Third Quarter 2016 Investor Presentation

November 3, 2016

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, as well as other risks discussed in the "Risk Factors" section within our Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission. 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 (loss)", "adjusted net income (loss) per diluted share", "adjusted segment revenue", "adjusted segment pre-tax income (loss)", and "adjusted segment expenses". 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.

SEGMENT REPORTING PRIOR PERIOD RECLASSIFICATIONS:

Certain prior period amounts have been reclassified to conform to the current period presentation.

CONTINUING VS. DISCONTINUED OPERATIONS:

All results are reported on a continuing operations basis unless otherwise indicated. See Appendix for additional details.

3Q16 Highlights [1]

Consolidated

- GAAP net income of $15.6 million
- Adjusted net income of $11.0 million
- Book value of $8.65 per share
- Adequate liquidity position with $23.2 million in cash and cash equivalents
- Reduced MSR debt by $4.3 million

Originations

- Origination volume up 12% with all channels posting increases
- Revenues up 35% with all channels posting increases
- Expenses down by 9 bps and CPL lower by $58 [2] (with all channels posting decreases)

Financing

- NattyMac posted another record quarter
- Funded volume up 12%
- Fee income and pre-tax income each up 6%

Servicing

- Maintained relatively flat servicing portfolio
- Closed a $1.2 billion MSR bulk sale
- Total expenses down 4%
- Lowered WAC by 5 bps

(1) All results are compared to prior quarter.
(2) CPL is calculated as adjusted segment expenses divided by number of loans. See the Appendix for GAAP to non-GAAP reconciliation.

3Q16 Financial Summary

Consolidated

- GAAP net income of $15.6 million or $0.60 per diluted share
- Adjusted net income of $11.0 million or $0.42 per diluted share [(1)]; pre-tax adjustments include:
  - $4.9 million for changes in valuation inputs and assumptions on MSRs and $0.4 million for stock-based compensation
- Reversed $6.2 million of the valuation allowance, resulting in a 1.8% effective tax rate

Originations

- GAAP Originations segment pre-tax income of $17.7 million, up from $5.7 million in 2Q16 [(2)], primarily due to higher gain on sale revenue
  - Originations of $2.6 billion, up 12% from 2Q16 and down 18% from 3Q15
  - Interest Rate Locks of $3.6 billion, up 11% from 2Q16 and down 8% from 3Q15

Servicing

- GAAP Servicing segment pre-tax income of $3.6 million in 3Q16 compared to $18.6 million loss in 2Q16
- Adjusted Servicing segment pre-tax loss [(3)] of $1.3 million, compared to a $0.7 million loss in 2Q16 due to lower loan servicing fees

Financing

- Financing segment pre-tax income increased 6% to $983 thousand in 3Q16
  - NattyMac commitments as of September 30, 2016 were $575.5 million

(1) Adjusted Net (Loss) Income and Adjusted Net (Loss) Income per diluted share are key performance metrics used by management in evaluating the performance of our business. See the Appendix for GAAP to non-GAAP reconciliation.

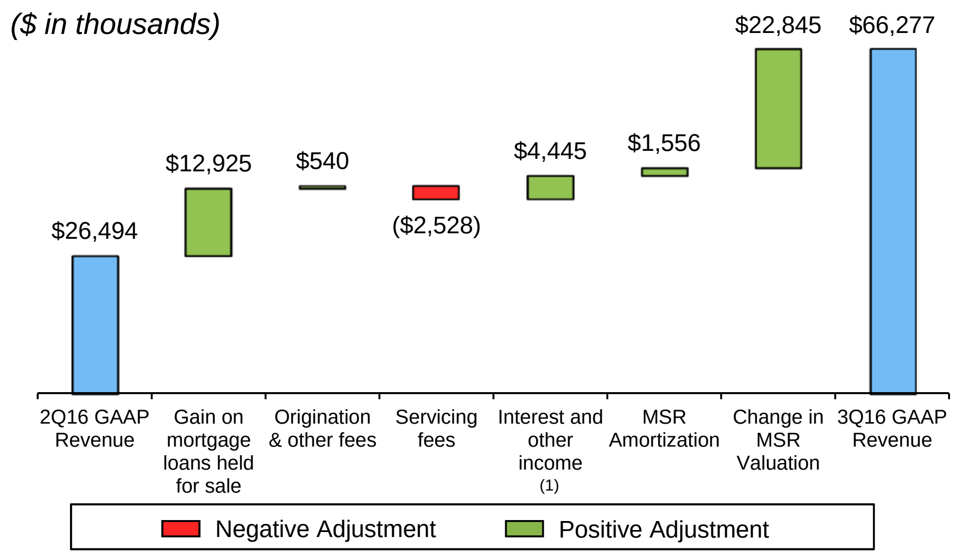
(2) $5.8 million adjusted. Adjusted Originations Segment pre-tax income excludes certain non-recurring expenses for each period. See the Appendix for GAAP to non-GAAP reconciliation.

(3) Adjusted Servicing segment pre-tax income (loss) excludes the change in mortgage servicing rights value and MSR debt interest expenses (if reported in servicing segment) for each period. See the Appendix for GAAP to non-GAAP reconciliation.

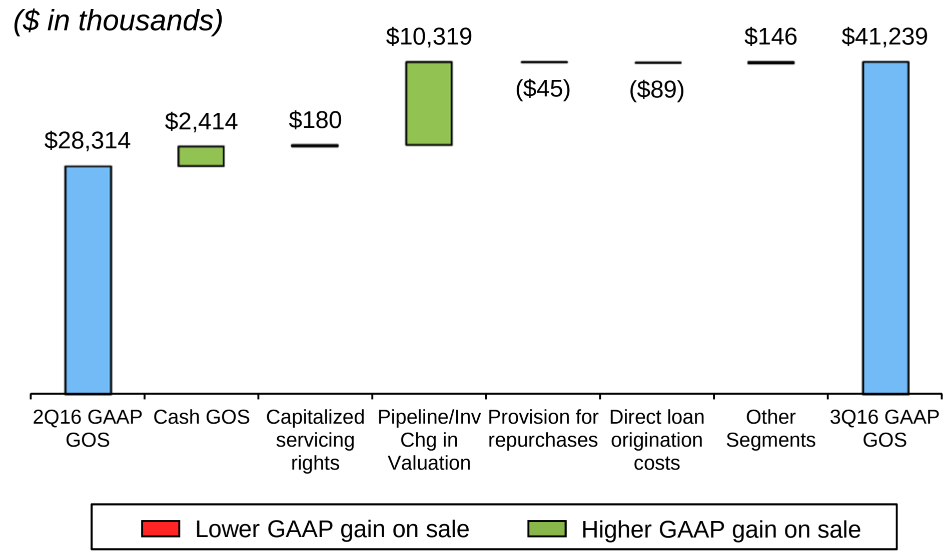
3Q16 Revenue Reconciliation

- GAAP revenue of $66.3 million was up 150% from 2Q16 due primarily to MSR valuation changes and higher gain on mortgage loans held for sale
  - 3Q16 includes a $4.9 million positive adjustment of Mortgage Servicing Rights (MSR) valuation compared to a $17.9 million negative adjustment in 2Q16
- Higher origination volume resulted in increased gain on mortgage loans held for sale, loan origination fees and interest income
  - Gain on sale generated by originations segment increased 45%, primarily due to a positive change in the valuation of the pipeline, as well as higher cash gain on sale due to higher volume

GAAP Revenue Bridge



Gain on Sale Bridge



Note: All results are reported on a continuing operations basis.

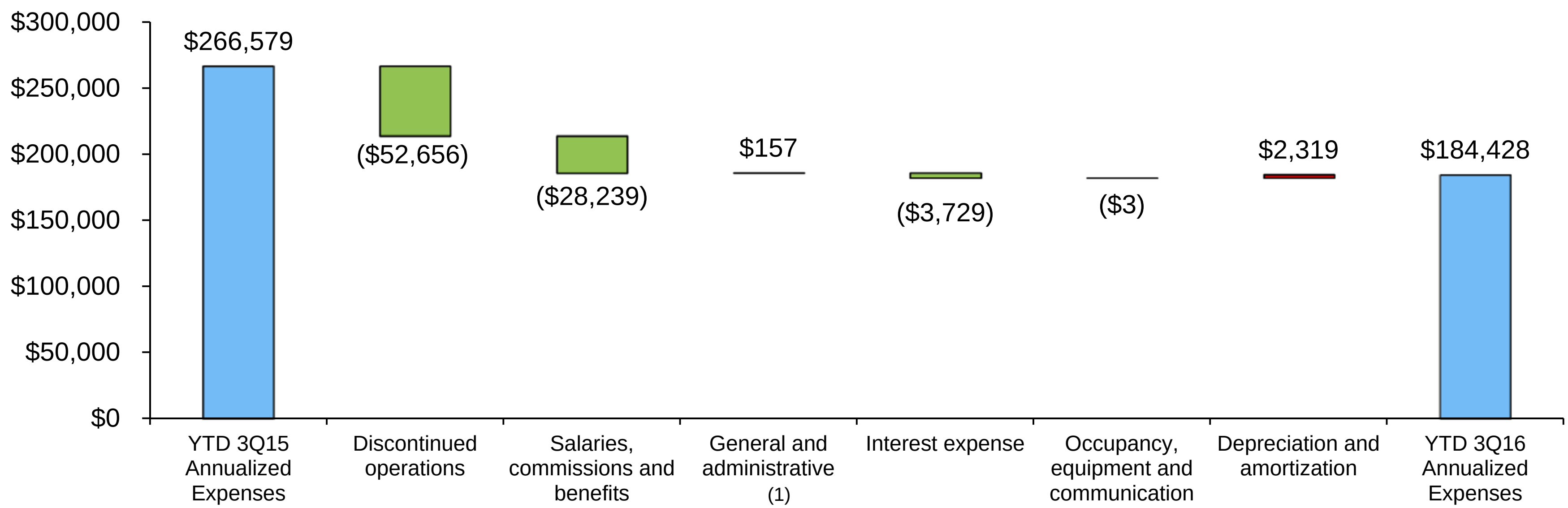
(1) During the current quarter, the Company settled a certain legal matter, as discussed in Note 14 "Commitments and Contingencies" in our 10-Q. Concurrently with the recognition of the settlement in revenue, the Company recorded an impairment of $4.2 million (booked to General & Administrative expense), which represented the carrying value of the purchased loans at the time of the settlement.

Expense Reductions

- YTD 3Q16 expenses decreased 31% to an annualized run-rate of $184 million per year
  - Closure and divestiture of 76 retail branches accounted for approximately 64% of the reduction (presented as discontinued operations)
  - Excluding the impact of $4.2 million in additional G&A expense in the third quarter (1), YTD 3Q16 annualized expenses would have been $179 million
- Further decreases in salaries and bonuses, G&A and interest expenses reflect other strategic expense reductions as well as the lower volume

Annualized Expense Reductions

($ in thousands)



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Liquidity and Cash Flow Focus

Liquidity

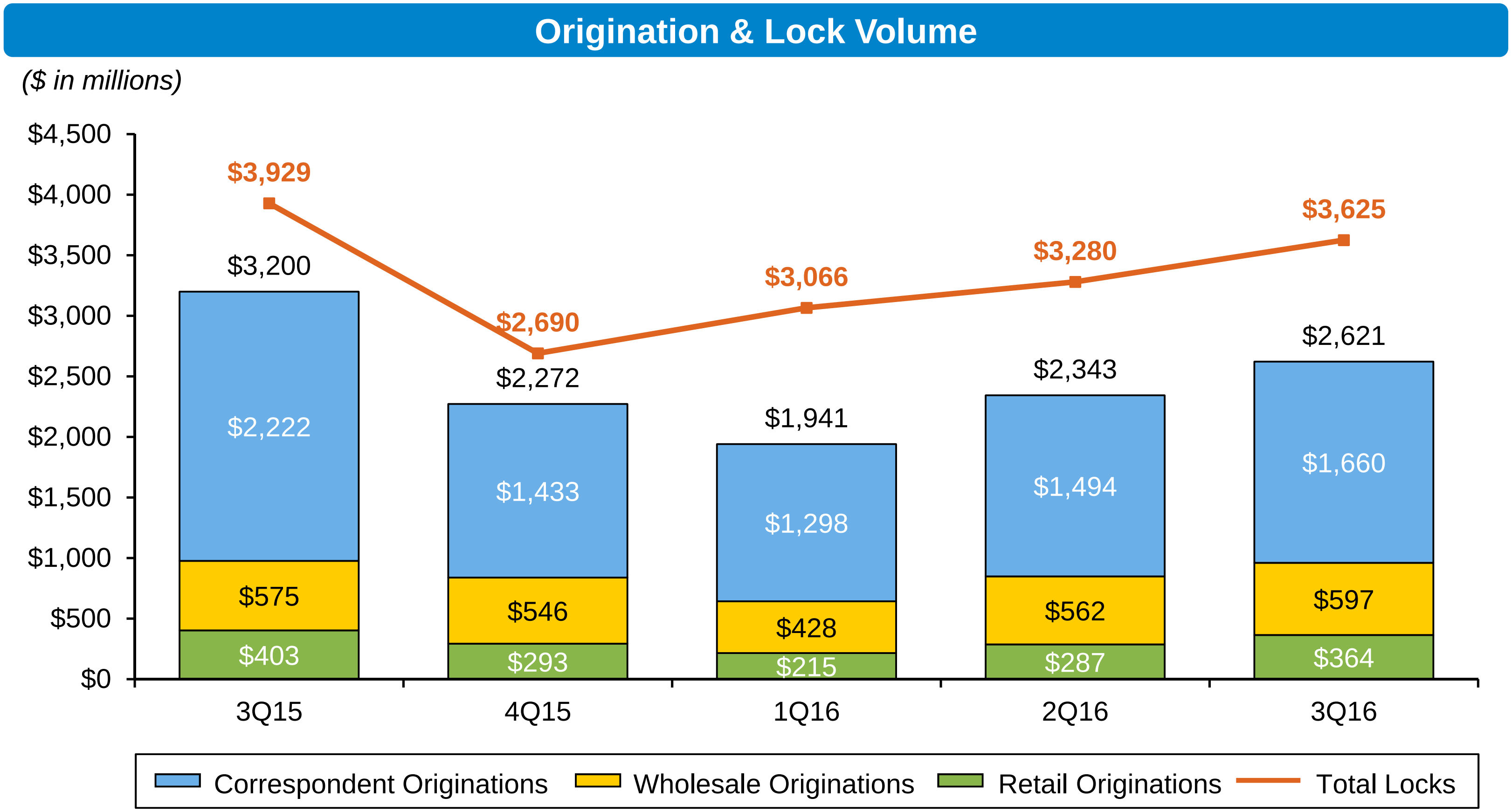
- Cash and equivalents of $23.2 million as of September 30, 2016
- Paid down $4.3 million of our MSR debt during the quarter; debt to asset ratio was 39% as of September 30, 2016 compared to 47% as of June 30, 2016

Cash Flow

- Completed government bulk sale of $1.2 billion UPB on September 30, 2016
- Cash investment for capitalized assets and property & equipment was $1.6 million in YTD 3Q16 compared to FY15 of $16 million
- Lower expense base requires less cash investment
  - YTD 3Q16 annualized expense base is $82 million lower than YTD 3Q15
- Fee income produces significant cash in-flows for the company
  - Fee income from Servicing segment was $11.2 million; Originations and Financing were $5.5 million and $0.5 million, respectively

Mortgage Origination Volume

- 3Q16 interest rate locks were $3.6 billion, up 11% over 2Q16 and down 8% over prior year
- 3Q16 originations were $2.6 billion, up 12% over 2Q16 and down 18% over prior year



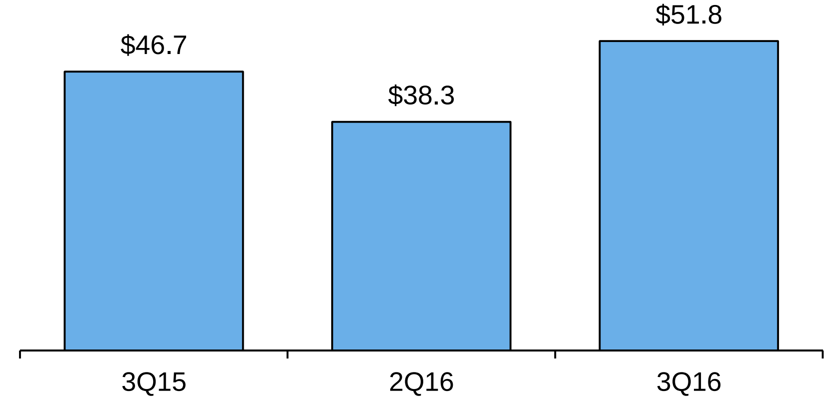
Note: All results are presented on a continuing operations basis.

Originations Segment – Financial Results

- Segment revenue of $51.8 million was up 35% over 2Q16, while adjusted segment expenses [1] were only up 4%
  - Compares to 12% increase in origination volume
  - Cost per loan of $2,701 was down $58 from prior quarter
- Adjusted segment pre-tax income [1] of $17.7 million, up from $5.8 million in 2Q16

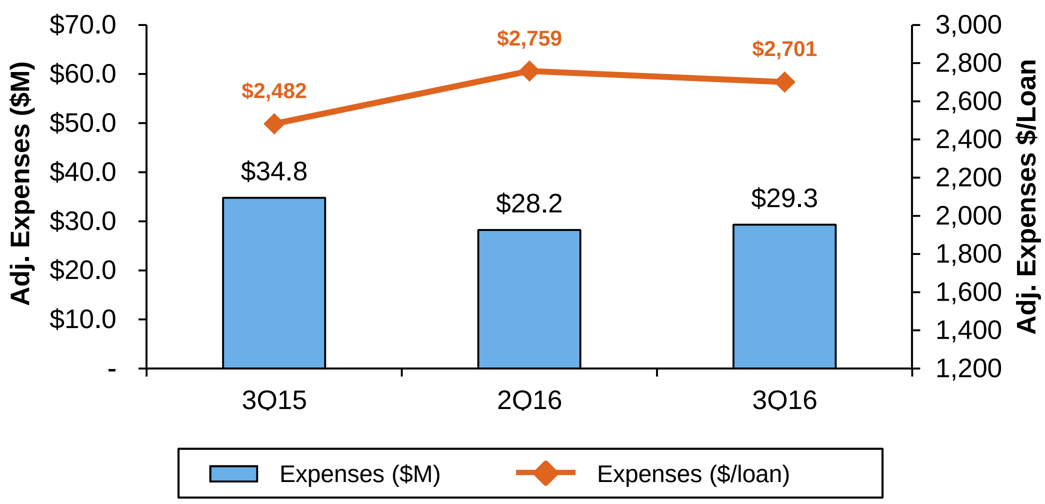
Segment Revenue

($ in millions)



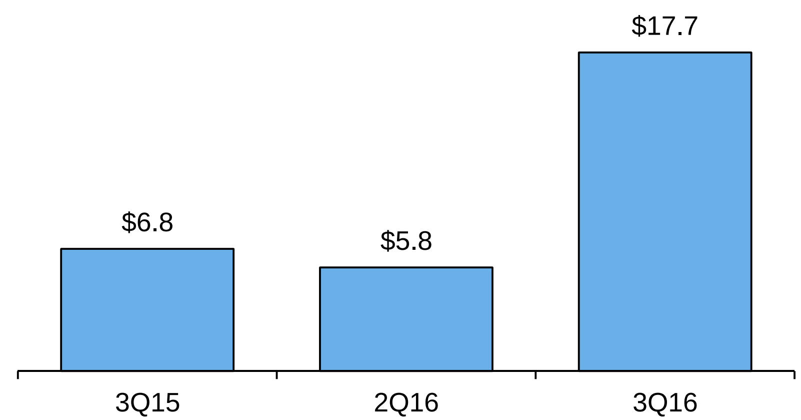
Adjusted Segment Expenses [1]

($ in millions, except per loan data)



Adjusted Segment Pre-Tax Income [1]

($ in millions)



Note: All results are presented on a continuing operations basis.

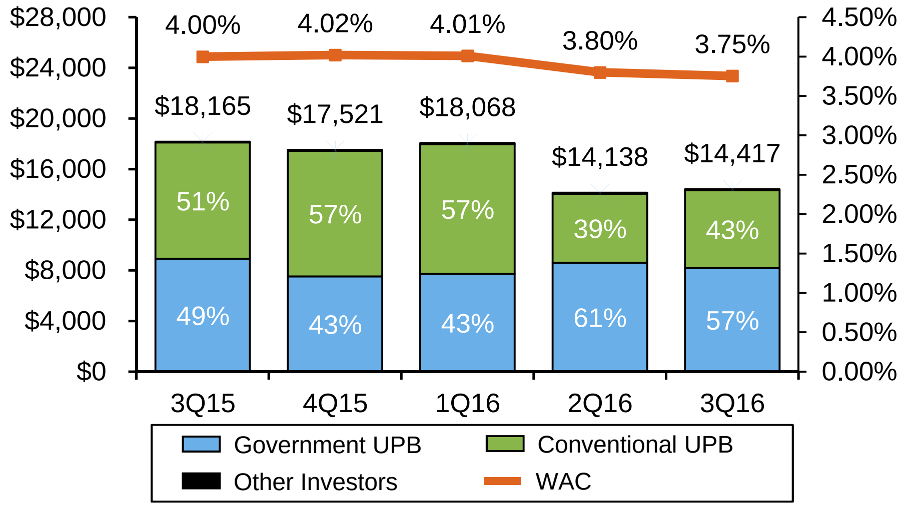
(1) See the Appendix for GAAP to non-GAAP reconciliation.

Servicing Segment Results

- Segment pre-tax income of $3.6 million in 3Q16 compared to $18.6 million loss in 2Q16
  - 3Q16 included $4.9 million positive change in MSR valuation, compared to $17.9 million negative change in 2Q16
- Adjusted segment pre-tax loss [(1)] of $1.3 million in 3Q16, compared to a $0.7 million pre-tax loss in 2Q16 (excludes changes in MSR valuations)
  - Servicing fee revenue down $2.5 million compared to 2Q16 due to the lower average servicing portfolio
  - Payoffs and principal amortization of mortgage servicing rights were $8.6 million in 3Q16; down 15% from 2Q16 and down 7% from 3Q15

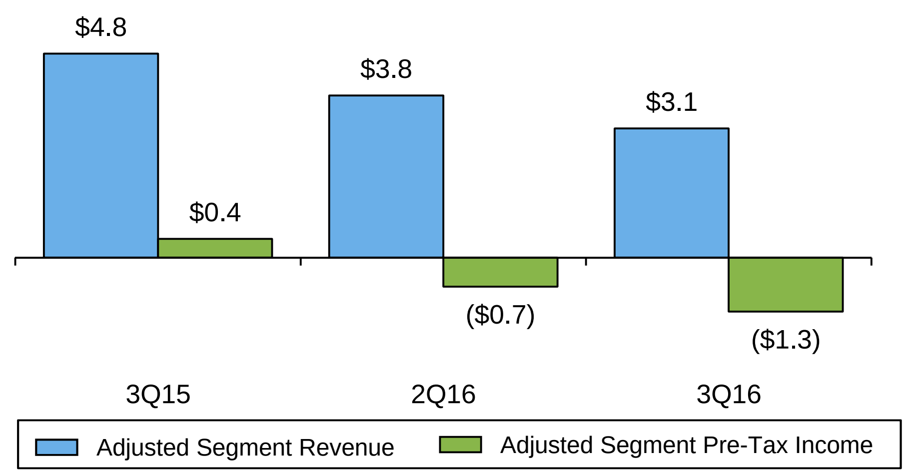
Servicing UPB and WAC

($ in millions)



Adjusted Segment Financials [(1)]

($ in millions)

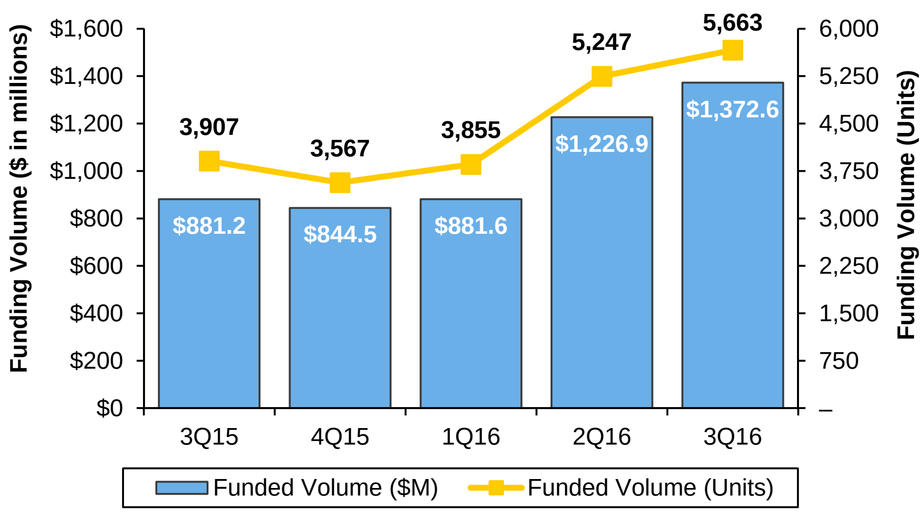


(1) Adjusted segment revenue excludes the change in mortgage servicing rights value for each period. Adjusted Servicing segment pre-tax income (loss) excludes the change in mortgage servicing rights value and MSR debt interest expenses (if reported in servicing segment) for each period. See the Appendix for GAAP to non-GAAP reconciliation.

Financing Segment Results

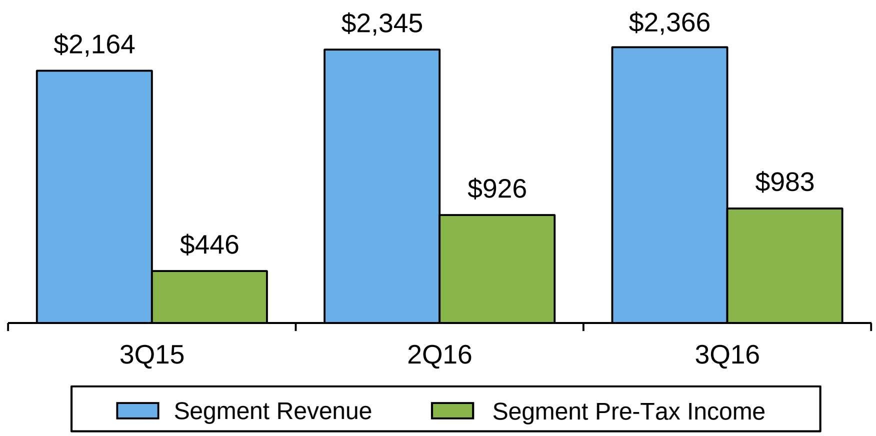
- Segment pre-tax income increased 6% to $983 thousand in 3Q16
- Funded volume of $1.4 billion up 12% from 2Q16 and up 56% from 3Q15
    - Funding fees of $488 thousand up 6% from 2Q16
    - NattyMac commitments as of September 30, 2016 of $575.5 million

Funded Volume

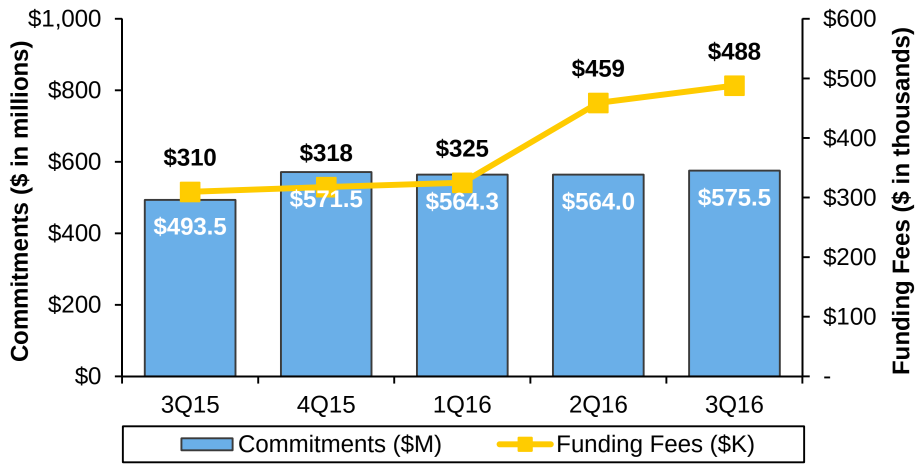


Segment Results

($ in thousands)



Commitments and Funding Fees

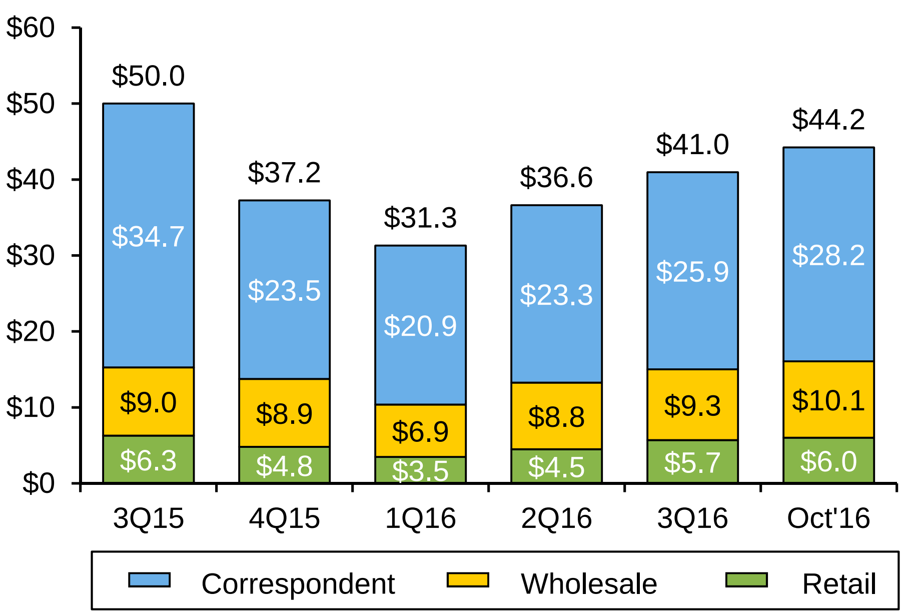


October Volume Update

- Average lock volume per business day has decreased 26% to $42.1 million in October 2016 from $56.6 million per day during 3Q16
  - October lock volume was 57% refinance compared to 59% in 3Q16
- Average origination volume per business day increased 8% to $44.2 million in October 2016, compared with average origination volume per business day of $41.0 million during 3Q16

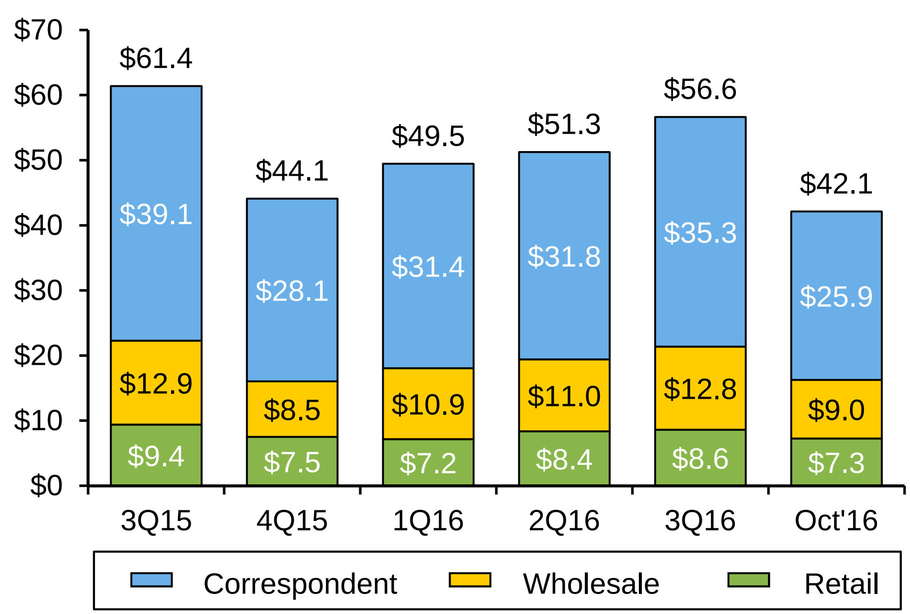
Origination Volume per Day

($ in millions)



Lock Volume per Day

($ in millions)



Note: All results are reported on a continuing operations basis. See the Appendix for additional details.

Appendix

Consolidated Statements of Operations

($ in thousands, except per share data)	Three Months Ended 9/30/2016	6/30/2016	9/30/2015
Revenues			
Gain on mortgage loans held for sale, net	$ 41,239	$ 28,314	$ 32,874
Changes in mortgage servicing rights valuation	4,918	(17,927)	(28,088)
Payoffs and principal amortization of mortgage servicing rights	(8,592)	(10,148)	(9,215)
Loan origination and other loan fees	6,013	5,473	6,718
Loan servicing fees	11,184	13,712	14,051
Interest and other income	11,515	7,070	9,217
Total revenues	$ 66,277	$ 26,494	$ 25,557
Expenses			
Salaries, commissions and benefits	$ 25,880	$ 23,551	$ 31,851
General and administrative expense	11,576	6,467	8,921
Interest expense	6,488	6,824	7,508
Occupancy, equipment and communication	4,230	4,050	4,175
Depreciation and amortization expense	2,247	2,725	2,397
Total expenses	$ 50,421	$ 43,617	$ 54,852
Income (loss) before income taxes	**15,856**	**(17,123)**	**(29,295)**
Income tax expense (benefit)	282	29	(9,105)
Income (loss) from continuing operations, net of tax	**$ 15,574**	**$ (17,152)**	**$ (20,190)**
(Loss) from discontinued operations, net of tax	-	-	(2,614)
Net income (loss) available to common stockholders	**$ 15,574**	**$ (17,152)**	**$ (22,804)**
Basic earnings (loss) per share:			
From continuing operations	$ 0.60	$ (0.66)	$ (0.78)
From discontinued operations	$ -	$ -	$ (0.10)
Total basic earnings (loss) per share	$ 0.60	$ (0.66)	$ (0.88)
Diluted earnings (loss) per share:			
From continuing operations	$ 0.60	$ (0.66)	$ (0.78)
From discontinued operations	$ -	$ -	$ (0.10)
Total diluted earnings (loss) per share	$ 0.60	$ (0.66)	$ (0.88)

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Consolidated Balance Sheets

($ in thousands)	9/30/2016	12/31/2015
Assets		
Cash and cash equivalents	$ 23,221	$ 32,463
Restricted cash	5,660	4,045
Mortgage loans held for sale, at fair value	828,713	645,696
Servicing advances, net	21,703	19,374
Derivative assets	18,958	12,160
Mortgage servicing rights, at fair value	148,164	199,637
Property and equipment, net	16,664	22,923
Loans eligible for repurchase from GNMA	99,342	80,794
Warehouse lending receivables	167,885	199,215
Other Assets	61,511	64,319
Total assets	$ 1,391,821	$ 1,280,626
Liabilities and stockholders' equity		
Secured borrowings/warehouse lines of credit	$ 916,601	$ 773,526
Secured borrowings - mortgage service rights	57,649	77,069
Secured borrowings - eligible GNMA loan repurchases	27,832	37,615
Operating lines of credit	9,969	5,000
Accounts payable and accrued expenses	26,160	23,544
Derivative liabilities	7,061	2,517
Reserve for mortgage repurchases and indemnifications	6,680	5,536
Liability for loans eligible for repurchase from GNMA	99,342	80,794
Deferred income tax liabilities, net	795	2,364
Other liabilities	16,145	11,033
Total liabilities	1,168,234	1,018,998
Stockholders' equity		
Common stock	$ 265	$ 264
Additional paid-in-capital	271,965	270,906
Accumulated deficit	(48,643)	(9,542)
Total stockholders' equity	223,587	261,628
Total liabilities and stockholders' equity	$ 1,391,821	$ 1,280,626

Segment Results – 3Q16

STONEGATE MORTGAGE

($ in thousands)	Three Months Ended September 30, 2016				
	Originations	Servicing	Financing	Other / Eliminations [1]	Consolidated
Revenues					
Gains on mortgage loans held for sale, net	$ 40,972	$ 291	$ -	$ (24)	$ 41,239
Change in mortgage servicing rights valuation	–	4,918	–		4,918
Payoffs and principal amortization of MSRs	–	(8,592)	–		(8,592)
Loan origination and other loan fees	5,522	–	488	3	6,013
Loan servicing fees	–	11,184	–	–	11,184
Interest and other income	5,259	178	1,878	4,200	11,515
Total revenues	**51,753**	**7,979**	**2,366**	**4,179**	**66,277**
Expenses					
Salaries, commissions and benefits	16,730	1,617	397	7,136	25,880
General and administrative	3,375	851	224	7,126	11,576
Interest expense	4,696	475	475	842	6,488
Occupancy, equipment and communication	2,009	380	62	1,779	4,230
Depreciation and amortization	1,680	145	101	321	2,247
Corporate allocations	5,521	876	124	(6,521)	–
Total expenses	**34,011**	**4,344**	**1,383**	**10,683**	**50,421**
Income (loss) from continuing operations before taxes	**$ 17,742**	**$ 3,635**	**$ 983**	**$ (6,504)**	**$ 15,856**

(1) Includes intersegment eliminations and certain corporate income and expenses not allocated to the three reportable segments, such as those related to our accounting, executive administration, finance, internal audit, investor relations, and legal departments.

Segment Results – 2Q16

($ in thousands)	Three Months Ended June 30, 2016				
	Originations	Servicing	Financing	Other / Eliminations (1)	Consolidated
Revenues					
Gains on mortgage loans held for sale, net	$ 28,193	$ 141	$ -	$ (20)	$ 28,314
Change in mortgage servicing rights valuation	–	(17,927)	–		(17,927)
Payoffs and principal amortization of MSRs	–	(10,148)	–		(10,148)
Loan origination and other loan fees	5,012	–	459	2	5,473
Loan servicing fees	–	13,712	–	–	13,712
Interest and other income	5,046	139	1,886	(1)	7,070
Total revenues	**38,251**	**(14,083)**	**2,345**	**(19)**	**26,494**
Expenses					
Salaries, commissions and benefits	15,781	1,642	435	5,693	23,551
General and administrative	3,139	652	253	2,423	6,467
Interest expense	4,260	872	459	1,233	6,824
Occupancy, equipment and communication	2,023	425	58	1,544	4,050
Depreciation and amortization	2,205	148	102	270	2,725
Corporate allocations	5,131	795	112	(6,038)	–
Total expenses	**32,539**	**4,534**	**1,419**	**5,125**	**43,617**
Income (loss) from continuing operations before taxes	**$ 5,712**	**$ (18,617)**	**$ 926**	**$ (5,144)**	**$ (17,123)**

(1) Includes intersegment eliminations and certain corporate income and expenses not allocated to the three reportable segments, such as those related to our accounting, executive administration, finance, internal audit, investor relations, and legal departments.

Segment Results – 3Q15 (Continuing Operations)

STONEGATE™ MORTGAGE

($ in thousands)	Three Months Ended September 30, 2015				
	Originations	**Servicing**	**Financing**	**Other / Eliminations [1]**	**Consolidated**
Revenues					
Gains on mortgage loans held for sale, net	$ 32,913	$ -	$ -	$ (39)	$ 32,874
Change in mortgage servicing rights valuation	–	(28,088)	–	–	(28,088)
Payoffs and principal amortization of MSRs	–	(9,215)	–	–	(9,215)
Loan origination and other loan fees	6,408	–	310	–	6,718
Loan servicing fees	–	14,051	–	–	14,051
Interest and other income	7,341	–	1,854	22	9,217
Total revenues	**46,662**	**(23,252)**	**2,164**	**(17)**	**25,557**
Expenses					
Salaries, commissions and benefits	21,037	2,153	486	8,175	31,851
General and administrative	4,038	460	180	4,243	8,921
Interest expense	5,071	1,526	778	133	7,508
Occupancy, equipment and communication	1,909	490	71	1,705	4,175
Depreciation and amortization	1,727	155	105	410	2,397
Corporate allocations	6,458	895	98	(7,451)	–
Total expenses	**40,240**	**5,679**	**1,718**	**7,215**	**54,852**
Income (loss) from continuing operations before taxes	**$ 6,422**	**$ (28,931)**	**$ 446**	**$ (7,232)**	**$ (29,295)**

(1) Includes intersegment eliminations and certain corporate income and expenses not allocated to the three reportable segments, such as those related to our accounting, executive administration, finance, internal audit, investor relations, and legal departments.

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Non-GAAP Financial Reconciliation: Adjusted Net Income

STONEGATE™ MORTGAGE

($ in thousands, except per share data)	Three Months Ended 9/30/2016	Three Months Ended 6/30/2016	Three Months Ended 9/30/2015
Income (loss) from continuing operations, net of tax	$ 15,574	$ (17,152)	$ (20,190)
Adjustments:			
Changes in mortgage servicing rights valuation	(4,918)	17,927	28,088
Stock-based compensation expense	399	354	1,900
Severance expense	-	-	1,533
Results from discontinued retail branches	-	55	-
Other non-routine expenses (1)	-	-	221
Tax effect of adjustments	(49)	(139)	(8,733)
Adjusted net income from continuing operations (2)	**$ 11,006**	**$ 1,045**	**$ 2,819**
Adjusted diluted earnings per share	**$ 0.42**	**$ 0.04**	**$ 0.11**

(1) For the three months ended September 30, 2015, amount consists primarily of expenses associated with the write-down of certain assets.

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

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Non-GAAP Financial Reconciliation: Originations Segment

($ in thousands)	Three Months Ended 9/30/2016	6/30/2016	9/30/2015
Total Originations segment expenses, continuing operations	$ 34,011	$ 32,539	$ 40,240
Adjust for:			
Interest expense	(4,696)	(4,260)	(5,071)
Results from discontinued retail branches	-	(55)	(384)
Adjusted segment expenses, continuing operations	**$ 29,315**	**$ 28,224**	**$ 34,785**
Plus: Total expenses, discontinued operations	-	-	13,552
Less: Interest expenses, discontinued operations	-	-	(449)
Less: Non-recurring expenses, discontinued operations	-	-	(1,222)
Adjusted segment expenses, consolidated	**$ 29,315**	**$ 28,224**	**$ 46,666**
Total Originations segment pre-tax income, continuing operations	$ 17,742	$ 5,712	$ 6,422
Adjust for:			
Results from discontinued retail branches	-	55	384
Adjusted segment pre-tax income, continuing operations	**$ 17,742**	**$ 5,767**	**$ 6,806**
Plus: Pre-tax (loss) income, discontinued operations	-	-	(4,205)
Plus: Non-recurring expenses, discontinued operations	-	-	1,222
Adjusted segment pre-tax income, consolidated	**$ 17,742**	**$ 5,767**	**$ 3,823**

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Non-GAAP Financial Reconciliation: Servicing Segment

($ in thousands)	Three Months Ended 9/30/2016	6/30/2016	9/30/2015
Total Servicing segment revenue	$ 7,979	$ (14,083)	$ (23,252)
Adjust for:			
Changes in valuation inputs and assumptions on MSRs	(4,918)	17,927	28,088
Adjusted segment revenue	**$ 3,061**	**$ 3,844**	**$ 4,836**
Total Servicing segment pre-tax income (loss)	$ 3,635	$ (18,617)	$ (28,931)
Adjust for:			
Changes in valuation inputs and assumptions on MSRs	(4,918)	17,927	28,088
MSR debt interest expenses	-	-	1,118
Severance expense	-	-	167
Adjusted segment pre-tax income (loss)	**$ (1,283)**	**$ (690)**	**$ 442**

Gain on Sale Economics

- Gain on sale is calculated with cash and non-cash items:
  - Realized gains on sales of loans (cash gain on sale)
  - Capitalized servicing rights (MSR asset)
  - Economic hedge results (pipeline/inventory fair value change)
  - Provision for repurchases (loan loss reserve)
  - Direct loan origination costs

Gain on Sale Economics

	Three Months Ended		
$ in thousands	9/30/2016	6/30/2016	9/30/2015
Realized gains on sales of loans	$ 8,934	$ 6,520	$ 5,561
Capitalized servicing rights	27,765	27,585	42,255
Economic hedge results	8,150	(2,169)	(10,068)
Provision for repurchases	(736)	(691)	(756)
Direct loan origination costs	(3,141)	(3,052)	(4,079)
Gains on mortgage loans held for sale, net - Originations Segment	$ 40,972	$ 28,193	$ 32,913
Origination Volume	$ 2,621,400	$ 2,343,400	$ 3,199,700
Basis points (bps) of origination volume			
Realized gains on sales of loans	*34*	*28*	*17*
Capitalized servicing rights	*106*	*118*	*132*
Economic hedge results	*31*	*(9)*	*(31)*
Provision for repurchases	*(3)*	*(3)*	*(2)*
Direct loan origination costs	*(12)*	*(13)*	*(13)*
Gains on mortgage loans held for sale, net - Originations Segment	*156*	*121*	*103*

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.