

**DEPARTMENT OF BUSINESS OVERSIGHT***Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****For Immediate Release**

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## **Ocwen Agrees to \$2.5 Million Settlement for Failing to Provide Loan Information**

*Ocwen to also pay for auditor to ensure compliance with state laws*

SACRAMENTO – The California Department of Business Oversight (DBO) announced a [\\$2.5 million settlement](#) today with Ocwen Loan Servicing, LLC over the firm's failure for more than a year to provide loan information needed by the DBO to assess Ocwen's compliance with state mortgage lending laws.

"The Department is committed to supporting a fair and secure financial services marketplace for all California consumers," said DBO Commissioner Jan Lynn Owen. "This settlement allows us to move forward and ensure that Ocwen is meeting its obligations under the law."

Under the consent order agreement, the DBO will select an independent, third-party auditor, paid for by Ocwen, whose duties will include ensuring Ocwen provides the DBO all the information it has requested from loan files. Ocwen also will pay \$2.5 million in penalties and cover the DBO's administrative costs associated with the case.

The settlement also prohibits Ocwen from taking on any new California customers until the DBO determines the firm can fully respond in a timely manner to future requests for information, and the DBO will drop its effort to suspend Ocwen's license to operate in California. Filed Oct. 3, 2014, the formal accusation grew out of Ocwen's conduct during a routine regulatory examination and will now be withdrawn.

The third-party auditor will review the loan-file information. Based on the review, the auditor will submit a report to the DBO on Ocwen's compliance with the California Residential Mortgage Lending Act, the 2012 Homeowner Bill of Rights, and other state and federal laws and regulations.

Additionally, the auditor will submit a report to the Commissioner and Ocwen that assesses the firm's loan servicing procedures, processes and staffing levels. Ocwen will have to adopt an action plan to correct any deficiencies identified by the auditor. The Commissioner must approve the action plan, and the auditor will oversee its implementation by Ocwen.

The DBO retains the ability to pursue an enforcement action against Ocwen should the examination of the loan files uncover substantive violations of laws designed to protect mortgage loan consumers.

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