

DEPARTMENT OF ADMINISTRATION
DIVISION OF BANKING & FINANCIAL INSTITUTIONS



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NEWS RELEASE

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FOR IMMEDIATE RELEASE

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**Montana Issues Temporary Cease-and-Desist Order to
Ocwen Loan Servicing, LLC**

Montana has issued a temporary cease-and-desist order to Ocwen Loan Servicing, LLC, (Ocwen) to address mishandling of borrower escrow accounts. Ocwen is a mortgage servicer. Mortgage servicers receive borrower mortgage payments and are responsible for timely paying taxes and insurance payments, keeping accurate records of all borrower payments, and correctly calculating sums that should be paid into escrow. The order prohibits Ocwen from acquiring new mortgage servicing rights until the company is able to establish that it can appropriately manage its Montana escrow accounts. The order is the culmination of several years of examinations and monitoring that revealed the company is not appropriately managing its escrow accounts.

Governor Steve Bullock said, "As Attorney General, I joined with other states in holding the big banks and servicers accountable for abusive practices committed against homeowners. This action is necessary to ensure that hardworking Montanans aren't at risk of losing their homes due to Ocwen error."

Over the past three years, the Montana Division of Banking and Financial Institutions has handled 16 complaints against Ocwen and required Ocwen to credit \$51,368.56 to Montana borrowers. Melanie Hall,

Montana Banking Commissioner, said, “Managing borrower funds paid as part of their mortgage payments every month is critical to the business of a servicer. A company that cannot demonstrate that it can accurately accomplish these basic requirements cannot be allowed to continue to grow and potentially cause harm to additional Montanans.” Division officials will now focus on assisting borrowers who currently make mortgage payments to Ocwen. Montana has a toll free number that Ocwen borrowers who have experienced problems with payments or any other account issues can call with questions. (800) 914-8423.

Additional information is available to borrowers at banking.mt.gov

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