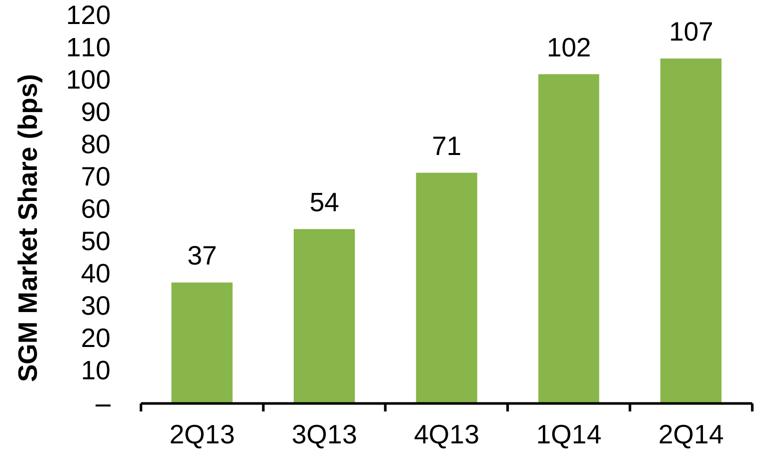
2Q14 Lock Mix



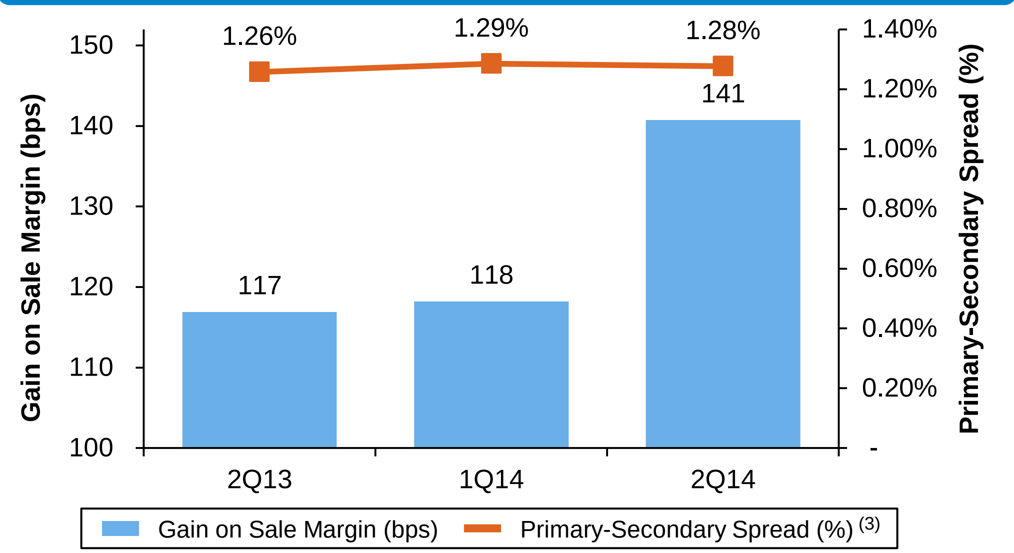
…Leading to Improving Profits

- Gain on sale margins[1] increased to 141 bps, up 23 bps over 1Q14 and 24 bps over 2Q13 while primary-secondary spreads remained relatively flat
- Total expenses excluding interest expense decreased to 154 bps in 2Q14, down 41 bps from 1Q14 while increasing higher expense channels of retail and wholesale
- Market share continued to increase in 2Q14[2]

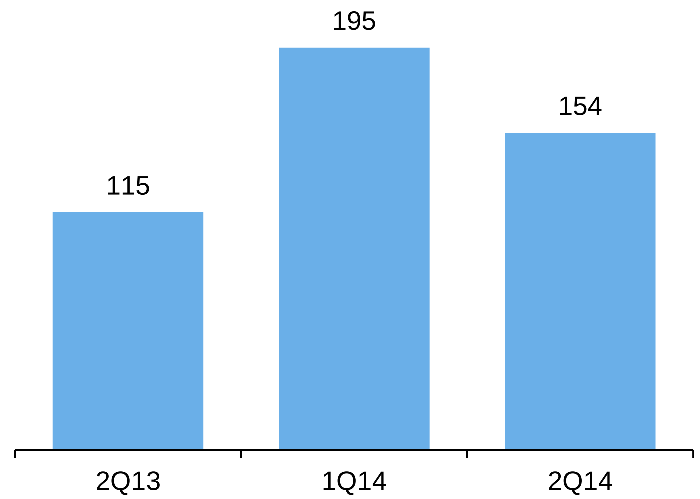
Stonegate Market Share[2] (bps)



Gain on Sale Margins[1]



Total Non-Interest Expenses (bps)

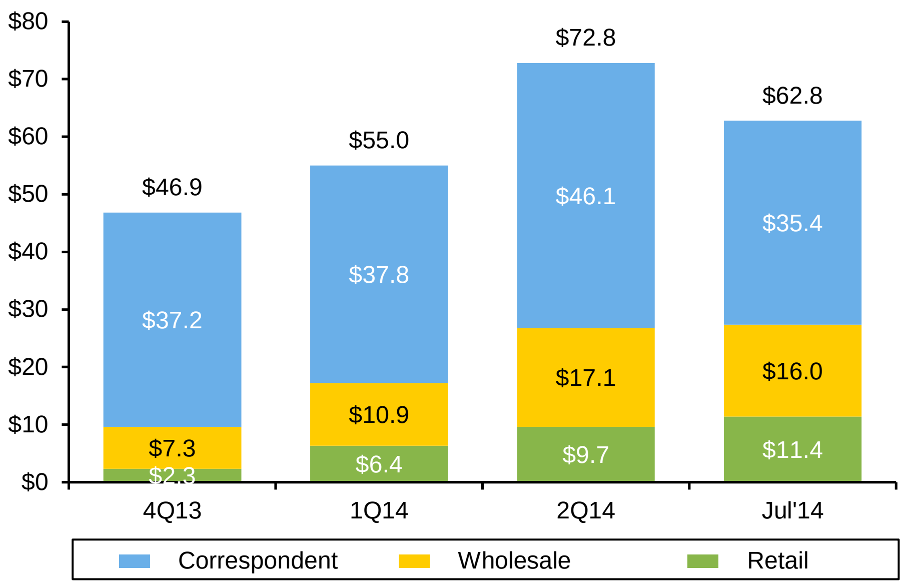


(1) Gain on mortgage loans held for sale as a percentage of origination volume.
(2) Market share is calculated as Stonegate Mortgage originations divided by the average origination volume during a given period as reported by Freddie Mac, Fannie Mae and MBA as of July 2014.
(3) Represents the spread between FNCL and FN30NR as reported by Compass Analytics.

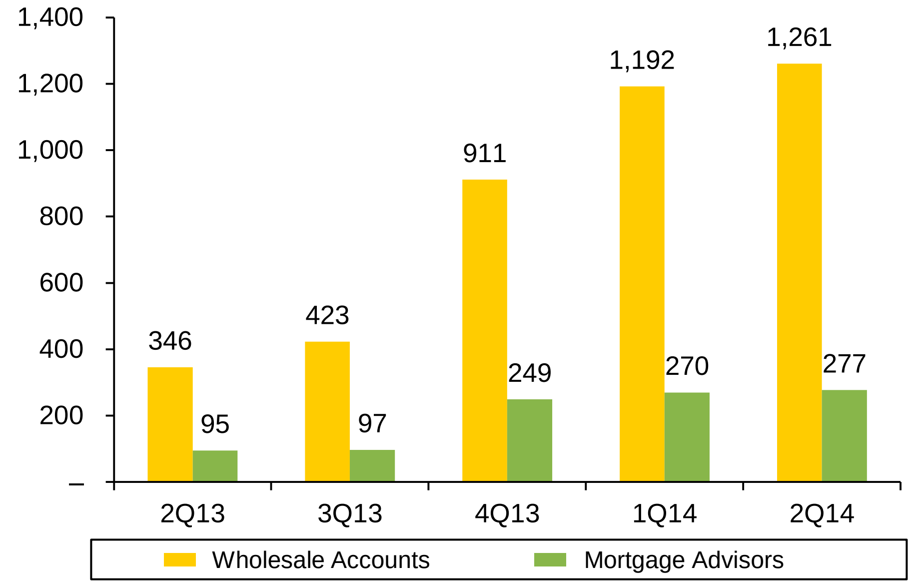
Focus on Retail and Wholesale

- Channel shift continues; retail volume accounted for 13% of locks in 2Q14 compared to 12% in 1Q14
  - Retail locks per day grew 52% in 2Q14 (over 1Q14) and 18% in July (over 2Q14)
  - Wholesale locks per day grew 57% in 2Q14 (over 1Q14) and declined 7% in July (over 2Q14)
  - Retail and wholesale locks represented 44% of total locks in July compared to 37% in 2Q14 as focus remains on higher-return-potential channels
  - Retail units per 120+ day Mortgage Advisor increased to 3.9 in June from 3.0 in March while wholesale originations per active account increased to $641k in June from $551k in March(1)

Locks per Day Trend



Mortgage Advisors and Wholesale Accounts

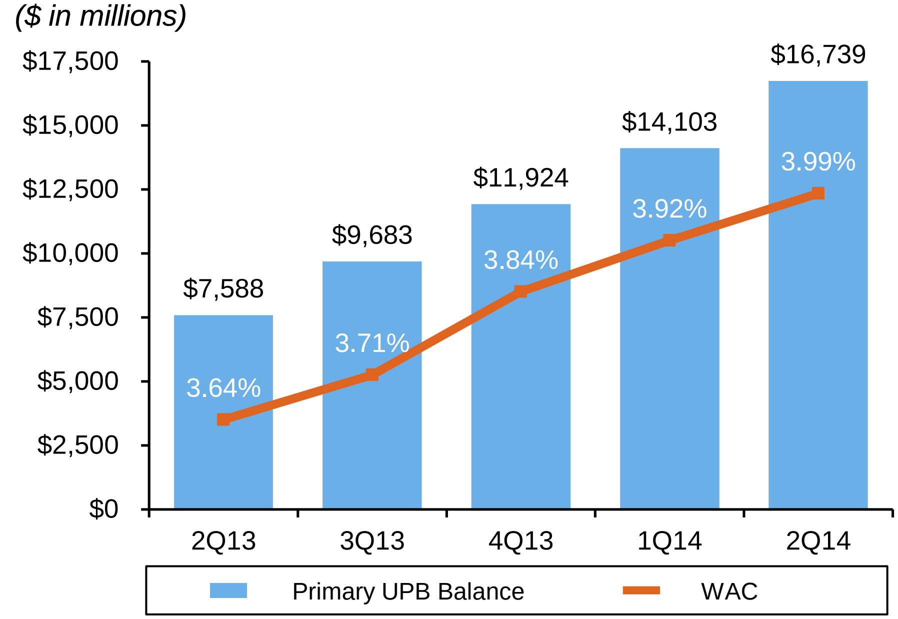


(1) See appendix for historical productivity data of mortgage advisors and wholesale accounts.

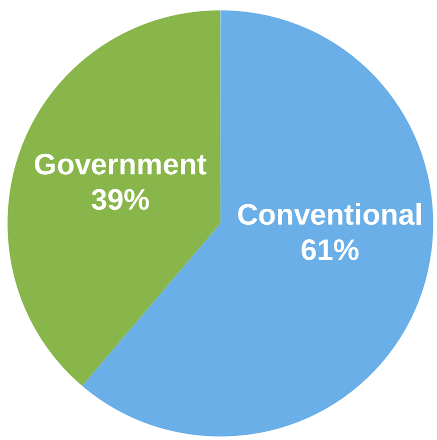
Stonegate Mortgage Servicing Business

- Loan servicing fees were $10.8 million in 2Q14, up 18% from 1Q14 and 106% from 2Q13
- Servicing UPB grew 19% from 1Q14 and 121% from 2Q13
  - As of 2Q14, the 90+ day delinquency rate was 0.51% and the average CPR was 7.2%
  - Portfolio composition as of 2Q14 was 39% government / 61% conventional
  - Weighted average coupon rate as of June 30, 2014 was 3.99%, up 7 bps from prior quarter
- We believe originating rather than purchasing servicing provides better transparency to the bond investors and reduces regulatory scrutiny
- We are currently pursuing subservicing opportunities, which we believe will lower our per loan cost to service (thereby increasing free cash flow from servicing) without requiring incremental capital investment

Servicing UPB and WAC



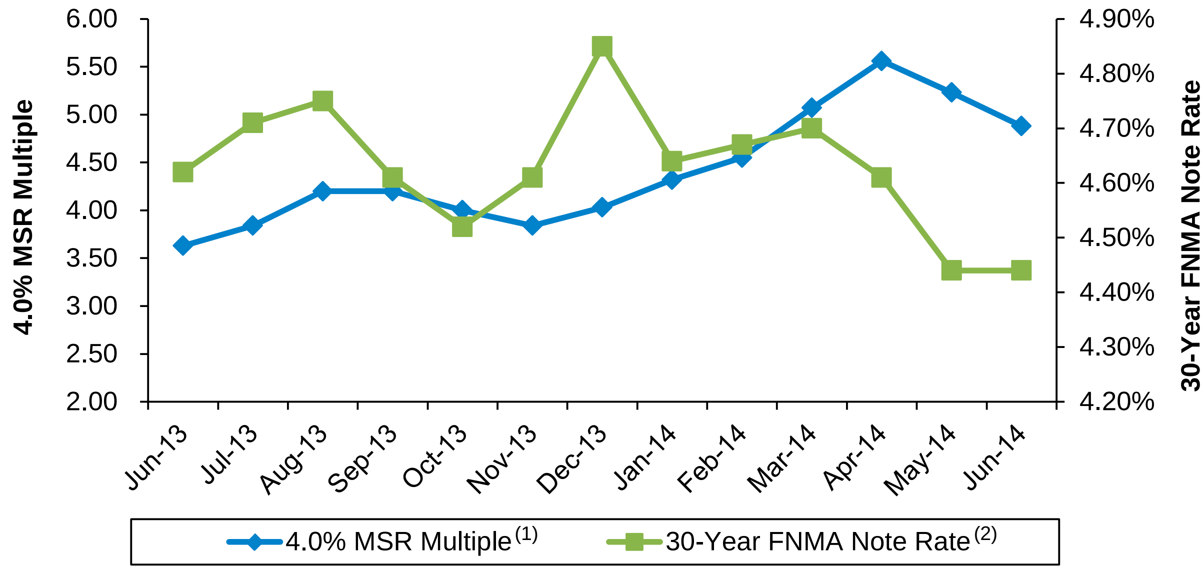
Portfolio Composition:
(As of 6/30/2014)



The Mortgage Servicing Right Asset Class

- The multiples being paid on bulk servicing purchases have continued to increase
  - As an asset manager, we see the higher prices as an opportunity to monetize the gain in our investment
  - In July, we entered into an LOI to sell $1.98 billion of FNMA MSRs at 125 bps, which were marked on our balance sheet at 120 bps as of June 30, 2014
  - We plan to re-deploy the proceeds from the sale back into our origination platform to create newly originated MSRs with the intent of lowering our cost basis in the asset and improving returns
- Integrated origination and servicing businesses allow us to finance, monetize or partner with another financing vehicle to profit from the MSR asset

MSR Multiples Increasing in a Declining Interest Rate Environment

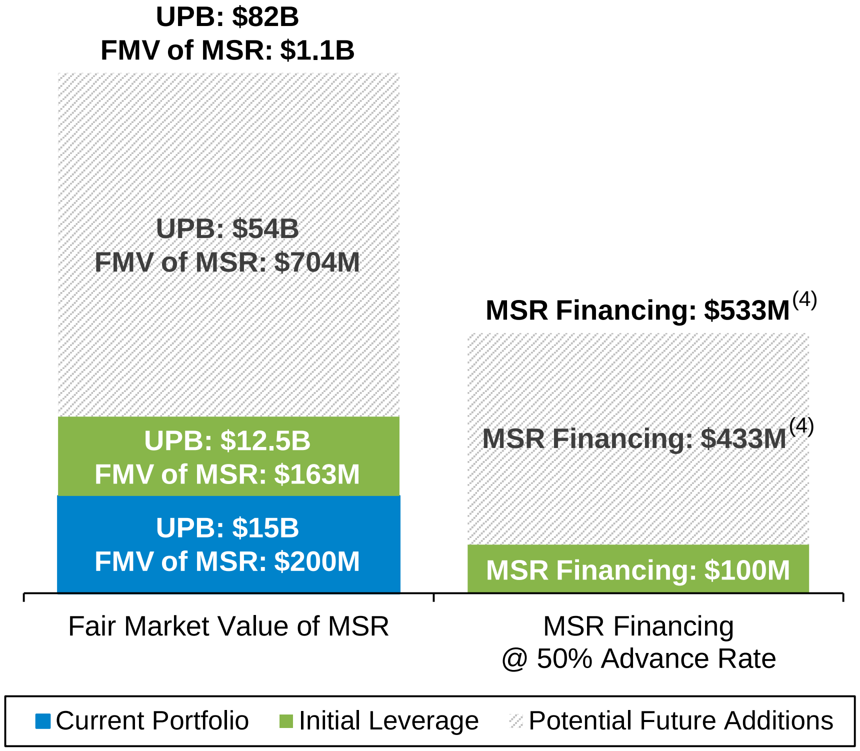


(1) Source: Vice Capital Markets, Inc.
(2) Source: Compass Analytics.

MSR Asset Financing – Liquid Market

- Stonegate's MSR asset is presently valued at ~$217 million with minimal debt against it
- We recently signed an MSR financing facility agreement to borrow approximately 50% against the MSR asset at L+525 bps (1)
  - Facility is revolving, freely pre-payable and uncommitted
- Currently working on expanding MSR financing with multiple participants to also include GNMA
  - L+400-600 bps, 50-75% advance rate, terms up to three years
- $100 million in initial MSR financing could finance an additional $12.5 billion in UPB, which could then be leveraged to provide additional runway potential of up to $54 billion in additional UPB (2)
  - Based on an average Net Cost to Originate of 80 bps and financing advance of 65 bps, for a net investment of 15 bps (3)
- Earnings from NattyMac Funding are LIBOR-based and serve as a natural "hedge" against changing interest rates

MSR Financing Example



(1) On May 22, 2014, Stonegate executed a Loan and Security Agreement with Barclays that allows Stonegate to borrow up to $100 million against its Fannie Mae and Freddie MSRs. Structured as a sub-limit to Stonegate's existing $300 million Master Repurchase Agreement with Barclays. Barclays will lend up to 60% of an estimate of the valuation of the MSRs at any one time. For illustrative purposes, this is assumed to be the equivalent of approximately 65 bps or 50% of an valuation of 130 bps

(2) Assumes all MSR financing proceeds are utilized to finance new originations at illustrative average net investment of 15 bps and servicing cash flows are sufficient to support other uses of cash such as working capital, interest expense and capital investments.

(3) Represents an illustrative example. Please see Appendix for additional details.

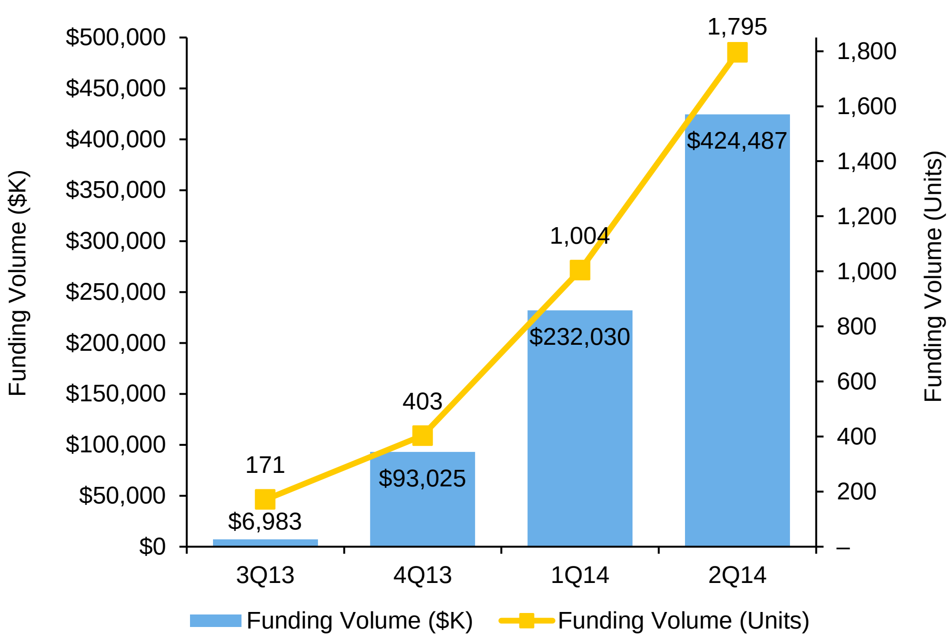
(4) MSR financing shown here is for illustrative purposes only and is not to be deemed a forecast or indication of future financing levels. Alternative sources of capital may be available and financing decisions depend on a variety of internal and external factors.

Stonegate Mortgage Financing Business

- Stonegate generated $2.7 million in net interest income in 2Q14 from its loans held for sale and outstandings on NattyMac warehouse lines
- NattyMac funded $195 million in July, compared to $141 million on average per month during 2Q14
- NattyMac fee income grew 237% as the number of units funded increased 79%

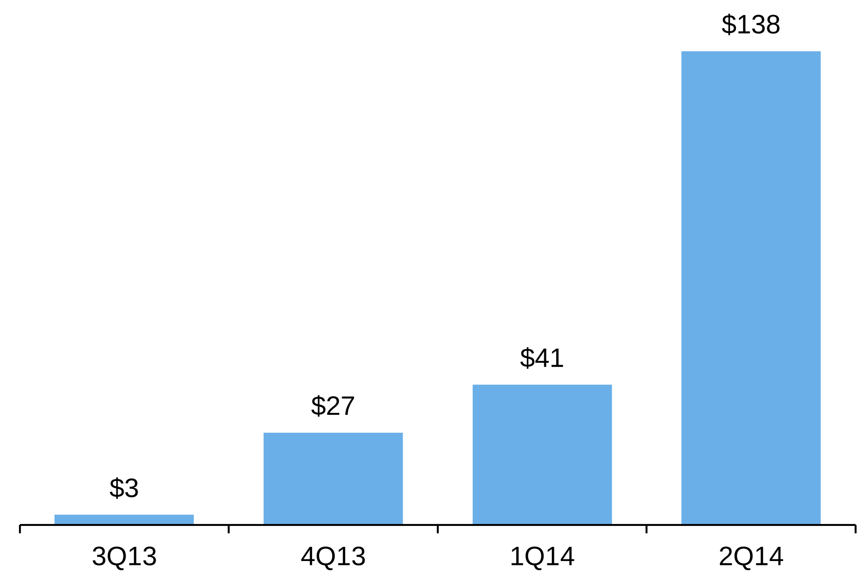
Funding Volume

($ in thousands)



NattyMac Financing Fees

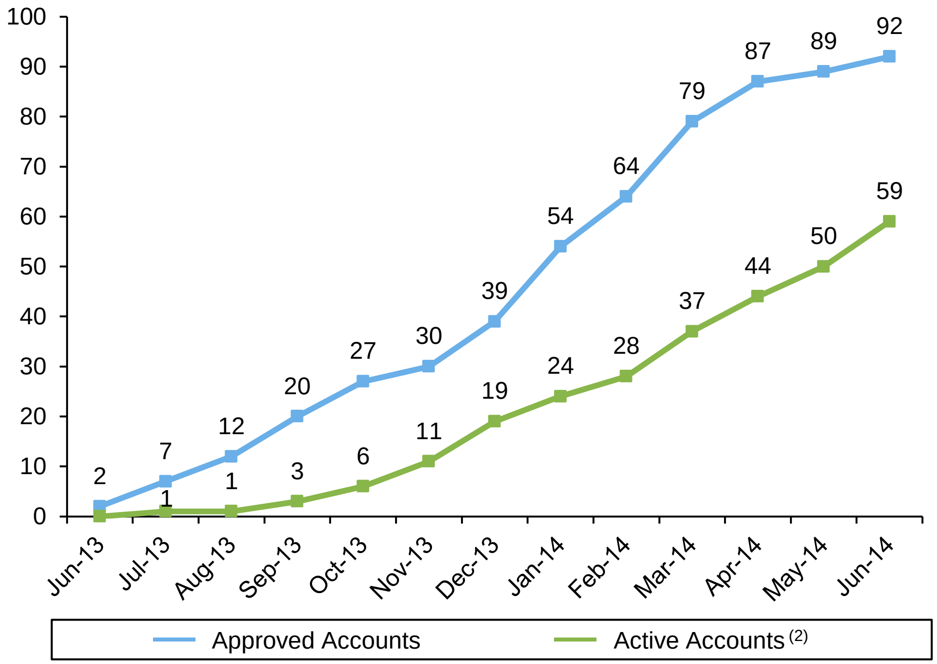
($ in thousands)



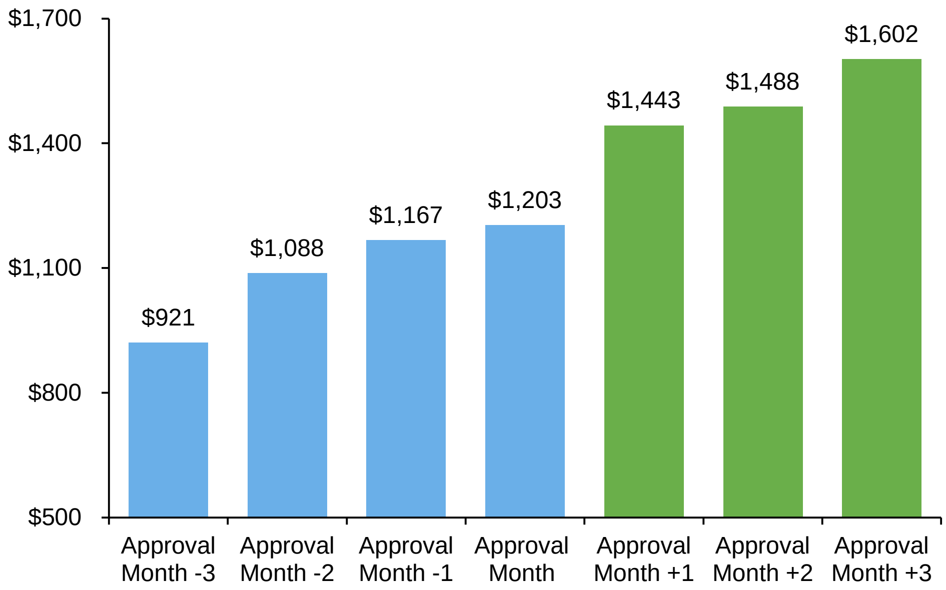
NattyMac Increases "Wallet Share"

- Number of NattyMac customers and commitments continuing to grow
  - Current commitments[1] total $364 million to 97 approved accounts (or 12% of total approved correspondent accounts)
- As of June 30, 2014, NattyMac clients' locks increased 74% on average three months after receiving a warehouse line compared to the three months' average prior
  - As a higher percentage of correspondent volume is being purchased off a NattyMac line, our net cost to originate Mortgage Servicing Rights decreases

NattyMac Customers



Locks per Month

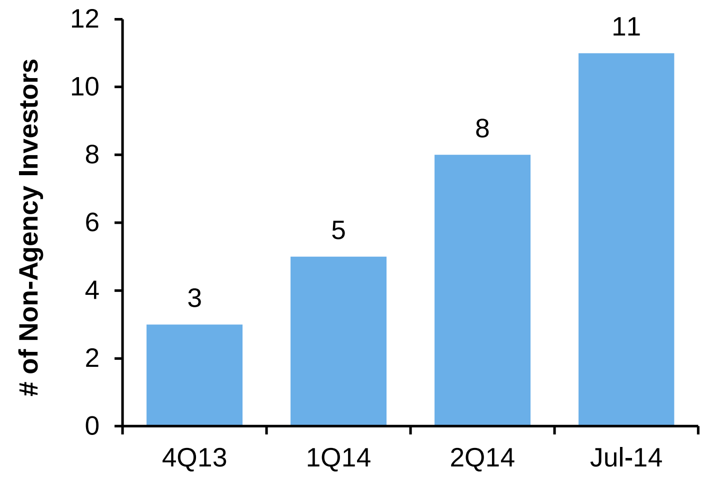


(1) As of July 31, 2014
(2) Funded at least one loan through on a NattyMac warehouse line in the last 90 days

Non-Agency Positioning:
Focused on the Emerging Market

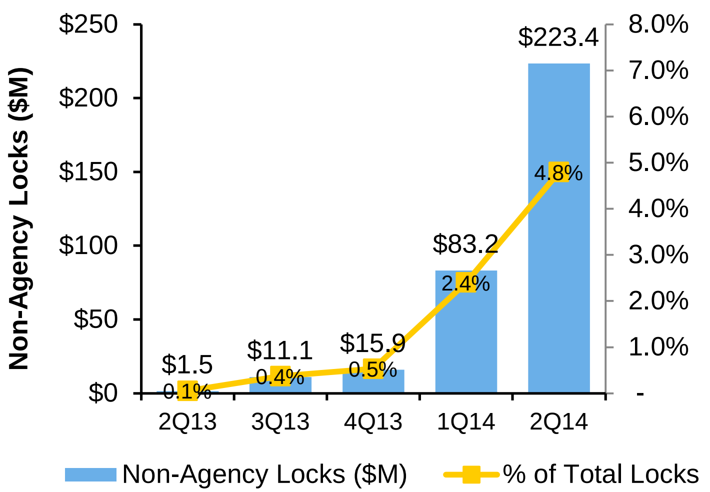
- SGM's origination business is positioned to "source" new product and provide investors with access to this asset class in the form of whole loan sales and/or securitization (subs/IO)
- Non-agency locks grew to $223.4 million in 2Q14, up 168% from $83.2 million in 1Q14
  - Significant opportunity exists within the QM space, which is SGM's primary focus
  - New markets in early stages of ramping up (recently entered CA and VA, both high non-agency markets)
- Expanded and diversified investor base provides more optionality
- Unique positioning in marketplace allows us to deliver consistent outcomes for investors
  - Provides transparency and controls (credit, collateral, compliance) for asset quality and regulatory risk
- Market opportunity to increase the size of the origination market and improve "execution" on certain agency-eligible assets

Non-Agency Investor Base



Non-Agency Locks

($ in millions)



Recent Developments

July Originations

- Locks per day decreased 14% from 2Q14 to $62.8 million
  - Retail and wholesale locks were 18% and 26%, respectively; up from 13% and 24% in 1Q14
- Stonegate is now licensed in 45 states and Washington DC
  - Obtained licenses in Idaho and Nevada during July

Servicing

- Continue to hold discussions with MSR investors on subservicing opportunities
- Signed LOI to sell $1.98 billion FNMA MSR portfolio at 5 bps higher than capitalized value(1)

Non-Agency

- Non-agency locks totaled $93.5 million in July compared to $74.5 million on average per month during 2Q14
- Formed Stonegate Mortgage Acceptance LLC (a special purpose entity) on July 30, 2014

Financing

- Increased investment in NattyMac Funding to increase the liquidity available to growing NattyMac LLC business

(1) As of June 30, 2014

Conclusion

STONEGATE™ MORTGAGE

SGM continues to execute on core strategies to facilitate growth:

- Geographic and “wallet share” expansion driven by non-agency product and warehouse financing
- Continue to pursue retail tuck-in acquisitions in targeted markets
- Expansion of direct-to-consumer call center business
- Expand non-agency product and distribution through all channels
- Continue to drive down operating expenses in bps as we build scale
  - Lower net cost to originate Mortgage Servicing Rights through better use of technology and process efficiencies

Appendix

Statement of Operations

STONEGATE™ MORTGAGE

	Three Months Ended		
	6/30/2014	3/31/2014	6/30/2013
Revenues			
Gain on mortgage loans held for sale	$ 46,548	$ 28,631	$ 24,378
Changes in mortgage servicing rights valuation	(15,364)	(10,658)	5,460
Loan origination and other loan fees	6,731	5,077	5,350
Loan servicing fees	10,790	9,174	5,239
Interest income	8,918	6,077	2,926
Total revenues	$ 57,623	$ 38,301	$ 43,353
Expenses			
Salaries, commissions and benefits	$ 35,144	$ 33,420	$ 17,634
General and administrative expense	9,215	8,209	5,293
Interest expense	6,263	3,813	4,602
Occupancy, equipment and communication	4,762	4,141	1,638
Provision for mortgage repurchases and indemnifications	509	395	(1,028)
Depreciation and amortization expense	1,193	1,083	529
Loss on disposal of property and equipment	131	91	-
Total expenses	$ 57,217	$ 51,152	$ 28,668
Income before income tax expense	**406**	**(12,851)**	**14,685**
Income tax expense	138	(4,967)	5,550
Net income	**268**	**(7,884)**	**9,135**
Less: Preferred stock dividends	-	-	(8)
Net income available to common stockholders	**$ 268**	**$ (7,884)**	**$ 9,127**
Earnings per share			
Basic	$ 0.01	$ (0.31)	$ 0.86
Diluted	$ 0.01	$ (0.31)	$ 0.63

Balance Sheet

(in thousands)	**6/30/2014**	**6/30/2013**
Assets		
Cash and cash equivalents	$ 25,150	$ 31,556
Restricted cash	9,959	2,500
Mortgage loans held for sale, at fair value	1,136,838	418,000
Servicing advances	3,912	1,249
Derivative asset	39,632	50,928
Mortgage servicing rights	217,493	99,209
Property and equipment, net	13,470	6,314
Other Assets	139,518	19,126
Total assets	$ 1,585,972	$ 628,882
Liabilities and stockholders' equity		
Secured borrowings/warehouse lines of credit	$ 1,107,385	$ 338,870
Operating lines of credit	11,853	1,505
Accounts payable and accrued expenses	41,117	43,574
Derivative liabilities	34,996	19,409
Reserve for mortgage repurchases and indemnification	4,787	2,844
Deferred income liabilities, net	23,488	26,061
Other liabilities	60,691	15,163
Total liabilities	1,284,317	447,426
Stockholders' equity		
Common stock	264	176
Treasury Stock	–	(1,707)
Additional paid-in-capital	265,600	143,328
Retained earnings	35,791	39,659
Total stockholders' equity	301,655	181,456
Total liabilities and stockholders' equity	$ 1,585,972	$ 628,882

Non-GAAP Financial Reconciliation

($ in thousands, except per share data)	Three Months Ended 6/30/2014	3/31/2014	6/30/2013
Net income:	$ 268	$ (7,884)	$ 9,135
Adjust for:			
Changes in mortgage servicing rights valuation	10,712	7,931	(7,629)
Stock-based compensation expense	871	899	906
Other non-routine expenses (1)	-	9,593	2,864
Acquisition expenses	-	49	-
Tax effect of adjustments	(4,494)	(7,149)	1,459
Adjusted net income (2)	**$ 7,357**	**$ 3,439**	**$ 6,735**
Adjusted net income per share	**$ 0.29**	**$ 0.13**	**$ 0.46**

(1) Ramp-up and other non-routine expenses associated primarily with our acquired Nationstar business and acquisition related costs. Ramp-up costs include the advance hiring of servicing and originations staff, recruiting expenses, travel, licensing and legal expenses, primarily guarantees and other compensation expenses incurred prior to the period of meaningful origination volume.

(2) Adjusted net income is a key performance metric used by management in evaluating the performance of our business.

Gain on Sale Economics

- Gain on sale consists of cash and non-cash items:
  - Cash gain on sale
  - Direct Loan Expenses
  - Loan loss reserve
  - Capitalized MSR asset
  - Pipeline/Inventory fair value

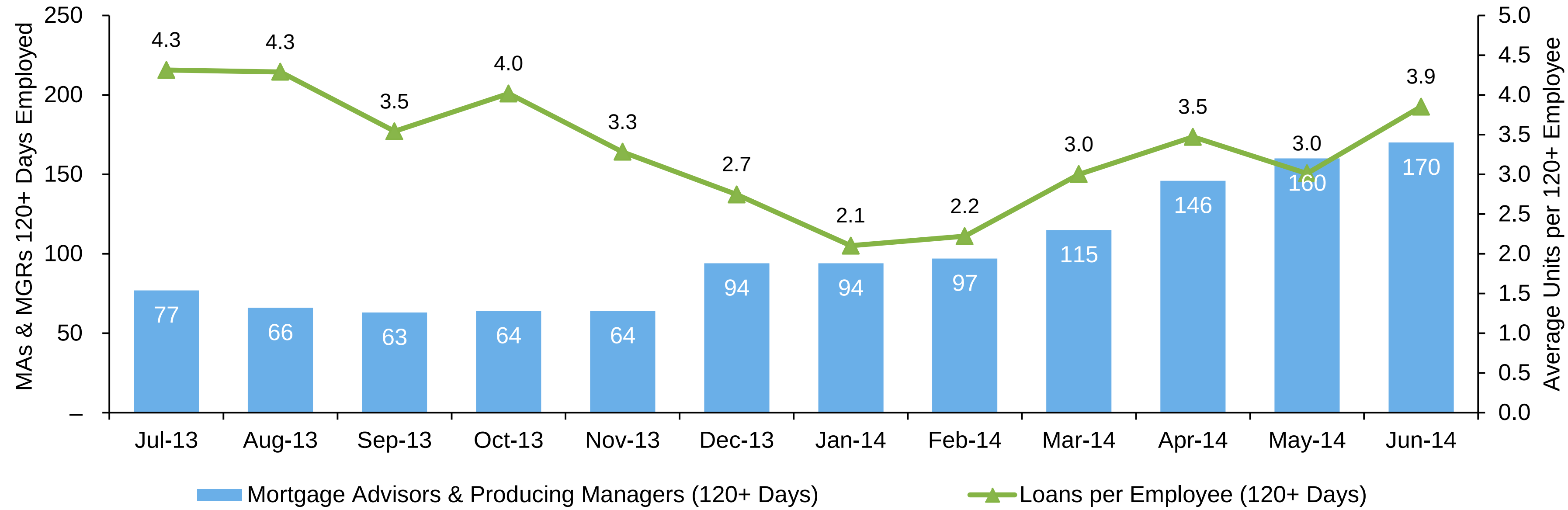
Gain on Sale Economics

$ in thousands	Three Months Ended 6/30/2014	3/31/2014	6/30/2013
Cash GOS	$ 1,756	$ (2,540)	$ 4,099
Capitalized MSR	40,316	31,219	26,296
Direct Loan Costs	(5,711)	(4,621)	(4,437)
Loan Loss Reserve	(603)	(493)	(995)
Pipeline/Inventory Chg in Valuation	10,790	5,066	(585)
Total GOS - Consolidated	$ 46,548	$ 28,631	$ 24,378

Growing the Retail Channel

- Stonegate is focused on growing the retail channel because it has the lowest Net Cost to Originate[1] potential
  - Growing retail is a function of adding additional loan officers to originate loans and increasing the number of units produced by each mortgage advisor
- Crossline represented 45% of retail originations in 2Q14

Retail Producers and Productivity

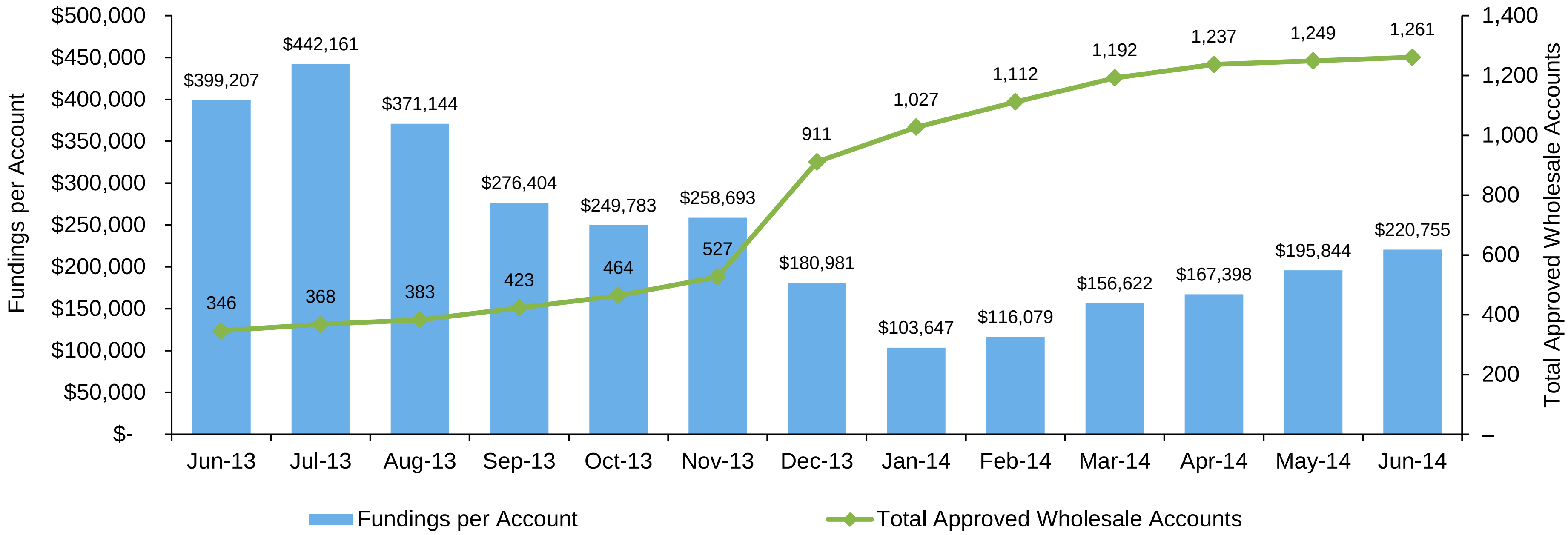


(1) Please see appendix slide 27 for additional information.

Growing the Wholesale Channel

- Wholesale has the lowest Net Cost to Originate[1] potential of the third-party channels
  - Growing the wholesale channel is a function of signing up new accounts and converting them to active accounts
- Fundings per account will increase as a higher proportion of accounts become active
- Operational and technology enhancements are also resulting in funding increases and more scale

Wholesale Volume per Account

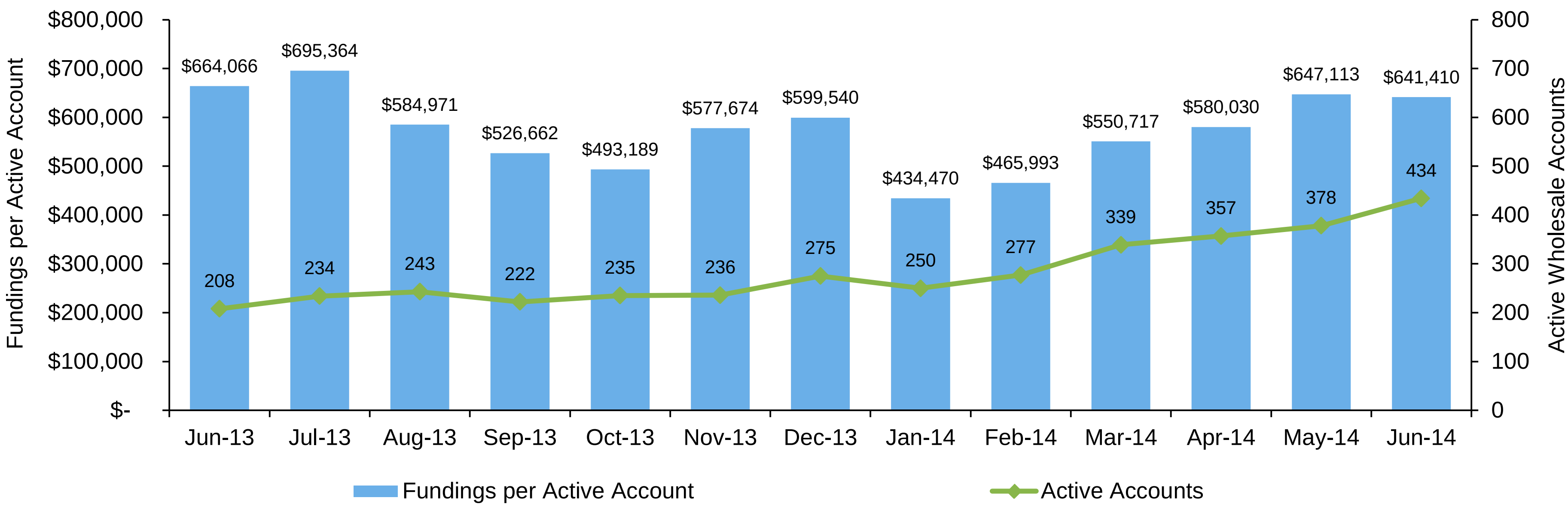


(1) Please see appendix slide 27 for additional information.

Growing the Wholesale Channel (Continued)

- Fundings per active account trend has improved year-to-date as acquired Nationstar account executives ramp-up to full productivity
  - Have added 734 new accounts since November 2013 (139% increase), while active accounts only increased by 198 over the same period (84% increase)
    - 54 of the 198 active accounts were added in June 2014 alone

Wholesale Volume per Active Account



Differentiated Business Model

- Stonegate's origination platform allows it to invest less capital into Mortgage Servicing Rights than others who rely on buying bulk and flow servicing packages
  - Multi-channel origination business positions Stonegate to continue to gain market share
  - As new products are introduced, Stonegate is positioned to be a leading originator in the emerging market
- Stonegate is currently diversifying its business from a correspondent-focused originator to one more focused on retail and wholesale
  - Retail and wholesale have a lower net cost to originate than correspondent, which can produce a higher return on capital
  - This transition, along with the Nationstar acquisition[(1)], is resulting in temporarily elevated levels of expenses, which are expected to decrease as retail and wholesale volumes continue to grow

Numbers in BPS	Origination			Financing & Sell			MSR Market	
	BOT Price/ Paid to TPO	Fee Income	Total Expenses[(2)]	Sale Proceeds	Finance[(3)]	Net cost to originate	Flow/Bulk Cost	Fair Market Value
Retail	(175)	40	(315)	400	11	(39)	115	130
Wholesale	(440)	35	(80)	400	11	(74)	115	130
Prior Approved	(457)	25	(67)	400	19	(80)	115	130
Delegated Correspondent	(480)	15	(48)	400	19	(94)	115	130

Note: Represents an illustrative example. This illustration uses assumptions that affect results shown, including assumptions that are based on factors that are beyond the Company's control. Actual results could differ from this illustration.

(1) Nationstar acquisition consisted of wholesale lending channel and certain distributed retail assets
(2) Expenses modeled for a fully ramped origination business (approx. $4 billion per quarter).
(3) Based on 200 bps of spread. Assumes retail and wholesale loans in warehouse for 20 days and prior approved and correspondent loans financed through NattyMac and in warehouse for 35 days.

Differentiated Business Model

- Stonegate's origination platform positions us to invest less capital into MSRs than others who rely on buying bulk and flow servicing packages
- Net Cost to Originate (NCO) varies based on channel and ranges from 40 to 100 bps (2)
  - Channel mix determines the weighted average net investment
- MSR financing creates and opportunity for us to maximize shareholder returns

	Origination – Net Investment by Channel (1)				MSR Market
Numbers in bps, except percentages	**Retail**	**Wholesale**	**Prior Approved**	**Delegated Correspondent**	**Flow/Bulk Purchase**
Net Cost to Originate (NCO) / Market Cost (2)	(39)	(74)	(80)	(94)	(115)
MSR Financing	65	65	65	65	65
Net Investment / Equity	26	(9)	(15)	(29)	(50)
Current Lock Mix (2Q14)	13%	24%	20%	43%	N/A
	Weighted Average Net Investment: (14) bps				

(1) Represents an illustrative example. This illustration uses assumptions that affect results shown, including assumptions that are based on factors that are beyond the Company's control. Actual results could differ from this illustration. Net Cost to Originate modeled for a fully-ramped origination business (approx. $4 billion per quarter). MSR financing proceeds based on 130 bps MSR valuation and 50% advance rate. Please see appendix slide 27 for additional information.

(2) Please refer to slide 27 for illustrative channel economics.

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