



- News
- Forum
- E-mag
- Resources
- Jobs
- Find a lender
- Subscribe
- Advertise

Ocwen to pay millions over kickback allegations

📧 Email to a colleague

by [Ryan Smith](#) | Apr 29, 2015

LATEST JOBS

- ▶ Loan Officer
- ▶ Mortgage Loan Officer
- ▶ Licensed Loan Officer

MOST DISCUSSED

Do low-income families deserve homes?

- White paper
- MPA's HOT 100
- Branch Network Opportunities
- Hard/Private money database
- Mortgage Jobs

Legal woes continue for Ocwen as the beleaguered mortgage servicer, along with the country's largest force-placed insurer, has agreed to pay a settlement over claims of kickbacks and inflated prices.

Ocwen and force-placed insurer Assurant have agreed to pay \$140 million to settle class-action claims that Ocwen artificially inflated the cost of the insurance in return for kickbacks from Assurant, according to Law360. As part of the settlement, homeowners who were charged for force-placed insurance can submit a claim for settlement funds. Ocwen has not admitted any wrongdoing.

The mortgage servicer has long had a less-than-sterling reputation, with multiple accusations of poor servicing and multiple investigations by various government agencies into its business practices. The company saw a loss of half a billion dollars in 2014, due in large part to litigation costs. In March, Ocwen was fired from two mortgage servicing contracts, representing \$264 million in unpaid principal, after bondholders accused the company of improper servicing practices. Moody's Investor Service also downgraded Ocwen's servicer rating after it was found the company had backdated foreclosure letters.

