
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): November 7, 2022

Mr. Cooper Group Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-14667
(Commission
File Number)

91-1653725
(I.R.S. Employer
Identification No.)

8950 Cypress Waters Blvd.
Coppell, TX 75019
(Address of Principal Executive Offices, and Zip Code)

469-549-2000
Registrant's Telephone Number, Including Area Code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class
Common Stock, \$0.01 par value per share

Securities registered pursuant to Section 12(b) of the Act:
Trading Symbol(s)
COOP

Name of each exchange on which registered
The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

In connection with investor meetings scheduled for the week of November 7, 2022, Mr. Cooper Group Inc. (the "Company") intends to provide the investor presentation slides furnished as Exhibit 99.1 to this Current Report on Form 8-K. Additionally, the Company provided the following update:

- Last week, the Company completed its actions to realign capacity in the Originations segment, consistent with reduced customer demand in a higher mortgage-rate environment. These actions resulted in the elimination of approximately 800 positions.
- During the fourth quarter, the Company expects to incur a charge of approximately \$20 million for the reductions in force in the Originations segment and for other efficiency initiatives across the organization.
- Additionally, the Company clarified its outlook for servicing pretax operating income: after ramping to \$140 million in the fourth quarter, servicing pretax operating income is expected to total between \$550 and \$600 million during 2023, assuming no change in current mortgage rates.

The information furnished pursuant to this Item 7.01 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor will such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. Our actual results could differ materially from those predicted or implied. Undue reliance should not be placed on the forward-looking statements in this Current Report on Form 8-K. We assume no obligation to update such statements.

Non-GAAP Financial Measures

The Company utilizes non-GAAP financial measures as the measures provide additional information to assist investors in understanding and assessing the Company's and our business segments' ongoing performance and financial results, as well as assessing our prospects for future performance. The adjusted operating financial measures facilitate a meaningful analysis and allow more accurate comparisons of our ongoing business operations because they exclude items that may not be indicative of or are unrelated to the Company's and our business segments' core operating performance and are better measures for assessing trends in our underlying businesses. These notable items are consistent with how management views our businesses. The Company is unable to provide a reconciliation of the forward-looking non-GAAP financial measures of Originations pretax operating income and Servicing pre-tax operating income contained in this Form 8-K to their most directly comparable GAAP financial measures, because the information necessary for a quantitative reconciliation of the forward-looking non-GAAP financial measures to their respective most directly comparable GAAP financial measure is not (and was not, when prepared) available to the Company without unreasonable efforts due to the inherent difficulty and impracticability of predicting certain amounts required by GAAP with a reasonable degree of accuracy. Pre-tax income (loss) includes the impact of certain items, such as mark-to-market in the Servicing segment, that impact comparability between periods, which may be significant and are difficult to project with a reasonable degree of accuracy. In addition, the Company believes such reconciliation could imply a degree of precision that might be confusing or misleading to investors. The probable significance of providing these forward-looking non-GAAP financial measures without the directly comparable GAAP financial measures is that such GAAP financial measures may be materially different from the corresponding non-GAAP financial measures.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit
Number

Description

[99.1](#) [Mr. Cooper Group Inc. Investor Update, dated November 7, 2022](#)



Mr. CooperGroup®

INVESTOR UPDATE

November 7, 2022

IMPORTANT INFORMATION

This presentation contains summarized information concerning Mr. Cooper Group Inc. ("Mr. Cooper" or the "Company") and the Company's business, operations, financial performance and trends. No representation is made that the information in this presentation is complete. For additional financial, statistical and business related information, as well as information regarding business and segment trends, see the Company's most recent Annual Report on Form 10-K ("Form 10-K") and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well other reports filed with the SEC from time to time. Such reports are or will be available in the Investors section of the Company's website (www.mrcoopergroup.com) and the SEC's website (www.sec.gov).

Forward Looking Statements. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical or current fact included in this presentation that address activities, events, conditions or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business and these statements are not guarantees of future performance.

Forward-looking statements may include the words "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "strategy," "future," "opportunity," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. Certain of these risks are identified and discussed in documents Mr. Cooper has filed or will file from time to time with the SEC. These risk factors will be important to consider in determining future results and should be reviewed in their entirety. These forward-looking statements are expressed in good faith, and Mr. Cooper believes there is a reasonable basis for them. However, the events, results or trends identified in these forward-looking statements may not occur or be achieved. Forward-looking statements speak only as of the date they are made, and Mr. Cooper is not under any obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, except as required by law. Readers should carefully review the statements set forth in the reports that Mr. Cooper has filed or will file from time to time with the SEC.

BALANCED BUSINESS MODEL – TRACK RECORD



2023 OUTLOOK: FOCUS ON EFFICIENCY AND CAPITAL

Servicing	<p>Estimating \$550-600 mm operating EBT on Fed Funds curve and lower CPRs</p> <ul style="list-style-type: none"> • Intense focus on positive operating leverage AND additional efficiencies • MSR yields approaching distressed levels – sizeable growth opportunity in connection with third-party capital • Larger hedge seems premature
Originations	<p>Realignment complete (reduction in ~800 FTEs)</p> <ul style="list-style-type: none"> • Profitability currently limited by rates/spreads – we expect our DTC margins and correspondent volumes to rebound when MBS market stabilizes
Xome	<p>Monetization timing likely to follow EBT Ramp</p> <ul style="list-style-type: none"> • Forbearance recidivism expected to increase with higher mortgage rates • With home prices now falling, foreclosures expected to start ramping in 2H'23
Capital Deployment	<p>MSR yields are extremely attractive, BUT we see higher returns to stock repurchase at current levels</p>