



# Business Update

## Second Quarter 2025

August 5, 2025



# Disclaimer

## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by a reference to a future period or by the use of forward-looking terminology. Forward-looking statements are typically identified by words such as “expect”, “believe”, “foresee”, “anticipate”, “intend”, “estimate”, “goal”, “strategy”, “plan”, “target” and “project” or conditional verbs such as “will”, “may”, “should”, “could” or “would” or the negative of these terms, although not all forward-looking statements contain these words, and includes statements in this presentation regarding our expectation of releasing some or all of our deferred tax valuation allowance by year-end 2025, our ability to drive growth, and navigate interest volatility and economic uncertainties. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Readers should bear these factors in mind when considering such statements and should not place undue reliance on such statements.

Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. In the past, actual results have differed from those suggested by forward looking statements and this may happen again. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the potential for ongoing disruption in the financial markets and in commercial activity generally as a result of U.S. and global political events, changes in monetary and fiscal policy, and other sources of instability; the impacts of inflation, employment disruption, and other financial difficulties facing our borrowers; whether we will release some or all of the valuation allowance offsetting our net U.S. deferred tax asset, and the timing and amount of such release; the adequacy of our financial resources, including our sources of liquidity and ability to sell, fund and recover servicing advances, forward and reverse whole loans, future draws on existing reverse loans, and HECM and forward loan buyouts and put backs, as well as repay, renew and extend borrowings, borrow additional amounts as and when required, meet our MSR or other asset investment objectives and comply with our debt agreements, including the financial and other covenants contained in them; our ability to interpret correctly and comply with current or future liquidity, net worth and other financial and other requirements of regulators, the Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Mortgage Corporation (Freddie Mac) (together, the GSEs), and the Government National Mortgage Association (Ginnie Mae); the impact of cost-reduction initiatives on our business and operations; the impact of our rebranding initiative; the amount of senior debt or common stock that we may repurchase under any repurchase programs, the timing of such repurchases, and the long-term impact, if any, of repurchases on

the trading price of our securities or our financial condition; breach or failure of Onity's, our contractual counterparties', or our vendors' information technology or other security systems or privacy protections, including any failure to protect customers' data, resulting in disruption to our operations, loss of income, reputational damage, costly litigation and regulatory penalties; our reliance on our technology vendors to adequately maintain and support our systems, including our servicing systems, loan originations and financial reporting systems, and uncertainty relating to our ability to transition to alternative vendors, if necessary, without incurring significant cost or disruption to our operations; the future of our long-term relationship with Rithm Capital Corp. (Rithm); the extent to which MSR Asset Vehicle LLC (MAV) will exercise its rights to sell MSRs subserviced by PHH and the impact to our subservicing portfolio; our ability to close acquisitions of MSRs and other transactions, including the ability to obtain regulatory approvals; our ability to grow our reverse servicing business; our ability to retain clients and employees of acquired businesses, and the extent to which acquisitions and our other strategic initiatives will contribute to achieving our growth objectives; increased servicing costs based on increased borrower delinquency levels or other factors; uncertainty related to past, present or future claims, litigation, cease and desist orders and investigations regarding our servicing, foreclosure, modification, origination and other practices brought by government agencies and private parties, including state regulators, the Consumer Financial Protection Bureau (CFPB), State Attorneys General, the Securities and Exchange Commission (SEC), the Department of Justice or the Department of Housing and Urban Development (HUD); the reactions of key counterparties, including lenders, the GSEs and Ginnie Mae, to our regulatory engagements and litigation matters; increased regulatory scrutiny and media attention; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; our ability to effectively manage our regulatory and contractual compliance obligations; our ability to comply with our servicing agreements, including our ability to comply with the requirements of the GSEs and Ginnie Mae and maintain our seller/servicer and other statuses with them; our ability to fund future draws on existing loans in our reverse mortgage portfolio; our servicer and credit ratings as well as other actions from various rating agencies, including any future downgrades; as well as other risks and uncertainties detailed in our reports and filings with the SEC, including our annual report on Form 10-K for the year ended December 31, 2024. Anyone wishing to understand Onity's business should review our SEC filings. Our forward-looking statements speak only as of the date they are made and, we disclaim any obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

## NON-GAAP FINANCIAL MEASURES

This presentation contains references to adjusted pre-tax income (loss) and adjusted pre-tax return on equity, both non-GAAP financial measures.

We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition, because they are measures that management uses to assess the financial performance of our operations and allocate resources. In addition, management believes that this presentation may assist investors with understanding and evaluating our initiatives to drive improved financial performance. Management believes, specifically, that the removal of fair value changes of our net MSR exposure due to changes in market interest rates and assumptions provides a useful, supplemental financial measure as it enables an assessment of our ability to generate earnings regardless of market conditions and the trends in our underlying businesses by removing the impact of fair value changes due to market interest rates and assumptions, which can vary significantly between periods. However, these measures should not be analyzed in isolation or as a substitute to analysis of our GAAP pre-tax income (loss) or GAAP pre-tax return on equity, nor a substitute for cash flows from operations. There are certain limitations to the analytical usefulness of the adjustments we make to GAAP pre-tax income (loss) and GAAP pre-tax return on equity and, accordingly, we use these adjustments only for purposes of supplemental analysis. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Onity's reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Readers are cautioned not to place undue reliance on analysis of the adjustments we make to GAAP pre-tax income (loss) and GAAP pre-tax return on equity.

The Company has not provided reconciliations of guidance for Adjusted ROE, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include the change in fair value of our net MSR exposure due to changes in market interest rates and assumptions which can vary significantly between periods and are difficult to predict in advance in order to include in a GAAP estimate.

*See slide titled “Note Regarding Non-GAAP Financial Measures” for additional information.*



# Delivered strong second quarter results

**ONITY™**

We get it done

NYSE: ONIT

- ✓ Sustained, robust net income is driving book value growth, demonstrating our sound strategy and high-caliber execution
- ✓ Balanced business is consistently delivering sustainable results across Servicing and Originations, even amid market volatility
- ✓ Reaffirming annual Adjusted ROE guidance<sup>(a)</sup> of 16-18%, underscoring our commitment to strong shareholder returns



# Steady financial performance amid market uncertainty and volatility

## Strong Operating Performance

Second Quarter 2025

  vs Q2'24

GAAP Net  
Income\* **\$20M**  **17% ROE**  
\$2.40 Diluted EPS

Adjusted  
PTI<sup>(a)</sup> **\$16M**  **11<sup>th</sup> quarter of  
positive Adj PTI**

Adjusted  
ROE<sup>(a)</sup> **14%**  **maintaining  
16-18%  
guidance<sup>(b)</sup>**

## Delivering Profitable Growth

Second Quarter 2025

  vs Q2'24






Originations **\$9.4B**  **+35% YoY**

Servicing  
Avg UPB **\$307B**  **+\$2B YoY**

Book Value  
Per Share **\$60**  **+\$2.94 YoY**

\*attributable to common stockholders

# Demonstrated resiliency has enabled us to successfully navigate elevated interest rates and economic uncertainty

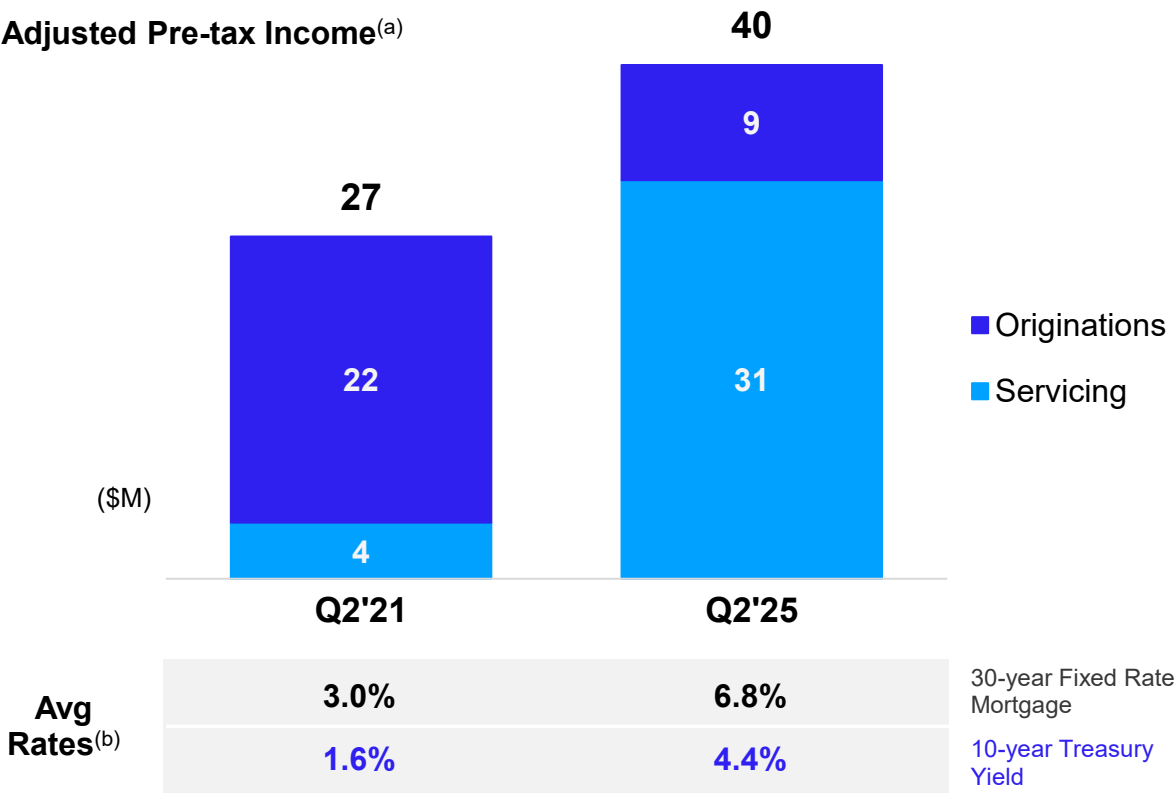
	Prior Expectations	What Occurred in Q2	Outlook
 <b>Market volatility</b>	Continued interest rate and market volatility will drive higher hedge costs	Market volatility impaired gain on sale results	Continued volatility and uncertain interest rate environment
 <b>Industry volume</b>	Originations industry volume <sup>(a)</sup> forecasted up 17% FY'25 vs FY'24	Strong originations despite higher rate environment	Originations industry volume <sup>(c)</sup> forecasted up 14% FY'25 vs FY'24
 <b>Refinance activity</b>	Unpredictable surges of refinancing activity	Solid refinance activity, MBA refi application index up 43% YoY <sup>(b)</sup>	Expect will follow interest rate environment
 <b>Industry M&amp;A</b>	Increased industry M&A following RKT/COOP acquisition announcement	Additional M&A including Guild Mortgage	Potential for continued consolidation
 <b>Recession probability</b>	Increased probability of recession	Improved outlook of stronger economy	Unclear outlook for the economy and Fed actions

Maintaining agility to capitalize on all opportunities to create value for shareholders



# Balanced business designed to perform well in high and low interest rates

## Originations and Servicing complement each other



2021 reflects the last year before sharp rise in interest rates

## Impact of market scenarios on profitability

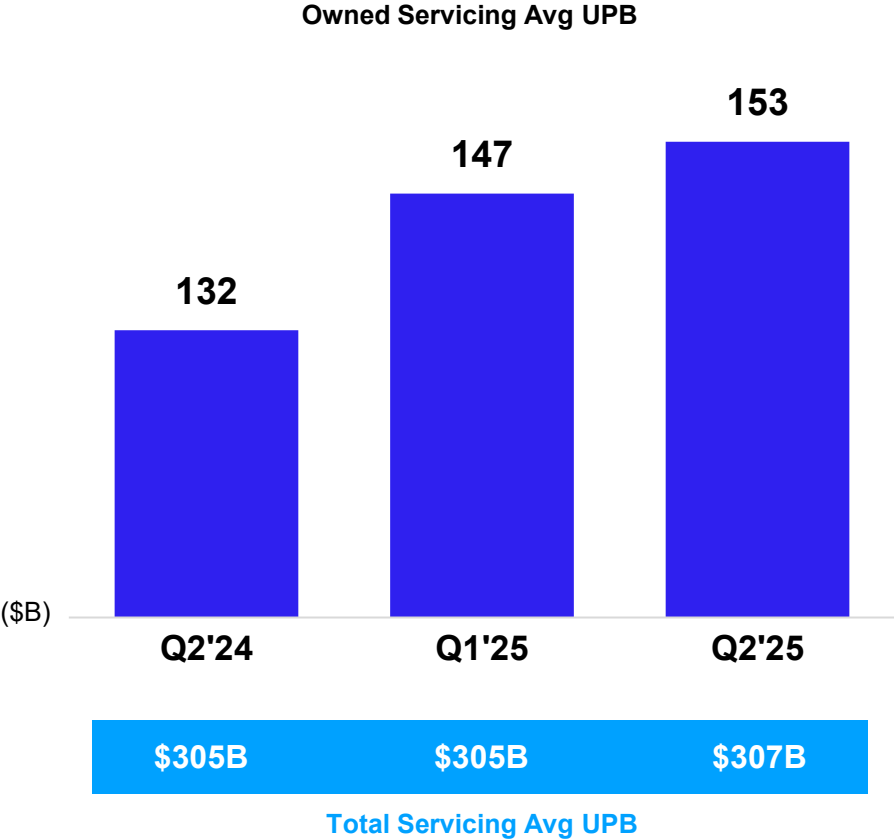
	Rates Down	Rates Up
Originations	↑	↓
Forward Owned Servicing	↓	↑
Reverse Owned Servicing	↑	↓
Subservicing	↔	↔

Scenarios based on change in mortgage rates going forward and financial expectations from end of Q2'25; assumes parallel rate shifts

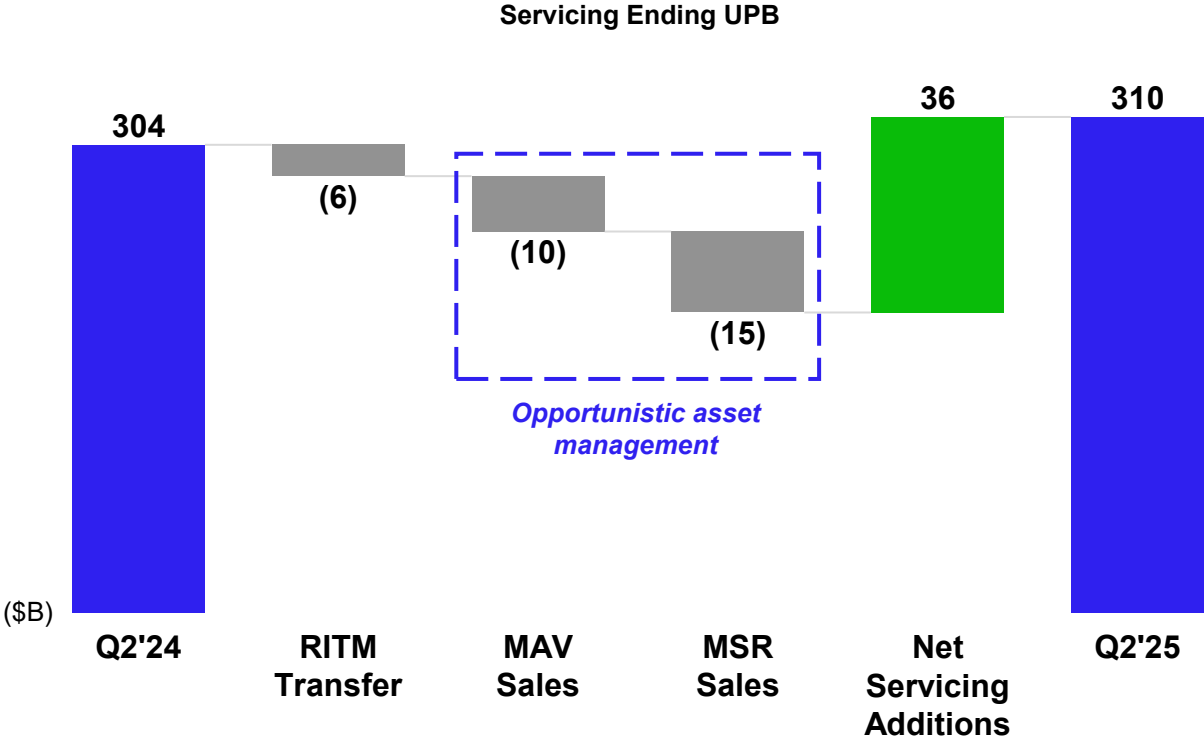


# Achieved UPB growth QoQ and YoY, further reinforcing our growth trajectory

## Servicing UPB rose steadily driven by growth in MSR

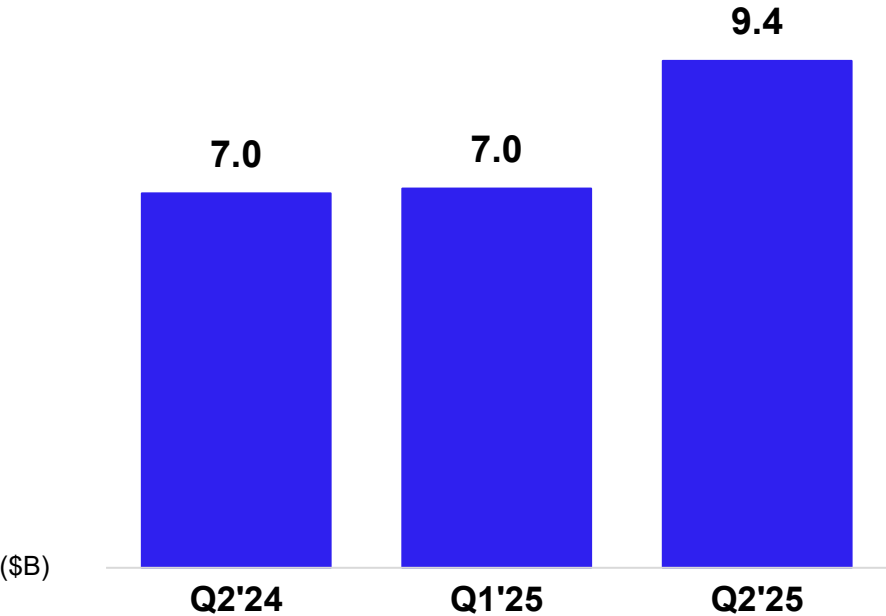


## Growth in MSR offsets client portfolio changes and opportunistic asset management



# Originations driving consistent profitable growth

**MSR originations up 35% YoY, exceeding industry growth of 23%<sup>(a)</sup>**



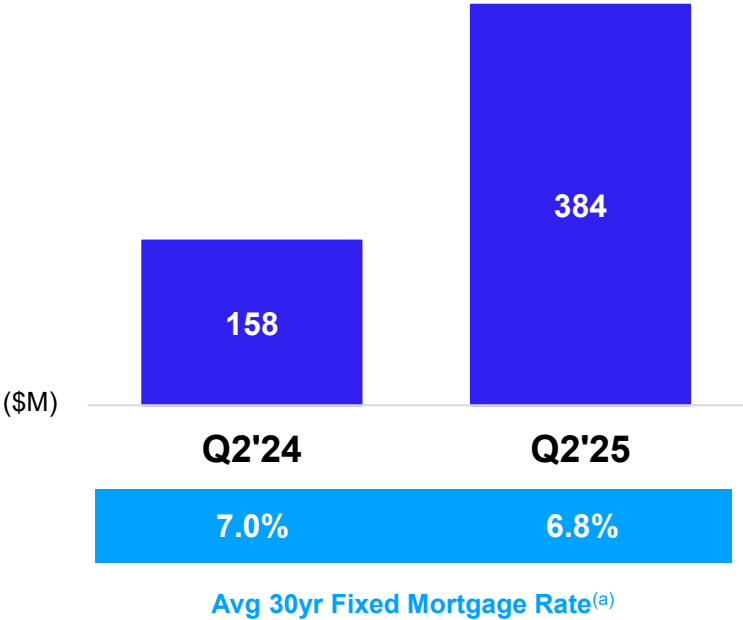
**Multi-channel strategy in Originations with a focus on B2B and customer retention**

- Originations drives MSR and subservicing replenishment and growth through all market cycles consistent with our return objectives
- Clients benefit from our wide-range of products, delivery methods, and competitive pricing due to a cost-effective and highly scalable platform
- New products boosting profitability and expanding range of opportunities for our borrowers
- Continuous and disciplined technology investments enhance customer experience and competitiveness
- Consumer Direct focuses on customer retention and MSR recapture, improving returns for subservicing clients

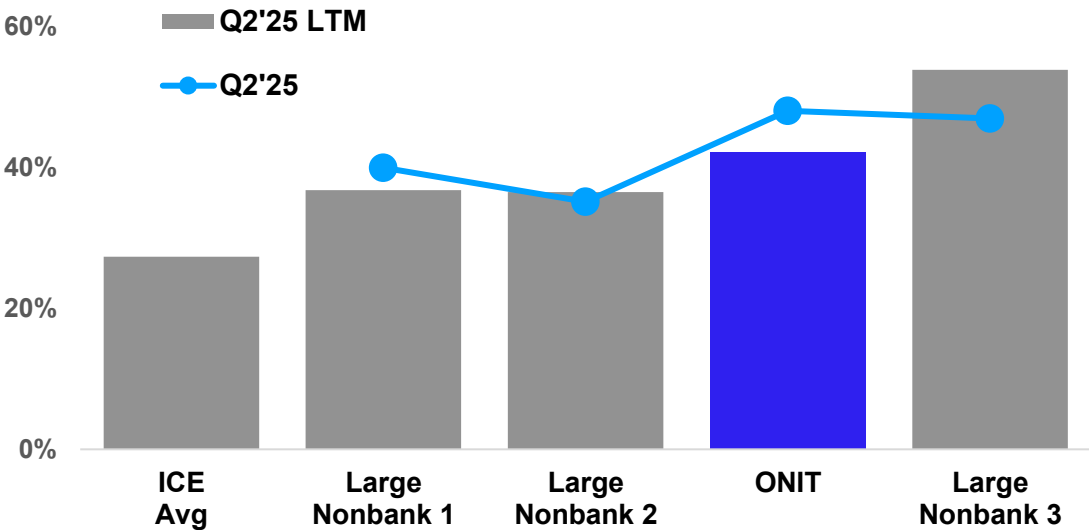


# Achieved top-tier recapture performance

Consumer Direct funded volume up 2.4x YoY



Refinance recapture rate 1.5x industry average<sup>(b)</sup> and leading peers in Q2'25



ONIT includes 88% recapture rate where previous loan was originated by our Consumer Direct channel <sup>(c)</sup>

Platform flexibility addresses mortgage rate volatility



# Top-tier servicing performance delivers value for customers and investors

Top-Tier Investor Performance<sup>(a)</sup>



Commitment to Technology



2024 Best-in-Class  
Center of Excellence Intelligent  
Automation Award



Competitive Cost Structure<sup>(b)</sup>

Performing Loans

23%+ Lower

Non-Performing Loans

52%+ Lower

Customer Experience<sup>(c)</sup>

4.6

★★★★★

Positive Experience  
Call Center

4.0

★★★★★

Positive Experience  
Loan Boarding

55

Subservicing Client  
Net Promoter Score

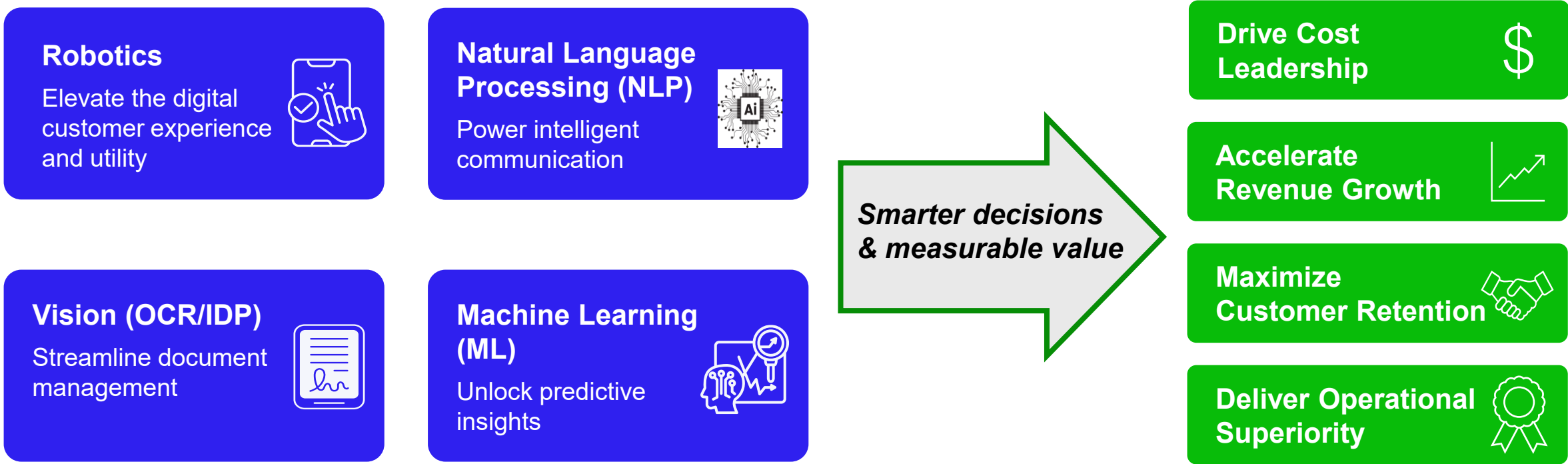


2023 and 2024 Affiliate Company  
of the Year for Reverse Mortgage

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# Expanding our AI powered platform to grow revenue, reduce cost, and drive service excellence



Next generation AI/ML fuels our strategic vision

# Leveraging leading-edge technologies to create value for all stakeholders

## Outcomes

**Drive Cost Leadership**



**Accelerate Revenue Growth**



**Maximize Customer Retention**



**Deliver Operational Superiority**



## Today's Reality

- ✓ Robotic Process Automation (RPA) performing 190+ processes, completing the work of ~400 FTE
- ✓ Machine Learning (ML) predicting borrower behavior to help reach our customers

- ✓ ML predicting payment patterns to reduce delinquency
- ✓ ML modeling likelihood of a refinance is integral to driving top-tier recapture performance

- ✓ Improving borrower satisfaction by resolving 88% of customer inquiries through digital channels
- ✓ Increasing real-time responsiveness through 28 chatbots and Gen AI assisted LASI 2.0<sup>(a)</sup>

- ✓ Awarded 2024 Best-in-Class Center of Excellence Intelligent Automation Award
- ✓ Automated processes increasing accuracy and consistency

## Tomorrow's Vision

**Integrate RPA, LLMs, and ML across all processes**



**Data-enabled intelligence to guide decisions**



**Predictive models and GenAI proactively solve customer needs**



**Unify operations under a single AI-driven framework**

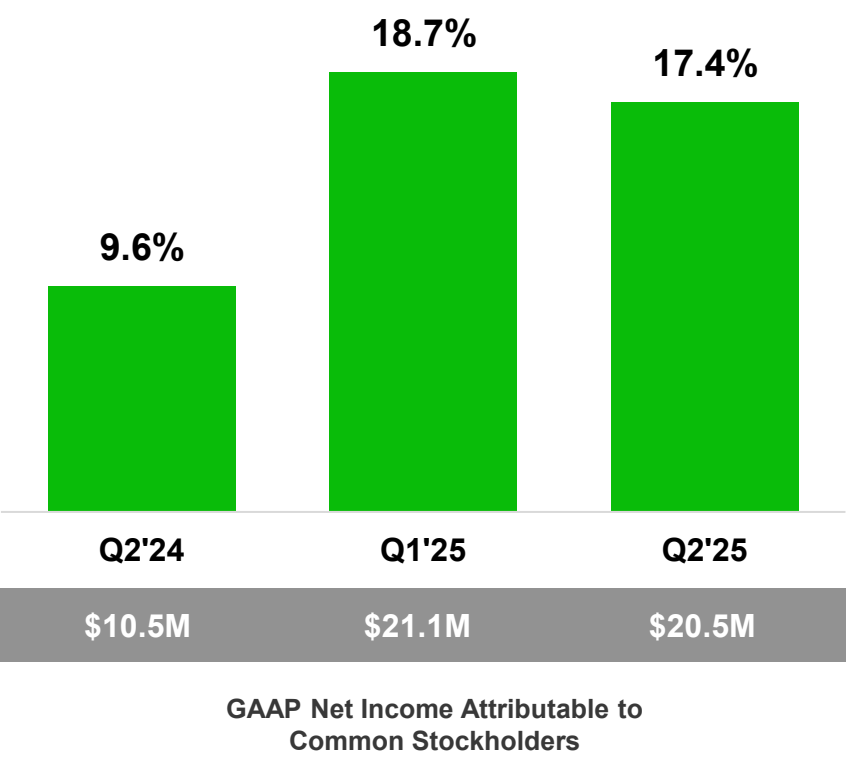


All data YTD as of Q2'25

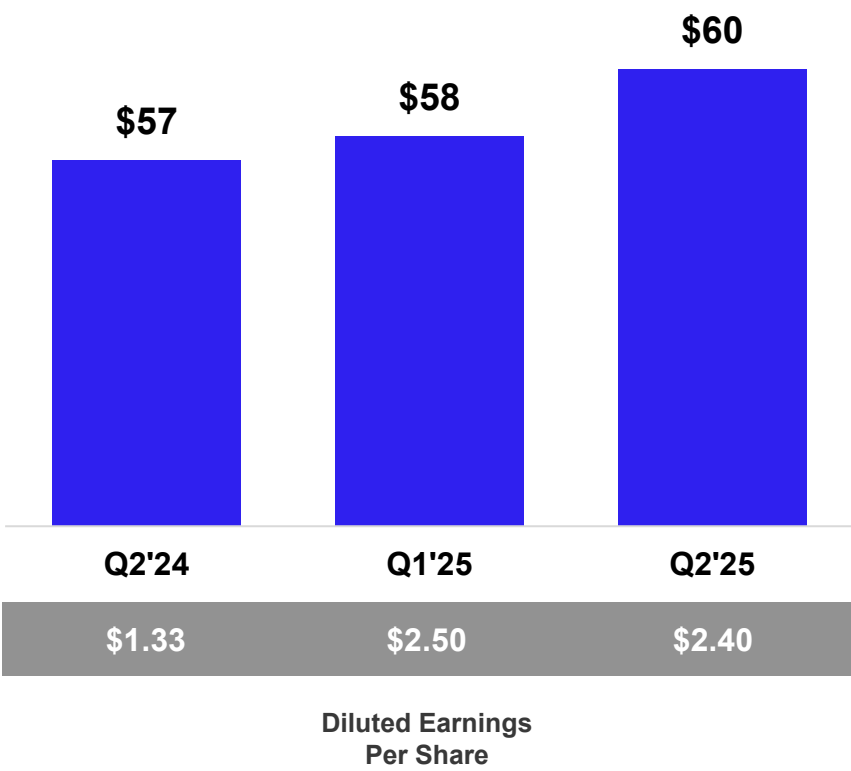


# Strong growth in net income YoY drives book value increase

GAAP ROE up ~8pp YoY on  
+\$10M net income

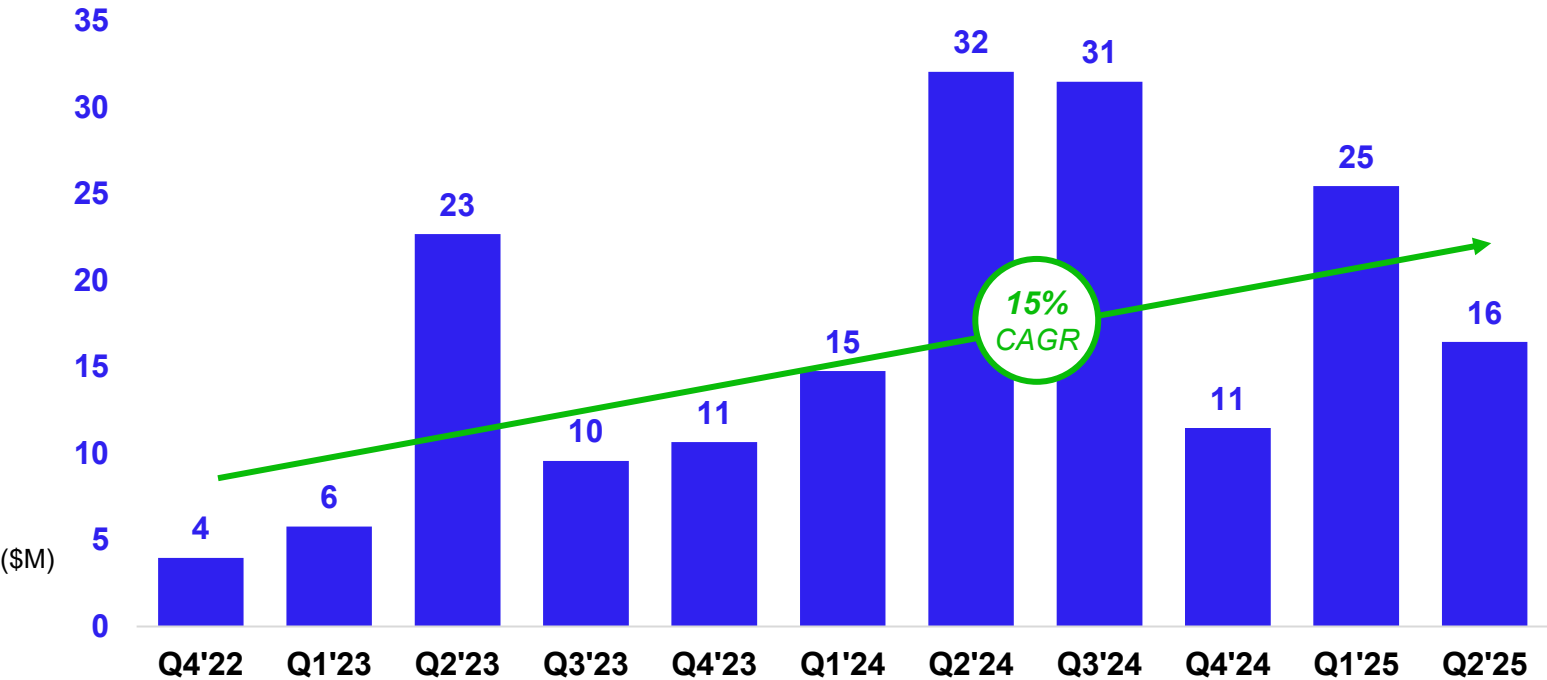


Book value per share up  
~\$3 YoY



Delivered 11 straight quarters of profitable Adjusted PTI through mortgage industry seasonality and market volatility

Adjusted Pre-Tax Income<sup>(a)</sup>



Q2'25 vs Q2'24

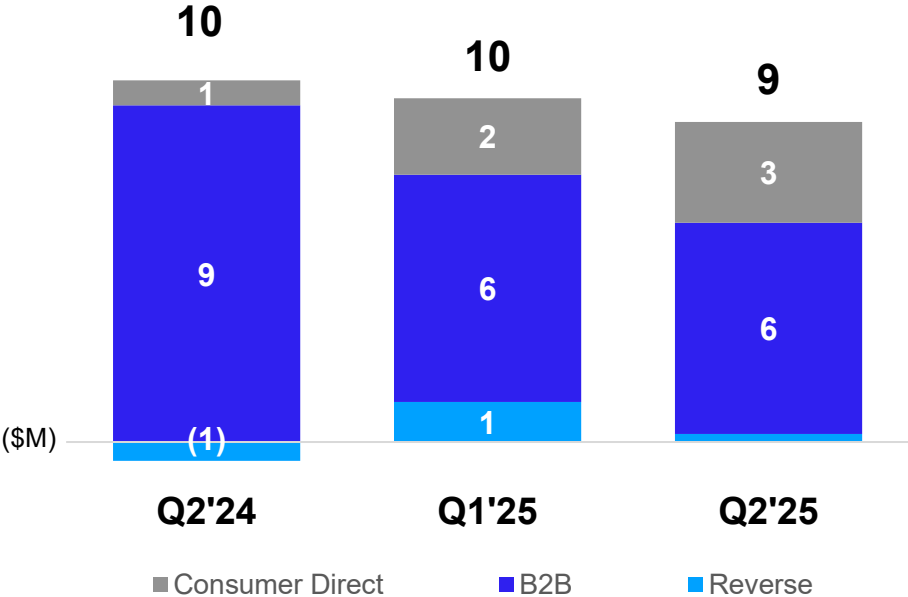
- **+\$3M** 16% increase owned MSR
- **+\$4M** Corporate debt interest expense
- **(\$4M)** 15% ownership stake in MAV
- **(\$4M)** Impact of April market volatility on Originations
- **(\$6M)** Reverse Servicing fair value volatility
- **(\$8M)** Component of MSR runoff due to higher prepayment speeds

Adjusted ROE at 17.9% for 1H'25, at upper end of guidance<sup>(b)</sup>



# Originations delivers consistent profitability despite elevated rates and April volatility

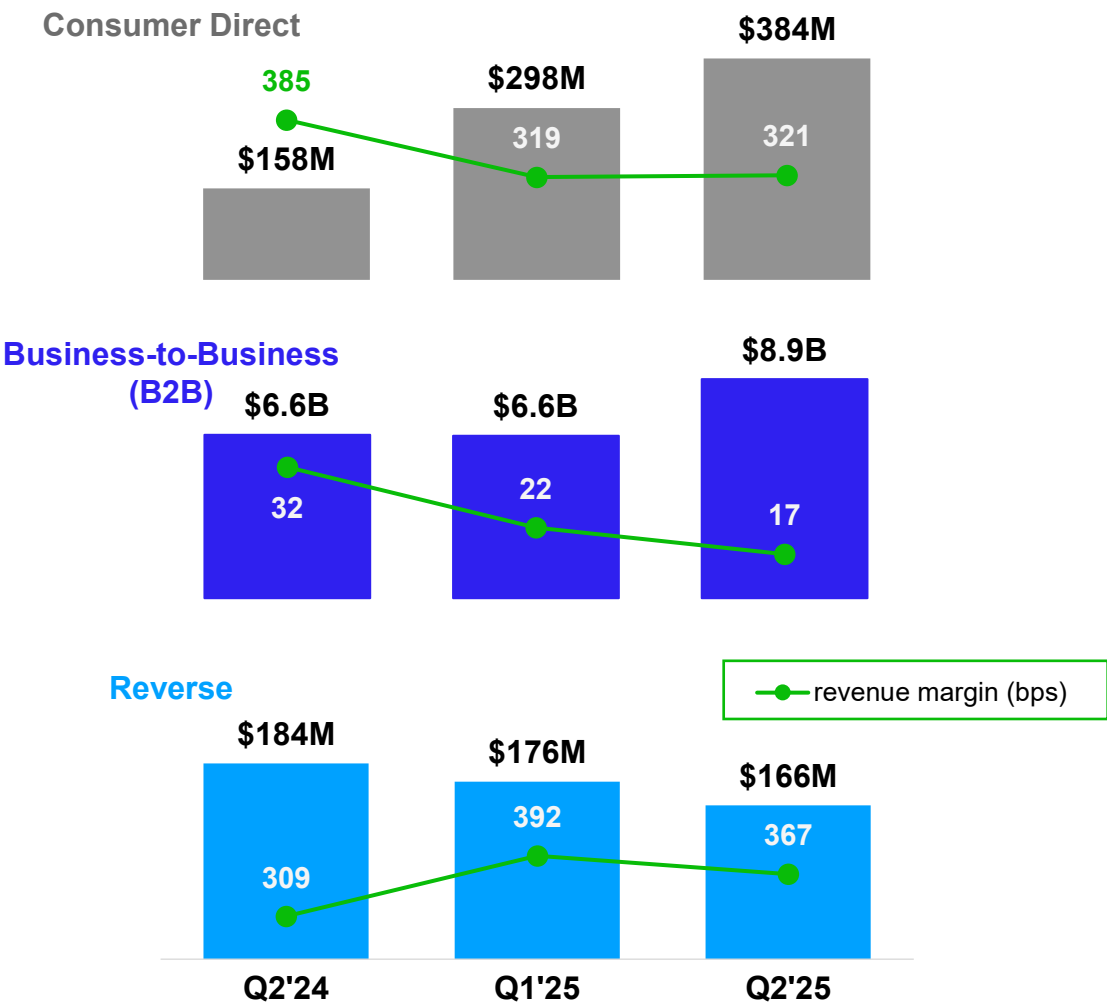
Originations Adjusted Pre-Tax Income<sup>(a)</sup>



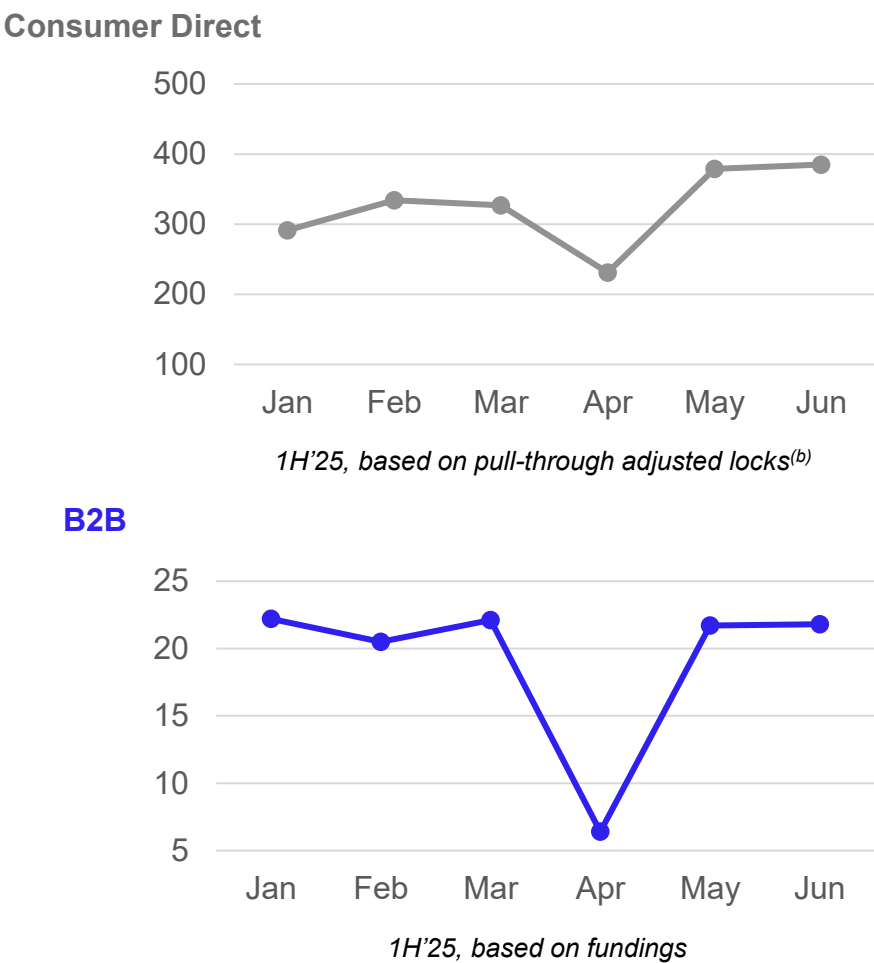
- Consumer Direct lock volume up 2.5x vs Q2'24 driving increased pre-tax income
- Originations quarterly performance impacted by April market volatility (\$4M)
- Reverse maintaining marginal profitability amid challenging environment

# Originations margins rebounded after market volatility

Funded volume & revenue margins<sup>(a)</sup>

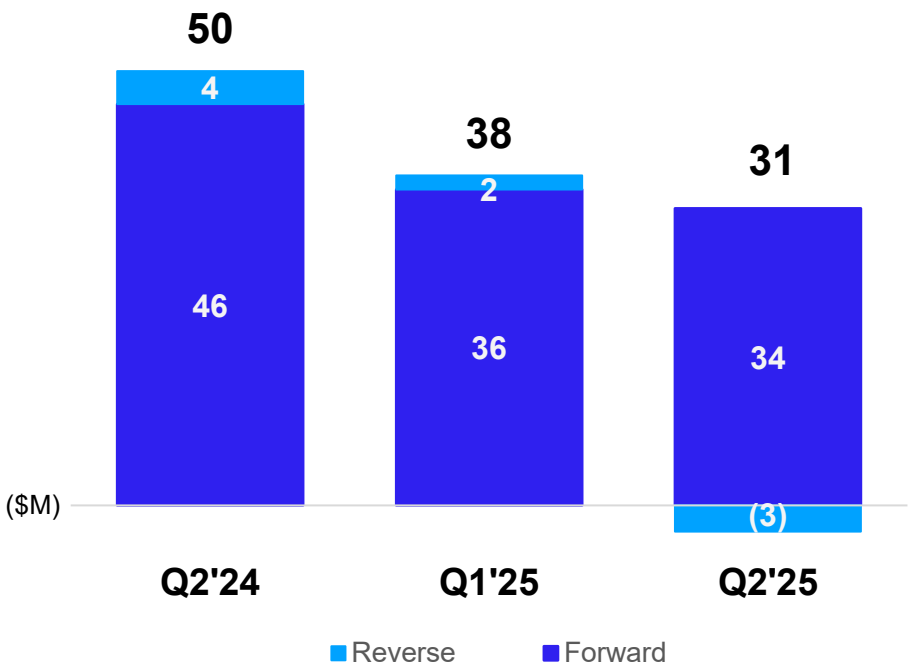


Revenue margins recover following April volatility



# Servicing continues to contribute robust returns with higher UPB growth offset by MSR Runoff and reduced Reverse profitability

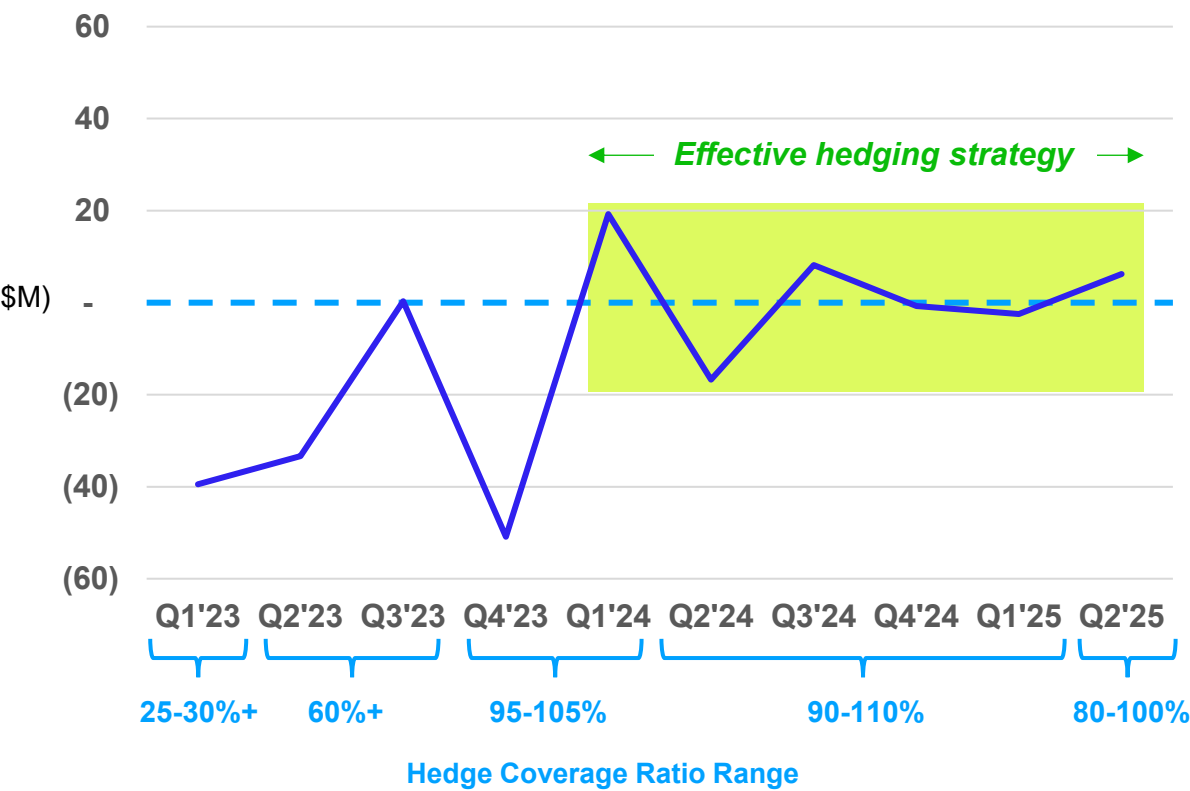
Servicing Adjusted Pre-Tax Income<sup>(a)</sup>



- Forward owned average servicing UPB up 14% YoY and 4% QoQ
- Forward servicing revenue +\$9M YoY and +\$8M QoQ while opex improved slightly
- MSR runoff expense of (\$14M) YoY and (\$8M) QoQ consistent with MSR portfolio growth plus higher prepayment
- Reverse servicing lower vs Q2'24 driven by valuation adjustments on buyout loans
- Servicing portfolio delinquency continues to improve, outpacing industry<sup>(b)</sup>

# MSR hedge strategy cost-effectively manages interest rate risk

MSR valuation adjustments due to rates and assumption changes, net<sup>(a)</sup>



## Effective hedge strategy and execution

- Hedge strategy has offset interest rate changes effectively since Q1'24
- Our performance has been favorable vs peers with a similar strategy
- We adjust hedge targets frequently to manage risk and optimize performance as we assess market conditions
- Due to April market volatility, we adjusted our hedge target to 80-100% to optimize liquidity and MSR returns

# Confirming our Adjusted ROE guidance for 2025

## Financial Objectives

- ❖ Sustain Adjusted PTI<sup>(a)</sup> performance
- ❖ Maintain earnings stability
- ❖ Increase scale of platform
- ❖ Capitalize on market-cycle opportunities

## Full-Year 2025 Guidance<sup>(b)</sup>



= confirmed guidance



= updated or new guidance

- ✓ Adjusted ROE<sup>(c)</sup> of 16-18%
- ✓ Increase total servicing UPB 10+%<sup>(d)</sup>
- \* High hedge effectiveness to protect value of MSR<sup>(e)</sup>
- ✓ Maintain efficiency ratio<sup>(f)</sup>
- ✓ Release of some or all of our deferred tax valuation allowance (VA) by year-end\*\*
  - Accretive to net income and book value
  - We continue our tax analysis, but a full release of VA would result in a benefit of ~\$22 per share<sup>(g)</sup>; a partial release would be lower

**\*\* As a result of improving earnings and other factors, it is reasonably possible we could release some or all of our US VA by year-end; \$180M total VA (US) as of 12/31/24**



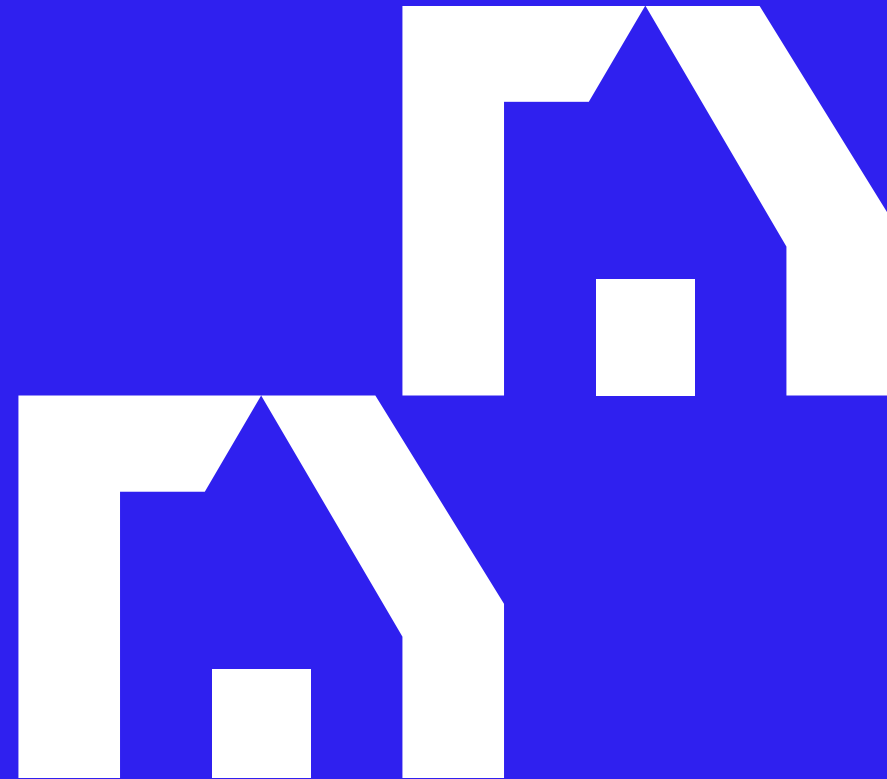
# Focused on accelerating profitable growth and creating value for all stakeholders



- ❑ Strong second quarter results and outlook for the year
- ❑ Balanced and diversified business built to perform through market cycles with multiple opportunities for growth
- ❑ Track record of increasing market position by driving growth and winning new clients
- ❑ Technology-enabled, low-cost, award-winning platform drives differentiated performance and service excellence
- ❑ Profitability comparable to peers at a more attractive valuation



# Appendix



# Sound strategy and strong execution are delivering results

## Strategy

Balance and Diversification | Prudent Capital-Light Growth | Industry-Leading Cost Structure<sup>(a)</sup>  
Top-Tier Operating Performance and Capabilities<sup>(b)</sup> | Dynamic Asset Management

## Operating Priorities



### Accelerate Growth

- Retain more MSRs
- Add new products
- Increase recapture / win rate
- Broaden asset management



### Differentiate Operating Performance

- Align value drivers
- Increase predictive analytics
- Expand robotics and AI



### Elevate the Customer Experience

- Engaged and personalized
- High-tech, high-touch
- Low customer effort

**Maintaining agility to capitalize on all opportunities to create value for shareholders**

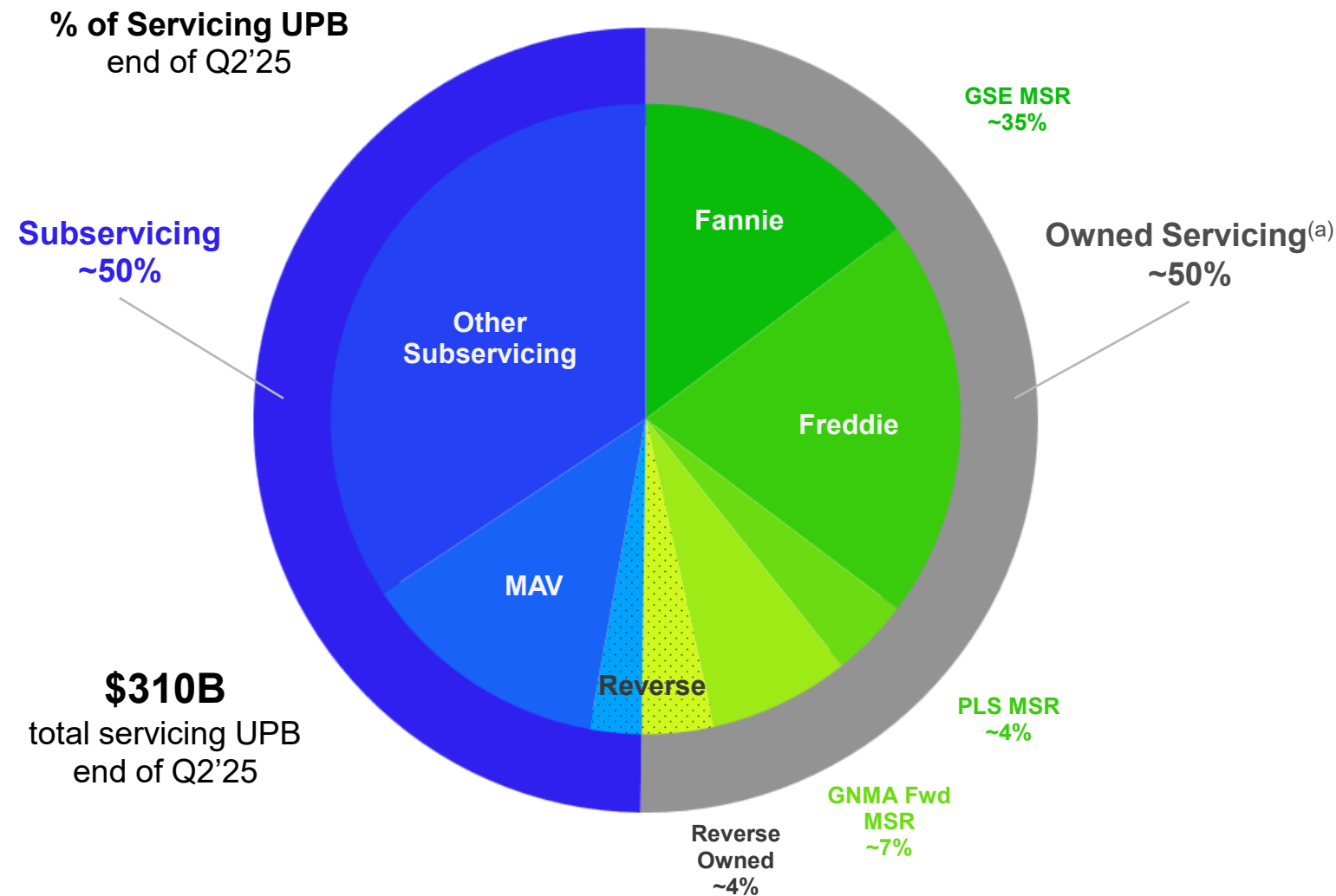


# Delivered 11<sup>th</sup> straight quarter of positive Adjusted Pre-tax Income

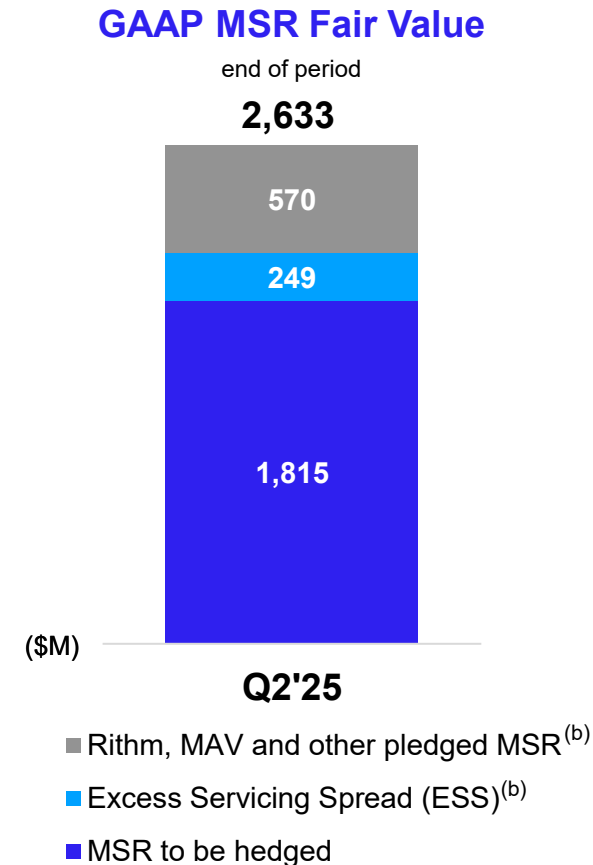
(Dollars in millions, except per share metrics)	Q2'24	Q1'25	Q2'25
<b>Adjusted pre-tax income<sup>(a)</sup></b>	<b>32</b>	<b>25</b>	<b>16</b>
MSR valuation adjustments due to rates and assumption changes, net <sup>(b)</sup>	(17)	(2)	6
Other notables	(2)	(14)	0
Income tax benefit (expense)	(3)	13	(1)
<b>GAAP net income (loss)</b>	<b>11</b>	<b>22</b>	<b>22</b>
Preferred stock dividend	-	(1)	(1)
<b>GAAP net income (loss) attributable to common stockholders</b>	<b>11</b>	<b>21</b>	<b>20</b>
Diluted earnings (loss) per share <sup>(c)</sup>	\$1.33	\$2.50	\$2.40
Basic earnings (loss) per share <sup>(c)</sup>	\$1.34	\$2.68	\$2.55
Book value per common share	\$57	\$58	\$60
GAAP ROE <sup>(d)</sup>	10%	19%	17%
<b>Adjusted ROE<sup>(e)</sup></b>	<b>29%</b>	<b>22%</b>	<b>14%</b>
Available liquidity <sup>(f)</sup> end of period	231	239	218
Servicing additions (\$B)	\$19	\$17	\$15
Servicing average UPB (\$B)	\$305	\$305	\$307



# Diversified servicing portfolio mitigates risk



# MSR to be hedged



# MSR<sup>(a)</sup> Valuation

(Dollars in millions)

as of 6/30/2024			
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained
UPB	91,501	17,416	13,038
Loan Count (000s)	358	86	83
Fair Value	1,315	296	110
<b>Fair Value (% of UPB)</b>	<b>1.44%</b>	<b>1.70%</b>	<b>0.84%</b>

as of 3/31/2025			
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained
UPB	105,665	20,113	12,028
Loan Count (000s)	411	93	78
Fair Value	1,508	347	101
<b>Fair Value (% of UPB)</b>	<b>1.43%</b>	<b>1.73%</b>	<b>0.84%</b>

as of 6/30/2025			
GSE	Gov't <sup>(b)</sup>	Non-Agency	Total Retained
UPB	109,176	21,579	11,694
Loan Count (000s)	420	96	76
Fair Value	1,563	391	98
<b>Fair Value (% of UPB)</b>	<b>1.43%</b>	<b>1.81%</b>	<b>0.84%</b>

## Collateral Metrics:

Weighted Average Note Rate	4.074	4.775	4.712	4.242
Weighted Average Svc Fee	0.256	0.408	0.328	0.285
Weighted Average Rem Term	298	308	163	285
% D30 (MBA definition)	1.4%	6.1%	7.6%	3.1%
% D60 (MBA definition)	0.2%	1.9%	2.4%	0.9%
% D90+ (MBA definition)	0.5%	4.1%	5.5%	1.9%
<b>% D30-60-90+</b>	<b>2.1%</b>	<b>12.1%</b>	<b>15.5%</b>	<b>5.8%</b>

Weighted Average Note Rate	4.314	4.880	4.651	4.426
Weighted Average Svc Fee	0.255	0.417	0.328	0.285
Weighted Average Rem Term	301	309	143	288
% D30 (MBA definition)	1.3%	4.6%	6.4%	2.5%
% D60 (MBA definition)	0.2%	1.4%	1.8%	0.6%
% D90+ (MBA definition)	0.5%	4.0%	4.9%	1.6%
<b>% D30-60-90+</b>	<b>2.0%</b>	<b>9.9%</b>	<b>13.1%</b>	<b>4.7%</b>

Weighted Average Note Rate	4.430	4.952	4.603	4.523
Weighted Average Svc Fee	0.255	0.417	0.328	0.285
Weighted Average Rem Term	300	312	152	290
% D30 (MBA definition)	1.1%	4.9%	6.7%	2.4%
% D60 (MBA definition)	0.2%	1.5%	1.8%	0.6%
% D90+ (MBA definition)	0.4%	3.1%	4.7%	1.4%
<b>% D30-60-90+</b>	<b>1.7%</b>	<b>9.5%</b>	<b>13.2%</b>	<b>4.4%</b>

## Fair Value Assumptions<sup>(c)</sup>:

Lifetime CPR <sup>(d)</sup>	6.70	7.53	7.85	6.94
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.6	\$108.3	\$168.2	\$84.9
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$77
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$552	\$663	\$899	\$749
Ancillary Income <sup>(e)</sup>	\$42.2	\$45.5	\$67.1	\$45.3
Discount Rate	9.7	11.0	10.7	10.0

Lifetime CPR <sup>(d)</sup>	7.05	8.19	7.74	7.27
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.6	\$107.7	\$170.4	\$83.2
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$75
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$550	\$665	\$894	\$734
Ancillary Income <sup>(e)</sup>	\$42.8	\$45.8	\$67.7	\$45.4
Discount Rate	9.4	10.5	10.7	9.6

Lifetime CPR <sup>(d)</sup>	7.21	7.49	7.72	7.30
Cost to Service - Lifetime Total <sup>(e)</sup>	\$68.5	\$104.6	\$172.4	\$82.5
Cost to Service - Lifetime Perf. <sup>(e)(f)</sup>	\$65	\$75	\$130	\$75
Cost to Service - Lifetime NPL <sup>(e)(f)</sup>	\$535	\$662	\$904	\$733
Ancillary Income <sup>(e)</sup>	\$43.0	\$46.2	\$68.2	\$45.6
Discount Rate	9.2	10.6	10.7	9.5

<b>MSR Valuation Multiple</b>	<b>5.61x</b>	<b>4.19x</b>	<b>2.56x</b>	<b>4.95x</b>
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<b>MSR Valuation Multiple</b>	<b>5.60x</b>	<b>4.17x</b>	<b>2.55x</b>	<b>4.99x</b>
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<b>MSR Valuation Multiple</b>	<b>5.62x</b>	<b>4.37x</b>	<b>2.56x</b>	<b>5.05x</b>
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a) Forward owned MSR; includes pledged ESS

b) Includes government MSR with GNMA and non-GNMA investors

c) 3rd party broker assumptions

d) Total voluntary payoffs and involuntary defaults; does not include scheduled payments

e) Annual \$ per loan; ancillary includes REO fee income on Non-Agency MSRs

f) Performing represents Current and D30; NPL represents D60+



# Managing owned MSR to a targeted investment range

(Dollars in billions)	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
Forward Owned	121	122	124	124	123	124	135	141
Reverse Owned	8	8	8	8	9	11	12	12
<b>Total Owned MSR Servicing<sup>(a)</sup> Avg UPB</b>	<b>129</b>	<b>130</b>	<b>132</b>	<b>132</b>	<b>132</b>	<b>135</b>	<b>147</b>	<b>153</b>
Forward Owned w/ ESS	26	26	25	24	24	24	25	24
<b>Owned MSR Servicing excluding ESS Avg UPB</b>	<b>103</b>	<b>104</b>	<b>107</b>	<b>107</b>	<b>108</b>	<b>111</b>	<b>122</b>	<b>128</b>

## MSR Investment Range

- \$115-135B including ESS 2023-2024
- \$115-150B excluding ESS beginning in Q1'25

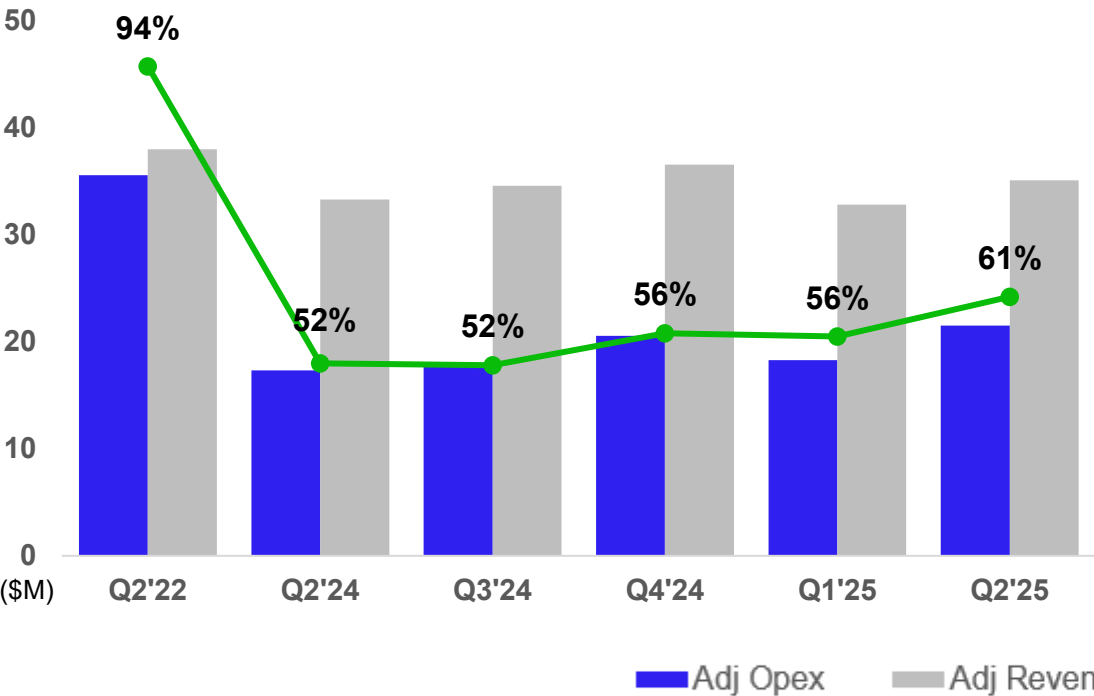
(Dollars in billions)	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25
Servicing Released	0.0	0.0	0.0	6.2	8.6	0.0	0.0	0.0
Subservicing Retained	6.9	0.2	0.4	0.8	0.5	0.7	0.5	0.6
<b>MSR Sales</b>	<b>6.9</b>	<b>0.2</b>	<b>0.5</b>	<b>7.0</b>	<b>9.0</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>
Originations Funded Volume	7.5	5.6	4.6	7.0	8.5	9.6	7.0	9.4
Bulk MSR Purchases	0.1	0.1	0.8	0.3	1.5	8.3	4.9	0.3
<b>MSR Additions</b>	<b>7.6</b>	<b>5.7</b>	<b>5.4</b>	<b>7.3</b>	<b>10.1</b>	<b>17.9</b>	<b>11.9</b>	<b>9.7</b>



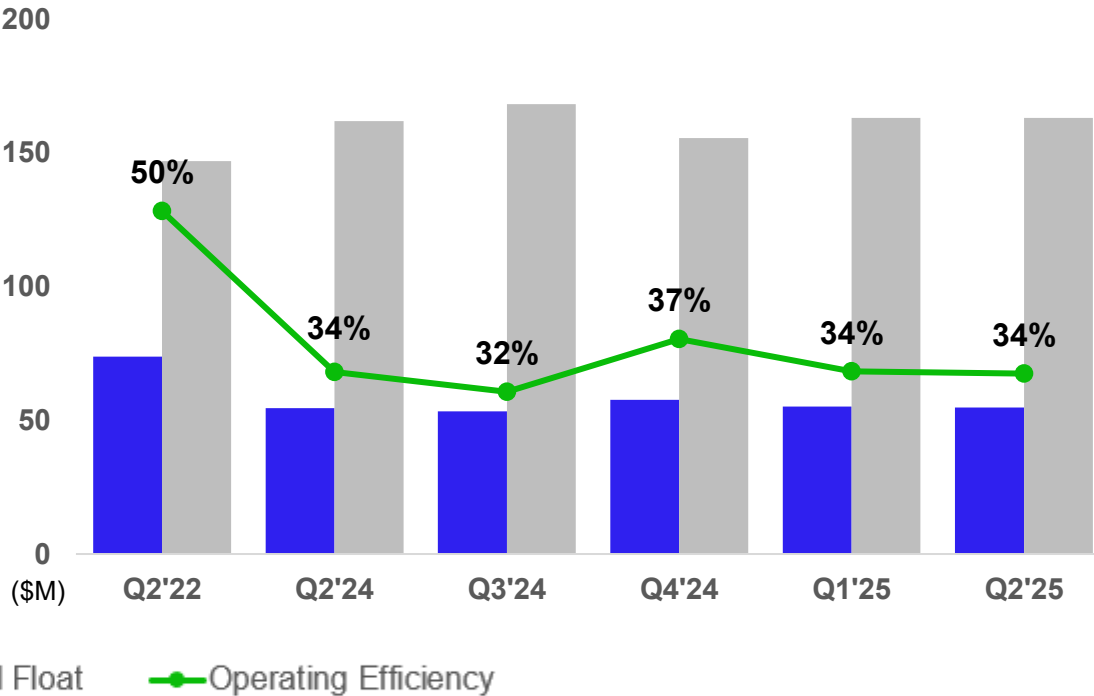
# Scale and diligent cost management maintaining operating efficiency

## Operating Efficiency by Segment

### Originations



### Servicing<sup>(a)</sup>

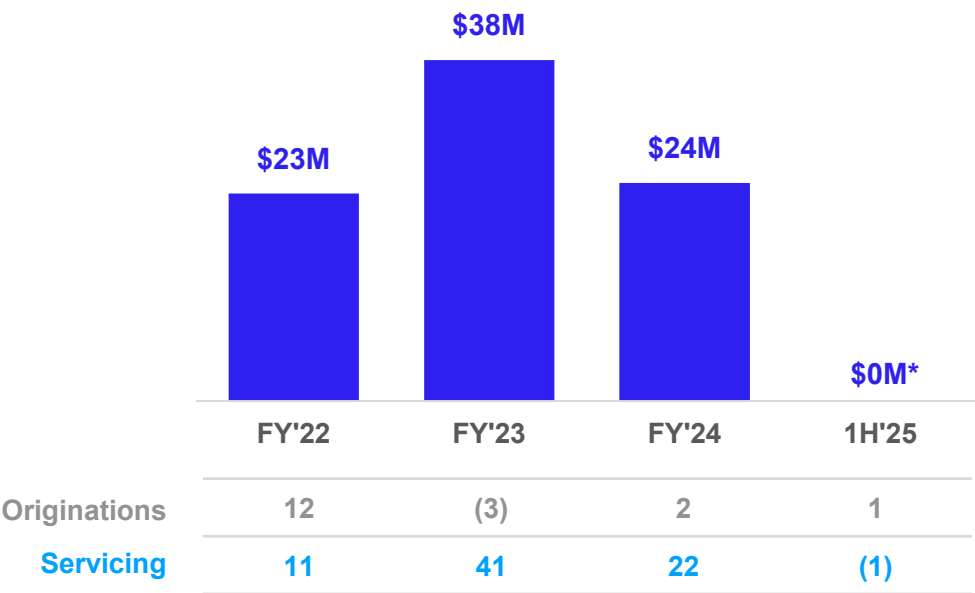


Operating Efficiency = Adj Opex (excl. overhead allocation) as % of Adj Revenue (excl. float earnings)



# Reverse benefits our balanced business model

## Reverse Combined Adjusted Pre-Tax Income<sup>(a)</sup>



- ✓ Creates upside potential on originations market if rates decline
- ✓ Offers cost-efficient hedge to the forward MSR
- ✓ Creates product and service breadth for Correspondent clients who offer both forward and reverse products and want a one-stop solution
- ✓ Enables operational expertise necessary to acquire distressed reverse assets
- ✓ Generates significant liquidity and accretive earnings through securitizations

\$166M

Reverse Originations Q2'25  
➤ 2% of total volume

\$20B

Reverse Owned Servicing and Subservicing Avg UPB Q2'25  
➤ 7% of total book

~13%

Natural hedge for forward MSR in Q2'25

*\* Prior to Q2 '25, delivered profitable growth in 12 of the last 13 quarters. Breakeven first half with reverse originations profitability offset by reverse servicing profitability mainly due to valuation adjustments on buyout loans.*



# Dilution controlled by Onity due to updated agreements

As of 6/30/25  ONIT Share Price \$38.17  Book Value in \$M	Remaining Oaktree Warrant* Settlement Method at Onity's discretion					
	Gross Shares Settlement		Net Settlement in Shares		Net Settlement in Cash	
	Book Value	Share Count	Book Value	Share Count	Book Value	Share Count
<b>I Equity and Outstanding Shares</b>	<b>481.9</b>	<b>8,055,222</b>	<b>481.9</b>	<b>8,055,222</b>	<b>481.9</b>	<b>8,055,222</b>
II Exercise of Warrants* (at Onity's discretion)	31.8	1,184,768	-	352,295	(13.5)	-
<b>III Equity and Shares After Dilution of Warrants [ I + II ]</b>	<b>513.6</b>	<b>9,239,990</b>	<b>481.9</b>	<b>8,407,517</b>	<b>468.4</b>	<b>8,055,222</b>
IV Awards & Options	0.2	535,524	0.2	535,524	0.2	535,524
<b>Estimated Equity and Shares After Dilution of Warrants, Awards and Options [ III + IV ]</b>	<b>513.8</b>	<b>9,775,514</b>	<b>482.1</b>	<b>8,943,041</b>	<b>468.6</b>	<b>8,590,746</b>
Book Value Per Share (BVPS) Reported	\$59.82		\$59.82		\$59.82	
BVPS After Dilution of Warrants	\$55.59		\$57.31		\$58.15	
BVPS After Dilution of Warrants, Awards and Options	\$52.56		\$53.90		\$54.55	
<b>Implied Dilution of Warrants</b>	<b>(\$4.23)</b>		<b>(\$2.51)</b>		<b>(\$1.67)</b>	
<b>Implied Dilution of Warrants % of BVPS</b>	<b>(7.1%)</b>		<b>(4.2%)</b>		<b>(2.8%)</b>	

Data is end of period; share and equity data after dilution assumes exercise of all dilutive stock options and warrants and vesting of all equity-settled restricted stock units, assuming target performance where applicable

\*We issued to Oaktree warrants to purchase 1,184,768 shares of our common stock at a price per share of \$26.82 that may be exercised at any time through March 4, 2027



# Condensed Consolidated Balance Sheets (unaudited)

<b>Assets</b> (Dollars in millions)	<b>June 30, 2024</b>	<b>March 31, 2025</b>	<b>June 30, 2025</b>
Cash and cash equivalents	203	178	194
Restricted cash	46	59	62
Mortgage servicing rights (MSRs), at fair value	2,328	2,547	2,633
Advances, net	551	514	461
Loans held for sale, at fair value	1,107	1,402	2,048
Loans held for investment, at fair value	8,228	10,813	10,471
Receivables, net	153	222	205
Investment in equity method investee	31	-	-
Premises and equipment, net	12	11	10
Other assets	84	106	129
Contingent loan repurchase asset	341	407	318
<b>Total Assets</b>	<b>13,085</b>	<b>16,259</b>	<b>16,531</b>

<b>Liabilities, Mezzanine &amp; Stockholders' Equity</b>	<b>June 30, 2024</b>	<b>March 31, 2025</b>	<b>June 30, 2025</b>
Home Equity Conversion Mortgage-Backed Securities (HMBS) related borrowings, at fair value	8,035	10,588	10,253
Other financing liabilities, at fair value	846	836	818
Advance match funded liabilities	405	377	342
Mortgage loan financing facilities, net	1,190	1,577	2,196
MSR financing facilities, net	928	1,136	1,219
Senior notes, net	555	488	489
Other liabilities	338	340	365
Contingent loan repurchase liability	341	407	318
<b>Total Liabilities</b>	<b>12,638</b>	<b>15,749</b>	<b>16,000</b>
Mezzanine Equity		50	50
Stockholders' Equity	446	460	482
<b>Total Liabilities, Mezzanine and Stockholders' Equity</b>	<b>13,085</b>	<b>16,259</b>	<b>16,531</b>



# Condensed Balance Sheets Breakdown

Assets (Dollars in millions)	June 30, 2025 unaudited	Rithm, MAV & other pledged MSR	Reverse mortgages	GNMA EBO	All others
Cash and cash equivalents	194				194
Restricted cash	62				62
Mortgage servicing rights (MSRs), at fair value	2,633	570			2,063
Advances, net	461				461
Loans held for sale, at fair value	2,048				2,048
Loans held for investment, at fair value	10,471		10,253		218
Receivables, net	205				205
Premises and equipment, net	10				10
Other assets	129				129
Contingent loan repurchase asset	318			318	
<b>Total Assets</b>	<b>16,531</b>	<b>570</b>	<b>10,253</b>	<b>318</b>	<b>5,391</b>
Liabilities, Mezzanine & Stockholders' Equity	June 30, 2025 unaudited	Rithm, MAV & other pledged MSR	Reverse mortgages	GNMA EBO	All others
Home Equity Conversion Mortgage-Backed Securities (HMBS) related borrowings, at fair value	10,253		10,253		
Other financing liabilities, at fair value	818	570			249
Advance match funded liabilities	342				342
Mortgage loan financing facilities, net	2,196				2,196
MSR financing facilities, net	1,219				1,219
Senior notes, net	489				489
Other liabilities	365				365
Contingent loan repurchase liability	318			318	
<b>Total Liabilities</b>	<b>16,000</b>	<b>570</b>	<b>10,253</b>	<b>318</b>	<b>4,859</b>
Mezzanine Equity	50				50
Stockholders' Equity	482				482
<b>Total Mezzanine and Stockholders' Equity</b>	<b>532</b>				<b>532</b>
<b>Equity to Asset Ratio</b>	<b>3.2%</b>				<b>9.9%</b>



# Condensed Consolidated Statements of Operations (unaudited)

(Dollars in millions)	Three months ended	June 30, 2024	March 31, 2025	June 30, 2025
<b>Revenue</b>				
Servicing and subservicing fees		211	203	211
Gain on reverse loans held for investment and HMBS-related borrowings, net		8	24	12
Gain on loans held for sale, net		16	12	10
Other revenue, net		11	11	13
<b>Total Revenue</b>		<b>246</b>	<b>250</b>	<b>247</b>
<b>MSR Valuation Adjustments, net</b>		<b>(33)</b>	<b>(39)</b>	<b>(27)</b>
<b>Operating Expenses</b>				
Compensation and benefits		55	57	61
Servicing and origination		14	13	13
Technology and communications		13	15	15
Professional services		11	23	8
Occupancy, equipment and mailing		7	8	8
Other expenses		4	4	4
<b>Total Operating Expenses</b>		<b>104</b>	<b>120</b>	<b>110</b>
<b>Other Income (Expense)</b>				
Interest income		23	26	32
Interest expense		(73)	(67)	(76)
Pledged MSR liability expense		(46)	(42)	(43)
Earnings of equity method investee		3	-	-
Other, net		(3)	1	(0)
<b>Total Other Income (Expense), net</b>		<b>(96)</b>	<b>(82)</b>	<b>(87)</b>
Income (loss) before income taxes		14	9	23
Income tax expense (benefit)		3	(13)	1
<b>Net income (loss)</b>		<b>11</b>	<b>22</b>	<b>22</b>
Preferred stock dividend		-	(1)	(1)
<b>Net Income (loss) attributable to common stockholders</b>		<b>11</b>	<b>21</b>	<b>20</b>



# Note Regarding Non-GAAP Financial Measures

In the following slides, we present supplemental information (including reconciliations) relating to certain illustrative adjustments to GAAP pre-tax income (loss) and GAAP pre-tax return on equity. We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition, because they are measures that management uses to assess the financial performance of our operations and allocate resources. In addition, management believes that this presentation may assist investors with understanding and evaluating our initiatives to drive improved financial performance. Management believes, specifically, that the removal of fair value changes of our net MSR exposure due to changes in market interest rates and assumptions provides a useful, supplemental financial measure as it enables an assessment of our ability to generate earnings regardless of market conditions and the trends in our underlying businesses by removing the impact of fair value changes due to market interest rates and assumptions, which can vary significantly between periods. However, these measures should not be analyzed in isolation or as a substitute to analysis of our GAAP pre-tax income (loss) or GAAP pre-tax return on equity, nor a substitute for cash flows from operations. There are certain limitations to the analytical usefulness of the adjustments we make to GAAP pre-tax income (loss) and GAAP pre-tax return on equity and, accordingly, we use these adjustments only for purposes of supplemental analysis. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Onity's reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Readers are cautioned not to place undue reliance on analysis of the adjustments we make to GAAP pre-tax income (loss) and GAAP pre-tax return on equity.

The Company has not provided reconciliations of guidance for Adjusted ROE, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include the change in fair value of our net MSR exposure due to changes in market interest rates and assumptions which can vary significantly between periods and are difficult to predict in advance in order to include in a GAAP estimate.

Beginning with the three months ended December 31, 2024, for purposes of calculating Income Statement Notables and Adjusted Pre-Tax Income, we changed the methodology used to calculate Other Income Statement Notables to include change in fair value due to interest rates for reverse loan buyouts (reported in gain/loss on loans held for sale, at fair value). We made this change to align with the change to our risk management approach to include changes in fair value of reverse loan buyouts due to interest rates in our MSR hedge strategy, consistent with other notables, such as Forward MSR Valuation Adjustments due to rates and assumption changes, net and Reverse Mortgage Fair Value Change due to rates and assumption changes. Other Income Statement Notables (a component of Other Notables) for the first three quarters of 2024 have been revised from prior presentations to reflect the methodology we adopted during the fourth quarter of 2024.

On the slide titled "Notables and Adjusted Pre-tax Income (Loss) Calculation", we adjust GAAP pre-tax income (loss) for the following factors: MSR valuation adjustments, expense notables, and other income statement notables. MSR valuation adjustments are comprised of changes to Forward MSR and Reverse mortgage valuations due to rates and assumption changes. Expense notables include significant legal and regulatory settlement expenses, expense recoveries, severance and retention costs, LTIP stock price changes, consolidation of office facilities and other expenses (such as costs associated with strategic transactions). Other income statement notables include non-routine transactions that are not categorized in the above.

On the slide titled "ROE Calculations", we present our calculation of annualized return on equity based on GAAP net income, as well as an annualized return on equity calculation based on adjusted pre-tax income (loss) as calculated in the following slide.



# Notables and Adjusted Pre-tax Income (Loss) Calculation

(Dollars in millions)	Q2'21	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
<b>I Reported net income (loss)</b>	(10)	(80)	(40)	15	8	(47)	30	11	21	(28)
<b>A</b> Income tax benefit (expense)	12	(1)	(2)	(1)	(1)	(2)	(2)	(3)	(6)	6
<b>II Reported pre-tax income (loss) [ I – A ]</b>	(22)	(79)	(38)	16	10	(46)	32	14	28	(34)
Forward MSR valuation adjustments due to rates and assumption changes, net <sup>(a)(b)</sup>	(20)	(72)	(46)	(23)	13	(64)	18	(13)	(1)	14
Reverse mortgage fair value change due to rates and assumption changes <sup>(b)(c)</sup>	5	4	7	(10)	(12)	13	1	(4)	9	(15)
<b>III Total MSR valuation adjustments due to rates and assumption changes, net</b>	(15)	(68)	(39)	(33)	0	(51)	19	(17)	8	(1)
Significant legal and regulatory settlement expenses	(6)	(1)	(2)	28	(3)	(3)	(2)	2	(6)	(2)
Expense recoveries	-	(0)	0	-	-	-	-	-	-	-
Severance and retention <sup>(d)</sup>	-	(6)	(4)	(1)	(0)	(2)	(2)	(1)	(0)	(0)
LTIP stock price changes <sup>(e)</sup>	(2)	(6)	2	(1)	2	(1)	3	1	(1)	(1)
Office facilities consolidation	-	(1)	(0)	0	0	0	(0)	0	(0)	(0)
Other expense notables <sup>(f)</sup>	(5)	1	0	0	1	1	(1)	(1)	0	(0)
<b>B Total expense notables</b>	(13)	(13)	(4)	28	(1)	(5)	(2)	1	(7)	(4)
<b>C</b> Gain (loss) on extinguishment of debt	-	-	-	-	1	0	1	0	0	(51)
<b>D</b> Gain on sale of MAV canopy	-	-	-	-	-	-	-	-	-	14
<b>E</b> Other income statement notables <sup>(g)</sup>	-	(1)	(1)	(1)	(1)	(1)	(2)	(3)	(5)	(3)
<b>IV Total other notables [ B + C + D + E ]</b>	(13)	(14)	(5)	27	(0)	(5)	(2)	(2)	(12)	(44)
<b>V Total notables<sup>(h)</sup> [ III + IV ]</b>	(28)	(83)	(44)	(6)	(0)	(56)	17	(19)	(4)	(45)
<b>Adjusted pre-tax income (loss)<sup>(i)</sup> [ II – V ]</b>	6	4	6	23	10	11	15	32	31	11
Weighted average common shares outstanding (diluted) <i>in M</i>	9.0	7.6	7.5	7.9	8.1	7.7	8.0	7.9	8.1	7.9



# Notables and Adjusted Pre-tax Income (Loss) Calculation

(Dollars in millions)	Q1'25	Q2'25	FY'21	FY'22	FY'23	FY'24	1H'25
<b>I Reported net income (loss)</b>	<b>22</b>	<b>22</b>	<b>18</b>	<b>26</b>	<b>(64)</b>	<b>34</b>	<b>44</b>
<b>A</b> Income tax benefit (expense)	13	(1)	22	1	(6)	(5)	12
<b>II Reported pre-tax income (loss) [ I – A ]</b>	<b>9</b>	<b>23</b>	<b>(4)</b>	<b>25</b>	<b>(58)</b>	<b>39</b>	<b>32</b>
Forward MSR valuation adjustments due to rates and assumption changes, net <sup>(a)(b)</sup>	(12)	6	11	151	(121)	17	(7)
Reverse mortgage fair value change due to rates and assumption changes <sup>(b)(c)</sup>	10	1	(23)	(48)	(3)	(7)	11
<b>III Total MSR valuation adjustments due to rates and assumption changes, net</b>	<b>(2)</b>	<b>6</b>	<b>(12)</b>	<b>103</b>	<b>(124)</b>	<b>10</b>	<b>4</b>
Significant legal and regulatory settlement expenses	(14)	2	(12)	7	21	(8)	(12)
Expense recoveries	-	-	(3)	4	-	-	-
Severance and retention <sup>(d)</sup>	(0)	(0)	-	(19)	(7)	(3)	(0)
LTIP stock price changes <sup>(e)</sup>	0	(2)	(6)	6	3	1	(1)
Office facilities consolidation	(0)	(0)	(0)	(4)	0	(0)	(0)
Other expense notables <sup>(f)</sup>	1	1	(16)	1	2	(2)	1
<b>B Total expense notables</b>	<b>(14)</b>	<b>1</b>	<b>(37)</b>	<b>(5)</b>	<b>18</b>	<b>(12)</b>	<b>(12)</b>
<b>C</b> Gain (loss) on extinguishment of debt	-	-	(15)	1	1	(49)	-
<b>D</b> Gain on sale of MAV canopy	-	-	-	-	-	14	-
<b>E</b> Other income statement notables <sup>(g)</sup>	(0)	(1)	(1)	(4)	(2)	(13)	(1)
<b>IV Total other notables [ B + C + D + E ]</b>	<b>(14)</b>	<b>0</b>	<b>(52)</b>	<b>(9)</b>	<b>17</b>	<b>(60)</b>	<b>(14)</b>
<b>V Total notables<sup>(h)</sup> [ III + IV ]</b>	<b>(16)</b>	<b>6</b>	<b>(64)</b>	<b>94</b>	<b>(107)</b>	<b>(51)</b>	<b>(10)</b>
<b>Adjusted pre-tax income (loss)<sup>(i)</sup> [ II – V ]</b>	<b>25</b>	<b>16</b>	<b>59</b>	<b>(70)</b>	<b>49</b>	<b>90</b>	<b>42</b>
Weighted average common shares outstanding (diluted) in M	8.4	8.5	9.4	9.0	7.6	8.1	8.5



# ROE Calculations

(Dollars in millions)	Q2'24	Q1'25	Q2'25	1H'25
I Reported net income (loss)	11	22	22	44
A Preferred stock dividend	-	(1)	(1)	(2)
II Reported net income (loss) attributable to common stockholders [ I + A ]	11	21	20	42
III Annualized net income (loss) [ II * 4 for qtr. ]	42	84	82	83
B Beginning period common equity	432	443	460	443
C Ending period common equity	446	460	482	482
IV Average equity [ ( B + C ) / 2 ]	439	452	471	462
GAAP ROE [ III / IV ] (after tax)	10%	19%	17%	18%

(Dollars in millions)	Q2'24	Q1'25	Q2'25	1H'25
I Reported net income (loss)	11	22	22	44
II Notable items	(19)	(16)	6	(10)
III Income tax benefit (expense)	(3)	13	(1)	12
IV Adjusted pre-tax income (loss) <sup>(a)</sup> [ I - II - III ]	32	25	16	42
V Annualized adjusted pre-tax income (loss) [ IV * 4 for qtr. ]	128	102	66	84
A Beginning period common equity	432	443	460	443
C Ending period common equity	446	460	482	482
D Equity impact of notables	19	16	(6)	10
B Adjusted ending period equity [ C + D ]	465	477	475	492
VI Average adjusted equity [ ( A + B ) / 2 ]	448	460	468	467
Adjusted ROE <sup>(a)</sup> [ V / VI ] (pre-tax)	29%	22%	14%	18%



# Q2'25 P&L GAAP to Adjusted Bridge

Servicing Segment (Dollars in millions)	GAAP	Rithm, MAV & Other Pledged MSR Reclass	Reverse Reclass	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclass	Adjusted
Revenue	217	(30)	5	(1)	1		192
MSR Valuation Adjustments, net	(31)		(4)	(6)			(41)
Operating Expenses	(63)	0	(1)		(4)	13	(55)
Other Income (Expense)	(83)	30			(0)		(52)
Corporate Overhead Allocations	-					(13)	(13)
<b>Pre-tax Income</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(3)</b>	<b>-</b>	<b>31</b>

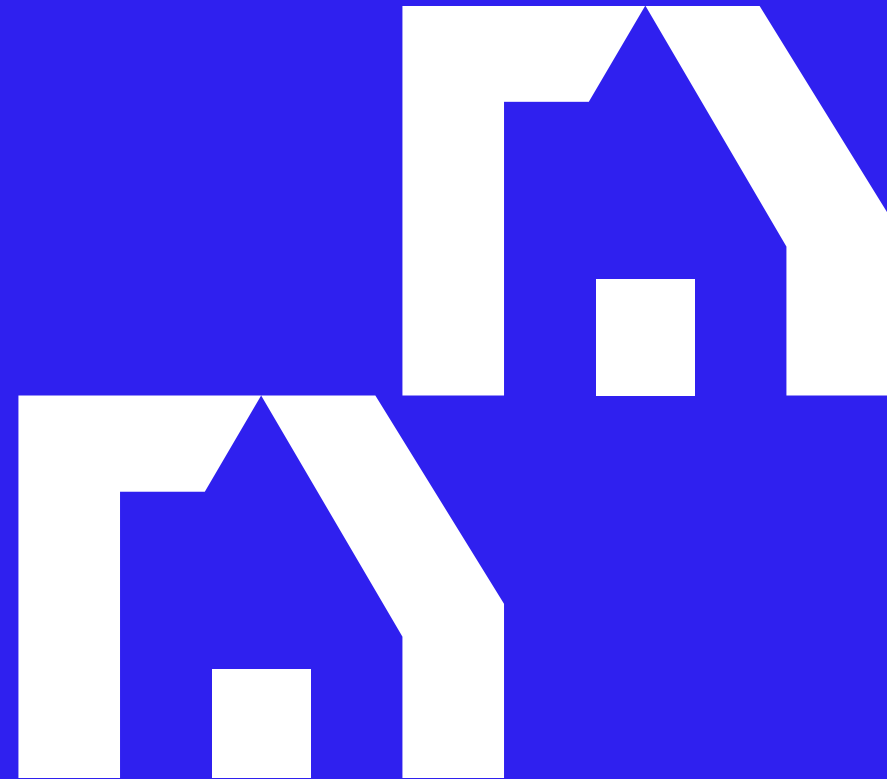
Originations Segment (Dollars in millions)	GAAP	Rithm, MAV & Other Pledged MSR Reclass	Reverse Reclass	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclass	Adjusted
Revenue	29			6			35
MSR Valuation Adjustments, net	4			(6)	(0)		(2)
Operating Expenses	(26)	0			0	4	(22)
Other Income (Expense)	1	(0)					1
Corporate Overhead Allocations	-					(4)	(4)
<b>Pre-tax Income</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>9</b>

Consolidated (Dollars in millions)	GAAP	Rithm, MAV & Other Pledged MSR Reclass	Reverse Reclass	MSR FV Adjustments Notables	Other Notables	Inter-Segment Reclass	Adjusted
Revenue	247	(30)	5	5	1		227
MSR Valuation Adjustments, net	(27)		(4)	(11)			(42)
Operating Expenses	(110)	0	(1)	(0)	(1)		(112)
Other Income (Expense)	(87)	30			(0)		(57)
<b>Pre-tax Income</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(0)</b>	<b>-</b>	<b>16</b>



# End Notes



# End Notes

## SLIDE 3

- a) Adjusted ROE refers to annualized adjusted PTI return on common equity; see slides 33-37 for discussion of non-GAAP measures; guidance assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters; in the past, results have differed materially from our expectations, and this may happen again

## SLIDE 4

- a) See slides 33-37 for discussion of non-GAAP measures; adjusted ROE refers to annualized adjusted PTI return on common equity (see slide 36 for calculation)
- b) Guidance provided on slide 16 of our Q4'24 earnings presentation; assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters; in the past, results have differed materially from our expectations, and this may happen again

## SLIDE 5

- a) Industry growth is avg of MBA Mortgage Finance Forecast as of 4/11/25 and FNMA Housing Forecast as of 4/11/25
- b) Preliminary forecast for Q2'25 based on data from MBA's Weekly Applications Survey; Q2'25 vs Q2'24
- c) Industry growth is avg of MBA Mortgage Finance Forecast as of 7/17/25 and FNMA Housing Forecast as of 7/11/25

## SLIDE 6

- a) See slides 33-37 for discussion of non-GAAP measures
- b) Sources: Freddie Mac Primary Mortgage Market Survey, U.S. Department of the Treasury Resource Center

## SLIDE 8

- a) YoY comparison of Q2'25 to Q2'24; industry growth is avg of MBA Mortgage Finance Forecast as of 7/17/25 and FNMA Housing Forecast as of 7/11/25

## SLIDE 9

- a) Source: Freddie Mac Primary Mortgage Market Survey

## SLIDE 9 cont.

- b) Onity's refinance recapture rate by balance (Q3'24 through Q2'25) as a multiple of industry rate (avg of Q3'24, Q4'24 and Q1'25); industry data source: ICE Mortgage Monitor report Jun'25; LTM refinance recapture rates for other nonbanks are estimates of Q3'24 through Q2'25 using data from their earnings materials; Q2'25 LTM rates for large nonbanks 1 and 2 are their refinance recapture rates (excl. closed-end seconds) for FY'24, Q1'25 and Q2'25 as reported in their Q4'24, Q1'25, and Q2'25 earnings materials – weighted by estimated quarterly refinance payoff volume; Q2'25 LTM rate for large nonbank 3 is their refinance recapture rate as reported in their Q3'24, Q4'24, Q1'25, and Q2'25 earnings materials – weighted by estimated quarterly refinance payoff volume; Q2'25 rates for large nonbanks 1 and 3 are as reported in their Q2'25 earnings materials; Q2'25 rate for large nonbank 2 is imputed from their Q1'25 rate reported in their Q1'25 earnings materials and their 1H'25 rate reported in their Q2'25 earnings materials
- c) Q2'25 LTM refinance recapture rate for loans initially originated in our Consumer Direct channel

## SLIDE 10

- a) GSE Awards for last 4 years include FNMA STAR and FHLMC SHARP (2023-2024 recognized as a subservicer for SHARP)
- b) Cost per loan (CPL) comparison of Onity to large banks/nonbanks (excl. Onity) in FY'24 for forward residential mortgages (source: MBA's 2025 Servicing Operations Study); CPL defined as fully-loaded opex divided by avg loan count; large banks/nonbanks have at least 1 million loans serviced; survey results: Onity's CPL is 23% lower than large nonbanks and 25% lower than large banks for performing loans (< 60 days past due), as well as 52% lower than large nonbanks and 70% lower than large banks for non-performing loans (60+ days past due)
- c) Positive experience scores for call center and loan boarding based on responses to borrower surveys in 1H'25 (based on a 5-star rating); client net promoter score based on subservicing client surveys in 1H'25

## SLIDE 12

- a) LoanSpan's AI assistant (LASI) is focused on making it easier for clients to access the vast amounts of data within the platform; LASI can quickly analyze text queries and provide personalized and accurate responses

## SLIDE 14

- a) See slides 33-37 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted PTI would be \$14M in Q1'24, \$32M in Q2'24, \$35M in Q3'24, \$8M in Q4'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) Adjusted ROE refers to annualized adjusted PTI return on common equity (see slide 36 for calculation); see slides 33-37 for discussion of non-GAAP measures; guidance assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters; in the past, results have differed materially from our expectations, and this may happen again

## SLIDE 15

- a) See slides 33-37 for discussion of non-GAAP measures

## SLIDE 16

- a) Revenue margin defined as total revenue for the channel divided by its funded UPB (pull-through adjusted locks UPB for Consumer Direct)
- b) Lock pipeline multiplied by the percentage expected to fund based on loan characteristics and historical performance

## SLIDE 17

- a) See slides 33-37 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Reverse Servicing adjusted PTI would be \$3M in Q2'24, and total Servicing adjusted PTI would still be ~\$50M in Q2'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) Comparison of change in 30+, 60+, and 90+ delinquency rates YTD and YoY for forward servicing; industry data as of 6/30/25 from Intercontinental Exchange



# End Notes

## SLIDE 18

- a) MSR valuation adjustments that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall fair value gains / (losses) on MSR hedge, including FV changes of Pledged MSR liabilities associated with MSR transferred to MAV, RITM and others and ESS financing liabilities that are due to changes in market interest rates, valuation inputs or other assumptions, a component of MSR valuation adjustments, net; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, MSR valuation adjustments due to rates and assumption changes, net would be \$20M in Q1'24, (\$16M) in Q2'24, \$4M in Q3'24, and \$3M in Q4'24

## SLIDE 19

- a) See slides 33-37 for discussion of non-GAAP measures
- b) Assumes we achieve our objectives and there are no adverse changes to market, industry, or business conditions or legal and regulatory matters; in the past, results have differed materially from our expectations, and this may happen again
- c) Annualized adjusted PTI return on common equity; see slides 33-37 for discussion of non-GAAP measures
- d) 10+% increase in total servicing UPB from year-end 2024 to year-end 2025
- e) Due to April market volatility, we adjusted our hedge target from 90-110% to 80-100% to optimize liquidity and MSR returns; we regularly evaluate the hedge coverage ratio at the intended shock interval to determine if it is relevant or warrants adjustment based on market conditions, symmetry of interest rate risk exposure, liquidity impacts under shock scenarios and other factors; as the market dictates, we may choose to maintain the hedge coverage ratio at different thresholds to preserve liquidity, improve hedge effectiveness and/or optimize asset returns
- f) Efficiency ratio defined as adjusted operating expenses (which excludes overhead allocation at segment level) divided by adjusted revenue (excluding float earnings)
- g) US deferred tax valuation allowance per outstanding shares 12/31/24; at this time, we do not know when or how much of the valuation allowance may be released; investors are cautioned not to assume that a benefit of ~\$22 per share will be realized

## SLIDE 22

- a) See slide 10 for cost structure comparison to peers from MBA's 2025 Servicing Operations Study
- b) See slide 10 for servicer awards that include HUD Tier 1 ranking for 4 consecutive years

## SLIDE 23

- a) See slides 33-37 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted PTI would still have been \$32M in Q2'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- b) MSR valuation adjustments that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall fair value gains / (losses) on MSR hedge, including FV changes of Pledged MSR liabilities associated with MSR transferred to MAV, RITM and others and ESS financing liabilities that are due to changes in market interest rates, valuation inputs or other assumptions, a component of MSR valuation adjustments, net; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, MSR valuation adjustments due to rates and assumption changes, net would be (\$16M) in Q2'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- c) GAAP net income (loss) attributable to common stockholders per share
- d) GAAP annualized return on common equity; see slide 36 for calculation
- e) Annualized adjusted PTI return on common equity; see slide 36 for calculation; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted ROE would be 28% for Q2'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information
- f) Unrestricted cash plus available credit

## SLIDE 24

- a) Includes owned MSRs, reverse mortgage loans (referred to as our reverse MSR) and other whole loans
- b) Fair value of the pledged liability for Rithm, MAV and other pledged MSRs, and for ESS

## SLIDE 26

- a) Includes owned MSRs, reverse mortgage loans (referred to as our reverse MSR) and other whole loans

## SLIDE 27

- a) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Servicing operating efficiency ratio would be 34% in Q2'24, 31% in Q3'24, and 38% in Q4'24

## SLIDE 28

- a) See slides 33-37 for discussion of non-GAAP measures; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, Reverse Servicing adjusted PTI would still be ~\$22M and Reverse combined adjusted PTI would still be ~\$24M in FY'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information



# End Notes

## SLIDE 34 & 35

- a) MSR valuation adjustments that are due to changes in market interest rates, valuation inputs or other assumptions, net of overall fair value gains / (losses) on MSR hedge, including FV changes of Pledged MSR liabilities associated with MSR transferred to MAV, Rithm and others and ESS financing liabilities that are due to changes in market interest rates, valuation inputs or other assumptions, a component of MSR valuation adjustments, net; adjustments exclude valuation gains on MSR purchases of \$8.8M for Q2'21, \$2.6M for Q4'22, \$1.9M for Q1'23, \$19.6M for FY'21, \$9.9M for FY'22, and \$1.9M for FY'23; effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, MSR valuation adjustments due to rates and assumption changes, net would be \$20M in Q1'24, (\$16M) in Q2'24, \$4M in Q3'24, \$3M in Q4'24, and \$11M in FY'24
- b) The changes in fair value due to market interest rates were measured by isolating the impact of market interest rate changes on the valuation model output as provided by our third-party valuation expert
- c) FV changes of loans HFI and HMBS related borrowings due to market interest rates and assumptions, a component of gain on reverse loans held for investment and HMBS-related borrowings, net
- d) Severance and retention due to organizational rightsizing or reorganization
- e) Long-term incentive program (LTIP) compensation expense changes attributable to stock price changes during the period
- f) Contains costs associated with but not limited to rebranding, MAV upside, costs related to the reverse subservicing acquisition from RMS (MAM), and other strategic initiatives and transactions
- g) Contains non-routine transactions including but not limited to early payoff expense and fair value assumption changes on other investments recorded in other income/expense
- h) Certain previously presented notable categories with nil numbers for each period shown have been omitted

## SLIDE 34 & 35 cont.

- i) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted PTI would be \$14M in Q1'24, \$32M in Q2'24, \$35M in Q3'24, \$8M in Q4'24, and \$89M in FY'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information

## SLIDE 36

- a) Effective in Q4'24, change in fair value due to interest rates for reverse loan buyouts is now recognized as a notable (previously reported in gain/loss on loans held for sale, at fair value); presentation of past periods has been conformed to the current presentation; without this change, adjusted pre-tax income would be \$32M and adjusted ROE would be 28% in Q2'24; see slide titled "Note Regarding Non-GAAP Financial Measures" for more information



# Abbreviations & Definitions

- **Adj / Adjusted:** Non-GAAP measure of PTI, ROE, revenue, opex (See slide titled “Note Regarding Non-GAAP Financial Measures”)
- **Agency:** FHLMC, FNMA, and/or GNMA
- **AI:** Artificial Intelligence
- **B:** Billion
- **B2B:** Business-to-Business (includes Correspondent and Co-Issue origination channels)
- **bps:** Basis Points (1/100<sup>th</sup> of a percent)
- **BVPS:** Book Value Per Share
- **CAGR:** Compound Annual Growth Rate
- **CFPB:** Consumer Financial Protection Bureau
- **COOP:** Mr. Cooper Inc.
- **CPL:** Cost per Loan
- **CPR:** Conditional Prepayment Rate
- **D##:** ## Days past due (MBA methodology)
- **EBO:** Early Buyout (GNMA)
- **EPS:** Earnings (Loss) Per Share
- **EquityIQ:** Onity’s proprietary reverse mortgage product
- **ESS:** Excess Servicing Spread
- **FHLMC / Freddie (Mac):** Federal Home Loan Mortgage Corporation
- **FNMA / Fannie (Mae):** Federal National Mortgage Association
- **FTE:** Full-Time Equivalent
- **FV:** Fair Value
- **Fwd:** Forward Mortgage
- **FY:** Fiscal Year
- **GAAP:** Generally Accepted Accounting Principles
- **GNMA / Ginnie (Mae):** Government National Mortgage Association
- **Gov’t:** Government loan types
- **GSE:** Government Sponsored Enterprise (FNMA, FHLMC)
- **#H:** Half of the fiscal year
- **HECM:** Home Equity Conversion Mortgage
- **HFI:** Loans Held for Investment
- **HMBS:** Home Equity Conversion Mortgage-Backed Securities
- **HUD:** U.S. Department of Housing and Urban Development
- **ICE:** Intercontinental Exchange (parent company of Black Knight, Inc. which produces the ICE mortgage monitor report)
- **IDP:** Intelligent Document Processing
- **Fitch:** Fitch Ratings (credit rating agency)
- **k:** Thousand
- **LASI:** LoanSpan’s AI assistant (Generative AI assisted subservicing client support)
- **LLM:** Large Language Model
- **LTIP:** Long-term Incentive Program
- **LTM:** Last 12 Months
- **M:** Million
- **M&A:** Mergers and Acquisitions
- **MAM:** Mortgage Assets Management, LLC
- **MAV:** MSR Asset Vehicle, LLC (Onity subservices for MAV)
- **MBA:** Mortgage Bankers Association
- **ML:** Machine Learning
- **Moody’s:** Moody’s Ratings (credit rating agency)
- **MSR:** Mortgage Servicing Rights
- **NAMB:** National Association of Mortgage Brokers
- **Nonbank:** Financial institution that originates and/or services mortgages but does not have a banking license
- **NLP:** Natural Language Processing
- **NPL:** Non-Performing Loan
- **NPS:** Net Promoter Score
- **OCR:** Optical Character Recognition
- **ONIT:** Onity Group, Inc. NYSE stock symbol
- **Opex:** Operating Expenses
- **Orig:** Mortgage Originations Business Segment
- **Perf:** Performing Loan
- **PHH:** PHH Mortgage Corporation, a wholly-owned subsidiary of ONIT
- **PIF:** Paid-in-Full
- **PLS:** Private-Label Securities
- **pp(s):** Percentage Points
- **PTI:** Pre-Tax Income (Loss)
- **Q#:** Quarter of the fiscal year
- **QoQ:** Quarter-over-Quarter
- **Refi:** Mortgage Refinance
- **Rem Term:** Remaining Term
- **REO:** Real Estate Owned
- **RITM:** Rithm Capital Corp.
- **RKT:** Rocket Companies, Inc.
- **RMS:** Reverse Mortgage Solutions, Inc.
- **ROE:** Annualized Return on Common Equity
- **RPA:** Robotic Process Automation
- **Rvs:** Reverse Mortgage
- **SEC:** Securities and Exchange Commission
- **Serv:** Mortgage Servicing Business Segment
- **SHARP:** Servicer Honors and Rewards Program (FHLMC)
- **S&P:** S&P Global Ratings (credit rating agency)
- **SSON:** Shared Services & Outsourcing Network
- **STAR:** Servicer Total Achievement Rewards (FNMA)
- **Svc Fee:** Servicing Fee
- **T:** Trillion
- **UPB:** Unpaid Principal Balance
- **VA:** Deferred Tax Valuation Allowance
- **YE:** Year-End
- **YoY:** Year-over-Year
- **YTD:** Year-to-Date



# ONITY™

**We get it done**

Customer first.    Better together.    We say. We do.